Airport Improvement Program (AIP) — Grant Payment Transformation

The US Department of Transportation is undertaking a multi-year Department-wide initiative to improve financial management. One key improvement slated is the replacement of the current electronic grants payment system, ECHO, which due to technology enhancements has met its useful life.

Tentatively scheduled, in late Federal fiscal year (FY) 2011, FAA will discontinue use of the ECHO payment system in favor of a new electronic grants payment system that will streamline and improve efficiencies in payments for all of DOT. This unified platform is based on Oracle iSupplier, which will link directly with FAA's Delphi agency accounting system.

What are the benefits of this change?

Annually, the US DOT issues over $50 billion in grant payments. This transition to a new payment system will positively impact the financial statements of the US DOT and FAA with increased cost savings and efficiencies. For airport sponsors, the following benefits will be realized:

- All pay requests will be submitted online.
- Airport sponsors can view real-time status of all payments, improving grant management.
- Automated notifications will be received by users based on set parameters. This will keep the airport sponsor more informed of payment status.
- Payment supporting documentation can be uploaded into the system for ease in review.
- The same grant payment system will be used DOT-wide for all types of grants under the DOT programs umbrella.

What does this mean for our airport sponsors?

This new system will improve efficiency and reliability of pay requests. For most sponsors in the Great Lakes Region, the transition will be seamless because of State requirements under each state's respective Channeling Act. Airport sponsors submit pay requests to their respective state, who in turn, request payment from the FAA.

The main impact will be on those airport sponsors that submit manual pay requests. All pay requests will go through the iSupplier system. Manual submissions will no longer be available.

There may also be additional documentation that will be required for all users of the system. The new system requirements are being established and solidified, and the FAA is in the process of establishing a testing schedule. Airport sponsors from around the US have been selected to participate in a sample test program to work out any issues before the system goes live.

The system requirements are such that consultants acting on behalf of airport sponsors will be granted access to the system to assist the airport sponsor in processing pay requests.

The letter of credit option will still be available, as approved by the FAA.

Will there be training on this new system?

A training program will be developed prior to implementation of the new system. The training will use a blended approach of both manuals and e-learning initiatives.

A live help desk will be established to answer any questions related to Oracle iSupplier.

Other Questions?

If airport sponsors have specific questions about this payment transformation, they should refer to the FAA's Airports Division website or their respective Airport's District Office.

Where can learn more?
- FAA Airports Division Website will be updated with current information (www.faa.gov/airports)
- Grants Payment Transformation info available at www.faa.gov/airports/news_information/conferences_events/