




The Deputy Secretary of Transportation

WASHINGTON, D.C. 20590

May 19, 2009

MEMORANDUM TO: Calvin L. Scovel III
Inspector General

FROM: 
Thomas J. Barrett

SUBJECT: Department of Transportation (DOT) Actions to Improve
Suspension and Debarment Program in Regard to American
Recovery and Reinvestment Act (ARRA) Advisory on DOT's
Suspension and Debarment Program

The Department has already taken actions to improve its implementation of the suspension and debarment program and will maintain a continued focus in this area. These efforts are intended to provide a more effective program for ensuring that we are not doing business with businesses and individuals that have committed fraud or are otherwise known to be unqualified. In particular, these actions are intended to expedite processing and reporting of suspension and debarment actions. While the Department is pleased the Office of Inspector General (OIG) has not identified instances where DOT has done business with contractors that should have been suspended or debarred due to the lack of timeliness of suspension and debarment actions, we recognize a need for improvements in internal processes to ensure the success of this program.

The Department strengthened its oversight of suspension and debarment action and has improved related communication. Since many suspension and debarment actions are initiated based on OIG investigatory findings, a direct and formal line of communication was established with OIG to ensure that the Office of the Senior Procurement Executive (OSPE) receives information on all potential suspension and debarment activity throughout the Department. The OSPE recently updated and improved its primary tool, a SharePoint Intranet Web site to further expedite the flow of information and improve its situational awareness of suspension and debarment activity in each operating administration. These actions will provide OSPE with the information it needs to better ensure that timely and effective actions are taken as appropriate. The OSPE is also in the process of updating the suspension and debarment departmental order to ensure that expectations are unequivocal and work processes are clear, direct, and practicable. We expect the updated departmental order will be rewritten within 60 days.

On May 13, the Assistant Secretary for Administration, and the Department's Senior Procurement Executive (SPE), met with the Department's senior officials responsible for suspension and debarment to identify issues, clarify expectations, and share best practices for improving suspension and debarment activities throughout the Department. Before the end of

May, SPE will issue written guidance clarifying expectations moving forward, specifically addressing each of the issues enumerated in the OIG ARRA advisory.

The Department's SPE is leading the implementation and coordination of these measures consistent with departmental authorities, and will be reporting key effectiveness metrics to my office each month beginning in June. To the extent that OAs do not achieve and maintain compliance with timely reporting requirements, I will take appropriate follow up action.

We appreciate OIG's use of the ARRA Advisory to convey information on important issues identified during the course of its work. We believe that an environment of effective interaction and information sharing between OIG and management represents a positive direction for effecting change as a result of issues identified during the course of OIG's efforts. Please contact Martin Gertel, Director of Audit Relations on (202) 366-5145 with any questions, or if we can be of assistance.