



*Office of Inspector General
Export-Import Bank
of the United States*

SEMIANNUAL

REPORT TO CONGRESS

October 1, 2018 to March 31, 2019

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About Our Organization

EXPORT-IMPORT BANK OF THE UNITED STATES (EXIM Bank, EXIM, or the Bank) is the official export credit agency of the United States (U.S.). EXIM Bank supports the financing of U.S. goods and services in international markets, turning export opportunities into actual sales that help U.S. companies of all sizes to create and maintain jobs in the United States. The Bank assumes the credit and country risks that the private sector is unable or unwilling to accept. EXIM Bank also helps U.S. exporters remain competitive by countering the export financing provided by foreign governments on behalf of foreign companies. Approximately 90 percent of the Bank's transactions were made available for the direct benefit of U.S. small businesses in recent years.

For more information, please see [EXIM Bank's website](#).

THE OFFICE OF INSPECTOR GENERAL (OIG), an independent office within EXIM Bank, was statutorily created in 2002 and organized in 2007. The mission of EXIM OIG is to conduct and supervise audits, investigations, inspections, and evaluations related to agency programs and operations; provide leadership and coordination as well as recommend policies that will promote economy, efficiency, and effectiveness in such programs and operations; and prevent and detect fraud, waste, abuse, and mismanagement.

The OIG is dedicated to acting as an agent of positive change to help EXIM Bank improve its efficiency and effectiveness. It keeps EXIM Bank's Chairman and President and Congress fully informed about problems and deficiencies along with any positive developments relating to EXIM Bank administration and operations.

Find more information about EXIM OIG, including reports of audits, inspections and evaluations, on our [website](#). For more information on inspectors general in the U.S. government, please see the [Council of the Inspectors General on Integrity and Efficiency](#) (CIGIE) and [CIGIE's Oversight](#) websites.

A Message from the Inspector General

In the first half of fiscal year (FY) 2018, the EXIM Bank Office of Inspector General (OIG) continued its work in advising EXIM Bank management and the Congress on recommendations for improving Bank operations, as well as detecting, preventing, and prosecuting fraud.

I am pleased to submit this semiannual report to Congress, which details EXIM OIG’s completed work during the period from October 1, 2018 through March 31, 2019. In our last semiannual report, we reported that the Bank’s Board of Directors still lacked a quorum. Although outside the current semiannual reporting period, three Board members, which includes the President and Chairman of EXIM, were confirmed by the U.S. Senate on May 8, 2019, and sworn in shortly thereafter by the Bank. While during the reporting period, EXIM could not approve any new medium and long-term transactions over \$10 million, the existence of this quorum fully restores the Bank’s functionality. However, reauthorization of EXIM remains a challenge. The Export-Import Bank Reform and Reauthorization Act of 2015 extended the Bank’s charter only until September 30, 2019.

During this semiannual period, the OIG issued three audit reports. These included the statutorily-mandated audits of the Bank’s financial statements, and information security as well as issuing the financial statements management letter. EXIM OIG also issued two evaluation reports: one of which addressed EXIM’s additionality policy and the other addressed EXIM’s small business strategy. In addition, our office continued its focus on investigating fraud related to EXIM Bank transactions. Working with the Department of Justice (DOJ), OIG obtained a guilty plea to one count of wire fraud in a prior reporting period. In this reporting period, that individual was sentenced in Federal District Court. In another investigation, OIG obtained an indictment for one count of wire fraud and one count of aggravated identity theft. Staff in the Office of Investigations also continued diligent fraud prevention efforts by conducting outreach and training programs. One such outreach effort included participation in the EXIM annual conference.

None of these accomplishments would be possible without the hard work, professionalism, and dedication of our excellent staff. The goal of our office is to continue to provide timely, accurate, and credible information to aid Bank officials and Congress in shaping the future of EXIM Bank.

PARISA SALEHI
Digitally signed by PARISA SALEHI
Date: 2019.05.23 14:07:56 -0400

Parisa Salehi

Acting Inspector General

Highlights

The **Office of Audits and Evaluations (OAE)** issued three audits and two evaluations:

Audit of the Export-Import Bank of the United States Fiscal Year 2018 Financial Statements
([OIG-AR-19-01](#), November 15, 2018)

Under a contract overseen by OAE, an independent accounting firm performed an audit of EXIM Bank's financial statements for FY 2018 and found (1) the financial statements were fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles; (2) there were no material weaknesses; and (3) there were no instances of reportable noncompliance with laws and regulations or other matters it tested.

Evaluation of EXIM's Additionality Policy and Procedures
([OIG-EV-19-01](#), November 27, 2018)

We completed an evaluation of EXIM's additionality policy and procedures. The objective of the OIG evaluation was to ascertain the methodology and criteria used to comply with the Bank's additionality requirements, the adequacy of EXIM's due diligence and analysis, and the extent to which the analysis is documented and available for examination. To achieve our objective, we judgmentally sampled 32 transactions with a total authorized amount of \$3,183.9 million for review. We found that EXIM generally conducted sufficient due diligence and adequately interpreted the need for additionality when authorizing transactions, and generally complied with its additionality policy and procedures. Nonetheless, the Bank can improve controls over additionality determinations, particularly in the context of short-term transactions, but also more broadly in terms of improving internal controls. The report contains four recommendations and EXIM concurred with the recommendations.

Evaluation of EXIM's Small Business Strategy
([OIG-EV-19-02](#), November 27, 2018)

We completed an evaluation of EXIM's small business strategy. The objective of the OIG evaluation was to assess the Bank's small business strategy and related policies and procedures. To achieve our objective, we employed a combination of qualitative and quantitative techniques, as well as document reviews. While we found that EXIM generally met the percentage mandate set by Congress for small business direct financing for the period of review, we determined that five of the 36 transactions reviewed had inconsistencies in the documentation reviewed and approved by the Bank and the information reported in the EXIM Bank Reporting System. In addition, improvements were needed in the Bank's Participant HUB/Master Data Management database. Lastly, the Bank faces a number of challenges that make managing the achievement of the percentage mandate difficult. The report contains five recommendations and EXIM concurred with the recommendations.

Fiscal Year 2018 Financial Statements Audit Management Letter
([OIG-AR-19-02](#), December 17, 2018)

As a supplement to the Independent Auditor’s report on the FY 2018 Financial Statements, an independent accounting firm issued a management letter that identified four deficiencies in EXIM Bank’s internal control over financial reporting, which did not rise to the level of material weaknesses or significant deficiencies, but should be corrected. The report contains 11 recommendations and management concurred with the recommendations.

