

U.S. International Trade Commission

Inspector General Semiannual Report



April 1, 2019 - September 30, 2019



Office of Inspector General

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

Commissioners

David S. Johanson, Chairman

Rhonda K. Schmidlein

Jason E. Kearns

Randolph J. Stayin

Amy Karpel



UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, DC 20436

November 26, 2019

Message from the Chairman

In accordance with the Inspector General Act of 1978, as amended, 5 U.S.C. App. 3 (IG Act), the U.S. International Trade Commission (“USITC,” or “Commission”) transmits the Inspector General’s Semiannual Report of the USITC for the April 1, 2019, to September 30, 2019, period.

The Commission appreciates the Inspector General’s continuing efforts to ensure the effectiveness, efficiency, and integrity of the Commission’s operations. Our agency has benefitted significantly from his analysis of our operations. Inspector General Philip M. Heneghan and his staff continually provide valuable assistance to the Commission and its staff throughout the year.

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

Actions Taken on IG Recommendations from Prior Reporting Periods

The Commission completed final action on a number of management decisions made in response to the four reports issued by the Inspector General during prior reporting periods.¹ The Commission is committed to implementing all of the remaining management decisions we have made on the Inspector General’s recommendations. The Commission’s actions on outstanding recommendations from prior periods are summarized below.

¹ See Table C of Appendix B: Chairman’s Statistical Tables. The Commission completed final action on all three management decisions related to the Management Letter for the 2018 Financial Statement, OIG-ML-19-06.

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

Since 2015, the Commission has dedicated significant resources to redesigning its system of internal rules and bringing its policies and procedures into compliance. In 2018, the Commission issued three Directives covering Agency Governance, Agency Organization, and the System of Internal Rules to address the problems identified by the Inspector General and implement the Inspector General's recommendations. In the last two fiscal years, the Commission has issued 23 new Directives, including Mission and Functions Statements for most Commission Offices, key Human Capital and IT policies, and a Charter for the Internal Administration Committee, which is an agency-wide management Committee charged with managing all of the USITC's policy and procedure development and issuance. The Commission issued more new Directives in FY 2019 than in any fiscal year since 1998. Due to this progress Commission has closed out five management decisions related to this audit during this period.

In FY 2020, the Commission plans to issue the remaining Mission and Functions Statements for its offices, develop and issue Charters for all of its agencywide management committees and councils, and develop and issue more critical human capital, financial, and IT-related policies.

(2) Management Letter on Conflict of Interest Process (OIG-ML-17-10)

The Inspector General recommended that the Commission develop a process for senior officials to provide positive assurance that there are no conflicts of interest as they are assigned cases. Recognizing that the Commission should improve the current financial conflict of interest screening process, the Designated Agency Ethics Official (DAEO) drafted revised procedures using the Office of the Chief Information Officer's new business intelligence software to allow senior officials, or their designees, to search the relevant databases to screen for potential conflicts of interest. Accordingly, the Commission implemented its first management decision related to this recommendation.

Unfortunately, addressing the Commission's second management decision related to this audit has been more difficult due to resource constraints. While OGC and the CIO made significant progress in developing and testing the new system, other priorities interceded such as the government shutdown and onboarding the new Commissioners. In addition, with the scheduled roll-out of iData in the second quarter of FY2020, it will be more efficient to map the business intelligence software to the new data source. We are now on track to roll out the new system in the second half of FY2020.

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

The Inspector General issued final report OIG-AR-18-09, Audit of Time and Attendance, on March 27, 2018. The audit focused on whether the Commission was effectively managing its processes for overtime, compensatory time, credit hours, and religious compensatory time. The Inspector General identified four problem areas and issued eight recommendations. The recommendations involved 1) training management and staff on eligibility to receive the benefit of credit hours, compensatory overtime, and paid overtime as well as work schedules and how they impact that eligibility, 2) evaluating Commission policies and procedures related to time and attendance, and 3) updating Commission policies and procedures related to time and attendance as necessary. The Commission issued a response to this report containing management decisions to address each of the recommendations.

