

U.S. International Trade Commission

Inspector General Semiannual Report



October 1, 2020 - March 31, 2021

Office of Inspector General



The U.S. International Trade Commission is an independent, nonpartisan, quasi-judicial federal agency that provides trade expertise to both the legislative and executive branches of government, determines the impact of imports on U.S. industries, and directs actions against certain unfair trade practices, such as patent, trademark, and copyright infringement. USITC analysts and economists investigate and publish reports on U.S. industries and the global trends that affect them. The agency also maintains and publishes the Harmonized Tariff Schedule of the United States.



UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, DC 20436

May 27, 2021

Message from the Chair

In accordance with the Inspector General Act of 1978, as amended, 5 U.S.C. App. 3 (IG Act), the U.S. International Trade Commission ("USITC," or "Commission") transmits the USITC Inspector General Semiannual Report for the October 1, 2020, to March 31, 2021, period.

The Commission appreciates the Inspector General's continuing efforts to ensure the effectiveness, efficiency, and integrity of the Commission's operations. Our agency has benefitted significantly from the Inspector General's analysis of our operations. The Office of Inspector General continually provides valuable assistance to the Commission and its staff throughout the year.

The Semiannual Report identifies the agency's top management and performance challenges from the Inspector General's perspective. The Commission agrees with the Inspector General's assessment of these challenges. The Commission appreciates the significant efforts made by Commission staff to address these challenges and the Inspector General's acknowledgement of the progress our management team has made responding to these challenges.

Actions Taken on IG Recommendations from Prior Year Reports

The Commission has made significant progress on several management decisions made in response to the three reports issued by the Inspector General during prior years.¹ The Commission is committed to implementing all of the remaining management decisions that we have made on the Inspector General's recommendations. Summaries of the Commission's actions on outstanding recommendations from prior years follow.

¹ See Table C of Appendix A: Chairman's Statistical Tables.

(1) Audit of Directives Management (OIG-AR-15-14)

Since 2015, the Commission has dedicated significant resources to redesigning its system of internal rules and bringing its policies and procedures into compliance. Six Directives chartering the Commission's agency-wide management committee were formally issued during the first quarter of FY 2021.

During the first two quarters of FY 2021, the Commission has been developing human capital management Directives and associated Handbooks, including its Attendance and Leave and the Personnel Disciplinary and Adverse Action Directives, as well as a new directive establishing the Student Loan Repayment Program. The Commission will also complete the project of issuing updated designation documents and make progress toward ensuring its various internal procedural documents are updated and recorded into the system of internal rules.

Finally, the Commission has closed out an open management decision in the first half of FY 2021. This management decision required the Commission to ensure that delegations of authority and agency designations include authoritative sources and core responsibilities and that delegations of authority and agency designations are centralized. As part of its system of internal rules policies, the Commission has required that all Directives set forth delegations of authority and designations as well as the sources for those authorities. Further, all designations have been recorded into a single document as well as the responsibilities associated with each designation. The management decisions remaining open are for the Commission to document interrelated and dependent directives to understand how changing one policy may affect another and to define standard format and content requirements for each type of internal rule. Since January 2018, the Commission's new system of internal rules has begun to address both issues, with the updated System of Internal Rules Directive setting forth the requirements for each type of internal rule and the System of Internal Rules web application requiring all internal rules to be associated with a parent Directive. These decisions will be closed out as soon as the Commission is confident that no additional rule types are required and that all the most foundational Directives are updated and issued and associated with related rules. The goal is to close out these remaining decisions in FY 2022.

(2) Audit of Time and Attendance (OIG-AR-18-09)

The Inspector General issued final report OIG-AR-18-09, Audit of Time and Attendance, on March 27, 2018. The audit focused on whether the Commission was effectively managing its processes for overtime, compensatory time, credit hours, and religious compensatory time. The Inspector

General identified four problem areas and issued eight recommendations. The recommendations involved 1) training management and staff on eligibility to receive the benefit of credit hours, compensatory overtime, and paid overtime as well as work schedules and how they impact that eligibility, 2) evaluating Commission policies and procedures related to time and attendance, and updating Commission policies and procedures related to time and attendance as necessary. The Commission issued a response to this report containing eight management decisions to address each of the recommendations. To date we have closed four of the eight management decisions (Management Decision numbers 1,3,4 and 6).

The remaining management decisions require intensive review of USITC systems and development of improved policies and procedures related to timekeeping. A working group convened to address the audit findings continues to research how to improve tracking of actual hours worked through the Commission's time and attendance system in order to address the additional management decisions related to this audit. The working group has reviewed the USITC's systems and processes related to timekeeping and is currently developing recommendations to address the concerns raised by the Inspector General.

