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Description of document: Four (4) Federal Communications Commission (FCC)  
Employee Manuals:  
"SDLC User Guide" or Solution Delivery Framework High Level Process)  
FCC OIG (Draft) Audit Manual, 2015  
FCC Travel Manual  
FCC Employee Handbook

Requested date: December 2016

Released date: 30-January-2017

Posted date: 11-December-2017

Source of document: Freedom of Information Act Request  
Federal Communications Commission  
445 12th Street, S.W., Room 1-A836  
Washington, D.C. 20554  
[FOIA Online](#)

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Federal Communications Commission  
Washington, D.C. 20554

January 30, 2017

Re: FOIA Control No. FCC-2017-000239

This letter responds to your Freedom of Information Act (FOIA) request for, "1) A digital/electronic copy of the FCC SDLC User Guide. A digital/electronic copy of the FCC OIG Audit Manual. 2) A digital/electronic copy of the FCC Travel Manual 3) A digital/electronic copy of the FCC Employee Handbook." Your request has been assigned FOIA Control No. FCC-2017-000239.

The Human Resources Management Division of the Office of the Managing Director searched for responsive records and found three documents (FCC OIG Audit Manual, FCC Travel Manual, and FCC Employee Handbook) and 12 image files (that serve as the FCC "SDLC User Guide" or Solution Delivery Framework High Level Process) matching your request. They are attached and are produced in full without redaction.

We are required by both the FOIA and the Commission's own rules to charge requesters certain fees associated with the costs of searching for, reviewing, and duplicating the sought after information.<sup>1</sup> To calculate the appropriate fee, requesters are classified as: (1) commercial use requesters; (2) educational requesters, non-commercial scientific organizations, or representatives of the news media; or (3) all other requesters.<sup>2</sup>

Pursuant to section 0.466(a)(8) of the Commission's rules, you have been classified for fee purposes as category (3), "all other requesters."<sup>3</sup> As an "all other requester," the Commission assesses charges to recover the full, reasonable direct cost of searching for and reproducing records that are responsive to the request; however, you are entitled to be furnished with the first 100 pages of reproduction and the first two hours of search time without charge under section 0.470(a)(3)(i) of the Commission's rules.<sup>4</sup> The production did not involve more than 100 pages of duplication and took less than two hours of search time. Therefore, you will not be charged any fees.

If you consider this to be a denial of your FOIA request, you may seek review by filing an application for review with the Office of General Counsel. An application for review must

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<sup>1</sup> See 5 U.S.C. § 552(a)(4)(A), 47 C.F.R. § 0.470.

<sup>2</sup> 47 C.F.R. § 0.470.

<sup>3</sup> 47 C.F.R. § 0.466(a)(8).

<sup>4</sup> 47 C.F.R. § 0.470(a)(3)(i).

be *received* by the Commission within 90 calendar days of the date of this letter.<sup>5</sup> You may file an application for review by mailing the application to Federal Communications Commission, Office of General Counsel, 445 12<sup>th</sup> St SW, Washington, DC 20554, or you may file your application for review electronically by e-mailing it to [FOIA-Appeal@fcc.gov](mailto:FOIA-Appeal@fcc.gov). Please caption the envelope (or subject line, if via e-mail) and the application itself as "Review of Freedom of Information Action."

If you would like to discuss this response before filing an application for review to attempt to resolve your dispute without going through the appeals process, you may contact the Commission's FOIA Public Liaison for assistance at:

FOIA Public Liaison  
Federal Communications Commission, Office of the Managing Director,  
Performance Evaluation and Records Management  
445 12<sup>th</sup> St SW, Washington, DC 20554  
202-418-0440  
[FOIA-Public-Liaison@fcc.gov](mailto:FOIA-Public-Liaison@fcc.gov)

If you are unable to resolve your FOIA dispute through the Commission's FOIA Public Liaison, the Office of Government Information Services (OGIS), the Federal FOIA Ombudsman's office, offers mediation services to help resolve disputes between FOIA requesters and Federal agencies. The contact information for OGIS is:

Office of Government Information Services  
National Archives and Records Administration  
8601 Adelphi Road-OGIS  
College Park, MD 20740-6001  
202-741-5770  
877-684-6448  
[ogis@nara.gov](mailto:ogis@nara.gov)  
[ogis.archives.gov](http://ogis.archives.gov)

If you have any questions, please contact Rhonda Jones, Human Resources, at [rhonda.jones@fcc.gov](mailto:rhonda.jones@fcc.gov) or 202-418-0956.

Sincerely,



Rhonda Jones, Ed.D.  
Human Resources Specialist

cc: FCC FOIA Office  
Enclosures

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<sup>5</sup> 47 C.F.R. §§ 0.461(j), 1.115; 47 C.F.R. § 1.7 (documents are considered filed with the Commission upon their receipt at the location designated by the Commission).

# High Level Process Diagram

## FCC Solution Delivery Framework (SDF)

### Table of Contents

#### Process Overview

1. Initiate and Plan Phase

2I. Iterative Process - Standard Sprint

3I-4I. Iterative Process - Third and Final Sprint

2T. Requirements and Design Phase

3T. Develop and Test

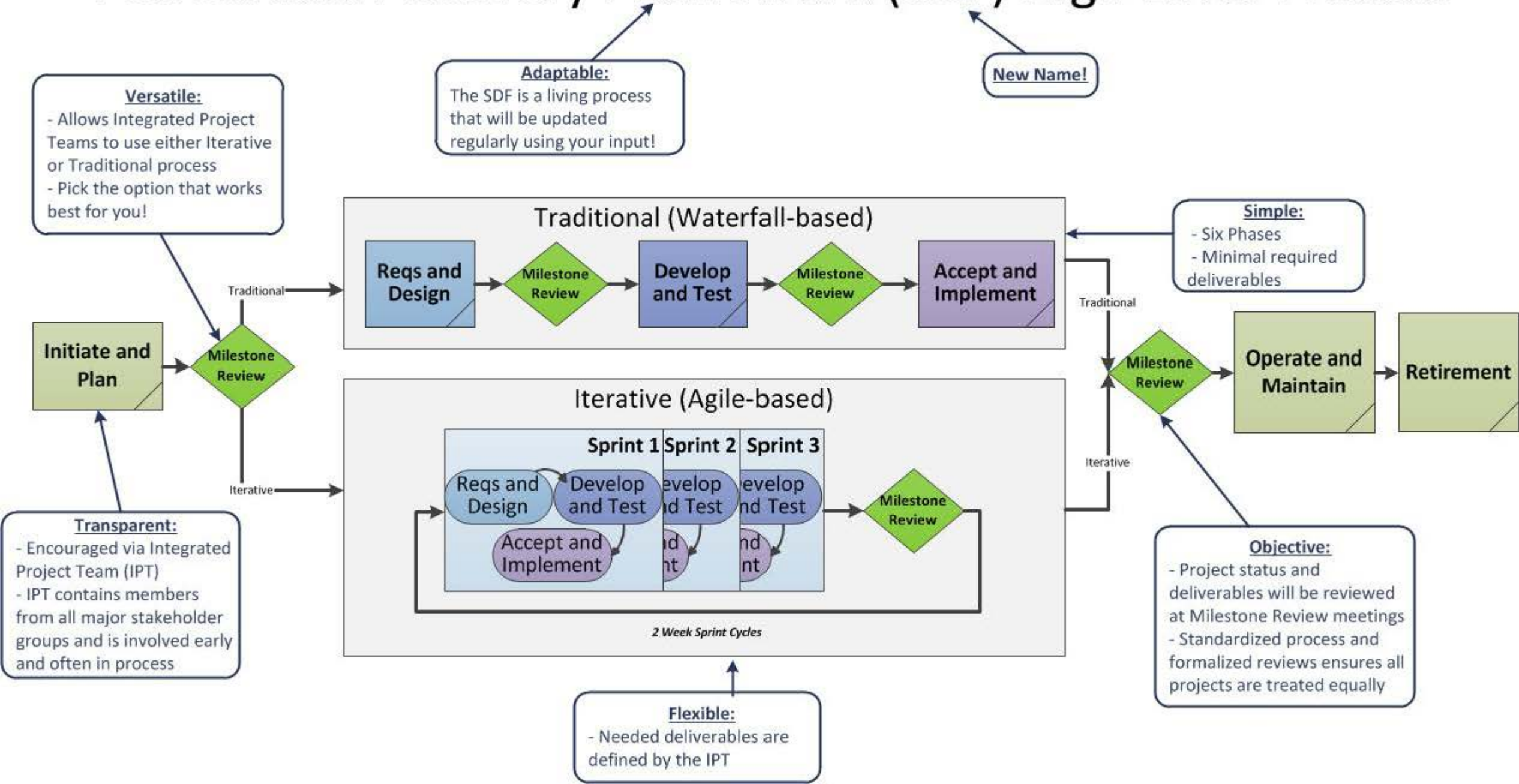
4T. Accept and Implement

5. Operate & Maintain Phase

6. Retirement Phase

Glossary

# FCC Solution Delivery Framework (SDF) High Level Process



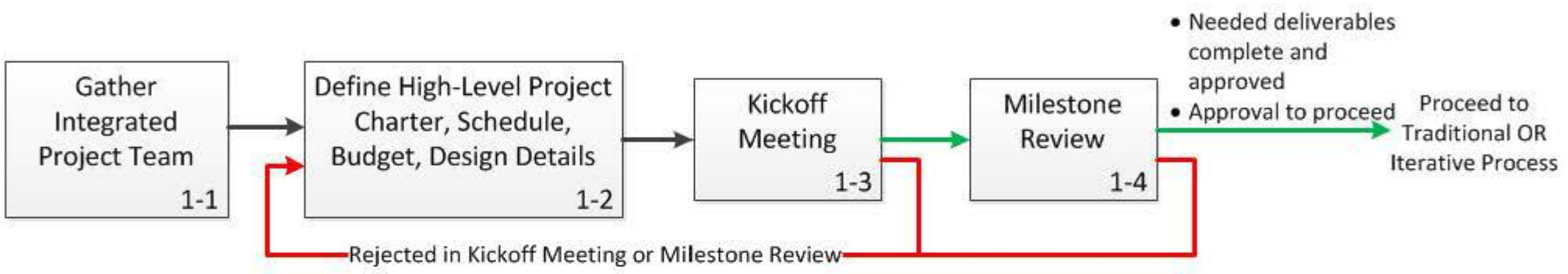


# 1. Initiate and Plan Phase

**Description/Purpose:** In this phase, the project’s stakeholders, document storage location, objectives, and success criteria are defined. The Integrated Project Team (IPT) then decides to proceed via either the Traditional or Iterative processes.

**Key Features/Benefits:**

- **Transparency:** Key stakeholder groups, including Security, B&A, Enterprise Architecture, and Privacy, are assembled into the IPT, promoting transparency throughout all groups.
- **Flexibility and Versatility:** IPT members define needed deliverables and whether to use the Traditional or Iterative process.



**Key:**

→ Project successfully passed a decision point and can move forward

→ Project did not pass a decision point and must return to a previous step

Phase Participants
<ul style="list-style-type: none"><li>• NIRF Requestor</li><li>• Project Manager</li><li>• IPT Member Groups<ul style="list-style-type: none"><li>○ B&amp;A</li><li>○ Security</li><li>○ Database</li><li>○ Engineering</li><li>○ Developer</li><li>○ Privacy</li><li>○ COR</li><li>○ EA</li><li>○ Infrastructure</li><li>○ Intrapreneur</li><li>○ Risk</li></ul></li><li>• SDF Governance Group</li></ul>

Phase Inputs
<ul style="list-style-type: none"><li>• Approved NIRF/Business Case</li><li>• Approved Funding</li><li>• Risk Assessment</li></ul>

Phase Deliverables
<ul style="list-style-type: none"><li>• Required Deliverables:<ul style="list-style-type: none"><li>○ High Level Project Charter</li><li>○ Project Schedule/Sprint Schedule</li><li>○ Project Budget</li><li>○ System Design Document (SDD)</li></ul></li><li>• Recommended Deliverables:<ul style="list-style-type: none"><li>○ Project Management Plan</li><li>○ System Security Document</li><li>○ Privacy Documentation</li></ul></li><li>• Other Deliverables:<ul style="list-style-type: none"><li>○ Paperwork Reduction Act Document</li><li>○ Work Breakdown Structure (WBS)</li><li>○ Update Risk Register</li></ul></li></ul>

Next Phase  
(Waterfall)

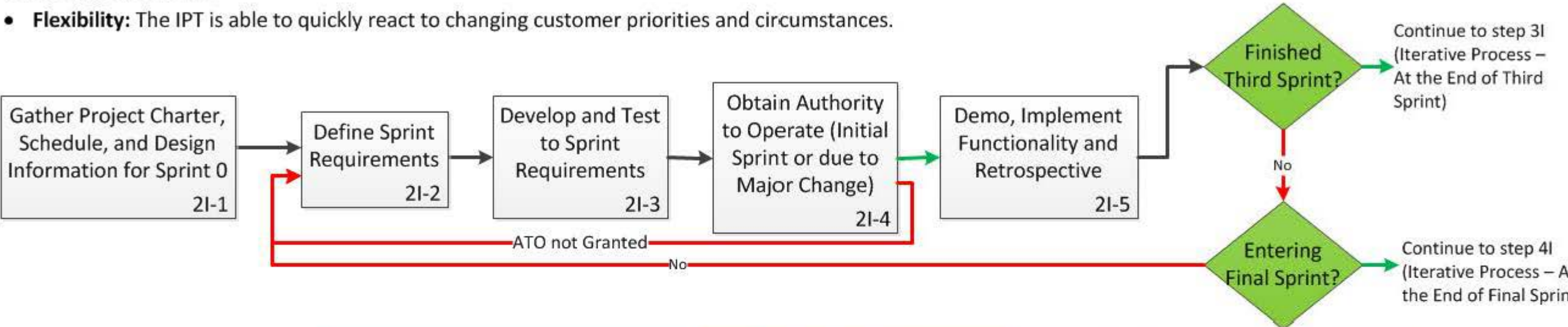
Next Phase  
(Iterative)



# 2I. Iterative Process – Standard Sprint

**Description/Purpose:** In this portion of the Iterative Process, the IPT works with the customer and the Developer IPT Member to rapidly identify, build, demonstrate to the client, and release pieces of needed functionality.

**Key Features/Benefits:**

- **Flexibility:** The IPT is able to quickly react to changing customer priorities and circumstances.



<p><b>Key:</b></p> <p> Project successfully passed a decision point and can move forward</p> <p> Project did not pass a decision point and must return to a previous step</p>	<table><tr><th>Overall Iterative Process Participants</th></tr><tr><td><ul style="list-style-type: none"><li>• Project Manager</li><li>• IPT Member Groups<ul style="list-style-type: none"><li>○ Security</li><li>○ Database</li><li>○ Developer</li><li>○ EA</li><li>○ Customer/Business Rep</li><li>○ Infrastructure</li><li>○ Privacy</li><li>○ Intrapreneur</li><li>○ Risk</li></ul></li><li>• SDF Governance Group</li></ul></td></tr></table>	Overall Iterative Process Participants	<ul style="list-style-type: none"><li>• Project Manager</li><li>• IPT Member Groups<ul style="list-style-type: none"><li>○ Security</li><li>○ Database</li><li>○ Developer</li><li>○ EA</li><li>○ Customer/Business Rep</li><li>○ Infrastructure</li><li>○ Privacy</li><li>○ Intrapreneur</li><li>○ Risk</li></ul></li><li>• SDF Governance Group</li></ul>	<table><tr><th>Standard Sprint Inputs</th></tr><tr><td><ul style="list-style-type: none"><li>• Project Charter Updates<ul style="list-style-type: none"><li>○ Project Objectives and Success Criteria/Metrics</li><li>○ High-Level Requirements/Requirements Backlog</li><li>○ IPT Members Defined</li><li>○ Project Kickoff Details and Approval</li></ul></li><li>• System Design Document<ul style="list-style-type: none"><li>○ Environments and availability defined</li></ul></li><li>• Update Risk Register</li></ul></td></tr></table>	Standard Sprint Inputs	<ul style="list-style-type: none"><li>• Project Charter Updates<ul style="list-style-type: none"><li>○ Project Objectives and Success Criteria/Metrics</li><li>○ High-Level Requirements/Requirements Backlog</li><li>○ IPT Members Defined</li><li>○ Project Kickoff Details and Approval</li></ul></li><li>• System Design Document<ul style="list-style-type: none"><li>○ Environments and availability defined</li></ul></li><li>• Update Risk Register</li></ul>	<table><tr><th>Standard Sprint Deliverables</th></tr><tr><td><ul style="list-style-type: none"><li>• Required Deliverables:<ul style="list-style-type: none"><li>○ Project Charter</li><li>○ Sprint Schedule</li><li>○ System Design Document</li><li>○ Requirements Backlog</li></ul></li><li>• Recommended Deliverables:<ul style="list-style-type: none"><li>○ System Security Document</li><li>○ Privacy Documentation</li><li>○ Project Budget</li><li>○ Updated Project Management Plan</li><li>○ Section 508 Test Plan</li><li>○ Update Risk Register</li></ul></li><li>• Other Deliverables:<ul style="list-style-type: none"><li>○ Release Strategy</li><li>○ Sprint Retrospective</li><li>○ Test Plan</li><li>○ User Manual</li><li>○ User Training Documentation</li></ul></li></ul></td></tr></table>	Standard Sprint Deliverables	<ul style="list-style-type: none"><li>• Required Deliverables:<ul style="list-style-type: none"><li>○ Project Charter</li><li>○ Sprint Schedule</li><li>○ System Design Document</li><li>○ Requirements Backlog</li></ul></li><li>• Recommended Deliverables:<ul style="list-style-type: none"><li>○ System Security Document</li><li>○ Privacy Documentation</li><li>○ Project Budget</li><li>○ Updated Project Management Plan</li><li>○ Section 508 Test Plan</li><li>○ Update Risk Register</li></ul></li><li>• Other Deliverables:<ul style="list-style-type: none"><li>○ Release Strategy</li><li>○ Sprint Retrospective</li><li>○ Test Plan</li><li>○ User Manual</li><li>○ User Training Documentation</li></ul></li></ul>	<div>End of Every Third Sprint Process (Iterative)</div> <div>End of Final Sprint Process (Iterative)</div>
Overall Iterative Process Participants										
<ul style="list-style-type: none"><li>• Project Manager</li><li>• IPT Member Groups<ul style="list-style-type: none"><li>○ Security</li><li>○ Database</li><li>○ Developer</li><li>○ EA</li><li>○ Customer/Business Rep</li><li>○ Infrastructure</li><li>○ Privacy</li><li>○ Intrapreneur</li><li>○ Risk</li></ul></li><li>• SDF Governance Group</li></ul>										
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Previous Phase

Process Overview

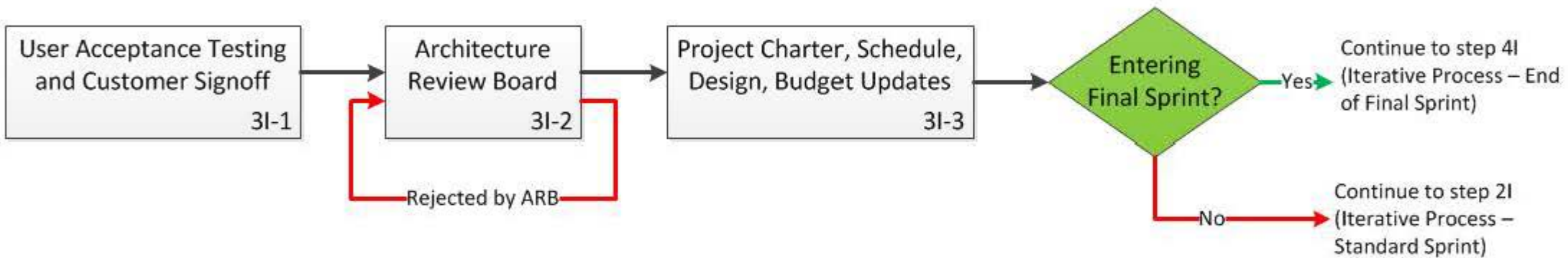


# 3I. Iterative Process – At the End of Every Third Sprint


**Description/Purpose:** In this portion of the Iterative Process, the Customer/Business Rep tests and signs off on functionality developed in the previous three sprints and the project proceeds to the Architecture Review Board (ARB).


**Key Features/Benefits:**

- **Objectivity and Transparency:** All functionality developed in the previous three sprints is reviewed and approved, ensuring the customer is aware of the project’s progress and accomplishments. The project also proceeds through the ARB, which reviews and verifies that the functionality is ready for release.
- **Flexibility:** The IPT is able to quickly react to changing customer priorities and circumstances.



**Key:**

 Project successfully passed a decision point and can move forward

 Project did not pass a decision point and must return to a previous step

Previous Phase -  
Standard Sprint  
Process  
(Iterative)

Process  
Overview

Overall Iterative Process Participants
<ul style="list-style-type: none"><li>• Project Manager</li><li>• IPT Member Groups<ul style="list-style-type: none"><li>○ Security</li><li>○ Database</li><li>○ Developer</li><li>○ EA</li><li>○ Customer/Business Rep</li><li>○ Infrastructure</li><li>○ Intrapreneur</li></ul></li><li>• SDF Governance Group</li></ul>

End of Third Sprint Inputs
Deliverables from Standard Sprint Process

End of Third Sprint Deliverables
<ul style="list-style-type: none"><li>• Required Deliverables:<ul style="list-style-type: none"><li>○ Project Schedule/Sprint Schedule</li><li>○ System Design Document</li><li>○ Project Charter</li><li>○ Project Budget</li></ul></li><li>• Recommended Deliverables:<ul style="list-style-type: none"><li>○ Project Management Plan</li></ul></li><li>• Other Deliverables:<ul style="list-style-type: none"><li>○ Requirements Backlog</li><li>○ Sprint Retrospective</li></ul></li></ul>

Standard Sprint  
Process (Iterative)

End of Final Sprint  
Process (Iterative)

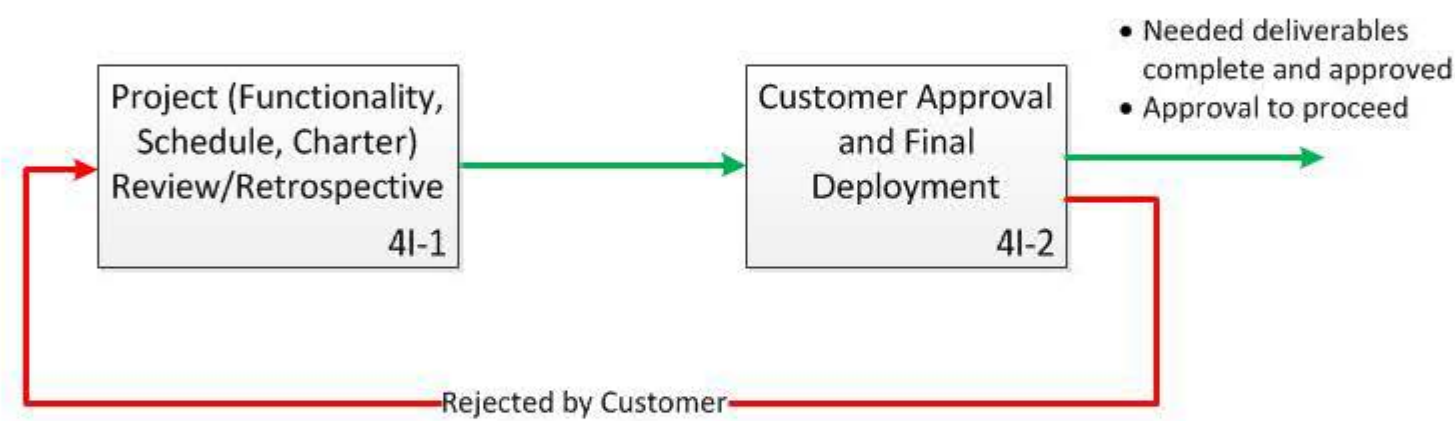


# 4I. Iterative Process – At the End of Final Sprint

**Description/Purpose:** Once the IPT has built all needed functionality, the project’s overall performance is reviewed, the IPT works with Security to obtain the Authority to Operate (ATO), and the functionality is released.

Key Features/Benefits:

- **Objectivity:** The standardized final project review and ATO process ensure the developed functionality is properly reviewed and fairly evaluated prior to release.
- **Flexibility:** The IPT is able to quickly react to changing customer priorities and circumstances.



**Key:**

→ Project successfully passed a decision point and can move forward

→ Project did not pass a decision point and must return to a previous step

Previous Phase - Standard Sprint Process (Iterative)

Process Overview

Overall Iterative Process Participants
<ul style="list-style-type: none"><li>• Project Manager</li><li>• IPT Member Groups<ul style="list-style-type: none"><li>○ Security</li><li>○ Database</li><li>○ Developer</li><li>○ EA</li><li>○ Customer/Business Rep</li><li>○ Infrastructure</li><li>○ O&amp;M</li><li>○ Intrapreneur</li></ul></li><li>• SDF Governance Group</li></ul>

End of Final Sprint Inputs
Deliverables from Standard Sprint Process OR End of Third Sprint Process

End of Final Sprint Deliverables
<ul style="list-style-type: none"><li>• Required Deliverables:<ul style="list-style-type: none"><li>○ Project Schedule/Sprint Schedule</li><li>○ Project Charter</li></ul></li><li>• Recommended Deliverables:<ul style="list-style-type: none"><li>○ System Security Document</li><li>○ Requirements Backlog</li><li>○ Project Retrospective</li><li>○ Deliverables List</li><li>○ Deployment Plan</li></ul></li><li>• Other Deliverables:<ul style="list-style-type: none"><li>○ Transition Plan</li></ul></li></ul>

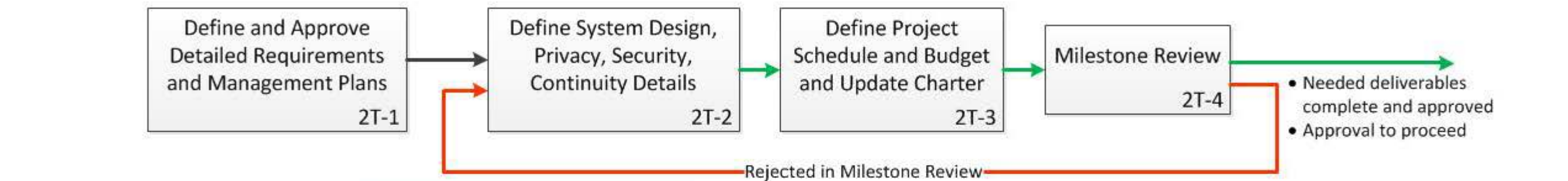
Next Phase

# 2T. Requirements and Design Phase

**Description/Purpose:** In this phase, the project's detailed requirements and technical specifications are defined. The IPT then uses this information to estimate the project's schedule and budget.

**Key Features/Benefits:**

- **Transparency:** The IPT, which is made up of representative from all major stakeholder groups, works together to define the project's requirements and technical details.
- **Simplicity:** The IPT only develops deliverables that benefit the project. If the deliverable is not helpful, it is not needed.



**Key:**

- Project successfully passed a decision point and can move forward
- Project did not pass a decision point and must return to a previous step

Phase Participants	Phase Inputs	Phase Deliverables
<ul style="list-style-type: none"><li>• Project Manager</li><li>• IPT Member Groups<ul style="list-style-type: none"><li>○ B&amp;A</li><li>○ Security</li><li>○ Database</li><li>○ Engineering</li><li>○ Developer</li><li>○ EA</li><li>○ Privacy</li><li>○ O&amp;M</li><li>○ Customer/Business Rep</li><li>○ Intrapreneur</li></ul></li><li>• SDF Governance Group</li></ul>	<ul style="list-style-type: none"><li>• Deliverables from Initiate and Plan Phase</li></ul>	<ul style="list-style-type: none"><li>• Required Deliverables:<ul style="list-style-type: none"><li>○ Project Schedule</li><li>○ System Design Document (SDD)</li><li>○ Project Charter</li><li>○ Requirements</li><li>○ Project Budget</li></ul></li><li>• Recommended Deliverables:<ul style="list-style-type: none"><li>○ System Security Document</li><li>○ Privacy Documentation</li><li>○ Communication Mgmt Plan</li><li>○ Update Risk Register</li><li>○ Quality Mgmt Plan</li><li>○ Disaster Recovery Plan</li><li>○ Section 508 Test Plan</li></ul></li><li>• Other Deliverables:<ul style="list-style-type: none"><li>○ Configuration Mgmt Plan</li><li>○ Deployment Plan</li><li>○ Release Strategy</li><li>○ Test Plan</li></ul></li></ul>

[Previous Phase](#)

[Process Overview](#)

[Next Phase](#)

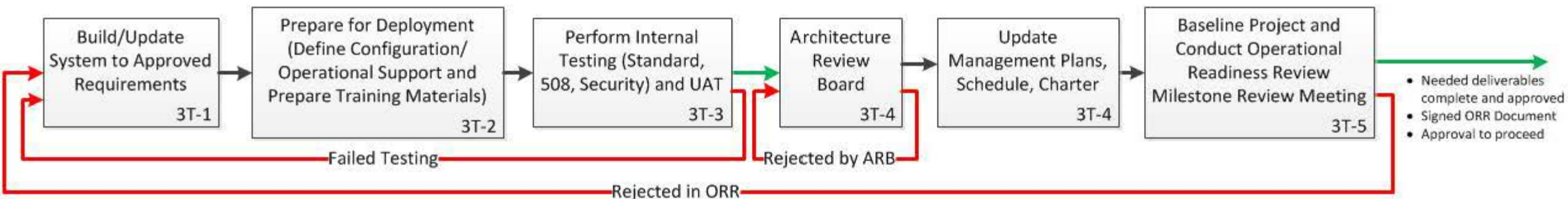


# 3T. Develop and Test Phase

**Description/Purpose:** Using the requirements created in the previous phase, the project's functionality is built and tested.

**Key Features/Benefits:**

- **Transparency:** The project has to be approved by members of the Operational Readiness Review to proceed to the next phase.
- **Objectivity:** The project's functionality is tested against multiple standards.



**Key:**

- Project successfully passed a decision point and can move forward
- Project did not pass a decision point and must return to a previous step

Phase Participants
<ul style="list-style-type: none"><li>• Project Manager</li><li>• IPT Member Groups<ul style="list-style-type: none"><li>◦ Security</li><li>◦ Engineering</li><li>◦ Developer</li><li>◦ EA</li><li>◦ O&amp;M</li><li>◦ Customer/Business Rep</li><li>◦ Intrapreneur</li></ul></li><li>• SDF Governance Group</li></ul>

Phase Inputs
<ul style="list-style-type: none"><li>• Deliverables from Requirements and Design Phase</li></ul>

Phase Deliverables
<ul style="list-style-type: none"><li>• Required Deliverables:<ul style="list-style-type: none"><li>◦ Project Schedule</li><li>◦ Project Charter</li></ul></li><li>• Recommended Deliverables:<ul style="list-style-type: none"><li>◦ System Security Document</li><li>◦ Requirements</li><li>◦ Project Management Plan</li><li>◦ Project Budget</li><li>◦ Test Plan</li><li>◦ Operational Readiness Review Document</li><li>◦ Section 508 Test Plan</li></ul></li><li>• Other Deliverables:<ul style="list-style-type: none"><li>◦ Communication Management Plan</li><li>◦ Configuration Management Plan</li><li>◦ Disaster Recovery Plan</li><li>◦ Operational Support Plan</li><li>◦ User Manual</li><li>◦ UA Test Plan</li></ul></li></ul>

[Previous Phase](#)

[Process Overview](#)

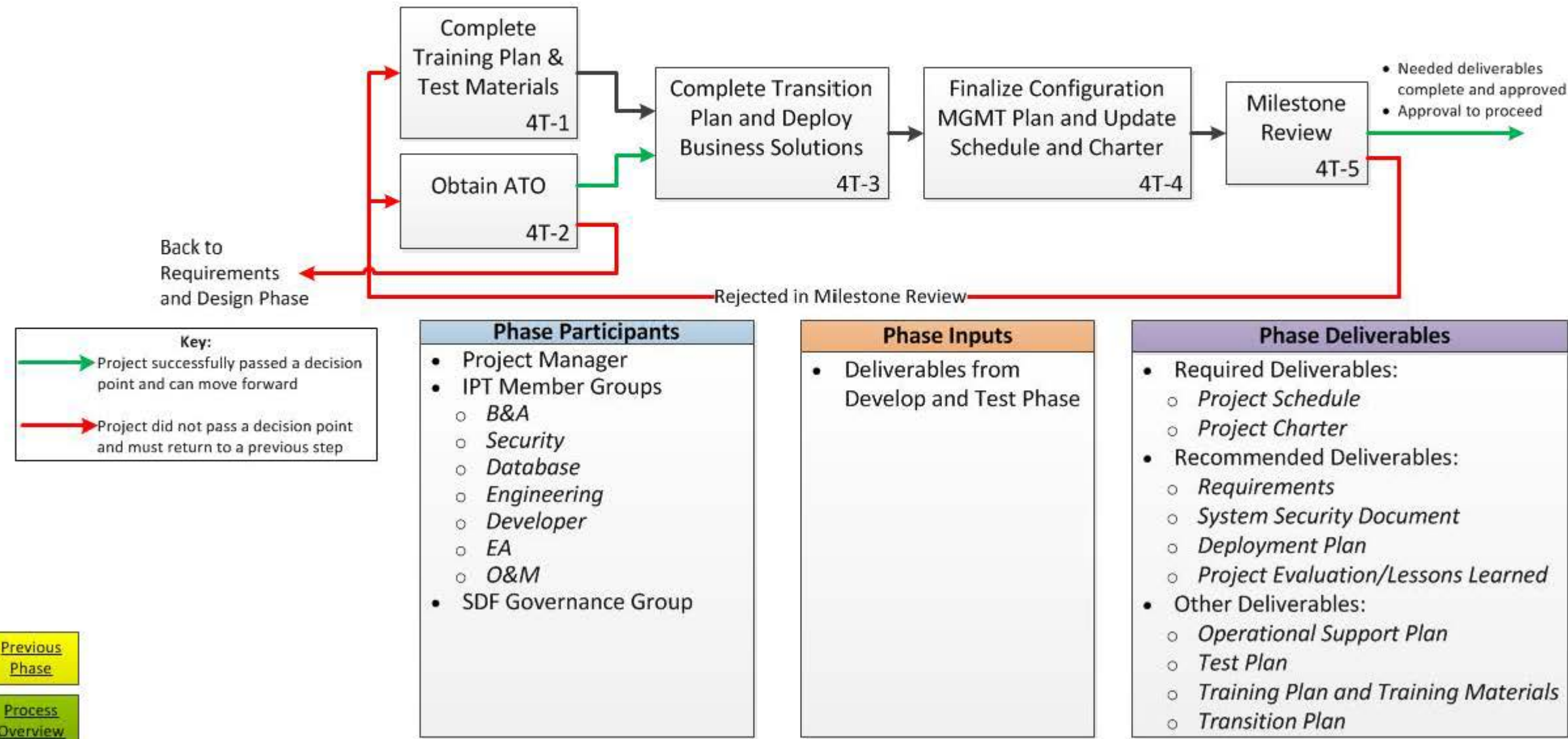
[Next Phase](#)

# 4T. Accept and Implement Phase

**Description/Purpose:** The project obtains its Authority to Operate (ATO), completes its Transition Plan, and deploys the functionality to end users.

**Key Features/Benefits:**

- **Transparency:** The project is reviewed by the Security IPT Member before it obtains its ATO.
- **Flexibility:** Smaller or less complicated projects only need to complete/update the Project Schedule and Project Charter to complete this phase.



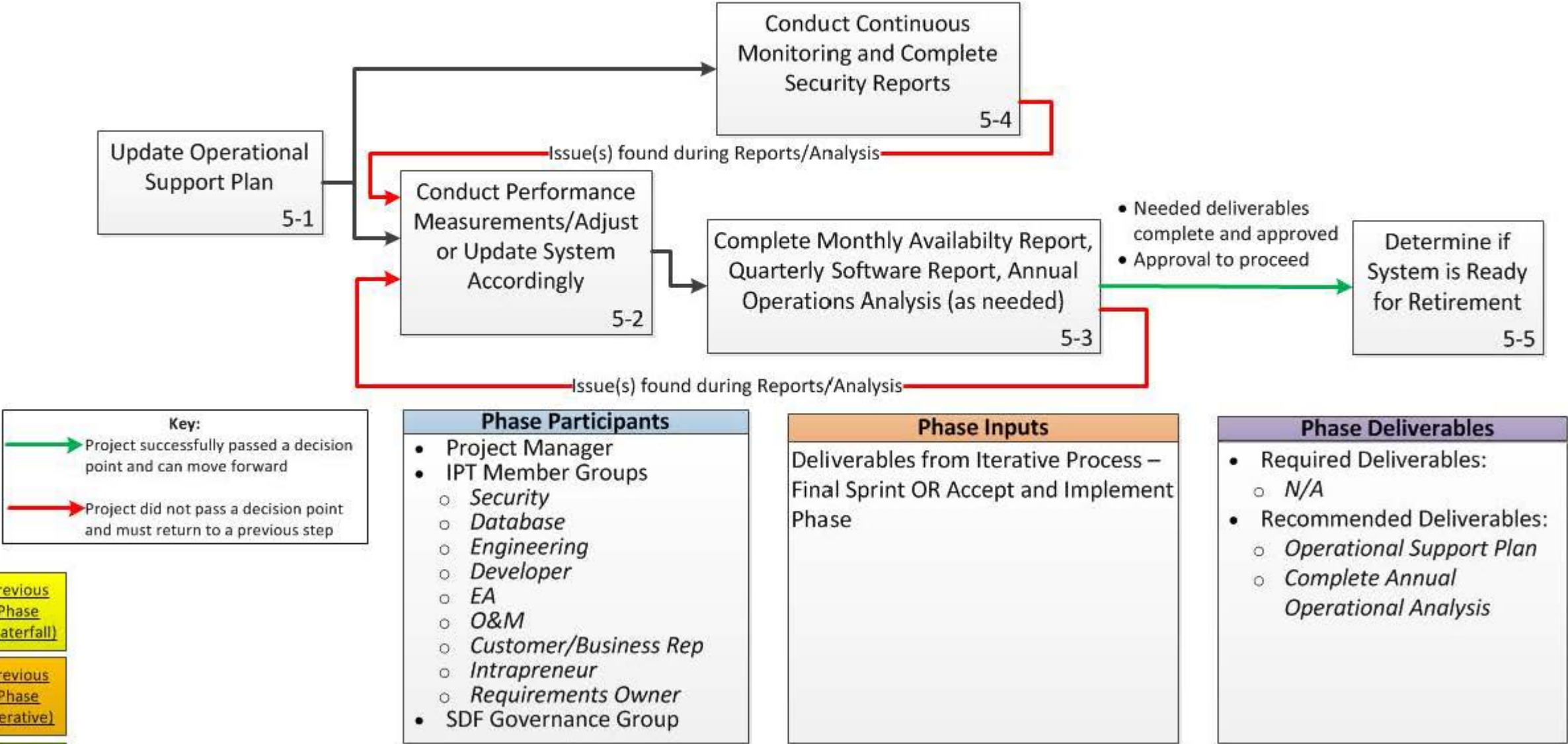


# 5. Operate & Maintain Phase

**Description/Purpose:** Following the project's release, it is maintained and regularly reviewed to verify it is functioning properly.

**Key Features/Benefits:**

- **Objectivity and Transparency:** The project is reviewed monthly, quarterly, and annually in accordance with set standards.
- **Simplicity:** As long as the projects functionality is performing properly, the IPT does not need to become involved outside the recurring reviews.



[Previous Phase \(Waterfall\)](#)

[Previous Phase \(Iterative\)](#)

[Process Overview](#)

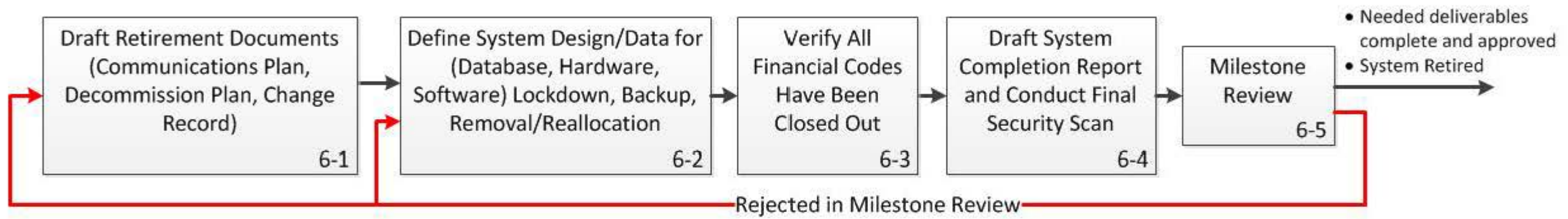
[Next Phase](#)

# 6. Retirement Phase

**Description/Purpose:** If a project is no longer needed, all of its constituent parts, including hardware, software, and other resources are decommissioned and reallocated.

**Key Features/Benefits:**

- **Transparency:** All parts of a project are recorded and retired by members of the IPT, who ensure all needed information regarding the system's retirement is shared with all members of the IPT.



**Key:**

- Project successfully passed a decision point and can move forward
- Project did not pass a decision point and must return to a previous step

[Previous Phase](#)

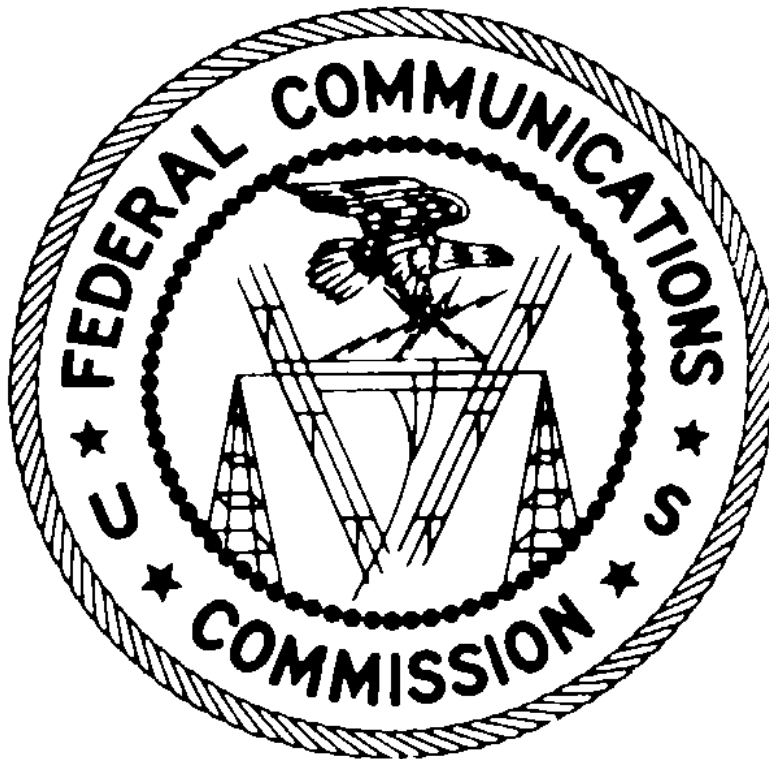
[Process Overview](#)

Phase Participants	Phase Inputs	Phase Deliverables
<ul style="list-style-type: none"><li>• Project Manager</li><li>• IPT Member Groups<ul style="list-style-type: none"><li>◦ B&amp;A</li><li>◦ Security</li><li>◦ Database</li><li>◦ Engineering</li><li>◦ EA</li><li>◦ O&amp;M</li></ul></li><li>• SDF Governance Group</li></ul>	Deliverables from Operate and Maintain Phase	<ul style="list-style-type: none"><li>• Required Deliverables:<ul style="list-style-type: none"><li>◦ <i>System Design Document (SDD)</i></li></ul></li><li>• Recommended Deliverables:<ul style="list-style-type: none"><li>◦ <i>Communication Management Plan</i></li><li>◦ <i>Project Budget</i></li><li>◦ <i>Decommission Document</i></li><li>◦ <i>System Completion Report</i></li><li>◦ <i>Systems Security Document</i></li></ul></li><li>• Other Deliverables:<ul style="list-style-type: none"><li>◦ <i>Change Record</i></li></ul></li></ul>

## Glossary

- **ATO** – Authority to Operate
- **Green Arrow** – Project has passed the previous activity and can proceed to the next activity
- **IPT** – Integrated Project Team
- **Milestone Review** – Meeting (virtual or real) during which members of the IPT and the SDF Governance Board review the previous phase completed deliverables and project status and determine if the project is allowed to proceed to the next phase
- **Red Arrow** – Project did not pass the previous activity and has to return to a previous activity
- **SDD** – System Design Document
- **SDF** – Solution Delivery Framework

**Federal Communications Commission  
Office of Inspector General  
Office of Audit**



**Audit Manual**

Issued February 2015





Federal Communications Commission  
Office of Inspector General

TABLE OF CONTENTS

ACRONYMS LISTING .....	VI
SECTION 1: GENERAL CHAPTERS	
CHAPTER 1 – PURPOSE AND ORGANIZATION.....	2
1.1 PURPOSE.....	2
1.2 IG ACT .....	2
1.3 POLICY .....	2
Mission.....	2
Vision.....	3
Values.....	3
1.4 ORGANIZATIONAL STRUCTURE .....	3
<i>Roles and Responsibilities:</i>	
<i>The Inspector General.....</i>	3
<i>The Deputy Inspector General.....</i>	5
<i>The Assistant Inspector General for Audits .....</i>	5
<i>The Deputy Assistant Inspector General:</i>	
<i>Policy Quality Assurance Division .....</i>	7
<i>Audit Operations, Financial, and IT Division.....</i>	7
<i>Universal Service Fund Division .....</i>	8
<i>The Assistant Inspector General for Management.....</i>	9
<i>Audit Division Staff.....</i>	10
1.5 LEADERSHIP AND SUPERVISION.....	10
CHAPTER 2 – AUDIT POLICY AND STANDARDS.....	12
2.1 POLICY.....	12
2.2 STANDARDS AND GUIDELINES.....	12
2.3 WAIVER OF POLICY .....	14
CHAPTER 3 – QUALITY CONTROL AND ASSURANCE PROGRAM.....	15
3.1 PURPOSE .....	15
3.2 BACKGROUND AND POLICY.....	15
3.3 INTERNAL QUALITY CONTROL REVIEWS .....	16
3.4 EXTERNAL QUALITY REVIEWS .....	19
CHAPTER 4 – INDEPENDENCE AND ETHICS .....	20
4.1 PURPOSE .....	20
4.2 BACKGROUND AND STANDARD .....	20
4.3 POLICY.....	20
4.4 THREATS TO INDEPENDENCE.....	20
4.5 SAFEGUARDS .....	22
4.6 OIG INDEPENDENCE.....	23
4.7 ETHICS .....	23
CHAPTER 5 – COMPETENCE AND PROFESSIONAL DEVELOPMENT .....	25
5.1 PURPOSE .....	25
5.2 BACKGROUND AND STANDARDS .....	25
5.3 POLICY.....	25
5.4 TRAINING.....	26
5.5 PERSONAL DEVELOPMENT PLAN .....	26
5.6 PROFESSIONAL CERTIFICATIONS .....	27
CHAPTER 6 – CONTRACT ACQUISITION AND OVERSIGHT .....	28



**Federal Communications Commission  
Office of Inspector General**

6.1 PURPOSE .....	28
6.2 STANDARDS .....	28
6.3 POLICY.....	29
6.4 PLANNING AND CONSIDERATIONS .....	29
6.5 COMMUNICATING AUDIT AND SERVICE REQUIREMENTS .....	31
6.6 REVIEWING SOLICITATIONS FOR NON-FEDERAL AUDIT SERVICES .....	31
6.7 SELECTING A CONTACTOR AND TECHNICAL EVALUATION .....	33
6.8 CONTRACTOR TECHNICAL ASSISTANCE .....	34
6.9 MONITOR PERFORMANCE.....	34
6.10 ADVERSE CONDITIONS.....	35
6.11 TEAMMATE AND COR MONITORING .....	35
6.12 COR AND DAIGA RESPONSIBILITIES .....	35
<b>CHAPTER 7 – AUDIT RESOLUTION AND FOLLOW-UP.....</b>	<b>37</b>
7.1 PURPOSE .....	37
7.2 STANDARDS .....	37
7.3 POLICY.....	37
7.4 THE AUDIT PROCESS.....	37
7.5 RESOLUTION .....	38
7.6 CONFLICT RESOLUTION PROCEDURES.....	38
7.7 FOLLOW-UP PROCEDURES.....	38
<b>CHAPTER 8 – OTHER ADMINISTRATIVE MATTERS .....</b>	<b>40</b>
8.1 PURPOSE .....	40
8.2 POLICY.....	40
8.3 PROCEDURES AND GUIDELINES .....	40
<i>Auditor (Team Member) Expectations.....</i>	<i>40</i>
<i>Employee Review Performance Competencies .....</i>	<i>42</i>
<i>Employee Communication Policy Guidelines.....</i>	<i>43</i>
8.4 TRAVEL REQUEST AND TRAVEL VOUCHERS.....	45
8.5 TELEWORK.....	45
8.6 TIME AND ATTENDANCE .....	45
8.7 EMPLOYEE CONDUCT.....	46
8.8 BI-WEEKLY STATUS REPORTS .....	46
8.9 SEMIANNUAL REPORT .....	46
<b>SECTION 2: AUDITING CHAPTERS</b>	
<b>CHAPTER 9 – THE AUDIT DEVELOPMENTAND DECISION PROCESS .....</b>	<b>48</b>
9.1 PURPOSE .....	48
9.2 STANDARDS AND BACKGROUND .....	48
<i>How Do We Decide What to Audit?.....</i>	<i>48</i>
9.3 ANNUAL AUDIT PLAN .....	48
9.4 OIG STRATEGIC PLAN.....	49
9.5 SEMI-ANNUAL REPORTS TO CONGRESS.....	49
<b>CHAPTER 10 – PLANNING AUDIT ENGAGEMENTS.....</b>	<b>50</b>
10.1 PURPOSE .....	50
10.2 STANDARDS .....	50
10.3 POLICY.....	50
10.4 PLANNING GUIDANCE.....	50
10.5 SURVEY .....	53
10.6 ASSIGNMENT PLANNING.....	53
10.7 DETAILED WRITTEN AUDIT PLAN .....	54
10.8 AUDITOR PROCEDURES .....	55



**Federal Communications Commission  
Office of Inspector General**

<b>CHAPTER 11 – TEAMMATE AND WORKING PAPERS .....</b>	<b>56</b>
11.1 PURPOSE .....	56
11.2 BACKGROUND AND STANDARDS .....	56
11.3 POLICY.....	56
11.4 TEAMMATE .....	56
11.5 ELECTRONIC WORK PAPERS.....	56
11.6 ACCESS TO WORKING PAPERS.....	58
<b>CHAPTER 12 – EVIDENCE AND AUDIT DOCUMENTATION .....</b>	<b>60</b>
12.1 PURPOSE .....	60
12.2 STANDARDS.....	60
12.3 POLICY.....	60
12.4 EVIDENCE .....	60
<i>General</i> .....	60
<i>Sufficient and Appropriate Evidence</i> .....	61
<i>Source of Evidence Obtained</i> .....	62
<i>Overall Assessment of Evidence</i> .....	63
12.5 ACCESS TO RECORDS .....	63
12.6 DENIAL OF ACCESS TO RECORDS.....	64
12.7 AUDIT DOCUMENTATION .....	64
<i>Purpose of Audit Documentation</i> .....	64
12.8 INDEXING AND CROSS-REFERENCING.....	66
12.9 DOCUMENTATION REVIEW .....	66
<i>Documentation Review</i> .....	66
<i>Supervisory Review</i> .....	66
<i>Independent Review</i> .....	67
12.10 PERSONALLY IDENTIFIABLE INFORMATION.....	67
<b>CHAPTER 13 – MANAGEMENT AND PROTECTION OF AUDIT DOCUMENTATION .....</b>	<b>68</b>
13.1 PURPOSE .....	68
13.2 BACKGROUND .....	68
13.3 SAFEGUARDING DOCUMENTATION DURING THE AUDIT .....	68
13.4 RETENTION AND SAFEGUARD FOR TEAMMATE AUDIT FILES .....	69
13.5 SAFEGUARDING CLASSIFIED AUDIT FILES .....	69
13.6 FREEDOM OF INFORMATION ACT REQUESTS .....	69
<i>Anticipate FOIA requests</i> .....	69
<i>Processing FOIA requests</i> .....	70
13.7 PERMANENT FILES .....	70
13.8 IPA CONTRACTED WORK .....	70
13.9 ACCESS TO WORKING PAPERS.....	70
13.10 RECORD RETENTION AND DISPOSITION .....	70
<b>CHAPTER 14 – INTERNAL CONTROLS.....</b>	<b>71</b>
14.1 PURPOSE .....	71
14.2 STANDARDS.....	71
14.3 POLICY.....	71
14.4 THE AUDIT PROCESS .....	71
14.5 REVIEW OF INTERNAL CONTROLS FOR COMPUTER BASED SYSTEMS.....	72
<b>CHAPTER 15 – USING THE WORK OF OTHERS.....</b>	<b>74</b>
15.1 PURPOSE.....	74
15.2 STANDARDS .....	74



**Federal Communications Commission  
Office of Inspector General**

15.3 POLICY .....	74
15.4 OA RESPONSIBILITY .....	74
15.5 RELYING ON THE WORK OF SPECIALISTS .....	75
15.6 REPORTING .....	75

**SECTION 3: REPORTING AND OTHER CHAPTERS**

**CHAPTER 16 – REPORTING RESULTS..... 77**

16.1 PURPOSE .....	77
16.2 STANDARDS .....	77
16.3 POLICY .....	77
16.4 TYPES OF REPORTS .....	77
16.5 TIMELINESS .....	78
16.6 NOTIFICATION OF FINDINGS AND RECOMMENDATIONS .....	78
16.7 REPORT CONTENTS.....	78
16.8 REPORT SECTIONS .....	79
16.9 INSPECTION AND EVALUATION REPORTS .....	81
16.10 MANAGEMENT LETTERS .....	82
16.11 MEMORANDA.....	82
16.12 INDEPENDENT REPORT REFERENCING .....	83
16.13 ISSUING THE REPORTS .....	84
16.14 MORE ON MANAGEMENT RESPONSE AND EVALUATION OF MANAGEMENT RESPONSE.....	87
16.15 REDACTIONS.....	87
16.16 MONETARY BENEFITS .....	89
16.17 REPORT AND RECOMMENDATION TRACKING .....	89
16.18 POSTING REPORTS TO THE INTERNET .....	90

**CHAPTER 17 – DATA ANALYTICS AND DATA MINING..... 91**

17.1 PURPOSE AND DEFINITIONS.....	91
17.2 BACKGROUND.....	91
17.3 OA STRUCTURE AND ORGANIZATIONAL PLACEMENT.....	92
17.4 AREAS WHERE DATA ANALYTICS ADD THE MOST VALUE .....	92
17.5 DATA ANALYTICS AND THE USE OF COMPUTER ASSISTED AUDITING TECHNIQUES .....	93
17.6 FACTORS FOR THE AUDITOR TO CONSIDER IN CONDUCTING DATA ANALYTICS .....	93
17.7 ANALYTICAL METHODOLOGY.....	94
17.8 TYPES OF TOOLS .....	95
17.9 RESOURCES .....	95

**APPENDICES**

APPENDIX A: DO’S AND DON’TS FOR CONTRACTING OFFICER REPRESENTATIVES (CORs)
APPENDIX B: STATUS OF REPORT PROCESS FORM





## Federal Communications Commission Office of Inspector General

### Acronyms Listing

AICPA – American Institute of Certified Public Accountants  
AIGA – Assistant Inspector General for Audit  
AIGI – Assistant Inspector General for Investigations  
AIGM – Assistant Inspector General for Management  
CIGIE – Counsel of Inspectors General on Integrity and Efficiency  
CO – Contracting Officer  
COR – Contract Officer Representative  
CPE – Continuing Professional Education  
DAIGA – Deputy Assistant Inspector General for Audit  
DIG – Deputy Inspector General  
DOI – Department of Interior  
DOI PC – Department of Interior Procurement Center  
EWP – Electronic Work(ing) Papers  
FAM – Financial Audit Manual  
FCC – Federal Communications Commission  
FOIA – Freedom of Information Act  
FMFIA – Federal Managers’ Financial Integrity Act  
FSAN – Financial Statement Audit Network  
GAAP – Generally Accepted Accounting Principles  
GAGAS – Generally Accepted Government Auditing Standards  
GAO – U.S. Government Accountability Office  
GAS – Government Auditing Standards (or Yellow Book)  
IGCE – Independent Government Cost Estimate  
IG – Inspector General  
IPA – Independent Public Accountants  
OA – Office of Audit  
OIG – Office of Inspector General  
OFID – Operations, Financial, Information Technology Division  
OMB – Office of Management and Budget  
OUO – Official Use Only  
PA – Privacy Act  
PII – Personally Identifiable Information  
POC – Point of Contact  
PQAD – Policy Quality Assurance Division  
QA – Quality Assurance  
RFQ – Request for Quotation  
SAR or SARC – Semi-Annual Report to Congress  
SAS – Statement on Auditing Standards  
SSAE – Statements on Standards for Attestation Engagements  
UCI – Unclassified Information  
USF – Universal Service Fund  
USFD – Universal Service Fund Division



# **Section 1 General Chapters FCC OIG Draft Audit Manual**



## **Chapter 1: Purpose and Organization**

### **1.1 Purpose:**

This manual consolidates the policies, procedures, standards, technical guidance and other techniques to be followed by Office of Audit (OA) staff in planning and conducting audit work and preparing related reports on behalf of the Office of Inspector General (OIG).

