



U.S. Department of
Transportation
Office of the Secretary
of Transportation
Office of Inspector General

Memorandum

Subject: INFORMATION: Audit Announcement—
The Effectiveness of DOT's Earned Value
Management Practices
Project Number: 13F3015F000

Date: September 25, 2013

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

Reply to JA-20
Attn. of:

To: Chief Information Officer

For fiscal year 2013, DOT requested \$2.2 billion for 44 major IT investments. The Department uses earned value management (EVM)—implemented in 2008—for its major IT investments. EVM is a management approach that provides objective reports of project status, produces early warning signs of schedule delays and cost overruns, and provides unbiased estimates of a program's total costs.

OIG has contracted with KPMG LLP, an independent public accounting firm, to perform an audit of DOT's EVM practices, subject to OIG's oversight. The audit objectives are to determine whether the Department: (1) has implemented effective EVM policies, procedures and practices for its IT investments; and (2) uses accurate EVM data to plan, monitor, and report the status of its IT investments and related security spending.

KPMG's auditors will begin this review in September 2013, and conduct it at selected DOT operating administrations in Washington, D.C. We will contact your audit liaison to schedule an entrance conference. If you have questions, please call me at (202) 366-1407, or Nathan Custer, Program Director, at (202) 366-5540.

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cc: CIO Council Members
DOT Audit Liaison, M-1