



U. S. Department of Transportation
Office of Inspector General

Date: October 26, 2022

Subject: INFORMATION: Audit Announcement | FHWA's Oversight of HIP-CRRSA Act Funds | Project No. 22V3004S000
Federal Highway Administration

From: David Pouliott 
Assistant Inspector General for Surface Transportation Audits

To: Federal Highway Administrator

The Coronavirus Response and Relief Supplemental Appropriation (CRRSA) Act of 2021 provided \$10 billion to the Federal Highway Administration (FHWA) to address impacts resulting from COVID-19. The majority of this funding, \$9.83 billion, was provided to States and the District of Columbia through FHWA's Surface Transportation Block Grants (STBG) program.¹ Under the CRRSA Act, funds must be obligated by September 30, 2024, and expended by September 30, 2029, and as of October 11, 2022, approximately \$7.14 billion has been obligated. Additionally, CRRSA Act funded projects must adhere to specific requirements including restrictions against using these funds (1) as a non-Federal match for other Federal programs and (2) for costs incurred prior to the date of the project agreement.

Due to the large amount the CRRSA Act provided to FHWA, the timeframe for obligating and using the funds, and the act's other requirements, we are initiating this audit. Accordingly, our objectives are to assess the Agency's policies and procedures for (1) overseeing States' compliance with the FHWA Highway Infrastructure Program's (HIP) CRRSA Act requirements and (2) tracking and monitoring FHWA HIP-CRRSA funds. Our audit will focus only on the CRRSA funds provided under the STBG program.

We plan to begin the audit immediately and will contact your audit liaison to schedule an entrance conference. We will conduct our work at FHWA Headquarters and Division Offices, State transportation agencies, local

¹ The STBG program aims to preserve and improve the conditions and performance of highways and bridges, tunnels connected to public roads, pedestrian and bicycle infrastructure, and transit capital projects, including intercity bus terminals. The remaining CRRSA Act funds are for administrative costs and FHWA's Tribal Transportation Program, Puerto Rico Highway Program, and the Territorial Highway Program.

governments, and other HIP-CRRSA subrecipients. If you have any questions, please contact me or Anthony Wysocki, Program Director.

cc: DOT Audit Liaison, M-1
FHWA Audit Liaison, HCFB-32