



# SEMIANNUAL REPORT TO THE CONGRESS

**April 1, 2020 – September 30, 2020**

Architect of the Capitol  
Office of Inspector General









## Inspector General Message



I am pleased to submit the Architect of the Capitol's (AOC) Office of Inspector General (OIG) Semiannual Report (SAR) to Congress for the second half of Fiscal Year (FY) 2020. Every six months, we provide Congress with a report detailing our independence and oversight of the AOC during the reporting

period. This report highlights our activities for the past six months ending September 30, 2020. This report is our 25th SAR and the seventh report of my tenure.

The work detailed here contains results from the efforts of an OIG staff dedicated to promoting economy and efficiency, and preventing and detecting fraud, waste and abuse in the AOC's programs and operations. In the years to come, we look forward to continuing our efforts to provide independent and effective oversight of the AOC and working with the Council of Inspectors General on Integrity and Efficiency (CIGIE) on important issues that span across our government.

During this SAR period, the 16 full-time employees of the OIG worked diligently to complete statutory requirements, audits, evaluations, investigations and congressional requests in the highly challenging environment presented to us due to the 2019 novel coronavirus (COVID-19) pandemic. In March, I placed my staff on full-time telework out of the safety and concern for the employees and their families as well as to prevent the spread of the virus throughout the Capitol campus to the public, Congress and AOC employees. This move has worked out extremely well even given the challenges of working at home, children out of school, the reliance on technology to conduct effective and meaningful conference calls, as well as the loss of daily face-to-face interactions with supervisors and coworkers. Based upon what I have seen from the increased production and quality of reporting, full-time telework can be the future in this office. Telework is allowing me to explore different work

options as well as expand staff without an increased need for office space or capital. This will allow for me to add an OIG Follow-up Division this coming fiscal year (sooner than anticipated) that will track and report on the implementation of recommendations proposed to and agreed upon by the AOC.

During this period, the OIG was tasked with overseeing \$25 million dollars of CARES Act pandemic relief funds appropriated to the AOC for cleaning supplies, cleaning contractors and food service support. In addition to our statutory requirements, planned audits, evaluations and investigations, the OIG produced updates and reported on the AOC's pandemic relief funds expenditure to the CIGIE Pandemic Response Accountability Committee and provided validation of the AOC's daily COVID-19 staff status, which was provided by the AOC's Safety, Fire and Environmental Programs to Congress.

Additionally, we provided the AOC with three Management Advisories and provided weekly and monthly progress reports on the Cannon House Office Building Renewal (CHOBBr) Project to the Committee on House Administration.

In this SAR, you will find the first two audit reports completed by the independent public accounting firm (IPA) Cotton & Company of the CHOBBr Project which has grown from \$752.7 million to \$890.1 million. Our audit staff completed audits on the Senate Underground Garage and Landscape Restoration (\$37.25 million) and the Russell Exterior Repair and Restoration Project (\$70.6 million) in which we identified \$151,000 of funds that could be put to better use, were disallowed and/or have the potential to be recuperated. Going forward, all construction audits will be conducted by an IPA. Our efforts to contract out construction audit services will help us identify cost savings, fraud, product substitution and labor cost overpayment and reconcile modifications utilizing Government Auditing Standards. An additional benefit of this blanket purchase agreement (BPA) is that it allows us to be more flexible and responsive to requests for audits and not limit our number of audits due to staffing. I believe this will result in faster, more focused construction audits generating meaningful findings and recommendations to aid the AOC in cost-cutting and quality construction efforts. Our intention is to complete two construction audits per year under this BPA for

oversight of the CHOBBr Project with possible expansion to other Capitol campus construction projects. The next two CHOBBr audits conducted by Cotton & Company will look at contract reimbursable costs and subcontractor bids and awards.

The Inspection & Evaluation (I&E) division completed a review of the AOCs compliance with its discipline policies, and has recently initiated three evaluations (AOC Tree Maintenance, Emergency Preparedness Posture and the CHOBBr Construction Inspection Approval Process) while they are in the process of completing two CIGIE peer reviews.

Additionally this period, we conducted an agency wide risk assessment executed by the IPA, Kearney and Company. This risk assessment will aid my staff and me in determining the concentration of our work over the next three years so that we may provide the AOC with meaningful audits, evaluations and investigations that result in an improved AOC culture, a more efficient work force and an economically responsible organization.

This period we welcomed a third investigator to the team and investigation efforts for this reporting period yielded \$142,064 in avoided costs. We received 13 complaints, which, in part, led to opening six new investigations. We issued eight investigative reports in which we substantiated cases involving violations of the AOC's Drug and

Alcohol policy, Workplace Anti-Harassment policy and wasteful spending, as well as standards of conduct and ethical violations.

The AOC OIG's footprint on Twitter, which began a year ago @AOCOIG, now has more than 700 followers and is growing as the public, media and Congress continue to take interest in our oversight work.

I want to thank my staff for their tremendous work ethic and dedication to the mission over this challenging time. Your efforts, handling increased workloads and producing reports in this environment, are a shining example to all federal workers, and the demand for your services has only increased based on your outstanding results.

I would like to thank the Architect and the rest of the AOC jurisdictions for their support in providing documentation, their time and their expertise over this period. It has been a pleasure working with you and learning from you. I look forward to a future of continued cooperation so that we may provide the Architect with oversight of this ever expanding organization.



## Our Mission

The OIG promotes efficiency and effectiveness, and economy to deter and prevent fraud, waste, abuse, and mismanagement in AOC programs and operations. We do this through value-added, transparent, impactful, and independent audits, inspections and evaluations, and investigations. We strive to positively affect the AOC and benefit the taxpayer while keeping the AOC and Congress fully informed.

## Our Vision

The OIG is a high-performing team, promoting positive change and striving for continuous improvement in AOC programs and operations. We foster an environment that inspires AOC workforce trust and confidence in our work.



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## Inspector General Act

The Architect of the Capitol Inspector General Act of 2007, 2 U.S.C. § 1808, establishes the OIG as an independent, objective office within the AOC and applies certain sections of the Inspector General Act of 1978, as amended, that detail the Inspector General's duties and authorities, and establish important protections for AOC employees and responsibilities for the AOC.







# Profiles

## ARCHITECT OF THE CAPITOL

Permanent authority for the care and maintenance of the United States Capitol by the AOC derives from Section 1811 of Title 2 of the United States Code. The AOC is responsible for the maintenance, operation, development and preservation of more than 18.4 million square feet of buildings and more than 570 acres of grounds. This includes the U.S. Capitol, House and Senate office buildings, the U.S. Capitol Visitor Center, the Library of Congress, the Supreme Court of the United States, the U.S. Botanic Garden, the Capitol Power Plant, and other facilities. The AOC also provides professional expertise with regard to the preservation of architectural and artistic elements entrusted to its care and provides recommendations concerning design, construction, and maintenance of the facilities and grounds. The AOC is also responsible for the upkeep and improvement of the U.S. Capitol Grounds and the support of the quadrennial inaugural ceremonies and other ceremonies held on the Capitol campus.

Architect of the Capitol J. Brett Blanton performs his duties in connection with the U.S. Senate side of the Capitol, Senate office buildings, and the administrative oversight of the Senate restaurants contract subject to the approval of the Senate Committee on Rules and Administration. In matters of general policy in connection with the House office buildings, the Architect of the Capitol's activities are subject to the approval and direction of the U.S. House of Representatives (House) Office Building Commission and various House committees to include the Committee on House Administration. The Architect of the Capitol is responsible for the care and repair of works of art in the U.S. Capitol under the direction of the Joint Committee of Congress on the Library. In addition, the Architect of the Capitol is responsible for the maintenance and restoration of murals and other architectural elements throughout the Capitol campus. Since 1934, the Architect of the Capitol has served as the Acting Director of the U.S. Botanic Garden under the Joint Committee of Congress on the Library.

## OFFICE OF INSPECTOR GENERAL

The AOC Inspector General (IG) Act of 2007, 2 U.S.C. § 1808, establishes the OIG as an independent, objective office within the AOC and applies certain sections of the IG Act of 1978, as amended, that detail the IG's duties and authorities and establishes employee protections from retaliation for contacting the OIG or participating in OIG activities. The IG reports to and is under the general supervision of the Architect of the Capitol. The OIG's duties are to:

- (1) Conduct, supervise and coordinate audits and investigations relating to AOC programs and operations.
- (2) Review existing and proposed legislation and regulations that impact AOC programs and operations and comment in the Semiannual Report regarding the impact on the economy and efficiency or the prevention and detection of fraud and abuse of such legislation and regulations.
- (3) Recommend policies for AOC activities to promote economy and efficiency or prevent and detect fraud and abuse in its programs and operations.
- (4) Provide a means of keeping the AOC and Congress fully and currently informed about problems and deficiencies relating to the administration of AOC programs and operations and the need for and progress of corrective action. This is generally done by issuing a Semiannual Report to the Architect of the Capitol and Congress.



# Audits

## Completed Activity This Reporting Period

### **Audit of the Cannon House Office Building Renewal Project's Contract Modifications (OIG-AUD-2020-04)**

The OIG contracted with an IPA firm to conduct a performance audit of the CHOBr Project's contract modifications. The OIG served as the contracting officer representative (COR) on the BPA providing oversight of contract requirements and transmitting the final report on May 29, 2020.

The CHOBr Project was undertaken to ensure the Cannon House Office Building continues to provide space for members of Congress to perform their legislative business. The objective of the audit was to assess the effectiveness of the CHOBr Project's contract modifications to the AOC's Contract No. AOC13C2002 for Construction Manager as Constructor (CMc) services.

Overall, the contract modification process for the CHOBr Project was effective. The construction contract modifications and potential change orders (PCO) were generally reasonable, necessary, and within the scope of the contract and effectively awarded and administered by the CHOBr Project team. However, \$102,189 in unallowable costs were included in approved PCOs, 19 proposals did not contain the required level of cost detail, and the documentation for cost analysis was not always retained.

We made five recommendations to correct these deficiencies and management concurred with the recommendations.

### **Audit of the Cannon House Office Building Renewal Project's Contract Invoices (OIG-AUD-2020-05)**

The OIG contracted with an IPA firm to conduct a performance audit of the CHOBr Project's contract invoices (also known as pay applications). The OIG served as the COR on the BPA providing oversight of contract requirements and transmitting the final report on August 25, 2020.

The objective of the audit was to:

- (1) Assess the AOC's review and approval process for the CHOBr Project invoices for Option Periods 1 and 2 to ensure that costs and payments complied with contract requirements, AOC policies and procedures, and industry standards.

- (2) Determine whether the costs invoiced were allowable and supported and appeared to be reasonable within the scope of contract requirements.

The AOC's review and approval process for the CHOBr Project invoices for Option Periods 1 and 2 was adequate and the costs reviewed were allowable and supported, and appeared to be reasonable. However, the AOC's review and approval for the payment applications were not performed in accordance with the contract terms and conditions. The CMc contract terms and conditions for the construction phases reflected a fully cost-reimbursable guaranteed maximum price (GMP) contract with an option to convert to a firm-fixed-price contract; however, the CHOBr Project team administered the CMc contract as a hybrid cost-reimbursable/firm-fixed-price GMP contract.

We made three recommendations to correct these deficiencies and management concurred with the recommendations.

### **Audit of Senate Underground Garage Renovations and Landscape Restoration Project's Contract Modifications (OIG-AUD-2020-06)**

The OIG conducted a performance audit of modifications to the AOC's Contract No. AOC16C3008-T002 for the Senate Underground Garage Renovations and Landscape Restoration (SUG). The objective of the audit was to assess the effectiveness of contract modifications.

Overall, the contract modification process for the SUG project was effective. The contract modifications and PCOs were generally 1) reasonable, authorized, supported and complied with contract requirements and 2) effectively awarded and administered by the SUG Project team. However, we found the SUG Project team's review and documentation of the PCO proposals needed some improvements. Management's final decisions on the PCO proposal costs were not fully documented and some unallowable costs and markups were approved. Specifically, the SUG Project team did not thoroughly review and/or document the re-categorization of costs, markups and changes allowed by the SUG Project team, and there were a few approved PCO proposals that included a total of \$49,112 of unallowable costs.

We made four recommendations to correct these deficiencies and management concurred with the recommendations.







