

# U.S. Equal Employment Opportunity Commission



## Office of Inspector General

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### Semiannual Report to the U.S. Congress

**October 1, 2018 – March 31, 2019**

Milton A. Mayo Jr.

Inspector General

## **OIG VISION**

Effective, efficient and accountable oversight of Agency programs, operations, and personnel.



## **OIG MISSION**

To detect and prevent waste, fraud, and abuse and promote economy, efficiency, and effectiveness in the programs and operations of the Equal Employment Opportunity Commission.

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## Message from the Inspector General

I am pleased to present this semiannual report to the United States Congress for the period covering October 1, 2018, through March 31, 2019. Commencing December 22, 2018, there was a cessation, or shutdown, of the Office of Inspector General's (OIG) operations resulting from a lapse in appropriations in the federal government. The cessation lasted until January 25, 2019, at which time funding was restored, and we resumed full operations.

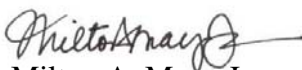
While there was no long-term impact of the shutdown on our operations, it presented challenges by delaying work in preparation for the initiation of the legislatively mandated annual audit of the financial statements of the U.S. Equal Employment Opportunity Commission (EEOC or Commission). Similarly, the shutdown hampered preparation for other audits and evaluations, including the annual review of the EEOC's information security program pursuant to the Federal Information Security Modernization Act of 2014. However, due to our highly-committed staff, the projects were initiated prior to the close of the reporting period, and we anticipate that each project will be completed within the required deadlines.

In early January 2019, the term of former Commissioner Chai Feldblum expired, creating a third vacancy on the five-member Commission resulting in the loss of a Commission quorum. In sum, the lack of a quorum impacts the Commission's ability to authorize certain types of litigation and to exercise certain regulatory authorities. Three or more commissioners constitute a quorum. In December 2018, anticipating the potential for a loss of a quorum, the Commission voted to delegate certain authorities with the intention of reducing the impact of the loss of a quorum. The delegations were in effect when the Commission resumed operations following the end of the government shutdown. Our recent limited review of the loss of a quorum indicates there has been no significant impact on the EEOC's daily operations, thus far.

At the close of the reporting period, President Donald J. Trump had nominated a new Chair who is awaiting U.S. Senate confirmation. The President also nominated a new General Counsel who is awaiting approval by the U.S. Senate Committee on Health, Education, Labor and Pensions (HELP). We will continue to monitor and report on the status of the Commission vacancies and any impacts the lack of a quorum present.

Finally, we appreciate the continued cooperation of Acting Chair Victoria Lipnic, other senior EEOC leadership and staff, in support of our efforts to provide independent oversight of the programs, personnel, and operations of the EEOC. We look forward to a productive second half of fiscal year 2019.

Respectfully submitted,

  
Milton A. Mayo Jr.  
Inspector General

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## **Executive Summary**

This semiannual report summarizes the OIG's activities and accomplishments for the period October 1, 2018, through March 31, 2019.

The OIG issued four final audit/evaluation reports and received 495 investigative contacts.

The OIG's completed, ongoing, and proposed projects include the following:

### Completed Audit and Evaluation Projects

- The public accounting firm Harper, Rains, Knight & Company, P.A. (HRK) completed the OIG's FY 2018 Audit of EEOC's Financial Statements.
- The public accounting firm Harper, Rains, Knight & Company, P.A. (HRK) completed a Management Letter describing its comments and recommendations regarding deficiencies relating to internal control (control deficiencies).
- The public accounting firm Brown and Company CPAs and Management Consultants, PLLC, completed the OIG's FY 2018 Independent Evaluation of the U.S. Equal Employment Opportunity Commission's Compliance with Provisions of the Federal Information Security Modernization Act (FISMA) of 2014.
- The OIG issued a written advisory to the Acting Chair validating the Agency's compliance with the Federal Managers' Financial Integrity Act.

