

# U.S. International Trade Commission

## *Inspector General Semiannual Report*



April 1, 2022 - September 30, 2022

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

November 18, 2022

### **Message from the Chairman**

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 April 1, 2022, to September 30, 2022, 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**

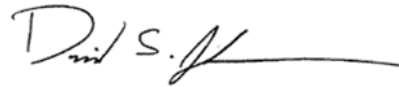
The Commission has made significant progress on several management decisions made in response to the reports issued by the Inspector General during prior years.<sup>1</sup> The Commission is committed to implementing all of the remaining management decisions that we have made on the Inspector General's recommendations. The Commission is proud to report that it has completed corrective action on all management decisions from prior reporting periods.

---

<sup>1</sup> See Table C of Appendix A: Chairman's Statistical Tables.

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

Sincerely,

A handwritten signature in black ink, appearing to read "David S. Johanson", followed by a long horizontal flourish.

David S. Johanson

Chairman



---

## UNITED STATES INTERNATIONAL TRADE COMMISSION

---

WASHINGTON, DC 20436

October 28, 2022

IG-UU-012

Commissioners:

I am pleased to present this Semiannual Report for the period of April 1, 2022 to September 30, 2022. This report summarizes the major activities and accomplishments of the Office of Inspector General (OIG) of the U.S. International Trade Commission (USITC or Commission). Its submission is in accordance with the Inspector General Act of 1978, as amended. Section 5 of the Inspector General Act requires that the U.S. International Trade Commission transmit this report to the appropriate committees or subcommittees of Congress within 30 days of its receipt.

During this semiannual period, the OIG focused on statutorily mandated work, completing three reports: (1) a review of the Commission's compliance with the Payment Integrity Improvement Act of 2019, (2) the submission of the Fiscal Year 2022 Federal Information Security Modernization Act (FISMA) metrics to the Department of Homeland Security, and (3) an audit of the USITC's patching of critical and high vulnerabilities. We issued three recommendations to promote the efficiency, effectiveness, and integrity of the Commission's operations.

In the next reporting period, the OIG will focus on both mandated and discretionary audit work. The OIG will continue a discretionary audit of the Commission's offboarding process and initiate at least one new performance audit. In our [\*Fiscal Year 2023 Annual Audit Plan\*](#), we developed a list of reserve audits and reviews we would like to conduct if additional resources become available. In addition, the OIG will review the system of quality control for the Federal Election Commission OIG's audit organization.

In July, I met with the Commissioners and senior leaders to discuss my long-term vision for the OIG. I emphasized that with additional staff and resources, my office can advance its oversight mission and achieve a more balanced audit coverage of USITC programs and operations. As a first step to ensuring more robust oversight of the USITC's programs and operations, the OIG is working to fill two positions, a senior auditor and a junior IT specialist. Previous recruitment actions have been unsuccessful. The OIG may

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

need to use a hybrid approach of internal staff and external auditors to conduct sufficient oversight of Commission programs and operations.

In the interim, we continue to be creative in finding other ways to obtain top talent in our office. We are delighted to announce that the Council of the Inspectors General on Integrity and Efficiency (CIGIE) selected the USITC OIG to host two CIGIE Fellows on rotational assignments over the next six to nine months. One fellow and our Senior IT Specialist will develop and implement a method to continuously monitor agency compliance with the Federal Information Security Modernization Act of 2014. The second fellow will work on strategic planning with the Assistant Inspector General for Audit.

I acknowledge the ongoing commitment of USITC management and staff to respond to our audit requests and address OIG recommendations. I look forward to working closely with the Commission and Congress to promote integrity and increase efficiency and effectiveness in the USITC's programs and operations.

