



Memorandum

U.S. Department of
Transportation
Office of Inspector General

Subject: **INFORMATION**: Audit Announcement—
DOT's Acquisition and Oversight of Laptop
Computers
Department of Transportation
Project No. 18Z3001Z000

Date: March 8, 2018

From: Mary Kay Langan-Feirson
Assistant Inspector General
for Acquisition and Procurement Audits

Reply to
Attn. of: JA-60

To: Chief Information Officer
Senior Procurement Executive

The Department of Transportation (DOT) spends \$3.5 billion annually on information technology (IT) acquisitions and assets, a portion of which includes laptop computers, a common IT asset used by DOT's approximately 9,400 employees.¹ Well-designed contracts and appropriately implemented property management controls are key to maintaining financial and physical accountability for all IT assets, including laptop computers, which can be susceptible to loss, theft, and misuse. It is critical that DOT take sufficient steps when creating and overseeing IT contracts to ensure the Department knows what property has been purchased and when, its cost, and who has possession of that property.

Both the Federal Acquisition Regulation² and DOT's policies and procedures³ require that agencies establish contracts that cover all aspects of IT property delivery, acceptance, and Government responsibility, and also that agencies appropriately and effectively accept, receive, inspect, and account for IT property once it is delivered. Given the importance of properly structured contracts and their management and oversight to protecting the Department's IT property investments, our audit objectives are to (1) determine whether contracts used by DOT to purchase laptop computers contain appropriate language and clauses to support internal controls and meet security requirements; (2) assess whether DOT's procedures for receipt, inspection, and acceptance of laptop computers from vendors ensure contract requirements have

¹ Total DOT full time employment, fiscal year 2017, excluding FAA, according to DOT's Fiscal Year 2018 Budget Highlights, May 2017.

² FAR Part 46.

³ Transportation Acquisition Regulation (TAR) Parts 1246 and 1239; Transportation Acquisition Manual (TAM) Chapter 1246.

been met; and (3) assess whether internal controls are in place to account for the laptops in DOT's inventory management system after acceptance.

We will conduct this audit at DOT Headquarters and primary offices in Washington, DC, and at selected Operating Administrations' headquarters and field offices, excluding the Federal Aviation Administration. We will coordinate with your audit liaison to schedule an entrance conference. If you have any questions, please contact me at 202-366-5225, or Anthony Wysocki, Program Director, at 202-493-0223.

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cc: Director, Facilities, Information, and Asset Management, M-90
DOT Audit Liaison, M-1