The standards, definitions and audit requirements to be followed in executing the OA mission were compiled from a variety of sources. This manual is intended to be consistent with external standards (i.e. GAGAS, CIGIE, etc.) and to ensure that audit services conducted by or on behalf of OA are fair, professional, objective and reliable.

### **1.2 The Inspector General Act:**

The Inspector General (IG) Act was passed in 1978 as a reflection of congressional concern that fraud, abuse and waste in the operations of federal agencies and in federally funded programs was reaching “epidemic proportions.” The IG Act has been amended several times over the years. IGs were, prior to 1988, mostly presidential appointees to the Cabinet level agencies. The 1988 amendments to the Act mandated appointments of IGs by their agency heads in 33 “designated entities,” one of which was the FCC. The Chairman appointed the first FCC IG on March 29, 1989.

The IG Act states that the purpose of the OIG is to provide independent and objective offices to conduct and supervise audits and investigations relating to agency programs and operations. Under the IG Act, the IG is also directed to provide leadership and coordination, and to recommend policies to prevent and detect fraud and abuse in agency programs and operations. The Inspector General Act of 1978, as amended, can be found on the Counsel of the Inspectors General on Integrity and Efficiency’s website ([www.ignet.gov](http://www.ignet.gov)).

### **1.3 Policy:**

The OIG assists the FCC by (1) conducting and supervising independent and objective audits, investigations, evaluations, and other services, (2) promoting economy, efficiency, and effectiveness, (3) preventing and detecting fraud, waste, abuse, and mismanagement, and (4) keeping the Chairperson and the Congress fully and currently informed of our work. The OIG’s public website ([www.fcc.gov/oig](http://www.fcc.gov/oig)) describes our mission, vision and values as follows:

#### **Mission**

“To be an agent of positive change, striving for continuous improvement in FCC's management and program operations.”



## Federal Communications Commission Office of Inspector General

### **Vision**

OIG staff, products and services are respected and sought after by the Agency and other customers.

### **Values**

- Products and services are competent, objective, timely, and relevant.
- A customer focus which is responsive to the needs of decision makers.
- A positive working environment within the OIG which encourages us to be innovative and reach our potential through teamwork and open, candid communication.

To accomplish these objectives, the IG establishes policies for audits and inspections pertaining to all FCC programs and operations. He or she also conducts, supervises, and coordinates these audits and evaluations. Further, the IG reviews existing and proposed regulations to evaluate their impact on economy, efficiency, and the prevention of fraud and abuse.

### **1.4 Organizational Structure:**

The IG is the head of the OIG, responsible for the overall direction and operation of the office, and reports to and is under the general supervision of the Chairman of the FCC. Senior office management includes the Deputy Inspector General (DIG), Assistant Inspector General for Investigations (AIGI/Counsel), the Assistant Inspector General for Audit (AIGA) and the Assistant Inspector General for Management (AIGM). Senior managers are under the direct supervision of the Deputy Inspector General. Deputy Assistant Inspectors General for Audit (DAIGAs) are under the direct supervision of the AIGA. Audit directors are under the direct supervision of the DAIGAs. The following paragraphs provide a description of the roles and responsibilities of senior management positions.

#### **The Inspector General (IG)**

The Chairman of the FCC appoints the IG. While the IG is appointed and under the general supervision of the Chairman, neither the Chairman nor any other FCC office or employee may interfere in the performance of the IG's duties.<sup>1</sup>

Duties and Responsibilities. With regard to audits, the IG shall:

- Provide policy direction for, and conduct, supervise, and coordinate audits and investigations relating FCC programs and operations.

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<sup>1</sup> Inspector General Act of 1978, As Amended, (Current through Pub. L. 113-126, enacted July 7, 2014)  
[www.ignet.gov](http://www.ignet.gov)





## Federal Communications Commission Office of Inspector General

- Review existing and proposed legislation and regulations relating to FCC programs and operations and make recommendations in semiannual reports to Congress concerning the impact of such legislation or regulations on the economy and efficiency in the administration of such programs and operations administered or financed by the FCC, or the prevention and detection of fraud and abuse in such programs and operations.
- Recommend policies for, and conduct, supervise, and coordinate other activities carried out or financed by the FCC for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in FCC programs and operations.
- Recommend policies for, and conduct, supervise or coordinate activities between the FCC and other Federal agencies, state, and local government agencies and non-governmental entities with respect to all matters relating to the promotion of economy and efficiency in the administration of, or the prevention and detection of fraud and abuse in programs and operations administered or financed by the FCC, or the identification and prosecution of participants in such fraud or abuse.
- Keep the Chairman and Congress fully and currently informed of matters concerning fraud and other serious problems, abuses, and deficiencies relating to the administration of programs and operations administered or financed by the FCC; recommend corrective action concerning such problems, abuses, and deficiencies; and report on the progress made in implementing such corrective action.
- Prepare semiannual reports summarizing the activities of the OIG for the six-month periods ending on March 31 and September 30.
- Report immediately to the Chairman of the FCC whenever the IG becomes aware of serious or flagrant problems, abuses, or deficiencies. The Chairman shall report to appropriate committees or subcommittees of the Congress within seven calendar days any comments he/she deems appropriate.
- Comply with standards established by the Comptroller General of the United States for audits of federal establishments, organizations, programs, activities, and functions.
- Give particular regard to the activities of the Comptroller General of the United States with a view toward avoiding duplication and insuring effective coordination and cooperation.
- Report expeditiously to the Attorney General whenever the IG has reasonable grounds to believe there has been a violation of Federal criminal law.

Authority. To carry out these responsibilities, the Inspector General shall:

- Have access to all records, reports, documents, papers, or other materials that relate to programs and operations with respect to the FCC.
- Make such audits and investigations relating to the programs and operations of the FCC as are in judgment of the IG, necessary or desirable.
- Request such information or assistance as may be necessary for carrying out the duties and responsibilities from any federal, state, or local government agency or unit.
- Require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence necessary in the performance of



## **Federal Communications Commission Office of Inspector General**

the duties specified above, which subpoena, in the case of contumacy or refusal to obey shall be enforceable by order of any appropriate United States District Court.

- Administer to or take from any person an oath, affirmation or affidavit.
- Have direct and prompt access to the Chairman of the FCC when necessary for any purpose pertaining to the performance of functions and responsibilities under the IG Act.
- Enter into contract and other arrangements for audits, studies, analysis, and other services.
- Select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the OIG subject to other applicable provisions of the law.

Delegation Authority. The IG may delegate to any officer or employee of the OIG the duties, responsibilities, and authority necessary to comply with the IG Act, as amended, and conduct the operation of the office.

### **The Deputy Inspector General (DIG)**

Duties and Responsibilities. The DIG shall:

- Provide authoritative advice on audits and investigations, and participate in administrative or judicial hearings. Performs a broad range of legal responsibilities. Reviews proposed legislation and regulations relating to programs and operations of the agency and makes recommendations to promote economy and efficiency and to prevent fraud.
- Conduct and/or direct the conduct of audits relating to the programs and operations of the agency.
- Conduct and/or direct the conduct of investigations based upon allegations of wrongdoing. Receives, investigates and takes appropriate action on complaints by employees and or the public.
- Keep the Chairman and Congress fully and currently informed of problems incurred and deficiencies noted. Submits to Congress and the Office of Management and Budget all required reports.
- Comply with General Accountability Office (GAO) audit standards.
- Plan work to be accomplished by the staff, set goals and priorities, and prepare schedules for completion of work.

Authority. To carry out these responsibilities the DIG shall:

- Have delegated authority to from the IG to fulfill necessary functions in the absence of the IG.

### **The Assistant Inspector General for Audits (AIGA)**

Duties and Responsibilities. The AIGA shall:



## Federal Communications Commission Office of Inspector General

- Develop and monitor a strategic plan consistent with the Commission's guidance and reporting cycles.
- Develop audit strategies for maximizing efficiency and timely performance, while conserving staff and dollar resources.
- Conduct overall coordination of audit functional areas.
- Supervise three Deputy Assistant Inspectors General for Audit (DAIGA), Audit Directors, and staff in the planning, and performance of audits.
- Develop the annual audit plan in conjunction with the Deputy Assistant Inspector General for Audit – Operations, Financial, and IT Division (DAIGA OFID) and Deputy Assistant Inspector General for Audit - Universal Service Fund Division (DAIG USFD).
- Develop and oversee the Office of Audit Quality Assurance program in conjunction with the Deputy Assistant Inspector General - Policy and Quality Assurance Division (DAIGA PQAD).
- Develop new hypotheses as required to accomplish audits that are pioneering in their nature and scope. These audits may be government-wide in scope and encompass broad financial systems and operations.
- Coordinates concurrent audits and in conjunction with OIG policies and standards, establishes guidelines and procedures on technical matters including: three DAIGA, audit directors, audit staff, monitoring ongoing audit work, audit working papers, and review and processing of final and draft reports.
- Provide supervisory leadership in implementing the OIG's audit policies and programs and recommends revision based on his/her evaluation of results and changing needs.
- Provide expert knowledge in developing the OIG Audit Universe and Annual Audit Plan as it relates to the OIG oversight activities.
- Provide leadership, direction, and resource support to ensure effective IG audit oversight.
- Facilitates the audit resolution process and acts as the OIG liaison to management under FCC Audit Follow-up Directive.
- Keep abreast of audits and reports on new developments, studies, directives, and publications.
- Supervises, assists, conducts, leads and provides expertise in the conduct of audits and investigations as required.
- Perform other related duties as assigned.

Authority. To carry out these responsibilities the AIGA shall:

- Direct audit operations of the OIG.
- Develop audit policies and procedures in conjunction with input from the DAIGAs.
- Develop the annual audit plan in conjunction with input from the DAIGAs.
- Advise FCC management on the extent to which policies and procedures are being followed, operations is managed efficiently, and internal controls are in place.
- Serve as FCC liaison with other audit offices.
- Represent the IG in contacts with Congress, GAO, the Office of Management and Budget, and other high level Federal officials such as representatives of the Department of Justice, and senior level FCC managers in areas of responsibility.



**Federal Communications Commission  
Office of Inspector General**

**The Deputy Assistant Inspector General for Policy and Quality Assurance Division  
(DAIGA PQAD)**

Duties and Responsibilities. The DAIGA PQAD shall:

- Assist the AIGA in developing and monitoring a strategic plan consistent with the Commission's guidance and reporting cycles.
- Assists the AIGA in developing strategies for maximizing efficiency and timely performance of audits, while conserving staff and dollar resources.
- Assist the AIGA with development of the annual audit plan in conjunction with the DAIGA OFID and DAIG USFD.
- Maintain the OIG quality assurance (QA) program, to include drafting of QA Policy Directives with compliance checklists to be included as part of the QA process.
- Assist with the preparation of the semiannual reports to Congress consistent with the IG Act.
- Monitor and report on the status of open audit recommendations.
- Assist the AIGA with annual training activities. These responsibilities include providing managers and staff with information on available training opportunities, maintaining training records, acting as a liaison with the IG Criminal Investigators Academy (IGCIA) and the Federal Law Enforcement Training Center (FLETC) and helping supervisors ensure that the staff is given the opportunity to attain the required level of continuing professional education.
- Assist the AIGA in maintaining the OIG Audit Manual of Policies and Procedures.
- Serving as FCC liaison with GAO and the Council of Inspectors General on Integrity and Efficiency (CIGIE), as directed by the AIGA.

Authority. To carry out these responsibilities the DAIGA PQAD shall:

- Keep abreast of and report to staff new developments, studies, directives, and publications that can impact the policies and procedures and operations of the OIG.
- Assist the AIGA, as requested, to represent the IG in contacts with Congress, GAO, the Office of Management and Budget (OMB), and other high level Federal officials such as representatives of the Department of Justice, and senior level FCC managers in areas of responsibility.
- Assist in and lend expertise to the conduct of audits and investigations as required by the AIGA.

**The Deputy Assistant Inspector General for Audit Operations, Financial, and IT Division  
(DAIGA OFID)**

Duties and Responsibilities. The DAIGA OFID shall:

- Plan and conduct audits, attestation engagements and reviews of FCC operations, activities and programs, including internal control evaluations, compliance audits, economy and efficiency reviews, program results reviews, and fraud audits.



## **Federal Communications Commission Office of Inspector General**

- Plan and conduct audits, attestation engagements and reviews of the TRS Fund, the Administrator and TRS providers, including internal control evaluations, compliance audits, economy and efficiency reviews, program results reviews, and fraud audits.
- Assess the risk of activities and recommend policy, procedures, audits, reviews and evaluations.
- Coordinate and assist OIG investigations when auditors report suspected improper or illegal acts for possible further review.
- Report audit results to management and recommend improvements and corrective actions.
- Prepare draft summaries for assigned area of semi-annual report to congress.
- Draft responses to inquiries or requests from congress and other regulatory agencies.
- Assist the AIGA and DAIGA – PQAD with monitoring and reporting on the status of open audit recommendations.
- Monitor and evaluate the performance of assigned staff and contractors.

Authority. To carry out these responsibilities the DAIGA OFID shall:

- Assist the AIGA in directing audit operations of the OIG for the Financial, IT, and Operational functional areas.
- Assist the AIGA in developing audit policies and procedures that support OIG oversight.
- Assist the AIGA in developing the annual audit plan for the Financial, IT, and Operational functional areas.
- Assist the AIGA and advises FCC management on the extent to which policies and procedures are being followed, operations are managed efficiently, and internal controls are in place and operating effectively.
- Assist the AIGA and serve as FCC liaison with other audit offices.
- Assist the AIGA and represent the IG in contacts with Congress, GAO, the Office of Management and Budget, and other high level Federal officials such as representatives of the Department of Justice, and senior level FCC managers in areas of responsibility.

### **The Deputy Assistant Inspector General for Audit Universal Service Fund Division (DAIGA USFD)**

Duties and Responsibilities. The DAIGA USFD shall:

- Plan and conduct audits, reviews, and attestation engagements and provide oversight of Universal Service Fund (USF) operations, activities and programs, including internal control evaluations, compliance audits, economy and efficiency reviews, program results reviews, and fraud audits.
- Assess risk of activities and recommend policy, procedures, audits, reviews and evaluations.
- Perform oversight of USF audits outsourced to public accounting firms and other government agencies.
- Coordinate and assist OIG investigations when auditors report suspected improper or illegal acts for possible further review.





## **Federal Communications Commission Office of Inspector General**

- Report USF audit results to management and recommend improvements and corrective actions.
- Monitor and evaluate the performance of assigned staff and contractors.
- Assist the AIGA and DAIGA – PQAD with monitoring and reporting on the status of open USF audit recommendations.
- Provide data analytics support to other OA divisions.
- Prepare draft summaries for assigned area of semi-annual report to congress.
- Draft responses to inquiries or requests from congress and other regulatory agencies.

Authority. To carry out these responsibilities the DAIGA USFD shall:

- Coordinate with the AIGA to direct audit operations of the OIG.
- Assist the AIGA in directing audit operations of the OIG.
- Develop audit policies and procedures for OIG oversight of USF programs in coordination with the AIGA.
- Develop the annual audit plan in conjunction with the AIGA.
- Advise FCC management on the extent to which USF policies and procedures are being followed, operations are managed efficiently, and internal controls are in place.
- Serve as FCC OIG liaison with other audit offices regarding USF matters.
- Assist the AIGA and represent the IG in contacts with Congress, GAO, the Office of Management and Budget, and other high level Federal officials such as representatives of the Department of Justice, and senior level FCC managers in areas of responsibility.

### **The Assistant Inspector General for Management (AIGM)**

Duties and Responsibilities. Relative to the audit function, the AIGM shall:

- Manage and provide oversight of the administration of the OIG.
- Act as OIG Budget Officer, developing annual and interim budgets for submission to the FCC and OMB, and supporting those submissions as necessary.
- Serve as the OIG's Records Management Official. Acts in accordance with guidance published by the Commission in this role.
- Serve as the OIG's Training Officer. These responsibilities include approving funding for training requests (in coordination with the OIG supervisors), Ensure that training requests are properly prepared and appropriately disseminated and those funds for training and related travel are requested and approved. These actions are performed in coordination with the DAIGA PQAD.

Authority. To carry out these responsibilities the AIGM shall:

- Keep abreast of and report on new developments, studies, directives, and publications that can impact the policies and procedures and operations of the OIG.



## Federal Communications Commission Office of Inspector General

- Represent the IG in contacts with Congress, GAO, the Office of Management and Budget, and other high level Federal officials such as representatives of the Department of Justice, and senior level FCC managers in areas of responsibility.

### **Audit Division Staff**

Duties and Responsibilities. The Audit Division staff includes directors, auditors and other technical and subject matter experts. The Audit Division staff shall:

- Plan and conduct audits, inspections and evaluations of the FCC's operations, programs and functions.
- Report audit results to management and recommend improvements.
- Assess risk of assigned programs and recommend audit plan.
- Perform oversight of audits outsourced to public accounting firms and other government agencies. Monitor and evaluate performance of assigned contracts as required by the Contracting Officer (CO).
- Report any suspected fraud to the AIGA and AIGI.
- Upon request, provide audit support to investigations of employee or contractor misconduct and violations of laws or regulations, incidents of fraud and abuse, or other activities that may reflect adversely on the integrity of the FCC.
- Coordinate audit activities with appropriate administrative and other oversight functions.
- Provide oversight and monitoring for outsourced audits, assessments, evaluations and inspections.
- Prepare summaries for the Semiannual Report to Congress (SAR) on current and completed audits for the applicable period.

Authority. To carry out these responsibilities the Audit Division staff shall:

- Conduct audit operations of the OIG as directed by the AIGA and the DAIGA USFD.
- Assist in developing audit policies and procedures.
- Work with the AIGs to advise FCC management on prevention and detection of waste and abuse. Report the results of audits and monitor matters requiring management attention or action.
- Serve as FCC liaison with other audit offices as directed by the AIGA and DAIGA USFD.
- Serve as Contracting Officer Representative (COR) on contracted audits, assessments, evaluations and inspections.

### **1.5 Leadership and Supervision:**

FCC-OIG leadership will have an active role in the decision gates for individual audits. The AIGA is responsible for the day-to-day leadership of FCC-OIG audit organization. In conjunction with the DAIGAs, Directors, Auditors-in-Charge and Team Leaders, the AIGA is responsible for audit planning and supervision, and the assurance that individual audits comply with GAGAS, including timely supervisory reviews of audit documentation and quality reviews



**Federal Communications Commission  
Office of Inspector General**

of reports. DAIGAs will assist the AIGA in accomplishing the day-to-day functions of the office. For audits performed by Independent Public Accountants (IPA) on behalf of OA, the designated DAIGA is responsible for monitoring of the OA staff (CORs generally include the directors and staff) to ensure: (1) compliance with the COR designation letter, and (2) oversight of work performed by the IPA firms meets audit policies on IPA monitoring as designated in Chapter 6 of this Manual.



## **Chapter 2: Audit Policy and Standards**

### **2.1 Audit Policy:**

It is OA policy to adhere to all applicable Government Auditing Standards in every audit. OA will incorporate applicable Government Auditing Standards into the audit process and, when appropriate, into procedures issued for guidance of OA auditors. These standards are designed to set the tone for the use of professional judgment by those involved in performing work on a wide variety of assignments.

It is OA policy to periodically review the procedures and practices followed in OA audits and to initiate prompt action necessary to ensure compliance with Government Auditing Standards.

If OA agrees to perform nonaudit services, Government Auditing Standards must not be cited in any report that results from such services.

### **2.2 Standards and Guidelines:**

Audits and attestation engagements are conducted in accordance with generally accepted government auditing standards set forth in the Government Auditing Standards.

Generally accepted government auditing standards are set forth in the Government Accountability Office (GAO) publication entitled Government Auditing Standards (also known as the GAO Yellow Book). These standards, revised December 2011, describe the types of audits and attestation engagements that audit organizations perform, or arrange to have performed of government entities, programs and federal awards administered by contractors, nonprofit entities and other nongovernmental entities. Additionally, when conducting attestation engagements, the AICPA attestation standards and the related Statements on Standards for Attestation Engagements (SSAE), will be adhered to where appropriate. GAS.03.45

The December 2011 edition of Government Auditing Standards defines two types of audits, financial audits and performance audits. Government Auditing Standards also define attestation engagements, which are governed by the American Institute of Certified Public Accountants' (AICPA) Standards for Attestation Engagements. The types of audits and attestation engagements are briefly described below.

Financial audits include financial statement audits and other related services covered by the AICPA's Statements on Auditing Standards. Performance audits encompass a wide variety of audit objectives. Government Auditing Standards list four types of audit objectives: (1) program effectiveness and results, (2) internal control, (3) compliance (financial or nonfinancial), and (4) prospective analysis. OA audits may encompass multiple audit objectives (e.g., internal control and compliance). Attestation engagements concern examining, reviewing or performing agreed-upon procedures on a subject matter or an assertion. Chapter 2 of the Government Auditing Standards discusses types of audits and attestation engagements.



## **Federal Communications Commission Office of Inspector General**

Within OA, most audits we conduct are performance audits. Financial audits, as required by the Chief Financial Officers (CFO) Act of 1990, are also performed. This work is often completed, under arrangement, by audit organizations other than OA.

OA does not routinely conduct attestation engagements. Attestation engagements that are performed by OA staff require prior written approval of the AIGA. No OA auditor will perform an attestation engagement without first receiving the appropriate training as determined by the AIGA.

The OA operations are also guided by:

- The Inspector General Act of 1978, as amended (IG Act). The IG Act requires that audit work conducted by the Federal Inspectors General and by nonfederal auditors on their behalf comply with Government Auditing Standards.
- Council of the Inspectors General on Integrity and Efficiency (CIGIE). The CIGIE has promulgated standards in the publication, *Quality Standards for Inspection and Evaluation*. Evaluations/Inspections are conducted in accordance with the CIGIE standards.

These standards apply to governmental audit activities and are consistent with Government Auditing Standards. The CIGIE has also developed standards and detailed guidance for conducting external quality control reviews of OIG audit operations.

For financial statement audits performed in accordance with the Chief Financial Officers Act of 1990 (CFO Act), the GAO/CIGIE Financial Audit Manual (FAM) is also adhered to where appropriate. The FAM presents a methodology to perform financial statement audits of federal entities in accordance with professional standards.

- Office of Management and Budget (OMB) Circulars. The OMB has issued various circulars and bulletins that either requires audits to be conducted in accordance with Government Auditing Standards or otherwise affect how audits of FCC operations and activities are to be conducted. Some OMB circulars relevant to our work are:

### **SELECTED OMB CIRCULARS**

A-50 Audit Follow up

A-87 Cost Principles for State, Local and Indian Tribal Governments

A-102 Grants and Cooperative Agreements with State and Local Governments

A-110 Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations

A-122 Cost Principles for Non-Profit Organizations

A-123 Management's Accountability and Control

A-127 Financial Management Systems

A-133 Audits of States, Local Governments, and Non-Profit Organizations



## **Federal Communications Commission Office of Inspector General**

A-134 Financial Accounting Principles and Standards

A-136 Financial Reporting Requirements

When tasked to perform services for purposes other than audit, staff should comply with the Government Auditing Standards to the extent possible.

### **2.3 Waiver of OA Policy:**

The DIG may grant a waiver of a specific policy contained in this manual on a case-by-case basis. All waiver requests should be submitted in writing to the DIG through the AIGA. All waivers will be documented in the TeamMate file for the applicable audit.





### **Chapter 3: Quality Control and Assurance Program**

#### **3.1 Purpose:**

This chapter provides a description of the OIG OA quality control and assurance process and establishes responsibilities and procedures to ensure compliance with the process. This section complies with Government Auditing Standards (Yellow Book).

#### **3.2 Background and Policy:**

GAGAS 3.82 requires that each audit organization performing audits in accordance with GAGAS must:

- Establish and maintain a system of quality control that is designed to provide the audit organization with reasonable assurance that the organization and its personnel comply with professional standards and applicable legal and regulatory requirements, and
- Have an external peer review performed by reviewers independent of the audit organization being reviewed at least once every 3 years.

The purpose of monitoring compliance with quality control policies and procedures is to provide an evaluation of whether: (1) OA is adhering to professional standards and legal and regulatory requirements; (2) the quality control system has been appropriately designed; and (3) quality control policies and procedures are operating effectively and complied with in practice.

The OA quality control and assurance system is comprised of six general and two review elements.

#### **GENERAL ELEMENTS**

- Leadership - The AIGA has overall responsibility for the quality of audits and the communication of policies and procedures relating to quality.
- Independence, legal, and ethical requirements - In all matters relating to the audit work, OA and the individual auditor must be free from threats to independence, and must avoid the appearance of such threats to independence. (See Chapter 4, Independence.)
- Initiation, acceptance, and continuation of audit engagements - OA will undertake audit engagements only if it can comply with professional standards and ethical principles and is acting within the legal mandate or authority of the audit organization.
- Human resources – OA policies and procedures are designed to provide it with reasonable assurance that it has personnel with the capabilities and competence to perform its audits in accordance with professional standards and legal and regulatory requirements. (See Chapter 5, Competence and Professional Development.)



## Federal Communications Commission Office of Inspector General

- Audit performance, documentation, and reporting - The policies and procedures contained in this manual provide OA with reasonable assurance that audits are performed and reports are issued in accordance with professional standards and legal and regulatory requirements.
- Monitoring of quality - OA maintains an ongoing assessment of the work completed on its audits to provide reasonable assurance that the policies and procedures related to the system of quality control are suitably designed and operating effectively. (See Section, Internal Quality Control Reviews (below) and Chapter 16, Reporting Results.)

### REVIEW ELEMENTS

Independent report review - Independent report review is an integral part of the OA quality control system. It is one of the methods that OA employs to ensure the quality of reports. These reviews provide OA with assurance that audit reports are accurate, logical, and adequately supported. (See Chapter 16, Reporting Results.)

Internal quality control reviews - These reviews provide OA with reasonable assurance that it is complying with its quality control policies and procedures.

### **3.3 Internal Quality Control Reviews (ICQRs):**

ICQRs are performed under the direction of the AIGA to ensure that elements of quality control are being applied and the overall work of OA meets applicable standards.

#### Key elements of the ICQR process include:

- Overseeing quality control reviews - The AIGA oversees the ICQR program. The AIGA monitors the design and effectiveness of the program by evaluating quality control policies and procedures. The AIGA also assigns responsibilities within the program.
- Staffing the reviews - ICQRs are conducted by the DAIGA – PQAD and assigned staff, if necessary.
- Review cycle - Because of the size of the office, reviews are to be conducted when resources and workload permits. The AIGA prefers that reviews be conducted on a quarterly basis.

#### ICQR Procedures:

OA will perform ICQRs using the same assignment management process used in audits. The review team will include the DAIGA – PQAD. Additional staff may be assigned if deemed necessary at the discretion of the AIGA. The DAIGA – PQAD shall provide the AIGA a quarterly list of audits selected for review. Due to the size of the OIG, the selected sample of audits for review shall be relative to the work completed for that quarter under review. The sample may vary depending on the number of audits completed during the SAR period and shall be rotated among the OIG OA directorates. For example, the DAIGA- PQAD may review one



## **Federal Communications Commission Office of Inspector General**

report from each directorate or may elect to review one report from two directorates quarterly. The sample review shall include both IPA and in-house OIG audits.

The AIGA requires that reviews meet established CIGIE guidelines and be consistent and fairly represent the work under review. The objectives of the review shall be focused to ensure that (1) the audit reports meet applicable reporting standards, (2) audit working papers meet GAGAS, and (3) overall quality standards are met. The IQCR may also identify any audit follow-up audit work needed and issues that may require management attention. The AIGA shall ensure the process is beneficial and adds value to the OIG mission. Therefore, the IQCR program may require adjustments, as necessary, to ensure the intent and purpose of the quality control is maintained.

Prior to conducting an IQCR, the DAIGA – PQAD (IQCR team) shall provide, via email, a written notification letter to the AIGA, and both the cognizant DAIGA and Director that the review will be conducted. The IQCR team will obtain sufficient appropriate evidence during the IQCR to support the findings, conclusions, and recommendations. DAIGA – PQAD must ensure that he/she reviews sufficient audit evidence and discuss the preliminary results with the cognizant DAIGA and Director prior to making any conclusions. Careful attention must be given to the audit objectives and underlying working papers, along with the audit reports during the review process. In situations where a contracted audit is reviewed, careful attention must be given to the contract file, statements of work, contract modifications, COR monitoring file and other pertinent documentation. The DAIGA- PQAD must carefully ascertain and corroborate audit evidence prior to making any audit judgment regarding the quality status of the audit and audit report. The IQCR team must document all work performed using TeamMate. The working papers shall meet GAGAS and be maintained in a manner similar to other OIG audit files. The AIGA may review the TeamMate files as deemed necessary to gain a sufficient understanding of the work performed and the conclusions reached, and to resolve any significant differences and conflicts that might occur between the DAIGA- PQAD and the DAIGAs and Directors.

After field work has been completed, the IQCR team will conduct an exit conference with the respective DAIGA and Director (team members may be included) to discuss the review's tentative findings and recommendations. Comments provided during this discussion will be taken into consideration by the review team when preparing the draft report.

### Reports:

The review team will draft a report summarizing the results of the IQCR which contains the following information:

- IQCR objectives, scope, and methodology;
- A listing of the audits reviewed;
- Findings, conclusions, and recommendations; and
- Any noteworthy accomplishment(s).



## **Federal Communications Commission Office of Inspector General**

The DAIGA - PQAD will electronically transmit draft reports to the AIGA, DAIGA and Director responsible for responding to report recommendations and request a written response within 15 calendar days. The response will state concurrence, partial concurrence, or non-concurrence with each recommendation. The response will describe corrective actions planned, ongoing, and completed in a level of detail sufficient to enable the IQCR team to resolve the recommendations.

The DAIGA- PQAD will present unresolved recommendations to the AIGA before issuing the final report. The final report will include the DAIGA's official comments, be signed by the DAIGA-PQAD, and be issued to the AIGA. All IQCR documentation will be contained in IQCR assignment TeamMate files. The responsible DAIGA will implement corrective actions and prepare and submit appropriate supporting documentation. The DAIGA – PQAD will track and follow up on recommendations to ensure the audit team has taken corrective actions and to make closure recommendations to the AIGA, who will make the closure determinations. The AIGA, if deemed necessary, shall provide a memorandum of record further explaining any special circumstances which more fully explains the IQCR review findings, recommendations, and comments.

### When the Quality Assurance Team is the Responsible Official:

The AIGA may determine that corrective actions to IQCR recommendations are the responsibility of the DAIGA – PQAD. In these instances, the DAIGA- PQAD will follow the guidance on responding to the draft report and implementing corrective action as outlined in the above. The AIGA will make both corrective action resolution and closure determinations in these cases.

### Safeguarding, Retaining, and Disposing of Audit Documentation:

Safeguarding, retaining, and disposing of audit documentation for quality control reviews will be managed according to OIG records management protocol.

### Annual Analysis and Summary:

As required by the AIGA, the DAIGA – PQAD will annually analyze and summarize the results of the quality monitoring activities with identification of any systemic issues needing improvement, along with recommendations for corrective action.

### Responsibilities:

All OA staff will be supportive of the IQCR function and cooperate with the DAIGA – PQAD and any assigned team members to ensure that independent and objective reviews are achieved. The DAIGA – PQAD shall communicate with the cognizant DAIGA and Director throughout the process, and on a periodic and routine basis make necessary inquiry and provide feedback to ensure all relevant matters are considered and discussed prior to making any final conclusions.



## **Federal Communications Commission Office of Inspector General**

The AIGA shall ensure that the IQCR is functioning as prescribed and be responsible for all resolution regarding the IQCR process.

### **3.4 External Quality Reviews:**

According to GAGAS 3.96, the audit organization should obtain an external peer review at least once every 3 years that is sufficient in scope to provide a reasonable basis for determining whether, for the period under review, the reviewed audit organization's system of quality control was suitably designed and whether the audit organization is complying with its quality control system in order to provide the audit organization with reasonable assurance of conforming with applicable professional standards.

The FCC OIG will have an external quality control review (peer review) of its audit function at least once every three years by an organization not affiliated with the FCC OIG.

In accordance with GAS 3.105, external audit organization should make its most recent peer review report publicly available. The latest external peer review is published on the OIG website.



## **Chapter 4: Independence and Ethics**

### **4.1 Purpose:**

This chapter establishes OA policies and procedures relative to independence. If the OA is to be effective, it must be independent so its opinions, findings, conclusions, judgments, and recommendations will be impartial, and viewed as impartial by reasonable and informed third parties.

### **4.2 Background and Standard:**

Chapter 3 of the Government Auditing Standards contains the standard for independence. This standard places responsibility on each auditor and the audit organization to maintain independence. In all matters relating to the audit work, the audit organization and the individual auditors, whether government or public sector, must be independent.

### **4.3 Policy:**

OA policy requires that OA, as well as the individual auditors participating on an audit assignment, maintain independence so their opinions, findings, conclusions, judgments, and recommendations will be impartial and will be viewed as impartial by reasonable and informed third parties. Auditors should avoid situations that could lead reasonable and informed third parties to conclude that the auditors are not independent and, thus, are not capable of exercising objective and impartial judgment on all issues associated with conducting the audit and reporting on the work.

It is OA policy that auditors must consider not only the state of mind that permits the performance of an audit without being affected by influences that compromise professional judgment, but also whether there are any circumstances that would cause a reasonable and informed third party, having knowledge of relevant information, to reasonably conclude that the integrity, objectivity, or professional skepticism of OA or a member of the audit team had been compromised. All situations deserve consideration because it is essential not only that auditors are independent and impartial, but also that reasonable and informed third parties consider them so.

Except during the performance of nonaudit services, auditors should be independent from the audited entity during any period of time that falls within the period covered by the subject matter of the audit and during the period of the audit, which is from the start of the planning phase of the audit to the date the final report is issued.

### **4.4 Threats to Independence:**

Government Auditing Standards (3.07 – 3.12) establishes a conceptual framework that auditors use to identify, evaluate, and apply safeguards to address threats to independence.





## Federal Communications Commission Office of Inspector General

GAS lists the following broad categories of threats that auditors should be able to identify and evaluate (GAS 3.14):

- a. Self-interest threat - the threat that a financial or other interest will inappropriately influence an auditor's judgment or behavior;
- b. Self-review threat - the threat that an auditor or audit organization that has provided non-audit services will not appropriately evaluate the results of previous judgments made or services performed as part of the non-audit services when forming a judgment significant to an audit;
- c. Bias threat - the threat that an auditor will, as a result of political, ideological, social, or other convictions, take a position that is not objective;
- d. Familiarity threat - the threat that aspects of a relationship with management or personnel of an audited entity, such as a close or long relationship, or that of an immediate or close family member, will lead an auditor to take a position that is not objective;
- e. Undue influence threat - the threat that external influences or pressures will impact an auditor's ability to make independent and objective judgments;
- f. Management participation threat - the threat that results from an auditor's taking on the role of management or otherwise performing management functions on behalf of the entity undergoing an audit; and
- g. Structural threat - the threat that an audit organization's placement within a government entity, in combination with the structure of the government entity being audited, will impact the audit organization's ability to perform work and report results objectively.

All OA team members, including specialists, who are in any way involved in an audit, must be free from threats to independence. Members of the audit team are responsible for notifying their supervisor if they have any threats to independence. Supervisors are responsible for taking appropriate corrective action when team members have threats to independence relating to an audit assignment.

When a threat to independence is identified prior to or during the audit, the threat must be resolved in a timely manner. When the threat to independence is applicable only to an individual auditor on a particular audit, the supervisor may be able to eliminate the threat. The supervisor should discuss the threat to independence with the auditor and ways to eliminate it. If the threat to independence cannot be eliminated, the auditor should be removed from the audit assignment.

If a threat to independence is identified after the audit report is issued, OA should evaluate the threat's impact on the audit and on compliance with Government Auditing Standards. If OA determines that the newly identified threat had an impact on the audit that would have resulted in the audit report being different from the report issued had the auditors been aware of it, it should communicate in the same manner as that used to originally distribute the report to those charged



## Federal Communications Commission Office of Inspector General

with governance, the appropriate officials of the audited entity, the appropriate officials of the organizations requiring or arranging for the audits, and other known users, so that they do not continue to rely on the findings or conclusions that were impacted by the threat to independence. If the report was posted to the FCC OIG website, OA should remove the report and post a public notification that the report was removed. OA should then determine whether to conduct additional audit work necessary to reissue the report, including any revised findings or conclusions or repost the original report if the additional audit work does not result in a change in the findings or conclusions.

OA team members are responsible for certifying annually and for each individual assignment that they are free from threats to independence.

Signed copies of each team member's independence certification are held with the DAIGA – PQAD.

### **4.5 Safeguards:**

Safeguards are controls designed to eliminate or reduce to an acceptable level threats to independence. Under the conceptual framework, the auditor applies safeguards that address the specific facts and circumstances under which threats to independence exist. In some cases, multiple safeguards may be necessary to address a threat.

The following are examples of safeguards that may be effective under certain circumstances:

- Consulting an independent third party, such as a professional organization, a professional regulatory body, or another auditor.
- Involving another audit organization to perform or re-perform part of the audit.
- Having a professional staff member who was not a member of the audit team review the work performed.
- Removing an individual from an audit team when that individual's financial or other interests or relationships pose a threat to independence.

OA team members should evaluate threats to independence using the conceptual framework when the facts and circumstances under which the auditors perform their work may create or augment threats to independence. Team members should evaluate threats both individually and in aggregate because threats can have a cumulative effect on an auditor's independence.

Members of the audit team should determine whether identified threats to independence are at an acceptable level or have been eliminated or reduced to an acceptable level. A threat to independence is not acceptable if it either (a) could impact the auditor's ability to perform an audit without being affected by influences that compromise professional judgment or (b) could expose the auditor or audit organization to circumstances that would cause a reasonable and informed third party to conclude that the integrity, objectivity, or professional skepticism of the audit organization, or a member of the audit team, had been compromised.



## **Federal Communications Commission Office of Inspector General**

In cases where threats to independence are not at an acceptable level, thereby requiring the application of safeguards, OA team members should document the threats identified and the safeguards applied to eliminate the threats or reduce them to an acceptable level. Certain conditions may lead to threats that are so significant that they cannot be eliminated or reduced to an acceptable level through the application of safeguards, resulting in impaired independence. Under such conditions, OA should decline to perform a prospective audit or terminate the audit in progress.

### **4.6     OIG Independence:**

The Inspector General Act of 1978 (Public Law 95-452), as amended (the Act), established the Offices of Inspector General as independent and objective units. The Act provides for an IG at each agency who shall generally be appointed by the President, by and with the advice and consent of the Senate, without regard to political affiliation, and solely on the basis of integrity and ability. The FCC IG is appointed by the FCC Chairman and reports to and is under the general supervision of the FCC Chairman.

The Chairman shall not prevent or prohibit the IG from initiating, carrying out, or completing any audit or investigation. The purpose of the Act is to:

- Require the OIG to conduct and supervise audits and investigations relating to programs and operations.
- Promote economy, efficiency, and effectiveness and prevent and detect fraud and abuse in those programs and operations.
- Provide a means for keeping the FCC Chairman and the Congress fully and currently informed about problems and deficiencies, necessity for, and progress of corrective action.

The Act gives the IG independence by providing for direct reporting to Congress and protection against removal. Within FCC, the Chairman cannot remove the IG. The IG may only be removed from the office by the President, who shall communicate the reasons for any such removal to both Houses of Congress. Moreover, the Act provides IGs with strong independent authority to obtain information through subpoenas and other means. The Act further requires IGs to inform the Attorney General of suspected violations of Federal criminal law, thereby eliminating the ability of agency officials to prevent or delay furnishing such information.

### **4.7     Ethics:**

Because auditing is essential to government accountability to the public, the public expects audit organizations and auditors who conduct their work in accordance with generally accepted government auditing standards (GAGAS) to follow ethical principles (GAS Chapter 1).

Executive Order 12731 (Part III – AGENCY RESPONSIBILITIES, Sec. 301) requires each agency to conduct mandatory annual ethics training for certain designated employees.



**Federal Communications Commission  
Office of Inspector General**

Accordingly, within OA, annual ethics training is mandatory for all auditors and all staff at the GS-13 level and above.

Annually, the FCC training office notifies all staff when the annual training is available. Upon receiving this notification, staff are responsible ensuring it is completed.

After each employee completes the annual ethics training, he/she will receive a certificate of completion (provided by FCC University). A copy of the certificate can be printed from the employee's training transcript.

The Ethics in Government Act of 1978, as amended, requires certain employees in the Executive Branch of the Federal Government to file periodic confidential financial or public financial disclosure reports (OGE Form-450, *Confidential Financial Disclosure Report*). The financial disclosure form should be completed by staff (GS-13 and above) and returned to the Office of General Counsel.



## **Chapter 5: Competence and Professional Development**

### **5.1 Purpose:**

The purpose of competence and professional development is to continuously develop and enhance the knowledge and skills needed by OA employees to produce quality audit products.

### **5.2 Background and Standard:**

The standards for training and professional development are found in Chapter 3 of the Government Auditing Standards. Per GAS 3.69, the staff assigned to perform the audit must collectively possess adequate professional competence needed to address the audit objectives and perform the work in accordance with GAGAS.

Further guidance to assist audit organizations and individual auditors in implementing these standards are found in the Government Accountability Office (GAO) issued Guidance on GAGAS Requirements for Continuing Professional Education.

The standards place responsibility on the audit organization to ensure that staff assigned to perform the audit collectively possesses adequate professional competence for the tasks required. In addition, the audit organization should have quality control procedures to help ensure that auditors meet established minimum continuing professional education (CPE) requirements. The organization should maintain documentation of education and training completed.

Individual auditors are primarily responsible for improving their own competencies and meeting CPE requirements. Internal specialists who perform as part of the audit team should also comply with Government Auditing Standards, including the CPE requirements.

### **5.3 Policy:**

OA policy requires that all OA audits be conducted by staff that collectively possesses adequate professional competence for the tasks required.

To facilitate this, OA should maintain an effective training program and encourage and promote professional development. All auditors should comply with the minimum CPE requirements of the Government Auditing Standards and compliance with these requirements should be documented and kept current with the DAIGA – PQAD with support from the Administrative staff.

While the standards prescribe minimum CPE requirements, OA encourages training to the extent needed to develop qualified staff in a rapidly changing auditing environment. OA internal specialists who perform as part of the audit team (e.g., mathematicians, economists, program analysts, and other professionals) should comply with Government Auditing Standards, including the CPE requirements.





## Federal Communications Commission Office of Inspector General

### 5.4 Training:

Training and development of employees is a matter of significant importance in carrying out the mission of the OIG. Employees are responsible for ensuring that they meet the training requirements set forth in the GAO Yellow Book.

Qualifications for staff members conducting audits include:

- Knowledge of Government Auditing Standards applicable to the type of work they are assigned and the education, skills and experience to apply such knowledge to the work being performed.
- General knowledge of the environment in which the audited entity operates and the subject matter under review.
- Skills to communicate clearly and effectively, both orally and in writing.
- Skills appropriate for the work being performed (e.g., statistical sampling, data analytics and information technology skills).

Individual staff members are responsible for:

- Identifying training and professional development needs.
- Seeking opportunities for training and professional development.
- Successfully completing all training and professional development activities.
- Obtaining documentation of CPE hours earned and reporting training and professional development activities to the Training Coordinator.
- Monitoring their progress toward meeting the CPE requirements.

The FCC OIG will, within budgetary limitations, make available necessary training to employees. The training should be job related and necessary for performance of the assigned duties.

Employees shall request all in-house and external training by preparing a SF-182, *Authorization, Agreement and Certification of Training*, via the FCC University system. Progress on training must be tracked by the employee via the FCC K: drive, the FCC University system, and submitting all completed training certificates to the DAIGA – PQAD and applicable administrative staff.

### 5.5 Personal Development Plan (PDP):

Employees are to complete a Personal Development Plan (PDP) in the FCC University system before September 15 of each fiscal year. This PDP consists of a word document with instructions for meeting the PDP requirement. The form may be completed electronically, saved to a computer or to the N: drive and printed for signatures by the employee and the AIGA. DAIGAs are to initial this form prior to the AIGA's approval. Once the form is approved, each employee shall scan the signed form and upload the PDP to the Documents tab, following the instructions on that tab. Once placed on the Documents tab, the PDP will be available to both



## Federal Communications Commission Office of Inspector General

the employee and the supervisor (AIGA) as a part of the training records. This action shall be completed prior to October 1 of each fiscal year.

Steps for completing the Personal Development Plan (PDP) are:

- Supervisors (AIGA) shall discuss the organization's mission/objectives, Strategic Plan goals and the employee's role in the Office of Audits. DAIGAs shall assist the AIGA with this process. This information relating to the organization may generally be found on the FCC and OIG website. Employees may note that FCC Employee Review Form (Form A-151) and the FCC Employee Review Form for Supervisors and Managers identifies critical performance areas and general competencies.
- The employee, DAIGA and AIGA are to identify specific courses, tutorials, conferences, development or rotational assignments and/or special projects and list them on the PDP. The employees are encouraged to use the FCC University catalog and other necessary resources for completion of this step.
- Employees and the assigned DAIGA shall discuss the plan and subsequently print the plan to the AIGA for final approval. The AIGA will require that the DAIGA initial his/her review prior to submitting the plan to the AIGA for approval.
- Employees shall scan the PDP into the FCC University system after approval by the AIGA.

### **5.6 Professional Certifications:**

OA encourages staff to pursue relevant professional certifications, participate in professional activities and organizations, and keep abreast of current professional trends and developments.

Statutory authority allows agencies to use appropriated funds to pay for training and employees' expenses related to obtaining professional credentials (5 U.S.C §§ 4101 *et seq.* and 5757(a)), licensing fees, and examinations to obtain credentials. However, there is no authority to pay an employee's membership in a professional association unless membership is a prerequisite to obtaining the professional license or certification. (5 U.S.C § 5757(a), Interpretive Notes and Decisions; See also, GAO, Scope of Professional Credentials Statute, B-302548).

Use of OIG funds for training and employees' expenses related to obtaining professional credentials is subject to the availability of funds and OIG management approval.



## **Chapter 6: Contract Acquisition and Oversight**

### **6.1 Purpose:**

This chapter establishes policies and procedures covering the role of the OA and the Contracting Officer's Representative (COR) in contracting for audit services.

### **6.2 Standards:**

Chapter 3 of Government Auditing Standards states that in all matters related to audit work, the audit organization and individual auditor, whether government or public, must be free from personal, external, and organizational impairments to independence. When procuring audit services, FCC should assess the auditor's ability to perform the work and report the results impartially.

In addition, Appendix I of Government Auditing Standards states that management of the audited entity is responsible for following sound procurement practices when contracting for audits and attestation engagements, including ensuring procedures are in place for monitoring contract performance. (Government Auditing Standards Appendix I paragraph A1.08.g)

The primary regulations governing the Federal procurement process are the Federal Acquisition Regulation (FAR). The FAR is the primary regulation for use by all Federal agencies when supplies and services are acquired with appropriated funds. FAR 2.101, *Definitions*, states that "Contracting officer's representative (COR)" means an individual, including a contracting officer's technical representative (COTR), designated and authorized in writing by the contracting officer to perform specific technical or administrative functions.

FAR 1.602-2(d), *Responsibilities*, states that the Contracting Officer will "Designate and authorize, in writing and in accordance with agency procedures, a contracting officer's representative (COR) on all contracts and orders other than those that are firm-fixed price, and for firm-fixed-price contracts and orders as appropriate, unless the contracting officer retains and executes the COR duties. See [7.104](#)(e). A COR—

1. Shall be a Government employee, unless otherwise authorized in agency regulations;
2. Shall be certified and maintain certification in accordance with the current Office of Management and Budget memorandum on the Federal Acquisition Certification for Contracting Officer Representatives (FAC-COR) guidance, or for DoD, in accordance with the current applicable DoD policy guidance;
3. Shall be qualified by training and experience commensurate with the responsibilities to be delegated in accordance with agency procedures;
4. May not be delegated responsibility to perform functions that have been delegated under 42.202 to a contract administration office, but may be assigned some duties at 42.302 by the contracting officer;
5. Has no authority to make any commitments or changes that affect price, quality, quantity, delivery, or other terms and conditions of the contract nor in any way direct



**Federal Communications Commission  
Office of Inspector General**

- the contractor or its subcontractors to operate in conflict with the contract terms and conditions;
6. Shall be nominated either by the requiring activity or in accordance with agency procedures; and
  7. Shall be designated in writing, with copies furnished to the contractor and the contract administration office—
    - (i) Specifying the extent of the COR's authority to act on behalf of the contracting officer;
    - (ii) Identifying the limitations on the COR's authority;
    - (iii) Specifying the period covered by the designation;
    - (iv) Stating the authority is not redelegable; and
    - (v) Stating that the COR may be personally liable for unauthorized acts.

FAR 1.604 states "A contracting officer's representative (COR) assists in the technical monitoring or administration of a contract (see [1.602-2\(d\)](#)). The COR shall maintain a file for each assigned contract. The file must include, at a minimum –

- (a) A copy of the contracting officer's letter of designation and other documents describing the COR's duties and responsibilities;
- (b) A copy of the contract administration functions delegated to a contract administration office which may not be delegated to the COR (see [1.602-2\(d\)\(4\)](#)); and
- (c) Documentation of COR actions taken in accordance with the delegation of authority."

### **6.3 Policy:**

It is OA policy to assist the contracting officer in the preparation of the technical aspects of the contract, and effectively monitor contractor performance for each contracted audit assignment. These duties require an active role by assigned OA staff in both the preaward and post award phases of the contracting process. OA is ultimately responsible for audit work contracted by the Commission; therefore, it is important that OA takes an active role throughout the contracting process. OA ensures that the contracted audit report is of professional quality and meets applicable Government Auditing Standards.

The AIGA and/or DIG will make the final decision on whether to use contractors to perform audits. The AIGA shall solicit input from the DAIGAs as to when it is appropriate to use contractors. Once decided, the AIGA and DAIGAs in consultation with the Directors shall identify the COR for the each audit or other review and notify the TeamMate Administrator of the assignment.

### **6.4 Planning and Considerations:**

Proper planning is vital when contracting for non-Federal audit services. Planning should begin early in the process, and well in advance of milestones to avoid planning errors, etc. The planning process should identify the audit services needed, when and how they are to be provided, deliverables required, and what provisions should be included the audit services contract. The OA must ensure that planning is complete and ensure appropriate information is



## **Federal Communications Commission Office of Inspector General**

collected to effectively structure the solicitation package. Milestones shall be defined to ensure the OIG resources are used in an effective and efficient manner. The DAIGAs shall assist in the planning process and ensure these milestones meet the objectives set forth for the project and overall OA mission.

The audit planning process originates when the cognizant DAIGA and AIGA determine a need for an IPA firm to perform audit work on behalf of OA. Careful consideration shall be given to the needs and available funding to ensure quality audits and those with impact.

In response, the DAIGA directs the OA Audit Director, or designee (COR designee), to develop a procurement package, which will include a purchase request, Independent Government Cost Estimate (IGCE) and Statement of Work (SOW)/Performance Work Statement (PWS). The procurement package shall be submitted to the DAIGA for review. The DAIGA shall review the procurement package and work with the staff to ensure its accuracy, completeness and focus. Subsequent to the review, the DAIGA shall forward the procurement package to the AIGA for approval. The contents of the packages shall not be changed without approval of the AIGA, and cognizant DAIGA and COR. With AIGA approval, the DAIGA or the DAIGA's designee may forward the documents to the AIGM or designee for processing. Any questions regarding the acquisition planning process should be directed to the DAIGA or designee for resolution.

