



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

A large, faint, blue-toned version of the bank's seal is visible in the background of the lower half of the page.

SEMIANNUAL REPORT TO CONGRESS

April 1, 2022 to September 30, 2022

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About Our Organization

THE EXPORT-IMPORT BANK OF THE UNITED STATES (EXIM or agency) is the official export credit agency (ECA) of the United States. EXIM 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 agency assumes the credit and country risks that the private sector is unable or unwilling to accept. EXIM also helps U.S. exporters remain competitive by countering the export financing provided by foreign governments on behalf of foreign companies.

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

THE OFFICE OF INSPECTOR GENERAL (OIG) is an independent oversight office within EXIM. EXIM OIG's mission is to promote the integrity, transparency, and efficiency of EXIM programs and operations by conducting and supervising audits, investigations, inspections, and evaluations related to agency programs and operations and preventing and detecting fraud, waste, abuse, and mismanagement.

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

Find more information about EXIM OIG, including reports of audits, inspections, and evaluations, and press releases 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



I am pleased to present this *Semiannual Report to Congress*, covering the oversight activities of the Office of Inspector General (OIG) for the Export-Import Bank of the United States (EXIM) from April 1, 2022 to September 30, 2022. OIG is responsible for oversight of EXIM’s exposure tied to outstanding loans, guarantees, and insurance; the agency reported its total exposure as \$41.3 billion in FY 2021. EXIM further reported that it authorized \$5.8 billion in transactions supporting nearly \$10 billion in export sales and 39,000 American jobs in FY 2021.

OIG published four audit reports during this semiannual period that contained important findings and recommendations to safeguard taxpayer resources, strengthen internal controls, and improve EXIM’s ability to comply with its statutory mission. For example, OIG identified approximately \$4.1 million in questioned costs for contract task orders that were improperly awarded to vendors ineligible for the Small Business Administration’s 8(a) Business Development program. OIG audits also identified a need for improved internal controls related to EXIM’s improper payment review processes and additionality determinations.

During this semiannual period, OIG continued to focus on investigating fraud related to EXIM transactions and transaction participants. OIG investigators also continued working with a task force overseen by CIGIE’s Pandemic Response Accountability Committee (PRAC) to investigate Coronavirus Aid, Relief, and Economic Security (CARES) Act fraud. Due to my investigative and legal teams’ work, EXIM was able to debar eight entities from doing business with the federal government during the reporting period. Additionally, EXIM suspended two entities pending a final decision regarding debarment.

As Inspector General, I am committed to ensuring OIG oversight promotes positive change and reflects EXIM’s evolving mission. OIG for the first time published our assessment of EXIM’s major management challenges as a separate report in September 2022, which will inform OIG’s future oversight of EXIM programs and operations. I also directed the creation of a new component office within OIG that will be tasked with leading oversight of newly created programs like EXIM’s China and Transformational Exports Program and the Make More in America domestic financing initiative. In future semiannual reports I look forward to sharing the results of oversight performed by this office—the Office of Special Review—on these and other issues on public and congressional concern.

OIG’s work would not be possible without the talent and dedication of the professionals at EXIM OIG. My thanks to them, and to the agency and Congress for their continued support of OIG’s important mission.

A handwritten signature in black ink that reads "Parisa Salehi".

Parisa Salehi

Inspector General

Office of Audits and Evaluations

The Office of Audits and Evaluations (OAE) conducts and oversees independent and objective audits, evaluations, and inspections to assess the efficiency and effectiveness of EXIM programs, operations, and transactions. The office may also perform inspections, evaluations, reviews, or assessments; conduct research projects; or provide information, comments, and other services to outside parties. OIG audits, inspections, and evaluations are performed in accordance with applicable standards such as the *Government Auditing Standards* issued by the Comptroller General of the United States and the *Quality Standards for Inspection and Evaluation* issued by the Council of the Inspectors General on Integrity and Efficiency.

From April 1, 2022 to September 30, 2022, OAE issued four reports and had four engagements in progress. Summaries of OIG's completed and in-progress work are included below.

Reports Issued

Independent Auditors' Report on EXIM's Compliance with the Payment Integrity Information Act of 2019 for FY 2021

([OIG-AR-22-05](#), June 28, 2022)

Under a contract overseen by OAE, an independent public accountant (IPA) firm performed an audit of EXIM's compliance with the Payment Integrity Information Act of 2019 (PIIA) for FY 2021. The objective of the audit was to determine whether EXIM was in compliance PIIA and guidance prescribed by the Office of Management and Budget (OMB) for FY 2021. In addition, the audit assessed the accuracy and completeness of EXIM's improper payment reporting and efforts to prevent and reduce improper payments.

