



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

November 23, 2009

OFFICE OF
THE CHAIRMAN

The Honorable Joseph I. Lieberman
Chairman
Committee on Homeland Security and
Governmental Affairs
United States Senate
340 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Lieberman:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,



Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Henry A. Waxman
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Waxman:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Edolphus Towns
Chairman
Committee on Oversight and Government Reform
U.S. House of Representatives
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Towns:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

November 23, 2009

OFFICE OF
THE CHAIRMAN

The Honorable Clifford Stearns
Ranking Member
Subcommittee on Communications, Technology, and the Internet
Committee on Energy and Commerce
U.S. House of Representatives
2370 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Stearns:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable José Serrano
Chairman
Subcommittee on Financial Services and General Government
Committee on Appropriations
U.S. House of Representatives
B300 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Serrano:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable John D. Rockefeller
Chairman
Committee on Commerce, Science and Transportation
United States Senate
508 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Rockefeller:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable David R. Obey
Chairman
Committee on Appropriations
U.S. House of Representatives
H-218 The Capitol Building
Washington, D.C. 20515

Dear Chairman Obey:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Jerry Lewis
Ranking Member
Committee on Appropriations
U.S. House of Representatives
1016 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Lewis:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable John F. Kerry
Chairman
Subcommittee on Communications, Technology, and the Internet
Committee on Commerce, Science, and Transportation
United States Senate
218 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Kerry:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Darrell Issa
Ranking Member
Committee on Oversight and Government Reform
U.S. House of Representatives
B-350A Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Issa:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Daniel K. Inouye
Chairman
Committee on Appropriations
United States Senate
S-131 The Capitol Building
Washington, D.C. 20510

Dear Chairman Inouye:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

November 23, 2009

OFFICE OF
THE CHAIRMAN

The Honorable Kay Bailey Hutchison
Ranking Member
Committee on Commerce, Science and Transportation
United States Senate
560 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Hutchison:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable John Ensign
Ranking Member
Subcommittee on Communications, Technology, and the Internet
Committee on Commerce, Science, and Transportation
United States Senate
119 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Ensign:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Jo Ann Emerson
Ranking Member
Subcommittee on Financial Services and General Government
Committee on Appropriations
U.S. House of Representatives
1016 Longworth House Office Building
Washington, D.C. 20515

Dear Congresswoman Emerson:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Richard J. Durbin
Chairman
Subcommittee on Financial Services and General Government
Committee on Appropriations
United States Senate
184 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Durbin:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Susan M. Collins
Ranking Member
Subcommittee on Financial Services and General Government
Committee on Appropriations
United States Senate
142 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Collins:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

November 23, 2009

OFFICE OF
THE CHAIRMAN

The Honorable Susan M. Collins
Ranking Member
Committee on Homeland Security and Governmental Affairs
United States Senate
344 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Collins:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." *See, Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

November 23, 2009

OFFICE OF
THE CHAIRMAN

The Honorable Thad Cochran
Ranking Member
Committee on Appropriations
United States Senate
S-146A The Capitol Building
Washington, D.C. 20510

Dear Senator Cochran:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Rick Boucher
Chairman
Subcommittee on Communications, Technology, and the Internet
Committee on Energy and Commerce
U.S. House of Representatives
316 Ford House Office Building
Washington, D.C. 20515

Dear Chairman Boucher:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Joe Barton
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
2322 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Barton:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Danny Werfel
Controller
Office of Management and Budget
725 17th Street NW, Room 6025
Washington, D.C. 20503

Dear Mr. Werfel:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 23, 2009

The Honorable Gene Dodaro
Acting Comptroller General
U.S. Government Accountability Office
441 G Street NW, Room 7100
Washington, D.C. 20548

Dear Mr. Dodaro:

Enclosed is the Federal Communications Commission's Management Report on Inspector General Audit Reports for the six-month period ending September 30, 2009. The report describes the Commission's efforts to address recommendations raised by the Inspector General and the current status of pending recommendations.

In compliance with Section 5 of the Inspector General Act, as amended, 5 U.S.C. App. § 5, I have also enclosed the report prepared by the Office of Inspector General (OIG) summarizing the OIG's activities and accomplishments during the six-month period ending September 30, 2009.

