

# U. S. Equal Employment Opportunity Commission

## Office of Inspector General



## Semiannual Report to Congress

October 1, 2011-March 31, 2012

**Milton A. Mayo, Jr.**  
**Inspector General**

# OIG VISION

**Agents Igniting Change and Fostering Accountability,  
Effectiveness, and Efficiency in Government**



# OIG MISSION

**The OIG's mission is to detect and prevent waste, fraud and abuse and to promote economy, efficiency, and effectiveness in Agency programs and operations.**

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## A MESSAGE FROM THE INSPECTOR GENERAL

**I**n accordance with the Inspector General Act of 1978, as amended, I herewith submit the Semiannual Report for the period October 1, 2011 through March 31, 2012, 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 OIG issued four final audit reports and, closed three investigation matters, and received 602 investigative inquiries, of which 267 were charge processing issues, 250 were Title VII complaints, and 85 were other investigative allegations. It is our expectation that with appropriate funding for essential staffing we will be able to further our work in assisting the Agency in its efforts to improve its efficiency and effectiveness in carrying out its mission.

I would like to thank the dedicated OIG team for their continued commitment to pursuing the mission of this office and that of the Commission. Finally, we would like to thank Chair Jacqueline A. Berrien and her staff for their cooperation and continued support for the work of this office.

Regards,



Milton A. Mayo Jr.  
Inspector General  
April 30, 2012

## 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 the period of October 1, 2011 through March 31, 2012.

During the reporting period the OIG issued four audit products, closed three investigative matters, and received 602 inquiries, of which 267 were charge-processing issues, 250 were Title VII complaints, and 85 were other investigative allegations.

Included among the OIG's completed, newly initiated, and ongoing audit, evaluation and investigative projects are:

- Harper, Rains, Knight & Company, P.A. (HRK) issued an unqualified opinion on EEOC's fiscal year 2011 financial statements. In the independent auditor's report on Internal Controls, there were no material weaknesses or significant deficiencies. Additionally, there were no instances of non compliance with laws and regulations included in HRK's report on compliance.
- OIG contracted with Clifton Gunderson LLP (CG) to perform the OIG's independent evaluation of the effectiveness of the Agency's information security program. CG reported that EEOC met most, but not all, of the key requirements of the Federal Information Security Management Act of 2003 (FISMA).
- OIG issued the Management Letter Report for the FY 2011 Financial Statement Audit prepared by HRK. The audit noted continued weaknesses relating to controls over accountable/sensitive property and in the maintenance of electronic official personnel files (E-OPFs). OIG made recommendations to EEOC management and management provided corrective action plans to address the recommendations.
- OIG issued its report on the Agency's FY 11 compliance with the Improper Payments Elimination and Recovery Act (IPERA). OIG reported that the Agency complied with the Improper Payments Information Act (IPIA), as amended by IPERA.
- Closed investigations included a conflict-of-interest matter, bribery, and disclosure of confidential information.



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- Ongoing investigations continue in several field offices involving the Federal Employee Compensation Act (FECA), misclassification of a position, and other matters.

## **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 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 financial management and organizational development of the Commission. The Vice Chair and the commissioners equally participate in the development and approval of the policies of EEOC, issue charges of discrimination where appropriate, and authorize the filing of lawsuits. Additionally, 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 the EEOC through the 1988 amendments of the Inspector General Act of 1978, which expanded authority to 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 the programs and operations of the Agency; providing leadership and coordination; and recommending policies for activities designed to promote economy, efficiency, and effectiveness in the administration of 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 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 (DIG) serves as the alter ego of the IG and participates fully in policy development and management of the diverse audit, investigation, evaluation, and support operations of the OIG. The DIG also ensures that the Audit, Evaluation, and Investigation Programs (AEIP) address their mission, goals, and objectives in accordance with the Inspector General Act, other laws, Agency policy, and congressional requests. The DIG provides overall direction, program guidance, and supervision to the AEIP. The AEIP staff conducts audits, evaluations, and investigations of EEOC operations and activities and prepares reports for issuance to the Chair, EEOC management, and Congress.

