

Office of Inspector General



Semiannual Report to Congress
April 1, 2019 – September 30, 2019

November 2019



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

OFFICE OF THE CHAIR

November 18, 2019

The Honorable Nancy P. Pelosi
Speaker of the House of Representatives
H-232 Capitol Building
Washington, D.C. 20510

The Honorable Michael R. Pence
President of the Senate
S-212 Capitol Building
Washington, D.C. 20515

Dear Madam Speaker and Mr. Vice President:

Pursuant to the Inspector General Act of 1978, as amended, the Federal Election Commission submits the Office of Inspector General's *Semiannual Report to Congress*. The report summarizes the activity of the FEC Office of Inspector General ("OIG") from April 1, 2019 through September 30, 2019.

During this reporting period, the FEC appointed its second Inspector General, Christopher Skinner, who began in August 2019. The FEC's OIG continued follow-up actions with management regarding seven open audits and inspections. The OIG closed 11 of 43 outstanding recommendations.

The Commission appreciates and shares the Office of Inspector General's commitment to sound financial and management practices, and looks forward to continuing its cooperative working relationship as management takes appropriate measures to improve operations of the Commission. Copies of the *Semiannual Report to Congress* are being provided to the Chairpersons and Ranking Members of the FEC's oversight committees.

On behalf of the Commission,

A handwritten signature in blue ink that reads "Ellen L. Weintraub".

Ellen L. Weintraub
Chair

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FEDERAL ELECTION COMMISSION
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Office of Inspector General

A Message from the Inspector General



It is with great pleasure that I present the Federal Election Commission (FEC) Office of Inspector General (OIG) Semiannual Report to Congress for the period of April 1, 2019 to September 30, 2019. I am honored that the Commission has selected me to serve as its Inspector General to provide oversight for an essential and impactful federal agency and I look forward to helping its hard working personnel continue to improve the Commission's efficiency and effectiveness. Our work defines the OIG's commitment to promoting accountability, efficiency, and effectiveness through our independent oversight of the Commissions' programs and operations.

We have worked persistently to close out ten (10) hotline investigations since the last reporting period. In the course of doing so, we identified and recommended opportunities to improve agency internal controls. In efforts to enhance the FEC

OIG investigative function, we are in the process of implementing a case management system (CMS). The CMS will, among other things, significantly streamline the OIG investigative process while concurrently improving the knowledge management functions for the office. I anticipate that the CMS will increase the OIG's efficiency and, as a result, the OIG's overall value to the agency.

We continue to make progress towards ensuring outdated audit recommendations are completed and resolved. Additionally, the OIG audit function is focused on accomplishing all mandated requirements, such as the *Financial Statement and Digital Accountability and Transparency Act (DATA Act)* audits. The FEC OIG is currently staffed with one senior auditor and is in the process of hiring another. We are committed to filling this vacancy promptly as the additional auditor position will improve the OIG's efforts to proactively identify systemic issues through audits, inspections, and special reviews. Additionally, the Deputy IG position remains vacant and will be a top priority to fill.

Going forward, the OIG remains committed to addressing hotline complaints, resolving outstanding audit recommendations, conducting audits and special reviews to strengthen agency internal controls, and ensuring the citizens of the United States that our programs evince a high level of integrity, which is fundamental to who we are as an agency.

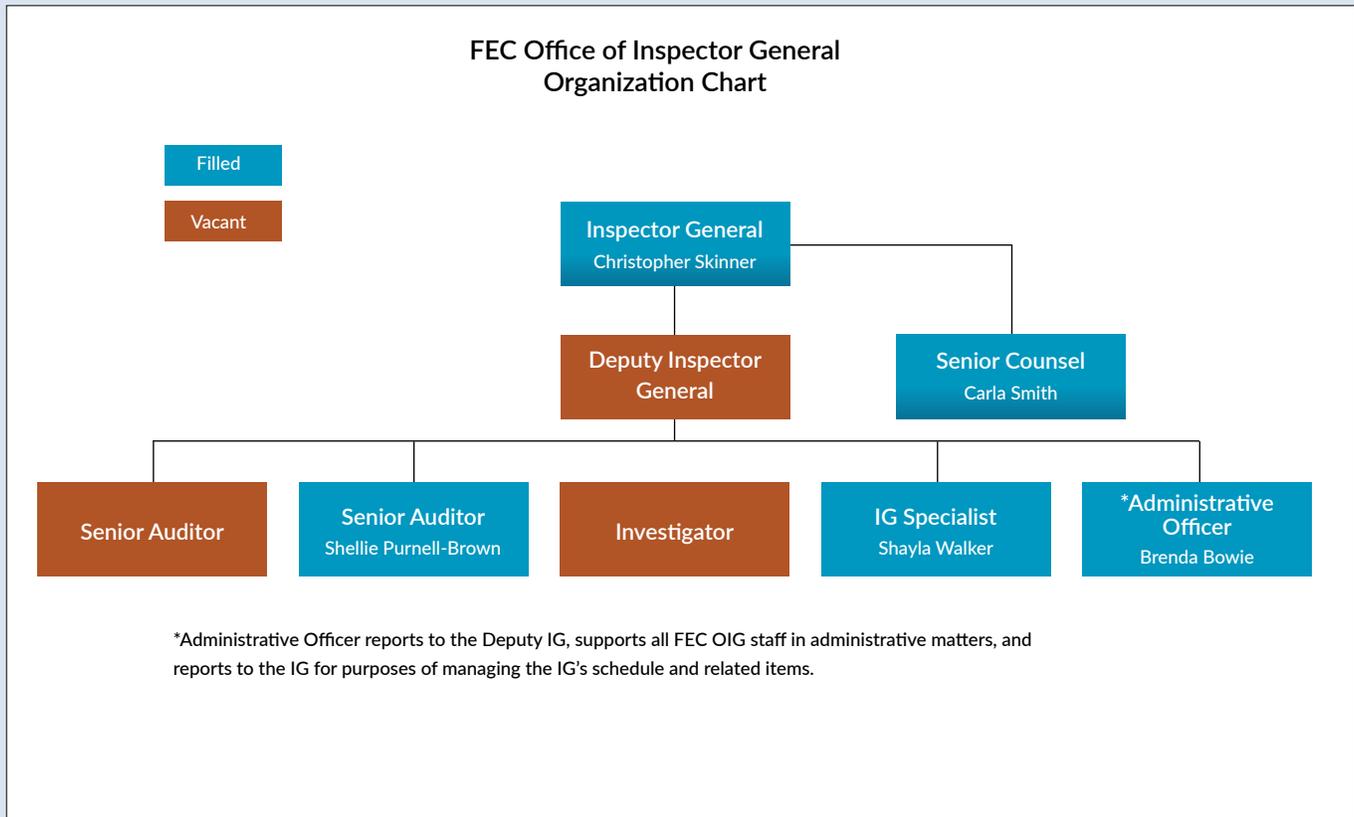
Of great concern are the vacancies among FEC commissioners. The Commission is required to be comprised of six commissioners, appointed by the President, with no more than three members affiliated with the same political party. Furthermore, 52 U.S.C. § 30106 requires the affirmative vote of four members to take action on particular matters. As of September 2019, the FEC lacks a quorum to carry out critical tasks related to the agency's mission. The lack of quorum prevents the Commission from, among other things, issuing decisions on pending enforcement actions, opening investigations, issuing advisory opinions, and hiring critical senior positions within the agency.

