

**UNITED STATES
COMMISSION ON CIVIL RIGHTS**



**PERFORMANCE AND ACCOUNTABILITY REPORT (PAR)
FOR FISCAL YEAR 2015**

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MESSAGE FROM THE CHAIRMAN



I am pleased to present the annual Performance and Accountability Report (PAR) for the U.S. Commission on Civil Rights for Fiscal Year 2015. This report reflects the agency's program and financial accomplishments over the past year. Unfortunately, because the thoroughness of the audit, the agency was unable to provide the auditors with all the necessary information before the audit deadline; therefore, we received a Disclaimer on our Financial Statements. Agency staff is committed to resolving these financial reporting issues in FY 2016.

In FY 2015, the Commission continued to deliver quality civil rights programming, studies, policy analysis, and recommendations to the President, Congress, and the Nation on important civil rights issues of the day. To promote public awareness of current civil rights laws, remedies, and enforcement agencies, we held five successful briefings: Racial Disparities in Stand Your Ground Laws (in Orlando, Florida); The State of Civil Rights at Immigration Detention Facilities; Examining Workplace Discrimination against Lesbian, Gay, Bisexual and Transgender Americans; Police Practices and Use of Force (in New York, New York); and The Effect that College Access, Persistence, and Completion Rates Have on the Socio-Economic Mobility of Minorities.

In September, the Commission released its Statutory Report: *With Liberty and Justice for All: The State of Civil Rights at Immigration Detention Facilities*. In this report, the Commission conducted a comprehensive examination of the U.S. Government's compliance with federal immigration laws and detention policies and its impact on civil rights of detainees. The Commission made a number of key findings and

recommendations to the President and Congress, two of which we would like to highlight here. The Commission recommended that the Department of Homeland Security act immediately to release families from detention. The Commission also recommended that Congress should no longer fund family detention and should reduce its funding for immigration detention generally, in favor of alternatives to detention.

We continue to successfully work to engage with, and utilize the work of our state advisory committees. Our state advisory committee members, working with regional office staff, held 11 civil rights briefings and forums. In addition, state advisory committees published seven SAC reports and regional staff processed 448 civil rights complaints from members of the public seeking to protect and enforce their rights. I have been pleased in my capacity as Chair of the Commission to attend meetings of some of our State Advisory Committees and to meet with representatives of state civil and human rights agencies, community groups, civil rights advocates, and public officials regarding the work of the Commission and the civil rights challenges facing diverse communities.

We continue to be challenged by staff vacancies and limited resources. Despite the challenges we face as an agency, I am proud of the Commission's FY 2015 performance, and look forward to building on its performance to continue to advance civil rights through objective and comprehensive investigation, research, and analysis on issues of fundamental concern to the federal government and the public.



Martin R. Castro
Chairperson
United States Commission on Civil Rights
November 16, 2015

Section I: Management Discussion and Analysis

The Management Discussion and Analysis (MD&A) section explains our mission, describes our organizational structure, presents performance highlights, analyzes our internal control environment, identifies financial highlights, and discusses the limitation of financial statements.

A. USCCR Mission

The U.S. Commission on Civil Rights was created pursuant to the Civil Rights Act of 1957, which was signed into law by President Eisenhower.¹ Since then, Congress has reauthorized or extended the legislation creating the Commission several times; the last reauthorization was in 1994 by the Civil Rights Commission Amendments Act of 1994.² Established as an independent, bipartisan, fact-finding federal agency, our mission is to appraise the development of national civil rights policy and enhance enforcement of federal civil rights laws. We pursue this mission by studying alleged deprivations of voting rights and alleged discrimination based on race, color, religion, sex, age, disability, or national origin, or in the administration of justice. We play a vital role in advancing civil rights through objective and comprehensive investigation, research, and analysis on issues of fundamental concern to the federal government and the public.

B. USCCR Organizational Structure

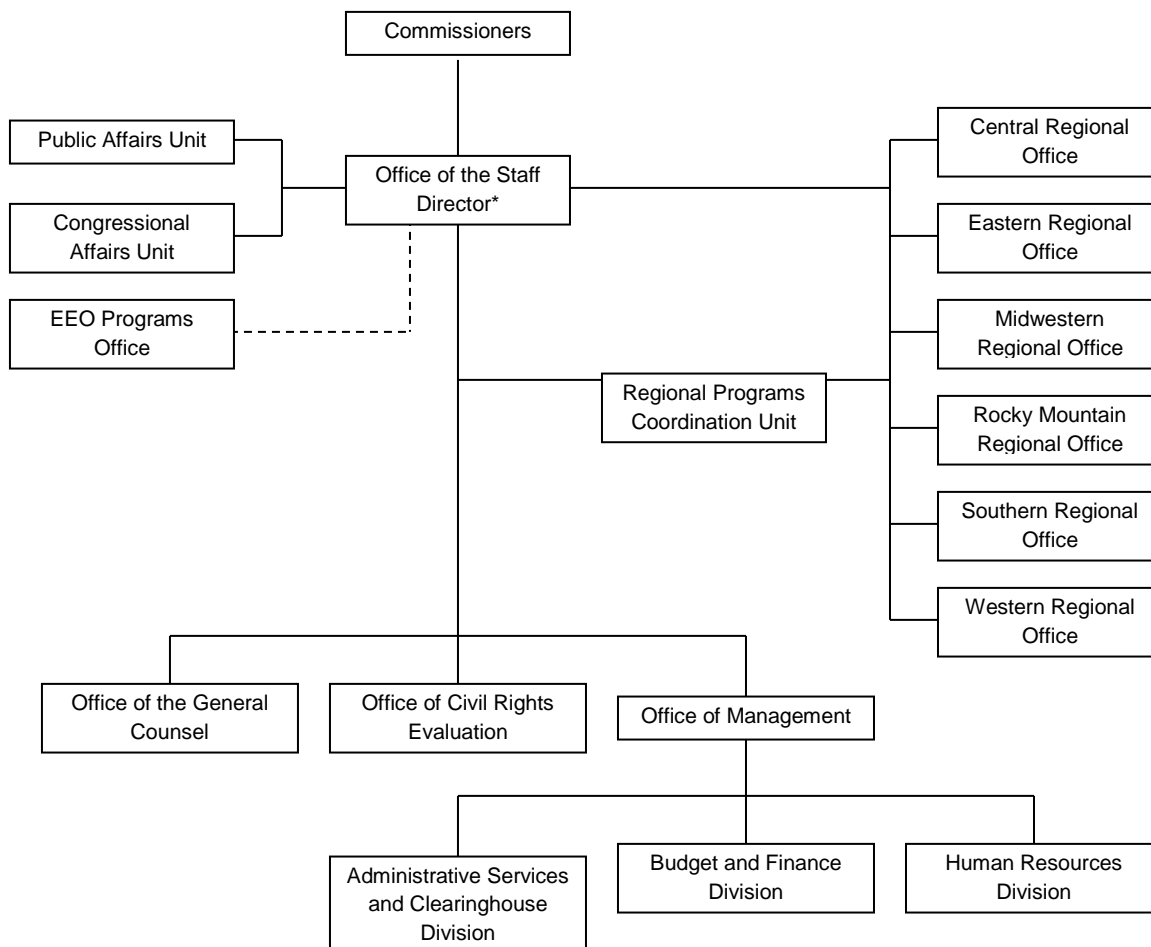
The Commission is an independent federal agency led by eight appointed commissioners. Their responsibilities include establishing agency policy on civil rights issues; adopting program plans, goals, and priorities; and approving national office project proposals. The staff director, appointed by the President with the concurrence of a majority of the commissioners, is the administrative head of the agency. The organizational chart below shows our current structure.

¹Civil Rights Act of 1957, Pub. L. No. 85-315, § 101, 71 Stat. 634 (1957). See United States Commission on Civil Rights Act of 1983, Pub. L. No. 98-183, 97 Stat. 1301 (1983); United States Commission on Civil Rights Act of 1991, Pub. L. No. 102-167, ___ Stat. ___ (1991).

²Civil Rights Commission Amendments Act of 1994, Pub. L. No. 103-419, 108 Stat. 4338 (1994) (codified at 42 U.S.C.A. § 1975 (2005)).

Organizational Structure

U.S. Commission on Civil Rights



* Although current agency regulations describe an “Office of the Deputy Staff Director,” the Commission eliminated that office and the deputy staff director position has been transferred to the Office of the Staff Director.

i. Headquarters Organization

There are eight offices and units in our national office and six regional offices. Of the national offices, two are primarily responsible for civil rights-related research and study—the Office of Civil Rights Evaluation and the Office of the General Counsel. Descriptions of the key functions for each office and unit are below.

Office of the Staff Director

The Office of the Staff Director (OSD), through the staff director, oversees the overall operation and management of our agency including:

- disseminating policies established by the commissioners to staff;
- recommending program activities and projects for approval by the commissioners,
- managing agency-wide performance and evaluating program results;
- overseeing and coordinating the completion of the agency's substantive civil rights work;
- ensuring that the budget is executed in a manner consistent with established agency priorities; and,
- serving as the liaison between the Commission and the Executive Office of the President, Congress, and other federal agencies.

Office of the General Counsel

The Office of the General Counsel (OGC) provides the legal expertise and advice required to support our fact-finding and ensure the legal integrity of our written products. This office supports the lawful operation of the agency and advises agency leadership and managers on a range of legal matters. This may include analyzing proposed legislation, interpreting various laws and regulations, advising on the scope of the agency's jurisdiction, and representing the agency in contractual disputes. The general counsel and his or her staff also represent the agency in personnel matters including litigation arising from equal employment discrimination complaints and other alleged employment violations. In addition, this office develops concepts for briefings and hearings on civil rights issues and generates related reports for public dissemination.

Office of Civil Rights Evaluation

The Office of Civil Rights Evaluation (OCRE) provides the subject matter and analytical expertise required to prepare social-scientific evaluations of civil rights issues. This office monitors the activities of numerous federal agencies as well as national and regional civil rights trends. Based on information gathered through monitoring and other sources, this office develops concepts for, and conducts, civil rights studies and other projects. In addition to these functions, this office receives, reviews, and refers civil rights complaints to other agencies for appropriate enforcement action.

Office of Management

The Office of Management (OM) supports all of the agency's strategic goals and objectives by ensuring that human and financial capital are available, and administrative support is in place to achieve the agency's mission. The OM provides administrative

support to all other Commission offices. Several divisions fall within this office: the Budget and Finance Division, the Human Resources Division, and the Administrative Services and Clearinghouse Division. The Administrative Services and Clearinghouse Division is responsible for information technology, procurement and acquisition, copying, printing, mail and distribution services, and the Rankin National Civil Rights Library.

Congressional Affairs Unit

The Congressional Affairs Unit (CAU) serves as our liaison with Congress, responding to requests for specific information, identifying opportunities for our commissioners and others to provide testimony and information to congressional members and their staff on civil rights matters, and ensuring the distribution of our studies and reports to all members. CAU monitors the legislative activities of Congress and provides support in the conceptualization and production of studies and reports with information gathered via its monitoring activities. All staff positions in CAU are vacant. An attorney advisor in the Office of the Staff Director performs the essential responsibilities of the congressional and public affairs units.

Public Affairs Unit

The Public Affairs Unit (PAU) serves as the public voice of the Commission and ensures that the public knows about our activities and publications. It is also responsible for coordinating and carrying out such activities as briefing reporters, holding press conferences, issuing press releases, arranging press interviews and speaking engagements for commissioners and approved staff, and monitoring press activity regarding the Commission and civil rights issues. PAU deals directly with the public in responding to inquiries and by attending meetings of civil rights organizations. All staff positions in PAU are vacant. The same attorney advisor in the Office of the Staff Director who performs the duties of the CAU also performs the essential responsibilities of the public affairs unit.

Equal Employment Opportunity Programs

The Equal Employment Opportunity (EEO) Programs office is responsible for the overall management of our equal employment opportunity compliance system. This system provides a means of review and appeal for applicants for employment and employees of the Commission, who believe that they were victims of discrimination based on race, color, age, religion, national origin, sex (including sexual harassment), physical or mental disability, or reprisal in connection with EEO-related activities. This office currently has no full-time staff; a staff member for the Office of Civil Rights Evaluation serves as the head of our EEO office as a collateral duty.

ii. Regional Programs

Regional Programs Coordination Unit

The chief of the Regional Programs Coordination Unit (RPCU) supervises the activities of the Commission's six regional offices. The chief of RPCU is responsible for coordinating, monitoring, and reporting on regional activities for the national office, and communicating national office policies and priorities to regional offices. The chief of RPCU also serves as the agency's Committee Management Officer (CMO) regarding the agency's public reporting under the Federal Advisory Committee Act (FACA) on its 51 state advisory committees.

Regional Offices: Organization and State Alignment

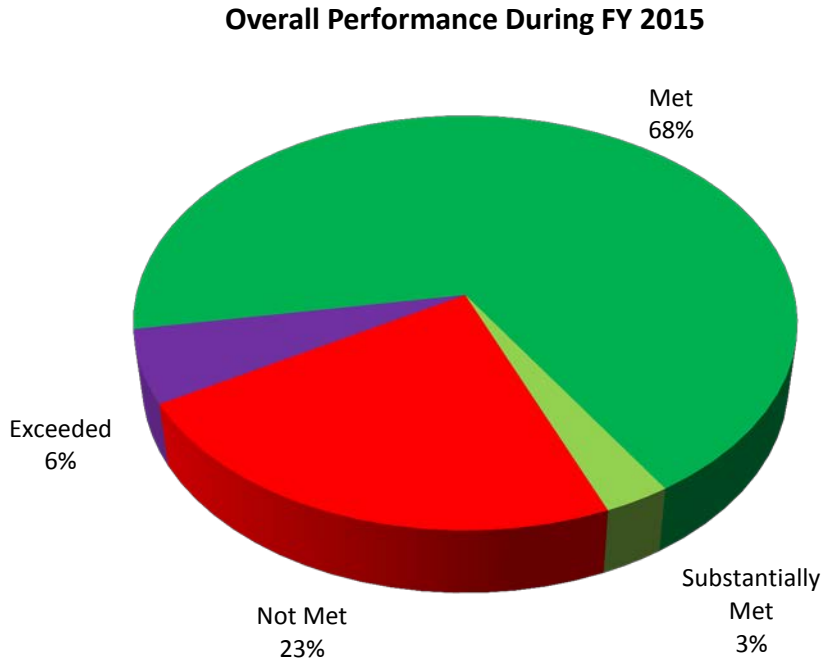
The six regional offices provide critical support to the 51 state advisory committees required by our statute. A regional director leads each office and generally has one administrative assistant. These offices coordinate the Commission's operations in their regions and assist the state advisory committees in their activities. Regional directors are also responsible for the day-to-day administration of their office and the supervision of office staff.

Presented below is our regional alignment.

- Central Region (CRO): Alabama, Arkansas, Iowa, Kansas, Louisiana, Mississippi, Missouri, Nebraska, and Oklahoma.
- Eastern Region (ERO): Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia.
- Western Region (WRO): Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Texas, and Washington.
- Southern Region (SRO): Florida, Georgia, Kentucky, North Carolina, South Carolina, and Tennessee.
- Rocky Mountain Region (RMRO): Colorado, Montana, New Mexico, North Dakota, South Dakota, Utah, and Wyoming.
- Midwestern Region (MWRO): Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin.

