



SEMIANNUAL REPORT TO CONGRESS  
OCTOBER 1, 2015 – MARCH 31, 2016

MAY 2016



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

OFFICE OF THE CHAIRMAN

May 23, 2016

The Honorable Paul D. Ryan  
Speaker of the House of Representatives  
Washington, D.C. 20515

Dear Mr. Speaker:

Pursuant to the Inspector General Act of 1978, as amended, the Federal Election Commission submits the Office of Inspector General's *Semiannual Report to Congress*. The report summarizes the activity of the FEC Office of Inspector General ("OIG") from October 1, 2015 through March 31, 2016.

During this reporting period, the FEC's OIG completed, with the assistance of contract auditors, the annual audit of the FEC's financial statements. We are pleased to report that the Commission received an unqualified opinion on the required statements: the FEC's Balance Sheet as of September 30, 2015, and the related Statements of Net Costs, Changes in Net Position, Budgetary Resources, and Custodial Activity for the year then ended. This marks the seventh consecutive year with no material weaknesses identified. The auditors raised issues pertaining to Information Technology security that do not rise to the level of a material weakness, but nonetheless merit attention by the Commission. The response of FEC management to those issues appears in the report, which was issued on November 16, 2015.

During the semiannual period, the OIG also completed its Review of Outstanding Recommendations, which was released in March 2016. The response of FEC management to those issues appears in those reports.

The Commission appreciates and shares the Inspector General's commitment to sound financial and management practices, and looks forward to continuing its cooperative working relationship as management takes appropriate measures to improve operations of the Commission. Copies of the *Semiannual Report to Congress* are being provided to the Chairmen and Ranking Members of the FEC's oversight committees.

On behalf of the Commission,

A handwritten signature in blue ink, appearing to read "Matthew S. Petersen".

Matthew S. Petersen  
Chairman

MANAGEMENT REPORT ON  
INSPECTOR GENERAL ISSUED REPORTS  
WITH QUESTIONED COSTS  
FOR THE SIX-MONTH PERIOD ENDING MARCH 31, 2016

	<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]

MANAGEMENT REPORT ON  
INSPECTOR GENERAL ISSUED REPORTS WITH  
RECOMMENDATIONS TO PUT FUNDS TO BETTER USE  
FOR THE SIX-MONTH PERIOD ENDING MARCH 31, 2016

	<u>Number of Reports</u>	<u>Funds to be Put 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

# TABLE OF CONTENTS

Executive Summary	1
OIG Audit Activity	2
OIG Audit Follow-up Activity	4
OIG Inspections & Special Projects	5
OIG Hotline Information	6
OIG Investigative Information	7
Additional OIG Activity	8
Council of the Inspectors General on Integrity and Efficiency	9
OIG Contacts	10
List of Training, Meetings and Conferences Attended by OIG Staff	11
Reporting Requirements	13
Table I – Questioned Cost	14
Table II – Funds Put To Better Use	15
Table III – Summary Of Audit And Inspection Reports With Corrective Actions Outstanding For More Than Six Months	16
Appendix A	
The Federal Election Commission	17
Office of Inspector General	17

## EXECUTIVE SUMMARY

The *Inspector General Act of 1978*, as amended (*IG Act*), states that the Inspector General (IG) is responsible for: conducting audits and investigations; recommending policies and procedures that promote economy, efficiency, and effectiveness of agency resources and programs; and endeavoring to prevent fraud, waste, abuse, and mismanagement. The *IG Act* also requires the IG to keep the Federal Election Commission (Commission or FEC) 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 FEC Office of Inspector General (OIG), 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 (e.g., audits, hotline, and investigations) can be found in subsequent sections of this report. The diligent work, outstanding efforts, and many contributions of our entire IG staff make the accomplishments of the OIG possible.

The **Audit of the FEC's Fiscal Year 2015 Financial Statements (OIG-15-01)** was completed and released during this reporting period. Leon Snead & Company (LSC) began final testing for the annual financial statement audit at the start of this semiannual reporting period. LSC's audit report provided the FEC with an unmodified opinion on its financial statements for fiscal year (FY) 2015. The report also noted 12 information technology (IT) related findings that agency management needs to address to continue to improve the FEC's IT security. The findings were repeat issues from prior year audits.

The **Audit of the FEC's Telework Programs (OIG-15-03)** commenced during the previous reporting period. The primary objectives of the audit are to 1) determine whether the agency's telework related

programs are being administered by the agency in accordance with Federal law, regulations, Office of Personnel Management (OPM) guidance, and FEC policies and procedures; and 2) assess whether the telework program has been implemented equitably and fairly within the spirit of Federal guidance. The audit is in the draft report stage, with a final report expected to be issued in the next few months.