Sincerely,



Rashmi Bartlett  
Inspector General

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

### TABLE OF CONTENTS

Office of Inspector General.....	1
Semiannual Report Requirements .....	1
Top Management and Performance Challenges.....	2
Inspector General Reports Issued During This Period .....	6
Management Report: Improper Payment Determination for Fiscal Year 2021, OIG-MR-22-08 .....	7
Inspector General CyberScope Fiscal Year 2022 Submission, OIG-MR-22-09 .....	7
Audit of the USITC's Patching of Critical and High Vulnerabilities on the International Trade Commission Network, OIG-AR-22-10 .....	8
Summary of Prior Period Reports .....	9
Reports Without Management Decisions .....	9
Reports Without Management Comments.....	9
Prior Year Unimplemented Recommendations and Cost Savings.....	9
Significant Recommendations from Prior Periods .....	9
Hotline and Investigations.....	9
Investigations and Inquiries: Overview .....	9
OIG Hotline Contacts .....	10
Summary of Matters Referred to Prosecuting Authorities.....	10
Investigations With Substantiated Allegations Involving Senior Government Employees .....	10
Summary of Reports Not Disclosed to the Public .....	10
Inspections, Evaluations, and Audits .....	10
Investigations.....	10
External Reviews Completed During This Period .....	11
Status of Actions Related to External Reviews Completed During Prior Periods.....	11
Office of Personnel Management .....	11
Assistance to Other Offices of Inspectors General .....	11
Congressional Activities .....	12
Federal Financial Management Improvement Act Reporting.....	13

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

<b>Peer Review .....</b>	<b>13</b>
--------------------------	-----------

### **Tables**

Table 1: Reporting Requirements Index .....	iii
Table 2: Management and Performance Challenges .....	2
Table 3: Reports by Subject Matter .....	7
Table 4: Reports With Questioned and Unsupported Costs .....	14
Table 5: Reports With Recommendations That Funds Be Put to Better Use .....	15
Table 6: Reports With Final Action Completed During This Reporting Period .....	16
Table 7: Status of Reports Issued Without Final Action .....	17
Table 8: Statistical Table of Investigative Reports .....	17

### **Appendices**

Appendix A: Chairman's Statistical Tables.....	A-1
--	-----



# U.S. International Trade Commission

## Inspector General Semiannual Report

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	None
5(a)(4)	Summary of Matters Referred to Prosecuting Authorities	10
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	7
5(a)(7)	Summary of Significant Reports	None
5(a)(8)	Table 4: Questioned and Unsupported Costs	14
5(a)(9)	Table 5: Recommendations Where Funds Could Be Put to Better Use	15
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	13
5(a)(14)	Results of Peer Review Completed During This Period or Date of Last Peer Review	13
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 8: Statistical Table of Investigative Reports	17
5(a)(18)	Description of the Metrics Used for Developing Investigative Statistics	17
5(a)(19)	Investigations With Substantiated Allegations Involving Senior Government Employees	10
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	10

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

### Office of Inspector General

The U.S. International Trade Commission (USITC or Commission) established the Office of Inspector General (OIG) 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 April 1, 2022, through September 30, 2022. 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 two management challenges we identified for Fiscal Year 2023 and management's actions to address them as described in our report, [\*USITC Management and Performance Challenges\* \(OIG-MR-23-01\)](#). 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, the 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 CIGIE, other compliance activities, and assistance provided to other Offices of Inspectors General.

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

---

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

### 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-23-01) to the Commission on October 24, 2022. In the report, we focused on the two challenges listed in Table 2. The OIG first identified data management, previously referred to as managing data, as a challenge for Fiscal Year 2018 in our October 12, 2017 report [USITC Management and Performance Challenges \(OIG-MR18-01\)](#). The internal controls management challenge is over ten years old. This year, the same challenges were identified again based on oversight work by the Office of Inspector General, knowledge of the Commission's programs and operations, the Commission's strategic plan, annual management plan, enterprise risk management assessments, statements of assurance, and observations and discussions with senior leaders. Following Table 2 is a short discussion of the two challenges and the agency's efforts to address them.

Table 2: Management and Performance Challenges

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

#### Data Management

The Office of Management and Budget (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 toward managing data as an asset and the importance of using high-quality data to support data-driven decisions to improve government transparency.

The *Foundations for Evidence-Based Policymaking Act of 2018* (Evidence Act) requires agencies to establish a Data Governance Body to be chaired by the Chief Data Officer (CDO). The Data Governance Body, known at the Commission as the Data Governance Board (DGB), was established in 2020. The DGB includes the senior-level staff and technical experts needed to discuss and set policy on data and data-related topics. The Commission noted in its [Strategic Plan FY 2022-2026](#) that data is essential to its work. Yet there has not yet been a fully cohesive data-centered approach to supporting the agency's mission. Quality data systems are critical to the Commission's ability to provide relevant and independent information, analysis, and data to Congress, the

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

President, and the United States Trade Representative to support decisions and policymaking on complex trade and competitiveness issues.