### **Audit of Russell Senate Office Building Exterior Envelope Repair and Restoration, Seq. II (Phases 2 and 4) Contract Modifications (OIG-AUD-2020-07)**

The OIG conducted a performance audit of modifications to the AOC's Contract No. AOC16C2007 for the Russell Senate Office Building Exterior Repair and Restoration (ERR). The objective of the audit was to assess the effectiveness of contract modifications.

Overall, the contract modification process for the ERR Project was effective. The contract modifications and PCOs were generally 1) reasonable, authorized, supported and complied with contract requirements and 2) effectively awarded and administered by the ERR Project team. However, we determined that the ERR Project team's supporting documentation for the independent government cost estimates (IGCEs) needs improvement. We were unable to clearly determine how the IGCE was calculated for three contract line item numbers (CLINs) within modification 013. We concluded that the ERR Project team modified the review and approval process for this modification by evaluating the contractor's cost proposal without the contractor's cost breakdown for Sequence (Seq.) II, completing the IGCE after contract negotiations, and not clearly documenting how the unit prices for the IGCE were calculated. As a result, it was difficult to determine how the IGCE was calculated and used to determine that the cost proposal was fair and reasonable.

We made five recommendations to correct these deficiencies and management concurred with the recommendations.

## **Audits in Progress**

### **FY 2020 Financial Statements Audit (2020-AUD-006-A)**

The OIG contracted with the IPA firm to perform the audit of the AOC Financial Statements as of and for the fiscal year ending September 30, 2020. The IPA is responsible for conducting the audit in accordance with auditing standards generally accepted in the United States of America, issued by the American Institute of Certified Public Accountants; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget Bulletin No. 19-03, Audit Requirements for Federal Financial Statements. Specifically, they are responsible for forming and expressing an opinion on whether the financial statements that are prepared by AOC management, with the oversight of those charged with governance, are prepared, in all material respects, in accordance with the applicable financial reporting framework.

The OIG serves as the COR on the contract with the IPA, which includes overseeing the contract requirements and plans to transmit the auditor's final report in November 2020.

### **Audit of Cannon House Office Building Renewal Project's Contract Reimbursable Costs (2020-AUD-008-A)**

As a part of our audit and evaluation plan of continuous oversight for construction-related audits, an IPA is conducting a performance audit of the CHOB Project's contract reimbursable costs. The objective of the audit is to



determine if the reimbursable costs in Phase I and Phase II were billed and paid in accordance with the CMC's contract terms and conditions, and the costs were allowable, allocable, supportable and appeared reasonable.

The OIG serves as the COR on the contract with the IPA, which includes overseeing the contract requirements, and plans to transmit the auditor's final report in May 2021.

#### **Audit of Cannon House Office Building Renewal Project's Subcontractors Bid and Award (2020-AUD-009-A)**

As a part of our audit and evaluation plan of continuous oversight for construction-related audits, an IPA is conducting a performance audit of the CHOB Project's subcontractors bid and award. The objective of the audit is to determine if the 1) subcontractor contracts for Phase 1 and Phase 2 were awarded in accordance with the solicitation requirements and AOC policies and procedures, and align with industry standards, and 2) subcontractors' bid support the awarded contracts.

The OIG serves as the COR on the contract with the IPA, which includes overseeing the contract requirements, and plans to transmit the auditor's final report in July 2021.

## Inspections and Evaluations

### Completed Activity This Reporting Period

#### **Evaluation of the Architect of the Capitol's Compliance with Its Discipline Order (2019-0001-IE-P)**

We conducted an evaluation of the AOC's compliance with its discipline program. Our objective was to determine if AOC disciplinary actions taken in response to employee misconduct were in compliance with established AOC policy and penalty guidance, and if disciplinary actions were applied consistently across the agency based on appropriate criteria and evidence. The covered period for this evaluation was from FY 2015 to 2019.

The OIG issued the final report to the AOC on June 5, 2020. Our evaluation found that the AOC's discipline response program was generally strong although improvements could be made to address inconsistencies with the disciplinary processes and recordkeeping. Our report included three findings and five recommendations. The

agency concurred with all recommendations and provided proposed corrective actions.

### Evaluations-In-Progress

#### **Evaluation of the Cannon House Office Building Renewal Project Construction Inspection Approval Process (2020-0001-IE-P)**

The OIG announced the evaluation of the AOC's construction inspection approval process for the CHOB on April 10, 2020. Our objective is to examine the impact of associated costs, quality of work and time delays attributed to rework on construction inspections<sup>1</sup>. This evaluation was postponed during the fieldwork phase at the request of the AOC to address challenges posed by the COVID-19 pandemic and to meet established timelines for 2021 congressional moves. We anticipate releasing the final report in the third quarter of FY 2021.

#### **Evaluation of the AOC's Emergency Preparedness Posture (2020-0002-IE-P)**

The OIG announced the evaluation of the AOC's emergency preparedness posture on April 10, 2020. Our objective is to determine the effectiveness of AOC emergency incident drills, exercises and training in accordance with the AOC Base Emergency Action Response Plan. This evaluation will also include a limited review of the AOC's response efforts for the COVID-19 pandemic. We anticipate releasing the final report in the second quarter of FY 2021.

#### **Evaluation of the AOC's Tree Maintenance Program (2020-0003-IE-P)**

The OIG announced the evaluation of the AOC's tree maintenance program on June 30, 2020. Our objective is to determine if improvements directed by the Office of Congressional Workplace Rights<sup>2</sup> in 2018 to the AOC processes for tree inspection and safety-related issues were appropriately implemented and maintained, and if they effectively address safety hazards from trees located on the Capitol campus. We anticipate releasing the final report in the second quarter of FY 2021.

<sup>1</sup> Inspection types may include but are not limited to electrical, structural, plumbing, HVAC and building occupancy inspections.

<sup>2</sup> The Office of Congressional Workplace Rights was formerly known as the Office of Compliance. It was renamed on December 21, 2018, and for the sake of clarity will be referred to as such in this evaluation.



## Investigations

In March 2020, U.S. government leadership asked agencies to tell all employees with existing telework agreements in the Washington area to work remotely due to COVID-19. Since the last SAR period 20-1, the AOC OIG has worked under COVID-19 restrictions and has authorized maximized telework flexibilities.

During this reporting period, we received or initiated a total of 13 complaints. From those complaints, investigators opened six new investigations. We referred a total of five complaints to other government agencies, AOC program offices and/or AOC avenues of assistance.

AOC OIG ensured the continuity of investigative operations through risk mitigation and daily completion of self-health checklists. The wearing of face coverings was mandatory for all employees on the Capitol campus in addition to social distancing to minimize the risk of viral transmission. The AOC exercised its authority to stagger work schedules and to implement other operational mitigation measures to limit the number of staff based on occupancy so as not to violate guidance mandated by the Centers for Disease Control and Prevention regarding public gatherings.

We conducted telephonic interviews as well as in-person interviews to accommodate critical position employees that did not have telework agreements. During the in-person interviews we utilized synthetic polymer barriers to shield investigators and interviewees when we could not achieve 6-foot boundaries through normal distancing. We conducted meetings via Skype, Zoom video conferencing, web conferencing and webinars to complete training.

We would also like to “Hail” Abbey Tereba as a new criminal investigator/special agent in the OIG’s Investigative Division. Abbey joins us from the U.S. Capitol Police (USCP) where she was a 14-year veteran serving as a supervisory special agent within the Investigations Division, Threat Assessment Section. At the USCP, Abbey was responsible for investigating federal crimes and threats toward members of the U.S. Congress, their families, and other statutory protectees throughout the United States and territories.

Abbey is a graduate of Kent State University, where she earned a Bachelor’s Degree in Psychology and Criminal Justice. She is a graduate of the Federal Law Enforcement Training Center’s Uniformed Police Training Program and Criminal Investigator Training Program.

**Table A: Investigative Data This Reporting Period**

Investigative Activity	Count
<b>Complaints</b>	
Hotline Complaints Received (Phone and/or Email)	7
Complaints Received (Walk-ins)	0
Direct Phone or Email to AOC OIG	4
U.S. Mail or Facsimile Machine	0
AOC OIG Observed or Developed	2
<b>Total Complaints</b>	<b>13</b>
<b>Investigations</b>	
Investigations Opened	6
Investigations Closed <sup>1</sup>	8
<u>Issuance of Subpoenas</u>	
OIG Subpoenas Served	1
Grand Jury Subpoenas Served	0
<u>Disciplinary Actions Resulting from Administrative Investigations</u>	
Actions Pending	2
Allegations Not Substantiated or Disproven by OIG	5
Allegations Substantiated/Person(s) Unknown	0
Employee Removals/Resignations/Retirements (in lieu of)	2
Employee Reprimands/Warnings/Counseling	1
Employee Suspensions	0
<b>Total Disciplinary Actions</b>	<b>10</b>
<b>Referrals</b>	
<u>Criminal Investigation Referrals<sup>2</sup></u>	
Accepted for Prosecution	0
Declined for Prosecution	2
<u>Administrative Investigation Referrals</u>	
Informal Referrals (to AOC Program Offices, no follow-up or report required)	3
Formal Referrals (Follow-up required within 60 - 90 days)	0
Employee Assistance Referral (to AOC Avenue of Assistance)	0
<b>Total Referrals</b>	<b>5</b>

<sup>1</sup> Reflects two investigations opened during the previous reporting period.

<sup>2</sup> Referred to a Law Enforcement Agency or the U.S. Attorney for Prosecution Consideration.

Source: OIG Investigative files

**FIGURE 1: Investigations Division Charge Substantiation**

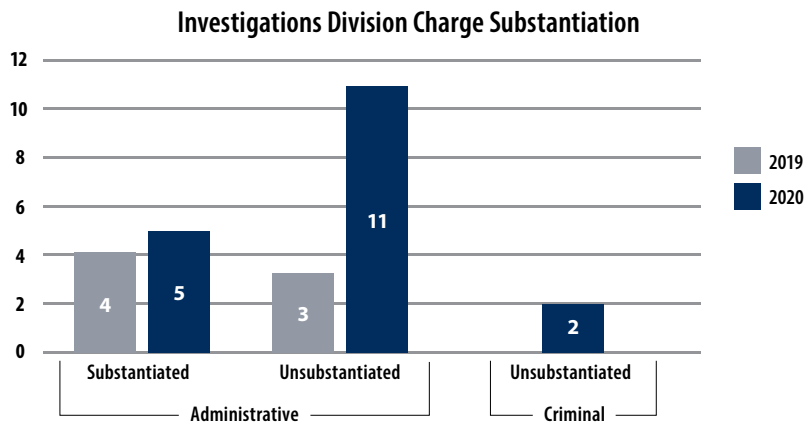


Figure 1 highlights the number of charges, both substantiated and unsubstantiated by type. During the period of review, there were 23 administrative charges. Of those, nine (39 percent) were substantiated. In response to these charges, AOC management carried out the following disciplinary actions: one termination, one resignation in lieu of termination and one memorandum of counseling. There are two substantiated administrative charges that are awaiting a decision from AOC management.

**FIGURE 2: FY 2020 Investigations Division Violations by Type**

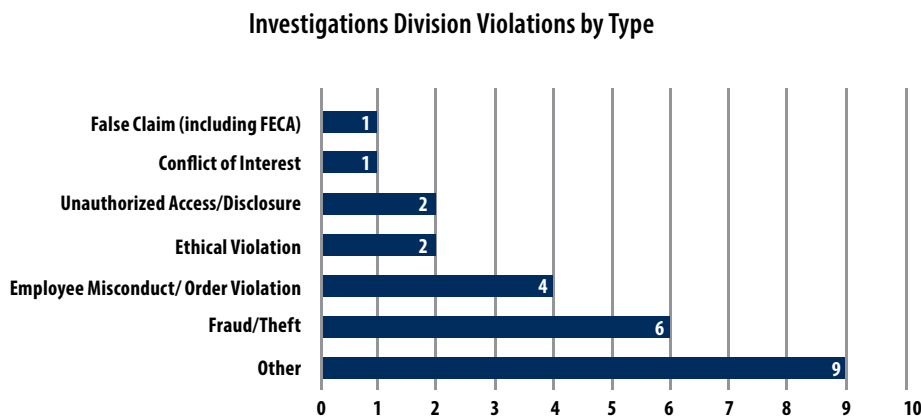


Figure 2 represents investigations for the time period under review broken out by violation type. Fraud/Theft, Employee Misconduct and Others (that did not meet a certain case criteria when initiated)<sup>3</sup> were the most frequent types of violations committed by AOC employees.