The Counsel to the Inspector General (CIG) is the sole legal advisor in the OIG, providing advice in connection with matters of importance to the OIG. The CIG provides day-to-day guidance to the OIG's investigation team and is the primary liaison with Agency legal components and the Department of Justice. The CIG assists the IG and DIG in the development and implementation of the OIG's policies and procedures. The CIG conducts legal reviews of all audit, evaluation, and investigation reports; reviews proposed and revised legislation and regulations; and recommends appropriate responses and actions.

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

The OIG has two critical vacancies, which are impacting its operational effectiveness. The Deputy Inspector General (DIG) position, the IG's alter-ego and the first line supervisor for the OIG's auditors, evaluators, and investigators, has been vacant since May 2011 following the appointment of the DIG to the Inspector General position. The OIG's Management Analyst position has been vacant since April 2010. This position, which was reclassified to a GS-2210 Information Technology Management series, manages the OIG's information technology program, including OIG's oversight of the Agency's annual Federal Information Security Management Act of 2002 (FISMA)



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evaluation; performs computer forensics for OIG's investigative component; designs, procures, implements and supervises the OIG's investigative case management and audit tracking systems; and is responsible for the procurement and maintenance of the OIG's hardware and software. OIG awaits resources to fill these essential positions.



## THE AUDIT AND EVALUATION PROGRAM

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

### COMPLETED PROJECTS

#### **Audit of the EEOC's Fiscal Year 2011 Financial Statements (OIG Report No. 2011-02-FIN)**

The independent certified public accounting firm of Harper, Rains, Knight & Company, P.A. (HRK) audited the financial statements of EEOC for FY 2011. HRK issued an unqualified opinion on EEOC's FY 2011 financial statements. In its report on internal control over financial reporting, HRK noted no areas involving internal control that were considered to be material weaknesses or significant deficiencies. In its report on compliance with applicable laws and regulations, HRK noted no instances of non compliance with laws and regulations applicable to the Agency. The report was issued by the OIG on November 14, 2011.

#### **Fiscal Year 2011 FISMA Independent Evaluation (OIG Report No. 2011-05-FISMA)**

The OIG contracted with Clifton Gunderson LLP to perform the OIG's independent evaluation of the effectiveness of the Agency's information security program. Clifton Gunderson reported that EEOC met most, but not all, of the key requirements of the Federal Information Security Management Act of 2002 (FISMA). The Agency made positive strides over the last year in addressing information security weaknesses and continues to make progress in becoming fully compliant with FISMA. However, EEOC still faces challenges to refine its information security program. These challenges involve:

- Maintaining documentation for network access requests/approvals
- Implementing multi-factor authentication
- Updating the agency-wide business impact analysis
- Implementing controls over the Agency's vulnerability assessment process, and
- Removing virtual private network access for separated employees in a timely manner.

The report was issued on November 17, 2011.

**Management Letter Report for FY 2011 Financial Statement Audit  
(OIG Report No. 2011-03-FIN)**

On December 15, 2011, the OIG issued the Management Letter Report for the FY 2011 Financial Statement Audit prepared by HRK. Internal control weaknesses continued relating to controls over accountable/sensitive property and in the maintenance of electronic official personnel files (e-OPFs). Recommendations for EEOC management were as follows:

- Conduct more thorough inspections of submitted property reports to ensure that reported property is correctly reported as to type, location, and proper inclusion on sensitive property report.
- Report those offices that do not submit property certifications in accordance with established policy to the Office of the Chair, and require that justifications be provided for late certifications.
- Establish a policy and procedure to perform internal audits of the EEOC eOPF system for proper implementation and application of all Office of Personnel Management and EEOC policies and procedures for the recording and maintaining of official personnel records.

Management provided corrective action plans to address the recommendations. HRK will perform procedures in FY 2012 to determine whether these corrective action plans adequately address the recommendations.

**Report of the Inspector General for the U.S. EEOC on Agency Compliance for Fiscal Year 2011 with IPERA (OIG Report No. 2012-04-IPERA)**

The OIG reported that the Agency had complied with the Improper Payments Information Act (IPIA), as amended by IPERA. The Agency's acting Chief Financial Officer concluded that the agency was not at high risk for significant improper payments after conducting a risk assessment which was based on OIG financial statement audit reports and agency internal controls in place relating to payments. Additionally, the Agency has a payment recapture process in place in case any future improper payments are identified. The report was issued March 12, 2012.