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 an internal or external system is only as good as its quality at entry. The accuracy and completeness of system information depend on how data are captured, input, and reconciled at the point of entry. Data verification, monitoring, and reconciliation processes should be performed regularly to identify and correct any errors or omissions and improve processes to reduce future errors.

The Commission's plan to improve data management includes developing and implementing policies to govern the collection, creation, management, use, and disclosure of USITC data. The table below shows the status of key activities.

Activity	Start Date	Status or Planned Actions
Inventory and documentation of core agency applications and administrative data systems	2018	Complete documentation of core agency applications and administrative data systems by Fiscal Year 2026
Data Governance Manual	2019	Scheduled to go to the Commission's Internal Administration Committee for review in November 2022
Data Governance Policy	2020	The Commission's Internal Administration Committee is scheduled to review the policy in November 2022, followed by the Chairman's office
Priority/schedule of data systems to be documented	2022	DGB plans to begin prioritization of systems for documentation in November 2022

According to the CDO, the Commission's first step is to develop and validate the system inventory. The Commission started work on the inventory soon after the OIG identified data management as a challenge in 2017. The Commission's original data inventory in 2017 contained 68 systems. The inventory is still being reviewed by the CDO. Therefore, a current system inventory number is not available. As of October 2022, there are 101 data assets. The Commission's Data Governance Policy and Data Governance Manual are also in development. When complete, they will be important tools in communicating data management expectations, data accuracy goals, and data quality plans. The Commission plans to review both documents in November 2022.

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

The Commission established a goal in 2022 to document core agency applications and administrative data systems within five years. The CDO told the OIG that a system is documented when it has 1) a system description and standard operating procedure, 2) a data glossary, and 3) a data quality plan.

Of the 101 data assets, 19 have a standard operating procedure, 27 have a data glossary, and 3 have a data quality plan. Three systems have been fully documented over the past year: 1) the Investigations Data System - a centralized system for investigative data, 2) the Time & Attendance System, and 3) the Enterprise Risk Management System.

In November 2022, the Data Governance Board will be discussing which systems will be prioritized for review and documentation. If the Commission achieves the goal of documenting core data systems within five years, it will have taken ten years since the OIG first reported the management challenge in October 2017. Furthermore, additional time may elapse before the Data Governance Policy and Data Governance Manual are institutionalized and operational across Commission offices.

One obstacle affecting the Commission's ability to address the data management challenge is that the CDO serves in the role part-time without any dedicated staff. We acknowledge the involvement of other contributors, including office directors who are key members of the DGB and staff from several offices who serve on the OPENData work group. While the commitment of the team is evident, the effort lacks the momentum that a permanent CDO team could offer. The risk of the current approach is that it will be extremely difficult with part-time resources to complete baseline data management activities, periodically review and update system documentation, and respond timely to new requirements. For example, the Commission follows OMB's memorandum M-19-18, [\*Federal Data Strategy — A Framework for Consistency\*](#), which provides a governmentwide vision for how agencies should manage and use federal data by 2030. Agencies are to implement the Federal Data Strategy by adhering to the requirements of action steps in annual action plans, which are issued by the Federal Data Strategy development team.

### Internal Controls

The Government Accountability Office (GAO) publishes the [\*Standards for Internal Control in the Federal Government\*](#) (The Green Book), which provides federal government managers with the criteria for designing, implementing, and operating an effective internal control system. It defines internal control as “a continuous built-in component of operations, effected by people” and identifies five components for internal control:

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring

For a system of internal control to be effective, all five components must be properly designed and implemented. In addition, these components must work together in an integrated manner. The overall success of a system of internal control relies on the people, processes, and technology across the organization.

