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October 24, 2014

Mr. Jon Wilkins  
Managing Director  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

Dear Mr. Wilkins:

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](mailto: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 Greg Walden

1. You testified that process reform is “fundamentally about measuring and tracking.” You noted that when you can measure and track you can “simultaneously become more transparent and efficient.”

In one of our recent information requests, the Committee asked for performance metrics – speed of disposal metrics and the success in meeting those – for each of the Commission’s bureaus and offices. While the Commission provided these metrics for some bureaus, other bureaus and offices were not included in the response. For example, the response did not include metrics for the Enforcement Bureau – the agency’s largest. We were told that the response was complete.

- How can these other bureaus and offices be effectively managed in the absence of performance metrics and goals?
- How can FCC managers assess performance and success in achieving the Commission’s mission in the absence of such metrics and goals for the Commission’s bureaus and offices?
- How can the FCC successfully achieve real process reform in the absence of such metrics and goals?
- What steps, if any, have been taken to develop performance metrics and goals for all of the Commission’s bureaus and offices not included in the FCC’s response? When will these steps be complete?

2. In response to a cybersecurity incident in 2010 the FCC initiated a project to improve security by implementing enhanced security controls. To do this the FCC received approval from OMB and Congress to use \$10 million in de-obligated funds. In January 2013 GAO issued a report finding the FCC did not do an effective job implementing this project. It also noted that until the FCC updates the cost estimate, finalizes a reliable schedule and fully manages project risks it will continue to have limited ability to effectively manage and monitor the project increasing the potential that successfully mitigating the risk from cyber threats will cost more than planned and will take longer than projected.

The then-Managing Director stated that the project would be completed under budget with only minor schedule deviations.

- When was the project completed? Was it completed on time? Was it completed under budget? If not how much more did it cost? What was the total cost? How much of the total cost was allocated to auctions?

3. You testified that the FCC will have a new consumer complaints process online by the end of the year.

- When will it be available? How much will this initiative cost when completed? How much of the cost will be allocated to auctions?

4. One of the recommendations of the recent report on FCC process reform was to overhaul the FCC website. When it was launched in 2011 it was described as a “model for other agencies” and the then-Managing Director said that its cost would be recouped in nine months.

- How much did the FCC spend to launch the website?
- How much has the FCC spent on the website from the date of its launch to the decision to implement an overhaul?
- Was the original cost recouped?
- How much will the overhaul cost once completed?
- When will the overhaul be completed?
- Once completed what will be the total cost of the website – from the beginning of the first overhaul in 2009 to the completion of the latest overhaul currently underway?

5. In your testimony you note that the FCC’s electronic comments filing system -- ECFS, “which may have been state-of-the-art 18 years ago, is no longer able to cope with the world as it exists in 2014.” In late 2009 the FCC announced what was described as *a major upgrade* to the FCC’s Electronic Comment Filing System as part of the Chairman’s modernization efforts.

- How much did the FCC spend on this upgrade?

6. In a Blog posting appearing this past April, the new Chief Information Officer stated that “The FCC Data and Information Officers Working Group had atrophied in the last 12-14 months prior to my arrival, so we’re in the process of re-invigorating that group.”

- Explain what the CIO meant by this statement.

### **The Honorable Bob Latta**

1. How much has the FCC’s new financial system cost? Who was the contractor? When will the integration and functionality issues be resolved? Identify the universal service funds impacted. Describe the impact of these issues on the FCC’s oversight and management of these funds.

### **The Honorable John Shimkus**

1. Mr. Wilkins, the Middle Class Tax Relief and Job Creation Act of 2012 required the Commission to create a Do-Not-Call registry for Public Safety Answering Points (PSAP) to address concerns about the use of “automatic dialing equipment” which can tie up public safety lines. The Commission released a Notice of Proposed Rulemaking on May 22, 2012 and an order on October 17, 2012. You testified that you “basically have a plan, five year plan to fulfill that mandate.” You also testified that you are “ready to go.” When will the Do-Not-Call registry for PSAPs be launched?

