



U.S. Equal Employment
Opportunity Commission

Office
of
Inspector General

Semiannual Report
to the
U.S. Congress

April 1, 2015–September 30, 2015

Milton A. Mayo Jr.
Inspector General

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OIG VISION

Effective, efficient and accountable management 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

In accordance with the Inspector General Act of 1978, as amended, I herewith submit the semiannual report for the period April 1, 2015, through September 30, 2015, which summarizes the major activities of our office for the reporting period. Section 5 of the Inspector General Act requires the Chair to transmit this report to the appropriate committees or subcommittees of Congress within 30 days of its receipt.

During this period, the Office of Inspector General (OIG) issued 3 final audit/evaluation reports, completed 5 investigations, and received 305 investigative inquiries, of which 144 were charge processing issues, 91 were Title VII complaints, and 70 were other investigative allegations.

As the Commission continues to commemorate its 50th anniversary at the forefront of enforcing federal laws intended to “*Stop and Remedy Unlawful Employment Discrimination*” the OIG remains unwavering in its commitment to assist the Agency in effectuating its mission, by promoting effective, efficient and accountable management of Agency programs, operations and personnel.

We thank Chair Jenny R. Yang, the Commissioners, and the employees of the Commission for your continued support of our office.

Respectfully,



Milton A. Mayo Jr.
Inspector General

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EXECUTIVE SUMMARY

This semiannual report is issued by the Equal Employment Opportunity Commission's (EEOC's) Office of Inspector General (OIG) pursuant to the Inspector General Act of 1978, as amended. It summarizes the OIG's activities and accomplishments for April 1, 2015, through September 30, 2015.

During this period, the OIG issued 3 final audit/evaluation reports, completed 5 investigations, and received 305 hotline inquiries, of which 144 were charge processing issues, 91 were Title VII complaints, and 70 were other investigative allegations.

The OIG's completed, newly initiated, and ongoing audit, evaluation, and investigative projects include the following:

- The OIG reported to the U.S. Senate Committee on Homeland Security and Government Affairs that no non-career officials had been involved in the Freedom of Information Act process at EEOC from January 1, 2007, to the present.
- The OIG contracted with the Urban Institute, a nonprofit organization located in Washington, D.C., to evaluate the efficiency and effectiveness of EEOC's Outreach and Education Program. The five-month evaluation concluded with a final report, issued May 8, 2015, which provided a broad overview examining the EEOC's outreach and education efforts and, where appropriate, suggested areas the EEOC might improve its effectiveness or efficiency.
- Agency policy directive EEOC Order 195.001 Management Accountability and Controls requires the OIG to annually provide a written advisory to the Agency head regarding whether the management control evaluation process complied with Office of Management and Budget guidelines. Fieldwork is underway to ensure that the OIG meets its mandated reporting deadline requirement.
- In several field offices, ongoing investigations continue, involving ethics violations, conflicts of interest, fraud, mismanagement, falsification of government records, impersonation of a Federal official, misuse of travel and purchase cards, theft of government property, misuse of computers, misuse of position, and threats against the Agency.

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INTRODUCTION

The Equal Employment Opportunity Commission

The Equal Employment Opportunity Commission (EEOC) is the Federal agency responsible for enforcement of Title VII of the Civil Rights Act of 1964, as amended; the Equal Pay Act of 1963; the Age Discrimination in Employment Act of 1967; Section 501 of the Rehabilitation Act of 1973 (in the Federal sector only); Title I of the Americans with Disabilities Act of 1990 and the Americans with Disabilities Act Amendments Act of 2008; the Civil Rights Act of 1991; the Lilly Ledbetter Fair Pay Act of 2009; and the Genetic Information Nondiscrimination Act of 2008 (P.L. 110-233 Stat. 881), also referred to as GINA. These statutes prohibit employment discrimination based on race, sex, color, religion, national origin, age, disability, or genetic information.

EEOC is also responsible for carrying out Executive Order 12067, which promotes coordination and minimizes conflict and duplication among Federal agencies that administer statutes or regulations involving employment discrimination.

EEOC is a bipartisan commission composed of five presidentially appointed members, including a Chair, a Vice Chair, and three Commissioners. The Chair is responsible for the administration and implementation of policy and for 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. In addition, the President appoints a General Counsel, who is responsible for conducting litigation under the laws enforced by the Commission.

