



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

October 27, 2010

MEMORANDUM FOR: Dr. Patrick Gallagher, Director
National Institute of Standards and Technology

FROM: Ann C. Eilers 
Principal Assistant Inspector General for
Audit and Evaluation

SUBJECT: Review of NIST's Oversight of ARRA Construction Grants

As part of our oversight of the American Recovery and Reinvestment Act (ARRA) awards given through the Department of Commerce, we have selected for audit the ARRA grants awarded by the National Institute of Standards and Technology (NIST) for the construction of research science buildings. This audit will be conducted under the authority of the Inspector General Act of 1978, as amended, and the Departmental Order 10-13, dated May 1980, as amended.

This review will focus on the adequacy and effectiveness of NIST's oversight of the ARRA awards. Our objectives will be to (1) review the policies and procedures developed for the ARRA construction awards; (2) determine whether NIST has the personnel, processes, and systems in place to monitor the program, including procedures to monitor the recipient's adherence to the terms of the grant regarding required matching share, drawdowns, and ARRA laws and regulations, such as the Buy America Act; (3) assess the adequacy of monitoring levels and activities such as site visits; and (4) determine whether the construction projects are being built according to their original proposals. An audit report will be issued at the conclusion of our review.

Our fieldwork will be conducted at NIST's headquarters in Washington, D.C., and other locations as needed.

As discussed with the audit liaison, an entrance conference has been scheduled for November 8th, 2010. Should you have any questions, please contact me at (202) 482-2754, Kathleen McKevitt at (202) 482-0264, or Johnny Dawsey at (404) 730-2056.

cc: Rachel Kinney, NIST Audit Liaison
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