The AIGA shall have final approval of significant changes to the procurement requests and SOW/PWS. The AIGM shall commit funds with the FCC on approved planned audits prior to forwarding any documentation to the Department of Interior (DOI) Contracting group. To further enhance the process and ensure resources are appropriately planned and applied, the planned COR shall be involved in this process as deemed necessary by the DAIGAs and Directors.

The AIGM and staff shall assist as the process begins where the OA and OIG consults with DOI Contracting on contract vehicle (type), funding needs and requirements for the appropriate processing and expenditure authority approval within OA. After getting approvals, the OA's liaison ensures that OA submits the requisition to FCC OIG's procurement services provider (currently DOI) for processing. Prior to initiating the requisition, the OA's Audit Director will (a) obtain approval for the procurement request from the DAIGAs and/or AIGA; (b) ensure that OA's liaison consults with FCC OIG's contract specialist, as provided by DOI for legal issues; and (c) coordinate, as needed, with the OA's liaison and other staff throughout the audit.

The AIGM and the designee have the responsibility to track all acquisitions/contract activities of the OIG office. The OA staff is required to send the acquisitions and contracts actions/activities to the AIGM designee. The AIGM designee (contract specialist) will coordinate the actions with the DOI AQD staff and the FCC C&P staff. These actions include but are not limited to invoices and all official correspondences. The AIGM designee (contract specialist) will assist in tracking invoice actions to ensure the required action is completed and track expenditures in Genesis. The AIGM and his staff are to keep the AIGA, DAIGAs and cognizant staff current on all activities and actions regarding the procurement.





## **6.5 Communicating Audit and Service Requirements:**

Sound government procurement requires open full and open competition. The OA should work with the DOI Contracting Officer to encourage as many qualified firms or IPAs as possible to submit their proposals for audit services. This increases the likelihood of OIG receiving quality audit services at a fair and reasonable price. All solicitation packages should be clearly written and set forth all terms, conditions, and evaluation criteria, as well as the scope of the work required. The solicitation package should be completed timely and widely distributed or published to ensure full and open competition. Generally, the points of contact (POCs) with the DOI contracting officials shall be the functional program directors and CORs within the OA staff.

## **6.6 Reviewing Solicitations for Non-Federal Audit Services:**

The cognizant OA manager shall provide the solicitation package to the DOI Procurement Center (DOI PC) for review prior to its release to prospective bidders. The DOI PC will alert their Office of General Counsel, if needed, for any required legal review and input. The solicitation package will normally include the following elements:

- a. Administrative information.
- b. Work and reporting requirements.
- c. Time requirements.
- d. Proposal information.
- e. Contractual information.

The DOI PC will review the proposed contract to ensure that it contains provisions requiring the contractor to comply with the following:

- a. GAGAS, if applicable.
- b. Industry standards.
- c. The latest copy of the firm's peer review report and letter of associated comments.
- d. A statement, prior to the award of the contract, affirming that no conflicts of interests exist that would impair its independence.
- e. The OIG controls the contracting process during and after contract performance.
- f. Refer any instances of suspected fraud to the AIGA, AIGI and other appropriate officials within the OIG.
- g. Provide findings and reports to the appropriate OIG OA functional area.
- h. Preserve working papers as required by the SOW and make them available upon request to the OIG and procurement officials.

In the absence of the contract provisions or any pertinent content of the contract, the OIG OA should bring it to the attention of the CO prior to any solicitation action.

A contract SOW:



**Federal Communications Commission  
Office of Inspector General**

- (1) Includes fully defined audit objectives, scope, and methodology.
- (2) Requires that work be performed in accordance with applicable GAGAS, Office of Management and Budget, other applicable statutory, regulatory criteria, and/or this manual's requirements; which includes, for example, a description of the IPA firm's system of quality control including relevant requirements such as the contractor providing an assignment program for review, providing in-process reviews, as necessary, and preparing for and attending periodic meetings with OA management. Also, the various quality control aspects associated with issuing a draft report, such as indexing/referencing draft reports to supporting audit documentation, independent referencing reviews, and legal sufficiency reviews are the principal responsibility of the contractor and contractor staff. Nevertheless, the SOW/PWS should indicate that FCC OIG and the Government Accountability Office, if applicable, have the right to access and review any documentation regarding the quality control processes, or the results thereof. Audit documentation can include other reports as appropriate, depending on the scope of the audit at-hand. Also, the SOW should include the allowance for enough time for FCC OIG to sufficiently inspect deliverables and complete a review of relevant audit documentation, as required by GAGAS.
- (3) Requires submission of the firm's most recent external peer review report, related letter of comments, the firm's response to those comments, and the status of follow-up actions. It also, includes a stipulation that the firm is to provide any subsequent peer review reports and letters of comment received during the period of performance of the contract. For peer review reports older than 1 year, the COR should consider obtaining additional information about the IPA firm's system of quality control, such as the IPA firm's annual summary of the results of its monitoring procedures as required by GAGAS 9.95.
- (4) Requires a list of qualifications, including education and experience for the IPA firm and proposed staff to assist in rendering judgments of competence to perform the needed services.
- (5) If applicable, requires that the auditors engaged to perform the audit are licensed certified public accountants, persons working for a licensed certified public accounting forms, or licensed accountants in states that have multi-class licensing systems that recognize certified public accountants (this requirement may not be relevant to IT and other assessments that are not subject to GAGAS).
- (6) Requires representations that the firm and its proposed staff will be independent and not have any conflicts of interest in performing the planned work.
- (7) Requires a representation that the firm and proposed staff meet the GAGAS continuing professional education (CPE) hour requirements. This manual outlines the external and internal specialists' requirements for professional competence that assist in performing a GAGAS assignment.
- (8) Requires past performance references from other clients (e.g., other federal audit organizations).



## Federal Communications Commission Office of Inspector General

- (9) Requires the establishment of milestones for completion of the audit (or major portions) and the submission of deliverables.
- (10) Requires that the IPA firm comply with the procedures included in the FCC OIG's Quality Assurance Checklists/Forms.
- (11) Requires language when available and applicable that the designated TeamMate database will be used for the official storage for audit documentation including this SOW.
- (12) Requires language that includes a reasonable estimate of travel costs necessary to complete the audit, if applicable.
- (13) Includes, as a separate document in addition to the SOW, an IGCE for expenses, including labor, travel and other direct costs, expected to be incurred by the contractor over the course of the audit.
- (14) Requires final reports for audits and attestation engagements to be submitted on the external audit organization's letterhead along with the firm's pen and ink signature.
- (15) Involves the DOI Office of Counsel:
- The SOW should be submitted to the DOI Office of Counsel with sufficient time to allow for (i) a meaningful review for substantive, policy, and legal issues that the procurement may pose, and (ii) the resolution of any comments that the Office of Counsel raises.
  - The DOI OA liaison shall create a written action request that contains a SOW and IGE, signatures from the DOI Chief Counsel or designee, and DAIGA indicating that all comments have been resolved. Prior to proceeding with the procurement of IPA firms to complete OA audits, the OA liaison will give a copy of this document to a member of the respective OA audit team, such as the AIGA, DAIGA, Audit Director or Audit Manager.
  - No procurement shall be entered into without a review by the DOI Office of Counsel, FCC OIG AIGM, AIGA and DAIGA.

### **6.7 Selecting a Contractor and Technical Evaluation:**

Technical evaluation methods may vary; however, the evaluation process should ensure contractor proposals are responsive to the OIG's needs, consistently and objectively evaluated and that contracts are awarded fairly. The OA must ensure that competent and experienced personnel are assigned to the technical evaluation panel. Items to include when evaluating a solicitation are:

- a. The soundness of the technical approach of the contractor's proposal.
- b. The qualifications of the organization performing the audit service.



## Federal Communications Commission Office of Inspector General

- c. The qualifications of the team proposed to perform the audit service.
- d. The quality process of the organization performing the audit service.
- e. References provided by the organization performing the audit service.

The technical evaluation panel members shall follow CIGIE Technical Evaluation Panel Members' Responsibilities guidance during the technical evaluation process.

### **6.8 Contractor Technical Assistance:**

The cognizant OA functional office should provide technical advice and assistance to the contractor, as requested and deemed necessary. Also, the cognizant OA functional office should ensure that the responsible FCC bureau or division being audited is cooperative and doesn't impede the audit process. The OA should ensure the contract requirements or technical assistance of the contractor does not constitute management of the work. The OA must maintain independence when providing technical assistance because it is also responsible for monitoring and reviewing IPS's the work for acceptability.

### **6.9 Monitoring Performance:**

Monitoring contract performance is the most effective way to ensure that the OIG receives both the type and quality of audit services specified in the written agreement (contract SOW) prior to payment of services. Contractor performance should be monitored as needed and as requested by the Contracting Officer. The AIGA (with input from the DAIGAs) and AIGM will work with the Contracting Officer to assign personnel who possess the skills, knowledge, and training to effectively monitor the contracts.

The audit organization's monitoring of the IPA firm's performance of the contract is an activity that is not an audit and should not consume time that normally would be required for completing an audit. The OA staff must follow the Federal Acquisition Manual/Federal Acquisition Reform Act (FARA) guidance for monitoring contract performance. Contractors will perform work in accordance with applicable GAGAS, as required by the IG Act and the audit process as outlined in this Audit Policies and Procedures Manual. When the OA acquires the work of a specialist versus an external audit organization to augment the assignments performed by the OA staff, the policies and procedures within this manual will be followed to the extent possible. Further, this chapter of the FCC OIG Audit Policies and Procedures Manual provides an overview of the Federal Acquisition Process and addresses, in brief, the knowledge and skills necessary to execute the responsibilities of a Contracting Officer's Representative (COR).

Therefore, this chapter fully applies when the OA organization and staff are the acquirers and oversight managers for contracted services. Simplified surveillance methods will be used by the government to evaluate contractor performance when appropriate. The OA staff will conduct ongoing inspection of the performance objectives and/or deliverables in order to obtain sufficient, appropriate evidence to make a determination that the contractor is in compliance with terms of the contract.



#### **6.10 Adverse Conditions:**

Any unfavorable or adverse conditions that occur during the contract performance should be reported to the contracting officer and the users of the services when deemed necessary. The OA COR should perform an acceptance review of all completed work and deliverables before each interim and the final contract payment is made. This includes the audit report or other final products, as required by the contract. The COR's review should determine whether the contractor providing the audit services complied with the reporting and other requirements of GAGAS and the SOW. The OA shall report noncompliant performance to the Contracting Officer and other Contract's Management Officials.

Substandard work by the contractor may warrant referral for sanctions by appropriate State or Jurisdictional licensing authorities. A referral will be warranted when the work has significant inadequacies to the extent that users cannot rely on the work. The FAR provides further guidance on cause for debarments or suspension and procedures to be followed in investigations.

#### **6.11 TeamMate and COR Monitoring:**

CORs should adhere to the guidance in the FAR and CIGIE guidance to ensure they are meeting their responsibilities. To assist in that process, the OA requires that TeamMate be used to the fullest extent possible to provide standardization for documenting COR activities. The OA has developed a TeamMate template to be used for documenting the required COR monitoring activities, as set forth in the FCC COR Guidebook and CIGIE guidance. The TeamMate template shall be used to standardize the process and enable a uniform approach to monitoring the contractor's work. CORs may need to tailor their monitoring activities to the individual contract. In conjunction with the TeamMate template and depending on the complexity of the contract, CORs may elect to develop additional checklists to more fully document and monitor contractor activities. Audit findings shall be finalized and entered into TeamMate database for continued monitoring, follow-up and resolution.

#### **6.12 COR and DAIGA Responsibilities:**

Federal contract obligations pose significant risk if effective contract monitoring is not exercised. The OA staff and senior management are obligated to identify weaknesses and the lack of quality work. The CO should be consulted in circumstances where the contractor and/or IPA is not fulfilling the requirements of the contract. The DAIGA should be involved and alert the AIGA of any instances where contracted work is deficient or not meeting professional audit standards.

The CORs and/or OA staff should determine whether the IPA's work was performed in accordance with applicable professional audit standards. Professional judgment is required in determining whether the IPA's work meets applicable standards and satisfies the OIG's audit requirements. When reviewing the IPA's work, the OIG staff should:

- Review the auditor's approach and planning of the audit;
- Evaluate the qualifications and independence of the auditor's staff;



## **Federal Communications Commission Office of Inspector General**

- Review the IPA's reports to determine compliance with GAGAS;
- Review the IPA's working papers when necessary to determine compliance with applicable standards, including GAGAS.

Experienced audit personnel should be assigned and the cognizant DAIGA should be closely involved to ensure that audit responsibilities are followed.

### **Additional Information:**

See the FCC COR Essential Element Guidebook for additional details and specific guidance applicable to the roles of the OA staff as prescribed by the FCC and the FAR.



## **Chapter 7: Audit Resolution and Follow-up**

### **7.1 Purpose:**

This chapter establishes policies and procedures for the resolution of recommendations resulting from work performed by OA and the follow-up of audit recommendations as required by the Office of Management and Budget (OMB) Circular A-50.

OA maintains information on the status of resolution of recommendations related to Federal and non-Federal reports. The resolution process begins when the results of work are reported to management, and is completed only upon the receipt and acceptance of the final management decision, i.e., management's decision on the recommendations included in the final report.

### **7.2 Standards:**

Standards for audit follow-up and resolution are found in Chapter 7 of the Government Auditing Standards. Similar requirements for resolution are included in The Inspector General Act of 1978 (Public Law 95-452), as amended, and OMB Circular A-50, Audit Follow-up, and are implemented by FCC Order FCCINST 1013.3, *Audit Follow-up*.

### **7.3 Policy:**

It is OA policy to monitor the Commission's resolution of OA recommendations by:

- Maintaining a management information system to track OA recommendations until final decisions are made on the amount of funds to be recovered, cost savings, and the actions to be taken by auditees to correct deficiencies.
- Evaluating clearance documents (e.g., Corrective Action Plans and Closure Requests) and, when appropriate, ensuring that OIG OI is consulted on resolutions.
- Performing follow-up audits and other activities for selected audit reports to determine whether auditees have implemented effective corrective measures, and what steps FCC Management or auditees took to ensure that needed improvements were made.

### **7.4 The Audit Process:**

The success of audit resolution depends on the quality of the audit work and the reported audit findings and recommendations.

Communications with program officials, established during the planning phase and maintained throughout the audit, will assist the auditor (or team) in developing recommendations that management will agree to take action on. Recommendations that are supported by fully developed findings, and address the cause of the problem will allow the program officials to take





## Federal Communications Commission Office of Inspector General

action to resolve the cause. When possible, the auditor (or team) should develop recommendations that address the root cause and are specific.

OIG will provide FCC management with the opportunity to respond to draft and final audit reports. Written responses to draft audit reports will be due within 30 days of the issuance of the Draft Audit Report. Management may, upon request, obtain a reasonable extension of the due date when good cause is shown and the circumstances permit. Consistent with GAO standards for audits, auditors should provide management an opportunity to respond to the Draft Audit Report. See Government Auditing Standards (GAO-12-331G), December 2011 Revision, sections 7.32 -7.38. The response may be written or oral, but written comments are preferred.

The OIG will provide a copy of the final audit report to the affected Bureau(s) or Office(s) and, if applicable, the Audit Follow-up Official.

### **7.5 Resolution:**

The point at which the OIG and the appropriate Bureau or Office Chief(s) agree on action to be taken on an audit report's findings and recommendations, or, if no agreement can be reached, the point at which the matter is determined to be resolved by the (FCC) Audit Follow-up Official. An audit report may be considered resolved despite the right of persons outside the Commission to negotiate, appeal, or litigate. Resolution of a report with respect to parties outside the Government does not preclude further consideration of issues in the report by Commission management.

### **7.6 Conflict Resolution Procedures:**

The conflict resolution process used to settle disagreements between a Bureau and/or Office and OIG regarding an OIG report begins on the date the report is issued and ends no later than 6 months after the issue date, as prescribed in OMB Circular A-50, *Audit Follow-up*. The process is intended to encourage settlement at the lowest organizational level, nearest the program in question, but allows for escalation of the conflict through the DIG to the IG, if necessary. The IG will make the final decision.

The AIGA, after consulting with the appropriate DAIGA/Director, will initiate the conflict resolution process on behalf of OA.

### **7.7 Follow-Up Procedures:**

Follow-up audits allow OA to determine, for selected audits, whether:

- Recommended actions were implemented or are in the process of being implemented.
- Actions have led to or will lead to resolution of the problem.
- The Bureau's and/or Office's procedures for completing final action on audit reports meet requirements.



## **Federal Communications Commission Office of Inspector General**

- The Bureau's and/or Office's documentation of final action taken in response to OA recommendations is adequate and properly reported to the Commission's follow-up official and, when applicable, included in the Commission's semiannual report to Congress.

Follow-up audit reports will be prepared and distributed in accordance with OA Policy. OA may issue a report for each follow-up audit performed or a single, consolidated report on several follow-up audits of the same Bureau and/or Office, if the action official is the same. The report should include a statement that the objective of the audit was to follow-up on findings and recommendations identified in a previous audit. Additionally, the report will, generally, include a summary of each finding and recommendation included in the original audit report, the auditee's position (and the Bureau's and/or Office's position if the Bureau and/or Office is not the auditee), the actions taken, and the current status at the time of the follow-up audit.

Generally, follow-up reports will not be as lengthy or detailed as the original report. However, the reader of the report should be able to obtain a complete understanding of the issues presented from the follow-up report without having to refer back to the original report.



## **Chapter 8: Other Administrative Matters**

### **8.1 Purpose:**

This chapter is designed to provide guidance to the employees in meeting their administrative responsibilities.

### **8.2 Policy:**

OIG employees shall be responsible for handling day-to-day administrative matters such as completing training requests, travel vouchers, bi-weekly status reports, and other applicable tasks. Employees should be proactive instead of reactive when addressing and completing administrative matters to ensure that basic office functions and duties are met timely.

### **8.3 Procedures and Guidelines:**

#### **Auditor (Team Member) Expectations**

The OIG OA is committed to conducting business in accordance with the IG Act and other applicable federal statutes. Every team member is obligated to maintain a high standard of ethics and to act at all times with honesty and integrity. All levels of the staff are expected to bring good judgment and a sense of integrity to the work environment. While it is not possible to list all policies and laws to be observed, or all conflicts of interest or prohibited business practices to be avoided, this guidance serves to detail the agency's expectations for team member conduct and helps team members make the right decisions. Team members are expected to know the agency's policies and comply with them. Team members and all staff personnel are expected to remain professional at all times and display common courtesy to other staff members.

Auditors should have an interest and motivation to do well in performing their duties. For a well-rounded auditing team, auditors may come from diverse backgrounds and areas within the OIG. Teamwork is essential to ensure a "quality" function and the mission of the IG is met. Working collectively as a team member is an excellent way to learn how the organization as a whole runs. Staff is encouraged to volunteer for assignments and extra-curricular activities that support the OIG OA mission.

Some characteristics that staff should maintain:

- Objectivity and sound judgment;
- The ability to think analytically, independently and creatively;
- Above average oral and written communication skills;
- Professional courtesy when interacting with others, while maintaining independence;
- Not be driven by an overwhelming need to be popular with everyone;
- An objective, non-confrontational, improvement-driven attitude;
- High ethical standards;



## Federal Communications Commission Office of Inspector General

- The ability to work effectively on their own and with others at all levels of the OIG, FCC and audited organizations;
- Good organizational skills;
- A detail oriented approach to work; and
- An appropriately assertive, but not aggressive, approach to work when necessary.

DAIGAs and Directors should communicate expectations of the audit environment to each staff member. They should communicate the goals of the projects, i.e. training and the expectations, as well as an explanation of the benefits to the organization.

All staff should be aware of the goals, including the internal audit schedule, the type of audit, and expectations of internal audit results. The DAIGAs and Directors will also measure the ongoing effectiveness of the team. This would be an ideal time to discuss what top management expects from the audit function. Communicating these expectations to the auditors is critical to success.

Auditors and Directors are expected to:

- Schedule the audit within the required timeframe;
- Plan, manage, and conduct audits from beginning to end;
- Identify, document, and evaluate internal risks and controls, process performance, opportunities for improvement;
- Complete internal audit checklists/worksheets and prepare the internal audit report; and
- Communicate findings with the process owners.

Role of the DAIGAs, Directors or lead auditors:

- Ensure that auditing procedures are followed;
- Ensure the performance schedule and milestones are being met;
- Ensure that all team members are appropriately trained;
- Ensure an adequate amount of time is allotted to plan, prepare and conduct the audit;
- Ensure auditors have access to training opportunities;
- Identify needs for resources (training, materials, supplies, etc.); and
- Groom the next lead auditor.

Auditors should be allotted adequate time to plan and perform audits built into their schedule. When teams are used, the team should be involved in setting up the program and taking ownership. It is not the auditors' job to solve the problems in program areas where FCC management holds responsibility, but rather, only to find gaps in the management system, which managers, with assistance from their supervisors if necessary, must develop effective solutions. The audit members should develop a cohesive team and make sure team dynamics are maintained. This team effort brings more meaningful results to management.

How we do our work is as important as "what" we do. The "how" is a reflection of the OIG culture. "What" we do is perform or support the performance of audits, evaluations, and



## Federal Communications Commission Office of Inspector General

investigations of FCC's programs and operations. We believe that the success of the operational "what" will be limited if the "how" is not understood, embraced, and executed by our OIG team.

### **Employee Review Performance Competencies**

All employees are expected to perform at an acceptable level within the FCC OIG. The core competencies represent the one core critical element for successful performance and will be used to determine the annual performance rating. The annual performance rating is prepared by the supervisor as part of the final review. Individual performance ratings, (i.e., pass or fail), are not required for each competency area. The frequency of the performance discussions may be more frequent than required by FCC directives, if warranted by the supervisor.

These general competencies are designed and intended to serve as a framework for joint discussions between the supervisor and the employee throughout the year to include:

**PERFORMANCE PLANNING MEETING** - This meeting will take place at the beginning of the review cycle in which the supervisor and the employee meet for a discussion on the specific job performance expectations. The purpose of this meeting is to jointly clarify how competencies apply within the work environment so that there is a common understanding about the employee's expectations for performance. In addition, there should be discussion of the goals of the individual work units and the employee's involvement/contribution to unit goals for the upcoming year.

**EMPLOYEE FEEDBACK MEETING** - At least one employee feedback meeting is required during the sixth or seventh month of the review cycle. This mid-year review shall serve as a basis for dialog between the employee and supervisor in discussing the employee's overall performance progress and professional development to date. All employees are encouraged to provide the DAIGA and AIGA semi-annual written accomplishments. These employee accomplishments should be completed within 5 business days after the six-month rating period increment and reflect the employees' work and project accomplishments plus training accomplishments. Further, training and on-the-job and/or self-developmental opportunities that the employee should pursue will be identified and discussed.

**ANNUAL PERFORMANCE REVIEW MEETING** - At the end of the review year, the supervisor and employee will meet to discuss the employee's performance and achievements throughout the year. Further training and on-the-job and/or self-developmental opportunities that the employee should pursue will be identified and discussed.

Critical Performance Area – Core Competencies; Employee Expectations Met By:

#### *Competency Area #1 - Job Knowledge*

Properly interprets law, regulation, and Agency policy and directives in the performance of his/her respective duties.



## Federal Communications Commission Office of Inspector General

### *Competency Area #2 – Technical Skills*

Is proficient in the job skills necessary to accomplish his/her assigned work in an effective and efficient manner.

### *Competency Area #3 – Professional Application*

Effectively applies job knowledge and job skills. Examples include written and oral communications, leadership, assignment planning and organization, analysis and problem solving.

### *Competency #4 – Working With Others*

Works constructively and in collaboration with other FCC employees and/or personnel from other organizations toward common goals. Assumes personal responsibility for areas assigned to her/him. In all work situations, maintains open, honest and constructive interactions with other FCC employees, personnel from other organizations, and the public.

### *Competency #5 – Human Resources Management*

This applies to Supervisors, Managers, and Management Officials.

## **Employee Communication Policy Guidelines**

The OIG OA guidelines and policy requires all levels of staff to keep open communications. Good communication is much more than the exchange of information and it involves the management of relationships and the need for staff involvement. Communication is as much about attitude and behavior as it is about message. Every member of the staff has a role and a responsibility to support open and effective communication. The following should be followed to ensure consistent and open communications.

The Exchange of Meaning. Communication is the effective exchange of meaning or understanding in formal and informal communication. It applies to communication up, down and across the organization. Everyone in the organization is accountable for the effectiveness of his or her own communication. This especially applies to those who manage others. Therefore, all staff including the AIGA, DAIGAs, Directors, and staff are expected to maintain effective communications.

Open Communication. Open communications are valued in the OA. Unless something is confidential, it can be communicated in a complete, unambiguous and timely manner. All staff levels are encouraged to communicate openly. Credibility and trust of managers will only come with consistently truthful and open communication. Communication about significant happenings needs to be thoroughly planned. Being too busy is not an acceptable excuse for inadequate or ineffective communication. Care should be taken to decide what requires formal communication and by whom, and what can be communicated informally. Significant



## Federal Communications Commission Office of Inspector General

information should show who has authorized its release and be released in all locations at the same time.

Face-to-Face Communication. There is unlikely to be an effective exchange of meaning or understanding unless there is discussion and the opportunity for questions to be asked and answers received. This is best conveyed in face-to-face communication. The needs of various internal audiences should be taken into account when planning communication. Some audiences will be satisfied with simple verbal presentations while others will require documentation of significant information. Face-to-face communication may include all levels: team leader, director, DAIGA, AGIA and senior briefings and discussions, as appropriate.

Feedback is Encouraged. Obtaining feedback and listening effectively are critically important for good communication. Effective communication will only come if communicators at all organizational levels seek out feedback and take appropriate action to ensure the intended meaning is passed on to the relevant audience. Employees should always be able to say what's on their minds without retribution, providing it isn't disrespectful or insubordinate. We are always committed to acting on feedback, either with clarifying communication or relevant action.

Information is Not Communication. Written or electronic messages should be supplemented by face-to-face communication where feasible. Electronic email messages should be clear, concise, and within the confines of office. In some situations, the emails may be eliminated to avoid misunderstanding, etc.

Focus on Local Issues. In communicating, focus on local issues, especially serious business issues (such as business results, customer feedback, and the future of the business). Communication issues that arise at a local level (e.g. cross-functional issues, and rumors) should be addressed by those involved without delay. Effective communication requires the active involvement of at least two parties.

The Team Leader is Critical. Important information must be made available to all staff in a timely manner to enable them to relay it to their teams. Information should be cascaded down the organization and communicated directly to team leaders as appropriate. It is better to over-communicate than under-communicate. Team leaders should make clear what information is available and communicate as requested. Effective team leaders regularly communicate with their team members on a formal and informal basis, and actively seek feedback from their teams on the effectiveness of their communication with them.

Training will be Provided. Training in effective communication will always be available to staff, team leaders, supervisors and managers. Communication materials and support will be provided to managers, supervisors and team leaders as appropriate.

Communications will Respect Individuals. All communication must be truthful and ethical. The impact and consequences of communication determined in advance must be taken into account. It also means effective communication of job requirements and standards, and keeping everyone





## **Federal Communications Commission Office of Inspector General**

informed of how they are performing. There should be "no surprises" when it comes to individual performance feedback. Information provided to any one person should also be provided at the same time to all others involved or likely to be interested. Mischievous communication (i.e. starting or spreading rumors known to be untrue) will not be tolerated and could result in disciplinary actions.

We Communicate both Positive and Negative news. We are committed to communicating both good and bad news quickly, even if the full impact of the decision or message may not be clear. Rumors in the workplace should be addressed with effective communication as soon as is practicable. Communicating on a "need to know" basis, avoiding controversial issues, or delaying communication "until all details are clear" is contrary to this policy.

### **8.4 Travel Request and Travel Vouchers:**

All travelers must adhere to the Federal Travel Regulations and guidance provided by the FCC. Travel requests should be completed once the travel has been approved by the DAIGA and the AIGA. After completion of the travel, employees are to submit an accurate and complete travel claim, normally within five (5) workdays. Employees are normally reimbursed within thirty (30) calendar days from the date the voucher is submitted. Time in "Travel Status" will be considered hours of work and therefore compensable in accordance Federal Travel Regulations, FCC Directives and supervisory approval. Any compensatory time required as a result of travel must be approved in advance of the travel, in accordance with FCC time and attendance policies.

### **8.5 Telework:**

The telework program is a flexible management tool for use by management in accomplishing the agency's work, and not an employee right. Participation in the program is voluntary and subject to management approval. The OIG shall administer the telework policy in accordance with FCC directives and use the guidance to implement policy. The AIGA shall approve conforming agreements annually or as, otherwise, required. The DAIGAs shall assist the AIGA in determining eligibility for telework based on a review of the responsibilities of the position and its incumbent, consistent with the requirements and criteria found in FCC directives.

### **8.6 Time and Attendance:**

The AIGA has primary responsibility for authorizing and approving Time and Attendance (T&A) transactions. All employees are expected and required to maintain current time and attendance records using WEBTA, the FCC's web-based time and attendance reporting system. Employees are encouraged to keep the Director, DAIGA and AIGA informed of planned leave or changes to their work schedule. Emails should be used in conjunction with the WEBTA to communicate leave plans and the work schedules. Generally, WEBTA timesheets are to be validated and certified at near the close of the pay period. DAIGAs and the AIGA should be aware of the work time and any absences of employees for whom they are responsible. Changes to an employee's normal work schedule should generally be approved prior to the change actually occurring. Due to the OIG structure, the AIGM and staff shall assist with managing time and attendance matters. OIG employees are expected to complete all leave requests and



## **Federal Communications Commission Office of Inspector General**

timesheets before the end of each pay period and as directed by FCC Human Resource and/or Payroll and Benefits Center.

### **8.7 Employee Conduct:**

The mission of the Office of Inspector General (OIG), as mandated by public law, is to protect the integrity of the Federal Communications Commission programs, as well as the welfare of beneficiaries served by those programs. Sound OIG performance is dependent on employees' compliance with agency policies. The OIG OA should be committed to a work environment that encourages honest discussion of issues and concerns about legal compliance, agency policy, and ethical business conduct. Employees are prohibited from engaging in activities that may result in a conflict of interest. A conflict of interest arises when personal interests or activities compromise, or appear to compromise, the ability to make an impartial business decision or when employee position is used for personal advantage.

### **8.8 Bi-Weekly Status Reports:**

All staff must complete and submit Bi-Weekly Status Reports by close of business on the Fridays designated by the AIGA. Status Reports should be used to report significant work accomplishments and ongoing work to the Directors, DAIGAs, and the AIGA. The reports shall be summarized and used by the AIGA for managing, planning, and accomplishing tasks as required. The Administrative staff shall assist the AIGA in summarizing an overall status report.

### **8.9 Semiannual Reports:**

In accordance with the requirements of the Inspector General Act, the Semiannual Report to Congress is a document prepared by the OIG that summarizes OIG activities for six-month periods ending March 31 and September 30. It is submitted to the DAIGA – PQAD at least 30 days prior and shall be subsequently prepared and developed with updates during early April and October. The AIGA shall review and provide to the AIGM who shall provide it to the DIG for review, etc. Items normally included in the report are:

- Descriptions of significant problems, abuses, and deficiencies relating to the administration of the FCC's programs and operation;
- Descriptions of audit recommendations for corrective action;
- Identifications of audit recommendations described in previous semiannual reports for which the agency has not completed corrective action;
- Summaries of matters referred to prosecuting authorities and the results of those prosecutions;
- Selected regulatory commentary summaries and agency responses;
- Statistical tables demonstrating the dollar results of the OIG audits performed during the reporting period.



# **Section 2**

## **Auditing Chapters**

### **FCC OIG Draft Audit Manual**



## **Chapter 9: The Audit Development and Decision Process**

### **9.1 Purpose:**

This chapter describes the process of how OIG OA plans their work in a manner that ensures efficient and effective use of OIG resources.

### **9.2 Standards and Background:**

The standards for planning audits are found in Chapters 4 and 6 of the Government Auditing Standards. GAS emphasizes the importance of planning and requires the OIG to carefully plan and document audit work with optimum use of resources.

To ensure that OIG resources are used in an optimum manner, oversight of FCC programs and operations are planned via a systematic process. The planning process includes a long-range strategic plan that interfaces with the OIG Annual Plan. The OIG planning process is designed to yield assignments that will encourage efficiency, economy, and effectiveness in FCC programs and operations; detect and prevent fraud, waste, and mismanagement; improve program and security activities; and respond to unplanned priority requests and targets of opportunity. The audit strategy should have a three-to five-year time horizon and have a road map based on the OIG's overall strategy, stakeholder expectations, regulatory requirements and the role of the other risk functions. It is essential that the audit resources be allocated to provide maximum benefit to FCC management and other stakeholders.

The OIG's Office of Audit conducts audits and other reviews of FCC's programs and activities to ensure they operate economically, efficiently, and effectively. The audits cover all of FCC's bureaus, field offices, and entities regulated by the FCC. In accordance with the Inspector General Act of 1978, as amended, and to maintain our independence and objectivity, the OIG does not engage in making policy decisions for the FCC or assist in operating FCC programs.

### **How Do We Decide What to Audit?**

The OIG gets ideas for audits from a variety of sources. Some audits are initiated based on ongoing research and assessments of FCC's major management and program challenges. Other audits may be conducted at the request of members of Congress, congressional committees, or FCC officials. The OA also performs audits that are referred from OIG's Office of Investigations. Finally, the OA may conduct some audits that are required by law. To help us identify and prioritize audit issues, the OA may develop long-range strategic plans.

### **9.3 Annual Audit Plan:**

This OIG Annual Plan identifies mandated and selected assignment topics. Although this plan provides a framework for activities the OA intends to carry out, the OIG often undertakes unanticipated work based on legislative mandates, congressional inquiries, hotline requests or government-wide reviews. The plan may be implemented through audits, evaluations,



## **Federal Communications Commission Office of Inspector General**

investigations and follow-up reviews in compliance with the Inspector General Act, the applicable professional standards of the Comptroller General of the United States, and the Quality Standards for Federal Offices of Inspector General of the Council of the Inspectors General on Integrity and Efficiency. Readers are encouraged to consult our website, [www.fcc.gov/oig](http://www.fcc.gov/oig), for the most current listing of recently issued reports relating to our implementation of the plan. The Annual Audit Plan shall be accomplished as deemed necessary by the AIGA and will be executed based on available resources and ongoing developments within the OIG and FCC.

The Annual Audit Plan should include several variables and factors for selected audits. The DAIGAs and Directors are encouraged to develop ongoing communications with FCC and USAC officials to obtain input and in identifying risks. Primary sources of input for the assignments listed in this plan may include risk assessments across agency programs and operations based upon prior OIG work, U.S. Government Accountability Office high-risk assessments, congressional interest, Office of Management and Budget (OMB) priorities, agency vulnerability/internal control assessments performed under OMB Circular A-123 and the Federal Managers' Financial Integrity Act, and identification of key agency challenges and strategic planning priorities. Current planning may also reflect direct outreach and solicitation for topics and assignment suggestions from FCC's leadership and external stakeholders. Other assignments are required or are self-initiated based upon our strategic themes, which are focused on providing the greatest value and risk reduction to the agency and the greatest benefit to FCC and the public at large.

### **9.4 OIG Strategic Plan:**

This plan is based on a variety of assumptions or environmental factors that must be evaluated on an ongoing basis. Major changes in these underlying assumptions could significantly impact OIG resource allocation and the achievement of OIG goals and objectives. Environmental factors fall into two broad categories: (1) factors regarding FCC operations, which in turn affect the identification of high impact/high risk areas for OIG audits, evaluations and investigations, and (2) factors regarding OIG operations, which relate to human resource needs and effective management of the OIG. The OA Strategic Plan shall be in writing and be revised annually or as deemed necessary to adjust to changing assumptions and environmental factors.

### **9.5 Semi-Annual Reports to Congress:**

The Semi-Annual Report (SAR) to Congress summarizes the activities of the Office of Inspector General (OIG) during the six-month periods ending March 31 and September 30. The OIG OA shall develop input during the six-month period and ensure that all pertinent and essential information is accurately reported and articulated. The AIGA with the assistance of all DAIGAs and their staff shall prepare the OA section of the SAR. The AIGA shall work with the AIGM and DIG to finalize the report for the IG's review and approval. The report is submitted to the FCC Chairman no later than April 30 and October 31 of each year. The Chairman may comment on the report, but may not change it. Within 30 days of receipt, the Chairman submits the IG's report to Congress, together with any comments he or she deems appropriate.



## **Chapter 10 : Planning Audit Engagements**

### **10.1 Purpose:**

This chapter establishes policies and procedures for planning audit assignments. Careful planning of each audit assignment is essential.

### **10.2 Standards:**

The standards for planning audits are found in Chapters 4 and 6 of the Government Auditing Standards. Government Auditing Standards require that auditors plan the audit to reduce audit risk to an appropriate level for the auditors to provide reasonable assurance that the evidence is sufficient and appropriate to support the auditors' findings and conclusions. Chapter 6 provides extensive guidance for planning performance audits.

### **10.3 Policy:**

It is OA policy for auditors to use professional judgment to plan each audit assignment. Specifically, for each audit the team should:

- Prepare sufficient audit documentation, including an audit plan, to enable an experienced auditor having no previous connection to the audit to understand from the audit documentation that the audit has been adequately planned and documented.
- Conduct a team meeting (DAIGA and staff) when planning the audit to establish and agree upon a manageable number of clear audit objectives that can be completed in a timely fashion. The objectives will form the basis for the audit planning effort.

### **10.4 Planning Guidance:**

The OIG publishes an annual work plan that details the specific assignments that it expects to undertake. These assignments come from a variety of sources including: leads developed from current assignments, effort spent on work plan budgeted research and development projects, and requests from program officials or members of Congress. Assignments are selected for the work plan based upon significance and a risk assessment of the Commission's program activities and functions. The priority for conducting audits is based on:

- Mandatory legislative requirements;
- Emphasis by the President, Congress, FCC Chairman or other FCC Commissioners, and stakeholders;
- Issues that pose a threat to public health and safety;
- A program's susceptibility to fraud, manipulation, or other irregularities;
- Protection of IT security resources in a way that ensures integrity of information;
- Protection of Personally Identifiable Information (PII);
- Newness, changed conditions, or sensitivity of program activities;
- Dollar magnitude or resources involved in the area/program,



## Federal Communications Commission Office of Inspector General

- Prior results of oversight and experience, including the adequacy of internal controls; and
- Availability of resources.

OA collaborates with other OIG components to ensure effective, non-duplicative coverage of the Commission's programs and activities in the development of the OIG Work Plan.

Assignment planning should ensure that the factors that resulted in the selection of the issue in the work plan are adequately covered by the scope of the audit. The determination that the specific assignment being planned is the best use of audit resources is generally made in the initial phases of the audit process.

### 10.5 Survey:

The survey phase is the initial step of the planning process. Information that should be gathered, reviewed and considered in the audit planning/survey process includes but is not limited to:

- Background. Information should be obtained on the background and mission of the organization, to give perspective for effectively appraising performance. Often a pamphlet, Internet web page, or directive will serve this purpose. Operating plans and accomplishments should be reviewed to determine how well they coincide with each other and whether the planning performed is practical. Staff should determine whether established goals are being met. Operating programs, budgets, and other operating summaries and reports should be reviewed to ascertain the relative importance of the activities; significant changes or differences between past, current, and planned future operations; and large variances between planned and actual accomplishments. Information concerning volume, costs, trends, etc., should be reviewed to identify significant audit areas.
- Laws, Legal Opinions, and Special Rulings. It is generally not necessary to make a complete study of legislation or other sources of authority. However, staff should be familiar enough with the legal authority of the activity to recognize unlawful practices, and other departures from authorizing legislation, if found. It is often advisable to obtain input from an attorney when looking at audit areas that involve a complex or evolving legal framework. Attorneys on the AIGI's team are available to discuss legal matters, or review the audit criteria for an audit on a consultative basis.
- Congressional Hearings. As appropriate, staff should become familiar with problem areas within the agency which have been discussed or questioned in appropriations or other congressional hearings.
- Organization and Functions. Organizational, functional, and staffing charts should be reviewed to obtain an understanding of the overall objectives of the operation. The people and units that are most important in controlling funds, material, and staffing should be identified. To develop leads, the effectiveness of the organization structure as a means of management control and efficient and economical operation should be evaluated. Obvious





**Federal Communications Commission  
Office of Inspector General**

inadequacies should be identified. A sound organizational structure should provide for the most effective employment of available resources.

- e. Transaction Processing. Information should be obtained to show how a representative action or transaction flows through the management control system.
- f. Policies. Information about the policies (those established by regulation, handbook, executive direction, management directives, or decisions) applicable to the specific activities to be examined, and the overall policies which have been prescribed by top management to govern the activities as a whole, should be obtained.
- g. Reports. While conducting the survey, staff should obtain reports or other evaluations from the appropriate program or organizational officials being surveyed. Reports to be gathered include audit reports, management reports, management review reports, financial reports, and budget and financial data.
- h. Other Sources. Information can also be obtained from hotline complaints and/or conversations with other FCC bureaus and USAC, etc.

The following guidelines should be emphasized when conducting the survey:

- a. Information Gathering. New information should be obtained only as needed to update information that has already been accumulated. Avoid becoming overburdened with detail that cannot be productively used at this stage of the review. Time can be saved and the potential for error reduced by getting electronic copies of material needed rather than copying manually.
- b. Goals and Objective. Visualize what is to be achieved in the audit, particularly in terms of adverse effects in potential findings. Are there issues that might place limitations on the conclusions which are reported relative to these adverse effects?
- c. Materiality. Areas of materiality should be identified and problems and weaknesses pinpointed in operating practices and procedures that need attention. Such areas should be carefully studied to ensure that the objectives and steps included in the assignment program provide information that will result in sound, convincing findings and recommendations.
- d. Priorities. Operations should be probed and evaluated carefully to determine where available audit staff can be used most productively. Potential deficiencies having the greatest effect on the Commission should be emphasized.
- e. Organizational Structure. Develop a clear understanding of the level of management to be audited.



## Federal Communications Commission Office of Inspector General

At the completion of the survey, staff should have gained sufficient information and an adequate understanding to identify the potential findings and determine the need for, and the areas to be covered in subsequent audit work. The options are to:

- a. Proceed with the Field Work. An assignment guide should be developed, detailing the steps to be performed, setting milestones for the field work, and developing and quantifying the potential deficiency areas identified and documented during the survey. The reasons for continuing should be fully justified, and the staff should update the project tracking form reflecting new dates, staffing needs, etc.; and hold another conference with appropriate officials of the entity being reviewed to advise them of the decision.
- b. Issue a Survey Report. A survey report may be issued to appropriate officials describing findings that are fully developed with conclusions and recommendations for corrective actions. An exit conference will be held with the appropriate FCC officials advising them of the decision, and obtaining comments and clarifications on the matters to be reported.
- c. Close-out the survey. A close-out memorandum should be issued terminating the survey and advising appropriate FCC officials that no further work is contemplated. The IG must approve all project cancellations.

Note that independent public auditors (IPAs) or other technical specialists under contract to OIG may have audit planning tools and procedures of their own, and these external processes may be used in contracted assignments. Statements of Work (SOWs) issued for contracted work will specify the extent to which the contractor's procedures or the OIG's procedures will be used. The extent to which OIG staff is involved in the planning of a contracted audit will depend upon the level of reliance we intend to place upon the work of the contractor. See Chapter 15, "Using the Work of Others," for a discussion on reliance on the work of others.

### **10.6 Assignment Planning:**

After a decision is made to commit audit resources to an issue or concern, initial team discussions are conducted to convert issues described in the OIG Work Plan into clear audit objectives.

All planning efforts should focus on the final product – the audit report.

At the planning meetings, team members should discuss and make preliminary decisions about scope and methodology with the understanding that these decisions can be refined and modified throughout the audit.

The scope is the boundary of the audit and is directly tied to the audit objectives. The scope of the audit can be defined by the program, or an aspect of a program to be audited, the period of time reviewed and/or the locations that will be included.

The methodology is the audit procedures performed to accomplish the audit objectives.



## Federal Communications Commission Office of Inspector General

The audit team should design the methodology to obtain sufficient, appropriate evidence to address the audit objectives, reduce audit risk to an acceptable level, and provide reasonable assurance that the evidence is sufficient and appropriate to support the auditors' findings and conclusions.

In addition to establishing the audit objective(s), scope and methodology, the audit team should assess audit risk and significance within the context of the audit objective by focusing on the following:

- Obtaining an understanding of the program to be audited and the needs of potential users of the audit report.
- Identifying the criteria needed to evaluate matters subject to audit.
- Obtaining an understanding of internal controls related to the scope and objective(s) of the audit.
- Assessing and discussing the risks of fraud, including factors such as incentives or pressures to commit fraud, the opportunity for fraud to occur and the rationalizations or attitudes that could allow individuals to commit fraud.
- Identifying the potential sources of data that could be used as audit evidence.
- Considering the results of previous audits and attestation engagements that could affect the planned audit objectives.
- Considering whether the work of other auditors and/or specialists may be used to satisfy some of the audit objectives.
- Providing appropriate and sufficient staff and other resources to perform the audit in a timely manner.
- Communicating general information concerning the planning and performance of the audit to management officials responsible for the program being audited, those charged with governance and others as applicable.
- Preparing an audit plan.

Additional information on these items is contained in Chapter 6 of Government Auditing Standards.

### **10.7 Detailed Written Audit Plan:**

The Detailed Audit Plan (commonly known as the Audit Program or Audit Guide) identifies the audit objectives and sub-objectives and the steps needed to gather and evaluate audit evidence to support conclusions on the audit objectives. Each step of the audit plan is to be initialed and dated by the auditor who completes the work (automatically achieved in TeamMate). The detailed audit plan is prepared by the Audit Director, Lead Auditor or other staff following approval of the proposed audit objectives at the planning conference.

The audit plan is specific to each engagement and is written to address the established audit objectives. The audit plan may be revised during the engagement should circumstances warrant, subject to approval by audit management. If a revision to the audit plan is approved, a revision to the audit time budget will also be considered and approved by audit management, if necessary.



## **Federal Communications Commission Office of Inspector General**

The auditor is expected to perform only the audit work that is included in the approved audit plan. Any deviation from the approved audit plan must be approved by OA management.

### **10.8 Auditor Procedures:**

1. When the audit assignment is approved, the auditor should seek an Audit Assignment number from the AIGA.
2. The auditor should use the Audit assignment number to set up the audit file in TeamMate EWP.



## **Chapter 11: TeamMate and Working Papers**

### **11.1 Purpose:**

Audit documentation is the principal record of the work performed in accordance with GAGAS and the conclusions that the auditors have reached. This section presents policies and procedures for preparing, reviewing, managing, and protecting audit documentation by the OA staff.

### **11.2 Background and Standards:**

GAGAS requires auditors to prepare audit documentation related to planning, conducting, and reporting for each audit. Working papers make up the audit documentation file that links the audit fieldwork with the report. Working papers should be prepared in accordance with the general guidelines contained in the Yellow Book or other applicable standards, and with the additional requirements established in this policy manual. Audit documentation provides a systematic record of the work performed and assists the staff in summarizing audit results and preparing the audit report. The basis of the report is audit working papers, which provide a record of the information and evidence supporting the findings, conclusions, and recommendations discussed in the audit report. Supervisors use audit documentation (the TeamMate EWP) to evaluate audit progress and ensure audit quality is maintained.

### **11.3 Policy:**

OA policy is that all audit documentation will be maintained in TeamMate. Therefore, OA staff shall plan, conduct, and report on audits using the TeamMate Audit Management System. TeamMate EWP is an electronic working papers application used to plan, document and report on projects. The TeamMate software must be used for all audit and review assignments. Exceptions to this policy will require approval from the AIGA and will be granted only with extraordinary circumstances and justification.

### **11.4 TeamMate:**

TeamMate is a Windows-based Audit Management System, designed to bring efficiency and consistency to the entire audit process. As part of the TeamMate Suite, Electronic Work Papers (EWP) integrates with the other modules to add efficiencies to the audit process. Information about planned projects can be imported when creating the EWP file. Once created, the concept of “smart auditing” can be employed to bring risk, controls, and test procedures into the project all at once. Finally, results of the project can be accessed in Team Central to facilitate issue tracking and reporting. Information from all projects can now be accumulated, processed, and reported on in meaningful terms.

### **11.5 Electronic Work Papers (EWP):**

TeamMate EWP will be used to document all steps in the audit program. The OA must use all audit documentation elements in TeamMate to include the Purpose, Source, Scope, Results and



## Federal Communications Commission Office of Inspector General

Conclusions (PSSRC) reached for each audit step performed (see below). All work performed is to be documented in the appropriate TeamMate Work Program procedure text boxes. Third-party working papers (documents and schedules such as Microsoft Word, Excel, spreadsheets, PDF files, etc.) that answer and support the audit steps should be created and/or imported directly into the TeamMate files. The auditor will ensure that indexed hyperlinks are used to link these attached working paper documents.

Team members will use the TeamMate signoff function to show that steps and documents have been completed. TeamMate automatically records the date when sign off is performed. The auditor should ensure that TeamMate Work Program audit steps and related attachments are complete and satisfy GAGAS. In addition, the auditor should ensure that TeamMate Work Program audit steps and attachments enable an independent person (such as supervisory reviewers, independent reference reviewers, peer reviewers, etc.) to comprehend and arrive at the same conclusions without assistance or supplemental information.

When practical, audit documentation should be completed in “real time” and not at the conclusion of the audit process. Auditors must record and enter audit evidence and analysis timely. All checklists used in tracking documentation of major decisions and milestones during the audit are to be included in the TeamMate audit file. This process will enable timely supervisory reviews and approval actions.

Supervision is necessary to provide sufficient guidance and direction to the audit team to meet the audit objectives and standards. Further, supervisory reviews assist in providing on-the-job-training. Directors are responsible for reviewing all audit documentation to ensure that work is progressing satisfactorily. DAIGAs and Directors must satisfy themselves that staff understands the work performed and ultimately supports the findings, conclusions, and recommendations before issuing the draft or final reports. Therefore, supervisory reviews are an important aspect of ensuring quality control. TeamMate coaching notes (or other means of communication) should be used to document supervisory reviews and actions related to the comments. Coaching notes are to be written in a positive and constructive manner with an emphasis of value-added and quality control of the audit. Coaching notes or other supervisory review documents are to be retained in the audit documentation. Auditors should generally address supervisory notes within 30 calendar days and, if possible, before completion of the draft and final report issuance.

TeamMate EWP work program elements are set up to capture the Purpose, Source, Scope, Results and Conclusions reached for each audit step performed. Here is a brief description of each element:

Purpose. Each working paper should include a statement of purpose which specifies why the working paper was prepared/created.

Source. Each working paper should specifically identify where, or from whom, the information documented in the working paper was obtained. The source should include the name, title, office, date, and if attainable, the contact information (email, phone number, fax, etc.) of the person providing the information. This also includes internal sources. For example, when raw



## Federal Communications Commission Office of Inspector General

data is used to generate useable data by the data analytics team for an audit, the data analytics personnel should create a working paper documenting the source (and other PSRC elements) of the information. When appropriate, the source should also include the name of the record or document and the responsible office for control of the record or document. In cases where documentation was obtained from the internet, the team will document and capture (for example, using .pdf) the screen shot, web address, date and any other pertinent information to add to the TeamMate file.

Scope. The statement of scope should describe the period covered for the information obtained and the basis for the period covered. The scope also describes what the auditor did with the information obtained, the basis for selecting items for review, including statistical sampling methods, and/or the relationship of the items reviewed with the total number of items.

Results. The results section is typically used to record details about the results of the testing that was carried out.

Conclusion. The conclusion is a narrative description of the positions, facts, findings and recommendations that are supported by the working paper.

For more information on the functions of TeamMate, please refer to the TeamMate user manuals. The TeamMate website (<http://www.teammatesolutions.com/>) is also a good source of information.

### **11.6 Access to Working Papers:**

Working papers developed during the course of a project become the official records of the OIG and must be adequately safeguarded to prevent access by unauthorized persons or premature disclosure of information, and to ensure they are not lost, stolen, altered, or destroyed. When the staff is working outside the OIG office, working papers that are not being used, whether in hard copy form or stored on electronic media, should be locked in the auditor's office, a file cabinet, desk or otherwise secured.

Under most circumstances, the use of working papers will be restricted to OIG employees. Working papers shall not be released and/or provided to any entity or persons outside the OIG without the approval of the AIGA or DIG. The IG must specifically authorize all other access to working papers. Requests for access to the working papers should be reviewed by the AIGI/Counsel, before forwarding to the IG for approval.

Exceptions to disclosure include legitimate confidences, which should be protected. Special care should be exercised on requests for information furnished by an informant other than in the regular course of official duties. Officials outside the OIG will not be allowed access to project programs or other materials that provide detailed information on the scope and nature of our work, before the draft report is circulated.





**Federal Communications Commission  
Office of Inspector General**

In carrying out its audit responsibilities, GAO may require information on the scope and nature of the work performed or planned by the OIG. Our policy is to make working papers, including project programs, available to GAO for this purpose and to discuss fully with GAO the work performed or planned.

The IG retains responsibility for deciding whether information may be released to the public.



## **Chapter 12: Evidence and Audit Documentation**

### **12.1 Purpose:**

This chapter establishes OA policies and procedures for the accumulation of audit evidence used in supporting conclusions, opinions, and recommendations expressed in audit reports. It also describes policies and procedures for the preparation and retention of audit documentation.

### **12.2 Standards:**

Government Auditing Standards prescribe the requirements for evidence and audit documentation in Chapter 6. Auditors must prepare audit documentation related to planning, conducting, and reporting for each performance audit. Audit documentation should contain sufficient detail to enable an experienced auditor, with no previous connection to the audit, to understand from the audit documentation the:

- Nature, timing, extent, and results of audit procedures performed.
- Audit evidence obtained and its source.
- Conclusions reached, including evidence that supports the auditors' significant judgments and conclusions.

Chapter 6 also states that auditors must obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions.

### **12.3 Policy:**

It is OA policy to comply fully with Government Auditing Standards when obtaining evidence and preparing audit documentation, regardless of the nature of the audit assignment.

In conducting audits the audit team should:

- Obtain and record in the audit documentation sufficient, appropriate evidence of the work performed to provide reasonable assurance to support the audit team's judgments and conclusions.
- Record in the audit documentation the objectives, scope, and methodology, including sampling methodology.

Audit documentation is the principal support for the audit team's representation regarding observance of the standards, including planning, supervision, and reporting.

