



SEMIANNUAL
REPORT TO
CONGRESS

October 1, 2017 –
March 31, 2018

Celebrating DOT OIG's 40th year of
promoting safety and integrity in
America's transportation system



Highlights

First Half FY 2018

Investigative accomplishments



212/141

investigations
closed/opened

55/50

convictions/indictments

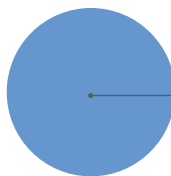


\$16.3m

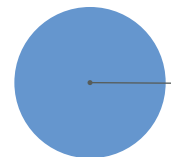
financial impact of
DOT OIG investigations

First Half FY 2018

Investigations, by priority area



52%

grant and
procurement
fraud

42%

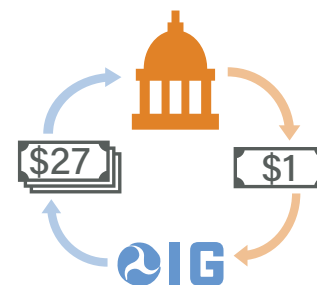
transportation
safety

6.0%

employee
integrity

FY 2017

Return on investment



“ In FY2017, DOT OIG returned \$27 for every appropriated dollar—achieving its return on investment with just a fraction of the Department’s total workforce and budget.”

Audit accomplishments



39

audit reports issued



161

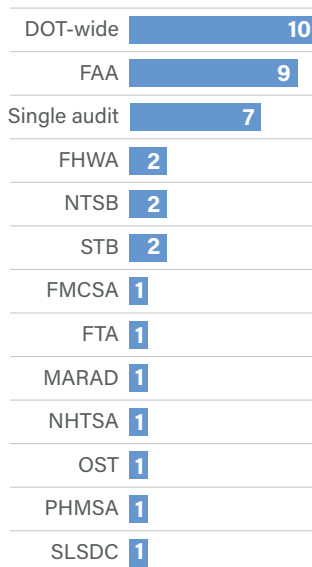
recommendations



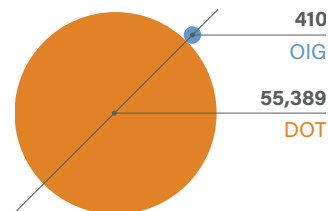
\$18.9m

financial impact of
DOT OIG audit reports

Audit reports issued



Enacted FTEs



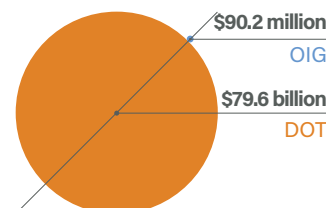
410

OIG

55,389

DOT

Appropriated budget



\$90.2 million

OIG

\$79.6 billion

DOT

Note: Return on investment compares the cost for DOT OIG to do business to the revenue and other savings generated through fines, restitution, recoveries of improper payments, recommended cost savings, and recommendations for funds put to better use.

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Investigations

Investigations

Summary of Performance

We investigate allegations of fraud, waste, abuse, and other violations of law by DOT employees, contractors, grantees, and regulated entities. Some of the most significant issues we investigated during this reporting period include:

- Highway safety.**
 A Virginia trucking company was ordered to pay \$3.25 million in forfeiture, fines, and restitution for violating FMCSA safety regulations designed to prevent fatigue-related crashes.
- Employee integrity.**
 Our special agents brought a former FAA employee to justice for making thousands of dollars in unauthorized personal purchases and cash withdrawals using Government credit cards.
- Hazardous waste materials safety.**
 As a result of our investigation, a Michigan man was convicted for a scheme to distribute human body parts infected with diseases (such as HIV and hepatitis) to customers requesting cadavers for medical and dental training.
- Grant and procurement fraud.**
 A New York R&D firm agreed to forfeit nearly \$5 million in assets after our investigation uncovered its multimillion-dollar research grant fraud scheme.

Investigative accomplishments



1,712

hotline contacts received



212/141

investigations closed/opened



108

investigations referred for criminal prosecution



55/50

convictions/indictments



156.9

total years of incarceration, probation, and supervised release



\$16.3 million

financial impact of DOT OIG investigations

Investigations Statistical Data

Financial impact of DOT OIG investigations



\$16,313,163

total financial impact

\$807,637

costs avoided

\$1,218,998

finest (and special assessments)

\$3,558,772

recoveries

\$4,530,195

forfeitures

\$6,197,560

restitution

Types of criminal monetary impositions

Forfeitures include the seizure of assets that represent the proceeds of, or were used to facilitate, Federal crimes.

Fines are criminal or civil monetary penalties.

Special assessments are part of the sentence for offenders of Federal crimes, applied on a per-count basis. The money is used to fund the Crime Victims Fund used to recompense victims of offenses against Federal law.

Restitution is a criminal or civil award to a victim for harm caused by the offender's wrongful acts.

Recoveries include funds returned to the Government resulting from criminal and civil judgments, pleas, and settlements.

Investigative workload

212

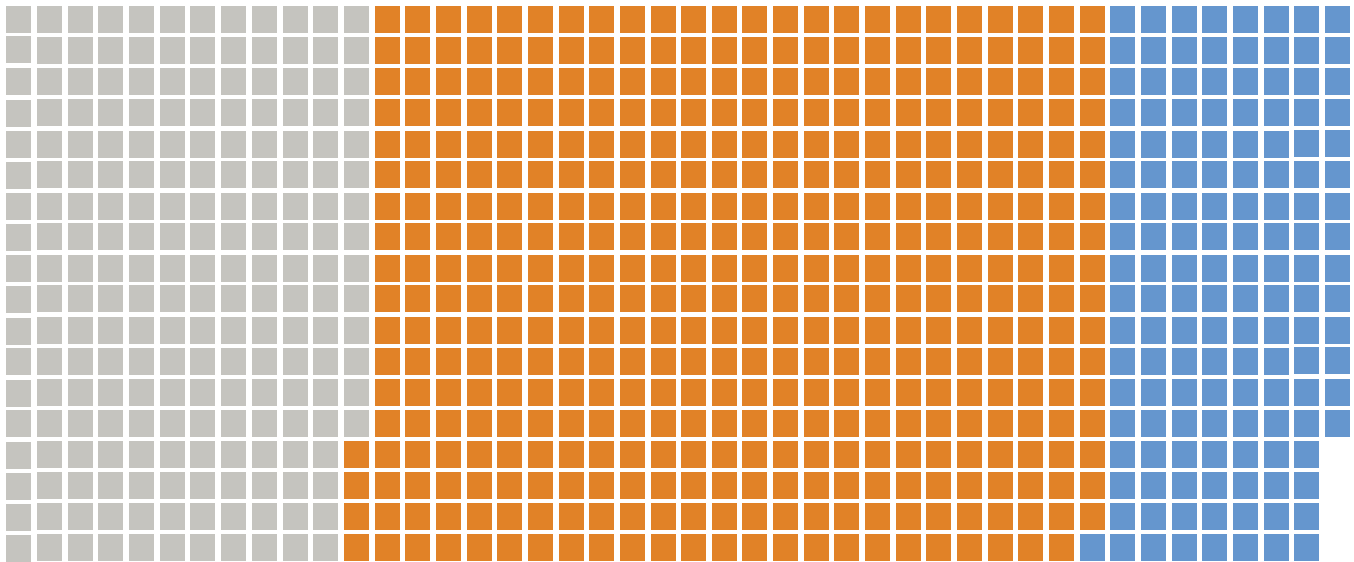
investigations closed
this reporting period

435

ongoing
investigations

141

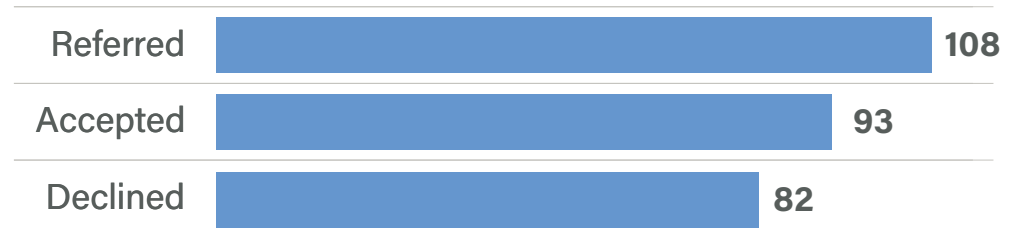
investigations opened
this reporting period



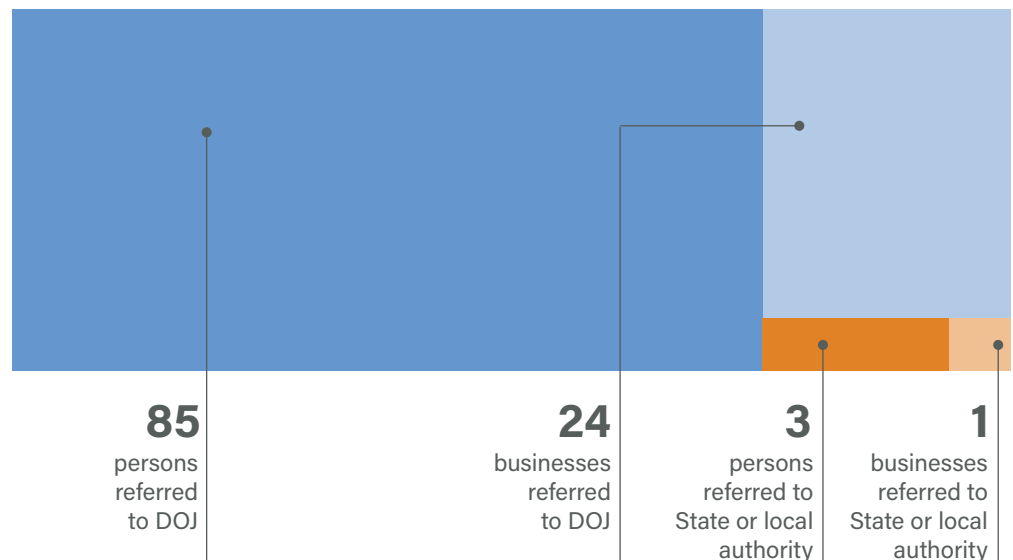
Criminal prosecutions

DOT OIG investigates and refers a variety of matters for criminal prosecution, including cases involving transportation safety, procurement and grant fraud, consumer and workforce fraud, and employee integrity issues.

Number of investigations referred, accepted, and declined for criminal prosecution



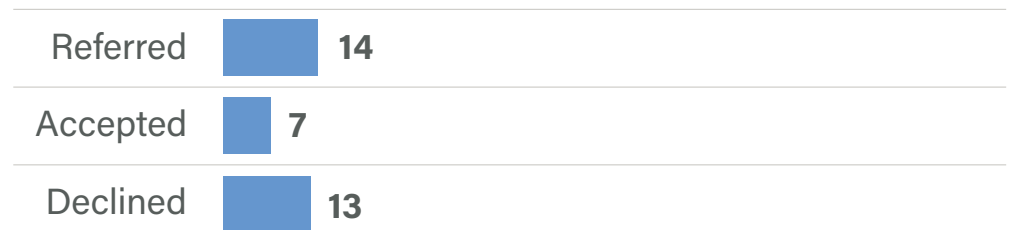
Persons and businesses referred to the U.S. Department of Justice or State/local authorities for criminal prosecution



Civil prosecutions

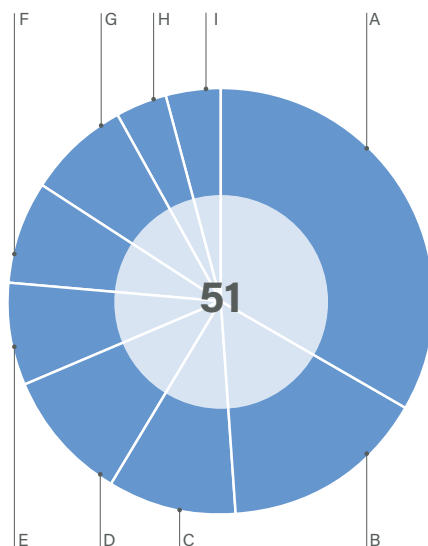
DOT OIG investigates and refers civil matters for prosecution, including False Claims Act cases involving fraud on DOT programs.

