



OFFICE OF THE SPECIAL INSPECTOR GENERAL
FOR THE TROUBLED ASSET RELIEF PROGRAM

1801 L STREET, NW,
WASHINGTON, D.C. 20220

MAY 14 2010

MEMORANDUM FOR: Hebert M. Allison Jr., Assistant Secretary for Financial Stability,
Department of Treasury

FROM: Neil M. Barofsky, Special Inspector General for the Troubled
Asset Relief Program (SIGTARP) *Neil M. Barofsky*

SUBJECT: Engagement Memo – Review of Treasury’s process for contracting
for professional services under the Troubled Asset Relief Program

As part of our continuing oversight of the Troubled Asset Relief Program (“TARP”), we are initiating an audit of the processes Treasury used to procure professional services to support TARP. Our initial objectives are to examine the processes used to ensure that (1) professional services contract prices are fair and reasonable; and (2) invoices submitted by the contractors accurately reflect the work performed. These objectives may change as the assignment progresses and we will keep you abreast of any changes.

We plan to start work on this engagement immediately. This assignment will be conducted under SIGTARP engagement code 021. We expect to perform audit work at the Department of Treasury and its Office of Financial Stability, and at selected professional services companies. A member of my staff will contact you shortly to arrange an entrance conference. At that time, we will discuss our scope, methodology, and timeframes in more detail. In the meantime, please contact Mr. Jim Shafer, SIGTARP Associate Director for Audit, at (202) 927-9334.

cc: David Smith, Chief of Internal Review, Office of Financial Stability