### **12.4 Evidence – General:**

Audit evidence is the data and information that the audit team obtains during an audit to support findings, opinions, and conclusions. Audit evidence tends to prove or disprove any matter in question or to influence a belief about it and gives the auditors a rational basis for forming



## Federal Communications Commission Office of Inspector General

judgments. A considerable amount of the audit team's work consists of obtaining, examining, and evaluating evidential matter.

Evidence may be categorized as physical, documentary, and testimonial:

- Physical evidence is obtained by the audit team's direct inspection or observation of people, property, or events. Such evidence may be documented in summary memorandums, photographs, videos, drawings, charts, maps, or physical samples.
- Documentary evidence is obtained in the form of already existing information such as letters, contracts, accounting records, invoices, spreadsheets, database extracts, electronic stored information, and management information on performance.
- Testimonial evidence is obtained through inquiries, interviews, focus groups, public forums, or questionnaires.

Auditors frequently use analytical processes including computations, comparisons, separation or grouping of information into components, data analytics and rational arguments to analyze any evidence gathered to determine whether it is sufficient and appropriate.

### **Sufficient and Appropriate Evidence:**

Auditors must obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions.

Sufficiency is a measure of the quantity of evidence used for addressing the audit objectives and supporting findings and conclusions. In determining the sufficiency of evidence, the audit team should determine whether enough appropriate evidence exists to address the audit objectives and support the findings and conclusions.

The sufficiency of evidence required to support the auditors' findings and conclusions is a matter of professional judgment. The following presumptions are useful in judging the sufficiency of evidence.

- The greater the audit risk, the greater the quantity and quality of evidence required.
- Stronger evidence may allow less evidence to be used.
- A large volume of audit evidence does not compensate for a lack of relevance, validity, or reliability.

Appropriateness is the measure of the quality of evidence that encompasses its relevance, validity, and reliability in providing support for findings and conclusions related to the audit objectives. In assessing the overall appropriateness of evidence, auditors should assess whether the evidence is relevant, valid, and reliable. The following presumptions are useful in judging the appropriateness of evidence.

- Relevance refers to the extent to which evidence has a logical relationship with, and importance to, the issue being addressed.



## Federal Communications Commission Office of Inspector General

- Validity refers to the extent to which evidence is a meaningful or reasonable basis for measuring what is being evaluated. In other words, validity refers to the extent to which evidence represents what it is purported to represent.
- Reliability refers to the consistency of results when information is measured or tested and includes the concepts of being verifiable or supported.

### **Source of Evidence Obtained:**

There are different types and sources of evidence that auditors may use, depending on the audit objectives. Evidence may be obtained by observation, inquiry, or inspection. Each type of evidence has its own strengths and weaknesses.

The nature and types of evidence to support the audit team's findings and conclusions are matters of the auditors' professional judgment based on the audit objectives and audit risk. The following contrasts are useful in judging the appropriateness of evidence; however, these contrasts are not adequate in themselves to determine appropriateness:

- Evidence obtained when internal control is effective is generally more reliable than evidence obtained when internal control is weak or nonexistent.
- Evidence obtained through the auditors' direct physical examination, observation, computation, and inspection is generally more reliable than evidence obtained indirectly.
- Examination of original documents is generally more reliable than examination of copies, or electronic or other reproductions, unless documentation/information is directly extracted from an electronic system by the auditor.
- Testimonial evidence obtained under conditions in which persons may speak freely is generally more reliable than evidence obtained under circumstances in which the persons may be intimidated.
- Testimonial evidence obtained from an individual who is not biased and has direct knowledge about the area is generally more reliable than testimonial evidence obtained from an individual who is biased or has indirect or partial knowledge about the area.
- Evidence obtained from a knowledgeable, credible, and unbiased third party is generally more reliable than evidence from management of the audited entity or others who have a direct interest in the audited entity.
- Testimonial evidence may be useful in interpreting or corroborating documentary or physical information. Auditors should evaluate the objectivity, credibility, and reliability of the testimonial evidence.
- Documentary evidence may be used to help verify, support, or challenge testimonial evidence.

When auditors use information gathered by officials of the audited entity, the auditors should determine what the officials did to obtain assurance that the information was reliable. The audit team may find it necessary to perform testing of management's procedures to obtain assurance or perform direct testing of the information. The nature and extent of the auditors' procedures will depend on the significance of the information to the audit objectives and the nature of the information being used.



## Federal Communications Commission Office of Inspector General

Auditors should assess the sufficiency and appropriateness of computer-processed information (including information obtained from the Internet) regardless of whether this information is provided to the auditors or the auditors independently extract it. The nature, timing, and extent of audit procedures to assess sufficiency and appropriateness are affected by the effectiveness of the entity's internal controls over the information, including information systems controls, and the significance of the information and the level of detail presented in the auditors' findings and conclusions in light of the audit objectives. The assessment of the sufficiency and appropriateness of computer-processed information includes considerations regarding the completeness and accuracy of the data for the intended purposes.

### **Overall Assessment of Evidence:**

The audit team should determine the overall sufficiency and appropriateness of evidence to provide a reasonable basis for its findings and conclusions within the context of the audit objectives. Professional judgment about the sufficiency and appropriateness of evidence is closely interrelated, as auditors interpret the results of audit testing and evaluate whether the evidence obtained is sufficient and appropriate. Auditors should perform and document an overall assessment of the collective evidence used to support findings and conclusions, including the results of any specific assessments conducted to conclude on the validity and reliability of specific evidence.

Sufficiency and appropriateness of evidence are relative concepts, which may be thought of in terms of a continuum rather than as absolutes. Sufficiency and appropriateness are evaluated in the context of the related findings and conclusions. For example, even though auditors may have some uncertainties about the sufficiency or appropriateness of some of the evidence, they may nonetheless determine that in total there is sufficient, appropriate evidence to support the findings and conclusions.

Section 6.69 and 6.72 of Government Auditing Standards contains additional information on the overall assessment of evidence.

### **12.5 Access to Records:**

The legal citation giving OA the authority to access records is set forth in the Office of Inspector General enabling legislation (IG Act), specifically 5 USC Appendix, Section 6, *Authority of Inspector General*. The legislation authorizes the IG's access to all records, reports, audits, reviews, documents, papers, recommendations, or other materials available to the applicable establishment, which relate to programs and operations for which the IG has responsibility. In addition, other statutes, regulations or grant/contract terms provide access to records of grantees, contractors, and participants in specific programs.



## **12.6 Denial of Access to Records:**

In situations where the audit team is denied access to certain information or records, Section 6(a)(4) of the IG Act provides the authority to require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence necessary in the performance of the functions assigned by the IG Act. The subpoena is enforceable by an order of any appropriate United States district court.

## **12.7 Audit Documentation:**

The term “audit documentation” encompasses all documents and other media containing the evidence used to provide a reasonable basis for the auditor’s conclusions regarding the organization, program, activity, or function under audit. Audit documentation should contain the objectives, scope, and methodology, including any sampling methodology. Audit documentation includes all of the records kept by the auditor or team of the procedures applied, the information obtained, and the tests performed to support significant conclusions and judgments reached in the audit. It also contains the audit plan, copies of grants or contracts, abstracts of documents, memorandums, letters of confirmation and representation, analyses and schedules, and commentaries prepared or obtained by the auditor or team. Computer programs, record layouts, file descriptions, flow charts, and other documents prepared by specialists as members of the audit team are considered audit documentation.

### **Purpose of Audit Documentation:**

Audit documentation serves three primary purposes:

- It is the principal support for the audit report.
- It aids the audit team in conducting and supervising the audit.
- It allows others to review the quality of the audit.

Audit documentation should be appropriately detailed to provide a clear understanding of its purpose, source, and conclusions that the audit team reached. The audit documentation should be appropriately organized to provide a clear link to the findings, conclusions, and recommendations contained in the audit report.

Sufficient and appropriate evidence should be contained in the audit documentation to support the audit team’s judgments and conclusions. Audit documentation contains:

- The objective, scope, and methodology of the audit, including the sampling methodology.
- The audit team’s determination that certain standards do not apply or that an applicable standard was not followed, the reasons for that determination, and the known effect or risk that not following the applicable standard had or could have had on the audit.
- A description of the work performed to support significant judgments and conclusions, including descriptions of transactions and records examined.



## Federal Communications Commission Office of Inspector General

- Evidence of supervisory review, before the audit report is issued, to ensure that the work performed supports the findings, conclusions, and recommendations contained in the audit report.
- Information for supervisors to enable them to carry out their assignments and to evaluate the performance of staff assigned to the audit.
- Information for future use in planning and carrying out subsequent assignments.
- Documentation of conformance with Government Auditing Standards and compliance with OA audit policies and procedures, and/or that certain standards or OA policies and procedures do not apply to the audit.

When the audit team does not comply with applicable Government Auditing Standards due to law, regulation, scope limitations, restrictions on access to records, or other issues impacting the audit, the auditors should document the departure from Government Auditing Standards and the impact on the audit and on the auditors' conclusions. This applies to departures from both mandatory requirements and presumptively mandatory requirements when alternative procedures performed in the circumstances were not sufficient to achieve the objectives of the standard.

The form and content of audit documentation should be designed to meet the circumstance of the particular audit. The following basic principles should be observed by audit teams when preparing audit documentation:

- The procedures followed by the audit team, including the analysis and interpretation of the audit data, should be included in the audit documentation. An experienced auditor, as defined by Government Auditing Standards, with no previous connection to the audit should be able to ascertain from the audit documentation the evidence that supports the audit team's significant conclusions and judgments. Well-prepared audit documentation also permits other audit team members to pick up the audit at a certain point (e.g., at the completion of the survey phase) and carry it to its conclusion.
- The information contained in the audit documentation should be clear and complete, yet concise. Clarity and completeness should not be sacrificed to save time.
- The information in the audit documentation should be restricted to matters that are materially important and relevant to the objectives of the assignment. Before the audit team develops audit documentation such as analyses, exhibits, and schedules, the following should be clearly determined: (1) the objectives or what needs to be needed information (filed, recorded, etc.); and (2) the comparisons needed to prove the condition(s) or conclusion(s). Unnecessary or irrelevant audit documentation should not be prepared or retained.
- The audit file should include exception-only documentation. The audit team may meet this requirement by listing file numbers, case numbers, or other means of identifying specific documents the team examined. The audit team is not required to include copies of documents it examined as part of the audit documentation, nor is the team required to list detailed information from those documents. However, in error cases, when the audit team's findings



## Federal Communications Commission Office of Inspector General

may be subject to interpretation, it may be useful to retain more detailed documentation.

- Audit documentation should be well planned and organized. Audit documentation is more than just a record of the work performed. Audit documentation should provide a clear link to the findings, conclusions, and recommendations in the audit report.
- Adequate planning is the key to the development and preparation of good audit documentation.
- Audit documentation should be uniformly designed and arranged to facilitate the reviewer's job. If the audit documentation is of high quality and is developed, organized, and cross referenced to the overall audit plan, supervisors and other reviewers such as quality control reviewers should experience no difficulty in understanding or evaluating it.

### 12.8 Indexing and Cross-Referencing:

Documentation must be logically organized and indexed. In addition, cross-referencing should be employed where appropriate. Cross-referencing is defined as a notation in one location of the documentation that refers to related information contained in another location. It is an important tool to ensure that (1) all pertinent facts and conclusions have been considered, and (2) adequate support exists for the findings and recommendations. Indexing and cross-referencing should be performed on an ongoing basis throughout the review to facilitate the collection of evidence and preparation of documentation.

The electronic documentation software maintains a logical and organized indexing and numbering system for related procedures and work papers. Where appropriate, hyperlinks should be employed to cross-reference related procedures, work papers or notes within the electronic documentation file.

In rare situations, physical documentation may be retained outside the electronic documentation file because it either cannot be obtained electronically, cannot be properly protected or secured, or is too voluminous to convert into a manageable electronic file. In these situations, auditors should employ the same numbering scheme used in the electronic documentation file to index the physical documentation file, and the two should be cross-referenced.

### 12.9 Documentation Review:

**Documentation Review.** The documentation review process is essential to ensure the work was properly completed and the objectives were accomplished. The documentation prepared by one person should be reviewed by a second individual who is familiar with the assignment.

**Supervisory Review.** The documentation must contain evidence of supervisory review. The depth and frequency of the supervisory review will vary with each level of responsibility. Documentation should be reviewed throughout the course of the assignment. All documentation must be prepared and reviewed prior to the issuance of the draft report.





## Federal Communications Commission Office of Inspector General

**Independent Review.** Upon completion of fieldwork and prior to the issuance of the draft report, the documentation must be independently reviewed. The independent review process is an important part of OA's quality control system whereby a professionally competent and independent individual ensures that sufficient credible evidence has been presented to support the conclusions and the recommendations flowing from such data.

### **12.10 Personally Identifiable Information:**

The standards for protecting PII and reporting incidents involving the breach of PII are found in OMB Memorandums:

- M-06-19, Reporting Incidents Involving Personally Identifiable Information and Incorporating the Cost for Security in Agency Information Technology Investments.
- M-07-16, Safeguarding Against and Responding to the Breach of Personally Identifiable Information.

PII is any information that can be used to distinguish or trace an individual's identity, such as name or social security number, or that when combined with other personal or identifying information is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

Each OA employee is responsible for properly safeguarding PII from loss, theft or improper disclosure, including inadvertent disclosure, and to immediately notify his/her supervisor of any breach, loss or potential loss of PII in any form. The responsibility to protect PII applies to all OA employees whether they are officially on duty or not on duty, at their official duty station, another official work location or an alternate duty station. All employees must:

- Know, understand and follow all Agency policies and directives on security, privacy and confidentiality practices;
- Know, understand and follow all Agency policies and directives for safeguarding PII and ensure that all policies and directives are adhered to;
- Safeguard and secure all electronic and paper records that contain PII; and
- Report the loss or suspected loss of PII immediately to their supervisor.

Whenever an employee has doubts about a specific situation involving the responsibility for safeguarding PII, that individual should consult his/her supervisor. Employees who fail to adequately safeguard PII or who violate Agency policies for safeguarding PII may be subject to disciplinary action.



## **Chapter 13: Management and Protection of Audit Documentation**

### **13.1 Purpose:**

This chapter describes policies and procedures for the management and protection of audit documentation.

### **13.2 Background:**

Audit team members are responsible for safeguarding working papers in their custody at all times. Working papers frequently contain information about auditee operations that are of confidential nature. Working papers and other information collected should not be left open or electronically accessible to others who do not have a right or need to examine them. Due diligence and care must be exercised in safeguarding information. Special security measures should be used for storing and safeguarding classified information, Privacy Act information, and other sensitive material. This includes proprietary data, personnel matters, plans for future operations (such as planned procurement actions), and information obtained to support fraud investigations or special congressional requests. All files with the foregoing information shall be appropriately labeled and stored. Alternative procedures may be required for audits involving information which may not be releasable under the Freedom of Information Act (FOIA).

### **Policy:**

### **13.3 Safeguarding Documentation during the Audit:**

Audit documentation is considered OIG property and will not be removed from OIG or auditee facilities without supervisory approval at the DAIGA and AIGA level. Documentation will be safeguarded at all times to prevent improper disclosure or premature release of audit findings and other privileged, confidential, or sensitive information obtained during the audit, such as plans for future operations or procurement actions, information obtained to support fraud investigations, or special congressional requests. Auditors need to safeguard any sensitive data that has been entrusted to their care for evaluation or audit purposes. As noted in FCC Directive FCCINST 1139, *Management of Non-public Information*, such data is considered to be "for official use only" and must be protected accordingly.

Documents that include Personally Identifiable Information (PII), or other non-public information classified as Non-Public-Highly Sensitive/Restricted or Non-Public-For Internal Use Only can be stored in TeamMate **ONLY IF** it incorporates adequate encryption and password protection safeguards. If a supporting document or audit step contains PII, Non-Public-Highly Sensitive/Restricted, or Non-Public-For Internal Use Only, the auditor **MUST** include protective markings in its title. All non-public information stored on laptop computers or any other form of portable media (thumb drive, CD, or other disk) must be password protected or, when appropriate, encrypted prior to being transported outside the physical boundaries of the workplace. Auditors must also use care when transmitting sensitive information via electronic means. For example, items such as PII or information on cyber security vulnerabilities should



## **Federal Communications Commission Office of Inspector General**

not be transmitted by unsecured email. Auditors should also ensure that sensitive files are appropriately and completely removed from laptop computers when they are no longer needed. Simply deleting a file will not remove the entire file from the hard disk or from electronic storage devices such as external/backup drives, thumb drives or disks. For assistance, contact your local computer support teams to permanently delete a file.

### **13.4 Retention and Safeguard for TeamMate Audit Files:**

Auditors should use reasonable care in safeguarding audit documentation. To ensure that audit documentation for a completed audit is accessible, retrievable, and not altered, TeamMate audit files will be archived following the "TeamMate Protocol". According to the Protocol, the TeamMate audit file will be "finalized" and stored on CDs and a dedicated limited-access network drive. One CD will be stored in the OA and a second CD will be stored at the responsible site as determined by the DAIGA and AIGA. The TeamMate audit files will be retained and disposed of in accordance with the FCC OIG's approved Records Inventory and Disposition Schedules.

### **13.5 Safeguarding Classified Audit Files:**

Special safeguards should be used for storing and safeguarding classified information. Detailed instructions with respect to the handling, controlling, storing, and mailing classified information are contained in FCC FCCINST 1139 and subsequent directives. All OA personnel, including auditors and auditors under contract, must be familiar with and observe the procedures and controls established by these instructions for safeguarding all classified information that comes into their possession. For classified computer processing, OIG personnel will adhere to requirements of the classified computer security program at the host site, including all technical provisions of that program.

### **13.6 Freedom of Information Act (FOIA) Requests:**

The OIG receives many requests for information under FOIA; occasionally, copies of audit documentation must be provided in response to such requests. Processing FOIA requests can require many hours to scrutinize the contents and write a formal response to the requester. The AIGI is the FOIA Officer for the OIG, and should be consulted for all FOIA requests. Below are some specific considerations and procedures that auditors can follow to better assist the OIG in dealing with FOIA requests.

**Anticipate FOIA requests.** In preparing the TeamMate audit file, auditors should ensure that all data, schedules, and analyses clearly identify the source and indicate whether the documents were provided or prepared by the auditee. Also, auditors should ensure that all PII, non-public, contractor proprietary, sensitive, and Privacy Act (PA) information in the TeamMate audit file is clearly identified. In addition, non-essential information should not be included in TeamMate audit files. Once an FOIA request has been received, it is OIG policy that no records relating to the request will be destroyed.



## **Federal Communications Commission Office of Inspector General**

**Processing FOIA Requests.** FOIA requests will be processed in accordance with OIG directives. Within the OA, the DAIGA and AIGA are the "Authorizing and/or Denying Official" for issuing decisions concerning OA records and audit documentation. In dealing with specific audit reports and audit documentation, the originating office will usually be tasked with assisting with the response in coordination with OA and the FCC OIG FOIA/PA Officer. Additional detailed procedures for processing FOIA requests are provided in FCC directives. OIG employees who receive FOIA or PA requests directly will forward these requests to the FCC OIG FOIA/PA Officer.

### **13.7 Permanent Files:**

Permanent files contain information of a continuing or recurring nature, which may be useful in succeeding assignments. These files serve as a database to assist in planning future work, as well as readily accessible summary information on work already performed and on reports issued. Examples include contract documents, laws, regulations, guidance, budget information, and copies of prior audit reports. The AIGA and DAIGAs are responsible for establishing procedures for the maintenance, periodic review, and retention of permanent audit files. Material that is obsolete or no longer pertinent should be removed from the files and properly disposed. Permanent files can be in either hard copy or electronic form.

### **13.8 IPA Contracted Work:**

All IPA contracted auditors will adhere to FCC OIG, FCC and federal policy. Contractors such as IPAs will comply with all FCC and FCC OIG policies to ensure proper handling of information and to prevent risks of compromising important information.

### **13.9 Access to Working Papers:**

Working papers are considered to be the property of the OIG OA. Access to OA working papers by other parties, either during or after completing a review or audit, will be decided by OIG management on a case-by-case basis. In some reviews and audits, it may be necessary to make copies of working papers available to the auditee or program officials in order for them to respond to findings or to take corrective actions. The Director in consultation with the DAIGA and AIGA should decide when such action is prudent and necessary. Other request for access to working papers should be directed to OIG senior management and the FCC OIG FOIA Officer.

### **13.10 Record Retention and Disposition:**

All OA staff shall adhere to the OIG directives governing the processing, archiving and disposition of OIG files. Staff is encouraged to know the OIG record retention policy. DAIGAs shall assist the AIGA in complying with all required directives relating to record retention and disposition.



## **Chapter 14: Internal Controls**

### **14.1 Purpose:**

This chapter establishes policies and procedures for reviewing internal controls established by audited organizations and for assisting the Commission in meeting its responsibilities under the Federal Managers' Financial Integrity Act (FMFIA) (Public Law 97-255) as implemented by the Office of Management and Budget (OMB) Circular A-123, *Management Accountability and Control*, and OMB Circular A-127, *Financial Management Systems*.

### **14.2 Standards:**

Government Auditing Standards provide the following guidance for conducting internal control assessments.

Auditors should obtain an understanding of internal control significant to the audit objectives and assess whether specific internal control procedures have been properly designed and implemented.

Chapter 6 of Government Auditing Standards classifies and describes three areas of internal control to assist auditors in understanding the controls and to determine the significance of such controls to the audit objectives. These classifications include: the effectiveness and efficiency of program operations; relevance and reliability of information; and compliance with applicable laws, regulations, and provisions of contracts or grant agreements.

In addition to Government Auditing Standards, OMB Circular A-123 provides guidance to Federal managers on improving the accountability and effectiveness of Federal programs and operations by establishing, assessing, correcting, and reporting management controls.

### **14.3 Policy:**

It is OA policy to obtain an understanding of internal control as it relates to the specific audit objectives. The audit team should consider whether specific internal control procedures have been properly designed and implemented.

### **14.4 The Audit Process:**

In the audit process, setting clear, specific audit objectives will help the auditor understand internal controls and determine the significance of these controls to the audit objectives. Throughout the audit process, the audit team (to include auditor and/or team) should exercise professional skepticism. Professional skepticism is an attitude that includes a questioning mind and a critical assessment of audit evidence.

During the planning/survey phase, the team establishes audit objectives and considers the internal controls that may be significant to the audit objectives and the scope of the audit.



## **Federal Communications Commission Office of Inspector General**

This may be accomplished by meeting with program officials to discuss information on the program and identifying potential problem areas. The audit team should also review policies and procedures relating to the effectiveness and efficiency of program operations, validity and reliability of data, compliance with applicable laws and regulations and provisions of contracts or grant agreements that may be significant to the audit objectives.

During this phase, the audit team should also consider work performed by other auditors or reviewers to determine the extent of reliance which the audit team can place on internal controls. The audit team should make maximum use of audits of internal controls made by other auditors. (See Chapter 15, Using the Work of Others.)

Information gathered during this phase will alert the audit team to potential risk factors which could affect the audit approach. The audit team will make preliminary decisions about the relevance of internal controls to the audit objectives and the effectiveness of these controls.

During the planning/survey phase, the audit team should gain an understanding of the internal controls that are significant within the context of the audit objectives. For internal controls that are significant within the context of the audit objectives, auditors should assess whether internal controls have been properly designed and implemented. The audit team should identify areas of potential audit risk and design audit work to minimize such risk.

By analyzing the audit risk and performing internal control assessments, the team will refine the audit objectives so that the audit resources will focus on those areas of highest risk. During the survey phase, the audit team will determine the effectiveness of internal controls. The team should also review the resolution of recommendations from prior audits to identify possible internal control weaknesses.

The audit team should include in the audit documentation steps taken to assess internal controls, relevance of internal controls to the audit objectives, and the basis for any modification made to the objectives.

During the fieldwork phase, the audit team should use the survey results to determine the amount of testing needed. If internal controls are found not to be effective, the fieldwork should include tests of controls and documentation of the results and conclusions of these tests.

The audit report should include the scope of work on internal controls and any significant deficiencies found during the audit.

### **14.5 Review of Internal Controls for Computer Based Systems:**

Audits may include a review of internal controls of computer-based systems. A review of information systems controls is especially important when computer processed data is an important factor in the operations of the auditee and the computer processed data significantly affects the audit objectives. Information systems controls are significant to the audit objectives if auditors determine that it is necessary to evaluate the effectiveness of the controls in order to



## **Federal Communications Commission Office of Inspector General**

obtain sufficient, appropriate evidence. When information systems controls are determined to be significant to the audit objectives, auditors should evaluate the design and operating effectiveness of such controls. Auditors should obtain a sufficient understanding of information systems controls necessary to assess audit risk and plan the audit within the context of the audit objectives.

When computer-processed data is significant to the auditor's findings and conclusions, auditors need to satisfy themselves that the data is complete and accurate (valid and reliable). This is important regardless of whether the data is provided to the auditor or the auditor independently extracts it. Auditors must perform a data reliability assessment for all computer-processed data that support findings, conclusions, or recommendations.

The assessment should be conducted early in the audit process, well before using the data in the audit.



## **Chapter 15: Using the Work of Others**

### **15.1 Purpose:**

This chapter establishes OA policies and procedures for using the work of others during the conduct of a performance audit. Using the work of auditors or specialists during an audit can reduce audit effort. This chapter does not apply to the work performed by independent public accountants under contract by the OIG to perform audits of FCC programs.

### **15.2 Standards:**

The standards for planning audit work for a performance audit are found in Chapter 6 of the Government Auditing Standards. Auditors can use the work of others as long as the auditors follow certain procedures.

### **15.3 Policy:**

It is OA policy to make maximum use of the work of others in accomplishing audit objectives when appropriate.

### **15.4 OA Responsibility:**

During the planning/survey phase, the audit team (to include auditor and/or team) will determine the extent of reliance that can be placed on the work of others such as State auditors, independent public accountants (IPAs), internal auditors, and specialists. These other auditors and specialists may have performed related work prior to or outside of our upcoming or ongoing audit effort. The team should contact other audit organizations that may have performed work related to the OA audit objective, make a judgment on whether it can be relied upon, and use the work to the fullest extent possible.

In relying on the work of others, auditors should:

- Obtain evidence concerning the auditors' qualifications and independence;
- Request a copy of the audit organization's latest peer review report and any letter of comment (per GAS.03.63); and
- Determine the sufficiency, relevance and competence of other auditors' evidence.

If the audit team is considering using the work of other auditors, the audit team should perform procedures that provide a sufficient basis for using that work. OA auditors, at a minimum, should perform five steps: (1) obtain an understanding the internal audit function; (2) evaluate the internal auditors' competency and objectivity; (3) consider the extent of the effects of their work on OA audit procedures; (4) consider the specific effects of the internal auditors' work on OA audit procedures required; and (5) perform procedures and tests, as necessary, to determine the extent of reliance that can be place on the external auditor's work.





## **Federal Communications Commission Office of Inspector General**

Again, the preceding steps are not intended to be all inclusive of the points for consideration before relying on the work of other auditors. The audit team may also perform supplemental tests of the other auditors' work. The nature and extent of evidence needed will depend on the significance of the other auditors' work and the extent to which the audit team will use that work.

### **15.5 Relying on the Work of Specialists:**

When using the work of specialists (statistical specialists, etc.), the audit team faces similar considerations. The audit team should:

- Satisfy itself as to the specialists' professional reputation, qualifications, and independence.
- Obtain an understanding of the methods and assumptions used by the specialists.

### **15.6 Reporting:**

The report should disclose the extent to which the audit team relied on the work of others. When the audit team uses the work of another auditor or specialist, reference to the other auditor or specialist should be made in the report when describing the audit scope and methodology. An explanatory paragraph can be added to the scope and methodology section that clearly explains the evidence gathered and techniques used by the other auditor or specialist. This explanation should identify any significant assumptions made by the other auditor or specialist in conducting the audit. The report should describe the depth and coverage of work conducted to accomplish the audit objectives.



# **Section 3**

## **Reporting and Other Chapters**

### **FCC OIG Draft Audit Manual**



## **Chapter 16: Reporting Results**

### **16.1 Purpose:**

This chapter sets forth the OA policies and procedures for developing reports. A general framework that includes essential report elements is described.

The type of finished product is dependent on the objective and scope of the audit or other assignment. The majority of OA products will fully comply with GAS or CIGIE. For reviews planned to comply with GAS, in the event the audit is not in compliance, a statement of nonconformity must be included in the scope section of the report.

This chapter discusses the:

- Sharing of audit results before issuance of a draft report.
- Requirement for reviewing reports.
- Format OA uses to convey the results of its audit efforts to FCC and other auditee officials, as well as required disclosures.
- Reporting of audit objectives, scope, and methodology, as well as any scope impairments.
- Reporting of audit findings, recommendations, auditee comments, and OA response to those comments.

### **16.2 Standards:**

The standards for reporting are found in Chapters 4, 5 and 7 of the Government Auditing Standards. In addition to the AICPA requirements for financial reporting, Chapter 4 of GAS prescribes procedures that auditors should comply with when citing GAGAS in their reports. Chapter 5 prescribes the reporting requirements when performing attestation engagements. Chapter 7 contains reporting requirements and guidance for performance audits conducted in accordance with generally accepted government auditing standards. Reporting standards for Inspections and Evaluations can be found in the CIGIE "Quality Standards for Inspection and Evaluation" guide.

### **16.3 Policy:**

OIG policy is to issue reports communicating results of each completed assignment in a timely and efficient manner. OIG will strive to consistently provide products that meet specific quality characteristics and adhere to all applicable standards and OIG policies and procedures.

### **16.4 Types of Reports:**

OA products include audit reports; congressional response reports; inspection reports and other evaluation reports; memorandum; management letters; attestation engagement reports; and issue papers. Audits, inspections, evaluations, attestation engagements and management letters are generally addressed to the Commission or auditee, whereas congressional response reports are



## **Federal Communications Commission Office of Inspector General**

written for members of Congress. Issue papers are written on an ad hoc basis to address critical management issues as they arise, and may be addressed to the Agency, Congress, and/or other interested parties.

### **16.5 Timeliness:**

Audit reports should be issued promptly so they are available for timely use by management, legislative officials, and other interested parties. The report may be of little value to decision makers if it is perceived as stale or if the audit report arrives too late. Draft reports should be completed within 30 days after the completion of audit field work.

### **16.6 Notification of Findings and Recommendations (NFRs):**

During the fieldwork stage (of an audit, review, evaluation, etc.), the auditor may come across a condition that does not comply with the criteria for which it is being evaluated against, resulting in a (preliminary) finding. In order to expedite the communications process and keep management informed, the auditor will issue an NFR. The NFR is the OIG's tool for communicating report findings before the release of an official draft report. NFRs can be beneficial to both the auditee and the auditor. Because of the early communication, the auditee may be able to provide the auditor with additional information (such as information on compensating controls or conditions) resulting in the resolution of a finding. Also, with the issuance of the NFR the auditor may be alerting management of an unknown condition that requires immediate attention or remedy.

NFR documentation usually describes all the attributes related to the finding, if known. These attributes include: Condition, Criteria, Cause, Effect, and Recommendation. Formal written management comments and statements as to whether management concurs or does not concur with the preliminary findings are not required, but are encouraged. Any comments provided by management will be considered in preparing revised NFRs and the draft audit report.

### **16.7 Report Content:**

Standard OIG reports will usually contain a/an:

- Transmittal Memorandum/Transmittal Letter<sup>2</sup>
- Report Cover
- Executive Summary (if needed)
- Table of Contents (if needed)
- Introduction
  - Background
  - Objectives, Scope, and Methodology
- Findings Section

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<sup>2</sup> A transmittal memorandum will be prepared to issue reports within the FCC and a transmittal letter will be used to issue reports to external entities.



**Federal Communications Commission  
Office of Inspector General**

- Summary Paragraph
- Development Section
- Recommendations
- Summary of Management Comments (final reports only)
- Other Matters (if applicable)
- Glossary or List of Abbreviations and Acronyms (if applicable)
- Appendices (if applicable)
  - Audit Scope and Methodology (at the discretion of the audit team)
  - Management Comments
  - Samples, Photographs, Illustrations, Tables, Charts and Graphs, etc.

## **16.8 Report Sections:**

Transmittal Memorandum/Letter: The contents of both a transmittal memo and transmittal letter will include the same basic elements. The memo/letter should include an addressee(s), date, report title/subject, objective(s) of the engagement, scope of the engagement, summary of findings (if applicable), a request for comments (for draft reports), contact information of an OIG representative, and a signature.

Cover: The cover of each report should contain a title, project number, and date of issue. If the report contains non-public information and, thus, requires protective markings, staff should follow the requirements prescribed in FCC Instruction 1139, *Management of Non-Public Information*. Any report containing non-public information must be redacted and undergo a legal review before being released to the public.

Executive Summary: This section summarizes the results of the work performed. It provides a brief description of the more important findings, adverse effects, and recommendations in the report. It should provide readers with an accurate understanding of our major conclusions without having to read the entire report. Corrective action taken during the review will also be noted here. Where applicable, refer to interim reports that led to the corrective action. The Executive Summary should normally be limited to one or two pages. A long Executive Summary is, generally, less useful to management and other report users.

Table of Contents: The table of contents lists the headings with the corresponding page numbers for major sections and appendices that are included in the report.

Introduction: The introduction should describe the entity and program being audited and why we performed the audit. The introduction may also briefly discuss the legal or regulatory authority for performing the audit.

Background: The Background section is designed to give the reader an understanding of the nature and size of the program, function, or entity being reviewed and any special problems, circumstances, or events related to the assignment. This section may also include legislative or regulatory criteria affecting the program, function, or entity. Data on available resources, such as personnel strength and funding, will also be included in most reports. Care should be taken to



## Federal Communications Commission Office of Inspector General

include only that background information, which is relevant and necessary for the intended users to understand the report.

**Objectives, Scope, and Methodology:** This section of the report will give the reader details on the objectives of the assignment; what was reviewed; why the assignment was performed; the standards and methodology followed; the period under review; and where the field work was performed. This section may also be moved to the appendix, at the discretion of the audit team.

**Findings:** A well-developed findings section will have certain characteristics and elements. It will begin with a brief summary paragraph discussing the overall condition, including what was found to be wrong, noncompliant or need improvement, and the actual or potential effect resulting from the condition. The rest of the section will develop the finding and include a comparison of "what is" (condition) with "what should be" (criteria), "why this occurred" (cause) and an answer to the question "what does this mean?" or "so what?" (effect).

**Recommendations:** Having identified the cause (in the findings), the next logical step is to make a recommendation that will solve the problem. Recommendations should be directed to the stakeholder who can take action to implement the corrective action in order to close the recommendation.

Staff will apply professional judgment in deciding whether each finding is important enough to be included in the report, or would be more appropriately presented in a memorandum, management letter or other type of report.

**Management Comments:** OIG prefers official written management comments on all draft reports. However, comments may also be obtained verbally at the exit conference or at another time. If management declines to provide written or oral comments on draft findings and recommendations, the auditors must indicate in the report that management was given an opportunity to provide comments but did not do so and issue the final report without management's comments. (For more, see section, *More on Management Response and Evaluation of Management Response*)

**Other Matters:** At the auditor's discretion, a section in a report entitled Other Matters can be used to report information that is outside the scope of the audit, or relevant to the programs or operations being audited, but does not rise to the materiality level of a reportable finding. This could include matters requiring further study or consideration, areas where little policy guidance exists, or new and emerging issues. If the auditor identifies significant issues that warrant further audit work, but the issues are not directly related to the audit objectives and the audit team does not expand the audit and pursue them, the team should: (a) refer the issues to the appropriate OA managers responsible for planning future audit work (Directors, DAIGAs, AIGA, etc.); and (b) disclose the issues in the report and explain the reasons the issues need further study, if appropriate.

**Glossary or List of Abbreviations and Acronyms:** All abbreviations and acronyms in the report should be compiled and defined as a convenience for the reader.



## Federal Communications Commission Office of Inspector General

Appendices: Appendices may be used to provide additional information such as lists, worksheets, samples, copies of documents that support the report, photographs, illustrations, tables, charts, graphs, and other relevant information, including management's comments and information on the audit scope and methodology that may be too voluminous or technical to include in the body of the report.

### **16.9 Inspection and Evaluation Reports:**

Various media may be used to report on the results of inspection and evaluation work (inspections), including written reports, oral presentations, videos, or slide presentations. Regardless of the means used, auditors should document the results in a retrievable format. The content of the reporting will be affected by the specific means used and the purpose it is serving. Regardless of the media used, reporting should be timely, complete, accurate, objective, convincing, clear, and concise.

Inspection reports normally should describe the objective(s), scope, and methodology of the inspection and state that the inspection was conducted in accordance with the "Quality Standards for Inspections and Evaluations" issued by the CIGIE. Also, inspection reports should provide the reader with the context in which the subject matter being inspected should be viewed, such as the impact or significance of the program/activity being reviewed, to help ensure the focus is not too narrowly drawn and to give clearer understanding of the impact of any reported recommendations. Report language should be clear and concise and, while recognizing that some inspections deal with highly technical material, should be written in terms intelligible to the intended recipients and informed professionals.

Inspection reports are frequently structured in terms of findings, conclusions, and recommendations. Findings should be supported by sufficient, competent, and relevant evidence. Conclusions should be logical inferences about the inspected program or activity based on the inspection findings. Typically, each finding requiring corrective action should be addressed by one or more recommendations directed to the management official(s) who have the authority to act on them. Recommendations normally should not be prescriptive in nature; rather, they should be crafted in a manner that lays out what needs to be corrected or achieved. When appropriate, inspectors should solicit advance review and comments from responsible officials regarding the content of the report and should include the comments or a summary thereof in the report.

Care must be taken to ensure that, as applicable, the confidentiality of individuals providing information is appropriately maintained in the inspection reporting process.

Written inspection reports should be distributed to the appropriate officials responsible for taking action on the findings and recommendations. Further distribution will be subject to the internal policies of each OIG and fully comply with all requirements contained in the Privacy Act; the Freedom of Information Act; and security and other applicable laws, regulations, and policies. Inspection reports that contain non-public information require protective markings, as prescribed by FCC Instruction 1139, *Management of Non-Public Information*. Any report containing non-



## Federal Communications Commission Office of Inspector General

public information must be redacted and undergo a legal review before being released to the public.

Contents of reports should generally follow the specifications listed above in the "Report Content" section.

### **16.10 Management Letters:**

Management letters are also used for communicating the results of an assignment (audit, inspections, evaluations, etc.) to Commission management. Management letters should be used to address findings or deficiencies that are judged not to be material or significant enough for inclusion in the formal report. The report should reference any findings communicated in a management letter to Commission officials, and should state that "other less significant findings were reported to management in a management letter."

The management letter may be issued in conjunction with a report, or in lieu of a formal report when the finding(s) are judged not to be material.

Format and Content of the Management Letter: The format may vary, depending on the specific requirements of the assignment. However, a management letter will contain most of the same information that is required in a formal report. That is, management letter should include:

- A statement that the assignment was conducted in accordance with applicable standards.
- The objectives, scope and methodology.
- A discussion of the findings.
- The cause(s) of problem areas noted in the assignment, and recommendations for actions to correct the problem areas and to improve operations.

### **16.11 Memoranda:**

In addition to a report and management letter, memoranda constitute another form of written communication with Commission management. Memoranda may be used to address issues, not resulting from an assignment, that need to be quickly brought to management's attention. It may also be used to address findings or deficiencies from an audit that are judged not to be material or significant enough for inclusion in the formal report.

The format and contents of a memorandum will vary, depending on the specific requirements of the issues or information to be conveyed to management.

Procedures for Issuing Memoranda: There is no requirement to comply with GAS when preparing and issuing memoranda. Specifically,





## Federal Communications Commission Office of Inspector General

- Memoranda will not be independently referenced.
- Memoranda will be issued only in final form, and no management comments will be solicited or included.
- No follow-up will be conducted for recommendations reported in memoranda.

### **16.12 Independent Report Referencing:**

Reports should be considered for independent referencing prior to being issued in draft form to management for comments. Independent referencing should be used for all audit assignments performed in accordance with GAS and other assignments of high significance or sensitivity. Circumstances that might preclude independent referencing include limited resources, including time, or a low level of sensitivity. The following guidelines are to be used when audit reports are independently referenced. Any subsequent modifications to the report must be independently referenced prior to issuing the final report.

Report referencing is solely a verification process and is not a qualitative assessment of the report. It is not a substitute for the preparation and cross-indexing of adequate working papers, the development of a factual, accurate and well-written audit report, or the scrutiny of supervisory review.

**Independent Referencer:** The cognizant DAIGA designates an independent referencer for each report. The independent referencer must be an employee not previously assigned to or associated with the assignment. The independent referencer serves as the representative of the AIGA and DAIGA while carrying out the independent referencing function. He/she acts independently and reports directly to the AIGA and DAIGA on any points that cannot be resolved with the performing employee.

**Materials Furnished to the Referencer:** The referencer will be furnished a copy of the formal draft report which is fully cross-indexed to supporting working papers, and all working paper files for the assignment (The TeamMate file).

**General Referencing Procedures:** The referencer verifies that all factual items and other significant matters discussed in the report are supported by a cross-indexed working paper. For example:

- Numbers, dollar amounts and computations are checked for accuracy. When information is being carried forward from a prior report, the amounts must be checked to that report for accuracy. All quantitative information presented in schedule form within the report narrative, or shown on schedules attached to the report, must be footed, cross-footed, and checked to the supporting working paper.
- Factual statements are checked to ensure that they are accurate and supported by sufficient evidential matter, rather than allegations, suppositions, opinions, or conclusions.
- References to statutes, executive orders, regulations, and directives must be checked to ensure that each reference is relevant, current, and accurately reflected in the report.



## Federal Communications Commission Office of Inspector General

- Names of organizations, places, and publications must be checked to ensure that each name and its spelling are correct.
- Expert opinions must be checked to ascertain that the opinions are stated, and the qualifications of the expert are documented.
- Quotations must be checked for accuracy and to ensure that they are not being used out of context.

Referencer Notations and Exceptions: If the referencer takes exception to any part of the report, he/she makes a note of the exception. The reason for the exception must be clearly documented, using coaching notes or the Independent Referencing sheet.

Resolution of Referencer Exceptions: When the independent referencing is completed, the referencer will provide the listing of exceptions (or coaching notes) and the draft report to the employee responsible for the assignment. The employee will review each item on the exception listing (coaching notes); prepare additional working paper support or revise the report language, as appropriate; and note his/her response to each item on the exception listing (coaching note).

After all changes are incorporated into the report, the employee will provide an updated copy of the report to the independent referencer. After determination that the report is consistent with the independent referencing decisions, the independent referencer signs off on the report in TeamMate and informs the employee that all coaching notes have been resolved and cleared.

### **16.13 Issuing the Report:**

Each OIG employee is responsible for complying with the general guidelines contained in applicable standards and with the additional requirements established in this policy manual. Employees should follow paragraphs a. - g. for draft reports, and a. - k. for final reports, unless noted otherwise.

- a. Since the AIGA is ultimately responsible for the audit and the audit report, he or she will give final review and approval before the next stage of the review process.
- b. First Level (and/or DAIGA) Supervisory Review. The first level of supervision assigned to a project will review each report and transmittal letter/memorandum (documents). For example, if OIG or contract staff performed the assignment, the director managing that assignment will review the report. If the director performed the assignment, the cognizant DAIGA will review the report. Supervisory comments may be annotated directly on the documents or provided separately (e.g., via e-mail, memorandum, coaching notes, etc.). The cognizant DAIGA should review all report documents at this stage.
- c. Legal Review. After the DAIGA's first review (except when the AIGA is the first-level supervisor), a member of the OIG legal team (OIGI) will conduct a review of each draft report to determine if there are any legal issues that require discussion and/or resolution, and to ensure proprietary or nonpublic information is not released to unauthorized parties. The DAIGA and assigned auditor/director should coordinate this review through the AIGI. The



## **Federal Communications Commission Office of Inspector General**

OA staff should allow at least a week of lead time for the review. After legal review, the report will go back to the cognizant DAIGA for review of comments (usually for Draft report only). All comments from the legal review shall be addressed to ensure all legal matters are fully resolved before the report is issued for management comments.

- d. **Quality Control Review.** After the report and transmittal letter/memorandum have been reviewed by the cognizant DAIGA, all report documents should be forwarded to the AIGA for a quality review. If deemed necessary, the AIGA may designate an OA employee to perform an additional review of the documents. The AIGA will review the report documents, and if necessary, meet with the designated DAIGA and Director to discuss the results of the quality review. The AIGA comments may be made directly to the draft documents or can be documented and provided separately (e.g., via e-mail, memorandum, coaching notes, etc.). The AIGA and designated DAIGA shall meet, if necessary, and resolve any issues resulting from the quality review process. Issues that are not resolved between the DAIGA and the audit director shall be forwarded to the AIGA. The AIGA will provide the final review of draft reports.
- e. After quality review issues are resolved, review comments should be incorporated into a new version of the draft report documents, and a copy of the quality review version of the report documents and any reviewer comments should be maintained in the TeamMate file (or working paper package).
- f. The draft report documents shall be edited to incorporate all approved revisions (if not done during the review process) and forwarded to the IG or the IG's designee for review. Review comments from the IG or the IG's designee should be incorporated into a new version of the draft report, and/or transmittal letter/memorandum and a copy of the comments should be maintained in the TeamMate file (working paper package).
- g. When the quality reviews and the independent referencing process have been completed, the AIGA will forward the draft report documents to the IG or the IG's designee for issuance.

\*OIG policy is to allow management 30 days to provide a response to the draft report. Outside auditees may be given the same or less time for comments.

### **Final Report Procedures:**

- h. When management comments are received, the director will review the comments and incorporate them into the final report where appropriate. The director will discuss substantive changes to the final audit report resulting from management comments with the DAIGA and will seek legal advice from OIGI, if needed. After the final report has been prepared, the director will review the report using the Report Checklist. The report checklist is designed to ensure that OIG reports are consistent and comply with the audit manual.
- i. After management comments have been incorporated into the final report and the director has completed the Report Checklist, the final report will be forwarded to the DAIGA for



## Federal Communications Commission Office of Inspector General

review and comment. The DAIGA will carefully review the final version of the report and recommend revisions, as needed. DAIGA comments should be incorporated into a new version of the report, and a copy of the original version of the report and any DAIGA comments should be maintained in the TeamMate file (working paper package). The DAIGA shall forward the report to the AIGA for review.

- j. The AIGA will carefully review the final version of the report. AIGA comments should be incorporated into a new version of the report, and a copy of the original version of the report and any DAIGA comments should be maintained in the TeamMate file (working paper package). The AIGA shall forward the report to the DIG for review. The final report shall be approved for issuance (distribution and posting on the OIG web site) by the IG or the IG's designee. An electronic copy of the report along with a paragraph briefly synthesizing the scope and results of the audit will be posted to the OIG website.
- k. The Director shall prepare a synopsis of the report for the Semi-Annual Report (SAR) to Congress and forward it to the DAIGA for review and approval. Once approved, the DAIGA shall forward the final version to the AIGA and DAIGA PQAD. This should be completed and submitted along with the final report package (to ensure timely review by OIG management). The synopsis shall be revised to incorporate any comments from the DAIGA and AIGA, and submitted for the draft SAR at least 30 days prior to the due date for the final SAR.
- l. In the event that a report requires redactions prior to its public release, the assigned auditor/director will be responsible for identifying information that requires redaction, and will consult with the assigned OIGI attorney and request a legal review of OA's proposed redactions. A copy of the redacted report will be also provided to the auditee for comment. The auditee will be requested to provide any feedback on the proposed redactions and within five business days. (For more information, see "Redactions" section).

So as to ensure the efficient flow of draft reports, a "Status of Report Process" form (Appendix B) shall accompany all draft and final reports, management letters and memoranda reports products issued by OIG. OIG staff and managers responsible for the actions on the form will date and initial the form as the actions are completed. Sections of the form that are not applicable will be annotated as such (i.e. N/A).

Note that IPAs or other technical specialists under contract with OIG may have reporting procedures of their own, and these external processes may be used in contracted assignments. SOWs issued for contracted work will specify the extent to which the contractor's procedures or the OIG's procedures will be followed. The extent to which OIG staff is involved in the oversight of a contracted audit will depend upon the level of reliance we intend to place upon the work of the contractor. See Chapter 15, "Using the Work of Others," for a discussion on reliance on the work of others.



#### **16.14 More on Management Response and Evaluation of Management Response:**

Management's comments on each finding may be presented verbatim or summarized in the report. A copy of management's written response, however, should always be included as an appendix to the report.

When summarizing the comments, be sure to state whether management agreed or disagreed (concurred or did not concur) with the finding(s) and recommendation(s), and describe any corrective actions management agreed to take or has already implemented. Be careful to ensure that management's comments are summarized correctly.

When management, in their official comments, oppose (do not concur with) the draft finding(s) and recommendation(s) and we conclude that management's position is not responsive, or without merit, we must effectively rebut management's position and explain the reason for maintaining our position. In some cases, rather than place undue emphasis on a strong rebuttal following management's comments, it may be appropriate to revise the finding, giving appropriate recognition to the comments and our reaction in the body of the finding. This treatment may be particularly desirable to avoid having to introduce a lot of new material in the rebuttal.

Conversely, it might be necessary to come up with additional support for the finding, modify the finding, or remove the finding, if we think management's position is valid or casts doubt on our position. We will not leave the reader with conflicting information without some attempt to clarify our position, reconcile the views, or modify the finding to eliminate inconsistencies or confusion.

Revisions: If the recommendation, as presented in a draft report, is no longer appropriate or valid after considering management's response, OA may, in the final report:

- Drop any reference to the draft report recommendation and part of the reply relating to it, or if appropriate, briefly discuss the draft report recommendation and reply in the development section or in a footnote.
- Add new information and revise the finding as necessary.
- Remove the finding and/or recommendation from the report.

#### **16.15 Redactions:**

OIG will redact the non-public information from reports that are being released to the public. The OA will seek OIG legal counsel in determining specific information that will be redacted from a report. Redacting information that is proprietary or for which there is a legal or regulatory requirement not to release, enables OIG to publically release audit reports without



## Federal Communications Commission Office of Inspector General

compromising nonpublic information.<sup>3</sup> Examples of information that should be redacted from a report include:

- Wholesale charges utilized by a commercial entity for specific services.
- Nonpublic account balances, such as revenue or overhead accounts, in the books of account for an entity other than FCC (such as a USF recipient or contributor). Note this does not include balances that have already been released to the general public, such as amounts from a financial statement or a public corporate filing.
- Internal control weaknesses that relate to physical security issues.
- Information Technology (IT) security and infrastructure related information.
- Information that would compromise national security.
- Personally Identifiable Information (PII)
- Information that would compromise public safety or the personal safety of an individual.
- Information that would disclose the identity of a confidential whistle blower.

As a rule of thumb, the only quantitative data that can be disclosed in an audit report concerning a commercial entity are those generated by OIG, such as questioned costs. Financial information generated by the entity, such as costs, sales, profit margins, and financial ratios will not be disclosed in reports that are distributed to the public. Auditors should be aware that in many cases, nonpublic information that might need to be redacted from a report can often be avoided by presenting the issues and supporting the findings without disclosing the auditee's related information.

The OIG must ensure that uniformity and consistency occurs in redacted products. The OA should ensure that all standards and guidance from CIGIE, the FCC and other applicable federal sources is adhered to. The OA must incorporate the need for redactions in its audit planning process and ensure such planning is identified in RFQs/Contracts. Therefore, redactions should be considered before an audit/review is performed, including whether OA will require both (1) an internal only/confidential/restricted report, and (2) a public version (redacted) report. When necessary, the audit program/contract should require that both reports be produced. The OA staff or contractor should solicit input from the auditee when performing redactions. In addition, the auditors must obtain input from all report stakeholders in order to determine what information should be redacted. Further, a document that is technical in nature may require input from someone with an appropriate understanding of the subject matter in order to decide what should be redacted.

Careful consideration and thought must be given to redaction of OIG documents and reports. The AIGA, with assistance from the DAIGAs and Directors, will rely upon the OIG's legal counsel when approving the final redacted document for public release. The legal basis for the redaction, when applicable, should be stated when any document is redacted. This will make it clear to the public and/or requestor of the OIG's basis for the redaction. This also serves as an

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<sup>3</sup> See FCC Instruction 1139, *Management of Non-Public Information*, for guidance on classification and handling nonpublic information.



## Federal Communications Commission Office of Inspector General

internal control check that all redactions have a legal basis. For example, there are exemptions under the Freedom of Information Act (FOIA) for sensitive IT security information. Additionally, the Privacy Act prohibits public disclosure of Personally Identifiable Information (PII). Some reports contain sensitive information, therefore, only the transmittal letter will be posted to the OIG website.

### **16.16 Monetary Benefits:**

Although the full impact of OIG reports, particularly those resulting in increased effectiveness or improved efficiency; cannot always be measured in terms of monetary impact, many recommendations produce a monetary impact that can be measured and supported. In this regard, OIG policy is that all reports will be evaluated to determine if they have potential monetary impact. Savings reported will be measurable, supportable, and attributable to the work of OIG.

### **16.17 Report and Recommendation Tracking:**

The Chairman will have up to six months to respond and provide milestones for implementing report recommendations and status reports on any implementation efforts that are completed or in-process.<sup>4</sup> If Commission management is unable to respond within the time frame specified, it should notify the OIG in writing of the reason for the delay and provide a revised response date.

When management is forced by changing events to reconsider its position on any OIG recommendation, or if an alternative approach to correcting a weakness is decided on by management, the audit resolution official should provide the OIG with this information so that the OIG can fully consider management's comments before reporting that management has not addressed an audit recommendation in the OIG's Semiannual Report to the Congress.

When a recommendation remains under dispute after the issuance of a final report, a resolution meeting should be scheduled as soon as possible. The management official(s) responsible for implementation of recommendations should be in attendance, along with Office of Managing Director and OIG representatives. If after this meeting a resolution is still not possible, the disagreement shall be reported in the OIG's Semiannual Report to the Congress.

Refer to Chapter 7, Audit Resolution and Follow-up, for additional information on policies and procedures for the resolution of recommendations resulting from work performed by OA and the follow-up of audit recommendations, as required by the Office of Management and Budget (OMB) Circular A-50.

Periodic evaluations of the audit follow-up system should be conducted, to determine if the system results in efficient, prompt, and effective corrective action for audit recommendations.

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<sup>4</sup> FCC Directive, FCCINST 1013.3, Effective Date October 8, 2014.