Independent Audit of Export-Import Bank’s Information Security Program Effectiveness for FY 2018
([OIG-AR-19-03](#), March 13, 2019)

Under a contract overseen by OAE, an independent accounting firm performed an audit of EXIM Bank’s Information Security Program for FY 2018. The objective for this independent audit was to determine whether EXIM developed and implemented an effective information security program and practices as required by the Federal Information Security Modernization Act of 2014 (FISMA). To determine whether EXIM developed and implemented an effective information security program and practices for the period of October 1, 2017 to September 30, 2018, we evaluated the Bank’s security plans, policies, and procedures in place for effectiveness as required by applicable federal laws and regulations, and guidance issued by OMB and the National Institute of Standards and Technology (NIST). The audit determined that EXIM Bank established and maintained its information security program and practices for its information systems for the five Cybersecurity Functions and eight FISMA Metric Domains. An information security program is effective when a majority of the five Cybersecurity Functions score Level 4: Managed and Measurable. Since the majority of EXIM’s Cybersecurity Functions were not scored at Level 4, the information security program was considered not effective. The report contains 14 recommendations and management concurred with the recommendations.

The **Office of Investigations (OI)** completed the following actions:

Criminal Convictions

OI continued its focus on investigating fraud related to EXIM Bank transactions. Working with the Department of Justice and the Postal Inspector General, OI obtained a conviction of one count of “Wire Fraud” against an individual who willfully and purposefully defrauded investors fraudulently claiming that funding had been secured from the EXIM Bank.

In addition, OI obtained an indictment against an individual in Pembroke Pines, FL. This individual allegedly defrauded multiple individuals out of hundreds of thousands of dollars in a scheme where he would fraudulently represent that he would serve as an intermediary with EXIM Bank in obtaining loans on the clients’ behalf to fund their construction projects in Africa.

Suspension and Debarment

The OIG continues to work with EXIM management to implement a more robust Suspension and Debarment program at the Bank. This program serves as a critical tool to prevent waste and fraud and protect the business interests of the U.S. Dialogue is ongoing between OIG and EXIM Bank management officials to determine potential obstacles to taking suspension and debarment action, and plans to overcome those obstacles. During this reporting period, ten matters were referred for consideration to the EXIM Bank suspension and debarment official.

Office of Audits and Evaluations

OAE conducts and oversees independent and objective audits, inspections, and policy evaluations of EXIM’s programs and operations to assess the efficiency and effectiveness of the Bank’s programs, operations and transactions. All audits are performed in accordance with generally accepted government auditing standards promulgated by the Comptroller General of the United States. OAE staff also may perform evaluations; conduct research projects; provide advisory or consulting services to EXIM Bank management; or provide information, comments and other services to outside parties.

All inspection and evaluation assignments are performed in accordance with the CIGIE guidelines and standards, including the 2012 Quality Standards for Inspection and Evaluation. OAE works in tandem with the OI whenever appropriate and refers any irregularities and other suspicious conduct to the OI for investigative consideration.

Summary of Activities

During this semiannual reporting period, OAE issued three audits and two evaluations:

- Audit of the Export-Import Bank of the United States Fiscal Year 2018 Financial Statements
- Evaluation of EXIM’s Additionality Policy and Procedures
- Evaluation of EXIM’s Small Business Strategy
- Fiscal Year 2018 Financial Statements Audit Management Letter
- Independent Audit of Export-Import Bank’s Information Security Program Effectiveness for Fiscal Year 2018

At the end of the reporting period, OAE had two audits, one evaluation, and one assessment in progress:

- Independent Auditor’s Report on Export-Import Bank’s FY 2018 Payment Integrity Annual Reporting Compliance with Improper Payment Laws
- Audit of EXIM Bank’s Fiscal Year 2019 Financial Statements
- Evaluation of Export-Import Bank’s Credit Loss Factor Model and Loss Reserve Process
- FY 2019 Assessment of EXIM’s Reauthorization Act of 2015

Reports Issued

Audit of the Export-Import Bank of the United States Fiscal Year 2018 Financial Statements

([OIG-AR-19-01](#), November 15, 2018)

Under a contract overseen by OAE, an independent accounting firm performed an audit of EXIM Bank's financial statements for fiscal year (FY) 2018 and found:

- (1) the financial statements were fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles;
- (2) there were no material weaknesses; and
- (3) there were no instances of reportable noncompliance with laws and regulations or other matters it tested.

Evaluation of EXIM's Additionality Policy and Procedures

([OIG-EV-19-01](#), November 27, 2018)

We issued an evaluation of EXIM's additionality policy and procedures to ascertain the methodology and criteria used to comply with the Bank's additionality requirements, the adequacy of EXIM's due diligence and analysis, and the extent to which the analysis is documented and available for examination. We judgmentally sampled 32 transactions for review, with a total authorized amount of \$3,183.9 million, to test for compliance with the Bank's policy and procedures. The transactions were authorized by the Bank in fiscal years 2014 to 2017.

We found that EXIM generally conducted sufficient due diligence and adequately interpreted the need for additionality when authorizing transactions. The Bank generally complied with its additionality policy and procedures. However, EXIM can improve controls over additionality determinations, particularly in the context of short-term transactions, but also more broadly in terms of improving internal controls.

We made four recommendations to improve controls over additionality determinations:

- (1) for medium-term transactions, ensure the reason for Bank support is documented in the decision memo as required,
- (2) for long-term transactions, ensure the required checklists and/or appendixes for additionality are completed and documented in the credit file,
- (3) revise the additionality policy and procedures to require the confirmation of information to be documented in the credit file, and

- (4) re-evaluate the current additionality policy and procedures for short-term transactions to identify an approach to improve how determinations are supported and verifiable at the transaction level.

Management concurred with the recommendations.

Evaluation of EXIM's Small Business Strategy

([OIG-EV-19-02](#), November 27, 2018)

We issued an evaluation of EXIM's small business strategy to assess the Bank's small business strategy and related policies and procedures. We employed a combination of qualitative and quantitative techniques, as well as document reviews. We judgmentally selected 36 transactions for review, with a total authorized amount of \$7,627.0 million and a total small business authorized amount of \$418.0 million as of September 30, 2017, to test for compliance with the Bank's policies and procedures.

We found EXIM generally met the percentage mandate set by Congress for small business direct financing for the period of review. However, we determined that five of the 36 transactions reviewed had inconsistencies in the documentation reviewed and approved by the Bank and the information reported in the EXIM Bank Reporting System (ERS). In addition, the Bank's Participant Hub/Master Data Management (MDM) database can be improved. Lastly, the Bank faces a number of challenges that make managing the achievement of the percentage mandate difficult.

We made five recommendations to improve data accuracy and the calculation of the small business component for individual transactions and the administration of the small business strategy:

- (1) for a specified transaction, correct the reporting error identified in ERS,
- (2) ensure the credit files contain information to support the small business status and component for transactions,
- (3) develop and implement a process for timely reconciliation and updates of the Participant Hub/Master Data Management database for short-term exporter-held multi-buyer insurance policies,
- (4) as part of the forthcoming reauthorization, seek a legislative solution to address the challenges posed by the percentage mandate requirement for small business, and
- (5) identify ways to enable management and staff to directly address and resolve the disagreements about the small business strategy and implementation.

