



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

November 30, 1979

Honorable Walter F. Mondale
President of the Senate
and
Honorable Thomas P. O'Neill, Jr.
Speaker of the House of Representatives

Dear Mr. President and Mr. Speaker:

This is the first Report of the Inspector General to Congress since my appointment on July 2, 1979.

The major steps which we have undertaken in the last several months have been those dictated by our new duties under the Inspector General Act of 1978.

The Assistant Inspector General for Auditing and the Assistant Inspector General for Investigations have been selected. A new policy and administration unit has been formed, which is in charge of developing and coordinating audits and investigations policies, developing our fraud awareness education program, and structuring communication links and our role within the Department. We have begun to review and comment on proposed laws and regulations which have an impact on the efficiency and effectiveness of Commerce programs and on our ability to investigate criminal activity. The audits and investigations staffs have begun to extend their capabilities.

In this initial period, we have begun to broaden the scope of audit and investigative activities so as to afford the Department the fullest benefit from them. I have directed that audit steps be extended so that we can determine whether questionable transactions were fraudulent. We now analyze employee wrongdoing to determine whether departmental procedures can be corrected to prevent recurrence and follow-through to monitor changes. Resolution of financial audit recommendations within six-months is now Department policy. This policy should prove instrumental in permitting the Department to promptly recoup monies identified in audit reports as questioned costs.

Sincerely,

Mary P. Bass
Inspector General of Commerce