



UNITED STATES GOVERNMENT
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF INSPECTOR GENERAL

MEMORANDUM

DATE: March 29, 2017
TO: Office of the Managing Director
FROM: Inspector General *for RAL, AICA*
SUBJECT: Inspection of FCC's Readiness for the Digital Accountability and Transparency Act of 2014 (Report No. 16-INSP-11-01)

The Office of Inspector General (OIG) is providing the final report on the Inspection of FCC's Readiness for the Digital Accountability and Transparency Act of 2014 (DATA Act).¹ OIG conducted this inspection consistent with its authority under the Inspector General Act of 1978, as amended, including but not limited to sections 2(1)(2) and 4(a)(1). The inspection is not intended as a substitute for any agency regulatory compliance review or regulatory compliance audit.

This Inspection was conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Quality Standards for Inspection and Evaluation, dated January 2012. The objective of the inspection was to assess the FCC's overall readiness to implement the DATA Act and future required OIG reviews.

We concluded that the FCC has made significant progress towards compliance with the DATA Act. However, in order for the FCC to fully comply with the DATA Act requirements, it needs to resolve questions regarding the applicability of the DATA Act to its component entities, the Universal Service Fund (USF) and Telecommunication Relay Service (TRS) Fund. Additionally, FCC needs to implement a process to reconcile its contract and financial data.

We made four recommendations to assist the FCC with its readiness to implement the DATA Act. Three of the recommendations are related to coordination and contingency planning activities FCC should take to resolve questions regarding the DATA Act's applicability to the USF and TRS fund. We also recommended that FCC develop and implement policies and procedures for reconciling information in the Federal Procurement Data System to the FCC's core financial management system.

¹ Pub. L. No. 113-101, 128 Stat. 1146 (May 9, 2014). The DATA Act amended the Federal Funding Accountability and Transparency Act of 2006. Pub. L. No. 109-282, 120 Stat. 1186 (Sept. 26, 2006), codified at 31 U.S.C. § 6101, note.

implement policies and procedures for reconciling information in Federal Procurement Data System to the FCC's core financial management system.

FCC management concurred with the report findings and recommendations. We attached management's response, in its entirety, in Appendix A of the report.

The OIG would like to thank the FCC DATA Act Work Group for their responsiveness during this inspection. If you have questions, please contact me, Robert McGriff, Assistant Inspector General for Audit at (202) 418-0483 or Sophila Jones, Deputy Assistant Inspector General for Audit at (202) 418-1655.

cc:

Managing Director

Deputy Managing Director

Chief Financial Officer

Office of General Counsel