THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

October 27, 2009

William E. Reukauf
Associate Special Counsel
U.S. Office of Special Counsel
1730 M Street, NW, Suite 218
Washington, DC 20036

Re: OSC File No. DI-08-1750

Dear Mr. Reukauf:

This is in response to a letter of August 26, 2008, from former Special Counsel Scott Bloch concerning whistleblower allegations regarding improprieties by FAA employees at the Southwest Airlines (SWA) Certificate Management Office (CMO) in Irving, Texas, who improperly allowed a potential violation of an airworthiness directive to be disclosed via FAA's Voluntary Disclosure Reporting Program (VDRP), without first verifying that the airline had conducted the required airworthiness inspections. The whistleblower, Mr. Charalambe "Bobby" Boutris, asserted that such inspections did not occur until weeks later, and that SWA continued to operate six non-compliant Boeing 737 aircraft in revenue service, in violation of Federal Aviation Regulations (FAR). Weeks after the disclosure, the FAA employees closed the matter with a Letter of Correction, thereby allowing the airline to avoid a civil penalty.

The former Secretary of the U.S. Department of Transportation, Mary Peters, delegated responsibility for investigating Mr. Boutris' concerns to the Department's Inspector General (OIG). The OIG investigation is complete, and the Inspector General has provided me the enclosed memorandum report presenting the findings and recommendations.

In short, the investigation found that a supervisory principal maintenance inspector at FAA's SWA CMO violated FAA policy by improperly allowing the carrier to self-disclose via the VDRP its non-compliance with an Airworthiness Directive (AD) involving window fasteners on 55 of its Boeing 737 aircraft. In particular, the inspector failed to address SWA's continued operation of six non-compliant aircraft which flew for two weeks in 2007 after SWA was aware of the AD non-compliance, and reported to FAA that such non-compliance had ceased. In addition, this FAA employee failed to ensure that appropriate corrective measures were initiated prior to issuing a final close-out letter, in further violation of FAA policy.

The OIG also determined that the SWA CMO manager approved the close-out letter to the airline without reviewing the file. While the OIG found no evidence of specific impropriety with this action, at the time he approved the close-out letter, the SWA CMO was under intense internal and external scrutiny for previous improprieties committed by other SWA CMO employees related to misuse of FAA's VDRP. Therefore, the OIG concluded that the

SWA CMO manager should have been mindful of his oversight responsibilities and exercised diligence to ensure that CMO employees were correctly following FAA's policy regarding the VDRP process.

The FAA incorporated this AD non-compliance into a March 2, 2009, settlement agreement with SWA, in which the carrier paid a $7.5 million penalty in exchange for FAA not seeking additional enforcement action or civil penalties for, among other items, any actual or potential FAR violation reported to FAA by SWA on or before September 30, 2008, via the VDRP.

Based on the investigative findings, the OIG recommended to FAA that it (a) consider appropriate administrative action for the inspector's failure to ensure that the carrier's disclosure met FAA requirements; and (b) consider appropriate administrative action for the SWA CMO manager who failed to ensure that the inspector followed FAA policy before approving his close-out letter of correction, thereby allowing the carrier to avoid a potential civil penalty.

By the enclosed memorandum, the FAA Administrator agreed to determine the appropriate administrative action for these employees by December 31, 2009.

I appreciate Mr. Boutris' diligence in raising his concerns.

Sincerely yours,

Ray LaHood

Enclosures

Memorandum

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

Subject: **ACTION**: OIG Investigation # I09Z000006SINV, Re: Certificate Management Office for Southwest Airlines

Date: October 21, 2009

From: Calvin L. Scovel III
Inspector General

Reply to Attn of:

To: The Secretary

This memorandum presents our investigative results stemming from whistleblower concerns raised by Charalambe "Bobby" Boutris, an Aviation Safety Inspector (ASI) and Partial Program Manager assigned to the Federal Aviation Administration's (FAA) Southwest Airlines Certificate Management Office (SWA CMO) in Irving, Texas.