The **OIG's Review of Outstanding Recommendations as of February 2016 (OIG-16-03)** was issued in March. The OIG semiannually provides the Commission with a report outlining the status of outstanding recommendations. We reviewed six audits and inspections that contained a combined total of 79 outstanding recommendations. The OIG was only able to close one recommendation that was included in the *2010 Follow-up Audit of Procurement and Contract Management* audit report.

The OIG has undertaken a project to discover the root causes of low employee morale at the FEC, which has been reflected in the past few years annual Federal Employee Viewpoint Survey (FEVS) conducted by the Office of Personal Management (OPM). A contractor was selected and they have conducted multiple interviews with individual employees and management. Focus groups were also convened and an agency wide electronic survey was conducted to enable all FEC staff to provide input. The contractors will be providing the OIG with a report based on the results of the above research.

At the close of this reporting period, five hotline complaints remain open and four hotline complaints were closed. There are seven open investigations and two investigations were closed during this reporting period.

For additional information regarding the work discussed in this summary, please refer to the appropriate sections of this Semiannual Report.

## OIG AUDIT ACTIVITY

### **Audit of the FEC's Fiscal Year 2015 Financial Statements**

*Assignment Number: OIG-15-01*

*Status: Released November 2015*

<http://www.fec.gov/fecig/documents/FEC2015FinancialStatementAuditReport-Final.pdf>

Leon Snead & Company (LSC) began final testing for the annual financial statement audit at the start of this semiannual reporting period. After final testing was completed, LSC then drafted and submitted the audit report, which provided the OIG with the final audit results and deliverables.

For FY 2015, LSC determined that the FEC's financial statements were presented fairly in accordance with accounting principles generally accepted in the United States. LSC's audit report provided the FEC with an unmodified opinion on their financial statements for FY 2015.

LSC noted that the Office of the Chief Information Officer has made steps to improving its overall information technology security controls by agreeing to adopt the National Institute of Standards and Technology's (NIST) security best practices. The NIST IT security controls will provide the agency with a more structured and robust IT security framework that is applicable to the agency's business practices and acceptable for a Federal agency.

The report also noted 12 IT related findings that agency management needs to address to continue to improve its IT security. These findings were present in previous Financial Statement audits.

### **Audit of the Federal Election Commission's (FEC) Telework<sup>1</sup> Program**

*Assignment Number: OIG-15-03*

*Status: In Progress*

The Audit of the FEC's Telework Programs commenced during the previous reporting period. The primary objectives of the audit are to 1) determine whether the agency's telework related programs are being administered by the agency in accordance with Federal law, regulations, OPM guidance, and FEC policies and procedures; and 2) assess whether the telework program has been implemented equitably and fairly within the spirit of Federal guidance.

The scope of the audit included detailed testing of a sample of FEC employees' time and attendance activity during a 12-month period from March 2014 to March 2015. The detailed testing includes the following:

- Ensure required telework documentation was properly completed and approved prior to employee starting telework;
- Determine if employees' actual telework time and attendance records were consistent and in line with telework agreements, as well as in compliance with the applicable telework policy;
- Follow-up on employees that have been identified as potentially using excessive telework based on the policies in place at the time, and assess for reasonableness and the potential appearance of preferential treatment.

<sup>1</sup> The FEC no longer refer to the telework programs as "Flexi-place." Therefore, the word Flexiplace has been removed from the official name of this audit.

The notice of findings and recommendations (NFRs) were submitted to agency management and an exit conference was held to discuss the NFRs. The draft report has been completed and we are in the process of indexing and referencing the report, once the draft report has been independently reviewed, it will be forwarded to agency management for comments and official response. We expect to issue the final audit report within the next few months.



## OIG AUDIT FOLLOW-UP ACTIVITY

### **OIG's Review of Outstanding Recommendations as of February 2016**

*Assignment Number: OIG-16-03*

*Status: Released March 2016*

<http://www.fec.gov/fecig/documents/Final-OIGReviewofOutstandingRecommendationsasofFebruary2016.pdf>

The OIG semiannually provides the Commission with the status of outstanding audit and inspection recommendations detailing the follow-up work conducted by the OIG. Since the last follow-up report (released September 2015), the OIG has not added any new assignments for review, and we continued our review of the previous six open audit and inspection recommendations from the prior period. We reviewed the following six audits and inspections that contain a combined total of 79 outstanding recommendations

- Audit of the Commission's Property Management Controls (issued 03/2010);
- *2010 Follow-up Audit of Privacy and Data Protection* (issued 03/2011);
- 2010 Follow-up Audit of Procurement and Contract Management (issued 06/2011);
- *Inspection of the FEC's Disaster Recovery Plan and Continuity of Operations Plans* (issued 01/2013);
- *Audit of the FEC's Office of Human Resources* (issued 07/2013); and
- *Inspection of the FEC's Compliance with FMFIA/OMB A-123* (issued 06/2014).