Further, the Commission, through its Internal Administration Committee, has examined policies and procedures related to time and attendance, including its existing Attendance and Leave Directive. The Internal Administration Committee has prioritized the updating of the Directives in and substantial progress has been made in developing drafts for approval by the USITC. However, the COVID-19 pandemic and the passage of a number of recent leave-related laws and regulations have created the need for the Commission to further consider its updates to these policies to ensure they appropriately reflect current law and practice. The Commission expects to issue these policies during FY 2021. Issuing these policies will close out three of the remaining four management decisions

(3) Audit of Data in the 337Info System (OIG-AR-20-12)

On February 26, 2020, the Inspector General issued the final report OIG-AR-30-12, Audit of Data in the 337Info System. The audit focused on whether the Commission's 337Info data system was providing quality data to users. The Inspector General issued six recommendations. The recommendations involved: 1) establishing acceptable accuracy benchmarks, 2) set data management goals to reaching acceptable accuracy benchmarks, 3) document roles and responsibilities for investigative data, 4) identify and conduct quality review processes, 5) establish automated controls (e.g. user permissions) to audit data in the system, and 6) implement technology controls that minimize data entry errors. The Commission issued a response to this report containing six management decisions to address each of the recommendations. To date, we have closed four of the six management decisions (Management

Decision numbers 1,2,3 and 4).

To address the open management decisions, requirements for automated and technology controls have been identified and OCIO developers are working to implement them. The remaining management decisions are scheduled to be completed and closed out by October 1, 2021.

We attach the statistical tables required under the IG Act as Appendix A to this report.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Kearns', with a stylized flourish at the end.

Jason E. Kearns
Chair



UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, DC 20436

April 30, 2021

IG-TT-007

Commissioners:

Attached is the Semiannual Report summarizing the activities of the Office of Inspector General for the period October 1, 2020 through March 31, 2021.

During this reporting period we issued six reports and made six recommendations to promote the efficiency, effectiveness, and integrity of the Commission's operations. The Commission provided management decisions for all the recommendations we made during this reporting period.

We look forward to continuing our efforts to provide independent and effective oversight of the United States International Trade Commission and working with the Council of the Inspectors General on Integrity and Efficiency on important issues that cut across our government.

I would like to thank you for your commitment to strengthening the integrity of the Commission's operations and for your support of the work of my office.

Sincerely,

Michael J Haberstroh
Acting Inspector General

U.S. International Trade Commission

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Table 1: Reporting Requirements Index

Reporting Requirements Index		
IG Act Section	Description	Page
4(a)(2)	Review of Legislation	None
5(a)(1)	Description of Significant Problems, Abuses, and Deficiencies	None
5(a)(2)	Description of Recommendations for Corrective Action With Respect to Significant Problems, Abuses, and Deficiencies	None
5(a)(3)	Significant Recommendations From Prior Reports on Which Corrective Action Has Not Been Completed	10
5(a)(4)	Summary of Matters Referred to Prosecuting Authorities	12
5(a)(5)	Summary of Instances Where Information or Assistance Was Unreasonably Refused	None
5(a)(6)	Table 3: Listing by Subject Matter of Each Report Issued During This Reporting Period	6
5(a)(7)	Summary of Significant Reports	6
5(a)(8)	Table 6: Questioned and Unsupported Costs	16
5(a)(9)	Table 7: Recommendations Where Funds Could Be Put to Better Use	17
5(a)(10)	Summary of Prior Reports	9
5(a)(11)	Description of Any Significant Revised Management Decisions	None
5(a)(12)	Information Concerning Any Significant Management Decision With Which the Inspector General Is in Disagreement	None
5(a)(13)	Information Described Under Section 5(b) of FFMIA	14
5(a)(14)	Results of Peer Review Completed During This Period or Date of Last Peer Review	15
5(a)(15)	List of Outstanding Recommendations From Peer Review	None
5(a)(16)	List of Peer Reviews Conducted of Another Office of Inspector General During This Period	None
5(a)(17)	Table 10: Investigative Reports	20
5(a)(18)	Description of the Metrics Used for Developing Investigative Statistics	20
5(a)(19)	Investigations With Substantiated Allegations Involving Senior Government Employees	12
5(a)(20)	Description of Any Whistleblower Retaliation	None
5(a)(21)	Description of Attempts To Interfere With Inspector General Independence	None
5(a)(22)	Summary of Reports Not Disclosed to the Public	12

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Office of Inspector General

The U.S. International Trade Commission (Commission) established the Office of Inspector General when the *Inspector General Act* (IG Act) was amended in 1988. Our office provides audit, evaluation, inspection, and investigative services covering all Commission programs and operations. Our mission is to promote and preserve the effectiveness, efficiency, and integrity of the Commission. We plan and conduct our activities based on several factors: requirements of laws and regulations, requests from management officials, complaints received from Commission personnel, other sources, and the Inspector General's initiative.