## Federal Communications Commission Office of Inspector General

### 16.18 Posting Reports to the Internet:

The DIG must grant approval before any reports of audits, inspections, or other assessments are released to the public and posted on the OIG Internet website. Before requesting the DIG's approval to post reports to the OIG website, the Audit Director and DAIGA must ensure that the report (audit, inspection, management letter, etc.) has been approved in its final version and:

- does not include any non-public information, or has been redacted to remove such data,
- includes a signed final transmittal letter,
- has been converted to a locked PDF format and all metadata has been removed,
- is converted to an electronic format that is Section 508 compliant (Section 508 of the Rehabilitation Act (29 U.S.C. '794 d), as amended by the Workforce Investment Act of 1998 (P.L. 105 - 220), August 7, 1998), and
- the electronic copy of the report and a synopsis has been provided to the Information Technology (IT) Specialist and Audit Director for IT Audits for posting to the OIG web site.

The IG Act of 1978, as amended, states that not later than 3 days after any report or audit (or portion of any report or audit) is made publicly available, the report must be posted on the website of the Office of Inspector General. The Act further states that the OIG must ensure the report:

- is easily accessible from a direct link on the homepage of the website of the Office of the Inspector General;
- includes a summary of the findings of the Inspector General; and
- is in a format that is searchable and downloadable; and facilitates printing by individuals of the public accessing the website.

Section 508 Standards: Section 508 standards, generally, apply to all Federal web sites. The criteria for web-based technology and information are based on access guidelines developed by the Web Accessibility Initiative of the World Wide Web Consortium. Many of the of Section 508 provisions ensure access for people with vision impairments who rely on various assistive products to access computer-based information, such as screen readers, which translate what's on a computer screen into automated audible output.

- Certain conventions, such as verbal tags for identification of graphics and format devices, like frames, are necessary so that these devices can "read" them for the user in a sensible way.
- The standards do not prohibit the use of web site graphics or animation. Instead, the standards aim to ensure that such information is also available in an accessible format.

Accessible sites offer significant advantages that go beyond access. For example, those with "text-only" options provide a faster downloading alternative and can facilitate transmission of web-based data to cell phones and personal digital assistants. Additional information on Section 508 laws and standards may be found at <http://www.section508.gov>.





## **Chapter 17: Data Analytics and Data Mining**

### **17.1 Purpose and Definitions:**

These policies and procedures for the FCC OIG are designed to identify and assist in eliminating fraud, waste, and abuse. The Data Analytics Directorate provides data processing technical support to the OIG OA. The Data Analytics Directorate facilitates the identification of fraud-related activities and supports comprehensive OIG initiatives that result in solutions beneficial to the FCC.

Data Analytics can be defined as the process of inspecting, cleaning, transforming, and modeling data with the goal of highlighting useful information, suggesting conclusions, and supporting decision making (from various sources). Data Analytics is used to verify or disprove existing models or theories.<sup>5</sup> KMPG defines data analytics as an analytical process by which insights are extracted from operational, financial, and other forms of electronic data or non-electronic data internal or external to the organization. These insights can be historical, real-time, or predicative and can be risk-focused or performance focused.

Continuous auditing is defined as any method used by auditors to perform audit-related activities on a more continuous or continual basis. It is the continuum of activities ranging from continuous internal control assessment to continuous risk assessment. (per the IIA GTAG 3)

### **17.2 Background:**

Oversight and law enforcement agencies play an important role in eliminating fraud, waste, and abuse. Sharing data, knowledge, and analytic tools can assist government agencies in this effort. While there is a tremendous amount of information the government can use in preventing and detecting fraud, waste, and abuse, finding a way to leverage the data requires expertise and knowledge. Data analytics capabilities can be further enhanced through the use of automated data mining tools.

Recent financial and economic conditions have prompted greater scrutiny of government spending, highlighting the important role that oversight and law enforcement agencies play in identifying and eliminating fraud, waste, and abuse. A number of these agencies are increasing their ability to do their work by using data analytics, which uses a variety of techniques to analyze and interpret data. The techniques are embedded in such disciplines as statistics, mathematics, operations research, economics, finance, IT, and/or policy. For example, using statistical methods, business/economic models may be developed that predict indicators of fraud and/or improper payments before payments are made. Alternatively, using sophisticated software, data mining can be used to sort through very large data sets to discover patterns and establish hidden relationships.<sup>6</sup> Thus, data-mining and data-matching techniques can identify fraud or improper payments that have already been awarded so that agencies can work to recover those dollars.

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<sup>5</sup> <http://searchdatamanagement.techtarget.com/definition/dats-analytics>

<sup>6</sup> Ibid.



## **Federal Communications Commission Office of Inspector General**

In January 2013, GAO, the Council of the Inspectors General on Integrity and Efficiency, and the Recovery Accountability and Transparency Board convened a forum with the purpose of exploring ways in which oversight and law enforcement agencies use data analytics to assist in the prevention and detection of fraud, waste, and abuse, as well as identifying the most significant challenges to realizing the potential of data analytics and actions that the government can take to address these challenges. The report<sup>7</sup> that emerged from the discussion in the forum discusses the challenges and opportunities in (1) accessing and using data and (2) sharing data.

Federal agencies are being held to higher standards of performance, transparency, and accountability than ever before. It's not enough to collect and share the right data – it has to be integrated, correlated and transformed into real, actionable information that matters to the agency's programs and the mission. By translating data into meaningful information, agencies can cultivate the ability to be proactive—even predictive—using tools that link data to their most mission-critical goals.

### **17.3 OA Structure and Organizational Placement:**

Data Analytics are being used in many organizations. FCC bureaus and USAC as well as the FCC regulated companies use data analytics to ensure the most impact and best value of resources. It is imperative that the OA apply resources to assist in the audit process of these entities.

The OIG OA team assigned to the Data Analytics group shall report to the DAIGA – USFD. USAC activities comprise significant amounts of data. However, this team shall be used as support for all functional areas within the OA including those in the DAIGA - OFID. The AIGA shall have direct input and make all final decisions of assignment through coordination of the DAIGA – OFID and DAIGA– USFD. In addition, coordination efforts shall be maintained with the Director of IT in DAIGA – OFID to better plan and ensure resources are applied in the most efficient and effective manner. The Director of IT may assist and participate on projects and/or assignments as deemed necessary by the AIGA and DAIGAs.

### **17.4 Areas Where Data Analytics Add the Most Value:**

The AIGA with the input and support of the DAIGA – USFD shall determine where to best apply resources. The Director of Data Analytics shall have input in planning projects and will assist throughout the execution process. In addition, the DAIGA – OFID and Director of IT shall provide input, personnel and other resources, as needed. Areas where the data analytics may add the most value may include:

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<sup>7</sup> Data Analytics For Oversight and Law Enforcement GAO-13-680SP: Published: Jul 15, 2013. Publicly Released: Jul 15, 2013.



## **Federal Communications Commission Office of Inspector General**

- Sampling (Statistical Sampling), Modeling, Projections, Inference and Data Reporting
- Data Imports/Extractions and Analysis of Large Data Sets
- Continuous Auditing and Monitoring (shall include ongoing periodic audit reports)
- Fraud Detection and Forensic Auditing
- Financial Related Transactions
- Accounts Payable and Accounts Receivable
- Duplicate Transaction Detection (recovery dollars, etc.)
- Analysis of Procurement and Travel Card Transactions
- Payroll and Time Sheets (including other related reviews)
- Inventory Audits
- Joins & Comparisons (joining databases and files, etc.,)

### **17.5 Data Analytics and the Use of Computer-Assisted Auditing Techniques:**

The Data Analytics Group works with OIG audit teams to help improve the overall efficiency and effectiveness of our audits. The team uses a sophisticated set of applications to analyze both financial and nonfinancial data. They may conduct a series of logical relationship checks against several FCC, USAC and related databases and system applications. The OA has ongoing efforts to use computer-assisted auditing techniques programs developed to test financial and nonfinancial data for audits. These auditing techniques can easily be modified and applied based on the needs of a particular audits. The current abilities of computer-assisted auditing techniques programs include:

- Producing reports to detect potential false, inflated, or duplicate invoices or payments
- Comparing data from separate systems to identify anomalies between them
- Selecting statistical samples.

### **17.6 Factors for the Auditor to Consider in Conducting Data Analytics:**

Designing an effective analytics program is critical; therefore, the audit shall go through a series of questions to better manage the process. The auditor must have some knowledge of the organization, systems, data files, and tools available. Answering the following questions will enable the auditor to design an effective analytics program:

- Who are the key players?
- What is the Universe to be sampled?
- What data are needed (tables and fields)?
- What is the purpose and scope of the testing?
- What is the Model Specification?
- What Inferences are to be drawn?
- Who will get the report?
- Where are the data residing?
- How will data be requested and/or obtained?



- What tools will be used to perform data analytic tests or procedures and why?
- How will the tools selected be used (processes, tests)?

### 17.7 Analytical Methodology:

The Data Analytics group will need to develop and follow structured methodologies when acquiring, validating and analyzing the data. This approach may be similar to an IT audit or review and should follow the following sequence:

- Plan
- Acquire and Understand
- Analyze
- Validate
- Report

1. The **planning** process (for data analytics) must begin with defining the **scope** of what needs to be done. The auditor may follow basic questions such as:

- What is the purpose of the audit?
- What is the objective of the audit's conclusions?
- What parameters (please define parameters) need to be applied to the data to accomplish that purpose?
- Where are the data found in the financial or other system?
- What is the risk (is the data reliable, etc.)?
- What does the scope of the source data need to be in order to meet the objective and address risk?
- What other information will impact the nature, timing and extent of the procedures to be performed?

Once these questions are answered, the auditor may be better able define an approach in satisfying the objectives and purpose. The auditor should carefully plan and determine the procedures and tests that might be applied.

2. **Data acquisition** is often referred to as data extraction. Elements of data acquisition may include:

- Define the universe
- Develop a request for the data
- Meet and discuss the request with the appropriate person to obtain the data
- Develop a sampling plan
- Obtain a sample of the operational transaction processing
- Inspect data before final extraction
- Ensure timing is applicable with the scope and purpose
- Transfer extracted data from the system to the auditor.



## Federal Communications Commission Office of Inspector General

3. **Data validation** is obtaining sufficient assurance that the data is reliable before performing tests and procedures.
4. Execution of the program occurs when the data has been imported and validated.
5. Documentation of results should provide a clear understanding of the testing purpose, data sources, and conclusions reached.
6. Review to ensure that the testing procedures have been adequately performed and the results are consistent with conclusions.
7. Retention and archiving should be accomplished to meet regulatory and contractual requirements. The auditor should keep program files, scripts, and data files for future purposes.
8. Develop meaningful conclusions and report out.

### **17.8 Types of Tools:**

- Spreadsheet Software
- Desktop Databases Software
- Statistical and Mathematical Software, e.g., SAS, SPSS, etc.
- Generalized auditing software such as ACL and IDEA
- Server Database Software
- Other tools which assist with the process

### **17.9 Resources:**

Open Data Policy (Memorandum), Signed May 9, 2013.

Information is a valuable national resource and a strategic asset to the Federal Government, its partners, and the public. In order to ensure that the Federal Government is taking full advantage of its information resources, executive departments and agencies must manage information as an asset throughout its life cycle to promote openness and interoperability, and properly safeguard systems and information. Specifically, this Memorandum requires agencies to collect or create information in a way that supports downstream information processing and dissemination activities. This includes using machine readable and open formats, data standards, and common core and extensible metadata for all new information creation and collection efforts. It also includes agencies ensuring information stewardship through the use of open licenses and review of information for privacy, confidentiality, security, or other restrictions to release.

Digital Accountability and Transparency Act (DATA Act), Signed May 9, 2014.

Digital Accountability and Transparency Act of 2013 - (Sec. 2) States as the purposes of this Act to: (1) expand the Federal Funding Accountability and Transparency Act of 2006 by disclosing



## **Federal Communications Commission Office of Inspector General**

direct federal agency expenditures and linking federal contract, loan, and grant spending information to programs of federal agencies to enable taxpayers and policy makers to track federal spending more effectively; (2) provide consistent, reliable, and searchable government-wide spending data that is displayed accurately for taxpayers and policy makers on the USASpending.gov website; (3) analyze federal spending data to proactively prevent waste, fraud, abuse, and improper payments; (4) simplify reporting for entities receiving federal funds by streamlining reporting requirements and reducing compliance costs while improving transparency; and (5) improve the quality of data submitted to USASpending.gov by holding federal agencies accountable for the completeness and accuracy of the data submitted.

No later than two years and six months after enactment, the Inspector General will have increased reporting responsibilities on the completeness, timeliness, quality, and accuracy of each agency's standardized spending data.



# **Appendices**

## **FCC OIG Draft Audit Manual**



**Federal Communications Commission  
Office of Inspector General**

**Appendix A: DO's and DON'Ts for Contracting Officer Representatives**

DO:

- Keep a copy of your letter of designation. Be sure to understand it completely.
- Understand the limits of your authority.
- Have a copy of the contract and all changes and modifications readily available.
- Immediately become familiar with and remain current on the terms, conditions, and requirements of the contract.
- Establish and maintain a separate file for documents and correspondence pertaining to the contract. Upon completion of the contract, this file must be forwarded to the contracting officer for inclusion in the official contract file.
- Document task assignments, instructions, or technical directions to the contractor.
- Use clear and accurate language.
- Give prompt attention to correspondence (voice mail, email, etc.) from the contractor that requires your action, approval, or signature.
- Have the contractor respond to correspondence in a timely manner. Coordinate with the contracting officer and rely on him or her to apply pressure when needed.
- Ascertain that reports submitted by the contractor are timely, complete, accurate, and otherwise acceptable.
- Keep the contracting officer fully informed of any problem areas connected with the contractor's performance.
- See that emergencies are attended to immediately. The fact that an emergency has been reported does not necessarily mean it has been resolved.
- Establish good interpersonal relationships as they are essential to effective contract performance.
- Ascertain that your replacement is thoroughly briefed on all important issues and that your COR files are transferred to him or her.
- Try to use performance language in the requirements of the contract and/or task order.
- Identify poor performance and report it to the contracting officer.
- Be aware of your relationships with the contractor's personnel and be knowledgeable of the requirements and prohibitions pertaining to these relationships.
- Ascertain that all government property is being used properly and that measures are being taken to protect and safeguard it.
- Spot check the work performed by the contractor to see that it is done satisfactorily and on time.
- Inform the contractor immediately when you become aware of any unsatisfactory performance.
- Get involved in a contractor's internal matters without direction to do so from the contracting officer.
- Tell the contractor how to run its operation.
- Divulge any sensitive or proprietary information.
- Tell the contractor to assign or fire an individual; assignment<; and terminations of employment are the responsibility of the contractor.
- Permit the contractor to proceed on work outside the scope of the contract.





## Federal Communications Commission Office of Inspector General

- Make contract changes; changes are only made by the contracting officer.
- Accept an appointment as COR if there is a potential conflict of interest.
- Attest to having read and understood regulations pertaining to ethics and standards of conduct without completely understanding them.
- Become involved in the operations and policies of the contractor such as:
  - a. selecting, recruiting, hiring, or firing contractor personnel;
  - b. directing, scheduling, or critiquing individual contractor tasks on a continuous basis;
  - c. supervising contractor personnel; or
  - d. pressuring the contractor to use "favorite" personnel, or insisting on particular personnel actions.
- Use government and contractor personnel interchangeably.
- Require "out of scope" work, personal services, or "inherently governmental functions" of contractors. There are no "other duties as assigned" for contractor personnel.
- Give the incumbent contractor unfair competitive advantage by including its personnel in meetings to discuss aspects of there-competition, or by allowing access to planning information.
- Solicit or accept gifts from contractor personnel (other than coffee, small food items, etc. in accordance with ethics regulations).
- Encourage contractor personnel to leave their workplace to attend a morale-building activity, ask them to volunteer to organize morale-building events, or participate in office gift-giving, funds, etc.
- Give only one contractor non-public information that may be of commercial value. If you share it with one, you must share it with all.
- Ensure that unsatisfactory work is corrected. Avoid the personal services aspect of any such activity by not personally supervising individual contractor employees.
- Report inadequate prime contractor control and supervision of the subcontractor. The prime contractor is responsible for subcontractor performance. Only judge the subcontractor's work through the prime contractor's submissions.
- Ensure contractor personnel wear distinctive badges and can be easily identified, including email correspondence and on the telephone.
- Respect the employer-employee relationship between contractors and their employees.
- Protect intellectual property rights when contractor work products are created or shared in the federal workplace.
- Identify possible conflicts by contractor personnel to include violations of the law (including but not limited to Procurement Integrity statutes and regulations). Be sensitive to inappropriate appearances created by close relationships between government employees and contractor personnel.
- As necessary, seek assistance from legal counsel in resolving these inappropriate relationships.
- Safeguard sensitive information, including proprietary, Privacy Act, and source selection information.
- Clearly describe all contract tasks and ensure they are in-scope.
- Maintain contact with on-site contractor personnel in order to assess performance and ascertain progress or delivery status. In an integrated product team (IPT) environment, closer



## **Federal Communications Commission Office of Inspector General**

working relationships are needed. However, be careful to ensure only the contractor's task leader assigns tasks to individual contractor personnel.

- Look at your situation from the contractor and contractor employee perspective.
- Make sure you are not putting the employee in a difficult situation by asking for performance above or outside the contract.
- Ensure your interaction with contractor personnel does not give the perception of favoritism.
- Be aware of foreign disclosure limitations, including when working with international partners (there are some things that a contractor cannot disclose to a foreign national).

### **DON'T:**

- Exceed your authority as expressed (and limited) in your letter of designation.
- Re-delegate any COR authority.
- Neglect to document significant actions, meetings, inspections, conversations, etc. as they occur.
- Delay documentation, as this may affect accuracy.
- Delay - or cause to be delayed - paperwork, correspondence, invoices, or reports; such delays could result in claims or loss of government rights under the contract.
- Let personalities enter into your discussions with the contractor.
- Lose your impartiality.

Information provided by Management Concepts (COR Course).



**Federal Communications Commission  
Office of Inspector General**

**Appendix B: Status of Report Process Form**

<b>Status of Report Process</b>			
Auditee:			
Assign. No.			
Location:			
Audit Description:			
Level of Reliance:			
Process	Process Description	Person(s) Responsible	Date completed
1.	Draft report prepared/reviewed		
2.	Report and working papers approved by Audit Director		
3.	Independent referencing		
4.	Legal Review		
5.	Approved by DAIGA		
6.	Approved by AIGA		
7.	Approved by IG/DIG		
8.	Draft audit report distributed		
9.	Response to draft report received from auditee		
10.	Response to draft report received from USAC		
11.	Final report prepared		
12.	Approved by Audit Director		
13.	Approved by DAIGA		
14.	Approved by AIGA		
15.	Approved by IG/DIG		
16.	Final audit report distributed		
17.	Report redactions sent to auditee for review if necessary.		
18.	Report with synopsis prepared for posting on OIG website.		



**Federal Communications Commission  
Office of Inspector General**

# **ATTENTION**

## **FCC TRAVELERS**

This manual is designed to assist you in understanding the Federal Travel Regulations (FTR) and the Federal Communication Commission's (FCC) policies and procedures as related to your travel requirements. In addition, it contains instructions for preparing travel documents and sample copies of travel related forms.

Please contact the Travel and Operations Group (TOG) on (202) 418-1975, should you have specific situations that are not covered in this manual and/or sections that are unclear. Any comments that you may have will be greatly appreciated and will help us to provide you with a better product.

Thank you for your support.

Sincerely,

Mark Stephens,  
Chief Financial Officer

# TABLE OF CONTENTS

<b>Chapter One – Introduction</b>	<b>Page</b>
I. Purpose	5
II. References	5
III. Applicability	6
IV. Responsibilities	6
V. Illustrated Travel Process	7
 <b>Chapter Two – Travel Process</b>	
I. Travel Approval Process	8
II. Travel Authorizations	10
III. Travel Voucher Preparation	21
IV. Approval of Travel Voucher	25
V. Audit and Processing	26
VI. Reconciliation and Settlement of Claim	26
 <b>Chapter Three – Agency for Local Travel</b>	 28
 <b>Chapter Four – Agency Policy for Reimbursable Travel</b>	
I. Statutory Authority	29
II. 31 U.S.C. § 1353	29
III. 5 U.S.C. § Section 4111	30
IV. No Solicitation	30
V. Letter of Invitation	30
VI. Prior Written Authorization	31
VII. Documentation of Travel Expenses Paid by Non-Federal Source	32
VIII. First Class Travel Usually Not Permitted Under Travel Reimbursement Program	32
IX. Responsibilities	32
X. Self-assessment Program	33
 <b>Chapter Five – Invitational Travel</b>	
I. Definition	34
II. Bureau/Office Requirement	34
 <b>Chapter Six – Pre-Employment Interview Travel</b>	
I. Background	35
II. Human Resources Management Responsibilities	35

# TABLE OF CONTENTS

## (Continued)

### **Chapter Seven – Government Contractor-Issued Charge Card**

I.	Background	37
II.	Definitions	37
III.	General Card Information and Benefits	37
IV.	Responsibilities	38
V.	Card Issuance Procedures	39
VI.	ATM Cash Advance Policies and Procedures	40
VII.	Monthly Contractor Billing and Payment	47
VIII.	Lost or Stolen Charge Cards	48
IX.	Charge Card Renewals	48
X.	Charge Card Cancellation and Changes	48
XI.	Financial Obligations and Liabilities	48
XII.	Security of the Charge Card	49
XIII.	Acceptability of Bank of America Charge Card	49

### **Chapter Eight – Carlson Wagonlit Travel Agency**

I.	Background	50
II.	Reservations	50
III.	Obtaining Passenger Transportation Services and Lodging Reservations	51
IV.	Picking Up Tickets	51
V.	Unused and Lost Tickets	51

### **Chapter Nine – Passports & Visas**

I.	Passport & Visa Processing	53
II.	Official Passport Request	53
III.	Expedited Requests	55
IV.	Separation from the FCC	55
V.	Visa Request	56
VI.	Russian Visa	57

### **Chapter Ten - Travel Gainsharing Program**

I.	Background	58
II.	Criteria For and Amount of Award	58
III.	Kinds of Travel Covered	58
IV.	Lodging Savings	58
V.	Redemption of Frequent Flyer Benefits	59
VI.	Process and Responsibilities	60
VII.	Recording the Savings	60

# TABLE OF CONTENTS

(Continued)

## **Chapter Eleven - Relocation-Permanent Change of Duty Station**

I.	Background	61
II.	Definitions	61
III.	Service Agreement	61
IV.	Eligibility for Relocation Allowances	63
V.	General Rules	64
VI.	Time Limitations	65
VII.	Travel Authorization (TA)	65
VIII.	Per Diem	66
IX.	Advance of Funds	66
X.	Instructions for Completing Form AD-202	67
XI.	Instructions for Completing Form AD-202R	69
XII.	Instructions for Completing Expense Record for Temporary Quarters	72

## **Appendix**

Travel Form Information	73
Travel Forms	74
Frequently Asked Questions	76
Acronyms	78



# CHAPTER ONE

## INTRODUCTION

### I. PURPOSE

The Federal Travel Regulation (FTR) requires each Federal agency to establish and maintain an internal manual containing administrative procedures for official travel. These procedures must include agency's internal control guidelines and requirements necessary to insure that the misuse of government travel funds does not occur. The internal control guidelines must include designation of authorizing and approving officials, routing procedures for travel authorizations and vouchers, receipt requirements, and procedures for resolution of disputed claims for travel vouchers. See FTR, §301.70.

### II. REFERENCES

#### A. Federal Travel Regulation

All agency travel shall be conducted in accordance with the guidelines set forth in the Federal Travel Regulation, 41 C.F.R. §300-304 and any other temporary regulations, bulletins or memoranda promulgated by the General Services Administration (GSA). Cites to the FTR in this document are abbreviated, e.g., FTR §301-201.

#### B. Civilian Personnel Law Manual

If a specific travel policy, procedure or situation has occurred or is about to occur for which there is no specific agency rule or precedent, the FTR, additional GSA promulgated travel guidelines, and decisions in the Civilian Personnel Law Manual, Title III-Travel which is prepared by the Office of the General Counsel, United States Government Accountability Office (GAO) shall prevail.

#### C. Travel Services Solutions (TSS)

The FCC's Travel Services Solutions, Carson Wagonlit Government Travel, provides travel services to FCC travelers.

### **III. APPLICABILITY**

#### **A. Office of the Managing Director**

The Office the Managing Director (OMD) has been delegated the authority to promulgate, distribute, and maintain an official current statement of agency travel policies, which are in compliance with all applicable rules and regulations. The agency shall authorize, approve, and conduct only official travel necessary to accomplish the purpose and mission of the agency effectively and economically within the confines of budgetary allocations. Reimbursable travel expenses are restricted to those essential to the transaction of official business.

#### **B. Bureau/Office Approving Officials**

The FCC's Travel Handbook provides instructions to the designated approving officials who have been delegated authority to authorize and approve travel. This manual is to be used as a supplement to the FTR, and may reference agency specific information which may or may not be addressed in the FTR.

#### **C. Travelers**

The FCC's Travel Handbook applies to all travelers who are authorized to travel outside of their designated official duty station to conduct official agency business. Travelers should use the manual as a reference for overall agency travel policy.

### **IV. RESPONSIBILITIES**

#### **A. The Chairman**

The Chairman is responsible for establishing FCC travel policy and specifically authorizing and approving all official travel. The Chairman is also responsible for establishing internal controls to insure that only essential travel is approved in accordance with all rules and regulations. Further, the Chairman is responsible for managing the agency's travel funds in order to fund FCC program priorities within the overall travel ceiling established in the Congressional Budget Submission.

#### **B. Approving Officials**

The Chairman delegates travel approval authority to agency officials. The approving official has the responsibility to: 1) authorize and approve only essential travel; 2) insure that travel is approved in accordance with applicable travel rules and regulations; and 3) establish internal controls for travel. All approving officials have a fiduciary responsibility to the Chairman to safeguard government funds and insure compliance with all rules and regulations.

#### **C. Travelers**

Travelers are expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business. Travelers are responsible for excess costs and any additional expenses incurred for personal preference or convenience. See FTR, §301-2.3. Additionally, FTR, §301-2.4 provides that the traveler is responsible for expenses over the reimbursement limits. The FCC will not pay for excess costs resulting from circuitous routes, delays, or luxury accommodations or services unnecessary or unjustified in the performance of official business.”

Any additional costs other than those specifically authorized, approved or required by regulation shall be the traveler’s responsibility.

- Travelers are accountable for all transportation tickets or other transportation procurement documents received by them in connection with their travel.
- In the absence of specific authorization or approval for first class or business class accommodations, travelers are liable for all costs in excess of the allowable amount for coach fare. See FTR, §301-2.5(a).
- Travelers may retain any promotional benefits or materials received from a travel service provider in connection with official travel as long as the item(s) are obtained under the same conditions as those offered to the general public and at no additional cost to the government. FTR, §301-53.2.
- Travelers are required to file authorizations and requests for passports as far in advance of travel as possible.
- Travel vouchers must be filed within five (5) business days after the completion of travel. See FTR, §301-52.7.
- An authorization must be submitted for travel that has been cancelled. See FTR, §301-10.113.

D. Financial Operations Center, Travel and Operations Group

The Travel and Operations Group (TOG) has been delegated the authority to review, audit, and process all travel documents into the agency’s travel system.

## **V. ILLUSTRATED TRAVEL PROCESS**

Chapter two presents the travel process in illustration to include authorization and vouchers for domestic, international, and permanent change of station.

# CHAPTER TWO

## TRAVEL PROCESS

### I. TRAVEL APPROVAL PROCESS

#### A. All Travel Documents Must Be Approved by the Designated Official

All travel documents (i.e., authorizations, vouchers, and other required forms) must be specifically approved by a designated approving official. In some cases, the trip destination, type of authorization, purpose of the trip, or the use of higher than coach class fares requires specific approval by designated officials.

In addition to the formal approval process, each bureau is encouraged to maintain its own internal review process prior to obtaining the approving official's signature on a travel document. The internal review process may include a supervisor or a senior level official within the bureau initialing the travel documents. The reviewer may pre-approve by signing or initialing in the remarks section of the travel authorization or voucher. The approval block is reserved for the signature of the designated approving official. Upon completion of the internal review process, the documents are ready to be submitted to the approving official for signature.

All travel authorizations and vouchers must be approved by someone other than the traveler. The Confidential Assistants may approve the Chairman and Commissioners travel documents. The Assistants for Management may approve travel authorizations and vouchers for Bureau/Office Chiefs and heads of the Field Offices. The approving official's name, title, date approved, and an original signature must be recorded in order for the travel documents to be processed.

The responsibilities of the approving official are to: 1) insure that the expenditures as stated on the travel authorization are valid and reasonable; 2) verify all items requested before signing the form; 3) verify that all necessary documents are signed and attached to the authorization/voucher before approving trip; and 4) verify that a valid travel authorization number has been assigned. If the travel is for training, a copy of the training form must be attached.

#### B. Delegation of Approving Authority

It is the responsibility of each Commissioner, Bureau and/or Office Chief to complete and submit the Delegation of Authority Form (Form# A-40) delegating authority for responsible employee to approve travel. The form requires the complete name, title, and the signature of the approving official. The original form must be submitted to the TOG; a copy must be maintained at the Commissioner/Bureau/Office Chief level and updated when necessary. The TOG is responsible for maintaining the delegations of authority as a part of the internal travel review process.

The Chairman of the FCC has delegated travel approval authority to each Commissioner, Bureau, and/or Office Chief, Commissioners, and Bureau/Office Chiefs may in turn delegate this authority

to Deputy Bureau/Office Chiefs, Assistant Chiefs for Management, and Supervisors of Field Facilities. Authority may not be delegated to the division level. In the absence of the Bureau/Office Chiefs and/or Field Office Directors, authority to approve travel documents will be granted to the Acting Chief or designee.

The Bureau/Office Chiefs or their designees do not have approving authority in the following three (3) instances:

- **Permanent change of duty station (relocation).** Travel must be initialed by the Bureau/Office Chief or the designee. The Associate Managing Director for Human Resources Management is the final approving authority.
- **501(c) (3).** The Associate Managing Director for Financial Operations is the final approving authority.
- **International.** Travel must be initialed by the Bureau/Office Chief or designee. The Chief, International Bureau or designee is the final approving authority.

C. Exceptions to Prior Approval of Authorization - Emergency Situations

In the event of an emergency situation that prevents the traveler from obtaining an approved travel authorization prior to travel, it becomes the responsibility of his/her immediate supervisor to insure all required travel documents are prepared. This must include a written explanation to justify the need for the travel to commence without a properly executed travel authorization. The signed authorization and the justification must be forwarded to the TOG immediately for processing. **Under no circumstances will an ATM advance of funds be approved.**

D. Special Documentation and Approval

The following methods or special situations require advance approval and a written justification/certification signed by the Assistant Bureau Chief for Management or designee prior to travel and must be attached to the travel authorization and voucher:

- Use of non-contract air, rail or bus carrier. See FTR, §310-10.106.
- Use of a privately owned vehicle (POV) for personal preference in lieu of common carrier. See FTR, §301-10.309.
- Use of first class, business class or rail common carrier transportation. See FTR, §301-2.5.
- Use of a foreign air carrier. See FTR, §301-2.5 (b); §301-10.132.
- Actual expense reimbursement in lieu of per diem. See FTR, §301-11.300.

- Certification for lost receipts for all items over \$75.00, except for common carrier, lodging, ATM, vehicle rental and gas for vehicle rentals.
- When any vehicle is rented. FTR, §301-10.450.
- Fuel Service Charge Option is purchased on vehicle rental (if no justification, rate will be reduced according to the region).

Additionally, the Chief Financial Officer (CFO) or designee must approve and certify any special purpose travel for conferences, meeting attendance or training exceeding \$5,000.00.

## **II. TRAVEL AUTHORIZATIONS**

As a general matter all official travel must be authorized and approved in advance of the trip. See FTR, §301-2.1. Specific instructions are given within these sections to illustrate how to obtain the authorization. All other instructions for other action codes, types of authorizations, no-cost authorizations and attachment forms will follow.

Permanent change of duty station (relocation) travel must be authorized and an attachment to cover all applicable costs must be completed and approved as part of the authorization.

For international trips travelers must make advance preparations to obtain an official passport and the appropriate visa by contacting the TOG on (202) 418-1975.

### **A. Types of Authorizations**

The travel authorization must contain all information about the traveler and the intended trip. Generally, agency approved authorizations will be for individual trips. Attachments are required for trips authorizing transfer of duty station (relocation) travel and reimbursable travel. All travelers are required to obtain an approved travel authorization prior to travel, even if the trip will be funded by a non-agency source.

The E-2 System will be used to create the following authorizations with the exception of #2 (No-Cost).

- Single Trip - A single trip authorization allows an individual to travel and must include the purpose, itinerary and estimated costs.
- No-Cost - The No-Cost Travel Authorization (Form A-514) allows an individual to travel on official business when there is no cost to the agency. No vouchers are filed when no cost trips are submitted on form A-514.
- Travel within a 40 mile radius – Travel within the 40 mile radius where lodging is being requested must done on an authorization and approved in advance by administrative office in the bureau/office and The Office of the Managing Director.

- Gettysburg Travel – must be done on either a No-Cost or Single Trip authorization.
- Permanent Change of Duty Station (Relocation) - Expenses for travel, transportation, moving and/or storage of household goods and other allowances in connection with the transfer of employees between official duty stations within the agency will be allowed upon written agreement with the employee. To secure expenses the employee must remain in the service of the government for 12 months following the effective date of the transfer. New appointees recruited with the intent to relocate to the official duty station may also be eligible to receive payment for applicable relocation expenses. The authorization for all relocation travel must contain the grade and step of the individual in the remarks section.

A separate attachment for estimated applicable expenses must be completed and submitted with the original authorization form. Section 302 of the FTR specifies all allowable expenses. Specific guidance may be obtained by contacting the TOG, Room 1-A735, phone (202) 418-1975. Generally, they include the following:

- En route travel expenses
- En route per diem
- Miscellaneous expense allowance at a flat rate based upon the family status
- House hunting trip (no longer than 10 calendar days)
- Temporary quarters
- Temporary quarters subsistence
- Real estate expenses on lease termination, sale of old residence and purchase of new residence
- Household goods shipment and storage

GSA Form 87 (Travel Authorization), located in FCC Forms under Word, must be used to create the following travel authorizations:

- 1353 Travel (No-Cost) – When there are no funds being obligated when using 1353 travel.
- Interview/Recruitment.
- Invitational.
- Joint Board.
- Witness.

## B. Travel Authorization Routing to the TOG

1. Routing for Approval of Authorizations - All travel authorizations must be fully approved prior to being processed by the TOG. The routing for a travel authorization generally follows the approval process with the following exceptions:
  - **501(c) (3) and 1353 Travel – Under 31 U.S.C. §1353, non-federal sources can reimburse agencies for travel expenses related to federal employee attendance at meetings and similar functions.** The Office of the General Counsel (OGC) must approve the letter of invitation with the appropriate code section cited and include a statement regarding no approval conflicts noted for all. Additionally, the Associate Managing Director-Financial Operations must also approve the letter of invitation verifying the sponsor has no current unpaid debts with the agency.
  - **Auctions Travel** – The Chief, Budget Center must approve all auctions travel authorizations in advance of travel.
2. Submission to TOG - The original plus 2 copies of the travel authorization should be sent to the TOG, 445 12<sup>th</sup> Street, SW, Room 1-A735. The travel authorization will be processed and retained by the TOG. The copies will be returned to the appropriate Bureau noting the action taken. The traveler must submit a copy of the authorization with the subsequent travel voucher.

## C. Funding Sources

Travel authorizations are required for all agency travel regardless of the funding source. Accounting classification codes are provided to each bureau.

501(c) (3) trips are travel by invitation from a tax exempt organization pursuant to applicable laws and regulations of Section 501(c) (3) of the Internal Revenue Code and in accordance with provisions in the Government Employees Training Act 5 U.S.C. Section 4111. This type of reimbursement for travel expenses is made directly to the traveler.

1353 trips are travel by invitation from a non-Federal source pursuant to applicable laws and regulations in the Ethics Reform Act of 1989, 31 U.S.C. Section 1353. Implementing regulations were issued by GSA at 41 C.F.R., Parts 301-1 and 304-1.

Travel funded by another federal agency requires only a \$0 authorization be submitted to the TOG. All airline tickets and travel advances will be obtained directly from the sponsoring federal agency. Travel authorizations are required with a copy of the sponsoring federal agency's travel authorization attached. Travel vouchers and travel advance repayments should be submitted directly to the sponsoring federal agency. They will issue payment directly to the traveler.

Accounting information is required for trips funded jointly by the FCC and another federal agency. Each authorization will cover the costs associated with their respective agencies. **(Please note: International travel for another federal agency, a copy of their travel authorization must be**



**submitted to the International Bureau.)** Airline tickets and travel advances should also be obtained through the appropriate authorizing agency. Individual travel vouchers and travel advance repayments should be submitted to their respective agency for processing. Travel vouchers must include all supporting documentation and a copy of the other agency's travel voucher.

D. Purpose of Travel

1. Travel Purpose - The travel purpose must correspond to the statement of purpose that is included on the face of the authorization. When none of the first seven explanations apply, it shall be determined that the trip is "other" and the language should detail the specific activity that is to be performed.

The travel code explanations are listed below:

- |                           |                           |
|---------------------------|---------------------------|
| a. Site visit             | e. Conference attendance  |
| b. Information meeting    | f. Entitlement travel     |
| c. Training attendance    | g. Special mission travel |
| d. Speech or presentation | h. Other travel           |
2. Statement of Purpose - All authorizations must contain a brief explanation of the specific purpose of the trip. It is the authorizing official's responsibility to approve and authorize only travel necessary to accomplish the mission of the agency in the most effective and economical manner. **By signing the authorization, the approving official is actually certifying funds to be obligated against the agency's appropriation.** The statement of purpose serves as the justification for the obligation and subsequent expenditure of government funds.

E. Itinerary of the Trip

The itinerary on the travel authorization must contain all information necessary to describe and obligate funds for travel from the official duty station or residence to the destination of travel and return. On an international trip, the destination must include the city and country completely spelled out.

F. Estimated Expenses

The approved travel authorization obligates the funds for the trip. Only allowable estimated expenses can be obligated on the travel authorization. There are many types of allowable travel and transportation expenses, some of which require special justification and approval.

1. Transportation Expenses - The method of transportation will be selected on the basis of the most expeditious means of transportation practicable and shall commensurate with the nature and purpose of the duties of the traveler requiring travel. In most cases, travel will be accomplished by U.S. flag common carriers, listed in order of preference for domestic and foreign non-local travel. (Refer to the FTR, 301-10.131-143 for specific guidance on the definitions and uses of U.S. flag common carriers.)

Allowable transportation expenses include common carrier tickets by air, rail, bus or ship and other expenses incidental to transportation such as baggage transfer or excess fares. The method of selecting transportation shall result in the greatest total cost savings advantage to the agency. Consideration will be given to energy conservation, per diem, overtime, lost work time, actual transportation costs, total distances to be traveled, the number of points visited, the number of travelers and applicable regulatory guidelines.

- a. Air - Generally, transportation by air common carrier is the preferred method of travel and is most advantageous to the agency. The agency is required to follow the FTR guidelines regarding contract air service.

- (1) Contract Air Service

Coach class discount airfares offered by contract air carriers between certain cities/airports (city-pairs) will be used. See FTR, §301-10.106. The travel agent for the agency will quote the most advantageous fares available.

- (2) First Class Air

The use of first class air accommodations is limited and must be fully justified in writing, certified and approved in advance of the trip. See FTR, §301-10.123. Additionally, the justification must meet at least one of the four criterion listed below. The use of first class air accommodations must be referenced in the remarks section of the travel authorization. The approved justification and certification must be filed with the TOG prior to travel. If a traveler uses first class air accommodations at his/her own discretion, he/she is liable for the excess cost above the lower fare.

The exceptions for use of first class air accommodations follow:

- No space is reasonably available in coach-class or business-class other than first-class accommodation and travel cannot be postponed. See FTR, §301-10.123(a).
- A traveler's handicap or physical disability is so severe that regular coach accommodations cannot be used. An EEOC Form 557, FCC Form A-702 and a doctor's note must be submitted to OWD in advance of travel. See FTR, §301-10.123(b).
- Security reasons as determined by the OMD. See FTR, §301-10.123(c).
- When required because of agency mission. See FTR, §301-10.123(d).

- (3) Premium Class Other Than First Class

The exceptions for use of premium class other than first class air accommodations (e.g. business class) follow:

- Regularly scheduled flights between origin/destination points provide only premium-class accommodations and the traveler must certify such on his voucher. See FTR, §301-10.124(a).
- No space is available in coach-class accommodations in time to accomplish the mission, which is urgent and cannot be postponed. See FTR, §301-10.124(b).
- A traveler's handicap or physical disability is so severe that regular coach accommodations cannot be used. An EEOC Form 557, FCC Form A-702 and a doctor's note must be submitted to OWD in advance of travel. See FTR, §301-10.124(c).
- Security reasons as determined by the OMD. See FTR, §301-10.124(d).
- Coach-class accommodations on an authorized/approved foreign air carrier do not provide adequate sanitation or health standards. See FTR, §301-10.124(e).
- The use results in an overall cost saving to the government by avoiding additional subsistence costs, overtime, or lost productive time while awaiting coach-class accommodations. See FTR, §301-10.124(f).
- Your transportation costs are paid in full through agency acceptance of payment from a non-federal source. See FTR, §301-10.124(g).
- Where the origin and/or destination are OCONUS, and the scheduled flight time, including stopovers and change of planes, is in excess of 14 hours. (In this instance traveler will not be eligible for a rest stop en route or a rest period upon arrival at your duty station.) See FTR, §301-10.124(h).
- When required because of agency mission. See FTR, §301-10.124(i).

#### (4) Non-contract Air Service

Non-contract air service may be authorized in advance on an exception basis. The approved written justification containing the reason(s) for use of non-contract air must be attached to both the travel authorization and voucher. Use of non-contract air may be approved for the following reasons:

- Space or scheduled flights are not available in time to accomplish the purpose of travel. See FTR, §301-10.107(a).
- Contract flight schedules are not available for travel during normal working hours. See FTR, §301-10.107(b).

- The use of a contract flight would require the traveler to incur additional per diem and other travel related costs which would increase the overall cost of the trip. See FTR, §301-10.107(c).

#### (5) Supersaver Flights

A non-contract supersaver flight may be used when the carrier offers unrestricted lower fares to the general public. In order to take advantage of these reduced fares, all of the following circumstances must exist: no restricted seats are available; a contract carrier does not have a comparable fare; and, the fare price must lower the total cost of the trip. Caution must be exercised to avoid financial responsibilities for penalties on restricted fares when travel dates change unexpectedly. Before deciding to use a supersaver fare, the traveler should consider whether the travel dates are fixed, whether there are significant cost savings and whether there are any applicable penalty cost. See FTR, §301-10.108.

#### (6) Frequent Traveler Benefits

Any promotional benefits or materials received from a travel service provider in connection with official travel may be retained for personal use, if such items are obtained under the same conditions as those offered to the general public at no additional cost to the government. See FTR, §301-10.53.2.

- b. Rail - Rail passenger service between selected cities/airports may be used for domestic and international travel.

#### (1) Coach Class

The basic class of accommodations offered by a rail carrier to passengers that includes a level of service available to all passengers regardless of the fair paid. Coach class accommodations must be used for all train travel, except when the agency authorizes first-class service. See FTR, §301-10.161.

#### (2) First Class (Metro liner Service) Accommodations

- The higher class of accommodations or extra-fare trains offered by a rail carrier to passengers. Amtrak Acela and Metro liner First Class Service are considered first class. The use of the lowest class of service available on Amtrak Acela or Metro liner train service, including Acela Expenses, is deemed advantageous to the Government and no further approval is needed, See FTR, §301-10.164. The approved justification and certification containing the reasons for use of first class accommodations must be entered in the “excess fare” box and referenced in the remarks section of the travel authorization. The approved written justification and certification must be attached to the travel authorization and to

the travel voucher. First class accommodations may be used when justified, certified and approved in advance if one of the following conditions apply:

- No coach class accommodations are reasonably available. “Reasonably available” means available and scheduled to leave within 24 hours of the employee’s proposed departure time, or scheduled to arrive within 24 hours of the employee’s proposed arrival time. See FTR, §301-10.162(a).
  - When use of first class is necessary to accommodate a disability or other special need. **An EEOC Form 557, FCC Form A-702 and a doctor’s note must be submitted to OWD in advance of travel.** See FTR, §301-10.162(b).
  - When exceptional security circumstances require first class travel. See FTR, §301-10.162(c).
  - When coach class train accommodations on a foreign rail carrier do not provide adequate sanitation or health standards. See, FTR, §301-10.162(d).
- c. Bus - Use of contract or other discount fare offered by bus carriers between selected cities (city-pairs) is considered advantageous only upon the determination that its use is compatible with the requirements of the travel and all energy and cost considerations have been met. Local transit systems, such as bus, subway, or streetcar.
- d. Ship - Generally, travel by ocean vessel, except between points serviced by ferries, will not be authorized for agency travelers. If ship travel is used, travelers must use a U.S. flag ship unless the mission requires the use of a foreign ship. See, FTR, §301-10.180.
- e. Use of Vehicles

(1) Contract Rental or Government-Furnished

A traveler who has traveled to his/her destination by common carrier may be authorized to use a government-contract rental vehicle on a short-term basis (less than 30 days) while at the travel destination. A government-furnished vehicle may only be authorized when a contract rental vehicle is unavailable, usually in isolated areas. A traveler may be authorized to use a government-furnished vehicle for local travel within commuting distance of a traveler’s designated official duty station, subject to availability and cost consideration, including administrative costs associated with picking up and returning the vehicle. See FTR, §301-10.210. Traveler must state the use of a government-furnished vehicle on their travel voucher.

A contract rental vehicle is obtained from a commercial firm under the provisions of an appropriate GSA Federal Supply Schedule contract. A government-furnished vehicle includes any vehicle which is owned by an agency, assigned or dispatched to an agency on a rental basis from the GSA Interagency Fleet Management Center, or leased by the government from a commercial firm for 30 or more days.

#### (2) Use of Privately-Owned Vehicle

Personal preference use of a privately-owned vehicle instead of common carrier may be authorized in advance with appropriate cost comparison and justification. Reimbursement of actual expenses is limited to the constructed travel cost, the lesser of all other expenses plus actual mileage compared to all other expenses plus the common carrier fare p See, FTR §301-10.303. Please note, when use of a privately-owned vehicle is for personal preference and is not the most advantageous method of transportation, **a lower mileage rate must be applied.** See FTR, 301-10.310(b). The justification must be attached to the travel authorization and subsequent travel voucher.

The traveler must determine in advance of completing the authorization what type of transportation will be used to get from the residence or official duty station to the common carrier terminal and back and whether or not there will be long term parking costs. The estimate for mileage from the residence or official duty station to the airport is based on the number of round trip miles times the current mileage rate when the car will not be parked at the airport. The maximum allowable reimbursement for mileage to and from the common carrier terminal cannot exceed the cost of a one-way taxi fare between those points plus tip. See FTR 301-10.308. If a mileage rate is not authorized, a subsequent claim for mileage will be denied.

#### (3) Special Conveyance

Special conveyance is any method of transportation other than common carrier, government-contract rental vehicle, or government-furnished vehicle. Special conveyance use requires specific authorization in advance. See FTR, §301-10.400. Generally, this includes vehicles rented for less than 30 days from a commercial firm which does not have a contract with GSA through the Federal Supply Schedule.

#### (4) FCC Government Vehicle

When an FCC government vehicle is used as a mode of transportation, annotate in remarks section of the travel document.

2. Non-Common Carrier Travel Expenses - Allowable travel expenses include such items as per diem, actual subsistence, mileage to and from common carrier terminals, vehicle rental fees, taxi fares, subway fares, cost of special conveyances, telephone calls and other miscellaneous expenses.

The complete breakdown of allowable travel expenses are expressly discussed in the FTR. Generally, those discussed in this section are applicable to the agency.

a. Per Diem Estimates

(1) Definition of Per Diem

The per diem allowance is a daily payment for lodging and related meals and incidental expenses (M and IE) while in a travel status. See FTR, 301-11.1. Taxes and service charges for lodging should be reported as a separate miscellaneous cost. Lodging includes all expenses for overnight sleeping facilities. It does not include accommodations on airplanes, trains, buses, or vessels. The only meals allowed at government expense are breakfast, lunch, and dinner. Snacks, alcoholic beverages, and entertainment expenses are excluded. **Incidental expenses related to subsistence include fees/tips to waiters, porters, baggage carriers, bellhops, and transportation between places of lodging and where meals are taken.**

(2) Per Diem Amounts Allowed

The amounts allowed for the standard per diem rates are limited to those listed in the FTR. The amounts allowed for actual subsistence are estimated based on a percentage calculation (**not to exceed 300% of the per diem allowance**). A traveler must be in a travel status for at least 12 hours to qualify for per diem reimbursement. See FTR, §301.11.2. The beginning of entitlement to per diem begins when the traveler leaves the residence or official duty station and ends when the traveler returns to the same. **The travel authorization must state travel exceeds 12 hours for all one day trips.**

b. Miscellaneous Expenses - Other estimated expenses include all types of miscellaneous expenses that may be anticipated while on the trip.

- Parking – When it is determined that the traveler must leave the vehicle at the airport for the duration of the trip, only long-term, off-airport parking will be allowed. When this is the case, the maximum allowable reimbursement for mileage plus long-term parking cannot exceed the cost of round-trip taxi fare between the residence or official duty station and the common carrier terminal plus tip.
- Telephone calls - A maximum of \$5.00 per day for domestic personal calls and \$10.00 per day for international personal calls will be reimbursed to the traveler for each day he/she is in travel status. Official business telephones calls are to be estimated and authorized in advance and will be reimbursed in full. All calls must be shown on lodging receipt. **(NOTE: It is recommended that frequent traveler's obtain a calling card from Information Technology Center (ITC) prior to travel.)**

- ATM Fees
- Bridge and road tolls
- Faxes
- Ferry costs
- Gas for vehicle rentals
- Hotel taxes, see FTR, §301-11.28
- Laundry and dry cleaning is allowable for domestic travel only with four consecutive days of overnight travel, See FTR, §301.11.31.
- Local transportation
- Supplies (**cannot be purchased with official government travel card**)

In most cases, these types of expenses should be estimated on every authorization involving trips over 24 hours in duration. The description on the authorization should be stated briefly (i.e., taxi, parking, tolls, phone calls, or supplies). An attempt should be made to provide as much detail as possible even though space is limited. **Even though receipts are not required (under the FTR) the agency may request them for items costing less than \$75.00, therefore, it is advisable to obtain and submit all receipts for prompt adjudication of subsequent claims.** See FTR, §301-11.25, §301-11.306.

3. Travel Advance Request - A request for an advance of funds to cover a trip can be executed simultaneously with the establishing authorization. Travel advances are issued by direct deposit via the travel system for non-government travel card holders and through the ATM feature of the government contractor issued charge card for card holders. When a traveler has obtained an advance via direct deposit, they must submit their voucher within five (5) business days of the completion of travel including repayment of any unused amounts. **Advances must be annotated on the establishing authorization or ATM fees will not be paid.**

Advances requested on the establishing authorization are automatically approved by the approving authority at the time the authorization is signed. Advance requests submitted after the establishment of the original travel authorization will require an amended authorization with the advance amount annotated in the “remarks” section. **Non-government travel card holders must obtain prior approval from the Deputy Chief Financial Officer for all cash advance requests.**



- The maximum amount allowed for travel card holders is 100 % of your meals and incidental expenses (M&IE) and your miscellaneous expenses (i.e., taxis, shuttles, parking, etc.) using the ATM feature of your government travel card. The advance amount rolled up to the nearest \$20 increment must be shown in the “comment” section and approved on your travel authorization.
- The maximum amount allowed for a non-government travel card holder is 100 % of the estimated per diem amount plus miscellaneous expenses (i.e., taxis, shuttles, parking, etc.). The authorization must be received in the TOG no later than five (5) business days prior to the departure date for non-travel card holders. This is to insure funds will be deposited into your bank account before you travel.
- TOG will reduce the authorized advance amount to the maximum amount allowable, notify the employee by e-mail, and the traveler will not be reimbursed any fees assessed for the excessive travel advance. Further, TOG will notify the Agency Program Coordinator for the Travel Card Program to insure these amounts are not exceeded in the future. Repeated abuse will be reported to appropriate Bureau/Office Management for possible disciplinary action.

### **III. TRAVEL VOUCHER PREPARATION**

**A travel voucher must be filed within five (5) business days after the final day of the trip.** The travel voucher must contain all of the same information about the traveler and the intended trip as the travel authorization. All travelers who have an outstanding travel authorization on which funds were obligated are required to file a travel voucher even if no reimbursement is claimed. The agency can request receipts for any expense claimed on a travel voucher.

When a transfer of station (relocation) is completed, the traveler must file a relocation traveler voucher (Form AD-616R). It is recommended that the traveler file vouchers each time an event occurs such as house hunting, moving, or sale of residence.

#### **A. Schedule of Expenses and Amounts Claimed**

This section of the travel voucher is a day-by-day- detail of the traveler’s itinerary and trip expenses. Each day of the trip must be logged separately with the expenses for each day shown in the appropriate blocks.

Receipts are required for all common carrier transportation, lodging, vehicle rentals, and ATM transactions. Even though receipts are not required for items costing less than \$75.00, all receipts obtained should be submitted along with the voucher to substantiate, validate, and adjudicate claims throughout the audit and post-audit process.

When receipts have been lost, destroyed, misplaced, or are otherwise unavailable, it is necessary to verify the amount claimed and explain the reason why receipts are not available. The Lost Receipt Form A-704 including the justification for claiming the expense must be separately signed by the

traveler and the approving official and attached to the travel voucher. Lodging receipts **must** be obtained from the establishment.

For international travel, do not convert time to Eastern Standard or any other zone time. International travel is based upon the actual elapsed time. For all international travel, applicable exchange rates must be provided in the remarks section of the voucher. The formula to be used is: U.S. dollars = foreign currency (i.e., U.S. 1 = LC .338).

1. Per Diem Entitlement - **Per diem is not allowed within a radius of 40 miles of the official duty station or within the vicinity of the residence from which the traveler normally commutes to work every day.** Entitlement to per diem begins at the time of day that the traveler leaves the residence or official duty station, and ends at the time of day the traveler returns to the official duty station or residence. See FTR, §301-11.9. For a traveler who works a standard 5-day workweek, per diem is not allowed when the length of the entire trip is 12 hours or less. For a traveler who works a non-standard workday, per diem is not allowed when the entire length of the trip does not exceed the workday by 2 hours. See FTR, §301-11.1.
2. Lodgings-plus Per Diem System - The method of reimbursement for per diem is the lodgings-plus per diem system. The per diem allowance is computed daily based on the actual cost of lodging plus the daily allowance for meals and incidental expenses (M&IE), not to exceed the maximum allowable daily per diem rate. The maximum reimbursement for the lodging is the actual cost or maximum lodging allowance, whichever is the lesser of the two. **Receipts are required for all lodging expenses.**

Lodging costs usually include various local, state, and/or county taxes that are itemized separately on the receipt. These local area taxes are not a part of standard per diem rates. They must be claimed as a miscellaneous expense on the voucher. A tax exemption request by a government traveler may be accepted by hotels, but it is not a requirement. The M&IE expense is a fixed amount. One per diem rate is in effect for each calendar day.

