



October 26, 2018

**MEMORANDUM FOR:** Dennis Alvord  
Deputy Assistant Secretary for Regional Affairs  
Economic Development Administration

*Carol N. Rice*

**FROM:** Carol Rice  
Assistant Inspector General for Audit and Evaluation

**SUBJECT:** Audit of EDA's Disaster Relief Grants Award Administrative  
Process and Oversight Efforts (#2019-332)

On February 9, 2018, the President signed into law the Bipartisan Budget Act of 2018 (the Act), Public Law No. 115-123, which designated \$600 million in disaster relief funds to the Economic Development Administration (EDA). The Act requires that recipients use disaster relief funds for necessary expenses related to flood mitigation, disaster relief, long-term recovery, and restoration of infrastructure in areas that received a major disaster designation in 2017. The Act also requires us to carry out audits related to the funding provided in the Act. Accordingly, we are initiating an audit to review EDA's grant process for awarding disaster relief funds appropriated by the Act. Our overall audit objective will be to determine whether EDA's process for awarding grants to recipients is adequate.

We have scheduled an entrance conference for November 14, 2018, at which time we will discuss our audit objectives in further detail. If you have any questions, please contact me at (202) 482-6020 or Susan Aggen, Director of the Atlanta Regional Office, at (404) 730-2063. We thank you in advance for your cooperation during this audit.

cc: Deborah Haynes, Audit Liaison, EDA