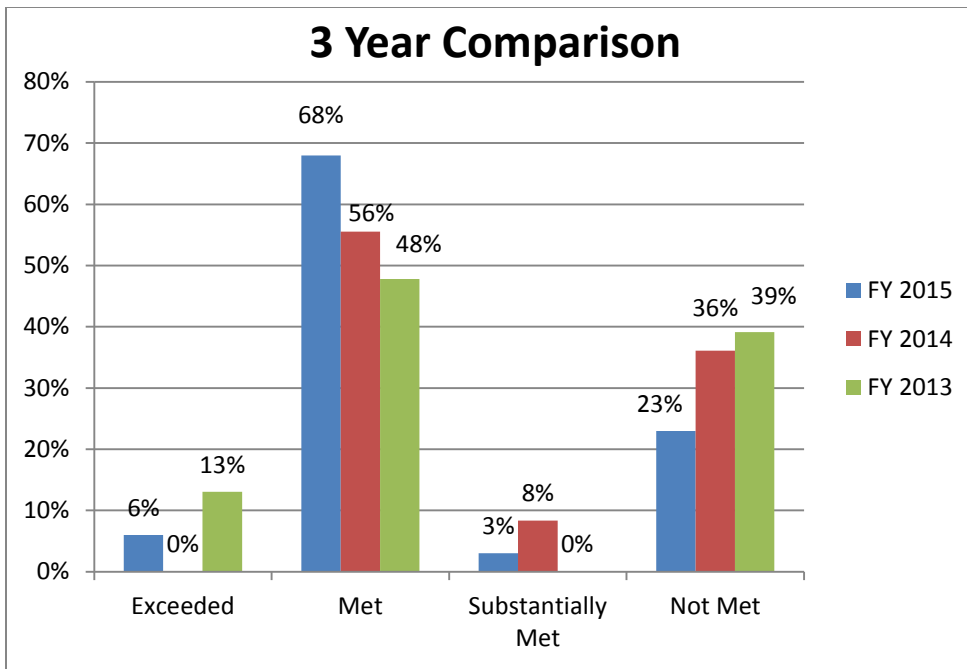
C. Performance Highlights

This subsection highlights our performance during the fiscal year. We exceeded or met 74 percent of our performance targets. The pie chart represents our overall level of performance for the year.



While we faced significant staffing and management constraints, we were able to meet or exceed most of our goals.

A detailed discussion of each strategic goal, its FY 2015 target performance, and our actual performance are in the section titled “Section II: Performance Report.” A comparison of agency performance for the last three years is presented in the below bar chart.



The Commission has made steady progress in accomplishing its strategic goals. In FY 2013, the Commission met or exceeded 61 percent of its goals; however, in FY 2015, the Commission has met or exceeded 74 percent of its goals.

D. Federal Managers' Financial Integrity Act (FMFIA)

OMB Circular A-123, Management's Responsibility for Internal Control and the Federal Managers' Financial Integrity Act (FMFIA) require Federal managers to improve accountability and effectiveness of Federal programs and operations by establishing, assessing, correcting, and reporting on internal controls. Commission management is responsible for establishing and maintaining an effective internal control and financial management system. The Commission's Administrative Instruction 1-13 requires office and division heads to complete an annual self-assessment of internal controls as of June 30 each year.

In FY 2015, all offices and division heads completed a self-assessment. The Commission identified one material weakness. The Agency lacks adequate controls to ensure reliability of financial reporting. Regional and headquarters' offices did identify several immaterial weaknesses. Based on this evaluation, the Commission is able to provide a statement of assurance that the internal controls except for internal controls over financial reporting are compliant.

E. Financial Highlights

The Commission continues to use the General Services Administration's (GSA) Heartland Finance Center as its accounting services provider. GSA provides a broad range of financial and accounting services including:

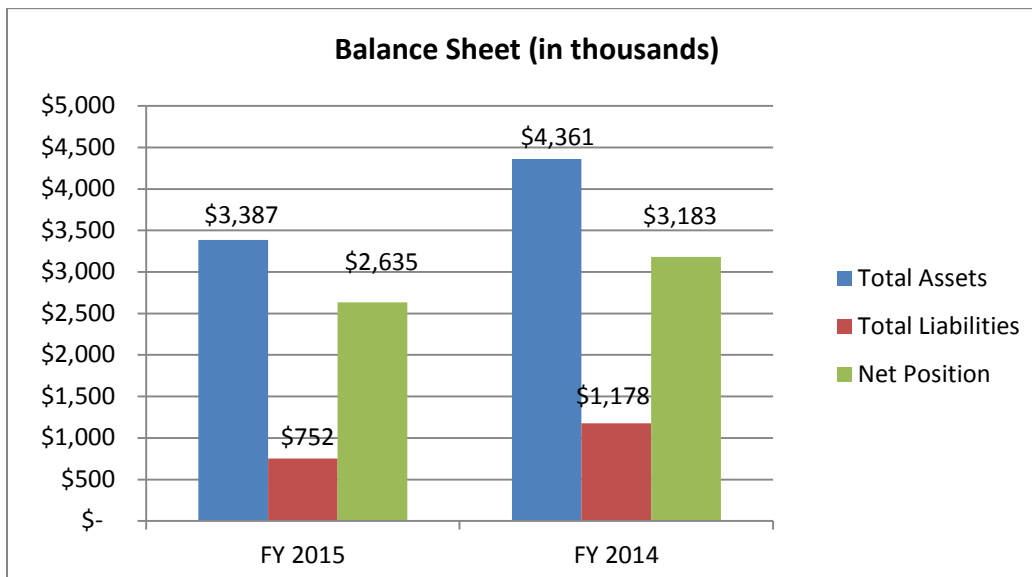
- maintaining the agency's standard general ledger;
- using a system (Pegasys) that is compliant with federal government standards;
- generating required financial reports for the Commission; and
- requiring appropriate documentation of financial transactions prior to payment.

With the Commission's limited budget and accounting staff, the services provided by GSA are essential to the financial stewardship of our resources.

The Commission's FY 2015 financial statements were prepared in accordance with Office of Management and Budget (OMB) Circular A-136. The Commission prepares four financial statements: Balance Sheet, Statement of Net Costs, Statement of Changes in Net Position, and Statement of Budgetary Resources.

Balance Sheet

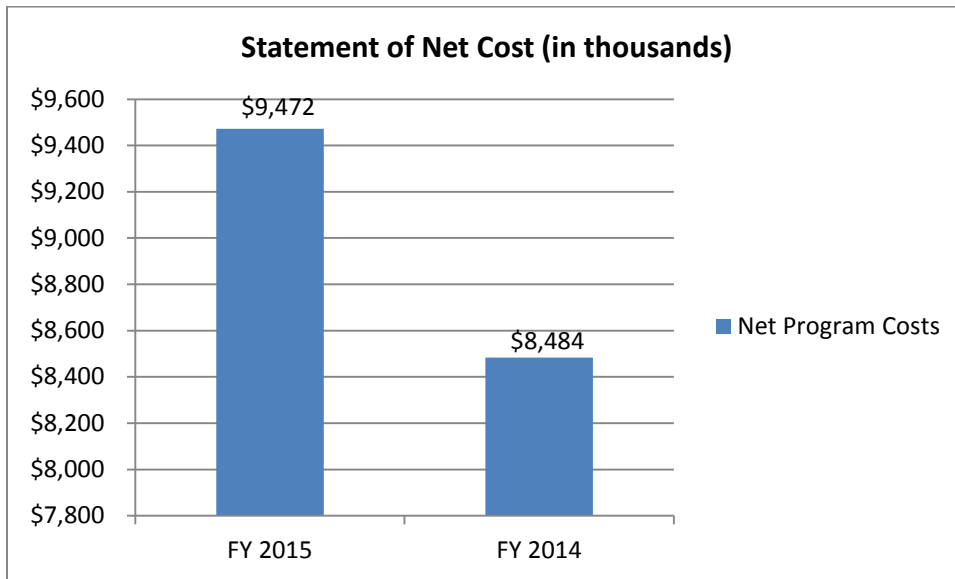
The balance sheet presents amounts of future economic benefits owned or managed by the reporting entity (assets), amounts owed by the entity (liabilities), and amounts which comprise the difference (net position).



The Commission's total assets decreased from \$4,361,190.77 in FY 2014 to \$3,387,430.26 in FY 2015. The Commission's assets consist mainly of Fund Balance with Treasury (FBWT) with minimal amounts in General Property, Plant, and Equipment. Total liabilities decreased from \$1,178,297 in FY 2014 to \$752,444 in FY 2015. Net Position decreased from \$3,182,893 in FY 2014 to \$2,634,985 in FY 2015.

Statement of Net Costs

The Statement of Net Cost presents the annual cost of operating the Commission's programs.

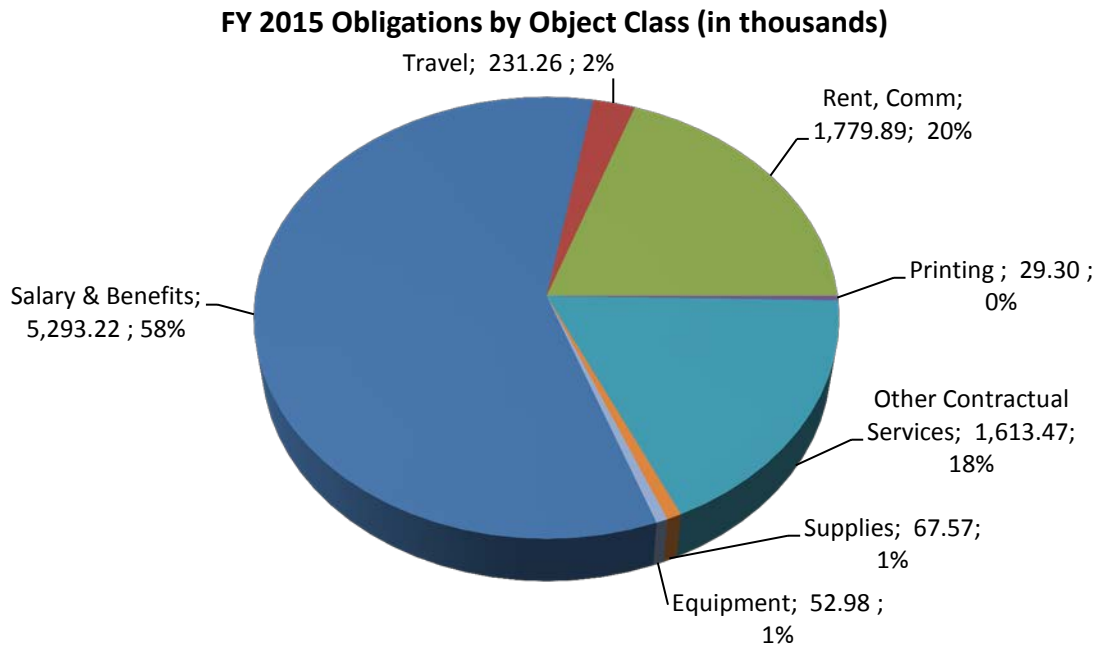


The Commission's net cost of operation increased from \$8,484,428 in FY 2014 to \$9,472,591.67 in FY 2015.

Statement of Budgetary Resources

The Statement of Budgetary Resources provides information on the sources of budgetary resources and their status at the end of the period. The Commission received \$9,200,000 in new budgetary authority in FY 2015. The Total Budgetary Resources and Status of Budget Resources increased \$10,664,862 in FY 2014 to \$11,611,165 in FY 2015.

Resources by Major Object Class



During FY 2015, the Commission obligated \$9,067,677 of its FY 2015 appropriation of \$9,200,000 for an obligation rate of 98.6 percent. Salary and Benefits, Other Contractual Services, and Rent and Communications consume 96 percent of the Commission's obligations. The remaining 4 percent consists of travel, printing, supplies, and equipment.

F. Limitations on Financial Statements

The principal financial statements have been prepared to report the financial position and results of operations of the entity, pursuant to the requirements of 31 U.S.C. 3515 (b). While the statements have been prepared from the books and records of the entity in accordance with GAAP for Federal entities and the formats prescribed by OMB, the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records. The statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity.

G. Management Statement of Assurance

The U.S. Commission on Civil Rights is responsible for establishing and maintaining effective internal control and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act (FMFIA). The Commission is unable to provide an unqualified statement of assurance that the internal controls over financial reporting and financial management systems meet the objectives of FMFIA as of September 30, 2015.



UNITED STATES COMMISSION ON CIVIL RIGHTS

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Statements of Assurance: Federal Managers' Financial Integrity Act, OMB Circular A-123, and the Federal Financial Managers Improvement Act of 1996

The management of the U.S. Commission on Civil Rights is responsible for establishing and maintaining effective internal control and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act (FMFIA). The Commission conducted its assessment of the effectiveness of internal control and efficiency of operations and compliance with applicable laws and regulations in accordance with OMB Circular A-123, Management's Responsibility for Internal Control. Based on the results of this evaluation, the Commission can provide reasonable assurance that our internal control over the effectiveness and efficiency of operations, and compliance with applicable laws and regulations as of September 30, 2015, were operating effectively and no material weaknesses were found in the design or operation of the internal controls.

In addition, the Commission conducted its assessment of the effectiveness of internal control over financial reporting. This includes safeguarding of assets and compliance with applicable laws and regulations. Based on the results of this evaluation, the Commission cannot provide reasonable assurance that its internal controls over financial reporting as of June 30, 2015 were operating effectively in the design or operation of the internal control over financial reporting. The Commission identified lack of controls to ensure reliability of financial reporting as a material weakness.

The performance and financial data contained in this report, to the best of my knowledge, are complete and reliable.

A handwritten signature in cursive script, appearing to read "Mauro Morales".

Mauro Morales
Staff Director
United States Commission on Civil Rights
November 16, 2015

Section II: Performance Report

Our agency performs an important role in identifying emergent civil rights trends and evaluating federal agency civil rights enforcement programs. Our agency's strategic plan articulates the Commission's vision for executing our vital mission from FY 2015 through FY 2018 and for overcoming various administrative challenges. The plan contains six long-term strategic goals. Associated with each of these goals are one or more objectives or specific statements of what we plan to accomplish.

Our FY 2015 annual performance plan includes performance goals and targets that support the accomplishment of our strategic objectives. Below, we describe our FY 2015 annual plan performance targets. We evaluate and report our performance using these categories: Exceeded, Met, Substantially Met, and Not Met.

A. Reliability of Performance Data

Over the course of the year, Commission managers monitor and record their progress on achieving their performance goals.

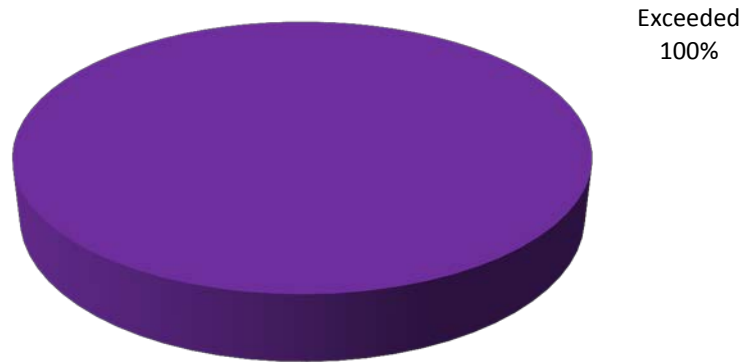
In headquarters, the Office of General Counsel, Office of Civil Rights Evaluation, and Office of Management typically begin reporting performance data during the last quarter of the fiscal year. The Office of General Counsel and Office of Civil Rights Evaluation performance data is on the quantity, quality, effectiveness, and efficiency of their civil rights reports and briefings. The Office of Management reports on the administrative functions of the Commission. The Staff Director reviews and validates headquarters performance data for accuracy.

For our regional staff, performance management involves submitting end-of-the-year performance data using standardized agency reporting forms, end-of-year reports on their complaint referral services, and participating in periodic meetings with the chief of RPCU.

B. Strategic Goal A: The Commission will function as an effective civil rights watchdog and conduct studies and issue publications on important issues of civil rights.

The below pie chart shows how well we executed the activities, strategies, and initiatives we proposed to achieve in our first strategic goal of functioning as an effective civil rights watchdog and conduct studies and issue publications.

**Strategic Goal A: Function as an Effective Civil Right Watchdog and
Conduct Studies and Issue Publications on Important Issues of Civil
Rights
(actual v. target performance)**



This year's performance on Strategic Goal A was significantly better than last fiscal year. This fiscal year we exceeded 100 percent of this goal as compared to substantially meeting 100 percent of this goal last fiscal year.

