

## **Exercise 4:** Active Management of Risks to **High Priority Objectives**

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## Managing High-Priority Risks

- The buck stops with the executive
- Risk management can identify threats and opportunities to critical agency processes and objectives









U.S. DEPARTMENT OF TRANSPORTATION | OFFICE OF INSPECTOR GENERAL

SEMIANNUAL REPORT

APRIL 1, 2013 – SEPTEMBER 30, 2013 W W W . O I g . O O C . g O V 1200 New Jersey Avenue, SE Washington, DC 20590

Over a 6 month period 42 indictments and 33 conviction

08.03.2015	Former CEO Sentenced To Pay \$1.2M and Over Five Years in Prison for Fraudulent Bonding Scheme in California
07.07.2015	
07.16.2015	Former Chicago PACE Transit Manager Indicted for Fraud
06.30.2015	Pennsylvania DBE Permanently Debarred From State-Funded Contracts
06.11.2015	Company and Owners Suspended by FHWA for Their Role in a \$1.2 Million Corruption Scheme
06.02.2015	Former PennDOT Inspector Pleads Guilty and is Sentenced for His Role in \$1.2 Million Corruption Scheme
06.30.2015	Washington Contractor Pays More Than \$140,000 to Settle DBE Fraud Allegations
06.16.2015	Four Charged in an \$18.7 Million DBE Fraud Scheme Related to Over 220 Pennsylvania Bridge Projects
05.28.2015	Civil Judgment of \$5.8 Million Entered Against Sound Solutions for Defrauding the FAA
05.26.2015	PennDOT Inspectors Sentenced for Their Roles in a \$1.2 Million Corruption Scheme
05.26.2015	Former Fresno Resident Pleads Guilty to \$1.2 Million Surety Bond Fraud Scheme
05.22.2015	Co-Owner of Nationwide Fence Agrees to Pay the Government over \$350,000 for DBE Fraud
04.14.2015	FHWA Suspends Eleven Individuals and Two Companies Related to an Ongoing PennDOT Fraud and Public Corruption Investigation



RISK

- Project risk
  management is one
  of the most traditional
  and important forms
  of risk management
- Managing risks to cost, scope, schedule should be a basic competency





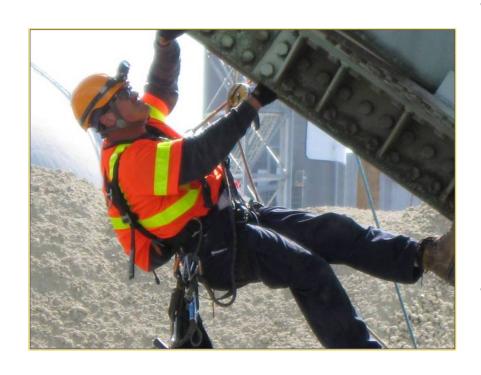
## IT and Privacy Risks

- High profile data breaches illustrate the consequences of data security risks
- Applying a risk-based analysis can identify weaknesses and opportunities with data systems









- Protecting workers and lowering insurance costs may be the most traditional form of risk management
- Executives can help their workers and their budgets by managing these risks

## Safety and Eminent Domain