Management concurred with the recommendations.

Fiscal Year 2018 Financial Statements Audit Management Letter

[\(OIG-AR-19-02\)](#), December 17, 2018)

As a supplement to the Independent Auditor's report on the FY 2018 Financial Statements, the independent accounting firm issued a management letter that identified five deficiencies in EXIM Bank's internal control over financial reporting. Neither of these identified deficiencies rose to the level of material weaknesses or significant deficiencies, but should nevertheless be corrected. Specifically, the independent accounting firm found:

- (1) management did not properly design control activities to limit user access to information technology systems through authorization control activities;
- (2) management did not properly design control activities to implement separation of duties or the concept of least privilege;
- (3) users maintained an active account and access to an application after separation from the Bank;
- (4) model documentation should be enhanced to complement Standard Operating Procedures and other existing documents to describe, conceptually, how the cash flow model should work, and to provide sufficient details for an independent party to evaluate whether the actual model implementation is consistent with the conceptual model design. In addition, management should provide more details on the qualitative considerations (i.e., in addition to the qualitative factors applied in the model), such as the effects of the Project Finance deals, supporting overall model results that are more conservative than historical performance; and
- (5) model documentation should be enhanced to sufficiently support EXIM Bank's assumption that utilizing the lifetime probability of default (PD) will not have a significant impact on the overall results of the model.

We made 11 recommendations to improve EXIM Bank's internal control over financial reporting:

- (1) create and require the use of separate accounts;
- (2) limit account privileges of roles to functions and responsibilities;
- (3) limit access by activity;
- (4) ensure password management controls for accounts are enforced;
- (5) enhance controls to ensure they are properly monitored, reviewed, and that reviews are documented and communicated to management;

- (6) implement policies to ensure incompatible roles for all information systems are documented and procedures are implemented to ensure those roles are appropriately segregated;
- (7) continue to enhance the model documentation to articulate how the cash flow model works and the rationale used in the models. The documentation should be at a sufficient level of detail to enable a reviewer to independently analyze the model;
- (8) assess the need to further modify the cash flow model to adjust the lifetime PD assumption to account for the age and performance of each deal, or document the determination as to how such a model change would have an insignificant effect on the model results;
- (9) document, in sufficient detail, additional qualitative considerations used by management to calculate re-estimates for financial statement reporting, that clearly bridges the gap between model historical performance and the resulting calculations. The documentation should include a quantification of the impact of these qualitative considerations on the outputs of the cash flow model;
- (10) develop and implement a correction to the FMS posting logic for credit memo account transactions; and
- (11) develop and implement controls to review the completeness and accuracy of posted journal entries for reversing/correcting transactions.

Management concurred with the recommendations.

Independent Audit of Export-Import Bank's Information Security Program Effectiveness for FY 2018
([OIG-AR-19-03](#), March 13, 2019)

Under a contract overseen by OAE, an independent accounting firm performed an audit of EXIM Bank's Information Security Program for FY 2018 to determine whether EXIM developed and implemented an effective information security program and practices as required by FISMA. To determine whether EXIM developed and implemented an effective information security program and practices for the period of October 1, 2017 to September 30, 2018, we evaluated the Bank's security plans, policies, and procedures in place for effectiveness as required by applicable federal laws and regulations, and guidance issued by OMB and NIST.

The audit determined that EXIM Bank established and maintained its information security program and practices for its information systems for the five Cybersecurity Functions and eight FISMA Metric Domains. During the past year, EXIM implemented corrective actions to remediate prior-year deficiencies over vulnerability management, baseline configurations, information assurance monitoring, and firewall capabilities. Additionally, the Bank effectively designed and implemented 12 of 13 controls from NIST Special Publication (SP) 800-53, Revision (Rev.) 4, Security and Privacy Controls for Federal Information Systems and

Organizations that we tested for a selected information system and contractor information system.

However, when we assessed EXIM’s information security program against the Department of Homeland Security FY 2018 Inspector General FISMA Reporting Metrics, we found that the Cybersecurity Functions’ Identify, Protect, and Detect scored at Level 3: Consistently Implemented, and Respond and Recover scored at Level 2: Defined. An information security program is effective when a majority of the five Cybersecurity Functions score Level 4: Managed and Measurable. Since the majority of EXIM’s Cybersecurity Functions scored at a Level 3: Consistently Implemented, the information security program was considered not effective. Further, we identified deficiencies within four of the five Cybersecurity Functions for four of the eight FISMA program areas. Specifically, we noted the following:

Cybersecurity Function: Identify

- (1) Risk management policies and procedures need improvement. (Risk Management)

Cybersecurity Function: Detect

- (2) Information security continuous monitoring program was not fully established. (Information Security Continuous Monitoring)

Cybersecurity Function: Respond

- (3) Incident handling policies and procedures were not completely documented. (Incident Response)

Cybersecurity Function: Recover

- (4) Contingency planning program needs improvement. (Contingency Planning)

We made 14 recommendations to improve EXIM Bank’s Information Security Program:

- (1) formally document policies and procedures that address the NIST SP 800-53, Revision 4, RA-1, CM-1, CM-8, CA-7, and SA-5 security controls;
- (2) document policies, procedures, and plans and/or strategies for monitoring assets;
- (3) address mission and business process considerations for information security;
- (4) update policies, procedures, and strategy for Information Security Continuous Monitoring (ISCM);
- (5) update the overarching ISCM procedures and strategy;
- (6) establish criteria to measure the effectiveness of the ISCM program;
- (7) assess assets and analyze event data in real-time for compliance;

- (8) implement incident response policies and procedures that follow NIST SP 800-53, Rev. 4, security control requirement IR-4 and NIST 800-61, Rev. 2, guidance and include detailed steps for responding to an incident;
- (9) ensure policies and procedures are up to date and include the aspects of lessons learned from training and testing;
- (10) fully document, finalize, and approve a plan to address business and mission requirements;
- (11) fully document policies, procedures, and/or strategies that adhere to NIST SP 800-53 security control requirement CP-2 and NIST SP 800-34 guidance;
- (12) identify potential disruptions for the Bank and its systems and incorporate the results into the analysis and strategy development efforts for the Bank and in-scope systems continuity plans;
- (13) fully document and perform system reviews, training, and simulations on an annual basis and retain the test results; and
- (14) develop and include a business continuity plan within system documentation.

Management concurred with the recommendations.

Ongoing Projects

Independent Auditors' Report on Export-Import Bank's FY 2018 Payment Integrity Annual Reporting Compliance with Improper Payment Laws

Each year, the federal government wastes billions of taxpayer dollars on improper payments. To reduce improper payments, the President signed into law the Improper Payments Information Act of 2002 (IPIA) which was then amended by the Improper Payments Elimination and Recovery Act of 2010 (IPERA) and the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA). As amended, IPIA requires agencies to review their programs and activities each fiscal year and identify those susceptible to significant improper payments. In addition, Inspectors General are required to determine whether their respective agencies are compliant with the improper payment laws. Under a contract overseen by OAE, an independent public accounting firm is conducting this audit to determine the Bank's FY 2018 Payment Integrity annual reporting compliance with the improper payment laws for its FY 2017 transactions. The report will be issued in the semiannual period ending September 30, 2019.

