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The SEC Took Appropriate Workplace
Safety Actions in Accordance With
Pandemic Guidance But Could Improve
Communications



OFFICE OF
INSPECTOR GENERAL

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

M E M O R A N D U M

July 25, 2023

TO: Kenneth Johnson, Chief Operating Officer

FROM: Rebecca L. Sharek, Deputy Inspector General for Audits, Evaluations,
and Special Projects, Office of Inspector General *Rebecca L. Sharek*

SUBJECT: *The SEC Took Appropriate Workplace Safety Actions in Accordance With
Pandemic Guidance But Could Improve Communications, Report No. 579*

Attached is the Office of Inspector General (OIG) final report detailing the results of our evaluation of the U.S. Securities and Exchange Commission's (SEC) workplace safety protocols in response to the COVID-19 pandemic. The report contains two recommendations that should ensure the information and communication component of the federal internal control standards operates effectively at the SEC.

On June 29, 2023, we provided management with a draft of our report for review and comment. In its July 21, 2023, response, management concurred with our recommendations. We have included management's response as Appendix V in the final report.

Within the next 45 days, please provide the OIG with a written corrective action plan that addresses the recommendations. The corrective action plan should include information such as the responsible official/point of contact, timeframe for completing required actions, and milestones identifying how management will address the recommendations.

We appreciate the courtesies and cooperation extended to us during the evaluation. If you have questions, please contact me or Colin Heffernan, Audit Manager.

Attachment

cc: Deborah J. Jeffrey, Inspector General
Gary Gensler, Chair
Amanda Fischer, Chief of Staff, Office of Chair Gensler
Heather Slavkin Corzo, Policy Director, Office of Chair Gensler
Kevin Burris, Counselor to the Chair and Director of Legislative and
Intergovernmental Affairs
Scott Schneider, Counselor to the Chair and Director of Public Affairs
Philipp Havenstein, Operations Counsel, Office of Chair Gensler
Ajay Sutaria, Legal Counsel, Office of Chair Gensler
Hester M. Peirce, Commissioner
Benjamin Vetter, Counsel, Office of Commissioner Peirce
Caroline A. Crenshaw, Commissioner

Malgorzata Spangenberg, Counsel, Office of Commissioner Crenshaw
Mark T. Uyeda, Commissioner
Holly Hunter-Ceci, Counsel, Office of Commissioner Uyeda
Jaime Lizárraga, Commissioner
Laura D'Allaird, Counsel, Office of Commissioner Lizárraga
Parisa Haghshenas, Counsel, Office of Commissioner Lizárraga
Megan Barbero, General Counsel
Elizabeth McFadden, Deputy General Counsel General Litigation/Managing
Executive, Office of the General Counsel
Lisa Helvin, Principal Deputy General Counsel for Adjudication and Oversight, Office
of the General Counsel
David Leviss, Associate General Counsel for Oversight and Investigations, Office
of the General Counsel
Stephen Jung, Assistant General Counsel for Intragovernmental and
Congressional Affairs, Office of the General Counsel
Shelly Luisi, Chief Risk Officer
Jim Lloyd, Assistant Chief Risk Officer/Audit Coordinator, Office of the Chief Risk
Officer



EXECUTIVE SUMMARY

The SEC Took Appropriate Workplace Safety Actions in Accordance With Pandemic Guidance But Could Improve Communications

REPORT NO. 579 | JULY 25, 2023

WHY WE DID THIS EVALUATION

In January 2020, the Centers for Disease Control and Prevention reported the first United States case of what would become known as Coronavirus Disease 2019 (COVID-19). Because of a rapid increase in cases and countries affected and alarming levels of spread and severity, in March 2020, the World Health Organization officially declared COVID-19 a pandemic. From its outset, the pandemic created a global health and economic crisis of widespread impact, including on the U.S. Securities and Exchange Commission (SEC or Agency) as a financial regulator and employer. Although the World Health Organization has since determined that COVID-19 no longer constitutes a public health emergency of international concern, responding to the COVID-19 pandemic was a central concern of the SEC, and the federal government as a whole.

We conducted this evaluation to assess the SEC's management of workplace safety protocols and related measures—including how the Agency developed, implemented, and updated its *COVID-19 Workplace Safety Plan* (Safety Plan)—in response to the COVID-19 pandemic and pursuant to Executive Order 13991 and other applicable federal guidance.

WHAT WE RECOMMENDED

We made two recommendations to ensure the information and communication component of the federal internal control standards operates effectively at the SEC. Management concurred with our recommendations, which will be closed upon completion and verification of the proposed actions.

WHAT WE FOUND

To support the implementation of Executive Order 13991, *Protecting the Federal Workforce and Requiring Mask Wearing*, in January 2021 the Office of Management and Budget (OMB) issued Memorandum M-21-15, which:

- identified federal agency model safety principles focused on health and safety and workplace operations;
- required agencies to develop tailored COVID-19 workplace safety plans, making clear that the model safety principles “should be applied to all Federal agencies and workplaces, including small and independent agencies” such as the SEC; and
- stated that agencies should designate a COVID-19 coordination team.

In response, in February 2021, the SEC's Office of the Chief Operating Officer (OCOO) established a COVID-19 coordination team. As recommended by OMB, the SEC also retained the services of a public health expert to work with the coordination team to develop the Agency's Safety Plan, initially released in June 2021 and subsequently updated as circumstances evolved.

We found that final versions of the SEC's Safety Plan issued during the period we reviewed (that is, between January 2021 and September 2022) were comprehensive, meaning they addressed all model safety principles distributed by OMB and updates to the principles. In addition, the SEC took appropriate actions to implement key workplace safety measures in response to the COVID-19 pandemic and pursuant to Executive Order 13991 and other applicable federal guidance. However, additional efforts could improve Agency-wide communication.

Specifically, in response to the COVID-19 pandemic, the SEC directed its divisions and offices to limit travel to only that deemed “essential” or “mission critical.” To maintain division and office flexibility, the OCOO did not define these terms or otherwise account for the specifics of the Agency's mission, as directed in OMB's model safety principles. The OCOO also did not communicate that divisions and offices could make such determinations for themselves. Although Agency travel significantly declined in fiscal years 2020 through 2022, in some instances personnel relied on previous Agency-wide communications, including guidance for operating under a continuing resolution, to meet COVID-19-related travel restrictions.

The OCOO could also further improve Agency-wide communication by ensuring email address lists are complete, accurate, and up to date. We identified examples of outdated email address lists, which occurred because OCOO personnel did not regularly review such lists before relying on them to communicate important information, including information pertinent to COVID-19, across the Agency.

Federal internal control standards state that management should internally communicate the necessary quality information to achieve the entity's objectives and address risks, and periodically evaluate the entity's methods of communication. Doing so helps ensure the organization has the appropriate tools to communicate quality information throughout the entity on a timely basis. If unaddressed, the conditions we observed could increase the SEC's risk of ineffective communication during future emerging and time-sensitive events.

