

## **16C.89AA13 Target #1 The dollar amount of improper payments for the year is less than 1% of Airport Improvement Grant program disbursements. Due September 30, 2016.**

Special Designations: DOT Goals

### **Commentary (July 2016)**

The DOT-wide goal is that improper payments be < 1% of total payments that are subject to testing. This is more stringent than the OMB tolerable threshold which is (1) an error rate of 1.5% and \$10 million, or (b) \$100 million regardless of the error rate. Our improper payment testing program continues on track.

Because the Airport Improvement Program (AIP) has had improper payment rates below the statutory threshold for five years, with OST's support we requested that OMB waive the requirement that improper payments be progressively reduced each year. AIP currently has improper payments estimated at .04% (\$4 of every \$10,000 spent). As the rate gets lower each year, continuously reducing it even further presents a challenge. The OIG formally concurred, and OMB approved our request. We will continue to rigorously monitor and test the AIP program for improper payments and we will carry this as an internal goal, but for the next three years, we are not required to report AIP improper payment testing results to OMB or in our Performance and Accountability Report.

### **Commentary (June 2016)**

The DOT-wide goal is that improper payments be < 1% of total payments that are subject to testing. This is more stringent than the OMB tolerable threshold which is (1) an error rate of 1.5% and \$10 million, or (b) \$100 million regardless of the error rate. Our improper payment testing program continues on track. Because the Airport Improvement Program (AIP) has had improper payment rates below the statutory threshold for five years, with OST's support we requested that OMB waive the requirement that improper payments be progressively reduced each year. AIP currently has improper payments estimated at .04% (\$4 of every \$10,000 spent). As the rate gets lower each year, continuously reducing it even further presents a challenge. The OIG formally concurred with our request. We await OMB's decision.

### **Status Table (Qualitative Metric)**

Period	Actual
10/2015	Green
11/2015	Green
12/2015	Green
01/2016	Green

<b>02/2016</b>	<b>Green</b>
<b>03/2016</b>	<b>Green</b>
<b>04/2016</b>	<b>Green</b>
<b>05/2016</b>	<b>Green</b>
<b>06/2016</b>	<b>Green</b>
<b>07/2016</b>	<b>Green</b>

✓ Indicates that the item is complete.