### New and Ongoing Audit and Evaluation Projects

- The OIG contracted with The Center for Organizational Excellence (COE) to assess the Agency's federal hearings and appeals activities
- The OIG is conducting a review of the Agency's compliance with the Improper Payments Elimination and Recovery Act of 2010.
- The OIG has contracted with the public accounting firm Harper, Rains, Knight & Company, P.A. (HRK) to perform an audit of the FY 2017 and FY 2018 EEOC Purchase Card Program.
- The OIG has contracted with the public accounting firm Harper, Rains, Knight & Company, P.A. (HRK) to perform the FY 2019 Financial Statement Audit of the EEOC.
- OIG has contracted with the public accounting firm Harper, Rains, Knight & Company, P.A. (HRK) to perform the FY 2019 DATA Act Audit.
- The OIG is conducting an external peer review of the Federal Maritime Commission, Office of Inspector General.
- The OIG has ongoing investigations in several field offices involving such matters as ethics violations, conflicts of interest, misuse of position, mismanagement, false statements, and falsification of government records.

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### Proposed Audit and Evaluation Projects

- The OIG plans to assess EEOC's management of social media activities.
- The OIG plans to assess EEOC's ability to effectively and efficiently administer Agency contracts.

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## **Introduction**

### **The Equal Employment Opportunity Commission**

The Equal Employment Opportunity Commission (EEOC) is the Federal agency responsible for enforcing federal laws that make it illegal to discriminate against a job applicant or an employee because of the person's race, color, religion, sex (including pregnancy, gender identity, and sexual orientation), national origin, age (40 or older), disability or genetic information.

The EEOC is a bipartisan commission composed of five presidentially appointed members, which include a Chair, a Vice Chair, and three Commissioners. The Chair is responsible for the administration and implementation of policy and the Commission's financial management and organizational development. The Vice Chair and the Commissioners equally participate in developing and approving EEOC policies, issuing charges of discrimination where appropriate, and authorizing the filing of lawsuits. Also, the President appoints a General Counsel to support the Commission and provide direction, coordination, and supervision to the EEOC's litigation program.

As of the end of this semiannual reporting period, there were several key vacancies in EEOC's senior leadership. In January 2019, Commissioner Chai Feldblum's term expired, bringing the number of vacancies of the five-member Commission to three, which include the Chair and two Commissioners. The position of General Counsel remains vacant, as well.

With the departure of the former Commissioner, the Commission fell below the three-vote minimum needed for a quorum to conduct certain types of litigation and to exercise certain regulatory authorities. In December 2018, anticipating the potential for a lack of a quorum, the Commission, with advice from the Office of Legal Counsel, voted to create a temporary delegation of authority to reduce the impact that a lack of quorum might have on the Agency.

President Donald J. Trump has nominated a new Chair who is awaiting U.S. Senate confirmation and a new General Counsel who is awaiting approval by the U.S. Senate Committee on Health, Education, Labor and Pensions (HELP).

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## **The Inspector General Act, as amended**

The Inspector General Act of 1978, as amended, establishes the responsibilities and duties of an Inspector General. In brief, the IG Act grants the OIG the authority to:

- Determine which audits, investigations, inspections, and reviews are necessary and issue reports recommending corrective actions without improper interference from agency heads;
- Receive full access to all records and materials available to the agency;
- Issue administrative subpoenas to nonfederal entities exercise law enforcement authority
- Receive employee and other complaints;
- Refer criminal and civil matters to the United States Attorney General;
- Hire employees, experts, and consultants and procure necessary equipment and services; and
- Obtain assistance from other agencies, including federal, state, and local governments.

## **The EEOC Office of Inspector General**

The U.S. Congress established the Office of Inspector General (OIG) at EEOC through the 1988 amendments to the Inspector General Act of 1978. These amendments expanded the authority of designated Federal entities to create independent and objective OIGs. Under the direction of the Inspector General (IG), the OIG meets this statutory responsibility by conducting and supervising audits, evaluations, and investigations relating to Agency programs and operations. The OIG provides leadership, coordination, and recommendations concerning policies for activities designed to promote economy, efficiency, and effectiveness in administering programs and operations.

The IG provides overall direction, coordination, and leadership to the OIG. The IG is the principal advisor to the Chair regarding all audit, evaluation, and investigative matters relating to the prevention, identification, and elimination of fraud, waste, and abuse in any EEOC program or operation. The IG strives to ensure the effectiveness and efficiency of Agency programs and operations and recommends the proper boundaries of audit and investigative jurisdiction between the OIG and other EEOC organizations. The IG also develops a separate and independent annual budget for the OIG, responds directly to inquiries from the public, the U. S. Congress, the news media, and prepares press releases, statements, and other information about the OIG's activities.