To conclude, I look forward to continuing to work with the Commission, members of Congress, and my IG colleagues to provide oversight and to add value to the Commission on behalf of the American taxpayers. This Semiannual Report reflects the exceptional work of the FEC OIG personnel and their commitment to the critical mission of the OIG.

A handwritten signature in black ink, appearing to read 'C. Skinner', written in a cursive style.

Christopher Skinner
Inspector General

FEC Office of Inspector General Organization Chart





OIG Core Values

Honesty

We are honest, fair, and true to ourselves, to each other, and to our customers, which is reflected in our reputation. We behave with the highest levels of integrity, which is fundamental to who we are as a team.

Collaboration

We strive to collaborate and build key relationships within the OIG community and the FEC in order to improve program operations, efficiencies, and effectiveness. We universally work together to identify potential opportunities to partner with OIG stakeholders in efforts to resolve Government wide concerns and maximize the value to the citizens of the United States.

Commitment

We are committed to continually seek personal and operational growth opportunities to preserve the positive reputation of the OIG. We pledge our dedication to persistently enhance our skillsets in efforts to uphold the integrity of the FEC.

Balance

We aim to balance customer needs with the mission of the OIG and FEC while assuring all endeavors of our work reflect transparent and unbiased processes. We apply this practice through our application of due regard for our peers, our beliefs, our family, and our stakeholders.

Service

We pride ourselves in providing a non-confrontational, value-added service to customers through objective, accurate, and timely evaluations of OIG inquiries in support of FEC operations and procedures.

Respect

We are devoted to creating a professional and positive work environment in which all colleagues and stakeholders are treated with the utmost respect. We welcome, value, and embrace the diversity of everyone and behave respectfully to all with whom we interact.

Executive Summary

The *Inspector General Act of 1978, as amended* (IG Act), states that the Inspector General (IG) is responsible for: conducting audits and investigations; recommending policies and procedures that promote economy, efficiency, and effectiveness of agency resources and programs; and preventing fraud, waste, abuse, and mismanagement. The IG Act requires that the IG provide a means for keeping the head of the establishment (“FEC” or “Commission”) and the Congress fully and currently informed of problems relating to the administration of FEC programs and operations, by means of the reports required by section 5 of the IG Act. Additionally, IG’s are required to report to the Commission particularly serious or flagrant problems, abuses, or deficiencies relating to the administration of agency programs and operations.

This semiannual report provides the major accomplishments of the FEC OIG, as well as relevant information regarding additional OIG activities. The executive summary highlights the most significant completed activities of the OIG from April 1, 2019 through September 30, 2019. Additional details pertaining to each activity (e.g., audits, hotline, investigations, and special reviews) can be found in subsequent sections of this report. The FEC OIG staff depend and act on its OIG Core Principles (honesty, collaboration, commitment, balance, service, and respect) to ensure the integrity of all FEC OIG work products.

Mr. Tony Baptiste was appointed as the acting FEC IG from May to August 2019 to ensure the continuity of OIG operations pending the Commission’s selection of a permanent IG. The temporary IG assignment allowed the OIG to function and process critical work tasks within the mandatory scope of the IG Act. Under the leadership of Mr. Baptiste, the OIG was able to close three (3) investigations as well as solicit proposals and award a critical contract to conduct the required annual Financial Statement Audit of the FEC. The FEC OIG is grateful and appreciative of the leadership Mr. Baptiste exhibited during a critical juncture for the office.

The Commission appointed a permanent IG, Mr. Christopher Skinner who reported August 5, 2019. In a very short time, Mr. Skinner has brought new vision to the FEC OIG. Notably, the FEC OIG team was able to solicit proposals and award a contract for a Case Management System to enhance the investigative function and significantly streamline the complaint intake process. Furthermore, the team continues to work through a backlog of investigations and closed ten (10) cases during the reporting period. Mr. Skinner’s new vision has created an environment of change within the office; specifically, he updated all employee position descriptions to accurately reflect the duties of the office, restructured the organizational configuration, and led a Core Values exercise with OIG staff members to ensure that the staff carry out the OIG mission with integrity, independence, and transparency.

The FEC Deputy IG position remains vacant but is a top priority for Mr. Skinner to fill in Fiscal Year (FY) 2020. Additionally, Ms. Mia Forgy, FEC OIG Senior Auditor, resigned during the reporting period, which left the office with one senior auditor to perform the audit functions for the office. The OIG is currently in the process of hiring a senior auditor to fill the vacancy. The FEC OIG would like to sincerely thank Ms. Forgy for her dedicated service to the agency throughout her tenure.

The FEC OIG’s second five (5) year contract with Leon Snead & Company to conduct the FEC’s annual Financial Statement audit concluded in December 2018. The process to award a new contract was delayed due to the lack of a permanent or acting IG. Therefore, the FEC OIG released a Statement of Work (SOW) at the end of April 2019 to solicit proposals from Independent Public Accounting (IPA) firms to conduct the FEC’s annual Financial Statement audit. The temporary Acting IG (Mr. Baptiste) reported in May 2019 and due to the lack of OIG auditing resources, submitted a revised SOW to additionally contract the work required for the *Digital Accountability and Transparency Act (DATA Act)* Audit. As a result, the **Audit of the FEC’s FY 2019 Financial Statements** entrance conference was held on July 3, 2019 which initiated the planning phase for the audit. The fieldwork and interim testing began on July 19, 2019. The awardee, Brown & Company (Brown & Co) is currently in the process of completing interim testing, assessing information technology (IT) internal controls, and following-up on the status of prior years’ IT audit findings and recommendations.

The Audit of FEC’s compliance under the Data Act commenced during this reporting period. The primary purpose of this audit is to satisfy the OIG’s responsibilities under the DATA Act by assessing the: (1) completeness, timeliness, quality, and accuracy of financial and payment data submitted for publication on USASpending.gov; and (2) the FEC’s implementation and use of Government-wide financial data standards established by the Office of Management and Budget (OMB) and the Department of Treasury. The scope of the audit, as required by the IG Guide, is the review of

FEC's FY 2019 first quarter financial and payment data submitted for publication on USASpending.gov, which additionally includes any applicable procedures, certifications, documentation, and controls associated with the publication process.

The entrance conference was held on July 3, 2019. As of September 30, 2019, the engagement team has successfully completed the audit planning, internal control assessment, and detailed testing of financial transactions and awards submitted to the Treasury DATA Broker.

