



Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Office of Inspector General

Subject: INFORMATION: Notification of Audit of Bus Fleet Acquisition and Management Practices
Project Number 02I3003I000

Date: May 17, 2002

From: Theodore P. Alves
Deputy Assistant Inspector General for
National Transportation Infrastructure
Activities

Reply to JA-30
Attn of:

To: Federal Transit Administrator

The Office of Inspector General (OIG) will conduct an audit of the Federal Transit Administration's (FTA) oversight of bus fleet acquisition and management practices. The objective of this audit is to determine whether FTA's oversight ensures that transit agencies (grantees) using Federal funds to purchase, maintain, and operate transit bus fleets (1) follow procurement and management practices in accordance with Federal rules and regulations and (2) have instituted business practices (including standardization) that achieve the most cost-effective use of Federal dollars.

Our audit will be conducted at FTA Headquarters and regional offices, various FTA grantees' offices, and other organizations to be determined during the audit. The results of this audit will be provided to FTA for consideration in determining whether its current level of oversight ensures that operators of federally supported bus transit systems follow cost effective fleet acquisition and management practices.

We will begin the survey phase of our audit within the next 30 days.

cc: Dorrie Aldrich
Ann Branch

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