The Deputy Inspector General (DIG) serves as the IG's alter ego and participates fully in policy development and execution. The DIG is the second-line supervisor for the OIG's audit and evaluation program activities; and has primary supervisory responsibility for the investigations and information technology program. The Assistant Inspector General for Audits (AIGA) has oversight of the audit and evaluation programs.

The Counsel to the Inspector General is the sole legal advisor for the OIG, providing day-to-day supervision of the OIG's investigative work, and is the primary liaison with Agency legal components and the U. S. Department of Justice. Since January 2010, the Counsel to the IG has served and continues to serve as the Acting Deputy Inspector General.



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The OIG's non-managerial staff include a chief technology officer, a senior evaluator and staff evaluator, an auditor, a criminal investigator, and an administrative specialist. The OIG has several vacancies: (1) Deputy Inspector General, (2) Confidential Support Assistant, and (3) a Criminal Investigator.



## **The Audit and Evaluation Program**

*The Audit and Evaluation Program supports the OIG's strategic goal of improving the economy, efficiency, and effectiveness of EEOC programs, operations, and activities.*

### **Completed Audit and Evaluation Projects**

#### **Audit of the EEOC's Fiscal Year 2018 Financial Statements (OIG Report No. 2018-001-AOIG)**

The public accounting firm Harper, Rains, Knight & Company, P.A. (HRK) completed the OIG's FY 2018 Audit of EEOC's Financial Statements.

The OIG issued HRK's final report on November 15, 2018.

HRK reported that EEOC's financial statements present fairly, in all material respects, EEOC's financial position as of September 30, 2018, and 2017, and its net cost of operations, changes in net position, and budgetary resources for the fiscal years then ended, in accordance with accounting principles generally accepted in the United States of America.

#### **FY 2018 EEOC Management Letter (OIG Report No. 2018-002-AOIG)**

The public accounting firm Harper, Rains, Knight & Company, P.A. (HRK) completed a Management Letter describing its comments and recommendations regarding deficiencies relating to internal control (control deficiencies).

The OIG issued HRK's Management Letter on December 20, 2018.

HRK made the following recommendations:

- EEOC should have the appropriate level of management reviewing and signing off on the Capital Property Reconciliations to satisfy controls and to ensure property, plant, and equipment is valued accurately in the Account Reconciliation Reserve Ledger Report and the general ledger;
- EEOC should have the appropriate level of management reviewing and approving the SF-133 to satisfy the control stated above and to ensure EEOC's Statement of Budgetary Resources is accurate;
- EEOC Standard Operating Procedure should include a prompt deadline for the approval of purchase card statements by the Approving Official; and
- EEOC require all changes to OPM identified filing documents in personnel files be reviewed by an HR professional and, where possible, reviewed by the employee, to ensure the accuracy of the official personnel file (eOPF).

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**FY 2018 Independent Evaluation of the U.S. Equal Employment Opportunity Commission's Compliance with Provisions of the Federal Information Security Modernization Act of 2014 (OIG Report No. 2018-004-AOIG)**

The public accounting firm Brown and Company CPAs and Management Consultants, PLLC, completed the OIG's FY 2018 Independent Evaluation of the U.S. Equal Employment Opportunity Commission's Compliance with Provisions of the Federal Information Security Modernization Act (FISMA) of 2014.

The OIG issued Brown and Company's final report on March 6, 2019.

Brown and Company concluded that EEOC's information security program is generally compliant with the FISMA legislation and applicable Office of Management and Budget (OMB) guidance. Brown and Company also found that EEOC's information security program has an overall maturity level of "Managed and Measurable" based on the FY 2018 Department of Homeland Security, Inspector General FISMA Cyberscope Metrics.

Brown and Company identified three findings related to EEOC's security practices that can be improved:

- The Office of Information Technology (OIT) has not employed an automated mechanism that ensures full-encryption of sensitive data and Personally Identifiable Information (PII) on mobile devices;
- Office of Chief Human Capital Officer (OCHCO) and Office of Information Technology (OIT) need to conduct a baseline assessment of the EEOC's cybersecurity workforce; and
- The Office of Information Technology (OIT) needs to analyze and resolve internal vulnerabilities.