Number of investigations referred, accepted, and declined for civil prosecution



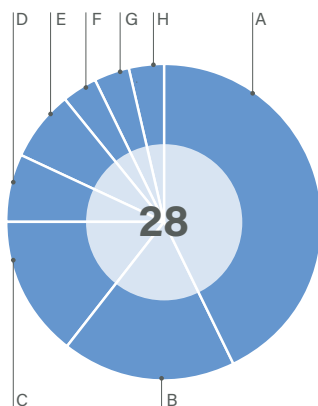
Summary of referrals for criminal and civil prosecution

Grant & procurement



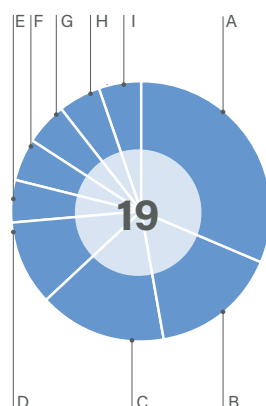
- A** false claims/false statements | **17**
- B** DBE fraud | **8**
- C** public corruption/extortion | **5**
- D** other | **5**
- E** embezzlement | **4**
- F** surety bonds | **4**
- G** product substitution/substandard work or materials | **4**
- H** anti-trust, bid rigging/collusion | **2**
- I** kickbacks | **2**

Motor carrier



- A** public corruption of DMV employee | **12**
- B** medical certificate fraud | **5**
- C** log books | **4**
- D** other | **2**
- E** reincarnated carriers | **2**
- F** attempted bribery | **1**
- G** commercial driver's license | **1**
- H** falsification/alteration of inspection records | **1**

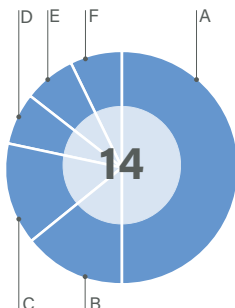
Aviation



- A** certificate fraud | **6**
- B** unauthorized aircraft operation | **3**
- C** suspected unapproved parts | **3**
- D** unmanned aircraft systems | **2**
- E** laser pointer | **1**
- F** interference/tampering with aircraft | **1**
- G** falsification of FAA orders/other documents | **1**
- H** accident related | **1**
- I** commercial pilot operating under the influence | **1**

Summary of referrals for criminal and civil prosecution (cont.)

Hazmat



A carriage by motor vehicle/public highway | **7**

B pipelines | **2**

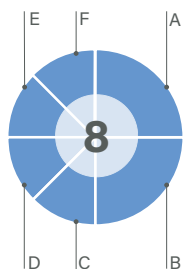
C carriage by air | **2**

D PHMSA tank cars | **1**

E PHMSA cylinders and packaging | **1**

F carriage by vessel | **1**

Employee integrity



A bribes/gratuities | **2**

B public corruption by current employee | **2**

C assault/threat | **1**

D time and attendance fraud | **1**

E purchase card misuse | **1**

F worker's compensation fraud | **1**

Transportation safety



A falsification of FRA required records | **1**

Other



A other | **1**

Investigative reports

DOT OIG distributed 195 investigative reports, including reports of investigation, stakeholder memos, and management implication reports.

Indictments and informations from prior referrals

A total of 28 indictments or criminal informations resulted from previous referrals for prosecution.

Whistleblower retaliation

DOT OIG did not close any investigations in which a DOT official was found to have engaged in whistleblower retaliation.

Investigations involving senior Government employees that were closed but not disclosed to the public

DOT OIG did not close any investigations involving senior Government employees that were not previously disclosed to the public.

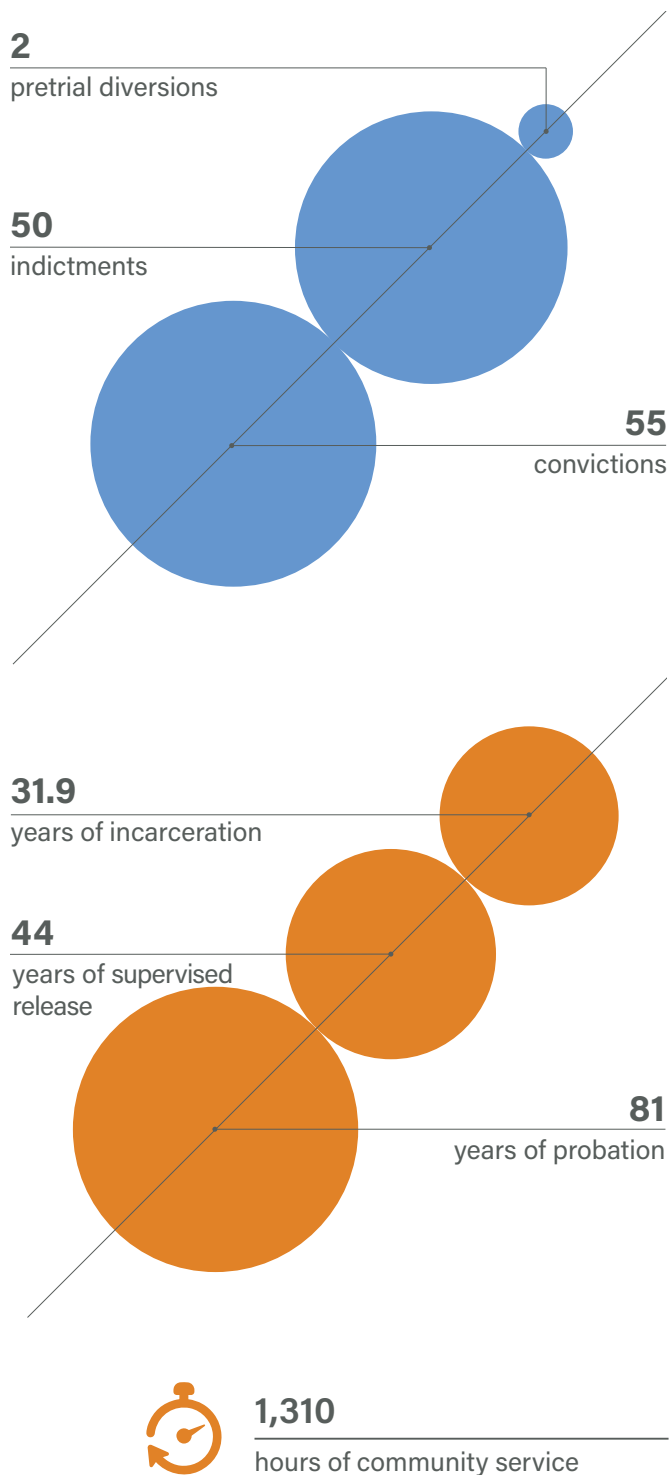
Investigations involving senior Government employees where misconduct was substantiated

DOT OIG did not close any investigations involving senior Government employees where misconduct was substantiated.

Metrics used to develop investigative statistical data

DOT OIG maintains an Investigative Case Management System to track the life of an investigation. It captures hundreds of data points, including dates, significant investigative steps, referrals, and outcomes (criminal, civil and administrative). It is also the repository for reports of investigation, stakeholder communications, and management implication reports. Each statistic and outcome reported is validated against the appropriate legal documents.

Judicial actions



Types of judicial actions

Pretrial diversion

is an alternative to prosecution that seeks to divert certain offenders from traditional criminal justice processing into a program of supervision and services.

A **conviction** is the verdict that results when a court of law finds a defendant guilty of a crime.

An **indictment** is an official written statement charging a person with a crime.

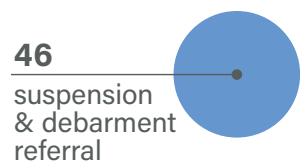
Supervised release is a period of supervision following an offender's release from prison. It is imposed in addition to a sentence of imprisonment.

Probation is a period of supervision over an offender, ordered by a court instead of a sentence of imprisonment.

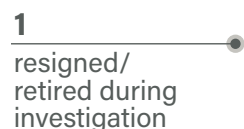
Community service is a sentencing option ordering offenders to perform a number of hours of unpaid work for the benefit of the public.

Administrative actions

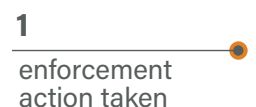
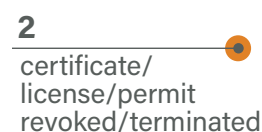
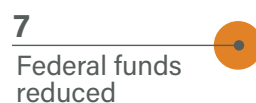
Suspension & debarment actions



Personnel actions



Other actions



Types of administrative actions

Suspension and debarment excludes an individual or entity from financial and nonfinancial assistance and benefits under Federal programs and activities.

Personnel actions include significant changes in employee duties, responsibilities, or working conditions.

Compliance agreements are voluntary agreements aimed at preventing future wrongdoing by putting safeguards in place to correct past misconduct, and identify and correct any future misconduct.

Hotline Complaint Center

DOT OIG maintains a Hotline Complaint Center for receiving allegations of fraud, waste, abuse, or mismanagement in DOT programs or operations. Allegations may be reported 24 hours a day, 7 days a week by DOT employees, contractors, or the general public.



1,712

total hotline contacts received

3 web

oig.dot.gov/hotline

1,243 telephone calls

1 (800) 424-9071

370 emails

hotline@oig.dot.gov

93 letters

1200 New Jersey Ave SE, West Bldg, 7th floor, Washington, DC 20590

3 walk ins

Audits

Audits

Summary of Performance

We conduct independent and objective audits and reviews of DOT programs and activities to ensure they operate economically, efficiently, and effectively. Some of the most significant issues we reviewed during this reporting period include:

- **Detention and delays.** We estimate that average truck crash rates increase 6.2% with every 15-minutes a truck is delayed at a shipping and receiving facility. Detention may also reduce driver and carrier income over \$1 billion annually.
- **NextGen.** FAA manages \$1.7 billion in NextGen developmental projects using project level agreements. However, 12 of the 22 agreements we sampled did not align with FAA's high-priority areas.
- **Cybersecurity.** In all five function areas (Identify, Protect, Detect, Respond, and Recover), we found DOT's information security program and practices to be at the Defined maturity level—the second lowest tier of the information security maturity model.
- **Overflight fee program.** FAA charges millions of dollars in overflight fees to aircraft operators that fly in U.S. airspace but do not depart or land in our country. Our audit found that FAA lacks sufficient overflight fee policies and oversight, which caused some users to be billed incorrectly.

