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## ***INTRODUCTION***

The Federal Communications Commission (FCC) is an independent regulatory agency exercising authority delegated to it by Congress under the Communications Act of 1934, as amended. As of March 1995 the FCC had 2,271 full-time equivalent employees (FTEs), most of whom are in Washington, D.C. FCC Field Offices are located throughout the United States.

The Chairman and four additional Commissioners are appointed by the President and confirmed by the Senate. Reed E. Hundt has been the Chairman of the FCC since November 1993. The four Commissioners are James H. Quello, Andrew C. Barrett,

Rachelle B. Chong, and Susan P. Ness.

During the past year, the FCC launched the first-ever auctions of the public airwaves, permitting the market, rather than lobbyists and Government regulators, to determine who gets valuable wireless licenses. To date, the FCC has conducted four auctions, and the high bids from those auctions total nearly \$9 billion. This total is the equivalent of \$35 per United States citizen or about \$100 per U.S. household. The most recent auction was the biggest government auction in history and raised \$7.7 billion.

Also during the past year, to bring the FCC in step with the Communications Revolution, Chairman Hundt realigned the Commission's Bureaus to reflect the changed structure of the nation's telecommunications industry. There are now five Bureaus which parallel the five lanes of the information highway: Common Carrier (parallels wire); Wireless Telecommunications (wireless); Mass Media (broadcast); Cable Services (cable); and International (satellite). Three of these bureaus are new: Cable Services, Wireless Telecommunications, and International.

A sixth Bureau, the Field Operations Bureau, was renamed the Compliance and Information Bureau. The Bureau is responsible for the FCC Regional Offices, Field Offices, and Monitoring Stations, and on February 24, 1995, the Bureau announced a significant reorganization intended to reinvent, streamline, and refocus the Bureau. The reorganization included closing three Field Offices and consolidating their operations into other offices, converting another Field Office into a resident agent office, consolidating four regional offices into two, and converting twelve monitoring stations from manned to remote operations.

A description of and a rationale for the ongoing transformation of the FCC is contained in the February 1, 1995, Report of the Special Counsel to the Commission on Reinventing Government entitled "Creating a Federal Communications Commission for the Information Age." The report also contains 35 legislative proposals intended to reduce regulatory burdens on industry and streamline the FCC's processes.

The Office of Inspector General has dedicated itself to assisting the Commission as it continues to improve its efficiency and effectiveness. The Inspector General reports directly to the Chairman and to the Congress. The OIG is located in Room 752 in the FCC headquarters building at 1919 M Street, N.W., Washington, D.C. 20554. The Office of Inspector General (OIG) is staffed by the Inspector General and five other employees: three

auditors; an attorney-advisor who is also responsible for investigations; and a staff assistant.

This report includes the major accomplishments and general activities of the OIG during the period October 1, 1994, through April 30, 1995, in accordance with Section 5 of the Inspector General Act of 1978, as amended. 5 U.S.C. App. 3, § 5.

## ***AUDITS***

### ***OVERVIEW***

Three audit reports were issued by the Inspector General during this reporting period. In other audit activity, OIG auditors monitored the FCC broadband auction, and worked with computer security personnel to test the safeguards in place to protect the FCC computer systems from unauthorized entry. OIG auditors also assisted management in its conversion to an off-the-shelf, widely used financial system, the Federal Financial System, as management prepares to go on-line on October 1, 1995.

### ***SIGNIFICANT AUDITS***

#### **1. REPORT ON THE SPECIAL REVIEW OF THE REGIONAL NARROWBAND PERSONAL COMMUNICATION SERVICES (PCS) LICENSE AUCTION.**

The report was issued January 20, 1995.

On August 10, 1993, the Omnibus Budget Reconciliation Act of 1993 added section 309(j) to the Communications Act of 1934, as amended. Section 309(j) gave the Federal Communications Commission (FCC) express authority to employ competitive bidding procedures to choose from among mutually exclusive applications for initial licenses.

This is the second special review report documenting OIG examination of the Commission's license auctioning process. The first OIG special review report, dated September 22, 1994, addressed short-form application processing as part of the Nationwide Narrowband PCS and Interactive Video Data Service (IVDS) license auctions.

A special review is meant to be a quick study of a process and, as such, is not conducted in accordance with all professional auditing standards. A special review was conducted because the Inspector General believed that management would benefit from expeditious reporting of those areas of the auction process where improvement is needed. Such reporting was particularly important given the pace with which the Commission is pursuing the distribution of additional licenses through auction.