<sup>3</sup> Impersonation, Wasteful Spending, Inadequate Processes, Contract Irregularities at Another Agency, Retaliation and Harassment, and Suspected Drug Use.









## Open Investigations

We currently have six open investigations:

- 2018-0008-INVI-P
- 2020-0008-INVI-P
- 2020-0009-INVI-P
- 2020-0011-INVI-P
- 2020-0012-INVI-P
- 2020-0013-INVI-P

Per OIG policy, we are unable to comment about ongoing investigations. We anticipate reporting these as closed investigations in the next reporting period.

## Closed Investigations

### **Suspected Violation of the AOC “Government Ethics” Policy: Not Substantiated (2019-0017-INVI-P)**

On August 27, 2019, the AOC OIG received a hotline complaint from an individual who requested confidentiality. The individual alleged that an AOC employee misused their position as a government employee and provided preferential treatment to a vendor for the purchase of supplies. The complainant claimed the AOC employee prepared and submitted a small purchase request for the purchase of supplies from a vendor where the AOC employee also works.

The investigation determined the small purchase request for the purchase of supplies was prepared, submitted and approved by AOC managers and that the AOC employee was not involved in the procurement process. The OIG also determined that the AOC employee was not an employee with the vendor.

**Final Management Action:** The investigation is closed.

### **Suspected Violations of the AOC “Standards of Conduct” and “Drug and Alcohol” Policies: Substantiated (2020-0002-INVI-P)**

On October 24, 2019, the AOC OIG received a complaint from an AOC manager concerning an AOC employee who allegedly displayed pornography at work on their personal phone and bragged on separate occasions about having sex with a minor while visiting Central America several years prior. The employee was also video recorded cooking and drinking an alcoholic beverage while on duty.

**Final Management Action:** The OIG substantiated the AOC employee violated AOC Order 752-2, Standards of Conduct when they interfered with another employee’s

employment by means of intimidating, hostile or offensive acts and being under the influence. During an interview, the AOC employee admitted to being under the influence of alcohol during working hours violating the authorities and procedures set forth in AOC Order 900-1, Drug and Alcohol policy. Based on the lack of physical evidence and inability to prove this investigation on credible testimonial evidence from employees, we could not substantiate that the employee displayed pornography in the workplace. The administrative violations were submitted to the jurisdiction for consideration. The case is closed and management action is pending.

### **Suspected Wasteful Spending: Substantiated – Suspected Violations of the AOC Government Purchase Card Orders and Policies: Not Substantiated (2020-0003-INVI-P)**

The AOC OIG received a hotline complaint from an individual who requested confidentiality. The confidential complainant alleged that in September 2018, an AOC manager purchased three flat pack utility carts with end-of-year funds. These utility carts were in addition to several utility carts already on hand and had not been requested by staff for the betterment of their duties. After purchase, these utility carts remained for greater than a year, unassembled and not in service. The confidential complainant believed the purchase and subsequent nonuse of these utility carts for over a year gave the impression that they were not needed and, therefore, AOC funds were wastefully spent.

This investigation substantiated that the purchase of the three utility carts was wasteful. In September 2018, the AOC manager approved the purchase of three flat pack utility carts. After receiving the utility carts, they were stored for several months before the AOC manager attempted to assemble one of them, only to discover it was unstable. The AOC manager made a decision not to assemble the other two utility carts until a solution could be found to make them stable and usable. As of March 19, 2020, the first utility cart had not been fully assembled and the other two utility carts were still in their shipping boxes.

The OIG acknowledged that the purchase of the three flat pack utility carts were within the AOC manager’s purchase authority and the guidelines for purchasing cited in AOC orders. However, because the purchased utility carts were not fulfilling the staff’s need, remained in the box and unassembled, and were not placed into service until several months after acquisition, the appearance exists that the purchase was wasteful.



In August 2019, the OIG substantiated wasteful spending against the same AOC manager in OIG investigation AOC OIG 2019-0013-INVI-P for purchasing additional collection/shred containers with end-of-year funds though a contract was already in place to purchase such containers. AOC management took no formal disciplinary action against the AOC manager though they did note discussing the OIG report with the AOC manager. They determined the AOC manager's intent was to improve customer service and increase work efficiency with no comment regarding wasteful spending of the tax payer's dollars.

**Final Management Action:** After reviewing the evidence outlined in the report of investigation and discussing the matter with AOC management officials, no formal discipline action was taken because the intent of the AOC manager was to improve office storage capabilities. The AOC manager received a memorandum of counseling for not performing due diligence by timely inspecting the utility carts that were purchased. The investigation is closed.

**Suspected False Statement or Fraud to Obtain Federal Employees' [Workers'] Compensation: Not Substantiated – Suspected Violations of the AOC Standards of Conduct Policy: Not Substantiated (2020-0004-INVI-P)**

The AOC OIG received a complaint from the AOC's Workers' Compensation Programs Unit concerning a workplace injury suspected to be fraudulent. In fall 2019, an AOC employee filed a workers' compensation claim for a work-related injury sustained while performing their job.

While processing the workers' compensation claim, the Workers' Compensation Programs Unit obtained medical documentation pertaining to the AOC employee's injury. During a review of the medical documents, it was noted that in the spring of 2019, the AOC employee had an injury that appeared to be identical to the injury the AOC employee sustained in the fall of 2019. During the review of that documentation there were no indications the injury was surgically repaired. Based on the medical documentation, the Workers' Compensation Programs Unit suspected the AOC employee submitted a false claim for compensation, knowing they had a pre-existing non-work related injury in the spring of 2019, which may have been a contributing factor to the injury sustained in the fall of 2019.

The investigation determined the AOC employee did not submit a false workers' compensation claim. The OIG requested and reviewed the medical treatment records from the AOC employee's physician. The review determined that in the spring of 2019, the AOC employee had a surgical

procedure to repair their injury. Later that spring, the AOC employee received an examination following the surgical procedure and was cleared to return to work. However, despite the surgical procedure, the AOC employee was reinjured in the fall of 2019, while performing their job. Based on our findings, the surgical procedure in the spring of 2019 indicated the AOC employee had taken corrective steps to repair their injury at that time. The AOC employee attended a follow-up surgery examination and the attending physician released the AOC employee to return to regular work. The physician did not cite any limitations and the AOC employee was able to perform their work without any restrictions. Based on a review and receipt of the operative report, it was determined the AOC employee's claim was not false; therefore, there was no need to proceed with this investigation. There were no indications the AOC employee attempted to hide or not disclose their previous injury that contributed to the work-related injury sustained in the fall of 2019.

**Final Management Action:** The investigation is closed.

**Suspected Violation of the AOC "Standards of Conduct" and AOC "Workplace Anti-Harassment" Policies: Not Substantiated; Violation of Congressional Accountability Act: Substantiated (2020-0006-INVI-P)**

On March 5, 2020, the AOC OIG received a hotline complaint from a former AOC employee, who claimed an AOC manager retaliated against them after filing a harassment complaint on September 30, 2019. The AOC employee claimed they worked for the AOC from December 10, 2018 until December 9, 2019, when they were terminated one day short of completing their probationary period. The former AOC employee claimed they received favorable performance evaluations, raises and bonuses throughout the year and suspects the AOC manager retaliated against them after filing a harassment complaint.

The OIG investigation determined, based upon a preponderance of evidence and the timeline of events, that there was retaliation on the part of the AOC manager. Official documents supported the former AOC employee's claim of receiving favorable performance (Fully Successful) evaluations, raises and bonuses. The OIG determined the AOC manager claimed the former AOC employee had a history of poor work performance but did not document the employee's alleged poor work performance in writing throughout the rating period. After the former AOC employee filed a harassment complaint, the AOC manager recommended the former AOC employee's termination and

submitted a removal packet including a narrative summary of performance observations and feedback from memory (December 2018 through November 2019), citing the former AOC employee was not meeting expectations, and for sleeping on duty.

A review of AOC policies in effect at the time of the complaint revealed that the AOC only defined retaliation for complaints made to the OIG and not for other AOC jurisdictions. However, we concluded in the absence of an AOC policy protecting the employee at the time of the complaint the anti-retaliation provision of the Congressional Accountability Act 2 U.S.C. § 1317(a) covers the employee.

AOC Order 752-2, Standards of Conduct, April 25, 2014, Section 2.11, prohibits “reprisal or retaliation against an employee who referred an issue to the OIG in accordance with the AOC Inspector General Act of 2007 (2 U.S.C. §1808).” However, the former AOC employee brought the harassment matter to the attention of the OIG after their employment was terminated. Additionally, the AOC updated its sexual harassment policy on October 25, 2019, and further updated Order 24-2, Architect of the Capitol Workplace Anti-Harassment policy, on March 13, 2020. Under AOC Order 24-2, the AOC added and defined retaliation under paragraph 5 - Retaliation; 5.1. Retaliation against an AOC employee who made a complaint or cooperated with a harassment investigation, or any investigation based on protected categories, is strictly prohibited. Under Order 24-2, and Policy Memorandum 24-3, any concerns of retaliation shall be reported directly to the AOC office responsible for dispute resolution. The retaliation against the former AOC employee occurred at the time of their termination in December 2019, prior to the March 2020 revision and expansion of harassment and retaliation defined in Order 24-2. The AOC office responsible for dispute resolution neither addressed the complainant’s request for additional assistance, nor did they refer the former AOC employee to the AOC Conciliation Program as directed under Order 24-1. In addition, no timely information was offered to the former AOC employee about recourse provided through the Office of Congressional Workplace Rights. The complainant then sought the OIG’s help with their retaliation complaint on March 5, 2020.

**Final Management Action:** The investigation is closed and management action is pending.

### **Suspected Misuse of Sick Leave: Not Substantiated (2020-0010-INVI-P)**

On April 16, 2020, the AOC OIG received a complaint from Diversity, Inclusion and Dispute Resolution (DI/DR). DI/DR alleged an AOC employee misused sick leave to cover their absence from work while being incarcerated. It was also alleged AOC managers were aware of the AOC employee’s incarceration but did not properly report their absence and status in WebTA.

The investigation determined that on February 16, 2020, while on annual leave, the AOC employee was arrested due to a fugitive arrest warrant. On February 19, 2020, the AOC employee was arraigned and subsequently incarcerated until March 17, 2020, when they were released pending trial. Based on testimonial and documentary evidence, the AOC employee did not use sick leave to cover their absence from work while incarcerated and did not violate OPM or AOC policy governing annual leave. The AOC employee submitted a request for annual leave for the period of February 15 through 18, 2020, which their supervisor approved. On February 18, 2020, the AOC employee contacted an AOC manager and requested an extension to their annual leave citing a personal emergency. At the time of the request, the AOC employee did not inform the AOC manager of their arrest or disclose they were incarcerated. According to OPM and AOC Order 630-1, an employee may use annual leave for vacations, rest and relaxation, and personal business or emergencies. The OPM and AOC policies do not state an employee must disclose the nature of a personal emergency.

On March 9, 2020, the AOC employee contacted an AOC manager to request additional annual leave, but their annual leave balance was exhausted. The AOC employee requested sick leave to cover their absence from work and informed the AOC manager that they were incarcerated. The AOC manager informed the AOC employee that sick leave could not be used while they were incarcerated and informed the AOC employee that their work status would be changed to absent without leave.

**Final Management Action:** The investigation is closed.



## Closed Investigations Involving Senior Government Employees

### **Suspected Violations of the AOC “Preservation Policy and Standards”: Not Substantiated (2020-0005-INVI-P)**

On March 3, 2020, the AOC OIG received a complaint from the Library of Congress OIG which reported that a retired Library of Congress employee filed a complaint with the Library of Congress OIG against the Librarian, Library of Congress. This complaint had two allegations: 1) according to the retired Library of Congress employee, the Librarian authorized the removal of the historic Center Desk from the Main Reading Room of the Thomas Jefferson Building with plans to replace it with a large circular window in the floor (“oculus”); and 2) the Librarian’s illegal disregard of historic preservation requirements would entail a major and unnecessary waste of tens of millions of tax payers dollars. The Library of Congress OIG referred the first allegation to the AOC OIG for investigation due to a suspected violation of AOC Order 37-1, Preservation Policy and Standards, which requires coordination with the AOC prior to any structural changes. Neither the AOC nor its employees were determined to be subjects of these allegations.