The FEC OIG is in need of a full time investigator to assist in addressing OIG investigations as the number of investigations increased 33% since the last reporting period, and continues to do so. Four (4) new cases were opened this reporting period to add to the twelve (12) open cases from the prior period (October 1, 2018 to March 31, 2019). The OIG diligently processed and closed ten (10) cases during the reporting period. The OIG Senior Counsel continues to remain the Chief Investigator for all OIG investigations.

The FEC OIG continues to thoroughly and accurately address audit and investigative tasks in efforts to promote accountability, efficiency, and effectiveness through the independent oversight of the Commission's programs and operations. Moreover, the FEC OIG is committed to provide complete transparency between the Congress, the Commission, and the American taxpayers.

OIG Audit Activity

Audit Title:	Audit of the FEC's FY 2019 Financial Statements
<i>Assignment Number:</i>	<i>OIG-19-01</i>
<i>Status:</i>	<i>In progress</i>

The FEC OIG's second five (5) year contract with Leon Snead & Company to conduct the FEC's annual financial statement audit concluded in December 2018. The process to award a new contract was delayed due to the lack of a permanent or acting IG in place. Therefore, the FEC OIG released a Statement of Work (SOW) at the end of April 2019 to solicit proposals from Independent Public Accounting (IPA) firms to conduct the FEC's annual FS audit. Once the temporary Acting IG (Mr. Baptiste) reported in May 2019 and due to the lack of internal auditing resources, the OIG submitted a revised SOW to additionally include the work required for the DATA Act Audit. The FEC OIG formed a technical evaluation panel that consisted of two FEC OIG staff and one OIG employee from the National Labor Relations Board OIG. The panel members independently reviewed all proposals and determined that Brown & Co was best suited for the work.

The entrance conference was held on July 3, 2019, which initiated the planning phase of the audit. During this time, Brown & Co worked with the OIG to create project timelines and the audit plan. Fieldwork and interim testing began on July 19, 2019. Brown & Co is currently in the process of completing interim testing, assessing IT internal controls, and following-up on the status of prior years' IT audit findings and recommendations. As in prior years, the IPA firm is required to conduct additional testing on agency IT controls; however, the FEC is exempt from the *Federal Information Systems Management Act (FISMA)* and is not required to perform the annual FISMA audit.

Final audit testing will be performed from October through early November 2019. The draft report is scheduled to be submitted to management on November 7, 2019 and the exit conference is tentatively scheduled for October 23, 2019. Currently the audit is scheduled to be completed in accordance with the mandated due date of November 19, 2019.

Audit Title:	Audit of the FEC's Compliance under the Digital Accountability and Transparency Act of 2014
<i>Assignment Number:</i>	<i>OIG-19-02</i>
<i>Status:</i>	<i>In Progress</i>

The Audit of FEC's compliance under the DATA Act commenced during this reporting period. The primary purpose of this audit is to satisfy the OIG's responsibilities under the DATA Act by assessing the: (1) completeness, timeliness, quality, and accuracy of financial and payment data submitted for publication on USASpending.gov; and (2) the FEC's implementation and use of Government-wide financial data standards established by the OMB and Department of Treasury. The audit is being conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS) and the IG Guide as required by the DATA Act.

The scope of the audit, as required by the IG Guide, is the review of FEC's fiscal year 2019 first quarter financial and payment data submitted for publication on USASpending.gov, which additionally includes any applicable procedures, certifications, documentation, and controls associated with the publication process.

The main objectives are as follows:

- Assess the FEC's internal controls associated with financial and payment data reported to USASpending.gov per OMB Circular A-123;
- Assess the FEC's internal controls associated with data management, collection, reporting, and processes used to report financial and payment data under the DATA Act;
- Assess the general and application controls pertaining to the procurement and financial systems from which the data elements were derived and linked; and
- Perform testing of fiscal year 2019 first quarter financial and payment data submitted by the FEC for publication on USASpending.gov

Due to the limited OIG auditing resources during this reporting period and in order to accomplish the required objectives of this performance audit, the OIG contracted with Brown & Co to perform both the *Financial Statement and Data Act* audits. The entrance conference was held on July 3, 2019. As of September 30, 2019, the engagement team has completed audit planning, internal control assessment, and a detailed testing of financial transactions and awards submitted to the Treasury DATA Broker. Preliminary findings will be communicated to FEC management prior to the issuance of the discussion draft report on October 22, 2019. The report must be submitted by the reporting deadline of November 8, 2019. As such, we expect to publish the audit results during the next reporting period.

Title:	Audit of Contract Management and Oversight
<i>Assignment Number:</i>	<i>OIG-16-02</i>
<i>Status:</i>	<i>On hold</i>

The Contract Management and Oversight Audit was placed on hold due to the lead auditor resigning in April 2019. The FEC OIG continues to experience resource constraints within the audit functions and during the reporting period, the OIG focused on completing the mandatory Financial Statement and DATA Act audits which resulted in the Contract Management and Oversight audit to remain in a hold status. The OIG is currently in process of hiring a senior auditor to assist with independent reviews of FEC programs and operations.

OIG Audit Follow-up Activity

Review:	Office of Inspector General's Review of Outstanding Recommendations as of August 2019
Status:	<i>Completed</i>

The OIG previously provided the Commission with a semiannual report of outstanding audit and inspection recommendations that contained details of the follow-up work conducted by the OIG and the status of each recommendation. In August 2018, the OIG issued to the Commission its final semiannual outstanding recommendations report and communicated that a formal report will be issued annually. However, due to limited resources within the audit function, the OIG has not released a formal report to the Commission in 2019.

We continued follow-up actions with management regarding the following seven (7) open audits and inspections, which contained a combined total of 43 outstanding recommendations as of March 31, 2019. In collaboration with FEC management, the OIG closed 11 recommendations during the reporting period. The following¹ was provided to management in lieu of a formal recommendations report or updated corrective action plans report.

¹ The table provided to management included an additional eight (8) outstanding audit recommendations from the FY 2018 Financial Statement Audit

OIG Audits/Inspections	Total Outstanding Recommendations as of March 31, 2019	Total Closed Recommendations (Apr 1 - Sep 2019)	Total Open as of September 2019 ²
2010 Follow-up Audit of Privacy and Data Protection <i>8 years outstanding³</i>	20	3	17
2010 Follow-up Audit of Procurement and Contract Management <i>7 years outstanding</i>	1	1	0
Inspection of the FEC's Disaster Recovery Plan and Continuity of Operations Plans <i>6 years outstanding</i>	7	0	7
Audit of the FEC's Office of Human Resources <i>5 years outstanding</i>	3	1	2
Inspection of FEC's Compliance with FMFIA/OMB A-123 <i>4 years outstanding</i>	2	1	1
Audit of the FEC Telework Programs <i>2 years outstanding</i>	7	5	2
Required Review Under the DATA Act <i>1.5 years outstanding</i>	3	0	3
Totals	43	11	32
Total Outstanding Recommendations			32

² FEC management has not adequately implemented the remaining recommendations.