On August 26, 1994, the Commission announced, by Public Notice, an auction of thirty regional licenses for narrowband PCS to begin on October 26, 1994. The auction was subsequently held and the thirty licenses were auctioned for a total winning bid value of \$490,901,787.

The objective of this second special review was to evaluate the internal controls associated with (1) upfront payment calculation and processing, (2) activity rule enforcement, and (3) FCC Form 401 ("long-form application") processing for those businesses participating in the regional narrowband PCS auctions conducted in October 1994. In general, the review indicated that the auction was conducted in an efficient and effective manner. However, the following were identified as areas where improvements in the auction process could be made.

#### 1. Bidder Eligibility Reporting

The Commission did not publish information on activity rule waivers use by bidders during the auction. The absence of this information had the potential to prevent bidders from analyzing competitor bidding strategies in an accurate and timely fashion. Although there are no indications that this condition adversely impacted the regional narrowband PCS license auction results, the OIG believes that publishing activity rule waiver information would be consistent with the conclusions the Commission reached in its Second Report and Order regarding auction design and information availability during simultaneous multiple round auctions.

#### 2. Long-Form Application Instructions

The OIG review indicated some inaccuracies in the instructions regarding the preparation of FCC Form 401 ("long-form application"). The long-form application is the vehicle by which successful bidders apply for a narrowband PCS license. Long-form applications are required within ten business days after high bidders are announced by public notice.

General instructions regarding requirements for long-form applications were provided in the Public Notice, dated August 17, 1994, announcing the auction. Detailed instructions regarding long-form application completion were provided in the Bidder's Information Package.

The auditors found that several winning bidders (six applicants out of a total of nine) submitted individual long-form applications for multiple licenses. In fact, several applicants submitted single long-form applications for frequencies in each of the five markets. These applicants were notified in writing by the Narrowband Commercial Radio Branch that "further documentation" was required, and that a "complete application for each market and frequency block" should be submitted. In addition, applicants were reminded that §24.11 of the Commission's Rules states that "an applicant must file an application for an initial authorization in each market and frequency block desired."

During the OIG examination of the applications, the auditors reviewed the instructions provided to the applicants in the Public Notice announcing the auction, and in the Bidder's Information Package providing detailed instructions on long-form application preparation. The auditors noted that no mention is made in these sources of §24.11 of the Commission Rules, or the rule's requirement that individual applications be submitted for "each market and frequency block." In fact, the "sample" long-form application provided in the Bidder's Information Package shows multiple markets and frequency blocks on the same long-form application.

Both of the above areas were discussed with FCC auction personnel. With respect to the first issue, the OIG was informed that the Commission intended to make activity rule waiver information available in future auctions. During the Major Trading Area Broadband PCS license auction, which began December 5, 1994, information about each bidder's maximum eligibility and remaining waivers was made available along with round by round auction results. The release of this information adequately addressed the first issue, and the Inspector General recommended that the Commission continue to release such information in future simultaneous multiple round auctions.

With respect to the second issue, the OIG was informed that steps were being taken to improve the long-form instructions in future auctions. For example, a new bidder information package has been developed which clarifies the requirement for individual applications. In addition, a new form (Form 600) was developed to include filing instructions which clearly indicate this requirement. The Inspector General concluded that

these steps will adequately address this problem in future auctions

2. REPORT ON THE COMPLIANCE WITH, AND EFFECTIVENESS OF, REQUIREMENTS RELATED TO LIMITATION ON USE OF APPROPRIATED FUNDS TO INFLUENCE CERTAIN FEDERAL CONTRACTING AND FINANCIAL TRANSACTIONS.

The report was issued March 31, 1995.

The Office of Inspector General (OIG) performed an audit to evaluate the compliance with, and the effectiveness of, the requirements imposed by 31 U.S.C. § 1352 on the FCC and on persons requesting and receiving Federal contracts from the FCC using appropriated funds. 31 U.S.C. § 1352 requires, among other things, that:

1. None of the funds appropriated by any Act may be expended by the recipient of a Federal contract to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the award, extension, continuation, renewal, amendment or modification of any Federal contract.
2. Each person who requests or receives a Federal contract in excess of \$100,000 must disclose lobbying with other than appropriated funds.
3. The head of each agency must submit a semi-annual report to the Secretary of the Senate and the Clerk of the House of Representatives. These reports must include information with regard to any payments made and must be filed no later than May 31 and November 30 of each year.
4. The Inspector General must prepare and submit to Congress each year an evaluation of the compliance by the agency with, and the effectiveness of, the requirements imposed on the agency and on persons requesting or receiving Federal contracts.