The per diem rate for a given day is determined by the traveler's location and travel status at midnight of the travel day just ended whether or not lodging is required at that location. See FTR, §301-11.7. The same rule applies for both domestic and foreign travel. When a stopover has been authorized, the per diem rate applicable to the stopover, not the destination, applies. When a traveler is on a trip for more than 12 hours, but less than 24 hours (no lodging) and has more than one destination, the higher of the two M&IE rates apply. See FTR, 301-11.102.

Please provide an explanation in the remarks section of the travel voucher when lodging is not indicated.

3. Actual Subsistence - Claims for actual subsistence must be authorized on the travel authorization and on Form A-518 prior to travel. Actual lodging costs will be reimbursed up to the maximum of the rate allowed on the authorization (not to exceed

300% of per diem). See FTE, §301-11.303. Under no circumstances will the reimbursement for actual subsistence (lodging plus M&IE) exceed the daily rate allowed on the travel authorization. **The only exception is 1353 reimbursable travel.**

When actual subsistence is claimed, all lodging claims must be accompanied by receipts. Although receipts for expenses under \$75.00 are not normally required, when actual subsistence is requested for meals, receipts for actual costs of meals must be submitted with the travel voucher. Additionally, the actual costs of meals must be itemized for each day of the travel voucher. See FTR, §301-11.306.

4. Common Carrier Transportation - All costs for common carrier tickets are to be paid by the traveler with his/her government contractor-issued travel credit card. Receipts are required for all of these expenses. All common carrier transportation costs must be recorded on the front of the travel voucher regardless of the method of purchase. All of the information required to identify the type of transportation used should be recorded. The amounts for each type of transportation cost and the sum total of all costs must be recorded.
5. Vehicle Rental - The amount paid for the vehicle rental must be recorded. The receipt and vehicle rental agreement must be attached. Travelers should not utilize the “**refuel**” or “**insurance**” options for any rental vehicles obtain in the continental United States (CONUS). The government is self-insured; see 41 C.F.R. 301-10.451. Deductions will be taken if refuel is utilized.
6. Local Transportation - All authorized local transportation costs which are approved on the travel authorization must be recorded for each day. Receipts are required for transportation costs exceeding \$75.00.
7. Mileage - The claim for mileage requires the traveler to record actual miles traveled each day on the voucher. The claim cannot exceed the amount authorized on the travel authorization. When the actual number of miles claimed exceeds the estimated mileage authorized, an amended authorization must be approved in order for the full amount to be reimbursed. The traveler is responsible for recording actual mileage daily. Mileage must be calculated using the current per mile rate as dictated by the GSA.
8. Parking, Tolls, etc. - Generally, parking receipts are not required to be submitted with the travel voucher unless they are over \$75.00. However, if they are available, they should be attached to the voucher. Receipts for tolls are not required.
9. Miscellaneous Expenses - Only the types of miscellaneous expenses that were specifically authorized on the travel authorization should be recorded for each applicable day. The actual amount claimed will be reimbursed as long as the total amount claimed for each expense (i.e. parking, tolls, local transportation and miscellaneous expense) does not exceed the amount authorized on the travel authorization. Receipts are required for all expenses of \$75.00 or more.

The agency requires receipts and in most cases a written (justification/explanation) for the following miscellaneous expenses:

- Hire of special conveyance (boat, automobile, aircraft)
- Excess official government baggage (including transfer/checking charges)
- Lodging resort fees when not optional
- Energy surcharges
- Cost of currency conversion, and trip insurance
- Laundry, dry cleaning and/or pressing **for domestic travel only** - this requires four consecutive nights of travel
- Special services (i.e., guides, interpreters, driver)
- Freight or express shipments
- Storage of baggage

When required receipts cannot be furnished because they were lost, misplaced, or otherwise unavailable, the circumstances must be fully explained and the traveler must certify that the receipts were lost. The certification statement must contain:

- The name and address of the facility (restaurant, taxis, shuttles, etc.);
- The specific date(s) of the expense(s);
- The amount of each specific expense by date;
- Description of the amount;
- The signature of the traveler; and
- The signature of the approving official.

#### B. Accounting String

The approved travel authorization must contain the accounting string necessary to process the travel voucher. If it is necessary to change the accounting string, an amendment must be submitted in order for the voucher claim to be processed for payment.

#### C. Claimant's Responsibilities

The person who is filing the claim must always sign and date the voucher. **The claimant may not sign as the approving officer.**

#### **IV. APPROVAL OF TRAVEL VOUCHER**

All travel vouchers must be approved by someone other than the traveler. The Confidential Assistants may approve the Chairman and Commissioners travel documents. The Assistant for Management may approve Bureau/Office Chief travel documents and heads of the Field Offices. The approving authority's/official's name, title, and original signature must be recorded in order for the travel documents to be processed. When this information is not properly recorded and/or properly matched in the travel system, the travel voucher will be returned to the traveler. Under special circumstances, when it is impossible for that person to do so, an authorized person, such as a supervisor, may sign for the traveler by signing their name and indicating "for" and printing the traveler's name.

##### **A. Verification Process**

1. Authorization Number - The approving official must verify that the authorization number is on the travel voucher and that a copy of the original signed authorization is attached.
2. Supporting Documentation - The approving official must certify that all receipts and supporting documentation necessary to support the claim are attached to the voucher and that the receipts/supporting documentation correspond to the expenses claimed.
3. Liquidation of Advance (if issued by the agency) - The approving official must verify that any outstanding advance is liquidated. When the amount of the total claim does not exceed the amount of the outstanding advance, the approving official must insure that a personal check or money order from the traveler is attached to the voucher in repayment of the remaining advance balance. All checks should be made payable to the "Federal Communications Commission."
4. Original Signature of Traveler – The traveler must provide an original signature on the travel voucher.
5. Original Signature of the Approving Official - The approving official must insure that all expenses claimed on the travel voucher were authorized on the Travel Authorization. The approving official must also insure that the expenses claimed are reasonable prior to approving. The approving official must verify that the traveler has signed and dated the travel voucher claim. Upon completion of the review, the approving official should sign and date the voucher. The Bureau/Office Chief or the designee has approval authority for all travel vouchers except their own.

##### **B. Submission of Approved Vouchers**

For domestic and international travel, an original and two (2) copies of the travel voucher should be submitted along with all receipts and supporting documentation to TOG for processing. 1353 travel requires the submission of an original and three copies of the voucher. Vouchers received in the TOG without the proper signatures will be returned unprocessed. The TOG will distribute annotated copies of the travel voucher to the appropriate Bureau/Office. The TOG is located at 445 12<sup>th</sup> Street, SW, Room 1-A735.

## **V. AUDIT AND PROCESSING**

Travel vouchers are audited by the TOG before processing in the travel system. The audit process includes a full review of the voucher to verify that it is complete, signed and that items claimed are valid.

1. **Validity Review and Re-calculation** - The amounts claimed on the voucher for each category of expenditure are compared to the itinerary, actual receipts, airline tickets, advance information, and any other documentation that is attached and to the authorization to verify the validity of items claimed.
2. **Adjustments to Amounts Claimed** - When calculation errors are found, corrections are made on the face of the voucher and are marked on the appropriate line items. A corrected copy of the voucher is returned to the traveler after processing, along with the FCC Travel Information Sheet providing an explanation of all corrections.
3. **Rejection of Claim** - When the voucher does not pass the initial review and audit phase, the voucher is returned to the traveler for correction. The FCC Travel Information Sheet is provided with an appropriate explanation.

## **VI. RECONCILIATION AND SETTLEMENT OF CLAIM**

The voucher is settled after processing in the travel system. Once processed the voucher is paid within three (3) business days.

### **A. Funds Disbursement**

When the voucher is processed, the travel system provides the TOG with a disbursement schedule number, the date of the disbursement schedule and the resulting net amount due to the traveler. The traveler is notified (via e-mail) of the approximate date and amount of the payment to be disbursed (by direct deposit) into their bank account.

### **B. Advance Application and Replenishment**

Upon settlement of the voucher, the advance is applied according to instructions on the voucher **(only if the agency issued a travel advance to the traveler.)**

C. Reconciliation of Charge Card Account

The traveler is responsible for reconciling his/her government travel credit card account regardless of whether reimbursement has been received from travel voucher settlement.

D. Procedures for Settling Disputed Claims

1. Denied Claims to Traveler - When processing is completed and the traveler has been denied an expenditure that was claimed on the voucher, a notice will be sent to the traveler explaining the difference. This notice is provided on the FCC Travel Information Sheet. When a traveler receives such notification, the traveler should follow the instructions on the FCC Travel Information Sheet. If the traveler can validate the expenditure, a reclaim travel voucher with the appropriately amended travel authorization and an explanation needs to be submitted. **Only the reclaim amount should be shown on the travel voucher.**
2. Overpayment by the FCC - When the post-audit is performed on a travel voucher and it is discovered that an overpayment was made to the traveler; the TOG will notify the traveler of the overpayment. The traveler will be provided with repayment instructions and an appropriate explanation of the re-calculations. The traveler should then submit a copy of the notification along with a personal check or money order made payable to the "Federal Communications Commission" in the amount due. If restitution is not made within ten (10) business days, the delinquent traveler's account will be forwarded to the Receipts and Receivables Operations Group to begin the dunning process.
3. Record Retention - All original travel documents must be centrally filed (i.e., not in personal files) in the TOG for a period of three (3) years. All Field Offices are responsible for retaining original travel documents at the originating location for the same time period. After this time the documents should be sent to the Federal Records Center for storage.

# **CHAPTER THREE**

## **AGENCY POLICY FOR LOCAL TRAVEL**

Travel conducted within a 40 mile radius of your official duty station is considered local travel. Local travel can be claimed using a form SF 1164 (Claim for Reimbursement for Expenditures on Official Business).

Mileage claimed on the SF 1164 will only be reimbursed under the following guidelines:

1. Only mileage in excess of what is normally traveled to and from work will be paid. This rule applies in all cases regardless of the normal mode of travel used to get to work.
2. A breakdown must be provided detailing both the normal mileage traveled to and from the official duty station and the number of miles traveled to the temporary duty station.
3. An explanation for the local travel (event).
4. Receipts for items being claimed if applicable.
5. SF 1164 must be signed by the claimant and the bureau/office approving official.
6. Accounting string must be indicated on SF 1164.
7. Forward SF 1164 to the Travel & Operations Group for processing.

Once the SF 1164 has been reviewed for accuracy TOG will process the request within ten (10) business days.



# CHAPTER FOUR

## AGENCY POLICY FOR REIMBURSABLE TRAVEL

### I. STATUTORY AUTHORITY

There are two statutes under which sources outside the government are frequently permitted to defray travel-related expenses of Commission employees: 31 U.S.C. § 1353 (FTR); 5 U.S.C. § 4111 (Government Employee's Training Act funded by 501(c) (3) tax-exempt entities). These statutes are used to reimburse expenses for a range of purposes including participation in training seminars, speeches presented before conventions held by industry associations, and attendance at meetings and similar functions for which the Commission may not have otherwise budgeted.

OGC's approval of an employee's travel request will expressly note the statute under which travel has been approved. Employees who are uncertain as to which rules cover a particular trip should refer to their approved travel request to determine which of the statutes applies.

### II. 31 U.S.C. § 1353

31 U.S.C § 1353 authorizes non-Federal sources to reimburse agencies for travel expenses related to attendance by Federal employees at meetings and similar functions. Such reimbursement can be in-kind or reimbursed directly to the agency. **Under no circumstance can an employee accept directly from the non-Federal source either cash, check, or similar instrument made payable to the employee under section 1353.** If expenses are not provided in-kind, the employee must file a travel claim with the Commission which will pay the employee's claim and then, in turn, seek reimbursement from the non-Federal source. Because reimbursement under section 1353 is to the Commission rather than to the individual employee, the employee does not report the receipt of such reimbursement on his or her annual financial disclosure report. **The reimbursement must be approved before the travel takes place.** The Commission is prohibited from retroactively approving requests for reimbursement under 31 U.S.C. § 1353. In addition, the traveler may be financially responsible if funds are not available from the Bureau/Office to cover the trip.

The TOG will process authorizations for 1353 trips in the travel system. Travelers may, upon approval, obtain ATM advances. Reimbursement is limited to the amounts approved on the travel authorization. The traveler will follow normal FCC travel voucher filing procedures for actual reimbursement of funds. An attachment, which details "in-kind" payments, is required. The Receipts and Receivables Operations Group will bill the sponsoring organization for reimbursement to the agency's appropriation.

### III. 5 U.S.C. § 4111

Under 5 U.S.C. § 4111, the Government Employees Training Act, organizations having tax-exempt status under 26 U.S.C. § 501(c) (3) may reimburse individual employees for travel expenses related to training at a non-government facility. This statute has been interpreted to include Commission employees who provide training or otherwise present information on the agency's programs and operations as well as those who are attending. Unlike travel approved under section 1353, an employee traveling under section 4111 authority may be directly reimbursed by the non-government entity paying travel expenses. Again, advance approval by OGC and OMD must be obtained before an employee engages in such travel. Additionally, unlike under section 1353, since reimbursement under section 4111 is made not to the Commission but to the individual employees, if such travel reimbursements total \$250 or more in a single year from a single source, these are considered to be gifts and as such must be reported on an employee's annual financial disclosure report (SF-278 or OGE Form 450).

Authorizations for 501(c) (3) trips will be noted by the TOG even though the traveler will be directly reimbursed for all expenses by the sponsoring entity. FCC funds will not be obligated. Absent any law, rule or other regulation, limitations on the amount reimbursed per trip is dependent upon the location, accommodations provided, method of travel and any other factors which would normally be considered reasonable and prudent. **The traveler will not be able to obtain ATM advances.** The traveler may use the agency travel agent to obtain reservations/tickets, but must indicate that the trip is reimbursable. The procedure for actual reimbursement of funds will be outlined by the sponsor of the event. The traveler is responsible for following the sponsor's instructions for reimbursement. The traveler must complete a No-Cost Travel Authorization form and include applicable cost estimates. **Submission of a travel voucher to the agency is not required.**

### IV. NO SOLICITATION

Commission employees may not solicit offers from non-Federal sources to pay their travel expenses. However, the regulations implementing the statutes do allow an employee who has been invited to a meeting or similar function to inform the source of the invitation of the agency's authority to accept reimbursement for his or her travel.

### V. LETTER OF INVITATION

The invitational letter for all requests for reimbursable travel trips are to be reviewed and approved by the OGC and the CFO for compliance with applicable laws, rules, or regulations. If approved, the invitation letter must be annotated with a signed statement to the effect that "no conflicts warranting disapproval have been reported". The approved invitational letter for 1353 and 501(c) (3) trips must be attached to the travel authorization.

Each proposed Commission traveler must be in receipt of a letter (e-mails prohibited) from the sponsoring organization. The letter must be on the **sponsor's letterhead** and include:

- The dates, location and a brief description of the event;
- Name of employee(s) invited to attend;
- A statement that the sponsoring organization offers to reimburse the agency for specific travel related expenses (i.e., airfare, hotel, meals, taxi, etc.);
- The sponsor must state in the letter whether the expense is to be paid in-kind or through reimbursement to the agency;
- Point of contact name and telephone number at the sponsoring organization; and
- Billing address.

The approved/signed TA will be forwarded to the TOG for processing in accordance with current established procedures. The traveler must submit a travel voucher to TOG within five (5) workdays after completion of travel. Following the processing of the travel voucher, TOG will report the trip costs to the Revenue and Receivables Operations Group (RROG), where a bill will be prepared and issued to the sponsoring organization.

## **VI. PRIOR WRITTEN AUTHORIZATION FROM OGC/OMD REQUIRED**

Before taking any official trips to further FCC business, travelers are reminded to obtain written authorization from OGC to accept reimbursement for travel expenses from any sources from outside the government (e.g., U.S. telecom companies, foreign companies, state governments, foreign governments, non-profit institutions) and also to obtain the concurrence of the OMD prior to taking the trip. This would include trips approved under the various statutory authorities allowing for the reimbursement of travel expenses while on official travel: 31 U.S.C. § 1353 and 5 U.S.C. § 4111. The purpose of this OGC notation requirement is to protect the traveler and the Commission from potential conflicts of interest. **Retroactively approving requests for reimbursement under 31 U.S.C. § 1353 is specifically prohibited. Thus, if the traveler fails to obtain advance approval, he/she may be financially responsible if their Bureau/Office has no travel funds to cover the trip.** (See FTR, §301-2.5(n). It is recommended that before the traveler leaves home, he/she should bring a copy of the travel authorization with them because it may be necessary to show while on travel and it will be their assurance that the travel has been properly approved.

FTR, §301-2.1 allows for approval of a travel authorization “after-the-fact” in limited circumstances, i.e., when it is not practicable or possible to obtain such authorization prior to travel. **However, the approval for payment from a non-Federal source, i.e., 1353 travel, for travel expenses or for attendance at a conference absolutely require written, advance authorization See, FTR, §301-2.5 (n) and (o).**

In the case of major events or conventions where it is expected that many employees will be invited, the Bureau/Office should coordinate approval with the Chairman's office. The Chairman's office should also be kept routinely informed of employees that represent the Commission at industry events.

## **VII. DOCUMENTATION OF TRAVEL EXPENSES PAID BY NON-FEDERAL SOURCE REQUIRED**

The FCC is authorized by statute to accept payment of certain employee travel expenses from non-Federal sources. Such expenses can be either provided in-kind (e.g., you are given a room key or airline ticket) or can be reimbursed to the Commission. In either case, the Commission is required to report to the Office of Government Ethics, on a semi-annual basis, any payments received under 1353 authority. In order to facilitate the accurate reporting of these payments, it is important to promptly provide full documentation of all travel expenses, including those provided in-kind, to the TOG. Copies of airline tickets or an itinerary listing the cost of air travel and the class utilized and copies of hotel bills are acceptable forms of documentation of travel expenses provided in-kind.

## **VIII. FIRST CLASS TRAVEL USUALLY NOT PERMITTED UNDER TRAVEL REIMBURSEMENT PROGRAM (1353)**

Travel reimbursement under 31 U.S.C. § 1353 does not permit first-class transportation (airline, steamer or train) even if given in-kind unless the employee receives prior approval to do so under the very limited exceptions found in GSA regulations. This policy applies to both domestic and international travel while on official business. The Commission is also required to report to GSA all first-class travel authorized by the agency at the end of each fiscal year.

## **IX. RESPONSIBILITIES**

Managing Director – manage the travel reimbursement program, and prepare and submit the required semi-annual reports.

General Counsel – review letters offering travel reimbursement and determine the appropriateness of the offer and any conflict(s) of interest that may exist. Discuss any problems with the originating office, and provide a statement that the travel can be processed and/or provide any qualifying statements.

Deputy Chief, Financial Officer – ensure that all travel documents, reimbursements, collections, and reports are processed in a timely manner under authority delegated by the Managing Director. Establish procedures to insure that reimbursable travel is performed in accordance with all existing travel regulations, records of all reimbursed travel are maintained, and reports are prepared for the Managing Director's signature in accordance with the requirements outlined in 31 U.S.C. Section 1353.

Bureau/Office Chief/Designee – authorize and approve only essential official travel; ensuring that travel is approved in accordance with all applicable rules and regulations; and establishing internal controls of insure compliance with rules and regulations. Review OGC’s statement. If no conflict exists, the originating office will prepare and submit a travel authorization and the Travel Reimbursement In-Kind Form (with any proposed in-kind payment information) to the Bureau Chief/Designee for signature. Forward the TA to the Managing Director or designee for signature of the letter of invitation and initialing of the travel authorization. This approval authority has been delegated to the Associate Managing Director-Financial Operations.

Traveler – submit a proper travel voucher with accompanying documents for processing to the TOG within five (5) workdays after completion of travel.

## **X. SELF-ASSESSMENT PROGRAM**

Before accepting invitations for reimbursable travel, Commission employees should carefully consider conflict of interest guidelines. To assure compliance with OGE guidelines, the employee must be prepared to disclose the FCC goals to be accomplished by the proposed travel and that the proposed attendance will further these goals.

For example, if an FCC employee intends to prolong the stay at an industry event beyond the reasonable time period required to conduct FCC business (i.e., participation in a panel discussion or meeting, delivery of a speech, attendance at other important work-related meetings or seminars), the extended stay must be justified.

The Administrative Law Division should be contacted at (202) 418-1720 on questions concerning conflict of interest restrictions contained in the GSA regulations.

# CHAPTER FIVE

## INVITATIONAL TRAVEL

### I. DEFINITION

Invitational travel is the authorized travel of individuals either not employed or employed (under 5 U.S.C. 5703) intermittently in the government service as consultants or experts and paid on a daily when-actually-employed basis and or individuals serving without pay or at \$1 a year when they are acting in a capacity that is directly related to, or in connection with, official activities of the government. Travel allowances authorized for such persons are the same as those normally authorized for employees in connection with TDY. See, 41 C.F.R., §300-3.1.

### II. BUREAU/OFFICE REQUIREMENTS

The Bureau/Office requesting the use of invitational travel must:

- Prepare a letter inviting the individual. The letter must be on agency letter-head for the Managing Director's signature. Approval must be granted in advance of travel.
- State specifically, in the letter of invitation, the intent to provide in-kind or through reimbursement for transportation (through TSS), lodging, meals, etc.
- Prepare, approve/sign, and submit a TA to the TOG along with a signed copy of the letter of invitation in advance of travel taking place.
- Assist the invitee with travel arrangements, as applicable.
- Obtain approval from the Deputy Chief Financial Officer to have common carrier transportation expenses placed on the agency's corporate travel card account.
- Prepare and submit a proper travel voucher (including travel related expense receipts) to TOG within five (5) business days after the completion of travel.
- Instruct all invitees to provide appropriate banking information to the TOG in order to receive reimbursement for travel expenses.
- Follow-up with the invitee, in a timely manner, to insure reimbursement has been received for travel related expenses.

# **CHAPTER SIX**

## **PRE-EMPLOYMENT INTERVIEW TRAVEL**

### **I. BACKGROUND**

The allowance for pre-employment interview travel was authorized, by GSA, to provide agencies with an avenue to recruit highly qualified individuals. The agency must determine that it is in the best interest of the government to pay pre-employment interview travel expenses. The agency may not authorize pre-employment interview travel expenses to offset or defray other expenses not allowable under 41 C.F.R., §301-75.

### **II. HUMAN RESOURCES MANAGEMENT RESPONSIBILITIES**

The Office of the Managing Director, Human Resources Management (HRM) is responsible for establishing agency policies and procedures governing pre-employment interview travel, which must include:

- When the agency will pay pre-employment interview travel expenses including the criteria for determining which individuals or positions qualify for payment of such expenses;
- Who will determine, in each individual case, that a person qualifies for pre-employment interview travel expenses; and
- Who will determine what expenses will be paid for each individual interviewee.

Once it has been determined that pre-employment interview travel expenses will be paid, HRM must insure the interviewee is:

- Provided with a list of Federal Emergency Management Administration (FEMA) approved accommodation in the vicinity of the interview and encouraged to stay in an approved accommodation;
- Informed that he/she is responsible for excess cost and any additional expensed that he/she incurs for personal preference or convenience;
- Informed that the government will not pay for excess costs resulting from circuitous routes, delays, or luxury accommodations or services unnecessary or unjustified in the performance of official business;
- Assisted in preparing the travel claim;
- Provided with instructions on how to submit the claim;

- Instructed to provide the TOG with appropriate banking information in order to receive reimbursement for travel expenses.
- Informed that he/she may subject himself/herself to criminal penalties if he/she knowingly presents a false, fictitious, or fraudulent travel claim.



# CHAPTER SEVEN

## BANK OF AMERICA CHARGE CARD

### I. BACKGROUND

The General Services Administration (GSA) has contracted with Bank of America to provide individually billed charge cards for use by federal travelers to cover transportation, subsistence, and other allowable expenses. Employees who travel on official business outside the 40 mile local travel radius surrounding the Washington area are required to use these government-issued charge cards unless granted an exemption by the designated agency official. See (FTR, §301-70.700).

### II. DEFINITIONS

For the purpose of this policy, certain terms are defined as follows:

- **Charge Card** refers to a GSA contractor-issued charge card for use by travelers to cover major travel and transportation items such as common carrier transportation, rental vehicles, lodging, and meals in connection with official travel. The term does not include personal credit cards issued to employees based upon their own financial merit by any credit card or other company.
- **Restricted Travel Card** refers to a GSA contractor-issued charge card issued to travelers who have refused a creditworthiness evaluation or travelers who have not met the minimum requirements for issuing a standard charge card as required in Appendix B, OMB Circular A-123, Chapter 6.
- **Contractor** refers to Bank of America (BOA).
- **Coordinator** refers to the employee who has been designated by the Managing Director to administer the Charge Card Program.
- **Travel Agent** refers to Carlson Wagonlit Government Travel (CWGT) located at 445 12<sup>th</sup> Street, SW, Washington, DC 20024. CWGT's business hours are 7:00 am to 7:00 pm ET Monday through Friday. CWGT's telephone numbers are: local (202) 418-2639 and toll-free (1) (866) 418-2639. The CWGT is the only travel agent with which the FCC is authorized to conduct business.

### III. GENERAL CARD INFORMATION AND BENEFITS

Charge cards issued under the program are used solely for expenses incurred for officially authorized government travel.

The travel agent will charge the common carrier ticket to the traveler's individually billed government contractor-issued charge card. The traveler must use his/her government travel card for official travel expenses to the maximum extent possible.

The following general information and benefits apply to each charge card and charge card holder.

- **A credit check** will be performed by BoA on all new government travel charge card applicants prior to his/her enrollment in the Charge Card Program. Employees should be aware that authorizing BOA to make inquiries into their personal credit history may have a potential impact on their credit scores.
- **Travel accident insurance** of \$150,000 is automatically provided to traveler's free-of-charge when common carrier tickets are purchased with the charge card. This also includes tickets purchased through the FCC's centrally billed BoA account.
- **No interest or late payment charges** will be assessed on a traveler's charge card account but payment in full is required within 30 days of the billing date. If the traveler will be on travel for more than 30 consecutive calendar days, partial vouchers must be filed to allow the traveler to reimburse BoA.
- **No annual membership fee** is charged for the issuance of the charge card.
- **The charge card is valid for a two-year period** from the date of issuance or renewal.

Under the terms of the contract with GSA, the BoA **may not**:

- Sell or otherwise provide employee names or addresses to other commercial interests.
- Include commercial advertisements or other forms of solicitation with monthly billing statements.
- Issue or cancel employee cards without the concurrence of the Program Coordinator.
- Hold employees liable for any charges processed with lost or stolen cards, provided the employee notifies BoA immediately upon discovering that his/her card has been lost or stolen.

#### **IV. RESPONSIBILITIES**

Managing Director

- Overall management of the program.

Bureau/Office Chiefs

- Determine which travelers are eligible to participate in the program.
- Forward applications to the Program Coordinator.
- Inform the Program Coordinator of those travelers no longer eligible to participate in the program.

Chief, Financial Operations, as delegated by the Managing Director

- Issue charge cards to travelers.
- Issue common carrier transportation tickets through Carlson Wagonlit Government Travel
- Notify BoA of those travelers no longer eligible to participate in the program.
- Monitor training requirements for travel charge cardholders.

## **V. CARD ISSUANCE PROCEDURES**

**All Headquarter employees** who travel on official business outside the 40 mile local travel radius surrounding the Washington area shall:

- Complete a BoA Government Card application.
- Forward the application to the Assistant Bureau Chief for Management /Administrative officer in his/her Bureau/Office.

**Assistants for Management/Administrative Officer shall:**

- Insure completeness of traveler information on the application.
- Initial block "A" or "B" on the charge card application.
- 
- Sign charge card applications for concurrence before forwarding the original to the Program Coordinator located in TOG.

**Program Coordinator shall:**

- Maintain a record of the travelers who have cards.
- Forward/fax the original application to the Contractor.

- Retain a copy of the completed application submitted to the Contractor.
- Provide new cardholders with a copy of the agency Travel Charge Card Procedures.
- Coordinate/ensure new travel charge cardholders complete the GSA on-line training within 30 days of submission of their application from TOG.
- Maintain a tracking system to monitor training requirements for charge cardholders.
- Forward copies of training certificates to Human Resources as required in Appendix B, OMB Circular A-123, Chapter 3.4.

**Contractor shall:**

- Perform a creditworthiness evaluation on all new government travel charge card applicants based on criteria established by the Office of Management and Budget (OMB). The requirements for issuing a government charge card for travel are listed in Appendix B, OMB Circular A-123, Chapter 6 and can be accessed at <http://www.whitehouse.gov/omb/circulars/index.html>.
- Issue a restricted travel card to new government travel charge card applicants who refuse to authorize a credit worthiness evaluation by BoA or who do not meet the minimum requirements for obtaining a standard charge card. Cardholder's will be notified of the limits that are associated with their restricted government travel charge card by BoA.
- Mail the charge card directly to the participating traveler's home/alternate (not business) address within ten (10) business days of receipt of the application from the Program Coordinator.

## **VI. ATM CASH ADVANCE POLICIES AND PROCEDURES**

The Automated Teller Machine (ATM) cash advance program allows participating FCC travelers to use their official Bank of America-issued charge card to obtain authorized Government travel advances worldwide. The ATM feature offers travelers a readily obtainable source of cash for travel expenses that cannot be covered by the charge card. This feature allows employees to carry less cash when traveling.

### **A. Policy for ATM Advances**

Use of the ATM for cash travel advances is mandatory for Agency travelers. Travel advances for extended TDY, travel to cash-basis countries, Permanent Change of Station (relocation), or the few exceptions when a traveler does not have a card (new employee, card was suspended), will be processed via the Electronic Fund Transfer (EFT) method of cash advance. The traveler will be responsible for early submission of the required travel advance request to assure time for deposit of the funds prior to departure. Agency travelers are expected to manage their travel credit card

accounts. Cash advances will not be approved for employees whose cards have been cancelled. No cash advances will be issued from the imprest fund.

The limitation to use the Government-issued charge card solely for official authorized Government travel-related expenses also applies to ATM cash advances obtained via the charge card.

#### B. Eligibility

Employees who are identified by their administrative offices as travelers are eligible to participate in the ATM Program.

#### C. Enrollment in the ATM Program

Employees who currently have a Government-issued travel charge card are not required to undergo creditworthiness evaluations and will be grandfathered under the new contracts. BoA will automatically issue these employees a travel charge card and a new ATM Personal Identification Number (PIN). Employees will be notified prior to the BoA mailing.

Eligible employees who do not currently have a Government-issued travel charge card are subject to a creditworthiness evaluation by BoA and can apply for both the card and an ATM PIN by contacting their administrative office. The administrative office will work with the Agency Program Coordinator to obtain them. Applications can be obtained from the Agency Program Coordinator by calling (202) 418-1975.

- Your charge card and PIN will be sent directly to you at your mailing address approximately two weeks from the date the application is received by BoA.

All employees should follow the procedures below:

- Read the "Agreement between Agency/Organization Employee and BoA of Delaware, N.A." which will accompany your card and PIN information. Retain it for your files.
- Use of the BoA travel charge card is your acknowledgement that you understand and agree to the terms of the Cardholder Agreement.
- Memorize your PIN. Never write your PIN on your charge card or carry a written record of your PIN. If you do, and your card is stolen or lost, you may have provided someone with access to cash from your account. If your card is lost or stolen, or inappropriately disclosed to an authorized person, be sure to contact BoA immediately in order to deactivate your account and replace your card and PIN. The Bank of America Customer Service (Government) number is (1) (800) 472-1424. Outside the Continental United States call collect: (757) 441-4124.

- If you forget your PIN, contact BoA immediately at the above phone numbers. A BoA representative will be able to provide you with a new PIN. You will be asked a series of questions to verify your identity.
- Cardholders are reminded to exercise the same degree of care to safeguard their government issued charge card and their PIN as they would their own personal cards and PINs.
- It is imperative that the Cardholder notify BoA and the agency immediately if the card is determined to be lost, stolen or inappropriately used.

#### D. Locating the Nearest Automated Teller Machine (ATM)

To find the nearest ATM location, cardholders can call (1) (800) 472-1424 and, outside the United States, cardholders can call collect: (757) 441-4124. A BoA representative will assist cardholders in locating the nearest ATM that accepts the charge card. Be prepared to provide the city location, zip code or phone number of their hotel, or the number of a nearby store or restaurant.

Note:

- Not all banks are required to participate in the ATM Program.
- Some ATMs may not actually display the charge card logo but may still accept the card.

#### E. Approval for ATM Withdrawals

The charge card ATM is used for all temporary duty advances. ATM advances are to be obtained **solely** for authorized Government travel. **If an ATM travel advance is necessary, your Travel Authorization must be annotated accordingly.** Block 22 of the Form must state: "ATM advance is approved for \$xxx.xx." (The SF-1038 "Advance of Funds Application" form is not necessary for ATM advances.)

**Travelers may not assume that an advance is approved. It must be authorized on the travel authorization.**

Travel advances are limited to the maximum amount allowed for a Cardholder which is 100% of the Meals & Incidental Expenses (M&IE) plus estimated miscellaneous expenses while in travel status. Round this number up to the nearest \$20 increment, e.g., an advance calculated to be \$101.00 should be rounded up to \$120.00.

There may be instances, however, that require an employee, while in an official travel status, to obtain an ATM advance without prior approval. This situation, for example, may arise due to an unscheduled extended travel period necessary to accomplish the mission of the project or assignment. Emergency ATM advances not previously authorized on the travel authorization can be claimed and authorized on the Travel Voucher.

The Agency Program Coordinator generates a monthly transaction activity report that includes all travel advance transactions from the Bank of America and reviews the transactions to ensure that each advance was properly authorized.

F. When and Where to Obtain the ATM Advance

When:

- After Travel Authorization has been approved,
- No earlier than three (3) days prior to departure,
- No later than the last day of travel,

Where:

- Cash advances can be obtained at any participating network location at the traveler's convenience, either at the duty or TDY station or en route. Travelers are encouraged to carry the minimum amount of cash necessary.

G. Operating the ATM

Once you have located a participating ATM, proceed as follows:

- Insert your Government travel card into the ATM.
- Key in your PIN.
- When prompted, select "Withdrawal from Credit Card".
- Key in the portion of the advance amount desired, i.e., the minimum amount of cash necessary.
- Some ATM networks assess an additional network surcharge. Instructions on how to voucher for these fees are given in paragraph 10 below. These fees are reimbursable travel expenses.
- The BoA will charge the cardholder a 1.9 per cent fee on all ATM advances. The Agency will reimburse the cardholder for the total authorized fee.

H. Charges for ATM Use

1. Fee for use of ATM Funds:

On the monthly BoA billing statement, the 1.9 per cent fee is listed as a separate itemized charge from the actual advance amount. The transaction description indicates the total amount withdrawn as well as the location at which the transaction took place.

2. ATM Network Surcharges:

ATM withdrawals from a BoA branch will not incur a terminal access fee. However, other charge card participating financial institutions and networks may assess a surcharge fee for the use of their ATMs. Cardholders are notified at the ATM about the surcharge fee prior to the completion of the transaction. These surcharges do not appear as itemized charges on the cardholder's monthly statement but are, instead, included as part of the amount(s) advanced. Cardholders are reimbursed on their travel voucher for any incurred surcharge fee.

3. Foreign Exchange Considerations:

Charges made in a foreign currency will be converted into US dollars prior to assessing transaction fees. The conversion rate used will be at least as favorable as an inter bank rate, or, where required by law, an official rate which is in existence at the time the transaction is processed.

I. Vouchering For ATM Transactions

- A Travel Voucher is required to be submitted within five (5) working days after completion of the trip or period of travel, or every 30 days if the employee is in continuous travel status.
- To be reimbursed for the ATM 1.9 per cent transaction fee, indicate on your travel voucher, page 2: "ATM Advance Fees" and the amount in the "Other" column. The transaction fee is computed by multiplying each authorized cash advance by 1.9 per cent (.019), rounded up to the next penny. For example, a total authorized advance of \$200 with an ATM surcharge fee of \$1.00, would have a transaction fee of \$3.82 ( $\$201.00 \times .019 = \$3.82$ ). Do not enter the advance amount in block 17c., "Applied to Travel Advance", of the travel voucher.
- Emergency ATM advances not previously authorized on your travel authorization must be authorized by the approving official's signature on the travel voucher if you had an approved emergency travel advance. Enter it on the travel voucher in the "Comments" area: "Emergency ATM advance, \$xx.xx" and the related amount of the transaction fee under the "Other" column, as discussed above. The 1.9 per cent fee will be reimbursed on all authorized advances.
- The only ATM expense claimed on your travel voucher should be the 1.9 per cent fee and any ATM surcharge fee.
- Claims for ATM card transaction fees will be disallowed in cases where withdrawals are in excess of the advance amount authorized and when the travel voucher does not indicate: "Emergency ATM advance."
- Fees for ATM advances made after the last day of official travel will not be reimbursed.



- If you obtain an ATM advance and the trip is canceled, you should send a check to Bank of America for the amount of the advance immediately upon receipt of your bill. Also, in order to claim and be reimbursed for ATM transaction fees, submit your travel voucher with an explanation of the circumstances of the trip cancellation.

#### J. ATM Billings on Your BoA Statement

ATM cash advances appear with other travel and expense transactions on your monthly Bank of America statement. Your entire balance, including advance(s) is due upon receipt of the billing statement. You are solely liable for the payment of the cash advance(s) and all incidental transaction fees. You should bring any discrepancies or errors in billings to the attention of Bank of America immediately. You should also notify the Agency Program Coordinator, explaining the discrepancies or errors. You are reminded that it is your responsibility to notify Bank of America and the Agency Program Coordinator without delay concerning potential errors in your statement.

At 30 days past due, a delinquency notice appears on your billing statement. At the same time, BoA reports to the Agency Program Coordinator listing the status of all delinquent accounts.

**In accordance with the GSA contract and Agency task order, BoA suspends cash withdrawal privileges if your balance is over 60 days past due. The ATMs are programmed to reject transactions on suspended accounts. The Agency Program Coordinator notifies the employee's appropriate Bureau/Office Assistant for Management, as applicable.**

If you have any questions, problems or disputes, contact BoA in writing immediately. Their address is:

Bank of America  
P. O. Box 1350  
Norfolk, VA 23501

#### K. ATM Transaction Limits

Travelers may obtain ATM advances up to the amount authorized on their travel authorization. However, advances may also be limited by various banking and other network restrictions, as noted below:

- Maximum cash advances for **FOREIGN TRAVEL** are limited to \$500 per day and \$1,000 per week, subject to the limitations of the advance amount authorized on the travel authorization.
- Maximum cash advances for **DOMESTIC TRAVEL** are limited to \$250 per day and \$500 per week, subject to the limitations of the advance amount authorized on the travel authorization.
- The minimum amount of cash advance is \$40.00.

- Withdrawals are restricted to two (2) transactions per calendar day (midnight to midnight).
- Repeated entry of an invalid PIN may cause your PIN to be deactivated.
- If your PIN is deactivated or the ATM does not return your card (inaccurate PIN), call (1) (800) 472-1424. BoA will issue you a new card and a new PIN number which you should receive within ten (10) days if your account is in current status. Also, notify your Agency Program Coordinator of the deactivation of your PIN.
- If you are traveling and need a replacement card immediately, an Emergency Card Replacement will be issued. BoA will work with you to identify the best replacement option among the following at no charge:
  1. You can pick up a temporary card at a BoA location, with permanent replacement to be received later.
  2. BoA can deliver the replacement card by FEDEX to your location.
  3. In extreme circumstances, BoA can arrange for hand delivery of the replacement card to you.

(The Emergency Replacement Card is valid for a maximum of 30 days and can be used by the cardholder until their new, permanent card is received.

#### L. Unauthorized ATM Usage

The GSA contract and agency Task Order state that access to cash via the Bank of America ATM Program will be solely for the purpose of obtaining an advance of funds for officially approved and authorized travel. Intentional use of the charge card by a cardholder for other than official Government business may be considered an ethics violation and can result in immediate cancellation of the employee's card and disciplinary action against the employee under applicable agency administrative procedures, including suspension and/or removal. The terms and conditions of the agreement for use of the Travel Card Program also apply to the ATM program unless specifically stated. Therefore, the following are specifically prohibited:

- Withdrawing cash for any other purpose than a travel advance;
- Withdrawals of cash not authorized on an approved travel authorization, or withdrawals of cash not approved on a completed travel voucher in emergency cash advance situations;
- Withdrawals of cash in excess of the authorized travel advance amount on the travel authorization;
- Withdrawals of cash **earlier than three (3) days prior to departure date;**
- Withdrawing cash for a specific trip **after the last day of travel;** and

- Withdrawals of ATM funds to pay for common carrier tickets or lodging.

These items should continue to be charged to the Commission's corporate account or the employee's individually billed account.

#### M. Compliance and Disciplinary Actions

Employees participating in the BoA ATM cash advance program must adhere to these policies without exception. The Agency Program Coordinator is responsible for monitoring ATM usage to assure compliance with approved ATM policy.

The Travel and Operations Group (TOG) will review the ATM cash advance program to determine whether or not the advance was properly authorized. Employees are advised that misuse of the government travel card, including unauthorized and/or excessive ATM advances, may subject the Cardholder to disciplinary actions. BoA will provide reports which monitor usage and indicate any potential abuses of the frequency, amount, and time period of ATM advances.

#### N. ATM Contact

- If you have general questions, need an enrollment form or need to report billing discrepancies, call your Agency Program Coordinator at (202) 418-1975.
- If your question concerns a specific ATM charge or discrepancy, please call the BoA Government Account Unit at (1) (800) 472-1424.

### VII. MONTHLY CONTRACTOR BILLING AND PAYMENT

Cardholders receive a monthly billing statement from BoA. A statement is issued when expenditures are incurred or when a credit is posted to the account. If a monthly statement is not received, the cardholder must contact BoA customer service at (1) (800) 472-1424. A receipt copy of charges is included with the BoA billing statement if the service establishment submits a copy of the charge to BoA.

Payment in full for the amount billed is due and payable directly by the cardholder to BoA within 30 days of the billing date. Extended or partial payments are not permitted. If charge is disputed, it can be deducted from the amount due, but the remaining balance must be paid in full.

If a BoA bill contains a disputed charge, it is the cardholder's responsibility to contact BoA to resolve the dispute. The traveler should call Customer Service at (1) (800) 472-1424.

Bank of America will need to know the following to handle all disputes:

1. Cardholder's name;

2. Cardholder's account number;
3. Reference number of the disputed charge listed on the statement;
4. Establishment where the charge was incurred; and,
5. Amount of the charge.

## **VIII. LOST OR STOLEN CHARGE CARDS**

If a charge card is lost or stolen, the cardholder should immediately call Customer Service at (1) (800) 472-1424 which is operational 24 hours a day. Cardholders are not liable for any fraudulent charges if the card is lost or stolen as long as they notify BoA immediately. Cardholders should review all charges to determine if any are fraudulent and complete an Affidavit of Forgery (obtained from the bank), stating that they did not make the charges. All charges are the responsibility of the cardholder should they refuse to sign the affidavit. Generally, the cardholder has sixty (60) days from the billing date to return the completed documentation to the bank.

A replacement BoA card can be mailed to the cardholder within 24 hours if the card has been lost or stolen in the United States and Canada.

## **IX. CHARGE CARD RENEWALS**

Charge cards are valid for a period of two (2) years. A Projected Renewal Report is available to the Program Coordinator through EAGLS (BoA on-line database) listing all cardholder accounts that will expire within the current 3-4 month period.

## **X. CHARGE CARD CANCELLATION AND CHANGES**

A charge card may be cancelled by the cardholder, the Program Coordinator, or the Contractor. The Contractor may not unilaterally cancel any charge card without prior consultation with and concurrence of the Program Coordinator. In all cases, cancellation requests may be made by telephone notification with subsequent written confirmation to the Contractor. Cancellation requests by travelers must be confirmed by the Program Coordinator. Those cardholders who have cancelled their cards are still limited to the travel advance limitations discussed in the Administrative Policies and Procedures section of the Travel Manual.

## **XI. FINANCIAL OBLIGATIONS AND LIABILITIES**

The cardholder is liable for all billed charges except for charges promptly reported against lost or stolen charge cards. Government employees are required to pay their financial obligations in a proper and timely manner as required by 5 C.F.R., §735.207.

The government assumes no liability for charges incurred on the government contractor-issued travel charge cards nor will the government be liable for lost or stolen charge cards issued to employees.

## **XII. SECURITY OF THE CHARGE CARD**

Cardholders receive the charge card at their home or alternate address and are responsible for exercising the same care and responsibility for the security of the charge card and number as with a personal charge card. The card is not to be stored or kept by an administrative Officer, supervisor, or secretary except when kept with FCC credentials while an employee is on leave without pay. Cardholders are encouraged to black out or cut out the charge card number from any receipt submitted with their travel voucher.

## **XIII. ACCEPTABILITY OF BANK OF AMERICA CARD**

The Bank of America Card is accepted throughout the world. It is expected that cardholders will use the card for official government travel, whenever possible, for hotel, restaurant and other expenses.

# CHAPTER EIGHT

## CARLSON WAGONLIT GOVERNMENT TRAVEL

### I. BACKGROUND

The FCC has selected the CWGT to provide travel services to its travelers. This includes an on-site travel counselor located at 445 12<sup>th</sup> Street, SW, Washington, DC 20024. CWGT business hours are 7:00 am to 7:00 pm EST, Monday through Friday. CWGT telephone numbers are: local (202) 418-2639, toll-free (1) (866) 418-2639 and the after hours emergency number is (1) (800) 383-6723. CWGT is the only travel agent with which the FCC is authorized to conduct business. FCC personnel can also make travel arrangements through the online reservations application at [www.CWGT.com](http://www.CWGT.com).

### II. RESERVATIONS

#### A. Use of Travel Agents

All travelers are required to use the services of the agency's Travel Services Solutions (TSS) for all common carrier transportation (i.e., air, rail, vehicle rental, etc.) and lodging accommodation reservations. **The use of the TSS shall be observed fully without regard to offers from other agents offering frequent traveler programs and benefits. GSA will not permit deviations for the use of other agents solely for the purpose of accumulating frequent traveler benefits.**

When calling for reservations, the traveler will need to provide information from the authorization. The phone number for reservations is (202) 418-2639 or (1) (866) 418-2639. When emergencies arise, while in a travel status, the traveler may use the after hours toll-free telephone number is (1) (800) 383-6723 for assistance. The fax number is (202) 418-0202. Basic information includes the following:

1. The caller's name;
2. The traveler's name;
3. The authorization number;
4. The accounting string;
5. The type of travel (domestic or foreign);

### **III. OBTAINING PASSENGER TRANSPORTATION SERVICES AND LODGING RESERVATIONS**

The travel agent should be contacted as soon as possible after the traveler is aware of an impending trip. Prior to issuance of the ticket to the traveler, the travel agent will need to know:

1. Name
2. Travel Authorization number
3. Accounting string

When making travel arrangements, the travel agent will utilize government city-pair contract carriers and American-flag carriers. If the contract carrier is not to be used the travel agent will need to know the travel condition justifying the non-use of the contract carrier. These conditions are discussed in 41 C.F.R., §301-10.108.

Lodging reservations can be made through the agency's travel agent. The travel agent will book accommodations based on the needs and preferences of the traveler. The travel agent will insure that all available discounts are applied to the lodging costs. Additionally, travelers must also make rental vehicle reservations through the agency's travel agent.

### **IV. PICKING UP TICKETS**

All tickets issued through CWGT will be issued as electronic tickets (E-Tickets). Paper tickets will only be in the event an E-Ticket is not be accepted by the airline. The following information must be provided to the ticketing agency prior to ticket issuance:

1. Name
2. Travel Authorization number
3. Accounting string

The traveler calling for emergency after-hours service should identify himself/herself as a FCC traveler. The traveler will be able to obtain an E-ticket at the airport. The traveler's individual billed government charge card must be used to pay for the ticket. It is prohibited for traveler's to use cash to purchase any common carrier transportation tickets. The traveler must claim the cost of the ticket on his/her travel voucher to be reimbursed.

### **V. UNUSED AND LOST TICKETS**

If a complete or partial airline ticket is not used, the traveler must notify the travel agent who will insure that the traveler receives proper credit for the unused ticket.

If a common carrier transportation ticket is lost, the traveler must contact the travel agent on (202) 418-2639 to receive a “Lost Ticket Application” form. The “Lost Ticket Application” form must be completed and returned to the travel agent within five (5) business days after the ticket has been determined lost.



# CHAPTER NINE

## PASSPORTS & VISAS

### I. PASSPORT & VISA PROCESSING

Federal employees traveling internationally on official government business are required to travel on an official government passport. The use of a personal passport for official travel is not authorized and may cause difficulties to the traveler when entering a foreign country.

The U.S. Department of State (DoS), Special Issuance Agency (SIA), which issues all official passports free of charge to Federal employees for official travel, will only issue or renew an official passport to applicants who have an international trip scheduled or planned in the near future. There are no exceptions. In addition to an official passport, a visa is required for travel to some countries.

Employees should contact the TOG at (202) 418-1975, if additional information required.

### II. OFFICIAL PASSPORT REQUEST

1. The traveler must complete and sign FCC Form A-345, Official Passport Request, and have their Bureau/Office Chief or Deputy Chief, sign and date it authorizing TOG to request an Official Passport. This form is currently available in paper form only.
2. The traveler must also complete either a DoS form DS-11 (Application for U.S. Passport or Registration) or DoS form DS-82 (Application for U.S. Passport by Mail) passport application.
  - a. Form DS-11 must be completed if the applicant does not possess a U.S. passport (official or personal), or does not have it in his or her possession, or if the passport was issued more than 15 years ago. Do not sign and date the application as you will have to appear before the passport agent to be administered an oath before signing.
  - b. Form DS-82 must be completed if the applicant possesses either a personal or official passport that was issued within the last 15 years, he or she may prepare and submit a DS-82 to be issued/renew an official passport.

Note: If the traveler has lost, misplaced, or had stolen a passport of either type, and have not previously declared the loss, they must also submit a DoS form DS-64 (Statement Regarding a Lost or Stolen Passport).

3. The SIA requires an applicant to complete the application online using the State Department website ([http://travel.state.gov/passport/passport\\_1738.html](http://travel.state.gov/passport/passport_1738.html)). The website downloads a

small software program to the applicant's computer, which allows the traveler to complete the application on their computer.

4. FCC employees must enter “FCC” in the block “**In Care of (If applicable)**” in Section “13. **Mailing Address**” of the application, but they do not have to complete any of the other blocks. After completing the entire application, click the button labeled “Create Application”. The program will then generate the completed application as a PDF, creating a 2-D BARCODE in the upper left corner of the first page. All data entered on the application must be correct when the form is generated as it is encoded in the 2-D BARCODE. When the 2-D BARCODE is scanned during production of the passport, the DoS Passport System populates the proper fields in the program that prints the passport. After printing the application, if any information is found to be incorrect, the entire application must be re-created. When the application is accurate, it may be printed, and saved on the local PC.
5. In addition to these two documents, the traveler must submit two”2X2” recent photographs meeting the DoS requirements and their most recent official or personal passport or other proof of citizenship, (i.e., a certified copy of their birth certificate). Employees should contact the FCC’s Printing and Graphics Center photographer at (202) 418-7787 to make an appointment to have the photographs taken. Do not separate the photos. TOG has a template for cutting the photos to the 2” X 2” requirement. If the photos are taken by a commercial photographer, the applicant may be reimbursed for the cost of the photos. Commercial photographers usually have a die with which to cut the photos to the proper size. If not, bring the photos to the PCO. Digital photos are accepted if they meet certain standards, as explained here: [http://travel.state.gov/passport/guide/digital/digital\\_880.html](http://travel.state.gov/passport/guide/digital/digital_880.html).
6. The traveler must provide proof of citizenship: a valid passport issued within the last 15 years, a certified copy of their birth certificate, or other documents proving citizenship. In addition, if the applicant is submitting a DS-11, they must also provide a valid government issued photo ID (driver’s license, military ID, government [“city, state, or federal”]) to the passport agent. The complete list of acceptable documentation can be obtained at [http://travel.state.gov/passport/get/first/first\\_830.html](http://travel.state.gov/passport/get/first/first_830.html) . This document is submitted with the application, and will be returned with the completed Official Passport.
7. Submit the documents, photos, and proof of citizenship to either the FCC Passport Agent in room 1-A666 (Nelson Davis), or one of the TOG Passport Control Officers (Cheryl Collins, 1-A843 or Jacqueline Robinson, 1-A766). For security reasons, do not leave any official documents in an unattended workstation.
8. If all of the submitted documentation is acceptable, TOG will prepare a letter requesting an official passport be issued to the applicant. The applicant and/or their designee will be given the letter, application, photographs and proof of citizenship to hand-carry to the SIA at 1111 19<sup>th</sup> Street, N.W., Room 200, Washington, DC. The letter will also authorize the applicant and one designee to pick up the completed passport. The FCC does not provide a courier service to deliver applications or pick up official passports.

Note: If you have not received your official passport within ten (10) business days you should contact the PCO located in TOG for assistance.

9. After returning from the SIA, the official passport must be taken to the TOG PCO to record the passport number, and dates of issuance and expiration on FCC Form A-346 (FCC Official Passport Receipt). The A-346 will then be printed for hand carrying, or emailed to the bearer of the new official passport along with the official passport. After reading the receipt, the bearer must sign and date the form in black or blue ink and return it to TOG.
10. The PCO will attach the A-346 to the copy of the request letter and A-345. These documents will be kept in the official passport file secured in TOG.
11. Immediately upon receipt of their official passport, the employee should sign it in black or blue ink.

### **III. EXPIDITED REQUESTS**

Expedited requests will be processed on an as needed basis only and must be justified. In the event that an employee who has no valid official passport has been assigned to travel to another country only few days before he or she must depart, TOG will request expedited issuance of the official passport. The PCO will prepare an expedite letter in addition to the request letter, and sign it. After the letter is complete, the PCO will affix an orange “EXPEDITE” sticker to the top right corner of both letters.

The SIA will not notify the FCC when employee’s official passports are ready. Normal processing time for expedited requests is usually 24-30 hrs. The applicant should call the PCO the next business day to inquire as to the status of the expedited request.

