**Key Milestones**

- **1.** Finalize estimated cash loss estimation methodology  
  Status: Completed  
  ECD: Oct-18
- **2.** Identify estimated cash loss amount for FY 2018  
  Status: Completed  
  ECD: Nov-18
- **3.** Identify true root causes of cash loss  
  Status: Completed  
  ECD: Nov-18
- **4.** Develop mitigation strategies to get the payment right the first time  
  Status: Completed  
  ECD: Jun-19
- **5.** Evaluate the ROI of the mitigation strategy  
  Status: Completed  
  ECD: Jun-19
- **6.** Determine which strategies have the best ROI to prevent cash loss  
  Status: Completed  
  ECD: Jun-19

**Quarterly Progress Goals**

- **1.** Q3 2019  
  Status: On-Track  
  Notes: N/A
  ECD: Nov-19

**Recent Accomplishments**

- **1.** Complete recovery actions for identified improper payments.  
  Date: May-19
- **2.** Refine sampling plan to include additional transaction testing.  
  Date: May-19

**FY18 Amount ($)**

- **$893M**
  Root Cause: Administrative or process errors made by state or local agency  
  Root Cause Description: FHWA grant recipients make administrative error when requesting cost reimbursement. The most frequent billing errors are requesting reimbursement for ineligible costs and incorrect calculation of the federal share of costs.
  Mitigation Strategy: FHWA will advise select grant recipients of the root cause for their IPS and coordinate issue-specific corrective actions with those grantees. Further, FHWA is conducting additional transaction testing in FY 2019 in addition to IPIA testing.
  Anticipated Impact of Mitigation: Processes conducted by recipients with identified improper payments are expected to improve and reduce the risk of reoccurrence of payment errors. Additional testing will help identify additional risk areas and determine if risk is widespread.

**Cash Loss by FY ($M)**

- FY16: $78M  
- FY17: $127M  
- FY18: $893M

**Change from Previous FY ($M)**

- $766M

**Notes:**

- Cash Loss - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.