Fifty years after the founding of the Commission, an extensive governmental structure has been erected to protect civil rights. Bulwarks against discrimination are well-entrenched features of America's legal landscape and include the Equal Employment Opportunity Commission (EEOC); the Office of Federal Contract Compliance Programs (OFCCP) of the Department of Labor; the Civil Rights Division of the Department of Justice; the Office for Civil Rights of the Department of Education; the Office of Civil Rights of the Department of Health and Human Services; the Office of Fair Housing and Equal Opportunity of the Department of Housing and Urban Development; the various state civil and human rights commissions; the innumerable local civil and human rights commissions; the tens of thousands of private attorneys who pursue actions under Title VII of the Civil Rights Act of 1964, Title VI and Title IX of the 1972 Education Amendments, the Voting Rights Act of 1965, the Fair Housing Act of 1968, the Civil Rights Act of 1991, Executive Order 11246, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and their state and local comparatives; and affirmative action compliance officers in thousands of corporations and political subdivisions.

The Commission's unique position in the civil rights landscape allows it to think and act prospectively. We sought to accomplish this by functioning as an effective Civil Rights watchdog and conducting studies and issuing publications on important issues of Civil Right.

i. Briefings

To promote public awareness of current civil rights laws, remedies, and enforcement agencies, we held five successful briefings.

Racial Disparities in Stand Your Ground Laws

The Commission convened a national panel of experts in Orlando, Florida to examine whether there are racial disparities in the application or enforcement of Stand Your Ground laws. Stand Your Ground laws have been controversial particularly since the Trayvon Martin case. These laws, which in some form have gained passage in 33 states, justify the use of deadly force and eliminate the duty to retreat if an individual reasonably believes that such force is necessary to prevent imminent death or great bodily harm to him or herself.

Of concern to the Commission is whether there is possible racial bias in the assertion, investigation and/or enforcement of justifiable homicide laws in states with Stand Your Ground provisions. Experts at the briefing presented testimony on the personal impact of the laws, findings from their research regarding the racial dimensions of justifiable homicides, and elaborated upon actions being advanced by advocacy groups to alleviate concerns related to Stand Your Ground laws.

The State of Civil Rights at Immigration Detention Facilities

The Commission briefing for the statutory report examined the civil rights implications regarding the Department of Homeland Security treatment of adult and minor detainees in detention facilities. The purpose of this briefing was to comprehensively examine the U.S. Government's compliance with federal immigration laws and detention policies, and detail evidence regarding possible infringement upon the constitutional rights afforded to detained immigrants. More specifically, this briefing examined the Department of Homeland Security (DHS) and its component agencies' treatment of detained immigrants in immigration holding, processing, and detention centers throughout the United States.

In May 2015, the Commission visited Karnes Family Detention Center and Port Isabel Detention Centers – both located in Texas – to corroborate the written and oral evidence the Commission gathered.

Examining Workplace Discrimination against Lesbian, Gay, Bisexual and Transgender Americans

The purpose of this briefing was to examine closely the various federal protections that exist to prevent workplace discrimination against Lesbian, Gay, Bisexual and

Transgender (LGBT) Americans, including Title VII of the Civil Rights Act of 1964. Specifically, the Commission's intent in holding the briefing was to: 1) explore issues related to federal government compliance with laws, regulations, and executive orders that prohibit discrimination against LGBT Americans; 2) elaborate on the negative consequences for LGBT employees residing in states that do not have nondiscrimination protections in place for LGBT Americans; 3) examine policy issues, including whether Congress should pass the Employment Non-Discrimination Act (ENDA) and the appropriate language for ENDA legislation; and 4) analyze individual instances of discrimination and their impact on individuals lacking sufficient legal protections from discrimination.

Examining Police Practices and Use of Force

Recently, protesters have called for justice after the failure to indict police officers who killed unarmed black men. The deaths of Michael Brown and Eric Garner are not isolated incidents. Police using excessive force in response to people of color is a systemic issue.

The purpose of this briefing was to study the disproportionate police reaction towards people of color, and why it is occurring – whether it is a lack of training, accountability, prosecution or prejudice. Further, the Commission explored whether the legal process is adequate to attain justice after shooting deaths occur.

Topics of inquiry for this briefing, held at the John Jay College of Criminal Justice in New York; included: 1) current police strategies, tactics, training, and field implementation of the same and why have they lead to deadly confrontations; 2) the new strategies, tactics, training and field implementation that can be implemented to reduce deadly police citizen confrontations; 3) policies and best practices police departments adopt or can adopt so that citizen-police encounters are less likely to prove deadly; 4) the data being collected to monitor excessive use of force and its disproportionate impact on minority communities; 5) use of force standards, and whether there is a need for a national use-of-force standard or state-generated uniform act; and 6) how independent prosecutors can be employed to lessen this conflict or the appearance of a conflict of interest.

The Effect that College Access, Persistence, and Completion Rates Have on the Socio-Economic Mobility of Minorities

For millions of students throughout the United States – especially for minority students living in poverty - access to post-secondary education has become necessary for socio-economic mobility and economic security. In an effort to help millions of students to

access and afford post-secondary education, the federal government has created supplemental college preparatory programs – like TRIO and GEAR UP - and financial aid programs offering student grants, work-study opportunities, and loans.

The purpose of this briefing was to examine how access to and persistence through completion of higher education may have a disparate impact on the socioeconomic mobility of minorities. The Commission examined the extent to which financial aid funding and awards under the Higher Education Act of 1964 (HEA) and the Higher Education Opportunity Act of 2008 (HEOA) affect enrollment rates of minority students in colleges and universities awarding bachelors' degrees. The Commission will use this information to determine if the campus-based aid program formulas and funding levels create or exacerbate racial, ethnic or national origin disparities in enrollment rates.

Specifically, this briefing sought to explore the following issues: 1) whether there is a correlation between attaining higher education and socio-economic mobility; 2) the barriers minorities face when attempting to access four year universities; 3) the federal programs that exist to help minorities overcome access barriers; 4) whether the TRIO and GEAR UP program are still effective; 5) whether the TRIO and GEAR UP programs have a positive or negative effect on minority access, persistence, and attainment of higher education at four year universities; and 6) whether the funding formulas have a disparate impact on minority access to higher education by giving a large portion of federal funds to universities who predominantly enroll non-minority students.

ii. Commission Reports

With Liberty and Justice for All: The State of Civil Rights at Immigration Detention Facilities

The purpose of this report is to examine the U.S. Government's compliance with federal immigration laws and detention policies, and detail evidence regarding possible infringement upon the constitutional rights afforded to detained immigrants. More specifically, this report examines the Department of Homeland Security (DHS) and its component agencies' treatment of detained immigrants in immigration holding, processing, and detention centers throughout the United States.

Prior to writing this report, the Commission gathered facts and data to analyze whether DHS, its component agencies, and private detention corporations with whom the federal government contracts to detain immigrants were complying with the Performance Based National Detention Standards, Prison Rape Elimination Act Standards, the Flores Settlement Agreement and other related immigrant child detention policies, and the United States Constitution. During the Commission's January 30, 2015 briefing, the

Commission received written and oral testimony from DHS immigration detention officials and advocates detailing the strengths, weaknesses, and constitutional and civil rights implications of the U.S. immigration detention system. In May 2015, the Commission visited Karnes Family Detention Center and Port Isabel Detention Centers – both located in Texas – to corroborate the written and oral evidence the Commission gathered.

Based upon an analysis of data gathered from the Commission’s fact-gathering visit, evidence collected during panelists’ briefing presentations and additional research, the Commission makes numerous findings and recommendations. The Commission’s complete findings and recommendations are contained in the report; however, the following bear special attention:

The Commission recommends that DHS act immediately to release families from detention. The Commission also recommends that Congress should no longer fund family detention and should reduce its funding for immigration detention generally, in favor of alternatives to detention. The Commission found, among other issues, that several DHS immigration detention facilities were not complying with federal mandates and agency policies regarding the treatment of detained immigrants and detained unaccompanied immigrant children. Moreover, the Commission found evidence, both anecdotal and eyewitness, that the U.S. Government was interfering with the constitutional rights afforded to detained immigrants. While the U.S. Government made improvements to the U.S. immigration detention system, the Commission, among other numerous suggestions, recommends that the government convene an intergovernmental compliance task force to investigate, analyze, and strengthen compliance regiments carried out by the U.S. Immigrations and Customs Enforcement’s (ICE) Removal Operations’ Detention Standards Compliance Unit. Moreover, the Commission recommends that the U.S. Government work harder to ensure detainees’ access to due process and the right to assistance of counsel under the Fifth Amendment and the Immigration and Nationality Act.

The full report can be found at:

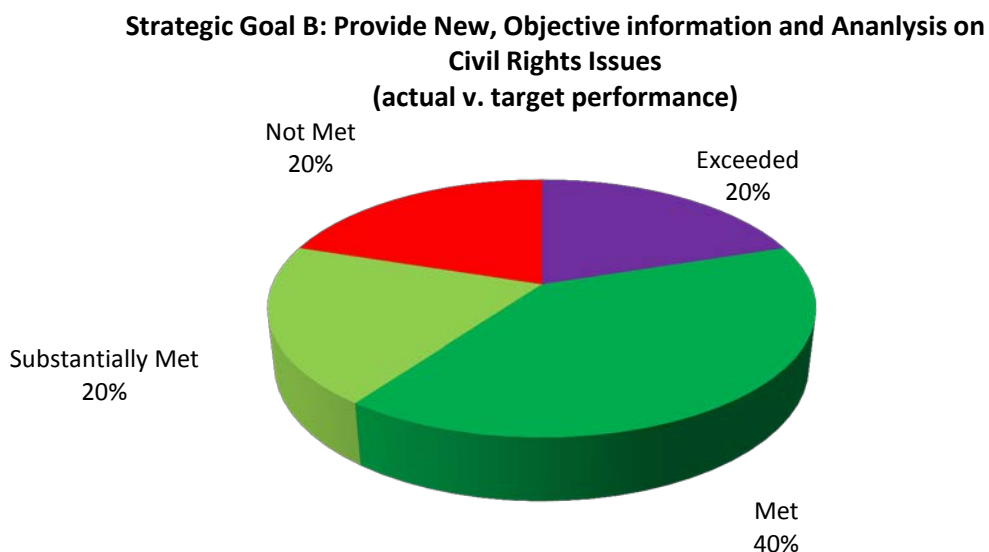
http://www.usccr.gov/pubs/Statutory_Enforcement_Report2015.pdf

C. Strategic Goal B: The Commission will regularly provide new, objective information and analysis on civil rights issues.

We continue to work to provide new, objective information and analysis. The Commission will regularly conduct original fact-finding and/or a novel statistical data review in civil rights investigation. All Commission products will be prepared using standards that provide for maximum objectivity. We seek to accomplish this by:

- Selecting an investigation as part of its annual project planning.
- Strengthening employees’ ability to conduct investigations.
- Improving information quality standards and other procedures regarding the process and review of agency products, as well as the implementation of such standards and procedures.

The below pie chart shows how well we executed the activities, strategies, and initiatives we proposed to achieve in our second strategic goal to regularly provide new, objective information and analysis on civil rights issues.



During its regular project planning process in Fiscal Year 2014, the Commission selected the Racial Disparities in Stand Your Ground Laws as an investigative project involving original fact-finding and/or statistical data review. The Commission convened a national panel of experts in Orlando, Florida to examine whether there are racial disparities in the application or enforcement of Stand Your Ground laws. The Commission also conducted original fact-finding for our statutory enforcement report: With Liberty and Justice for All: The State of Civil Rights at Immigration Detention Facilities. Commissioners and staff visited the Karnes Family Detention Center and Port Isabel Detention Centers.

By exceeding 20 percent of our goals this fiscal year, the agency again substantially outperformed itself on this goal compared to last fiscal year.

Appendix B contains additional detail on our performance targets and actual result.

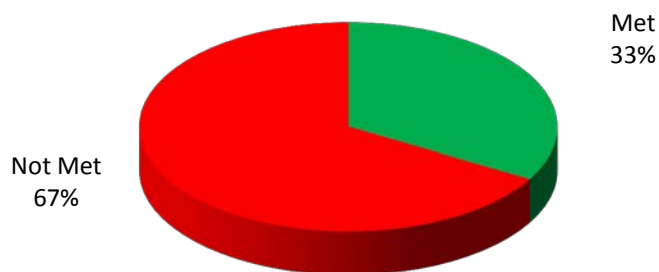
D. Strategic Goal C: The Commission will cooperate, where appropriate, with other federal agencies to apprise individuals of civil rights laws and policies and to raise public awareness of civil rights.

The Commission will cooperate with other federal agencies to apprise individuals of civil rights laws and policies and raise public awareness of civil rights. The Commission will strengthen its position as a national clearinghouse for civil rights information and consult with the civil rights divisions of other agencies to ensure dissemination of accurate information for the complaint referral process. We seek to accomplish this by:

- Measuring and analyzing web traffic data on the clearinghouse web page to identify top three civil rights areas of interest
- Maintaining up-to-date information on the USCCR complaint referral process.
- Simplifying the telephone complaint referral process

The below pie chart shows how well we executed the activities, strategies, and initiatives we proposed to achieve in our third strategic goal to cooperate with other federal agencies to apprise individuals of civil rights laws and policies and raise public awareness of civil rights.

Strategic Goal C: Cooperate with Other Federal Agencies to Apprise Individuals of Civil Rights Laws and Policies and to Raise Public Awareness of Civil Rights Data (actual v. target performance)



i. Clearinghouse Website

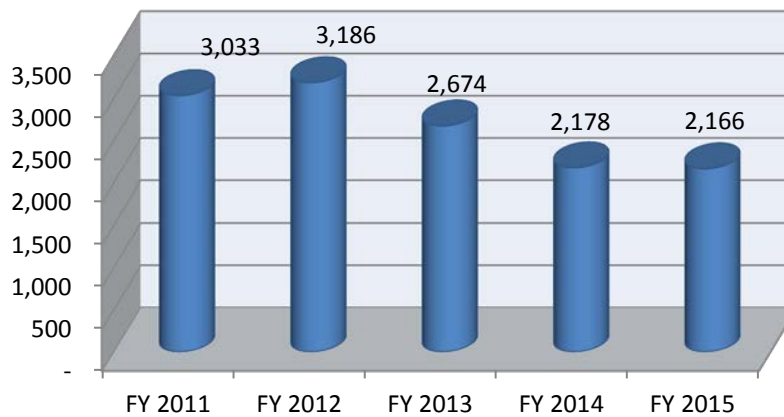
The Commission maintains a Clearinghouse Website to serve as a national clearinghouse for information about discrimination or denial of equal protection of the laws because of race, color, religion, sex, age, disability, or national origin.

The Commission provides the public with English and for the first time a Spanish version of Getting Uncle Sam to Enforce Your Civil Rights. This publication is a comprehensive resource for the American public that explains where and how an aggrieved individual can file a discrimination claim.

ii. Complaint Referral Program

The Commission increases public awareness and federal civil rights enforcement through our complaint referral program. The Office of Civil Rights Evaluation (OCRE) and our Regional Offices receive complaints alleging denial of civil rights because of color, race, religion, sex, age, disability, or national origin and refers these complaints to the appropriate government agency for investigation and resolution. In FY 2015, the Commission processed 2,166 complaints. OCRE processed 1,718 complaints and regional offices processed 448 complaints. The response time was 10 days or less.

Annual Number of Civil Rights Complaints



The majority of OCRE complaints are from inmates (31 percent), African Americans (5 percent), and persons with disabilities (3 percent). Of the complaints received, OCRE referred 453 complaints to civil rights enforcement agencies. Approximately 89 percent of referrals went to the Department of Justice (DOJ). Equal Employment Opportunity Commission (EEOC) and the Department of Health and Human Services (HHS) each received about 3.5 percent of the complaints referred. The remaining referrals went to the Departments of Education, the Housing and Urban Development, the Small Business Administration, and the Environmental Protection Agency.

