

# U.S. International Trade Commission

## *Inspector General Semiannual Report*



October 1, 2021 - March 31, 2022

Office of Inspector General



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



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## UNITED STATES INTERNATIONAL TRADE COMMISSION

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WASHINGTON, DC 20436

May 17, 2022

### **Message from the Chair**

In accordance with the Inspector General Act of 1978, as amended, 5 U.S.C. App. 3 (IG Act), The U.S. International Trade Commission ("USITC," or "Commission") hereby transmits the USITC Inspector General Semiannual Report for the six-month period ending March 31, 2022.

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 greatly from the Inspector General's analysis of our operations. The Office of Inspector General continually provides valuable assistance to the Commission and its staff throughout the year.

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

### **Actions Taken on IG Recommendations from Prior Year Reports**

The Commission has made significant progress on several management decisions made in response to the two reports issued by the Inspector General during prior years.<sup>1</sup> The Commission is committed to responding to the Inspector General's recommendations in a timely manner and is proud of the fact that we have closed out all management decisions that are over one year old.

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

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

Sincerely,

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

Jason E. Kearns  
Chair



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## UNITED STATES INTERNATIONAL TRADE COMMISSION

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WASHINGTON, DC 20436

April 29, 2022

IG-UU-006

Commissioners:

I am pleased to present this Semiannual Report for the period of October 1, 2021 to March 30, 2022. This report summarizes the major activities and accomplishments of the Office of Inspector General (OIG) of the U.S. International Trade Commission (USITC or Commission), and its submission is in accordance with the Inspector General Act of 1978, as amended. Section 5 of the Inspector General Act requires that the U.S. International Trade Commission transmit this report to the appropriate committees or subcommittees of Congress within 30 days of its receipt.

During this semiannual period, the OIG focused on statutorily mandated work, completing seven reports and issuing three recommendations. Specifically, the OIG completed the FY 2021 annual financial statement audit and the risk assessment of the purchase card program. The OIG also submitted the FY 2021 Federal Information Security Management Act metrics to the Department of Homeland Security. The Commission provided management decisions for all recommendations made during this reporting period.

The OIG initiated a new discretionary audit to determine if the Commission effectively patches all critical and high vulnerabilities on the International Trade Commission Network. We will issue our audit report this fiscal year. We expect to initiate at least two new performance audits during the next reporting period.

The Commission made notable progress in addressing past OIG recommendations during this period. The OIG closed all open recommendations from reports issued prior to 2021. I acknowledge the commitment of USITC management and staff to addressing OIG recommendations as workload increases over the last five years have stretched the Commission's resources.

The OIG's mission is to promote the integrity, efficiency, and effectiveness of USITC programs and operations and to report our findings and recommendations to the Commission and Congress. The OIG will improve its efficiency and effectiveness through procedural and organizational changes, including additional staff resources. I am working closely with the USITC Office of Human Resources to fill leadership and critical staff positions. Notably, I appointed an Assistant Inspector General for Audit in October 2021. We are in the process of recruiting for a senior auditor and expect this position to be filled during the next reporting period. A fully staffed audit function will allow the OIG to expand audit coverage of Commission programs and operations. I will continue to work closely with the Commission to ensure that the OIG has the necessary funds and resources to carry out its statutory mission.

I appreciate the support that the OIG has received from the Commission in our efforts to provide independent oversight of USITC programs and operations. We look forward to working closely with the Commission and Congress to promote integrity and increase efficiency and effectiveness in the USITC's programs and operations.

Sincerely,

A handwritten signature in blue ink that reads "Rashmi Bartlett". The signature is written in a cursive, flowing style.

Rashmi Bartlett  
Inspector General

# U.S. International Trade Commission

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Table 1: Reporting Requirements Index

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

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## Inspector General Semiannual Report

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### Office of Inspector General

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

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### Semiannual Report Requirements

The IG Act requires each Inspector General to prepare a report twice a year that summarizes the activities of the office. This Semiannual Report covers the period from October 1, 2021, through March 31, 2022. The 23 requirements shown in table 1 are specified in the IG Act and must be included in the report.

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

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

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

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## Inspector General Semiannual Report

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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-21-09) to the Commission on September 27, 2021. 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, 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 agency's efforts to address them.