Semiannual Report Requirements

The IG Act requires each Inspector General to prepare a report twice a year that summarizes the activities of the office. This Semiannual Report covers the period from October 1, 2020, through March 31, 2021. The 23 requirements shown in table 1 are specified in the IG Act and must be included in the report.

This Semiannual Report starts with a discussion of the Top Management and Performance Challenges Report, which identified two management challenges facing the Commission and the actions that management has taken to address them. It then summarizes the results of the other reports issued during this period. This is followed by a summary of prior year reports with unimplemented recommendations; a description of significant recommendations from prior reports where final action is not complete; details of hotline and investigative activities; and information on reports that we did not publicly disclose.

The next section summarizes other reviews of the Commission conducted by external parties, along with the status of recommendations from those reports. The last sections provide information on other reportable items, which include congressional activity, participation in the Council of the Inspectors General on Integrity and Efficiency, other compliance activities, and assistance provided to other Offices of Inspector General.

Additional tables at the end of the report summarize information about our reports and provide the status of recommendations.

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Top Management and Performance Challenges

Each year, our office must identify and discuss the most significant management and performance challenges facing the Commission in the coming year. We provided this report (OIG-MR-20-15) to the Commission on September 29, 2020. In the report, we focused on the two major challenges listed in table 2. We identified these challenges using information gained from our audit, evaluation, and inspection work; a general knowledge of the Commission's programs and activities; and input from management. Following table 2 is a short discussion of the two challenges and the efforts the agency has taken to address them.

Table 2: Management and Performance Challenges

Management and Performance Challenges
1. Managing Data
2. Internal Controls

Managing Data

OMB Circular No. A-123, Appendix A: *Management of Reporting and Data Integrity Risk*, requires agencies to provide reasonable assurance on the reliability, validity and overall quality of data used for internal and external reporting. The guidance emphasizes a risk-based approach towards managing data as an asset and the importance of using high-quality data to support data-driven decisions for improving transparency in the government.

High-quality information can only be achieved by having a deliberate methodology on how to organize, standardize, and collect the necessary data elements to meet reporting objectives. Properly organized data allows information to be collected at a granular level which then allows data to be aggregated to meet the reporting needs of staff in different organizations and managers at different levels in the agency. The data collection process should be standardized with clear data definitions to promote uniformity and provide consistency in how information is recorded, interpreted, and communicated.

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High-quality information relies on a strong governance structure that assigns data ownership and accountability to ensure accuracy, completeness, timeliness, and integrity of data. Data owners should promote a culture that values data by emphasizing the importance of the data collected and how data is maintained over time. In addition, data owners should develop processes and procedures needed to provide reasonable assurance of the quality of data in the system.

The Commission should be able to rely on the quality and integrity of its data across systems, applications, and databases. The value of the information generated by a system is only as good as its quality at the point of entry. The accuracy and completeness of information depends on how we capture, enter, code, and reconcile data at the source of entry. Employees need to understand the importance of the data and, more importantly, how inaccurate, or incomplete entries impact the quality of information. Data reconciliation processes should be performed regularly to identify and correct any errors or omissions and improve the processes to reduce future errors.

Earlier this year, the Commission's Chief Data Officer established a data accuracy rate benchmark of 95% for internal data systems. To accomplish this, system owners will need to develop standard procedures for the collection, data entry, maintenance, and reconciliation of data. Effective organization and standardization of data is critical to obtain useful and relevant information that can be used for a variety of purposes across all levels of the organization. Even if the data meets the 95% accuracy rate for a system, the inconsistent definitions and values between systems can make it difficult to leverage the multiple datasets to produce enterprise-level information without requiring human interaction to normalize the data.

A clear example of this is personnel cost data, which represents approximately 65% of the agency's budget. Personnel data resides in multiple systems across the Commission, including payroll, time and attendance, travel, and financial system. The absence of standards results in different methods for entering organizational information such as office names, office and division acronyms, and which level within the organizational hierarchy staff are assigned within the system.

The Commission's financial management codes should be the authoritative source for standardizing how organizational and personnel data is recorded in agency systems. The naming conventions for offices should align with agency directives, and standard office acronyms should be defined. The organizational hierarchy should have a documented methodology of assigning codes based on the structure and relationships between the offices. Codes should remain stable (without sacrificing flexibility) to allow data to be compared over time.

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There has been a steady increase in legislation and policy guidance directing agencies to implement sound information management practices and increase the accessibility of data to the public. Most recently, the *Foundations for Evidence-Based Policymaking Act of 2018* (Evidence Act), requires the development of a Strategic Information Resources Plan to include an Open Data Plan that complies with the *OPEN Government Data Act*. Although technical guidance is forthcoming, these plans must describe the Commission's goals and efforts to make agency datasets more accessible to the public.

