



# Memorandum

U.S. Department of  
Transportation

Office of the Secretary  
of Transportation  
Office of Inspector General

Subject: **INFORMATION**: Audit Announcement –  
Federal Transit Administration’s Oversight of  
Hurricane Sandy Funds for Response, Recovery,  
and Rebuilding  
Federal Transit Administration  
Project No. 15Z3002Z000

Date: December 18, 2014

From: Mary Kay Langan-Feirson   
Assistant Inspector General for Acquisition and  
Procurement Audits

Reply to  
Attn. of: JA-60

To: Federal Transit Administrator

In October 2012, Hurricane Sandy caused widespread damage in the mid-Atlantic and northeastern United States, particularly to the area’s transportation infrastructure. In January 2013, the Disaster Relief Appropriations Act of 2013 (DRAA) was signed into law and appropriated \$10.9 billion for the Federal Transit Administration’s (FTA) Public Transportation Emergency Relief Program for recovery and relief efforts in areas damaged by the storm.<sup>1</sup> To date, FTA has allocated approximately \$9.3 billion to State and local grant recipients for response, recovery, and rebuilding; for locally-prioritized resilience projects; and for competitively selected resilience projects. Of this total, FTA has obligated approximately \$2.4 billion, and as of September 30, 2014, had disbursed \$747 million.<sup>2</sup>

DRAA provided funds to our office to support oversight of FTA’s Hurricane Sandy relief funds under its Emergency Relief Program. To comply with DRAA, we initiated a series of audits.<sup>3</sup> On December 3, 2013, we issued our initial assessment of FTA’s efforts to meet DRAA’s requirements and implement the Emergency Relief

<sup>1</sup> Public Law 113-2 (2013). The amount was subsequently reduced to \$10.2 billion by sequestration and transfers of funds to other bureaus and offices within DOT.

<sup>2</sup> FTA’s Transportation Electronic Award Management (TEAM) system.

<sup>3</sup> *Audit Initiated of DOT’s Oversight of Hurricane Sandy Relief Funds*, March 7, 2013. All OIG products are available on our Web site, [www.oig.dot.gov](http://www.oig.dot.gov).

Program.<sup>4</sup> In this audit, our objective is to determine whether FTA provides effective oversight of grantees' contracting practices using DRAA funds.

We plan to begin this work immediately and will contact your audit liaison to schedule an entrance conference. If you have any questions or need additional information, please contact me at 202-366-5225, or Ken Prather, Program Director, at 202-366-1820.

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

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<sup>4</sup> *Initial Assessment of FTA's Oversight of the Emergency Relief Program and Hurricane Sandy Relief Funds*, OIG Report Number MH-2014-008, December 3, 2013.