



Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation
Office of Inspector General

Subject: **INFORMATION:** Audit Announcement - Review
of Job Creation Under the American Recovery and
Reinvestment Act of 2009
Federal Aviation Administration
Project No. 09U3003A000

Date: November 19, 2009

From: Lou E. Dixon
Assistant Inspector General
for Aviation and Special Program Audits

Reply to
Attn. of: JA-10

To: Assistant Administrator for Financial Services
and Chief Financial Officer

On February 17, 2009, the President signed into law the American Recovery and Reinvestment Act (ARRA), which designated over \$48 billion to the Department of Transportation (DOT).¹ Key provisions of ARRA include preserving and creating jobs, promoting economic recovery, and tracking these efforts to ensure transparency and accountability. ARRA requires DOT grant recipients to periodically report “the number of direct, on-project jobs created or sustained by the Federal funds provided for projects. . . and, to the extent possible, the estimated indirect jobs created or sustained in the associated supplying industries.”

On March 10, 2009, Representative John L. Mica, Ranking Member of the House Committee on Transportation and Infrastructure, requested that we review job creation and reporting associated with ARRA funding for DOT programs across various transportation modes, including aviation, highways, and railways. For this review, we have agreed with Committee staff to focus our work on jobs reported from ARRA projects in two Federal Aviation Administration accounts: the Airport Improvement Program (AIP) and Facilities and Equipment (F&E). We will announce our work on job creation in surface transportation projects separately.

Accordingly, we plan to begin an audit in December 2009 to review \$1.3 billion in ARRA funding designated to the AIP and F&E accounts, which received \$1.1 billion

¹ Pub. L. No. 111-5 (2009).

and \$200 million, respectively. Our audit objectives are to determine whether (1) AIP and F&E projects funded under ARRA are preserving and creating jobs and (2) the reporting of job data satisfies ARRA requirements.

We will contact your audit liaison to schedule an entrance conference. If you have any questions or need additional information, please contact me at (202) 366-0500 or Scott Macey, Program Director, at (415) 744-0434.

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cc: FAA Chief of Staff
Anthony Williams, ABU-100
Martin Gertel, M-1