**NEW AND ONGOING AUDIT AND EVALUATION PROJECTS**

**FY 2012 Audit of the Consolidated EEOC Financial Statements**

Harper, Rains, Knight & Company, P.A., is conducting the FY 2012 annual financial statement audit of the EEOC, which is required by the Accountability of Tax Dollars Act of 2002. Fieldwork is ongoing, and the audit opinion is expected to be issued by

November 15, 2012, to meet the Office of Management and Budget (OMB) deadline and to be included in the Agency's 2012 Performance and Accountability Report. Additionally, a management letter report will be issued shortly after the financial statement audit, identifying any internal control weaknesses.

### **FY 2012 FISMA Audit**

The OIG contracted with Clifton Gunderson LLP to perform an independent evaluation of EEOC's information security program and selected EEOC systems for compliance with the FISMA and the OMB's reporting requirements for Inspectors General. An entrance conference was held on February 22, 2012. Fieldwork is under way and is scheduled to be completed early in the first quarter of 2013 to meet the reporting deadline.

### **Review of EEOC Relocation Planning**

The primary purpose of this review is to determine how EEOC can improve its efficiency and effectiveness in the planning and execution of future EEOC office relocations. The OIG issued a preliminary draft report to the Office of the Chief Financial Officer (OCFO) in February 2010 and received OCFO's comments in March 2010. The OIG suspended activity on the project in the third quarter of FY 2010 and resumed activity in the fourth quarter of FY 2011. The OIG plans to issue a draft report in the third quarter of FY 2012.

### **Review of EEOC's Strategic Plan**

During the reporting period, the EEOC issued a new Strategic Plan for FY 2012-2016. ([http://www.eeoc.gov/eeoc/plan/strategic\\_plan\\_12to16.cfm](http://www.eeoc.gov/eeoc/plan/strategic_plan_12to16.cfm)). The plan contains three strategic objectives, four outcome goals, strategies for meeting the outcome goals, and 13 performance measures linked to one or more strategies.

In July 2011 EEOC Chair Jacqueline A. Berrien launched an initiative to develop a new strategic plan for the Agency. On January 19, 2012, EEOC posted its Draft Strategic Plan on the EEOC public website, and on February 22, 2012, the Commission adopted the plan by a 4-1 vote. The OIG has commenced a review of the new Strategic Plan and shall report its findings, including an assessment of the efficacy of the plan, and the Agency's progress in implementing the plan, in the OIG's Fall 2012 Semiannual Report.

### **Audit Follow-up Program Review**

The OIG is conducting an Audit Follow-up Program (AFP) review to determine whether the policies, procedures and practices utilized by EEOC in administering its AFP are sufficient to expeditiously resolve audit recommendations resulting from OIG reviews, as well as external reviews performed by the Government Accountability Office (GAO), other Executive branch audit organizations, and non-governmental audit organizations.

OIG will assess the condition of the EEOC AFP and ascertain opportunities to improve the program’s performance and results. A draft report is planned for the fourth quarter of FY 2012.

**Related Audit Follow-up Initiative**

The OIG conducted outreach to improve the audit follow-up process. The OIG is seeking to assist auditees in understanding the audit follow-up process so that the process is more efficient and implementation of recommendations is timelier. We met with the Director and other staff in the Office of Field Programs to explain the audit follow-up process and corrective action plan format.

**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. Four reports were issued during this reporting period (April 1, 2011–September 30, 2011), two of the reports contained findings.

**Reports Issued During This Reporting Period**

Fiscal Year	Report Number	Report Title	Date Issued
2011	2011-02-FIN	FY 2011 Financial Statement Audit	11/14/2011
2011	2011-05-FISMA	FY 2011 Federal Information Security Management Act (FISMA) Report	11/17/2011
2011	2011-03-FIN	FY 2011 Financial Statement Management Letter Report	12/15/2011
2011	2012-04-IPERA	FY 2011 Improper Payments and Elimination Recovery Act (IPERA) Review	3/12/2012

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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 March 2012. The OIG is reporting a total of 11 reviews with a total of 39 open recommendations for this reporting period. The following table shows those recommendations for which corrective action has not been completed.