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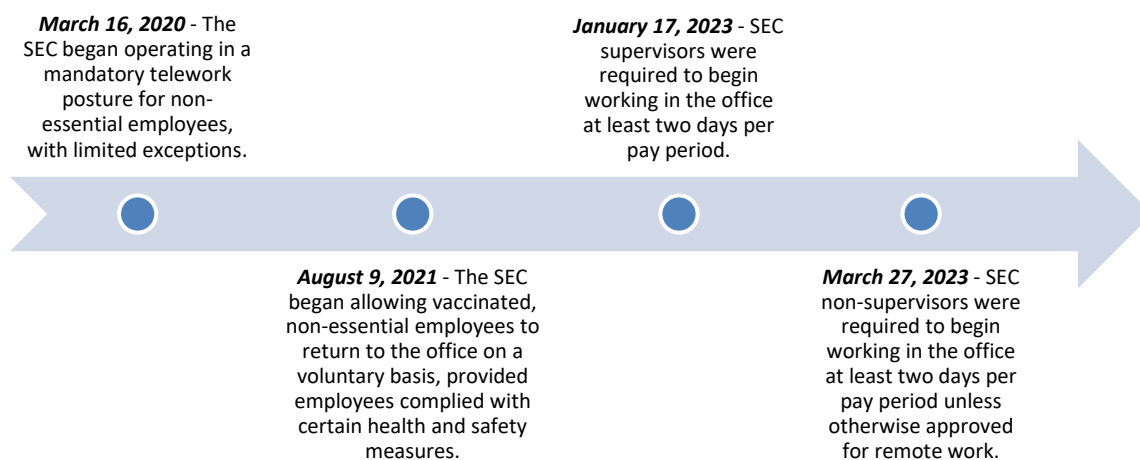
CDC	Centers for Disease Control and Prevention
COO	Chief Operating Officer
Coordination Team	COVID-19 Coordination Team
COVID-19	Coronavirus Disease 2019
EO	Executive Order
FY	fiscal year
GAO	U.S. Government Accountability Office
NTEU	National Treasury Employees Union
OCOO	Office of the Chief Operating Officer
OIG	Office of Inspector General
OMB	Office of Management and Budget
OSO	Office of Support Operations
Safety Plan	<i>COVID-19 Workplace Safety Plan</i>
SEC or Agency	U.S. Securities and Exchange Commission
Task Force	Safer Federal Workforce Task Force

Background and Objective

BACKGROUND

Responding to the Coronavirus Disease 2019 (COVID-19) pandemic was a central concern of the federal government, including the U.S. Securities and Exchange Commission (SEC or Agency), during the 3-year period between March 2020 and March 2023. See Figure 1. The pandemic affected the SEC's workforce, the capital markets, and the U.S. economy. More than one million Americans died as a result of the pandemic.

FIGURE 1. Timeline of Key Events, March 2020 to March 2023



Source: Office of Inspector General (OIG)-generated based on Agency information.

At the height of the pandemic, Executive Order (EO) 13991 established the Safer Federal Workforce Task Force (Task Force) and directed executive departments and agencies to take immediate action to require that on-duty or on-site federal employees, on-site contractors, and all persons in federal buildings or on federal land comply with Centers for Disease Control and Prevention (CDC) guidelines with respect to public health measures. Independent agencies, such as the SEC, were also strongly encouraged to comply.¹

The Office of Management and Budget (OMB) issued guidance directing agencies to develop and implement COVID-19 workplace safety plans to address model safety principles focused on:

- health and safety (including face masks, testing, contact tracing, travel, and quarantine, among other topics); and

¹ Executive Order 13991, *Protecting the Federal Workforce and Requiring Mask-Wearing*; January 20, 2021.

- workplace² operations (including occupancy, physical distancing, environmental cleaning, ventilation and air filtration, and shared spaces, among other topics).³

Although only agencies covered by the Chief Financial Officers Act of 1990⁴ were required to submit their plans for review, OMB called on “all Federal agencies and workplaces, including small and independent agencies” such as the SEC, to develop plans for workplace safety during the pandemic, including “[d]esignat[ing] a COVID-19 coordination team within the agency.”

In February 2021, the SEC’s Office of the Chief Operating Officer (OCOO) established a COVID-19 coordination team (Coordination Team), led by the Agency’s Chief Operating Officer (COO), responsible for conducting assessments to establish, implement, and monitor compliance with workplace safety protocols. As recommended by OMB, the SEC also retained the services of a public health expert to work with the Coordination Team to develop the Agency’s *COVID-19 Workplace Safety Plan* (Safety Plan), initially released in June 2021 and maintained by the OCOO. As circumstances evolved, the SEC updated the Safety Plan and took other steps to communicate to its workforce important information regarding the pandemic and return-to-office coordination.⁵

OBJECTIVE

The overall objective of this evaluation was to assess the SEC’s management of workplace safety protocols and related measures—including how the Agency developed, implemented, and updated its Safety Plan—in response to the COVID-19 pandemic and pursuant to EO 13991 and other applicable federal guidance. Specifically, we sought to:

- determine the extent to which the SEC aligned its Safety Plan with applicable federal guidance; and
- assess internal controls related to workplace safety protocols and measures implemented in response to the pandemic, including applicable requirements selected for review as established in the SEC’s Safety Plan.

Appendices I, II, III, and IV of this report provide information about our methodology, our review of relevant internal controls, and prior coverage; our comparison of the SEC’s Safety Plan and OMB’s model safety principles; information about SEC division and office travel between June 2021 and September 2022; and a summary of relevant federal guidance, respectively.

² For this report, we use the terms “workplace” and “workspace” interchangeably. With respect to the SEC, both terms refer to the leased facilities that the Agency occupies at its headquarters and regional locations.

³ OMB Memorandum M-21-15, *COVID-19 Safe Federal Workplace: Agency Model Safety Principles*; (January 24, 2021). Although the model safety principles were first issued in OMB Memorandum M-21-15, the Task Force updated them on July 29, 2021; September 13, 2021; and September 15, 2022.

⁴ Pub. L. 101-576, 104 Stat. 2838 (November 15, 1990).

⁵ On May 5, 2023, the Director-General of the World Health Organization determined that COVID-19 no longer constitutes a public health emergency of international concern. [World Health Organization, *Statement on the fifteenth meeting of the International Health Regulations (2005) Emergency Committee on the coronavirus disease (COVID-19) pandemic*; May 5, 2023.] The following week, the COVID-19 Public Health Emergency expired for the federal government. [U.S. Department of Health and Human Services, *HHS Secretary Xavier Becerra Statement on End of the COVID-19 Public Health Emergency*; May 11, 2023.]

Results

FINDING. THE SEC TOOK APPROPRIATE WORKPLACE SAFETY ACTIONS IN ACCORDANCE WITH PANDEMIC GUIDANCE BUT COULD IMPROVE COMMUNICATIONS

The SEC issued its original Safety Plan in June 2021 and updated it periodically to comport with public health requirements and as new government-wide guidance became available. The original Safety Plan and the updates addressed all model safety principles set forth by OMB, as modified from time to time. Following the Safety Plan enabled the SEC to successfully implement key measures to mitigate health risks to the workforce.