Additionally, the President's Management Agenda lays out a long-term vision to leverage data as a strategic asset. The intent is to improve the use of data for decision-making, accountability, and transparency across the Federal Government and further enable accessibility to the public. The framework walks through the process of identifying information needs, understanding the characteristics of the data, and determining the appropriate level of detail required to ensure the correct data is collected in order to develop useable and relevant information for internal and external users.

The Commission should adopt a thoughtful, enterprise-wide approach to data management that builds a culture of data quality. There must be a balanced structure of people, processes, and technology to provide assurance over the quality of data without instituting overly rigid manual processes that are inefficient and unsustainable given the limited human resource capacity of the Commission.

Internal Controls:

The *Standards for Internal Control in the Federal Government* (Green Book) defines internal control as "a continuous built-in component of operations, effected by people" and identifies five components for internal control. For a system of internal control to be effective, all five components must be properly designed, and implemented. In addition, all five components must be working together in an integrated manner.

The Commission's management is responsible for establishing and maintaining a system of internal controls. These internal controls are the organizational environment that includes the plans, policies, and procedures that managers use to ensure their programs and operations are achieving the intended results through an effective use of public resources.

Over the past ten years, the Commission has worked hard to strengthen entity level controls. Senior managers implemented an enterprise risk management program and have an increased transparency about organizational risk. This program contributes to robust management discussions on issues such as human capital decisions and budget priorities. Although there is more work to be done, the senior management team has an awareness of internal control and knowledge of where controls need to be strengthened.

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The control environment is the foundation of an internal control system. One principle of the control environment is to establish an organizational structure, assign responsibility, and delegate authority to meet the objectives of the Commission. In 2015, we completed an audit of the Commission's directives management system. The audit found that the Commission's policy directives were not current and contained outdated assignments of responsibility and delegations of authority. Although the Commission had written procedures to periodically assess the directives, the reviews were not performed.

The Commission has designed a new system of internal rules and issued directives focused on structural fundamentals such as mission and function statements. There are several additional directives that are in various stages of development. While progress has been made, the delay in updating policy brings added risk to the underlying operational processes that are dependent on the overarching policy directives. It is equally important for the Commission to monitor the effectiveness of the new system of internal rules to ensure it is working as designed and achieving the desired results.

Management is responsible for designing control activities at the appropriate levels in the organizational structure. Each operating unit is responsible for determining the appropriate control activities required to reduce risk in the operational processes of their office. The control activities should be documented through policy and procedure, communicated to staff, and monitored for effectiveness. The absence of standard procedures results in inconsistency in how routine operations are performed, reduces the quality of information produced, increases the risk associated with informal decisions made by management overrides, and often results in a lack of documentation to support decisions.

The overall success of a system of internal control relies on the people, process, and technology across the organization. The five components of internal control should be applied at every level of management within the Commission. The Commission must continue the engagement of senior management but also ensure buy-in across programmatic and administrative offices to be successful in establishing an internal control program that can be sustained.

As the Commission navigates the many challenges brought on by the pandemic, managers need to remain mindful of how these changing conditions may impact the effectiveness of key internal controls in their processes.

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Inspector General Reports Issued During This Period

The Inspector General issued six reports that contained six recommendations during this reporting period and the Commission made management decisions on each of the six recommendations.

A listing of each report issued during this reporting period, by subject matter, is provided in table 3.

Table 3: Reports by Subject Matter

Reports by Subject Matter				
Subject Matter	Report Number	Report Title	Date Issued	Number of Recommendations
Financial	OIG-AR-21-01	<i>FY 2020 Financial Statement Opinion</i>	11/13/2020	0
Financial	OIG-AR-21-02	<i>Report on Internal Control FY 2020</i>	11/13/2020	0
Financial	OIG-AR-21-03	<i>Report on Compliance with Laws and Regulations FY 2020</i>	11/13/2020	0
Financial	OIG-ML-21-05	<i>Management Letter: FY 2020 Financial Statement Audit</i>	12/16/2020	6
Financial	OIG-MR-21-06	<i>Management Report: FY 2021 Charge Card Risk Assessment Report</i>	01/29/2021	0
Information Technology	OIG-MR-21-04	<i>Inspector General CyberScope FY 2020 Submission</i>	11/13/2020	0
Total recommendations issued during this reporting period				6
NOTE: These reports did not identify any questioned costs, unsupported costs, or funds that could be put to better use.				

The title, key findings, and summary information for each report are provided below.

FY 2020 Financial Statement Opinion, OIG-AR-21-01

RESULT: The audit resulted in an unmodified opinion of the Commission's fiscal year 2020 financial statement.