Table 2: Management and Performance Challenges

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

#### Managing Data

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

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

The Commission should be able to rely on the quality and integrity of data across systems, applications, and databases. The value of the information generated by a system is only as good as its quality at entry. The accuracy and completeness of information depend on how we capture, enter, code, and reconcile data at the source of entry. Employees need to understand the importance of the data and, more importantly, how

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## Inspector General Semiannual Report

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inaccurate or incomplete entries impact the quality and utility of information. Data reconciliation processes should be performed regularly to identify and correct any errors or omissions and improve processes to reduce future errors.

There has been a steady increase in legislation and policy guidance directing agencies to implement sound information management practices and increase the accessibility of data to the public. The President's Management Agenda of 2018 defined data as one of three key drivers to modernizing government for the 21<sup>st</sup> century. The *Foundations for Evidence-Based Policymaking Act of 2018* (Evidence Act) requires the USITC Chair to establish an agency Data Governance Body to be chaired by the Chief Data Officer, with participation from appropriate senior-level staff and technical experts needed to discuss and set policy on data and data-related topics. USITC's Data Governance Board (DGB) was established in 2020. Even though the DGB's charter states that the board meets at least quarterly, the DGB has elected to meet monthly. It is developing a Data Governance Manual to document agency policies and procedures for managing data. The board's focus has been on the Investigation Data Base System (IDS), a centralized system for investigative data which will replace several legacy systems.

We are encouraged by the Commission's actions to develop and implement policies that govern the collection or creation, management, use, and disclosure of USITC data. As data management strategies, practices, and procedures are defined, it will be critical to educate staff on individual responsibilities and core obligations for managing and protecting data. Data management is everyone's responsibility and not solely the purview of the DGB or system owners. For the governance framework and stewardship processes to succeed, they must apply to all systems/ databases, not just those deemed critical or high priority.

### Internal Controls:

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

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

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

For more than a decade, the Commission has worked hard to strengthen entity-level controls. Senior managers implemented an enterprise risk management program and have increased transparency and knowledge about organizational risk. The enterprise risk management program contributes to robust management discussions on issues such as human capital decisions and budget priorities. Although there is more work to be done, the senior management team has demonstrated an awareness of internal controls and implemented a system for ongoing leadership discussions on where controls need to be strengthened.

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

The Commission has designed a new system of internal rules and issued directives focused on structural fundamentals such as mission and function statements. Several additional directives are in various stages of development. While progress has been made since our audit in 2015, the continued delay in updating directives poses a risk that operational processes may not be consistently understood or executed. As directives are finalized, the Commission should monitor the operational effectiveness of the new system of internal rules to ensure it is working as designed and achieving the desired results.

As the Commission begins to consider the post-pandemic operating model, managers need to remain mindful of how changing conditions may impact the effectiveness of key internal controls in Commission processes.

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## Inspector General Semiannual Report

### Inspector General Reports Issued During This Period

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

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

Table 3: Reports by Subject Matter

Reports by Subject Matter				
Subject Matter	Report Number	Report Title	Date Issued	Number of Recommendations
Information Technology	OIG-MR-22-01	<i>Inspector General CyberScope Fiscal Year 2021 Submission Audit of FY2020 Third Quarter</i>	10/26/2021	0
Financial	OIG-AR-22-02	<i>Data Submitted Under the DATA Act</i>	11/08/2021	0
Financial	OIG-AR-22-03	<i>Fiscal Year 2021 Financial Statement Opinion</i>	11/15/2021	0
Financial	OIG-AR-22-04	<i>Report on Internal Control Fiscal Year 2021</i>	11/15/2021	0
Financial	OIG-AR-22-05	<i>Report on Compliance With Laws and Regulations Fiscal Year 2021</i>	11/15/2021	0
Financial	OIG-ML-22-06	<i>Management Letter: Fiscal Year 2021 Financial Statement Audit</i>	12/15/2021	2
Financial	OIG-MR-22-07	<i>Management Report: FY2022 Charge Card Risk Assessment Report</i>	01/28/2022	1
<b>Total recommendations issued during this reporting period</b>				<b>3</b>
<b>NOTE: These reports did not identify any questioned costs, unsupported costs, or funds that could be put to better use.</b>				

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

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## Inspector General Semiannual Report

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### **Inspector General CyberScope Fiscal Year 2021 Submission, OIG-MR-22-01**

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

The Inspector General is required to independently evaluate and report annually to the Office of Management and Budget on how the Commission has established and implemented information security programs. Each year, the Office of Management and Budget requests input on select programs. For fiscal year 2021, the Office of Management and Budget requested an assessment using a five-level maturity model. The Office of Management and Budget considers "managed and measurable" to be an effective level of security. We evaluated five program areas based on criteria established by the Office of Management and Budget. We found the Commission's maturity level for one program area to be at Level 2: *Defined*, three program areas to be at Level 3: *Consistently Implemented* and the remaining program was assessed at maturity Level 4: *Managed and Measurable*.