### **IV. SEPERATION FROM THE FCC**

Employees should remember that they are only the bearer of their official passport. Passports remain the property of the U.S. Department of State and the bearer must surrender it to the FCC or State Department upon demand or upon separation from the FCC.

1. If the employee is separating from the FCC, but not transferring to another federal agency, his or her bureau/office’s administrative office must notify the sign-out email group of the immanent departure. The TOG PCO will respond to both the administrative office and the departing employee with the standard “Departing Employees” email.
2. Do not cut out the photo, remove pages, mark, or tamper with the passport in anyway. Simply return it to the PCO.
3. When the official passport has been surrendered to the PCO, the PCO will photocopy the information page of the official passport after covering up the DOB, and sign the copy

stating that he or she has accepted the employee's passport. The PCO will make another copy for TOG files, and give the photocopy bearing his/her signature to the employee as his/her receipt. The PCO will then send a clearance email to the employees replying to the "Departing Employees" email. This will complete the sign-out chain of processing for official passports.

4. If the employee is transferring to another federal agency position in which they expect to travel internationally, they should provide the particulars to the PCO. The PCO will then prepare a transfer letter, and a DS-4085 (Application for Additional Visa Pages). The PCO will then submit those documents and the official passport to the SIA for holding in the SIA suspense files until the employee's new agency requests that it be transferred to them.
5. Within 30 days, the PCO will take the surrendered passports to the SIA for cancellation and destruction, or cancellation and return if the employee has requested it for a souvenir.

Note that obtaining cancelled passports for souvenirs is a low priority service provided the SIA to the former employee.

## **V. VISA REQUEST**

1. Visa applications may take up to five (5) days to process. Requests should be submitted to TOG at least ten (10) business days prior to scheduled departure date to allow adequate time for processing. (See section of instructions for Russian visas).
2. Applications for an official visa must be accompanied by a letter formally requesting issuance. The DoS provides the FCC with blank letters on DoS letterhead bearing the signature the Director of the Special Issuance Agency Passport Services. TOG will provide the applicant with one for each destination country as needed.
3. The letter should be addressed to the embassy or consulate of the country to which the traveler is applying for entry. More than one applicant may be listed on the letter. Type the name, passport number, job title, dates of entry and departure, TDY destinations of each applicant and the date the visa is needed.
4. The traveler must also complete and sign the proper visa application for the country or countries to be entered. These applications may be obtained from the embassy, consulate or the website of the specific country. The applications should be typed or computer printed with original signatures. Some countries also require a current photo(s), and a copy of the traveler's letter(s) of invitation from their hosts in the destination country.
5. The completed letter, application and the traveler's official passport and the letter of invitation, if one was provided, should be brought to the FCC Passport Agent or Passport Control Officers. If all documentation is in order, the Passport Control Officer will sign the visa request letter.

6. The traveler or designee is responsible for taking the application package to the embassy or consulate, and picking up the completed visa. Some consulates provide a receipt for the passport(s) being left for a visa issuance. If the receipt is lost, it may be difficult to retrieve the passport(s). A fee is not usually charged by the consulate and embassy to issue a visa for official travel. However, if a traveler is charged a fee for the visa it must be paid for out of personal funds. The FCC will reimburse the traveler for costs for obtaining a visa for official travel. Claims must be submitted on SF 1164 (Claim for Reimbursement for Expenditures on Official Business).

## **VI. RUSSIAN VISA**

1. FCC employees are not authorized to take an application for an official visa directly to the Russian consulate. The SIA and the Russian consulate have established special procedures for the issuance of a visa for official travel. Any deviation from that procedure will result in difficulty and delay.
2. The procedure requires that all federal agencies submit their requests for a visa to the SIA office. A member of the SIA staff will take the documents to the Russian consulate. The consulate has two fifteen (15) business days, from the day after the application is delivered, to process the visa application. SIA staff will deliver applications and pick up the completed visa twice a day and takes them back to the SIA office.
3. Bureaus and Offices must submit to TOG 20-30 days prior to the scheduled departure date, a memo stating who is traveling, when they are leaving the U.S., when they plan to enter and depart Russia, the purpose of the trip and who invited them, along with the completed visa application and 2 copies, 1 photo of each traveler, 2 copies of the information pages of the official passport on "8.5 X 11.0" white paper, 1 cut-out copy of the information page of each official passport and 1 copy of the invitation letter. If all documentation is in order, TOG will prepare a letter requesting that SIA submit the attached application to the Russian consulate for issuance of a visa.
4. Bureaus and offices are responsible for taking the applications to the SIA office on 1111 19<sup>th</sup> Street, N.W., Room 200, Washington, DC and for picking up the passports with completed visa from the SIA.

# CHAPTER TEN

## GAINSHARING TRAVEL SAVING PROCEDURES & GUIDELINES

### I. BACKGROUND

The Government Employees Incentive Awards Act, 5 U.S.C. §§ 4501 – 4507, authorizes Federal agencies to pay a cash award for “efficiency” or “economy”. The FCC began a new discretionary cash incentive award program in May 2000, to reward employees who save the agency money while on official TDY travel. These employee-initiated savings can arise from the use of less expensive lodging, the use of frequent flyer benefits to purchase airline tickets, or the use of their privately owned vehicle (POV) for official travel. Employee participation in this program is voluntary and travelers **may not** be coerced into participation. Bureaus/Offices will fund the program by reprogramming travel funds to incentive awards funds on a quarterly basis.

### II. CRITERIA FOR AWARD AND AMOUNT

The savings to the agency must be at least \$200 before the employee is eligible to receive the award. The amount of the award for each employee will be 50% of the savings from lodging and/or airfare. For example, if the employee has a savings of \$500, this translates into a \$250 Gainsharing Award and a \$250 reduction in agency’s travel cost. Taxes will be withheld (Federal, State, local, FICA) from the award amount.

The participating employee is required to notify his/her appropriate Bureau/Office personnel (as specified by the B/O) and provide the Travel Savings Form A-444 along with supporting travel documentation once they have reached the minimum eligibility amount of \$200.

### III. KINDS OF TRAVEL COVERED

All TDY travel with lodging expenses, foreign or domestic, will be covered under this program. Only the first 30 days of extended TDY travel can be counted as eligible for savings in this program.

### IV. LODGING SAVINGS

Employees who participate in the program can receive cash awards for incurring lodging expenses at a daily rate that is less than the maximum lodging rate for the locality under the Lodgings Plus Method of reimbursement. Transportation costs to TDY site and return to the hotel will be factored into computing the savings. Any transportation costs determined by the travel voucher approving

official to be excessive will be deducted from the lodging savings, and the remaining savings will be eligible toward the minimum savings of \$200.

- Awards will not be made to individual employees on travel where lodging savings were the result of lodging prearranged by someone else or prepaid by contract with the hotel. However, any savings resulting from shared accommodations under such an arrangement do qualify for the travel savings award.
- The government contractor-issued travel credit card must be used for payment of all lodging costs to qualify as lodging savings under this program. The only exceptions to this will be when the card is not accepted by the hotel or in instances where the employee stays with friends or relatives to avoid payment of lodging costs.
- All employees must stay at a hotel that meets the requirements of the Hotel and Motel Fire Safety Act of 1990.
- Lodging costs incurred on personal time such as annual leave will not be counted as savings under this program.
- Employees who are authorized to incur lodging costs and instead stay with someone while on official travel to avoid lodging expenses can count the savings toward the minimum savings of \$200 to become eligible for a cash award.

## **V. REDEMPTION OF FREQUENT FLYER BENEFITS**

Employees who enroll in frequent flyer benefit programs and obtain a free coach class ticket with frequent flyer benefits earned on official and personal travel are eligible for the travel savings award. Savings on transportation costs will be measured by the contract city pair rate in effect at the time of the flight. If no contract fare is available, then the lowest available non-restricted coach fare will be used as a basis for determining the savings.

When calculating the airfare amount that would count towards the Gainsharing Award, employees should include the cost of the ticket minus any processing fees (i.e., airport/other taxes, delivery fees, changed ticket fees). The balance would then be used to determine the amount to count towards the Gainsharing Award. The information on Frequent Flyer Benefits can be obtained from the TSS or on the Internet at <http://pub.fss.gsa.gov/services/citypairs/search>.

If an FCC employee who has earned frequent flyer miles transfers those miles to another FCC employee (in accordance with airline regulations) for use for official travel, the employee surrendering the frequent flyer miles will be entitled to credit towards a Gainsharing Award. Both employees and the travel approving official will be required to sign a Form A-444 (A) (Travel Gainsharing Program – Transfer of Frequently Flyer Miles) and submit it along with verification from the airlines and the Travel Savings Form (A-444).

## **VI. PROCESS AND RESPONSIBILITIES**

The Travel Savings Form A-444 must be completed and submitted by the employee with the applicable voucher for each trip where savings have resulted. After a review of the voucher and the recorded savings on the travel savings form, the employee and the travel approving official will initial the form. Employees can apply for the award as soon as they meet the minimum eligibility requirement of \$200 in savings. The travel savings form must be signed by the employee and the travel approving official and the original attached to FCC Form A-440, Superior Achievement Award or Quality Step Increase, for submission to HRM. The award must be charged to the fiscal year in which the employee becomes eligible for the award. The employee will receive a SF-50 from personnel showing the award amount, and payroll will include the amount on a W-2 as income.

## **VII. RECORDING THE SAVINGS**

A blank copy of the Travel Savings Form A-444 travel can be obtained through the appropriate Bureau/Office administrative group. Boxes have been provided on the form to record personal information (name and social security number), the authorization number, the date and day of the week for each of lodging. The maximum locality rate for lodging for each night must be recorded. The actual lodging cost and any excessive daily transportation costs from the maximum locality-lodging rate. The results will represent the savings to FCC. Summary boxes have been provided so that the total lodging savings or frequent flyer savings can be recorded. The total saving, minimum of \$200 is multiplied by 50 percent to arrive at the award amount.



# **CHAPTER ELEVEN**

## **PERMANENT CHANGE OF STATION (PCS) (RELOCATION) TRAVEL**

### **I. BACKGROUND**

The FTR, §302, is the governing law for permanent change of station (relocation) travel (See 41 C.F.R. Chapter 302).

### **II. DEFINITIONS**

#### **A. Permanent Change of Station (PCS)**

A permanent change of station (PCS) or relocation is an assignment of a new appointee to an official station or the transfer of an employee between official duty stations on a permanent basis.

#### **B. Transferred Employee**

A transferred employee is an employee who transfers from one official station to another. This may also include employees separated as a result of reduction in force (RIF) or transfer of functions who are re-employed within one year after such separation.

#### **C. New Appointee**

A new appointee is:

1. An individual who is employed with the government for the very first time;
2. An employee who is returning to the government after a break in service (except an employee separated as a result of reduction in force or transfer of functions and is re-employed within one year after such action); or
3. A student trainee assigned to the government upon completion of his/her college work.

See, FTR §302-1.1.

### **III. SERVICE AGREEMENT**

A service agreement is a written agreement between an employee and the employee's agency, signed by the employee and the agency's representative, stating that the employee will remain in the

service of the government for a period of time as specified in the agreement after the employee has relocated.

#### A. Requirements

Government employees are required to sign a service agreement when transferring within or outside the continental United States or performing renewal agreement travel. See FTR, §302-2.12. The agency is required to have employees sign a service agreement if the employee is to receive reimbursement for relocation travel expenses, otherwise the agency will not be obligated to pay relocation expenses.

The minimum periods of service are:

- Within CONUS for a period of service of not less than 12 months following the effective date of your transfer;
- OCONUS for an agreed upon period of not more than 36 months or less than 12 months following the effective date of transfer;
- Department of Defense Overseas Dependent School System teachers for a period of not less than one school year as determined under Chapter 25 of Title 20, U.S.C.; and
- For renewal agreement travel a period of not less than 12 months from the date of return to the same or different overseas official station.

If an employee accepts a transfer/appointment to an OCONUS location, the employee must immediately provide their agency with the information needed to determine the employee's actual place of residence and to document it into the service agreement.

#### B. Violations

If an employee violates the service agreement or does not fulfill the terms of the service agreement, the employee will have incurred a debt to the government and must reimburse all costs that the employee's agency has paid towards relocation expenses including withholding tax allowance (WTA) and relocation income tax (RIT) allowance.

The agency may release the employee from the service agreement and waive any indebtedness if the reason for not fulfilling the terms of the service agreement are beyond the employee's control and acceptable to the agency.

#### C. Multiple Service Agreements

Each service agreement is in effect for a period specified in the agreement and cannot be voided by subsequent service agreements. Service agreements cannot be grouped together and must be adhered to separately.

#### **IV. ELIGIBILITY FOR RELOCATION ALLOWANCES**

The following sections list which government employees are eligible or not eligible for relocation allowances in accordance with the FTR, §§ 302-1.1 & 1.2.

##### **A. Eligible for Relocation Allowances**

1. A new appointee appointed to their first official duty station;
2. An employee transferring in the interest of the government from one agency or duty station to another for permanent duty, and the new duty station is at least 50 miles distant from the old duty station;
3. An employee of the United States Postal Service transferred for permanent duty, under 39 U.S.C.
4. 1006, from the Postal Service to an agency as defined in 5 U.S.C. 5721;
5. An employee performing travel in accordance with their overseas tour renewal agreement;
6. An employee returning to his/her place of residence after completion of a prescribed tour of duty for the purposes of separation from government service or separation from the overseas assignment for reassignment to the same or different government agency;
7. A student trainee assigned to any position upon completion of college work;
8. An employee eligible for a “last move home” benefit upon separation from the government (and your immediate family in the event of your death prior to separation or after separation but prior to relocating);
9. A Department of Defense overseas dependents school system teacher;
10. A career appointee to the Senior Executive Service (SES) as defined in 5 U.S.C. 3132(a)(4), and a prior SES appointee who is returning to their official residence for separation and who will be retaining SES retirement benefits; or
11. An employee that is being assigned to a temporary duty station in connection with long-term assignment.
12. Additionally, employees transferred incident to a RIF or Transfer of Function may also be eligible for relocation allowances.

##### **B. Ineligible for Relocation Allowances**

1. A Foreign Service Officer or a Federal employee transferred under the rules of the Foreign Service Act of 1980, as amended;

2. An officer or an employee transferred under the Central Intelligence Act of 1949, as amended;
3. A person whose pay and allowances are prescribed under Title 37, U.S.C., “Pay and Allowances of the Uniformed Services”;
4. An employee of the Department of Veterans Affairs (VA) to whom Title 38, U.S.C. 235 applies; or
5. A person not covered in Section 302-1.1 (FTR).

See FTR, §302-1.2.

## **V. GENERAL RULES**

An employee may begin their transfer or reassignment duty only after their agency has approved their TA in writing and the employee must have a written TA before they relocate to the new official duty station. See FTR, §302-2.1.

The effective transfer or appointment date is the date on which the employee reports for duty at the new or first official station, respectively. See FTR, §302-2.4.

An employee may relocate from a place other than from where they are authorized. However, the employee will be required to pay all additional costs incurred for expenses above the authorized travel and transportation cost.

An employee may not be reimbursed for relocation expenses if they relocate to a new official station that is less than 50 miles from their old official station, unless the head of the agency or designee authorizes an exception.

On a case-by-case basis and having considered the following criteria, the head of the employee’s agency or designee may authorize the reimbursement of relocation expenses of less than 50 miles when he/she determines that it is in the interest of the government and:

- a. The one way commuting pattern between the old and new official station increases by at least 10 miles but no more than 50 miles; or
- b. There is an increase in the commuting time to the new official station; or
- c. A financial hardship is imposed due to increased commuting costs.

See FTR, §302-2.6.

## **VI. TIME LIMITATIONS**

The employee and immediate family member(s) may begin travel immediately upon receipt of the authorized TA. See FTR, §302-2.7. They must complete all aspects of their relocation within two years from the effective date of the employee's transfer or appointment, see FTR, §302-2.8, except:

- a. If the employee is furloughed to perform active military duty, the 2-year period to complete all aspects of relocation is exclusive of time spent on furlough for active military service. See FTR, §302-2.9.
- b. The 2-year time period does not include time that the employee cannot travel and/or transport his/her household effects due to shipping restrictions to or from the employee's post of duty OCONUS. See FTR, §302-2.10.
- c. The 2-year time limitation for completing all aspects of relocation may be extended by your agency for up to two (2) additional years for reasons beyond the employees control and acceptable to the agency. The employee must submit a request to their agency not later than 30 calendar days after the expiration date. See FTR, §302-2.11.

When an additional two years are granted by an authorized official remaining travel and transportation entitlement are also extended. However, any extenuating circumstances must be related to the transfer of station and must be acceptable to the agency department concerned.

Payment or nonpayment of PCS allowances will be based on factors such as cost effectiveness, labor market conditions, and difficulty in filling the vacancy. Budget constraints alone do not justify the denial of PCS allowances.

## **VII. TRAVEL AUTHORIZATION (TA)**

In order to administer the authorization for relocation of an employee, a written travel authorization must be issued by the agency:

1. To an employee for relocation before he/she transfers to his/her new official station;
2. To inform the employee of his/her transfer within a timeframe that will provide him/her sufficient time for preparation;
3. To provide new employees with the applicable limitations of their travel benefits;
4. The TA must state the:
  - a. Names, relationship, and age of dependents and must be shown where required;
  - b. Specific allowances that the employee is authorized; and
  - c. Procedures that the employee is authorized to follow.

The travel authorization forms for PCS (relocation) travel are Form AD-202, Travel Authorization/Advance, and Form AD-202R, Travel Authorization/Advance Attachment for Relocation Travel. Instructions for completing these forms will be provided later in this chapter.

An employee is generally not charged leave in conjunction with PCS travel within the prescribed time limits based on distance. An agency/department also has the discretionary authority to grant PCS administrative leave when deemed appropriate.

## **VIII. PER DIEM**

Per diem begins and ends when the employee departs from the old and arrives at the new residence or duty station. The maximum per diem rate for all transfers within CONUS is the standard per diem \$91.00 rate (\$60.00 for lodging plus \$31.00 for M&IE). This includes:

1. En route travel;
2. Temporary quarters expenses; and
3. Tour renewal travel.

For transfers outside of CONUS the new duty station locality rate applies. If lodging costs are not incurred the overseas locality M&IE rate applies.

## **IX. ADVANCE OF FUNDS**

An employee may receive an advance of funds for travel and transportation expenses as prescribed by your agency and provided that the relocation travel authorization has authorized the employee to receive a travel advance.

An employee may receive an advance of funds for:

- a. Per diem, mileage, and transportation costs incident to change of station travel;
- b. House hunting trips;
- c. Temporary quarters subsistence allowance (30 day increments only);
- d. Transportation and temporary storage of household goods except when the GBL method is used and only when the household goods are to be moved within 30 days. Employees must state this in writing.
- e. Transportation of mobile homes (except when the GBL method is used); and

- f. Transportation of POV (except when the GBL method is used).

Advance of funds are not allowed for:

- a. Miscellaneous expenses;
- b. Residence transactions;
- c. Extended storage;
- d. Tour renewal travel;
- e. Separation travel; and
- f. Advance return of dependents.

Certain advances may be restricted when an employee is participating in government charge card program and its use is allowed for PCS purposes.

## **X. INSTRUCTIONS FOR COMPLETING FORM AD-202**

The Form AD-202 must be completed along with AD-202R. **Do not complete any part of Section C on the AD-202**, Travel Authorization/Advance form for transfer of official duty station.

- 1. ACTION CODE (Indicate one type only)

E – Establish

C – Cancel

A – Amend

V – Advance Only (Complete sections A, E, and F Only)

- 2. AUTHORIZATION DATE – The date authorization is establish.

### Section A – IDENTIFICATION

- 3. TRAVEL AUTHORIZATION NUMBER – Must be obtained from Human Resources (HR)
- 4. SOCIAL SECURITY NUMBER – The employee's.
- 5. NAME OF TRAVELER – Employee who is relocating.
- 6. AGENCY CODE – Leave blank.
- 7. ORIGINATING OFFICE NUMBER – Leave blank.
- 8. ESTIMATED DATES OF TRAVEL EXPENSES - Enter the dates that the travel to the new duty station will begin and the estimated date of arrival.

9. TYPE OF TRAVEL - Indicate one type only.
10. GOVERNMENT CREDIT CARD HOLDER – Type the appropriate letter.
11. TRAINING DOCUMENT NUMBER – Leave blank.
12. ORGANIZATION - Agency name.
13. OFFICIAL DUTY STATION – City and state of employment.
14. RESIDENT CITY AND STATE – If other than official station.

**SECTIONS B AND C ARE NOT TO BE COMPLETED.**

Section E – ACCOUNTING CLASSIFICATION

29. PURPOSE OF TRAVEL CODES - Enter one number.  
ACCOUNTING CLASSIFICATION – Enter accounting string.
30. TOTAL ESTIMATED EXPENDITURES – Enter total amount of relocation expenses.

Section E – TRAVEL ADVANCE

31. ADVANCE REQUEST METHOD – Leave blank.
32. AMOUNT OF ADVANCE APPLIED FOR – Complete when requesting an advance.
33. BALANCE FROM PREVIOUS ADVANCE – Complete if received more than one advance for relocation.
34. TOTAL ADVANCE AMOUNT – Enter total amount owed agency.
35. APPICANT’S SIGNATURE – Employee must sign for advance request.
36. DATE APPLIED FOR ADVANCE - Enter date of advance request.
37. ADVANCE MAILING ADDRESS OPTIONS – Complete for advance.
38. IMPREST FUND CASHIER/TRAVELERS – Leave blank.
39. ADVANCE RECEIVED (Cash or Travelers Checks) – Leave blank.

Section F – AGENCY APPROVAL



40. APPROVING OFFICER'S NAME AND TITLE (Type or Print)
41. APPROVING OFFICER'S SOCIAL SECURITY NO. – Leave Blank.
42. DATE APPROVED BY APPROVING OFFICER
43. APPROVING OFFICER'S TELEPHONE NUMBER
44. APPROVING OFFICER'S SIGNATURE
45. REMARKS

## **XI. INSTRUCTIONS FOR COMPLETING FORM AD-202R**

The Form AD-202R provides a checklist format for all allowable expense estimates. It is not necessary to complete items for which expenses are not allowed. For more information on allowable expenses, refer to FTR, Section 302.

All papers supporting the relocation must be completed within two years unless special justification is permitted. The maximum allowable time to complete the relocation is three years.

### **GENERAL INFORMATION**

1. TRAVEL AUTHORIZATION NO. – Enter the number exactly as it appears on the AD-202.
2. SOCIAL SECURITY NO. – Enter the number exactly as it appears on the AD-202.
3. NAME – Enter the name exactly as it appears on the AD-202.
4. DISTANCE OF MOVE – Check the appropriate box.

### **Section C – ITINERARY AND ESTIMATED EXPENDITURES**

5. TYPE APPOINTMENT – Check the appropriate box. If there are any questions about the traveler's status, verify with the Chief, Human Resources Management.
6. NEW OFFICIAL STATION – Enter the city/state of the new location. Generally, when a house hunting trip is authorized, the dates of the trip will precede the dates of the actual transfer of duty station. A travel voucher for the house hunting trip must be filed within 5 business days of the return of the trip. The voucher(s) for the actual transfer of duty station will be filed later.
7. EXPENDITURES FOR HOUSEHUNT AUTHORIZED – Check the box if expenditures are authorized. If not, leave blank.

8. AUTHORIZED TRAVELERS – Only check the appropriate box for those individuals who are authorized to go on the house hunting trip.
9. ESTIMATED DATES OF TRAVEL – Enter the date of the house hunting trip only.
10. AUTHORIZED EXPENDITURES – Enter all expenditures that apply. Note that the maximum limitation on per diem is set at the CONUS rate, not the city/state destination per diem rates given for each location in the FTR.
11. TOTAL ESTIMATED TRAVEL FOR HOUSEHUNT – Enter the sub-total of all blocks checked except the common carrier tickets.
12. TOTAL ESTIMATED TRANSPORTATION FOR HOUSEHUNT – Enter the cost of common carrier tickets.
13. EXPENDITURES FOR TRANSFER OF STATION AUTHORIZED – Check the box if the expenditures are authorized. If not authorized, leave blank.
14. Enter the names of all family members who will be moved, spouse first, then children, etc. Enter their birth dates. Enter each person's marital status: M= Married, S=Single
15. ESTIMATED DATES OF TRAVEL – Enter the dates that the travel to the new duty station will begin and the estimated date of arrival. **These dates must cover the days of temporary quarters.**
16. TRAVEL AND TRANSPORTATION OF FAMILY – Enter all estimates for the traveler and the family members.
17. SHIPMENT OF HOUSEHOLD GOODS – Check the block and enter applicable information.
18. STORAGE OF HOUSEHOLD GOODS – Check the block if expenditures are authorized. If not, leave blank.
19. TRANSPORTATION OF MOBILE HOME – Check the block if expenditures are authorized. If not, leave blank.
20. TRANSPORTATION AND STORAGE OF PRIVATE VEHICLE – Check the block if expenditures are authorized. Enter the estimated amount. If not authorized, leave blank.
21. TEMPORARY QUARTERS – Check the block if expenditures are authorized. Enter the applicable information. **When temporary quarters are used, Form AD-569, Expense Record for Temporary Quarters, must be submitted with the subsequent travel voucher.**
22. MISCELLANEOUS ALLOWANCE – Check the block if expenditures are

authorized. Enter the estimated cost.

23. REAL ESTATE EXPENSES PAID BY EMPLOYEE – Check the block if applicable. Check the appropriate items and enter estimates. Form AD-424, Employee Application for Reimbursement of Expenses Incurred Upon Sale or Purchase (or Both) or Residence upon Change of Official Station, must be completed, approved and attached to the travel voucher. Copies of supporting documents must also be attached.

When the block for lease termination is checked, a copy of the original lease agreement and a receipt for all associated costs must be attached to the voucher to substantiate the claim.

24. RELOCATION SERVICES – Leave blank.

25. HOME PURCHASE INFORMATION – Complete all requested applicable information.

26. RELOCATION SERVICES CANCELLATION – Leave blank.

27. TOTAL ESTIMATED TRAVEL FOR TRANSFER OF STATION – Enter the cumulative total of per diem, POV and Other from block 16 through 26. Do not include the house hunting trip calculations in block 11.

28. TOTAL ESTIMATED TRANSPORTATION FOR TRANSFER OF STATION – Enter the total of common carrier tickets from block 16. Do not include the house hunting common carrier tickets from block 12.

29. TOTAL ESTIMATED EXPENDITURES AUTHORIZED – Enter the total of blocks 11, 12, 27, and 28. This total must agree with the total in Section D, block 30 of the AD-202, Travel Authorization/Advance.

30. SIGNATURE – The traveler should read the Service Agreement and sign the form.

31. DATE – Enter the date signed.

NOTE: *Retain all receipts and documentation supporting the relocation.*

## **XII. INSTRUCTIONS FOR EXPENSE RECORD FOR TEMPORARY QUARTERS**

Use this form to support temporary quarter's expenses described in the Federal Travel Regulations (FTR). These expenses are claimed in Section D (Claims), Block 9 of the Travel Voucher (Form AD-616).

NOTE: Temporary quarters must be authorized in advance on Travel Authorization (Form AD-202).

1. Enter name of employee
2. Enter social security number of employee
3. Enter date and time en-route travel per diem ends
4. Enter beginning date and time of temporary quarters
5. Enter location of temporary quarters
6. Enter number (employee and family members) in temporary quarters
7. Enter date and time temporary quarters was vacated
8. & 9. Record actual subsistence expenses on a daily basis for (1) lodging, (2) meals, and (3) all other items of subsistence expenses. Receipts must be obtained to support lodging, laundry, and cleaning expenses (except when coin-operated facilities are used).
8. or 9a. Enter the cumulative total of the daily actual subsistence expenses for the period.
8. or 9b. Multiply the number of days of actual temporary quarters by the applicable daily rate authorized for the employee and each family member occupying the temporary quarters in accordance with the following formula:

$$(\text{_____ days} \times \$ \text{_____ daily rate} = \$ \text{_____})$$

Transfer totals for employee, spouse, family members 12 years or older and family members under 12 years of column 8b or 9b on front of form.

8. or 9c. Enter the cumulative total of 8b or 9b.
8. or 9d. Enter the amount from the "Total" column (Block 8a or 9a) to record actual subsistence expenses.
8. or 9e. Compare the Maximum Allowance Amount (block 8c or 9c) with the Total Actual Expenses (Block 8d or 9d); claim lesser amount.
- 9f. Enter the cumulative total of 8e and 9e.
- 10 Use this block to explain
  - (1) All breaks in temporary quarter's occupancy.
  - (2) The details of temporary lodging with friends or relatives at no cost.
  - (3) Other expenses.

Complete this form and attach to the Travel voucher (Form AD-616).

# APPENDIX

# TRAVEL FORMS

- 1     **EEOC Form 557** - Disability Accommodation Form: This form must be submitted in advance of travel to OWD, along with a Doctor's note and Form A-702. After approval copies are to be attached to travel documents.
- 2     **Form A-40** - Delegation of Authority.
- 3     **Form A-345** - Official Passport Request.
- 4     **Form A-444** - FCC Travel Savings Form.
- 5     **Form A-514** - No-Cost Travel Authorization.
- 6     **Form A-518** - Request for Actual Subsistence: The traveler must use this form for actual subsistence in lieu of the GSA per diem rate.
- 7     **Form A-519** - Request of Use of Privately Owned Vehicle (POV): This form is for use of a privately owned vehicle.
- 8     **Form A-700** - Request to Use Non-contract Carrier:
- 9     **Form A-702** - Reasonable Accommodation Request Questionnaire: The traveler is required to complete and submit this form to OWD along with EEOC Form 557. After approval, copies are to be attached to travel documents.
- 10    **Form A-704** - Certification for Lost/Misplaced Receipts: The traveler must use this form for lost or misplaced required receipts or receipts for anything over \$75.00. (**Except-lodging, common carrier, ATM, & car rental**)
- 11    **Form A-706** - 1353 Travel Reimbursement: The traveler must submit this form to the Office of General Counsel for reimbursable travel under 5 U.S.C. Section 1353, the Federal Travel Regulation Statute, and 5 U.S.C. Section 4111, the Government Employees Training Act (usually 501(c)(3) sponsoring organizations).
- 12    **Form A-708** - Travel Reimbursement In-kind Form – The traveler must use this form to verify any in-kind payments made by the 1353 sponsor.

- 13     **Form A-710** - Federal Communications Commission Travel Information Statement for Authorizations: The traveler will receive this form if there are any problems with the authorization or amendments are required.
- 14     **Form A-712** - Federal Communications Commission Travel Information Statement for Vouchers: The traveler will receive this form if there are any problems with the voucher or corrections are required.
- 15     **GSA Form 87** – Travel Authorizations.
- 16     **SF 1012** - Travel Voucher: To be completed by traveler on return from TDY.
- 17     **SF 1164** - Local Reimbursement: To be used in metro area only.
- 18     **USDA AD-202R** - Relocation Authorization.
- 19     **USDA AD-616R** - Relocation Voucher.

# FREQUENTLY ASKED QUESTIONS

1. Can I claim mileage from my home to the office on the day of travel?

**No.**

2. When can baggage tips be claimed for my personal baggage?

**Baggage tips are part of the traveler's per diem rate.**

3. Can baggage tips be claimed for my official government baggage?

**Yes.**

4. What is the maximum tip amount allowable for taxi fares?

**20% is the maximum tip amount allowable; anything over that amount will be deducted from the claim.**

5. When should I have my airline ticket issued before I travel?

**Airline tickets should not be issued any more than three days advance of travel. If changes are required or if the ticket is lost/misplaced, additional charges may be incurred.**

6. What must be included in the letter of invitation for reimbursable travel?

**The invitational letter for reimbursable travel must: (1) be on sponsor letterhead, showing the address and business number; (2) contain the name of a contact person with a phone number; (3) state specifically what items are being reimbursed (i.e., airfare, lodging, meals, parking, etc.); (4) state whether expenses will be provided in-kind or through reimbursement to the agency; (5) state the dates and location of the meeting/conference. Although facsimiles are not permitted, if they are not on sponsor letterhead, they will not be accepted.**

7. Can I be paid for laundry and/or dry cleaning services?

**Only on domestic travel and when four or more nights of lodging are incurred. These services are part of per diem for international travel.**

8. How are lodging taxes reimbursed?

**Lodging taxes are reimbursed as a separate expense on domestic travel but are a part of the per diem on international travel and cannot be claimed as a separate expense.**



9. Can I purchase the “fuel service charge” option on a rental vehicle?

**No, this option should not be purchase do to excessive rates. If option is selected the reimbursement for this expense will be reduced to the appropriate regional rate.**

10. When I purchase items (cameras, tapes, CDs, maps, etc) while in TDY are they the property of the FCC?

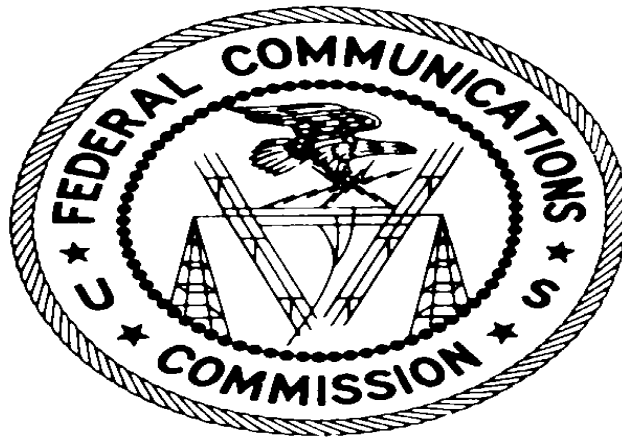
**Yes, if reimbursement is requested for the items purchased.**

# ACRONYMS

B/O	-	Bureau/Office
C.F.R.	-	Code of Federal Regulations
CONUS	-	Continental United States
CAM	-	Central Account Manager
DoS	-	Department of State
FCC	-	Federal Communications Commission
FEMA	-	Federal Emergency Management Administration
FOC	-	Financial Operations Center
FTR	-	Federal Travel Regulation
GBL	-	Government Bill of Lading
GSA	-	General Services Administration
GAO	-	Government Accountability Office
HRM	-	Human Resource Management
ITC	-	Information Technology Center
LC	-	Pound Currency
OGC	-	Office of General Council
OMD	-	Office of the Managing Director
OCNUS	-	Outside Continental United States
OGE	-	Office of Government Ethics
POV	-	Privately Owned Vehicle
PCS	-	Permanent Change of Station
RROG	-	Revenue and Receivable Operations Group
RIF	-	Reduction in Force
RIT	-	Relocation Income Tax
SES	-	Senior Executive Service
SIA	-	Special Issuance Agency
TA	-	Travel Authorization
TDY	-	Temporary Duty
TOG	-	Travel and Operations Group
TSS	-	Travel Services Solutions
TV	-	Travel Voucher
U.S.C.	-	United States Code
WTA	-	Withholding Tax Allowance

Federal Communications Commission





# *Employee Handbook*








**Office of the Managing Director – Human Resources Management**






## Table of Contents

### About the FCC

 <b>Organization</b>	<b>1</b>
o Bureaus and Offices	<b>1</b>
 <b>Essential Information</b>	<b>4</b>
o Emergency Evacuation Procedures	<b>4</b>
o Security Support Services	<b>4</b>
o Visitors	<b>4</b>
o Guidelines for Receiving Visitors	<b>4</b>
o Building Hours	<b>5</b>
 <b>Employment</b>	<b>5</b>
o Probationary or Trial Periods	<b>5</b>
o Position Description	<b>6</b>
o Kinds of Appointments	<b>6</b>
o Career Conditional Appointment	<b>6</b>
o Career Appointment	<b>6</b>
o Temporary Appointment	<b>6</b>
o Term Appointment	<b>6</b>
o Excepted Service Appointment	<b>7</b>
o Pay Systems	<b>7</b>
o Background Investigations	<b>7</b>
o Reassignment	<b>8</b>
o Career Promotions	<b>8</b>
o Competitive Promotions	<b>8</b>
o Temporary Promotions	<b>8</b>
o Details	<b>8</b>
o Official Personnel Folder (OPF)	<b>9</b>
o Notification of Personnel Action	<b>9</b>
 <b>Compensation</b>	<b>9</b>
o Employee Personal Page	<b>9</b>
o Timekeepers/Pay Day	<b>10</b>
o Earnings and Leave Statements	<b>10</b>
o Annual Pay Raise	<b>11</b>
o Locality Pay	<b>11</b>
o Special Pay Rates	<b>11</b>

○ Within Grade Increases	11
○ Overtime Pay	12
○ Compensatory Time	12
○ Holiday Pay	12
<b>+ Hours of Duty</b>	<b>12</b>
○ Flexible Work Schedules	12
○ Compressed Work Schedule	13
○ Credit Hours	13
○ Telecommuting	13
<b>+ Leave</b>	<b>14</b>
○ Annual Leave	14
○ "Use or Lose" Annual Leave	14
○ Holidays	15
○ Sick Leave	16
○ Advanced Sick Leave	17
○ Leave Without Pay (LWOP)	17
○ Absence Without Official Leave (AWOL)	17
○ Family Medical Leave	18
○ Leave Transfer Program	18
○ Administrative Leave	18
○ Leave In 15-minute Increments	19
○ Unscheduled Leave: Emergency Arrival	19
<b>+ Performance Management</b>	<b>20</b>
○ Pass-Fail Performance Appraisal Program for Non-Supervisors	20
○ Performance Appraisal for Supervisors and Managers	21
<b>+ Awards and Recognition</b>	<b>21</b>
<b>+ Learning and Development</b>	<b>21</b>
<b>+ Employee Assistance Program</b>	<b>22</b>
<b>+ Worker's Compensation</b>	<b>22</b>
<b>+ Health and Life Insurance</b>	<b>22</b>
○ Health Insurance	22
○ High Deductible Health Plan (HDHP)	23
○ Temporary Continuation of Coverage (TCC)	24
○ Life Insurance	24
○ Flexible Spending Account (FSA)	25
<b>+ Retirement</b>	<b>26</b>
○ Civil Service Retirement System (CSRS)	26

○ Federal Employee's Retirement System (FERS)	26
○ Thrift Savings Plan	26
○ Retirement Annuities	27
○ Retirement Deduction Refunds	27
○ Medicare	27
○ Survivor Benefits	27
 <b>Equal Employment Opportunity</b>	<b>28</b>
○ Affirmative Employment	28
○ Discrimination Complaint Process	28
○ Sexual Harassment	28
 <b>Employee Responsibility and Conduct</b>	<b>28</b>
○ Conflict of Interest	28
○ Outside Employment	29
○ Disciplinary and Adverse Actions	29
○ Grievances	29
○ Labor Relations	29
○ Workplace Violence	30
 <b>Key Phone Numbers</b>	<b>30</b>
 <b>Information Technology Center</b>	<b>32</b>
○ Computer Resource Center (CRC)	32
○ Computer Security Program	32
○ Customer Care Team	32
○ Equipment Lending	33
○ Telecommunications Group	33
 <b>Services and Facilities</b>	<b>34</b>
○ Building Services	34
○ Recreation Association	34
○ Library	34
○ Blood Donor Program	34
○ Combined Federal Campaign (CFC)	34
○ Savings Bonds	35
○ Maintenance Requests/Complaints	35
○ Parking	35
○ Pre-Tax Parking Benefit	35
○ Transit Benefits	36
○ Shuttle Bus Service	36
○ Passenger Elevators	36
○ Conference Rooms	37

 <b>Health Services and Safety Programs</b>	<b>37</b>
○ Health Services	37
○ Clinic Hours	38
○ Hypertension and Routine Blood Pressure Checks	38
○ Allergy Shots and Immunizations	38
○ Safety Programs	38
○ Work-Related Injuries and Accidents	39
 <b>Finance Office</b>	<b>39</b>
○ Travel	39
○ As Soon As Possible (ASAP) Awards	40
○ Bill Payments and Collections	40
 <b>Area Services</b>	<b>40</b>
○ Banking	40
○ Retail	40
 <b>Glossary of Acronyms</b>	<b>40</b>
 <b>Directions to FCC Headquarters</b>	<b>41</b>

# WELCOME!

## KEY PHONE NUMBERS:

Security Command Center: 202/418-7737

Administrative Service Center: 202/418-0330

Security Office: 202/418-7884

Safety & Health Manager: 202/418-0119

Information Technology Center (ITC) Help Desk: 202/418-1200

Nurse: 202/418-0911

Employee Assistance Program (EAP): 800.462.1812, X72780



**Federal Communications Commission  
445 12th St., SW  
Washington, DC 20554**

NOTE: This Handbook is intended to provide guidance for new and current FCC employees. It is not a policy handbook or manual. For specific policies, please contact the appropriate Bureau or Office.





The Federal Communications Commission (FCC) is an independent regulatory agency, responsible directly to Congress. It was established by the Communications Act of 1934 and is charged with regulating interstate and international communications by radio, television, wire, satellite and cable. The FCC's jurisdiction covers the 50 states, the District of Columbia, and U.S. possessions.

The FCC is directed by five Commissioners appointed by the President and confirmed by the Senate for 5-year terms, except when filling an unexpired term. The President designates one of the Commissioners to serve as Chairman and his/her tenure is served at the pleasure of the President. Only three Commissioners may be members of the same political party and none of them can have a financial interest in any Commission-related business.

As the chief executive officer of the Commission, the Chairman delegates management and administrative responsibility to the Managing Director. The Commissioners supervise all FCC activities, delegating responsibilities to Bureaus and Offices.

- **Bureaus and Offices**

The Commission staff is organized by function. There are six operating Bureaus and ten Staff Offices. The Bureau's responsibilities include: processing applications for licenses and other filings; analyzing complaints; conducting investigations; developing and implementing regulatory programs; and taking part in hearings. The Managing Director's Office provides support services. Even though the Bureaus and Offices have their individual functions, they regularly join forces and share expertise in addressing Commission issues.

**Consumer & Governmental Affairs Bureau (CGB)** - educates and informs consumers about telecommunications goods and services and engages their input to help guide the work of the Commission. CGB coordinates telecommunications policy efforts with industry and with other governmental agencies - Federal, tribal, state and local - in serving the public interest.



**Enforcement Bureau (EB)** - enforces the Communications Act, as well as the Commission's rules, orders and authorizations.

**International Bureau (IB)** - represents the Commission in satellite and international matters.

**Media Bureau (MB)** - regulates AM radio, FM radio and television broadcast stations as well as Multipoint Distribution (i.e. cable and satellite), and Instructional Television Fixed Services.

**Wireline Competition Bureau (WCB)** - responsible for rules and policies concerning telephone companies that provide interstate, and under certain circumstances intrastate, telecommunications services to the public through the use of wire-based transmission facilities (i.e., corded/cordless telephones).

**Wireless Telecommunications Bureau (WTB)** - oversees cellular and PCS phones, pagers and two-way radios. This Bureau also regulates the use of radio spectrum to fulfill the communications needs of businesses, local and state governments, public safety services, aircraft and ship operators, and individuals.

**Office of Administrative Law Judges (OALJ)** - presides over hearings and issues Initial Decisions.

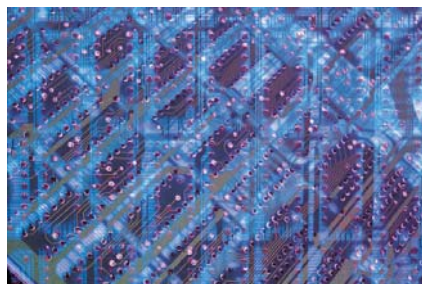
**Office of Communications Business Opportunities (OCBO)** - provides advice to the Commission on issues and policies concerning opportunities for ownership and contracting by small, minority and women-owned communications businesses.

**Office of Engineering and Technology (OET)** - allocates spectrum for non-government use and provides expert advice on technical issues before the Commission.

**Office of General Counsel (OGC)** - serves as the chief legal adviser to the Commission's various Bureaus and Offices.

**Office of Inspector General (OIG)** - conducts and supervises audits and investigations relating to the operations of the Commission.

**Office of Legislative Affairs (OLA)** - is the Commission's main point of contact with Congress.



**Office of Managing Director (OMD)** - functions as a chief operating official, serving under the direction and supervision of the Chairman.

**Office of Media Relations (OMR)** - informs the news media of FCC decisions and serves as the Commission's main point of contact with the media.

**Office of Strategic Planning and Policy Analysis (OSP)** - works with the Chairman, Commissioners, Bureaus and Offices to develop strategic plans identifying policy objectives for the agency.

**Office of Workplace Diversity (OWD)** - advises the Commission on all issues related to workforce diversity, affirmative recruitment and equal employment opportunity.

- **Emergency Evacuation Procedures**

In your orientation materials you received a booklet entitled "Building Emergency Evacuation Procedures." We cannot stress how important it is for you to become familiar with the nearest exit to your office and the procedures for a rapid and safe evacuation of the building. For more information, please refer to:

[http://intranet.fcc.gov/omd/ao/safety/eep\\_hq/index.html](http://intranet.fcc.gov/omd/ao/safety/eep_hq/index.html)

- **Security Support Services**

Everyone working at the HQ building must carry their security badge with them whenever they leave their offices. When entering the building the photo should be visible for the guards to confirm. It is encoded to allow entrance and exit at all lobby security gates, as well as stairwell exits.

If you lose your security badge, immediately contact the Security Operations Center, 202/418-7884, 1-B458, so they may cancel it and issue you a new one.

- **Visitors**

The FCC takes pride in welcoming guests to our Headquarters. Our objective is to let visitors know how important they are while taking the precautions necessary to protect the proprietary assets of the Commission.



Employees are reminded to inform all prospective visitors that photo IDs are required in order to obtain a "Visitor" Security Badge from the guard station in the 12th St. lobby. Any briefcases or bags will be subjected to scanning.

The "Visitor" Security Badge will allow access to specific areas of the building only and visitors should be aware of signage in the vicinity of the security turnstiles concerning re-admittance. Visitors should not attempt to use the stairs in moving around the building (unless there is an emergency during their stay) as the badge will not permit exit.

Frequent visitors may be issued a "permanent visitor" badge allowing them access to certain areas. For more information, please see [http://intranet.fcc.gov/omd/ao/ao\\_security.html](http://intranet.fcc.gov/omd/ao/ao_security.html)

- **Guidelines for Receiving Visitors:**

1. Try to be in your office around the time of a scheduled meeting in order to receive the phone call from the visitor waiting in the reception area.

2. Change the message on your voice mail to provide a back up number for your visitor to call if you are on your telephone or away when a visitor arrives.
3. Offer to assist any visitors you see waiting in the reception area, but do not allow visitors to follow behind you as you enter the locked doors. Visitors need to wait in the reception area until the person they are here to see, or their designee, arrives to escort them to the meeting site.
4. Politely ask visitors you do see unaccompanied by an FCC employee if you can assist them. Report any unaccompanied visitors to the Security Command Center at 418-7737 or the FCC Security Office at 418-7884.
5. Pull shut any stairwell or hallway doors which are not fully closing and locking and report any door operating problems to the Security Office at 418-7884.

- **Building Hours**

Normal hours of operation (during which building services, utilities and maintenance are provided) are from 7:00 a.m. to 6:30 p.m., Monday through Friday and 9:00 a.m. to 2:00 p.m. on Saturday. Sundays and Federal holidays are excluded. Access to the building after hours or Sundays or Federal holidays is possible only with a security badge, and the elevators require a card for operation. During certain security alert periods no outside visitors are allowed after hours or on weekends.

FCC security badges are required for entry at all entrances, at all times.

All security badges are coded to provide access to all areas the individual is authorized for in the building.

Official visitors or the public must obtain a temporary security badge from the lobby guard.

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## Employment

- **Probationary or Trial Periods**

New Federal employees in the competitive service serve a one year probationary period. Excepted service employees (e.g. attorneys) serve two years of current continuous service in the same or similar position. The probationary/trial period is intended to give the agency an opportunity to assess the employee's on-the-job performance and fitness for continued employment in the Federal service.

- **Position Description**

Your position description (PD) explains the major duties of your job; the knowledge, skills and abilities required to perform those duties effectively; the level of supervision received; the guidelines to be followed; the complexity and scope of the work; personal contacts and their purpose; the physical requirements; and the work environment. The PD is the basis for determining the title, series, pay plan and grade of your position, and therefore, is directly related to your salary. Read your position description carefully. If there is anything you do not understand, ask your supervisor for an explanation.

- **Kinds of Appointments:**

A variety of authorities are used to appoint individuals to Federal positions. The appointments most commonly used are explained below:

- **Career Conditional Appointment**

This is a permanent appointment to a continuing position. You are eligible for promotion, reassignment, detail, and transfer to other Federal agencies, as well as the full range of benefits including health insurance, life insurance, leave and retirement.

- **Career Appointment**

After three years of satisfactory performance in a career conditional status, you will automatically become a career employee. In addition to the rights of career conditional employees, career employees have indefinite reinstatement eligibility and the highest retention standing during reductions in force.

- **Temporary Appointment**

This kind of appointment is usually made when there are short-term projects that require additional employees for a year or less. Temporary employees are not automatically eligible to compete for permanent positions and may be terminated at any time their services are no longer needed. The appointment may be extended beyond one year if the assignment for which a person is hired is not completed. Temporary employees earn leave but are not entitled to health or life insurance or retirement benefits.

- **Term Appointment**

This is an appointment made in the competitive service for longer than one year but no longer than four years; at grades GS-1 through 15 and senior level (SL). General Schedule (GS) employees are eligible for within grade increases and promotions, subject

to the same merit promotion requirements that cover permanent employees. All Term employees serve a one-year trial period. Term employees earn leave and are entitled to health, life and retirement benefits.

- **Excepted Service Appointment**

This kind of appointment is exempt from the requirements of the competitive merit system. For example, Law Clerk trainees, attorneys, consultants, and Presidential appointees are not in the competitive service. Excepted service employees may also be entitled to leave, health and life insurance, and retirement benefits.

- **Pay Systems**

The *General Schedule (GS)* covers most white-collar jobs. There are fifteen different grade levels that reflect the difficulty and responsibility of work. In each grade, there are ten steps. Step increases may be earned and are based on performance and length of service.

The *Wage Grade (WG)* schedule covers most blue-collar jobs for which wages are paid on an hourly basis.

The *Senior Executive Service (SES)* schedule includes persons at the executive level who set policy, direct the work of an organization, are accountable for the success of programs, etc. Salaries are set within a band.

The *Senior Level (SL)* schedule includes staff positions classified above the GS-15 level, which do not meet the criteria for placement in the SES.

*Administrative Law Judges (ALJ)* are covered by a three-level pay system.

*Executive Level (EX)* employees are nominated by the President with the advice and consent of the Senate. Only the Chairman and Commissioners are covered by this pay schedule.

- **Background Investigations**

All new employees, including temporary employees employed for more than 120 days, must have a background investigation. You will be asked to fill out the appropriate form(s) and your finger prints will be taken shortly after your arrival. FCC's Security Office initiates all background investigations that are conducted by the Office of Personnel Management (OPM) to determine if you are suitable for Federal employment.

- **Reassignment**

Three months after your first appointment in the competitive service, new employees are eligible to be reassigned at their current grade level to a different line of work if qualified to do so by experience and education.

There is no restriction on excepted service employees being reassigned within the first three months.

- **Career Promotions**

Employees hired below the full performance level of a position may be eligible for promotion without further competition. Supervisors may request promotions for employees who currently perform at an acceptable level of competence; demonstrate the ability to perform at the next higher grade level; and complete the minimum amount of time (usually 1 year) at their present grade level.

- **Competitive Promotions**

Many jobs in the agency are filled competitively by individuals from within and outside the Federal service. In these cases, the job vacancy is announced, qualifications of all applicants are evaluated by preset standards, and a selection is made from among the best-qualified. Vacancies may be published a number of ways, e.g., posted on FCC vacancy bulletin boards on the TW level at headquarters, advertised on the intranet, internet, and/or major newspapers. Employees may also periodically call the Job Information Line listed under Key Phone Numbers in this Handbook, to obtain information about current vacancies.

- **Temporary Promotions**

A temporary promotion is an assignment to a higher graded position, where an employee will perform the duties and receive the pay associated with that position. Such promotions may be used to fill a vacant position while permanent recruitment is pending, or to fill a temporary need for work at a higher level. A temporary promotion cannot be used to assess performance at a higher-grade level prior to receiving the permanent promotion. Employees may be temporarily promoted for up to 120 days without competition. To be eligible, employees must meet the same qualification requirements as those for a permanent promotion.

- **Details**

A detail is a temporary assignment to another position. A detail may be necessary when there is a workload surge, or when some other emergency situation arises. Ordinarily, details are for short periods.



- **Official Personnel Folder (OPF)**

When you begin work at the FCC, an individual Official Personnel Folder (OPF) is established. This folder contains official documents and records about your employment and will be kept current throughout your Federal career. These records include, but are not limited to, appointment papers, health benefit forms, life insurance records, changes in grade and pay, awards, application forms and records of changes in position or Federal agencies. Correct and complete maintenance of personnel folders is very important. To keep your OPF up-to-date, you should report information such as name changes (by marriage or legal action), change of address, and changes in insurance or beneficiaries. Additionally any time you acquire new experience or training in a new skill, update your OPF.

If you transfer to another Federal agency, your OPF will be forwarded to your new personnel office. In the event you leave Federal service, your OPF will be sent to the Federal Records Center in St. Louis, Missouri, where it is kept in case you re-enter the Federal service. You may review your OPF by contacting the office listed at the end of this section.

- **Notification of Personnel Action**

One of the most important documents in the OPF is the SF-50, "Notification of Personnel Action." An SF-50 is produced for all personnel actions, such as appointments, promotions, reassignments, within-grade increases, separations, or retirement. The SF-50 includes important information such as your assigned position and organization, grade level, salary or rate of pay, and years of creditable Federal service. You will receive a copy of each SF-50 after the effective date of any personnel action.

You should review each SF-50 to make sure that it is correct. It is also important for you to maintain copies of all actions to verify your status if you leave and come back to the Federal service, apply for an outside vacancy, or if it is necessary to reconstruct your OPF in the event it is lost or destroyed.

## Compensation

- **Employee Personal Page**

The U.S. Department of Agriculture's National Finance Center (NFC) manages the payroll process for the FCC. They sponsor the Employee Personal Page (EPP) where you can view your payroll, leave, travel, health and life insurance, savings bond, and other personal information. The Self-Service option is a fast and easy way for you to change your address, Federal and state tax withholding, financial allotments, and direct deposit information. For more information on the Employee Personal Page go to

<http://intranet.fcc.gov/> and access the link under "FCC Resources." (Newly hired employees must submit payroll documents directly to the Human Resources office until they are established in the Payroll/Personnel database.) Employees participating in the Employee Personal Page are given a personal identification number (PIN) to access the system. For more information, visit <http://intranet.fcc.gov/> or access the Employee Personal Page directly from the National Finance Center at <http://www.nfc.usda.gov/> under **My EPP**.

