



## Memorandum

Date: November 6, 2023

Subject: INFORMATION: Audit Announcement | DOT's Fiscal Year 2023 Implementation of the Payment Integrity Information Act of 2019 | Project No. 24F3002F000  
Department of Transportation

From: Dormayne "Dory" Dillard-Christian *M. Dillard-Christian*  
Assistant Inspector General for Financial Audits

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

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For fiscal year 2022, the Department of Transportation (DOT) reported approximately \$61.6 billion in payments for programs and activities susceptible to significant improper payments and estimated about \$756 million in improper payments.

The Payment Integrity Information Act of 2019 (PIIA)<sup>1</sup> requires Federal agencies to identify, report, and reduce improper payments in their programs and activities. PIIA also requires annual reports by inspectors general on their agencies' compliance. The Office of Management and Budget (OMB) issues guidance that agencies must follow to implement PIIA. According to OMB, the guidance presents a payment integrity framework and creates a comprehensible and meaningful set of requirements to help agencies prevent future improper payments.<sup>2</sup> As PIIA requires, we are initiating this audit of DOT's fiscal year 2023 implementation of the act. Our audit objective will be to determine whether DOT complied with PIIA requirements as prescribed by OMB.

We plan to begin the audit immediately and will contact your audit liaison to schedule an entrance conference. We will conduct the audit at DOT Headquarters in Washington, D.C. If you have any questions, please contact me or Shirell Butcher, Program Director.

cc: DOT Audit Liaison, M-1

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<sup>1</sup> Public Law Number 116-117.

<sup>2</sup> OMB M-21-19, Transmittal of Appendix C to OMB Circular A-123, *Requirements for Payment Integrity Improvement* (March 2021).