**Final Management Action:** The AOC OIG did not substantiate that the Librarian violated AOC Order 37-1, Preservation Policy and Standards. The AOC OIG coordinated with AOC senior executives and a preservation subject matter expert who provided several memoranda detailing coordination between members of the AOC senior staff, the Library of Congress’ “Visitors Experience Master Plan” (VEMP) design team for the Library, and the Librarian. The memoranda documented the AOC’s concerns and reasoning for not supporting the oculus component of the VEMP while deferring to Congress the decision to include or omit the oculus. No determination or final design has been approved and the current Visitor Experience is under review and proposal. The complaint that the Librarian violated the AOC’s Preservation Policy and Standards requirements, which required coordination with the AOC prior to any structural changes, were unfounded and therefore, the allegation is not substantiated. Further, this investigation did not substantiate a violation of any AOC policy on behalf of the AOC or any of its employees. The case is closed.

### **Suspected Questionable Hiring Practices and a Promotion Due to Alleged Quid Pro Quo: Not Substantiated (2020-0007-INVI-P)**

On January 27, 2020, the AOC OIG received a complaint from an anonymous source questioning the hiring practices of a former Senior Rated (SR-00) jurisdictional leader. The complainant alleged the SR-00 approved the hiring of two AOC employees (Employee 1 and Employee 2) despite both having a criminal record. Further, the complainant alleged that Employee 1 received a promotion after investing in a company associated with the SR-00’s spouse.

The OIG did not identify any evidence that Employee 1 or Employee 2 acted inappropriately by deceiving or concealing their criminal histories from the AOC. Both hiring actions were coordinated through the Human Capital Management Division (HCMD). Both employees had traffic and misdemeanor offenses and were initially hired as temporary employees prior to the AOC’s standardized background and suitability assessment policies. On April 13, 2017, the AOC implemented AOC Order 731-1, Pre-Employment and Contract Employee Suitability, which centralized the pre-employment and suitability assessment process and delegated administrative oversight to the Office of Security Programs.

The OIG did not identify any evidence that Employee 1 received a promotion based on investment in a company associated with the former SR-00’s spouse. The law prohibits public officials from receiving any payments, things of value, or hidden ownership interests in return for official actions after the fact. We conducted a review of Financial Crimes Information Network reports pertaining to the suspects. The reports did not identify transfers of money between the parties or indicate financial interest by the parties in the company.

**Final Management Action:** The allegation lacked sufficient probable cause for fraud and kickbacks to continue a criminal investigation. Based on the policies and procedures in place on the date of hire for both employees, there was insufficient evidence to cite either employee. The case is closed.

## Action Resulting from Investigations Reported in Previous SARs

### **Suspected Violations of the AOC “Standards of Conduct,” “Leave” and “Family and Medical Leave Act (FMLA)” Policies: Substantiated (2019-0018-INVI-P)**

On August 23, 2019, the AOC OIG received a hotline complaint from an anonymous source, citing an AOC employee was arrested for driving under the influence and subsequently incarcerated. The anonymous complainant alleged the AOC employee was using FMLA entitlements to cover their absences from work while incarcerated.

The investigation determined that on August 10, 2019, the AOC employee was involved in an automobile accident, arrested for driving under the influence of alcohol, and incarcerated from August 10 to September 10, 2019.

On August 30, 2019, the AOC employee submitted a doctor’s note to AOC management citing they had been under doctor’s care since August 12, 2019, incapacitated, and unable to report for work. The AOC employee also submitted a Certification of Health Care Provider for Employee’s Serious Health Condition (U.S. Department of Labor Form, WH-380-E) in support of their request for FMLA entitlements.

**Final Management Action:** The OIG substantiated the AOC employee violated AOC Order 752-2, Standards of Conduct by not being truthful to management or truthful regarding the actual facts of their absence from work. The AOC employee also violated AOC Order 630-1, Absence and Leave policy, and AOC Order 630-2, FMLA policy by

requesting unscheduled sick leave or intermittent FMLA entitlements by submitting a doctor’s note and certification of a health care provider claiming FMLA to cover the time period when they were incarcerated for driving under the influence of alcohol. During an interview, the AOC employee admitted to their incarceration from August 10 to September 10, 2019, and submitting the doctor’s note and certification of a health care provider to cover their absences from work. The AOC employee was removed from federal service on February 14, 2020. The AOC employee requested an appellate hearing that was scheduled for June 26, 2020, but the AOC employee canceled the hearing on June 25, 2020. The investigation is closed.

### **Suspected Violations of the AOC “Government Ethics,” “Standards of Conduct” and “Personal Property” Policies: Substantiated (2020-0001-INVI-P)**

On August 23, 2019, the AOC OIG received a complaint from an AOC manager concerning an AOC employee, who removed AOC property and used it for personal use. The investigation determined that the AOC employee removed a broken aluminum ladder from a trash collection container and took it home. After realizing the ladder was broken, the AOC employee returned the ladder to the AOC and discarded it. Further, the AOC employee admitted taking home a bull float (concrete finishing tool), property of the AOC, valued at \$188.80, to use on a personal project and returned it to the AOC upon completion.

**Final Management Action:** The AOC employee resigned effective May 22, 2020. The investigation is closed.





## OTHER WORK

### **Semiannual Status Update on CHOB Project (2020-AUD-007-O)**

The Explanatory Statement accompanying the FY 2016 Legislative Branch Appropriations Act, P.L. 114-113, directed the AOC OIG to transmit quarterly status updates to the House Committee on Appropriations about the AOC's progress on the CHOB Project (formerly addressed as Cannon Project). In spring 2018, the committee approved the AOC OIG's request to transmit these status updates semiannually.

On September 21, 2020, we transmitted our status update on the AOC's progress on the CHOB Project for the six-month period of January 1, 2020 to June 30, 2020. Our key observations for the period included the following:

Per the Integrated Cost Schedule Risk Analysis (ICSRA) completed by the project team in December 2019, \$890.2 million remains the estimated total cost of the CHOB Project. The COVID-19 pandemic<sup>4</sup> caused the project to sustain substantial delays in April and May, which together with some unforeseen conditions, led the CHOB Project team to negotiate a new baseline schedule in May. This renegotiation of the schedule resolved 45 days of delay caused by COVID-19 and the unforeseen conditions. The CHOB Project team continues the process of closing out the last punch list and warranty items associated with Phase 1 (the west wing), constructing Phase 2 renovations (the north wing), and coordinating the schedule to start construction of Phase 3 (the east wing).

Phase 1 is budgeted to cost \$194.7 million. As of June 30, 2020, Phase 1 total funding was \$195.7 million, with \$192.8 million obligated and expended, leaving \$2.9 million available for final closeout costs of swing space, Construction Division costs, and punch list and warranty items. As of September 15, 2020, the AOC reported that the CMc is on track to complete or closeout the open Phase 1 warranty items by October 31, 2020.

The CHOB Project's Phase 2 schedule was re-baselined and a contract modification (no cost, time extension) was issued to update project dates (effective date: June 30, 2020). The new Phase 2 substantial completion date is October 15, 2020 (previously August 31, 2020) and

the new final completion date is November 27, 2020 (previously November 1, 2020). The contract modification also revised the scope of work included in the "Substantial Completion" and "Final Completion" to include fewer milestones. Additional construction work to be completed after the contractual completion date include the VA Hearing Room, public amenities and façade. Per the July Executive Summary, the project was on schedule to meet the November 27, 2020 completion date for the Final Completion Milestone. Phase 2 congressional move-ins are scheduled to start on December 1, 2020, and to be completed before the north wing opens to the public for the 117th Congress on January 3, 2021. Phase 2 is budgeted to cost \$203.9 million. As of June 30, 2020, total funding was \$203.9 million; \$173.2 million had been obligated and \$115.6 million had been expended.

The AOC budgeted Phase 3 with a cost of \$177.4 million, but anticipates awarding the Phase 3 guaranteed maximum price at a negotiated value higher than the amount budgeted. However, the AOC stated that there is sufficient contingency to maintain the \$890.2 million total project budget at completion.

The CHOB Project team analyzes risks to the project during weekly and quarterly risk meetings. Some of the risks were identified in the December 2019 ICSRA, while others were identified during the current period. According to the CHOB Project team, the current top five risks to the project are:

- (1) Cost and schedule impacts due to supply chain issues, workforce availability, site access and enhanced protection measures related to COVID-19.

Ongoing AOC mitigating factors include:

- Enhanced project site cleaning is being performed on Sundays in order to minimize impacts to production.
- Partnering with U.S. Capitol Police to minimize exposure while still working to maintain scheduled project deliveries.
- Implementing Office of Attending Physician contact tracing guidance for potential exposures

<sup>4</sup> Between January 1, 2020, and June 30, 2020, 26 project contractors and one AOC employee tested positive for COVID-19, with an additional three project contractors categorized as presumed positive and two as pending. As of July 31, 2020 1,654 worker-days were lost due to COVID-19 (This was up from 1,500 as of June 30, 2020.).

to help minimize worker concerns, absenteeism, and to ensure proper quarantining of possible positive COVID-19 cases.

- Incorporating face coverings/mask wear and other Centers for Disease Control and Prevention recommended strategies to
- (2) Turnover of construction area to stakeholders with adequate time to install furniture, fixtures and equipment before congressional moves.
  - (3) Owner initiated and unforeseen change orders impacting the construction schedule.
  - (4) Impacts to high-quality craftsmanship resulting from accelerating the construction schedule.
  - (5) Substantial reporting and auditing requirements, internal and external, current and anticipated, can divert current management attention from progressing Phase 2.<sup>5</sup>

During this period, the CHOBr Project team began providing detailed information regarding potential change orders (PCOs). From January 1, 2020 to June 30, 2020, CMc and Architecture and Engineering Services initiated 156 PCOs for the CHOBr Project. Six of the PCOs have since been voided, and the CHOBr Project team determined that 64 of the change orders have a potential impact to the project's schedule. The proposed value of the PCOs initiated in the period totaled \$5,065,551. During this same period, the project team negotiated and settled 102 PCOs related to the Phase 2 scope for a final awarded value of \$21,274,863. As of June 30, 2020, 94 PCOs remained open, with a proposed value of \$1,673,797. If approved, these PCOs would be funded from the \$11.2 million remaining Phase 2 contingency funds within the current budget. Therefore, the potential work would reduce the budgeted contingency, but would not increase the overall project budget. Additionally, there were another 34 PCOs identified by June 30, 2020, but for which Clark Chrisman Joint Venture had not yet submitted proposals.

As of June 30, 2020, \$256,000 of Phase 2 contingency had been used for COVID-19 related project costs. In addition, the AOC allocated \$658,000 in COVID-19 supplemental funding to maintain project site cleaning. Without additional COVID-19 supplemental funding, contingency

funding will be used to pay for any future COVID-19 cleaning requirements. The CHOBr Project team appears to have accepted that COVID-19 is a significant risk to delivering the project on time and has taken actions to mitigate that risk. However, we expect that COVID-19 impacts to the schedule and budget will warrant review during the foreseeable future of the project.

### **FY 2020 Organizational Risk Assessment (2020-AUD-005-O)**

The OIG's Organizational Risk Assessment was completed on August 31, 2020. The risk assessment identified and assessed the nature of the AOC's programs and operations, performance measures, anticipated outcomes, scope and dollar magnitude, staffing and budgetary trends, perceived vulnerabilities, and inherent risks. The AOC OIG will use the information to assist with audit and evaluation planning.

## **MANAGEMENT ADVISORIES**

A Management Advisory reports on specific gaps or weaknesses in AOC internal controls observed during OIG work. These reports are a communication tool that may or may not contain recommendations which may or may not require AOC concurrence.

We issued three management advisories to the AOC during the reporting period. One out of the three reports (2020-0002-INVM-P) required a response and discussed OIG interactions with the AOC DI/DR office.

