



Office of the Chairman

Federal Maritime Commission  
Washington, D.C. 20573-0001

May 27, 2016

The Honorable Joseph R. Biden, Jr.  
President of the Senate  
United States Senate  
S-212, The Capitol  
Washington, D.C. 20510

Dear Mr. President:

I am pleased to provide you with the Federal Maritime Commission's Office of the Inspector General's (OIG) *Semiannual Report to Congress Covering the Period October 1, 2015 through March 31, 2016*, pursuant to the requirements of section 5(b) of the Inspector General Act, as amended. Enclosed also is the Commission's *Management Report on Final Actions for the Six Month Period Ending March 31, 2016*.

I am happy to say that each of the seven open audit recommendations identified in this report have been addressed to a great degree, and are pending final actions or closure. Of these open recommendations, one requires Commission action and a rulemaking procedure, three require review during this year's Federal Information Security Management Act (FISMA) audit, and three, related to employee engagement, require ongoing, multi-year sustained effort by management and staff. As a direct result of those efforts made regarding employee engagement, Commission employee's responses to the *2015 Federal Employee Viewpoint Survey (FEVS)* improved in 64 areas, and resulted in the Federal Maritime Commission receiving the award for the *2015 Most Improved Small Agency*.

Management is committed to working with the OIG in order to maintain effective and efficient government operations, free of waste, fraud, abuse and mismanagement. The Federal Maritime Commission appreciates and recognizes the efforts of the OIG to provide quality analysis and evaluation of our programs and activities, and will continue to work to appropriately resolve Inspector General recommendations in a timely manner.

This report is available on the Commission's website ([www.fmc.gov](http://www.fmc.gov)). Additional copies of the report may be obtained from the OIG.

Sincerely,

Mario Cordero  
Chairman

Enclosures

**FEDERAL MARITIME COMMISSION  
MANAGEMENT REPORT ON FINAL ACTIONS  
FOR THE SIX MONTH PERIOD ENDING MARCH 31, 2016**

The following information is provided in compliance with section 5(b) of the Inspector General Act. Tables I and II summarize final action taken by management on OIG audit reports. The tables reflect amounts which were agreed to by management and track the disposition of these amounts through final action. Table III lists audit reports for which final action has not been taken six months from the date a management decision was made. Management and staff continue to work closely together to resolve all of the Inspector General's recommendations in a timely manner.

<b>Table I – Disallowed Costs, section 5(b)(2)</b>		
	<b>Number of Reports</b>	<b>Amounts Agreed to by Management</b>
IG audit reports for which final action by management had not been taken by 3/31/16	0	0
IG audit reports on which management decisions were made from 10/1/15 through 3/31/16	0	0
Subtotal:	0	0
Less:		
IG audit reports for which final action was taken by management from 10/1/15 through 3/31/16	0	0
(a) Amounts that were recovered by management	0	0
(b) Amounts that were not recovered by management	0	0
(c) Amounts classified by the IG as unrecoverable	0	0
IG audits for which no final action had been taken by 3/31/16	0	0

<b>Table II – Funds Put to Better Use, section 5(b)(3)</b>		
	<b>Number of Reports</b>	<b>Amounts Agreed to by Management</b>
IG audit reports for which final action by management had not been taken by 3/31/16	0	0
IG audit reports on which management decisions were made from 10/1/15 through 3/31/16	0	0
Subtotal:	0	0
Less:		
IG audit reports for which final action was taken by management from 10/1/15 through 3/31/16	0	0
(a) Dollar value of recommendations completed by management	0	0
(b) Dollar value of recommendations that management decided should not or could not be implemented	0	0
IG audit reports for which no final action had been taken by 3/31/16	0	0

**Table III – Final Action Not Completed in Six Months, section 5(b)(2)**

Audit Report Number / Title	Date Issued	Disallowed Costs	Funds Put to Better Use	Explanation re: Final Action Not Completed
OR10-03 / Review of FMC's User Fee Calculations	May 2010	None	None	A Notice of Proposed Rulemaking will be presented for Commission consideration in May 2016.
A15-02 / FY 2014 Implementation of FISMA	November 2014	None	None	The Commission has addressed the remaining three open recommendations, which will be reviewed for closure during the FY 2016 FISMA review.
A15-04 / FMC Workplace Evaluation Report	March 2015	None	None	Workplace satisfaction and employee engagement remain mission-critical priorities. The Commission received an award for the 2015 Most Improved Small Agency. All workplace recommendations have been addressed, or are in the process of being fully addressed. Certain recommendations are of a continuing nature.