



SEMIANNUAL REPORT TO CONGRESS  
OCTOBER 1, 2008 – MARCH 31, 2009

MAY 2009

Federal Election Commission - Office of Inspector General  
999 E Street, N.W. Suite 940, Washington, D.C. 20463



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OFFICE OF THE CHAIRMAN

May 19, 2009

The Honorable Nancy Pelosi  
Speaker of the House of Representatives  
Washington, D.C. 20515


Dear Madam Speaker:

Pursuant to the Inspector General Act of 1978, as amended, the Federal Election Commission ("FEC") submits the Inspector General's Semiannual Report to Congress. The report summarizes the activities of the FEC Office of Inspector General ("OIG") from October 1, 2008 through March 31, 2009. During this reporting period, the FEC's Inspector General completed the annual audit of the FEC's fiscal year 2008 financial statements.

We are pleased to report that the Commission received an unqualified (clean) opinion on the required statements: the FEC's Balance Sheet, Statement of Net Costs, Statement of Changes in Net Position, Statement of Budgetary Resources, and Statement of Custodial Activity. However, the auditors observed one material weakness in the area of an integrated financial management system and one significant deficiency in information technology (IT). FEC management is committed to resolving the issues noted. The FEC entered an agreement with an OMB-certified Line of Business provider for financial services in February 2008 and established a corrective action plan to continue to address the identified weaknesses. Management believes that these actions will also address the noncompliance under the Federal Managers' Financial Integrity Act, which the auditors also reported. With regard to IT, management appreciates the comments and recommendations on IT and is updating its corrective action plan to address the weaknesses identified in the audit.

The Federal Election Commission appreciates and shares the Inspector General's commitment to sound financial and management practices, and we anticipate a continued cooperative working relationship as management takes appropriate measures to improve operations of the Commission. Copies of this semiannual report are being provided to the Chairman and Ranking Members of the FEC's oversight committees.

On behalf of the Commission,

  
Steven T. Walther  
Chairman

MANAGEMENT REPORT ON  
INSPECTOR GENERAL ISSUED REPORTS WITH  
RECOMMENDATIONS TO PUT FUNDS TO BETTER USE  
FOR THE SIX-MONTH PERIOD ENDING MARCH 30, 2009

	Number of <u>Reports</u>	Funds to be Put <u>To Better Use</u>
A. Reports for which no management decision has been made by the commencement of the reporting period	0	0
B. Reports issued during the reporting period	0	0
C. Reports for which a management decision was made during the reporting period	0	0
(i) Dollar value of recommendations that were agreed to by management	0	0
- Based on proposed management action	0	0
- Based on proposed legislative action	0	0
(ii) Dollar value of recommendations that were not agreed to by management	0	0
D. Reports for which no management decision has been made by the end of the reporting period	0	0
E. Reports for which no management decision was made within six months of issuance	0	0

MANAGEMENT REPORT ON  
INSPECTOR GENERAL ISSUED REPORTS  
WITH QUESTIONED COSTS  
FOR THE SIX-MONTH PERIOD ENDING MARCH 30, 2009

	<u>Number of Reports</u>	<u>Questioned Costs</u>	<u>Unsupported Costs</u>
A. Reports for which no management decision has been made by commencement of the reporting period	0	0	[0]
B. Reports issued during the reporting period	0	0	[0]
Subtotals (A + B)	0	0	[0]
C. Reports for which a management decision was made during the reporting period	0	0	[0]
(i) Dollar value of disallowed costs	0	0	[0]
(ii) Dollar value of costs not disallowed	0	0	[0]
D. Reports for which no management decision has been made by the end of the reporting period	0	0	[0]
E. Reports for which no management decision was made within six months of issuance	0	0	[0]

This Page Intentionally Left Blank



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463  
OFFICE OF THE INSPECTOR GENERAL

### A Message from the Inspector General

On October 14, 2008, the President signed H.R. 928 into law, the *Inspector General Reform Act of 2008*. This law amends several provisions of the *Inspector General Act of 1978*, and is intended to strengthen the independence and oversight responsibilities of the Inspectors General. The law also establishes the Council of Inspectors General for Integrity and Efficiency (CIGIE). CIGIE was established to:

- address integrity, economy, and effectiveness issues that transcend individual Government agencies; and
- increase the professionalism and effectiveness of personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in the offices of the Inspectors General.