**Recommendations for Which Corrective Actions Have Not Been Completed**

Fiscal year	Report number	Report title	Date issued
2010	2010-04-FIN	<b>FY 2010 Financial Statement Audit Management Letter Report</b>	2/7/2011
<p>Open Recommendations:</p> <ul style="list-style-type: none"> <li>• Report those offices that do not submit property certifications in accordance with established policy to the Office of the Chair, and require that justification be provided for late certifications.</li> <li>• Conduct internal audits of submitted property certifications, to ensure that reported property is correctly reported as to type and location.</li> <li>• Establish a policy to perform internal audits of the EEOC eOPF system for proper implementation and application of all OPM and EEOC policies and procedures for the recording and maintaining of official personnel records.</li> <li>• Implement and document the implementation of all applicable client control considerations provided by the service provider. The documentation should be readily available for review and shared with all relevant EEOC offices.</li> </ul>			

Fiscal year	Report number	Report title	Date issued
2010	2010-07-FISMA	<b>Federal Information Security Management Act Report</b>	11/1/2010
<p>Open Recommendations:</p> <ul style="list-style-type: none"> <li>• Develop/improve vulnerability scanning capability, and incorporate the results of scanning into the plan of action and milestones process.</li> </ul>			

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- Implement multifactor authentication.
- Ensure that procedures are followed for disabling accounts no longer active.

Fiscal year	Report number	Report title	Date issued
2010	2010-09-AEP	<b>Evaluation of the Management of the EEOC’s State and Local Programs</b>	3/21/2011
<p>Open Recommendations:</p> <ul style="list-style-type: none"> <li>• Develop and implement strategic performance goals and objectives that are reflective of the program; measurable, and in accordance with the requirements of the Government Performance and Results Act (GPRA).</li> <li>• Work with the CFO to include the performance goals, objectives, and measures in the annual performance and accountability report.</li> <li>• Request additional funding to provide Fair Employment Practice Agencies (FEPAs) with formal substantial weight review (SWR) training and other alternative training methods that will allow FEPAs to take advantage of the actual technology and to reach the widest audience in a more efficient and cost- effective structure.</li> <li>• Perform a full assessment of the cost for resolution and intakes, reassess the current payment amounts and case quotas, and consider making appropriate adjustments to the payment amounts and budgeted quotas to provide a fee that covers a greater percentage of the cost of case processing.</li> <li>• Request additional funds to provide incentive payments to FEPAs to go beyond their case quota in order to encourage continued productivity.</li> <li>• Revisit their budget allocation process to determine ways that the process can be improved to be more efficient and timely and provide better controls designed to reduce the potential for fraud.</li> <li>• Develop and institute a consistent monitoring process for the District Offices that occurs throughout the fiscal year, not just at fiscal year-end.</li> <li>• Develop written procedures for processing voucher payments in collaboration with the Office of Finance.</li> </ul>			

Fiscal year	Report number	Report title	Date issued
2009	2009-05-FIN	<b>FY 2009 Financial Statement Audit Management Letter Report</b>	1/12/2010
<p>Open Recommendations:</p> <ul style="list-style-type: none"> <li>• Ensure that all user accounts are assigned to a unique individual; ensure that all data network and e-mail accounts are created and authorized in accordance with EEOC policies and procedures; disable network and e-mail accounts that have not been used for 30 days, as mandated by the Office of Information Technology’s (OIT’s) policy on controls for creating, changing, and terminating system account policy; ensure that all offices comply with the required annual user account confirmation procedures listed within the EEOC OIT policy on creating, changing, and terminating system accounts. (finding repeated in FY 2010 Management Letter.)</li> <li>• Update the network vulnerability scan policies and procedures to ensure that the volume of medium and high-risk vulnerabilities identified as a result of scanning is in accordance with industry best standards. (finding repeated in FY 2010 Management Letter.)</li> <li>• EEOC management develops and implements policies and procedures for outsourced applications to ensure application security violations are appropriately reviewed and reported. (finding repeated in FY 2010 Management Letter.)</li> </ul>			