The 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; providing leadership and coordination; and recommending policies for activities designed to promote economy, efficiency, and effectiveness in administering programs and operations.

In October 2008, Congress passed the Inspector General Reform Act of 2008, which generally buttressed the independence of IGs, increased their resources, and held them more accountable for their performance. The OIG is under the supervision of the IG, an independent EEOC official subject to the general supervision of the Chair. The IG must not be prevented or prohibited by the Chair or any other EEOC official from initiating, carrying out, or completing any audit, investigation, evaluation, or other inquiry or from issuing any report.

The IG provides overall direction, coordination, and leadership to the OIG; is the principal advisor to the Chair in connection with all audit and investigative matters relating to the prevention, identification, and elimination of waste in any EEOC program or operation; and recommends the proper boundaries of audit and investigation jurisdiction between the OIG and other EEOC organizations. The IG also develops a separate and independent annual budget for

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the OIG; responds directly to inquiries from the public, Congress, or the news media; and prepares press releases, statements, and other information about the OIG's activities.

The Deputy Inspector General serves as the IG's alter ego and participates fully in policy development and in management of the OIG's diverse audit, investigation, evaluation, and support operations.

The Counsel to the Inspector General is the sole legal advisor in the OIG, providing day-to-day guidance to the OIG's investigation team, and is the primary liaison with Agency legal components and the Department of Justice.

In addition to these positions, the OIG staff includes a chief technology officer, an evaluator, two auditors, two criminal investigators, an administrative specialist, and a confidential support assistant.

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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 PROJECTS

Non-Career Officials Involvement in the EEOC Freedom of Information Act (FOIA) Process

The OIG responded to a June 23, 2015, Congressional request to determine if any non-career EEOC officials' had any involvement in the Agency's Freedom of Information Act (FOIA) response process for the period of January 1, 2007 to the date of the request. The OIG was asked to analyze whether non-career officials' involvement, if any, resulted in any undue delay of a response to any FOIA request or the withholding of any document or portion of any document that would have otherwise been released, but for the non-career official's involvement in the process. The request also asked the OIG to obtain a written certification from the agency's chief FOIA officer that 1) no non-career officials were involved in the agency's response to any FOIA request or 2) if such involvement occurred, the involvement of non-career officials had ever resulted in undue delay of a response to a FOIA request or the provision of less information than would have been provided but for the involvement of the non-career officials. Based on interviews and analysis, the OIG found non-career officials had not been involved in the FOIA process at the EEOC during that period. The OIG also provided a written certification from the chief FOIA officer stating the same.

Compliance with the Improper Payments Elimination and Recovery Improvement Act (IPERIA)

On May 13, 2015, the OIG reported that the Agency complied with the Improper Payments Information Act, as amended by the Improper Payments Elimination and Recovery Improvement Act. The Agency conducted an Agency-wide risk assessment of vendor and travel payments made in fiscal year (FY) 2014. In addition, the Agency relied on internal controls currently in place relating to payments and indicated it would use the U.S. Treasury's FedDebt System to recapture any potential improper payments.

Evaluation of EEOC's Outreach and Education (OIG Report No. 2014-03-OE)

The office of the OIG contracted with the Urban Institute, a nonprofit organization located in Washington, D.C., to evaluate the efficiency and effectiveness of EEOC's Outreach and Education Program. The key questions for the evaluation included the following:

- How are outreach and education efforts organized and managed at the EEOC?

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- How are financial, human, and other resources used in the EEOC's outreach and education efforts?
- How does the EEOC establish and accomplish its outreach and education objectives, goals, and performance measures?
- What can the EEOC learn from other organizations regarding management of outreach and education?
- How can the EEOC improve its organization, management, and delivery of outreach and education?

The five-month evaluation concluded with a final report, issued May 8, 2015, which provided a broad overview examining the EEOC's outreach and education efforts and, where appropriate, suggested areas the EEOC might improve its effectiveness or efficiency.