To date we have closed four of the eight Management Decisions. The Office of the Chief Financial Officer confirmed that paid overtime requests could be routed and approved electronically through the Quicktime system, consistent with the Commission's current approval policy. The requested changes were rolled out in the spring of 2019 and streamlined the process of requesting, approving, and tracking paid overtime requests. The working group continues to research how to improve tracking of actual hours worked through Commission's time and attendance system in order to address the additional management decisions related to this audit.

The working group also evaluated Commission policies and procedures related to time and attendance. The Internal Administration Committee (IAC) added Commission Directive 4304.2, "Overtime and Compensatory Time," to its priority list for review and updating. During the fourth quarter, the IAC approved and issued the new Paid Overtime and Compensatory Time directive (also covering religious compensatory time), and the Commission should issue the directive by the end of calendar year 2019.

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

Sincerely,

A handwritten signature in black ink, appearing to read "David S. Johanson", with a long horizontal flourish extending to the right.

David S. Johanson
Chairman



UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, DC 20436

October 31, 2019

IG-RR-026

Commissioners:

Attached is the Semiannual Report summarizing the activities of the Office of Inspector General for the period April 1, 2019, to September 30, 2019. During this reporting period we issued two reports that did not include recommendations to the Commission. The Commission completed final action on nine recommendations issued in prior reporting periods.

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

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

Philip M. Heneghan
Inspector General

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Table 1: Reporting Requirements Index

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

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Office of Inspector General

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

Semiannual Report Requirements

The IG Act requires each Inspector General to prepare a report twice a year that summarizes the activities of the office. This Semiannual Report covers the period from April 1, 2019, through September 30, 2019. The 23 requirements shown in table 1 are specified in the IG Act and must be included in the report.

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

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

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

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Top Management and Performance Challenges

Each year, our office must identify and discuss the most significant management and performance challenges facing the Commission in the coming year.

We provided this report (OIG-MR-19-09) to the Commission on September 30, 2019. In the report, we focused on the two major challenges listed in table 2. We identified these challenges using information gained from our audit, evaluation, and inspection work; a general knowledge of the Commission’s programs and activities; and input from management. Following table 2 is a short discussion of the two challenges and the efforts the agency has taken to address them.

Table 2: Management and Performance Challenges

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

Managing Data

Information drives decision-making in an organization, and this information is derived from data in the Commission’s systems and databases. An organization needs complete, accurate, and consistent enterprise data to make timely and effective decisions. Thus, the underlying business processes and practices for the creation, storage, and use of data should be designed to allow key information to be entered consistently across applications, systems, and databases.

OMB Circular No. A-123, Appendix A: *Management of Reporting and Data Integrity Risk*, requires agencies to provide reasonable assurance on the reliability, validity and overall quality of data used for internal and external reporting. The guidance emphasizes a risk-based approach towards managing data as an asset and highlights the importance of using high-quality data to support data-driven decisions and improve transparency in government. Properly managed data is essential for the development of timely, reliable, and accurate reporting. Managers should identify information needs, understand the characteristics of the data, and determine the appropriate level of detail required to ensure data is collected to develop useable and relevant management reports. The format and

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content of management reports contains a sufficient level of information to meet the purpose for which those reports were developed. Properly designed reports with relevant and timely information serve to help effectively manage day-to-day operations, support the decision-making process, evaluate performance, and communicate information across the organization.

Effective organization of data is critical to obtaining useful and relevant information that is versatile for a variety of purposes across all levels of the organization. The Commission should have a flexible and adaptable coding structure organized to generate useful, accurate, and complete information in a timely manner, with minimal human interaction. The codes should follow a systematic method of assignment based on a logical flow of data that allows detailed information to be aggregated to meet the needs of managers at every level of the Commission. This logical structure must be considered when determining the level of data necessary to provide the desired information. Inconsistent methods of assigning and entering codes increase the risk that aggregations of data will be incomplete and that information from different systems will provide conflicting results.