³ Timelines are calculated based on the final report issuance date.

OIG Hotline Information

The OIG Hotline provides a means for FEC employees, FEC contractors, and the public to communicate directly and confidentially with the OIG. All allegations and referrals of fraud, waste, abuse, mismanagement, and misconduct involving FEC employees, contractors, agency programs, operations, and property, are termed “hotline complaints” per OIG policy. The OIG takes all complaints seriously; as such, we carefully analyze all complaint details to determine if an investigation is warranted. Other courses of action may include but are not limited to, referred to management for action, referred to another existing program/process (i.e., EEO, HR), referred to another agency, referred to the audit or special review process, or closed and dismissed with no further action.

The OIG considers many factors when analyzing a hotline complaint to determine the best course of action. We acknowledge that every hotline complaint received by the OIG will not be investigated, and in most cases, a complaint does not warrant an investigation based on the allegation(s). OIG policy requires that hotline complaints be evaluated on specific criteria, including but not limited to, the merits of the allegation(s), the availability of evidence, and the existing priorities, commitments, and resources of the OIG. Additionally, internal policy provides that hotline complaints are classified as either “high” or “low” priority. Complaints deemed to be high priority are investigated and complaints deemed to be low priority are either closed and dismissed with no action or referred to the appropriate FEC management official for potential review and action. The OIG will close a complaint due to a variety of reasons including but not limiting to, no applicable law, rule, or regulation violated, lack of specific information, or the inability to contact the complainant to obtain additional information. Hotline evaluation decisions are made by the Senior Counsel/Chief Investigator, with concurrence from the IG.

As of March 31, 2019, the OIG had eight (8) outstanding hotlines. During this reporting period, three (3) new hotline complaints were opened and 11 hotline complaints were closed. As of September 30, 2019, zero (0) hotlines remain open.

Hotline Complaint Results (Apr 1 – Sep 30, 2019)	
Hotlines Opened	
Employee Hotlines	0
Management Referrals	1
Audit Referrals	0
Congressional Requests	0
Public Complaints	2
Total Hotlines Opened	3
Hotlines Closed	
Opened for Investigation	5
Referred to FEC Management	2
Referred to External Agency	0
Closed and Dismissed	4
Total Hotlines Closed	11

Furthermore, the OIG receives misdirected complaints such as reports and allegations that are more suitably addressed by the FEC Office of General Counsel (OGC), specifically, the Office of Complaints and Legal Administration, which fall outside the jurisdiction and purview of the OIG. In cases of misdirected complaints, the OIG submits a response to the individual referring him or her to the appropriate office or agency to best handle the complaint. Occasionally, when

a misdirected communication does not concern a campaign finance violation but falls under the purview of another FEC component or other government agency, the OIG may provide the information directly to the appropriate office or agency. The OIG may spend a considerable amount of time reviewing and, where appropriate, responding to these reports and allegations, despite the fact that they are not valid hotline complaints. In order to capture and document these actions, the OIG created a category titled “Misdirected Complaints” which do not meet the criteria for a hotline complaint or fall within the FEC OIG’s jurisdiction. During the reporting period, the OIG responded⁴, which includes, referrals, transfers, and/or a standard OIG response to **248** contacts.

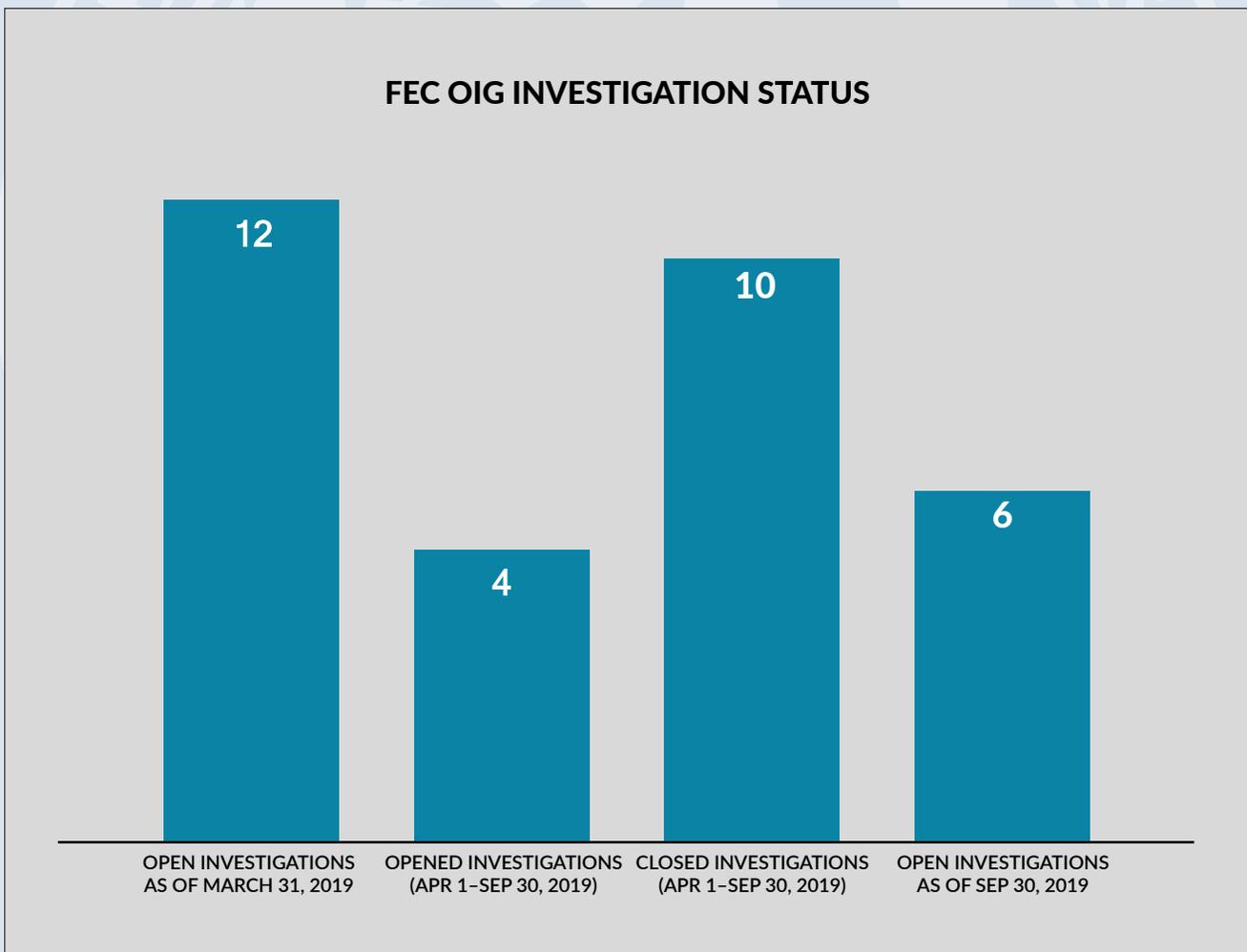


⁴ The OIG may submit a standard letter in response to a complaint/contact explaining the FEC OIG’s jurisdiction and/or depending on the specificity of the complaint, may refer and/or transfer the matter to another internal or external process and/or agency for action deemed appropriate.