Specifically, Mr. Boutris alleged that SWA CMO Principal Maintenance Inspector (PMI) Thomas Hoover and Partial Program Manager (PPM) Larry Collamore improperly allowed a potential violation of Airworthiness Directive (AD) 2002-07-08[1] to be disclosed via FAA's Voluntary Disclosure Reporting Program (VDRP)[2] without

[1] An Airworthiness Directive is issued by FAA to address the existence of an unsafe condition on aircraft, aircraft engines, propellers, etc. The requirements for compliance vary from AD to AD; however, they are usually issued as the result of a catastrophic component failure, or a safety recommendation from the National Transportation Safety Board (NTSB). Since ADs address unsafe conditions, their requirements are mandatory and non-compliance is contrary to 14 CFR Part 39. FAA issued multiple ADs, including AD 2002-07-08 (pertaining to window fasteners) in response to a fatal accident that occurred in 1988, when an Aloha Airlines Boeing 737 lost a major portion of its hull in-flight due to fatigue cracks on its fuselage, resulting in one fatality and multiple injuries.

[2] FAA Advisory Circular (AC) 00-58A, Voluntary Disclosure Reporting Program (VDRP), dated September 8, 2006, stipulates that certain criteria must be met for an air carrier to be

first verifying that SWA had conducted airworthiness inspections as required. Mr. Boutris asserts that such inspections did not occur until weeks later, and that SWA continued to operate six non-compliant Boeing 737 aircraft in revenue service, in violation of Federal Aviation Regulations. Weeks after the event, PMI Hoover and SWA CMO Manager Bobby Hedlund closed the matter with a Letter of Correction, thereby allowing SWA to avoid a potential civil penalty.

Mr. Boutris made his disclosures to OSC, which, in turn, referred his allegations to then-Secretary Mary Peters on August 26, 2008. Secretary Peters delegated investigation of Mr. Boutris' disclosures to our office.

If you accept the results of our investigation, we recommend that you transmit this report to OSC, along with the FAA Administrator's statement of appropriate corrective actions in response to our findings and recommendations.

Results in Brief

Our investigation determined that SWA CMO PMI Thomas Hoover violated FAA policy regarding SWA's disclosure, made via VDRP, by improperly allowing the carrier to self-disclose its non-compliance with an Airworthiness Directive (AD) involving window fasteners on 55 of its Boeing 737 aircraft. In particular, he failed to address SWA's continued operation of six non-compliant aircraft which flew from November 29, 2007, to December 13, 2007, two weeks after SWA was aware of the AD non-compliance and reported to FAA the non-compliance had ceased.[3] In addition, PMI Hoover failed to ensure that appropriate corrective measures were initiated prior to issuing a final close-out Letter of Correction on February 13, 2008, in further violation of FAA policy.

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able to self-disclose an apparent violation (thus precluding FAA regulatory enforcement action). Five conditions must be met for the apparent violation to be eligible, including: (1) the carrier must notify the FAA of the apparent violation immediately after detecting it; (2) immediate action is taken upon discovery to terminate the conduct resulting in the apparent violation; and (3) the carrier must develop a comprehensive fix and schedule of implementation.

[3] In this particular disclosure, the potential non-compliance was detected on November 29, 2007. In order to be eligible for VDRP, the aircraft were required to cease operation on that same day until they could be inspected for compliance. In particular, six non-compliant aircraft were not brought into compliance until December 13, 2007.

We found no evidence to conclude that either PMI Hoover or PPM Larry Collamore were aware of the continued operation of these six aircraft from November 29, 2007, to December 13, 2007. However, we concluded that upon closure of the VDRP disclosure on February 13, 2008, PMI Hoover knew, or should have known, that the disclosure was invalid, that prohibited flight activity had occurred, and therefore acceptance of SWA's disclosure was improper.