Audit accomplishments



39

audit reports issued



161

recommendations



\$76,572

questioned costs



\$18,804,000

funds put to better use



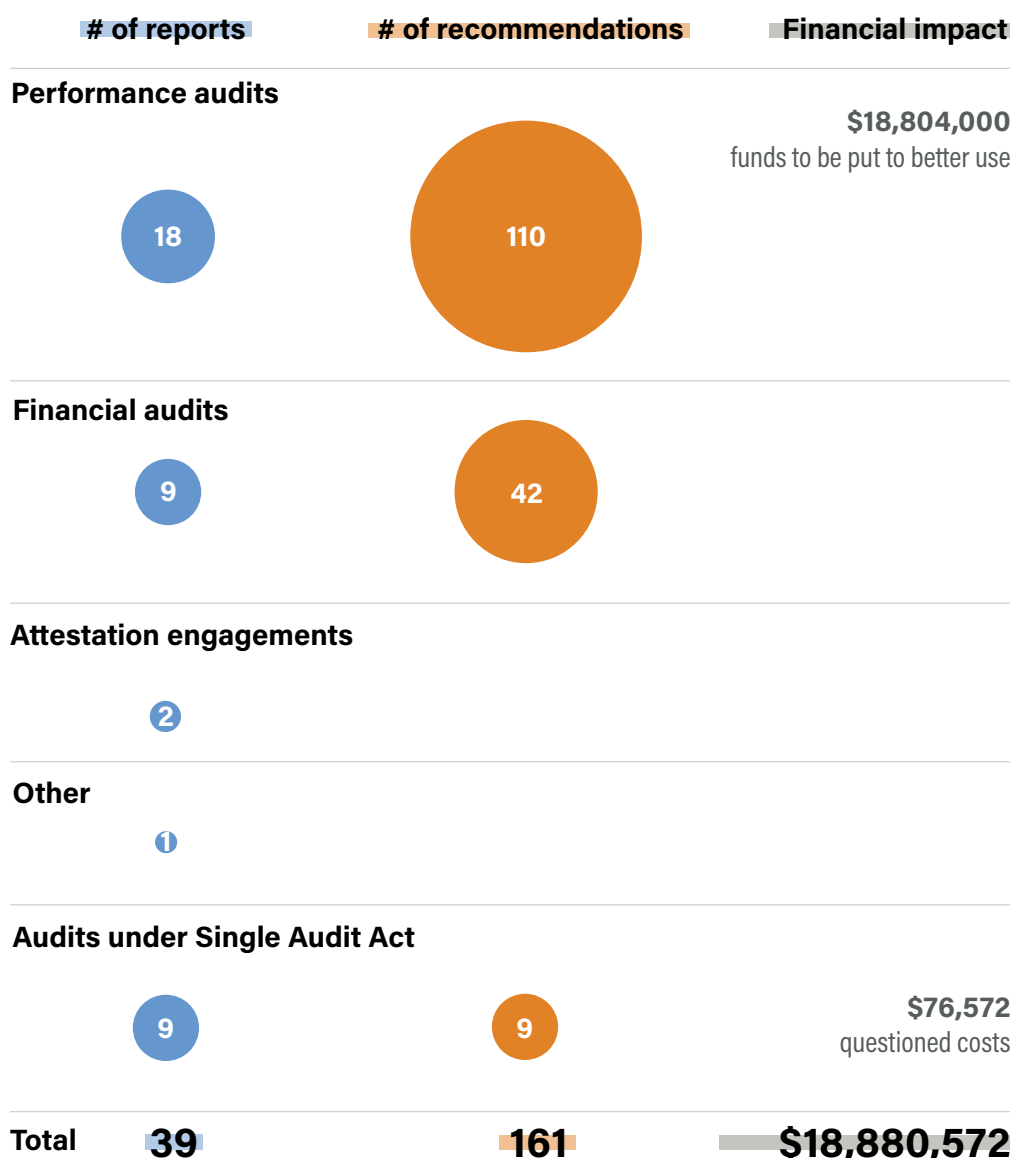
\$18,880,572

total financial impact of DOT OIG audits

Audits

Statistical Data

Completed audits by type



Types of audits

Performance audits are audits that provide findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria.

Audits under Single Audit Act are examinations of an entity that expends \$750,000 or more of Federal assistance (i.e., Federal funds, grants, or awards) received for its operations.

Attestation engagements are reviews that evaluate the assertions of another party for compliance with agreed-upon standards and procedures.

**Dollars shown are amounts reported to management. Actual amounts may change during final resolution.*

NOTE: See page 20 for definitions.

Recommendations unresolved by end of reporting period

	Number of reports	Number of recommendations	Questioned costs*	Funds to be put to better use*
Unresolved recommendations at the start of the reporting period				
That questioned costs	16	18	\$3,892,509	
That funds be put to better use	2	2		\$316,200,000
For safety, efficiency, and economy	27	37		
A Total unresolved recommendations as of October 1, 2017		57	\$3,892,509	\$316,200,000
Recommendations made during reporting period				
That questioned costs	1	1	\$76,572	
That funds be put to better use	2	2		\$18,804,000
For safety, efficiency, and economy	30	158		
B Total recommendations made during reporting period		161	\$76,572	\$18,804,000
Total recommendations to be resolved (A+B)		218	\$3,969,081	\$335,004,000
Recommendations resolved during reporting period				
That questioned costs				
(i) dollar value of recommendations that were agreed to by management (disallowed costs)				
(ii) dollar value of recommendations that were not agreed to by management (allowed costs)	4	4	\$405,793	
That funds be put to better use				
(i) dollar value of recommendations that were agreed to by management	1	1		\$44,000
(ii) dollar value of recommendations that were not agreed to by management	2	2		\$332,760,000
For safety, efficiency, and economy	43	170		
C Total resolved as of March 31, 2018		177	\$405,793	\$332,804,000
D Total unresolved as of March 31, 2018 [(A+B)-C]		41	\$3,563,288	\$2,200,000

*The dollars shown are the amounts reported to management. The actual amounts may change during final resolution.
NOTE: See next page for definitions.

Definitions

Resolved/unresolved recommendations

OMB Circular A-50 requires DOT OIG recommendations to be resolved within 6 months. Recommendation resolution refers to whether (a) the agency has provided a management decision that agrees with the recommendation and proposes corrective actions and (b) DOT OIG agrees that the proposed corrective actions are appropriate to address the recommendation.

Resolved recommendation

A recommendation is resolved if the agency agrees with the recommendation and DOT OIG agrees to the agency's proposed corrective actions.

Unresolved recommendation

A recommendation is unresolved if agency management does not agree with the recommendation or DOT OIG does not agree to the agency's proposed corrective actions.

Questioned costs

Costs that are questioned by DOT OIG because of an alleged violation of a provision; costs not supported by adequate documentation (unsupported costs); or a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

Allowed costs

Dollar value that DOT management has agreed should be charged to the Government.

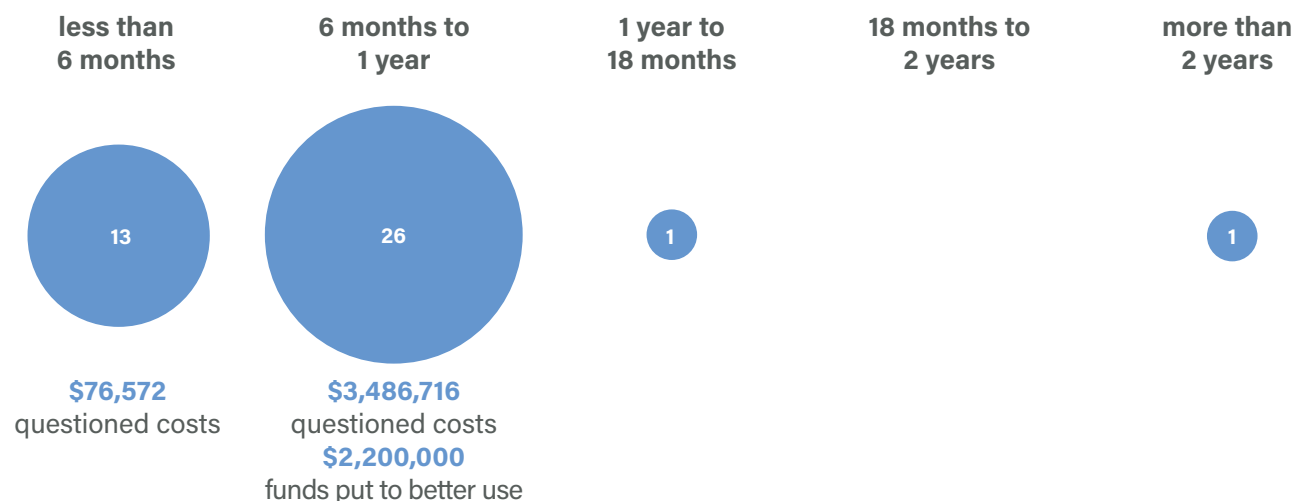
Disallowed costs

Dollar value that DOT management has decided should not be charged to the Government.

Funds put to better use

Funds that could be used more efficiently if management took actions to implement and complete the recommendation. For example, recommendations that funds be put to better use could result in reductions in spending, deobligation of funds, or avoidance of unnecessary spending.

Age of unresolved recommendations



Recommendations unresolved as of October 30, 2017

Report	Unresolved Recommendations
More than 2 years	
Long-Term Success of ATSAP Will Require Improvements in Oversight, Accountability, and Transparency AV2012152 7/19/2012	Recommendation 10. Revise ATSAP guidance to exclude accidents from the program.
1 year to 18 months	
Total Costs, Schedules, and Benefits of FAA's NextGen Transformational Programs Remain Uncertain AV2017009 11/10/2016	Recommendation 1. Develop and implement Agency-wide guidance for a uniform approach to segmentation that provides a common format to aid the management of multiple, complex, and interrelated programs needed to achieve NextGen capabilities for transforming the NAS.

Report	Unresolved Recommendations
6 months to 1 year	
Report on the Single Audit of the Metropolitan Transportation Commission, San Francisco, CA SA2017042 4/24/2017	Recommendation 1. Ensure the Commission complies with reporting requirements.
Report on the Single Audit of the City of Tracy, CA SA2017052 6/6/2017	Recommendation 1. Ensure that the City complies with Allowable Costs/Cost Principles Requirements. Recommendation 2. Recover \$147,515 from the City, if applicable. Recommendation 3. Ensure that the City complies with reporting requirements.
Report on Single Audit of the San Francisco Municipal Transportation Agency, San Francisco, CA SA2017058 6/6/2017	Recommendation 1. Ensure that the Agency complies with Allowable Costs/Cost Principles Requirements. Recommendation 2. Recover \$9,189 from the Agency, if applicable.
Report on Single Audit of the City of Albany, OR SA2017059 6/6/2017	Recommendation 1. Ensure that the City complies with Allowable Costs/Cost Principles Requirements. Recommendation 2. Recover \$41,494 from the City, if applicable.
Report on Single Audit of the Fairbanks North Star Borough, Fairbanks, AK SA2017060 6/6/2017	Recommendation 1. Ensure that the Borough complies with Allowable Costs/Cost Principles Requirements. Recommendation 2. Recover \$191,777 from the Borough, if applicable.

Report	Unresolved Recommendations
Report on Single Audit of the New Mexico Department of Transportation SA2017061 6/6/2017	Recommendation 2. Ensure that the Department complies with Subrecipient Monitoring Requirements.
FAA Has Taken Steps To Identify Flight Deck Vulnerabilities But Needs To Enhance Its Mitigation Efforts (SSI) AV2017063 6/26/2017	Recommendation 2. REDACTED Recommendation 3. REDACTED Recommendation 4. REDACTED
Report on Single Audit of the Yuma County Intergovernmental Public Transportation Authority, Yuma, AZ SA2017071 8/9/2017	Recommendation 2. Recover \$171,265 from the County, if applicable.
Report on Single Audit of the State of Tennessee, Nashville, TN SA2017073 8/9/2017	Recommendation 2. Recover \$466,262 from the State, if applicable.
Report on Single Audit of the State of Nebraska, Lincoln, NE SA2017076 9/11/2017	Recommendation 4. Recover \$438,118 from the State, if applicable.
Report on Single Audit of Livingston County, Howell, MI SA2017084 9/11/2017	Recommendation 2. Recover \$21,025 from the County, if applicable.
Report on Single Audit of the Delaware River and Bay Authority, New Castle, DE SA2017086 9/11/2017	Recommendation 2. Recover \$44,589 from the Authority, if applicable.
Report on Single Audit of the Arapahoe County Public Airport Authority, Englewood, CO SA2017090 9/11/2017	Recommendation 2. Recover \$1,611,898 from the Authority, if applicable.