Fiscal year	Report number	Report title	Date issued
2008	2008-13-AEP	<b>Independent Evaluation of Agency Compliance with FISMA</b>	9/24/2008
<p>Open Recommendations:</p> <ul style="list-style-type: none"> <li>• Implement plans and procedures with the Agency field offices to identify and dispose of all old and nonworking information systems by April 30, 2008; also ensure that information is appropriately destroyed before the systems’ disposal.</li> </ul>			

Fiscal year	Report number	Report title	Date issued
2008	2008-12-AEP	<b>FY 2008 Independent Audit of EEOC Privacy Program</b>	9/30/2008
<p>Open Recommendations:</p> <ul style="list-style-type: none"> <li>• Develop and implement policies and procedures to provide periodic reminders to all employees and contractors of their responsibility to protect sensitive personally identifiable information (PII) in both electronic and hard-copy format.</li> <li>• Develop, document, and implement procedures to monitor compliance with EEOC policies and procedures related to the protection, processing, storage, and destruction of sensitive hard copy PII.</li> <li>• Centralize administration of Web site privacy policies.</li> <li>• Ensure that all privacy policies posted to EEOC Web sites comply with OMB requirements.</li> <li>• Ensure that all privacy policies are posted on (a) EEOC’s principal Web site, (b) any known major entry points to EEOC sites, and (c) any Web page that collects substantial information in identifiable form.</li> <li>• Review all privacy laws and regulations and identify those applicable to EEOC.</li> <li>• Develop, document, and implement a formal process for ensuring that all new privacy-related laws and regulations are evaluated to determine whether EEOC is required to follow them.</li> <li>• Continue with the planned action to implement two-factor authentication with the implementation of badges for Homeland Security Presidential Directive 12.</li> </ul>			

Fiscal year	Report number	Report title	Date issued
2009	2008-06-FIN	<b>FY 2008 Financial Statement Audit Management Letter Report</b>	2/12/2009
<p>Open Recommendations:</p> <ul style="list-style-type: none"> <li>• Office of Human Resources obtain and file all documentation supporting personnel and payroll actions taken and ensure that information is available for review upon request. (finding repeated in FY 2010 Management Letter.)</li> </ul>			

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Fiscal year	Report number	Report title	Date issued
2008	2008-03-AMR	<b>Oversight of Federal Agency Reporting Management Directive 715 (MD-715) and Related Topics</b>	9/26/2008
<p>Open Recommendations:</p> <ul style="list-style-type: none"> <li>• Obtain customer feedback on Management Directive 715 (MD-715) and other oversight issues using a real-time blog or similar mechanism.</li> <li>• Require Federal agencies to submit part G, of their equal employment opportunity assessment, with their annual MD-715 submissions.</li> </ul>			

Fiscal year	Report number	Report title	Date issued
2007	2007-12-AMR	<b>Evaluation of EEOC Field Office Continuity of Operations Plans</b>	3/27/2008
<p>Open Recommendations:</p> <ul style="list-style-type: none"> <li>• Ensure that all field office staff take the continuity of operations (COOP) awareness course.</li> <li>• Develop and implement policies and procedures instructing field office staff to store all mission-critical electronic files on Agency-managed network drives.</li> </ul>			

Fiscal year	Report number	Report title	Date issued
2008	2007-11-RFPERF	<b>Performance Audit of the EEOC's Education, Training, and Technical Assistance Program Revolving Fund</b>	8/26/2008
<p>Open Recommendations:</p> <ul style="list-style-type: none"> <li>• Operate the Revolving Fund as an independent program within the Agency.</li> <li>• Approve the establishment of the EEOC Training Institute Steering Committee.</li> </ul>			

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- Update the Revolving Fund business plan to reflect strategic direction, vision, and goals over the next three to five years.
- Initiate cross-training between job functions where reasonable and practical.
- Reconcile spending plans to amounts recorded in the accounting system.
- Seek professional assistance to develop a more effective budgeting method to project financial information to plan training events and monitor goals.

