

Memorandum

U.S. Department of Transportation Office of the Secretary of Transportation Office of Inspector General

Subject: <u>INFORMATION</u>: Audit Annoucement – Audit of Aviation Security Infrastructure Fees, TSA Project Number: 02F3020F000

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From: Alexis M. Stefani Assistant Inspector General for Auditing Date: June 18, 2002

Reply To Attn Of:

To: John Magaw Under Secretary of Transportation for Security

The Office of Inspector General is initiating an audit of the fees imposed on air carriers engaged in air transportation, foreign air transportation, and intrastate air transportation. This fee, referred to as an aviation security infrastructure fee, is imposed on air carriers as required by the Aviation and Transportation Security Act (the Act). The fee is based on the amount that each air carrier paid for screening passengers and property in calendar year 2000, as determined by the Under Secretary of Transportation for Security. The Act requires air carriers to submit their costs for passenger and property screening to the Transportation Security Administration (TSA) by May 18, 2002.

The objective of the audit is to review the fees paid by the air carriers and determine whether air carriers' submissions of costs supporting these fees were completed properly, included all applicable costs, and were prepared in accordance with TSA guidance. During our survey, we will visit at least one carrier to verify its reported costs.

We will contact your audit liaison to establish an entrance conference to discuss the audit. We plan to start the audit in June 2002.

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cc: Deputy Secretary, DOT Chief of Staff, DOT Robert Gardiner, CFO, TSA David Holmes, TSA