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

### **Audit of FY 2020 Third Quarter Data Submitted Under the DATA Act, OIG-AR-22-02**

RESULT: The audit found that USITC's FY 2020, third quarter submission was substantially complete, accurate, and timely; and that the data is considered excellent under the DATA Act Quality Scorecard.

The auditors did not issue any recommendations in the report.

### **Fiscal Year 2021 Financial Statement Opinion, OIG-AR-22-03**

RESULT: The audit resulted in an unmodified opinion of the Commission's fiscal year 2021 financial statement.

We engaged the services of an independent certified public accounting firm to audit the balance sheet and related statements of net cost, changes in net position, and budgetary resources for Fiscal Year 2021. The auditors concluded that the Commission's financial statements for the fiscal year ended September 30, 2021, presented fairly in all material respects to the financial position of the Commission.

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The auditors did not issue any recommendations in the report.

### **Report on Internal Control Fiscal Year 2021, OIG-AR-22-04**

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

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

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

The auditors did not issue any recommendations in their report.

### **Report on Compliance With Laws and Regulations Fiscal Year 2021, OIG-AR-22-05**

RESULT: The audit report did not identify any instances of noncompliance that would have a direct or material effect on the determination of financial statement amounts.

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

The auditors did not issue any recommendations in their report.

### **Management Letter: Fiscal Year 2021 Financial Statement Audit, OIG-ML-22-06**

RESULT: The management letter identified internal control deficiencies related to property, plant and equipment and deferred rent liability. The Commission needs to strengthen its internal control over recording of assets and amortization.

The management letter focused on three issues related to internal control and operational matters that the auditors identified during the audit but were not required to include in the audit report. The auditors found one asset that was incorrectly capitalized, three



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depreciated assets that were incorrectly calculated from the purchase date instead of the placed in-service date, and one quarter of amortization of rent abatement was entered with incorrect debit and credit entries.

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

### **Management Report: FY2022 Charge Card Risk Assessment Report, OIG-MR-22-07**

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

Our risk assessment focused on the Commission's internal controls for the credit card programs against the requirements identified in OMB M-13-02. In addition, we obtained and reviewed Fiscal Year 2021 charge card transaction reports, internal monthly and quarterly reviews, the Commission's Purchase Card Handbook, and supporting documentation for a sample of 23 purchase card transactions.

We identified areas where the Commission can strengthen internal controls over its purchase card program and provided one recommendation to address these areas. The Commission provided a management decision to respond to this recommendation.

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

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

The Commission has no prior year unimplemented recommendations.

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

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

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## **Hotline and Investigations**

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

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

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

### **OIG Hotline Contacts**

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

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

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### **Summary of Matters Referred to Prosecuting Authorities**

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

### **Investigations With Substantiated Allegations Involving Senior Government Employees**

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

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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.

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

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

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

### **Office of Personnel Management**

The Office of Personnel Management conducted an evaluation of the Commission's strategic management of human capital, the efficiency and effectiveness of its human

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resources programs, and its compliance with merit system principles and other civil service laws and regulations.

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

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

### **Office of Government Ethics**

The Office of Government Ethics completed an inspection of the U.S. International Trade Commission’s ethics program and issued its Inspection Report on September 2, 2021. The review covered the time period January 1, 2020 through December 31, 2020 and contained two recommendations. The recommendations focused on procedures to notify ethics officials of promotions and the filing timeliness of nonconfidential new entrant reports.

The Commission revised its procedures to address these recommendations to ensure notification to its ethics office of upcoming promotions and to improve timeliness of new entrant confidential filer reports.

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## **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

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with the other federal agency, in accordance with 31 U.S.C. §1535 (the Economy Act of 1932), as amended. The memorandum of understanding describes in writing the work to be completed, methodology, cost, and schedule, as well as any associated deliverables, before work begins.

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

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### **Congressional Activities**

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

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### **Council of the Inspectors General on Integrity and Efficiency**

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

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

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

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data breaches, and the latest information on federal cybersecurity directives and executive orders. Each month, the CWG also provides an executive-level newsletter to the 75 inspectors general in the federal government.

