



**U.S. Department
of Transportation**


Office of the Secretary of
Transportation

Office of Inspector General

Memorandum

Subject: **INFORMATION:** Audit Announcement—
Denali Commission's Use of Federal-aid Highway
Funds
Project No. 10M3001M000

Date: November 19, 2009

From: Joseph W. Comé 
Assistant Inspector General
for Surface and Maritime Program Audits

Reply to JA-40
Attn. of:

To: Federal Highway Administrator

In 2005, the *Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users* (SAFETEA-LU) established the Denali Access System Program and authorized \$15 million annually for fiscal years 2006 through 2009 for planning, designing, engineering, and constructing roads and other surface transportation infrastructure in Alaska. SAFETEA-LU also authorized \$10 million annually for the construction of docks, waterfront development projects, and related water-based transportation infrastructure. At the request of U.S. Senator Christopher S. Bond, we will review the performance of the Department of Transportation (Department) and the Denali Commission in using Federal-aid highway funds to improve Alaska's surface and maritime transportation infrastructure. Our objectives are to (1) assess the Denali Commission's use of Federal-aid highway funds and (2) evaluate the Department's oversight of the Commission and state transportation agencies.

We will conduct the audit at Federal Highway Administration (FHWA) Headquarters and Division Offices, the Denali Commission, Alaska Department of Transportation and Public Facilities, and other locations, as appropriate. We plan to begin field work in November 2009, and will contact your audit liaison to schedule an entrance conference. If I can answer any questions or be of further assistance, please contact me at (202) 366-5630 or Brenda James, Program Director, at (202) 366-0202.

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cc: Audit Liaison, OST, M-1
Audit Liaison, FHWA, HAIM-13
Audit Liaison, FTA