CIGIE replaces the President's Council on Integrity and Efficiency (PCIE) and the Executive Council on Integrity and Efficiency (ECIE). Former members of both councils are now members of the newly established CIGIE. This has been an exciting time as all Inspectors General come together and work towards common goals.

In the last Semiannual Report, I expressed my concern that several senior management positions at the FEC were vacant. I am pleased to report that the agency has filled the Staff Director position and the Chief Financial Officer position, two positions vital to the FEC. I look forward to working with both of these people in the upcoming months.

A handwritten signature in blue ink that reads "Lynne A. McFarland".

Lynne A. McFarland  
Inspector General  
Federal Election Commission

April 30, 2009

This Page Intentionally Left Blank

## TABLE OF CONTENTS

Executive Summary	1
The Federal Election Commission	3
Office of Inspector General	4
OIG Audit Activity	
Audit of the Federal Election Commission's Fiscal Year 2008 Financial Statements	5
Audit of the FEC's Contract and Procurement Management Process	6
OIG Hotline Information	7
OIG Investigations	8
Additional OIG Activity	9
OIG Recognition	11
Council of the Inspectors General on Integrity and Efficiency (CIGIE) Activity	12
Reporting Requirements	13
Table I – Inspector General Issued Reports With Questioned Cost	14
Table II – Inspector General Issued Reports With Recommendations That Funds Be Put To Better Use	15
Table III – Summary Of Audit Reports With Corrective Actions Outstanding For More Than Six Months	16
OIG Contacts	17
List of Training, Meetings and Conferences	18
OIG Strategic Plan - Fiscal Years 2005 – 2010	19
Contacting the Office of Inspector General	(inside back cover)



This Page Intentionally Left Blank

## EXECUTIVE SUMMARY

The *Inspector General Act of 1978*, as amended, states that the Inspector General is responsible for conducting audits, inspections, investigations, and recommending policies and procedures that promote economic, efficient, and effective use of agency resources and programs that prevent fraud, waste, abuse and mismanagement. The IG act also requires the Inspector General to keep the Commission and Congress fully and currently informed about problems and deficiencies in the Commission's operations and the need for corrective action.

This semiannual report includes the major accomplishments of the Office of Inspector General, as well as relevant information regarding additional OIG activities. The executive summary highlights the most significant activities of the OIG. Additional details pertaining to each activity can be found in subsequent sections of this report.

The ***Audit of the FEC's Fiscal Year 2008 Financial Statements – OIG-08-01*** was completed and released November, 2008 and can be found on the OIG's Website at <http://www.fec.gov/fecig/financial08.pdf>. Under a contract supervised by the OIG, the independent certified public accounting firm, Clifton Gunderson LLP (CG-LLP) performed the audit of the FEC's FY 2008 financial statements. The OIG was responsible for 1) reviewing the auditor's approach and planning of the audit; 2) evaluating the qualifications and independence of the auditors; 3) monitoring the work of the auditors; 4) examining audit documents and reports to ensure compliance with Government Auditing Standards, and OMB Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended; and 5) other procedures the OIG deems necessary to oversee the contract and audit.

The results of the financial statement audit were detailed in three reports: *Opinion on the Financial Statements; Report on Internal Control over Financial Reporting*; and the *Report on Compliance and Other Matters*. The CG-LLP Independent Auditor's Report dated November 7, 2008, concluded that the FEC's financial statements presented fairly, in all material respects, the financial position of the FEC as of September 30, 2008 and 2007, and its net cost, changes in net position, budgetary resources, and custodial activity for the years then ended in conformity with accounting principles generally accepted in the United States of America.