### **Management Advisory Report – OIG Interactions with the AOC DI/DR Office (2020-0002-INVM-P)**

Federal agencies have done a great deal to address harassment and diversity in the workplace, from developing awareness programs and policies, to setting up specific offices to handle claims, but further work is needed to continue this progress and eliminate systemic problems. Agencies need to identify persistent and ongoing cultural issues as well as remedies to address them in order to facilitate sustainable relief. For example, an area agencies must focus on is standardizing the complaint process to include training and empowering employees who conduct intake and on providing a safe and informative space for all employees who utilize their services. The goal for such diversity and inclusion programs must be one of

<sup>5</sup> The OIG and the IPA, hired to perform audit work on behalf of the OIG, have made a concerted effort to mitigate the burden placed on the project team while performing its mandated audit and reporting requirements. Throughout each audit and review, deadlines have been extended to provide required documentation and information. The OIG has moved multiple report deadlines and delayed the start of audits in an effort to not interfere with the project's schedule. However, as with any federal project, the AOC has a requirement to be responsive to the mandated audits and reviews while still meeting project deadlines. The OIG does not believe that its oversight has, or will, result in delays to the project.







transparency and safety while protecting employees and their information. These issues are not unique to other agencies and persist within the AOC. Thus, it is imperative that the AOC formulate a whole-of-agency approach to address workplace harassment and diversity and build and maintain processes that promote confidence and provide assurances for AOC employees.

The AOC remains committed to ensuring a work environment that values diversity, promotes respect for individual differences, and is free from unlawful discrimination, harassment, and retaliation for all employees and applicants for employment.<sup>6</sup> This memorandum presents multiple interactions and process issues the AOC OIG has identified via OIG investigative activities involving DI/DR. These issues include concerns about DI/DR investigative standards and processes, a lack of defined authorities, and lack of compliance with the Inspector General Act of 1978, the AOC OIG Act, and other AOC orders.

Our primary concern relates to the contamination of evidence in cases where DI/DR identified potential fraud, waste or abuse, but did not cease their activity after notifying the OIG. Their processes are not peer reviewed and they lack investigative standards that are auditable and manageable. The OIG has primary jurisdiction over investigative matters as identified in the AOC OIG Act of 2007<sup>7</sup> and AOC Order 40-1, Authority and Responsibilities of the Office of Inspector General. Additionally, DI/DR lacks investigative standards and clarity of roles and responsibilities, which leads to workforce confusion and encroachment on OIG authorities. While DI/DR may be set up to enforce compliance with federal workplace discrimination laws by receiving, investigating, and resolving incidents of workplace discrimination and sexual harassment, they often do so by contracting outside investigators, which frequently leads to

a lack of control and insufficiencies in investigative activity such as access to information, swearing employees to their testimony and the power to subpoena. This practice could be considered a wasteful use of taxpayer funds since the OIG conducts investigations to high standards, maintains law enforcement authority to swear testimony, and has subpoena authority. These contract investigators lack arrest authority, the authority to conduct criminal investigations, administrative investigations, and the ability to advise employees of their rights under Garrity<sup>8</sup> and Kalkines<sup>9</sup> warnings. We identify these issues in order to protect the agency and its employees by providing manageable and sustainable processes that provide legal protection for victims and witnesses, statements, and evidence.

This management advisory includes six recommendations for improvements to the AOC's oversight of its DI/DR processes to promote the AOC's whole-of-agency approach to employee diversity and inclusion programs. In accordance with the Inspector General Act, OIG reports with recommendations will be provided to the agency for comment and the report with management comments will be made public.<sup>10</sup>

## NOTICE OF CONCERNS

A Notice of Concern reports on specific AOC safety or security issues observed during the course of OIG work and are provided to AOC management for immediate action they deem appropriate. These reports do not provide recommendations.

We did not issue any Notices of Concern during the reporting period.

<sup>6</sup> AOC Order 24-3, Workforce Diversity, Inclusion and Equal Employment Opportunity, October 1, 2019.

<sup>7</sup> Title 2 U.S. Code § 1808. Inspector General of the Architect of the Capitol, Retrieved from <https://uscode.house.gov/> on March 20, 2020.

<sup>8</sup> Garrity warning is an advisement of rights usually administered by federal, state or local investigators to their employees who may be the subject of an internal investigation.

<sup>9</sup> Kalkines warning compels subjects to make statements or face disciplinary action up to, and including, dismissal, but also provides suspects with criminal immunity for their statements.

<sup>10</sup> Inspector General Act of 1978, 5 USC. App. §4(b)(2)(e)(C), Inspector General of the Architect of the Capitol, 2 USC §1808(d)(1).





# Review of Legislation and Policies

The OIG provides resources in reviewing and providing comments on AOC draft guidance documents as part of our requirement to comment on proposed legislation and policy. This ensures the AOC’s orders and/or policy revisions are consistent and promote economy and efficiency. Some of these orders result directly from OIG recommendations to improve internal controls and maintain an orderly operation. Our review is an integral part of our effort to identify and prevent fraud, waste and abuse. During this reporting period, we reviewed two orders or other policy or guidance documents.

**Table B:** Review of AOC Legislation and Policies

Document	Title	Description
Order 34-45	Personal Property Manual	This order outlines the framework for an established personal property management program to account for and maintain its personal property. This manual guides AOC property management personnel through the personal property management life cycle, describing the roles and responsibilities at each step of the process while complying with all applicable AOC-issued orders.
Policy Memorandum 28-8	AOC Design Standards, NFPA code year reference	The AOC follows a set of design standards that apply to all construction and maintenance projects across the Capitol campus. AOC Design Standards apply to all AOC-managed facilities located in the District of Columbia, Maryland and Virginia in support of the agency’s mission and strategic vision. This memorandum updates the AOC Design Standards to reflect the 2018 Edition of the National Fire Protection Association (NFPA) 101, Life Safety Code reference.







## Instances of the AOC Refusing to Provide Information or Assistance or Interfering with the OIG's Independence

There were no instances of the AOC refusing to provide information or assistance or interfering with the OIG's independence during the reporting period.

## Status of Reports or Recommendations

- (1) For Which No Management Decision was Made
- (2) For Which No Management Comment was Made Within 60 Days

There were no reports or recommendations more than six months old for which we had not received management decisions during the reporting period. Further, there were no reports or recommendations for which management did not provide comments within 60 days.

## Significantly Revised Management Decisions

There were no significantly revised management decisions during the reporting period.

## Significant Management Decisions With Which the OIG Disagrees

There were no significant management decisions with which the OIG disagreed with during the reporting period.

## Instances in Which an Inspection, Evaluation or Audit was Completed and Not Disclosed to the Public

There were no instances during the reporting period in which we completed an inspection, evaluation or audit without disclosing it to the public. All such products are listed at [www.oversight.gov](http://www.oversight.gov).

## Peer Review Reporting

### AUDIT

There was no peer review activity for audit operations this reporting period. The last peer review for the AOC OIG audit function was conducted in September 2018 by the Corporation for Public Broadcasting OIG. The AOC OIG received a rating of Pass, and there are no outstanding recommendations.

### INSPECTIONS & EVALUATIONS

The Inspections and Evaluations Division is participating in an "assist" role for two external peer reviews of executive branch agencies (General Services Administration and the Department of Health and Human Services). Work for these peer reviews commenced in August 2020 and is ongoing. Additionally, the last peer review for the AOC OIG inspections and evaluations function was conducted in June 2018 by the Office of the Special Inspector General for Afghanistan Reconstruction and the Pension Benefit Guaranty Corporation OIG. The AOC OIG received a rating of Pass, and there are no outstanding recommendations.

### INVESTIGATIONS

There was no peer review activity for investigation operations this reporting period. The last peer review for the AOC OIG investigations function was conducted in July 2017 by the Federal Housing Finance Administration OIG. The AOC OIG received a rating of Pass, and there are no outstanding recommendations.



# Recommendations

**Table C: Unimplemented Recommendations**

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
<b>Architect of the Capitol/Capitol Power Plant/Planning and Project Management/Acquisition and Material Management Division</b>				
Audit of the AOC Capitol Power Plant Cogeneration Facility	OIG-AUD-2019-05 September 30, 2019	Capitol Power Plant; Planning and Project Management; and Acquisition and Material Management Division	A.1	<p><b>Report Summary:</b> The OIG performed an audit of the AOC Capitol Power Plant Cogeneration Facility.</p> <p><b>Recommendation:</b> The AOC incorporate well-defined contract requirements for future utility energy service contracts, to include but not limited to:</p> <ul style="list-style-type: none"> <li>• Commissioning requirements – General Description, Commissioning Roles and Responsibilities, Systems to be Commissioned, Commissioning Plan, Scheduling, Commissioning Report</li> <li>• Reliability Run requirements – Duration, Classification of Interruptions and Scheduling</li> </ul> <p><b>AOC Management Decision: Concur.</b> The AOC is updating its 2010 Commissioning Guidelines and will include provisions in the update to address the issues raised by the OIG. The AOC expects to complete this update by March 2021.</p>
<b>Architect of the Capitol/ Chief Administrative Officer</b>				
Audit of FY 2019 Financial Statements Audit Management Letter	OIG-AUD-2020-02 December 17, 2019	Chief Administrative Officer	1	<p><b>Report Summary:</b> The OIG performed an audit of the AOC FY 2019 Financial Statements Audit.</p> <p><b>Recommendation:</b> Ensure that Momentum® user administration guidance and procedures are updated to reflect current processes and controls, including timelines for removing roles and deactivating access resulting from recertification responses and personnel separation actions.</p> <p><b>AOC Management Decision: Concur.</b></p>
Audit of FY 2019 Financial Statements Audit Management Letter			2	<p><b>Recommendation:</b> Require, document and maintain approvals for Momentum® access modifications in addition to original account provisioning actions.</p> <p><b>AOC Management Decision: Concur.</b></p>
Audit of FY 2019 Financial Statements Audit Management Letter			3	<p><b>Recommendation:</b> Recertify all active Momentum® users annually and remove unnecessary accounts within reasonable timelines.</p> <p><b>AOC Management Decision: Concur.</b></p>
Audit of FY 2019 Financial Statements Audit Management Letter			4	<p><b>Recommendation:</b> Disable accounts for separated, inactive and re-assigned personnel consistently and timely.</p> <p><b>AOC Management Decision: Concur.</b></p>
Audit of FY 2019 Financial Statements Audit Management Letter			5	<p><b>Recommendation:</b> Enforce AOC Order 30-1 requiring a review of unliquidated obligations (ULOs). Consider drafting an SOP to simplify the periodic review process for the status of ULOs and to ensure appropriate contract personnel communicate when funds are no longer valid. The process should include the requirement to provide documentation of the review of the status of the ULO balances that lack expenditure activity for a prolonged period.</p> <p><b>AOC Management Decision: Concur.</b></p>

Table C: Unimplemented Recommendations Continued

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
Audit of FY 2019 Financial Statements Audit Management Letter			6	<p><b>Recommendation:</b> Conduct appropriate training and provide formal communication (e.g., correspondence, minutes) on a periodic basis to applicable AOC personnel (e.g., COs, COTRs) to ensure proper execution over the monitoring of ULO balances and timely de-obligations of invalid ULO balances. Training should include information on the AOC's ULO review process, specifically on how to execute review, in addition to understanding the importance of de-obligating unneeded funds in a timely manner.</p> <p><b>AOC Management Decision: Concur.</b></p>
Audit of FY 2019 Financial Statements Audit Management Letter			7	<p><b>Recommendation:</b> Continue to have the associate chief of the Acquisition and Material Management Division and the Accounting and Finance officer work jointly to develop an automated solution.</p> <p><b>AOC Management Decision: Concur.</b></p>
Audit of FY 2019 Financial Statements Audit Management Letter			8	<p><b>Recommendation:</b> The Human Capital Management Division should review the policies and procedures related to overtime and leave and make updates if considered appropriate.</p> <p><b>AOC Management Decision: Concur.</b></p>
Audit of FY 2019 Financial Statements Audit Management Letter			9	<p><b>Recommendation:</b> AOC managers, supervisors and timekeepers must adhere to the policies and procedures put in place for supervisors and responsible parties in order to properly monitor the overtime and leave of absence use in their jurisdictions.</p> <p><b>AOC Management Decision: Concur.</b></p>
Audit of FY 2019 Financial Statements Audit Management Letter			10	<p><b>Recommendation:</b> AOC jurisdictional leaders should reinforce to their managers, supervisors, timekeepers and employees the importance of following the leave and overtime approval process by frequently communicating and meeting with personnel with responsibility to monitor overtime and leave use. Jurisdictional leaders should have situational awareness of instances where overtime and leave requests are not being approved in accordance with AOC Orders 550-1 and 630-1, respectively.</p> <p><b>AOC Management Decision: Concur.</b></p>
Audit of FY 2019 Financial Statements Audit Management Letter			11	<p><b>Recommendation:</b> If overtime or leave cannot be approved in advance, document and maintain an explanation for the delay. Hard copy requests and approvals should be retained in a location that is easily available upon request or annotated in the remarks section in WebTA if overtime or leave requests are requested and approved in the system.</p> <p><b>AOC Management Decision: Concur.</b></p>



