



Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation
Office of Inspector General

Subject: Audit Announcement—FY 2005 Audit
of the Federal Highway Administration's
Inactive Obligations
Project No. 05F3013F000

Date: January 21, 2005

From: Theodore Alves 
Assistant Inspector General for Financial
and Information Technology Audits

Reply to
Attn. of: JA-20

To: Federal Highway Administrator

In response to the Fiscal Year 2005 U.S. House and Senate Department of Transportation Committee on Appropriations report (108-671), the House requested the Inspector General to review records in 10 additional states to identify inactive obligations. As directed by Congress, we are initiating an audit of inactive obligations within the Federal Highway Administration (FHWA). Our objective is to determine the extent to which FHWA has implemented prior OIG recommendations on reviewing inactive obligations and to estimate the amount of inactive obligations that were unneeded as of December 31, 2004.

We plan to start this audit the week of January 17, 2005. We will contact your audit liaison to schedule an entrance conference date to discuss the planned audit. For additional information, please contact Earl Hedges, Program Director, or Mary Smothers, Project Manager, at (410) 962-3612.

#

cc: Martin Gertel, M-1