



U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Washington, D.C. 20507

Office of
Inspector General

November 14, 2017

MEMORANDUM

TO: Victoria A. Lipnic
Acting Chair

FROM: Milton A. Mayo, Jr.
Inspector General

A handwritten signature in black ink, appearing to read "Milton Mayo, Jr.", with a long horizontal stroke extending to the right.

SUBJECT: FY 2017 Agency Compliance with the Federal Managers' Financial Integrity Act (OIG Report No. 2017-05-AOIG)

The *Federal Managers' Financial Integrity Act* (FMFIA), P.L. 97-255, as well as the Office of Management and Budget's (OMB) Circular A-123, Management Accountability and Control, establish specific requirements for management controls. Each agency head must establish controls to reasonably ensure that: (1) obligations and costs are in compliance with applicable laws; (2) funds, property and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and (3) revenues and expenditures applicable to agency operations are properly recorded and accounted for in order to permit the preparation of reliable financial and statistical reports, as well as to maintain accountability over the assets. FMFIA further requires each executive agency head, on the basis of an evaluation conducted in accordance with applicable guidelines, to prepare and submit a signed statement to the President disclosing that the agency's system of internal accounting and administrative control fully comply with requirements established in FMFIA.

EEOC Order 195.001, Internal Control Systems requires the Office of Inspector General (OIG) to annually provide a written advisory to the Chair on whether the management control evaluation process complied with OMB guidelines. On November 11, 2017, the Office of Research, Information and Planning (ORIP) submitted EEOC's Fiscal Year 2017 FMFIA Assurance Statement to the Chair and to the OIG for review. The OIG reviewed: (1) assurance statements submitted by headquarters and district directors attesting that their systems of management accountability and control were effective and that resources under their control were used consistent with the agency's mission and complied with FMFIA; (2) all functional area summary tables, and functional area reports; and (3) ORIP's Fiscal year 2017 Federal Managers' Financial Integrity Act Assurance Statement, and Assurance Statement Letter, and attachments. Based on our assessment the Agency's management control evaluation was conducted in accordance with FMFIA and OMB regulations.

OIG's financial statement auditors, Harper, Rains, Knight & Co. (HRK), did not identify any material weaknesses or significant deficiencies during their audit.

OIG concurs with ORIP's reporting of four financial non-conformances not fully corrected in FY 2017. Corrective action plans have been developed to resolve these non-conformances in FY 2018.