Table C: Unimplemented Recommendations Continued

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
Evaluation of the AOC's Inventory Accountability and Controls	2018-0002-IE-P August 20, 2019	Acquisition and Material Management Division	A	<p><b>Report Summary:</b> The OIG performed an evaluation to determine if the AOC had adequate mechanisms, controls and property tracking procedures in place to account for non-consumable property. We also detailed if any "best practices" existed which might enhance the AOC's property management efforts, and if savings to the agency could be gained by lowering the \$1,500 non-consumable property threshold amount.</p> <p><b>Recommendation:</b> The Chief Administrative Officer update and revise AOC Order 34-45 (Personal Property Manual) and all other associated policy directives to establish internal control requirements, including standard definitions and criteria for highly pilferable and mission critical non-consumable property valued less than \$1,500.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs with updating Property Manual 34-45 to identify pilferable and mission essential property under \$1,500. The Chief Administrative Officer has made updates to Property Manual 34-45 and the manual is with the AOC's policy office, pending agency and Union review and implementation. The OIG granted the AOC an extension until October 16, 2020 to address the recommendation.</p>
Evaluation of the AOC's Inventory Accountability and Controls			B.1	<p><b>Recommendation:</b> The Chief Administrative Officer update and revise AOC Order 34-45 (Personal Property Manual) and all other associated policy directives to establish guidelines to document, report and track missing non-consumable property valued less than \$1,500.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs with updating Property Manual 34-45 to document, report and track missing non-consumable property valued at less than \$1,500. The Chief Administrative Officer has made updates to Property Manual 34-45, and the manual is with the AOC's policy office, pending agency and Union review and implementation. The OIG granted the AOC an extension until October 16, 2020 to address the recommendation.</p>
Evaluation of the AOC's Inventory Accountability and Controls			B.2	<p><b>Recommendation:</b> The Chief Administrative Officer update and revise AOC Order 34-45 (Personal Property Manual) to enforce the requirement for mission critical non-consumable property valued less than \$1,500 to be recorded in the personal property management system.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs with updating Property Manual 34-45 to enforce the requirement for mission critical non-consumable property valued at less than \$1,500 be recorded in the property management system. The Chief Administrative Officer has made updates to Property Manual 34-45, and the manual is with the AOC's policy office, pending agency and Union review and implementation. The OIG granted the AOC an extension until October 16, 2020 to address the recommendation.</p>
Evaluation of the AOC's Inventory Accountability and Controls			C	<p><b>Recommendation:</b> The Architect of the Capitol direct an organizational assessment to determine the feasibility of creating full-time property management positions that strictly deal with property management.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs that having full-time, accountable property officers and property custodians is a good idea. However, this is a position/funding issue that has to be studied and possibly budgeted. Subject to the availability of funds, a review and/or study of this recommendation will be done by the end of the 3rd quarter, FY 2020. The OIG granted the AOC an extension until October 16, 2020 to address the recommendation.</p>

Table C: Unimplemented Recommendations Continued

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
Evaluation of the AOC's Inventory Accountability and Controls			D.1	<p><b>Recommendation:</b> The Architect of the Capitol review all existing allocated and assigned storage space across each jurisdiction and reallocate and reassign facility space based on the needs of the jurisdictions.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs with reviewing existing storage spaces across jurisdictions and reallocating based on the needs of the jurisdictions. Jurisdictional input is required, and possibly a feasibility study. Subject to the availability of funds, a review and/or study will be done by the end of the 3rd quarter, FY 2020. The OIG granted the AOC an extension until October 16, 2020 to address the recommendation.</p>
Evaluation of the AOC's Inventory Accountability and Controls			D.2	<p><b>Recommendation:</b> The Architect of the Capitol complete a cost estimate and assess the feasibility of building a consolidated and centralized AOC inventory control center.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs with assessing the feasibility of a centralized inventory center. Jurisdictional input and a feasibility study are required. Subject to the availability of funds, a review and/or study will be done by the end of the 3rd quarter, FY 2020. The OIG granted the AOC an extension until October 16, 2020 to address the recommendation.</p>
Evaluation of the AOC's Compliance with Its Discipline Order	2019-0001-IE-P June 5, 2020	AOC	A.1	<p><b>Report Summary:</b> The OIG performed an evaluation to determine if AOC disciplinary actions taken, from Fiscal Years 2015 to 2019, in response to employee misconduct complied with established policy and penalty guidance. We also reviewed disciplinary actions to determine if punitive actions were applied consistently based on appropriate criteria and evidence.</p> <p><b>Recommendation:</b> The AOC develop a system of accountability that regularly assesses agency performance and that provides clarity in roles, as well as expected outcomes, to include: a) That HCMD implement a case management system to ensure regular assessment and reporting of agency performance and trends with easily retrievable data; b) Improved training practices for the HCMD Employee &amp; Labor Relations Branch and AOC management staff; c) Updated guidance documents that clarify roles as well as expected outcomes; and d) Development of a knowledge management plan for all personnel involved in the disciplinary process.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs with the OIG recommendation to develop a system of accountability that regularly assesses agency performance and provides clarity in roles as well as expected outcomes. The AOC has until June 7, 2021 to address the recommendation.</p>
Evaluation of the AOC's Compliance with Its Discipline Order			A.2	<p><b>Recommendation:</b> The AOC revise Order 752-1, Discipline, and the Management Toolkit for Discipline to direct that jurisdictions provide documentation to HCMD on all formal disciplinary actions before the actions are implemented.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs with the OIG recommendation for HCMD to revise the Discipline Order and the Management Toolkit for Discipline. The AOC has until June 7, 2021 to address the recommendation.</p>



Table C: Unimplemented Recommendations Continued

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
Evaluation of the AOC's Compliance with Its Discipline Order			A.3	<p><b>Recommendation:</b> The AOC conduct a feasibility study for centralizing all discipline actions in HCMD.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs and will conduct a feasibility study for centralizing all discipline actions in HCMD. The AOC has until June 7, 2021 to address the recommendation.</p>
Evaluation of the AOC's Compliance with Its Discipline Order			B	<p><b>Recommendation:</b> HCMD retrain ELRB HR specialists in the assignment of SF 50 codes. The AOC should also seek affirmation from the Office of Personnel Management that its use of the "RUM" code is appropriate in cases where employees with appeal rights waive these rights in order to fulfill settlement terms for a clean discipline record as a factor in separation.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs that regular training is important. We believe ELRB specialists have been adequately trained but we will review their training requirements to ensure they are up to date. The AOC has until June 7, 2021 to address the recommendation.</p>
Evaluation of the AOC's Compliance with Its Discipline Order			C	<p><b>Recommendation:</b> The AOC develop and publish a discipline policy for exempt personnel, for transparency and consistency with other employee groups.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs with the OIG recommendation to develop and publish a discipline policy for Senior Rated (SR) personnel, for transparency and consistency with other employee groups. The AOC has until June 7, 2021 to address the recommendation.</p>
Management Advisory - OIG Interactions with the AOC Diversity, Inclusion and Dispute Resolution Office	2020-0002-INVM-P September 2, 2020	AOC	1	<p><b>Report Summary:</b> The Management Advisory presents multiple interactions and process issues the AOC OIG has identified via OIG investigative activities involving the AOC DI/DR. These issues include concerns about DI/DR investigative standards and processes, a lack of defined authorities, and lack of compliance with the Inspector General Act of 1978, the AOC OIG Act, and other AOC orders.</p> <p><b>Recommendation:</b> The AOC consider aligning DI/DR under an AOC senior manager such as the Assistant to the Architect or the OIG to better fulfill its mission.</p> <p><b>AOC Management Decision:</b> Pending management action.</p>
Management Advisory - OIG Interactions with the AOC Diversity, Inclusion and Dispute Resolution Office	2020-0002-INVM-P September 2, 2020	Diversity, Inclusion and Dispute Resolution Office	2	<p><b>Recommendation:</b> DI/DR review and update all internal policies for complaint intake, employee interaction and engagement, inquiry procedures, documentation standards, and reporting for compliance with diversity and inclusion/equal opportunity community best practices to include clear definitions of authorities not already provided to the OIG.</p> <p><b>AOC Management Decision:</b> Pending management action.</p>
Management Advisory - OIG Interactions with the AOC Diversity, Inclusion and Dispute Resolution Office	2020-0002-INVM-P September 2, 2020	Diversity, Inclusion and Dispute Resolution Office	3	<p><b>Recommendation:</b> DI/DR incorporate into practice and follow all laws and AOC orders pursuant to its mission to include the Inspector General Act of 1978, the AOC OIG Act, and other AOC orders, specifically regarding the turnover of cases to the OIG.</p> <p><b>AOC Management Decision:</b> Pending management action.</p>

Table C: Unimplemented Recommendations Continued

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
Management Advisory - OIG Interactions with the AOC Diversity, Inclusion and Dispute Resolution Office	2020-0002-INVM-P September 2, 2020	Diversity, Inclusion and Dispute Resolution Office	4	<b>Recommendation:</b> DI/DR should establish a tracking and reporting structure to publish the results of their inquiries to the AOC community to include the OIG for auditability and transparency. <b>AOC Management Decision:</b> Pending management action.
Management Advisory - OIG Interactions with the AOC Diversity, Inclusion and Dispute Resolution Office	2020-0002-INVM-P September 2, 2020	AOC	5	<b>Recommendation:</b> The AOC seek annual training and academic certifications programs pertaining to DI/DR. <b>AOC Management Decision:</b> Pending management action.
Management Advisory - OIG Interactions with the AOC Diversity, Inclusion and Dispute Resolution Office	2020-0002-INVM-P September 2, 2020	Diversity, Inclusion and Dispute Resolution Office	6	<b>Recommendation:</b> DI/DR and the AOC OIG should establish standing quarterly meetings to open communications, discuss challenges and share information. Participants should be at a manager level with the ability to make decisions and commit resources. In addition, these meetings could be used as a training session to cover topics of interest, changes in policy or law, as well as policy impacts. <b>AOC Management Decision:</b> Pending management action.

#### Architect of the Capitol/Planning and Project Management/Acquisition and Material Management Division

Audit of the Cannon House Office Building Renewal Project's Contract Modifications	OIG-AUD-2020-04 May 29, 2020	Planning and Project Management and Acquisition and Material Management Division	1	<b>Report Summary:</b> The OIG performed oversight of an IPA audit of the AOC CHOB Project's contract modifications. <b>Recommendation:</b> CHOB Project team strengthen the potential change order (PCO) proposal review process to ensure that unallowable costs are not included in the approved PCO amounts. <b>AOC Management Decision: Concur.</b> CHOB program executive and contracting officer will re-evaluate the proposal review process and make any changes that are appropriate. In addition, prior to the beginning of each phase, the contracting officer or his/her designee will provide refresher training to project staff who are responsible for reviewing proposals.
Audit of the Cannon House Office Building Renewal Project's Contract Modifications			2	<b>Recommendation:</b> CHOB Project team work with the construction manager as constructor to ensure that proposals submitted for PCOs are factually sound, contain the required cost detail and exclude unallowable costs. <b>AOC Management Decision: Concur.</b> CHOB Project team will provide written notification to the construction contractor identifying relevant contract language that requires the contractor to submit proposals that are accurate, sufficiently detailed and do not include unallowable costs.
Audit of the Cannon House Office Building Renewal Project's Contract Modifications			3	<b>Recommendation:</b> To the extent legally and administratively possible, we recommend that the CHOB Project team recover the \$102,189 of unallowable costs identified in our review. <b>AOC Management Decision: Concur.</b> CHOB Project team noted that recovering these funds is complicated due to legal and administrative issues associated with government claims. However, despite these challenges, the AOC will continue discussions with the contractor and make a final decision on the most prudent path forward by December 31, 2020.