We engaged the services of an independent certified public accounting firm to audit the balance sheet and related statements of net cost, changes in net position, and budgetary resources for fiscal year 2019. The auditors concluded that the Commission's financial

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statements for the fiscal year ended September 30, 2020, presented fairly in all material respects to the financial position of the Commission.

The auditors did not issue any recommendations in the report.

Report on Internal Control FY 2020, OIG-AR-21-02

RESULT: The audit report did not identify any material weaknesses or significant deficiencies.

As part of conducting the financial statement audit, the independent certified public accounting firm was required to issue a report on internal control. The testing was limited solely to internal controls over financial reporting as they related to the financial statements. The auditors did not test internal controls relevant to ensuring effective operations.

The results of the testing performed did not identify any material weaknesses or significant deficiencies in the Commission's internal control over financial reporting.

The auditors did not issue any recommendations in their report.

Report on Compliance with Laws and Regulations FY 2020, OIG-AR-21-03

RESULT: The audit report did not identify any instances of noncompliance.

The independent public accounting firm also performed an audit of the Commission's compliance with certain laws and regulations. The auditors did not test compliance with all laws and regulations applicable to the Commission, only those that would have a direct and material effect on the determination of financial statement amounts. The auditors did not identify any instances of noncompliance.

The auditors did not issue any recommendations in their report.

Management Letter: FY 2020 Financial Statement Audit, OIG-ML-21-05

RESULT: The Commission needs to improve its internal control over management and oversight of journal vouchers and in the recording of undelivered orders and accounts payable.

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The management letter focused on three issues related to internal control and operational matters that the auditors identified during the audit but were not required to include in the audit report. One issue, related to improvements in the recording of undelivered orders and accounts payable, was a repeat condition from previous management reports issued by the auditors.

The issue has been found and reported over multiple years. The Commission had completed final action on the management decisions related to the recommendations from the previous reports, but the repeated finding indicates that the management actions taken to address the recommendations were not monitored to ensure they were properly designed, implemented, and operating effectively.

The report contained six recommendations for corrective action. The Commission made management decisions to respond to the recommendations in the management letter.

Management Report: FY 2021 Charge Card Risk Assessment Report, OIG-MR-21-06

RESULT: We determined that the overall risk of illegal, improper, or erroneous charge card transactions was low.

Our risk assessment focused on the Commission's internal controls in place for the travel, fleet, and purchase card programs against the requirements identified in OMB M-13-2. In addition, we reviewed cardholder transaction history and reviewed the results of the Commission's internal monthly and quarterly reviews.

Inspector General FY 2020 CyberScope Submission, OIG-MR-21-04

RESULT: Our assessment found the Commission's information security program was effective.

The Inspector General is required to independently evaluate and report annually to the Office of Management and Budget on how the Commission has established and implemented information security programs. Each year, the Office of Management and Budget requests input on select programs. For fiscal year 2020, the Office of Management and Budget requested an assessment using a five-level maturity model. The Office of Management and Budget considers "managed and measurable" to be an effective level of security. We evaluated five program areas based on criteria established

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by the Office of Management and Budget. We found the Commission's maturity level for two program areas to be at Level 3: *Consistently Implemented* and the remaining three programs were assessed at maturity Level 4: *Managed and Measurable*.

Based on the overall maturity levels of the program areas assessed, we determined that the information security program was effective. We did not issue any recommendations in our assessment.

Summary of Prior Period Reports

Reports Without Management Decisions

The Commission has provided management decisions for all recommendations in reports issued prior to the commencement of this reporting period.

Reports Without Management Comments

The Commission provided management comments for all reports that contain recommendations within 60 days. Internal policy does not require management to provide comments on reports that do not have recommendations.

Prior Year Unimplemented Recommendations and Cost Savings

A summary of reports containing unimplemented recommendations by fiscal year is provided in table 3 below.

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Table 4: Prior Year Unimplemented Recommendations and Cost Savings

Prior Year Unimplemented Recommendations and Cost Savings			
Fiscal Year	Number of Reports With Unimplemented Recommendations	Number of Unimplemented Recommendations	Dollar Value of Aggregate Potential Cost Savings
15	1	2	\$0
18	1	4	\$0
20	2	3	\$0

Significant Recommendations From Prior Periods

The Commission has not completed corrective action for 9 recommendations described in prior semiannual reports. We have identified one of these recommendations—related to the Commission’s system of internal rules—as significant. The report number along with the significant recommendation is provided in table 4, followed by a brief summary of the report.

Table 5: Significant Recommendations From Prior Periods

Significant Recommendations From Prior Periods	
Report Number	Recommendation
OIG-AR-15-14	Recommendation 2: Define standard format and content requirements for each type of internal rule.