We found, however, that Agency communications could be improved in two respects. First, although SEC guidance directed Agency divisions and offices to limit travel to that deemed “essential” or “mission critical,” it did not define those terms or explain how such determinations were to be made. Second, OCOO personnel relied on email address lists that were out of date or incomplete to communicate important information, including information pertinent to COVID-19, across the Agency. Resolving these issues would leave the SEC better able to respond quickly to future emerging and time-sensitive events.

Versions of the SEC’s Safety Plan Aligned With Federal Guidance. To support the implementation of EO 13991, OMB issued Memorandum M-21-15, which specified that the model safety principles appended to the Memorandum “should be applied to all Federal agencies and workplaces, including small and independent agencies” such as the SEC. Accordingly, in February 2021, the OCOO established the SEC’s Coordination Team to craft an initial Safety Plan and update it as needed and to coordinate pandemic-related communications throughout the Commission. The Coordination Team included members of the OCOO, personnel from the offices of the General Counsel, Support Operations (OSO), Human Resources, and Information Technology, and representatives of the divisions of Enforcement and Examinations.

According to OCOO representatives, Coordination Team meetings initially took place weekly, then bi-weekly, and then monthly. Then, for much of 2022, the Coordination Team was paused because of negotiations between the SEC and the National Treasury Employees Union (NTEU), which represents the Agency’s bargaining unit employees. However, Coordination Team members worked with NTEU to facilitate 2022 updates to the SEC’s Safety Plan. Subsequently, Coordination Team meetings evolved into meetings to discuss return-to-office requirements.

The Coordination Team developed the first version of the SEC’s Safety Plan (finalized on June 23, 2021) based on the model safety principles outlined in OMB Memorandum M-21-15. Additional updates to the model safety principles, as well as updates to other applicable federal guidance provided by the Task Force, triggered three updates to the Agency’s Safety Plan between July 2021 and May 2022.

We compared the first four versions of the SEC's Safety Plan (issued between June 2021 and May 2022⁶) to the model safety principles outlined in OMB Memorandum M-21-15 and determined that the SEC's plans were comprehensive and addressed each of the principles. This included telework and remote work, establishing the Coordination Team, and reducing travel to activities classified as "essential" or "mission critical," among other topics. Appendix II further compares versions of the SEC's Safety Plan to OMB's model safety principles.

The SEC Took Appropriate Actions To Implement Key Workplace Safety Measures. We assessed internal controls related to workplace safety protocols and measures implemented in response to the pandemic and determined that the SEC took appropriate actions to ensure workplace safety. Specifically, as the following sections describe, the SEC:

- adhered to reporting requirements related to safety and health;
- established controls—such as telework, occupancy limits, and restrictions related to conferences and large meetings—to reduce physical interaction; and
- established other controls—such as requirements for masks, vaccination, and hand sanitizer stations—to further ensure a safe workplace.

Safety and Health Reporting. The SEC maintains a comprehensive occupational safety and health program consistent with the standards set forth in the Code of Federal Regulations.⁷ The Director of OSO is responsible for managing the SEC's safety and health program and is the Designated Agency Safety and Health Official. According to the SEC policy for the occupational safety and health program, the SEC must submit an annual occupational safety and health report to the Secretary of Labor to support Occupational Safety and Health Administration injury and illness reporting. We verified that, in 2020 and 2021, the SEC adhered to this reporting requirement. Moreover, the SEC's occupational safety and health reports for 2020 and 2021 did not identify any COVID-19-related concerns.

Additionally, the SEC's previous (2018) and current (2023) collective bargaining agreements with NTEU include requirements for the SEC to maintain safe working conditions for all employees and assure compliance with all applicable Occupational Safety and Health Act standards.⁸ Moreover, NTEU will promptly notify the SEC of any safety and health concerns or possible compliance problems. According to officials from OSO, NTEU did not make any such notifications between 2020 and 2022.

⁶ The first four versions were dated June 23, 2021; July 29, 2021; January 10, 2022; and May 17, 2022, respectively, and reflected more stringent workplace safety measures in place at the time. Two additional versions of the Safety Plan were released in January and February 2023, removing vaccination requirements for entry into SEC facilities and updating requirements for mask wearing and physical distancing to align with the CDC's data on COVID-19 community transmission levels where SEC facilities are located. Also, with the ending of the COVID-19 Public Health Emergency, on May 11, 2023, OMB and the Task Force provided agencies, including the SEC, with instructions regarding COVID-19 safety protocols and workplace safety plans, COVID-19 safety protocols for federal contractors, and the end of vaccination requirements for federal employees. As a result, the SEC released an updated version of the Safety Plan on July 11, 2023.

⁷ 29 CFR 1910, Part 1960, *Basic Program Elements for Federal Employee Occupational Safety and Health Program and Related Matters*.

⁸ Pub. L. No. 91-596, 84 Stat. 1590 (December 29, 1970).

Controls To Reduce Physical Interaction. In March 2020, OMB Memorandum M-20-16, *Federal Agency Operational Alignment to Slow the Spread of Coronavirus COVID-19*, required the government to minimize face-to-face interactions and maximize telework, including mandatory telework. Additionally, OMB Memorandum M-21-15 limited occupancy in federal workplaces to no more than 25 percent. In response, the SEC changed its operating status to mandatory telework for employees and sought to minimize in-person meetings.

We compared the number of SEC-authorized conferences held in FYs 2020 through 2022 to the number authorized in FYs 2017 through 2019 and observed a notable decline.⁹ We also verified that public meetings for SEC advisory committees—specifically, the Asset Management Advisory Committee, the Fixed Income Market Structure Advisory Committee, the Investor Advisory Committee, and the Small Business Capital Formation Advisory Committee—either were not held at SEC facilities, or were generally held remotely between April 2020 and March 2023. Finally, we reviewed daily occupancy data from OSO for July 2021 through December 2022, and verified that occupancy in SEC facilities generally remained under 25 percent.

Controls To Further Ensure a Safe Workplace. The SEC took additional steps to further ensure a safe workplace. The following table lists the Agency’s response to other key workplace safety measures identified in federal guidance issued between March 2020 and May 2023. For additional details on this guidance, see Appendix IV.

⁹ The SEC authorized 76 conferences in FY 2017, 97 in FY 2018, 103 in FY 2019, 51 in FY 2020, 10 in FY 2021, and 18 in FY 2022.