The auditors made inquiries of key personnel to ascertain what controls and/or procedures regarding 31 U.S.C. § 1352, and sections 52.203-11 and 52.203-12 of the Federal Acquisition Regulation (FAR) were in place. Inquiries were also made to officials at OMB on the certification and disclosure of payments. Auditors obtained copies of all FCC contracts which exceeded \$100,000. These were reviewed and analyzed to determine whether required procedures were being followed.

The auditors determined that the Commission was in compliance with 31 U.S.C. § 1352, and that the Commission established adequate controls to ensure certification and disclosure of payments made to influence certain federal transactions. However, the auditors found that the semi-annual report required to have been filed by November 30, 1994, had not been filed. Responsible FCC officials were notified and took appropriate action to correct this oversight.

In compliance with provisions of 31 U.S.C. § 1352, the OIG submitted to the Secretary of the Senate and to the Clerk of the House of Representatives the required annual evaluation of FCC compliance with the Act.

### 3.AUDIT OF THE ADVISORY COMMITTEE ON ADVANCED TELEVISION SERVICE.

The report was issued December 19, 1994.

The Advisory Committee on Advanced Television Service was empaneled by the Federal Communications Commission (FCC) on October 1, 1987, to develop and recommend policies, standards, and regulations to facilitate the orderly and timely introduction of advanced television services in the United States. The Committee is chartered in accordance with the Federal Advisory Committee Act (FACA), and its parent committee is composed of 25 voting members, as well as an unspecified number of ex officio members, throughout government and industry.

This Office of Inspector General audit was performed to provide an independent assessment of the integrity of Committee funds. Audit emphasis was placed on evaluating compliance with internal controls for handling deposits and ensuring that all disbursements were valid and supportable. All cash receipts, bank charges and disbursements from the period of July 1, 1992, through November 30, 1994, were examined and traced back to monthly bank

statements and journals maintained by the bookkeeper.

Results of the audit reflect that the internal controls established over the Committee's funds were being properly administered. All cash receipts, interest accrued to the account, bank charges, and disbursements were reconciled from the monthly bank statement to the accounting journals. As of November 30, 1994, the monthly account statement from the bank reflected a balance in the Committee's account which reconciled with figures maintained by the Committee.

#### 4.COMMISSION ACTION ON OFFICE OF INSPECTOR GENERAL RECOMMENDATIONS REGARDING THE FREQUENCY COORDINATOR PROGRAM.

In the Communications Amendments Act of 1982, Congress provided the FCC with guidelines to manage the spectrum for private land mobile services. Congress authorized the use of non-Federal Government advisory coordinating committees (frequency coordinators) for assigning frequencies to parties seeking to broadcast and receive using private land mobile and fixed station equipment. Congress also encouraged the Commission to "develop rules or procedures for monitoring the performance of coordinating committees."

In 1992 the OIG issued two audit reports which addressed deficiencies in the FCC's monitorship of frequency coordinators. The two reports, entitled *Audit Report on User Fees for Frequency Coordinator Services* and *Audit Report on the User Satisfaction With Frequency Coordinator Services*, contained a total of thirteen audit recommendations. In these reports, the OIG found that the FCC was neither monitoring and evaluating the service provided by frequency coordinators to the public, nor examining the cost for providing that service.

On September 29, 1993, in its *Report on the Follow-up Audit of the Frequency Coordinator Program*, the OIG found that the FCC had not addressed ten of the thirteen original recommendations contained in the prior audit reports. Accordingly, four additional recommendations for corrective action were made.

On March 22, 1995, the Acting Inspector General received the *1994 Annual Report of Private Land Mobile Frequency Coordinator Performance* from the Chief of the newly created Wireless Telecommunications Bureau. The annual report indicates that the

Commission is now addressing the recommendations for corrective action made in the earlier OIG audit reports. The FCC is now taking significant steps to ensure that private citizens are afforded accurate and timely frequency coordination services at a reasonable cost. For example, the report cites a reduction of 87% in the cost charged by the largest frequency coordinator, the National Association of Business and Educational Radio, Inc. (NABER), from \$140 to \$17 for processing an enhanced specialized mobile radio (ESMR) license. Such a reduction is a direct result of the Commission's proactive approach of obtaining and examining documentation from individual frequency coordinators whose revenues exceed expense margins by over 10%. NABER was asked to submit plans for reducing fees charged to their customers. In its response, NABER identified "ways in which it intended to bring coordination fees more in line with its expenses."