Audit of EXIM Bank's Fiscal Year 2019 Financial Statements

An independent public accountant, working under OAE supervision, is conducting an audit to issue an opinion on the accuracy and completeness of EXIM Bank's financial statements for FY

2019, which will be issued in the semiannual period ending March 31, 2020. A related management letter report will also be issued in the semiannual reporting period ending March 31, 2020.

Evaluation of Export-Import Bank’s Credit Loss Factor Model and Loss Reserve Process

Under a contract overseen by OAE, a consulting services firm specializing in Federal credit and risk analytics is conducting an independent evaluation of EXIM’s FY 2019 Credit Loss Factor model. The scope of the evaluation includes an assessment of the reasonableness of the Bank’s overall loss reserve process. The report will be issued in the semiannual reporting period ending September 30, 2019.

Assessment of Export-Import Bank’s Actions to Implement the Key Provisions of the Reform and Reauthorization Act of 2015

The objective of the assessment is to assess EXIM Bank’s actions taken to implement key provisions of the Reauthorization Act of 2015. The report will be issued in the semiannual reporting period ending September 30, 2019.

Office of Investigations

OI conducts and coordinates investigations relating to alleged or suspected violations of Federal laws, rules, or regulations occurring in EXIM Bank programs and operations, which may result in criminal or civil prosecution and/or administrative sanctions. The subjects of OI investigations can be program participants, contractors, EXIM Bank management or employees. OI’s investigations are supported by Investigative and Financial Analysts who conduct tactical and strategic intelligence analysis in support of OI’s investigations.

Summary of Investigations

OI evaluates all reports of possible fraud or illegality affecting EXIM Bank programs and activities. Such reports are received from a variety of sources including EXIM Bank employees, Office of General Counsel (OGC), participants in Bank transactions, other government agencies, and the EXIM Bank OIG Hotline. Evaluations that identify reasonable indications of possible fraud or illegality result in an investigation. These investigations are summarized in the table below.

Activity	Investigations
Open as of October 1, 2018	21
Opened during period	9
Closed during period	5
Open as of March 30, 2019	25

Of the 25 current open investigations, the following table depicts the category of EXIM Bank program affected by the investigation based on the allegations received:

Program	Number of Investigations
Export Credit Insurance	9
Loan Guarantee	5
Working Capital	3
Direct Loan	0
Letter of Interest	4
Employee Integrity	0
Other (i.e., proactive investigations)	4

Investigative Results

OI obtained the following investigative actions during this reporting period:

Description	OIG	Joint Activities*	Total
Matters Referred for Prosecution Consideration	5	0	5
Matters referred for State and Local Consideration	0	0	0
Criminal Indictments, Informations, Complaints	1	0	1
Guilty Pleas Entered	0	0	0
Criminal Judgments	0	1	1
Civil Actions	0	0	0
Civil Recoveries	0	0	0
Prison Time (months)	0	37	37
Probation (months)	0	36	36
Court Ordered Fines, Restitution, and Forfeiture	\$0	\$100	\$100
Administrative Actions**	0	0	0
Administrative Employee Actions***	0	0	0
Administrative Cost Savings and Repayments	\$0	\$0	\$0
Suspensions and Debarments	0	0	0

* Joint investigations with other law enforcement agencies.

** Administrative actions are responses by EXIM Bank to stop transactions, cancel policies, or protect funds at risk based on investigative findings.

*** Administrative employee actions are responses by EXIM Bank to terminate or discipline EXIM Bank employees based on investigative findings.

The metrics used in this report were obtained from a system of records entitled, "EIB-35-Office of Inspector General Investigative Records" also known as "CMTS". CMTS is a Structured Query Language (SQL) database used by OI to store its records related to criminal, civil, and administrative investigations. The database contains assignments, allegations, investigative activities, actions, dates, and identifying information about potential subjects and individuals related to these investigations. The system is able to generate metrics reports, which track judicial, administrative, and other investigative actions and activities. The database generates statistical reports on a variety of OI products including: Hotlines, Complaints, Subpoenas, and Investigations.

Investigations

Export Credit Insurance and Loan Guarantee Programs

EXIM Bank's export credit insurance and guarantee programs have been susceptible to fraud schemes by foreign borrowers, U.S. based exporters, and other transaction participants. One fraudulent scheme to exploit these programs involves the falsification of shipping records to convince EXIM Bank that the described goods have been shipped when in fact they have not. Other fraud schemes involve submitting false financial statements of foreign borrowers in order

to induce EXIM Bank to provide its guarantee coverage for a loan for which they might otherwise be ineligible, and by submitting false documentation to the guaranteed lender and EXIM Bank regarding the shipment, nature, or quantity of the U.S. goods allegedly being exported.

Successful investigative efforts within EXIM’s programs during the reporting period include the following:

Criminal Fraud Sentence and Indictment

On March 8, 2018, Isaac Voss entered a guilty plea to a violation of Title 18, U.S.C. § 1343 (Wire Fraud) in the District of Oregon, Portland, Oregon. On October 9, 2018, Isaac Voss was sentenced to 37 months in prison followed by 36 months of supervised release and a \$100 special assessment. Mr. Voss used his company, XFuels, to obtain money from people across Oregon, California and Washington over a four-year period beginning in 2011. Those investors were tricked into handing over their cash because of elaborate marketing materials produced by Mr. Voss, including fliers, brochures and a website containing false information about XFuels that promised technology and investment opportunities. During this time frame, Mr. Voss fraudulently claimed that EXIM Bank was an investor in his project and that funding had been secured from the Bank.

On November 27, 2018, an individual was indicted on violations of Title 18 U.S.C. §§ 1343 (Wire Fraud) and 1028A(a)(1) (Aggravated Identity Theft) in the Southern District of Florida and was arrested the next day. According to the indictment, the defendant solicited clients in Africa fraudulently representing that he would serve as an intermediary with EXIM Bank in obtaining loans on the clients’ behalf to fund their construction projects. To garner confidence in his ability to deliver EXIM Bank loans, the defendant allegedly sent letters to clients, which falsely and fraudulently represented that EXIM Bank had approved multi-million dollar loans for the clients’ projects. The defendant’s allegedly fraudulent conduct included fabricating these letters, using the official EXIM Bank letterhead and the names of EXIM Bank employees, of whom the defendant had knowledge through prior correspondence with EXIM Bank.

Other Investigative Results

To the extent permissible and within the confines and limitations of an investigation, OI Special Agents work collaboratively to share investigative intelligence with OGC, the Office of Risk Management, and the Asset Management Division of EXIM Bank to help identify potential and suspected fraudulent activity within EXIM Bank transactions and to protect funds at risk.