During the previous reporting period, the OIG attempted to validate the deliverables of two former FEC contractors. Following discussions with management, and the OIG's failed attempts to validate the deliverables, a decision was made to conduct an ***Audit of the FEC's Contract and Procurement Management Process – OIG-08-02***. The OIG hired the auditing firm of Regis & Associates PC to conduct the audit. The OIG held an entrance conference with the Regis team and FEC management. Following the entrance conference, the OIG attended two information gathering interviews. The information gathered during those interviews was used to assess the risk of the procurement and contract management functions at the FEC and to formulate the detailed audit plan and testing approach.


For detailed information regarding the above audits, see the section entitled *OIG Audit Activity* (starting on page 5).

The OIG is preparing to conduct the ***FEC's FY 2009 Financial Statement Audit (OIG-09-01)***. One of the stipulations contained in the *Chief Financial Officers Act of 1990* (Public Law 101-576, commonly referred to as the "CFO Act"), as amended, requires

the FEC Office of Inspector General, or an independent external auditor as determined by the Inspector General, to audit the agency's financial statements. At the end of this semiannual reporting period, the OIG was preparing to award the contract to conduct the audit for FY 2009.

As this reporting period comes to a close, there are 15 hotline complaints in various stages (pending, in progress); and there are 5 open investigations. For more information pertaining to the hotline issues, see the section entitled **OIG Hotline Information** (located on page 7); for more information on investigations, see the section entitled **OIG Investigations** (located on page 8).

## THE FEDERAL ELECTION COMMISSION



In 1975, Congress created the Federal Election Commission (FEC) to administer and enforce the *Federal Election Campaign Act (FECA)*. The duties of the FEC, an independent regulatory agency, are to disclose campaign finance information; enforce the provisions of the law; and oversee the public funding of Presidential elections.

The Commission is made up of six members, who are appointed by the President and confirmed by the Senate. Each member serves a six-year term, and two seats are subject to appointment every two years. By law, no more than three Commissioners can be members of the same political party, and at least four votes are required for any official Commission action. The Chairmanship of the Commission rotates among the members each year, with no member serving as Chairman more than once during his or her term. Currently the FEC has a full complement of Commissioners – Steven T. Walther, Chairman; Matthew S. Petersen, Vice Chairman; and Commissioners Cynthia L. Bauerly; Caroline C. Hunter; Donald F. McGahn II; and Ellen L. Weintraub.

## OFFICE OF INSPECTOR GENERAL

The *Inspector General Act of 1978* (P.L. 100-504), as amended, states that the Inspector General is responsible for: 1) conducting and supervising audits and investigations relating to the Federal Election Commission's programs and operations; 2) detecting and preventing fraud, waste, and abuse of agency programs and operations while providing leadership and coordination; 3) recommending policies designed to promote economy, efficiency, and effectiveness of the establishment; and 4) keeping the Commission and Congress fully and currently informed about problems and deficiencies in FEC agency programs and operations, and the need for corrective action. The OIG has a budget of \$1,159,364 and six staff members for FY 2009

## OIG AUDIT ACTIVITY

### **Audit of the Federal Election Commission's Fiscal Year 2008 Financial Statements**

*Assignment Number:* OIG – 08-01

*Status:* Released November, 2008

<http://www.fec.gov/fecig/financial08.pdf>

In accordance with the *Accountability of Tax Dollars Act of 2002*, the FEC prepared financial statements for the 2008 fiscal year in accordance with Office of Management and Budget (OMB) Circular No. A-136, *Financial Reporting Requirements*. The *Chief Financial Officers Act of 1990*, as amended, requires the FEC Inspector General, or an independent external auditor selected by the IG, to audit the agency financial statements.