The Land Mobile Branch in Gettysburg, Pennsylvania, undertook an eight week review of Coordinator return rates in Fiscal Year (FY) 1994. The review was initiated in response to an OIG recommendation, and was intended to insure that the coordinators were serving the public in a responsible manner. A Public Notice was issued June 22, 1994, providing the public with the results of the study, and the FCC subsequently requested each Frequency Coordinator with an error rate over 10% to submit a plan for corrective action.

The Land Mobile Branch also initiated an evaluation of the frequency coordinators' speed of service. The Commission's 1986 *Report and Order* required that 90% of in-service and interservice coordination requests be processed within 20 workdays. The evaluation found that a majority of coordinators met this processing standard. Most failures to meet the standard were attributed to delays caused by unusual processing fluctuations.

## ***INVESTIGATIONS***

### ***OVERVIEW***

Investigative matters pursued by this office are generally initiated as a result of complaints alleging fraud, waste, abuse, corruption or mismanagement by FCC employees, or affecting the programs or operations of the Commission. Upon receipt of a complaint which alleges an administrative or criminal violation, the OIG usually conducts a preliminary inquiry to

determine if an investigation is warranted. Investigations may involve possible violations of regulations regarding employee responsibilities and conduct, Federal criminal law, and other regulations and statutes pertaining to the activities of Commission employees. Investigative findings may lead to criminal prosecution, civil prosecution, or administrative action.

### ***INVESTIGATIVE ACTIVITY***

During this reporting period, the OIG received thirty-three complaints or requests for assistance. As a result, the office opened four investigations, two of which have been closed and two of which are still pending. The two open investigations involve matters referred to the U.S. Department of Justice: one to the Public Integrity Section of the Criminal Division, and one to a United States Attorney's Office. Seven preliminary inquiries were conducted to determine if investigations should be opened, and five of these were closed without initiating formal investigations. Two preliminary inquiries remain pending, and one preliminary inquiry pending from the previous reporting period was closed without initiating a formal investigation.

Six matters were referred to other FCC components, and one was referred to another Office of Inspector General. The OIG responded to five requests for assistance from other investigative organizations, and no action was appropriate with respect to ten complaints received in the OIG.

The following investigations were closed:

- (1) At the request of a senior management official, the OIG investigated an allegation of misuse of an official vehicle by an employee. Using surveillance techniques, the OIG corroborated the allegations and recommended administrative action. The recommendation was followed, and administrative action was taken against the employee.
- (2) A confidential source reported conversion and misuse of government property by non-employees. An OIG investigation corroborated the allegations. The results of the investigation were reported to management, and the investigation was closed after appropriate corrective action was taken or planned.

Two investigations opened during the reporting period were referred to the U.S. Department of Justice pursuant to section 4(d) of the Inspector General Act, and the OIG is continuing to

investigate the possible violations of Federal criminal law. The first involves an alleged conflict of interest by a former FCC employee, and the second involves the possible forgery of official FCC records by a non-employee.

Preliminary inquiries conducted with respect to six complaints determined that formal investigations were not warranted. A complaint that employees in several FCC Field Offices had taken improper enforcement action against certain amateur radio operators was closed after a preliminary inquiry found that the complaint was based upon inaccurate information. A complaint, received during the last reporting period, that two FCC employees had improperly denied licenses and taken other actions against an applicant was closed after the preliminary inquiry determined that the two employees had acted in accordance with applicable statutes and regulations.

Preliminary inquiries were conducted based on separate complaints that the FCC had improperly approved the transfer of radio station licenses. No improprieties in the handling of either matter were disclosed and no further investigation was conducted. A complaint by a subcontractor in an FCC contract regarding possible wrongdoing by the prime contractor and FCC employees was determined to involve only a contractual dispute between the two contractors. A complaint concerning the hiring of a consultant in one of the Bureaus was resolved when a preliminary inquiry indicated no irregularities in the personnel action.