**Agency Compliance with the Federal Managers' Financial Integrity Act for FY 2018 (OIG Report No. 2018-006-SOIG)**

The OIG issued a written advisory on November 13, 2018, to the Acting Chair validating the Agency's compliance with the Federal Managers' Financial Integrity Act. The Office of Management and Budget Circular A-123, Management's Responsibility for Enterprise Risk Management and Internal Control (revised July 13, 2016), as implemented by EEOC Order 195.001, Management Accountability and Controls, requires the OIG to annually provide a written advisory to the head of the Agency that the Agency's management control evaluation complied with the Office of Management and Budget (OMB) guidelines.

The OIG Advisory stated that the Agency's management control evaluation was conducted in accordance with OMB Circular No. A-123, Management's Responsibility for Enterprise Risk Management and Internal Control (revised July 13, 2016).

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## **New and Ongoing Audit and Evaluation Projects**

### **FY 2017 and FY 2018 Audit of the EEOC's Commercial Purchase Card Program (OIG Report 2018-007-AOIG)**

The OIG has contracted with the public accounting firm Harper, Rains, Knight & Company, P.A. (HRK) to perform an audit of the FY 2017 and FY 2018 EEOC Purchase Card Program.

The objectives of this audit are to:

- Determine whether EEOC's Purchase Card Program operates in compliance with laws and regulations;
- Determine whether internal controls are in place to detect and prevent fraud, waste, abuse, and misuse in the Purchase Card Program;
- Evaluate the effectiveness of processes and procedures that govern the Program; and
- Determine whether purchase card transactions are valid and approved by appropriate officials.

The OIG plans to issue its final report in the third quarter of FY 2019.

### **Review of EEOC's FY 2018 Compliance with the Improper Payments Elimination and Recovery Act (OIG Report No. 2019-001-AOIG)**

The OIG is conducting a review of the Agency's compliance with the Improper Payments Elimination and Recovery Act of 2010. The Act requires OIGs to submit an annual report of the agency's compliance with the Act.

The OIG plans to issue its final report in the third quarter of FY 2019.

### **Evaluation of Federal Hearings and Appeals Activities (OIG Report No. 2018-005-EOIG)**

The OIG contracted with The Center for Organizational Excellence (COE's) to assess the Agency's federal hearings and appeals activities. The objective of the evaluation is to identify opportunities for improving program effectiveness and efficiency.

The OIG plans to issue COE's report in the fourth quarter of FY 2019.

### **Audit of the EEOC's FY 2019 Financial Statements (OIG Report No. 2019-002-AOIG)**

The OIG has contracted with the public accounting firm Harper, Rains, Knight & Company, P.A. (HRK) to perform the FY 2019 Financial Statement Audit of the EEOC as required by the Accountability of Tax Dollars Act of 2002.

The OIG plans to issue HRK's audit opinion no later than November 15, 2019.

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## **Audit of EEOC's Compliance with the Digital Accountability and Transparency Act of 2014 (DATA Act) for FY 2019 (OIG Report No. 2019-003-AOIG)**

The OIG has contracted with the public accounting firm Harper, Rains, Knight & Company, P.A. (HRK) to perform the FY 2019 DATA Act Audit. The DATA Act requires the IG of each Federal agency to audit a statistically valid sampling of EEOC spending data and submit a report to Congress regarding its findings to Congress and make publicly available a report assessing the completeness, timeliness, quality, and accuracy of the sampled data. As required by the DATA Act, the OIG's report will also assess the agency's implementation and use of Government-wide financial data standards.

The OIG plans to issue HRK's final report in the first quarter of FY 2020.

### **Proposed Audit and Evaluation Projects**

#### **Evaluation of EEOC's Social Media Activities**

The OIG plans to assess EEOC's management of social media activities.

Planned work includes:

- Describing EEOC's social media activities, including policies, strategies, and tactics;
- Determining the efficiency and effectiveness of EEOC's social media performance measurements;
- Identifying areas of improvement in the management of EEOC's social media activities.

Work on this project is scheduled to begin in fourth quarter of FY 2019.

#### **Evaluation of EEOC's Contracts Administration**

The OIG plans to assess EEOC's ability to effectively and efficiently administer Agency contracts.

Planned work includes:

- Assessing EEOC's contract administration policies, procedures, roles and responsibilities, documentation, and systems; and
- Identify opportunities for improvement.

