



Federal Communications Commission
Washington, D.C.

Office of the
Inspector General

April 2, 2002

Mitchell E. Daniels, Jr.
Director
Office of Management and Budget
Executive Office Building
725 17th Street, N.W.
Washington, D.C. 20503

Dear Mr. Daniels:

This letter is being issued in accordance with the requirements of the Federal Activities Inventory Reform Act of 1998 (FAIR Act), Office of Management and Budget (OMB) Circular A-76 Transmittal Memorandum No. 20 and supplemental guidance issued by OMB. In light of the overall objective and independent purpose and mission of this office as defined under the Inspector General Act, I am of the opinion that all of the employees of the Office of the Inspector General (OIG) occupy inherently governmental positions and thus are not subject to outsourcing.

OMB Circular A-76 provides that the criminal investigative function and certain other functions such as management and budgeting are inherently governmental. Further, as stated in the circular, an inherently governmental function is a function, which is so intimately related to the public interest as to mandate performance by Government employees. In my estimation, the language from the circular coupled with the overarching purpose of the OIG to prohibit and prevent fraud, waste and abuse within a governmental entity clearly reflects the inherently governmental nature of this office.

The specific activities of this office include the following:

- Administrative investigations (investigation of senior personnel, requests for inquiries by members of Congress, Hotline operations etc.);
- Audit policy, planning quality assurance, management resolution and oversight; and
- Inspection/program evaluation, policy, quality assurance, management resolution and oversight.

Notwithstanding the foregoing inherently governmental activities, this office has outsourced over \$1,500,000 for contract activities in support of its functions. Since its

establishment, this office has utilized contractor and consultant services to achieve its legislative mandate. As to the day to day functional support areas of supply and logistics, personnel security and personnel support, this office relies on agency management and thus follows agency practices for these activities. It is anticipated that this approach will continue in the future.

Because of the nature of the work of this office and its small size, any ability to expand the nature of its outsourcing will be limited. Finally, in accordance with the Circular A-76 Supplement, please be advised that this office did not receive any FAIR Act administrative challenges in 2001.

Sincerely,

H. Walker Feaster, III
Inspector General

cc: David Childs

Commercial and Inherently Governmental FTE Inventory Worksheet

Seq No.	Org Unit			Location			Status				Additional Information				
	Agy_Bur	Abbreviation	State	City	Country	Total FTEs	Activity Fct Code	Status	Reason	Reason Sub_Code	First Year On Inventory	Year of Cost Compare	CIV/FTE Savings	Est Ann Cost Comp Savings	Year of MEO Review
1	356-00	FCC OIG	DC	Washington	US	6	1430	I							
2	356-00	FCC OIG	DC	Washington	US	2	1420	I							
3	356-00	FCC OIG	DC	Washington	US	3	1100	I							
4					US										
5					US										

Agy_Bur	Org Unit	Last Name	First Name	Prefix	Suffix	Email	Phone
356-00	FCC OIG	Willoughby	Charles	Mr.		cwilloug@fcc.gov	202-418-0472

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456-00