2. In response to the Committee’s information request we were told that the Chairman asked the Managing Director and General Counsel to review the guidance to employees to ensure that they are adhering to the FCC’s internal reporting process for auction related expenditures.

- Is the review complete? Provide the findings.

3. You testified that “wherever possible [you] literally do direct accounting” to allocate costs to auction revenues. For Fiscal Year 2013 identify by Budget Object Class Codes all those instances in which costs are allocated to auctions revenues on a direct basis.

### **The Honorable Lee Terry**

1. In light of the revelation that you have staff who are “bored” and therefore have time to watch porn, what steps are you taking to realign work assignments so this type of activity no longer happens? Are you contemplating any reductions in staff?

2. In 2010 as part of the modernization and reform of agency processes the FCC started an initiative to consolidate the Commission's 10 licensing systems into a single database. FCC officials testified that it would save tens of millions of dollars each year. You testified that this reform effort is on hold.

- How much did the FCC spend on this initiative before it was put on hold? How many staff hours were expended on the initiative before it was put on hold? When was it put on hold? Why was it put on hold?

### **The Honorable Marsha Blackburn**

1. You testified that the Commission “always coordinated with the Inspector General’s with regard to oversight of universal services.” You stated that you “will do more of that in the future.” The Memorandum of Understanding between the FCC and USAC which was entered into “to facilitate the efficient management and oversight of the Commission’s universal service program” expired by its terms in 2012. Among other things, the MOU delineated the responsibilities of the Office of Inspector General and the Enforcement Bureau.

- Explain why the MOU was not renewed. Given your commitment to coordinate with the Inspector General’s Office going forward will another MOU be executed? If not explain why. How will the efficiencies achieved under the expired MOU be maintained in the absence of such an agreement?

### **The Honorable Cory Gardner**

1. Beginning in November of 2013, not-for-profit and governmental health systems that operate acute and ambulatory care facilities began to appeal adverse rulings in which USAC held that they do not qualify as a “not-for-profit hospital” for the purpose of determining USF Healthcare Connect Fund program eligibility. These organizations have now waited for almost a year for the FCC to rule on their appeals. This uncertainty has hampered these health systems from developing broadband strategic plans and delayed the deployment of advanced telemedicine technology.

- What is the reason for the delay in resolving these appeals?
- When can these health systems expect the FCC to rule on their appeals?

### **The Honorable Adam Kinzinger**

1. Media Bureau Chief, Bill Lake, was asked during the June 11, 2014 hearing on media ownership whether the FCC planned to make sure it held itself accountable for processing requests for waivers of the new JSA rule adopted by the agency. Mr. Lake was asked if he had incorporated a speed of disposal metric – the 90 days for these particular requests reflected in the Commission’s order – into a management metric to see how well the Bureau does in meeting the 90 days.

- Has the FCC incorporated a 90 day speed of disposal metric for these waivers in the Media Bureau’s performance metrics and goals? If not explain why?

### **The Honorable Anna Eshoo**

1. In 2013, the FCC received nearly 300,000 consumer complaints, yet there does not appear to be any formal means for tying this data to the agency’s policy activities. Does the FCC have the resources to respond to trends identified through consumer complaints and take enforcement action when companies violate Commission rules?

2. Do you view the FCC’s Office of Native American Policy (ONAP) as one that is primarily focused on advocating for policies that are responsive to tribal needs? If so, what are the outcomes? What has actually changed?

- Does ONAP have the resources to play a more service-focused role within the FCC—one specifically tailored to meet the demand within tribal nations for assistance with FCC programs? What kind of additional resources would ONAP need to serve this function?

### **The Honorable Henry Waxman**

1. Mr. Hunt’s testimony asserts that the FCC has refused to allow the IG to hire criminal investigators despite the authority granted to the IG. But are there other legal considerations with respect to hiring Section 1811 criminal investigators? Are there other applicable laws or federal workplace rules that may need to be considered?

2. How do you respond to Mr. Hunt’s assertion that former Chairman Genachowski approved the IG’s request to hire Section 1811 criminal investigators, only to be overturned by Chairman Wheeler?