



*U.S. Department of Transportation | Office of Inspector General*

# SEMIANNUAL REPORT TO CONGRESS

APRIL 1, 2022–SEPTEMBER 30, 2022






# Table of Contents

<b>Highlights</b>	<b>1</b>
<b>Investigations</b>	<b>2</b>
<b>Audits</b>	<b>11</b>
<b>Correspondence</b>	<b>33</b>
<b>Peer Reviews</b>	<b>35</b>
<b>Review of Legislation and Regulations</b>	<b>36</b>
<b>Index</b>	<b>37</b>
<b>Acronym Glossary</b>	<b>38</b>

# Highlights

## Investigative Accomplishments

### investigations opened, by priority area

 transportation safety	7	 public interest	9
 grant and procurement fraud	16	 other	4
 employee integrity	4		

**102/73**

investigations & complaints closed/opened

**45/21**

convictions/indictments & criminal informations

**\$44.02m**

financial impact of DOT OIG investigations

## Audit Accomplishments

**16**

audit reports issued







**63**

recommendations

**\$897.2m**

financial impact of DOT OIG audit reports



### audit reports, by operating administration

 DOT-wide	8	 FHWA	1	 NHTSA	1
 FAA	4	 FRA	1	 STB	1

\*DOT-wide count includes summary reports on Single Audit findings issued during the performance period.

## Return on Investment

In FY 2022, DOT OIG returned \$16 to the Treasury for every appropriated dollar—achieving its return on investment with just a fraction of DOT’s total workforce and budget.

		FY 2022 Enacted FTEs	FY 2022 Budgetary Resources
	OIG	<b>406</b>	<b>\$107.5m</b>
	DOT	<b>54,478</b>	<b>\$148.9b</b>

Note: Return on investment compares the cost for DOT OIG to do business to the court-ordered fines, restitutions, recoveries, forfeitures, recoveries of improper payments, recommended cost savings, and recommendations for funds put to better use resulting from DOT OIG audits and investigations.









# Summary of Performance

We investigate allegations of fraud, waste, abuse, and other violations of law by DOT employees, contractors, grantees, and regulated entities. Some of the most significant issues for which we completed or concluded investigations during this reporting period include:

- **Deceptive practices.** A judgment was entered against a moving company and its owner for deceptive moving practices. The judgment totaled \$21,789,306, including \$5.28 million in restitution and \$16.5 million in civil penalties.
- **CARES Act loan fraud.** Two individuals were sentenced to 42 months of incarceration, 6 years of supervised release, \$363,300 in restitution, and \$300 in special assessments for submitting loan applications on behalf of sham trucking companies.
- **Aiming a laser at a police helicopter.** An individual was sentenced to 1 year of incarceration, 3 years of supervised release, a \$1,000 fine, and a \$100 special assessment for aiming a laser pointer at a police helicopter while in flight.
- **Fuel theft.** Six co-conspirators were sentenced to 5 years of incarceration, 9 years of supervised release, 11 years of probation, \$524,843 in restitution, \$19,000 in fines, and \$600 in special assessments for stealing large volumes of fuel.

## Investigative Accomplishments






	hotline contacts received	<b>2,013</b>
	investigations & complaints* closed/opened	<b>102/73</b>
	criminal/civil investigations referred for prosecution	<b>72/11</b>
	convictions/indictments & criminal informations	<b>45/21</b>
	years of incarceration, probation, home detention, supervised release	<b>159.9</b>
	financial impact of DOT OIG investigations	<b>\$44.02m</b>

\*A complaint is the preliminary review of an allegation during which it is determined whether an investigation will be opened.

# Statistical Data

## Financial impact of DOT OIG investigations



<b>total financial impact</b>		<b>\$44,021,285</b>
	costs avoided	\$0
	forfeitures	\$1,081,106
	recoveries	\$5,839,685
	finances and special assessments	\$25,495,819
	restitution	\$11,604,676

### Types of criminal monetary impositions

**Forfeitures** include the seizure of assets that represent the proceeds of, or were used to facilitate, Federal crimes.

**Fines** are criminal or civil monetary penalties.

**Special assessments** are part of the sentence for offenders of Federal crimes, applied on a per-count basis. The money is placed in the Crime Victims Fund to recompense victims of offenses against Federal law.

**Restitution** is a criminal or civil award to a victim for harm caused by the offender’s wrongful acts.

**Recoveries** include funds returned to the Government resulting from criminal and civil judgments, pleas, and settlements.

### Investigative workload

 **73**  
investigations/  
complaints opened  
this reporting period

 **366**  
ongoing  
investigations

 **102**  
investigations/  
complaints closed  
this reporting period

## Criminal prosecutions

DOT OIG investigates and refers a variety of matters for criminal prosecution, including cases involving transportation safety, procurement and grant fraud, consumer and workforce fraud, and employee integrity issues.

### Number of investigations referred, accepted, and declined for criminal prosecution

	referred	72
	accepted*	44
	declined*	81



### Persons and businesses referred to the U.S. Department of Justice or State/local authorities for criminal prosecution

persons referred to DOJ	53
businesses referred to DOJ	17
persons referred to State or local authority	2
businesses referred to State or local authority	0

## Civil prosecutions

DOT OIG investigates and refers civil matters for prosecution, including False Claims Act cases involving fraud on DOT programs.

### Number of investigations referred, accepted, and declined for civil prosecution

	referred	11
	accepted*	7
	declined*	10

\*Number of accepted and declined referrals may include investigations initiated in a prior reporting period.

# Summary of referrals for criminal and civil prosecution



## grant and procurement 21

DBE eligibility fraud (financial/ownership/control)	1	embezzlement	1	other	1
DBE fraud	2	false claims	1	overbilling	6
DBE pass through fraud	1	false statements	4	product substitution/substandard work or materials	1
DOT funded research and development grant fraud	2	kickbacks	1		



## aviation 2

SUPs—parts maintenance	1	unauthorized operation of an aircraft	1
------------------------	---	---------------------------------------	---



## motor carrier 7

equipment inspection, repair, maintenance	6	log books	1
---	---	-----------	---



## public interest 29

aiming a laser pointer at an aircraft	6	household goods/moving companies	19	unruly passengers (interference with flight crew)	1
certificate fraud, medical by airman	1	unmanned aircraft systems	2		



## Summary of referrals for criminal and civil prosecution (cont.)



### employee integrity 14

assault/threat	1	disclosure of confidential information	1	time and attendance fraud	4
bribery/gratuities (employee conduct)	1	misuse of government property or funds	2	violation of law, rule, or regulation	2
conflict of interest (public corruption, current employee)	1	other	2		



### transportation safety 1

NHTSA-TREAD act violations	1
----------------------------	---



### hazmat 2

pipelines	2
-----------	---



### workforce protection 3

broker, freight forwarder, carrier registration	1	economic fraud (committed by carrier)	1	economic fraud (committed by forwarder/broker)	1
---	---	---------------------------------------	---	--	---



### other 4

assistance to other OIG	1	forgery/alteration of documents	1	threat/harassment of DOT employees	2
-------------------------	---	---------------------------------	---	------------------------------------	---

## Investigative reports

DOT OIG distributed **42** investigative reports, including reports of investigation, stakeholder memos, and management implication reports.