The evaluation relied on two sources to build its findings and conclusions: a series of interviews with key staff involved in outreach and education and an examination of relevant documents. Those interviewed included staff at the EEOC headquarters, staff at the EEOC district and field offices, representatives from some Fair Employment Practices Agencies, one interview with the outreach and education office at the US Department of Housing and Urban Development, and three interviews with the staff working on outreach at the Department of Labor.

The report disclosed that the EEOC performs a significant amount of outreach and education. The EEOC's outreach and education is diffused throughout the different offices of the EEOC. The primary outreach and education responsibilities fall within the Office of Field Programs (OFP). Nineteen program analysts (who are spread among 15 district offices) conduct and organize a significant portion of the EEOC's outreach and education. Many other staff, including regional attorneys, investigators, legal counsel, and attorneys both at the EEOC headquarters offices and in district and field offices, participates in presentations and events that occur throughout the year. Overall, the report contained 14 recommendations:

- Create a more centralized operation for outreach and education, perhaps developing a role for a director of outreach and education.
- Alleviate some of the administrative burden that program analysts in the district and field offices experience in organizing outreach and education.
- Evaluate the feasibility of funding more local outreach and education through EEOC's Fair Employment Practices Agencies.
- Seek more "earned media" (regular opportunities to evoke news coverage), possibly through a regular update on the state of employment discrimination; deliver EEOC's message in an empowering way with a human connection.
- Improve the EEOC website. Specifically, improve navigation, tailor content to various audiences and keep information updated about ongoing outreach and education opportunities.
- Evaluate how EEOC's audiences view the agency; one way to achieve this is to conduct a brand evaluation, possibly including an audit of communications materials and/or surveys of audience opinion on EEOC's image and communications.

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- Use the EEOC’s internal intranet (InSite) to facilitate communications among program analysts including the creation of an outreach and education “clearinghouse” with past materials used by program analysts for presentations and events.
- Provide analytical support to district and field offices to help in prioritizing audiences and subject matter based on a thorough examination of charge data.
- Regularly survey event attendees to measure the effectiveness of outreach and education efforts.
- Review website analytics regularly; look specifically at the EEO guidance consumers view.
- Regularly survey EEOC’s significant partners to track how partners are using EEOC materials and information.
- Track the source of charges to identify the extent to which significant partners or other sources have helped those who have been discriminated against access EEOC’s services.
- Use charge data to provide evidence of the outreach and education outcomes.
- Change the position title of “program analyst” to something like “outreach and education coordinator.”

The Agency’s response to the draft report stated that many of the recommendations were consistent with the Agency’s assessment, and that the Agency had already begun to implement changes to how it integrates and coordinates outreach and education work in a number of areas. The Agency’s response also stated EEOC would seriously consider all of the recommendations, recognizing their need to prioritize their activities, in light of limited resources.

NEW AND ONGOING AUDIT AND EVALUATION PROJECTS

FY 2015 Audit of the Consolidated EEOC Financial Statements

The public accounting firm of Harper, Rains, Knight & Co., P.A., is performing the 2015 financial statement audit of EEOC, which is required by the Accountability of Tax Dollars Act of 2002. To ensure that the OIG meets its mandated reporting deadline requirements, fieldwork is ongoing, and the audit opinion will be included in the Agency’s 2015 Performance and Accountability Report. In addition, shortly thereafter, the auditor will issue a management letter report identifying any internal control weaknesses.

Agency Compliance with the Federal Managers’ Financial Integrity Act (FMFIA)

Agency policy directive EEOC Order 195.001 Management Accountability and Controls requires the OIG to provide an annual written advisory to the head of the Agency regarding whether the management control evaluation process complied with Office of Management and Budget (OMB) guidelines. The OIG’s independent assessment is to determine whether the Agency’s management control evaluation process was conducted in accordance with OMB standards. Fieldwork is underway to ensure that the OIG meets its mandated reporting deadline requirement. Evaluation results will be included in the 2015 Performance and Accountability Report.

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FY 2015 Independent Evaluation Regarding Agency Compliance with Federal Information Security Modernization Act (FISMA)

The OIG contracted with Brown and Company, PLLC, to perform an independent evaluation of the EEOC's information security program compliance with the Federal Information Security Modernization Act of 2014. Fieldwork is underway and is scheduled to meet the OMB Cyberscope reporting deadline.

