



UNITED STATES DEPARTMENT OF COMMERCE
Office of Inspector General
Washington, D.C. 20230

June 25, 2010

MEMORANDUM FOR: John R. Fernandez
Assistant Secretary for Economic Development

Patrick D. Gallagher, Director
National Institute of Standards and Technology

The Honorable Jane Lubchenco, Ph. D.
Under Secretary of Commerce for Oceans and Atmosphere
and NOAA Administrator

Lawrence E. Strickling
Assistant Secretary for Communications and Information
and NTIA Administrator

FROM: Ann Eilers 
Principal Assistant Inspector General for Audits and Evaluations

SUBJECT: Recovery Act Grant Fraud Prevention and Detection Audit

As part of our FY 2010 Recovery Act work, we plan to review approximately \$5 billion in American Recovery and Reinvestment Act grant funding authorized for the Economic Development Administration (EDA), National Institute of Standards and Technology (NIST), National Oceanic and Atmospheric Administration (NOAA) and National Telecommunications and Information Administration (NTIA). The objective of the audit is to determine whether these four Commerce bureaus have complied with the Office of Management and Budget's Recovery Act guidance to mitigate the potential for grant fraud, waste, error, and abuse.

We will conduct our reviews at EDA and NTIA in Washington, D.C.; NIST in Gaithersburg, Maryland; and NOAA in Silver Spring, Maryland.

We will contact the bureaus' audit liaisons to schedule entrance conferences. In the meantime, if you have any questions about our audit, please contact me at 202-482-4328 or John Bunting at 303-312-7663. We appreciate the cooperation of the bureaus and their staffs during this audit.

cc: Scott B. Quehl, Senior Accountability Officer for ARRA
Joshua Barnes, Audit Liaison, EDA
Rachel Kinney, Audit Liaison, NIST
William F. Broglie, Chief Administrative Officer, NOAA
Mack Cato, Audit Liaison, NOAA
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Cynthia Schultz, Compliance and Audit Team Leader, NTIA