The Commission remains committed to identifying and eliminating all practices or conditions that could lead to waste, fraud, resource abuse, or mismanagement. In that regard, I am mindful that some concerns have been expressed by the Government Accountability Office, Members of Congress and others concerning audit and oversight processes, particularly with respect to the Universal Service Fund. To address some of these concerns, the Commission initiated a process for ensuring a "Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight." See, *Notice of Inquiry*, FCC 08-189 (September 12, 2008). I anticipate that this and other processes will further inform the Commission's approach to these important oversight responsibilities.

Sincerely,

Julius Genachowski
Chairman

Enclosures:

1. Management report on Inspector General audit reports for which management decisions were made more than one year ago but final action has not been taken
2. Management report on final action on audits with disallowed costs
3. Management report on final action on audits with recommendations to put funds to better use
4. Office of Inspector General Semiannual Report to Congress

FEDERAL COMMUNICATIONS COMMISSION

MANAGEMENT REPORT ON INSPECTOR GENERAL AUDIT REPORTS FOR WHICH
MANAGEMENT DECISIONS WERE MADE MORE THAN ONE YEAR AGO BUT FINAL
ACTION HAS NOT BEEN TAKEN
(For the Six-Month Period Ending September 30, 2009)

Name of report	Date issued	Dollar value of disallowed costs	Dollar value of recommendations that funds be put to better use
1. Report on Follow-up Special Review of Web Page Accessibility (Report No. 02-AUD-02-05)	3/7/2003	N/A	N/A
<p>Explanation for no. 1: The Commission has brought the International Bureau Filing System largely into compliance with Section 508 and will work through the annual FISMA audit process to confirm compliance. Any residual Section 508 compliance issues will be addressed by the consolidation of the International Bureau Filing System with other licensing systems.</p>			
2. Audit Finding Notification – Lack of Adequate Facility Maintenance in the Anchorage Field Office (no audit report no.)	9/30/2004	N/A	N/A
<p>Explanation for no. 2: The maintenance and electrical problems noted in the report will be addressed by relocating the Anchorage field office to leased space. The Commission identified a suitable space, but the General Services Administration must lease it for the Commission. The Commission informed the GSA of its need for the space four and a half years ago. Since February of 2009 the GSA and DOT have been working together toward a possible relocation to property near the current facility</p>			
3. Combined List of Universal Service Fund Reports			
a. Schools and Libraries Reports (including IPIA reports)		\$14,326,741	N/A
b. High Cost Reports		\$1,811,269	N/A

N/A= Not Applicable

Name of report	Date issued	Dollar value of disallowed costs	Dollar value of recommendations that funds be put to better use
<p>Explanation for no. 3:</p> <p>a. Schools and Libraries Reports (including IPIA reports). This group of reports with management decisions made more that a year ago consists of 66 reports issued as a result of audits conducted between August 2004 and March 2008. Recovery of disallowed costs for almost all these audit reports has been suspended pending completion of e-rate program policy reviews by the Commission and conclusion of a Commission proceeding seeking comment from program participants on appropriate follow-up measures for audit report findings. Any disallowed costs currently under appeal have been excluded from the dollar value listed above.</p> <p>b. High Cost Reports. This group of reports with management decisions made more that a year ago consists of 13 reports issued as a result of audits conducted between July 2007 and March 2008. Corrective actions are ongoing and recovery of the disallowed costs is in progress.</p>			
4. Report on Fiscal Year 2007 Federal Information Security Management Act (FISMA) Independent Evaluation (Report no. IG-07-AUD-04-07)	9/25/2007	N/A	N/A
<p>Explanation for no. 4: Action on most recommendations has been completed. Work on remaining certification and accreditations is scheduled to be completed by the end of calendar year 2009, and all mobile devices containing non-public data will be encrypted by the end of March 2010.</p>			
5. Controls over Collection of Auctions Payments (Report No. IG-06-AUD-10-08)	9/28/2007	N/A	N/A
<p>Explanation for no. 5: The Commission plans to resolve the two remaining open recommendations in this report with the replacement of the Commission's core financial system in 2010.</p>			
6. Controls over the Universal Licensing System (ULS) (Report No IG-07-AUD-02-03)	9/28/2007	N/A	N/A
<p>Explanation for no. 6: Completion of corrective action on the remaining open recommendation in this report requires conclusion of an agreement between the Commission and another federal agency. The Commission is expecting to receive the completed ISA in December 2009.</p>			
7. Review of FCC Wireless Network Security Controls (Report No 08-AUD-07-03)	3/27/2008	N/A	N/A

