



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

May 9, 2012

The Honorable Jeanne Shaheen
United States Senate
520 Hart Senate Office Building
Washington, DC 20510

Dear Senator Shaheen:

This letter is in response to your April 27, 2012, inquiry regarding the work done by our office concerning the Department of Commerce's conference spending. We recognize the need for close and ongoing scrutiny of the Department's conference spending to prevent wasteful use of taxpayer money. To that end, the Office of Inspector General (OIG) is currently conducting an audit of the Department's conference spending and engaging in other active oversight of conference spending, to include requesting information from the National Oceanic and Atmospheric Administration regarding its recent solicitation of a magician for an upcoming conference.

In the Fiscal Year 2012 Commerce, Justice, Science, and Related Agencies Appropriations Act, the Department was directed to submit reports to OIG regarding the costs and contracting procedures for conferences with costs exceeding \$20,000. On March 16, 2012, OIG received the Department's first-quarter conference spending report. The report shows that the Department sponsored or cosponsored 24 large conferences and spent \$1.75 million during that time period. OIG has not yet received the second-quarter conference spending report, but my office will review the report once it is delivered to identify questionable activities.

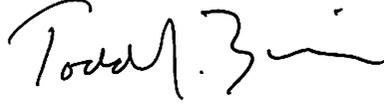
On April 3, 2012, OIG announced an audit to determine whether the Department has established controls and provided guidance to bureaus for reporting conference data (see attached). As part of the audit, we plan to review the Department's validation process to ensure the integrity of reported spending. We plan to complete the audit this year and will provide a copy of the final report to your office.

We will continue monitoring the Department's conference spending. Should we identify any questionable activities, we will work with the Department to ensure that corrective actions are taken and Congress is informed in a timely manner.



Thank you for your interest in our work. If you have any questions or require additional information, you or your staff may contact me at (202) 482-4661 or Ann Eilers, Principal Assistant Inspector General for Audit and Evaluation, at (202) 482-2754.

Sincerely,

A handwritten signature in black ink that reads "Todd J. Zinser". The signature is written in a cursive style with a large, stylized "T" and "Z".

Todd J. Zinser

Enclosure



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

April 3, 2012

MEMORANDUM FOR: Scott B. Quehl
Chief Financial Officer and Assistant Secretary for Administration

FROM: Ann C. Eilers 
Principal Assistant Inspector General for Audit and Evaluation

SUBJECT: Review of Commerce Controls over Quarterly Conference Reporting

We are initiating a review of the Department of Commerce's controls over its quarterly conference reporting. In fiscal year 2012, the Department received an appropriations provision requiring it to submit quarterly reports to the inspector general on the costs and contracting procedures relating to conferences held by the Department where the cost to the government exceeded \$20,000. The review's objectives are to determine whether the Department has established controls and provided guidance to bureaus for reporting quarterly conference data.

As part of this review, the auditors will assess the policies and procedures implemented by the Department for the oversight of conference procurement and management. The review will also examine the Department's requirements for reporting quarterly conference data and its communication of the procedures to the bureaus and other relevant departmental offices. Finally, the review will evaluate the bureaus' reporting and the Department's report validation process.

We will contact your audit liaison to schedule an entrance conference. In the meantime, if you have any questions about this review, please contact me at (202) 482-7859 or Patty McBarnette, Director, Financial Statement Audits, at (202) 482-3391.

cc: Lisa Casias, Deputy Chief Financial Officer and Director for Financial Management