We found no evidence of specific impropriety on the part of SWA CMO Manager Bobby Hedlund who approved PMI Hoover's Letter of Correction to SWA. At the time of the final closure, FAA had no specific requirement for the office manager to review a disclosure prior to allowing it to be closed-out by the Principal Inspector (PI). Mr. Hedlund told us he relied solely on the content of Mr. Hoover's letter, without reviewing the file containing SWA's disclosure, FAA's findings, or SWA's subsequent corrective actions. Despite this lack of requirement, at the time Mr. Hedlund approved PMI Hoover's letter, the SWA CMO was under intense scrutiny for previous improprieties committed by SWA CMO employees[4] related to ineligible disclosures made by SWA via the VDRP. Therefore, as the SWA CMO Manager, Mr. Hedlund should have been mindful of his oversight responsibilities and exercised diligence to ensure that CMO employees were correctly following FAA's policy regarding the VDRP process.

FAA incorporated this instance of AD non-compliance into a March 2, 2009, settlement agreement with SWA, in which the carrier paid a $7.5 million penalty in exchange for FAA not seeking additional enforcement action or civil penalty for,

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[4] After receipt of allegations from Mr. Boutris and Mr. Douglas Peters, the SWA CMO was investigated by FAA Security in April 2007, regarding SWA's failure to follow AD compliance requirements, and FAA PMI Douglas Gawadzinski and PPM Larry Collamore's role in allowing the carrier to continue flying non-compliant aircraft after the carrier disclosed non-compliance via the VDRP. PMI Gawadzinski was also investigated by an FAA manager in late 2005 for similar allegations. He was transferred from his position in May 2007, and retired in June 2008, one day prior to being issued a Notice of Proposed Removal for his actions. SWA CMO Manager Michael Mills was transferred to another FAA office in April 2007. Mr. Hedlund replaced Mr. Mills as the SWA CMO Manager in May 2007, and Mr. Hoover replaced Mr. Gawadzinski as the PMI in August 2007. Mr. Collamore retired in August 2008, after being issued a Notice of Proposed Removal for his role in allowing SWA to continue operation of non-compliant aircraft.

These improprieties were referred for investigation by OSC on December 20, 2007, to then-Secretary Mary Peters, and on February 6, 2008, the House Committee on Transportation and Infrastructure requested that we conduct a review into FAA's handling of the matter.

among other items, any actual or potential FAR violation reported to the FAA by SWA on or before September 30, 2008, via the VDRP.

Based on our findings, we recommended the following to FAA:

1. Consider appropriate administrative action for PMI Tom Hoover based on his failure to ensure that SWA'S VDRP self-disclosure pertaining to AD non-compliance met the requirements of AC 00-58A. Specifically, PMI Hoover failed to ensure that SWA's disclosure was timely; that non-compliance had ceased immediately upon detection; that the root cause of the non-compliance had been determined; and that SWA had identified and implemented effective corrective measures, as required by FAA.

2. Consider appropriate administrative action for then-SWA CMO Manager Bobby Hedlund for his failure to ensure that PMI Hoover had followed FAA policy before approving PMI Hoover's Letter of Correction to SWA, which allowed SWA to avoid a potential civil penalty for their non-compliance.

By Memorandum dated October 19, 2009, the FAA Administrator agreed to work with FAA Human Resources personnel to determine the appropriate administrative action for Mr. Hoover and Mr. Hedlund, based upon additional documentary evidence (e.g., transcripts or Memorandum of Interviews) to be provided by OIG. FAA committed to determining the appropriate action by December 31, 2009. We consider FAA's actions responsive to our findings and recommendations.