TABLE 1. The SEC’s Response to Other Key COVID-19 Workplace Safety Measures From Federal Guidance Issued Between January 2021 and May 2023

Workplace Safety Measure	Change to Federal Guidance	SEC Response
Masking		
<p>In January 2021, OMB required mask usage consistent with CDC guidelines.</p>	<p>In July 2021, the mask requirement was lifted for vaccinated individuals when the COVID-19 community transmission level is low or moderate. As of August 2022, agencies must require all individuals to wear high-quality masks in federal facilities when the COVID-19 community transmission level is high.</p>	<p>In January 2021, all SEC employees and contractors were reminded of the need to comply with CDC guidelines while on-site at SEC facilities, including with respect to wearing masks and social distancing. In June 2021, all entrants into SEC workplaces were required to wear face masks or be vaccinated. As of July 2021, all entrants into SEC workplaces were required to wear a face mask regardless of vaccination status. As of February 2023, masks were required where the COVID-19 community transmission level is high.</p>
Vaccination		
<p>In June 2021, the Administration strongly encouraged federal employees and contractors to be vaccinated.</p>		<p>In July 2021, all entrants into SEC workplaces were required to be vaccinated with rare exceptions. In January 2023, following an internal review of pending federal court injunctions regarding vaccination requirements, the SEC removed the vaccination requirement for entry into SEC workplaces.</p>
<p>In September 2021, EO 14043 mandated each agency to implement a program requiring COVID-19 vaccination for all its federal employees, with exceptions only as required by law.</p>	<p>In May 2023, the President’s <i>Executive Order on Moving Beyond COVID-19 Vaccination Requirements for Federal Workers</i>, revoked EO 14043.</p>	<p>In September 2021, the COO communicated that, pursuant to EO 14043, all SEC employees must be vaccinated by November 2021. In November 2021, the COO communicated that 95 percent of SEC employees had certified that they were vaccinated.</p>
<p>In September 2021, EO 14042 required each agency to ensure that government contracts include a clause mandating contractors to comply with certain Task Force guidance for workplace locations.</p>	<p>In December 2021, a federal district court issued a nationwide injunction prohibiting enforcement against all federal contractors of the vaccination requirement. In May 2023, the President rescinded the COVID-19 safety protocols for federal contractors.</p>	<p>In October 2021, the SEC’s Office of Acquisitions required contracting officers to include the appropriate contract clause in all applicable SEC contracts. In January 2022, the SEC communicated that there is a nationwide stay on enforcing this requirement.</p>
Hand Sanitizer		
<p>In January 2021, OMB required that hand sanitizer stations be available at building entrances and throughout workplaces.</p>		<p>Hand sanitizer stations are available at all SEC workplaces.</p>

Source: *OIG-generated based on federal guidance and internal controls related to COVID-19 workplace safety protocols and measures.*

Although the OCOO issued and maintained a comprehensive Safety Plan and the SEC took appropriate actions to ensure workplace safety, the OCOO could take additional actions to improve Agency-wide communication, as we describe in the following sections.

The OCOO Did Not Communicate Agency-wide Travel Guidance To Account for the Specifics of the Agency's Mission. According to OMB's model safety principles, because of previously high COVID-19 transmission rates, federal agencies were to:

- limit domestic travel to only mission critical trips;
- avoid international travel, if possible, unless travel was mission critical; and
- "issue more specific guidance to account for the particulars of their agency's mission, limiting official travel as much as possible."

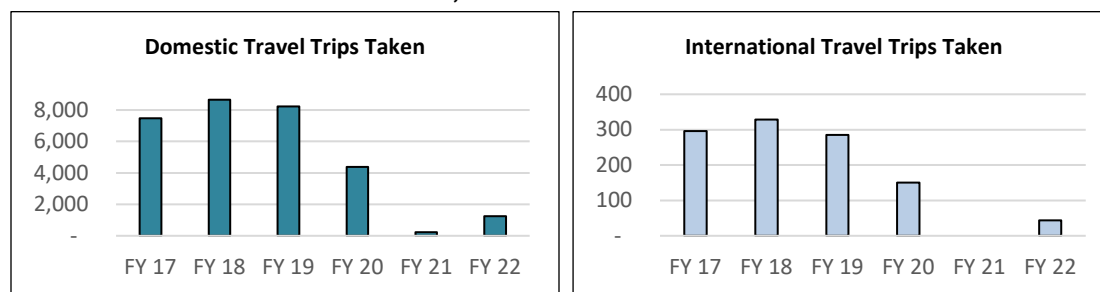
The SEC's Safety Plan outlined travel guidance and directed Agency divisions and offices to limit travel. Early versions of the Safety Plan required managing executives to approve travel only if deemed "essential" or "mission critical." In addition, the June 23, 2021, version stated, "SEC official, non-local travel continues to be approved only if essential." In subsequent versions, the SEC removed the term "essential" and added the term "mission critical."

The U.S. Government Accountability Office's (GAO) *Standards for Internal Control in the Federal Government* addresses information and communication and states that agency management should internally communicate the necessary quality information to achieve the entity's objectives. GAO's standards further discuss how the effectiveness of communication is driven by management communicating quality information down and across reporting lines to enable personnel to perform key roles in achieving objectives, addressing risks, and supporting the internal control system.¹⁰ In addition, the "Teamwork" value in the SEC's *Strategic Plan FYs 2022 – 2026* recognizes that success depends on a team committed to the highest standards of communication, among other things.¹¹

To better understand the steps the Agency took to limit travel during the pandemic, we first identified those SEC divisions, offices, and regional offices that authorized travel between June 2021 and September 2022 (see Appendix III). We then surveyed those division and office audit liaisons, managing executives, directors, assistant directors, or regional office directors to inquire about Agency guidance, as well as division and office processes for determining what should be classified as "essential" or "mission critical" travel during the pandemic. Survey responses indicated that the SEC limited travel significantly between 2021 and 2022. We confirmed this by analyzing closed travel vouchers from FYs 2017 through 2022 (that is, October 1, 2016, through September 30, 2022), which showed a significant decline in Agency travel, including international travel, as the following figure illustrates.

¹⁰ U.S. Government Accountability Office, *Standards for Internal Control in the Federal Government* (GAO-14-704G, September 2014); Principle 14 – Communicate Internally (14.01 and 14.03).

¹¹ U.S. Securities and Exchange Commission, *Strategic Plan, Fiscal Years 2022 – 2026*; November 29, 2022.

FIGURE 2. Instances of SEC Travel, FYs 2017 – 2022

Source: OIG-generated based on travel data provided by the SEC's Office of Financial Management.

Although the OCOO communicated guidance on pandemic-related travel restrictions and travel declined overall, those communications did not define relevant terms or otherwise account for the particulars of the Agency's mission, as directed by OMB's model safety principles. The OCOO also did not communicate that divisions and offices could make such determinations for themselves. To meet the OCOO's COVID-19-related travel restrictions, SEC divisions and offices chose varying approaches including relying on previous Agency-wide communications, such as *Guidance for Operating Under Continuing Resolution in FY 2020* (dated October 2, 2019).¹²

We discussed this issue with the COO who stated that, generally, divisions and offices determine which travel activities are classified as "mission critical" as they are most familiar with their missions. Furthermore, it appears that the decision not to communicate more specific Agency-wide guidance was made to maintain division and office flexibility.

Management of Email Address Lists Needs Improvement. The OCOO relies on email address lists to communicate, across the Agency, important information such as end-of-year travel restrictions and requirements; guidance related to continuing resolutions, when necessary; and information related to the COVID-19 pandemic. We reviewed pandemic-related travel guidance communicated across the SEC by the Office of Financial Management using such email address lists. Because of the importance of this guidance and the role it played in ensuring the health and safety of Agency employees, it was imperative that the SEC's email address lists were complete, accurate, and up to date. When asked about this topic, the COO acknowledged that some of the SEC's email address lists are not as well-managed or updated as they could be. For example, as of March 10, 2023, there were two different Managing Executive email lists and two Business Manager lists.¹³ In addition, the COO told us the #SECAdminContacts list was officially shelved before the pandemic but, as of July 2023, it still appeared in the Agency's email system.

