



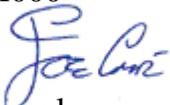
Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation
Office of Inspector General

Subject: INFORMATION: Audit Announcement –
Evaluation of FHWA’s National Review Teams
Project No. 10U3004M000

Date: November 2, 2009

From: Joseph W. Comé 
Assistant Inspector General
for Surface and Maritime Program Audits

Reply to
Attn. of: JA-40

To: Federal Highway Administrator

The Office of Inspector General plans to conduct an audit of the National Review Teams that the Federal Highway Administration (FHWA) created to help oversee the funds it received under the American Recovery and Reinvestment Act of 2009 (ARRA). FHWA’s workload substantially increased through the approval of \$27.5 billion in ARRA funds for highway infrastructure projects and by adding new requirements for expenditure of funds. Additionally, the Office of Management and Budget is requiring Federal agencies to provide oversight of ARRA-funded projects beyond standard business practices. In response, FHWA created the National Review Teams to perform financial and management reviews in all states to mitigate risks posed by the implementation of ARRA, with an emphasis on strengthening the efforts of Division Offices to oversee states’ activities.

The National Review Teams are a cornerstone of FHWA’s strategy for ensuring that Recovery funds are properly spent and meet existing requirements as well as new ones established by ARRA. Accordingly, the objective of this audit is to evaluate the effectiveness of FHWA’s National Review Teams in conducting national oversight of highway funds and mitigating risks posed by the implementation of ARRA.

We plan to begin this audit the week of November 2, 2009. We will conduct our work at FHWA headquarters and other related sites as needed. We will contact your audit liaison to schedule an entrance conference. If I can answer any questions or be of further assistance, please contact me at (202) 366-5630, or Tom Yatsco, Program Director, at (202) 366-1302.

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cc: Audit Liaison, FHWA, HAIM-13
Audit Liaison, OST, M-1