

Federal Election Commission

Office *of the* Inspector General

FY 2026 Oversight Plan

January 28, 2026



Table of Contents

Introduction2

Annual Planning and Methodology.....3

Mandatory Work and Reporting.....4

Discretionary Audits, Evaluations, and Reviews6

Internal Projects.....8

Other Planned Work9

Introduction

The Federal Election Commission (FEC) Office of the Inspector General (OIG) implements an annual oversight plan to ensure its resources are effectively and efficiently utilized throughout the fiscal year (FY). We are providing this plan to our stakeholders as a baseline for the OIG's activities in FY 2026, although we recognize that priorities and resources may shift throughout the year.

We have divided the oversight plan into the following sections:

- Mandatory work and reporting;
- Discretionary audits, evaluations, and reviews;
- Internal projects; and
- Other planned work.

Standards for Work

The professional standards that apply to an OIG project depend on the type of activity. OIG audits are subject to the *Generally Accepted Government Auditing Standards* (GAGAS) issued by the Government Accountability Office (GAO), more commonly known as the Yellow Book. OIG evaluations are subject to the *Quality Standards for Inspection and Evaluation* issued by the Council of the Inspectors General on Integrity and Efficiency (CIGIE), which is known as the Blue Book. All OIG investigative activities are subject to CIGIE's *Quality Standards for Investigations*. Additionally, the OIG may conduct other special reviews or oversight activities that are not technically audits, evaluations, or investigations. Those special reviews and oversight activities are conducted in accordance with CIGIE's *Quality Standards for Federal Offices of Inspector General* or other applicable Federal standards.

Annual Planning and Methodology

The planning methodology adopted by the OIG is based on a formal risk assessment process, which this year was completed in September 2025.¹ The purpose of the annual risk assessment is to better align OIG resources to areas that will provide the most value to the FEC.²

A risk assessment is a process to identify, assess, and report on opportunities and threats that affect the achievement of objectives. The OIG's risk assessment considers agency operations and performance data, employee interviews, agencywide surveys, and results of past work conducted by the OIG to identify agency risk and develop a risk-based approach to conducting audits, inspections, and evaluations. The OIG solicits feedback and ideas from stakeholders throughout the year and during the risk assessment through agency-wide surveys.

The OIG identifies and assesses agency risks in accordance with GAO's *Standards for Internal Control* (known as the Green Book), the Office of Management and Budget's (OMB's) Circular A-123, and guidance issued by the American Institute of Certified Public Accountants (AICPA) and the Institute of Internal Auditors (IIA).

The OIG's work plan is risk-based and designed to incorporate projects that will identify opportunities to improve economy, efficiency, and effectiveness in FEC programs and operations, and detect and prevent fraud, waste, abuse, and mismanagement. The following factors are considered when prioritizing project assignments:

- Mandatory work required by law or regulation;
- Issues identified by the President, Congress, or the Commission;
- Management needs identified through consultation with senior leaders;
- Dollar magnitude of resources involved in the proposed area;
- A program's susceptibility to fraud, manipulation, or other irregularities;
- Changed conditions or sensitivity of a program or operation;
- The extent of outstanding issues resulting from prior oversight or review by the OIG or other external entity; and
- The adequacy of internal control systems in place for the program or other factors.

¹ We note that there was a delay in preparing the oversight plan because of the 43-day government shutdown and subsequent reprioritization of statutorily required work during the months of November and December.

² We note that while many agency programs do not meet the thresholds mandating an audit or other oversight work, such as the agency's charge card and travel card programs, the OIG consistently monitors and assesses the associated risks and conducts oversight of these programs as appropriate.

Mandatory Work and Reporting

The following mandatory work is planned for FY 2026:

Audit of the Federal Election Commission's FY 2026 Financial Statements

In accordance with the Accountability of Tax Dollars Act of 2002, the FEC is required to prepare annual financial statements in accordance with OMB Circular A-136, Financial Reporting Requirements. The Chief Financial Officers Act of 1990, as amended, requires the FEC Inspector General or an independent external auditor selected by the Inspector General to audit the agency's financial statements.