Fiscal year	Report number	Report title	Date issued
2007	2007-07-ADV	<b>Strategic Management of Human Capital, Succession Planning</b>	4/29/2009

Open Recommendations:

- EEOC’s Chair and senior management should take an active role in the Agency's succession planning efforts, including ensuring that the Office of Human Resources takes actions to move the executive and senior leadership development program forward including finalizing the document.

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.



## 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 INQUIRIES

<b>Investigative Inquires Received October 1, 2011– March 31, 2012</b>	
<b>Allegations</b>	<b>Number</b>
Charge Processing	267
Other Statutes	34
Title VII	250
Ethics Violations	3
Backgrounds	5
Theft	5
Threats	28
Fraud	1
Other Criminal Allegations	6
Congressional Inquiries	3
<b>Total</b>	<b>602</b>

## COMPLETED INVESTIGATIONS

### *Conflict of Interest*

The OIG completed its investigation of allegations of conflict of interest involving an employee's involvement in an employment discrimination investigation of a company in which the employee may have had a financial interest. The allegations resulted from the Agency's annual review of the employee's financial disclosure statement wherein the financial interest was disclosed.

Title 18 U.S.C. §208 prohibits government employees from participating personally and substantially as a government officer or employee, in investigations and other proceedings, in which, to his knowledge, he, his spouse, minor child has a financial interest. Based upon factors uncovered during its investigation, the OIG found no violation of Title 18 U.S.C. §208 in connection with the employee's involvement in the investigation.

### *Bribery*

The OIG received a complaint from a former EEOC employee alleging that an EEOC trial attorney had accepted a bribe from a third party in connection with the settlement of a charge of discrimination. After conducting a preliminary investigation into this matter the OIG found no evidence of bribery and therefore, the OIG closed this investigation.

### *Disclosure of Confidential Information*

The OIG received a complaint alleging that an EEOC employee had communicated confidential EEOC litigation information to the defense counsel in a case. After conducting a preliminary investigation, the OIG closed the matter based on a lack of evidence.

## ONGOING INVESTIGATIVE ACTIVITY

The OIG has other ongoing investigations in several offices involving prohibited personnel practices, ethics violations, conflicts of interest, time and attendance fraud, disclosure of confidential information, mismanagement, falsification of government records, misclassification, impersonation of a Federal official, theft of government property, and threats against the Agency.

**APPENDIX I. FINAL OFFICE OF INSPECTOR GENERAL  
AUDIT AND EVALUATION REPORTS**

<b>Report Title</b>	<b>Date Issued</b>	<b>Questioned Costs</b>	<b>Funds Put to Better Use</b>	<b>Unsupported Costs</b>
FY 2011 Financial Statement Audit	11/14/2011	\$0	\$0	\$0
FY 2011 Federal Information Security Management Act (FISMA) Report	11/17/2011	\$0	\$0	\$0
FY 2011 Financial Statement Management Letter Report	12/15/2011	\$0	\$0	\$0
FY 2011 Improper Payments and Elimination Recovery Act (IPERA) Review	3/12/2012	\$0	\$0	\$0

**APPENDIX II. INDEX OF REPORTING REQUIREMENTS**

<b>Inspector General Act Citation</b>	<b>Reporting Requirements</b>	<b>Page</b>
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	12-18
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	9-10
Section 5(a)(7)	Summary of Significant Reports	9-11
Section 5(a)(8)	Questioned and Unsupported Costs	24
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 reviewed 6 audit reports issued by public accounting firms concerning Fair Employment Practice Agencies (FEPAs) that have work-sharing agreements with EEOC. There were no audit findings for the FEPAs that involved EEOC funds.

### SINGLE AUDIT ACT REPORTS

<b>The State of Colorado, June 30, 2010</b>	<b>The State of Indiana, June 30, 2010</b>
<b>The State of Utah, June 30, 2011</b>	<b>The State of Iowa, June 30, 2010</b>
<b>The State of North Dakota, June 30, 2010</b>	<b>The State of Illinois, June 30, 2010</b>



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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**



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

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