The IPA firm determined that EXIM did not comply with PIIA for annual reporting consistent with Appendix C of OMB Circular A-123 and OMB Circular A-136. Further, the agency's FY 2021 risk assessment of programs and activities that may be susceptible to significant improper payments was considered incomplete. The IPA made the following four recommendations to improve EXIM's improper payment review process, including the risk assessment:

1. Update its policy and procedures to ensure that they are consistently following the most recent improper payment guidance and requirements particularly as they relate to the OMB Data Call requirements and reporting in the accompanying materials to the annual financial statements.
2. Ensure the annual review adequately addresses each program or activity that may be susceptible to significant improper payments. For example, this would include correcting the FY 2021 risk assessment to address payments to employees that are assessed as part of cash control disbursements.
3. Update the annual review policy and procedures to implement a structured and systematic approach that recognizes the potential for improper and unknown payments as well as a process to ensure adequate management oversight and review. The policy and procedures should also include a process to revise the risk assessment for compliance with the most recent improper payments requirements.

4. Develop and implement a formalized training plan for agency staff to ensure a thorough understanding of the requisite guidance and requirements.

EXIM management concurred with the recommendations.

Audit of EXIM's Contracting Process for Awarding Task Orders Under OASIS SB

([OIG-AR-22-06](#), September 30, 2022)

OIG completed an audit of two task orders awarded by EXIM under the General Services Administration's OASIS SB contract vehicle. The objective was to assess the effectiveness of EXIM's existing controls over the contracts and to determine compliance with the Federal Acquisition Regulation.

OIG found that EXIM improperly awarded two task orders as 8(a) small business set-asides, valued at approximately \$4.1 million. OIG questioned these costs because the agency was not authorized at the time to make direct awards to the selected vendors using the OASIS SB contract vehicle. Further, OIG found that EXIM did not properly document its procurement processes associated with the two task orders. OIG made seven recommendations to improve the effectiveness of EXIM's contracting process for awarding task orders using the contract vehicle and maintenance of contract files. Specifically, OIG recommended that EXIM:

1. Review the two task orders and determine whether they should be terminated and rebid to comply with the order requirements for multiple-award, indefinite delivery/indefinite quantity contracts.
2. Issue supplemental guidance to increase contracting personnel's understanding of the requirements for indefinite delivery/indefinite quantity contracts; specifically, the awarding and administering of task orders pursuant to the applicable requirements (e.g., FAR, OASIS ordering requirements).
3. Provide training for contracting personnel on the requirements for the awarding and administering of indefinite delivery/indefinite quantity task orders.
4. Ensure the timely and proper notification to the Small Business Administration of proposed 8(a) program acquisitions, prior to competing and awarding those acquisitions as required by the FAR.
5. Confirm prospective contractors' socio-economic status prior to contract award and perform periodic reviews of contractors' status as applicable.
6. Establish policy and procedures for preparing Independent Government Cost Estimates (IGCEs). This would include ensuring all relevant source data for an IGCE is included in the contract file.
7. Establish policy and procedures for monitoring and maintaining contract files in accordance with FAR and agency requirements. This would include, but not limited to, establishing controls to ensure that: a) the rationale and decisions made are documented; b) required documents are appropriately signed and approved; and c) contract files are complete (i.e., required information is captured and retained).

EXIM management concurred with the recommendations.

Audit of EXIM’s Approach for Determining Additionality

([OIG-AR-22-07](#), September 30, 2022)

OIG completed an audit of EXIM’s approach for determining the additionality of transactions in accordance with EXIM’s charter, policy, and procedures.

Although EXIM made progress in revising its additionality policies and procedures based on OIG’s prior evaluation report, OIG found that the agency’s approach for determining additionality lacks assurance that the determinations were reasonable and justified. Specifically, EXIM should strengthen internal controls over the additionality review process, as the current process did not provide sufficient support or documentation for additionality determinations, and it lacks formal oversight over the supporting evidence loan officers use to make those determinations. Further, OIG found that the agency lacks a comprehensive process for tracking applications withdrawn or denied based on additionality. OIG made three recommendations to improve EXIM’s process for determining additionality.

