

FRED UPTON, MICHIGAN
CHAIRMAN

HENRY A. WAXMAN, CALIFORNIA
RANKING MEMBER

ONE HUNDRED THIRTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115
Majority (202) 225-2927
Minority (202) 225-3641

October 24, 2014

Mr. David Hunt
Inspector General
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Dear Mr. Hunt:

Thank you for appearing before the Subcommittee on Communications and Technology on September 17, 2014, to testify at the hearing entitled "Oversight of FCC Budget and Management."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on November 7, 2014. Your responses should be mailed to Charlotte Savercool, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, D.C. 20515 and e-mailed in Word format to Charlotte.Savercool@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,



Greg Walden
Chairman
Subcommittee on Communications and Technology

cc: Anna Eshoo, Ranking Member, Subcommittee on Communications and Technology

Attachment

Attachment —Additional Questions for the Record

The Honorable Bob Latta

1. In your most recent report to Congress you identify two significant deficiencies related to the FCC's new financial system which was implemented in October 2010. According to the report functionality and integration issues continue to exist and as a result certain activity continues to be processed manually in order to maintain the accuracy of system data. The report also states that there are security deficiencies in these IT systems.

The report describes these significant deficiencies as functionality and integrations issues.

Describe these issues. Identify the universal service funds impacted. Describe the impact of these issues on the FCC's oversight and management of these funds.

The Honorable Anna Eshoo

1. As discussed during the hearing, the OIG received over \$20 million from the USF in 2008 to fund investigations. That amount is exempt from sequestration cuts and any balance can be carried forward year after year. Given the increase in funding, please provide answers to the following questions:

- a. How much money remains unspent from the \$20 million in the USF fund?
- b. Did the OIG hire any term employees using USF funds? If so, please provide their titles and job descriptions.
- c. What additional work has the OIG conducted with its increased resources? For example, was there a spike in criminal prosecutions during the years immediately following the receipt of the \$20 million?
- d. How have you accounted for expenditures from the \$20 million USF fund in your semi-annual reports to Congress since 2008?

2. I understand that the OIG routinely uses outside contractors to perform its audits. Given the specialized knowledge that it takes to understand some of the complex issues unique to the agency, have you considered using your increased resources to staff up auditors internally rather than outsourcing the work?

The Honorable Henry Waxman

1. In your testimony you raised concerns about the newly established USF Strike Force being duplicative and wasteful. Do you believe that the FCC has the authority to oversee and enforce the operation of USF, including making referral to federal law enforcement agencies when appropriate?

2. Please describe the process by which the OIG determines the appropriate level of its annual budget request. For example, does your office develop an analysis of the required expenditures and consult with the FCC's Chief Financial Officer?

3. Your testimony asserts that “FCC management retains a right to approve all OIG hires, a requirement which appears to contravene the IG Act and impugn the independence of the OIG.” Could you describe all employee requests made to the FCC’s Human Resources office that were turned down, including job description?