Report	Unresolved Recommendations
Report on Single Audit of the City of Petersburg, VA SA2017093 9/11/2017	Recommendation 2. Recover \$66,667 from the City, if applicable.
Report on Single Audit of the Turtle Mountain Band Of Chippewa Indians, Belcourt, ND SA2017095 9/11/2017	Recommendation 2. Determine the amount of questioned costs and recover from the Tribe, if applicable.
Report on Single Audit of the Commonwealth Ports Authority Saipan, MP SA2017096 9/11/2017	Recommendation 1. Ensure that the Authority complies with equipment and real property requirements.
Report on Single Audit of the State of Florida, Tallahassee, FL SA2017097 9/11/2017	Recommendation 2. Recover \$252,644 from the State, if applicable.
DOT and FAA Lack Adequate Controls Over Their Use and Management of Other Transaction Agreements ZA2017098 9/20/2017	Recommendation 9. Renegotiate tower leases requiring rent payments to airport sponsors to secure no-cost leases. Implementation of this recommendation could put \$2.2 million in Federal funds to better use.
Report on Single Audit of the City of Lawton, OK SA2017104 9/26/2017	Recommendation 2. Recover \$23,598 from the City, if applicable.

Open audit recommendations

As of March 31, 2018, DOT OIG had **41 open recommendations**, which were included in 28 audit reports issued between July 19, 2012, and March 28, 2018. Of these, 16 recommendations (from 16 reports) carry an **estimated monetary benefit or cost savings totaling over \$5,763,288**, including funds that could be put to better use and questioned costs.

In 2016, we launched an online Recommendation Dashboard to provide Congress, DOT, and the public with accurate and timely data on the status of DOT OIG's audit recommendations. Please visit our [Recommendation Dashboard](#) for a current list of open DOT OIG audit recommendations, as well as links to audit report summaries.



Open and closed audit recommendations

A recommendation is **opened** on the date the audit report is issued. Once opened, a recommendation is "unresolved" until the Department and DOT OIG agree on the step(s) necessary to address the recommendation. Then the recommendation is considered "resolved" and remains open until the Department completes the corrective action and provides DOT OIG with sufficient supporting evidence of the actions taken.

A recommendation is **closed** after the Department has agreed with the recommendation, takes appropriate corrective action, and provides DOT OIG with sufficient supporting evidence to demonstrate that the action was taken.

Reports with no agency comment within 60 days

We work closely with the Department to ensure timely responses to our draft audit reports. All agency responses were received within 60 calendar days.

Audits closed but not disclosed to the public

It is our practice to post all closed nonsensitive audits and evaluations on our public website. Consequently, we have no previously undisclosed audits and evaluations to report.

Significant revised management decisions

DOT did not revise any significant management decisions.

DOT OIG disagreement with significant management decisions

DOT made no significant management decisions with which DOT OIG disagreed.

Attempts to interfere with DOT OIG independence

We did not encounter any instances where DOT attempted to interfere with DOT OIG independence.

Compliance with Federal Financial Management Improvement Act

DOT is in compliance with the Federal Financial Management Improvement Act.

Information or assistance refused by DOT

DOT did not unreasonably refuse information or assistance.

Audits

Completed Audit Reports

DEPARTMENT-WIDE

DOT's Fiscal Year 2018 Top Management Challenges

Required by the Reports Consolidation Act of 2000 and OMB Circular A-136

PT2018005
11/15/2017

As required by law, we report annually on DOT's most significant challenges to meeting its mission. We considered several criteria for fiscal year 2018, including impact on safety, documented vulnerabilities, large dollar implications, and the ability of the Department to effect change. We identified the following top management challenges for fiscal year 2018:

- Maintaining Safety and Oversight of a Diverse and Complex Aviation Industry
- Ensuring the Safety and Reliability of Surface Transportation Infrastructure
- Using Data-Driven Approaches and Technology To Reduce Highway and Rail Safety Risks
- Keeping Modernization on Track and Increasing User Benefits While Fostering Resiliency in the National Airspace System
- Integrating Unmanned Aircraft Systems and Other New Airspace Users Into the National Airspace System
- Maximizing Surface Infrastructure Investments Through Innovative Financing, Improved Project Delivery, and Effective Oversight
- Recalibrating DOT's Cybersecurity Posture To Mitigate Evolving Cybersecurity Threats and Uncertainties
- Enhancing the Department's Management and Oversight of Acquisitions To Achieve Results and Save Taxpayer Dollars
- Improving Mechanisms for Deterring Fraud, Waste, and Abuse Managing Response, Recovery, and Rebuilding Efforts for National Disasters and Emergencies

Quality Control Review of the Department of Transportation's Audited Consolidated Financial Statements for Fiscal Years 2017 and 2016

Required by the Chief Financial Officers Act of 1990

QC2018008

11/15/2017

This report presents the results of our quality control review of DOT's audited consolidated financial statements for fiscal years 2017 and 2016. KPMG LLP, under contract with us, issued a clean (unmodified) audit opinion on DOT's financial statements. KPMG LLP reported two significant deficiencies in internal controls over financial reporting. KPMG also reported one instance of reportable noncompliance with laws and regulations tested. Our quality control review disclosed no instances in which KPMG LLP did not comply, in all material respects, with auditing standards.

Quality Control Review of the Department of Transportation's Audited Closing Package Financial Statements for Fiscal Year 2017

Required by the Chief Financial Officers Act of 1990

QC2018009

11/16/2017

This report presents the results of our quality control review of DOT's closing package financial statements for fiscal year 2017. KPMG LLP, under contract with us, issued a clean (unmodified) audit opinion on DOT's closing package financial statements. KPMG did not identify any deficiencies in internal controls over financial reporting or instances of noncompliance or other matters required to be reported. Our quality control review disclosed no instances in which KPMG did not comply, in all material respects, with auditing standards.

Quality Control Review for DOT's Implementation of Enterprise Architecture

Self-Initiated

QC2018013

12/20/2017

This report summarizes the results of an audit of DOT's implementation of enterprise architecture (EA) practices. DOT relies on over 450 information technology systems to conduct business and meet its mission. In 2012, OIG conducted an enterprise architecture-related audit. The Clinger-Cohen Act of 1996 requires each Federal department to develop and maintain an EA to integrate, plan changes, and avoid duplication of information systems. An effective EA can improve information security practices and help optimize the use of limited information technology resources. We contracted with KPMG LLP, an independent public accounting firm, to conduct this audit subject to our oversight. The audit objectives were to (1) determine whether DOT has an effective enterprise architecture program and (2) to assess its progress in developing its department-wide EA and an EA performance measurement system. KPMG found that DOT's EA program is not fully matured, integrated, and consistently implemented across the Department's Operating Administrations. We performed a quality control review of KPMG's report and related documentation. Our quality control review disclosed no instances in which KPMG did not comply, in all material respects, with generally accepted Government auditing standards. DOT concurred with KPMG's 11 recommendations.

Quality Control Review of the Assessment of DOT's Protection of Privacy Information

*Mandated by the Fiscal
Year 2005 Consolidated
Appropriations Act
for Transportation,
Treasury, Independent
Agencies, and General
Government*

QC2018016
1/17/2018

This report summarizes the results of an audit of DOT's protection of privacy information. DOT has determined that 168 of its 464 computer systems contain personally identifiable information (PII) about the public and/or DOT employees. The Fiscal Year 2005 Consolidated Appropriations Act for Transportation, Treasury, Independent Agencies, and General Government, as amended, requires agencies to enhance the protection of PII they collect and use, and inspectors general to periodically audit their agencies' privacy programs or hire independent, third-party organizations to conduct the reviews. We contracted with KPMG LLP, an independent public accounting firm, to conduct this audit subject to our oversight. The audit objectives were to determine whether (1) DOT has established adequate procedures for the collection, use, and security of PII; (2) DOT ensures compliance with its own privacy and data protection policies and applicable laws and regulations to prevent unauthorized access to or unintended use of PII; and (3) DOT's Operating Administrations properly evaluate the necessity of using PII to process system data. We performed this quality control review of KPMG's report and related documentation. Our quality control review disclosed no instances in which KPMG did not comply, in all material respects, with generally accepted Government auditing standards. DOT concurred with KPMG's 12 recommendations.

Quality Control Review of DOT's Implementation of Earned Value Management Practices

Self-Initiated

QC2018015
1/17/2018

This report summarizes the results of an audit of DOT's implementation of earned value management (EVM) practices. For fiscal year 2017, DOT invested approximately \$3.4 billion in information technology (IT). The Clinger-Cohen Act of 1996 requires Federal agencies to establish effective management structures to govern IT investments and to improve their implementation and management. The Office of Management and Budget has developed Federal policy for planning, budgeting, acquiring, and managing IT assets, and directs agencies to use EVM to calculate cost and schedule variances for all major IT investments. We contracted with KPMG LLP, an independent public accounting firm, to conduct this audit subject to our oversight. The audit objectives were to assess DOT's (1) implementation of EVM policies, procedures, and practices for its IT investments and (2) use of EVM data to plan, monitor, and report the status of its IT investments and related security spending. We performed this quality control review of KPMG's report and related documentation. Our quality control review disclosed no instances in which KPMG did not comply, in all material respects, with generally accepted Government auditing standards. DOT concurred with recommendations for MARAD and OST, and partially concurred with the recommendation for the FTA.

FISMA 2017: DOT's Information Security Posture Is Still Not Effective

Required by the Federal Information Security and Management Act of 2002

FI2018017
1/24/2018

The Federal Information Security Management Act of 2002 (FISMA), as amended, requires inspectors general to conduct annual reviews of their agencies' information security programs and report the review results to OMB. DOT's operations rely on 464 information technology systems, which represent an annual investment of approximately \$3.5 billion. Consistent with FISMA and OMB requirements, our audit objective was to determine the effectiveness of DOT's information security program and practices in five function areas—Identify, Protect, Detect, Respond, and Recover. In all five function areas, we found DOT to be at the Defined maturity level—the second lowest tier of the maturity model for information security—because the Department has, for the most part, formalized and documented its policies, procedures, and strategies. However, these policies and procedures are not consistently implemented throughout DOT. Identify controls include risk management, weakness remediation, and security authorization. Protect controls include configuration management, identity and access management, and security training. Detect controls are used to identify cybersecurity incidents as part of information security continuous monitoring. Respond controls cover incident handling and reporting. Recover controls cover development and implementation of plans to restore capabilities and services impaired by cybersecurity incidents. DOT's Identify, Protect, Detect, Respond, and Recover controls are currently inadequate. We made eight recommendations to help the Department address the challenges of developing a mature and effective information security program. DOT concurred with six of our recommendations, partially concurred with one, and non-concurred with one.

DATA Act: Report on DOT's Submission

Required by the Digital Accountability and Transparency Act of 2014

FI2018018
1/29/2018

The Digital Accountability and Transparency Act of 2014 (DATA Act) reinforces Federal agencies' compliance with the Federal Funding Accountability and Transparency Act of 2006, which requires that Federal agencies maintain reliable data on spending and financial assistance. The Department of the Treasury makes these data available to the public at USASpending.gov. The DATA Act requires that every 2 years through 2021, inspectors general assess their agencies' data submissions. Accordingly, our audit objectives were to assess (1) the completeness, timeliness, quality, and accuracy DOT's fiscal year 2017, second-quarter financial and award data submitted for publication on USASpending.gov and (2) the Department's implementation and use of the Governmentwide financial data standards established by OMB and Treasury. DOT's submission was timely and almost complete but we could not assess its accuracy because we could not rely on data in Treasury's data collection system and other external systems. Furthermore, we could not assess the submission's quality because the guide on submission reviews requires that quality be assessed by considering accuracy in addition to completeness, timeliness, and internal control. While DOT's submission was nearly complete, FHWA and FAA officials informed us that their submissions omitted certain transactions. Lastly, our assessment of internal control did not reveal any issues that were significant

to our audit. The Department implemented and used the data standards, and the Operating Administrations used the data elements as required. OST provided feedback to Treasury and OMB throughout the drafting and issuing of the Standards' definitions. By understanding and using the Standards, DOT reduces the risk of errors and increases the likelihood that the reports will be timely, complete and accurate. DOT concurred with the three recommendations we made to help DOT improve its data submissions under the act.