Two preliminary inquiries remain open. One involves an allegation of improper conduct by an FCC employee, and the other concerns an allegation of mismanagement in an FCC program.

Three complaints were referred to the Common Carrier Bureau. Other complaints were referred to the Compliance and Information Bureau, the Office of General Counsel, and the Acting Secretary of the Commission. A complaint was referred to the Office of Inspector General at the Department of Health and Human Services. In addition, the Office of Inspector General responded to inquiries or requests for assistance from the Federal Bureau of Investigation, the U.S. Postal Inspection Service, and the Office of Inspector General from the U.S. Department of Agriculture.

During the reporting period the Office of Inspector General, in cooperation with the Office of Managing Director, undertook a review of the FCC's workers' compensation program to identify possibly fraudulent claims. This review included consulting with personnel in the Office of Inspector General at the U.S. Department of Labor with expertise in workers'

compensation fraud cases. The Office of Inspector General will continue to work with FCC management to insure the integrity of this program.

The OIG also submitted for comment to the Office of General Counsel a recommendation that Section 709 of Title 18, U.S.C., be amended to protect the name of the FCC from being used to defraud investors. The statute protects a number of Federal agency names from being used fraudulently in advertisements to suggest or imply endorsement by a Federal agency. FCC programs involving lotteries and auctions are increasingly attracting scam artists and con men who use telemarketing and other promotions to lure unwary investors into fraudulent schemes, most notably those involving wireless cable. It is hoped that abuses of this sort which involve the false use of the term "FCC" in advertisements or solicitations can be quickly eliminated by utilizing the injunctive remedy provided by 18 U.S.C. § 709.

## ***MANAGEMENT AND ADMINISTRATION***

The Office of Inspector General at the FCC has undergone significant change since the last Semiannual Report. Former Inspector General James Warwick, who retired from Federal service on November 11, 1994, succumbed to a long illness on April 4, 1995, in Seattle, Washington. Mr. Warwick had been the FCC Inspector General from 1989 until his retirement in 1994.

H. Walker Feaster III was appointed Acting Inspector General on November 14, 1994. Mr. Feaster has served the Commission since 1974 in various positions within the Office of Managing Director and within the former Private Radio Bureau. Since 1990 he served as the Associate Managing Director for Program Analysis.

In October 1994 Stephanie Dunscomb joined the OIG audit staff. Ms. Dunscomb was an auditor in the OIG of the U.S. Department of Transportation from June 1992 until she transferred to the FCC on October 3, 1994. In April 1995, the Counsel to the Inspector General and Director of Investigations, Robert Andary, accepted a position as Inspector General of the Federal Labor Relations Authority, effective May 8, 1995. Mr. Andary has served the OIG since May 1992.

The Acting Inspector General has completed a draft strategic plan to ensure effective audit

coverage of the Commission's programs and operations through September 1999. In February 1995 the Acting Inspector General circulated the draft strategic plan to the Chairman and the Commissioners, and to the Chiefs of all the FCC's Bureaus and Offices. The OIG is currently in the process of preparing its final strategic plan.

In the strategic plan, the OIG attempts to assess and describe the risks and problems facing the FCC in fulfilling its mission, and to identify and select the audit strategies and approaches for addressing and helping to resolve those risks and problems. Specific FCC programs and operations are identified, based upon their nature and complexity, for review by the FCC Office of Inspector General. The objective of this review will be to determine whether the programs and operations are vulnerable to waste, fraud, abuse, and mismanagement; whether they are efficient, effective, and economical; and whether programmatic and operational goals and objectives are being achieved.

The plan was designed to serve as the basis for OIG activities for Fiscal Years 1995, 1996, 1997, 1998, and 1999. The OIG will update and revise the plan in January 1997. The listings and priorities in this plan will also contribute to improvements in the ongoing development of the OIG audit universe, and will be the basis for future OIG annual audit plans. Therefore, this strategic plan will assist the OIG to better address the audit requirements of its customers.

On March 1, 1995, the House Appropriations Committee's Subcommittee on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies, held a hearing in room H-310 of the Capitol. The hearing was titled "Review of Department and Agency Inspectors General Recommendations for Budget Savings." The Inspectors General of the thirteen agencies under the Subcommittee's jurisdiction were invited to testify so that the Subcommittee could obtain their recommendations on ways to make budgetary savings and spending reductions in their agencies, and to find ways to reduce expenditures through increased efficiency. The Subcommittee hoped to hear some specific recommendations that the Subcommittee could followup on when the agencies testified about their budget requests in the coming weeks.