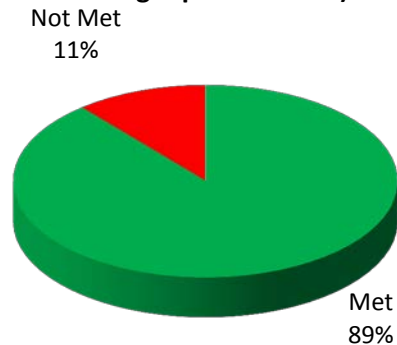
E. Strategic Goal D: Improve the Commission's profile and effectiveness in communicating with the general public

The Commission will raise public awareness of its work and modernize its information technology to increase access to the Commission's work products. The Commission will improve access to agency publications and expand its complaint process to increase service to persons with disabilities and persons with limited English proficiency. We seek to accomplish this by:

- Expanding press outreach
- Revising and reformatting the website to increase web traffic and access to publications
- Increasing access to Commission briefings and hearings using online tools
- Measuring and analyzing web traffic and written requests for Commission reports.
- Revising and updating the USCCR Website to make electronic and information technology (EIT) accessible to persons with disabilities
- Analyzing complaint line data and written requests for assistance to identify language access needs
- Improving web-based complaint screening process and online guidance to complaints

The below pie chart shows how well we executed the activities, strategies, and initiatives we proposed to achieve in our fourth strategic goal to improve the Commission's profile and effectiveness in communicating with the general public. This fiscal year we significantly outperformed ourselves compared with last fiscal year, meeting 89 percent of our targets on Strategic Goal D, compared to 70 percent met last fiscal year.

**Strategic Goal D: Improve the Commission's Profile and Effectiveness in Communicating with the General Public
(actual v. target performance)**



To expand our press outreach, the Commission created a press list, issued press releases, participated in speaking engagements, and improved its website.

i. Press List

The Commission maintains a press list to use to engage the press during any Commission or State Advisory Committee events. In addition, the Commission also expanded its press release distribution list to include subject matter and state specific newswires.

ii. Press Releases

We issued 23 press releases on Commission activities (a number of press releases were also issued in Spanish in an effort to reach Limited English Proficiency Communities), including Commission meetings, SAC activities and reports, and announcements or comments on significant civil rights-related events. This is significant public outreach activity for an agency without full-time, experienced staff in our Public Affairs and Congressional Affairs Units. In addition, our Chairman conducted a press conference on our Statutory Report and participated in multiple press interviews throughout the fiscal year, including as part of the release of the statutory report.

iii. Website Improvements

The Commission FY 2015 – FY 2018 Strategic plan calls for reformatting the Commission’s website to increase Google hits. However, due to technical and cost issues, this performance measure is not achievable.

To make reports accessible to persons with disabilities, newly issued Commission reports are available in HTML and text-based versions. As part of the agency's Section 508 plan, users can hear voice playback of the Commissioner's main pages. The Commission is currently working on a web-based complaint screening process and online guidance to improve the complaint process in both English and Spanish

iv. IV. Speaking Engagements.

The Chairman took part in speaking engagements throughout the country this year on the work of the Commission as well as on various projects worked on by the Commission this fiscal year. Some of these events included the National Council of La Raza Annual Convention, the National Bar Association's Annual Convention, the Arkansas Housing Commission Conference, and at numerous other events.

Appendix B contains additional detail on our performance targets and actual result.

F. Strategic Goal E: Continue to strengthen the Commission's financial and operational controls and advance the Commission's mission through management excellence, efficiency, and accountability.

The Commission is committed not only to serving as the nation's conscience on civil rights matters, but also as a model of management excellence, efficiency, and accountability. The Commission is strengthening the Commission's financial, budget, and performance policy, procedures, and reports; improving the strategic management of the Commission's human capital, and refining administrative and clearinghouse services including information technology, acquisition, and library functions.

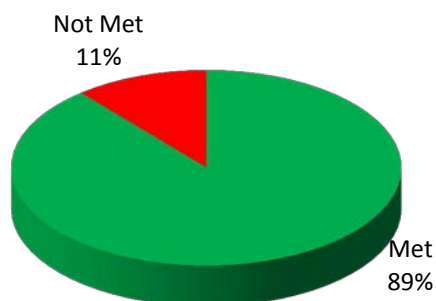
We seek to accomplish this through our strategic goals by:

- Aligning the Commission's budget submissions with the Agency's strategic plan and annual performance plan
- Ensuring that the Commission's budget submission complies with OMB Circular A-11
- Enhancing financial policy and procedures to ensure reliability of financial reporting
- Monitoring and report on the Commission's progress in achieving its annual performance plan goals and objectives
- Updating and Implementing the Commission's Human Capital Plan to ensure the agency has a highly skilled and flexible workforce to carry out its mission
- Conducting and analyzing Employee Satisfaction surveys and developing specific strategies to address issues

- Conducting training to increase awareness of acquisition processes and procedures
- Complying with Federal Information Security Act (FISMA) requirements
- Leveraging information technology to enhance the productivity and efficiency of the workforce

The below pie chart shows how well we executed the activities, strategies, and initiatives we proposed to achieve in our fifth strategic goal to strengthen the Commission’s financial and operational controls and advance the Commission’s mission through management excellence, efficiency, and accountability.

**Strategic Goal E: Strengthen the Commission's
Financial and Operational Controls
(actual v. target performance)**



Appendix B contains additional detail on our performance targets and actual result.

The Commission budget submission is fully compliant with OMB Circular A-11 and aligned with the Agency’s strategic and annual performance plans. The Performance and Accountability report adheres to all relevant guidance. The Agency continues to comply with OMB Cloud Computing Initiatives.

Appendix B contains additional detail on our performance targets and actual result.

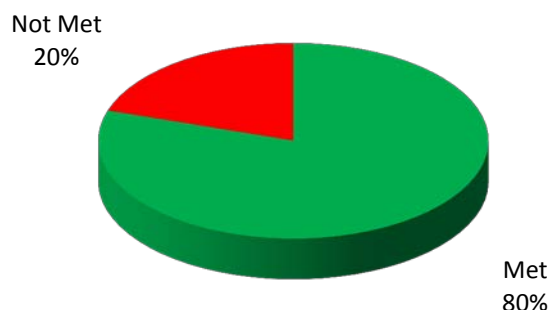
G. Strategic Goal F: Increase the participation of our State Advisory Committees (SACs) in the Commission’s work.

The Commission is committed to increasing State Advisory Committees’ participation in the Commission’s work. The Commission is striving to include SAC input in the Commission’s program planning process; enhancing collaboration between and among SACs, regional offices, and the Commission; and strengthening the SAC re-chartering process. We seek to accomplish this through our strategic goals by:

- Soliciting SAC involvement in briefings and hearings
- Including regular participation and reports from select SAC chairs as part of the monthly Commission business meetings
- Expanding communication and information sharing via a listserv and use of webinars.
- Achieving and maintaining chartered status for all 51 SACs

The below pie chart shows how well we executed the activities, strategies, and initiatives we proposed to achieve in our sixth strategic goal to increase the participation of our State Advisory Committees (SACs) in the Commission’s work.

Strategic Goal F: Increase the Participation of our State Advisory Committees (SACs) in the Commission's Work
(actual v. target performance)

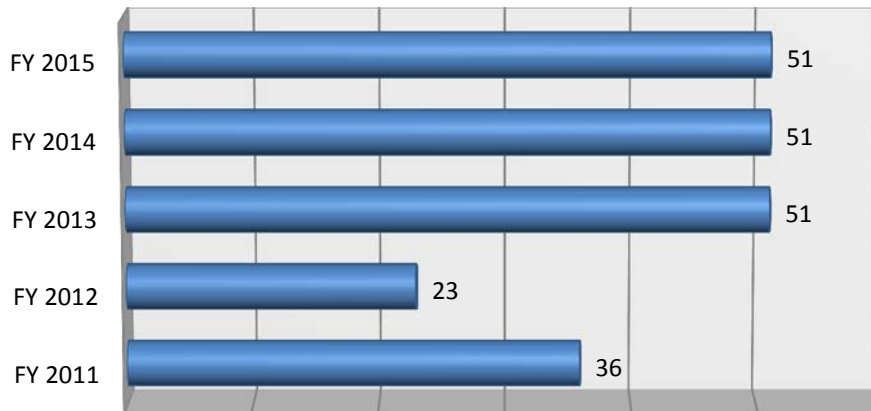


The Commission has made great strides in increasing the work of our state advisory committees. Our regional staff has been very busy with SAC charters and appointments, reports, fact-finding activities, and complaint referral. We are pleased that this fiscal year we exceeded our performance on this goal, compared to last fiscal year.

i. State Advisory Committee Charters and Appointments

The Commission’s state advisory committees operate in compliance with the Federal Advisory Committee Act (FACA). FACA requires that agencies file federal advisory committee charters every two years. In FY 2013, the Commission started filing one charter for all state advisory committees. This allows the Commission to ensure all 51 state advisory committees can operate.

**Active State Advisory Committee Charters
By Fiscal Year**



Along with chartering, commissioners approve recommendations for committee member appointments. Currently 36 state advisory committees have appointed members and only 15 state advisory committees are awaiting appointment. Our chartered advisory committee members, working with regional office staff, held 11 civil rights briefings and forums, and 82 business, orientation, and 13 subcommittee meetings.

ii. State Advisory Committee Reports

In addition to holding meetings, state advisory committees, with regional office support, published the following seven SAC reports in FY 2015:

Advisory Committee	Report Title
Ohio	Civil Rights Issues Regarding Barriers to Entrepreneurship in Ohio
Illinois	Civil Rights Implications of Comprehensive Immigration Reform on Illinois' Immigrant Communities
New York	Solitary Confinement of Youth in New York
Missouri	Civil Rights and Community/Police Interactions in Missouri
Illinois	Hate Crime and Discrimination against Religious Institutions in Illinois

Nevada	Police Militarization in Nevada
Arkansas	Guarding Civil Rights in Arkansas

Civil Rights Issues Regarding Barriers to Entrepreneurship in Ohio

On April 4, 2012, the Ohio Advisory Committee to the U.S. Commission on Civil Rights held a hearing on Civil Rights Issues Regarding Barriers to Entrepreneurship in Ohio at Wilmington College in Wilmington, Ohio. Chairman Castro attended this hearing. The Committee received testimony from several witnesses about the obstacles to entrepreneurship faced by several groups, including military veterans, rural residents, and ethnic minorities. Following these hearings, members of the Committee were asked to serve on a subcommittee to draft a report summarizing the testimony at the hearing and making recommendations. Each volunteer drafted a segment of the report, which was reviewed and received comments from the other subcommittee members. The subcommittee drafted and reviewed the conclusions and recommendations. The entire Committee reviewed the report. All members of the Committee supported many recommendations, but some members disagreed on other recommendations.

http://www.usccr.gov/pubs/Ohio-Entrepreneurship_January_2015.pdf

Civil Rights Implications of Comprehensive Immigration Reform on Illinois' Immigrant Communities

On September 23, 2013, the Illinois State Advisory Committee (Committee) to the U.S. Commission on Civil Rights (Commission) hosted a series of five panel discussions focused on current civil rights concerns facing the immigrant community in Illinois. Panelists spoke primarily of the proposed, bipartisan “Border Security, Economic Opportunity, and Immigration Modernization Act,” otherwise known as “Senate Bill 744” (S. 744), which passed the United States Senate on June 27, 2013. While S. 744 may not be enacted in its current state, on November 20, 2014, President Obama announced a series of executive actions intended to address some of the ongoing concerns related to the current immigration system, and he called for more comprehensive reforms moving forward.

The Committee believes that the concerns raised by Senate Bill 744 and discussed in this report will be present in any immigration reform efforts, regardless of whether these efforts are in the form of an amended Senate Bill 744 or other legislative or executive action. In this context, the purposes of this report are: (1) to relay the civil rights concerns brought forth by the panel as they relate to both current immigration law and the proposed legislation; and (2) to lay out specific recommendations to the Commission

regarding actions that can be taken to better understand and address these issues on an ongoing basis in anticipation of further efforts to reform the nation's immigration laws.

http://www.usccr.gov/pubs/ImmigrationReformReport_010915.pdf

The Solitary Confinement of Youth in New York: a Civil Rights Violation

On July 10, 2014, the New York Advisory Committee held a briefing on New York's use of solitary confinement (or extreme isolation, as it is sometimes termed) of youth inmates. The expert presenters included representatives from various state and city agencies and institutions in the State of New York as well as advocates and former inmates. The Committee examined the extent of the use of solitary confinement of youth in the State of New York and the City of New York, and, in particular, the disproportionate assignment of racial minorities to solitary confinement.

At the briefing, the presenters discussed (a) the history of solitary confinement within the United States, (b) the conditions of solitary confinement in New York jails, (c) the mental, physical and developmental effects of solitary confinement on youth in New York jails, (d) the primary legal protections related to solitary confinement of youth inmates, and (e) the pending legislative, judicial and executive efforts to eliminate or limit the solitary confinement of youth.

<http://www.usccr.gov/pubs/NY-SAC-Solitary-Confinement-Report-without-Cover.pdf>

Civil Rights and Community/Police Interactions in Missouri

On February 23, 2015, the Missouri Advisory Committee (Committee) to the U.S. Commission on Civil Rights convened a public meeting in the City of St. Louis to hear testimony regarding civil rights concerns related to community and police interactions in the State.

Prompted by the shooting death of unarmed teenager Michael Brown by police in the City of Ferguson, MO, on August 9, 2014, and the subsequent, heavily militarized law enforcement response to protests; the Committee is examining the extent to which disparities may persist in law enforcement practices that undermine equal protection under the law on the basis of race or color. The Committee is also seeking testimony regarding underlying factors that may contribute to such disparities, and specific recommendations to address them.

http://www.usccr.gov/pubs/St._LouisFindingsMemo_Publish.pdf

Hate Crime and Discrimination against Religious Institutions in Illinois

On May 18, 2015, the Illinois State Advisory Committee to the U.S. Commission on Civil Rights approved this report. The report is the result of numerous working group sessions, extensive research, and a public hearing held in August 2014.

At the start of this project, the Committee realized that hate crime and discrimination against religious institutions were one part of an ongoing pattern of violence, which disproportionately impacts vulnerable communities in Illinois. The Committee discovered, through research and testimony presented at a public hearing conducted on this topic, that disturbing deficiencies in the collected data on hate crime hamper the ability of policy makers to address these concerns. Without reliable data to work from, it is virtually impossible to sufficiently monitor and analyze the efficiency of government efforts to address the serious civil rights concerns, which arise in connection with this issue. The report presents the current legal framework concerning hate crime and discrimination against religious institutions in Illinois, describes in detail the landscape regarding the data, and offers specific solutions to help policymakers better ensure that the civil rights of all of the residents of Illinois are appropriately protected.

http://www.usccr.gov/pubs/06-03-15_HateCrimesStateAdvisory.pdf

Police Militarization in Nevada

On June 19, 2015, the Nevada State Advisory Committee to the U.S. Commission on Civil Rights approved this report. In 1990, Congress authorized the 1033 Program that allows the Pentagon to give and sell surplus military equipment to local police agencies. The Committee conducted act-finding activity on the acquisition and use of military equipment by eight selected urban, county, and rural police agencies. The Committee also heard from individuals with relevant experience as well as members of the public.

The Committee found that local police agencies in Nevada appear not to have excessively armed themselves with military assault weapons and that the received equipment seems appropriate for what the communities need. In addition, the transfer of surplus military equipment to local police agencies in Nevada has not resulted in any observed excessive use or misuse of the equipment; and the 1033 Program has provided cost savings to the taxpayer by allowing for the re-use of previously purchased equipment.