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

The Commission's systems were developed for a specific need or to solve a single problem. The data within these systems was not seen as an enterprise resource. Because these systems were developed for a single purpose, their functionality, access, and reporting capabilities are limited. Without staff knowing how the information from various systems and subsystems is defined, captured, and updated, misleading information can be produced, which could result in staff spending excess time attempting to reconcile multiple data sets across the organization.

The Commission needs to take a thoughtful, enterprise-wide approach to managing data to ensure it is relevant, complete, and available when necessary to make good strategic and operational decisions and manage enterprise risks. The Commission's strategy should use all data assets across the organization to meet its financial and nonfinancial reporting objectives.

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Internal Controls:

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

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

The control environment is the foundation for a system of internal control. One principal of the control environment is the establishment of an organizational structure, assignment of responsibility, and delegations of authority to meet the objectives of the Commission. In 2015, we completed an audit of the Commission's directives management system, which included a review of these control environment elements. The audit found that the Commission's policy directives were not current and contained outdated assignments of responsibility and outdated delegations of authority. Although the Commission had written procedures to periodically assess the directives, the reviews were not performed. This lack of monitoring led to weaknesses in each of the five components of internal control. Monitoring is necessary to determine if the system of internal control is properly designed, working as intended, and achieving the desired results. The lack of accountability meant that individuals had roles and responsibilities within the process, but no one was held accountable for the overall success of the Commission's directives system.

The Commission has consistently acknowledged and responded to individual internal control weaknesses identified in reports issued by the Office of Inspector General; however, there is still an underlying assumption that because specific actions were completed, all internal control problems have been resolved. Recently, the Commission has signaled a cultural change in this area by thoughtfully and effectively designing a new system of internal rules and focusing on structural fundamentals such as mission and function statements for each office. Management needs to continue to monitor and review their processes to ensure that controls work effectively and achieve the desired results.

The Enterprise Risk Management Program continues to mature and has been integrated into the budget process to assist management in making informed decisions. Because enterprise risk management is an iterative process, the Commission must keep management focused on maturing its processes and procedures, ensuring that program risk assessments are completed and used to inform the enterprise risk, identifying new

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and emerging risks, reevaluating the risks' impact/probability scores for reasonableness, and assessing whether mitigation strategies are working effectively.

The Commission must continue the engagement of senior management in all aspects of internal control to ensure buy-in across operational and administrative offices and to make certain senior management commitment can be sustained over a long period of time in order to achieve a mature and effective internal control program. The Commission will be challenged to manage and drive the cultural changes associated with the development and implementation of an effective organizational internal control program.

Inspector General Reports Issued During this Period

The Inspector General issued two reports during this reporting period. We did not issue any new recommendations within these reports.

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

Table 3: Reports by Subject Matter

Reports by Subject Matter				
Subject Matter	Report Number	Report Title	Date Issued	Number of Recommendations
Financial	OIG-MR-19-08	<i>IPERA Determination for Fiscal Year 2018</i>	04/12/2019	0
Administrative	OIG-MR-19-09	<i>USITC Management and Performance Challenges</i>	09/30/2019	0
Total recommendations issued during this reporting period				0
<i>NOTE: None of these reports identified any questioned costs, unsupported costs, or funds that could be put to better use.</i>				

The summary information for the IPERA report is provided below.

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Management Report – Improper Payment Determination FY 2018, OIG-MR-19-08

RESULT: We determined that the Commission complied with the Improper Payments Elimination and Recovery Act of 2010 (IPERA).