The Acting Inspector General testified before the Subcommittee and submitted a comprehensive written statement. He described OIG activities for FY 1994, and current activities in FY 1995. He also stressed his office's strategic planning process, and identified those programs and operations which are priorities for future audit activity. The Acting Inspector General responded to questions from the Chairman concerning the FCC report by

the Special Counsel for Reinventing Government, and was asked to identify specific cost savings from the various legislative proposals contained therein. The Acting Inspector General also responded to questions regarding the ongoing spectrum auctions.

The inspection program begun during the last reporting period, which was designed to provide the Commission with an independent evaluation of the operations of the FCC's 35 field offices, has been suspended pending the completion of the Compliance and Information Bureau's reorganization, described in part I of this report.

### ***SPECIFIC REPORTING REQUIREMENTS OF SECTION 5(a) OF THE INSPECTOR GENERAL ACT***

The following summarizes the Office of Inspector General response to the twelve specific reporting requirements set forth in Section 5(a) of the Inspector General Act of 1978, as amended.

*1. A description of significant problems, abuses, and deficiencies relating to the administration of programs and operations of such establishment disclosed by such activities during the reporting period.*

No such problems, abuses, or deficiencies were disclosed during the reporting period.

*2. A description of the recommendations for corrective action made by the Office during the reporting period with respect to significant problems, abuses, or deficiencies identified pursuant to paragraph (1).*

No recommendations were made. See the response to paragraph (1).

*3. An identification of each significant recommendation described in previous semiannual reports on which corrective action has not been completed.*

In an audit report issued September 30, 1994, entitled "Report on Internal Controls

and Compliance related to the General Ledger and Treasury Financial Reports for the Fiscal Year ended September 30, 1993," OIG auditors concluded that the FCC is in non-compliance with GAO financial accounting and reporting requirements.

In another audit report issued September 30, 1994, entitled "Report on Internal Controls and Compliance Related to the Budget Operations for the Fiscal Year ended September 30, 1993," OIG auditors reported that FCC budget execution, internal control, and reporting system procedures do not conform to the requirements and regulations for Federal agencies and commissions.

Both audit reports were fully summarized in the last Semiannual Report. The FCC is now in the process of converting to a new accounting system which is designed to address the findings of financial and accounting reporting deficiencies and the related recommendations made by the Inspector General in these audit reports. The conversion to the new accounting system will be implemented by and effective on October 1, 1995.

*4. A summary of matters referred to prosecutive authorities and the prosecutions and convictions which have resulted.*

Two investigations opened during the reporting period were referred to the U.S. Department of Justice pursuant to section 4(d) of the Inspector General Act. The first involves an alleged conflict of interest by a former FCC employee, and the second involves the possible forgery of official FCC records by a non-employee. Both investigations are ongoing; therefore, prosecution has not been initiated in either case and no convictions have resulted.

*5. A summary of each report made to the head of the establishment under section (6)(b)(2) during the reporting period.*

No report was made to the Chairman of the FCC under section (6)(b)(2) during the reporting period.

*6. A listing, subdivided according to subject matter, of each audit report issued by the Office during the reporting period, and for each audit report, where applicable, the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs) and the dollar value of recommendations that funds be put to better use.*

Each audit report issued during the reporting period is listed according to subject matter and described in part III, above.

*7. A summary of each particularly significant report.*

Each audit report issued during the reporting period is summarized in part III, above.

*8. Statistical tables showing the total number of audit reports with questioned costs and the total dollar value of questioned costs.*

The required statistical table can be found at Attachment A to this report.

*9. Statistical tables showing the total number of audit reports with recommendations that funds be put to better use and the dollar value of such recommendations.*

The required statistical table can be found at Attachment B to this report.

*10. A summary of each audit report issued before the commencement of the reporting period for which no management decision has been made by the end of the reporting period (including the date and title of each such report), an explanation of the reasons such management decision has not been made, and a statement concerning the desired timetable for achieving a management decision on each such report.*

No management decisions fall within this category.

*11. A description and explanation of the reasons for any significant revised management decision made during the reporting period.*

No management decisions fall within this category.

*12. Information concerning any significant management decision with which the Inspector General is in disagreement.*

No management decisions fall within this category.