1. Update the additionality guidelines and checklist to: a) explicitly state the minimum documentation requirements for establishing additionality whether that be source documentation or contemporaneous memos with the required elements of source, timing, and context; and b) establish a reason code for additionality for applications denied or withdrawn due to additionality requirements. EXIM should include this information in EXIM’s Annual Additionality Report.
2. Establish a formal policy assigning independent oversight responsibility for additionality determinations. Ensure that all transactions and supporting evidence are reviewed for consistent application of additionality policies and procedures.
3. Conduct refresher training or briefing with loan officers on revised additionality procedures and requirements

EXIM management concurred with the recommendations.

Audit of EXIM’s Implementation of Key Provisions of the 2019 Reauthorization Act and Other Priorities

([OIG-AR-22-08](#), September 30, 2022)

OIG completed an audit of EXIM’s implementation of nine key provisions of the 2019 Reauthorization Act. OIG found that EXIM generally implemented or addressed the provisions. Specifically, OIG determined that seven of the nine provisions were implemented because the agency had addressed the statutory requirements. However, the agency faced challenges in fully achieving two of the congressionally directed allocations of its total financing authority (i.e., exposure cap), particularly the 20 percent and five percent goals under Sections 402, Program on China and Transformational Exports, and 407, Financing for Renewable Energy, Energy Efficiency, and Energy Storage Technologies, respectively. OIG made one recommendation to address the implementation of Sections 402 and 407.

1. Develop a plan to increase transactions in support of congressional-directed target allocations.

EXIM management concurred with the recommendation.

Ongoing Projects

Review of EXIM's Default Rate Management Practices

OIG staff initiated a review of EXIM's default rate management practices. The objectives of this review are to: (1) determine whether EXIM is calculating the default rate in accordance with applicable statutory requirements; (2) describe actions EXIM takes to manage the default rate; and (3) assess how EXIM's default rate impacts the agency's ability to execute its mission. The report will be issued in the semiannual period ending March 31, 2023.

Evaluation of EXIM's Portfolio Risk Management Procedures and CRO Responsibilities

A consulting services firm specializing in federal credit and risk analytics, working under OAE oversight, is conducting an independent evaluation of EXIM's portfolio risk management procedures and Chief Risk Officer (CRO) responsibilities. The objectives are to (1) evaluate and provide an update on the status of EXIM's (1) portfolio risk management procedures and implementation of duties assigned the CRO, and (2) to assess the effectiveness of EXIM's controls and procedures for monitoring risk within its portfolio. The report will be issued in the semiannual period ending March 31, 2023.

Audit of EXIM's FY 2022 Financial Statements

An IPA firm, working under OAE oversight, is conducting an audit to issue an opinion on the accuracy and completeness of EXIM's financial statements for FY 2022. The report will be issued, along with a related management letter report, in the semiannual period ending March 31, 2023.

Audit of EXIM's Compliance with FISMA for FY 2022

An IPA firm working under OAE oversight is conducting an audit to determine whether EXIM developed and implemented an effective information security program and practices for FY 2022 in accordance with criteria set forth in the FY 2022 IG FISMA Reporting Metrics. The report will be issued in the semiannual reporting period ending March 31, 2023.

Office of Investigations

The Office of Investigations (OI) conducts and coordinates investigations relating to alleged or suspected violations of federal laws, rules, or regulations occurring in EXIM programs and operations, which may result in criminal or civil prosecution and/or administrative sanctions. The subjects of OIG investigations may be program participants, contractors, agency management or employees, or individuals who target EXIM programs and participants. OIG investigations are supported by investigative and financial analysts who conduct tactical and strategic analysis in support of investigations.

Summary of Investigations

OIG evaluates all reports of possible fraud or illegality affecting EXIM programs and activities. Such reports are received from a variety of sources including agency employees, participants in EXIM transactions, other government agencies, and the EXIM OIG Hotline. Reviews that identify reasonable indications of fraud or illegality result in an investigation. These investigations are summarized in the tables below.