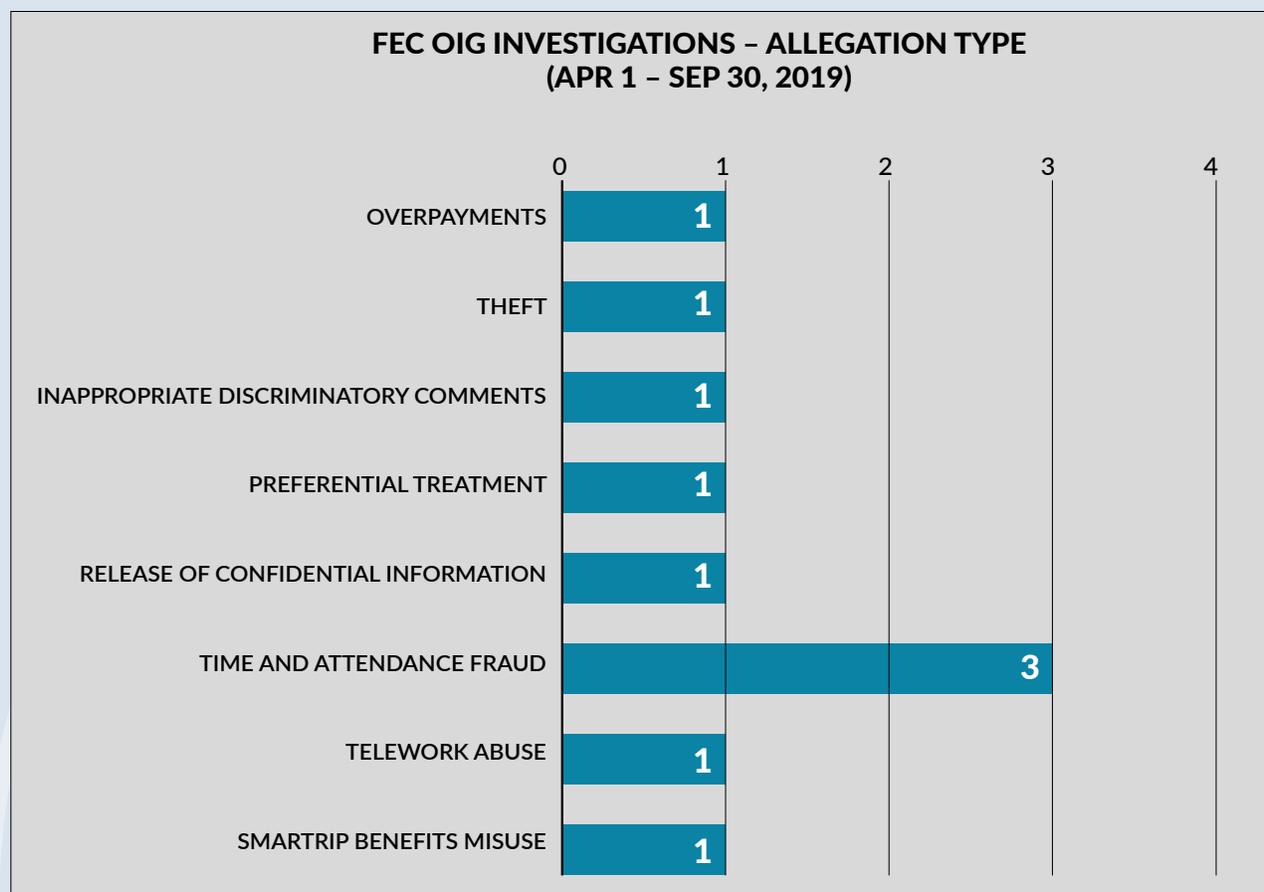
OIG Investigative Summaries

OIG investigations seek out facts related to allegations of wrongdoing. OIG investigations may address administrative, civil, and criminal violations of laws, regulations, and policies. The subject of an OIG investigation may range from any agency employee, FEC contractor, consultant, or a person or entity involved in alleged wrongdoing affecting FEC programs and operations.

As previously noted, all hotline complaints are evaluated to determine if an investigation is warranted. If an investigation is opened, the hotline complaint is closed and merged into the investigative file. OIG investigations involve a detailed analysis of the issues brought forward by the various sources, and may include interviews of relevant witnesses and subjects, document requests and reviews, and computer forensic examinations. On occasion, cases that are opened as an investigation are sometimes closed without an official Report of Investigation (ROI) due to among other things, the evidence or lack of evidence obtained and/or the severity of the allegation(s). Additionally, current workload and priorities may determine if an allegation of wrongdoing is better addressed by management. If the OIG determines to proceed and prepare an ROI, that report will provide a summary of the complaint, list the specific allegation(s) the law(s) or regulation(s) associated with the allegation(s), the objective description of the case facts, and a conclusion of investigative findings (i.e., substantiated or not substantiated). During this reporting period, four (4) new investigations were opened, and ten (10) investigations were closed.



Furthermore, the chart below illustrates the types of allegations the FEC OIG investigated during the reporting period.