Work on this project is scheduled to begin in the third quarter of FY 2019.

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## Audit Follow-Up

Audit follow-up is an integral part of good management and is a shared responsibility of Agency management officials and auditors. Corrective action taken by management to resolve findings and recommendations is essential to improving the effectiveness and efficiency of Agency operations.

Section 5(a)(1) of the Inspector General Act of 1978, as amended, requires that semiannual reports include a summary description of significant problems, abuses, and deficiencies relating to the Agency's administration of programs and operations disclosed by the OIG during the reporting period. The OIG issued **four** reports during this reporting period (October 1, 2018– March 31, 2019) and **two** of these reports contained findings and recommendations.

### Reports Issued During This Reporting Period

Fiscal Year	Report Number	Report Title	Date Issued	Findings and Recommendations
2018	2018-001-AOIG	Audit of the EEOC's Fiscal Year 2018 Financial Statements	11/15/2018	No
2018	2018-002-AOIG	FY 2018 EEOC Management Letter	12/20/2018	Yes
2018	2018-004-AOIG	FY 2018 Independent Evaluation of the U.S. Equal Employment Opportunity Commission's Compliance with Provisions of the Federal Information Security Modernization Act of 2014	3/11/2019	Yes
2018	2018-006-SOIG	Agency Compliance with Federal Managers' Financial Integrity Act of FY 2018	11/13/2018	No

As required by Section 5(a)(3) of the Inspector General Act of 1978, as amended, semiannual reports shall provide an identification of each significant recommendation described in previous semiannual reports for which corrective action has not been completed. The OIG staff met with Agency follow-up officials in September 2018. The OIG is reporting a total of **seven** reviews with

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a total of **nineteen** open recommendations for this reporting period. The following table shows those recommendations for which corrective actions have not been completed.

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## Recommendations for Which Corrective Actions Have Not Been Completed

Fiscal Year	Report Number	Report Title	Date Issued
2018	2017-02-EOIG	<b>Evaluation of the EEOC’s Data Analytics Activities Final Report</b>	9/5/18
		<ul style="list-style-type: none"> <li>• Engender trust in enterprise-wide steering committees and governance boards.</li> <li>• Consider new approaches, such as web-enabled and cloud-based solutions, to support expanding IT infrastructure needs of both the analytics team as well as analytical product users.</li> <li>• Invest in modern reporting and visualization tools that allow for automated, customizable, visualization-enhanced reporting that effectively leverage a data warehouse.</li> <li>• Establish a data warehouse to address data retention, versioning, and reporting needs.</li> <li>• Support analytics projects through governance of the Analytics Center of Excellence, promoting awareness of iterative analytical project processes and usage of Agile-friendly project management tools.</li> <li>• Invest in the generation of new metrics that quantify opportunity costs and corresponding benefits of data collection and data assurance.</li> <li>• Adopt proven modeling approaches and model management techniques.</li> </ul>	

Fiscal Year	Report Number	Report Title	Date Issued
2017	2017-07-AOIG	<b>Independent Evaluation of the U.S. Equal Employment Opportunity Commission’s Compliance with Provisions of the Federal Information Security Modernization Act of 2014</b>	12/18/17
		<ul style="list-style-type: none"> <li>• EEOC should implement an automated solution that provides a centralized, enterprise-wide view of risk across the agency.</li> <li>• EEOC should develop a Trusted Internet Connection (TIC) program that meets OMB requirements to improve the agency’s security posture.</li> <li>• EEOC should conduct an e-authentication risk assessment for its digital systems and has not fully implemented multifactor authentication for logical and remote access for privileged and non-privileged users. (Repeat finding since FY 2008)</li> </ul>	



Fiscal Year	Report Number	Report Title	Date Issued
2017	<b>2017-06-AOIG</b>	<b>Performance Audit of the Compliance with the Financial and Award Data Submissions for the Second Quarter of Fiscal Year 2017</b>	<b>11/15/17</b>
		<ul style="list-style-type: none"> <li>EEOC's Senior Accountability Officer (SAO), or their designee, should create a quarterly assurance package that includes all the necessary elements in the OMB guidance.</li> <li>EEOC should perform additional reconciliations over Files C and D1 to determine the root cause of their differences, whether it is the known issue or a potential control issue with the data being submitted from the Contract Lifecycle Management (CLM) module.</li> </ul>	