We also observed three instances between 2021 and 2022 where the #SECAdminContacts was used to disseminate year-end travel guidance. This occurred because OCOO personnel did not regularly review

¹² This document provides FY 2020 spending guidance for SEC divisions and offices, and directs divisions and offices to limit travel expenses to those that are "critical to performing the agency's mission." The document cites specific activities such as investigations, litigations, and examinations as critical, and states that international travel would be allowed only if essential to the Agency's mission.

¹³ Managing executives and business managers generally are responsible for supporting the operational needs of the SEC's divisions and offices.

email address lists before relying on them to communicate important information, including information pertinent to COVID-19, across the Agency.

As noted above, GAO's *Standards for Internal Control in the Federal Government* makes clear that management should internally communicate the necessary quality information to achieve the entity's objectives and address risks. Moreover, GAO's standards discuss the effectiveness of communication, stating that management should periodically evaluate the entity's methods of communication so that the organization has the appropriate tools to communicate quality information throughout the entity on a timely basis.¹⁴ If unaddressed, the conditions we observed could increase the SEC's risk of ineffective communication during future emerging and time-sensitive events.

RECOMMENDATIONS, MANAGEMENT'S RESPONSE, AND EVALUATION OF MANAGEMENT'S RESPONSE

To ensure the information and communication component of the federal internal control standards operates effectively at the SEC, we recommend that the OCOO:

Recommendation 1:

Communicate to the SEC divisions and offices more information about the activities that should be classified as "essential" or "mission critical," or make clear to the divisions and offices when they are responsible for such determinations.

Management's Response. Management concurred with the recommendation. According to the COO, the OCOO will communicate to divisions and offices additional information to help them determine which activities should be deemed "essential" or "mission critical". Management's complete response is reprinted in Appendix V.

OIG's Evaluation of Management's Response. Management's proposed actions are responsive. The recommendation will be closed upon completion and verification of the proposed actions.

Recommendation 2:

Develop a process to regularly ensure that email address lists relied on by the OCOO to communicate information Agency-wide are complete, accurate, and up to date.

Management's Response. Management concurred with the recommendation. According to the COO, the OCOO will create and document a regular process for updating key internal email distribution lists. Management's complete response is reprinted in Appendix V.

OIG's Evaluation of Management's Response. Management's proposed actions are responsive. The recommendation will be closed upon completion and verification of the proposed actions.

¹⁴ GAO-14-704G; Principle 14 – Communicate Internally (14.08).

Appendix I. Scope and Methodology

We conducted this evaluation from September 2022 to July 2023 in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*. Those standards require that we plan and perform the evaluation to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings, conclusions, and recommendations based on our evaluation objectives. We believe that the evidence obtained provides a reasonable basis for our findings, conclusions, and recommendations based on our evaluation objective.

Objective and Scope

Our overall objective was to assess the SEC's management of workplace safety protocols and related measures—including how the Agency developed, implemented, and updated its Safety Plan—in response to the COVID-19 pandemic and pursuant to EO 13991 and other applicable federal guidance. Specifically, we sought to:

- determine the extent to which the SEC aligned its Safety Plan with applicable federal guidance; and
- assess internal controls related to workplace safety protocols and measures implemented in response to the pandemic, including applicable requirements selected for review as established in the SEC's Safety Plan.

Our evaluation scope primarily focused on a review of applicable federal guidance issued between January 2021 and September 2022 and testing of selected requirements established in versions of the SEC's Safety Plan released during that timeframe. We reviewed the safety measures related to physical distancing and environmental cleaning at each of the SEC's workplaces, and therefore expanded our review to include applicable federal guidance dating from March 2020 to understand requirements and SEC actions taken to ensure workplace safety during the pandemic. In addition, we monitored for updated federal guidance and SEC actions through May 12, 2023.

Methodology

To address our objective, among other work performed, we:

- met with representatives from the SEC's Coordination Team, other SEC personnel, and the Agency's contracted public health expert;
- compared versions of the SEC's Safety Plan to OMB's model safety principles (see Appendix II);
- reviewed information related to the SEC's occupational safety and health program, occupancy rates, facilities operations regarding cleaning and ventilation, and process for collecting and protecting confidential medical data, including vaccination data;
- surveyed SEC divisions and offices regarding COVID-19 travel procedures and analyzed closed travel voucher data from June 2021 through September 2022 (see Appendix III);

- reviewed relevant sections of the SEC's 2018 and 2023 collective bargaining agreements with NTEU; and
- assessed data regarding SEC-authorized conferences held between FYs 2017 and 2022, and public meetings for SEC advisory committees held between April 2020 and March 2023.

Internal Controls

We identified and assessed internal controls, applicable internal control components, and underlying principles significant to our objective, as described below.

Control Environment. We assessed the control environment established in response to OMB Memorandum M-21-15. To obtain an understanding of roles and responsibilities, we interviewed the COO and other members of the Agency's Coordination Team who drafted the initial Safety Plan and subsequent versions.

Control Activities. We reviewed applicable federal guidance and versions of the SEC's Safety Plan to identify key control activities enacted in response to the pandemic. We reviewed control activities that limited non-local travel and reduced physical interaction. We also reviewed inspection reports, confirmations from SEC lessors indicating heightened cleaning practices, and reports confirming compliance with ventilation and air filtration guidance. We performed a walkthrough of the system used to certify vaccination status of SEC employees, interviewed representatives from the offices of Information Technology and Human Resources, and reviewed documentation to ensure privacy and information security controls were in place. Because of the confidentiality of medical information, we did not access vaccination data, information about reasonable accommodations, or notifications of suspected or confirmed COVID-19 cases by SEC employees or contractors.

Information and Communication. We reviewed numerous relevant OCOO communications to SEC employees and contractors, including Agency-wide memoranda, frequently asked questions, and an information portal on the SEC's intranet. We also reviewed various correspondence from the COO to the heads of SEC divisions and offices, informing them of the approved Safety Plan and its updates. As this report describes, we identified opportunities to improve future Agency-wide communication.

Monitoring. We reviewed the SEC's Safety Plan and identified monitoring activities related to the following topics:

Contact Tracing/Symptom Monitoring. Versions of the Safety Plan issued between June 2021 and May 2022 discussed the need for staff to self-affirm that they met health requirements before entering an SEC space. If an employee experienced COVID-19 symptoms while in the SEC workplace, they were to immediately notify their supervisor.

Ventilation and Air Filtration. All SEC landlords provided initial confirmations that they followed CDC guidelines regarding ventilation and air filtration. OSO monitored those guidelines and requested that SEC landlords confirm that they remained in compliance as the guidelines evolved. We reviewed documents provided by SEC officials and confirmed that appropriate actions were taken to monitor and comply with requirements established in the applicable Safety Plan at the time.