Table 4: IPERA Requirements Table

	OMB-M-15-02 Requirement	USITC Compliance
1	Publish an Agency Financial Report for the most recent fiscal year and post that report and any accompanying materials on the agency website.	Yes.
2	Conduct a program-specific risk assessment for each program or activity that conforms with Section 3321; or perform a risk assessment at least once every three years for programs deemed to be at low risk for significant improper payments.	Yes. A risk assessment was provided, dated 3/15/2019.
3	Publish improper payment estimates for all programs and activities identified as susceptible to significant improper payments under is risk assessment, if required.	Not applicable.
4	Publish programmatic corrective plans in the Agency Financial Report, if required.	Not applicable.
5	Publish and meet annual reduction targets for each program assessed to be at risk and estimated for improper payments, if required.	Not applicable.
6	Report a gross improper payment rate of less than 10 percent for each program or activity for which an improper payment estimate was obtained and published in the Agency Financial Report.	Not Applicable.

Based on the six criteria set forth in the Office of Management and Budget memorandum M-15-02, we determined that the Commission has complied with IPERA.

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Summary of Prior Period Reports

Reports Without Management Decisions

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

Reports Without Management Comments

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

Prior Year Unimplemented Recommendations and Cost Savings

A summary of reports containing unimplemented recommendations by fiscal year is provided in table 5 below.

Table 5: Prior Year Unimplemented Recommendations and Cost Savings

Prior Year Unimplemented Recommendations and Cost Savings			
Fiscal Year	Number of Reports With Unimplemented Recommendations	Number of Unimplemented Recommendations	Dollar Value of Aggregate Potential Cost Savings
15	1	4	\$0
17	1	1	\$0
18	1	4	\$0

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Significant Recommendations From Prior Periods

The Commission has not completed corrective action for recommendations described in prior semiannual reports. We have identified two of these recommendations—all related to the Commission’s system of internal rules—as significant. The report number along with the two recommendations is provided in table 6, followed by a brief summary of the report.

Table 6: Significant Recommendations From Prior Periods

Significant Recommendations From Prior Periods	
Report Number	Recommendation
OIG-AR-15-14	Recommendation 2: Define standard format and content requirements for each type of internal rule.
	Recommendation 9: Require delegations of authority and agency designations to include authoritative sources and core responsibilities.

The report containing these recommendations focused on the Commission’s directive management program. Managing directives is a core function of the system of internal rules. The internal rules system, in turn, shapes the Commission’s governance culture and plays a key role in internal control activities.

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

Hotline and Investigations

Investigations and Inquiries: Overview

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

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employee responsibilities and conduct, and of other statutes and regulations covering Commission activities.

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

OIG Hotline Contacts

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

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

The OIG has worked to increase awareness of the Hotline throughout the Commission by creating a series of Hotline posters and holding "OIG Outreach" sessions with Commission offices. In addition, the OIG participated in the USITC New Employee Orientation to further increase awareness of our office's responsibilities.

Summary of Matters Referred to Prosecuting Authorities

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

Investigations with Substantiated Allegations Involving Senior Government Employees

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

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Summary of Reports Not Disclosed to the Public

Inspections, Evaluations, and Audits

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

Investigations

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

External Reviews Completed During This Period

Equal Employment Opportunity Commission

The Equal Employment Opportunity Commission (EEOC) performed an Agency Oversight Review of the Commission's EEO Program to determine the status of compliance with certain federal EEO laws, regulations, and management directives. The results of the review were issued on September 9, 2019.

In their report the EEOC determined that the agency EEO Director's involvement and responsibilities in the Anti-Harassment Investigations and the Reasonable Accommodations Program created conflict of interest risks. The EEOC issued one recommendation to address the risks identified. In addition, the Commission is required to submit a report to EEOC on the progress of corrective actions taken within six months.

In response, the Commission has taken action to remove the risk of conflict, by moving the Anti-Harassment Investigations and the Reasonable Accommodations Program to the Office of Human Resources. The new policy has been developed and is currently being expedited through the approval process. The Commission intends to submit the report along with the updated policies to the EEOC as soon as the policies are approved.

