



Memorandum

U.S. Department of
Transportation

Office of the Secretary
of Transportation
Office of Inspector General

Subject: **INFORMATION**: Audit Announcement –
DOT Conference-Related Activities and Expenses
Department of Transportation
Project No. 14F3014F000

Date: March 17, 2015

From: Louis C. King 
Assistant Inspector General for
Financial and Information Technology Audits

Reply to
Attn. of: JA-20

To: Assistant Secretary for Budget and Programs/
Chief Financial Officer

After reports of excessive conference spending at various Federal agencies, Congress enacted laws to create transparency in conference spending across the Federal Government. In September 2011, the Office of Management and Budget (OMB) instructed agencies to review policies and controls associated with conference-related activities and expenses. Subsequently, OMB instructed agencies to conduct senior level reviews of planned conferences, approve all future conference expenses in excess \$100,000, and prohibit spending over \$500,000 on one conference. Additionally, the Department of Transportation's (DOT) operating administrations and offices were required to submit annual reports to the Office of Inspector General (OIG) on costs and contracting procedures for each conference costing over \$100,000, and notify OIG of all conferences in excess of \$20,000.

Accordingly, we are initiating an audit to determine whether DOT has implemented effective internal controls over conference-related activities and expenses. Our audit objectives are to (1) evaluate DOT policies and procedures to determine the extent they adequately reflect Federal laws, regulations, and OMB guidance, and (2) determine whether DOT has implemented adequate procedures to ensure that operating administrations are adhering to those policies. We plan to begin the audit the week of March 16, 2015, and will contact your audit liaison to schedule an entrance conference. We will conduct our audit at DOT and FAA Headquarters in Washington, DC. If you have any questions, please call me at (202) 366-1407, or George Banks, Program Director, at (410) 926-1729.

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cc: DOT Audit Liaison, M-1