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### **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 Inspector General Act of 1978, as amended, requires OIGs to report the results of peer reviews of their operations conducted by other OIGs, the date of the last peer review, outstanding recommendations from peer reviews, and peer reviews conducted by an OIG of other OIGs in the semiannual period. Peer reviews are conducted by member organizations of the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

The United States Capitol Police Office of Inspector General performed the last peer review of our office. The final report, issued on February 8, 2022, found that the system of quality control for conducting audits has been suitably designed and complied with to provide USITC OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Federal audit organizations can receive a rating of pass, pass with deficiencies, or fail. USITC OIG received a peer-review rating of pass. The reviewers did not make any recommendations. The peer review is available on the USITC OIG website at [https://www.usitc.gov/oig/documents/2021\\_system\\_review\\_report.pdf](https://www.usitc.gov/oig/documents/2021_system_review_report.pdf).

The next peer review of our office will be conducted in three years, in accordance with the peer review schedule set by CIGIE.

# U.S. International Trade Commission

## Inspector General Semiannual Report

Table 4: Reports With Questioned and Unsupported Costs

<b>Reports With Questioned and Unsupported Costs</b>			
<b>Description</b>	<b>Number of Reports</b>	<b>Questioned Costs</b>	<b>Unsupported Costs</b>
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.	7	\$0	\$0
<b>Totals</b>	7	\$0	\$0
Reports for which a management decision was made during the reporting period.	7	\$0	\$0
<ul style="list-style-type: none"> <li>Dollar value of disallowed costs.</li> </ul>	\$0	\$0	\$0
<ul style="list-style-type: none"> <li>Dollar value of allowed costs.</li> </ul>	\$0	\$0	\$0
Reports for which no management decision had been made by the end of the reporting period.	0	\$0	\$0
<b>Totals</b>	7	\$0	\$0

# U.S. International Trade Commission

## Inspector General Semiannual Report

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Table 5: Reports With Recommendations That Funds Be Put to Better Use

<b>Reports With Recommendations That Funds Be Put to Better Use</b>		
<b>Description</b>	<b>Number of Reports</b>	<b>Funds Put to Better Use</b>
Reports for which no management decision had been made by the commencement of the reporting period.	0	\$0
Reports issued during the reporting period.	7	\$0
<b>Totals</b>	7	\$0
Reports for which a management decision was made during the reporting period.	7	\$0
<ul style="list-style-type: none"> <li>Dollar value of recommendations agreed to by management.</li> </ul>	\$0	\$0
<ul style="list-style-type: none"> <li>Dollar value of recommendations not agreed to by management.</li> </ul>	\$0	\$0
Reports for which no management decision had been made by the end of the reporting period.	0	\$0
<b>Totals</b>	7	\$0



# U.S. International Trade Commission

## Inspector General Semiannual Report

Table 6: Reports With Final Action Completed During This Reporting Period

Reports With Final Action Completed During This Reporting Period					
Reports Issued this Reporting Period					
	Report Title	# of Recs.	Mgt. Decisions	Final Action Completed in Prior Periods	Final Action Completed This Period
1	Inspector General CyberScope Fiscal Year 2021 Submission, OIG-MR-22-01	0	0	0	0
2	Audit of FY2020 Third Quarter Data Submitted Under the DATA Act, OIG-AR-22-02	0	0	0	0
3	Fiscal Year 2021 Financial Statement Opinion, OIG-AR-22-03	0	0	0	0
4	Report on Internal Control Fiscal Year 2021, OIG-AR-22-04	0	0	0	0
5	Report on Compliance With Laws and Regulations Fiscal Year 2021, OIG-AR-22-05	0	0	0	0
6	Management Letter: Fiscal Year 2021 Financial Statement Audit, OIG-ML-22-06	2	2	0	2
Totals		2	2	0	2
Prior Reporting Periods					
	Report Title	# of Recs.	Mgt. Decisions	Final Action Completed in Prior Periods	Final Action Completed This Period
1	Audit of Directives Management, OIG-AR-15-14	11	30	9	2
2	Audit of Time and Attendance, OIG-AR-18-09	8	13	5	3
3	Audit of Data in the 337Info System, OIG-AR-20-12	6	6	4	2
Totals		25	49	18	7