The Commission's management is responsible for establishing and maintaining a system of internal controls. Management is also responsible for designing control activities at the appropriate levels in the organizational structure, such as the plans, policies, and procedures that managers use to ensure their programs and operations achieve the intended results through the effective use of public resources. Each operating unit is responsible for establishing and implementing the control activities required to manage its program area. The control activities should be documented through policies and procedures, communicated to staff, and monitored to confirm they are working as intended. The absence of standard, up-to-date procedures can increase the risk of:

- Inconsistent or incorrect performance of routine operations
- Incomplete and unreliable information produced
- Informal decisions and management override of controls
- A lack of documentation to support decisions

The control environment is the keystone of an internal control system. The GAO's Green Book states that one requirement of the control environment is for management to establish an organizational structure, assign responsibility, and delegate authority to meet the objectives of the Commission. In September 2015, we issued our report, [\*Audit of Directives Management\* \(OIG-AR-15-14\)](#). 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 assess the directives periodically, the reviews were not performed.

The former Chief Administrative Officer (CAO) identified an inadequate system of internal rules as a material weakness in September 2015 and began tracking it the following month. This year, the Commission downgraded the material weakness to a significant deficiency based on the fact it had demonstrated the ability to issue directives.

At the end of Fiscal Year 2022, the Commission had issued 47 directives since Fiscal Year 2018. Some of the 47 directives were new, while others were previous directives

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

that were updated or revised. There are still 49 historical directives in the Commission's internal rules system that have not been formally superseded or rescinded. The Commission estimates it will issue approximately six to eight directives by March 31, 2023. As noted by the former CAO in March 2022, it will take agency-wide support for internal rules to be maintained and kept current. Since the directives are foundational to internal controls, any delays in updating directives pose a risk that Commission policies and procedures are not current and could be inconsistently understood or executed.

The Commission should monitor the operational effectiveness of the system of internal rules to ensure it is working as designed and achieving the desired results. It is also important that directives, policies, and procedures are subject to regular review and revision. This is especially critical given the increased use of telework and new ways of communicating in a hybrid work environment. Managers need to remain mindful of how these changing conditions may impact the effectiveness of key internal controls. The Commission's ability to strengthen internal controls through directives will depend on maintaining up-to-date directives, communicating changes timely, and monitoring whether controls are operating as expected.

We monitor the Commission's efforts to address the management challenges that we identify each year. Our monitoring work includes following up on open recommendations and conducting related audit work. For information on our ongoing and planned audit work, please see our [Fiscal Year 2023 Annual Audit Plan](#).

---

### Inspector General Reports Issued During This Period

The Inspector General issued three reports that contained three recommendations during this reporting period. The Commission's management decisions on the OIG's recommendations are due in October 2022, outside of this reporting period.

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



# U.S. International Trade Commission

## Inspector General Semiannual Report

Table 3: Reports by Subject Matter

Reports by Subject Matter				
Subject Matter	Report Number	Report Title	Date Issued	Number of Recommendations
Financial	OIG-MR-22-08	<i>Management Report: Improper Payment Determination for Fiscal Year 2021</i>	04/26/2022	0
Information Technology	OIG-MR-22-09	<i>Inspector General CyberScope Fiscal Year 2022 Submission</i>	07/27/2022	0
Information Technology	OIG-AR-22-10	<i>Audit of the USITC's Patching of Critical and High Vulnerabilities on the International Trade Commission Network</i>	09/19/2022	3
<b>Total recommendations issued during this reporting period</b>				<b>3</b>
<b>NOTE: These reports did not identify any questioned costs, unsupported costs, or funds that could be put to better use.</b>				

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

### **Management Report: Improper Payment Determination for Fiscal Year 2021, [OIG-MR-22-08](#)**

**RESULT:** We determined that the Commission complied with applicable Payment Integrity Improvement Act of 2019 (PIIA) requirements for Fiscal Year 2021.

The Inspector General is required to review the Commission's improper payment reporting in the Annual Financial Report and other documentation to determine if the agency complies with PIIA. We conducted our review based on the requirements in OMB Circular A-123, Appendix C (M-21-19), OMB Circular A-136, OMB Annual Data Call Instructions (on OMB's max.gov improper payment page), OMB Payment Integrity Question and Answer Platform, and annual guidance issued by CIGIE.

Based on the criteria in the guidance, the Commission does not have any program activities that are susceptible to significant improper payments. Our review found that the Commission complied with the provisions of PIIA, as applicable.