Evaluation of Litigation

The OIG contracted with the Urban Institute to conduct an evaluation that assesses the Agency's Litigation Program. The Urban Institute will assess the Agency's litigation efforts, focusing on areas where gains in efficiency and effectiveness may be obtained. The draft report is planned for the second quarter of FY 2016 and the final report for the third quarter of FY 2016.

Open Government and Transparency Progress Review

On December 8, 2009, the OMB issued Memorandum M-10-06, known as the Open Government Directive, which requires executive agencies to take specific actions to implement the three principles of transparency, participation, and collaboration that form the cornerstone of open government set forth by the President. Other pressing work priorities prevented the OIG from issuing a progress report during this reporting period. Our report issue in the first quarter of FY 2016.

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 as disclosed by the OIG during the reporting period. Three new reports were issued during this reporting period (April 1, 2015–September 30, 2015); one of those reports contained findings.

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Reports Issued During This Reporting Period

Fiscal Year	Report Number	Report Title	Date Issued
2015	2015-01-IPERA	Agency Compliance with the Improper Payments Elimination and Recovery Act (IPERIA)	05/13/15
2015		Non Career Officials Involvement in the EEOC FOIA Process	08/24/15
2015	2014-003-OE	Evaluation of Outreach & Education	5/18/15

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 on which corrective action has not been completed. OIG staff met with Agency follow-up officials in September 2015. For this reporting period, the OIG is reporting 15 reviews, with a total of 80 open recommendations. The following table shows those recommendations for which corrective actions have not been completed.

Recommendations for Which Corrective Actions Have Not Been Completed

Fiscal Year	Report Number	Report Title	Date Issued
2014	2014-08-EOIG	FY 2014 Federal Information Security Management Act Report	12/16/14
		<ul style="list-style-type: none"> • Update policies and procedures to include file integrity process for detecting unauthorized changes to software, firmware, and information. • Implement full device encryption or container-based encryption for mobile laptops. • Develop policies and procedures for managing shared group accounts. 	
Fiscal Year	Report Number	Report Title	Date Issued
2015	2014-01-FIN	Audit of the EEOC's FY 2014 Financial Statements	11/17/14
		<ul style="list-style-type: none"> • Update controls over the maintenance of official personnel files. Management should perform a thorough review of its employees' personnel files to ensure that documentation is current and complete. • Implement procedures to ensure that EEOC has a complete understanding of policies and procedures at its service providers. 	

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Fiscal Year	Report Number	Report Title	Date Issued
2015	2014-02-FIN	FY 2014 Financial Statement Audit Management Letter Report	01/13/15
		<ul style="list-style-type: none"> • Monitor and enforce EEOC policies and procedures over sensitive property to ensure that controls remain adequate and continue to operate effectively. • Update EEOC policy and procedures to correctly state the current process. • Monitor and enforce EEOC policies and procedures over record retention for purchase and travel card transactions to ensure that the controls remain adequate and continue to operate effectively. Enforce penalties such as disciplinary action including restitution to the government and/or dismissal. • Implement and monitor controls to ensure Approving Officials review and approval are documented for each purchase and travel card transactions. This should establish an appropriate period of time for retention of records, monitoring by the Purchase Card Program Manager, and appropriate disciplinary action for non compliance. • Follow EEOC guidelines for all expense transactions and develop an assessment of EEOC's internal control process in order to proactively manage internal controls to get the most from them. • Implement procedures to ensure that EEOC has read and implemented all Federal guidance issued throughout the year. • Work with EEOC service providers to implement internal controls that will catch all transactions with a "zero" object class. A monthly review of expense transactions would identify all "zero" object class transactions. 	

Fiscal Year	Report Number	Report Title	Date Issued
2014	2013-08-PSA	Performance Audit of the Agency's Personnel Security Program	9/4/14
		<ul style="list-style-type: none"> • Identify all headquarters and field offices where classified national security information is safeguarded, handled, processed, reproduced, transmitted, transported, or destroyed. • Identify all EEOC employees with <ul style="list-style-type: none"> ○ current or prior access to classified national security information; ○ a current adjudicated security clearance and the sponsoring agency, if applicable; and ○ special access or interim clearance and the sponsoring agency, if applicable. • 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. • Designate a senior agency official to direct and administer the program in accordance with Executive Order 13526 and 32 Code of Federal Regulation (CFR) Parts 2001 and 2003. This senior agency official/office must be provided the resources and authority to 	

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achieve compliance with the requirements associated with Classified National Security Information program.