<http://www.usccr.gov/pubs/NV-SAC--Police-Milreport--OSD.pdf>

Guarding Civil Rights in Arkansas

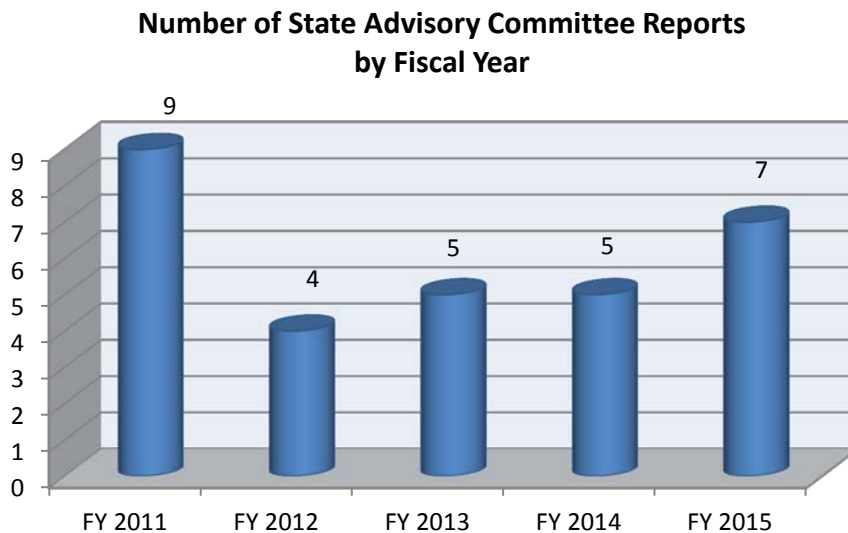
The Arkansas Advisory Committee to the U.S. Commission on Civil Rights unanimously adopted this report. The report provides an update to a previous committee study of the

issue in 2001. In previously reporting on the issue, the Arkansas Advisory Committee recommended that the state legislature of Arkansas amend the Arkansas Civil Rights Act of 1993 to establish a state civil rights agency. That recommendation was addressed in part when the Arkansas Legislature acted in 2001 to establish the Arkansas Fair Housing Commission.

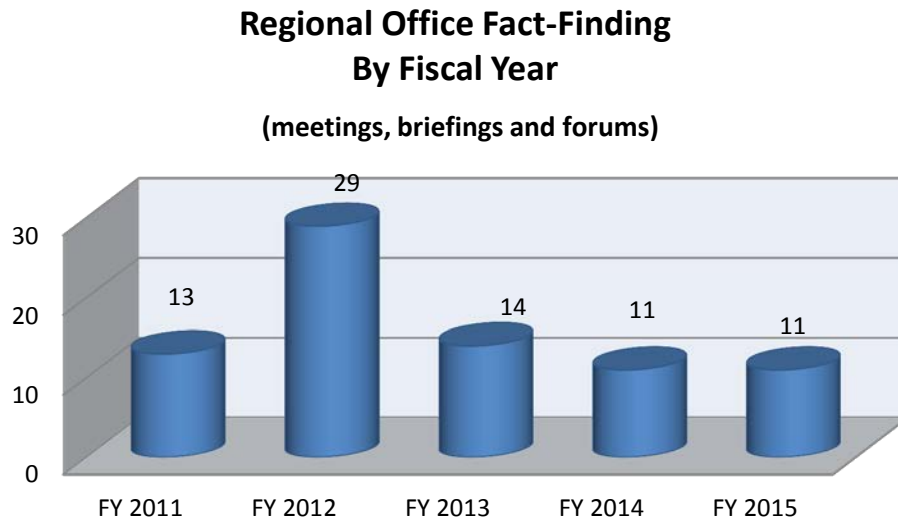
In 2012 and 2013, the Arkansas Advisory Committee did follow-up work on the issue of civil rights enforcement in the state. As part of that activity, the committee held a fact-finding meeting on September 12 and 13, 2012, in Little Rock, Arkansas and received information from legal experts, government officials, and persons from academia, civil rights organizations, community-based groups, and members of the public.

The Arkansas Advisory Committee finds that although the Arkansas legislature took action to establish the Arkansas Fair Housing Commission to address equal opportunity in housing, there remains a need for a state-based agency to investigate and mediate civil rights complaints regarding employment and public accommodation. Chairman Castro personally presented this report to the Governor of Arkansas.

http://www.usccr.gov/pubs/Arkansas_GuardingCivilRights.pdf

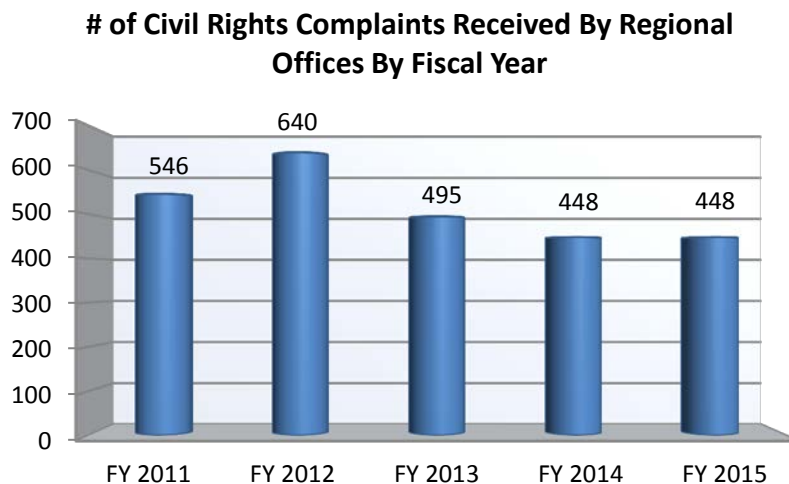


iii. SAC Fact Finding Activity



State advisory committees conducted 11 fact-finding activities in FY 2015. All regional offices have the technology to use conference calls and video teleconferencing to conduct public meetings and to provide access to briefings and forums to the public.

iv. Regional Office Complaint Referral



While SAC appointments, meetings, briefings, and writing civil rights reports account for a sizable portion of the regional activity, we also dedicate regional resources to provide the public with complaint referral services. Our regional staff received 448 civil rights

complaints from members of the public seeking to protect and enforce their rights. On average regional offices processed complaints in one day, well under the 10-day target.

Appendix B contains additional detail on our performance targets and actual result.

F. Other Information Related to Annual Performance Reporting

The Government Performance and Results Act of 1993 requires that the Annual Performance Report include information on program evaluations that are relevant to an agency's efforts to attain its goals and objectives as identified in its Strategic Plan or to performance measures and goals reported at the agency level. There were no program evaluations conducted during the fiscal year that meet the criteria established by OMB's Program Assessment Rating Tool (PART) guidance.

No significant contribution to the preparation of our annual performance report was made by a non-federal entity.

Section: III: Auditors Report and Financial Statements

This section demonstrates our commitment to effective stewardship over our funds and compliance with applicable federal financial management laws and regulations. It includes a message from the Chief of Budget and Finance; Financial Statements and Notes to the Financial Statements; Independent Auditors' Report – an independent opinion on the Financial Statements; and Required Supplemental Information.

A. Message from the Chief of Budget and Finance

Unfortunately, we received a disclaimer on our fiscal year 2015 financial statements. We have made great progress in reducing our undelivered order and aged accounts payable balances. We engaged the services of a professional services firm to help us resolve our deficiencies.

We will work to resolve the issues that prevented us from receiving an unqualified audit opinion. In FY 2015, we continued our contract with an accounting services provider to supplement our budget staff and provide an accounting system that complies with all applicable federal laws and regulations. We will work with our accounting service provider to improve our internal controls over financial reporting and anticipate an unqualified opinion for FY 2016.



John Ratcliffe
Chief, Budget and Finance Division
November 16, 2015

B. Auditor's Report, Financial Statements & Notes



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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Martin R. Castro
Chairperson
United States Commission on Civil Rights

We were engaged to audit the accompanying financial statements of the United States Commission on Civil Rights (the "Commission"), which comprise the balance sheet as of September 30, 2015 and September 30, 2014, and the related statements of net cost, changes in net position, and budgetary resources for the year then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 15-02, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. Because of the matters described in the Basis for Disclaimer of Opinion paragraphs, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Commission's financial statements.

Basis for disclaimer of opinion – Fiscal Year 2015

Management was unable to provide us with the fiscal year 2015 financial statements in sufficient time to allow us to complete our audit procedures and determine whether any adjustments to the fiscal year 2015 financial statements might have been found necessary with respect to recorded or unrecorded amounts. In addition, Management was unable to provide us with sufficient, competent evidential matter that all potential material errors identified in prior years have been corrected in the fiscal year 2014 financial statements. These errors could potentially impact balances included in the fiscal year 2015 financial statements for Accounts Payable, Accrued Payroll, Unobligated Balances – Brought Forward and End of Year balances and Cumulative Results of Operations – Beginning and Ending Balances.

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Basis for disclaimer of opinion – Fiscal Year 2014

As discussed in the Emphasis of Matter paragraph, management restated the fiscal year 2014 financial statements to correct errors previously identified; however, management did not provide us with sufficient, competent evidential matter to determine whether all potentially material errors have been properly corrected in the fiscal year 2014 financial statements. The errors identified may have a material impact on the Payroll Expense, Accounts Payable, Accrued Payroll, Recoveries of Prior Year Obligations, Obligations Incurred, and Unpaid Obligations financial statement line items.

Disclaimer of opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence, to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Emphasis of matter

As described in Note 12, the Commission restated its fiscal year 2014 financial statements in order to correct previously identified material errors.

Other matters

Required supplementary information

Accounting principles generally accepted in the United States of America and OMB Circular A-136, *Financial Reporting Requirements*, require that the Management's Discussion and Analysis (MD&A) included in Section I of the Performance and Accountability Report (PAR) be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board and the OMB who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Because of the significance of the matters in the basis for disclaimer of opinion paragraphs, it is inappropriate to and we do not express an opinion on this supplementary information.

Other information

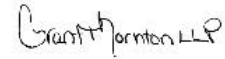
The Performance Report included in Section II, the Message from the Chief of Budget and Finance included in Section III, the Other Accompanying Information included in Section IV, and the information included within the Appendices to the PAR is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit, and accordingly, we do not express an opinion on it.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report, dated November 16, 2015, on the Commission's internal control over financial reporting and on its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe our findings related to internal control over financial

reporting and compliance, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit conducted in accordance with *Government Auditing Standards* in considering the Entity's internal control over financial reporting and compliance.

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November 16, 2015



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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Honorable Martin R. Castro
Chairperson
United States Commission on Civil Rights

We were engaged to audit, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 15-02, *Audit Requirements for Federal Financial Statements*, the financial statements of the United States Commission on Civil Rights (the "Commission"), which comprise the consolidated balance sheet as of September 30, 2015, the related consolidated statements of net cost and changes in net position, and the combined statement of budgetary resources for the year then ended, and the related notes to the financial statements and have issued our report thereon dated November 16, 2015. Our report disclaims an opinion on such financial statements because we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Internal control over financial reporting

In connection with our engagement to audit the financial statements of the Commission, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

Our consideration of internal control was for the limited purposes described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to

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prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Material Weakness – Lack of Controls to ensure Reliability of Financial Reporting

We identified that management lacks sufficient internal controls over financial reporting to ensure the reliability of its financial reporting as required by the Federal Managers' Financial Integrity Act (FMFIA) of 1982. Specifically, due to lack of resources, management is unable to execute adequate controls in order to ensure the fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America. The lack of financial reporting controls can lead to potential misstatements to the financial statements.

Recommendations

Management should

1. Develop appropriate processes and controls to ensure timely and accurate financial reporting.

Compliance and other matters

In connection with our engagement to audit the financial statements of the Commission, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our engagement, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described below. Additionally, if the scope of our work had been sufficient to enable us to express opinions on the basic financial statements, other instances of noncompliance or other matters may have been identified and reported herein.

Lack of Compliance with provisions of the Prompt Payment Act

The Prompt Payment Act requires federal agencies to make payments for property or services by the due date specified in the related contract or, if a payment date is not specified in the contract, generally 30 days after the invoice for the amount due is received. If payments are not made within the appropriate timeframe, the agency must pay an interest penalty to the vendor. We noted several instances of noncompliance with this provision of the Prompt Payment Act. The Commission relies on a service provider to make its vendor payments timely; however the Commission maintains responsibility for its financial reporting and compliance with laws and regulations. Inadequate monitoring of payments made by its service provider could result in continued noncompliance with the Prompt Payment Act.

Lack of Substantial Compliance with the requirements of FMFIA

Pursuant to OMB Circular A-123, management is responsible for establishing and maintaining internal control to achieve the objectives of effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations. The Circular is issued under the authority of the FMFIA of 1982 as codified in 31 U.S.C. 3512. As described in our report on internal control over financial reporting, we identified that, due to lack of resources, management is unable to execute adequate controls to ensure the reliability of financial reporting. Specifically, management does not have adequate controls in place over the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America. The lack of controls can lead to untimely detection of errors and potential material misstatements to the financial statements. We determine this to be a lack of substantial compliance with the requirements of FMFIA.

The Commission's response to findings

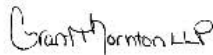
The Commission's response to the findings identified in our engagement and presented on page 78 of this PAR were not subjected to the auditing procedures applied in the engagement to audit the financial statements and, accordingly, we express no opinion on the responses.

Intended purpose

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit conducted in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Our report is intended solely for the information and use of management of the Commission, the OMB, the Government Accountability Office, and Congress and is not intended to be and should not be used by anyone other than these specified parties.

GRANT THORNTON LLP



Alexandria VA
November 16, 2015

UNITED STATES COMMISSION ON CIVIL RIGHTS

BALANCE SHEET

As Of September 30, 2015 and 2014

	2015	Restated 2014
Assets:		
Intragovernmental:	(Note 2) \$ 3,198,395	\$ 4,110,449
Fund Balance With Treasury	\$ 3,198,395	\$ 4,110,449
Total Intragovernmental		
Assets With The Public:		
General Property, Plant and Equipment	(Note 3) \$ 189,035	\$ 250,741
Total Assets	\$ 3,387,430	\$ 4,361,191
Liabilities:		
Intragovernmental:	(Note 4) \$ 1,238	\$ 242,783
Accounts Payable	\$ 1,238	\$ 242,783
Total Intragovernmental		
Liabilities With the Public	\$ 410,663	\$ 473,748
Accounts Payable		
Other:		
Accrued Funded Payroll and Leave		\$ 138,741
Unfunded Leave	\$ 340,544	\$ 323,026
Total Liabilities	\$ 752,445	\$ 1,178,297
Net Position:		
Unexpended Appropriations - All Other Funds	\$ 2,786,494	\$ 3,255,178
Cumulative Results of Operations - All Others	\$ (151,509)	\$ (72,285)
Total Net Position - All Other Funds	\$ 2,634,985	\$ 3,182,893
Total Net Position	\$ 2,634,985	\$ 3,182,893
Total Liabilities and Net Position	\$ 3,387,430	\$ 4,361,191

The accompanying notes are an integral part of these statements.