Under a contract supervised by the OIG, the independent certified public accounting firm, Clifton Gunderson LLP (CG-LLP) performed the audit of the FEC's FY 2008 financial statements. The OIG was responsible for 1) reviewing the auditor's approach and planning of the audit; 2) evaluating the qualifications and independence of the auditors; 3) monitoring the work of the auditors; 4) examining audit documents and reports to ensure compliance with Government Auditing Standards, and OMB Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended; and 5) other procedures the OIG deems necessary to oversee the contract and audit.

#### **Opinion on the Financial Statements**

The consolidated balance sheets of the FEC as of September 30, 2008 and 2007 and the related statements of net cost, changes in net cost, changes in net position, and combined statement of budgetary

resources for the years then ended (hereinafter collectively referred to as the "financial statements") were audited. The audit included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall principal statements' presentation.

The CG-LLP Independent Auditor's Report concluded that the FEC's financial statements presented fairly, in all material respects, the financial position of the FEC as of September 30, 2008 and 2007, and its net cost, changes in net position, budgetary resources, and custodial activity for the years then ended in conformity with accounting principles generally accepted in the United States of America.

#### **Report on Internal Control over Financial Reporting**

CG-LLP's planning and performance of the audit included consideration of the FEC's internal control over financial reporting as a basis for designing audit procedures for the purpose of expressing an opinion on the financial statements and to comply with OMB Bulletin 07-04, as amended. The auditors did not test all internal controls relevant to operating effectiveness, such as those controls relevant to ensuring efficient operations and consequently CG-LLP did not express an opinion on the agency's internal control over financial reporting.

The American Institute of Certified Public Accountants (AICPA) established standards on communicating deficiencies related to internal control over financial reporting identified by the auditors. As defined by the AICPA, a control deficiency exists when the design or operation of a control does not allow the agency's management or its employees, in the normal course of performing their assigned

duties, to prevent or detect misstatements on a timely basis.

Auditors determined whether an internal control deficiency is a significant deficiency or a material weakness based on the factors of the likelihood and magnitude. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the agency's ability to initiate, authorize, record, process, or report financial data reliability in accordance with generally accepted accounting principles such that there is a more than a remote likelihood that a misstatement of the financial statements will not be prevented or detected by the agency's internal controls.

CG-LLP identified a significant deficiency in the area of:

- Information Technology (IT)

CG-LLP identified a material weakness in the area of:

- Financial Accounting and Reporting Controls

---

## Report on Compliance and Other Matters

FEC management is responsible for complying with laws and regulations applicable to the agency. To obtain reasonable assurance about whether FEC's financial statements are free of material misstatements, CG-LLP performed tests of compliance with certain provisions of laws and regulations, non-compliance which could have a direct and material effect on the determination of financial statement amounts, and certain other laws and regulations specified in OMB Bulletin No. 07-04, as amended. Tests of compliance were limited to these provisions and CG-LLP did not test compliance with laws and regulations applicable to FEC.

The results of CG-LLP's test of compliance with laws and regulations described in the audit report disclosed an instance of reportable noncompliance that is required to be reported under U.S. generally accepted government auditing standards or OMB guidance.

CG-LLP identified a reportable noncompliance in the area of:

- The Federal Managers' Financial Integrity Act (FMFIA)

## Audit of the FEC's Contract and Procurement Management Process

*Assignment Number:* OIG – 08-02

*Status:* In Progress


Based on discussions with management and efforts by the OIG to validate the deliverables of two former contractors; the OIG decided to conduct an audit of the procurement and contract management functions of the agency.

The OIG began the process of hiring an auditing firm to conduct the audit. The Request for Proposal was submitted to prospective contractors; the OIG received and reviewed the proposals, and following the completion of the reviewing process, the contract was awarded to Regis & Associates PC to conduct the FEC's procurement and contract management audit.