Vaccinations. We interviewed relevant SEC officials, reviewed documentation related to the system for storing and maintaining vaccination data, and performed a walkthrough to review privacy and applicable information security controls.

Data Reliability

GAO's *Assessing Data Reliability* (GAO-20-283G, December 2019) states reliability of data means that data are applicable for audit purpose and are sufficiently complete and accurate. Data primarily pertains to information that is entered, processed, or maintained in a data system and is generally organized in, or derived from, structured computer files. Furthermore, GAO-20-283G defines "applicability for audit purpose," "completeness," and "accuracy" as follows:

"Applicability for audit purpose" refers to whether the data, as collected, are valid measures of the underlying concepts being addressed in the audit's research objectives.

"Completeness" refers to the extent to which relevant data records and fields are present and sufficiently populated.

"Accuracy" refers to the extent that recorded data reflect the actual underlying information.

Reliance on information that was entered, processed, or maintained in a data system and was generally organized in, or derived from, structured computer files was not significant to our objective. Therefore, we did not perform tests to ensure data reliability. However, because the U.S. Department of Transportation's Enterprise Services Center is the SEC's financial shared service provider and hosts the financial accounting system that processes travel vouchers, we obtained and reviewed the independent service auditor's report related to the Enterprise Services Center for FY 2022. We noted that the report did not identify any internal control concerns.

Prior Coverage

Between 2020 and 2023, the SEC OIG did not issue any reports related to this evaluation; however, GAO's COVID-19 reports are available at <https://www.gao.gov/coronavirus>.

Appendix II. Comparison of SEC Safety Plan and OMB Model Safety Principles

We compared the first four versions of the SEC’s Safety Plan (issued between June 2021 and May 2022) to the model safety principles outlined in OMB Memorandum M-21-15 and determined that the SEC’s Safety Plan addressed all of OMB’s model safety principles, as well some additional topics. As the following table shows, the topics covered included telework and remote work, establishing the Coordination Team, and reducing travel to activities classified as essential or mission critical, among others.

TABLE 2. Summary of OIG Observations – Safety Plan vs. Model Safety Principles

Safety Plan Topic	OMB Memorandum M-21-15 Requirement
<i>Telework and Remote Work</i>	Directed agencies to make every effort to maximize the use of remote work during widespread community transmission. Early versions of the SEC’s Safety Plan made note of the Agency’s mandatory telework posture; however, the January 2022 version of the Safety Plan stated that, as of July 2021, the SEC permitted employees to voluntarily work onsite at an SEC workplace.
<i>COVID-19 Coordination Team</i>	Required that, by January 26, 2021, each agency should establish a COVID-19 coordination team including, at minimum, a representative from each component agency (if applicable); human resources office; occupational safety and health; executive leadership; counsel’s office; and a public health expert. According to meeting minutes, the first meeting of the SEC’s Coordination Team took place on February 1, 2021. In addition, the SEC executed a contract to obtain the services of a public health consultant to support the Agency’s implementation of public health best practices and guidelines provided by the CDC and the Office of Personnel Management.
<i>Face Masks</i>	Required federal employees and on-site contractors to wear a mask that covered the nose and mouth and complied with current guidance from the CDC and the Occupational Safety and Health Administration. Versions of the SEC’s Safety Plan issued during the period we reviewed referred SEC personnel to CDC guidelines regarding masking, and provided guidance for wearing masks. We note that 2023 versions of the Safety Plan removed the mask-wearing requirement.
<i>Testing</i>	Informed agencies that, in accordance with EO 13991, the CDC was developing a testing plan for the federal workforce. Early versions of the SEC’s Safety Plan directed SEC personnel to follow CDC guidelines on testing. However, as of January 2022, SEC personnel were informed that, if an individual was notified of a suspected workplace exposure to COVID-19 as a result of contact tracing, the individual could seek a COVID-19 test from the individual’s preferred provider and submit a request for reimbursement from the SEC.
<i>Contact Tracing</i>	Directed agency COVID-19 coordination teams to collaborate with, and support the contact tracing programs of, local health departments to help identify, track, and manage contacts of COVID-19 cases. Agency human resources teams, in coordination with facilities staff, were also instructed to implement infection control and workplace safety efforts once informed of a case of COVID-19 (either because of specific symptoms or a positive test). Versions of the SEC’s Safety Plan we reviewed directed supervisors and contracting officer representatives to immediately forward any reports of infection or suspected infection to their division/office/regional director, managing executive, or administrative officer who would then notify the COO, the

Safety Plan Topic	OMB Memorandum M-21-15 Requirement
	Deputy General Counsel for General Law and Management, and the Chief Counsel for the SEC's Office of Human Resources.
<i>Travel</i>	Directed agencies to limit official domestic travel to mission critical trips and to avoid international travel if possible unless mission critical. Agency heads were asked to issue more specific guidance to account for the particulars of their missions, limiting travel as much as possible. The SEC's Safety Plan established pandemic travel guidelines, restricting travel to essential/mission critical activities.
<i>Symptom Monitoring</i>	Directed federal employees, on-site contractors, and visitors not to enter federal spaces if they were not feeling well, and informed federal employees and contractors working on site that they would be asked to regularly complete symptom questionnaires. Agencies were also asked to consider using mobile/web application tools to help facilitate the process of symptom monitoring. According to the SEC's Safety Plan, the Agency created signage at all workplace entry points with screening questions adapted from the CDC Facilities COVID-19 Screening Tool, indicating that personnel who entered were attesting that they met the health requirements for entry.
<i>Quarantine and Isolation</i>	Directed agencies to advise personnel with suspected or confirmed COVID-19 cases to isolate pursuant to CDC guidelines. The SEC included this requirement in its Safety Plan, adding that personnel in close contact with someone who has tested positive for COVID-19 within 14 days should follow CDC and local quarantine guidance.
<i>Reasonable Accommodations</i>	Did not outline specific model safety principles related to reasonable accommodations; however, the SEC's Safety Plan informed personnel that individuals with disabilities needing accommodations to work during the pandemic or to comply with COVID-19 workplace protocols could obtain accommodations via the Agency's Reasonable Accommodation Program.
<i>Confidentiality</i>	Directed agencies to treat all medical information collected from personnel confidentially, including test results and any other information obtained as a result of testing and symptom monitoring. The SEC's Safety Plan added to this requirement by clarifying that employee medical information must be stored separately from employee personnel files, and established an Office of Human Resources point of contact for all personnel medical data.
<i>Occupancy</i>	Informed agencies that federal workplace occupancy rates should not exceed 25 percent of normal occupancy standards at any given time during periods of high community transmission. According to the SEC's Safety Plan, occupancy in SEC facilities within the time period of our review has been below 25 percent of building occupancy.
<i>Physical Distancing</i>	Requested that, to the extent practicable, individuals in federal workspaces maintain a distance of six feet from others at all times, consistent with CDC guidelines in offices, conference rooms, and other communal workspaces. According to the SEC's Safety Plan, guidance to remind occupants to maintain a distance of six feet unless fully vaccinated was posted in all SEC facilities.
<i>Environmental Cleaning</i>	Required agencies to use enhanced cleaning techniques in common use, high touch, and high density spaces such as lobbies, restrooms, elevators, and stairwells in accordance with CDC guidelines. According to the SEC's Safety Plan, the SEC confirmed with landlords that enhanced cleaning was routinely provided in accordance with applicable federal guidance.
<i>Hygiene</i>	Encouraged federal personnel to wash hands with soap and water or to use hand sanitizer frequently, and directed agencies to make hand sanitizer stations available at building entrances and throughout workspaces. Our review of the SEC's Safety Plan indicated that the SEC positioned hand sanitizer stations at entry and elevator lobbies in all SEC facilities.