- Implement a formalized training program for individuals who use classified information as 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.
- Perform and document an assessment or evaluation of current classified information practices and safeguarding at headquarters and field offices to determine any non-compliance. Immediate corrective action should be taken to address any non-compliance noted.
- Incorporate a review of controls over classified information in EEOC's annual Federal Managers Financial Integrity Act process.
- Complete risk designations for the remaining estimated 194 EEOC covered positions.
- Complete and begin any outstanding reinvestigations as required by the CFR.
- Adhere to EEOC policy and federal requirements pertaining to reinvestigations. EEOC should follow its internal policy until further guidance is provided by Office of Personnel Management (OPM).
- Update the policy for the Federal Personnel Payroll System (FPPS) with a timeline and implement the revised standard.
- Review all employee electronic official personnel files to ensure proper inclusion of the employee's certificate of investigation (COI) and in instances where the documentation is missing, insert the COI.
- Report any outstanding EEOC adjudication decisions to the OPM and going forward adhere to the 90-day timeline.
- Develop and implement a procedure to maintain relevant evidence documenting that EEOC has informed OPM of EEOC's adjudication decisions.
- Explore and document the decision of using alternative staffing options, such as contract employees, part time employees, or obtaining an employee on detail in order to become current on risk designations, reinvestigations, FPPS, COIs, and adjudication reporting.
- Update and implement comprehensive policies and procedures for physical security. These policies and procedures should include but not be limited to:
 - providing training for the Federal Supply Class (FSC) member or designee at each field office location at least annually;
 - developing and implementing a field office onsite security assessment program, that includes performing assessments and/or spot checks of field office security measures by the Office of the Chief Financial Officer (OCFO) on a rotational basis as it relates to Interagency Security Committee requirements; and
 - assisting and ensuring field offices correct noted security weaknesses or document acceptance of risk where EEOC has determined corrective action will not be taken.
- Revise the field office self-assessment checklist to include facility security and credentialing information.
- Immediately correct any known weaknesses. If EEOC determines not to correct a noted weakness, it should document this analysis and its acceptance of the associated risk.
- Increase coordination between OCFO and OFP to improve field office security posture, awareness and training to ensure compliance with applicable EEOC orders and guides;

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Facility Security Committees, An ISC Standard, 2nd edition, dated January 1, 2012; and other applicable Interagency Security Committee standards.

Fiscal Year	Report Number	Report Title	Date Issued
2014	2013-FIN-01	FY 2013 Financial Statement Audit	12/16/13

- Update and revise the manner in which EEOC controls maintenance of its official personnel files. Additionally, management perform a thorough review of its employees' personnel files to ensure that documentation is current and complete. **(Repeat Finding from 2012)**

Fiscal Year	Report Number	Report Title	Date Issued
2014	2013-02-FIN	FY 2013 Financial Statement Management Letter Report	1/31/14

- Work toward prompt resolution of these differences as this is an essential component of financial data integrity, and its absence compromises the integrity of the financial reporting.
- Have management consistently review and approve all documents as prescribed by EEOC policies and procedures. Policies and procedures should be reviewed and updated to ensure that they reflect the most current protocol.
- Ensure that EEOC property records contain accurate and complete property information. A review of property records and property inventory should be conducted at least annually, but preferably semi-annually.
- Establish and implement controls to prevent waste, fraud, and misuse in the Charge Card Program. On an annual basis, EEOC should review and update the Charge Card Program Guide for substantial changes. Monitor the controls to ensure that they are working effectively.

Fiscal Year	Report Number	Report Title	Date Issued
2014	2013-05-FISMA	FY 2013 Federal Information Security Management Act Report	12/10/13

- The OIG recommends that EEOC's Office of Information Technology implement multifactor authentication for remote access. The OIG further recommends that EEOC use multifactor authentication in which one of the factors is provided by a device separate from the computer gaining access. **(Repeat Finding from 2008)**

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Fiscal Year	Report Number	Report Title	Date Issued
2013	2012-09-REV	Review of Evaluations	04/09/2013

- Further standardize intake procedures across field offices.
- Document criteria for determining Category C charges.
- Continue efforts to develop a national approach for addressing and eliminating systemic discrimination.
- Continue to review the range of information obtained during intake interviews and review the manner in which the intake information is stored in the Integrated Mission System (IMS).
- Investigate the merits of expanding the information it obtains related to employee hiring and terminations.