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Status of Actions Related to External Reviews Completed During Prior Periods

Office of Personnel Management

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

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

The Office of Personnel Management issued 15 required actions and 6 recommended actions to the Commission. The Commission developed management decisions to address all 21 actions from the report. The Commission completed 16 recommendations in prior reporting periods.

During this reporting period the Commission completed final action on three recommendations. The Commission continues to make progress on the remaining two open recommendations.

Assistance to Other Offices of Inspector General

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

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

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

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

Congressional Activities

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

Council of the Inspectors General on Integrity and Efficiency

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

Federal Financial Management Improvement Act Reporting

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

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Peer Review

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

During this reporting period, our office performed a peer review of the National Endowment for the Humanities Office of Inspector General for the year ended March 30, 2019. We issued our report to the Inspector General of the National Endowment for the Humanities on August 2, 2019.

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Table 7: Reports With Questions and Unsupported Costs

Reports With Questioned and Unsupported Costs			
Description	Number of Reports	Questioned Costs	Unsupported Costs
Reports for which no management decision had been made by the commencement of the reporting period.	0	\$0	\$0
Reports issued during the reporting period.	2	\$0	\$0
Subtotals		\$0	\$0
Reports for which a management decision was made during the reporting period.	2	\$0	\$0
• Dollar value of disallowed costs.		\$0	\$0
• Dollar value of allowed costs.		\$0	\$0
Reports for which no management decision had been made by the end of the reporting period.	0	\$0	\$0
Subtotals	2	\$0	\$0

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Table 8: Reports With Recommendations That Funds Be Put to Better Use

Reports With Recommendations That Funds Be Put to Better Use		
Description	Number of Reports	Funds Put to Better Use
Reports for which no management decision had been made by the commencement of the reporting period.	0	\$0
Reports issued during the reporting period.	2	\$0
Subtotals		\$0
Reports for which a management decision was made during the reporting period.	2	
<ul style="list-style-type: none"> • Dollar value of recommendations agreed to by management. 		\$0
<ul style="list-style-type: none"> • Dollar value of recommendations not agreed to by management. 		\$0
Reports for which no management decision had been made by the end of the reporting period.	0	\$0
Subtotals	2	\$0

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Table 9: Reports With Final Action Completed During This Reporting Period

Reports With Final Action Completed During This Reporting Period					
Reports Issued this Reporting Period					
	Report Title	# of Recs.	Mgt. Decisions	Final Action Completed in Prior Periods	Final Action Completed This Period
1	IPERA Determination for FY 2019, OIG-MR-19-08	0	0	0	0
2	USITC Management and Performance Challenges, OIG-MR-19-09	0	0	0	0
Totals					
Prior Reporting Periods					
	Report Title	# of Recs.	Mgt. Decisions	Final Action Completed in Prior Periods	Final Action Completed This Period
1	Management Letter, FY2018 Financial Statement Audit, OIG-ML-19-03	3	3	0	3
Totals		3	3	0	3

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Table 10: Status of Reports Issued Without Final Action

Status of Reports Issued Without Final Action						
This Reporting Period						
	Report Title	# of Recs.	Mgt. Decisions	Decisions IG Disagrees With	Final Action Complete	Action Not Complete
1	N/A					
Totals						
Prior Reporting Periods						
	Report Title	# of Recs.	Mgt. Decisions	Final Action Complete Prior Periods	Final Action Complete This Period	Action Not Complete
1	Audit of Time and Attendance, OIG-AR-18-09	8	8	3	1	4
2	Management Letter on Conflict of Interest Process, OIG-ML-17-10	1	1	0	0	1
3	Audit of Directives Management, OIG-AR-15-14	11	11	2	5	4
Totals		20	20	5	6	9

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Table 11: Statistical Table of Investigative Reports

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

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Appendix A: Chairman's Statistical Tables