### **Inspector General CyberScope Fiscal Year 2022 Submission, [OIG-MR-22-09](#)**

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



# U.S. International Trade Commission

## Inspector General Semiannual Report

---

The Inspector General is required to independently evaluate and report annually to the OMB on how the Commission has established and implemented information security programs. Each year, OMB requests input on select programs. For Fiscal Year 2022, OMB requested an assessment using a five-level maturity model.

We assessed the five security functions below based on criteria established by OMB.

Cybersecurity Framework Security Functions	Metric Domains
Identify	<i>Risk Management &amp; Supply Chain Risk Management</i>
Protect	<i>Configuration Management</i>
	<i>Identify and Access Management</i>
	<i>Data Protection &amp; Privacy</i>
	<i>Security Training</i>
Detect	<i>Information Security Continuous Monitoring</i>
Respond	<i>Incident Response</i>
Recover	<i>Contingency Planning</i>

While determining effectiveness can be established based on the results of the IG metrics, IGs are to consider their own assessment with consideration for the unique missions, resources, and challenges faced by their agency when assessing the maturity of information security programs. Based on the overall maturity levels of the program areas assessed and our knowledge of USITC programs and operations, we determined that the overall information security program was effective. We did not issue any recommendations in our assessment.

### **Audit of the USITC's Patching of Critical and High Vulnerabilities on the International Trade Commission Network, [OIG-AR-22-10](#)**

RESULT: We found that components of the Commission's vulnerability management program were not effective in patching critical and high vulnerabilities on the ITCNet.

We performed this audit to determine whether the Commission was effectively patching critical and high vulnerabilities on ITCNet. We reviewed the Commission's vulnerability program components and determined whether the Commission had fully met, partially met, or did not meet the criteria for effective implementation.

We found that components of USITC's vulnerability management program were ineffective and issued three recommendations. The Commission agreed with the report. Management decisions to address the recommendations are due in the next reporting period.

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

### **Summary of Prior Period Reports**

#### **Reports Without Management Decisions**

The Commission has provided management decisions for all recommendations in reports issued before the start of this reporting period.

#### **Reports Without Management Comments**

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

#### **Prior Year Unimplemented Recommendations and Cost Savings**

The Commission has no prior year unimplemented recommendations.

---

### **Significant Recommendations from Prior Periods**

The Commission has completed corrective action for all recommendations described in prior semiannual reports.

---

### **Hotline and Investigations**

#### **Investigations and Inquiries: Overview**

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

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

### **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, 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 a response. If the complaint does not have merit, we close the matter.

### **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.

---

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

### **External Reviews Completed During This Period**

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

---

### **Status of Actions Related to External Reviews Completed During Prior Periods**

#### **Office of Personnel Management**

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

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

OPM 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.

No action has been taken on the two remaining open recommendations from the 2017 report.

---

### **Assistance to Other Offices of Inspectors 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 Inspectors General by providing information technology support and expertise. Our support may vary widely, ranging from penetration testing, vulnerability assessments, and configuration reviews to evaluating the monitoring, detection, and remediation of cybersecurity incidents. When assistance is

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

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 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 Council of Inspectors General on Integrity and Efficiency (CIGIE) was established by law as an independent entity by the Inspector General Reform Act of 2008 (P.L. 110-409) to address integrity, economy, and effectiveness issues that transcend individual government agencies. CIGIE also increases the professionalism and effectiveness of personnel by developing policies, standards, and approaches to establish a well-trained and highly skilled workforce in the Offices of Inspectors General.

CIGIE is comprised of all inspectors general who are Presidentially Appointed, Senate-Confirmed and those appointed by agency heads -- Designated Federal Entities. The USITC OIG plays an active role in CIGIE's efforts. Specifically, the Inspector General is a member of CIGIE and its Audit Committee, Technology Committee, and Cybersecurity Workgroup. OIG staff participate in the Audit Committee, the Council of Counsels to the Inspectors General, and the Legislation Committee. The Assistant Inspector General for Audit, a former CIGIE Fellow, is on the management team for the CIGIE Fellowship Program.