During this reporting period, OI communicated with EXIM Bank management to enhance the monitoring of existing transactions and due diligence reviews of proposed transactions based on developed investigative leads. OI shared active law enforcement intelligence with OGC on several matters concerning suspected criminal activity by participants involved in active insurance policies or transactions under review. OI made 18 referrals of investigative information to OGC concerning potential fraud and funds at risk for enhanced due diligence by

EXIM Bank. Additionally, OI notified OGC of eight other companies that had or were continuing to do business with the Bank and were under investigation by other federal agencies.

OI authored a referral for review to OAE in which it documented its recent investigative observations and findings regarding the Bank's Letter of Interest (LOI) program. OI has opened four separate LOI investigations in the last three years, where external entities were found to be abusing the LOI program to further various fraud schemes. The frauds have resulted in millions of dollars in losses to their victims and have exposed the Bank to reputational risk. These efforts are part of OI's continuing objective to expeditiously protect funds at risk concurrent in monitoring, oversight, and collection efforts involving transactions in which fraud is uncovered.

During this reporting period, OI submitted two semi-annual Fix National Instant Criminal Background Check System (NICS) Certifications to the Federal Bureau of Investigation's Criminal Justice Information Services Division (CJIS). A comprehensive review of OI's investigative files and case management information systems identified five missing felony conviction records from the NICS database. EXIM OIG arranged to address the missing felony conviction records directly with CJIS' NICS representatives. Pursuant to DOJ guidance and the related Fix NICS Act of 2018, OIG reported 100 percent compliance with all of its indictments, arrests, fugitives, and convictions.

Hotline Activity

The EXIM Bank OIG maintains a hotline to receive reports of fraud, waste, and abuse in EXIM Bank programs and operations. Hotline reports are evaluated by our investigative team and, based on the available evidence, may result in the initiation of an investigation, audit, referral to other law enforcement authorities having jurisdiction, or referral to Bank management for administrative action.

The OIG received eleven hotline reports during the semiannual reporting period. Two were referred externally and nine were resolved and closed by the hotline.

Hotline reports can be made by any of the following methods:

- Phone at 1-888-OIG-EXIM (1-888-644-3946);
- E-mail at IGhotline@exim.gov, or;
- In person or mail/delivery service to EXIM Bank OIG Hotline, Office of Inspector General, 811 Vermont Avenue, NW, Room 1052-1, Washington DC 20571.

The OIG will not disclose the identity of a person making a report through the hotline without their consent unless the Inspector General determines such disclosure is unavoidable during the course of an investigation.

Office of Inspector General Management Initiatives

Fraud Awareness Training and Outreach

As part of the OIG’s mission to prevent and detect fraudulent activity, continual efforts are made to meet with and educate stakeholders about the various risks and fraud scenarios most commonly seen in trade finance, export credit fraud, and money laundering cases. The OIG participates in the Bank’s mandatory new employee orientation program to educate new EXIM Bank federal employees on their responsibilities and how to spot indicators of fraud. During this reporting period, OIG representatives attended the Bank’s two-day annual conference and operated a fraud awareness booth at the event. Red Flag brochures were distributed to conference attendees and OIG staff were available to respond to questions.

International and Domestic Collaboration

Since the majority of OIG investigations and inspections are focused on international transactions, we continually seek to partner with international organizations to collaborate and exchange ideas and information on how to work together in identifying, preventing, and investigating fraud. During this reporting period, OI representatives conducted a series of international briefings in Budapest, Hungary on complex fraud scenarios and money laundering schemes. Representatives from numerous foreign nations attended the training seminars, which were held at the International Law Enforcement Academy. These sessions are part of a joint initiative by the U.S. Department of State and DOJ’s Office of Overseas Prosecutorial Development and Training to train and advise foreign investigators and prosecutors in asset forfeiture, money laundering and counterterrorism.

Council of Inspectors General on Integrity and Efficiency

The OIG participates in the activities of the CIGIE, including the Audit Committee, the Inspection and Evaluation Committee, the Legislation Committee, as well as the Council of Counsels to the Inspectors General. During this reporting period, two OIG representatives participated in the CIGIE Enterprise Risk Management Working Group. One representative served as Chair of the subcommittee for small OIGs.

Enterprise Risk Management

OMB requires agencies to embed risk management practices within all key processes to ensure that risks can be managed effectively. In July 2016, OMB revised Circular No. A-123, [Management’s Responsibility for Enterprise Risk Management and Internal Control](#). The Circular’s requirements for federal agencies to implement enterprise risk management (ERM) were effective beginning FY 2017. To this end, the Circular emphasizes the importance of incorporating the ERM discipline into the strategic planning and internal control processes of agencies as required under the Federal Managers’ Financial Integrity Act of 1982, the Government Performance and Results Modernization Act of 2010, and the General Accountability Office’s [Standards for Internal Control in the Federal Government](#). The OIG community is embracing ERM as a best practice and has established an ERM Working Group consisting of representatives from various OIGs. EXIM OIG chaired and participated in this effort to foster the promotion and implementation of ERM principles in accordance with OMB

Circular A-123 within the OIG community. While CIGIE’s [Quality Standards for Federal Offices of Inspectors General](#) require OIGs to assess the internal and external risks they face in carrying out their mission, ERM approaches this analysis from a different lens. It is designed to strengthen risk management processes by reaching across silos, identifying and mitigating key risks, and evaluating the relationship among those risks.

President’s Management Agenda

The President’s Management Agenda and OMB memoranda [M-17-26](#) and [M-18-23](#) emphasize the need for U.S. federal agencies to refocus resources away from “unnecessary and obsolete policies, guidance, and reporting requirements” toward “mission-critical objectives and high-value work.” To support this initiative, the Administration has rescinded numerous “redundant, obsolete, or unnecessary requirements” from Federal agencies. Further, OMB has proposed to eliminate or modify over 400 congressionally required documents they believe to be outdated or unnecessary in the [Elimination of Unnecessary Agency Reports](#). In concert with OMB’s guidance, EXIM OIG is reviewing its current administrative and risk assessment processes to achieve the following desired outcomes:

- Streamline internal processes and communication through automation and use of SharePoint
- Optimize scarce resources through prioritizing assignments, setting performance metrics, clear allocation of responsibilities, using templates, etc.
- Greater use of data analytics by using a dashboard that provides a comprehensive historical database of EXIM transactions that will allow users to conduct queries, analysis, reporting, and data visualization.
- Incorporate risk management within all key processes to ensure that risks can be managed effectively.