## Indictments and informations from prior referrals

A total of **19** indictments or criminal informations resulted from previous referrals for prosecution, while **2** indictments/informations resulted from referrals made during this semiannual period.

## Whistleblower retaliation

DOT OIG did not close any investigations in which a DOT official was found to have engaged in whistleblower retaliation.

## Metrics used to develop investigative statistical data

DOT OIG maintains an Investigative Case Management System to track the life of an investigation. It captures hundreds of data points, including dates, significant investigative steps, referrals, and outcomes (criminal, civil, and administrative). It is also the repository for reports of investigation, stakeholder communications, and management implication reports. Each statistic and outcome reported is validated against the appropriate legal documents.



## Judicial actions and outcomes

convictions	<b>45</b>
indictments/criminal informations	<b>21</b>
years of incarceration & home detention	<b>55.4</b>
years of supervised release	<b>65</b>
years of probation	<b>39.5</b>
hours of community service	<b>180</b>

### Types of judicial actions

A **conviction** is the verdict that results when a court of law finds a defendant guilty of a crime.

An **indictment** or **criminal information** is an official written statement charging a person with a crime.

**Supervised release** is a period of supervision following an offender's release from prison. It is imposed in addition to a sentence of imprisonment.

**Probation** is a period of supervision over an offender, ordered by a court instead of a sentence of imprisonment.

**Community service** is a sentencing option ordering offenders to perform a number of hours of unpaid work for the benefit of the public.

# Administrative actions and outcomes resulting from DOT OIG investigations

## suspension and debarment actions\*

business debarment	16
business suspension	2
debarment referral	4
individual debarment	15
individual suspension	1
suspension referral	1

## personnel action

proposed removal	1
removal	1

## other actions

certificate/license/permit terminated	154
compliance agreement	2
corrective action taken	2
disallowance of DBE credit	3
employee resigned/retired during investigation	3
action taken against non-DOT employee	1
enforcement action taken	3
Federal funds reduced	1
regulation/rule revised (proposed)	1

\* Number of suspensions and debarments may include referrals made in a prior reporting period.

## Types of administrative actions

**Suspension and debarment** excludes an individual or entity from financial and nonfinancial assistance and benefits under Federal programs and activities.

**Personnel actions** include significant changes in employee duties, responsibilities, or working conditions.

**Compliance agreements** are voluntary agreements aimed at preventing future wrongdoing by putting

safeguards in place to correct past misconduct and identify and correct any future misconduct.

**Federal funds reduced** refers to money a State or locality repaid to a DOT agency following the improper award of a contract.

### Investigations involving senior Government employees that were closed but not disclosed to the public

There were no investigations involving senior Government employees that were closed but not disclosed to the public.

### Investigations involving senior Government employees where misconduct was substantiated

There were no investigations involving senior Government employees where misconduct was substantiated.

### Types of allegations







**Unsubstantiated allegations** include no criminal, civil, or administrative actions taken as a result of the investigation.

**Substantiated allegations** are allegations that were investigated and determined to have occurred.

## Hotline Complaint Center

DOT OIG maintains a Hotline Complaint Center for receiving allegations of fraud, waste, abuse, or mismanagement in DOT programs or operations. Allegations may be reported 24 hours a day, 7 days a week by DOT employees, contractors, or the general public.



<b>total hotline contacts received</b>		<b>2,013</b>
	<b>fax</b> +1 (202) 366-7749	0
	<b>walk ins</b> 1200 New Jersey Ave SE, West Bldg, 7th floor, Washington DC 20590	0
	<b>letters</b> 1200 New Jersey Ave SE, West Bldg, 7th floor, Washington DC 20590	34
	<b>phone calls</b> +1 (800) 424-9071	507
	<b>web contacts</b> <a href="http://www.oig.dot.gov/hotline">www.oig.dot.gov/hotline</a>	464
	<b>emails</b> <a href="mailto:hotline@oig.dot.gov">hotline@oig.dot.gov</a>	1,008






# Summary of Performance

We conduct independent and objective audits and reviews of DOT programs and activities to ensure they operate economically, efficiently, and effectively. Some of the most significant issues for which we completed reviews during this reporting period include:

- **Compliance assessment.** Data limitations and FHWA’s methodology for its Compliance Assessment Program reviews can lessen the reviews’ usefulness to the Agency’s oversight and monitoring of change orders, which can affect highway project cost, schedule, design details or specification requirements.
- **Funding oversight.** FAA’s changes to its oversight of supporting documentation requirements related to its CARES Act funds affected its ability to monitor grantee performance. At the time of our review, this had contributed to more than \$271 million in unsupported costs, \$85 million in questioned costs, and \$3 million in improper payments.
- **Contract award and administration.** DOT’s contracting officers awarded multiple noncompetitive actions to IT shared services contract vehicles without proper justifications, beyond contract term limits, and despite prolonged contractor performance issues.
- **Unmanned aircraft systems.** FAA has not established milestones for implementing the policies and processes for deploying its UAS Traffic Management (UTM) Framework or determined how to use the results from its UTM Pilot Program to inform near-term efforts.

## Audit Accomplishments

	audit reports issued	<b>16</b>
	recommendations	<b>63</b>
	financial impact of DOT OIG audits	<b>\$897.2m</b>

# Statistical Data

## Completed audits by type

### reports **16**

performance audits	12	financial audits	2
--------------------	----	------------------	---

audits under Single Audit Act	2	attestation engagements	0
----------------------------------	---	----------------------------	---

other	0		
-------	---	--	--

### recommendations **63**

performance audits	59	financial audits	0
--------------------	----	------------------	---

audits under Single Audit Act	4	attestation engagements	0
----------------------------------	---	----------------------------	---

### financial impact **\$897,166,013**

performance audits	\$886,483,126
--------------------	---------------

audits under the Single Audit Act	\$10,682,887
-----------------------------------	--------------

financial audits	\$0
------------------	-----

attestation engagements	\$0
-------------------------	-----

### Types of audits

**Performance audits** provide findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria.

**Financial audits** are assessments that determine whether the reported financial conditions, results, and use of resources are presented fairly in accordance with recognized criteria.

**Audits under the Single Audit Act** are examinations of an entity that expends \$750,000 or more of Federal assistance (i.e., Federal funds, grants, or awards) received for its operations.

**Attestation engagements** are reviews that evaluate the assertions of another party for compliance with agreed-upon standards and procedures.

Note: Dollars shown are amounts reported to management. Actual amounts may change during final resolution. See pages 14 and 15 for definitions.

