



OFFICE OF INSPECTOR GENERAL

MEMORANDUM

DATE: November 15, 2007
TO: Chairman
FROM: Inspector General
SUBJECT: Audit of the Federal Communications Commission's Financial Statements for Fiscal Years 2007 and 2006

In accordance with the Accountability of Tax Dollars Act of 2002 (Pub. L. 107-289), the Inspector General engaged the independent certified public accounting firm of Clifton Gunderson, LLP, to audit the fiscal year 2007 and 2006 financial statements of the Federal Communications Commission (FCC) in accordance with generally accepted government auditing standards.

Clifton Gunderson's report is attached (which contains its opinion on the FCC's financial statements, its report on internal controls, and its report on compliance with applicable laws and regulations). In summary, Clifton Gunderson found:

- The fiscal year 2007 and 2006 financial statements were fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles.
- There are no material weaknesses in the FCC's internal controls.
- There are two reportable instances of noncompliance with laws and regulations.

Clifton Gunderson, LLP is wholly responsible for its report and the conclusions expressed therein. We do not express an opinion on the FCC financial statements or on Clifton Gunderson's conclusions with respect to the FCC's internal controls or on the FCC's compliance with applicable laws and regulations.

A handwritten signature in blue ink that reads "Kent R. Nilsson".

Kent R. Nilsson

cc: Chief of Staff
Managing Director
Chief Financial Officer