Table C: Unimplemented Recommendations Continued

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
Audit of the Cannon House Office Building Renewal Project's Contract Modifications			4	<p><b>Recommendation:</b> CHOBBr Project team perform and document all required cost analyses. The documentation should be in writing, and the CHOBBr Project team should retain copies of any detailed analysis performed.</p> <p><b>AOC Management Decision: Concur.</b> AOC contracting officer will provide instructions to the CHOBBr Project team to perform and document all required cost analyses by June 30, 2020. In addition, the contracting officer will see that documentation evidencing implementation of this instruction is occurring on each applicable action.</p>
Audit of the Cannon House Office Building Renewal Project's Contract Modifications			5	<p><b>Recommendation:</b> CHOBBr Project team consider amending its Change Management Plan (CMP) to require that the team perform and document performance of a cost analysis for all PCOs with a value of less than \$100,000, unless the PCO is funded using contractor contingency funds (due to contract incentive).</p> <p><b>AOC Management Decision: Concur.</b> CHOBBr Project team will revise the CMP as recommended by December 31, 2020. The contracting officer will ensure that documentation is prepared and maintained evidencing that any required cost analyses are completed.</p>
Audit of the Cannon House Office Building Renewal Project's Contract Invoices	OIG-AUD-2020-05 August 25, 2020	Planning and Project Management and Acquisition and Material Management Division	1	<p><b>Report Summary:</b> The OIG performed oversight of an IPA audit of the AOC CHOBBr Project's contract invoices.</p> <p><b>Recommendation:</b> The AOC review the terms and conditions of the construction manager as constructor's (CMc) contract to ensure that the contract contains the appropriate terms and conditions for the CHOBBr Project.</p> <p><b>AOC Management Decision: Concur.</b> By September 30, 2020, the AOC will modify the contract's payment terms to reflect the process being used by the AOC and the CMc.</p>
Audit of the Cannon House Office Building Renewal Project's Contract Invoices			2	<p><b>Recommendation:</b> The AOC perform and document an analysis of the advantages and risks to the AOC, including lessons learned from the CHOBBr Project, on the use of various contract vehicles when procuring future major construction projects, to ensure that the AOC selects the best option to meet its objectives.</p> <p><b>AOC Management Decision: Concur.</b> The AOC will review viable contract vehicles and select the one that is most likely to meet our objectives, including cost, risk and lessons learned from the CHOBBr Project.</p>
Audit of the Cannon House Office Building Renewal Project's Contract Invoices			3	<p><b>Recommendation:</b> The AOC ensure that its policies and procedures regarding the development and review of future construction contracts are sufficient to ensure that its contracts contain the appropriate terms and conditions prior to implementation.</p> <p><b>AOC Management Decision: Concur.</b> By September 30, 2020, the AOC will issue guidance to the contracting officers and their supervisors highlighting the need to ensure that payment provisions in construction contracts are appropriate before award.</p>

Table C: Unimplemented Recommendations Continued

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
Audit of Senate Underground Garage Renovations and Landscape Restoration Project's Contract Modifications	OIG-AUD-2020-06 September 25, 2020	Planning and Project Management and Acquisition and Material Management Division	1	<p><b>Report Summary:</b> The OIG performed an audit of the Senate Underground Garage Renovations and Landscape Restoration Project's contract modifications..</p> <p><b>Recommendation:</b> We recommend the SUG Project team ensure:</p> <ol style="list-style-type: none"> <li>The SUG Project contract file includes all the documentation to support the final decisions and/or approvals for potential change orders.</li> <li>All the support documentation is properly managed and maintained to be readily available for examination.</li> </ol> <p><b>AOC Management Decision: Concur.</b> The project team will document final decisions and approvals and include this documentation and related documents in the contract file for the remainder of the project.</p>
Audit of Senate Underground Garage Renovations and Landscape Restoration Project's Contract Modifications			2	<p><b>Recommendation:</b> SUG Project team, to the extent legally and administratively possible, recover the \$9,344 of unallowable costs and the \$39,768 of unallowable markups identified in our review.</p> <p><b>AOC Management Decision: Concur.</b> Recovering these funds is complicated due to legal and administrative issues associated with government claims involving recovering funds from contractors. Despite this challenge, the AOC will attempt recovery from the contractor.</p>
Audit of Senate Underground Garage Renovations and Landscape Restoration Project's Contract Modifications		Acquisition and Material Management Division	3	<p><b>Recommendation:</b> Acquisition and Material Management Division clarify language in the AOC52.243-1 Changes - Supplement (c) Allowable Mark-ups, dated June 2014, to provide better guidance on how the contractor and subcontractor should calculate the overhead and profit markups.</p> <p><b>AOC Management Decision: Concur.</b> AMMD revised the Changes - Supplement clause in July 2020. This revision clarifies contractor and subcontractor markups.</p>
Audit of Senate Underground Garage Renovations and Landscape Restoration Project's Contract Modifications		Planning and Project Management and Acquisition and Material Management Division	4	<p><b>Recommendation:</b> SUG Project team strengthen the PCO proposal review process to ensure proposals properly categorize costs and unallowable costs and markups are not included in the approved PCO amounts.</p> <p><b>AOC Management Decision: Concur.</b> SUG Project team will develop and use a contractor proposal review checklist that will include steps to review cost categorization, inclusion of unallowable costs, application of proper markups and proposal changes to be made by the contractor following the AOC review process.</p>
Audit of the Russell Senate Office Building Exterior Envelope Repair and Restoration, Seq. II (Phases 2 and 4) Contract Modifications	OIG-AUD-2020-07 September 28, 2020	Planning and Project Management and Acquisition and Material Management Division	1	<p><b>Report Summary:</b> The OIG performed an audit of the AOC's Russell Senate Office Building Exterior Envelope Repair and Restoration, Seq. II (Phases 2 and 4) project's contract modifications.</p> <p><b>Recommendation:</b> Exterior Repair and Restoration Project team ensure that the Sequence II contract file clearly documents how the independent government cost estimate was calculated for modification 13, CLINs 10, 12, and 13.</p> <p><b>AOC Management Decision: Concur.</b> The AOC has added documentation, including the calculations the OIG requested, to the contract files.</p>



Table C: Unimplemented Recommendations Continued

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
Audit of the Russell Senate Office Building Exterior Envelope Repair and Restoration, Seq. II (Phases 2 and 4) Contract Modifications			2	<p><b>Recommendation:</b> Exterior Repair and Restoration project team ensure that the Sequence II contract file include all documentation to support final decisions and/or approvals for modification 13, CLINs 10, 12, and 13.</p> <p><b>AOC Management Decision: Concur.</b> The project team will add a document to the contract file approving the costs typically included in overhead as direct costs and confirming that questions raised during the review process have been resolved.</p>
Audit of the Russell Senate Office Building Exterior Envelope Repair and Restoration, Seq. II (Phases 2 and 4) Contract Modifications		Planning and Project Management	3	<p><b>Recommendation:</b> Planning and Project Management revise the PPM Memo 19-4 to clarify how independent government cost estimates are prepared when sufficient information is not available to develop an informative estimate prior to the issuance of the request for proposal and to clarify the documentation requirements.</p> <p><b>AOC Management Decision: Concur.</b> The AOC has revised PPM Memo 19-4, as recommended.</p>
Audit of the Russell Senate Office Building Exterior Envelope Repair and Restoration, Seq. II (Phases 2 and 4) Contract Modifications		Acquisition and Material Management Division	4	<p><b>Recommendation:</b> Acquisition and Material Management Division ensure that any guidance and contract language requiring the contractor to provide an itemized breakdown of costs within the cost proposal should address allowable exceptions, justification for the exception, and authorization by an appropriate official. The justification and authorization for the exception should be documented.</p> <p><b>AOC Management Decision: Concur.</b> AMMD revised the Changes-Supplement clause in July 2020, as recommended.</p>
Audit of the Russell Senate Office Building Exterior Envelope Repair and Restoration, Seq. II (Phases 2 and 4) Contract Modifications		Planning and Project Management and Acquisition and Material Management Division	5	<p><b>Recommendation:</b> Exterior Repair and Restoration Project team ensure that the contract file for the project is properly managed, maintained and readily available for examination.</p> <p><b>AOC Management Decision: Concur.</b> The project team will develop a file checklist by December 31, 2020.</p>

#### Architect of the Capitol/Chief Administrative Officer/Utilities and Power Plant Operations

Evaluation of the AOC's Capitol Power Plant Cogeneration Facility Cybersecurity Posture	2019-0002-IE-P March 23, 2020	Information Technology Division	A.1	<p><b>Report Summary:</b> The OIG performed an evaluation to determine if vulnerabilities existed within the AOC's Capitol Power Plant Cogeneration facility and the Capitol Power Plant's inter-connected control systems.</p> <p><b>Recommendation:</b> Due to the sensitive nature of this evaluation, specific language pertaining to findings and recommendations is protected and not disclosed.</p> <p><b>AOC Management Decision: Concur.</b> The AOC anticipates that corrective action to address the recommendation will be complete by December 31, 2020.</p>
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Table C: Unimplemented Recommendations Continued

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
Evaluation of the AOC's Capitol Power Plant Cogeneration Facility Cybersecurity Posture		Information Technology Division and Capitol Power Plant	A.3	<b>Recommendation:</b> Due to the sensitive nature of this evaluation, specific language pertaining to findings and recommendations is protected and not disclosed. <b>AOC Management Decision: Concur.</b> The AOC anticipates that corrective action to address the recommendation will be complete by December 31, 2020.
Evaluation of the AOC's Capitol Power Plant Cogeneration Facility Cybersecurity Posture			B.1	<b>Recommendation:</b> Due to the sensitive nature of this evaluation, specific language pertaining to findings and recommendations is protected and not disclosed. <b>AOC Management Decision: Concur.</b> The AOC anticipates that corrective action to address the recommendation will be complete by March 31, 2021.
Evaluation of the AOC's Capitol Power Plant Cogeneration Facility Cybersecurity Posture			B.2	<b>Recommendation:</b> Due to the sensitive nature of this evaluation, specific language pertaining to findings and recommendations is protected and not disclosed. <b>AOC Management Decision: Concur.</b> The AOC anticipates that corrective action to address the recommendation will be complete by September 30, 2021.
Evaluation of the AOC's Capitol Power Plant Cogeneration Facility Cybersecurity Posture		Capitol Power Plant	C.1	<b>Recommendation:</b> Due to the sensitive nature of this evaluation, specific language pertaining to findings and recommendations is protected and not disclosed. <b>AOC Management Decision: Concur.</b> The AOC anticipates that corrective action to address the recommendation will be complete by December 31, 2020.
Evaluation of the AOC's Capitol Power Plant Cogeneration Facility Cybersecurity Posture		Capitol Power Plant	C.2	<b>Recommendation:</b> Due to the sensitive nature of this evaluation, specific language pertaining to findings and recommendations is protected and not disclosed. <b>AOC Management Decision: Concur.</b> The AOC anticipates that corrective action to address the recommendation will be complete by December 31, 2020.
Evaluation of the AOC's Capitol Power Plant Cogeneration Facility Cybersecurity Posture		Information Technology Division and Capitol Power Plant	D	<b>Recommendation:</b> Due to the sensitive nature of this evaluation, specific language pertaining to findings and recommendations is protected and not disclosed. <b>AOC Management Decision: Concur.</b> The AOC anticipates that corrective action to address the recommendation will be complete by December 31, 2020.