An independent public accounting (IPA) firm, Brown & Company Certified Public Accountants & Management Consultants, PLLC (Brown & Company), conducted the FY 2025 financial statements audit, and the FEC OIG anticipates using them for the FY 2026 financial statements audit as well.³ The OIG is responsible for, among other things, (1) reviewing the auditor's approach and planning of the audit; (2) evaluating the qualifications and independence of the auditors; (3) monitoring the work of the auditors; (4) examining audit documents and reports to ensure compliance with government auditing standards and OMB Bulletin No.17-03, *Audit Requirements for Federal Financial Statements*; and (5) other procedures the OIG deems necessary to oversee the contract and audit.

Semiannual Reports to Congress

In accordance with the Inspector General Act of 1978 (IG Act), as amended, the OIG prepares and submits semiannual reports to Congress summarizing the work completed for the reporting period. Semiannual reports summarize OIG activities during the immediately preceding six-month periods ending March 31 and September 30 of each year. As required by the IG Act, semiannual reports are provided to the Commission for comment prior to being delivered to Congress.

Management and Performance Challenges Facing the FEC for FY 2026

In accordance with the Reports Consolidation Act of 2000, the OIG identifies the most serious management and performance challenges facing the Commission and provides a brief assessment of the Commission's progress in addressing those challenges. By statute, this report is required to be included in the FEC's FY 2026 Agency Financial Report.

Improper Payment Review

The OIG is required to conduct an annual review of improper payments. The FY 2026 review will be performed in accordance with the Payment Integrity Information Act of 2019 (PIIA)⁴ and other applicable guidance, including OMB Memorandum M-25-32 (Aug. 20, 2025) and OMB Memorandum M-18-20 (June 26, 2018). The PIIA requires each agency to periodically review all programs and activities it administers, identify those susceptible to significant improper payments, estimate the amount of improper payments for those programs that are deemed susceptible to significant improper payments, and publish the accompanying

³ The FY 2025 financial statements audit report is available at: https://www.fec.gov/resources/cms-content/documents/FEC_Independent_Auditor_Report_for_FY_2025.pdf

⁴ The PIIA supersedes the Improper Payments Information Act of 2002 (IPIA) and repeals the Improper Payments Elimination and Recovery Act of 2010 (IPERA).

information with the annual financial statement. The OIG is required to annually assess agency compliance with the PIIA and associated OMB guidance, as amended, and to report the results to Congress, the Comptroller General, and OMB.

Discretionary Audits, Evaluations, and Reviews

Below is a description of the discretionary audits, evaluations, and reviews that the FEC OIG will strive to undertake in FY 2026. This list contains work carried over from the OIG's FY 2025 Oversight Plan.⁵

Additional special projects/work assignments may be undertaken during FY 2026 based on the FEC's needs, available OIG resources, and stakeholder input. Priorities may be adjusted to reflect emerging issues during the year.

Evaluation of FEC's Reporting on USASpending.gov (Ongoing)

The OIG will evaluate the data reported by the FEC on the USASpending.gov website to determine its completeness, timeliness, accuracy, and overall quality. The goal is to ensure that the FEC's reported spending data provides transparency and accountability in federal spending. This evaluation will identify any gaps or discrepancies in the data and recommend improvements to enhance the integrity of financial reporting.

Work on this project was delayed by the government shutdown at the beginning of the fiscal year. The OIG anticipates that this evaluation will be completed and a report issued during the second quarter of FY 2026.

Examination of the FEC's Circular A-123 Internal Control and Enterprise Risk Management Programs (Ongoing)

The OIG contracted with IPA firm Brown & Company to perform this engagement. The IPA will evaluate the FEC's implementation of OMB Circular A-123 requirements. This will be a follow-up engagement to the *Inspection of FEC's Compliance with FMFIA/OMB Circular A-123* that was conducted in FY 2014 before the new OMB Circular A-123 guidance became effective in June 2016. The engagement will assess the FEC's compliance with OMB Circular A-123 and determine the effectiveness of the agency's internal control and Enterprise Risk Management programs.