Activity	Investigations
Open as of April 1, 2022	29
Opened during period	7
Closed during period	10
Open as of September 30, 2022	26

Of the 26 current open investigations, the following table depicts the category of EXIM program affected by the investigation based on the allegations received:

Program	Number of Investigations
Export Credit Insurance	11
Loan Guarantee	4
Working Capital	3
Letter of Interest	1
Employee Integrity	0
Other (e.g., proactive investigations)	7

Investigative Results

OIG undertook the following investigative actions during this reporting period:

Description	OIG	Joint Activities*	Total
Matters Referred for Prosecution Consideration	0	0	0
Matters Referred for State and Local Consideration	0	0	0
Criminal Indictments, Informations, Complaints	0	0	0
Guilty Pleas Entered	0	0	0
Criminal Judgments	0	0	0
Civil Actions	0	0	0
Civil Recoveries	0	0	0
Prison Time (months)	0	0	0
Probation (months)	0	0	0
Court Ordered Fines, Assessments, Restitutions, and Forfeitures	0	0	0
Administrative Actions**	0	0	0
Administrative Employee Actions***	0	0	0
Administrative Cost Savings and Repayments	0	0	0
Suspensions and Debarments	7	3	10

* Joint investigations with other law enforcement agencies.

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

*** Administrative employee actions are responses by EXIM to terminate or discipline agency 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

During the reporting period, successful investigative efforts involving EXIM programs include:

Transportation Transactions (Employee Integrity/Program Integrity)

In November of 2021, OI received information from a senior EXIM official regarding a variety of suspected improprieties involving EXIM's aircraft financing activities. Industry partners had expressed concern about EXIM's adherence to its additionality policy, and the potentially negative effects that could have on the private sector. The senior official also forwarded a related complaint regarding favoritism by EXIM officials toward companies in certain manufacturing sectors, as well as other allegedly improper conduct by EXIM officials. OI conducted interviews and reviewed large volumes of EXIM records to assess the veracity of

these complaints, and to determine what action, if any was warranted. As a result of the investigation, no evidence was found to substantiate the allegations of favoritism or other improper conduct. However, OI found that the complaint regarding EXIM’s additionality policy did warrant further review and made a formal referral to the Office of Audits and Evaluations (see Audit of EXIM’s Approach for Determining Additionality (OIG-AR-22-07) under the Office Audits and Evaluations, above). In addition, the investigation raised questions about EXIM’s default rate calculations and how the rate was used by the agency. These concerns became the subject of another review by OIG, the results of which were released in early FY 2023.

Other Investigative Results

During the reporting period, OIG opened an investigation relating to another OIG in support of CIGIE’s Integrity Committee (IC). Per Section 11(d)(9) of the IG Act, the IC will report on this investigation in the IC’s annual report.

In January 2021, the PRAC stood up a Fraud Task Force to serve as a resource for the IG community by surging investigative resources into those areas where the need is the greatest. Currently, the need is greatest for assistance with pandemic loan fraud. Agents from OIGs across the government have been detailed to work on Task Force cases. These agents have partnered with prosecutors at DOJ’s Fraud Section and at United States Attorneys’ offices across the country. The PRAC Fraud Task Force harnesses the expertise of the oversight community and approaches pandemic-associated crimes with every tool investigators have: criminal penalties, civil penalties, forfeitures of money and property, and suspensions and debarments. The Task Force works closely with other initiatives, such as the Department of Justice’s COVID-19 Fraud Enforcement Task Force, to combat pandemic fraud. In November 2021, EXIM OIG and the PRAC concluded a memorandum of understanding that conferred authority to investigate pandemic-related fraud to EXIM OIG. OIG agents are assigned PRAC cases while continuing to work their existing EXIM OIG caseload. This initiative allows EXIM OIG to make a broader contribution to the OIG community by assisting with investigations that might otherwise remain unstaffed.

Intra and Inter-Agency Cooperation

To the extent permissible, OI special agents work collaboratively to share investigative information with EXIM’s Office of General Counsel (OGC), Office of Risk Management, and Asset Management Division to help identify potential and suspected fraudulent activity within EXIM transactions and to protect taxpayer resources. When possible, OI also shares information with EXIM through OGC concerning potential wrongdoing by entities which have applied for or held EXIM financial products. During the current reporting period, OI made six such referrals to OGC for enhanced due diligence by EXIM. These referrals did not involve ongoing OIG criminal investigations. Additionally, OI participates in the Export Enforcement Coordination Center (E2C2), a multi-agency center with representation from eight U.S. Government departments and 15 federal agencies, which was established to coordinate and enhance criminal, administrative, and other export enforcement activities. E2C2 promotes inter-agency coordination and collaboration while minimizing the duplication of efforts by deconflicting targets of investigations. OI investigative analysts responded to over 800 deconfliction requests from the various E2C2 entities during this reporting period.