Table D: Implemented and Closed Recommendations

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
<b>Architect of the Capitol/Chief Administrative Officer</b>				
Audit of the AOC ITD Contracting Services BPA AOC16A3000	OIG-AUD-2019-03 July 30, 2019	Chief Administrative Officer	A.1	<p><b>Report Summary:</b> The OIG performed an audit of the AOC ITD Contracting Services BPA AOC16A3000. Overall, the BPA was awarded in accordance with laws and contracting requirements; however, the BPA file lacked information and contracting officials did not properly monitor the BPA.</p> <p><b>Recommendation:</b> Contracting officials ensure the independent government cost estimate (IGCE) is adequately supported and documented in the contract file in accordance with AOC guidance.</p> <p><b>AOC Management Decision: Concur.</b> The AOC concurs with the finding that the BPA file lacked the required detailed documentation to support how the IGCE was calculated.</p>
Audit of the AOC ITD Contracting Services BPA AOC16A3000			B.3	<p><b>Recommendation:</b> The contracting officer (CO) and COTR perform the duties as required in the Appointment of COTR Memorandum and Contracting Manual 34-1 – Section 13.1.2(c) COTR for the ITD BPA Task Order No.1.</p> <p><b>AOC Management Decision: Partially Concur.</b> Although most of the post-award duties of the CO and COTR were performed in accordance with AOC Order 34-1 – Section 13.1.2(c) COTR for the ITD BPA Task Order No. 1 and the COTR Appointment Letter, better documentation could have been provided to support duties performed. The Acquisition and Material Management Division (AMMD) will review existing policies and procedures relative to documentation requirements to ensure they are up to date and the COTR's file for the task order to ensure that it contains all required documentation.</p>
Audit of the AOC ITD Contracting Services BPA AOC16A3000			B.4	<p><b>Recommendation:</b> The CO and COTR document and maintain detailed records of the COTR's and contractor's performance.</p> <p><b>AOC Management Decision: Concur.</b> The COs and COTRs must document and maintain detailed records of the COTR's and contractor's performance.</p>
Audit of the AOC ITD Contracting Services BPA AOC16A3000			B.5	<p><b>Recommendation:</b> The AOC establish proper internal controls to ensure the performance of CO and COTR post-award administration duties.</p> <p><b>AOC Management Decision: Partially Concur.</b> Although AMMD has established internal controls to ensure the performance of CO and COTR post-award administration duties, we agree with the concerns about the need for more COTR reviews and the eventual need for additional clarity relative to the word "regularly" that is currently in AOC Order 34-1 to set the number of COTR reviews.</p>
Audit of the AOC ITD Contracting Services BPA AOC16A3000			B.6	<p><b>Recommendation:</b> The CO develop measurable performance standards and quality assurance plans for Task Order No. 1.</p> <p><b>AOC Management Decision: Partially Concur.</b> Although AOC Order 34-1 does not require every task or subtask in the statement of work to have a measurable performance standard, the CO will review tasks not covered by such standards to determine whether any other measurable performance standards would be appropriate and practicable.</p>

Table D: Implemented and Closed Recommendations

Subject	Report No. Issue Date	Office	Rec No.	Summary of Recommendations and Action
Audit of the AOC ITD Contracting Services BPA AOC16A3000			B.7	<p><b>Recommendation:</b> The CO establish proper internal controls to ensure that contracting documents include measurable performance standards and quality assurance plans.</p> <p><b>AOC Management Decision: Concur.</b> The COs must establish proper internal controls to ensure that contracting documents include measurable performance standards, if appropriate and practicable, and quality assurance plans.</p>
Evaluation of the AOC's Compliance with the Government Purchase Card Program	2018-0003-IE-P August 14, 2019	Acquisition and Material Management Division	A.3	<p><b>Report Summary:</b> The OIG performed an evaluation of the AOC's purchase card program to determine if the program was susceptible to pre-defined high risk areas, such as:</p> <ul style="list-style-type: none"> <li>• Questionable merchant transactions</li> <li>• Sales tax transactions</li> <li>• Split transactions</li> </ul> <p><b>Recommendation:</b> AMMD develop written procedures for the agency program coordinator for daily, monthly and annual purchase card reviews.</p> <p><b>AOC Management Decision:</b> The AOC made updates to its Contracting Manual that sufficiently addresses the need for written procedures outlining actions taken by an agency program coordinator for daily, monthly and annual purchase card reviews.</p>
Evaluation of the AOC's Compliance with the Government Purchase Card Program		AOC	B	<p><b>Recommendation:</b> The AOC update purchase card use guidance and training to include examples of split purchases and how to avoid them.</p> <p><b>AOC Management Decision:</b> The AOC made updates to its Contracting Manual and updated guidance that sufficiently addresses the definition of and provides examples of a split transaction.</p>









## Funds Questioned or Put to Better Use

**Table E: Audit Recommendations and Management Decisions Put To Better Use Of Funds**

	Number of Reports	Category	Funds Put to Better Use
A. Audit reports for which no Management Decision was issued by the start of the reporting period	0	0	\$0
B. Reports requiring a Management Decision during the reporting period	2	0	\$151,301
<b>Subtotals (A+B)</b>	<b>2</b>	<b>0</b>	<b>\$151,301</b>
C. Reports for which a Management Decision was issued during the reporting period	2	0	2
(i) Dollar value of disallowed costs	2	0	\$151,301
(ii) Dollar value of costs not disallowed	0	0	\$0
D. Reports for which no Management Decision was issued by the end of the reporting period	0	0	\$0
E. Reports for which no Management Decision was made within six months of issuance	0	0	\$0

**Table F: Investigation Recommendations for Better Use of Funds**

Item	Quantity
<b>Cost Avoidance, Savings and Recoveries Resulting From OIG Investigations</b>	
*Cost Avoidance from Employee Removals/Resignations	\$142,064
*Savings from Employee Salaries during Suspensions	\$0
Administrative Repayment Determinations	\$0
Court Ordered Fines/Forfeitures/Restitution	\$0
OIG Recovery of Stolen Government Property/Funds	\$0
<b>Total</b>	<b>\$142,064</b>

\*Using the AOC average salary of \$71,032 per employee per year or \$273 per workday for suspensions for FY 2020. The one-year cost avoidance method is used to conservatively estimate the positive impact and savings from investigations that result in the removal or resignation of employees engaged in misconduct in the workplace or who submit fraudulent Workers' Compensation claims.



# Appendices

## Appendix A: Inspector General Reporting Requirements

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P.L. 114-113	Semiannual status updates on Cannon House Office Building and the Capitol Power Plant Projects	20

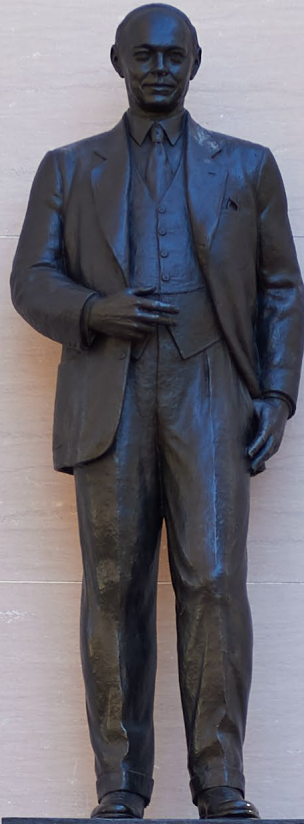
Appendix B: Definitions of Terms Used in this Semiannual Report

Term	Definition
Questioned Cost	A cost that is questioned because (i) of an alleged violation of a provision of a law, regulation, contract or other agreement or document governing the expenditure of funds; (ii) the cost is not supported by adequate documentation; or (iii) the expenditure of funds for the intended purpose is unnecessary or unreasonable.
Disallowed Cost	A questioned cost that management, in a Management Decision, has sustained or agreed should not be charged to the government.
Funds Put To Better Use	A recommendation made that funds could be used more efficiently if management took actions to implement and complete the recommendation.
Management Decision	Management’s evaluation of the findings and recommendations included in an audit or investigative report and the issuance of a decision by management, including actions the AOC plans to take in response to the recommendations.





STANDS AS A TRIBUTE  
TO THE HONESTY  
INDOMITABLE COURAGE  
AND HIGH PRINCIPLES OF  
FREE GOVERNMENT  
SYMBOLIZED BY HIS LIFE

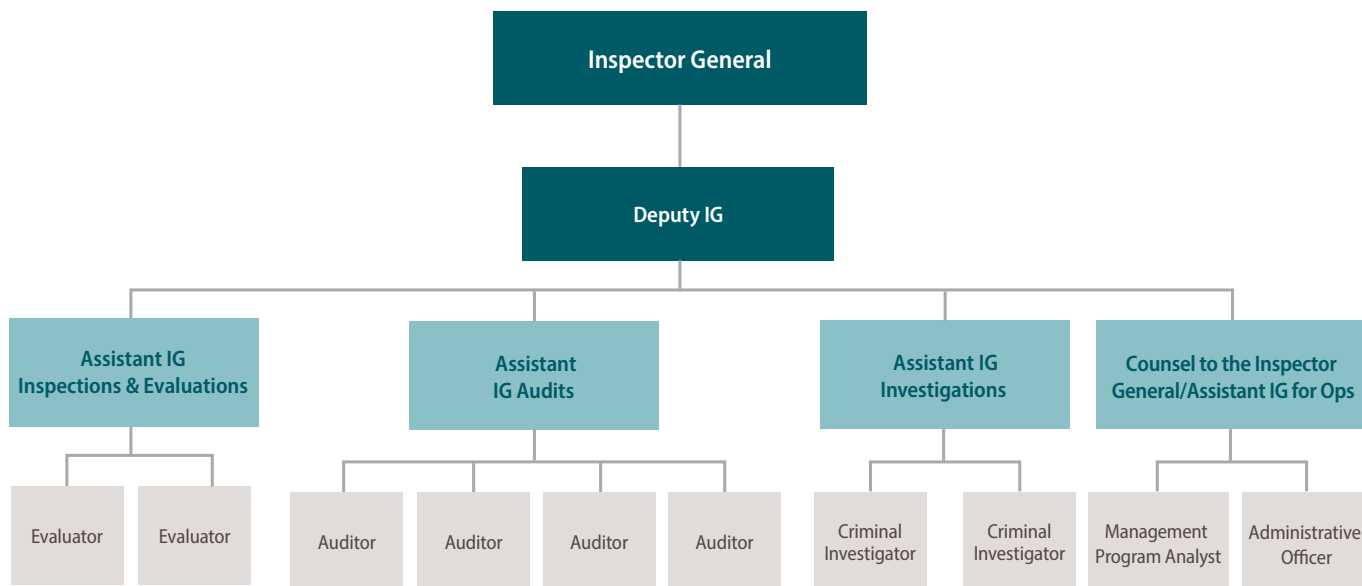


## List of Acronyms Used in this Report

<b>AOC</b>	Architect of the Capitol	<b>HCMD</b>	Human Capital Management Division
<b>BPA</b>	Blanket Purchase Agreement	<b>I&amp;E</b>	Inspection & Evaluation
<b>CHOB</b>	Cannon House Office Building Renewal	<b>IG</b>	Inspector General
<b>CIGIE</b>	Council of the Inspectors General on Integrity and Efficiency	<b>IGCE</b>	Independent Government Cost Estimate
<b>CMc</b>	Construction Manager as Constructor	<b>IPA</b>	Independent Public Accounting Firm
<b>COR</b>	Contracting Officer Representative	<b>ITD</b>	Information Technology Division
<b>Cotton</b>	Cotton & Company	<b>OIG</b>	Office of Inspector General
<b>COVID-19</b>	2019 Novel Coronavirus	<b>OPM</b>	Office of Personnel Management
<b>DI/DR</b>	Diversity, Inclusion and Dispute Resolution	<b>PCO</b>	Potential Change Orders
<b>FMLA</b>	Family Medical Leave Act	<b>SAR</b>	Semiannual Report
<b>FY</b>	Fiscal Year	<b>SR</b>	Senior Rated
<b>GMP</b>	Guaranteed Maximum Price	<b>USCP</b>	U.S. Capitol Police



## Office of Inspector General Organization Chart



# To Report Fraud, Waste and Abuse



**Confidential Toll-Free Hotline** 877.489.8583  
**Phone** 202.593.1948



**Confidential OIG Website Hotline Report**  
[http://www.aoc.gov/aoc/oig\\_hotline.cfm](http://www.aoc.gov/aoc/oig_hotline.cfm) (For the Public)  
<http://compass.aoc.gov/help-me-with/faqs/office-inspector-general-oig> (AOC Intranet)



**Email** [Hotline@aoc-oig.org](mailto:Hotline@aoc-oig.org)



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**To request a copy of this Semiannual Report, please send a written request to:**

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We welcome any feedback, comments, concerns or suggestions on this report.

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