The report containing this recommendation focused on directives management. Managing directives is a core function of the system of internal rules. The internal rules system shapes the Commission’s governance culture and plays a key role in internal control activities.

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We recommended that the Commission develop a directives management framework that would clearly assign responsibility and accountability for meeting the Commission's objectives; set the tone for employees' conduct and expected behavior; and set the direction for how the Commission complies with certain laws and regulations in its daily operations. We also recommended setting up a periodic review process to ensure the directives are current, relevant, readily accessible, and easily understood.

Hotline and Investigations

Investigations and Inquiries: Overview

One of our functions is to conduct investigations and inquiries of criminal, civil, and administrative wrongdoing involving Commission programs, operations, and personnel. We may investigate possible violations of federal criminal law, of regulations on employee responsibilities and conduct, and of other statutes and regulations covering Commission activities.

Our office reviews and analyzes each complaint received to decide the appropriate course of action and, if appropriate, conducts a preliminary inquiry. If the information we find during the preliminary inquiry indicates that a full investigation is appropriate, we will launch an investigation.

OIG Hotline Contacts

Our office maintains a hotline for reporting information about suspected waste, fraud, abuse, or mismanagement involving Commission programs or operations. The information may come to us in person; by telephone, fax, email, or mail; or through a web-based form. Complaints may also be made anonymously. When requested, we will endeavor to keep a provider's identity confidential.

We receive complaints from employees, contractors, and the public that involve the Commission's areas of responsibility. We examine these complaints to determine whether there is any indication of Commission wrongdoing or misconduct. If the complaint does not relate to the Commission, we refer the complaint to the appropriate entity for response. If the complaint does not have merit, we close the matter.

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Summary of Matters Referred to Prosecuting Authorities

The Office of Inspector General did not refer any matters to prosecuting authorities during this reporting period.

Investigations with Substantiated Allegations Involving Senior Government Employees

The Office of Inspector General did not issue any investigative reports that substantiated allegations involving senior government employees.

Summary of Reports Not Disclosed to the Public

Inspections, Evaluations, and Audits

The Office of Inspector General did not issue any inspections, evaluations, or audits that were not disclosed to the public during this reporting period.

Investigations

The Office of Inspector General did not issue any investigative reports that were not disclosed to the public during this reporting period.

External Reviews Completed During This Period

The Commission did not have any external reviews completed during this reporting period.

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Status of Actions Related to External Reviews Completed During Prior Periods

Office of Personnel Management

The Office of Personnel Management conducted an evaluation of the Commission's strategic management of human capital, the efficiency and effectiveness of its human resources programs, and its compliance with merit system principles and other civil service laws and regulations.

The final report, issued by the Office of Personnel Management on December 8, 2017, found that the Commission had "Not Met" the anticipated results in 9 of the 26 assessment areas. The Office of Personnel Management noted that the Commission's policies were extremely outdated and that improvements were needed in the external and internal hiring processes.

The Office of Personnel Management issued 15 required actions and 6 recommended actions to the Commission. The Commission developed management decisions to address all 21 actions from the report. The Commission completed 19 recommendations in prior reporting periods.

The Commission continues to make progress on the remaining two open recommendations.

Assistance to Other Offices of Inspector General

Section 6(a)(3) of the Inspector General Act of 1978, as amended, gives the Inspector General the authority to obtain assistance from any other federal agency to carry out the duties and responsibilities assigned by the Act.

Our office assists other Offices of Inspector General by performing independent information technology reviews. Our support may vary widely, ranging from penetration testing, vulnerability assessments, and configuration reviews to evaluating the monitoring, detection, and remediation of cyber incidents. When assistance is requested, the Commission's Inspector General will enter into a memorandum of understanding with the other federal agency, in accordance with 31 U.S.C. §1535 (the Economy Act of 1932), as amended. The memorandum of understanding describes in writing the work to

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be completed, methodology, cost, and schedule, as well as any associated deliverables, before work begins.

In addition, our office has a memorandum of understanding in place with the Office of Inspector General of the Appalachian Regional Commission to provide them with independent legal counsel on an as needed basis.

Congressional Activities

The Inspector General did not receive any Congressional requests during this reporting period.

Council of the Inspectors General on Integrity and Efficiency

The Inspector General has actively participated in meetings and supported the efforts of the Council of the Inspectors General on Integrity and Efficiency (CIGIE). Members of our staff have volunteered to serve on various CIGIE working groups and committees that address cross-cutting issues, such as knowledge management, cloud computing, investigations, cybersecurity, new media, small-agency concerns, and legal matters.

Federal Financial Management Improvement Act Reporting

The IG Act and the Federal Financial Management Improvement Act of 1996 (FFMIA) require the inspectors general of certain agencies to report “instances and reasons” when the agency has not met intermediate target dates established in a remediation plan to bring the agency’s financial management system into substantial compliance with the FFMIA. The Commission is not subject to the FFMIA; however, it voluntarily seeks to comply with most of its requirements. During this reporting period, there were no events that gave rise to a duty to report under FFMIA.