- **Timekeepers/Pay Day**



In each organization, timekeepers collect timesheets and leave slips and enter this information into an automated system. This information is the basis of your paycheck and leave record. It is important to work closely with your timekeeper so that your pay and leave are accurately recorded.

You are paid every other Thursday. If you start work at the beginning of a pay period, you will not receive your first paycheck for 25 to 26 days. After that, you will be paid every second Thursday. Some financial institutions credit paychecks two or three days before the official Thursday pay day. Check with your financial institution to determine when your check will be credited to your account.

- **Earnings and Leave Statements**

Each pay period an "Earnings and Leave Statement" will be mailed to your residence. This statement will show such items as: gross and net pay, Federal and state income taxes withheld, deductions related to retirement, Old Age and Survivors Disability Insurance (OASDI), Hospital Insurance Tax (HITS), also known as Medicare Tax; contributions to the Thrift Savings Plan (TSP), Federal Employee's Group Life Insurance (FEGLI), Federal Employee's Health Benefits (FEHB), Savings Bonds, Combined Federal Campaign (CFC), Union or organization membership dues, deposits to Financial Institutions (Direct Deposit), and your record of annual and sick leave used and remaining balances.

It is important for you to review every Earnings and Leave Statement to make sure that all deductions are correct. You should also compare the Earnings and Leave Statement with the Time and Attendance Report (T&A) you receive every pay period, to ensure your leave balances match on both statements. Direct pay or time and attendance questions to the Payroll and Benefits Service Center, listed at the end of this section.

Your salary must be deposited directly into your bank account. The Human Resources Management staff has the forms you must complete for direct deposit.

- **Annual Pay Raise**

The President may recommend annual pay raises to Congress for all Federal employees. Congress can accept the President's recommendation or make its own proposal. The pay raise approved by Congress must then be signed into law by the President. An annual pay raise usually takes effect in January.



- **Locality Pay**

Most General Schedule (GS), Administrative Law Judges (ALJ), and Senior Level (SL) employees receive locality pay. Adjusting salaries with comparable and local private industry rates of pay makes Federal pay more competitive with the local labor market. Locality pay is considered basic pay when computing retirement, life insurance, and overtime pay.

- **Special Pay Rates**

OPM has approved special pay rates for certain types of positions in specified locations. If you are in a special pay rate, your salary is above the normal salary for your grade and step. Employees in special pay rates may also be entitled to the annual pay raise approved by Congress.

- **Within Grade Increases**

Under the General Schedule, there are ten pay rates called steps, within each grade. Usually, new employees start at the first step. A within grade increase (WGI) is based on the supervisor's evaluation that performance is satisfactory.

Minimum waiting periods for WGI's for General Schedule employees differ according to step: steps 2, 3, and 4: 52 weeks; steps 5, 6, and 7: 104 weeks; steps 8, 9, and 10: 156 weeks.

Some employees are paid under the Prevailing Rate system. In that system, each regular wage grade has five rates to which an employee may progress upon satisfactory work performance.

There may be differences for other prevailing rate wage schedules such as those in the printing occupations. Employees under a regular wage schedule may advance to Rate 2 after 26 weeks; to Rate 3 after 78 weeks; and to Rates 4 and 5 after 104 weeks at the next lower rate.

- **Overtime Pay**

Extra pay is earned for overtime work when scheduled and approved in advance. Unless you are working under a non-traditional work schedule, you earn overtime pay when you work more than eight hours in a day or more than 40 hours in a week, but only if the work is officially ordered or approved, or if overtime pay is otherwise required by law. The overtime rate is one and a half times the usual hourly rate, except that GS employees who are exempted from the Fair Labor Standards Act (FLSA) will receive either an overtime rate, up to one and a half times the GS-10 step 1 rate, or their basic rate of pay, whichever is higher. Under certain conditions, some employees may be given compensatory time off instead of overtime pay. (For questions, contact the Payroll and Benefits Service Center.)

- **Compensatory Time**

You can earn "Comp Time" instead of overtime pay when you are authorized, in advance, to work beyond your normal tour of duty. For example, if you are authorized to work 1 hour beyond your tour, and if you are granted Comp time, you earn 1 hour off. (All requests to take time off must be approved by your supervisor.) Compensatory time may be earned by FLSA exempt and non-exempt employees, and it must be earned before it can be used.

- **Holiday Pay**

If you must work on a holiday, you will receive double the usual hourly pay for up to eight hours, unless you are on an approved compressed work schedule which includes more than eight scheduled work hours on the holiday. Otherwise, for time worked over eight hours, you will be paid at the regular overtime rate (time and a half).

---

## Hours of Duty

- **Flexible Work Schedules**

A Flexible Work Schedule, or "flexitime," is a system of work scheduling which divides the workday into two distinct kinds of time - core time and flexible time. The core time is 10:00 a.m. - 3:30 p.m. Employees must be present for work during core time unless on approved leave. The flexible time is from 7:00 a.m. - 10:00 a.m. and from 3:30 p.m. - 6:30 p.m. Tours of duty are established during the flexible time.

Tours of duty will be established by the supervisor to cover an eight and one-half hour period, including lunch, and will begin between 7:00 a.m. and 10:00 a.m. and end between 3:30 p.m. and 6:30 p.m. Starting times for employees may be set at fifteen minute intervals; e.g., 8:00 a.m., 8:15 a.m. Employees may request a change in their tour of duty by completing FCC Form A-354, "Request for Change in Work Schedule or Tour of Duty" and submitting it to the immediate supervisor for approval.

- **Compressed Work Schedule**

A Compressed Work Schedule is a system of work scheduling in which a full time employee's basic work requirement is eight 9-hour workdays, and one 8-hour workday in a bi-weekly pay period. Employees will have one "fixed" day off. The tour of duty will be scheduled between 6:00 a.m. and 6:00 p.m. Starting times for employees may be set at fifteen minute intervals; e.g., 8:00 a.m., 8:15 a.m.

A part-time employee's basic work requirement is nine days for a total of fewer than 80 hours in a bi-weekly pay period.



Under the Compressed Work Schedule, an employee cannot earn credit hours, cannot request a change in a tour of duty, and cannot change the "fixed" day off. An employee may elect to switch between the flexible and compressed work schedules, or vice versa, not more than once a year.

- **Credit Hours**

Credit hours are any hours worked by employees at their official place of duty or authorized telecommuting site which exceed the basic work requirement and which they volunteer to work. Credit hours may be earned without advance approval, provided there is assigned and necessary work to perform. Credit hours are distinguished from overtime in that overtime is officially ordered and approved in advance by management.



Full time employees may earn up to two credit hours per workday, with a maximum of 20 per bi-weekly pay period. Part time employees may earn up to two credit per workday with a maximum of one-fourth of the hours worked in a bi-weekly pay period. Full time employees may carry over up to 24 credit hours and part time employees may carry over up to one-fourth of the hours they work in a bi-weekly pay period.

Credit hours may be earned and used in 15 minute increments. Requests to use credit hours will be based upon work requirements or staffing needs.

- **Telecommuting**

Telecommuting, or the flexible workplace program, is a program that permits employees to work at home or at an approved location remote to the conventional office site. Employees may request to participate by submitting a written request and a flexible workplace agreement to their supervisors. The requests will be reviewed by the immediate supervisor.



For further information on application procedures, contact your supervisor or the Labor Relations and Performance Management Service Center. The number is listed at the end of the handbook.

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## Leave

- **Annual Leave**

This is time which permits employees to be absent from duty for vacation, maternity/paternity reasons, or for other personal or emergency reasons, without loss of pay. Except in emergency situations, annual leave must be requested in advance, normally by submitting FCC Form 71, "Request for Leave or Approved Absence," to the immediate supervisor. Annual leave is approved or disapproved based on work requirements of the Employer. The minimum charge for leave is fifteen minutes.

In an emergency situation, notify your supervisor as soon as possible -- normally within one hour of the beginning of your tour of duty. A message left on "voice mail" does not constitute approval for an absence.

Full time employees accrue annual leave based on their amount of Federal service. Employees with less than 3 years of service accrue 4 hours of annual leave per pay period or 13 days per year. Employees with 3 but less than 15 years of service accrue 6 hours per pay period or 20 days per year. Employees with 15 or more years of service accrue 8 hours per pay period or 26 days per year, as well as Senior level employees and members of the Senior Executive Service.

Part time employees with less than 3 years of service earn 1 hour of annual leave for each 20 hours in a pay status. Part time employees with 3 but less than 15 years of service earn 1 hour of annual leave for each 13 hours in a pay status. Part time employees with 15 years or more of service earn 1 hour of annual leave for each 10 hours in a pay status.

If you transfer to another government agency, your accumulated annual leave will be transferred. If you leave government service, you will receive a lump sum payment for any unused accumulated annual leave that you may have, calculated at your salary level at the time of your departure. Parttime employees earn leave on a pro-rated basis depending on the number of hours worked and their leave earning category.

- **"Use or Lose" Annual Leave**

With the exception of members of the Senior Executive Service and certain employees who began Federal service prior to 1952, 240 hours of annual leave is the

maximum that can be carried over into the next leave year.

Annual leave forfeited at the end of a leave year may be restored when the forfeiture is the result of an administrative error, illness, or an exigency of the public business. An exigency of the public business is determined by the Chairman, a Commissioner, or a Bureau/Office Chief. The maximum carry over for SES employees is 720 hours or their own personal leave ceiling.

- **Holidays**

The Federal Government in the Washington, D.C., Metropolitan area is closed in observance of the following holidays:

<b>Holiday</b>	<b>Date Observed</b>
New Year's Day	January 1
Inauguration Day (DC only)	January 20
Martin Luther King, Jr. Birthday	3 <sup>rd</sup> Monday in January
President's Day	3 <sup>rd</sup> Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1 <sup>st</sup> Monday in September
Columbus Day	2 <sup>nd</sup> Monday in October
Veteran's Day	November 11
Thanksgiving Day	4 <sup>th</sup> Thursday in November
Christmas Day	December 25

If a legal holiday falls on a Saturday, FCC will be closed on the preceding Friday. If it falls on a Sunday, FCC will be closed the following Monday.

Occasionally, a one-time Federal holiday is established. Although such holidays are publicized in the local media, official word regarding these holidays will be provided to

your supervisor by the Human Resources Management staff.

Employees who want time to observe religious holidays that are not also legal holidays, should make arrangements with their supervisor.

Those who are required by their supervisor to work on the holidays listed above will receive holiday pay.

- **Sick Leave**

Full time employees earn four hours of sick leave per pay period for a total of 13 days per year. Part time employees earn 1 hour of sick leave for each 20 hours in a pay status. Sick leave may be used when employees receive medical, dental, or optical examination or treatment; are incapacitated by physical or mental illness, injury, pregnancy, or childbirth; would, because of exposure to a communicable disease, jeopardize the health of others by their presence on the job; or must be absent from work for adoption-related activities.

Additionally, employees may use sick leave to provide care for a family member who is incapacitated by a medical or mental condition or attend to a family member receiving medical, dental, or optical examination or treatment; provide care to a family member with a serious health condition; to make arrangements necessitated by the death of a family member or to attend the funeral of a family member.

If you are unable to come to work because of illness, notify your supervisor as soon as possible--normally within one hour of the beginning of your tour of duty. You are to call every day of your absence unless otherwise instructed. A message left on "voice mail" does not constitute approval for an absence. Failure to give timely notice may result in a charge of Absence Without Leave (AWOL) unless circumstances justify retroactive leave approval. Repeated disregard of the rules may result in disciplinary action. If you become sick at work, inform your supervisor at once. If you take sick leave, it is authorized for the remainder of that day only. If you are sick again the next day, you must call your supervisor as soon as possible, normally within one hour of the beginning of your tour of duty to request leave to cover any absence.

There is no limit on the amount of sick leave that may accumulate for use in succeeding years. It is to your advantage to preserve your sick leave in case you need it for a serious injury or a long illness. If you leave the Government, there is no payment for unused sick leave, but such leave is reccredited if you are re-employed.



- **Advanced Sick Leave**

Your supervisor may advance sick leave for up to 240 hours in the case of a serious illness or injury. Sick leave will not be advanced for slight indispositions such as colds or other minor ailments and will not be granted for two consecutive days or less. Requests for advance sick leave must be accompanied by a doctor's statement of diagnosis/prognosis, a listing of the amount of advance sick leave desired, an estimate of the length of disability, and periods of hospitalization, if any. Advanced sick leave is like taking out a loan, since it must be paid back using future leave earned. Keep in mind that one week of advanced sick leave takes 10 pay periods to repay.

If you do not have sufficient sick or annual leave to cover an illness or injury, you may request leave without pay or you may ask to be placed in the Leave Transfer Program (see "Leave Transfer Program.") For information concerning approval of advanced leave, contact the Labor Relations and Performance Management Service Center listed at the end of this handbook.

- **Leave Without Pay (LWOP)**

LWOP is an approved absence from duty in a non-pay status. Supervisors may grant LWOP of up to 80 hours when the absence will benefit the individual without unnecessary disruption to the organization. The Bureau/Office designee may approve larger amounts. With the exception of unpaid leave requested under the Family and Medical Leave Act, there is no entitlement to LWOP. For information on health benefit coverage during LWOP, contact the Payroll and Benefits Service Center. For information on procedures for requesting LWOP, contact the Labor Relations and Performance Management Service Center listed at the end of this handbook.



- **Absence Without Official Leave (AWOL)**

Absence without official leave (AWOL) is charged if you are absent from duty without the authorization of your supervisor. If you are placed on AWOL, you will not be paid for those hours you are absent and disciplinary action may be taken against you.

AWOL can be charged in 15-minute increments.

A supervisor planning to charge an employee AWOL should contact the Labor Relations and Performance Management Service Center listed at the end of this section.

- **Family And Medical Leave**

The Family and Medical Leave Act (FMLA) provides covered Federal employees with an entitlement of 12 work weeks of unpaid leave during any 12-month period for the following purposes: (1) birth of a child of the employee and the care of the newborn; (2) care of a spouse, son or daughter, or parent who has a serious health condition; (3) placement of a son or daughter with the employee for adoption or foster care; and (4) a serious health condition of the employee that renders the employee unable to perform any one or more of the essential functions of his or her position.

Medical certification will be required for requests for leave under the FMLA. At the time the request is made, the employee must state that the leave is requested under the FMLA. Such requests should be made not less than 30 days before the leave is to begin or as soon as is practical. Under certain conditions and with supervisory approval, such leave may be taken intermittently, or the employee may work under a reduced schedule. An employee may elect to substitute other paid time off, as appropriate, for any unpaid leave under this Act. Leave requested under FMLA is in addition to paid time off available to an employee.

An employee who takes leave under FMLA is entitled to maintain health benefits coverage, and may pay his/her share of the premiums on a current basis or pay upon return to work. After taking leave, an employee will be returned to the same or equivalent position.

- **Leave Transfer Program**

This program allows employees to donate accrued annual leave to employees who are experiencing a medical emergency. The medical emergency must be for a minimum of 24 hours and the employee must not have any paid leave available. You may donate leave to FCC employees or employees of other Federal agencies. If you wish to donate leave or need to determine your eligibility as a leave recipient, contact the Labor Relations and Performance Management Service Center listed at the end of this handbook.

- **Administrative Leave**

Your supervisor may authorize your absence from work without loss of pay or charge against sick or annual leave for reasons like the following:

--To attend professional meetings or training programs that are not being paid for by FCC, but which your supervisor has approved as being related to your duties.

--To participate in FCC's blood donor program (see Blood Donor Program under "Employee Services and Activities.")

--To vote in elections. Employees may be excused from duty by their supervisor so as to permit them to report to work up to three hours after the polls open or leave work up to three hours before the polls close, whichever requires the lesser amount of time off.

--To take one Bar examination and to be sworn into the Bar (but not for preparation for the Bar.)

- **Leave In 15-Minute Increments**

Employees may use leave in 15-minute increments. This leave includes annual, sick, LWOP, compensatory time and credit hours.

- **Unscheduled Leave: Emergency Arrival**

At times, hazardous weather, disruptions in public transportation, and other reasons may cause difficulty in getting to work. On rare occasions, when conditions warrant, there may be an emergency dismissal for safety reasons (e.g., heavy snowstorms). Operating status categories for the Washington, D.C. metropolitan area are:

*Federal offices open:* This means that all employees are expected to report on time as scheduled.

*Unscheduled leave:* This means that Federal offices will open on time, but employees not designated as "emergency employees" may take annual leave or leave without pay (LWOP) without the prior approval of their supervisors. Employees shall call their supervisors if they intend to avail themselves of this leave policy. Employees designated as "emergency employees" are expected to report to work on time.

*Federal offices closed:* This means that you will not be expected to report for work and will not be charged leave.

During an emergency situation, contact the FCC Employee Info Hotline, 202/418-0000, for specific information.

- **Pass-Fail Performance Appraisal Program for Non-Supervisors**

The performance appraisal process involves establishing an annual performance plan, a mid-year performance and development review, and a final performance evaluation. Shortly after you are hired you will receive a copy of the generic Pass-Fail plan which contains the critical job elements and four associated "core competencies" required for your position. The four core competencies are: Job Knowledge, Technical Skills, Performance Application, and Working with Others. How each of these competencies is applied will be determined during a discussion between you and your supervisor. The purpose of this discussion is to develop a common understanding of expectations for a Pass rating.



The Pass-Fail performance appraisal program is designed to simplify the appraisal process by focusing attention on employee feedback and development and fostering a sense of teamwork. The rating cycle for non-supervisory employees is May 1 through April 30 of the following year. Halfway through the annual rating cycle (November), your supervisor will meet with you and review your performance. At that time you should discuss your developmental needs and complete your Personal Development Plan (PDP). This identifies informal training, classes, assignments, details and professional development needed to maintain and develop competencies.

This mid year meeting is an important part of the appraisal program because it lets you know where you stand vis-à-vis your supervisor's expectations, and it allows for any "mid-course" corrections warranted.

At the end of the appraisal period, your overall job performance will be assigned one of two ratings: Pass or Fail. Employees receiving a rating of Pass have performed their job at or above the fully successful level for their job elements. Employees receiving a rating of Fail must improve their performance or be removed from their positions. Employees receiving a rating of Pass are eligible for a within-grade increase and for performance awards. This end of cycle meeting is also a good time to review your developmental needs and progress on your PDP.

- **Performance Appraisal for Supervisors and Managers**

The Pass-Fail appraisal plan for supervisors and managers is the same as that for non-supervisory employees except that there is a fifth core competency, Human Resources Management. Also, the rating cycle is from July 1 through June 30, with the required mid year review taking place in January.

## Awards and Recognition

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The FCC's Incentive Awards Program establishes different forms of recognition for employee contributions to the agency. Exceptional job performance may be recognized by a cash award, time off, or an increase in salary known as a quality step increase. A one-time contribution may be recognized by a special act award. Suggestion awards, honorary awards, group awards, on-the-spot awards, time-off awards, the Gold and Silver Medal awards, and awards for exceptional public service are also part of the Incentive Awards Program.

The FCC Awards Handbook can be viewed on the FCC's Intranet page at <http://intranet.fcc.gov/omd/hrm/awards>.

## Learning and Development

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It is essential that all employees remain current in their job knowledge and continually improve their skills and abilities. Unless we do this, we cannot serve the Nation or accomplish our mission. Learning and Development activities are readily available, and many are advertised via email to all employees. (For computer and technical training, please see the Information Technology Center (ITC) CRC section.)

For the most complete description of available training, go to the FCCUniversity catalog website on the Internet: <http://www.fccuniversity.gov> or review a hard copy catalog, available from your Administrative Office.

Once on the job, you will be instructed on individual job procedures by your supervisor. In addition to this on-the-job training, you may receive formal training designed to enhance your job skills and professional development. This training may be conducted by FCC staff, or by other government or non-government organizations at no cost to you. New supervisors are also required to complete a basic supervisory curriculum

under the Supervisory Certification Program. For assistance in determining your training needs, contact your supervisor. For application procedures, contact your Bureau/Office Training Coordinator or Assistant Bureau Chief (ABC) for Management.

The FCC University online catalog includes a complete listing of training opportunities, and a Training calendar at: <http://www.fccuniversity.gov>.

## Employee Assistance Program

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The Employee Assistance Program (EAP) is cost-free to employees. It is designed to help address and overcome problems such as stress-related issues, family, marital and relationship crises, mental and emotional distress, problems with children, legal/financial issues, work-related difficulties, alcohol and drug use and abuse, coping with elderly or infirm relatives, child or spouse abuse, AIDS-related issues, and grief concerns which can affect job performance and personal health. This counseling, done through a referral service, is voluntary and confidential. There is also limited coverage for family members. For additional information, contact the EAP Office listed at the end of this section.

EAP services are confidential. Services will be provided by appointment only (except emergencies). To schedule an appointment, please call 1.800.462.1812 - Ext. 72780 Monday-Friday, 8:15 a.m. -4:15 p.m. After hours call 1.800.222.0364.

## Worker's Compensation

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Employees may be entitled to free medical care and compensation for time lost if injured on the job or due to suffering from an occupational disease. Compensation will depend on the circumstances of the injury or illness. If death is caused in connection with Federal employment, compensation may be paid to the employee's survivors.

Under certain conditions, employees will continue to be paid for up to 45 calendar days after a work-related injury.



## Health and Life Insurance

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- **Health Insurance**

The Federal Employees Health Benefits (FEHB) Program helps protect you and your eligible family members from the expenses of illness and accident.

Generally, all permanent employees are eligible for FEHB coverage, and share the cost

of health benefits with the Government. Intermittent employees and employees on temporary appointments with less than one year of service are not eligible to participate in FEHB.

Since there are a wide variety of plans to choose from, and because the costs and coverage of the plans differ, general information and brochures for each plan are available from the Health Benefits Office listed at the end of this section. You must decide on a plan within 60 days after the effective date of your appointment.

If you do not enroll upon entering Federal service and later wish to enroll, or if you wish to change from one plan or option to another, you may usually do so only during "Open Season," a month-long period from mid-November to mid-December. A change in marital or family status or a move to a new geographic area are among the circumstances that would allow you to enroll or change enrollments outside of the "Open Season" period.

You are encouraged to enroll when you first enter Federal service. Enrolling at a later date may result in certain conditions being placed on your enrollment, such as passing a full physical examination.

Employees on extended leave without pay (LWOP) may elect to continue their FEHB coverage not to exceed one year. You will be required to pay the premiums for coverage during a period of LWOP or during a pay period when your salary is insufficient to cover the required premium. Your health benefits coverage terminates if you are on LWOP for 12 continuous months.

When you retire, you can continue your health benefits coverage if you have been enrolled continuously for at least five years prior to retirement.

If you leave the government, you have 31 days of coverage after the date of resignation. This period gives you time to convert to private coverage or to obtain coverage through your new employer.

- **High Deductible Health Plan (HDHP)**

A High Deductible Health Plan is a health insurance plan in which the enrollee pays a deductible of at least \$1,150 (self-only coverage) or \$2,300 (family coverage). The annual out-of-pocket amount (including deductibles and co-payments) the enrollee pays cannot exceed \$5,800 (self-only coverage) or \$11,600 (family coverage). HDHPs can have first dollar coverage (no deductible) for preventive care and higher out-of-pocket co-payments and coinsurance for services received from non-network providers. HDHPs

offered by the FEHB Program establish and partially fund Health Savings Accounts (HAS's) for all eligible enrollees and provide a comparable Health Reimbursement Arrangement (HRA) for enrollees who are ineligible for an HSA. The HSA premium funding or HRA credit amounts vary by plan.

- **Temporary Continuation of Health Insurance Coverage (TCC)**

Employees have the option to continue health insurance for an additional 18 months after they separate from Federal Service. This is called "Temporary Continuation of Coverage" (TCC) under the Federal Employees Health Benefits Program. If you choose to elect TCC, the effective date of the coverage (and due date for the first premium payment), will be the day after the 31st day of temporary coverage expires.

Employees who enroll in TCC will pay the full amount of the FEHB coverage (both the employee's and the government share) plus a 2% administrative charge. At the end of the 18 months, you will have another 31 day free extension of coverage for conversion to an individual policy.

Under TCC, employees are not limited to the plan or option in which they were previously enrolled when their FEHB coverage ended. TCC participants may enroll in any plan for which they are qualified. A family enrollment under TCC will cover the same individuals eligible under regular FEHB coverage. In addition, employees who have separated are eligible to participate in the FEHB open season enrollment in which they may change their coverage and/or service provider.

If you choose to elect the TCC, you must complete a SF-2809 (Health Benefits Registration Form) and return it to the Human Resources Management (HRM) office to be processed.

- **Life Insurance**

All permanent employees are eligible for Federal Employees Group Life Insurance (FEGLI). You are automatically enrolled for basic life insurance and withholding will be made from your pay, unless you waive this coverage before the end of the first pay period of your appointment. If waived, there is a waiting period of one year before you can enroll. At that time, a physical examination will be required at your expense.

If you have basic life insurance, you may elect, within 31 days of your appointment, several other options at additional cost. Options include a \$10,000 Standard Option, Multiples from one to five times the employee's annual salary, Family option in multiples of one to five (each multiple is equal to \$5,000 for a spouse, payable upon



death and \$2,500 payable for each eligible child upon death.)

Your share of the basic insurance premium is two-thirds of the cost, with the government paying the other third. You pay the total cost of any additional options. To continue enrollment after retirement, you must have been enrolled continuously in the life insurance program for a minimum of five years prior to retiring.

- **Flexible Spending Account (FSA)**

A Health Care FSA (HCFSA) pays for the uncovered or unreimbursed portions of qualified medical costs. A Dependent Care FSA (DCFSA) allows you to pay eligible expenses for dependent care with pre-tax dollars. All employee contributions to FSAs are made from pre-tax earnings, thereby increasing disposable income. There are no government contributions to the FSAFEDS program. The U.S. Office of Personnel Management (OPM) has contracted with a third party administrator, SHPS, Inc., to manage the program. By law, retirees, both Federal and non-Federal, are not eligible to maintain FSAs.

If you would like to establish a DCFSA or HCFSA you must do so during Open Season on an annual basis. Account elections will not automatically roll over to future years. An FSA ELECTION IS 100% VOLUNTARY. The FSAFEDS Open Season is held each fall in conjunction with the FEHB Open Season from mid-November to mid-December. Eligible employees may elect up to \$5,000 for a DCFSA and \$5,000 for a HCFSA.

A Health Care Flexible Spending Account pays for the qualified medical expenses not covered or reimbursed by your FEHB plan or any other type of insurance.

The other FSA, a Dependent Care Flexible Spending Account, pays for childcare or adult dependent care expenses that are necessary to allow you or your spouse to work, look for work, or attend school full-time.

Despite the differences between each account, both accounts allow you to pay for these qualified expenses with pre-tax dollars, money that is deducted from your paycheck before taxes are taken out by your employer - saving you 20% to 40% or more.

#### FSAFEDS Contact Information:

24 Hour Fax Line: 1-866-643-2245 (toll-free)  
1-859-825-0165 Customer Service:  
1-877-FSAFEDS (372-3337)

FSAFEDS TTY Line: 1-800-952-0450

E-mail: fsafeds@shps.net

## Retirement

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- **Civil Service Retirement System (CSRS)**

Most Federal employees hired prior to January 1, 1984, are covered by Civil Service Retirement System (CSRS). This single benefit retirement plan is financed by employee contributions and matching government contributions. Contributions are automatically deducted from the employee's paycheck at the rate of 7% of basic pay.

- **Federal Employees Retirement System (FERS)**

New employees hired after January 1, 1984, are covered by FERS, a three-tiered retirement plan which includes Social Security benefits, a basic retirement plan, and a thrift savings plan (similar to a 401K plan in private industry). FERS basic retirement benefits are financed by a very small contribution from employees, with a much larger contribution made by the government. Social Security contributions are actually a tax taken as a percentage of salary. The Social Security tax is limited to a maximum wage base which usually increases annually.

- **Thrift Savings Plan (TSP)**

The Thrift Savings Plan (TSP) is a tax-deferred savings plan that allows employees to contribute portions of their salary on a pre-tax basis. Contributions are made each pay period, either as a set dollar amount or as a percentage of salary.



FERS employees may contribute up to \$16,500 (maximum amount which is set annually) to the TSP. The government will match up to 5% of those savings. For the most current information about the TSP program, and to track existing accounts, employees should access [www.tsp.gov](http://www.tsp.gov). TSP contributions are tax-deferred. FERS employees receive a 1% contribution from the government, whether or not they contribute.

CSRS employees may also participate in the TSP, but may only contribute up to \$16,500 (maximum maximum which is set annually) to the TSP, and no matching government funds are provided. These contributions are also tax-deferred.

- **Retirement Annuities**

CSRS and FERS provide an annuity at the end of the employee's career, if lengths of service and age requirements are met. Both plans also provide certain benefits to survivors in the event of the employee's death.

- **Retirement Deduction Refunds**

If you leave Federal employment, you are given the option of having retirement deductions refunded or leaving the money in the retirement fund. If the money is left in the fund, you are entitled to a deferred annuity if you have at least 5 years of civilian service.

Under CSRS, if the money is withdrawn, you may not redeposit the money unless re-employed with the Federal government. Under FERS, there is no provision for the redeposit of FERS contributions which have been withdrawn, even if you are re-employed with the Federal government.

- **Medicare**

Federal employees pay a tax of 1.45% of annual salary, up to the amount the Social Security Administration determines to be the annual wage base, for Medicare coverage. This means that employees will be eligible for the hospital portion of Medicare insurance at age 65 (which is free of charge) if they meet certain service requirements.

- **Survivor Benefits**

If an employee dies after 18 months or more of Federal civilian service, the surviving spouse will receive either an annuity or a lump-sum benefit under FERS or CSRS, provided that the couple was married at least 9 months, or if there was a child by the marriage. Children also receive an annuity in addition to the annuity that the surviving spouse receives.

If an employee has not completed 18 months of service, the employee's contributions to FERS or CSRS are refunded to the beneficiary. If the employee was covered by FERS, additional survivor benefits may be available under Social Security.

A former spouse may also be entitled to receive a survivor benefit through a retiree election or a qualifying court order.

- **Affirmative Employment**

The FCC supports activities to ensure equal employment opportunity (EEO). These programs include the merit promotion program and outreach programs to minorities, veterans, and persons with disabilities. The agency's Office of Workplace Diversity staff, 202/418-1799, are available to provide information and counseling to employees and managers at all times.

- **Discrimination Complaint Process**

Title VII of the Civil Rights Act of 1964, as amended, prohibits discrimination in employment based on political or religious affiliation, marital status, race, color, sex, national origin, non-disqualifying physical or mental handicap, age or any other non-merit factor. In addition, retaliation against persons who file complaints is prohibited.

The pre-complaint process provides informal counseling for employees and applicants who believe they have been subjected to discrimination, and allows for formal complaints if the complaint cannot be resolved informally. An employee who believes he or she has been discriminated against should contact an EEO counselor. The names of EEO counselors are available from the Office of Workplace Diversity staff or from OWD's Website at <http://www.fcc.gov/owd/counselors.html>.

- **Sexual Harassment**

The FCC strictly forbids any sexual harassment in the work place. Employees should be sensitive to what they say and do around fellow employees. Sexual harassment may take one of two forms. "Quid pro quo" harassment occurs when a supervisor proposes to grant an economic benefit (such as a promotion) to a subordinate in return for sexual favors or punishes the subordinate for refusing to submit to his/her request. The second kind of harassment involves a "hostile work environment" where unwelcome, sexually-oriented conduct permeates the office and affects an individual's reasonable comfort or ability to perform his/her job.

## Employee Responsibility and Conduct

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Federal employees are expected to maintain high standards of honesty, integrity, impartiality, and conduct to ensure proper Government business performance and to maintain public confidence.

- **Conflict of Interest**

Federal law requires that you refrain from any private business or professional activity that might place you in conflict between your private interests and the public interest of the United States. To preserve public confidence in the Federal Government, it is

very important that you avoid even the appearance of a conflict. Some positions require that you submit an annual financial disclosure report. This statement is reviewed to determine whether such employment or financial interests conflict with your assigned duties. You will be informed if you need to complete this form. For information concerning conflict of interest issues, contact the Ethics Officer in the Office of General Counsel at 202- 418- 1720.

- **Outside Employment**

You should not maintain any private outside employment, with or without pay, that affects how you perform your FCC duties, or which may bring discredit upon the Government or the FCC. You must obtain Bureau/Office approval prior to accepting any outside employment in your profession.

- **Disciplinary and Adverse Actions**

Supervisors who encounter job-related misconduct, such as absence without leave, refusal to follow instructions, etc., are authorized to take disciplinary or adverse actions to correct this misconduct. Disciplinary actions range from oral admonishments and written reprimands to suspensions (involuntary placement in a non-duty, non-pay status) and removals. Employees have the right to file grievances or appeals if they believe they have been unfairly disciplined.

- **Grievances**

If you are dissatisfied with a matter relating to your employment, try to settle it informally with your supervisor. Most problems can be resolved this way. If you cannot resolve the problem, then you may have the right to file a grievance. Most matters relating to your employment can be grieved. Some matters cannot be grieved, however, such as non-selection for a promotion or classification of a position which doesn't result in a reduction in grade or pay. Grievances must be in writing, and filed with the immediate supervisor. The requested relief must be personal to you. Bargaining unit employees use the Negotiated Grievance Procedure outlined in the Basic Negotiated Agreement between the Federal Communications Commission and the National Treasury Employees Union. Non-bargaining unit employees use the Agency Grievance Procedure, Chapter 771 of the FCC Personnel Manual.

- **Labor Relations**

FCC bargaining unit employees are represented by the National Treasury Employees Union (NTEU). NTEU has the exclusive right to represent employees and negotiate with FCC management over personnel policies, practices, and working conditions. The Basic Negotiated Agreement is the result of collective bargaining between the FCC and NTEU. Bargaining unit employees are free to join the union and engage in union activities, or to refrain from doing so. If you choose, you may have union dues

withheld from your pay check.

- **Workplace Violence**

The Federal Communications Commission's policy is to maintain a safe work environment that is free from any form of violence. This policy prohibits violence, threats, harassment, intimidation or other inappropriate behavior that causes fear for personal safety. If you observe or experience such behavior by anyone, employee or otherwise, report it to a supervisor in your chain of command or the Security Office immediately.

## Key Phone Numbers

- **EMERGENCY ARRIVAL/DEPARTURE:** Labor Relations and Performance Management Service Center (202) 418-0114, Room 6-C332
- **EMPLOYEE ASSISTANCE PROGRAM:** Labor Relations and Performance Management Service Center (202) 418-7371, Room 6-C313
- **EMPLOYMENT VERIFICATION:** Payroll and Benefits Service Center, (202) 418-1781, Room 1-A202
- **EQUAL EMPLOYMENT OPPORTUNITY:** Office of Workplace Diversity (202) 418-1799, Room 5-C720
- **FAMILY MEDICAL LEAVE:** Labor Relations and Performance Management Service Center (202) 418-0114, Room 6-C332
- **HEALTH BENEFITS:** Payroll and Benefits Service Center (202) 418-1781, Room 1-A202
- **JOB INFORMATION LINE:** (202) 418-0100
- **LEAVE AND ALTERNATE WORK SCHEDULE PROGRAM:** Labor Relations and Performance Management Service Center (202) 418-0114, Room 6-C332
- **OFFICIAL PERSONNEL FOLDER:** Recruitment and Staffing Service Center (202) 418-0110, Room 1-A222



- **PAY: Payroll and Benefits Service Center: (202) 418-0154, Room 1-A363**
- **PERFORMANCE APPRAISALS: Labor Relations and Performance Management Service Center (202) 418-0146, Room 6-C331**
- **RECRUITMENT/STAFFING: Recruitment and Staffing Service Center (202) 418-0130, Room 1-A234**
- **SAFETY PROGRAM: Associate Managing Director-Administrative Operations (202) 418-0119, Room TW-C201**
- **TIME AND ATTENDANCE: Payroll and Benefits Service Center (202) 418-0154, Room 1-A363**
- **REGISTRATION FOR IN-HOUSE TRAINING CLASSES: Learning and Development Service Center (202) 418-0121**
- **BILLING FOR TRAINING: Travel and Operations Group, (202) 418-1978, Room 1-A636**
- **ORGANIZATIONAL DEVELOPMENT: Learning and Development Service Center, (202) 418-0121**
- **TRAINING POLICY: Learning and Development Service Center, (202) 418-1582**

The Information Technology Center (ITC) is responsible for the overall direction of Commission programs involving the use of computer and telecommunications systems.



The core IT systems currently provided to each employee include:

- An FCC workstation with full MS Office Suite software
- An office telephone with voicemail and private faxing capabilities
- Access to fax machines and personal telecommunications devices
- An agency-wide computer network accessible by onsite and offsite personnel that provides access to email.

To support these and other IT systems, the ITC provides the following core services:

- **Computer Resource Center (CRC)**

The CRC offers two essential IT-related services; immediate assistance with any computer-related issue through the Helpdesk (202) 418-1200 or email Helpdesk and ongoing comprehensive training for standard FCC office automation and personal computer software.

Class schedules, registration and further information can be found at <http://intranet/omd/itc/og/crc/training.html>

- **Computer Security Program**

This program is designed to ensure compliance with all Federal agency mandates on the protection of Commission electronically processed information, both internal to the FCC and externally as the information is collected from the public. In addition, the program is designed to prevent the unauthorized, accidental or intentional disclosure, modification or delay of information created or processed on FCC computer systems. All Commission staff are granted access to FCC computer systems and must read, sign and abide by the FCC Computer System User Rules of Behavior. For more information on this critical area, and to review the extensive collection of documents related to computer security, at <http://intranet.fcc.gov/omd/itc/csp/index.html>



- **Customer Care Team (CCT)**

The CCT are the liaisons to FCC Bureaus and Offices providing information, support and problem resolution for personnel on IT initiatives, systems and applications. They provide oversight and keep Bureau/Offices informed of help desk services and ensure the notification of any service interruption with estimated down time and provide



information regarding system failures. The CCT monitors help desk calls and other requests to ensure timely resolutions and appropriate communications regarding approach, unanticipated delays, limitation of solution and/or technology. The Customer Care Team also apprises Bureau/Offices of any potential problems or delays. They coordinate with the Deputy Chief Information Officers on implementation of Commission-wide database applications or other system-wide applications as well as maintenance and upgrades of centrally provided hardware and software.

- **Equipment Lending**

The CRC also has a variety of computer and telecommunications equipment that may be borrowed to support FCC employees conducting work-related tasks while on travel assignment or telecommuting. This equipment includes: laptops, fax machines, FCC-licensed software, FTS2001 calling cards, pagers, and portable printers.

- **Telecommunications Group**

A guide to the HQ voice mail system is available at <http://intranet.fcc.gov/docs/omd/itc/telecom/avaya-ref.pdf>

The Telecommunications Group is also the source of agency-provided cell phones.

Your phone is to be used only for official business. Limited personal calls to your doctor, babysitter, spouse, children, auto repair, etc. are allowed. If you need to make a long-distance personal call, you must charge the call to your home number. Please refer to the FCC Directive concerning the use of government telephone systems, at [http://intranet.fcc.gov/omd/perm/directives/1185\\_2.html](http://intranet.fcc.gov/omd/perm/directives/1185_2.html)

For information on FCC Wireless Phones, contact your ABC/M or call the Telecom Helpdesk at 418-1200 and select option 2.

If you are accepted into the Telecommuting Program as a "regular" telecommuter, you will be offered government-owned equipment (a PC) for home use. Ad hoc telecommuters are not provided government-owned equipment. A short class will be required before picking up your PC. Remote access via telephone modem to FCC email, network drives, the FCC Intranet and the Internet is provided. The CRC Helpdesk will provide technical support.

## **Services & Facilities**

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The facilities and services at FCC Headquarters are intended to be aesthetically pleasing, while encouraging productivity. This section provides a brief overview of the

facility, its operations and services, and information on area services.

- **Building Services**

The Administrative Services Center (ASC), 418-0330, handles requests for building maintenance services; office equipment (non-IT) and supplies; transit benefits and parking; warehousing; transportation services; mail room and package pick-up services; conference room scheduling; business cards; housekeeping services; phonebook updates; office signs; inventory management services; laborer services; office relocations; and equipment repairs (non-IT equipment, i.e., typewriters, date/time stamps, etc.).

- **Recreation Association**

The Federal Communications Commission Recreation Association (FCCRA), is an employee service association for active and retired FCC employees. You may join the FCCRA by paying a small annual membership fee. FCCRA offers many programs and discounts to its members and publishes a monthly newsletter of events in the Washington, D.C., metropolitan area.

- **Library**

The FCC Library has a collection of various types of legal and technical information. The legal collection includes Federal and statutory histories, indexes, reference works, treatises, and loose-leaf materials. The technical collection covers telecommunications and related subjects.

- **Blood Donor Program**

Four times a year, the American Red Cross comes to the Commission for blood drives. It is easy and convenient to donate blood at the FCC and everyone in the Washington, D.C. metropolitan area benefits. You may be granted up to four hours of administrative leave to give blood and recuperate (immediately after giving blood) on the day of donation. Be sure to request approval for administrative leave prior to donation.

- **Combined Federal Campaign**

You are requested to make charity donations to the annual Combined Federal Campaign (CFC). Contributions are voluntary and may be made through payroll deductions. You will be contacted by a "key worker" during the campaign every fall.

- **Savings Bonds**

You are encouraged to purchase U.S. Saving Bonds through payroll deductions. Deductions for bond purchases can be changed or cancelled at any time. The forms for payroll deduction are available from the Human Resources Management Staff.

- **Maintenance Requests/Complaints**

Requests for building maintenance/services (temperature too hot/cold, spills, trash not emptied, etc.) can be requested either via telephone on 418-0330 or via an e-mail to ASC.



- **Parking**

The ASC manages the daily operation and maintenance of the parking facility in the HQ building, with room for approximately 600 vehicles, on three underground levels. The Commission has also arranged for 100 temporary spaces, at Potomac Center, 550 12th St., SW (directly across the street from HQ). Handicapped spaces are allocated to those employees who have a severe permanent impairment, which precludes the use of public transportation or other parking facilities in the area, or for an employee who is unable to operate a car as a result of a

permanent impairment, and is driven to work. (Medical certification and review by the Agency may be required.) The Commission has an internal process for determining handicap status, and does not accept DC/VA/MD handicap hang-tags or plates as proof of need. Employee costs vary, and rates are subject to change.

Van pool/Car pool spaces are allocated based solely on the number of FCC employees included in the van or car pool. Employee costs vary.

Applications for available parking may be picked up at the Parking/Transit Benefit Office, TW-C200. More detailed information about the HQ parking facility is available at <http://intranet.fcc.gov/omd/ao/facilities/portals/park.htm>

- **Pre-Tax Parking Benefit**

The FCC launched this new initiative to help ease the cost of parking. The intent of the program is to encourage employees to use mass transportation, a vanpool, or carpool and to discourage the use of single occupancy vehicles to travel to work.

Under this program, FCC employees continue to pay for their own parking expenses, but are allowed to reduce their taxable gross earnings in the amount equal to the employee's parking expenses, not to exceed \$195.00 each month, the maximum allowed by law. The reduction in taxable gross earnings will slightly increase an employee's net pay. Qualified parking expenses are the cost of parking paid by an employee on or near the FCC business or on or near a location which the employee commutes to work by public mass transit, commuter highway vehicle or carpool. This includes Metro stations and Park-and-Ride facilities, but does not include parking on or near an employee's

residence.

FCC employees wishing to apply for this benefit must complete an application. More detailed information including the application form can be found at:

<http://internet.fcc.gov/omd/hrm/worklife/pre-tax.html>.

- **Transit Benefits**

Through an agreement between the FCC and the NTEU, eligible employees are provided with a monthly subsidy to defer commuting costs.

HQ employees wishing to apply for this benefit must complete an application (available at the Parking/Transit Benefit Office, TW-C200). More details and the criteria for the transit benefit are available at <http://intranet.fcc.gov/docs/omd/hrm/bna/appendixd.pdf>

- **Shuttle Bus Service**

The FCC night van service will provide continuous transportation to the two nearby Metro stations (L'Enfant Plaza, Smithsonian) and to close-by bus stops, between 6:30 p.m. -7:30 p.m., Monday through Friday, for employees working late.

The van will take employees to their metro/bus stops, return to HQs, pick-up new passengers and leave again as necessary. From 7:30 p.m. until 11:30 p.m., the van will operate on an on-call basis; employees should call the Security Center at 418-7737 to have the Roving Guard contacted to drive the van.

- **Passenger Elevators**

Elevator service is provided through two separate elevator banks.

12th St. (TW) entrance: (North Elevator Bank): 6 elevators, Maine Ave. (MA) entrance: (West Elevator Bank): 4 elevators

The Parking Garage is serviced by 2 separate banks of elevators, accessible at the 12th St. entrance and Maine Ave. entrance.

- **Conference Rooms**

For information on the size and configuration of the many conference rooms available throughout HQ, go to: <http://intranet/fcc.gov/omd/facilities/portals/setting.html>

To reserve a conference room, call the ASC, 418-0330, or send an email to "Conference Room," providing the date, time, number of people and special features (conference telephone, television, teleconference facilities) required.

## Health Services and Safety Programs

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- **Health Services**



The Headquarters Health Unit is located in Room MA A-626. One full-time nurse provides basic health care services for employees in the Washington, D.C. metro area. Most field locations also have health units with a registered nurse. These units do not substitute for your private physician or provide continuing treatment for on-going medical problems. In most cases, they do provide:

- ✚ emergency treatment for occupational illnesses or injuries sustained on the job;
- ✚ administration of medications such as vitamins, allergens, and vaccines when supplied by the employee and requested in writing by a private physician;
- ✚ periodic screening and testing for diabetes, glaucoma, hypertension, and routine blood pressure checks;
- ✚ allergy shots and immunizations for official travel to other countries;
- ✚ counseling on any health problem that may affect job performance;
- ✚ assistance in obtaining emergency ambulance service for any ill or injured employee who requires such service.

In order to provide the very best medical services to you, please observe the designated hours of operation. While the Health Unit operates on a first-come, first-served basis (except for scheduled appointments), patients may have to be seen out of order because of the severity of their injury or illness. Like any hospital or clinic, serious cases will be seen first. Also, if you have an appointment, please be on time. If you're running a little late or need to cancel, please call the nurse at 418-0911.

If you have any questions, comments or suggestions, please call the FCC Safety and Health Manager, at 418-0119.

- **Clinic Hours:**

Monday - Friday 8:30 a.m. - 5:00 p.m.

Emergency services are provided anytime during normal clinic hours. After hours, please call 9, 911 for an ambulance. If you DO call for an ambulance, let the Security Command Center, 418-7737, know to expect them.

- **Hypertension and Routine Blood Pressure Checks:**

Monday: 9:00 a.m. - 11:30 a.m./2:00 p.m. - 4:00 p.m.

Wednesday: 9:00 a.m. - 11:30 a.m./2:00 p.m. - 4:00 p.m.

Thursday: 2:00 p.m. - 4:00 p.m.

Friday: 9:00 a.m. - 11:30 a.m.

- **Allergy Shots and Immunizations**

Allergy injections will be given on three Tuesdays of each month, from 9:00 a.m. - 11:30 a.m. Allergy shots will only be given when there are two CPR qualified nurses in the health unit.

To participate, please stop by the health unit and pick up a copy of the Federal Occupational Health "Physician Letter." This letter must be signed by your private physician and returned to the health unit before you can receive your allergy injections. No Exceptions!

- **Safety Programs**

Safety on the job is everyone's responsibility. The FCC, relying on the experience of its managers and supervisors, intends to provide safe working conditions for all employees. Employees are expected to observe safety requirements and encouraged to report unsafe or unhealthy working conditions to their supervisor for corrective action. Employees have the right to request an inspection of their workplace if they believe there are unsafe working conditions. No reprisal may be taken against an employee for reporting a safety or health hazard. If a hazardous condition or situation is observed, you should immediately contact the FCC Health and Safety Office, (202)418-0119 or complete the Hazard Reporting Form, at <http://intranet.fcc.gov/omd/ao/safety/hazform.htm>.

- **Work Related Injuries and Accidents**

If you are injured on the job, the first thing you should do is get treatment. If the health unit

is unable to treat the injury, medical care will be provided at Government expense by a local treatment facility or a qualified physician of your choice. Except in emergencies, payment for medical expenses for job-related injuries should be authorized in advance and in writing by the supervisor or Health Care Nurse. Any injury, however slight, should be reported to the supervisor. A formal accident report should be completed as a factual record of the accident and as a basis for resolving claims of injury compensation.

## Finance Office

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The Chief Financial Officer (CFO) compiles the FCC annual budget submission to OMB and Congress, pays all agency bills, collects all funds, accounts for all agency financial transactions and administers the auction loan program. The CFO is responsible for all agency financial reporting, and compiles and issues the agency's annual financial statements. This office also manages the collection of all FCC revenue including application and regulatory fees, fines and forfeitures and loan repayments. The agency travel program issues and administers the travel and fleetcards controlled by the Finance Office.

- **Travel**

If your job for the FCC includes occasional travel on behalf of the government, you must apply for and use a government issued Visa Travel Card. All authorized travel expenses must be charged to your government issued card. Use of personal cards is prohibited except under certain conditions with written approval prior to use. Apply for your card as soon as you can simply by calling or visiting Finance. The application and issuance process can take several days so apply early. You will also be required to take Travel Card Training within 30 days of receiving your card. This training is offered through the intranet. More information is available at <http://fcc/gov/omd/fo/travel/index.htm>



The Travel Operations Group will assist you in planning and managing the logistics of any trip. FO/Carlson Wagonlit has a booth in the 1<sup>st</sup> floor West lobby to assist you in your official trip planning. Authorization for agency travel must originate with your Bureau or Office, but once approved you should contact FO/Carlson Wagonlit as soon as possible for support in obtaining reservations and tickets. All invitational travel must be approved by Office of General Counsel and Finance in advance of the trip.

- **As-Soon-As-Possible (ASAP) Awards**



The Finance Office manages the distribution of ASAP awards. These are ATM cards, good at any bank with no charge, and pre-loaded with the amount of the employee's cash award.

- **Bill Payments and Collections**

Financial operations are responsible for the payment of all agency bills and the collection of all agency receipts. If in the course of your work you receive funds or bills, you should contact FO about the payment process.

## Area Services

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- **Banking**

The HQ building has a U.S. Premier Federal Credit Union office and ATM, located at MA-B515. For more information about U.S. Premier, please visit <http://www.uspremierfcu.org/>

L'Enfant Plaza has a Riggs Bank and ATMs, located on the upper plaza level.

- **Retail**

L'Enfant Plaza has a wide array of retail shops including a drugstore (CVS), bookstore, optician, dry cleaners.

## Glossary of Acronyms

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ABC/M - Assistant Bureau Chief for Management

ALJ - Administrative Law Judge

ASAP - As Soon As Possible

AWOL - Absence without Official Leave

B/Os - Major Bureaus and Offices

CFC - Combined Federal Campaign

CSRS - Civil Service Retirement System

EAP - Employee Assistance Program

EEO - Equal Employment Opportunity

EX - Executive Level

FCBA- Federal Communications Bar Association

FCCRA - Federal Communications Commission Recreation Association

FEGLI - Federal Employee's Group Life Insurance

FEHB - Federal Employee's Health Benefits

FERS - Federal Employee's Retirement System

FMLA - Family and Medical Leave Act



GS - General Schedule  
HIT - Hospital Insurance Tax (Formerly Medicare)  
LWOP - Leave without Pay  
NTEU - National Treasury Employees Union  
OASDI - Old Age and Survivors Disability Insurance  
OPF - Official Personnel Folder  
OPM - Office of Personnel Management  
PD - Position Description  
QSI - Quality Step Increase  
SES - Senior Executive Service  
SL - Senior Level  
TSP - Thrift Savings Plan  
T&A - Time and Attendance Report  
WG - Wage Grade  
WGI - Within Grade Increase

## Directions to FCC Headquarters

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### Via Automobile

**From Virginia:** Take I-95 North to the 495 Beltway to I-395 North. Then take I-195

North across the 14th Street Bridge. Make a right on Independence Avenue. Make a right on 12th Street.



**From Tysons Corner/Fairfax:** Take Route 50 or Route 66 and cross over the Theodore Roosevelt Bridge to Constitution Avenue. Make a right on 14th Street. Make a left on Independence Avenue (3rd light). Make a right on 12th Street.

**From Maryland (Silver Spring/Chevy Chase):** Take Beach Drive/Rock Creek Parkway South towards Washington, DC. At the Lincoln Memorial, follow the signs for Independence Avenue. Stay on Independence Avenue to 12th Street. Make a right on 12th Street.

**From Rockville/Potomac:** Take the Beltway (Route 495) to Clara Barton Parkway. Follow Clara Barton Parkway/Whitehurst Freeway to Independence Avenue. Make a right on 12th Street.

**From Greenbelt/Laurel:** Take the Beltway (Route 495/95) to Baltimore-Washington Parkway. Take exit for New York Avenue/Washington DC. Make a left turn at 14th Street. Make a left on Independence Avenue and a right on 12th Street.

**From Oxon Hill:** Take Route 210 North to I-295 North. Follow I-295 North to I-395 South. Take the 6th Street North exit, make a left on D Street and a left on 12th Street.

**From Upper Marlboro:** Take Route 4 West (Pennsylvania Avenue) to Suitland Parkway to I-295 North, then to I-395 South. Take the 6th Street North exit, make a left on D Street and a left on 12th Street.

### **Via METRORAIL**

**From Smithsonian Station:** Exit from the Blue and Orange Metro Line on Independence Avenue. Proceed South on 12th Street.



**From L'Enfant Plaza Station:** Exit from the Blue, Orange, Yellow, or Green Line on D Street. Proceed West on D Street and then South on 12th Street.

### **METRORAIL operating hours:**

Monday - Thursday: 5:30 a.m. to 12 Midnight

Fridays: 5:30 a.m. to 2 a.m.

Saturday: 8:00 am to 2 a.m.

Sunday: 8:00 a.m. to 12 Midnight

### **Via METROBUS**

Days and times vary by route.

**The "V" Line** - originating at Deanwood Metro Station in Northeast Washington, proceeding down Minnesota Avenue, to Pennsylvania Avenue, to M Street, to Eye Street, to D Street, to 12th Street.

**The #70 & #71 Line** - originating at the Silver Spring Metro Station, proceeding down Georgia Avenue, to 7th Street, to L'Enfant Plaza.

For more detailed information on Metro rail and Metro bus schedules and rates, please contact the Washington Metropolitan Area Transit Authority at (202) 962-1234, or visit <http://www.wmata.com>.