Safety Plan Topic	OMB Memorandum M-21-15 Requirement
<i>Ventilation and Air Filtration</i>	Informed agencies that ventilation and air filtration modifications may be considered. According to the SEC's Safety Plan, over the course of the pandemic, SEC landlords confirmed that they were following CDC guidelines regarding ventilation and air filtration. OSO monitored these guidelines and requested confirmation from landlords that they remained in compliance as the guidelines evolved.
<i>Visitors</i>	Required that the number of visitors to federal workspaces be minimized and visitors should be screened and tested if appropriate. The SEC's Safety Plan called for reductions in the number of visitors and required that all in-person visitors be pre-approved.
<i>Staggered Work Times and Cohort-Based Scheduling</i>	Encouraged agencies to allow personnel to stagger work times to minimize traffic volume in elevators and to avoid crowds during commuting. Early versions of the SEC's Safety Plan included this and other schedule flexibilities.
<i>Elevators</i>	Instructed agencies to work with their occupational health professionals to assess elevators and determine safe occupancy, and required individuals to wear masks in elevators and elevator lobbies. In addition to adding this requirement to its Safety Plan, the SEC required that elevator capacity be limited to two people.
<i>Shared Spaces</i>	Directed agencies to require personnel to disinfect shared tools and equipment anytime the equipment is used by or transferred to a new person. Agencies were also required to provide disinfectant wipes. According to the SEC's Safety Plan, disinfectants and gloves were made available to SEC employees and contractors required to report to work during the mandatory telework status. Further, signage recommending capacity limits in shared spaces was developed as needed.
<i>Vaccination</i>	Requirements regarding vaccination were not included; however, to align with evolving CDC guidance, beginning with its July 29, 2021, update to the Safety Plan, the SEC required all entrants into SEC space to be fully vaccinated unless granted an exception from the COO. In January 2022, the SEC complied with the Task Force's request to take no action to implement or enforce the COVID-19 vaccination requirement following the issuance of a nationwide preliminary injunction.
<i>Office Usage</i>	Did not include requirements regarding office usage; however, early versions of the SEC's Safety Plan required on-site employees and contractors to keep office doors closed unless personnel were entering or exiting.

Source: OIG-generated based on reviews of OMB Memorandum M-21-15 and SEC Safety Plan versions issued between June 2021 and May 2022.

Appendix III. SEC Division and Office Travel

We surveyed SEC divisions and offices regarding COVID-19 travel procedures. The table below shows those 35 divisions and offices that authorized travel between June 2021 and September 2022, as well as the number of trips authorized within the time period.

TABLE 3. Divisions and Offices That Authorized Travel Between June 2021 and September 2022

No.	SEC Division or Office	Number of Trips Authorized
1	Division of Enforcement	262
2	Fort Worth Regional Office	118
3	Atlanta Regional Office	114
4	New York Regional Office	96
5	Chicago Regional Office	81
6	Philadelphia Regional Office	76
7	Boston Regional Office	56
8	Commissioners' Offices	56
9	Denver Regional Office	43
10	Miami Regional Office	36
11	Office of Information Technology	34
12	Division of Examinations	34
13	Office of the Chief Accountant	33
14	San Francisco Regional Office	32
15	Los Angeles Regional Office	31
16	Office of Support Operations	30
17	Office of the General Counsel	27
18	Division of Economic and Risk Analysis	25
19	Division of Trading and Markets	22
20	Office of Minority and Women Inclusion	21
21	Salt Lake Regional Office	16
22	Strategic Hub for Innovation and Financial Technology	16
23	Office of Investor Education and Advocacy	15
24	Division of Investment Management	15
25	Office of International Affairs	13
26	Division of Corporation Finance	8
27	Office of Municipal Securities	6
28	Office of the Advocate for Small Business Capital Formation	6
29	Office of Human Resources	5
30	Office of Credit Ratings	3
31	Office of Public Affairs	3
32	EDGAR Business Office	2
33	Office of the Investor Advocate	2
34	Office of Acquisitions	2
35	Office of Administrative Law Judges	1

Source: *OIG-generated based on travel data provided by the SEC's Office of Financial Management.*

The SEC's OCOO and offices of Equal Employment Opportunity, Ethics Counsel, Financial Management, Legislative and Intergovernmental Affairs, and the Secretary did not authorize travel during the period reviewed. We did not review OIG travel activities.

Appendix IV. Relevant Federal Guidance

To address our objective, we reviewed the SEC's response to key workplace safety measures identified in federal guidance issued between March 2020 and May 2023. The table below summarizes that guidance.

TABLE 4. Summary of Federal COVID-19 Workplace Safety Guidance Issued Between March 2020 and May 2023

Date	Federal Guidance Issued
March 2020	The President's Coronavirus Guidelines for America, <i>30 Days to Slow the Spread</i> , included following the directions of state and local authorities, staying home if sick, and avoiding social gatherings in groups of more than 10 people.
	OMB Memorandum M-20-16, <i>Federal Agency Operational Alignment to Slow the Spread of Coronavirus COVID-19</i> , required the government to minimize face-to-face interactions, maximize telework (including mandatory telework, if necessary), and restrict those infected from accessing federal facilities, among other requirements.
April 2020	The President's guidelines, <i>Opening Up America Again</i> , provided for returning to work in three phases, including telework in the first two phases and resuming unrestricted staffing in the third phase.
	OMB Memorandum M-20-23, <i>Aligning Federal Agency Operations with the National Guidelines for Opening Up America Again</i> , stated that agency heads maintain the flexibility to develop and continue to use appropriate telework protocols.
January 2021	EO 13991, <i>Protecting the Federal Workforce and Requiring Mask-Wearing</i> , established the Task Force and recommended that individuals in federal buildings wear masks and maintain physical distance.
	OMB Memorandum M-21-15, <i>COVID-19 Safe Federal Workplace: Agency Model Safety Principles</i> , required mask usage and physical distancing consistent with CDC guidelines, limited occupancy in federal workplaces to no more than 25 percent, and limited official domestic travel to only mission critical trips, among other topics.
June 2021	OMB Memorandum M-21-25, <i>Integrating Planning for A Safe Increased Return of Federal Employees and Contractors to Physical Workplaces with Post-Reentry Personnel Policies and Work Environment</i> , rescinded OMB Memorandum M-20-23 and occupancy requirements set forth in OMB Memorandum M-21-15. Moreover, OMB Memorandum M-21-25 stated that, before implementing phased plans for reentry and post-reentry, agencies should work with the Task Force to update the safety plans and communicate their COVID-19 workplace safety plans to the employees, their representatives, and onsite contractors.
July 2021	<p>The Task Force updated its <i>COVID-19 Workplace Safety: Agency Model Safety Principles</i>, which included the following:</p> <ul style="list-style-type: none"> • Fully vaccinated federal employees and onsite contractors no longer needed to physically distance, wear a mask in public indoor settings in low and moderate community transmission level areas, or participate in screening tests, and were no longer subject to any government-wide restrictions on official travel (although agency travel policies still applied). • Federal employees and onsite contractors who were not fully vaccinated or declined to provide their vaccination status were required to wear a mask, physically distance, and comply with screening test requirements, and were subject to government-wide restrictions on official travel. • Visitors were required to provide information on their vaccination status and comply with the requisite safety protocols. Visitors who were not fully vaccinated or declined to provide their vaccination status were required to provide proof of a negative COVID-19 test from no later than the previous 3 days before entering a federal building or in-person participation in a federally hosted meeting, event, or conference.