UNITED STATES COMMISSION ON CIVIL RIGHTS

STATEMENT OF NET COST

As Of September 30, 2015 and 2014

	<u>2015</u>	<u>Restated 2014</u>
Program Costs:		
Gross Cost	\$ 9,472,592	\$ 8,484,428
Net Program Cost	(Note 5) \$ 9,472,592	\$ 8,484,428
Net Cost of Operations	<u>\$ 9,472,592</u>	<u>\$ 8,484,428</u>

The accompanying notes are an integral part of these statements,

UNITED STATES COMMISSION ON CIVIL RIGHTS
STATEMENT OF BUDGETARY RESOURCES
As Of And For the Years Ended September 30, 2015 and 2014

	2015	Restated 2014
	Budgetary	Budgetary
BUDGETARY RESOURCES		
Unobligated balance brought forward, October 1	\$ 1,954,606	\$ 703,213
Adjustment of unobligated balance brought forward, October 1 (+ or -)		\$ 1,025,882
Unobligated balance brought forward, October 1, adjusted	<u>\$ 1,954,606</u>	<u>\$ 1,729,095</u>
Recoveries of prior year unpaid obligations (unobligated balances)	\$ 731,870	\$ 50,924
Other changes in unobligated balance	<u>\$ (275,316)</u>	<u>\$ (46,769)</u>
Unobligated balance from prior year budget authority, net	\$ 2,411,160	\$ 1,733,250
Appropriations (discretionary and mandatory)	\$ 9,200,000	\$ 8,930,000
Spending authority from offsetting collections	<u>\$ 5</u>	<u>\$ 1,611</u>
Total budgetary resources	<u><u>\$ 11,611,165</u></u>	<u><u>\$ 10,664,862</u></u>
STATUS OF BUDGETARY RESOURCES		
Obligations incurred	(Note 6) \$ 9,785,568	\$ 8,710,256
Apportioned	\$ 129,676	\$ 198,836
Unapportioned	<u>\$ 1,695,921</u>	<u>\$ 1,755,770</u>
Unobligated balance brought forward, end of year	<u>\$ 1,825,597</u>	<u>\$ 1,954,606</u>
Total budgetary resources	<u><u>\$ 11,611,165</u></u>	<u><u>\$ 10,664,862</u></u>
CHANGES IN OBLIGATED BALANCE		
Unpaid obligations, brought forward, October 1 (gross)	\$ 2,155,844	\$ 2,297,754
Obligations Incurred	\$ 9,785,568	\$ 8,710,256
Outlays (gross) (-)	\$ (9,836,743)	\$ (8,801,242)
Recoveries of prior year unpaid obligations (-)	<u>\$ (731,870)</u>	<u>\$ (50,924)</u>
Unpaid obligations, end of year	(Note 7) <u>\$ 1,372,798</u>	<u>\$ 2,155,844</u>
Obligated balance, start of year (net)	<u>\$ 2,155,844</u>	<u>\$ 2,297,754</u>
Obligated balance, end of year (net)	<u><u>\$ 1,372,798</u></u>	<u><u>\$ 2,155,844</u></u>
BUDGET AUTHORITY AND OUTLAYS, NET		
Budget authority, gross (discretionary and mandatory)	\$ 9,200,005	\$ 8,931,611
Actual offsetting collections (discretionary and mandatory) (-)	<u>\$ (5)</u>	<u>\$ (1,611)</u>
Budget authority, net (discretionary and mandatory)	\$ 9,200,000	\$ 8,930,000
Outlays, gross (discretionary and mandatory)	\$ 9,836,743	\$ 8,801,242
Actual offsetting collections (discretionary and mandatory) (-)	<u>\$ (5)</u>	<u>\$ (1,611)</u>
Outlays, net (discretionary and mandatory)	<u>\$ 9,836,738</u>	<u>\$ 8,799,630</u>
Agency outlays, net (discretionary and mandatory)	<u><u>\$ 9,836,738</u></u>	<u><u>\$ 8,799,630</u></u>

The accompanying notes are an integral part of these statements,

UNITED STATES COMMISSION ON CIVIL RIGHTS
STATEMENT OF CHANGES IN NET POSITION
As Of And For the Years Ended September 30, 2015 and 2014

FY 2015 Current Year

	Funds From Dedicated Collections (Consolidated Totals)	All Other Funds (Consolidated Totals)	Eliminations	Consolidated Totals
Cumulative Results of Operations:				
Beginning Balances		(72,285)		(72,285)
Beginning balance, as adjusted		(72,285)		(72,285)
Budgetary Financing Sources:				
Appropriations used		9,393,368		9,393,368
Total Financing Sources		9,393,368		9,393,368
Net Cost of Operations		9,472,592		9,472,592
Net Change		(79,224)		(79,224)
Cumulative Results of Operations		(151,509)		(151,509)
Unexpended Appropriations:				
Beginning Balances		3,255,178		3,255,178
Beginning balance, as adjusted		3,255,178		3,255,178
Budgetary Financing Sources:				
Appropriations received		9,200,000		9,200,000
Other adjustments		(275,316)		(275,316)
Appropriations used		(9,393,368)		(9,393,368)
Total Budgetary Financing Sources		(468,684)		(468,684)
Total Unexpended Appropriations		2,786,494		2,786,494
Net Position		2,634,985		2,634,985

The accompanying notes are an integral part of these statements,

UNITED STATES COMMISSION ON CIVIL RIGHTS
STATEMENT OF CHANGES IN NET POSITION
As Of And For the Years Ended September 30, 2015 and 2014

FY 2014 Prior Year (Restated)

	Funds From Dedicated Collections (Consolidated Totals)	All Other Funds (Consolidated Totals)	Eliminations	Consolidated Totals
Cumulative Results of Operations:				
Beginning Balances		\$ (277,556)		\$ (277,556)
Correction of Errors (Note 12)		\$ (105,932)		\$ (105,932)
Beginning balance, as adjusted		\$ (383,488)		\$ (383,488)
				\$ -
Budgetary Financing Sources:				
Appropriations used		\$ 8,795,632		\$ 8,795,632
				\$ -
Total Financing Sources		\$ 8,795,632		\$ 8,795,632
Net Cost of Operations		\$ 8,484,428		\$ 8,484,428
Net Change		\$ 311,204		\$ 311,204
				\$ -
Cumulative Results of Operations		\$ (72,285)		\$ (72,285)
				\$ -
Unexpended Appropriations:				
Beginning Balances		\$ 3,061,647		\$ 3,061,647
Correction of Errors (Note 12)		\$ 105,932		\$ 105,932
Beginning balance, as adjusted		\$ 3,167,578		\$ 3,167,578
				\$ -
Budgetary Financing Sources:				
Appropriations received		\$ 9,000,000		\$ 9,000,000
Appropriations transferred-in/out		\$ 3,693		
Other adjustments		\$ (120,461)		\$ (120,461)
Appropriations used		\$ (8,795,632)		\$ (8,795,632)
Total Budgetary Financing Sources		\$ 87,599		\$ 87,599
Total Unexpended Appropriations		\$ 3,255,178		\$ 3,255,178
Net Position		\$ 3,182,893		\$ 3,182,893

The accompanying notes are an integral part of these statements,

U.S. COMMISSION ON CIVIL RIGHTS

GENERAL FUND

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity

The statutory mandate of the U.S. Commission on Civil Rights (the Commission or Agency) is to:

- investigate allegations in writing under oath or affirmation relating to deprivations because of color, race, religion, sex, age, disability, or national origin; or as a result of any pattern or practice of fraud; or of the right of citizens of the United States to vote and have votes counted, 42 U.S.C. §1975a(1); and
- study and collect information, appraise the laws and policies of the federal government, serve as a national clearinghouse for information, and prepare public service announcements and advertising campaigns to discourage discrimination or denials of equal protection of the laws under the Constitution of the United States because of color, race, religion, sex, age, disability, or national origin, or in the administration of justice. 42 U.S.C. §1975a (2).

The Commission also issues a report annually to the President and Congress on monitoring federal civil rights enforcement and establishing state advisory committees in each of the fifty states and the District of Columbia.

Powers

In furtherance of its fact-finding duties, the Commission may hold hearings and issue subpoenas (within states in which hearings are being held and within a 100-mile radius of such sites) for the production of documents and the attendance of witnesses. The Commission also uses depositions and written interrogatories to collect information and testimony about matters subject to hearings or reports. In addition to these more formal measures, the Commission conducts public briefings on existing and emerging civil rights issues and produces briefings reports. The Commission maintains state advisory committees, and consults with representatives of federal, state and local governments, in addition to private organizations.

Since the Commission lacks enforcement powers that would enable it to apply specific remedies in individual cases, its civil rights reports contain findings and recommendations for corrective action by federal and state agencies, and other civil rights stakeholders as deemed appropriate. The Commission also provides a complaint referral service that receives complaints from citizens and other sources and refers them to the appropriate federal, state, or local government agency or private organization for action.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Organization and structure of the Commission

The Office of the Staff Director is responsible for the day-to-day management of the Commission and for executing the policy direction established by the agency's eight appointed commissioners.

The Commission is comprised of two programmatic units, the Office of General Counsel and the Office of Civil Rights Evaluation and six regional offices. The activities of these regional offices are coordinated through the Regional Programs Coordination Unit. The chief of this unit reports directly to the staff director.

Administratively, the Office Management oversees the work of three divisions: Administrative Services and Clearinghouse (ASCD), Budget and Finance, and Human Resources. Included within ASCD are the Commission's procurement services, public civil rights library, copy/print shop, and information technology services.

Other Commission offices, which at present remain unstaffed, include:

- Public Affairs Unit,
- Congressional Affairs Unit, and
- Equal Employment Opportunity Programs

A summary of significant accounting policies utilized in the preparation of the financial statements is as follows:

Basis of presentation

The Commission's financial statements are prepared from the accounting records of the Commission in accordance with accounting principles generally accepted in the United States (GAAP), and the form and content for entity's financial statements specified by the Office of Management and Budget (OMB) in OMB Circular No. A-136, *Financial Reporting Requirements*, as revised. GAAP for Federal entities are standards prescribed by the Federal Accounting Standards Advisory Board (FASAB), which has been designated the official accounting standards-setting body for the federal government by the American Institute of Certified Public Accountants (AICPA).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of presentation (continued)

OMB Circular No. A-136 requires agencies to prepare basic statements, which include a balance sheet, statement of net cost, statement of changes in net position and a statement of budgetary resources. The balance sheets present, as of September 30, 2015 and 2014, amounts of future economic benefits owned or managed by the Commission (assets), amounts owed by the Commission (liabilities), and amounts which comprise the difference (net position). The statements of net cost report the full cost of the program, both direct and indirect costs of the output, and the costs of identifiable supporting services provided by other segments within the Commission. The statement of budgetary resources reports the Commission's budgetary activity.

Basis of accounting

The Commission prepares financial statements to report its financial position and results of operations pursuant to the requirements of 31 U.S.C. 3515(b), the Chief Financial Officers Act of 1990 (P. L. 101-576), as amended by the Government Management Reform Act of 1994, and presented in accordance with the requirements in OMB Circular No. A-136, as revised. These statements have been prepared from the Commission's financial records using an accrual basis in conformity with GAAP. The generally accepted accounting principles (GAAP) for federal entities are the standards prescribed by the Federal Accounting Standards Advisory Board (FASAB) and recognized by the AICPA as Federal GAAP. These statements are, therefore, different from financial reports prepared pursuant to other OMB directives that are primarily used to monitor and control the Commission's use of budgetary resources.

Transactions are recorded on an accrual and budgetary basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when resources are consumed, without regard to the payment of cash. Budgetary accounting principles, on the other hand, are designed to recognize the obligation of funds according to legal requirements, which in many cases is prior to the occurrence of an accrual based transaction. The recognition of budgetary accounting transactions is essential for compliance with legal constraints and controls over the use of federal funds. The Commission uses the cash basis of accounting for some programs with an accrual adjustment made by recording year-end estimates of unpaid liabilities.

Use of estimates

The preparation of financial statements in conformity with GAAP in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund balance with Treasury

The Commission maintains its available funds with the Department of the Treasury (Treasury). The fund balance with Treasury is available to pay current liabilities and finance authorized purchases. Cash receipts and disbursements are processed by Treasury and are reconciled with those of Treasury on a regular basis. Note 2, Fund Balance with Treasury, provides additional information.

General property and equipment

General property and equipment (PP&E) consists of equipment used for general operations and internal use software. The basis for recording purchased PP&E is full cost, which includes all costs incurred to bring the PP&E to a form and location suitable for its intended use. The cost of PP&E acquired through donation is the estimated fair market value when acquired. All PP&E with an initial acquisition cost of \$5,000 or more and an estimated useful life of two years or more are capitalized, except for internal use software discussed below.

The PP&E is depreciated using the straight-line method over the estimated useful life of the asset. Normal maintenance and repair costs are expensed as incurred. Statement of Federal Financial Accounting Standards (SFFAS) No. 10, *Accounting for Internal Use Software*, requires that the capitalization of internally-developed, contractor-developed and commercial off-the-shelf (COTS) software begin in the software development phase.

For amortization purposes, the estimated useful life for internal use software was determined to be five years. SFFAS No. 10 also requires that amortization begin when the asset is placed in use. Costs below the threshold levels are expensed. Software is depreciated for a period of time consistent with the estimated useful life used for planning and acquisition purposes.

Liabilities

Liabilities are recognized for amounts of probable and measurable future outflows or other sacrifices of resources as a result of past transactions or events. Since the Commission is a component of the U.S. Government, a sovereign entity, its liabilities cannot be liquidated without legislation that provides resources to do so. Payments of all liabilities other than contracts can be abrogated by the sovereign entity. In accordance with public law and existing federal accounting standards, no liability is recognized for future payments to be made on behalf of current workers contributing to the Medicare Health Insurance Trust Fund, since liabilities are only those items that are present obligations of the government. The Commission's liabilities are classified as covered by budgetary resources or not covered by budgetary resources.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Liabilities Covered by Budgetary Resources are Liabilities incurred which are covered by realized budgetary resources as of the Balance Sheet date. Budgetary resources encompass not only new budget authority but also other resources available to cover liabilities for specified purposes in a given year. Available budgetary resources include: (1) new budget authority, (2) unobligated balances of budgetary resources at the beginning of the year or net transfers of prior year balances during the year, (3) spending authority from offsetting collections (credited to an appropriation or fund account), and (4) recoveries of unexpired budget authority through downward adjustments of prior year obligations. Liabilities are considered covered by budgetary resources if they are to be funded by permanent indefinite appropriations, which have been enacted and signed into law and are available for use as of the Balance Sheet date, provided that the resources may be apportioned by OMB without further action by the Congress and without a contingency having to be met first.

Liabilities Not Covered by Budgetary Resources are liabilities, which are not considered to be covered by budgetary resources. Liabilities Not Covered by Budgetary Resources are combined with liabilities covered by budgetary resources with liabilities on the face of the Balance Sheet.

Accounts payable

Accounts payable primarily consists of amounts due for goods and services received, progress in contract performance, interest due on accounts payable, and other miscellaneous payables.

Accrued payroll and benefits

Accrued payroll and benefits consist of salaries, wages, leave and benefits earned by employees, but not disbursed as of September 30. Liability for annual and other vested compensatory leave is accrued when earned and reduced when taken. At the end of each fiscal year, the balance in the accrued annual leave liability account is adjusted to reflect current pay rates. Annual leave earned but not taken is considered an unfunded liability since this leave will be funded from future appropriations when it is actually taken by employees. Sick leave and other types of leave are not accrued and are expensed when taken.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and financing sources

The Commission receives the funding needed to support its programs through an annual Congressional appropriation. The United States Constitution prescribes that no money may be expended by a federal agency unless and until funds have been made available by Congressional appropriation. Appropriations are recognized as financing sources when related expenses are incurred or assets are purchased.

The Commission receives an annual appropriation that may be used within statutory limits. For example, funds for general operations are generally made available for one fiscal year. The Statement of Budgetary Resources presents information about the resources appropriated to the Commission.

Federal employee benefits

Most Commission employees participate in either the Civil Service Retirement System (CSRS) – a defined benefit plan, or the Federal Employees Retirement System (FERS) – a defined benefit and contribution plan. For employees covered under CSRS the Commission contributes a fixed percentage of pay. Most employees hired after December 31, 1983, are automatically covered by FERS. For employees covered under FERS the Commission contributes the employer's matching share for Social Security and Medicare Insurance. A primary feature of FERS is that it offers a Thrift Savings Plan (TSP) into which the Commission automatically contributes one percent of employee pay and matches employee contributions up to an additional four percent of pay.

The U.S. Office of Personnel Management is the administering agency for both of these benefit plans and, thus, reports CSRS or FERS assets, accumulated plan benefits, or unfunded liabilities applicable to federal employees. Therefore, the Commission does not recognize any liability on its balance sheet for pensions, other retirement benefits, and other post employment benefits.