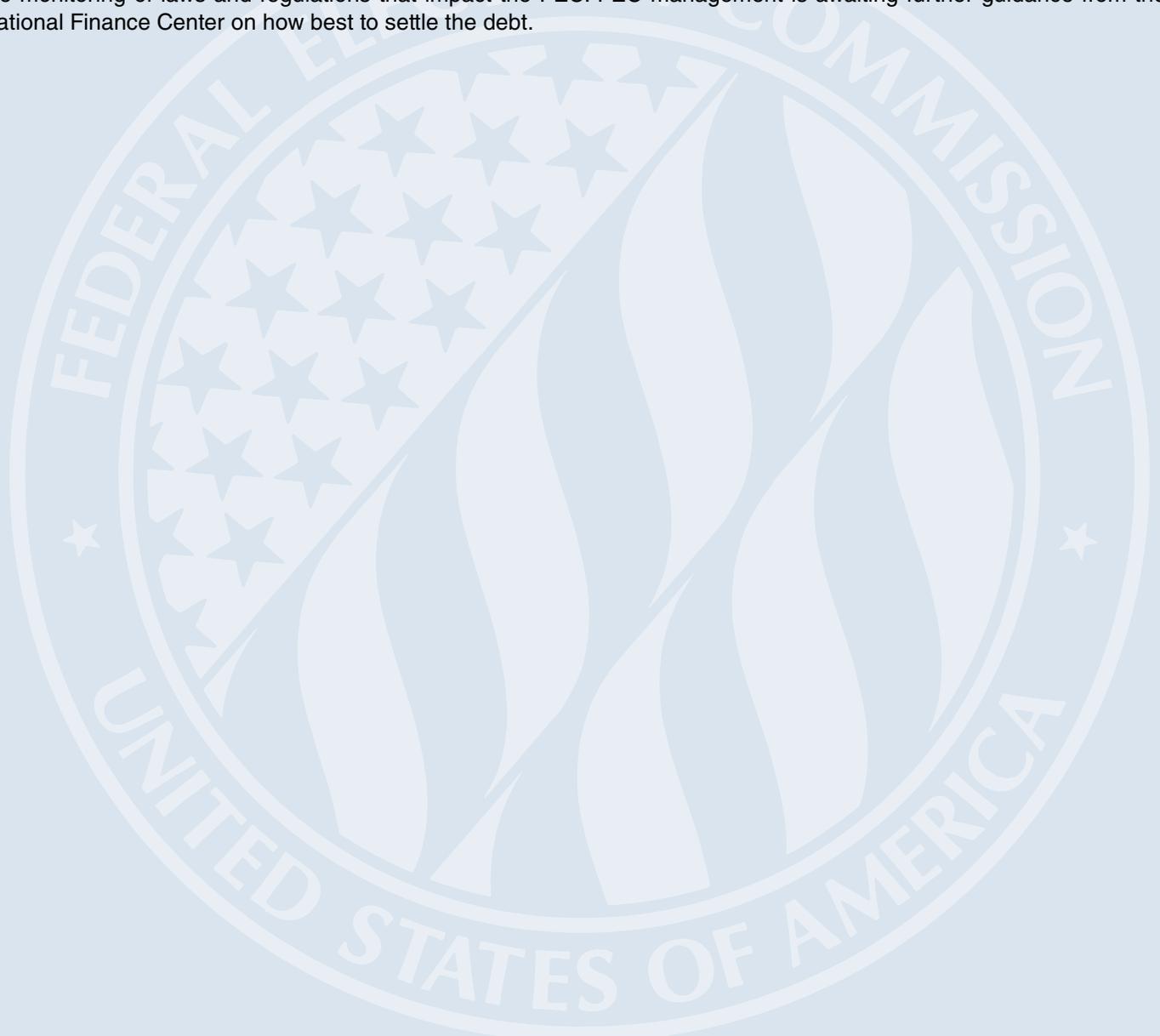
Details of all courses of action involving the 10 closed cases are provided below.

Closed Investigations– Courses of Action (Apr 1 – Sep 30, 2019)	# of Investigations
Investigations closed with ROI released to Commissioners	1
ROI completed and released to Commissioners and referred to local state authorities	1
Investigations closed with Management Alert Memorandum (requesting management to follow up with OIG with actions taken, if any)	4
Investigations closed with Closing Memorandum but not provided to management (referred to audit/special review, or insufficient evidence to proceed)	4
Referrals to DOJ for federal prosecution	0
Total	10

In accordance with the IG Act, the OIG is required to report on each investigation that involves a senior Government employee where allegations of misconduct were substantiated, including a detailed description of the investigation. The FEC OIG did not substantiate any allegations against a senior employee but did substantiate an allegation against the agency which involved overpayments to FEC commissioners. A short summary of that investigation is provided herein.

Overpayments - Commissioner Salary Increases

The investigation resulted in an ROI which concluded that FEC failed to implement the pay freeze provisions of the *Consolidated Appropriations Acts, 2014 to 2018*. As a result, during that time, FEC Commissioners received unauthorized salary increases in excess of the Executive Schedule level IV pay schedule. The investigation identified no evidence that FEC Commissioners received or were otherwise aware of the limitations imposed by the *Consolidated Appropriations Acts, 2014 to 2018*. As a result, the OIG provided recommendations to improve agency internal controls related to the monitoring of laws and regulations that impact the FEC. FEC management is awaiting further guidance from the National Finance Center on how best to settle the debt.



Additional OIG Activity

The IG Act provides that the IG is responsible for: 1) conducting and supervising audits and investigations relating to the FEC's programs and operations; 2) detecting and preventing fraud, waste, and abuse of agency programs and operations while providing leadership and coordination; 3) recommending policies designed to promote economy, efficiency, and effectiveness of the establishment; and 4) keeping the Commission and Congress fully and currently informed about problems and deficiencies in FEC agency programs and operations, and the need for corrective action. As a result, in addition to conducting audits, inspections, and investigations, the OIG performs and is involved in an assortment of additional projects and activities. The OIG reviews legislation compiled by the Commission's Congressional Affairs office that may affect agency programs and operations. Additionally, the OIG trains new FEC employees by educating staff on OIG mission.

The FEC IG reviews and provides comments, when appropriate, on legislation provided by the Council of Inspectors General on Integrity and Efficiency (CIGIE) Legislative Committee. In addition, the IG stays abreast to all Commission agenda items to ensure OIG personnel are aware of all agency actions and priorities. Furthermore, the FEC OIG Senior Auditor served as a member on the Enterprise Risk Management (ERM) subgroup assisting with documenting and implementing a risk-based audit plan guide. Additionally, she represented the FEC OIG at the Federal Audit Executive Council Conference and served as a panel member for the ERM working group.

There are no additional OIG activities to report.

Council of the Inspectors General on Integrity and Efficiency

Ms. Carla Smith, Senior Counsel and Mr. Tony Baptiste, Acting IG attended CIGIE monthly meetings prior to the selection of Mr. Skinner. Following Mr. Skinner's appointment, he attended monthly CIGIE meetings as well as CIGIE sponsored Conferences and Professional Development Seminars. Mr. Skinner continues to participate on all CIGIE OIG trainings as a new IG in the CIGIE community.



List of Training, Meetings & Conferences

The chart detailed below provides a list of trainings, meetings, programs, seminars, and/or conferences attended by the IG and the OIG staff for the period April 1, 2019 through September 30, 2019.

