



**National Credit Union Administration
Office of Inspector General**

August 31, 2012

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

Dear Chairman Issa:

This letter responds to your letter dated August 3, 2012, requesting information on how the National Credit Union Administration (NCUA) Office of Inspector General (OIG) keeps Congress fully and currently informed concerning fraud and other serious problems, abuses, and deficiencies at NCUA. Our responses to your specific questions are as follows:

1. *Since January 1, 2009, have you issued any seven-day letters? If yes, please describe the matters involved.*

The NCUA OIG has not issued any seven-day letters since January 1, 2009.

2. *Since January 1, 2009, have there been any serious or flagrant problems at your agency that were not reported to Congress? If yes, please describe the matters and why Congress was not informed.*

Since January 1, 2009, there have not been any serious or flagrant problems at NCUA of which the OIG was aware that were not reported to Congress.

3. *Please explain what you and your staff understand section 4(a)(5) of the IG Act to require.*

The IG Act specifically provides for two forms of communications between Inspectors General and Congress—the mandatory Semiannual Report for which the statute provides specific content requirements and the less frequently used seven-day letter, authorized by section 5(d) of the IG Act. We routinely submit Semiannual Reports to your committee, the Office of the House Speaker, the Office of the House Democratic Leader, the House and Senate Committees on Appropriations, the Senate Committee on Banking, Housing, and Urban Affairs, the House Committee on Oversight and Government Reform, the House Committee on Financial Services, the Senate Committee on Homeland and Governmental Affairs, and the Office of the President of the Senate. Moreover, in addition to responding to your annual letter about our open recommendations, we also provide Senators Charles Grassley and Tom Coburn with

semiannual information about our non-public audits and investigations. Further, in accordance with the IG Act, we post all reports and audits on our website.

Nevertheless, we also recognize that Congress expects and is entitled to much more than the IG Act requires. Consequently, we respond to requests from individual members of Congress for information in their areas of interest, including conducting audits or reviews on issues of immediate concern. For example, in response to a request from Senator Tim Johnson, Chairman, Senate Committee on Banking Housing, and Urban Affairs, directed to the Inspectors General at the NCUA, the U.S. Department of the Treasury, the Federal Reserve Board, and the Federal Deposit Insurance Corporation, we recently conducted and reported on an audit of NCUA's examination process for small community credit unions.

Finally, we likewise recognize the need to maintain informal lines of communication with Congress in order to ensure that it remains aware of actual or potential systemic problems at NCUA, as well as particularly serious or flagrant abuses. In recent years, as a result of increased Congressional interest in our oversight of NCUA's programs and operations, I have designated a key member of my staff to serve as a point of contact from whom Congressional staff members can directly request and receive timely information.

I hope that this letter conveys the importance we place on ensuring that we deliver our messages and information to Congress in a timely and effective manner. If you wish additional information or have other questions, please feel free to contact me on 703-518-6351.

Sincerely,

A handwritten signature in black ink, appearing to read "William A. DeSarno", with a long, sweeping horizontal stroke extending to the right.

William A. DeSarno
Inspector General

Cc: The Honorable Elijah E. Cummings, Ranking Member