



UNITED STATES DEPARTMENT OF COMMERCE
The Inspector General
Washington, D.C. 20230

April 14, 2010

The Honorable Darrell Issa
Ranking Member
Committee on Oversight and Government Reform
House of Representatives
2157 Rayburn House Office Building
Washington, D.C. 20515-6143

Dear Mr. Issa:

In response to your request of March 24, 2010, we are providing current information on our office's open and unimplemented recommendations (see enclosure 1). We have no open or unimplemented recommendations with potential monetary benefits. As requested, we also identify what our office considers to be the three most important unimplemented recommendations (see enclosure 2).

In your letter you also solicited our opinion about improving the Inspector General Act of 1978. We are providing our response under separate cover.

If you have any questions or require additional information, you or your staff may contact me at (202) 482-4661 or Judith J. Gordon, Associate Deputy Inspector General, at (202) 482-2754.

Sincerely,



Todd J. Zinser

Enclosures (2)

cc: The Honorable Edolphus Towns, Chairman



Open and Unimplemented Recommendations Since 2007*
(As of March 31, 2010)

Calendar Year	Recommendations Made	Recommendations Still Open	Recommendations Still Unimplemented	Recommendations Implemented since Jan 5, 2009
2007	187	0	49	17
2008	143	0	8	107
2009	100	0	68	32
2010 (as of 3/31)	20	0	16	4
Total	450	0	141	160

*The chart was compiled by reviewing all performance audit, evaluation, and inspection reports issued by Commerce OIG during the period of January 1, 2007, through March 31, 2010. We consider an “open” recommendation to be an OIG recommendation that a bureau has not accepted, and an “unimplemented” recommendation to be a recommendation that a bureau has accepted but has not yet implemented. We have not reported on classified or sensitive non-public recommendations, recommendations in financial statement audits, or those addressed to specific non-federal entities in connection with audits of financial assistance awards.

Top Three Unimplemented Recommendations

1. **2010 Census: Quarterly Report to Congress** (OIG-19791-1), August 2009

Our review found serious limitations to effective management and oversight of the 2010 Census including lack of integration of schedule activities and budget plan/expenditures, an unreliable cost estimate for the decennial census, delayed risk management activities, and lack of transparency in monthly status reports. We made the following set of recommendations for improving 2020 Census planning and oversight:

- Complete the schedule development process earlier in the 2020 decennial life-cycle. Utilize the bureau's project management software to integrate cost and schedule activities of bureau and contractor operations to allow Census managers to better track the status of available funds, forecast impending underruns and overruns so that funds can be reallocated promptly, and improve the transparency of decennial decisions to Census stakeholders.
- Develop a transparent decision documentation strategy to account for 2020 Census program and spending decisions.
- Strengthen and implement a risk management strategy and relevant contingency plans prior to the start of 2020 decennial census operations.

a) Status of Recommendation: Census has agreed with our recommendations. Planning for the 2020 Census is under way.

b) Estimated Cost Savings: The cost savings cannot be projected. However, the total cost of the 2010 Census is projected to be \$14.7 billion, which includes cost growth estimated to exceed \$3 billion. Improved planning, management, oversight, and transparency are critical to containing cost and avoiding similar overruns in the 2020 Census.

c) Whether agency plans to implement the recommendation in the near future: According to the bureau, a small core team at Census has begun early planning and is focused on establishing planning and program management processes to ensure a foundation for designing the 2020 Census.

2. Commerce Should Take Steps to Strengthen Its Information Technology Security Workforce (CAR-19569-1), September 2009

IT security weaknesses have been sufficiently serious that the Secretary of Commerce has reported this issue as a material weakness in the annual *Performance and Accountability Report* since FY 2001, pursuant to the Federal Managers' Financial Integrity Act of 1982. Based on our reviews, we have attributed the persistence of the material weakness, in part, to weaknesses in the IT security workforce and have recently completed an audit in which we found that the Department needs to devote more attention to the professional development and guidance of the IT security personnel who protect the Department's sensitive computer systems and information.

We made a number of recommendations for improving the IT security workforce including to enhance the professional development of personnel with significant IT security responsibilities. In particular, we noted that the only federal job classification specifically targeted toward IT security does not require a college degree and recommended that the Department develop and implement a requirement for professional certifications for key IT security personnel.

a) Status of Recommendation: The Department agreed with our recommendation and has developed an implementation plan.

b) Estimated Cost Savings: The cost savings cannot be projected. However, implementation of the recommendation not just for the Department of Commerce but for all civilian agencies would substantially improve the capacity of the IT security workforce and thus the security of sensitive government information and systems. Recognizing a similar need, the Department of Defense began implementing a professional certification requirement for its IT security workforce in 2004 with a goal of full compliance by 2011.

c) Whether agency plans to implement the recommendation in the near future: The Department is developing a policy that will require noncertified personnel in roles requiring certification to work with their supervisors to establish a development plan leading to successful accomplishment of an appropriate certification. Certification will also be required for new employees in designated roles.

3. *Successful Oversight of GOES-R Requires Adherence to Accepted Satellite Acquisition Practices (OSE-18291), November 2007*

In 2005, the Department and NOAA assumed oversight and management responsibility for the entire Geostationary Operational Environmental Satellite (GOES-R) program, which is now projected to cost \$7.7 billion. This represents a \$1.5 billion increase from the original estimate. For the first time, NOAA, rather than NASA, has the lead role in GOES-R's program management and acquisition, thus giving the Department direct oversight authority for both the ground and space segments. While this change was positive overall, these new roles added risk to an already highly complex undertaking. Our review found that the Department lacked a workable oversight structure not just for GOES-R but for all major acquisitions. Accordingly, we made the following recommendation:

- Complete and implement the Department's major system acquisition policy. For satellite programs, ensure the policy incorporates the key decision points in NPR 7120.5D and requires comprehensive independent reviews at all key decision points. (NPR 7120.5D is a NASA policy that NOAA has adopted for its satellite acquisition activities.)

a) Status of Recommendation: The Department agreed to develop a major systems acquisition policy by the third quarter of FY 2008 but stated that in creating the policy, a key decision point structure would be considered, along with other approaches. This deadline was not met. The current Deputy Secretary has convened a steering committee to develop a Department-wide major investment oversight policy.

b) Estimated Cost Savings: The cost savings cannot be projected. However, with an estimate of nearly \$20 billion to be spent on two critical environmental satellite systems over their life cycle and \$2.6 billion in major IT investments in FY 2010 alone, the Department must have an effective oversight program in place.

c) Whether agency plans to implement the recommendation in the near future: The Department has not provided a specific date as to when the recommendation will be implemented. As noted above, it is actively working this issue at the direction of the Deputy Secretary.