# Recommendations unresolved by the end of the reporting period

## Unresolved recommendations at the start of the reporting period

	Number of reports	Number of recommendations	Funds put to better use	Questioned costs	Unsupported costs
That questioned costs	1	1		\$5,409,880	
That funds be put to better use					
For safety, efficiency, and economy	2	4			
<b>A Total unresolved recommendations at the start of the reporting period**</b>	<b>2</b>	<b>5</b>	<b>\$0</b>	<b>\$5,409,880</b>	

## Recommendations made during reporting period

	Number of reports	Number of recommendations	Funds put to better use	Questioned costs	Unsupported costs
That questioned costs	4	9		\$96,540,778	\$275,625,235
That funds be put to better use	1	1	\$525,000,000		
For safety, efficiency, and economy	13	53			
<b>B Total recommendations made during reporting period**</b>	<b>13</b>	<b>63</b>	<b>\$525,000,000</b>	<b>\$96,540,778</b>	<b>\$275,625,235</b>
<b>Total recommendations to be resolved (A+B)**</b>	<b>15</b>	<b>68</b>	<b>\$525,000,000</b>	<b>\$101,950,658</b>	<b>\$275,625,235</b>

## Resolved/unresolved recommendations

OMB Circular A-50 requires DOT OIG recommendations to be resolved within 6 months. Recommendation resolution refers to whether (a) the agency has provided a management decision that agrees with the recommendation and proposes corrective actions and (b) DOT OIG agrees that the proposed corrective actions are appropriate to address the recommendation.

### Resolved recommendation

A recommendation is resolved if the agency agrees with the recommendation and DOT OIG agrees to the agency's proposed corrective actions.

### Unresolved recommendation

A recommendation is unresolved if agency management disagrees with the recommendation or DOT OIG disagrees with the agency's proposed corrective actions.



# Recommendations unresolved by the end of the reporting period (cont.)

## Recommendations resolved during reporting period

	Number of reports	Number of recommendations	Funds put to better use	Questioned costs	Unsupported costs
*That questioned costs					
(i) dollar value of recommendations that were agreed to by mgmt	4	6		\$5,765,884	\$3,356,162
(ii) dollar value of recommendations that were not agreed to by mgmt	2	4		\$8,896,411	\$271,179,393
*That funds be put to better use					
(i) dollar value of recommendations that were agreed to by mgmt	0	0			
(ii) dollar value of recommendations that were not agreed to by mgmt	1	1	\$525,000,000		
For safety, efficiency, and economy	13	53			
<b>C Total resolved at the end of the reporting period**</b>	<b>13</b>	<b>60</b>	<b>\$525,000,000</b>	<b>\$94,762,295</b>	<b>\$274,535,555</b>
<b>D Total unresolved at the end of the reporting period [(A+B)-C]**</b>	<b>3</b>	<b>8</b>	<b>\$0</b>	<b>\$7,188,363</b>	<b>\$1,089,680</b>

\*Includes reports and recommendations where management both agreed to and disagreed with the costs. Dollars shown are the amounts reported to management. Actual amounts may change during final resolution. \*\*Report totals may not add up precisely because one report may have multiple types of recommendations. Note: See next page for definitions.

## Questioned costs

Costs that are questioned by DOT OIG because of an alleged violation of a provision, costs not supported by adequate documentation (unsupported costs), or a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

### Allowed costs

Dollar value that DOT management has agreed should be charged to the Government.

### Disallowed costs

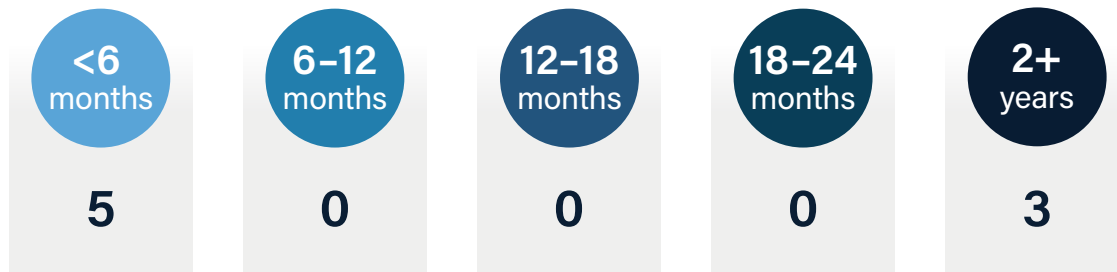
Dollar value that DOT management has decided should not be charged to the Government.

## Funds put to better use

Funds that could be used more efficiently if management took actions to implement and complete the recommendation. For example, recommendations that funds be put to better use could result in reductions in spending, deobligation of funds, or avoidance of unnecessary spending.

# Unresolved Recommendations

## Age of unresolved recommendations



total questioned costs **\$7,188,363** total unsupported costs **\$1,089,680**

## Unresolved recommendations older than 6 months

### FAA Needs To Strengthen Its Management Controls Over the Use and Oversight of NextGen Developmental Funding

**AV2018030**  
3/6/2018

#### Recommendation 2.

Develop and implement a quality control checklist with criteria for determining when the use of incremental funding prior to project level agreement (PLA) approval is permissible.

#### Recommendation 3.

Develop and implement a control for enforcing the limits on the assessment of program management fees for various administrative and contract support specified in the Agency’s standard operating procedures.

#### Recommendation 6.

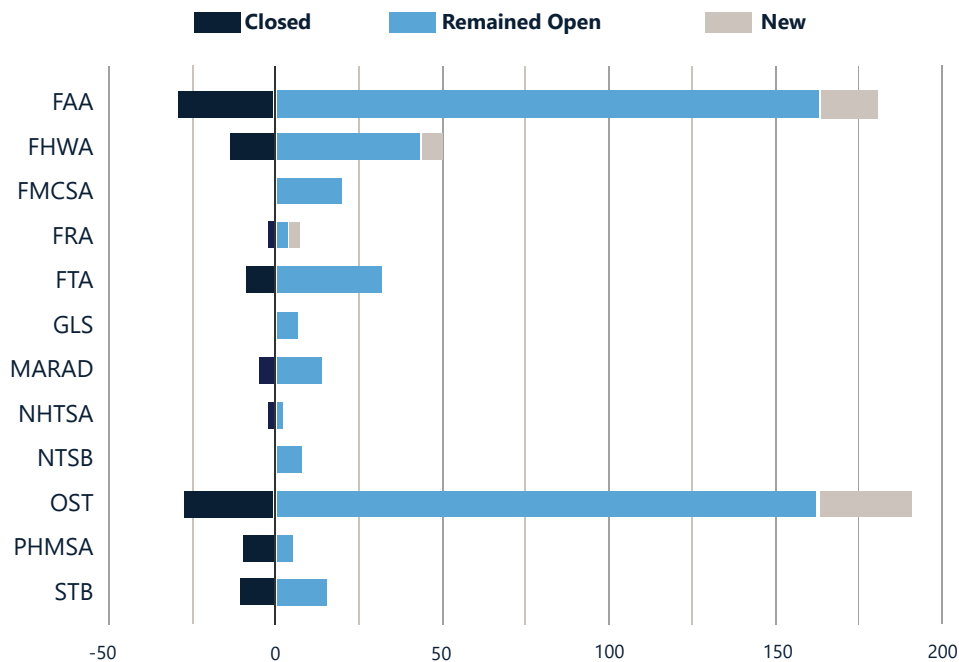
Establish and implement a mechanism for providing oversight of developmental funding, to include records of decision regarding selecting, justifying, and measuring the outcomes of PLAs to ensure FAA is funding the highest priority work.

# Open audit recommendations

As of September 30, DOT OIG had **532 open recommendations**, which were included in 171 audit reports issued since November 14, 2011. Of these, 56 recommendations (from 44 reports) carry an **estimated monetary or cost savings totaling over \$1.76 billion**, including funds that could be put to better use, as well as questioned and unsupported costs.