Methodology

To address Mr. Boutris' concerns, our investigation included the following interviews or conversations with the following individuals:

- Charalambe "Bobby" Boutris, ASI, SWA CMO (complainant)
- Thomas Hoover, PMI, SWA CMO
- Robert "Bobby" Hedlund, former Manager, SWA CMO
- Terry Lambert, Manager, Technical Evaluations, FAA Southwest Region

Further, we reviewed numerous documents including the applicable airworthiness directives (ADs), VDRP disclosures, memoranda, letters, emails, engineering authorizations, SWA maintenance records, applicable FAA regulations and Orders, enforcement packets and a March 2, 2009, Settlement Agreement between FAA and SWA.

Findings in Detail

FAA's SWA CMO Principal Maintenance Inspector (PMI) Thomas Hoover improperly allowed SWA to self-disclose AD non-compliance via FAA's VDRP in a manner which violated FAA policy. This improper action allowed SWA to avoid regulatory enforcement action and a potential civil penalty.

SWA Discovers Non-compliance with AD 2002-07-08 on November 8, 2007

On November 8, 2007, SWA discovered non-compliance with AD 2002-07-08 pertaining to window fasteners on aircraft N312SW, a Boeing 737. After reviewing the aircraft maintenance records, SWA maintenance personnel determined that the fasteners in three separate sections of three separate windows were nominal sized, flush head fasteners instead of the required oversized protruding head fasteners, in violation of the AD.[5] According to SWA's maintenance records, the oversized fasteners were thought to have been installed in 2002, during maintenance work outsourced to a repair station; however, the actual installation did not occur. In order to meet the AD requirements, SWA was required to have either replaced the fasteners, or have conducted inspections at specific intervals. SWA had done neither; therefore the requirements for the AD were not met. SWA eventually determined the aircraft had been operating in non-compliance for 65 months.

In order to bring the aircraft into compliance, on November 21, 2007, SWA issued an Engineering Authorization (EA)[6] directing SWA maintenance personnel to conduct the inspection required to meet compliance standards with AD 2002-07-08 paragraph (n). SWA completed the inspection on November 30, 2007. The aircraft was in maintenance during the entire period of time, and therefore was not operating in revenue service.

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[5] AD 2002-07-08 paragraph (n) for specific line-item aircraft (such as N312SW) requires that prior to accumulation of 50,000 total flight cycles (one departure and one landing), the carrier is required to perform a High Frequency Eddy Current (HFEC) inspection of the window corners to find cracking. The AD also requires repeated inspections at specific intervals to ensure that no cracks have formed. These inspections can be terminated by removing the original fasteners, over-sizing the fastener holes, and installing rivets or Hi-Lok fasteners in place of the original fasteners.

[6] A formal set of instructions for repair, modification, inspection or deviation to approved SWA documentation or other approved/accepted procedures.

SWA discloses the AD non-compliance to FAA 22 days after discovery, despite a requirement to report it within 24 hours

Later on November 30, 2007, via a VDRP, SWA notified PMI Thomas Hoover of the November 8, 2007, discovery pertaining to N312SW. Once it formally self-disclosed the violation, SWA stated the non-compliance had ceased, meaning it was in compliance with the AD, because it had either inspected or grounded all affected aircraft until the aircraft could undergo an inspection.

On December 4, 2007, PPM Larry Collamore accepted SWA's claim that non-compliance had ceased upon detection, and accepted SWA's disclosure as valid, despite an FAA eligibility requirement that required non-compliance be reported within 24 hours of discovery. There is no record of further activity by PPM Collamore or other FAA inspectors, including follow-up, verification of corrective action or other VDRP requirements.

SWA added 55 aircraft to the disclosure

On January 7, 2008, SWA submitted a written analysis, eight days past the required due date of December 30, 2007, pertaining to the above non-compliance. This analysis states, in pertinent part:

> As a result of the records review conducted by SWA Engineering and Airworthiness Directive (AD) Compliance personnel, which concluded on November 29, 2007, it was determined that 55 additional SWA (300 and 500 series) aircraft could be affected. Therefore, SWA elected to inspect all 55 aircraft for compliance...

