Subject: INFORMATION: Audit Announcement – FTA’s Oversight of Western Major Capital Projects  
Federal Transit Administration  
Project No. 15S3008S000

From: Mitchell Behm  
Assistant Inspector General  
for Surface Transportation Audits

To: Acting Federal Transit Administrator

Under the Federal Transit Administration’s (FTA) Capital Investment Grant (CIG) program, the three FTA western regions oversee major capital projects that have been awarded almost $9 billion in Federal funds. As part of FTA’s oversight, transit agencies constructing major projects must submit financial plans to FTA prior to grant award, and annual financial plans and quarterly financial reports to FTA after award. Both activities are important in FTA’s project oversight, with the quarterly reports part of FTA’s monitoring to ensure proper grantee stewardship of Federal funds.

Because of the considerable Federal investment, we are initiating an audit of FTA’s oversight of these western major capital projects. Our objectives will be to evaluate FTA’s (1) processes for identifying and assessing major capital projects’ financial risks, and reviewing and approving grantee financial plans and reports, and (2) oversight of grantees’ mitigation of financial risks.

We plan to begin the audit immediately and have contacted your audit liaison to schedule an entrance conference. We will conduct our work at FTA Headquarters and its regional offices in Seattle, San Francisco, and Denver, and at major capital project locations. If you have any questions, please contact me at 202-366-5630, or Anthony Zakel, Program Director, at 202-366-0202.

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cc: DOT Audit Liaison, M-1  
FTA Audit Liaison, TBP-30