



Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
Of Transportation

Office of Inspector General

Subject: INFORMATION: Audit Announcement–Controls
Over the Federal Aviation Administration’s
Conversions of Flight Service Stations to Contract
Operations
Project No. 06A3008A000

Date: May 8, 2006

From: David A. Dobbs 
Assistant Inspector General
for Aviation and Special Program Audits

Reply to JA-10
Attn of:

To: Ramesh K. Punwani
Assistant Administrator
for Financial Services/CFO

Flight service stations provide general aviation pilots with aeronautical information and services necessary to promote safe flight operations. These services include providing pre- and in-flight weather briefings, flight planning assistance, and aeronautical notices. In addition, while employees at flight service stations do not control air traffic, they can provide in-flight direction and support to general aviation pilots who are lost or who need assistance.

On February 1, 2005, the Federal Aviation Administration (FAA) awarded a 5-year contract, with 5 additional option years, to operate the Agency’s 58 flight service stations in the continental United States. This represents one of the largest non-defense outsourcing efforts in the Federal government. The contractor plans to consolidate the 58 flight service stations into 20 consolidated facilities. FAA anticipates that by contracting out and consolidating flight service facilities, the Agency will save \$1.7 billion over the 10-year life of the contract.

The Office of the Inspector General plans to conduct an audit on the controls implemented by FAA over its conversion of flight service stations to contract operations. The objectives of the audit are to assess whether FAA has implemented effective plans and controls to (1) transition flight service stations to contract operations, (2) achieve anticipated savings, and (3) ensure that the operational needs of users continue to be met.

We plan to begin this audit in May 2006 and will contact your audit liaison to arrange an entrance conference. If you have any questions or need additional information, please contact Dan Raville, Program Director, at (202) 366-1405 or Susan Bader, Project Manager, at (202) 366-1989.

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cc: FAA Deputy Administrator
Anthony Williams, ABU-100
Martin Gertel, M-1