SWA claimed it completed a visual inspection of all aircraft by December 5, 2007, determining that six aircraft were found to be improperly configured. [Such improper configuration also meant the aircraft were non-compliant with the AD, in violation of 14 CFR Part 39.] SWA issued a directive to inspect the six aircraft using High Frequency Eddy Current (HFEC) testing.[7] SWA's written report indicated that the six non-compliant aircraft: N309SW, N313SW, N329SW, N334SW, N336SW, and N346SW were inspected using HFEC but did not provide the specific date of compliance, nor did the report indicate that SWA had grounded the aircraft. Without

[7] High Frequency Eddy Current (HFEC) testing is a form of Non-Destructive Testing (NDT) which uses electromagnetic induction to detect flaws in conductive materials. This and other NDT methods can detect cracks or any other irregularities in the airframe structure and engine components which would not be visible to the human eye.

reviewing records to verify that the six aircraft did not operate during the period of known non-compliance, or that the corrective HFEC inspections had occurred, PMI Hoover nevertheless accepted this written analysis on January 7, 2008, and closed the report as sufficient on January 24, 2008.

PMI Hoover knew, or should have known, that all 56 aircraft were ineligible for disclosure via the VDRP; however he accepted the disclosure and closed the file without further action

As detailed further below, this disclosure was not eligible for acceptance via the VDRP for the following reasons:

- The initial disclosure was made on November 30, 2007, 22 days after SWA's discovery, and nine days after SWA confirmed their non-compliance. AC 00-58 states that in order for a disclosure to be valid, it must be reported within 24 hours of discovery.

- The initial disclosure from SWA reported that SWA and Cascade Aerospace[8] each conducted their own investigation of the event. Such investigations were completed on November 29, 2007, "*...without substantiation for the incorrect configuration of the aircraft.*" If the aircraft was configured correctly, as SWA claimed, then there would be no need for a non-compliance disclosure in the VDRP. Moreover, SWA's maintenance records found non-compliant configuration in three separate areas, therefore the SWA's statement is inaccurate and misleading.

- The written report of analysis from SWA was not submitted until January 7, 2008; despite a requirement to provide such a report within 30 days of reporting the disclosure.

- SWA's written report stated that on November 29, 2007, SWA determined that 55 additional aircraft were affected. These aircraft were visually inspected on December 5, 2007, and any non-compliant aircraft were made compliant by use of an Eddy Current inspection by December 13, 2007. Despite knowing of these 55 aircraft on November 29, 2007, SWA did not make these aircraft known to FAA until January 7, 2008, again failing to meet the 24 hour eligibility deadline.

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[8] In 2002, SWA contracted the window fastener replacements to Cascade Aerospace, a Canadian repair station.

- The event was a repetitive violation of the same required AD inspection, first disclosed by SWA via a VDRP on January 29, 2007. SWA reported to FAA that as part of their comprehensive fix, all 97 Boeing 737-3H4 aircraft had been inspected as of July 31, 2007, and were determined compliant with AD 2002-07-08. Repeated violations of the same or similar offense are disqualified under AC 00-58A. Had PMI Hoover or PPM Collamore reviewed the VDRP database for previous disclosures, they would have been aware that this was a repetitive violation which was ineligible for additional disclosure.

Despite expert knowledge of FAA's rules pertaining to AC 00-58, PMI Hoover signed off as the approving official throughout each step of the VDRP. In addition, he signed the Letter of Correction sent to SWA on February 13, 2008, which closed the case and eliminated potential enforcement action and civil penalty against SWA.