Fiscal Year	Report Number	Report Title	Date Issued
2016	<b>2016-08-EOIG</b>	<b>Independent Evaluation of the U.S. Equal Employment Opportunity Commission's Compliance with Provisions of the Federal Information Security Modernization Act of 2014 (FISMA)</b>	1/4/17
		<ul style="list-style-type: none"> <li>EEOC OIT should review and analyze critical, high, and medium vulnerabilities. These vulnerabilities should be resolved to avoid compromise of EEOC's systems; or the agency should document acceptance of the risk or reclassification of the risk.</li> </ul>	

Fiscal Year	Report Number	Report Title	Date Issued
2015	<b>2014-03-OE</b>	<b>Evaluation of EEOC's Outreach and Education Program</b>	5/8/15
		<ul style="list-style-type: none"> <li>EEOC and its district and field offices should routinely conduct follow-up through surveys with partners, perhaps three months after events.</li> </ul>	

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Fiscal Year	Report Number	Report Title	Date Issued
2014	<b>2014-08-EOIG</b>	<b>FY 2014 Federal Information Security Management Act Report</b>	12/16/14
		<ul style="list-style-type: none"> <li>• Implementation of background checks for student interns to ensure that international visas are current.</li> <li>• Development of policies and procedures to properly manage physical security access cards.</li> </ul>	

Fiscal Year	Report Number	Report Title	Date Issued
2014	<b>2013-08-PSA</b>	<b>Performance Audit of the Agency's Personnel Security Program</b>	9/15/14
		<ul style="list-style-type: none"> <li>• Develop and implement policies and procedures to address the safeguarding, transfer, storage, or disposal of classified information. The policy should include the requirements for Memorandums of Understanding between agencies.</li> <li>• Implement a formalized training program for individuals who use classified information as a part of their duties. If an external agency is to assume the responsibility of training these individuals, this agreement should be documented in an MOU.</li> <li>• Immediately correct any known weaknesses. If EEOC determines not to correct a noted weakness, EEOC should document this analysis and their acceptance of the associated risk.</li> </ul>	

As required by Section 5(a)(10) of the Inspector General Act of 1978, as amended, semiannual reports must include a summary of each audit report issued before the start of the reporting period for which no management decision has been made by the end of the reporting period.

The OIG has **NO** audit or evaluation reports that were issued before the reporting period began for which no management decision has been made.

Fiscal Year	Number of Reports with Unimplemented Recommendations (such as report title, report number, hyperlink to report, etc.)	Number of Unimplemented Recommendations	Dollar Value of Aggregate Potential Cost Savings	For which no establishment comment was returned within 60 days of providing the report to the establishment
2019	0	0	0	N/A



## The Investigation Program

*The Investigation Program supports the OIG's strategic goal to focus limited investigative resources on issues that represent the greatest risk and offer the maximum opportunity to detect and prevent fraud, waste, and abuse in EEOC programs and operations.*

The Office of Inspector General received 495 investigative contacts through October 1, 2018, and March 31, 2019, resulting in the following:

### Investigative Contacts

<b>Investigative Contacts Received October 1, 2018 – March 31, 2019</b>	
<b>Allegations</b>	<b>Number</b>
Charge Processing	166
Other Statutes	52
Title VII	134
Mismanagement	13
Ethics Violations	16
Backgrounds	2
Theft	3
Threats	35
FOIA Request	2
Fraud	46
Other Criminal Allegations	26
<b>Total</b>	<b>495</b>

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## **OIG HOTLINE**

The OIG Hotline exists to enable EEOC employees, EEOC contractors, and the public to have direct and confidential contact with the OIG. We do not investigate every hotline complaint we receive. The OIG hotline complaints are evaluated on specific criteria, including the merits of the allegation, the availability of evidence, and the priorities, commitments, and resources of the OIG. Hotline complaints may be closed based on a preliminary inquiry into the allegations which finds the allegations to be factually unsubstantiated, lacking information to proceed, or pending resolution.