Trainings, Meetings, Conferences, Etc.	
Host / Sponsor	Topic / Subject
Association of Certified Fraud Examiners	30th Annual Fraud Conference 2019
Committee of Sponsoring Organizations of the Treadway Commission (COSO)	Enterprise Risk Management (ERM)
Council of Counsels to the Inspectors General	Small OIG Working Group
Council of the Inspectors General on Integrity and Efficiency	2019 CIGIE/GAO Financial Statement Audit Conference Critical Thinking Skills ERM Working Group FAEC Bi-Monthly Meeting Workshop FAEC 2019 Annual Conference Annual Leadership Conference Technology Committee Meeting Working with Congress, and the Federal Budget Process & Preparing and Delivering Congressional Testimony
Cybersecurity and Infrastructure Security Agency (CISA) Fed Virtual Training Environment	Cyber Fundamentals for Law Enforcement Investigations Cyber Security Investigations Mobile Forensics
Cybrary	Introduction to IT & Cybersecurity
Federal Election Commission	2019 COOP Training Administrative Liaison Group Meetings Biweekly Director's Meetings with IG, Acting GC, SD & CFO Course 101 Introduction to the FSA Workflow System Finance Committee Meeting New Employee Orientations Security Awareness Training for 2019-2020 USA Performance Training NBU Staff

Trainings, Meetings, Conferences, Etc.	
Host / Sponsor	Topic / Subject
General Services Administration	SmartPay Travel Card
Graduate School USA	Advanced COR Workshop Contracting Basics for Administrative Personnel
Institute of Internal Auditors	Emerging Audit Trends Volunteer as DC Chapter Officer
Management Concepts	Contracting Officer's Representative Course COR Refresher Manage Risk through Effective Enterprise Management Overview of Internal Control Guidance
Miscellaneous	IG Meet and Greet with Majority and Minority Staff for the Committee on House Administration
Other	Corporate Finance Institute/Reading Financial Statements
USDA	Federal Budgeting for Non-Budgeting Personnel
Wolters Kluwer	TeamMate User Forum 2019
Your Internal Controls	Compliance for Small Agencies

Reporting Requirements

Reporting requirements required by the IG Act, as amended, are detailed below:

IG Act	DESCRIPTION	PAGE
Section 4(a)(2)	Review of Legislation	19
Section 5(a)(1)	Significant Problems, Abuses, and Deficiencies	None
Section 5(a)(2)	Recommendations with Respect to Significant Problems, Abuses, and Deficiencies	None
Section 5(a)(3)	Recommendations Included in Previous Reports on Which Corrective Action Has Not Been Completed (Table III)	13 and 27
Section 5(a)(4)	Matters Referred to Prosecuting Authorities	None
Section 5(a)(5)	Summary of Instances Where Information was Refused	None
Section 5(a)(7)	Summary of Significant Reports	None
Section 5(a)(8)	Questioned and Unsupported Costs (Table I)	25
Section 5(a)(9)	Recommendations that Funds be Put To Better Use (Table II)	26
Section 5(a)(10)(A)	Summary of Audit Reports issued before the start of the Reporting Period for which No Management Decision has been made	None
Section 5(a)(10)(B)	Summary of Audit Reports Issued Before the start of the Reporting Period for which No Management Comment was Returned Within 60 Days	None
Section 5(a)(10)(C)	Summary of Audit Reports Issued Before the Start of the Reporting Period for which There Are Outstanding Unimplemented Recommendations	None
Section 5(a)(11)	Significant Revised Management Decisions	None
Section 5(a)(12)	Management Decisions with which the Inspector General is in Disagreement	None
Section 5(a)(11)	Peer Review Recommendations	29
Section 5(a)(17), (18)	Investigative Reports Table and Metrics (Table IV)	16-17, and 28

IG Act	DESCRIPTION	PAGE
Section 5(a)(19)	Investigations Involving a Senior Government Employee with Substantiated Misconduct	None
Section 5(a)(20)	Instances of Whistleblower Retaliation	None
Section 5(a)(21)	Attempts by the Agency to Interfere with OIG Independence	None
Section 5(a)(22)	Undisclosed Inspections, Evaluations, Audits, and Investigations	None



Table I: Inspector General Issued Reports with Questioned Costs

	Required Reporting	Number of Reports	Questioned Costs ⁵	Unsupported Costs
A.	For which no management decision has been made by commencement of the reporting period	0	0	0
B.	Which were issued during the reporting period	0	0	0
	Sub-Totals (A&B)	0	0	0
C.	For which a management decision was made during the reporting period	0	0	0
	(i) Dollar value of disallowed costs	0	0	0
	(ii) Dollar value of costs not disallowed	0	0	0
D.	For which no management decision has been made 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

⁵ Dollar values in thousands.

Table II: Inspector General Issued Reports with Recommended Actions That Funds Be Spent to Better Use

	Required Reporting	Number of Rec's	Dollar Value (In Thousands)
A.	For which no management decision has been made by the commencement of the reporting period	0	0
B.	Which were issued during the reporting period	0	0
C.	For which a management decision was made during the reporting period	0	0
	(i) dollar value of recommendations were agreed to by management	0	0
	based on proposed management action	0	0
	based on proposed legislative action	0	0
	(ii) dollar value of recommendations that were not agreed to by management	0	0
D.	For which no management decision has been made by the end of the reporting period	0	0
E.	Reports for which no management decision was made within six months of issuance	0	0

Table III: Summary of Audit and Inspection Reports with Corrective Actions Outstanding

Report Title	Report Number	Date Issued	Total Rec's	Closed	Open	Cost Savings
2010 Follow-up Audit of Procurement and Contract Management	OIG-10-02	06/11	1	1	0	0
2010 Follow-up Audit of Privacy and Data Protection	OIG-10-03	03/11	20	3	17	0
Inspection of the Federal Election Commission's Disaster Recovery Plan and Continuity of Operations Plans	OIG-12-06	01/13	7	0	7	0
Audit of the Federal Election Commission's Office of Human Resources	OIG-12-05	07/13	3	1	2	0
Inspection of FEC's Compliance with FMFIA/ OMB Circular A-123	OIG-14-01	06/14	2	1	1	0
Audit of the FEC's Telework Programs	OIG-15-03	06/16	7	5	2	0
Required Review Under the DATA Act	OIG-17-05	11/17	3	0	3	0
Totals			43	11	32	0

Table IV: Summary of Investigative Reports and Actions⁶

FEC OIG Investigations Courses of Action (Apr 1 – Sep 30, 2019)	Number
Total Number of Closed Cases for Reporting Period	10
Total Number of Persons Referred to DOJ for Criminal Prosecution	0
Total Number of Persons Referred to State and Local Prosecuting Authorities for Criminal Prosecution	1
Total Number of Indictments and Criminal Information Resulting from Any Prior Referral to Prosecuting Authorities	0

⁶ Metrics Used for Developing Data for Table IV:

The Total Number of Investigative Reports Issued reflects the number of all Reports of Investigation (ROI) issued to FEC Commissioners, Closing Memorandums, and Management Alerts issued to FEC management, the Department of Justice, or State and local prosecuting authorities during the reporting period;

The Total Number of Persons Referred to DOJ for Criminal Prosecution and Total Number of Persons Referred to State and Local Prosecuting Authorities for Criminal Prosecution reflects the total number of referrals for criminal prosecution made by the FEC OIG to the respective criminal prosecuting authorities during the reporting period; and

