



Highlights of [GAO-10-79](#), a report to congressional requesters

## Why GAO Did This Study

Rapid changes in the telecommunications industry, such as the development of broadband technologies, present new regulatory challenges for the Federal Communications Commission (FCC). GAO was asked to determine (1) the extent to which FCC's bureau structure presents challenges for the agency in adapting to an evolving marketplace; (2) the extent to which FCC's decision-making processes present challenges for FCC, and what opportunities, if any, exist for improvement; and (3) the extent to which FCC's personnel management and workforce planning efforts face challenges in ensuring that FCC has the workforce needed to achieve its mission. GAO reviewed FCC documents and data and conducted literature searches to identify proposed reforms, criteria, and internal control standards and compared them with FCC's practices. GAO also interviewed current and former FCC chairmen and commissioners, industry stakeholders, academic experts, and consumer representatives.

## What GAO Recommends

GAO recommends FCC, among other things, develop written policies on interbureau coordination and commissioner access to staff analyses; revise its public comment process and its *ex parte* policies; and develop targets identifying expertise needs, strategies for meeting targets, and measures for tracking progress. FCC generally concurred with GAO's recommendations.

View [GAO-10-79](#) or [key components](#). For more information, contact Mark L. Goldstein at (202) 512-2834 or [goldsteinm@gao.gov](mailto:goldsteinm@gao.gov).

## FCC MANAGEMENT

### Improvements Needed in Communication, Decision-Making Processes, and Workforce Planning

#### What GAO Found

FCC consists of seven bureaus, with some structured along functional lines, such as enforcement, and some structured along technological lines, such as wireless telecommunications and media. Although there have been changes in FCC's bureau structure, developments in the telecommunications industry continue to create issues that span the jurisdiction of several bureaus. However, FCC lacks written procedures for ensuring that interbureau collaboration and communication occurs. FCC's reliance on informal coordination has created confusion among the bureaus regarding who is responsible for handling certain issues. In addition, the lack of written procedures has allowed various chairmen to determine the extent to which interbureau collaboration and communication occurs. This has led to instances in which FCC's final analyses lacked input from all relevant staff. Although FCC stated that it relies on its functional offices, such as its engineering and strategic planning offices, to address crosscutting issues, stakeholders have expressed concerns regarding the chairman's ability to influence these offices.

Weaknesses in FCC's processes for collecting and using information also raise concerns regarding the transparency and informed nature of FCC's decision-making process. FCC has five commissioners, one of which is designated chairman. FCC lacks internal policies regarding commissioner access to staff analyses during the decision-making process, and some chairmen have restricted this access. Such restrictions may undermine the group decision-making process and impact the quality of FCC's decisions. In addition, GAO identified weaknesses in FCC's processes for collecting public input on proposed rules. Specifically, FCC rarely includes the text of a proposed rule when issuing a Notice of Proposed Rulemaking to collect public comment on a rule change, although some studies have noted that providing proposed rule text helps focus public input. Additionally, FCC has developed rules regarding contacts between external parties and FCC officials (known as *ex parte* contacts) that require the external party to provide FCC a summary of the new information presented for inclusion in the public record. However, several stakeholders told us that FCC's *ex parte* process allows vague *ex parte* summaries and that in some cases, *ex parte* contacts can occur just before a commission vote, which can limit stakeholders' ability to determine what information was provided and to rebut or discuss that information.

FCC faces challenges in ensuring it has the expertise needed to adapt to a changing marketplace. For example, a large percentage of FCC's economists and engineers are eligible to retire in 2011, and FCC faces difficulty recruiting top candidates. FCC has initiated recruitment and development programs and has begun evaluating its workforce needs. GAO previously noted that strategic workforce planning should include identifying needs, developing strategies to address these needs, and tracking progress. However, FCC's Strategic Human Capital Plan does not establish targets for its expertise needs, making it difficult to assess the agency's progress in addressing its needs.