Please visit our [Recommendation Dashboard](#) for accurate and timely data on the status of DOT OIG’s audit recommendations, links to audit summaries associated with each recommendation, interactive charts and recommendation data visualizations, and reports on recommendations required by the Inspector General Act.

## Status of audit recommendations, second half of FY 2022



### Open and closed audit recommendations

A recommendation is **opened** on the date the audit report is issued. Once opened, a recommendation is “unresolved” until the Department and DOT OIG agree on the step(s) necessary to address the recommendation. Then the recommendation is considered “resolved” and remains open until the Department completes the corrective action and provides DOT OIG with sufficient supporting evidence of the actions taken.

A recommendation is **closed** after the Department has agreed with the recommendation, takes appropriate corrective action, and provides DOT OIG with sufficient supporting evidence to demonstrate that the action was taken.

## Reports with no agency comment within 60 days

We work closely with the Department to ensure timely responses to our draft audit reports. All agency responses were received within 60 calendar days.

## Significant revised management decisions

DOT did not revise any significant management decisions.

## Attempts to interfere with DOT OIG independence

We did not encounter any instances where DOT attempted to interfere with DOT OIG independence.

## Information or assistance refused by DOT

DOT did not unreasonably refuse information or assistance.

## Audits closed but not disclosed to the public

It is our practice to post all closed nonsensitive audits and evaluations on our public website. Consequently, we have no previously undisclosed audits and evaluations to report.

## DOT OIG disagreement with significant management decisions

DOT made no significant management decisions with which DOT OIG disagreed.

## Compliance with Federal Financial Management Improvement Act

DOT is in compliance with the Federal Financial Management Improvement Act.

# Completed Audit Reports

## Department-wide

### **DOT's Fiscal Year 2021 Payment Integrity Information Act Compliance Review**

#### **Required by the Payment Integrity Information Act of 2018**

**6.27.2022**  
*FS2022030*

The Payment Integrity Information Act of 2019 (PIIA) requires agencies to identify, report, and reduce improper payments in programs susceptible to significant improper payments. For fiscal year 2021, DOT tested three programs with total expenditures over \$49 billion and estimated that about 1.41 percent were improper payments. PIIA also requires inspectors general to report annually on their agencies' compliance. Accordingly, our audit objective was to determine whether DOT complied in 2021 with PIIA's requirements. DOT is in compliance with PIIA requirements. For fiscal year 2021, DOT reported improper payment estimates for three susceptible programs. The payment integrity information in DOT's 2021 Agency Financial Report and data posted to the Payment Accuracy website were accurate and complete. A clerical error related to payment recapture data for two programs occurred but did not impact DOT's compliance with PIIA. DOT conducted four risk assessments for programs and reported one program, FTA's Coronavirus Aid, Relief, and Economic Security (CARES) Act program, susceptible to significant improper payments. DOT published improper and unknown payment amounts and estimated future rates on the Payment Accuracy website. However, we found issues with the universe population identification procedures for FAA's and FTA's Bipartisan Budget Act of 2018 activities. FHWA's Highway Planning and Construction Program did not meet its reduction target of .80 percent and reported estimated improper payments about \$697 million. The total estimate did not impact FHWA's compliance with PIIA. For fiscal year 2021, DOT reported an improper and unknown payment estimate of less than 10 percent. FHWA improved its corrective action plan by focusing on root causes of improper and unknown payments and prioritized these actions. DOT concurred with our three recommendations to help improve its reporting processes for improper payments. We consider these recommendations resolved but open pending completion of planned actions.

## Quality Control Review of the Independent Service Auditor's Report on DOT's Enterprise Services Center

**Required by OMB  
Bulletin No. 21-04, Audit Requirements for Federal Financial Statements**

**8.17.2022**

QC2022036

This report presents the results of our quality control review (QCR) of an attestation examination of DOT's Enterprise Services Center (ESC) controls. ESC provides financial management services to DOT and other agencies and operates under the direction of DOT's Chief Financial Officer. The Office of Management and Budget (OMB) requires ESC, as a service organization, to either provide its user organizations with independent audit reports on the design and effectiveness of its internal controls, or allow user auditors to perform tests of its controls. We contracted with KPMG LLP to conduct this examination subject to our oversight. The objectives of the review were to determine whether (1) management's description of ESC's systems is fairly presented, (2) ESC's controls are suitably designed, and (3) ESC's controls are operating effectively throughout the period of October 1, 2021, through June 30, 2022. We performed a QCR on KPMG's report and related documentation. Our QCR disclosed no instances in which KPMG did not comply, in all material respects, with generally accepted Government auditing standards. KPMG made no recommendations.

The QCR and attachments have been marked as For Official Use Only to protect sensitive information exempt from public disclosure under the Freedom of Information Act, 5 U.S.C. § 552. To receive a copy of the report, please contact our Freedom of Information Act Office.

## Weaknesses in DOT's ITSS Award and Invoice Processes Increase the Risk of Inefficiencies During Acquisitions of Critical IT Products and Services

**Self-initiated**

**9.20.2022**

ZA2022039

*\$40,682 in questioned costs*

*\$525 million in funds put to better use*

*\$1,089,680 in unsupported costs*

DOT leverages information technology (IT) to achieve its mission of a safe, efficient, accessible, and convenient transportation system. Historically, IT systems were decentralized DOT-wide, but that resulted in high costs and other inefficiencies and risks. Thus, in May 2017, the Office of the Chief Information Officer (OCIO) launched an IT shared services (ITSS) initiative to centralize IT decision making and transition to DOT-wide acquisition vehicles where possible. Given the high-dollar amounts associated with DOT's IT acquisition spending—\$3.5 billion in fiscal year 2021—and the ongoing ITSS transition, our objectives for this audit were to assess the Department's processes for (1) awarding its IT shared services contracts and (2) reviewing contractor charges. Counter to Federal procurement requirements, DOT's contracting officers (CO) awarded multiple noncompetitive actions to ITSS contract vehicles without proper justifications, beyond contract term limits, and despite prolonged contractor performance issues. For example, DOT awarded a 1-year, no options, \$950,000 ITSS vehicle noncompetitively, then extended it 16 times, increasing its period of performance to over 7 years and its value to \$15.2 million. In addition, COs did not always award such actions

in a timely manner due partially to a lack of guidance. As a result, we found 10 lapses in 5 ITSS contract vehicles with a total value of \$582.1 million during which DOT continued to receive and pay for IT services. Further, while DOT's ITSS award documentation complied with most key procurement requirements, there were a few notable exceptions. For example, officials could not locate most of the award documentation for an over 11-year, \$525 million ITSS contract, raising questions about whether DOT obtained the best pricing. Finally, the OCIO's practices for verifying ITSS contractor charges are not always reliable in part because it lacks adequate controls. Thus, the Department cannot give reasonable assurance that ITSS payments are proper, leaving them at risk for waste, fraud, and abuse. DOT concurred or partially concurred with six of our nine recommendations to improve its ITSS contract vehicles award and invoice review processes and resolved the other three recommendations.