During this reporting period, OI special agents worked with EXIM's Administrative Services Division to address procurement fraud indicators and identify potential collusion schemes among EXIM contractors. Agents also collaborated with EXIM's Business Services Unit to identify potential misuse of government purchase and travel cards.

EXIM's suspension and debarment program serves as a critical tool to prevent fraud, waste, and abuse, and to protect the federal government. During this reporting period EXIM was able to debar eight entities from doing business with the federal government based on prior OI investigative activities and referrals. Additionally, EXIM suspended two entities pending a final decision regarding debarment.

Hotline Activity

EXIM OIG maintains a hotline to receive reports of fraud, waste, and abuse in EXIM 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, inspection, evaluation, referral to other law enforcement authorities, or referral to agency management for administrative action.

EXIM OIG received eight hotline reports during this semiannual reporting period. Five were resolved and closed by the hotline operator, two resulted in further investigative activity by OIG, and one was referred to EXIM.

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 OIG Hotline, Office of Inspector General, 811 Vermont Avenue, NW, Room 1052-1, Washington DC 20571.

EXIM 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.

APPENDIX A

Open Recommendations from Prior Reporting Periods

This table shows that 24 recommendations from 10 reports issued up to March 31, 2022, remain open at the end of this reporting period. Seventeen open recommendations are from reports issued in FY 2022. The remaining 7 open recommendations are from reports issued in FYs 2017, 2019, 2020, and 2021. Reports from prior periods are no longer listed when all recommendations are closed.

Report No./ Date	Report Title	Total	Recommendations			Latest Target Closure Date
			Open	Closed	Unresolved	
Last Period (10/01/2021 –03/31/2022)						
Audits						
OIG-AR-22-01 8 Nov 2021	Independent Auditors' Report on EXIM's DATA Act Submission	12	12	0	0	11/08/2022
OIG-AR-22-03 12 Nov 2021	Fiscal Year 2021 Financial Statements Audit Management Letter	4	4	0	0	11/14/2022
OIG-AR-22-04 11 Feb 2022	Independent Audit on the Effectiveness of EXIM's Information Security Program and Practices – Fiscal Year 2021	1	1	0	0	02/22/2023
Prior Periods (prior to 10/01/2021)						
Inspections and Evaluations						
OIG-EV-17-01 2 Dec 2016	Evaluation of Risk Management Procedures and CRO Responsibilities	8	1	7	0	09/30/2022
OIG-EV-17-03 30 Mar 2017	Report on EXIM Bank's CGF Program	5	1	4	0	09/30/2022
OIG-EV-19-03 19 Jun 2019	Evaluation of EXIM's CLF Model and Loss Reserve Process	7	1	6	0	09/30/2022
OIG-EV-20-01 2 Dec 2019	Evaluation of EXIM's PRM Procedures and CRO Responsibilities	3	2	1	0	09/30/2022
Other						
OIG-O-21-02 30 Sep 2021	Risk Assessment of EXIM's Government Purchase Card Program	2	2	0	0	09/30/2022
Total		42	24	18	0	

APPENDIX B

Audit and Evaluation Reports Issued from April 1, 2022 – September 30, 2022

	Report No./Date	Report Title	Management Decisions Reached on Recommendation	Total Questioned Cost	Unsupported Cost	Funds for Better Use	Disallowed Cost
1	OIG-AR-22-05 28 Jun 2022	Independent Auditors' Report on EXIM's Compliance with the Payment Integrity Information Act of 2019 for FY 2021	4/4	0	0	0	0
2	OIG-AR-22-06 30 Sep 2022	Audit of EXIM's Contracting Process for Awarding Task Orders Under OASIS SB	7/7	\$4.1M	0	0	0
3	OIG-AR-22-07 30 Sep 2022	Audit of EXIM's Approach to Determining Additionality	3/3	0	0	0	0
4	OIG-AR-22-08 30 Sep 2022	Audit of EXIM's Implementation of Key Provisions of the 2019 Reauthorization Act and Other Priorities	1/1				
Total				\$4.1M	0	0	0

APPENDIX C

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

OIG identified two significant recommendations that were agreed to by EXIM but have not been implemented as of September 30, 2022. OIG is committed to working with agency management to expeditiously address the management decision and corrective 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: September 30, 2022.