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Peer Review

The Consumer Product Safety Commission's Office of Inspector General performed the last peer review of our office. The final report, issued on March 20, 2019, found that the system of quality control for conducting audits was suitably designed and implemented, giving it a peer review rating of "pass." The reviewers did not make any recommendations. The next peer review of our office will be this year, in accordance with the peer review schedule set by CIGIE.

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Table 6: Reports With Questioned and Unsupported Costs

Reports With Questioned and Unsupported Costs			
Description	Number of Reports	Questioned Costs	Unsupported Costs
Reports for which no management decision had been made by the commencement of the reporting period.	0	\$0	\$0
Reports issued during the reporting period.	6	\$0	\$0
Totals	6	\$0	\$0
Reports for which a management decision was made during the reporting period.	6	\$0	\$0
<ul style="list-style-type: none"> • Dollar value of disallowed costs. 	\$0	\$0	\$0
<ul style="list-style-type: none"> • Dollar value of allowed costs. 	\$0	\$0	\$0
Reports for which no management decision had been made by the end of the reporting period.	0	\$0	\$0
Totals	6	\$0	\$0

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Table 7: Reports With Recommendations That Funds Be Put to Better Use

Reports With Recommendations That Funds Be Put to Better Use		
Description	Number of Reports	Funds Put to Better Use
Reports for which no management decision had been made by the commencement of the reporting period.	0	\$0
Reports issued during the reporting period.	6	\$0
Totals	6	\$0
Reports for which a management decision was made during the reporting period.	6	\$0
<ul style="list-style-type: none"> Dollar value of recommendations agreed to by management. 	\$0	\$0
<ul style="list-style-type: none"> Dollar value of recommendations not agreed to by management. 	\$0	\$0
Reports for which no management decision had been made by the end of the reporting period.	0	\$0
Totals	6	\$0

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Table 8: Reports With Final Action Completed During This Reporting Period

Reports With Final Action Completed During This Reporting Period					
Reports Issued this Reporting Period					
	Report Title	# of Recs.	Mgt. Decisions	Final Action Completed in Prior Periods	Final Action Completed This Period
1	Fiscal Year 2020 Financial Statement Opinion, OIG-AR-21-01	0	0	0	0
2	Report on Internal Control Fiscal Year 2020, OIG-AR-21-02	0	0	0	0
3	Report on Compliance with Laws and Regulations Fiscal Year 2020, OIG-AR-21-03	0	0	0	0
4	Inspector General CyberScope Fiscal Year 2020 Submission, OIG-MR-21-04	0	0	0	0
5	Management Report: FY 2021 Charge Card Risk Assessment Report, OIG-MR-21-06	0	0	0	0
Totals		0	0	0	0
Prior Reporting Periods					
	Report Title	# of Recs.	Mgt. Decisions	Final Action Completed in Prior Periods	Final Action Completed This Period
1	Audit of Controls on the DATA Act FY2019 First Quarter Submission, OIG-AR-20-03	8	8	7	1
2	Audit of ITCNet’s Linux Software Management, OIG-AR-20-09	1	1	0	1
Totals		9	9	7	2

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Table 9: Status of Reports Issued Without Final Action

Status of Reports Issued Without Final Action						
This Reporting Period						
	Report Title	# of Recs.	Mgt. Decisions	Decisions IG Disagrees With	Final Action Complete	Action Not Complete
1	Management Letter: Fiscal Year 2020 Financial Statement Audit, OIG-ML-21-05	6	6	0	2	4
Totals		6	6	0	2	4
Prior Reporting Periods						
	Report Title	# of Recs.	Mgt. Decisions	Final Action Complete Prior Periods	Final Action Complete This Period	Action Not Complete
1	Management Letter: Overpayments, OIG-ML-20-14	3	3	0	2	1
2	Audit of Data in the 337Info System, OIG-AR-20-12	6	6	3	1	2
3	Audit of Time and Attendance, OIG-AR-18-09	8	8	4	0	4
4	Audit of Directives Management, OIG-AR-15-14	11	11	7	2	2
Totals		28	28	14	5	9

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Table 10: Statistical Table of Investigative Reports

Statistical Table of Investigative Reports	
Description	Count
Number of investigative reports issued	0
Number of persons referred to DOJ for criminal prosecution	0
Number of persons referred to State and Local authorities for criminal prosecution	0
Number of indictments and criminal information resulting from any prior referrals to prosecuting authorities	0
The information in this table is derived from the Office of Inspector General's investigation report.	

