



## Memorandum

Date: June 1, 2022

Subject: INFORMATION: Audit Announcement | DOT's Management of the Aviation Manufacturing Jobs Protection Program | Project No. 22V3003A000  
Department of Transportation

From: Nelda Z. Smith  
Assistant Inspector General for Aviation Audits 

To: Assistant Secretary for Transportation Policy

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The COVID-19 pandemic decimated the aviation industry worldwide due to idled aircraft, declining aircraft maintenance and repair activity, and employee lay-offs at many associated businesses. In response, the American Rescue Plan (ARP) Act of 2021 established the Aviation Manufacturing Jobs Protection (AMJP) program in March 2021. To support the program, the ARP Act allocated \$3 billion in funding for eligible aviation manufacturing companies through 2023. Program funds were for companies engaged in aviation manufacturing and services, maintenance, repair, and overhaul activities to continue paying employee wages, salaries, and benefits.

Companies must adhere to specific criteria to be eligible for AMJP funding. A key stipulation of this program is that a company must have involuntarily furloughed or laid off at least 10 percent of its workforce or experienced a 15-percent decline in revenues in 2020, compared to 2019. As of February 2022, after the latest round of distributions, 593 companies received over \$673 million from DOT's AMJP program. Additionally, AMJP program applicants are required to self-certify the data they submit, potentially leaving the program vulnerable to fraud and abuse.

Accordingly, our objective is to evaluate DOT's processes to validate AMJP applicant data, allocate government funding, and ensure funding was used lawfully. We plan to begin the audit this month and will contact your audit liaison to schedule an entrance conference. We will conduct the audit at DOT Headquarters and other locations as determined during the audit. If you have any questions, please contact me at (202) 366-0500, or Tina Nysted, Program Director, at (678) 283-3899.

cc: DOT Audit Liaison, M-1