



U.S. Department of
Transportation

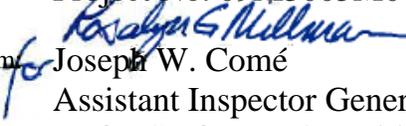
Office of the Secretary
of Transportation

Office of Inspector General

Memorandum

Subject: **INFORMATION:** Notification of Audit of NHTSA's
Consumer Assistance to Recycle and Save Program
Project No. 09M3005M000

Date: August 19, 2009

From: 
Joseph W. Comé
Assistant Inspector General
for Surface and Maritime Program Audits

Reply to
Attn. of: JA-40

To: Roger Medford
Acting National Highway Traffic Safety Deputy
Administrator

The Office of Inspector General plans to audit the National Highway Traffic Safety Administration's (NHTSA) Consumer Assistance to Recycle and Save Program (CARS). Signed into law in June 2009, CARS helps consumers buy or lease new, more fuel efficient vehicles when they trade in less fuel efficient vehicles. In August 2009, legislation added \$2 billion to the original \$1 billion program. The legislation requires us to review NHTSA's administration of CARS. Further, at the request of Senator Charles Grassley, we will focus on NHTSA's implementation of the program.

The objective of this audit is to assess whether NHTSA's oversight and management controls ensure that CARS transactions (1) meet Federal requirements; (2) use data that are accurate and reliable; and (3) are protected against fraud, waste, and abuse.

Our audit will include visits to NHTSA offices in Washington, D.C., and selected regions; contractor locations; automobile dealerships; and automobile disposal facilities. We plan to begin field work in August 2009 and will contact your audit liaison to schedule an entrance conference. If you have any questions or require further assistance, please contact me at (202) 366-5630, or Gary Middleton, Program Director, at (202) 366-0625.

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cc: NHTSA Audit Liaison
Martin Gertel, M-1