Review of Legislation and Regulations

Pursuant to section 4(a)(2) of the Inspector General Act of 1978, as amended, the OIG reviews proposed and existing legislation and regulations related to EXIM Bank’s programs and operations. During this reporting period, EXIM OIG participated in a CIGIE working group that is focused on reforming the Program Fraud Civil Remedies Act (PFCRA), which is one of the [CIGIE Legislative Priorities](#). The working group briefed staff members in both the House and Senate committees of jurisdiction as to the benefits that could be realized from reforming PFCRA, including benefits to existing EXIM programs.

Government Accountability Office

The Inspector General (IG) Act states that each IG shall give particular regard to the activities of the Comptroller General of the United States with a view toward avoiding duplication and ensuring effective coordination and cooperation. During the reporting period, the OIG shared information on ongoing and planned work with GAO officials. GAO did not issue any reports during the reporting period that specifically addressed EXIM Bank procedures or mission.

APPENDIX A

Open Recommendations from Prior Reporting Periods

This table shows that 17 recommendations from six reports issued up to September 30, 2018 remain open at the end of this reporting period. Twelve open recommendations are from reports issued in FY 2018. The remaining five open recommendations are from reports issued in FY 2017. Reports from prior periods are no longer listed when all recommendations have been closed.

Report No./ Date	Report Title	Total	Recommendations			Latest Target Closure Date
			Open	Closed	Unresolved	
Last Period (4/1/18 – 9/30/18)						
Audits						
OIG-AR-18-06 26 Sept 2018	Audit of the EXIM Medium-Term Early Problem Credits	6	5	1	0	9/26/2019
Inspections and Evaluations						
OIG-INS-18-01 26 Sept 2018	Inspection of EXIM's Transaction with Kenya Airlines	2	2	0	0	9/26/2019
Prior Periods (prior to 3/31/18)						
Audits						
OIG-AR-17-05 29 Sept 2017	Audit of the Export-Import Bank's Disbursement Processes	9	1	8	0	9/28/2018
OIG-AR-18-01 8 Nov 2017	Independent Auditors' Report on EXIM Bank's Data Act Submission	13	5	8	0	11/8/2018
Inspections and Evaluations						
OIG-EV-17-01 2 Dec 2016	Evaluation of Risk Management Procedures and CRO Responsibilities	8	2	6	0	6/30/2019
OIG-EV-17-03 30 Mar 2017	Report on EXIM Bank's CGF Program	5	2	3	0	3/30/2018
Totals		43	17	26	0	

APPENDIX B

Audit and Evaluation Reports Issued from October 1, 2018 – March 31, 2019

	Report No./Date	Report Title	Management Decisions Reached on Recommendation	Total Questioned Cost	Unsupported Cost	Funds for Better Use	Disallowed Cost
1	OIG-AR-19-01 15 Nov 2018	Audit of the Export-Import Bank of the United States Fiscal Year 2018 Financial Statements	0/0	0	0	0	0
2	OIG-EV-19-01 27 Nov 2018	Evaluation of EXIM's Additionality Policy and Procedures	4/4	0	0	0	0
3	OIG-EV-19-02 27 Nov 2018	Evaluation of EXIM's Small Business Strategy	5/5	0	0	0	0
4	OIG-AR-19-02 17 Dec 2018	Fiscal Year 2018 Financial Statements Audit Management Letter	11/11				
5	OIG-AR-19-03 13 Mar 2019	Independent Audit of Export-Import Bank's Information Security Program Effectiveness for FY 2018	14/14	0	0	0	0
Totals				0	0	0	0

APPENDIX C

Significant Recommendations from Previous Semiannual Reports on Which Corrective Action Has Not Been Completed

We have identified two significant recommendations that were agreed to by EXIM but have not been implemented as of March 31, 2019. We are committed to working with Bank management to expeditiously address the management decision and correct action process, recognizing that certain initiatives will require long-term, sustained and concerted efforts.

Evaluation of Risk Management Procedures and Chief Risk Officer Responsibilities

([OIG-EV-17-01](#), December 2, 2016)

Recommendation 1: To clarify the authority and responsibility of the Chief Risk Officer with respect to the current allocation of risk management responsibilities across the agency, EXIM Bank should formally document the risk management roles, responsibilities and authority of its line of defense functions; clarify responsibilities and interaction between different senior management committees and divisions; identify the individuals and functions to be responsible for each; and address any gaps in those responsibilities.

Expected implementation date: June 30, 2019.

Recommendation 2: EXIM Bank should review the Enterprise Risk Committee approval process to specify the authority and responsibility of the CRO over risk policies, procedures, and reports.

Expected implementation date: June 30, 2019.

APPENDIX D

Open Recommendations

	Recommendation	Status	Expected Implementation Date	Management Agree or Disagree	Questioned Cost	Funds for Better Use
Evaluation of Risk Management Procedures and Chief Risk Officer Responsibilities (OIG-EV-17-01, December 2, 2016)						
1	To clarify the authority and responsibility of the CRO with respect to the current allocation of risk management responsibilities across the agency, EXIM Bank should formally document the risk management roles, responsibilities and authority of its line of defense functions; clarify responsibilities and interaction between different senior management committees and divisions; identify the individuals and functions to be responsible for each; and address any gaps in those responsibilities.	Open	6/30/2019	Agree	0	0
2	EXIM Bank should review the Enterprise Risk Committee approval process to specify the authority and responsibility of the CRO over risk policies, procedures, and reports.	Open	6/30/2019	Agree	0	0
Report on EXIM Bank's CGF Program (OIG-EV-17-03, March 30, 2017)						
4	With respect to amendments to the terms and conditions of transactions previously approved by the Board: (i) enhance policies and procedures for CGFs to ensure the adequacy and consistency of the Bank's due diligence (e.g., Iran sanctions due diligence) in consideration of those amendments; and (ii) in accordance with the Bank's Individual Delegated Authority policy, develop an internal process to assess the level of materiality of proposed amendments and to discern the need to revert back to the Board for approval. Such a process should involve a deliberative body such as the Transaction Review Committee.	Open	3/30/2018	Agree	0	0
5	Review and update the reach back policy for the CGF program to be consistent with actual practice and reduce the need for waivers. In reviewing and updating the reach back policy, the Bank should analyze the case-by-case determination of a reach back relative to the average policy date (i.e., operative date); consider establishing limits on the utilization of the facility for reach back transactions; set requirements for communicating analysis of reach back issues to decision makers including the Board; and establish procedures for consideration of waivers to the policy. This would include documenting the supporting evidence in the credit file.	Open	3/30/2018	Agree	0	0

