



January 28, 2015

To: Federal Co-Chair
ARC Executive Director
ARC General Counsel
ARC Director of Regional Planning & Research

From: Hubert Sparks, Inspector General *HS*

Subject: Memorandum Report 15-5, Open Federal Highway Administration (FHWA) Grants

Our review of information in ARC.Net as of January 27, 2015 disclosed 241 open FHWA grants including 157 grants approved between 1989 and 2009. (Table A), and 14 grants approved between 1999 and 2008 for which ARC.Net identifies \$2,948,894 in ARC funding (Table B). A similar condition with respect to open old grants was included in a 2011 report.

Although there is no monetary impact with respect to grants with zero balances that remain open long after project completion efficient grant management should include closing of open grants within a reasonable period after project completion. Leaving grants in an open status exaggerates the extent of the reported caseload.

With respect to the 14 grants noted as having ARC funding follow-up to determine if funds remain available for use on other projects is recommended.

We recognize past difficulties in obtaining information with respect to these grants and actions are in process to better determine grant status in a manner similar to the Basic Agency Monitoring Report (BAMR). Information applicable to some states has been received and supports closing of grants based on past completion.

We recommend actions to close the oldest grants for which projects have been completed and where information is not available, notification to the applicable Basic Agency that in the absence of information supporting an open status ARC grant files are being closed. Determinations about any balances of ARC funds should be finalized.

TABLE A

Open FHWA Grants

<u>Year</u>	<u>Approved</u>
1989	1
1991	1
1992	1
1993	2
1994	2
1995	3
1997	1
1998	1
1999	11
2000	9
2001	10
2002	12
2003	17
2004	12
2005	17
2006	14
2007	15
2008	13
2009	14
2010	14
2011	12
2012	18
2013	18
2014	<u>22</u>
	241

TABLE B

Open FHWA Grants
1999-2008 with ARC Funding

<u>Grant No.</u>	<u>Date of Approval</u>	<u>ARC funds</u>
TN-13440	7/06/1999	\$500,000.00
MD-13476	9/17/1999	\$212,000.00
MS-13887-I-R1	8/10/2001	\$22,400.00
OH-14196	4/26/2002	\$250,000.00
MD-14356	12/30/2002	\$85,786.00
MS-14416	1/17/2003	\$150,000.00
PA-14018	5/14/2003	\$497,000.00
OH-14434	6/24/2003	\$48,900.00
OH-14605	9/15/2003	\$42,000.00
MD-14983	12/21/2004	\$400,000.00
AL-14895	9/09/2004	\$200,000.00
MS-14996	3/16/2005	\$7,808.00
OH-15121	9/30/2005	\$38,000.00
<u>XX-15850</u>	3/11/2008	<u>\$495,000.00</u>
14		<u>\$2,948,894</u>