



# Memorandum

**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation  
Office of Inspector General

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Subject: **INFORMATION: Audit Termination Notification:**  
Audit of DOT's Contract Closeout Processes  
Project No: 11Z3003Z000

Date: October 10, 2012

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

Reply to JA-60  
Attn. of:

To: Office of the Senior Procurement Executive  
FAA Federal Acquisition Executive

On October 27, 2011, the Office of Inspector General (OIG) initiated an audit of the Department of Transportation's (DOT) contract closeout processes. The announced objective was to determine whether DOT's Office of the Secretary and DOT Operating Administrations are closing out contracts efficiently and effectively, including de-obligating excess funds on completed contracts.

On January 5, 2012, we suspended our audit work to refocus OIG resources on higher priority acquisition and procurement issues that developed after we initiated the audit, including a legislative requirement to review the Department's implementation of Federal Acquisition Regulation revisions regarding the use of cost-reimbursement type contracts. We terminated our audit of DOT's contract closeout processes in August 2012. We plan to re-announce this audit at a later date, given our commitment to oversight of DOT's contracting practices. We will notify you by separate memorandum when we initiate the new audit and will contact your audit liaison.

We appreciate the courtesies and cooperation of the Office of the Senior Procurement Executive representatives during our audit. If you have any questions, please do not hesitate to call me at (202) 366-5225, or Terry Letko, Program Director, (202) 366-1478.

cc: Martin Gertel, M-1  
Pierre McLeod, AAE-100