Quality Control Review of the Management Letter for Department of Transportation's Audited Consolidated Financial Statements for Fiscal Years 2017 and 2016

Required by the Chief Financial Officers Act of 1990

QC2018023
2/12/2018

This report presents the results of our quality control review of KPMG LLP's management letter related to the audit it conducted, under contract with us, of DOT's consolidated financial statements for fiscal years 2017 and 2016. In addition to its audit report on DOT's financial statements, KPMG issued a management letter that discusses two internal control matters that it was not required to include in its audit report. Our quality control review of KPMG's management letter disclosed no instances in which KPMG did not comply, in all material respects, with generally accepted Government auditing standards. DOT concurred with KPMG's two recommendations.

Federal Funding Support for Positive Train Control Implementation

Requested by the Chairman of the Senate Committee on Commerce, Science, and Transportation

ST2018038
3/28/18

Over the last decade, several fatal rail incidents have led the U.S. rail industry and congressional leaders to commit to implementing Positive Train Control (PTC) systems. The Rail Safety Improvement Act of 2008 (RSIA) requires PTC systems to be implemented across a significant portion of the Nation's rail system. DOT was tasked with overseeing PTC implementation and funding support, including grants and loans. At the request of the Senate Committee, we reviewed DOT's oversight of Federal funds for PTC projects and the recipients' use of the funds. Specifically, we were asked to (1) identify railroads that received DOT funding or financing to support PTC projects, (2) describe those PTC projects, (3) assess oversight of PTC funding allocations, and (4) determine whether recipients have used awarded funds "completely and efficiently." As of the end of fiscal year 2017, approximately 60 percent of the U.S. rail systems required to implement PTC are receiving financial support from the Federal Government. These 29 rail systems have received Federal assistance for projects that vary greatly based on the type of railroad, needs for interoperability, and available communication systems. According to estimates provided to us by the funding recipients, DOT has provided \$2.9 billion to date to implement PTC. Our work focused on approximately \$2.3 billion obligated as of September 30, 2017, which was the actual amount available to recipients. Of this amount, the Department obligated \$1.3 billion through various Federal grants, and the Build American

Bureau issued approximately \$1 billion through a loan. More than half of the recipients reported spending over 50 percent of their funds, and about 40 percent reported spending over 75 percent. However, although the deadline for PTC implementation is the end of this year, only 4 of 37 funding recipients have completely expended their Federal funds. We are not making recommendations; the data gathered are informational and meant to be responsive to the congressional request.

FEDERAL AVIATION ADMINISTRATION

FAA Has Made Progress Implementing NextGen Priorities, but Additional Actions Are Needed To Improve Risk Management

Requested by the Chairmen and Ranking Members of the House Committee on Transportation and Infrastructure and its Aviation Subcommittee

AV2018001
10/18/2017

FAA's Next Generation Air Transportation System (NextGen) aims to modernize the Nation's air traffic system and provide safer and more efficient air traffic management by 2025. In 2013, the NextGen Advisory Committee (NAC) recommended the aviation industry's four priorities for NextGen investment—Multiple Runway Operations, Performance-based Navigation, Surface Operations, and Data Communications (DataComm). At the request of Congress, in November 2014, we identified the steps the Agency was taking to address NAC's priorities and made three recommendations; FAA completed actions on two of them. In this follow-up audit, we assessed FAA's (1) process for identifying risks to implementing the four prioritized NextGen capabilities and (2) actions to mitigate any identified risks. We also assessed the Agency's progress in implementing the four capabilities in the context of the identified risks. FAA is making significant progress in implementing the four NAC priorities. However, the Agency lacks a comprehensive process for effectively identifying or assessing risks, which could hinder its ability to fully implement its priorities. For example, while FAA took some steps to identify risks, it did not fully engage or include all stakeholders or effectively evaluate the severity of the identified risks to ensure its implementation milestones were realistic. In addition, FAA is not proactively mitigating risks to keep the NAC priorities on track. In particular, FAA and industry will need to mitigate several complex risks for capabilities expected for implementation and benefits delivery in the 2019–2020 timeframe, such as resolving issues with DataComm technology installed in aircraft. However, the Agency has not developed a detailed mitigation plan to address identified risks, involved industry in its decision-making process, or transparently reported its progress in this area. We will not make any new recommendations until FAA has completed actions on the remaining open recommendation from our November 2014 report.

Quality Control Review of the Federal Aviation Administration's Audited Consolidated Financial Statements for Fiscal Years 2017 and 2016

Required by the Chief Financial Officers Act of 1990

QC2018006

11/13/2017

This report presents the results of our quality control review of FAA's audited consolidated financial statements for fiscal years 2017 and 2016. KPMG LLP, under contract to us, issued a clean (unmodified) audit opinion on FAA's financial statements. KPMG LLP reported one material weakness and one significant deficiency in internal control over financial reporting. KPMG did not report any instances of reportable noncompliance with laws and regulations tested. Our quality control review disclosed no instances in which KPMG LLP did not comply, in all material respects, with auditing standards.

FAA Needs To Enhance the Oversight and Management of Its Overflight Fee Program

Self-initiated

FI2018011

12/11/2017

**\$18,760,000
FUNDS PUT TO
BETTER USE**

The Federal Aviation Reauthorization Act of 1996 gave FAA authority to charge overflight fees to most aircraft operators that fly in U.S.-controlled airspace but do not depart or land in the United States. However, several airlines and air transport associations have sued FAA, stating that the Agency lacked a reliable methodology for determining overflight fees, and the courts frequently overturned FAA's practices. While the 2001 Aviation and Transportation Security Act states that overflight fees must be reasonably related to FAA's costs for providing overflight services, and the Agency's determination of those costs is not subject to judicial review, we have previously found issues with FAA's process for collecting the fees. Accordingly, we initiated this audit to assess FAA's policies and procedures for ensuring that (1) overflight fees are accurately computed, (2) exceptions are appropriately applied, and (3) fees are collected or referred to the Department of the Treasury (Treasury) for collection in accordance with Federal laws and regulations. FAA invoices aircraft operators for millions of dollars in overflight fees, but it does not have sufficient policies and procedures to ensure those fees are computed accurately. Moreover, FAA provides little oversight to the contractor who determines which flights are charged overflight fees and only minimal support to the personnel who generate the invoices. FAA's policies and procedures also do not explain when to apply exceptions to the Federal requirement to send invoices only when monthly overflight fees are equal to or exceed \$250. As a result, some users have been billed incorrectly. Finally, FAA does not ensure that its overflight-fee debt-collection efforts comply with Federal laws and regulations. Based on our statistical sample, we project that invoices totaling \$7.98 million (91.6 percent of the \$8.71 million in the universe) have issues with timely referrals to the Treasury. We made six recommendations to help FAA strengthen its internal controls and ensure the accuracy, appropriateness, and collection of overflight fees.

FAA Oversight Is Not Keeping Pace With the Changes Occurring in the Regional Airline Industry

Requested by the Ranking Members of the House Transportation and Infrastructure Committee and its Subcommittee on Aviation

AV2018012
12/19/2017

Regional air carriers operate over 40 percent of the Nation's commercial flights, making over 10,000 trips a day. These carriers began operating in the 1970s, primarily to provide flights to cities unable to support major airline service. While it has not suffered a major accident since 2009, the industry has recently undergone significant changes—including consolidations—and changes in requirements for pilots. In light of these changes, the Ranking Members of the House Transportation and Infrastructure Committee and its Subcommittee on Aviation requested that we analyze FAA's process of identifying periods of growth and determine the Agency's ability to respond to changes in regional air carrier operations. Accordingly, our audit objectives were to (1) evaluate FAA's process for identifying periods of transition and growth of regional air carriers and (2) evaluate how FAA adjusts its oversight to respond to changes in regional air carrier operations. FAA's process for identifying periods of transition and growth at regional air carriers is ineffective in key areas. FAA's tools to evaluate air carrier risk are confusing and subjective, and limit the Agency's ability to be proactive and weight specific risks. Furthermore, inspectors are hesitant to use the tool designed to detect potential financial problems because they do not have the knowledge or information they need to evaluate carriers' financial conditions. FAA inspectors also do not adjust air carrier surveillance in response to changes because their risk assessment tools are ineffective. Additionally, even when inspectors are able to identify areas of risk, Agency guidance is vague regarding how inspectors should adjust surveillance. Finally, the new oversight system relies heavily on inspector judgement. While sound inspector judgment is crucial for effective oversight, inspectors also need adequate tools and guidance to aid their decision making. FAA concurred with our 10 recommendations to improve its risk assessment tools, improve data sharing between offices, and improve the guidance for how inspectors should handle anonymous complaints.

FAA Completed STARS at Large TRACONs, but Challenges in Delivering NextGen Capabilities Remain

Requested by the Committee on Appropriations, U.S. House of Representatives

AV2018020
1/31/2018

FAA is currently modernizing and standardizing the automated systems that controllers rely on to manage air traffic near airports by installing the Standard Terminal Automation Replacement System (STARS) at 11 large terminal radar approach control (TRACON) air traffic facilities. STARS is critical to achieving the expected benefits of NextGen, including enhanced capacity and reduced delays. STARS program risks, if not mitigated, could impact the long-term viability of NextGen. For these reasons, the House Appropriations Committee directed our office to provide an update on FAA's progress in implementing STARS at the 11 large TRACONs and determine how the effort will support NextGen capabilities. FAA has installed STARS at the 11 TRACONs and is capable of providing full and sustained operations. However, FAA has experienced challenges in transitioning from the legacy system to STARS. In addition, despite having a detailed management plan for new STARS requirements, FAA could not sufficiently document how new requirements were validated or prioritized. Our review also identified that FAA's installation of STARS power systems do not comply with the

Agency's safety regulations and industry standards. STARS supports several new NextGen capabilities at some of the 11 TRACONs, such as displaying Automatic Dependent Surveillance-Broadcast (ADS-B) information for controllers. However, it does not yet fully support other capabilities that materially impact air traffic management, such as sequencing and spacing tools for controllers that facilitate the use of new performance-based navigation procedures. FAA is planning to establish a new phase of terminal automation to further address NextGen capabilities. FAA concurred with three of our recommendations to improve implementation of STARS requirements and NextGen capabilities and partially concurred with one.

Inspector General Review of the Federal Aviation Administration's Fiscal Year 2017 Drug Control Funds and Performance Summary Reporting

*Required by the Office
of National Drug
Control Policy Circular,
Accounting of Drug
Control Funding and
Performance Summary*

FI2018021
1/31/2018

Under the Office of National Drug Control Policy (ONDCP) Circular, Accounting of Drug Control Funding and Performance Summary, when drug-related obligations total less than \$50 million and a detailed accounting would be an unreasonable burden, agencies may submit alternative reports. Because its drug-related obligations for fiscal year 2017 totaled less than \$50 million, FAA submitted an alternative report that consolidated both the Drug Control Obligation Summary and the Performance Summary report. We reviewed FAA's report and related management assertions to determine the reliability of those assertions in compliance with the ONDCP Circular in all material respects. We conducted our review in accordance with generally accepted Government auditing standards for attestation engagements. Specifically, we reviewed selected accounting internal controls to determine whether drug control funds were properly identified in the accounting system. In addition, we reviewed FAA's internal controls for performance measures to gain an understanding of how the measures were developed. We limited our review processes to inquiries and analytical procedures appropriate for an attestation review according to the ONDCP Circular's criteria. FAA's Drug Control Obligation Summary identified \$18,191,340 in obligations from two of FAA's drug control decision units. We traced those obligations to DOT's accounting system. We found no exceptions. FAA's performance targets for fiscal year 2017 were to: initiate regulatory investigations on 95 percent of all airmen involved in the sale or distribution of illegal drugs within 30 days of knowledge, notification by law enforcement, or a conviction; ensure the aviation industry conducts random drug and alcohol testing of safety sensitive employees with results not exceeding 1 percent positives for drugs and 0.5 percent positives for alcohol; and conduct 1,205 drug and alcohol inspections of the aviation industry to ensure compliance with Federal regulations. FAA indicated that it met its performance targets. Based on our review, we are not aware of any material modifications that should be made to FAA's fiscal year 2017 Drug Control Obligation Summary and Performance Summary report in order for it to be in accordance with the ONDCP Circular.