Fiscal Year	Report Number	Report Title	Date Issued
2013	2012-01-FIN	FY 2012 Financial Statement Audit Report	11/16/2012

- Document and monitor implementation of all complementary user control considerations. **(Repeat Finding from 2010)**

Fiscal Year	Report Number	Report Title	Date Issued
2013	2012-03-FISMA	FY 2012 Federal Information Security Management Act Report	11/14/2012

- Have management revise the Agency's policy to correctly reflect the entire severity rating list published by the United States Computer Emergency Readiness Team.

Fiscal Year	Report Number	Report Title	Date Issued
2013	2012-02-FIN	FY 2012 Financial Statement Management Letter Report	12/19/2012

- Implement stringent reconciliation and resolution procedures for reconciliation of management reports and sub-ledgers to FSC general ledger data.

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Fiscal Year	Report Number	Report Title	Date Issued
2013	2012-10-PMEV	Evaluation of EEOC's Performance Measures	03/21/2013

- Expand the new Strategic Enforcement Plan requirement for quarterly reviews. EEOC management would likely benefit considerably from the implementation of quarterly data-driven reviews, such as those required by large Federal agencies.
- Provide EEOC Commissioners and managers with easy access to relevant disaggregation of outcome values. Outcome data would be broken out by such characteristics as priority level, industry, and key characteristics of charging parties.

Fiscal Year	Report Number	Report Title	Date Issued
2013	2012-08-PURCH	Performance Audit of EEOC Charge Card Program	03/28/2013

- Perform further analysis on government charge card operations to identify the controls to be implemented in compliance with OMB directives. Specifically, review and update the identification of procedures performed using the new accounting system (FCS) as well as the current duties of personnel interacting with the system. Meet with all process lead personnel to determine which controls are, or should be, in place to ensure that fraud, waste, abuse, and misuse are not present in the Charge Card Program. Identify all requirements in OMB Circular A-123, Appendix B, and determine the procedures necessary to comply with the requirements. Ensure that policies and procedures are reviewed on an annual basis, or more frequently, if substantial changes have occurred in EEOC's systems or of laws and regulations have been issued. This will help ensure that policies and procedures are appropriate for the current environment.
- Develop a system to (1) identify and track all charge card activity, including open accounts, closed accounts, cardholder approver levels, and cardholder training; (2) perform an evaluation of service providers' controls over the Charge Card Program to ensure that controls are appropriate and operating effectively; and (3) monitor all controls, whether performed at EEOC or at a service provider, at least annually, to ensure that controls remain adequate and continue to operate effectively.
- Develop policies and procedures to identify and track all cardholder-required training. Documentation should be maintained following National Archives and Records Administration requirements for cardholders who have successfully completed training requirements.
- Develop controls over the retention of application documents for charge card accounts.
- Monitor controls over transaction approval, whether performed at EEOC or at a service provider.
- Implement policies and procedures regarding record retention for purchase and travel card transactions.
- Develop and implement policies to require reviews of total cardholder activity to ensure compliance with monthly spending authority for all cardholders. Management should

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maintain documentation of authority to exceed cardholders' spending. Establish and enforce penalties for exceeding authorized spending limits should be established and enforced.

- Develop and implement policies and procedures to use data mining to monitor charge card activity.

Fiscal Year	Report Number	Report Title	Date Issued
2008	2008-03-AMR	Oversight of Federal Agency Reporting Management Directive 715 (MD-715) and Related Topics	09/26/2008

- Require Federal agencies to submit Part G of their Equal Employment Opportunity assessment with their annual EEOC MD-715 submissions.

Fiscal Year	Report Number	Report Title	Date Issued
2008	2007-11-RFPERF	Performance Audit of the Equal Employment Opportunity Commission's Education, Training, and Technical Assistance Program Revolving Fund	08/26/2008

- Approve the establishment of EEOC's Training Institute Steering Committee.
- Update the Revolving Fund Business Plan to reflect the Agency's strategic direction, vision, and goals over the next three to five years.
- Seek professional assistance to develop a more effective budgeting method to project financial information in order to plan training events and monitor goals.