### **DOT Can Improve Processes for Evaluating the Impact of Time Zone Changes and Promoting Uniform Time Observance**

***Self-Initiated***

**9.20.2022**

*ST2022037*

DOT is responsible for fostering and promoting uniform time observance—including Daylight Saving Time (DST)—as well as evaluating requests to change time zones. Since 2015, at least 45 States have proposed legislation either to change their observance of DST or to establish permanent standard time. Recent Federal interest, such as the March 2022 U.S. House of Representatives Committee on Energy and Commerce hearing on DST and the Sunshine Protection Act of 2021, highlights the importance of DST and time zone changes to impacted communities. Given the recent interest and potential impact of time zone changes on transportation, we initiated this audit with a limited scope to assess DOT's processes for evaluating and responding to requests from States and localities for time zone changes and DST exemptions. While DOT is responsible for evaluating and processing time zone change petitions from States and localities, it does not have written guidance in place specifically addressing how the petitions should be evaluated and validated. Instead, if it were to receive a petition, the Department would process the petition according to the general rulemaking procedures and DOT Order already in place. However, it has been roughly 12 years since the Department last processed a petition, and officials currently responsible for this area were not involved in the process the last time it took place. In addition, although DOT does not have the authority to grant exemptions from DST, it is responsible for fostering and promoting uniform time observance. Yet it does not have processes for monitoring localities

that are not observing DST or their assigned time zone and may not be aware of possible instances of non-uniform time observance. In addition, the Department does not provide sufficiently detailed information for the public to promptly and accurately identify non-compliant localities. The Office of the Secretary of Transportation concurred with all five of our recommendations to improve DOT's evaluation of time zone changes and promotion of uniform time observance and provided appropriate actions and completion dates. We consider these recommendations resolved but open, pending completion of planned actions.

### **DOT Has Made Progress Meeting the Requirements of the Geospatial Data Act of 2018**

#### **Required by the Geospatial Data Act of 2018**

**9.28.2022**

*IT2022040*

Geospatial data—which Federal agencies use to achieve their missions—contain information tied to locations, including geographic location identifiers. Transportation-related geospatial data include instrument-flight-rule navigation charts and pipeline inspection boundary maps. In October 2018, Congress passed the Geospatial Data Act (GDA) on the management of the National Spatial Data Infrastructure (NSDI). NSDI has 18 geospatial data themes that cover data used by Federal agencies, including a transportation theme. Section 756 of the GDA requires the Federal Geographic Data Committee to identify one or more covered agencies to serve as the lead covered agency for a specific data theme. The act's section 759 sets requirements for covered agencies. As the lead covered agency for the transportation theme, DOT must address requirements under GDA section 756(b) for the transportation theme, and as a covered agency the requirements under sections 759(a) and 759(b). The act also requires inspectors general of covered agencies to report to Congress once every 2 years on their agencies' geospatial data-related activities. Our audit objective was to assess DOT's progress since our 2020 GDA audit. Specifically, we assessed the Department's progress implementing its responsibilities (1) as a lead covered agency under section 756(b) and (2) as a covered agency under sections 759(a) and 759(b) of the act. DOT has made progress complying with lead covered agency requirements. In 2020, DOT met two of the five lead covered agency requirements—information on user needs and theme administration. In 2022, DOT fully met four requirements and partially met one—a plan to implement standards for theme data. DOT has also made progress on the 12 applicable covered agency requirements. In 2020, DOT met 4 of the 12 applicable requirements and in 2022, fully met 9. The Department has not yet fully complied with the requirements for implementation of a geospatial information system strategic plan, records preparation, and the use of geospatial information. DOT complied with the requirements on annual reporting and maintenance



of a geospatial data asset inventory. We made one recommendation to help DOT comply with the requirements for lead covered agencies in the act's section 756(b). DOT concurred with our recommendation.

**Quality Control Review of the Independent Auditor's Report on the Assessment of DOT's Information Security Program and Practices**

**Required by the Federal Information Security Modernization Act of 2014**

**9.28.2022**

QC2022042

This report presents the results of our QCR of an audit of DOT's information security program and practices. The Federal Information Security Modernization Act of 2014 (FISMA) requires agencies to develop, implement, and document agencywide information security programs and practices. FISMA also requires inspectors general to conduct annual reviews of their agencies' information security programs and report the results to OMB. To meet this requirement, we contracted with CliftonLarsonAllen LLP (CLA) to conduct this audit subject to our oversight. The audit objective was to determine the effectiveness of DOT's information security program and practices in five function areas—Identify, Protect, Detect, Respond, and Recover. Our QCR disclosed no instances in which CLA did not comply, in all material respects, with generally accepted Government auditing standards. DOT concurs with all eight of CLA's recommendations. CLA considers all eight recommendations resolved but open pending completion of planned actions.

## FAA

### **FAA Made Progress Through Its UAS Integration Pilot Program, but FAA and Industry Challenges Remain To Achieve Full UAS Integration**

**Requested by the Ranking Members of the House Committee on Transportation and Infrastructure and its Subcommittee on Aviation**

**4.27.2022**

*AV2022027*

Recognizing that Unmanned Aircraft System (UAS) is the fastest growing segment of the aviation industry and in response to a Presidential Memorandum, FAA initiated the 3-year UAS Integration Pilot Program (IPP) in 2017. Through the IPP, FAA worked with selected State, local, and tribal governments, who partnered with private sector entities (e.g., UAS operators) to accelerate safe integration and help develop new rules to enable more complex UAS operations in the National Airspace System (NAS). After ending the IPP as planned in October 2020, FAA launched a follow-on program called BEYOND to address remaining UAS-related challenges, including operations beyond visual line of sight. Citing the importance of the IPP's efforts, the Ranking Members of the House Committee on Transportation and Infrastructure and its Subcommittee on Aviation requested that we assess FAA's IPP, including next steps. Accordingly, our audit objectives were to assess (1) the results of FAA's IPP and (2) FAA's plans for using those results, including how the Agency will incorporate them into its new program BEYOND. While FAA made progress advancing UAS operations through the IPP, results did not fully meet industry and participant expectations and integration challenges remain. Further, challenges with planning, data requirements, and the Agency's organization hindered the IPP's overall success. FAA also faced challenges balancing the need to ensure aviation safety with UAS innovation, especially given the complexity of proposed operations. In addition, issues coordinating across multiple FAA lines of business and Agency turnover contributed to participant frustration and program challenges. Finally, while FAA incorporated lessons learned and best practices into BEYOND, challenges that limited the IPP's success remain. As a result, it is uncertain when FAA and industry will be positioned to enable operations beyond visual line of sight that are economically viable throughout the NAS. We made six recommendations to improve FAA's use of UAS IPP results, including in its current program, BEYOND. FAA concurred with all six of our recommendations and provided appropriate actions and planned completion dates.