**Quality Control Review
of the Management
Letter for the Federal
Aviation Administration's
Audited Consolidated
Financial Statements
for Fiscal Years 2017 and
2016**

*Required by the Chief
Financial Officers Act of
1990*

QC2018024
2/12/2018

This report presents the results of our quality control review of KPMG LLP's management letter related to the audit it conducted, under contract with us, of FAA's consolidated financial statements for fiscal years 2017 and 2016. In addition to its audit report on FAA's financial statements, KPMG issued a management letter that discusses internal control matters that it was not required to include in its audit report. Our quality control review of KPMG's management letter disclosed no instances in which KPMG did not comply, in all material respects, with generally accepted Government auditing standards. FAA concurred with all nine of the recommendations KPMG made in its management letter.

**Improvements
Could Be Made in
FAA's Award and
Oversight of SE2020
Acquisition Program
Task Orders**

Self-Initiated

ZA2018029
2/28/2018

**\$44,000
FUNDS PUT TO
BETTER USE**

FAA's NextGen is a multibillion-dollar system intended to modernize the Nation's air traffic system. To support NextGen and non-NextGen initiatives, FAA awarded seven multiple-award contracts under the Systems Engineering 2020 (SE2020) portfolio. In this follow-up report to our 2012 audit of SE2020, we assessed whether the FAA's actions for (1) awarding task orders and (2) overseeing the SE2020 acquisition program were sufficient to meet its program mission. FAA's insufficient policies and guidance for awarding SE2020 task orders hindered the Agency's efforts to fully achieve its mission. First, FAA awarded program management task orders and used high assessment fees to fund them—up to 10 percent—from January 2012 to September 2015. Second, while FAA has increased competition for new task orders, it has experienced challenges in competing follow-on task orders and has not updated its SE2020 program office's task order award standard operating procedure to reflect its emphasis on competition. As a result of these weaknesses, the SE2020 contract did not achieve its level of expected use. Originally FAA estimated SE2020 would provide \$7.1 billion in support services, but the Agency has since lowered its estimate to \$1.2 billion. FAA's ineffective oversight and management of SE2020 limited its ability to achieve program goals. For example, FAA's SE2020's payment processes lacked sufficient oversight, causing delays in making invoice payments and recouping overpayments. Furthermore, the SE2020 program office lacks effective and up-to-date program management plans and a strong oversight framework and guidance for managing large multiple-award contracts. This lack of specific policy to manage multiple-award contracts such as the SE2020 program hinders FAA's ability to provide effective oversight that ensures such contracts meet their intended goals. FAA concurred with our 11 recommendations to improve its award, management, and oversight of the SE2020 program and other multiple-award contract vehicles.

FAA Needs To Strengthen Its Management Controls Over the Use and Oversight of NextGen Developmental Funding

Requested by the Chairman and Ranking Member of the House Committee Transportation and Infrastructure and its Aviation Subcommittee

AV2018030
3/6/2018

Since fiscal year 2008, Congress has appropriated over \$7 billion for FAA's NextGen to meet FAA's goals of modernizing the National Airspace System. This includes over \$1.7 billion for NextGen developmental projects. FAA manages these projects through project level agreements (PLAs)—an internal control mechanism for documenting the agreed-upon work and managing project execution. The House Committee on Appropriations directed our office to examine how these investments are managed and what outcomes have been achieved to improve the Nation's air transportation system. Accordingly, our audit objectives were to assess FAA's procedures for (1) selecting and justifying projects that received developmental funding and (2) overseeing the execution and measuring the outcomes of projects. We also reviewed FAA's overall oversight framework for these areas. FAA's annual budget process provides broad controls for selecting and justifying developmental projects, but the Agency has lacked effective management controls in its PLA process. For example, 12 of the 22 PLAs we sampled did not align with FAA's high-priority NextGen investment decisions, primarily because they were for support or implementation work. Furthermore, due to a lengthy PLA approval process, FAA often funded projects without approved PLAs and had difficulty obligating funds to developmental projects. FAA did not define which types of projects were eligible for developmental work and lacked standard operating procedures for PLAs until 2016, 8 years after it began to use PLAs. FAA's Office of NextGen also had not effectively executed and measured the outcomes of NextGen developmental projects, including tracking expenditures by PLA and obtaining deliverables for PLA projects. Finally, FAA lacked a clearly established framework for managing the overall oversight of developmental projects and addressing persistent problems. We provided six recommendations to improve FAA's management and oversight of NextGen developmental funding. FAA concurred with three recommendations and non-concurred with three recommendations.

FEDERAL HIGHWAY ADMINISTRATION

FHWA Lacks Detailed Guidance on Infrastructure Resilience for Emergency Relief Projects and a Process To Track Related Improvements

Self-Initiated

ST2018014
1/10/2018

The FHWA Emergency Relief Program (ERP) provides funds for the repair and reconstruction of highways and roads that have sustained serious damage from catastrophic failures or natural disasters, including extreme weather events. Since fiscal year 2012, Congress has appropriated approximately \$5.7 billion to the ERP. DOT's current draft strategic plan states that the Department will better ensure that infrastructure is resilient enough to withstand extreme weather that could disrupt the transportation network and require major reconstruction. Because of the importance resilience plays in ensuring a safe and reliable transportation system, we assessed FHWA's guidance and processes for incorporating resilience improvements into emergency relief projects to rebuild damaged highway infrastructure. While FHWA's primary guidance for the ERP was updated in 2013 to include a greater focus on infrastructure resilience, we found it to be inadequate in some areas. The guidance does not define "resilience improvement" or inform States how to incorporate resilience improvements into emergency relief projects or share related best practices. These gaps have led to inconsistent interpretations of resilience by the Agency's Division Offices and State DOTs, and make it difficult for State DOTs to make informed decisions about how to use emergency relief funding for projects. As a result, States may not be improving the resilience of transportation infrastructure to the extent possible. FHWA also does not have a process for tracking State DOTs' efforts to include resilience improvements in their emergency relief projects. While no specific requirement exists for FHWA to conduct such tracking, the Agency's lack of data impedes its ability to ensure that the benefits of resilience are achieved in emergency relief projects and enhance its stewardship of ERP funds. FHWA concurred with two of our recommendations to strengthen the Agency's ERP guidance on resilience and enhance its oversight of ERP-funded projects, and partially concurred with the third.

Quality Control Review on the Single Audit of the Central Texas Regional Mobility Authority, Austin, TX

Self-Initiated

QC2018027
2/28/2018

This report presents the results of our quality control review on DOT's major grant program included in a single audit that RSM US LLP (RSM) performed for the Central Texas Regional Mobility Authority's (Authority) fiscal year that ended June 30, 2017. During this period, the Authority expended approximately \$27 million from DOT grant programs. RSM determined that DOT's major program was the Highway Planning and Construction Cluster. The purpose of our quality control review was to determine (1) whether the audit work and reporting package complied with the Single Audit Act of 1984, as amended, and the Uniform Guidance and (2) the extent to which we could rely on the auditors' work on DOT's major program. Firms can receive a rating of pass, pass with deficiency(ies), or fail. Based on our quality control review, we assigned an overall rating of pass to RSM's work. Therefore, RSM met the requirements of the Single Audit Act, the Uniform Guidance, and DOT's major program. We found nothing to indicate that RSM's opinion on the Highway Planning and Construction Cluster was inappropriate or unreliable.

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

Estimates Show Commercial Driver Detention Increases Crash Risks and Costs, but Current Data Limit Further Analysis

Required by the Fixing America's Surface Transportation Act of 2015

ST2018019
1/31/2018

The Fixing America's Surface Transportation Act of 2015 (FAST Act) directs FMCSA to issue regulations that cover the collection of data on delays experienced by commercial motor vehicle (CMV) operators before they load and unload their vehicles. The act also directs OIG to report on the effects of driver detention. Accordingly, we conducted this audit to (1) assess available data on delays in motor carrier loading and unloading, and (2) provide information on measuring the potential effects of loading and unloading delays. In addressing our objectives, we also reviewed FMCSA's plan to collect data on driver detention. Accurate industrywide data on driver detention do not currently exist because most industry stakeholders measure only time spent at a shipper or receiver's facility beyond the limit established in shipping contracts. Available electronic data cannot readily discern detention time from legitimate loading and unloading tasks, and are unavailable for a large segment of the industry. We estimated that a 15-minute increase in average dwell time—the total time spent by a truck at a facility—increases the average expected crash rate by 6.2 percent. In addition, we estimated that detention is associated with reductions in annual earnings of \$1.1 billion to \$1.3 billion for for-hire CMV drivers in the truckload sector. For motor carriers in that sector, we estimated that detention reduces net income by \$250.6 million to \$302.9 million annually. FMCSA's plan to collect data on driver detention does not call for collection or detailed analysis of reliable or representative data, and the Agency has no plans to verify the data that motor carriers and drivers would provide. As a result, the data may not accurately describe how the diverse trucking industry experiences driver detention, which would limit any further analysis of impact. FMCSA concurred with our recommendation to improve future plans for collection of data on driver detention.

FEDERAL TRANSIT ADMINISTRATION

Quality Control Review on the Single Audit of the Kansas City Area Transportation Authority, Kansas City, MO

Self-Initiated

QC2018026
2/28/2018

This report presents the results of our quality control review on DOT's major grant programs included in a single audit that RSM US LLP (RSM) performed for the Kansas City Area Transportation Authority's (Authority) fiscal year that ended December 31, 2016. During this period, the Authority expended approximately \$18 million from DOT grant programs. RSM determined that DOT's major programs were the Federal Transit Cluster and the Transit Services Programs Cluster. The purpose of our quality control review was to determine (1) whether the audit work and reporting package complied with the Single Audit Act of 1984, as amended, and the Uniform Guidance and (2) the extent to which we could rely on the auditors' work on DOT's major programs. Firms can receive a rating of pass, pass with deficiency(ies), or fail. Based on our quality control review, we assigned an overall rating of pass with a deficiency to RSM's work. Therefore, RSM generally met the requirements of the Single Audit Act, the Uniform Guidance, and DOT's major programs. We found nothing to indicate that RSM's opinion on the Federal Transit Cluster and the Transit Services Programs Cluster was inappropriate or unreliable.