CIGIE's Technology Committee established a Cybersecurity Working Group (CWG) last year. Our Senior IT Specialist leads the initiative to keep the oversight community informed on the complicated, ever-changing cybersecurity landscape. The CWG publishes a broadly distributed newsletter biweekly on cybersecurity best practices,

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

recent cyberattacks and data breaches, and the latest information on federal cybersecurity directives and executive orders. Each month, the CWG also provides an executive-level newsletter to CIGIE's 75 inspectors general.

---

### **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.

---

### **Peer Review**

The Inspector General Act of 1978, as amended, requires OIGs to report the results of peer reviews of their operations conducted by other OIGs, the date of the last peer review, outstanding recommendations from peer reviews, and peer reviews conducted by an OIG of other OIGs in the semiannual period. Peer reviews are conducted by member organizations of CIGIE.

The United States Capitol Police Office of Inspector General performed the last peer review of our office. The final report, issued on February 8, 2022, found that the system of quality control for conducting audits has been suitably designed and complied with to provide USITC OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. USITC OIG received a rating of pass. The reviewers did not make any recommendations. The [2022 peer review report](#) is posted on our website.

The Consumer Product Safety Commission OIG is scheduled to perform the next peer review of our office in Fiscal Year 2025, in accordance with the peer review schedule set by CIGIE.

# U.S. International Trade Commission

## Inspector General Semiannual Report

Table 4: 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	3	\$0	\$0
<b>Totals</b>	<b>3</b>	<b>\$0</b>	<b>\$0</b>
Reports for which a management decision was made during the reporting period	0	\$0	\$0
<ul style="list-style-type: none"> <li>Dollar value of disallowed costs</li> </ul>	\$0	\$0	\$0
<ul style="list-style-type: none"> <li>Dollar value of allowed costs</li> </ul>	\$0	\$0	\$0
Reports for which no management decision had been made by the end of the reporting period	3*	\$0	\$0
<b>Totals</b>	<b>3</b>	<b>\$0</b>	<b>\$0</b>

\*Management decisions for the three recommendations the OIG made in September 2022 are due during the next reporting period.

# U.S. International Trade Commission

## Inspector General Semiannual Report

---

Table 5: 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	3	\$0
<b>Totals</b>	<b>3</b>	<b>\$0</b>
Reports for which a management decision was made during the reporting period	0	\$0
• Dollar value of recommendations agreed to by management	\$0	\$0
• 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	3*	\$0
<b>Totals</b>	<b>3</b>	<b>\$0</b>

\*Management decisions for the three recommendations the OIG made in September 2022 are due during the next reporting period.

---



# U.S. International Trade Commission

## Inspector General Semiannual Report

Table 6: 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 Management Report: Improper Payment Determination for Fiscal Year 2021, OIG-MR-22-08	0	0	0	0
2 Inspector General Cyberscope Fiscal Year 2022 Submission, OIG-MR-22-09	0	0	0	0
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Prior Reporting Periods				
Report Title	# of Recs.	Mgt. Decisions	Final Action Completed in Prior Periods	Final Action Completed This Period
1 Management Report FY 2022 Charge Card Risk Assessment Report, OIG-MR-22-07	1	1	0	1
<b>Totals</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>

# U.S. International Trade Commission

## Inspector General Semiannual Report

Table 7: 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	Audit of USITC's Patching of Critical and High Vulnerabilities on the International Trade Commission Network, OIG-AR-22-10	3	0	0	0	3
<b>Totals</b>		3	0	0	0	3
Prior Reporting Periods						
Report Title		# of Recs.	Mgt. Decisions	Final Action Complete Prior Periods	Final Action Complete This Period	Action Not Complete
1	NA	NA	NA	NA	NA	NA
<b>Totals</b>		NA	NA	NA	NA	NA

Table 8: 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 investigations.	