The OIG closed one recommendation included in the *2010 Follow-up Audit of Procurement and Contract Management* audit report. Currently there are 78 outstanding recommendations; which

includes recommendations that have been outstanding for 6 years. Many of these outstanding recommendations require implementation due to federal requirements that the agency is not in compliance with, along with promoting more effective and efficient business operations.

In a noteworthy accomplishment identified during the most recent audit follow-up review, the OCFO established a FEC A-123 task force and has made significant progress with addressing corrective actions needed to comply with the new OMB A-123 guidance.

# OIG INSPECTIONS & SPECIAL PROJECTS

## **Root Causes of Low Employee Morale Study**

*Assignment Number: OIG-15-06*

*Status: In Progress*

The OIG felt the continuing low scores being received by the FEC in the annual Federal Employee Viewpoint Survey (FEVS), conducted by OPM, and Partnership for Public Services (PPS) publication, *The Best Places to Work in the Federal Government*, revealed significant morale problems within the FEC should be explored further. The 2014 PPS publication rated the FEC 29th out of 30 small Federal government agencies.

The OIG contracted with Job Performance Systems (JPS) Inc., to conduct the study and report on the causes of low morale among FEC employees. JPS held individual meetings with multiple FEC employees and management and focus groups were formed to discuss areas of concern. A survey was developed by JPS based on the results of the interviews and focus groups, and sent to all FEC employees to give everyone an opportunity to have their voice heard.

The results of this study will be incorporated into a final report. The report will be available to all FEC employees and management and will be published on the OIG internet page.

## OIG HOTLINE INFORMATION

The OIG hotline exists to enable FEC employees, FEC contractors, and the public to have direct and confidential contact with the OIG. All allegations and referrals of fraud, waste, abuse, mismanagement, and misconduct involving FEC employees, contractors, programs, operations, property, or funds received through any means are termed “hotline complaints” per OIG policy. Once a hotline complaint has been received, a preliminary inquiry is conducted to determine whether the hotline complaint will be closed with no further action taken, referred to management or another agency, or an investigation will be initiated.

The OIG considers many factors when evaluating whether to open an investigation based on a hotline complaint, and acknowledges that every hotline complaint received by the OIG cannot be investigated, and in many cases a complaint does not merit an investigation. OIG policy requires that hotline complaints be evaluated on certain criteria, including the merits of an allegation, the availability of evidence, and the existing priorities, commitments, and resources of the OIG. Under this policy, hotline complaints are classified as either high or low priority complaints. High priority complaints are investigated and low priority complaints are either closed with no action or referred to the appropriate official for possible further review. Often, a hotline complaint will be closed because a preliminary inquiry found the allegations to be unsubstantiated, there is a lack of information to proceed, or the issue giving rise to the allegation has been otherwise resolved. Hotline evaluation decisions are made by the Chief Investigator, with concurrence from the Deputy IG.

During this semiannual reporting period, four hotline complaints were closed and five hotline complaints remain open.

The OIG frequently receives reports and allegations which are misdirected complaints that should have

been routed to the Office of Complaints and Legal Administration within the Office of General Counsel (OGC), are outside the jurisdiction of the OIG or the FEC, or are facially unsubstantiated, meritless or invalid. For example, Section 437g of the Federal Election Campaign Act of 1971, as amended (FECA), sets forth strict requirements for reporting alleged violations of FECA, and FEC regulations direct that such complaints be filed directly by the complainant and processed through OGC; still, the OIG regularly receives complaints of alleged FECA violations, many of which are not legally compliant. Form responses with information about properly filing a complaint with OGC are sent to complainants alleging FECA violations, as the OIG cannot simply route FECA complaints to OGC.

In other cases of misdirected complaints, a response is sent to the individual referring him or her to the proper office or other agency. In some limited instances where a misdirected communication does not concern a FECA violation but falls under the purview of another FEC component or government agency, such as a candidate with a question about filing a report with the FEC, the inquiry may be redirected and sent to the appropriate office or agency directly from the OIG. Reviewing and, where appropriate, responding to these reports and allegations when aggregated can entail a significant amount of staff time and effort, despite the fact that they are not valid hotline complaints.