As required by Section 5(a) (10) of the Inspector General Act of 1978, as amended, semiannual reports shall 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.

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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.

Investigative Inquires Received	
April 1, 2015 – September 30, 2015	
Allegations	Number
Charge Processing	144
Other Statutes	55
Title VII	91
Mismanagement	1
Ethics Violations	1
Backgrounds	2
Theft	0
Threats	0
Fraud	4
Other Criminal Allegations	4
Congressional Inquiries	3
Total	305

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COMPLETED INVESTIGATIVE ACTIVITIES

Misuse of Position/Harassment of a Charging Party

The OIG received allegations that an employee was misusing his position, acted inappropriately with a charging party (Complaint 1), misused his official agency credentials, and generally engaged in infamous conduct as a federal employee.

The OIG found that the employee's conduct violated *5 C.F.R. 735.203*, which advises employees to avoid engaging in criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct, or other conduct prejudicial to the government. The employee had engaged in inappropriate conduct with a charging party in a charge of discrimination that was assigned to him for investigation.

The employee's actions were documented in 72 e-mails between him and the charging party. There were also 91 phone calls with the charging party; testimony from the charging party stated that these conversations involved comments of a sexual nature.

The OIG found that the employee's conduct also violated *18 U.S.C. §912*,¹ impersonating a law enforcement officer (LEO), when on December 16, 2010, December 21, 2010, and November 2, 2012, he attempted to bypass normal security procedures in the airports, stating he was traveling armed and with a prisoner in each instance.

- On December 16, 2010, the employee completed and signed the Transportation Security Administration (TSA) Checkpoint Sign-In Log, identifying himself as an LEO flying armed with a prisoner from Seattle, Washington, to Las Vegas, Nevada.
- On December 21, 2010, the employee completed and signed the TSA Checkpoint Sign-In Log, identifying himself as an LEO flying armed with a prisoner from Las Vegas to Seattle.
- On November 2, 2012, the employee completed and signed the TSA Checkpoint Sign-In Log, identifying himself as an LEO flying armed with a prisoner from Seattle to San Jose, California.
- On November 2, 2012, the employee made numerous false statements to TSA officers concerning the EEOC Unique Federal Agency Number (UFAN), stating he could not remember it, that it had changed, and that it had been a while since he had flown, indicating and implying that he knew he was authorized to use the EEOC UFAN.

The OIG also found that the employee's conduct violated *5 C.F.R. 735.203*, which advises employees to avoid engaging in criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct, or other conduct prejudicial to the government. On November 2, 2012, he completed and signed the Alaskan Airlines Notice to Armed Individuals and identified himself as an LEO with a low-risk prisoner. The employee retired from federal service before any personnel action could be taken in this matter.

¹ The U.S. Attorney's Office in Seattle declined prosecution in this matter.

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Disclosure of Confidential Information

The OIG was contacted regarding a breach of confidentiality by an EEOC employee. A private attorney contacted EEOC regarding information received by his/her law firm regarding employees in an EEOC district office.

An employee was immediately identified as a possible subject of this investigation due to his/her access to the information and his/her current disciplinary problems (suspension and being on a Performance Improvement Plan) in the EEOC district office.

The OIG contacted the law firm and obtained the original documents and envelope used to mail the information and determined that the mailing occurred outside the office zip code. The OIG conducted background checks and Internet searches involving the employee and his/her actions around the time the information was sent to the law firm. During this investigation, the employee advised the officer that his/her laptop computer had been stolen on the local transit system.

The employee also engaged in a physical altercation with an employee in the office and was placed on administrative leave during this investigation. During this suspension, the employee was granted disability retirement prior to the OIG's opportunity to interview him/her on this matter.

Conflict of Interest

EEOC's Office of Legal Counsel referred to the OIG a matter for investigation consistent with the requirements of *28 U.S.C. §535*. In June 2014, the OIG conducted a review of the Public Financial Disclosure and identified an employee who may have taken an official action in a matter involving an entity in which he/she had a financial interest.

