



U.S. Department of
Transportation

Office of the Secretary
of Transportation

Office of Inspector General

Memorandum

Subject: INFORMATION: Notification of Review of
Oversight Challenges Associated with Economic
Stimulus Funding for Transportation Projects

Date: January 29, 2009

From: David A. Dobbs 
Principal Assistant Inspector General
for Auditing and Evaluation

Reply to
Attn. of: JA-1

To: All Secretarial Officers
All Acting Operating Administrators

The Office of Inspector General (OIG) plans to review oversight challenges associated with the tens of billions of dollars for transportation projects that Congress and the President are considering as part of an economic stimulus package. Proposed versions of the legislation contain significant funding amounts for highway, transit, and aviation projects. Major stimulus goals will likely include near-term job creation, improving the U.S. transportation system, and maximizing the return on Federal investments.

Such a large, rapid infusion of new funds could create significant oversight challenges for the Department of Transportation and the Operating Administrations that are likely to receive funding as part of the stimulus legislation—including the Federal Aviation Administration, the Federal Highway Administration, and the Federal Transit Administration. It is critical that the Department prepares for the potential risks involved and ensure that steps are underway to mitigate them.

Our broad objective is to identify risks and oversight challenges associated with economic stimulus funding for transportation projects. During the course of our work we plan to examine potential risks related to program structure, each Operating Administration's oversight process and staffing, state and local grantees' management and technical capabilities, cost and schedule estimates, selection of contract types, and fraud deterrence efforts.

We will begin our review during the week of February 2, 2009. If I can answer any questions or be of further assistance, please contact me at (202) 366-1427, or Joseph W. Com e, Assistant Inspector General for Highway and Transit Audits, at (202) 366-5630.

cc: Audit Liaison, FAA, ABU-100
Audit Liaison, FHWA, HIAM-13
Audit Liaison, FRA, RAD-43
Audit Liaison, FTA, TBP-30
Audit Liaison, MARAD, MAR-390
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