

Memorandum

Reply To Attn Of:

Date: December 16, 2002

U.S. Department of Transportation

Office of the Secretary of Transportation
Office of Inspector General

Subject: INFORMATION: Audit Annoucement - Review of

Cost Accounting System, Airports, FAA

Project Number: 03F3006F000

From: John L. Meche

Assistant Inspector General for Financial and Information Technology Audits

To: Assistant Administrator for Financial Services Federal Aviation Administration

The Office of Inspector General is initiating an audit of the Federal Aviation Administration (FAA) cost accounting system for the Airports line of business. The objective of the audit is to evaluate the completed business rules for cost assignment and allocation of cost, to test the accuracy and validity of the allocations, and ensure that costs were accurately reported in the cost accounting system in accordance with applicable Federal standards.

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We will contact your audit liaison to establish an entrance conference to discuss the audit. We plan to start the audit in January 2003. The Program Director for the project is Keith Cosper and the Project Manager is Paul Barry.

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