In order to capture and document these hotline contacts, the OIG created a category for “hotline inquiries” that do not meet the criteria for hotline complaints. For this reporting period, the OIG received 11 hotline inquiries related to various issues such as unauthorized monthly donations to political organizations, alleged filing violations, election tampering, and voter fraud.

## OIG INVESTIGATIVE INFORMATION

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.

As discussed in the *OIG Hotline Information* section, all hotline complaints are evaluated to determine if they warrant an investigation. If an investigation is opened, the hotline complaint is closed and merged into the investigative file. OIG investigations involve a detailed examination or inquiry into issues brought to our attention by various sources, and may include interviews of relevant witnesses and subjects, document reviews, and computer forensic examinations. 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.

As this reporting period comes to an end, seven investigations remain open and the OIG closed two administrative investigations that involved the review of FEC management's internal policies and procedures. The OIG concluded in both investigations that no violations of FEC policies and procedures had occurred.

## ADDITIONAL OIG ACTIVITY

Besides conducting audits, inspections, and investigations, the OIG performs and is involved in an array of additional projects and activities. One of these, as required by the *IG Act*, is reviewing legislation related to the programs and operations of the FEC. The IG also reviews and provides comments, when appropriate, on legislation provided by the Council of Inspectors General on Integrity and Efficiency's (CIGIE) Legislative Committee.

Listed below are examples of the OIG's additional activities during this reporting period:

- The OIG responded to a congressional request from Senators Grassley and Johnson. It was requested that the OIG provide the Senators, on a semiannual basis, with information regarding audits, evaluations and investigations conducted by the OIG.
- Pursuant to a memorandum of understanding between the FEC OIG and the Federal Maritime Commission (FMC) OIG to provide legal counsel on a reimbursable basis; the Counsel to the IG continues to provide assistance to the IG of the FMC.
- The OIG provided the Commission with a summary and assessment of the most serious management and performance challenges facing the FEC. The OIG identified three management and performance challenges – Information Technology Project Planning and Management; Governance Framework; and Human Capital Management / Human Resources Operations.

## COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY

The IG is an active member of the Executive Council, which is composed of the Chair, Vice Chair, the immediate past Chair and Vice Chair, an at-large member, and all CIGIE Committee Chairs. The Executive Council provides guidance on CIGIE initiated projects, the operating plans for each fiscal year, and the general business of CIGIE. In addition, the IG attends monthly council meetings to discuss issues that will affect CIGIE and its members. The IG is also a member of the Professional Development Committee.

Currently, the Inspector General serves as Vice Chair of the CIGIE Budget Committee and participated in multiple budget committee teleconferences to discuss the CIGIE FY 2016 and 2017 budget. The IG also participates in CIGIE's New Leaders program by sharing with students her thoughts on leadership and how to rise in the IG community in the session titled "Lunch with the IG". The IG served on this year's CIGIE panel reviewing submissions for the Presidential Rank Awards.

OIG staff also participates in many projects for CIGIE. For example, one of our senior auditors continues to serve as planning coordinator for the Data Act Working Group with responsibility for leading subgroup team meetings. In this capacity, the auditor developed the project plan for completing the Audit Readiness Guidelines and Template which will be available for all OIGs to use, attended joint meetings with other agencies, and drafted the official working group's response to Government Accountability Office comments on the project. Other OIG staff attend various CIGIE meetings and participates in various task forces.

## OIG CONTACTS

This section documents the non-hotline communications received by the OIG from the public and other government agencies. OIG contacts run the gamut from citizens expressing their views or trying to reach the right FEC component to graduate students doing research. Contacts may be made through telephone calls, emails, faxes, U.S. mail, and personal visits to the OIG. The table below indicates the total amount of contacts received by the OIG for the past six months – October 1, 2015 through March 31, 2016. Those forwarded for action were referred to another FEC component or appropriate resource.

Total Contacts	OIG Action	No Action Necessary	Forwarded for Action
2,689	18	2,660	11

# 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, 2015 – March 31, 2016:

## MEETINGS:

Host / Sponsor	Topic / Subject
<p><b>Council of Inspectors General on Integrity and Efficiency (CIGIE)</b></p>	<p>Annual CIGIE-GAO Coordination Meeting                      Assistant Inspector General for Investigations                      Quarterly Meetings                      Leadership Development Subcommittee Meetings                      Monthly Meetings                      Executive Council Meetings                      Budget Committee Meetings                      Professional Development Committee Meetings</p>
<p><b>Council of Counsels to the Inspectors General</b></p>	<p>Monthly Meetings                      Small OIG Working Group Meeting</p>
<p><b>Government Accountability Office</b></p>	<p>Data Act Working Group Joint Meetings</p>
<p><b>Institute of Internal Auditors</b></p>	<p>Bi-monthly Meetings                      Annual Advocacy Gala</p>
<p><b>Office of Inspector General</b></p>	<p>Bi-weekly Staff Meetings                      Weekly Meetings w/Staff Assistant, Deputy IG and Counsel to the IG/Chief Investigator                      Deputy IG weekly status meetings with Senior Auditors</p>