Work on this project was delayed by the government shutdown at the beginning of the fiscal year. The OIG anticipates that this examination will be completed and a report issued during the third quarter of FY 2026.

Pandemic Benefits Review (Ongoing)

The OIG worked with the Council of the Inspectors General on Integrity and Efficiency's (CIGIE's) Pandemic Response Accountability Committee (PRAC) to (1) identify whether any FEC staff improperly received pandemic benefits under the Small Business Administration's (SBA's) Economic Injury Disaster Loan Program or SBA's Paycheck Protection Program during the COVID-19 pandemic, and (2) assess whether any FEC staff were the victims of identity theft by individuals defrauding these programs. The OIG currently expects to issue a report during the second quarter of FY 2026.

⁵ At the time of publication, the FEC is funded only through January 30, 2026. Additional lapses in funding will impact the estimated timelines provided for identified projects.

Unemployment Insurance Review

Similar to the Pandemic Benefits Review begun in FY 2025, the OIG will work with the U.S. Department of Labor (DOL) OIG to (1) identify whether any FEC staff have improperly received unemployment insurance benefits and (2) assess whether any FEC staff were the victims of identity theft by individuals defrauding this program. The OIG expects to begin this review in FY 2026; the timing of any report will depend upon the data collected and whether any investigative steps need to be taken.

Review of the Impact a Loss of Quorum Has on FEC Operations

The OIG will examine the impact that a loss of quorum has on FEC operations. Specifically, the OIG will note what work is affected by the loss of quorum and what work continues as usual. To the extent that data is available, the OIG will seek to examine how prior losses of quorum impacted FEC operations, particularly the losses of quorum that occurred from September 2019 to June 2020 and from July 2020 to December 2020. The OIG will report on any “best practices” or “lessons learned” that are identified. This project will be initiated once a quorum is restored.

Reviews of the FEC’s Legislative Proposals

Each year, the Commission adopts a series of unanimously supported legislative proposals to recommend to Congress.⁶ Starting in FY 2026, the OIG will conduct a series of reviews to examine certain legislative proposals where it is possible to estimate the level of potential savings that the legislative proposal could produce if enacted. These reviews will assist Congress and the Commission in evaluating the potential benefits of these legislative proposals. The OIG expects to issue at least one review in FY 2026.

⁶ The OIG notes that the Commission can adopt these proposals only in years when there is a quorum. Because the FEC lacked a quorum in December 2025, the Commission did not adopt a panel of proposals to submit to Congress. Therefore, the OIG will start this series by examining one or more of the proposals adopted by the Commission in December 2024.

Internal Projects

The FEC OIG has the following internal projects planned for FY 2026:

Adopting a New Strategic Plan (Carried Over from FY 2025)

The OIG's current Strategic Plan covers FY 2021 through FY 2025. During FY 2025, the OIG held a series of discussions and planning sessions to develop new strategic goals and objectives for the office. The OIG had hoped to issue its new strategic plan early in FY 2026, but the government shutdown and subsequent reprioritization of statutorily required work impeded our ability to do so. We anticipate issuing a new strategic plan during the second quarter of FY 2026.⁷

Revision of the OIG Investigations Manual

During FY 2025, the OIG's investigative function was subject to a peer review by the Farm Credit Administration (FCA) OIG. In July 2025, the FCA OIG concluded that the FEC OIG's investigative policies and procedures were in compliance with applicable professional standards. While the FCA OIG made no formal recommendations, they did make some suggestions that could improve the FEC OIG's investigative operations. As a result, in FY 2026, the FEC OIG will review its Investigations Manual, incorporate those helpful suggestions from the FCA OIG, and also incorporate any new requirements contained in the updated *Quality Standards for Investigations* adopted by CIGIE in July 2025.

Revision of the OIG Evaluations Manual

In FY 2025, the OIG implemented new project management software that will be used for all audits and evaluations, as well as for other reviews, where appropriate. An extraordinary amount of effort went into developing the software to ensure that all projects would meet the applicable audit or evaluation professional standards. The OIG will review its Evaluations Manual to ensure that any new processes adopted as a result of the implementation of this new project management software are incorporated into the manual.