NOTE 2 FUND BALANCE WITH TREASURY

The fund balance with the Treasury is as follows at September 30:

	<u>2015</u>	<u>2014 (Restated)</u>
A. Fund Balance with Treasury		
Appropriated Fund	\$ 3,198,395	\$ 4,110,449
B. Status of Fund Balance with Treasury		
1) Unobligated Balance		
a) Available	129,676	198,836
b) Unavailable	1,383,904	1,755,770
2) Obligated Balance not yet Disbursed	<u>1,684,815</u>	<u>2,155,843</u>
Total	<u>\$ 3,198,395</u>	<u>\$ 4,110,449</u>

In fiscal 2015, the Commission cancelled its fiscal 2010 remaining funds and returned the balance of \$275,316 to the Treasury.

NOTE 3 GENERAL PROPERTY, PLANT AND EQUIPMENT

Property and equipment consisted of the following at September 30:

	<u>2015</u>	<u>2014</u>
Equipment	\$ 293,070	\$ 296,427
Software	<u>\$ 7,684</u>	<u>\$ 72,524</u>
	\$ 300,754	\$ 368,951
Less: Accumulated depreciation and amortization	<u>\$ (111,718)</u>	<u>\$ (118,209)</u>
Property and equipment, net	<u>\$ 189,035</u>	<u>\$ 250,742</u>

Depreciation and amortization expense for the fiscal years ended September 30, 2015 and 2014 was \$58,349 and \$31,583, respectively.

NOTE 4 LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

The Commission's total liabilities were comprised of the following at September 30:

	<u>2015</u>	<u>2014 (Restated)</u>
Liabilities not covered by budgetary resources with the public		
Other (unfunded leave liability)	340,544	323,026
Liabilities covered by budgetary resources	411,901	855,271
Total Liabilities	<u>\$ 752,445</u>	<u>\$ 1,178,297</u>

Liabilities not covered by budgetary resources included liabilities for which congressional action is needed before budgetary resources can be provided. Although future appropriations to fund these liabilities are likely, it is not certain that appropriations will be enacted to fund these liabilities.

Liabilities covered by budgetary resources as of September 30, 2015 and 2014, were respectively comprised of accounts payable of \$411,901 and \$716,531, and accrued funded payroll of \$0.00 and \$138,741.

NOTE 5 INTRAGOVERNMENTAL COSTS

Intra-governmental costs arise from purchases of goods or services from other components of the Federal Government. In contrast, public costs are those that arise from the purchase of goods or services from nonfederal entities. The Commission does not provide services to another federal entity. Intra-governmental costs were comprised of the following for the fiscal years ended September 30:

	<u>Total 2015</u>	<u>Total 2014 (Restated)</u>
Intragovernmental costs	3,034,224	2,986,484
Public costs	6,438,368	5,497,944
Total costs	<u>\$ 9,472,592</u>	<u>\$ 8,484,428</u>

NOTE 6 APPORTIONMENT CATEGORIES OF OBLIGATIONS INCURRED

Obligations of the Commission represent direct obligations incurred against amounts apportioned under category A on the latest Apportionment and Reapportionment Schedule.

	Total 2015	Total 2014 (Restated)
Category A	\$9,785,568	\$8,710,256

NOTE 7 UNDELIVERED ORDERS AT THE END OF THE PERIOD

The Unpaid Obligated Balance is comprised of obligations relating to the Undelivered Orders (good and services contracted for but not yet received at year) and accounts payable accrued payroll (amounts owed at the end of the year for goods and services received).

	Total 2015	Total 2014 (Restated)
Unpaid Obligated Balance	\$ 1,372,798	\$ 2,155,844
Undelivered Orders	\$ 960,897	\$ 1,300,572

NOTE 8 OPERATING LEASES

The Commission has various leases for offices and branches throughout the United States. The longest of those obligations extends through 2025. Certain of the leases contain renewal options and escalation clauses. No leases include restrictions on the Commission's activities. The aggregate rent expense totaled \$1,467,329 and \$1,447,397 for fiscal years ended September 30, 2015 and 2014, respectively. Future minimum rent payments for the fiscal years ended September 30, are as follows:

	<u>2015</u>
2016	1,496,934
2017	1,512,524
2018	1,465,592
2019	1,418,134
2020	1,354,024
Thereafter	<u>2,341,356</u>
Total	\$ 9,588,564

NOTE 9 BUDGETARY RESOURCE COMPARISONS TO THE BUDGET OF THE UNITED STATES GOVERNMENT

The President's Budget that will include fiscal year 2015 actual budgetary execution information has not yet been published. The President's Budget is scheduled for publication in February 2016 and can be found at the OMB Web site <http://www.whitehouse.gov/omb/>.

No material differences exist between the amounts reported in the fiscal year 2014 Statement of Budgetary Resources and the 2014 actual amounts reported in the 2015 Budget of the United States Government.

NOTE 10 – RECONCILIATION OF NET COST OF OPERATIONS (PROPRIETARY) TO BUDGET

Budgetary resources obligated are obligations for personnel, goods, services, benefits, etc. made by the Commission in order to conduct operations or acquire assets. Other (i.e., non-budgetary) financing resources are also utilized by the Commission in its program (proprietary) operations. For example, spending authority from offsetting collections and recoveries are financial resources from the recoveries of prior year obligations (e.g., the completion of a contract where not all the funds were used) and refunds or other collections (i.e., funds used to conduct operations that were previously budgeted). An imputed financing source is recognized for future federal employee benefits costs incurred for the Commission employees that will be funded by OPM. Changes in budgetary resources obligated for goods, services, and benefits ordered but not yet provided represents the difference between the beginning and ending balances of undelivered orders (i.e., good and services received during the year based on obligations incurred the prior year represent a cost of operations not funded from budgetary resources). Resources that finance the acquisition of assets are budgetary resources used to finance assets and not cost of operations (e.g., increases in accounts receivables or capitalized assets). Financing sources yet to be provided represents financing that will be provided in future periods for future costs that are recognized in determining the net cost of operations for the present period. Finally, components not requiring or generating resources are costs included in the net cost of operations that do not require resources (e.g., depreciation and amortized expenses of assets previously capitalized).

A reconciliation between budgetary resources obligated and net cost of operations (i.e., providing an explanation between budgetary and financial (proprietary) accounting) is as follows (note: in prior years this information was presented as a separate financial statement, the Statement of Financing):

	FY 2015	FY 2014 (Restated)
Budgetary Resources Obligated	\$9,785,568	\$8,710,256
Spending Authority from Recoveries and Offsetting Collections	(731,875)	(52,535)
Changes in Budgetary Resources Obligated for Goods, Services, and Benefits Ordered but Not Yet Provided	339,675	1,057,861
Resources that Finance the Acquisition of Assets	3,357	(242,179)
Financing Sources Yet to be Provided		(1,025,882)
Financing Sources Yet to be Provided	17,518	4,613
Components Not Requiring or Generating Resources	58,349	32,294
Net Cost of Operations	\$9,472,592	\$8,484,428

NOTE 11 – CONTINGENCIES

The Commission is involved in various lawsuits incidental to its operations. In the opinion of management, the ultimate resolution of pending litigation will not have a material effect on the Commission's financial position.

NOTE 12 – RESTATEMENT

During FY 2015, management undertook a review of potential misstatements identified by our independent public auditor during their FY 2014 financial statements audits. We reviewed balances reflected in accounts supporting Accounts Payable, Accrued Payroll, Recoveries of Prior Year Obligations, Obligations Incurred, and Unpaid Obligations.

Our review identified material errors associated with these accounts. In accordance with SFFAS No. 21 Reporting Corrections of Errors and Changes in Accounting Principles, the Commission restated the FY 2014 financial statements. The cumulative effect of the errors is presented as a prior period adjustment in the FY 2014 Statement of Changes in Net Position. Upon the completion of the review, the subsequent period audited financial statements were imminent; therefore, the Commission restated the FY 2014 financial statements on November 9, 2015.

The Commission has determined that the errors were caused by inadequate internal control associated with the related processes. Specifically, management did not have a process in place to assess the reasonableness of undelivered orders and payable amounts.

The following tables identify the specific amounts of the material misstatements and related effects on the financial statements:

Balance Sheet Restatements			
	Original 2014	Restated 2014	Misstatement
Liabilities:			
Intragovernmental: Accounts Payable	338,044	242,783	(95,260)
Liabilities With the Public: Accounts Payable	536,668	473,748	(62,920)
Accrued Funded Payroll and Leave	144,191	138,741	(5,450)
Total Liabilities	1,341,928	1,178,297	(163,631)
Net Position:			
Unexpended Appropriations - All Other Funds	3,091,547	3,255,178	163,631
Total Net Position - All Other Funds	3,091,547	3,255,178	163,631
Total Net Position	3,091,547	3,255,178	163,631
Statement of Net Cost Restatements			
Program Costs:			
Gross Cost	8,648,058	8,484,428	(163,631)
Net Program Cost	8,648,058	8,484,428	(163,631)
Net Cost of Operations	8,648,058	8,484,428	(163,631)

NOTE 12 – RESTATEMENT (continued)

Statement of Budgetary Resources Restatements			
	Original 2014	Restated 2014	Misstatement
BUDGETARY RESOURCES			
Adjustment of unobligated balance brought forward, October 1 (+ or -)	-	1,025,882	1,025,882
Unobligated balance brought forward, October 1, adjusted	703,213	1,729,095	1,025,882
Recoveries of prior year unpaid obligations (unobligated balances)	(1,076,806)	(50,924)	(1,025,882)
STATUS OF BUDGETARY RESOURCES			
Obligations incurred	9,793,837	8,710,256	(1,083,581)
Apportioned	141,137	198,836	57,699
Unapportioned	729,888	1,755,770	1,025,882
Unobligated balance brought forward, end of year	871,025	1,954,606	1,083,581
CHANGES IN OBLIGATED BALANCE			
Unpaid obligations, brought forward, October 1 (gross)	3,323,636	2,297,754	(1,025,882)
Obligations Incurred	9,793,837	8,710,256	(1,083,581)
Recoveries of prior year unpaid obligations (-)	(1,076,806)	(50,924)	1,025,882
Unpaid obligations, end of year	3,239,423	2,155,844	(1,083,581)
Obligated balance, start of year (net)	3,323,636	2,297,754	(1,025,882)
Obligated balance, end of year (net)	3,239,424	2,155,844	(1,083,581)
Changes in Net Position Adjustments			
	Original 2014	Restated 2014	Misstatement
Cumulative Results of Operations:			
Beginning Balances			
Correction of Errors	-	(105,932)	(105,932)
Beginning balance, as adjusted	(277,557)	(383,488)	(105,932)
Budgetary Financing Sources:			
Appropriations used	(8,853,330)	(8,795,632)	(57,698)
Total Financing Sources	29,901	87,599	57,698
Net Cost of Operations	8,648,058	8,484,428	(163,630)
Net Change	205,272	311,204	105,932
Unexpended Appropriations:			
Correction of Errors	-	105,932	105,932
Beginning balance, as adjusted	3,061,646	3,167,578	105,932
Budgetary Financing Sources:			
Appropriations used	(8,853,330)	(8,795,632)	57,698
Total Budgetary Financing Sources	29,901	87,599	57,698
Total Unexpended Appropriations	3,091,547	3,255,178	163,631
Net Position	3,019,263	3,182,893	163,631

Section: IV: Other Accompanying Information

A. Summary of Financial Statement Audit and Management Assurances

Summary of Financial Statement Audit

Audit Opinion: Disclaimer
 Restatement: No

Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Total Material Weaknesses	1	0	0	0	0	1

Summary of Management Assurances

Effectiveness of Internal Control over Financial Reporting - Federal Managers' Financial Integrity Act (FMFIA) 2

Statement of Assurance: Disclaimer

Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Total Material Weaknesses	1	0	0	0	0	1

Effectiveness of Internal Control over Operations - FMFIA 2

Statement of Assurance: Unqualified

Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Total Material Weaknesses	0	0	0	0	0	0

Conformance with Financial Management System Requirements - FMFIA 4

Statement of Assurance: Systems Conform

Non-Conformance	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Total Non-Conformance	0	0	0	0	0	0

B. Improper Payments Information Act Reporting Details

The Improper Payments Information Act (IPIA) of 2002, as amended by the Improper Payments Elimination and Recovery Act (IPERA) of 2010, requires agencies to review all programs and activities they administer, and identify those programs that are susceptible to significant erroneous payments. Significant erroneous payments are defined as annual erroneous payments in the program exceeding both \$10 million and 2.5 percent or \$100 million of total annual program payments.

Risk Assessment

Due to the Commission's mission and size, the Commission does not separate its mission into individual programs. We conducted a risk assessment for all relevant payments. The Commission evaluated the following risk factors: whether the program or activity was new to the agency; the complexity of the program; the volume of payments; how eligibility decisions are made; recent major changes in funding, authorities, practices, and procedures; the level and experience of personnel; and significant deficiencies in audit reports. The risk assessment determined that the risk of significant improper payments was low. Furthermore, since the Commission's total budget is less than the \$10 million threshold for significant improper payments, it is virtually impossible for the Commission to have improper payments over \$10 million. Based on the risk assessment, we determined that the Commission does not have significant improper payments.

Payment Recapture Audits

Section 2(H) of the Improper Payments Elimination and Recovery Act requires agencies to conduct payment recapture audits for each program and activity that expends \$1 million or more annually if conducting such an audit is cost-effective. Since the Commission's payments as defined in OMB Circular A – 123, Appendix C exceed the \$1 million threshold, we conducted a cost-benefit analysis for the entire agency. To determine if it was cost effective for the Commission to engage in a Payment Recapture Audit, we estimated improper payments, determined the anticipated collections, examined the costs of a recapture audit, and applied OMB's criteria to make a decision. Based on our analysis, we have determined that the costs of a payment recapture audit at the Commission would exceed the benefits. In accordance with OMB Circular A – 123, Appendix C, we provided with our analysis and notified them that we decided that a payment recapture audit is not cost-effective.

Improper Payment Reporting

The Commission had a duplicate payment of \$10,000 in Fiscal Year 2015. The payment was collected through reducing proper invoices due to the vendor.

APPENDICES

Appendix A: Strategic Plan Goals, Objectives, and Measures

FY 2015-2018 STRATEGIC GOALS AND OBJECTIVES

Led by eight commissioners,³ the Staff Director, along with, our national and regional office staff of civil rights analysts, social scientists, attorneys, and our 51 state advisory committees will carry out our mission by continuing to improve the alignment of our program activities with the goals and objectives in our strategic plan. We will measure performance against established targets, and report on our challenges and successes.

Throughout our history, the Commission has worked towards fulfilling our Congressional mandate to serve as a bipartisan, fact-finding federal agency charged with making recommendations on civil rights issues that affect our nation. With this in mind, the Commission solicited the views of Commissioners, staff members and Congress to identify areas of strength and weakness within the Commission and its activities. This input served as a basis for drafting our strategic goals.

Key concerns identified throughout this process centered around the need for the Commission to: produce more data-driven reports; increase the public's accessibility to these reports; and, to efficiently integrate the SACs into the Commission's work both as a way to raise public awareness of the essential work that the Commission is doing, and as a way to leverage the state-level resources of our SACs to inform the Commission's work.

As we move towards implementing our new strategic plan, the Commission's goal is to incorporate our stakeholders' feedback into our efforts to shape the nation's civil rights debate through expanded research, information, and reports generated by agency program activities.

³ Four commissioners are presidential appointees and four are congressional appointees; all serve six-year terms.

STRATEGIC GOAL A:

The Commission will function as an effective civil rights watchdog and conduct studies and issue publications on important issues of civil rights.

Objective	Strategies	Performance Measures
<ul style="list-style-type: none">Strengthen the quality and objectivity of the Commission's reports.	<ul style="list-style-type: none">Concentrate studies and research on national priorities.	<ul style="list-style-type: none">The Commission will hold at least three briefings and/or hearings each year.

STRATEGIC GOAL B:

The Commission will regularly provide new, objective information and analysis on civil rights issues.