N/A= Not Applicable

Name of report	Date issued	Dollar value of disallowed costs	Dollar value of recommendations that funds be put to better use
Explanation for no. 7: Completion of the organization security policy that addresses the use of wireless technology was completed in October 2009 and forwarded to the IG for closeout confirmation.			
8. Report on Fiscal Year 2008 Federal Information Security Management Act (FISMA) (Report No 08-AUD-04-02)	9/15/2008	N/A	N/A
Explanation for no. 8: Actions for 7 out of 27 recommendations have been completed. Work on remaining recommendations (some of which have strategic implications, for example the implementation of an enterprise plan of action and milestones (POA&M) program) continue. Additional areas being particularly addressed include strengthening of information security policies and procedures; risk assessments/certification & accreditation; access controls; data confidentiality (laptop encryption).			
9. Review of Processes for Filing Public Comments, Consumer Inquiries, and Complaints (Report No 08-AUD-07-04)	9/24/2008	N/A	N/A
Explanation for no. 9: Action on most recommendations has been completed. Four recommendations are awaiting verification and confirmation of completion. And work on the single remaining recommendation is ongoing, but the completion date is uncertain at this time due to technical and cost related issues.			
10. Assessment of Information Technology (IT) Project Management (Report No 08-AUD-07-05)	9/30/2008	N/A	N/A
Explanation for no. 10: Action has been taken on all four recommendations. The Commission will continue to develop and refine its project management processes addressed in the recommendations on an ongoing basis. No firm completion date was provided for the recommendations.			

Summary of Excluded Audit Reports

In accordance with 5 U.S.C. App. 3 § 5(b)(4), the Commission may exclude from the preceding management report audit reports that are under formal administrative or judicial appeal or upon which management has agreed to pursue a legislative solution, but the Commission must state the number of reports in each category. As of September 30, 2009, there were 38 audit reports for which a management decision was made more than a year ago that are under administrative appeal.

N/A= Not Applicable

FEDERAL COMMUNICATIONS COMMISSION
MANAGEMENT REPORT ON FINAL ACTION ON INSPECTOR GENERAL
ISSUED OR REVIEWED AUDITS WITH DISALLOWED COSTS
(For the Six-Month Period Ending September 30, 2009)

	<u>Number of Audit Reports</u>	<u>Disallowed Costs</u>
A. 1. Audit reports with management decisions on which final action had not been taken at the beginning of the period (line C minus line D.3.of enclosure 2 for previous semiannual report)	195	\$98,797,576
2. Adjustments ¹	0	0
3. Audit reports with management decisions on which final action had not been taken at the beginning of the period (following Adjustments from line 2 above)	195	\$98,797,576
B. Audit reports on which management decisions were made during the current reporting period	37	\$4,771,854
C. Total audit reports pending final action during period (Total A + B)	232	\$103,569,430
D. Audit reports on which action was taken during the period		
1. Recoveries		
(A) Collections and offsets	70	\$1,788,702
(B) Property	0	\$0
(C) Other	0	\$0
2. Write-offs	0	\$0

¹ Adjustments are due to corrections or additions or audit reports that had previously been omitted from this report.

3. Total 1 + 2	70	Enclosure 2 \$1,788,702
E. Audit Reports Needing Final Action At the end of the Period (C – D.3.)	165 ²	\$101,780,728 ³

² Number of audit reports is 165 instead of 162 because 3 reports had partial recovery and the Commission is still seeking the remaining amount approved for recovery by management.

³ Of this amount, a total of \$27,605,794 in 61 reports was under administrative appeal by auditees.

FEDERAL COMMUNICATIONS COMMISSION
MANAGEMENT REPORT ON FINAL ACTION ON AUDITS WITH
RECOMMENDATIONS TO PUT FUNDS TO BETTER USE
(For the Six-Month Period Ending September 30, 2009)

	<u>Number of Audit Reports</u>	<u>Funds To Be Put To Better Use</u>
A. Audit reports with management decisions on which final action had not been taken at the beginning of the period	0	\$0
B. Audit reports on which management decisions were made during the period	0	\$0
C. Total audit reports pending final action during period (Total A + B)	0	\$0
D. Audit reports on which final action was taken during the period		
1. Value of recommendations implemented (completed)	0	\$0
2. Value of recommendations that management concluded should not or could not be implemented or completed	0	\$0
3. Total (1 + 2)	0	\$0
E. Audit reports needing final action at the end of the period (C - D.3.)	0	\$0