Date	Federal Guidance Issued
September 2021	EO 14042, <i>Ensuring Adequate COVID Safety Protocols for Federal Contractors</i> , required each agency to ensure that government contracts mandated contractor compliance with approved Task Force guidance for workplace locations.
	EO 14043, <i>Requiring Coronavirus Disease 2019 Vaccination for Federal Employees</i> , required that each agency implement a program to mandate COVID-19 vaccination for federal employees.
	<p>The Task Force updated its <i>COVID-19 Workplace Safety: Agency Model Safety Principles</i>, which included the following:</p> <ul style="list-style-type: none"> • Where a locality imposed additional safety protocols, those requirements were to be followed in federal buildings in that locality. • Federal employees were to be fully vaccinated, except in limited circumstances. Agencies were to work expeditiously so that their employees were fully vaccinated no later than November 22, 2021. • Agencies were to ask about the vaccination status of visitors to federal buildings and onsite contractor employees who were not yet contractually required to be vaccinated, and take steps accordingly. • Agencies were reminded to satisfy applicable collective bargaining obligations under 5 U.S.C. Chapter 71 when implementing workplace safety plans.
	The Task Force issued <i>COVID-19 Workplace Safety: Guidance for Federal Contractors and Subcontractors</i> , strongly encouraging agencies to incorporate into government contracts a clause requiring compliance with the Task Force guidance.
	Memorandum from OMB, the U.S. Department of Defense, the U.S. General Services Administration, and the National Aeronautics and Space Administration for Chief Acquisition Officers, Senior Procurement Executives, the Defense Acquisition Regulations Council, the Civilian Agency Acquisition Council, <i>Issuance of Agency Deviations to Implement EO 14042</i> , supported agencies in their issuance of deviations related to using contract clauses requiring compliance with Task Force guidance for contractor workplace locations.
November 2021	The Task Force updated its <i>COVID-19 Workplace Safety: Guidance for Federal Contractors and Subcontractors</i> by requiring covered contractor employees to be vaccinated and to comply with masking and physical distancing guidance.
January 2022	The Task Force issued <i>Frequently Asked Questions Related to Compliance with the Applicable Preliminary Nationwide Injunction on Implementation and Enforcement of the Vaccination Requirement Pursuant to EO 14043</i> (later updated in August 2022). This guidance included pausing actions to require or request employee and potential employee COVID-19 vaccination status.
February 2022	The Task Force issued <i>Updated Implementation Guidance for Federal Agencies on COVID-19 Community Levels</i> (later updated in August 2022). This guidance included aligning protocols with COVID-19 community transmission levels.
September 2022	The Task Force updated <i>Model Agency COVID-19 Safety Principles</i> . Government-wide limits on official travel were lifted and individuals were instructed to follow agency travel policies. Government-wide restrictions were lifted for agency-hosted meetings, events, and conferences.
October 2022	OMB issued guidance for agencies not to take any steps related to EO 14042 to require covered contractors and subcontractors to come into compliance with previously issued Task Force guidance or enforce any contract clauses implementing EO 14042.
May 2023	The President revoked EOs 14042 and 14043, rescinding the vaccination requirement for federal employees and COVID-19 safety protocols for federal contractors.
	OMB and the Task Force provided agencies, including the SEC, with instructions regarding COVID-19 safety protocols and workplace safety plans, COVID-19 safety protocols for federal contractors, and the end of vaccination requirements for federal employees.

Source: *OIG-generated based reviews of the guidance listed.*

Appendix V. Management Comments



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

MEMORANDUM

To: Rebecca L. Sharek, Deputy Inspector General for Audits, Evaluations, and Special Projects, Office of Inspector General

From: Kenneth A. Johnson, Chief Operating Officer **KENNETH JOHNSON** Digitally signed by KENNETH JOHNSON
Date: 2023.07.21
12:54:15 -04'00'

Date: July 21, 2023

Subject: Management Response to *The SEC Took Appropriate Workplace Safety Actions in Accordance With Pandemic Guidance But Could Improve Communications*

Thank you for the opportunity to review and comment on the Office of Inspector General (OIG) draft report related to its review of the SEC's workplace safety actions in response to the COVID-19 Pandemic.

At the Commission, the health and safety of our staff, their families, and their communities is our first priority. I am pleased your evaluation found that the SEC took timely and appropriate actions to ensure workplace safety in response to the COVID-19 pandemic. For example, your report states that: (1) the *SEC COVID-19 Workplace Safety Plan* was comprehensive and effectively updated to reflect evolving safety principles, and (2) the SEC implemented key workplace safety measures in accordance with applicable federal guidance.

Your report identifies two recommendations for further improvement, with which we concur. More details on management's responses to these recommendations are found in Appendix 1.

We appreciate the professionalism and courtesies provided by the OIG during this audit, and we look forward to working with your office to address the areas noted in your report.

Attachment: Appendix 1: Management Responses to Recommendations



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Appendix 1: Management Responses to Recommendations

Please find below the actions the SEC has already initiated, or intends to take, to address each recommendation:

Recommendation 1: Communicate to the SEC divisions and offices more information about the activities that should be classified as “essential” or “mission critical,” or make clear to the divisions and offices when they are responsible for such determinations.

Response: We concur. The Office of the Chief Operating Officer (OCOO) will communicate to divisions and offices additional information to help them determine which activities should be deemed “essential” or “mission critical”.

Recommendation 2: Develop a process to regularly ensure that email address lists relied on by the OCOO to communicate information Agency-wide are complete, accurate, and up to date.

Response: We concur. The OCOO will create and document a regular process for updating key internal email distribution lists.

Major Contributors to the Report

Colin Heffernan, Audit Manager

Mindy Vuong, Lead Auditor

Nicolas Harrison, Auditor

David Witherspoon, Senior Attorney

Comments and Suggestions

If you wish to comment on the quality or usefulness of this report or suggest ideas for future audits, evaluations, or reviews, please send an e-mail to OIG Audit Planning at AUDplanning@sec.gov.

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