Objective	Strategies	Performance Measures
<ul style="list-style-type: none">The Commission will regularly conduct original fact-finding and/or a novel statistical data review in a civil rights investigation.	<ul style="list-style-type: none">The Commission will include selection of an investigation as part of its annual project planning.The Commission will strengthen employees' ability to conduct investigations.	<ul style="list-style-type: none">During its regular project planning process, the Commission will select one investigative project involving original fact-finding and/or statistical data reviews, either as a stand-alone project or in conjunction with a briefing or enforcement report.Upon approval of an investigative project by the Commission, SACs may be solicited to aid the Commission in state and local fact gathering.The Commission will train and/or cross-train designated employees on field interview techniques and statistical analysis.

Objective	Strategies	Performance Measures
<ul style="list-style-type: none"> All Commission products will be prepared using standards that provide for maximum objectivity. 	<ul style="list-style-type: none"> The Commission will strengthen its information quality standards and other procedures regarding the process and review of agency products, as well as the implementation of such standards and procedures. 	<ul style="list-style-type: none"> The Commission will amend its Human Capital Plan to prioritize developing employee capacities in the areas of statistical analysis and complaint interviews. By 2015, the Commission will conduct a review of existing information quality standards, administrative instructions, and other quality control and quality assurance guidelines to ensure its reporting maximizes objectivity.

STRATEGIC GOAL C:

The Commission will cooperate, where appropriate, with other federal agencies to apprise individuals of civil rights laws and policies and to raise public awareness of civil rights.

Objective	Strategies	Performance Measures
<ul style="list-style-type: none"> Strengthen the Commission's position as a national clearinghouse for civil rights information. 	<ul style="list-style-type: none"> Measure and analyze web traffic data on the clearinghouse web page to identify top three civil rights areas of interest 	<ul style="list-style-type: none"> Yearly updates to the clearinghouse web page. Review annually (FY) and update, as needed, the Uncle Sam publication, in both English and Spanish. By FY 2016, issue quarterly data reports that list and rank clearinghouse

Objective	Strategies	Performance Measures
<ul style="list-style-type: none"> Consult with the civil rights divisions of other agencies to ensure dissemination of accurate information for the complaint referral process. 	<ul style="list-style-type: none"> Maintain up to date information on the USCCR complaint referral process. Simplify the telephone complaint referral process. 	<p>information hits tabulated by agency (DOJ, EEOC, DOE and DOL).</p> <ul style="list-style-type: none"> List the name, URL and contact information for each Federal Civil Rights division that we refer complaints to on the USCCR website. Contact the Federal civil rights divisions that we refer complaints to, semi-annually, to confirm accuracy of civil rights complaint contact information. By 2015 update the phone lines to allow callers to use a push button system to obtain complaint referral information (ex: push 1 for Employment; Push 2 for Housing, etc.)

STRATEGIC GOAL D:

Improve the Commission’s profile and effectiveness in communicating with the general public.

Objective	Strategies	Performance Measures
<ul style="list-style-type: none"> Raise public awareness of the Commission’s work 	<ul style="list-style-type: none"> Expand Press Outreach 	<ul style="list-style-type: none"> Create and update press list on a regular basis Issue press releases (English & Spanish) and update website prior to

Objective	Strategies	Performance Measures
<ul style="list-style-type: none"> • Modernize the Commission’s information technology infrastructure to increase access to the Commission’s work products. • Improve access to agency publications and dissemination of information for all persons including persons with disabilities and persons with limited English proficiency. 	<ul style="list-style-type: none"> • Revise and reformat the website to increase web traffic and access to publications. • Increase access to Commission briefings and hearings using online tools • Measure and analyze web traffic and written requests for Commission reports. • Revise and update the USCCR website to make electronic and information technology (EIT) accessible to persons with disabilities. 	<p>every hearing and briefing.</p> <ul style="list-style-type: none"> • Participate in speaking engagements and public policy symposia. • Reformat website to increase Google hits. • By FY 2016, Commission briefings and hearings will be streamed live online and made available on the website for future viewings. • By FY 2015, issue monthly reports on downloads and written requests for USCCR publications (top ten for each category). • By FY 2016, the agency shall implement accessible elements on the website, including alt tags, long descriptions, and captions, as needed.⁴ • By FY 2016, all documents on the website shall be made available in HTML or a text-based format.⁵

⁴ These elements are necessary in order to make web pages accessible for persons with disabilities.

⁵ This format is necessary so that a person using a screen reader can access online documents or documents

Objective	Strategies	Performance Measures
<ul style="list-style-type: none"> Expand and clarify the USCCR complaint process for all individuals including LEP persons and persons with disabilities. 	<ul style="list-style-type: none"> Analyze complaint line data and written requests for assistance to identify language access needs. Improve web-based complaint screening process and online guidance to complainants. 	<ul style="list-style-type: none"> Maintain log (library and complaint line) to identify which language, other than English, is most often used by callers/writers when they contact the Commission. By FY 2015, update the USCCR website to include direct links to federal agencies' civil rights complaint page.

provided library on disc.

STRATEGIC GOAL E:

Continue to strengthen the Commission’s financial and operational controls and advance the Commission’s mission through management excellence, efficiency, and accountability.

Objective	Strategies	Performance Measures
<ul style="list-style-type: none"> • Continue to strengthen the Commission’s financial, budget, and performance policy, procedures, and reports • Improve the strategic management of the Commission’s human capital 	<ul style="list-style-type: none"> • Align the Commission's budget submissions with the Agency's strategic plan and annual performance plan. • Ensure that the Commission's budget submission complies with OMB Circular A-11. • Enhance financial policy and procedures to ensure reliability of financial reporting. • Monitor and report on the Commission's progress in achieving its annual performance plan goals and objectives. • Update and Implement the Commission's Human Capital Plan to ensure the agency has a highly skilled and flexible workforce to carry out its mission. • Conduct and analyze Employee Satisfaction surveys and develop 	<ul style="list-style-type: none"> • Compliance with OMB Circular A-11 • Compliance with OMB Circular A-11 • Receive a “clean” or unqualified financial statement audit. • Submit a Performance and Accountability Report that adheres to all relevant guidance. • Implementation of commission’s and the Office of Personnel Management (OPM) Human capital Plan program, strategies and initiatives. • Results of the Employee Satisfaction surveys compared to previous surveys. • Annual training sessions, i.e., formal training,

Objective	Strategies	Performance Measures
<ul style="list-style-type: none"> Improve administrative and clearinghouse services including information technology, acquisition, and library functions. 	<p>specific strategies to address issues.</p> <ul style="list-style-type: none"> Conduct training to increase awareness of acquisition processes and procedures. Comply with Federal information security requirements. Leverage information technology to enhance the productivity and efficiency of the workforce. 	<p>issuance of memoranda and/or internal instructions.</p> <ul style="list-style-type: none"> Annual FISMA audit Comply with OMB Cloud Computing Initiatives.

STRATEGIC GOAL F:

Increase the participation of our State Advisory Committees (SACs) in the Commission’s work.

Objective	Strategies	Performance Measures
<ul style="list-style-type: none"> Include SAC input in the Commission’s program planning process. Enhance collaboration between and among SACs, regional offices and the Commission. 	<ul style="list-style-type: none"> Solicit SAC involvement in briefings and hearings. Expand communication and information sharing through the use of a listserv and webinar capabilities. 	<ul style="list-style-type: none"> By FY 2015, SACs will be encouraged to participate in at least two briefings/ hearings/fact-finding and/or public forums annually. Issue monthly updates via listserv (from DC office to Regions). By FY 2015, Regional offices will have the capability to offer webinars. Extend SAC appointee

Objective	Strategies	Performance Measures
<ul style="list-style-type: none"> • Strengthen the SAC re-chartering process 	<ul style="list-style-type: none"> • Achieve and maintain chartered status for all 51 SACs. 	<p>terms to 4 years.</p> <ul style="list-style-type: none"> • Eliminate SAC backlog by FY 2015. • Re-charter SACs set to expire after 10/1/2015 within 60 days.

Appendix B: FY 2015 Annual Performance Plan, Targets, and Results

Strategic Goal A: The Commission will function as an effective civil rights watchdog and conduct studies and issue publications on important issues of civil rights.			
Performance Measures	Performance Goals	FY 2015 Performance Target	FY 2015 Actual Performance
The Commission will hold at least three briefings and/or hearings each year.	3 briefings or hearings	3 briefings or hearings	Exceeded 5 briefings

Strategic Goal B: The Commission will regularly provide new, objective information and analysis on civil rights issues.			
Performance Measures	Performance Goals	FY 2015 Performance Target	FY 2015 Actual Performance
During its regular project planning process, the Commission will select one investigative project involving original fact-finding and/or statistical data reviews, either as a stand-alone project or in conjunction with a briefing or enforcement report.	1 investigative project	1 investigative project	Exceeded
Upon approval of an investigative project by the Commission, SACs may be solicited to aid the Commission in state and local fact gathering.	Obtain assistance from at least 3 SACs during an investigative project	3 SACs assisting in an investigation	Substantially Met
The Commission will train and/or cross-train designated employees on field interview techniques and statistical analysis.	Train at least 2 employees in field interview techniques and statistical analysis	2 Trained employees	Met
The Commission will amend its Human Capital Plan to prioritize developing employee capacities in the areas of statistical analysis and complaint interviews.	Update Human Capital Plan to emphasis statistical analysis and complaint interviews	Implement Human Capital Plan	Met
By 2015, the Commission will conduct a review of existing information quality standards, administrative instructions, and other quality control and quality assurance guidelines to ensure its reporting maximizes objectivity.	Complete review	Complete Review	Not Met

Strategic Goal C: The Commission will cooperate, where appropriate, with other federal agencies to apprise individuals of civil rights laws and policies and to raise public awareness of civil rights.			
Performance Measures	Performance Goals	FY 2015 Performance Target	FY 2015 Actual Performance
Yearly updates to the clearinghouse web page.	Update clearinghouse web page at least once a year.	Update Clearinghouse Webpage	Not Met
Review annually (FY) and update, as needed, the Uncle Sam publication, in both English and Spanish.	Review Uncle Sam yearly and update as necessary.	Review and Update Uncle Sam	Met
By FY 2016, issue quarterly data reports that list and rank clearinghouse information hits tabulated by agency (DOJ, EEOC, DOE and DOL).	Issue quarterly data report by agency	Issue 4 Reports	Not Met
List the name, URL and contact information for each Federal Civil Rights division that we refer complaints to on the USCCR website.	Update contact information once a year	Update contact information once a year	Not Met
Contact the Federal civil rights divisions that we refer complaints to, semi-annually, to confirm accuracy of civil rights complaint contact information.	Update Federal civil rights divisions contact information twice a year.	Update contact information	Met
By 2015 update the phone lines to allow callers to use a push button system to obtain complaint referral information (ex: push 1 for Employment; Push 2 for Housing, etc.)	Update phone lines for complaint referral	Update phone lines for complaint referral	Not Met

Strategic Goal D: Improve the Commission's profile and effectiveness in communicating with the general public			
Performance Measures	Performance Goals	FY 2015 Performance Target	FY 2015 Actual Performance
Create and update press list on a regular basis.	Update press list	Update press list	Met
Issue press releases (English & Spanish) and update website prior to every hearing and briefing.	Issue press releases for all hearings and briefings	3 press releases	Met
Participate in speaking engagements and public symposia	Participate in 3 speaking engagements or public symposia	3 public speaking engagements or symposia	Met
Reformat website to increase Google hits.	Reformat webpage	N/A	N/A
By FY 2016, Commission briefings and hearings will be streamed live online and made available on the website for future viewings.	Stream 2 briefings and hearings online and maintain video on the agency's website	2 Online briefing and/or hearing	Met
By FY 2015, issue monthly reports on downloads and written requests for USCCR publications (top ten for each category).	12 Monthly Reports	Monthly Reports	Not Met

Strategic Goal D: Improve the Commission's profile and effectiveness in communicating with the general public			
By FY 2016, the agency shall implement accessible elements on the website, including alt tags, long descriptions, and captions, as needed.	Website is Accessible to Persons with Disabilities	25 percent of Website is accessible	Met - New Items are Accessible
By FY 2016, all documents on the website shall be made available in HTML or a text-based format.	All documents on the agency website are available in HTML or text formats	25 percent of documents are in HTML or text based	Met - New Items are Accessible
Maintain log (library and complaint line) to identify which language, other than English, is most often used by callers/writers when they contact the Commission.	Log all library and complaint line calls to determine language of requester	Complaint log identifies language of request	Met
By FY 2015, update the USCCR website to include direct links to federal agencies civil rights complaint page.	Website contains links to federal agencies civil rights complaint page	Update Links to Federal Agencies' civil rights complaint page	Not Met

Strategic Goal E: Continue to strengthen the Commission’s financial and operational controls and advance the Commission’s mission through management excellence, efficiency, and accountability.			
Performance Measures	Performance Goals	FY 2015 Performance Target	FY 2015 Actual Performance
Compliance with OMB Circular A-11	Budget is aligned with the Agency Strategic Plan	Budget is aligned with the Agency Strategic Plan	Met
Compliance with OMB Circular A-11	Budget is compliant with OMB Circular A-11	Budget is compliant with OMB Circular A-11	Met
Receive a “clean” or unqualified financial statement audit.	Unqualified Opinion on financial statement	Unqualified Opinion	Not Met
Submit a Performance and Accountability Report that adheres to all relevant guidance.	Performance and Accountability Report adheres to all relevant guidance.	Performance and Accountability Report (PAR) adheres to all relevant guidance.	Met
Implementation of commission’s and the Office of Personnel Management (OPM) Human capital Plan program, strategies and initiatives.	The Commission's Human Capital Plan is updated and implemented	Implement Human Capital Plan	Met
Results of the Employee Satisfaction surveys compared to previous surveys.	Employee Satisfaction survey scores increase each year.	Increase response rate by 10%	Met

(Cont'd)

Strategic Goal E: Continue to strengthen the Commission's financial and operational controls and advance the Commission's mission through management excellence, efficiency, and accountability.			
Annual training sessions, i.e., formal training, issuance of memoranda and/or internal instructions.	Perform acquisition training as required.	Conduct acquisition training	Met
Annual FISMA audit	FISMA Audit	FISMA Audit	Met
Comply with OMB Cloud Computing Initiatives.	Agency is in compliance with Cloud Computer Initiatives	Compliant with Cloud Computer Initiatives	Met

Strategic Goal F: Increase the participation of our State Advisory Committees (SACs) in the Commission's work.			
Performance Measures	Performance Goals	FY 2015 Performance Target	FY 2015 Actual Performance
Subject to budget constraints, by FY 2015, SACs will be encouraged to participate in at least two briefings/ hearings/fact-finding and/or public forums annually.	SACs will participate in 2 hearings, briefings, fact-finding, and/or public forums	SACs participation in 2 hearings, briefings, fact-finding, and/or public forums	Met
Issue monthly updates via listserv (from DC office to Regions).	Staff director or RPCU issues monthly updates to Regional Offices	Monthly Reports	Not Met
By FY 2015, Regional offices will have the capability to offer webinars.	Regionals office have the capacity to offer webinars	All regional office can conduct webinars	Met
Extend SAC appointee terms to 4 years.	SAC appointee terms are 4 years	SAC appointee terms are 4 years	Met
Eliminate SAC backlog by FY 2015	SAC backlog eliminated	N/A	N/A
Re-Charter SACs set to expire after 10/1/2015 within 60 days	80 percent of SACs are chartered within 60 days	70 percent	Met

Appendix C: Management Reponse Letter



UNITED STATES COMMISSION ON CIVIL RIGHTS

1331 Pennsylvania Ave, NW • Suite 1150 • Washington, DC 20425 www.usccr.gov

November 16, 2015

Grant Thornton
333 John Carlyle
Suite 500
Alexandria, VA 22314

FY 2015 Audit Findings and Recommendations

Attention: Eveka Rodriguez:

I have received and reviewed the independent audit report recently completed by your firm for the U.S. Commission on Civil Rights ("the Commission"). The Commission appreciates your effort in conducting an audit of the Commission's Financial Statements. I am very concerned about your disclaimer of opinion.

I am committed to resolving the internal control weaknesses identified in your audit report.

Sincerely,

A handwritten signature in black ink, appearing to read "Mauro Morales".

Mauro Morales
Staff Director