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Appendix A: Chair's Statistical Tables

Table A: Reports with Disallowed Costs

Total Number of Reports and the Dollar Value of Disallowed Costs		
Description	Number of Reports	Dollar Value of Disallowed Costs
Reports issued during the period.	6	\$0
Reports for which final action had not been taken by the commencement of the reporting period.	6	\$0
Reports on which management decisions were made during the reporting period.	6	\$0
Reports for which final action was taken during the reporting period.	7	\$0
• Dollar value of disallowed costs, recovered by management.		\$0
• Dollar value of disallowed costs written off by management.		\$0
Reports for which no final action has been taken by the end of the reporting period.	5	\$0

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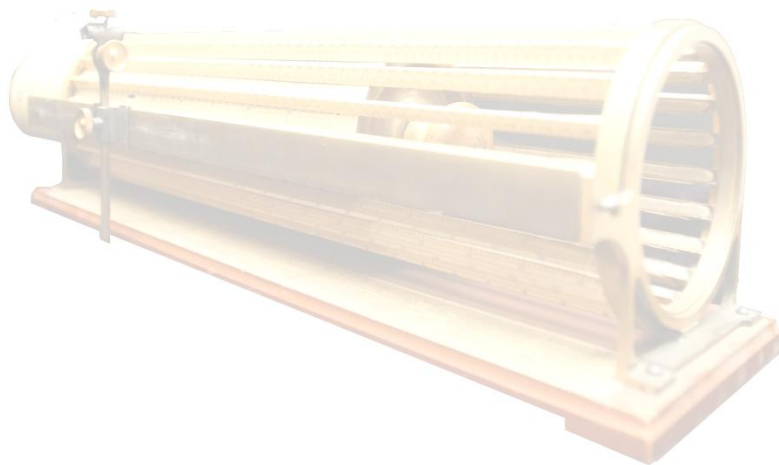
Appendix A: Chair's Statistical Tables

Table B: Reports with Recommendations that Funds be Put to Better Use

Reports with Recommendations that Funds be Put to Better Use		
Description	Number of Reports	Funds Put to Better Use
Reports for which final action had not been taken by the commencement of the reporting period.	6	\$0
Reports on which management decisions were made during the reporting period.	6	\$0
Reports for which final action was taken during the reporting period including:	7	\$0
<ul style="list-style-type: none"> Dollar value of recommendations that were actually completed. 		\$0
<ul style="list-style-type: none"> Dollar value of recommendations that management has subsequently concluded should not or could not be completed. 		\$0
Reports for which no final action has been taken by the end of the reporting period.	5	\$0

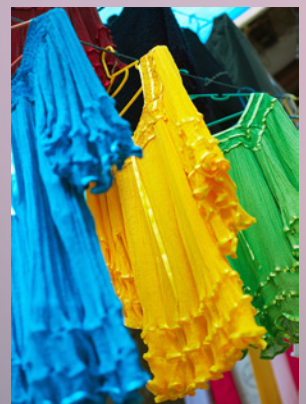
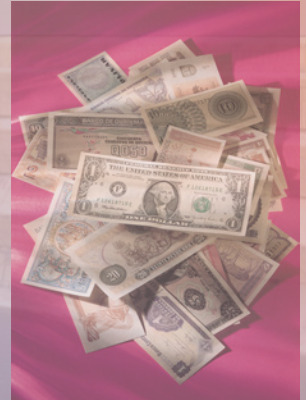
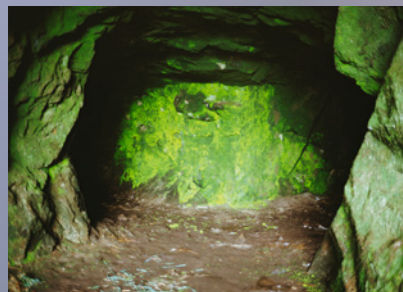
Table C: Prior Year Management Decisions Without Final Action

Prior Year Audit Reports On Which Management Decisions Have Been Made but Final Action has Not Been Taken				
Audit Report	Date Issued	Disallowed Costs	Funds Put to Better Use	Reason Final Action has Not Been Taken
OIG-AR-20-12	02/26/2020	\$0	\$0	Provided in the Chair's Message
OIG-AR-18-09	03/27/2018	\$0	\$0	Provided in the Chair's Message
OIG-AR-15-14	09/02/2015	\$0	\$0	Provided in the Chair's Message



“Thacher’s Calculating Instrument” developed by Edwin Thacher in the late 1870s. It is a cylindrical, rotating slide rule able to quickly perform complex mathematical calculations involving roots and powers quickly. The instrument was used by architects, engineers, and actuaries as a measuring device.

To Promote and Preserve the Efficiency, Effectiveness, and Integrity of the U.S. International Trade Commission



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