Table A: Reports with Disallowed Costs

Total Number of Reports and the Dollar Value of Disallowed Costs		
Description	Number of Reports	Dollar Value of Disallowed Costs
Reports issued during the period.	2	\$0
Reports for which final action had not been taken by the commencement of the reporting period.	6	\$0
Reports on which management decisions were made during the reporting period.	2	\$0
Reports for which final action was taken during the reporting period.	4	\$0
• Dollar value of disallowed costs, recovered by management.		\$0
• Dollar value of disallowed costs written off by management.		\$0
Reports for which no final action has been taken by the end of the reporting period.	4	\$0

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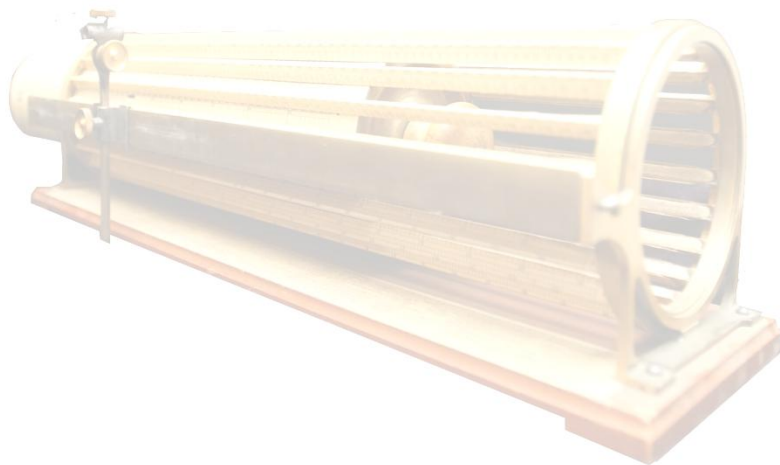
Appendix A: Chairman's Statistical Tables

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

Reports with Recommendations that Funds be Put to Better Use		
Description	Number of Reports	Funds Put to Better Use
Reports for which final action had not been taken by the commencement of the reporting period.	6	\$0
Reports on which management decisions were made during the reporting period.	2	\$0
Reports for which final action was taken during the reporting period including:	4	\$0
<ul style="list-style-type: none"> Dollar value of recommendations that were actually completed. 		\$0
<ul style="list-style-type: none"> Dollar value of recommendations that management has subsequently concluded should not or could not be completed. 		\$0
Reports for which no final action has been taken by the end of the reporting period.	4	\$0

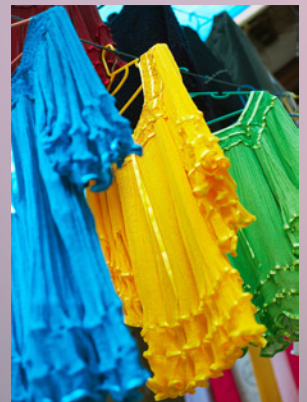
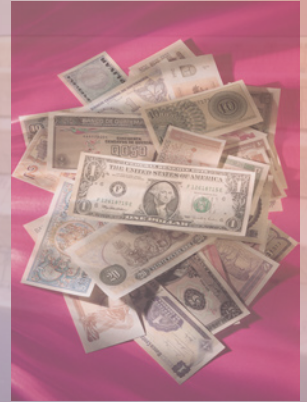
Table C: Prior Year Management Decisions Without Final Action

Prior Year Audit Reports On Which Management Decisions Have Been Made but Final Action has Not Been Taken				
Audit Report	Date Issued	Disallowed Costs	Funds Put to Better Use	Reason Final Action has Not Been Taken
OIG-AR-18-09	03/27/2018	\$0	\$0	Provided in the Chairman's Message
OIG-ML-17-10	02/10/2017	\$0	\$0	Provided in the Chairman's Message
OIG-AR-15-14	09/02/2015	\$0	\$0	Provided in the Chairman's Message



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

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



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