Title *18 U.S.C. §208* requires an individual to have substantial participation in a particular matter; however, this provision was not intended to prohibit an employee's involvement in purely ministerial or procedural acts. Accordingly, the regulations interpreting the meaning of substantiality expressly exclude such minor activities. A finding requires more than official responsibility, knowledge, perfunctory involvement, or involvement on administrative or peripheral issues.

The OIG found that the employee's signatory action on the Certification/Attestation of Records, as the custodian of records in a Freedom of Information Action request was purely an administrative action. Accordingly, the OIG found no violation of *18 U.S.C. §208*.

Misuse of Agency Purchase Card

The OIG was contacted concerning allegations of possible misuse of the government purchase card by an Agency employee.

The investigation revealed purchases from the ABC Stores in Virginia, the Virginia Railway Express, CVS Pharmacy, Walmart, and several grocery stores, between November 2012 and April 2015. Purchases totaled approximately \$5,600.

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Prior to the completion of our investigation, the Agency, using the employee's admission to the misuse of the government purchase card, took an administrative action against the employee by (1) placing the employee on two weeks' suspension, (2) demoting the employee to a lower grade and position, and (3) requiring the employee to pay restitution to the Agency.

ONGOING INVESTIGATIVE ACTIVITIES

The OIG has ongoing investigations in several field offices involving ethics violations, conflicts of interest, fraud, mismanagement, falsification of government records, impersonation of a Federal official, misuse of travel and purchase cards, theft of government property, misuse of computers, misuse of position, and threats against the Agency.

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APPENDIX I. FINAL OIG AUDIT AND EVALUATION REPORTS

Report Title	Date Issued	Questioned Costs	Funds Put to Better Use	Unsupported Costs
Agency Compliance with the Improper Payments Elimination and Recovery Improvement Act (IPERIA)	05/13/15	\$0	\$0	\$0
Non-Career Officials' Involvement in the EEOC Freedom of Information Act (FOIA) Process	8/24/15	\$0	\$0	\$0
Evaluation of Outreach & Education	5/08/15	\$0	\$0	\$0

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APPENDIX II. INDEX OF REPORTING REQUIREMENTS

Inspector General Act Citation	Reporting Requirements	Page
Section 4(a)(2)	Review of Legislation and Regulations	N/A
Section 5(a)(1)	Significant Problems, Abuses, and Deficiencies	N/A
Section 5(a)(2)	Recommendations with Respect to Significant Problems, Abuses, and Deficiencies	N/A
Section 5(a)(3)	Significant Recommendations Included in Previous Reports on Which Corrective Action Has Not Been Completed	16-22
Section 5(a)(4)	Matters Referred to Prosecutorial Authorities	N/A
Section 5(a)(5)	Summary of Instances Where Information Was Refused	N/A
Section 5(a)(6)	List of Audit Reports	12-14
Section 5(a)(7)	Summary of Significant Reports	16
Section 5(a)(8)	Questioned and Unsupported Costs	27
Section 5(a)(9)	Recommendations That Funds Be Put to Better Use	N/A
Section 5(a)(10)	Summary of Audit Reports Issued Before the Commencement of the Reporting Period for Which No Management Decision Has Been Made	N/A
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

APPENDIX III. SINGLE AUDIT ACT REPORTS

The Single Audit Act of 1984 requires recipients of Federal funds to arrange for audits of their activities. Federal agencies that award these funds must receive annual audit reports to determine whether prompt and appropriate corrective action has been taken in response to audit findings. During the reporting period, the OIG received an audit report issued by public accounting firms concerning Fair Employment Practice Agencies (FEPAs) that have work-sharing agreements with EEOC. Thus, no audit findings for the FEPAs involved EEOC funds.

- **Tribal Council Cherokee Nation, September 30, 2014**

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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, e-mail, or by 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



Call:
EEOC-OIG Hotline
Toll-free 1-800-849-4230



E-Mail:
INSPECTOR.GENERAL@EEOC.GOV

[HTTP://OIG.EEOC.GOV/HOTLINE](http://OIG.EEOC.GOV/HOTLINE)



Write:
Equal Employment Opportunity Commission
Office of Inspector General
PO Box 77067
Washington, DC 20013-7067

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