## **FAA Quickly Awarded CARES Act Funds but Can Enhance Its Oversight Approach To Promote Effective Stewardship**

### **Self-initiated**

**7.18.2022**

AV2022032

*\$85,817,209 in questioned costs*

*\$274,535,555 in unsupported costs*

The CARES Act provided FAA with \$10 billion to help airports deal with the public health emergency caused by Coronavirus 2019 (COVID-19). FAA awarded \$9.1 billion in grants to airports nationwide, using its existing Airport Improvement Program (AIP) to distribute the funds. Our objective for this self-initiated audit was to assess whether FAA's policies and procedures for awarding and overseeing CARES Act grants are sufficient to protect taxpayer interests. Leveraging the AIP allowed FAA to announce CARES Act awards for more than 3,000 airports in just 2 weeks. However, changes in the Agency's oversight process regarding supporting documentation requirements affected its ability to monitor program performance, and we determined at the time of our review that it contributed to more than \$271 million in unsupported costs, \$85 million in questioned costs, and \$3 million of improper payments. FAA also did not establish procedures for deobligating CARES Act grants that become inactive, exceed the period of performance, or provide airport sponsors with adequate guidance on documenting workforce retention data. These internal control weaknesses hindered FAA's ability to ensure that it is operating the program as Congress intended, administering projects in a fiscally responsible manner, and achieving reporting and compliance objectives. We are making seven recommendations to improve FAA's oversight of COVID-relief funds. FAA concurred with recommendations 5–7 and provided completion dates. The Agency partially concurred with recommendations 1–4. Based on documentation FAA provided after our review was completed, we consider recommendation 1 resolved but open pending completion of planned actions, and recommendations 2, 3, and 4 resolved and closed. We asked FAA to reconsider its position and provide us with a revised response within 30 days of the date of our report.

**FAA Has Opportunities To Better Inform International Pilot Training for Boeing Aircraft Through Enhanced Transparency and Oversight Requested by the Chairmen and Ranking Members of the House Committee on Transportation and Infrastructure and its Subcommittee on Aviation**

**7.27.2022**

AV2022034

Two fatal crashes involving Boeing 737 MAX 8 aircraft in 2018 and 2019 drew widespread attention to FAA’s oversight and certification practices, including the Agency’s process for establishing pilot training requirements for the aircraft. The Chairmen and Ranking Members of the House Committee on Transportation and Infrastructure and its Subcommittee on Aviation requested that we review domestic and international pilot training standards related to commercial passenger aircraft. Our audit objectives were to (1) evaluate FAA’s process for establishing pilot training requirements for U.S. and foreign air carriers operating U.S.-certificated large passenger aircraft and (2) review international civil aviation authorities’ requirements for air carrier pilot training regarding the use of flight deck automation. We focused on FAA’s role in setting training requirements as the certificating authority for Boeing aircraft and its efforts to enhance upset prevention and recovery training. While each country is responsible for setting its own pilot training requirements, FAA has the opportunity to inform other countries’ requirements through increased transparency and oversight. For example, FAA provides aircraft-specific guidance to air carriers and other organizations when developing training programs. However, the guidance does not clearly state the level of experience FAA assumed pilots would have—which is significant given that the skills and average experience of pilots can vary between countries. In addition, FAA has worked with international civil aviation authorities to provide guidance on air carrier pilots’ use of flight deck automation. This includes conducting outreach and training internationally on specific flight scenarios and leading an ongoing international working group to develop new international standards and guidance on pilots’ use of automation. Nevertheless, our survey of international civil aviation authorities found that countries’ requirements regarding the use of flight deck automation varied. FAA concurred with our four recommendations to enhance the Agency’s transparency and oversight to better inform international pilot training requirements and proposed appropriate planned actions and completion dates.



## **FAA Has Made Progress on a UAS Traffic Management Framework, but Key Challenges Remain**

**Requested by the Ranking Members of the House Committee on Transportation and Infrastructure and its Aviation Subcommittee Federal Aviation Administration**

**9.28.2022**

*AV2022041*

UAS, commonly known as “drones,” are rapidly growing in number in the NAS. Currently, there is limited infrastructure available to manage widespread expansion of small UAS operations in low-altitude airspace (below 400 feet) where FAA does not provide air traffic services. Congress directed FAA to conduct activities that will allow implementation of UAS Traffic Management (UTM), including a UTM Pilot Program. Citing the importance of UAS traffic management, the Ranking Members of the House Committee on Transportation and Infrastructure and its Aviation Subcommittee requested that we evaluate FAA’s efforts to develop and implement UTM, including the pilot program and any interactions FAA has had with other Government agencies. Our objectives were to assess FAA’s (1) progress with UTM development and implementation, including results of its UTM Pilot Program, and (2) collaboration with other Government agencies regarding UTM. FAA has made initial progress in developing a UTM framework and testing UTM concepts through the UTM Pilot Program. For example, FAA continues to develop and refine its concept of operations and has deployed some initial UTM capabilities, such as an automated system for authorizing UAS operations near airports. However, FAA has not established milestones for implementing the policies and processes necessary to allow for UTM deployment or finalized how the Agency plans to use the UTM Pilot Program results to inform near-term efforts. While UTM stakeholders stated that the pilot program was successful, they noted common areas of concern with UTM implementation, such as slow progress, the need for additional rules for remotely identifying UAS, and lack of information on next steps. In addition, FAA has not yet completed coordination with other Government agencies. FAA concurred with two of our four recommendations to improve FAA’s efforts to develop and implement a UTM and partially concurred with the other two. Based on FAA’s response, we consider all four recommendations resolved but open pending completion of planned actions.

## FHWA

### **Opportunities Exist for FHWA To Strengthen Its Oversight of Contract Change Orders Under the Federal-aid Highway Program**

#### **Self-Initiated**

**7.20.2022**

*ST2022031*

FHWA oversees about \$52 billion in Federal-aid Highway Program funds for fiscal year 2022. The Agency makes these funds available to State DOTs for highway and infrastructure projects. Modifications to a project's contract specifications are frequently done through change orders, which are an important component of the Federal-aid Highway Program since they can affect projects' cost, schedule, design details or specification requirements, or a combination of these key elements. Given the possible risks to program oversight posed by change orders, we initiated this audit to assess FHWA's oversight of contract change orders. We found data limitations that could impact FHWA's ability to monitor and oversee change orders. Furthermore, FHWA's methodology for its compliance assessment program reviews can lessen the reviews' usefulness for oversight and monitoring of change orders. The Agency also lacks a consistent definition of change order as well as clear guidance on what constitutes a major change. Lastly, FHWA's policy and guidance on change orders in its Contract Administration Core Curriculum Manual are outdated, and its guidance for monitoring and tracking its change order reports and associated findings lacks clarity. We made recommendations to help FHWA strengthen its oversight role and help to mitigate potential exposure to risks related to change orders. FHWA concurred with four recommendations and partially concurred with the other two. We consider all six recommendations resolved but open pending completion of planned actions.