The contractor met with various FEC staff to gain an understanding of the systems and processes used to manage and monitor procurement of goods and services and monitoring of service delivery. Based on those meetings, Regis documented actual and potential procurement and contract management risks and developed a detailed audit program. They selected a sample of 91 procurement instruments on which to perform detailed testing.

Regis is finalizing the detailed testing of the audit sample and we expect the draft report within 30 days.

## OIG HOTLINE INFORMATION:



The Office of Inspector General established a hotline to enable employees and others to have direct and confidential contact with the OIG. The OIG receives complaints through various means such as U.S. mail, telephone, e-mail, and personal visits to the OIG. Once a hotline (HL) complaint has been received, a preliminary inquiry is conducted. When the inquiry has been completed, the hotline complaint can be closed with no further action taken, referred to management for action, or closed and an investigation opened on the issue.

During this six month reporting period, three new hotline complaints were opened, four hotline complaints were closed, and two hotline complaints were closed and converted into investigations. The OIG reviewed records, conducted legal research, and drafted closing documents in connection with the closed hotline complaints.

As this reporting period ends, the OIG currently has fifteen (15) open hotline complaints in various stages (pending or in progress).




## OIG INVESTIGATIONS:

OIG investigations seek out facts related to allegations of wrongdoing. OIG investigations may address administrative, civil, and criminal violations of laws and regulations. The subject of an OIG investigation can be any agency employee, an FEC contractor, consultant, or a person or entity involved in alleged wrongdoing affecting FEC programs and operations. At the conclusion of an OIG investigation, the OIG prepares a report that sets forth the allegations and an objective description of the facts developed during the investigation.

The OIG conducts a detailed examination or inquiry into issues brought to our attention by various sources. The examination of the information provided could potentially lead to an official investigation.

Currently there are five (5) open investigations - four are administrative investigations; one is a criminal investigation.

## ADDITIONAL OIG ACTIVITY:



Besides conducting audits, inspections, and investigations, the OIG performs, and is involved in an array of additional projects and activities. As required by the *Inspector General Act of 1978*, as amended, all legislation compiled by the Commission's Congressional Affairs office is reviewed by the Inspector General. The Inspector General also reviews and provides comments, when appropriate, on legislation provided by the Council of Inspectors General on Integrity and Efficiency (CIGIE) Legislative Committee. In addition, the Inspector General routinely reads all Commission agenda items. Listed below are examples of the OIG's additional activities:

- The OIG is preparing to conduct the FEC's FY 2009 Financial Statement Audit (OIG-09-01). One of the stipulations contained in the *Chief Financial Officers Act of 1990* (Public Law 101-576, commonly referred to as the "CFO Act"), as amended, requires the FEC Office of Inspector General, or an independent external auditor as determined by the Inspector General, to audit the agency's financial statements.

The OIG conducted a solicitation to select an independent public accounting firm to conduct the FEC's annual financial statement audit. During this reporting period the OIG released the Request for Proposal (RFP). The goal of the RFP was to engage the services of a contractor to conduct a financial statement audit in order to render an opinion to the Inspector General on the FEC's financial statements and information technology controls for FY 2009. The OIG formulated a panel to evaluate the proposals; each panel member read the proposals and ranked them as they believed the firms responded to the RFP requirements. After the panel members completed their individual

evaluation of each firm, a meeting was held to evaluate the overall technical merit of each proposal and decide which offeror would be the best potential provider of the service.