MARITIME ADMINISTRATION

Gaps in USMMA's Sexual Assault Prevention and Response Program Limit Its Effectiveness

Mandated by the National Defense Authorization Act for Fiscal Year 2017

ST2018039
3/28/2018

The National Defense Authorization Act for Fiscal Year 2017 (NDAA) mandated that, by March 31, 2018, we report on the effectiveness of the United States Merchant Marine Academy's (USMMA or the Academy) Sexual Assault Prevention and Response (SAPR) program. We assessed (1) the SAPR program's policies and procedures; (2) the Department's and Academy's progress and challenges in prioritizing and addressing recommendations from past studies and current action plans, including the 2017 Culture Change Action Plan; and (3) the Department's and Academy's responses to reports of sexual assault or harassment involving members of the Academy. To meet an NDAA requirement, we consulted experts from the Centers for Disease Control and Prevention (CDC). Due to weaknesses in its infrastructure—which includes policies, procedures, and staffing—the Academy's SAPR program does not fully align with the CDC's strategies for effective sexual violence prevention efforts on college campuses. Critical gaps remain in comprehensive prevention and evaluation. For example, USMMA has not ensured that policies prohibiting sexual assault and sexual harassment are reinforced in the Midshipmen Regulations or established a reliable methodology for collecting sexual harassment data. MARAD and USMMA have made progress implementing recommendations from past studies and action plans but have missed target dates and lack a risk-based approach to prioritization. USMMA reported completion of 62 of 138 recommendations (about 45 percent) derived from past studies and action plans, including those necessary to maintain its accreditation. USMMA's lack of full compliance with its procedures, particularly for sexual harassment, limits its ability to respond to incidents and report to Congress. For example, USMMA lacks documentation related to reports of sexual harassment, which impacts its ability to provide survivor services and accurately assess its progress in addressing sexual harassment. USMMA concurred with all 10 of our recommendations to improve the SAPR program's effectiveness.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Inspector General Review of the National Highway Traffic Safety Administration's Fiscal Year 2017 Drug Control Funds and Performance Summary Reporting

*Required by the Office
of National Drug
Control Policy Circular,
Accounting of Drug
Control Funding and
Performance Summary*

FI2018022
1/31/2018

As stated in the ONDCP Circular, when drug-related obligations total less than \$50 million and a detailed accounting would be an unreasonable burden, agencies may submit alternative reports. Because its drug-related obligations for fiscal year 2017 totaled less than \$50 million, NHTSA submitted alternative reports. We reviewed NHTSA's reports and related management assertions to determine the reliability of those assertions in compliance with the ONDCP Circular in all material respects. We conducted our review in accordance with generally accepted Government auditing standards for attestation engagements. Specifically, we reviewed selected accounting internal controls to determine whether drug control funds were properly identified in the accounting system. In addition, we reviewed NHTSA's internal controls for performance measures to gain an understanding of how the measures were developed. We limited our review processes to inquiries and analytical procedures appropriate for an attestation review according to the ONDCP Circular's criteria. NHTSA's Drug Control Obligation Summary report identified \$3,342,927.88 in total obligations. We traced those obligations to DOT's accounting system and underlying contracts. We found no exceptions. NHTSA's fiscal year 2017 performance measure was designed to assess NHTSA's progress in trying to increase the standardization of toxicology testing in post-mortem and driving under the influence of drugs (DUID) cases. During the year, NHTSA completed the study of current toxicology practices in post-mortem and DUID cases, measured progress in gaining compliance with recommended practices issued in 2013, and revised the recommended practices through a consultative process. Based on our review, we are not aware of any material modifications that should be made to NHTSA's fiscal year 2017 Drug Control Obligation Summary and Performance Summary reports in order for them to be in accordance with ONDCP's Circular.

NATIONAL TRANSPORTATION SAFETY BOARD

Quality Control Review for the National Transportation Safety Board's Audited Financial Statements for Fiscal Years 2017 and 2016

*Required by the
Accountability of Tax
Dollars Act of 2002*

QC2018004
11/13/2017

This report presents the results of our quality control review of NTSB's audited financial statements for fiscal years 2017 and 2016. Allmond & Company LLC, under contract with us, issued a clean (unmodified) audit opinion on NTSB's financial statements. Allmond did not report any internal control deficiencies or instances of reportable noncompliance with laws and regulations tested. We performed a review of Allmond's report and related documentation and found no instances in which Allmond did not comply, in all material respects, with generally accepted Government auditing standards.

Quality Control Review of the Management Letter for the National Transportation Safety Board's Audited Financial Statements for Fiscal Years 2017 and 2016

*Required by the
Accountability of Tax
Dollars Act of 2002*

QC2018025
2/14/2018

This report presents the results of our quality control review of Allmond & Company, LLC's management letter related to the audit it conducted, under contract with us, of NTSB's financial statements for fiscal years 2017 and 2016. In addition to its audit report on NTSB's financial statements, Allmond issued a management letter that discusses two internal control matters that it was not required to include in its audit report. Our review of Allmond's management letter disclosed no instances in which Allmond did not comply, in all material respects, with generally accepted Government auditing standards. NTSB concurred with Allmond's two recommendations.

OFFICE OF THE SECRETARY OF TRANSPORTATION**Improvements
Are Needed To
Strengthen the
Benefit-Cost
Analysis Process
for the TIGER
Discretionary Grant
Program***Self-Initiated*

ST2018028

2/28/2018

Since its establishment in 2009, OST's Transportation Investment Generating Economic Recovery (TIGER) grant program has provided billions of dollars for infrastructure improvements and economic development. As part of the selection process for TIGER awards, OST evaluates each applicant's project benefit-cost analysis (BCA), which shows the project's economic benefits. Prior to fiscal year 2016, projects that did not demonstrate net economic benefits were disqualified, but for fiscal year 2016 and after, lack of economic benefit did not automatically disqualify projects. We conducted this audit because of the importance of BCAs to TIGER grant awardee selection. Our objective was to assess OST's policies and procedures for evaluating BCAs in determining which TIGER grant applications are forwarded for further review. We assessed the BCA process for the fiscal years' 2015 and 2016 rounds. During round 2015, OST's BCA reviews generally met Federal guidelines but reviewers' approaches were not standardized. Specifically, reviews did not include standardized elements such as actions allowable when applications lack information and length of review time. OST also had no procedures for BCA documentation and as a result, some reviewers did not retain their review notes. Furthermore, OST reassessed 47 projects and determined that, for 20 of them, the BCA review findings of costs that outweighed benefits were questionable. While these 20 projects were forwarded to the Secretary as eligible for award, we found that the reassessment work lacked required elements of systematic review. For round 2016, OST implemented a standardized review template and a responsible official to finalize reviews, but did not update TIGER's written policy to include these changes. This lack of standardized BCA review limits OST's ability to make the process fair and transparent so applicants can make informed decisions when preparing their applications. OST concurred with our four recommendations to help ensure equity and consistency in the BCA review process.

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

PHMSA Has Improved Its Workforce Management but Planning, Hiring, and Retention Challenges Remain

Mandated by the Protecting our Infrastructure of Pipelines and Enhancing Safety Act

ST2018010
11/21/2017

Safety oversight of the Nation's aging pipeline infrastructure is an ongoing public concern. PHMSA's Office of Pipeline Safety (OPS), along with State inspectors, administers the Department's national regulatory program to ensure the safe transportation of natural gas, petroleum, and other hazardous liquids by pipeline. In 2016, a Congressional Research Service (CRS) report highlighted a long-term pattern of understaffing at OPS. Enacted shortly afterward, the Protecting our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2016 directed us to review PHMSA's management of its workforce. PHMSA has not updated its workforce plan since 2005. Because of this, the Agency cannot be sure that it has adequately aligned its resources to meet its mission or identified current and future staffing opportunities and constraints. In addition, PHMSA does not fully take advantage of monetary employee retention incentives allowed under OPM guidelines, and may have lost opportunities to retain the most qualified staff. PHMSA, however, is taking actions to improve its hiring practices and the way it integrates new staff, for example, by upgrading its training program. Industry-specific conditions, rather than macroeconomic factors, have created recruitment challenges for PHMSA. Our economic analysis confirmed a significant salary gap between private industry and Federal salaries, resulting in strong competition with the industry. Special hiring authority, such as direct-hire authority, may not provide PHMSA the tools it needs in a competitive environment driven by salary. OPM, however, has the authority to establish higher rates of basic pay to help agencies address these recruiting and retention challenges. PHMSA concurred with our three recommendations to improve its workforce management practices and proposed appropriate action plans.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION**Independent
Auditor's
Report on Saint
Lawrence Seaway
Development
Corporation's
Audited Financial
Statements for
Fiscal Year 2017**

*Required by the
Government Corporation
Control Act of 1945*

FI2018003
11/8/2017

In accordance with the Government Corporation Control Act of 1945, we audited the financial statements of SLSDC, a U.S. Government Corporation, comprising its statement of financial position as of September 30, 2017; statements of operations and changes in cumulative results of operations, cash flows, budgetary resources and actual expenses, and changes in equity of the U.S. Government for the year then ended; and the related notes to the financial statements. SLSDC's financial statements for the year ended September 30, 2016, were audited by other auditors who expressed an unmodified opinion on those financial statements in their report dated October 14, 2016. Regarding controls over financial reporting of the Federal Employees' Compensation Act (FECA) actuarial liabilities—in its draft fiscal year 2017 and prior financial statements, SLSDC presented Worker's Compensation Benefits as an asset but did not record them in its accounting records or have support for the asset. SLSDC acknowledged this presentation error, corrected the presentation for fiscal year 2017, and restated the fiscal year 2016 financial statements to remove it. Regarding controls over reporting financial activities for the Seaway International Bridge Corporation (SIBC)—SLSDC did not record revenues from bridge operations or expenses associated with service job orders in its accounts throughout the fiscal year. Furthermore, evidence of past transactions resulting in current obligations did not support the liability for bridge repairs as of October 1, 2016. SLSDC had to restate its fiscal year 2016 financial statements to recognize and present surplus allocations, interest, and gains/losses totaling \$225,030, and bridge repair expenses totaling \$245,093. In a statistically selected sample of 73 property, plant, and equipment assets, we found that depreciation for numerous assets was not recorded correctly due to conversion to a new financial management system. For example, two assets were depreciated using incorrect depreciation schedules, and five were depreciated using incorrect or inappropriate useful lives. Finally, SLSDC allowed SIBC, a Canadian corporation to hold \$3,171,712 on its behalf in foreign bank and investment accounts. Without a waiver from the Secretary of Treasury, this could be a violation of 31 U.S.C. § 9107(b). SLSDC concurred with our 11 recommendations to help improve its financial management practices and controls.

SURFACE TRANSPORTATION BOARD

FISMA 2017: The Surface Transportation Board's Information Security Program Is Not Effective

*Requested by the
Surface Transportation
Board*

FI2018002
10/26/2017

FISMA requires agencies to implement information security programs, conduct annual effectiveness reviews, and report the results to OMB. For 2017's review, OMB required determination of programs' maturity levels—(lowest to highest) Ad Hoc, Defined, Consistently Implemented, Managed and Measurable, or Optimized. Our objective was to determine the program's effectiveness for the 12 months prior to June 30, 2017, in five control areas—Identify, Protect, Detect, Respond, and Recover. STB's program is at the Ad Hoc maturity level. STB's Identify controls—risk management, weakness remediation, and security authorization—were inadequate. STB did not have a risk management program and its process to reauthorize systems was inadequate. STB's Protect controls—configuration management, user identity management, and security training—were inadequate. Policy and procedures did not cover software patch installation or parts of user identity management. Only 66 percent of STB employees completed 2017 security awareness training. STB did not have policy for Detect controls—to identify cybersecurity incidents in an information security continuous monitoring program—and lacked a monitoring strategy. STB's Respond controls—incident handling and reporting—were inadequate. The policy did not cover incident response planning and analysis. STB had not collaborated with DHS on incident response. STB had not implemented Recover controls for contingency planning. STB lacked a plan for system recovery after emergency shutdowns, impact analysis, alternative sites, or data back-up. STB concurred with all of our recommendations to help develop an effective information security program.

Quality Control Review for the Surface Transportation Board's Audited Financial Statements for Fiscal Years 2017 and 2016 (restated)

*Required by the
Accountability of Tax
Dollars Act of 2002*

QC2018007
11/14/2017

This report presents the results of our quality control review of STB's audited financial statements for fiscal years 2017 and 2016 (restated). Leon Snead & Company, P.C., under contract with us, issued a clean (unmodified) audit opinion on STB's financial statements. Leon Snead withdrew its prior auditor's report dated November 7, 2016, due to errors in the statements that in aggregate were material. In the 2016 (restated) statements, Leon Snead reported two material weaknesses and one significant deficiency in internal control over financial reporting. The report did not include any instances of reportable noncompliance with tested laws and regulations. We performed a quality control review of Leon Snead's report and related documentation and found no instances in which Leon Snead did not comply, in all material respects, with generally accepted Government auditing standards.