It should also be noted that some complaints are outside the jurisdiction of the OIG and/or the EEOC. The OIG frequently receives reports and allegations which are misdirected inquiries/complaints that should be routed to other EEOC offices, other federal agencies, or to other law enforcement agencies. Reviewing and, where appropriate, responding to these reports and allegations when aggregated can entail a significant amount of staff time and effort, even though they are not valid hotline complaints. In these instances, the OIG personnel strive to provide excellent customer service and provide the complainant with the appropriate contact information to the entity that may address his/her needs. The complaint/inquiry may be redirected and sent to the appropriate office or agency directly from the OIG.

## **ONGOING INVESTIGATIVE ACTIVITY**

The OIG has ongoing investigations in several field offices involving the following allegations:

- Misuse of a government-issued computer to establish an internet web site to demean, belittle and harass a former partner;
- Conflict of interest by an employee who operates a private software company and engaged in a contract negotiation with the Agency;
- Misuse of position by employees engaged in obtaining information on individuals through Agency database access, in violation of Agency internet policy and procedures and alleged Privacy Act violations;
- Misuse of the Agency seal by a private company;
- Misuse of an Agency email address by a charging party who has used the email address in contacts with state and federal agencies and private businesses.

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## Appendices

### Appendix I.

#### Final OIG Audit and Evaluation Reports

Report Title	Date Issued	Questioned Costs	Funds Put to Better Use	Unsupported Costs
Audit of the EEOC's Fiscal Year 2018 Financial Statements	11/15/2018	0	0	0
FY 2018 EEOC Management Letter	12/20/2018	0	0	0
FY 2018 Independent Evaluation of the U.S. Equal Employment Opportunity Commission's Compliance with Provisions of the Federal Information Security Modernization Act of 2014	3/11/2019	0	0	0
Agency Compliance with Federal Managers' Financial Integrity Act of FY 2018	11/13/2018	0	0	0

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## Appendix II.

### Investigative Statistical Report

Report Title	Number
Total number of investigative reports	0
Total number of persons referred to the Department of Justice for criminal prosecution during the reporting period	0
Total number of persons referred to State and local prosecuting authorities for criminal prosecution during the reporting period	0
Total number of indictments and criminal information during the reporting period that resulted from any prior referral to prosecuting authorities	0

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**Appendix III.**

**A Report on Each Investigation Conducted by the Office Involving a Senior Government Employee Where Allegations of Misconduct Were Substantiated**

**Report Name:** N/A      **Report Number** N/A      **Date Issued** N/A

<b>Facts and circumstances of the investigation</b>	<b>(B) the status and disposition of the matter, including-</b> <b>(i) if the matter was referred to the Department of Justice, the date of the referral; and</b> <b>(ii) if the Department of Justice declined the referral, the date of the declination</b>
N/A	N/A

**Appendix IV.**

**A Detailed Description of Any Instance of Whistleblower Retaliation.**

<b>Information about the official found to have engaged in retaliation</b>	<b>Consequences the establishment imposed to hold that official accountable</b>
N/A	N/A



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**Appendix V.**

**A Detailed Description of Any Attempt by the Establishment to Interfere With the Independence of the Office.**

Issue	Description
With budget constraints designed to limit the capabilities of the Office	N/A
Incidents where the establishment has resisted or objected to oversight activities of the Office or restricted or significantly delayed access to information, including the justification of the establishment for such action	N/A

**Appendix VI.**

**Detailed Descriptions of the Particular Circumstances.**

Issue	Description
Inspection, evaluation, and audit conducted by the Office that is closed and was not disclosed to the public	N/A
Investigation conducted by the Office involving a senior Government employee that is closed and was not disclosed to the public	N/A

## Appendix VII.

### Index of Reporting Requirements

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Section 5(a)(4)	Matters Referred to Prosecutorial Authorities	N/A
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Section 5(a)(8)	Questioned and Unsupported Costs	20
Section 5(a)(9)	Recommendations That Funds Be Put to Better Use	20
Section 5(a)(10)	<p>Summary of each audit report, inspection reports, and evaluation reports issued before the commencement of the reporting period:</p> <p>(A) for which no management decision has been made by the end of the reporting period (including the date and title of each such report), an explanation of the reasons such management decision has not been made, and a statement concerning the desired timetable for achieving a management decision on each such report;</p>	12