- The FEC engaged a contractor to work with the various divisions and create a comprehensive inventory of personally identifiable information (PII) held at the agency, to include physical location, storage, and destruction methods. On March 4, 2009, members of the OIG attended the training provided by the contractor on PII definitions, classifications and instruction on how to complete a detailed questionnaire provided by the firm. We provided the contractor a tour of the OIG office area, to include our secure storage and server room, in order to illustrate the physical and logical separation of OIG records and secure network from the rest of the agency. OIG staff members contributed to a consolidated PII questionnaire that was submitted to the contractor on March 31, 2009. The questionnaire data will be used to populate a comprehensive PII inventory for the agency.
- During this semiannual reporting period, the OIG developed additional IT security standards with respect to managing contract auditors. The OIG security standards identify the minimum security standards and procedures that must be followed when accessing or storing FEC information using either FEC or contractor systems / networks. The contractor is responsible for compliance with the terms of these standards by its employees or agents. All contract auditors will be required to acknowledge, in writing, their understanding of the minimum requirements and obligations to fully comply with the security standards prior to providing services to the OIG.
- The OIG finalized a Memorandum of Understanding (MOU) between the National Labor Relations Board (NLRB) OIG and the Federal Election Commission OIG for independent referencing of audit, attestation and inspection reports produced by the respective offices. In accordance with guidance from the Generally Accepted Government Auditing Standards (GAGAS), referencing is a process in which an experienced auditor, who is

independent of the audit, ensure that statements of facts, figures, and dates are correctly reported; that the findings are adequately supported by the evidence in the audit documentation; and that the conclusions and recommendations flow logically from the evidence.

- The OIG met with an Information Technology Division (ITD) representative to discuss our options for adding the OIG to the Federal Election Commission's Intranet (FECNet). FECNet serves as the interactive information resource for FEC employees and is only accessible by connecting to the internal FEC network. The ITD representative presented a power point presentation to the OIG entitled "Creating your Office Site." The purpose of this presentation was to introduce the OIG to the Intranet/ FECNet team, explain the purpose of an office site on the Intranet, identify the benefits of having an office site, illustrate the features of the office site, and discuss the beginning process of starting the OIG site on FECNet.
- The OIG conducted several new employee orientations (NEO) during this reporting period. The NEO is designed to give new employees an overall look at the Commission's core divisions. The OIG introduces the new employee to the office and details the responsibilities of the OIG and the employee's responsibilities as a federal employee.

## OIG RECOGNITION:

The Office of Inspector General would like to congratulate its Deputy Inspector General, Jon Hatfield, on his recent professional accomplishment. In May 2009, Jon Hatfield received a graduate program certificate for completing the American University's *Key Executive Leadership Certificate Program*. Mr. Hatfield was first nominated by the IG to participate in the leadership studies program in 2007. Since then, Mr. Hatfield has completed the required sessions of program study in leadership studies, worked with a professional leadership coach, and participated in two 360 degree evaluations by professional colleagues.

Due to the program's focus on leadership and public policy, several of the program's modules centered on leadership, students focused on their personal approach to leadership and were challenged to provide a context for exploring the role of the leader as a team builder; students further explored action learning techniques and principles. The action learning framework is a modern application of proven classical methods of questioning and provides a very adaptable structure for exploring creative approaches to a variety of problems. In addition, the training will assist in improving skills that aid in effectively evaluating the FEC's implementation of policy as a result of Congressional legislation, executive orders, and regulations.

After conclusion of the program, students who complete all three sessions receive a certificate indicating they have fulfilled the program requirements and are now eligible to receive nine credit hours toward a master's degree in public administration from the Key Executive MPA Program at American University.

Members of the OIG also attended the PCIE/ECIE annual awards ceremony held at the Andrew W. Mellon Auditorium in Washington, DC. At the awards



ceremony, the OIG's Deputy Inspector General and Staff Auditor was recognized, along with other members of the PCIE/ECIE financial statement audit network (FSAN) group, as recipients of the Barry R. Snyder PCIE/ECIE Joint Award. The 2008 Barry R. Snyder joint award was given to members of the FSAN group for the "*sustained contribution of the Network to positively improve Federal financial management by bringing together representatives from the PCIE/ECIE community*."

The OIG is very proud of the accomplishments of our staff and the well deserved recognition they have received.

## COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY (CIGIE) ACTIVITY:

Prior to the passage of the *Inspector General Reform Act*, the Inspector General attended a meeting with the PCIE Vice Chair, the Chair of the PCIE Legislation Committee and Senate staff to discuss the implementation of the *IG Reform Act* and to discuss any problems that may arise.

The Inspector General was a member of the IG Implementation Committee that was formed to prepare for the passage of the *Inspector General Reform Act (Act)*. This committee looked into funding for the new council, developed an operating charter that was considered and adopted by the entire membership for implementation, and devised a process to elect the first chair of the new council.

A meeting was also held with OMB's Deputy Director for Management to discuss the IG community's planned implementation of the *IG Reform Act*. In attendance were the IG, PCIE Vice Chair, the Department of Interior IG and the Department of Agriculture IG. Discussions were held concerning the upcoming election of a chair, the planned charter, and the staffing of the new council.

The Inspector General was asked to conduct the election for the new chair once the Act became law. The President signed the Act on October 14, 2008. Shortly thereafter, the election was conducted electronically using a web based voting mechanism. All seventy-three members of the CIGIE were contacted and the voting process was explained. The election was completed and Phyllis Fong, Inspector General, Department of Agriculture was elected as the first chair of the CIGIE.

With the passage of the Act, and to meet the requirements relating to the Inspectors General new pay system, the Inspector General participated in the committee convened to address this issue. The

IG, along with the Counsel to the IG, met on several occasions with other members of the committee, representatives from the Office of Personnel Management, and a Senate staff member to discuss the various systems residing in the effected agencies and how best to implement the required changes to the IG pay structure.

## REPORTING REQUIREMENTS

Reporting requirements required by the *Inspector General Act of 1978*, as amended by the *Inspector General Act Amendments of 1988* are listed below:

<b>IG Act</b>	<b>Description</b>	<b>Page</b>
Section 4(a)(2)	Review of Legislation	9
Section 5(a)(1)	Significant Problems, Abuses, and Deficiencies	None
Section 5(a)(2)	Recommendations with Respect to Significant Problems, Abuses, and Deficiencies	None
Section 5(a)(3)	Recommendations Included in Previous Reports on Which Corrective Action Has Not Been Completed (Table III)	16
Section 5(a)(4)	Matters Referred to Prosecuting Authorities	None
Section 5(a)(5)	Summary of Instances Where Information was Refused	None
Section 5(a)(7)	Summary of Significant Reports	5
Section 5(a)(8)	Questioned and Unsupported Costs (Table I)	14
Section 5(a)(9)	Recommendations that Funds be put to Better Use (Table II)	15
Section 5(a)(10)	Summary of Audit Reports issued before the start of the Reporting Period for which no Management Decision has been made	N/A
Section 5(a)(11)	Significant revised Management Decisions	N/A
Section 5(a)(12)	Management Decisions with which the Inspector General is in Disagreement	None

# TABLE I

## INSPECTOR GENERAL ISSUED REPORTS WITH QUESTIONED COSTS

(DOLLAR VALUE IN THOUSANDS)

	NUMBER	QUESTIONED COSTS	UNSUPPORTED COSTS
A. For which no management decision has been made by commencement of the reporting period	0	0	0
B. Which were issued during the reporting period	0	0	0
Sub-Totals (A&B)	0	0	0
C. For which a management decision was made during the reporting period	0	0	0
(i) Dollar value of disallowed costs	0	0	0
(ii) Dollar value of costs not disallowed	0	0	0
D. For which no management decision has been made by the end of the reporting period	0	0	0
E. Reports for which no management decision was made within six months of issuance	0	0	0