⁷ We note that as of publication, the FEC is funded through only January 30, 2026. Any further funding lapses may delay the timelines presented here.

Other Planned Work

Investigations

The OIG's investigative program adds value to the agency's programs and operations by objectively investigating allegations of fraud, waste, abuse, misconduct, and mismanagement. The subject of an OIG investigation may range from any agency employee, FEC contractor, consultant, person, or entity involved in alleged wrongdoing affecting FEC programs and operations. The OIG pursues facts related to allegations of misconduct to determine if a violation of law, regulation, or policy occurred. OIG investigations may address administrative, civil, and criminal violations, and in some cases, investigative results may lead to administrative, civil, and criminal penalties and monetary recoveries. The OIG issues Reports of Investigation to the Commission, reporting the conclusions of its investigations. Additionally, if operational concerns are identified during an investigation, the OIG will separately issue a public report with any associated recommendations.

The following investigative activities are planned for FY 2026:

Manage Hotline Complaints and Investigation Caseload

The OIG Hotline Portal provides a means for FEC employees, FEC contractors, and the public to communicate directly and confidentially with the OIG. The identities of complainants and witnesses are protected pursuant to the Inspector General Act of 1978, as amended.

All allegations and referrals of fraud, waste, abuse, misconduct, and mismanagement involving FEC employees, contractors, agency programs, operations, and property are termed "hotline complaints" per OIG policy. The OIG takes all complaints seriously; as such, we carefully analyze all complaint details to determine whether an investigation is warranted. Other courses of action may include, but are not limited to, referral to management for action, referral to another existing program/process (e.g., FEC's Equal Employment Opportunity Office or Office of Human Resources), referral to another agency, referral to the audit or evaluation process, or closed and dismissed with no further action.

The OIG will continue to thoroughly analyze each complaint and respond accordingly. Additionally, we will continue to research and address with the FEC any outstanding recommendations from prior investigations until they are resolved.

OIG Agency Training

The OIG will continue to provide training as part of the orientation process for all new FEC employees. Additionally, the OIG hopes to develop new training materials for agency employees and contractors to be delivered either in FY 2026 or FY 2027, although we note our ability to develop this training will depend on our investigative workload. We will also continue to update and revise the OIG's website as needed to ensure we are educating the public on our mission.

Peer Reviews

As part of its statutory mission to ensure that OIGs meet professional standards, CIGIE coordinates peer reviews of each OIG's audit, inspection & evaluation, and investigations programs. Through the peer review

process, an OIG's program activities are reviewed by another OIG to assess compliance with applicable federal standards.

In FY 2026, the OIG will undergo a peer review of our audit program. The Election Assistance Commission OIG initiated this peer review in January 2026.

Federal Election Commission

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REPORT FRAUD, WASTE, & ABUSE

OIG Hotline Portal



<https://fecoig.ains.com>

*Also accessible via: <http://www.fec.gov/oig>

OIG Hotline Phone



202-694-1015

* Available from 9:00 a.m. to 5:00 p.m. Eastern Standard Time, Monday through Friday, excluding federal holidays.

Or you may call toll free at 1-800-424-9530 (press 0; then dial 1015). You may also file a complaint by completing the Hotline Complaint Form (<http://www.fec.gov/oig>) and mailing it to: 1050 First Street, N.E., Suite 1010, Washington DC 20463

Individuals including FEC and FEC contractor employees are encouraged to alert the OIG to fraud, waste, abuse, and mismanagement of agency programs and operations. Individuals who contact the OIG can remain anonymous. However, persons who report allegations are encouraged to provide their contact information in the event additional questions arise as the OIG evaluates the allegations. Allegations with limited details or merit may be held in abeyance until further specific details are reported or obtained. Pursuant to the Inspector General Act of 1978, as amended, the Inspector General will not disclose the identity of an individual who provides information without the consent of that individual, unless the Inspector General determines that such disclosure is unavoidable during the course of an investigation. To learn more about the OIG, visit our Website at: <http://www.fec.gov/oig>

Together we can make a difference!