Report on EXIM Bank's Credit Guarantee Facility Program

([OIG-EV-17-03](#), March 30, 2017)

Recommendation 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.

Expected implementation date: September 30, 2022.

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	09/30/2022	Agree	0	0
Report on EXIM Bank's CGF Program (OIG-EV-17-03, March 30, 2017)						
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	09/30/2022	Agree	0	0
Evaluation of EXIM's Credit Loss Factor Model and Loss Reserve Process (OIG-EV-19-03, June 19, 2019)						
7	Expanding the current model program into a formal MRM framework, particularly with an expansion to include better risk mitigation surrounding error checking, statistical reporting, execution of model changes, and role definition. One of these roles should include documentation updates (i.e., a checklist item) to ensure that the SOP matches the current process to reduce errors.	Open	09/30/2022	Agree	0	0
Evaluation of EXIM's Portfolio Risk Management Procedures and CRO Responsibilities (OIG-EV-20-01, December 2, 2019)						
2	Create a Bank-wide Model Risk Management framework to ensure integrity of data products and continuity of model production.	Open	09/30/2022	Agree	0	0
3	Develop the Bank-wide Risk and Control Matrix and a Risk and Controls Self-Assessment that covers both financial and non-financial internal controls identification and mitigation of risks.	Open	09/30/2022	Agree	0	0
Risk Assessment of EXIM's Government Purchase Card Program (OIG-O-21-02, September 30, 2021)						
1	Ensure all purchase card holders and approvers timely complete required training.	Open	09/30/2022	Agree	0	0

	Recommendation	Status	Expected Implementation Date	Management Agree or Disagree	Questioned Cost	Funds for Better Use
2	Ensure the responsibilities of the AOPC and OMB requirements are fulfilled.	Open	09/30/2022	Agree	0	0
Independent Auditors' Report on EXIM's DATA Act Submission (OIG-AR-22-01, November 8, 2021)						
1	Determine the root cause of the errors in EXIM-provided data identified during the testing of the second quarter FY 2021 Files D1 and D2, and take necessary corrective action to: (a) correct the errors for records shown in USASpending.gov; (b) identify the risk of reporting incorrect data for each data element containing the error; and (c) update the policies and procedures for recording data in Comprizon, FPDS, and FABS to address the risks and include adequate verification and validation review processes performed by the data owner and a supervisor or other independent party.	Open	11/08/2022	Agree	0	0
2	Continue to improve the design of its review of the procurement award data in FPDS and financial assistance award data submissions to FABS by identifying the root cause for the exceptions in those data elements for which EXIM is responsible, and by developing more effective review procedures for those data elements, as well as the data elements that the SAO and DATA Act Working Group identify as having a high risk of not being accurate, complete, or reported timely.	Open	11/08/2022	Agree	0	0
3	Review EXIM's policies and procedures for submitting contract award data in FPDS, including procedures for reviewing and confirming the accuracy of the CAR, to ensure proper design and compliance with FAR guidelines for timeliness. Update the policies and procedures based on this review, as necessary, to ensure EXIM meets FAR timeliness guidelines.	Open	11/08/2022	Agree	0	0
4	Review EXIM's policies and procedures that address timelines for submitting complete and accurate FABS files containing financial assistance award data, to ensure proper design and compliance with DAIMS guidance. Update the policies and procedures based on this review, as necessary, to ensure EXIM meets DAIMs timeliness guidelines.	Open	11/08/2022	Agree	0	0
5	Complete a data inventory for File D1 that defines each data element based on government-wide financial data standards, and that EXIM seeks clarification from OMB and Treasury, as necessary, in order to ensure appropriate interpretation of the DATA Act Standards.	Open	11/08/2022	Agree	0	0
6	Establish policies and procedures to help ensure that all data reported in FABS and included in EXIM's certified File D2 are reported as intended by the Data Act Standards, and that EXIM seek clarification from OMB and Treasury, if necessary, in order	Open	11/08/2022	Agree	0	0