## FRA

### **FRA Uses Automated Track Inspections To Aid Oversight but Could Improve Related Program Utilization Goals and Track Inspection Reporting**

#### **Self-initiated**

**4.27.2022**

*ST2022028*

While track-caused rail accident numbers and rates have declined over the past 2 decades, defective track conditions are still among the most frequent causes of train derailments. FRA's Track Division deploys track inspectors and its Automated Track Inspection Program (ATIP) to determine whether railroads are complying with minimum safety requirements for railroad track. Given the impact of track conditions on railroad safety, we initiated this audit to evaluate FRA's use of automated inspections to aid track safety oversight. FRA deploys eight ATIP inspection vehicles to monitor track conditions nationally and recently took actions to improve the program's operation and oversight. However, the Agency's formal program metric for ATIP vehicle utilization is outdated. Specifically, FRA contracts out operation of these vehicles to two contractors but only established a single utilization goal to run the ATIP vehicles 150 survey days a year. While some ATIP vehicles came close to the goal individually, collectively the ATIP fleet fell short, with an average 80-percent utilization between fiscal years 2016 and 2021. FRA officials offered several reasons, including weather events, to explain the missed goal. In addition, over half of the 539 ATIP-related inspection reports we reviewed contain inaccurate data—in part because FRA does not have sufficient guidance on recording ATIP-related inspection activities. FRA also relies on inspectors to respond promptly to changing conditions and use their territory knowledge in planning their work but does not have any national or formal district-level track inspection planning processes in place. However, FRA does use ATIP vehicles and survey data to perform data-driven evaluations of railroad track testing programs and improve its data inventories. Until FRA improves ATIP utilization goals and ATIP-related track inspection reporting, it cannot ensure its resources are optimally targeted to support the Agency's track oversight. FRA concurred with all six of our recommendations to improve its use of automated inspections to aid track safety oversight and provided appropriate actions and completion dates. We consider these recommendations resolved but open, pending completion of planned actions.

## NHTSA

### **NHTSA Has Mitigated Risks and Ensured Compliance With Requirements for Highway Safety Grants**

#### **Self-initiated**

**7.20.2022**

*ST2022033*

To help combat highway fatalities, the Fixing America's Surface Transportation Act (FAST Act) of 2015 authorized over \$2.7 billion in highway safety grant funds for fiscal years 2016 through 2020. NHTSA awarded these safety grants to States, which distributed them to a network of sub-grantees, then monitored the funds' use for each State Highway Safety Office. Due to the significant amount of grant funding authorized by the FAST Act and the importance of NHTSA's oversight, we initiated this audit as a follow up to our 2014 recommendations to help the Agency improve oversight controls for safety grants. Specifically, we reviewed NHTSA's actions to improve controls over (1) mitigation of deficiencies identified by the Agency's triennial management reviews of States, (2) monitoring States' compliance with Federal grant requirements, (3) States' timeliness in expending grant funds, and (4) developing and implementing an electronic database to identify and monitor recurrent or systemic grant oversight findings. NHTSA implemented our 2014 recommendations to improve the Agency's oversight of highway safety grants. Specifically, NHTSA worked with States to mitigate deficiencies and revised its grant oversight policies and procedures to require documentation of States' corrective actions and management approval for closing actions. The Agency also implemented updated monitoring procedures and a risk assessment process for improving States' compliance with Federal grant requirements and for monitoring the timeliness of States' expenditure of highway safety grant funds. Finally, NHTSA is evaluating options to replace its grant information system. We made no recommendations.



## Single Audits

### Summary Report on Significant Single Audit Findings Impacting DOT Programs for the 3-Month Period Ending March 31, 2022

#### Self-initiated

**5.18.2022**

SA2022029

*\$3,534,794 in questioned costs*

We queried and downloaded 60 single audit reports prepared by non-Federal auditors and submitted to the Federal Audit Clearinghouse between January 1, 2022, and March 31, 2022, to identify significant findings related to programs directly funded by DOT. We found that reports contained a range of findings that impacted DOT programs. The auditors reported significant noncompliance with Federal guidelines related to eight grantees that require prompt action from DOT's Operating Administrations (OA). The auditors also identified questioned costs totaling \$3,534,794 for three grantees. Of this amount, \$3,459,757 was related to the Sangamon Mass Transit District and \$24,763 related to the COVID-19 Airport Improvement Program for the Commonwealth Ports Authority of the Northern Mariana Islands. We recommend that DOT coordinate with the impacted OAs to develop a corrective action plan to resolve and close the findings identified in this report. We also recommend that DOT determine the allowability of the questioned transactions and recover \$3,534,794, if applicable.

### Summary Report on Significant Single Audit Findings Impacting DOT Programs for the 3-Month Period Ending June 30, 2022

#### Self-initiated

**8.3.2022**

SA2022035

*\$7,148,093 in questioned costs*

We queried and downloaded 90 single audit reports prepared by non-Federal auditors and submitted to the Federal Audit Clearinghouse between April 1, 2022, and June 30, 2022, to identify significant findings related to programs directly funded by DOT. We found that reports contained a range of findings that impacted DOT programs. The auditors reported 19 incidents of significant noncompliance with Federal guidelines related to 12 grantees that require prompt action from DOT's OAs. Eight of these were repeat findings related to six grantees. The auditors also identified questioned costs totaling \$7,148,093 for five grantees. Of this amount, \$6,568,036 was related to the Pit River Tribe. We recommend that DOT coordinate with the impacted OAs to develop corrective action plans to resolve and close the current and repeat findings identified in this report. We also recommend that DOT determine the allowability of the questioned transactions and recover \$7,148,093, if applicable.

## STB

### **Quality Control Review of an Independent Auditor's Report on the Surface Transportation Board's Information Security Program and Practices**

#### **Required by the Federal Information Security Modernization Act of 2014**

**9.7.2022**

QC2022038

The Federal Information Security Modernization Act of 2014 (FISMA) requires agencies to implement information security programs. FISMA also requires agencies to have annual independent evaluations performed to determine the effectiveness of their programs and report the results of these reviews to OMB. To meet this requirement, STB requested that we perform its fiscal year 2022 FISMA review. We contracted with Williams Adley & Company-DC LLP (Williams Adley), an independent public accounting firm, to conduct this audit subject to our oversight. The audit objective was to determine the effectiveness of STB's information security program and practices in five function areas—Identify, Protect, Detect, Respond, and Recover. We performed a QCR of Williams Adley's report and related documentation. Our QCR disclosed no instances in which Williams Adley did not comply, in all material respects, with generally accepted Government auditing standards. While there are no new recommendations issued for fiscal year 2022, STB concurs with the audit's findings with respect to the remaining eight open recommendations from the fiscal year 2021 FISMA audit..

# Correspondence

## **Memorandum to the Deputy Secretary: Follow Up to Audit Request for FAA's Flight Standards Service**

**4.13.2022**

CC2021002

DOT OIG issued a memorandum to the Deputy Secretary to follow up on the Department's November 2020 audit request regarding the FAA's Flight Standards Service. DOT OIG initially responded in December 2020 that we were developing plans for an audit to determine whether FAA's policies and procedures for documenting and maintaining records are sufficient to facilitate effective oversight of the Nation's air operators and would prioritize this work within our existing audit portfolio. Since that time, DOT OIG's Office of Investigations completed investigations in this area and provided its findings to the Department. The findings highlighted that FAA has committed to taking action—including software modifications, inspector training, and information sharing—to resolve the identified issues. In this memorandum, we stated that we will revisit FAA's corrective actions once they are fully implemented and will determine whether additional audit work is warranted.

## **Letter to Congress on DOT's Efforts To Prevent and Detect Fraud, Waste, and Abuse in Small Business Innovative Research and Technology Transfer Programs**

**Required by the National Defense Authorization Act of 2012**

**6.14.2022**

CC2022006

The National Defense Authorization Act of 2012 requires us to send an annual report to the Senate and the House of Representatives regarding our efforts to prevent and detect fraud, waste, and abuse in Small Business Innovative Research (SBIR) and Transfer Technology (STTR) programs. The act also requires us to describe the number of cases referred in the preceding year, the actions taken in each case, justifications when no action was taken, and an accounting of funds used. During fiscal year 2021, we neither opened nor closed any investigations of fraud, waste, or abuse in SBIR/STTR programs.