# U.S. International Trade Commission

## Appendix A: Chairman's Statistical Tables

Table A: Reports with Disallowed Costs

<b>Total Number of Reports and the Dollar Value of Disallowed Costs</b>		
<b>Description</b>	<b>Number of Reports</b>	<b>Dollar Value of Disallowed Costs</b>
Reports issued during the period	3	\$0
Reports for which final action had not been taken by the commencement of the reporting period	1	\$0
Reports on which management decisions were made during the reporting period	0	\$0
Reports for which final action was taken during the reporting period	1	\$0
<ul style="list-style-type: none"> <li>Dollar value of disallowed costs, recovered by management</li> </ul>		\$0
<ul style="list-style-type: none"> <li>Dollar value of disallowed costs, written off by management</li> </ul>		\$0
Reports for which no final action has been taken by the end of the reporting period	1	\$0

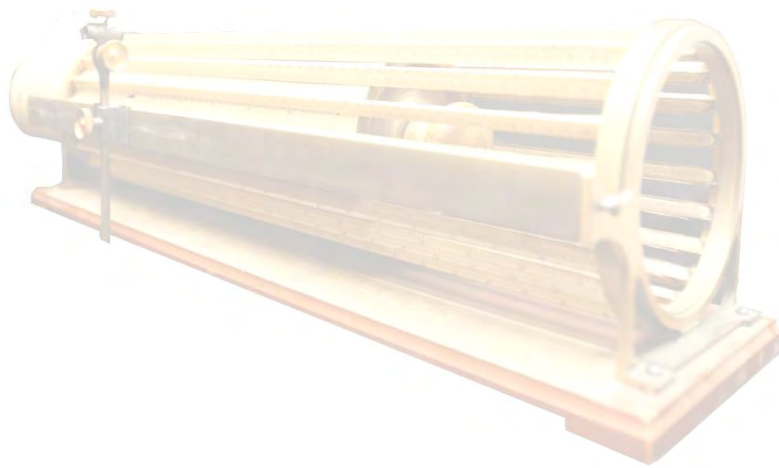
Table B: Reports with Recommendations that Funds be Put to Better Use

<b>Reports with Recommendations that Funds be Put to Better Use</b>		
<b>Description</b>	<b>Number of Reports</b>	<b>Funds Put to Better Use</b>
Reports for which final action had not been taken by the commencement of the reporting period	1	\$0
Reports on which management decisions were made during the reporting period	0	\$0
Reports for which final action was taken during the reporting period including:	1	\$0
<ul style="list-style-type: none"> <li>Dollar value of recommendations that were actually completed</li> </ul>		\$0
<ul style="list-style-type: none"> <li>Dollar value of recommendations that management has subsequently concluded should not or could not be completed</li> </ul>		\$0
Reports for which no final action has been taken by the end of the reporting period	1	\$0

U.S. International Trade Commission  
Appendix A: Chairman’s Statistical Tables

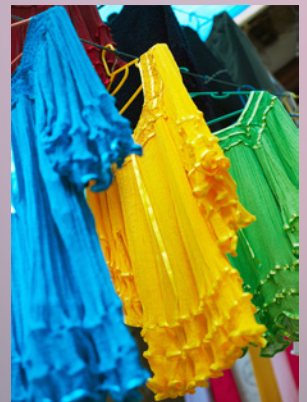
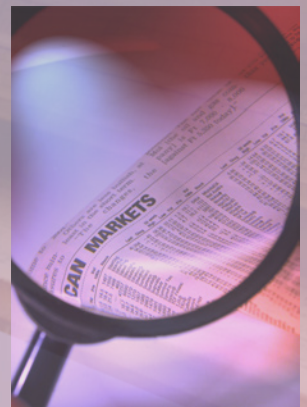
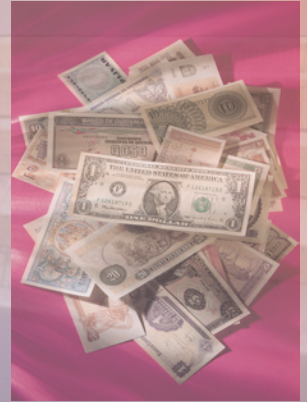
Table C: Prior Year Management Decisions Without Final Action

Prior Year Audit Reports on Which Management Decisions				
Audit Report	Date Issued	Disallowed Costs	Funds Put to Better Use	Reason Final Action has Not Been Taken
NA	NA	NA	NA	NA



*“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



U.S. International Trade Commission  
Office of Inspector General  
500 E Street, SW  
Washington, DC 20436

Office: 202-205-2210  
Hotline: 202-205-6542  
[OIGHotline@USITCOIG.GOV](mailto:OIGHotline@USITCOIG.GOV)