**TRAINING/CONFERENCES:**

Host / Sponsor	Topic / Subject
Assistant Inspector General for Investigations	Annual Conference
Association of Certified Fraud Examiners	Forensic Analytics and Employee Fraud
Association of Inspectors General	Fall 2015 Annual Conference
Audimation Services, Inc.	Statistical Sampling
Council of the Inspectors General on Integrity and Efficiency	Audit Peer Review Training Contract & Grant Fraud Training Dark Net Training Leadership Forum
Greater Washington Society of CPAs	Women’s Leadership Conference
Institute of Internal Auditors	Managing Fraud Risk
National Aeronautics and Space Administration	Help Desk Ticketing System
National Archives	NARA Records Management Certification Training Dispute Resolution Skills Training for FOIA Professionals
National Seminars	Women’s Conference Tour
Office of Government Ethics	National Government Ethics Summit
Professional Women’s Network	Annual Conference
The Washington Center	How to Create Meaningful Internships
U.S. Secret Service	Cyberspace Security Presentation
Washington Metropolitan Area Transit Authority	The Interagency Fraud and Risk Data Mining Group’s Quarterly Presentation Seminar
Federal Election Commission	GSA – Government Travel Card Training No Fear Act Training Security Awareness Training Transit Subsidy and Recertification Training

## 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:

IG ACT	DESCRIPTION	PAGE
Section 4(a)(2)	Review of Legislation	8
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	2
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 and inspection reports with corrective actions outstanding for more than six months**

Report Title	Report Number	Recommendations			
		Issue Date	Number	Closed	Open
Audit of the Commission’s Property Management Controls	OIG-09-02	03/10	36	35	1
2010 Follow-up Audit of Procurement and Contract Management	OIG-10-02	06/11	29	28	1
2010 Follow-up Audit of Privacy and Data Protection	OIG-10-03	03/11	45	17	28
Inspection of the Federal Election Commission’s Disaster Recovery Plan and Continuity of Operations Plans	OIG-12-06	01/13	30	1 <sup>2</sup>	29
Audit of the Federal Election Commission’s Office of Human Resources	OIG-12-05	07/13	26	15	11
Inspection of FEC’s Compliance with FMFIA/ OMB Circular A-123	OIG-14-01	06/14	8	0	8
<b>Cumulative Total Of Outstanding Recommendations</b>					<b>78</b>

<sup>2</sup> Recommendation was closed based on a duplicate recommendation in the FEC’s annual financial statement audit that was reviewed and closed.

## APPENDIX A

### The Federal Election Commission

In 1975, Congress created the Federal Election Commission to administer and enforce the *Federal Election Campaign Act of 1971*, as amended. 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 consists 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 – Matthew S. Petersen, Chair; Steven T. Walther, Vice Chair; Commissioners Lee E. Goodman; Carolyn C. Hunter; Ann M. Ravel; and Ellen L. Weintraub.

### Office of Inspector General

The *Inspector General Act of 1978*, as amended, states that the Inspector General is responsible for: 1) conducting and supervising audits and investigations relating to the FEC'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.

# Federal Election Commission Office of Inspector General



## Fraud Hotline 202-694-1015

or toll free at 1-800-424-9530 (press 0; then dial 1015)

Fax us at 202-501-8134 or e-mail us at [oig@fec.gov](mailto:oig@fec.gov)

Visit or write to us at 999 E Street, N.W., Suite 940, Washington DC 20463

**Individuals including FEC and FEC contractor employees are encouraged to alert the OIG to fraud, waste, abuse, and mismanagement of agency programs and operations.** Individuals who contact the OIG can remain anonymous. However, persons who report allegations are encouraged to provide their contact information in the event additional questions arise as the OIG evaluates the allegations. Allegations with limited details or merit may be held in abeyance until further specific details are reported or obtained. Pursuant to the Inspector General Act of 1978, as amended, the Inspector General will not disclose the identity of an individual who provides information without the consent of that individual, unless the Inspector General determines that such disclosure is unavoidable during the course of an investigation. To learn more about the OIG, visit our Website at: <http://www.fec.gov/fecig/fecig.shtml>

**Together we can make a difference.**