	Recommendation	Status	Expected Implementation Date	Management Agree or Disagree	Questioned Cost	Funds for Better Use
	to ensure appropriate interpretation of the Data Act Standards.					
7	Complete a data inventory for each of Files A through D1 to govern EXIM’s DATA Act activities and help ensure compliance with government-wide financial data standards.	Open	11/08/2022	Agree	0	0
8	Develop and document a review process of the data inventories for Files A through D2 that EXIM will perform at regular intervals and after each DAIMS update.	Open	11/08/2022	Agree	0	0
9	Develop, test, and implement a DQP that covers significant milestones and major decisions pertaining to: (a) Organizational structure and key processes providing internal control activities for spending reporting; (b) Management’s responsibility to supply quality data to meet the reporting objectives for the DATA Act in accordance with OMB Circular No. A-123; (c) EXIM’s testing plan and identification of high-risk reported data, including: (1) specific data the agency determines to be high-risk that are explicitly referenced by the DATA Act; and (2) confirmation that these data are linked through the inclusion of the award identifier in the agency’s financial system, and reported with plain English award descriptions; and (d) Actions taken to manage identified risks.	Open	11/08/2022	Agree	0	0
10	Continue to implement its corrective action plan to ensure that object class codes are accurately and completely reported in all financial and award data submissions (Files B and C).	Open	11/08/2022	Agree	0	0
11	Design and implement a reconciliation mapping process that includes all GL accounts that comprise each File-A data element, and use it consistently for each reconciliation.	Open	11/08/2022	Agree	0	0
12	Ensure that it fully documents the nature, cause, and resolution of variances that exist in the reconciliations.	Open	11/08/2022	Agree	0	0
Fiscal Year 2021 Financial Statements Audit Management Letter (OIG-AR-22-03, November 12, 2021)						
1	Strengthen existing controls to ensure that all loan activity, which is guaranteed by EXIM, is included and reviewed in the monthly related party reconciliation.	Open	11/14/2022	Agree	0	0
2	Define the methodology and frequency in which POA&Ms should be updated.	Open	11/14/2022	Agree	0	0
3	Ensure completion of required/related fields to enable accurate reporting of items needing improvement.	Open	11/14/2022	Agree	0	0
4	EXIM management update and implement to outline that the review shall be independently conducted.	Open	11/14/2022	Agree	0	0
Independent Audit on the Effectiveness of EXIM’s Information Security Program and Practices – Fiscal Year 2021 (OIG-AR-22-04, February 11, 2022)						
1	Formally design and implement a program to address a weakness under the Identify function.	Open	2/11/2023	Agree	0	0

Recommendation	Status	Expected Implementation Date	Management Agree or Disagree	Questioned Cost	Funds for Better Use
Independent Auditors' Report on EXIM's Compliance with the Payment Integrity Information Act of 2019 for FY 2021 (OIG-AR-22-05, June 28, 2022)					
1 Update its policy and procedures to ensure that they are consistently following the most recent improper payment guidance and requirements particularly as they relate to the OMB Data Call requirements and reporting in the accompanying materials to the annual financial statements.	Open	06/28/2023	Agree	\$0	\$0
2 Ensure the annual review adequately addresses each program or activity that may be susceptible to significant improper payments. For example, this would include correcting the FY 2021 risk assessment to address payments to employees that are assessed as part of cash control disbursements.	Open	06/28/2023	Agree	\$0	\$0
3 Update the annual review policy and procedures to implement a structured and systematic approach that recognizes the potential for improper and unknown payments as well as a process to ensure adequate management oversight and review. The policy and procedures should also include a process to revise the risk assessment for compliance with the most recent improper payments requirements.	Open	06/28/2023	Agree	\$0	\$0
4 Develop and implement a formalized training plan for agency staff to ensure a thorough understanding of the requisite guidance and requirements.	Open	06/28/2023	Agree	\$0	\$0
Audit of EXIM's Contracting Process for Awarding Task Orders Under OASIS SB (OIG-AR-22-06, September 30, 2022)					
1 Review the two task orders and determine whether they should be terminated and rebid to comply with the order requirements for multiple-award, indefinite delivery/indefinite quantity contracts.	Open	09/28/2023	Agree	\$4.1MM	\$0
2 Issue supplemental guidance to increase contracting personnel's understanding of the requirements for indefinite delivery/indefinite quantity contracts; specifically, the awarding and administering of task orders pursuant to the applicable requirements (e.g., FAR, OASIS Ordering requirements).	Open	09/28/2023	Agree	\$0	\$0
3 Provide training for contracting personnel on the requirements for the awarding and administering of indefinite delivery/indefinite quantity task orders.	Open	09/28/2023	Agree	\$0	\$0
4 Ensure the timely and proper notification to SBA of proposed 8(a) program acquisitions, prior to competing and awarding those acquisitions as required by the FAR.	Open	09/28/2023	Agree	\$0	\$0
5 Confirm prospective contractors' socio-economic status prior to contract award and perform periodic reviews of contractors' status as applicable.	Open	09/28/2023	Agree	\$0	\$0
6 Establish policy and procedures for preparing IGCEs. This would include ensuring all	Open	09/28/2023	Agree	\$0	\$0