	Recommendation	Status	Expected Implementation Date	Management Agree or Disagree	Questioned Cost	Funds for Better Use
Audit of the Export-Import Bank's Disbursement Processes (OIG-AR-17-05, September 29, 2017)						
9	Implement a process for recording and validating disbursement data between EOL, FMS-NG, and the GL on at least a quarterly basis so that third-party requests for validated data can be completed in a timely manner and staff can effectively track program performance.	Open	9/29/2018	Agree	0	0
Independent Auditors Report on EXIM Bank's DATA Act Submission (OIG-AR-18-01, November 8, 2017)						
2	Determine the root cause of the errors that we detected in our testing of Files D1 and D2 and take the necessary actions to correct the errors and revise the relevant procedures, as appropriate, to ensure that this information is accurately extracted from EXIM Bank's source systems and transferred to FPDS-NG and ASP.	Open	11/8/2018	Agree	0	0
8	The OCFO and SAO identify and document the root cause of the variances in File B and take timely, appropriate corrective action.	Open	11/8/2018	Agree	0	0
9	The OCFO develop, document, and implement a policy requiring that all journal vouchers adjusting obligated balances include object classes.	Open	11/8/2018	Agree	0	0
10	The SAO, in coordination with the OCFO, develop and document a corrective action plan to assure that the Bank accurately and completely reports object classes in all financial and award data submissions (i.e., Files B and C).	Open	11/8/2018	Agree	0	0
12	The SAO, in conjunction with the OCFO, document and follow a process by which the SAO obtains and reviews the completed reconciliations of File B to the adjusted trial balance and of File C to File D1 (and vice versa) before certifying the Bank's quarterly financial and award submissions to USASpending.gov.	Open	11/8/2018	Agree	0	0
Audit of the EXIM Medium-Term Early Problem Credits (OIG-AR-18-06, September 26, 2018)						
2	Establish procedures necessary to reduce transactional credit risk for transactions involving principal owners of closely held companies, where it's legally permissible.	Open	9/26/2019	Agree	0	0
3	Develop policies and procedures to require the identification and validation of the borrower's source of down payment prior to the lender's cash disbursement and that all supporting documentation is included in the credit file.	Open	9/26/2019	Agree	0	0
4	Develop policies and procedures to perform appropriate due diligence checks (i.e., CRTI check) on the source of down payment if the source is not the borrower.	Open	9/26/2019	Agree	0	0
5	Enhance EXIM's policies and procedures to require the loan officer to document the analysis of Operations Cash Flow to Debt	Open	9/26/2019	Agree	0	0

	Recommendation	Status	Expected Implementation Date	Management Agree or Disagree	Questioned Cost	Funds for Better Use
	Service ratio and how it was considered in EXIM's decision making process.					
6	Finalize the revisions of the Master Guarantee Agreement used in the Medium-Term Loan Guarantee Program.	Open	9/26/2019	Agree	0	0
Inspection of EXIM's 2014 Transaction with Kenya Airlines (OIG-INS-18-01, September 26, 2018)						
1	Update policies and procedures to ensure the analysis of the borrower's financial projections and assumptions is fully documented and supported in the transaction records (e.g., Board Memo).	Open	9/26/2019	Agree	0	0
2	Revise the transportation origination risk rating model to ensure the final rating outcomes comport to the Bank's BCL risk rating scale of 1 to 11. This would include updating related policies and procedures.	Open	9/26/2019	Agree	0	0
Evaluation of EXIM's Additionality Policy and Procedures (OIG-EV-19-01, November 27, 2018)						
1	For medium-term transactions, ensure the reason for Bank support is documented in the decision memo as required.	Open	11/27/2019	Agree	0	0
2	For long-term transactions, ensure the required checklists and/or appendixes for additionality are completed and documented in the credit file.	Open	11/27/2019	Agree	0	0
3	Revise the additionality policy and procedures to require the confirmation of information to be documented in the credit file.	Open	11/27/2019	Agree	0	0
4	Re-evaluate the current additionality policy and procedures for short-term transactions to identify an approach to improve how determinations are supported and verifiable at the transaction level.	Open	11/27/2019	Agree	0	0
Evaluation of EXIM's Small Business Strategy (OIG-EV-19-02, November 27, 2018)						
2	Ensure the credit files contain information to support the small business status and component for transactions.	Open	11/27/2019	Agree	0	0
3	Develop and implement a process for timely reconciliation and updates of the Participant Hub/Master Data Management database for short-term exporter-held multi-buyer insurance policies.	Open	11/27/2019	Agree	0	0
4	As part of the forthcoming reauthorization, seek a legislative solution to address the challenges posed by the percentage mandate requirement for small business.	Open	11/27/2019	Agree	0	0
5	Identify ways to enable management and staff to directly address and resolve the disagreements about the small business strategy and implementation.	Open	11/27/2019	Agree	0	0
FY 2018 Financial Statements Audit Management Letter (OIG-AR-19-02, December 17, 2018)						
1	Create and require the use of separate accounts.	Open	11/15/2019	Agree	0	0
2	Limit account privileges of roles to functions and responsibilities.	Open	11/15/2019	Agree	0	0
3	Limit access by activity.	Open	11/15/2019	Agree	0	0

	Recommendation	Status	Expected Implementation Date	Management Agree or Disagree	Questioned Cost	Funds for Better Use
4	Ensure password management controls for accounts are enforced.	Open	11/15/2019	Agree	0	0
5	Enhance controls to ensure they are properly monitored, reviewed, and that reviews are documented and communicated to management.	Open	11/15/2019	Agree	0	0
6	Implement policies to ensure incompatible roles for all information systems are documented and procedures are implemented to ensure those roles are appropriately segregated.	Open	11/15/2019	Agree	0	0
7	Continue to enhance the model documentation to articulate how the cash flow model works and the rationale used in the models. The documentation should be at a sufficient level of detail to enable a reviewer to independently analyze the model.	Open	11/15/2019	Agree	0	0
8	Assess the need to further modify the cash flow model to adjust the lifetime PD assumption to account for the age and performance of each deal, or document the determination as to how such a model change would have an insignificant effect on the model results.	Open	11/15/2019	Agree	0	0
9	Document, in sufficient detail, additional qualitative considerations used by management to calculate re-estimates for financial statement reporting, that clearly bridges the gap between model historical performance and the resulting calculations. The documentation should include a quantification of the impact of these qualitative considerations on the outputs of the cash flow model.	Open	11/15/2019	Agree	0	0
10	Develop and implement a correction to the FMS posting logic for credit memo account transactions.	Open	11/15/2019	Agree	0	0
11	Develop and implement controls to review the completeness and accuracy of posted journal entries for reversing/correcting transactions.	Open	11/15/2019	Agree	0	0
Independent Audit of EXIM Bank's Information Security Program Effectiveness for FY 2018 FISMA (OIG-AR-19-03, March 13, 2019)						
1	Formally document policies and procedures that address the NIST SP 800-53, Revision 4, RA-1, CM-1, CM-8, CA-7, and SA-5 security controls.	Open	3/13/2020	Agree	0	0
2	Document policies, procedures, and plans and/or strategies for monitoring assets.	Open	3/13/2020	Agree	0	0
3	Address mission and business process considerations for information security.	Open	3/13/2020	Agree	0	0
4	Update policies, procedures, and strategy for Information Security Continuous Monitoring (ISCM).	Open	3/13/2020	Agree	0	0
5	Update the overarching ISCM procedures and strategy.	Open	3/13/2020	Agree	0	0