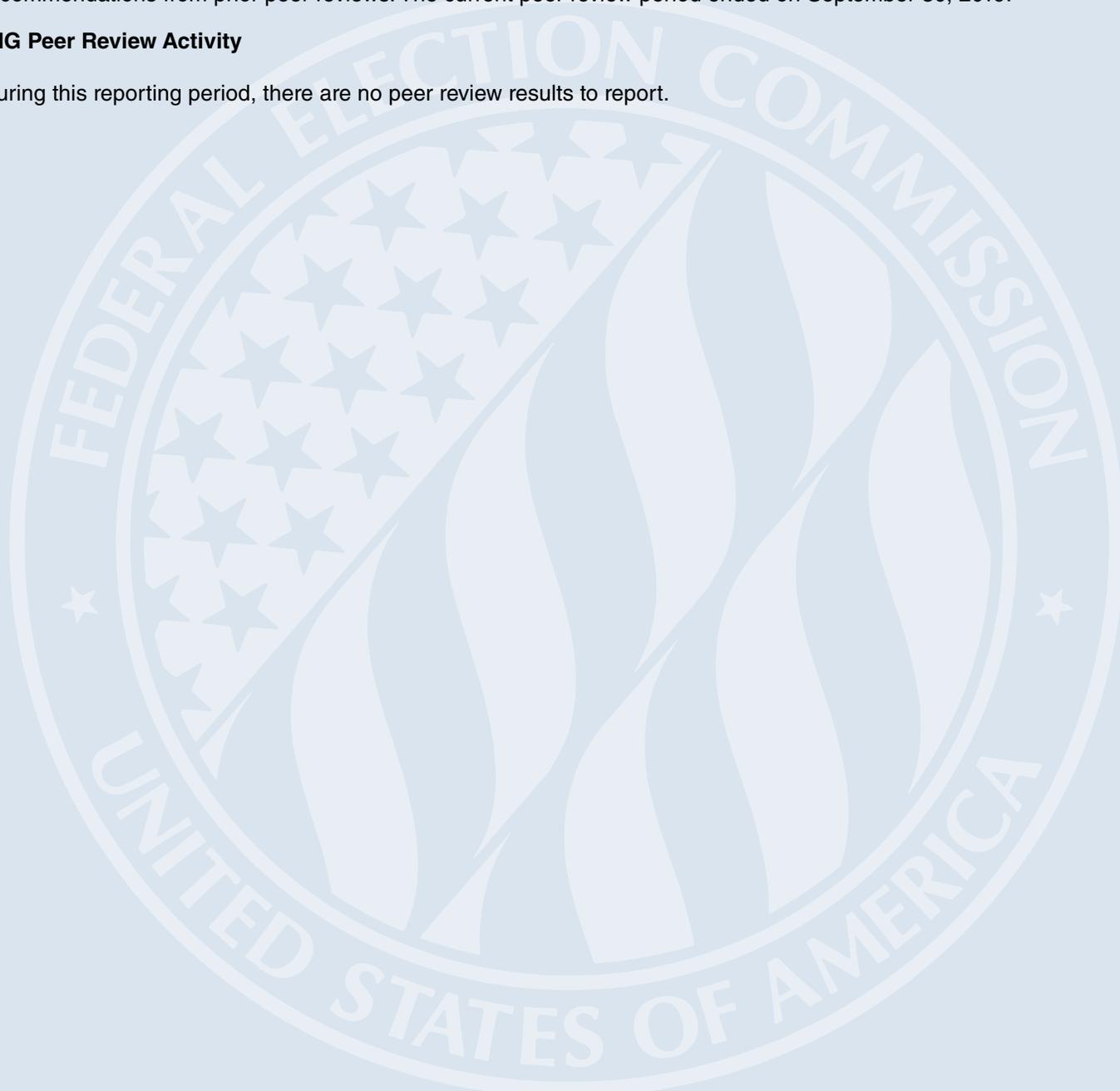
The Total Number of Indictments and Criminal Information Resulting from Any Prior Referral to Prosecuting Authorities includes all indictments and information issued during the reporting period by Federal, State, or local criminal prosecuting authorities based upon any referral by the FEC OIG, whether the referral was made during this reporting period or a prior reporting period.

Appendix A: Peer Review Results

In accordance with the *Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010* (Section 989C of P.L. 111-203 and as amended in section 5 of the IG Act), OIGs are required to report to Congress, as applicable, results of any peer reviews it received or conducted during the reporting period. Specifically, OIGs are required to report any outstanding recommendations that resulted from the peer review. The most recent peer review of the FEC OIG was conducted by the Farm Credit Administration (FCA) OIG and the final report was issued on February 15, 2017. The FCA OIG report did not include any recommendations for FEC OIG. Additionally, the FEC OIG does not have any open recommendations from prior peer reviews. The current peer review period ended on September 30, 2019.

OIG Peer Review Activity

During this reporting period, there are no peer review results to report.



Appendix B: Mission Statements

The Federal Election Commission

In 1975, Congress created the Federal Election Commission to administer and enforce the *Federal Election Campaign Act of 1971*, as amended. The duties of the FEC, an independent regulatory agency, are to disclose campaign finance information, enforce the provisions of the law, and oversee the public funding of Presidential elections.

The Commission consists of six members who are appointed by the President and confirmed by the Senate. Each member serves a six-year term, and two seats are subject to appointment every two years. By law, no more than three Commissioners can be members of the same political party, and at least four votes are required for any official Commission action. The Chairmanship of the Commission rotates among the members each year, with no member serving as Chairman more than once during his or her term.

Currently the FEC has three Commissioners and three vacancies – Ellen L. Weintraub (Chair); Caroline C. Hunter, and Steven T. Walther.

Office of Inspector General

The FEC OIG is committed to detect and prevent fraud, waste, and abuse, violations of law, and to promote economy, efficiency and effectiveness in the operations of the FEC. The OIG strives, as an agent of positive change, to promote improvements in the management of FEC programs and operations by independently conducting audits, reviews, and investigations. Our overriding objective is excellence and continuous improvement.

Federal Election Commission Office of Inspector General



Fraud Hotline 202-694-1015



or toll free at 1-800-424-9530 (press 0; then dial 1015)
Fax us at 202-501-8134 or e-mail us at oig@fec.gov
Visit or write to us at 1050 First Street, N.E., Suite 1010, Washington DC 20463

Individuals including FEC and FEC contractor employees are encouraged to alert the OIG to fraud, waste, abuse, and mismanagement of agency programs and operations. Individuals who contact the OIG can remain anonymous. However, persons who report allegations are encouraged to provide their contact information in the event additional questions arise as the OIG evaluates the allegations. Allegations with limited details or merit may be held in abeyance until further specific details are reported or obtained. Pursuant to the Inspector General Act of 1978, as amended, the Inspector General will not disclose the identity of an individual who provides information without the consent of that individual, unless the Inspector General determines that such disclosure is unavoidable during the course of an investigation. To learn more about the OIG, visit our Website at: <http://www.fec.gov/fecig/fecig.shtml>

Together we can make a difference.