	<p>(B) for which no establishment comment was returned within 60 days of providing the report to the establishment; and</p> <p>(C) for which there are any outstanding unimplemented recommendations, including the aggregate potential cost savings of those recommendations.</p>	
Section 5(a)(11)	Significant Management Decisions That Were Revised During the Reporting Period	N/A
Section 5(a)(12)	Significant Management Decisions with Which the Office of Inspector General Disagreed	N/A
Section 5(a)(17)	<p>Statistical tables showing:</p> <p>(A) the total number of investigative reports issued during the reporting period;</p> <p>(B) the total number of persons referred to the Department of Justice for criminal prosecution during the reporting period;</p> <p>(C) the total number of persons referred to State and local prosecuting authorities for criminal prosecution during the reporting period; and</p> <p>(D) the total number of indictments and criminal information during the reporting period that resulted from any prior referral to prosecuting authorities.</p>	21
Section 5(a)(19)	<p>A report on each investigation conducted by the Office involving a senior Government employee where allegations of misconduct were substantiated, including a detailed description of:</p> <p>(A) the facts and circumstances of the investigation; and</p> <p>(B) the status and disposition of the matter, including:</p> <p>(i) if the matter was referred to the Department of Justice, the date of the referral; and</p>	22

	(ii) if the Department of Justice declined the referral, the date of the declination.	
Section 5(a)(20)	A detailed description of any instance of whistleblower retaliation, including information about the official found to have engaged in retaliation and what, if any, consequences the establishment imposed to hold that official accountable.	22
Section 5(a)(21)	A detailed description of any attempt by the establishment to interfere with the independence of the Office, including  (A) with budget constraints designed to limit the capabilities of the Office; and  (B) incidents where the establishment has resisted or objected to oversight activities of the Office or restricted or significantly delayed access to information, including the justification of the establishment for such action.	23
Section 5(a)(22)	Detailed descriptions of the particular circumstances of each:  (A) inspection, evaluation, and audit conducted by the Office that is closed and was not disclosed to the public; and  (B) investigation conducted by the Office involving a senior Government employee that is closed and was not disclosed to the public.	23

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## **Appendix VIII.**

### **Single Audit Act Reports**

During the reporting period, the OIG received no audit reports issued by public accounting firms concerning Fair Employment Practice Agencies that have work-sharing agreements with EEOC

## **Appendix IX.**

### **Peer Review Reporting**

Inspectors General are required to include their peer review results as an appendix in semiannual reports to Congress in accordance with Section 989C of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203).

### **External Peer Review of the Federal Maritime Commission, Office of Inspector General for the Period Ending September 30, 2018**

The OIG is conducting a peer review of the Federal Maritime Commission (FMC), Office of Inspector General (OIG) audit function system of quality controls. Government Auditing Standards (the Yellow Book), requires audit organizations to receive a peer review once every three years.

OIG plans to issue its FMC-OIG peer review findings in the third quarter of 2019.

### **Peer Review of the OIG Audit Function**

The National Endowment for the Arts (NEA) conducted a peer review of the OIG's audit function system of quality controls. NEA's peer review covered the period ending March 31, 2017, and issued its report on September 19, 2017. OIG received a Modified Opinion that the audit function policies and procedures were current and consistent with applicable professional standards. The peer review report did not include any recommendations.



## EEOC-OIG The Hotline

The EEOC Hotline Program was established for Agency employees, other Government employees, contractors, and the general public to report fraud, waste, abuse, or wrongdoing by phone, website form, or by U.S. mail.

## What Should you Report

You should report any concern you may have over a situation in which EEOC is the potential victim of fraudulent acts by employees, contractors, or others. It includes any violations of laws, rules, regulations, gross mismanagement, gross waste or misappropriation of funds, and abuses of authority.

## OIG Hotline Contact Information



**To contact our OIG Hotline please call:  
Toll-free 1-800-849-4230**



**For general information inquiries please visit our Contact webpage:  
[HTTPS://OIG.EEOC.GOV/CONTACT](https://oig.eeoc.gov/contact)  
To submit report fraud/waste/ abuse please visit our  
Hotline webpage:  
[HTTPS://OIG.EEOC.GOV/HOTLINE](https://oig.eeoc.gov/hotline)**



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Office of Inspector General  
PO Box 77067  
Washington, DC 20013-7067**

**Identities of Writers, E-mailers, and Callers are always Fully Protected**