SINGLE AUDITS

Report on Single Audit of the Metropolitan Transportation Authority, New York, NY

Self-Initiated

SA2018031
3/13/2018

As part of our single audit program oversight responsibilities, we queried the Federal Audit Clearinghouse's Image Management System to identify single audit reports containing findings that affect directly awarded DOT programs. We reviewed the Metropolitan Transportation Authority's single audit report for the period ending December 31, 2016, which was prepared by an independent auditor. We found that the single audit report contained a significant finding related to noncompliance with OMB's requirements that needed prompt action from FRA's management. We recommended that FRA ensure the Authority complies with OMB's requirements.

Report on Single Audit of the Fort Worth Transportation Authority, Fort Worth, TX

Self-Initiated

SA2018032
3/13/2018

As part of our single audit program oversight responsibilities, we queried the Federal Audit Clearinghouse's Image Management System to identify single audit reports containing findings that affect directly awarded DOT programs. We reviewed the Fort Worth Transportation Authority's single audit report for the period ending September 31, 2016, which was prepared by an independent auditor. We found that the single audit report contained a significant finding related to noncompliance with OMB's requirements that needed prompt action from FTA's management. We recommended that FTA ensure the Authority complies with OMB's requirements.

Report on Single Audit of the Metro Regional Transit Authority, Akron, OH

Self-Initiated

SA2018033
3/13/2018

As part of our single audit program oversight responsibilities, we queried the Federal Audit Clearinghouse's Image Management System to identify single audit reports containing findings that affect directly awarded DOT) programs. We reviewed the Metro Regional Transit Authority's single audit report for the period ending December 31, 2016, which was prepared by an independent auditor. We found that the single audit report contained a significant finding related to noncompliance with OMB's requirements that needed prompt action from FTA's management. We recommended that FTA ensure the Authority complies with OMB's requirements.

Report on Single Audit of the Metropolitan Atlanta Rapid Transit Authority, Atlanta, GA*Self-Initiated*SA2018034
3/13/2018

As part of our single audit program oversight responsibilities, we queried the Federal Audit Clearinghouse's Image Management System to identify single audit reports containing findings that affect directly awarded DOT programs. We reviewed the Metropolitan Atlanta Rapid Transit Authority's single audit report for the period ending June 30, 2017, which was prepared by an independent auditor. We found that the single audit report contained a significant finding related to noncompliance with OMB's requirements that needed prompt action from FTA's management. We recommended that FTA ensure the Authority complies with OMB's requirements.

Report on Single Audit of the Washington Metropolitan Area Transit Authority, Washington, DC*Self-Initiated*SA2018035
3/13/2018

As part of our single audit program oversight responsibilities, we queried the Federal Audit Clearinghouse's Image Management System to identify single audit reports containing findings that affect directly awarded DOT programs. We reviewed the Washington Metropolitan Area Transit Authority's single audit report for the period ending June 30, 2017, which was prepared by an independent auditor. We found that the single audit report contained a significant finding related to noncompliance with OMB's requirements that needed prompt action from FTA's management. We recommended that FTA ensure the Authority complies with OMB's requirements.

\$76,572
QUESTIONED COSTS**Report on Single Audit of the Metropolitan Transportation Commission, San Francisco, CA***Self-Initiated*SA2018036
3/13/2018

As part of our single audit program oversight responsibilities, we queried the Federal Audit Clearinghouse's Image Management System to identify single audit reports containing findings that affect directly awarded DOT programs. We reviewed the Metropolitan Transportation Commission's single audit report for the period ending June 30, 2017, which was prepared by an independent auditor. We found that the single audit report contained a significant finding related to noncompliance with OMB's requirements that needed prompt action from OST's management. We recommended that OST ensure the Commission complies with OMB's requirements.

Report on Single Audit of the City of Hattiesburg, MS

Self-Initiated

SA2018037

3/13/2018

As part of our single audit program oversight responsibilities, we queried the Federal Audit Clearinghouse's Image Management System to identify single audit reports containing findings that affect directly awarded DOT programs. We reviewed the City of Hattiesburg's single audit report for the period ending September 30, 2015, which was prepared by an independent auditor. We found that the single audit report contained a significant finding related to noncompliance with OMB's requirements that needed prompt action from FAA's management. We recommended that FAA ensure the City of Hattiesburg complies with OMB's requirements.

Testimony

Perspectives on Maintaining Safety and Enhancing Oversight of a Diverse and Complex Aviation Industry

*Before the House
Committee on
Transportation and
Infrastructure and
Subcommittee on
Aviation*

CC2018002
2/27/2018

On February 27, 2018, the Assistant Inspector General for Aviation Audits testified before the House of Representatives on the challenges facing FAA's safety oversight of the aviation industry. He focused on two areas: (1) addressing evolving and longstanding safety oversight challenges related to regional carriers, aircraft parts, and runway incursions and (2) integrating unmanned aircraft systems (UAS) into the National Airspace System. The Assistant Inspector General testified that the regional air carrier industry, which serves more than 20 percent of all airline passengers, has experienced significant operational and financial changes that can impact safety in an industry that must keep costs low. These carriers must meet the same safety standards as mainline carriers, and several oversight adjustments are required for FAA to proactively mitigate risks. Additionally, FAA needs to strengthen its monitoring and investigation processes to prevent faulty or counterfeit parts from being installed on aircraft, and we are also currently assessing FAA's efforts to reduce runway incursions—incidents on runways involving unauthorized aircraft, vehicles, or people. FAA has launched various safety initiatives over the years to mitigate these incidents, but the number of reported incursions continues to rise. Finally, the use of UAS represents a significant safety concern for FAA, which must accommodate the expansion of commercial UAS operations as it strengthens its oversight and risk-mitigation efforts. As the aviation industry continues to evolve in these and other areas, FAA must be able to quickly adapt to any challenges to maintain the safety of the aviation system.

Observations on Federal Funding Support for Positive Train Control Implementation

Before the Senate Committee on Commerce, Science, and Transportation

CC2018003
3/1/2018

On March 1, 2018, the Assistant Inspector General for Surface Transportation Audits testified before the Senate on the implementation of positive train control (PTC), an advanced communication-based technology designed to prevent certain rail accidents caused by human error. Congress requires all eligible rail systems to install PTC by the end of 2018, although that deadline could be extended an additional 2 years. The testimony addressed OIG's ongoing work in this area, specifically (1) the amount of Federal financial assistance for PTC implementation and the types of projects, (2) the Department's oversight of the Federal funds invested in PTC projects, and (3) key funding challenges and concerns as rail systems implement PTC. To date, DOT has provided approximately \$2.9 billion toward PTC implementation. However, OIG focused on the \$2.3 billion obligated as of September 30, 2017—the actual amount available to recipients for expenditure. Of this amount, the Department has obligated \$1.3 billion through various Federal grants, and the Build America Bureau issued approximately \$1 billion through a loan. The Assistant Inspector General explained that PTC projects vary greatly based on the type of railroad, the need for interoperability, and available communication systems. The Department's financial oversight also varies, based on funding sources and other factors, with each organization following its own established oversight mechanisms. Our review noted that the Department's financial and grant management systems do not always provide the detail necessary to identify PTC-specific costs. Instead DOT relies on the rail systems to provide accurate information. Furthermore, only a few funding recipients have used all of their PTC funds. Some funding recipients are concerned about potential shortfalls in funding to operate and maintain PTC, which could result in funds being shifted from other safety priorities. These will be key watch items for the Department and Congress—as rail systems move forward with PTC implementation—to maintain a sense of urgency and ensure that there are no negative effects on safety despite the improvements that PTC can deliver.

Correspondence

Letter to OMB on DOT OIG Charge Card Recommendations

*Required by the
Government Charge
Card Abuse Prevention
Act of 2012*

CC2018001
1/29/2018

The Government Charge Card Abuse Prevention Act of 2012 requires us to report to OMB on the Department of Transportation's implementation of recommendations made to address findings from audits of DOT charge card programs. During fiscal year 2014, we issued one report on DOT's travel card program. DOT agreed to implement all four of our recommendations to strengthen program controls and reduce program costs.

Peer Reviews

Peer reviews

DOT OIG's auditing and investigations functions are subject to peer reviews in accordance with Generally Accepted Government Auditing Standards, the Council of the Inspectors General on Integrity and Efficiency guidelines, and the Attorney General Guidelines for Federal Offices of Inspectors General with statutory law enforcement authority. These peer reviews provide a formal, objective assessment of DOT OIG's adherence to prescribed standards, regulations, and legislation.

Peer reviews conducted of DOT OIG

DOT OIG was not the subject of a CIGIE peer review during this reporting period.

DOT OIG's Office of Audits was the subject of a CIGIE peer review by the U.S. Department of Energy OIG in 2016. Energy OIG concluded that the system of quality control for our audit organization has been suitably designed and complied with to provide reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Accordingly, Energy OIG provided a "pass" rating, and no recommendations were made. The report was released on March 31, 2016.

DOT OIG's Office of Investigations was the subject of a CIGIE peer review by the U.S. Department of the Treasury, Treasury Inspector General for Tax Administration in 2016. TIGTA OIG concluded that the system of internal controls and management procedures for our investigative function was in compliance with quality standards established by CIGIE and the applicable Attorney General guidelines, and no recommendations were made. The report was released on February 4, 2016.

For the reports of the peer reviews conducted on our office, please visit <https://www.oig.dot.gov/about-oig/peer-review>.

Peer reviews conducted by DOT OIG

During this reporting period, OIG did not conduct a CIGIE peer review at another Federal agency.

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Acronym Glossary

Acronym glossary

BCA	benefit-cost analysis	NHTSA	National Highway Traffic Safety Administration
CDC	Centers for Disease Control and Prevention	NTSB	National Transportation Safety Board
CMV	commercial motor vehicle	OIG	Office of Inspector General
DATA Act	Digital Accountability and Transparency Act of 2014	OMB	Office of Management and Budget
DataComm	Data Communications	ONDCP	Office of National Drug Control Policy
DBE	disadvantaged business enterprise	OPM	Office of Personnel Management
DMV	department of motor vehicles	OPS	PHMSA's Office of Pipeline Safety
DOT	U.S. Department of Transportation	OST	Office of the Secretary of Transportation
DUID	driving under the influence of drugs	PHMSA	Pipeline and Hazardous Materials Safety Administration
EA	enterprise architecture	PII	personally identifiable information
ERP	Emergency Relief Program	PIPES	Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016
EVM	earned value management	PTC	Positive Train Control
FAA	Federal Aviation Administration	R&D	research and development
FAST Act	Fixing America's Surface Transportation Act of 2015	RSIA	Rail Safety Improvement Act of 2008
FECA	Federal Employees' Compensation Act	SE2020	Systems Engineering 2020
FHWA	Federal Highway Administration	SIBC	Seaway International Bridge Corporation
FISMA	Federal Information Security Management Act of 2002	SLSDC	Saint Lawrence Seaway Development Corporation
FMCSA	Federal Motor Carrier Safety Administration	STARS	Standard Terminal Automation Replacement System
FRA	Federal Railroad Administration	STB	Surface Transportation Board
FTA	Federal Transit Administration	TIGER	Transportation Investment Generating Economic Recovery
IT	information technology	TRACON	terminal radar approach control
MARAD	Maritime Administration	UAS	unmanned aircraft systems
NAC	NextGen Advisory Committee	USMMA	United States Merchant Marine Academy
NDA	National Defense Authorization Act for Fiscal Year 2017		
NextGen	Next Generation Air Transportation System		