	Recommendation	Status	Expected Implementation Date	Management Agree or Disagree	Questioned Cost	Funds for Better Use
6	Establish criteria to measure the effectiveness of the ISCM program.	Open	3/13/2020	Agree	0	0
7	Assess assets and analyze event data in real-time for compliance.	Open	3/13/2020	Agree	0	0
8	Implement NIST SP 800-53, Rev. 4, security control requirement IR-4 and NIST 800-61, Rev. 2, guidance and include detailed steps for responding to an incident.	Open	3/13/2020	Agree	0	0
9	Ensure policies and procedures are up to date and include the aspects of lessons learned from training and testing.	Open	3/13/2020	Agree	0	0
10	Fully document, finalize, and approve a plan to address business and mission requirements.	Open	3/13/2020	Agree	0	0
11	Fully document policies, procedures, and/or strategies that adhere to NIST SP 800-53 security control requirement CP-2 and NIST SP 800-34 guidance.	Open	3/13/2020	Agree	0	0
12	Identify potential disruptions for the Bank and its systems and incorporate the results into the analysis and strategy development efforts for the Bank and in-scope systems continuity plans.	Open	3/13/2020	Agree	0	0
13	Fully document and perform system reviews, training, and simulations on an annual basis and retain the test results.	Open	3/13/2020	Agree	0	0
14	Develop and include a business continuity plan within system documentation.	Open	3/13/2020	Agree	0	0
Totals					\$0	\$0

APPENDIX E

Peer Review Reporting

Pursuant to Sections 5(a)(14), (15), and (16) of the Inspector General Act, as amended, this section provides information on peer reviews of EXIM OIG’s audit, inspection, evaluation, and investigation functions.

Office of Audits and Evaluations

The latest peer review of EXIM OIG’s audit function was conducted by the National Archives and Records Administration OIG whose [report](#) was issued on September 8, 2017. The Office of Audits received an external peer review rating of pass on the system of quality control for the audit function. There are no outstanding recommendations from this peer review.

The first peer review of EXIM OIG’s inspection and audit function was conducted by the Farm Credit Administration and the Corporation for National and Community Services Offices of Inspector General (the Review Team) was [reported](#) on September 25, 2018. The Review Team concluded that the Office of Inspections and Evaluations policies and procedures and the two reports reviewed generally met the seven standards assessed and complied with internal policies and procedures. There are no outstanding recommendations.

Office of Investigations

The most recent peer review of EXIM OIG’s investigation function was conducted by the Board of Governors of the Federal Reserve System OIG whose [report](#) was issued on September 11, 2017. OI received a rating of compliant with the standards required by CIGIE and the applicable Attorney General guidelines. There are no outstanding recommendations from this peer review.

OI is currently conducting a peer review of the investigation function of the Peace Corps OIG which will be completed in the semiannual period ending September 30, 2019.

APPENDIX F

Inspector General Act Reporting Requirements

Inspector General Act Citation	Requirement Definition	Page
Section 5(a)(1)	Significant Problems, Abuses, and Deficiencies	3-5
Section 5(a)(2)	Recommendations for Corrective Actions	3-5; 7-14
Section 5(a)(3)	Prior Significant Audit Recommendations Yet to Be Implemented	26
Section 5(a)(4)	Matters Referred to Prosecutive Authorities	17
Sections 5(a)(5) and 6(c)(2)	Summary of Refusals to Provide Information	None
Section 5(a)(6)	Audit, Inspection and Evaluation Products Issued Including Total Dollar Values of Questioned Costs, Unsupported Costs, and Recommendations That Funds Be Put to Better Use	25
Section 5(a)(7)	Summary of Particularly Significant Reports	3-5
Section 5(a)(8)	Total Number of Reports and Total Dollar Value for Audits, Inspections and Evaluations with Questioned and Unsupported Costs	25; 27-31
Section 5(a)(9)	Total Number of Reports and Total Dollar Value for Audits, Inspections and Evaluations with Recommendations That Funds Be Put to Better Use	25; 27-31
Section 5(a)(10)(A) – (C)	Summary of Prior Audit, Inspection and Evaluation Products for Which No Management Decision Has Been Made, No Comment was Returned Within 60 Days, Recommendation Exists Regarding Aggregate Cost Savings	None
Section 5(a)(11)	Description and Explanation of Significant Revised Management Decisions	None
Section 5(a)(12)	Significant Management Decisions with Which the Inspector General Disagreed	None
Section 5(a)(13)	Reporting in Accordance with Section 804(b) of the Federal Financial Management Improvement Act of 1996 Remediation Plan	None
Section 5(a)(14)	Results of Peer Review Conducted by Another IG; or Date of Last Peer Review If No Peer Review Conducted During Reporting Period	32
Section 5(a)(15)	List of Outstanding Recommendations from Peer Review Conducted by Another IG That Have Not Been Fully Implemented	None
Section 5(a)(16)	List of Peer Reviews of Another IG During the Reporting Period Including Outstanding Recommendations from Previous Peer Review That Remain Outstanding or Have Not Been Fully Implemented	32; None

Inspector General Act Citation	Requirement Definition	Page
Section 5(a)(17)(A) – (D)	Total Investigative Report, Referred to the DOJ, Number of Persons Referred to State and Local Authorities, Total Indictments, etc. That Resulted from Prior Referral to Prosecuting Authorities	17
Section 5(a)(18)	Metrics Used for Developing Data for Statistical Tables	17
Section 5(a)(19)(A) – (B)	Senior Government Employee Substantiated Misconduct, Facts, Disposition	None
Section 5(a)(20)	Whistleblower Retaliation	None
Section 5(a)(21)(A) – (B)	Interfered with OIG Independence Through Withholding Budget or Causing Delay	None
Section 5(a)(22)(A) – (B)	Report Closed but Not Disclosed to the Public	None

HOW TO REPORT FRAUD, WASTE, AND ABUSE

The Inspector General Act of 1978 states that the Inspector General (IG) may receive and investigate complaints or information concerning the possible existence of an activity constituting a violation of law, rules, or regulations, or mismanagement, gross waste of funds, abuse of authority or a substantial and specific danger to the public health and safety. Whether reporting allegations via telephone, mail, or in person, the OIG will not disclose the identity of persons making a report without their consent unless the IG determines such disclosure is unavoidable during the course of the investigation. You may submit your complaint or information by these methods:

In person

Office of Inspector General
Export-Import Bank of the U.S.
811 Vermont Avenue, NW
Washington, D.C. 20571

Telephone

1- 888-OIG-EXIM
(1-888-644-3946)

Mail

Office of Inspector General Hotline
Export-Import Bank of the U.S.
811 Vermont Avenue, NW
Washington, D.C. 20571

E-mail

IGhotline@exim.gov

**Office of Inspector General
Export-Import Bank *of the* United States
811 Vermont Avenue, NW
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