## TABLE II

### INSPECTOR GENERAL ISSUED REPORTS WITH RECOMMENDATIONS THAT FUNDS BE PUT TO BETTER USE

	NUMBER	DOLLAR VALUE (IN THOUSANDS)
A. For which no management decision has been made by the commencement of the reporting period	0	0
B. Which were issued during the reporting period	0	0
C. For which a management decision was made during the reporting period	0	0
(i) dollar value of recommendations were agreed to by management	0	0
based on proposed management action	0	0
based on proposed legislative action	0	0
(ii) dollar value of recommendations that were not agreed to by management	0	0
D. For which no management decision has been made by the end of the reporting period	0	0
E. Reports for which no management decision was made within six months of issuance	0	0



## TABLE III

## SUMMARY OF AUDIT REPORTS WITH CORRECTIVE ACTIONS OUTSTANDING FOR MORE THAN SIX MONTHS

REPORT TITLE	REPORT NUMBER	RECOMMENDATIONS			
		ISSUE DATE	NUMBER	CLOSED	OPEN
Audit of the FEC's Employee Transit Program	OIG-06-01	02/07	22	1	21
Audit of the FEC's FY 2007 Financial Statements	OIG-07-01	11/07	20	12	8
2007 Performance Audit of Privacy and Data Protection	OIG-07-02	12/07	7	0	7

## OIG CONTACTS

The table below indicates the total amount of contacts received by the Office of Inspector General for the past six months – October 1, 2008 through March 31, 2009.

These contacts were made through various sources such as telephone calls, personal visits to the OIG, e-mails, faxes, and U.S. mail.

TOTAL CONTACTS	OIG ACTION	NO ACTION NECESSARY	FORWARDED FOR ACTION
1,044	9	1,006	29

## LIST OF TRAINING, MEETINGS AND CONFERENCES

The chart listed below depicts training, meetings, programs, seminars, and/or conferences attended by the Inspector General and/or the OIG staff for the period October 1, 2008 – March 31, 2009.

HOST/SPONSOR	TOPIC/SUBJECT
CIGIE	Monthly Meetings Executive Council Meetings Financial Statement Audit Network (FSAN) Meetings
Council of Counsels to the Inspectors General	CCIG Meetings
Assistant Inspector General for Investigations	AIGI Quarterly Meetings
Government Accountability Office	IG / GAO Annual Meeting
National Finance Center	NFC Meeting with OIGs
American University	Key Executive Leadership – Session Three
DC Bar	Effective Writing for Lawyers Workshop/Training Basics of Filing and Litigating FOIA Requests Training Mandatory Professional Responsibility Training DC Rules of Professional Conduct Training
USDA Graduate School	Certified Internal Auditors Review Course/Training
Federal Audit Executive Council Contracting Committee	Basics of Contracting Seminar
Department of Transportation	Federal User Group (FUG) Conference
CIGIE / GAO	Financial Statement Audit Conference
Federal Election Commission	Weekly Senior Level Meetings Town Hall Meeting OIG Bi-weekly Staff Meetings

# FEC/OIG STRATEGIC PLAN - FISCAL YEARS 2005 – 2010



# CONTACTING THE OFFICE OF INSPECTOR GENERAL

The success of the OIG mission to prevent fraud, waste, and abuse depends on the cooperation of FEC employees (and the public). There are several ways to report questionable activity.



**Call us at 202-694-1015** (A confidential or anonymous message can be left 24 hours a day) **or toll-free 1-800-424-9530** (press 0; then dial 1015 Mon–Fri 8:30 AM – 5:00 PM).



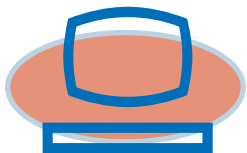
**Write or visit us** - we are located at: Federal Election Commission

Office of Inspector General  
999 E Street, N.W., Suite 940  
Washington, D.C. 20463

*Mail is opened by OIG staff members only.*



You can also **fax us** at **202-501-8134** or contact us by **e-mail at: [oig@fec.gov](mailto:oig@fec.gov)**.



Website address: **<http://www.fec.gov/fecig/fecig.shtml>**

Individuals may be subject to disciplinary or criminal action for knowingly making a false complaint or providing false information.