	Recommendation	Status	Expected Implementation Date	Management Agree or Disagree	Questioned Cost	Funds for Better Use
	relevant source data for an IGCE is included in the contract file.					
7	Establish policy and procedures for monitoring and maintaining contract files in accordance with FAR and agency requirements. This would include, but not limited to, establishing controls to ensure that: a) the rationale and decisions made are documented; b) required documents are appropriately signed and approved; and c) contract files are complete (i.e., required information is captured and retained).	Open	09/28/2023	Agree	\$0	\$0
Audit of EXIM's Approach for Determining Additionality (OIG-AR-22-07, September 30, 2022)						
1	Update the additionality guidelines and checklist to: a) explicitly state the minimum documentation requirements for establishing additionality whether that be source documentation or contemporaneous memos with the required elements of source, timing, and context; and b) establish a reason code for additionality for applications denied or withdrawn due to additionality requirements. EXIM should include this information in EXIM's Annual Additionality Report.	Open	09/28/2023	Agree	\$0	\$0
2	Establish a formal policy assigning independent oversight responsibility for additionality determinations. Ensure that all transactions and supporting evidence are reviewed for consistent application of additionality policies and procedures.	Open	09/28/2023	Agree	\$0	\$0
3	Conduct refresher training or briefing with loan officers on revised additionality procedures and requirements.	Open	09/28/2023	Agree	\$0	\$0
Audit of EXIM's Implementation of Key Provisions of the 2019 Reauthorization Act and Other Priorities (OIG-AR-22-08, September 30, 2022)						
1	Develop a plan to increase transactions in support of congressional-directed target allocations.	Open	09/28/2023	Agree	\$0	\$0
Total					\$4.1MM	\$0

APPENDIX E

Peer Review Reporting

Pursuant to Sections 5(a)(14), (15), and (16) of the Inspector General Act of 1978, 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 Federal Elections Commission OIG; the associated [report](#) was issued on June 29, 2021. OAE 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 latest peer review of EXIM OIG's inspection and evaluation (I&E) function was conducted by the Peace Corps OIG; the associated [report](#) was issued on September 20, 2022. The review team concluded that EXIM's inspection and policy manual was consistent with the standards in CIGIE's *Quality Standards for Inspection and Evaluation*, December 2020 (Blue Book). Recommendations and suggestions made by the review team to strengthen EXIM OIG's I&E function will be implemented by March 31, 2023.

During the reporting period, OAE completed the [peer review](#) of FCC OIG's inspection and evaluation function. OIG made one recommendation to FCC OIG that was not considered to significantly impact compliance with Blue Book standards.

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; the associated [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. Due to the uncertainty associated with COVID-19, the peer review of the investigation function scheduled for FY 2020 was extended pursuant to the government-wide waiver issued by the U.S. Department of Justice. The peer review of EXIM OIG's investigation function is now scheduled to begin in December 2022.

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
Section 5(a)(3)	Prior Significant Audit Recommendations Yet to Be Implemented	13
Section 5(a)(4)	Matters Referred to Prosecutive Authorities	None
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	12
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	12
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	None
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	13
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	13; None

Inspector General Act Citation	Requirement Definition	Page
Section 5(a)(17)(A) – (D)	Total Investigative Reports, Referred to the DOJ, Number of Persons Referred to State and Local Authorities, Total Indictments, etc. That Resulted from Prior Referral to Prosecuting Authorities	None
Section 5(a)(18)	Metrics Used for Developing Data for Statistical Tables	8
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, as amended, empowers the Inspector General (IG) to 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, EXIM 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

For information about EXIM OIG's Whistleblower Protection Coordinator, you may contact oig.whistleblower@exim.gov. For additional resources and information about whistleblower protections and unlawful retaliation, please visit the [whistleblower's resource page](#) at [oversight.gov](https://www.oversight.gov).

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