# U.S. International Trade Commission

## Inspector General Semiannual Report

Table 7: Status of Reports Issued Without Final Action

Status of Reports Issued Without Final Action						
This Reporting Period						
	Report Title	# of Recs.	Mgt. Decisions	Decisions IG Disagrees With	Final Action Complete	Action Not Complete
1	Management Report: FY 2022 Charge Card Risk Assessment Report, OIG-MR-22-07	1	1	0	0	1
	<b>Totals</b>	1	1	0	0	1
Prior Reporting Periods						
	Report Title	# of Recs.	Mgt. Decisions	Final Action Complete Prior Periods	Final Action Complete This Period	Action Not Complete
1	NA	NA	NA	NA	NA	NA
	<b>Totals</b>	NA	NA	NA	NA	NA

# U.S. International Trade Commission

## Inspector General Semiannual Report

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Table 8: Statistical Table of Investigative Reports

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

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# U.S. International Trade Commission

## Appendix A: Chair's Statistical Tables

Table A: Reports with Disallowed Costs

Total Number of Reports and the Dollar Value of Disallowed Costs		
Description	Number of Reports	Dollar Value of Disallowed Costs
Reports issued during the period.	7	\$0
Reports for which final action had not been taken by the commencement of the reporting period.	3	\$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
<ul style="list-style-type: none"> <li>Dollar value of disallowed costs, recovered by management.</li> </ul>		\$0
<ul style="list-style-type: none"> <li>Dollar value of disallowed costs written off by management.</li> </ul>		\$0
Reports for which no final action has been taken by the end of the reporting period.	1	\$0

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

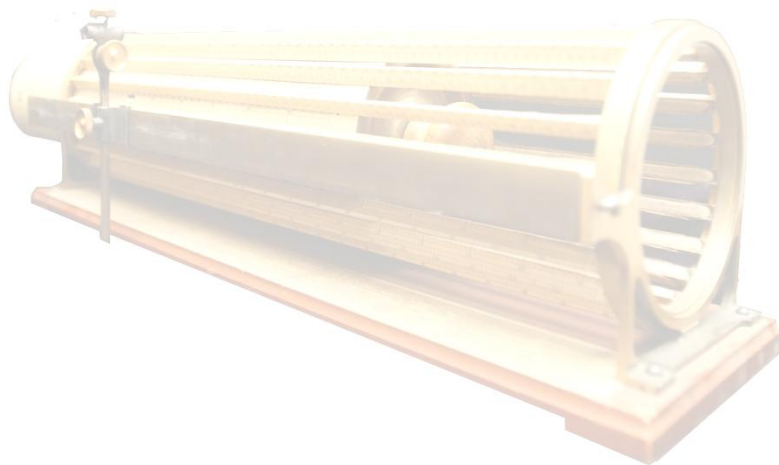
Reports with Recommendations that Funds be Put to Better Use		
Description	Number of Reports	Funds Put to Better Use
Reports for which final action had not been taken by the commencement of the reporting period.	3	\$0
Reports on which management decisions were made during the reporting period.	2	\$0
Reports for which final action was taken during the reporting period including:	4	\$0
<ul style="list-style-type: none"> <li>Dollar value of recommendations that were actually completed.</li> </ul>		\$0
<ul style="list-style-type: none"> <li>Dollar value of recommendations that management has subsequently concluded should not or could not be completed.</li> </ul>		\$0
Reports for which no final action has been taken by the end of the reporting period.	1	\$0

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

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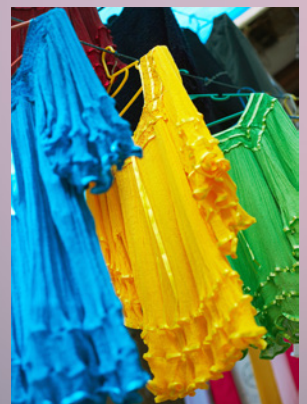
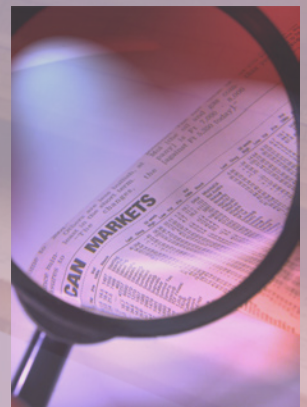
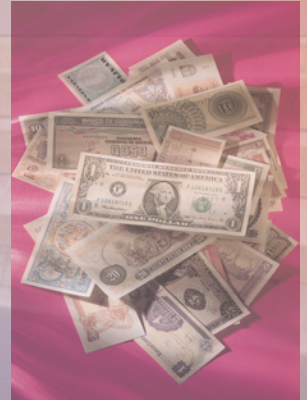
Table C: Prior Year Management Decisions Without Final Action

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
NA	NA	NA	NA	NA



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

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



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

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