**Risk Assessment Review of DOT's Charge Card Program****Mandated by the Government Charge Card Abuse Prevention Act of 2012****9.29.2022**

CC2022007

The Government Charge Card Abuse Prevention Act of 2012 requires executive branch agencies to establish and maintain internal controls to ensure the proper, efficient, and effective use of travel charge cards and safeguards and internal controls for purchase cards. The act also requires inspectors general to perform periodic risk assessments of illegal, improper, or erroneous purchases in charge card programs of executive agencies spending more than \$10 million annually. Accordingly, we initiated a risk assessment review of DOT's Charge Card Program for calendar years 2020 and 2021 to identify and assess the risk of illegal, improper, or erroneous charge card purchases and payments to assist DOT OIG in determining the necessary scope, frequency, and number of periodic audits of charge card programs. For calendar years 2020 and 2021, we determined the risk to be medium for illegal, improper, or erroneous purchases in DOT's charge card program. Specifically, we identified an excessive number of purchase card accounts per approving official, purchases made on holidays or weekends, and untimely completion of purchase card training as potential high-risk levels and areas in DOT's purchase card program. We also identified delinquent travel cardholder accounts as well as instances of travel card purchases made after employees separated from the Agency.

# Peer Reviews

DOT OIG's auditing and investigations functions are subject to peer reviews in accordance with generally accepted Government auditing standards, CIGIE guidelines, and the Attorney General Guidelines for Federal OIGs with statutory law enforcement authority. These peer reviews provide formal, objective assessments of DOT OIG's adherence to prescribed standards, regulations, and legislation.

## Peer reviews conducted of DOT OIG

The Small Business Association (SBA) OIG conducted a CIGIE peer review of our Office of Investigations in fiscal year 2018. SBA OIG concluded that the system of internal controls and management procedures used for our investigative operations complied with the quality standards established by CIGIE and other applicable guidelines and statutes and did not make any recommendations. The report was released on August 29, 2018.

The Social Security Administration (SSA) OIG conducted a CIGIE peer review of our Office of Auditing and Evaluation in fiscal year 2022. SSA OIG concluded that the audit organization's system of quality control was suitably designed and complied with to provide DOT OIG reasonable assurance of performing and reporting in conformity with applicable professional standards and applicable legal and regulatory requirements in all material respects. Accordingly, SSA OIG provided a "pass" rating and did not make any recommendations. The report was released on March 15, 2022. Both reports are available on our website at

<https://www.oig.dot.gov/about-oig/peer-review>.

## Peer reviews conducted by DOT OIG

DOT OIG is currently conducting a CIGIE peer review of the National Aeronautics and Space Administration OIG's investigative function. We expect to release a final report in fiscal year 2023.

# Review of Legislation and Regulations

The Inspector General Act directs OIG to review existing or proposed legislation and regulations affecting DOT programs and operations, and to make recommendations in our Semiannual Report concerning their impact both on the economy and efficiency of the Department's programs and on the prevention of fraud, waste, and abuse. DOT OIG recommends the following legislative action to protect public safety.

## **Strengthen criminal penalties for safety violations involving knowing or reckless operation of an unmanned aircraft system.**

Currently, most drone safety violations are subject only to civil enforcement measures or limited and inadequate criminal penalties. OIG proposes amending Title 18 of the U.S. Code to expand both the scope of criminal violations and the range of penalties for knowing or reckless operation of an unmanned aircraft system that endangers public safety. We believe this change would provide critical tools for investigating and prosecuting agencies and serve as an important deterrent to individuals who may otherwise knowingly or recklessly operate drones in a manner that threatens public safety.

# Index

## Reporting Requirements

Index of reporting requirements under the Inspector General Act of 1978, as amended

Section	Requirement	Page
5(a)(1)	Significant problems, abuses, and deficiencies	3–34
5(a)(2)	Significant recommendations for corrective action	19–34
5(a)(3)	Prior significant recommendations unimplemented	16
5(a)(4)	Matters referred and resulting prosecutions	5–10
5(a)(5)	Information or assistance refused by the Department	18
5(a)(6)	List of audits issued	19–34
5(a)(7)	Summaries of significant audits	12, 19–34
5(a)(8)	Statistical table for questioned/unsupported costs	14–15
5(a)(9)	Statistical table for funds to be put to better use	14–15
5(a)(10)	Summary of prior reports unresolved	16
5(a)(11)	Significant revised management decisions	18
5(a)(12)	Significant management decisions with which DOT OIG disagreed	18
5(a)(13)	Compliance with Federal Financial Management Improvement Act	18
5(a)(14)	Peer reviews conducted of DOT OIG	35
5(a)(15)	Peer review recommendations	35
5(a)(16)	Peer reviews conducted by DOT OIG	35
5(a)(17)	Statistical table of investigative reports and referrals	5–7
5(a)(18)	Investigative reporting metrics	8
5(a)(19)	Substantiated misconduct of senior Government employees	10
5(a)(20)	Instances of whistleblower retaliation	8
5(a)(21)	Interference with DOT OIG independence	18
5(a)(22)	Closed but undisclosed audits and investigations of senior Government employees	10, 18

# Acronym Glossary

Acronym	Definition
AIP	Airport Improvement Program
ATIP	Automated Track Inspection Program
CARES Act	Coronavirus Aid, Relief, & Economic Security Act
CIGIE	Council of Inspectors General on Integrity and Efficiency
CO	contracting official
COVID-19	Coronavirus Disease 2019
DBE	Disadvantaged Business Enterprise
DOJ	U.S. Department of Justice
DOT	U.S. or State Department of Transportation
DST	Daylight Saving Time
ESC	Enterprise Services Center
FAA	Federal Aviation Administration
FAST Act	Fixing America's Surface Transportation Act
FISMA	Federal Information Security Modernization Act
FHWA	Federal Highway Administration
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
FTE	full-time equivalent
FY	fiscal year
GDA	Geospatial Data Act
GLS	Great Lakes Saint Lawrence Seaway Development Corporation
Hazmat	hazardous material
IPP	Integration Pilot Program
IT	information technology
ITSS	IT shared services

Acronym	Definition
MARAD	Maritime Administration
NAS	National Airspace System
NextGen	Next Generation Air Transportation System
NHTSA	National Highway Traffic Safety Administration
NSDI	National Spatial Data Infrastructure
NTSB	National Transportation Safety Board
OA	Operating Administration
OCIO	Office of the Chief Information Officer
OIG	Office of Inspector General
OMB	Office of Management & Budget
OST	Office of the Secretary of Transportation
PHMSA	Pipeline & Hazardous Materials Safety Administration
PIIA	Payment Integrity Information Act
PLA	project level agreement
QCR	quality control review
ROI	return on investment
SBA	Small Business Administration
SBIR/STTR	Small Business Innovative Research & Transfer Technology
SSA	Social Security Administration
STB	Surface Transportation Board
SUPs	Suspected Unapproved Parts
TREAD Act	Transportation Recall Enhancement, Accountability & Documentation Act
UAS	unmanned aircraft systems
UTM	UAS traffic management