When interviewed, PMI Hoover told us he accepted the VDRP and closed it out because he believed it was a problem with one aircraft, N312SW, the sole aircraft identified in the November 30, 2007, disclosure. Further, he insisted the VDRP was valid because the aircraft was not operational at the time that SWA made the discovery. He stated that there is no time limit on a disclosure of AD non-compliance with a non-operational aircraft, and that prior to making the VDRP, SWA had spent the nearly three weeks that the plane was out of service looking for paperwork to show compliance, or that the aircraft had received an Alternate Means of Compliance (AMOC).[9]

In addition, PMI Hoover denied knowledge that the disclosure pertained to multiple aircraft. Our review confirms that the initial disclosure, made on November 30, 2007, via a web-based entry into the VDRP database, makes no reference to the additional 55 aircraft. However, subsequent entries dated January 7, 2008, to February 13, 2008, containing PMI Hoover's approval, clearly reference 55 additional aircraft, including six non-compliant aircraft. Therefore, PMI Hoover knew, or should have known, the scope of the non-compliance prior to closing out SWA's self-disclosure on February 13, 2008. His acceptance, in addition to precluding FAA from initiating regulatory enforcement action and exempting SWA from a potential civil penalty, violated AC 00-58A; and, at a minimum, fostered the appearance of improper conduct in the performance of his official duties as the FAA PMI for SWA.

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[9] An Alternate Means of Compliance (AMOC) is a different way, other than the one specified in an AD and/or manufacturer's Service Bulletin, to address the unsafe condition on an aircraft.

PPM Collamore improperly accepted the ineligible initial disclosure from SWA

We found no evidence to suggest that PPM Larry Collamore's role extended beyond his December 4, 2007, initial acceptance of the November 30, 2007, disclosure despite knowledge that AC 00-58A required SWA to notify FAA within 24 hours of the initial date of discovery. In this circumstance, SWA was required to notify FAA within 24 hours of their November 8, 2007, discovery. Instead, SWA waited nearly 22 days before reporting the non-compliance. We note that PPM Collamore retired upon receipt of a Notice of Proposed Removal after our prior investigation found him complicit in allowing SWA to operate multiple aircraft in known non-compliance with an AD in spring 2007, as disclosed by Mr. Boutris in the first OSC referral.

While there was no requirement at the time for the CMO Manager to review VDRP files prior to closing them, given the significant improprieties which had occurred at the CMO, Mr. Hedlund failed to exercise due diligence to ensure that employees were complying with FAA's policies concerning the VDRP program.

We found that while former SWA CMO Manager Bobby Hedlund initialed a grid sheet approving PMI Hoover's February 13, 2008, close-out letter to SWA, he did not review the VDRP disclosure file. Mr. Hedlund told us he relied solely on the information contained in PMI Hoover's letter, which made no reference to the additional 55 aircraft, and that at his level as the CMO Manager; he relied on the PIs to have performed their duties correctly. Because Mr. Hoover's February 13, 2008, letter made no reference to the 55 aircraft which SWA reported as non-compliant from November 29, 2007, to December 5, 2007, or the six confirmed non-compliant aircraft which SWA did not bring into compliance until December 13, 2007, Mr. Hedlund claimed no knowledge of the extent of the issue. He told us he would not have approved the Letter of Correction had he been aware of all circumstances surrounding the disclosure.

While PMI Hoover was primarily responsible for this action, as the CMO Manager, Mr. Hedlund also bears responsibility for failing to ensure that his office was operating in compliance with FAA policies. Moreover, because of the notoriety (see footnote 4) surrounding SWA's continued operation of aircraft in knowing non-compliance, its misuse of the VDRP, and misconduct by former SWA CMO maintenance inspectors who allowed such activity to occur, Mr. Hedlund should have exercised additional vigilance in his oversight of an office previously identified as having failed to enforce FAA Orders and Federal Aviation Regulations.

SWA's Prior Non-compliance Disclosure for the Same AD

We found that SWA had previously detected two separate instances of non-compliance with the same AD (pertaining to inspections regarding window fasteners), making disclosures via the VDRP on January 29, 2007, and via related follow-up correspondence dated July 31, 2007. According to SWA, it had conducted record inspections of all 97 Boeing 737-3H4 aircraft, and found no other aircraft which had failed to be modified per the AD, or which had not undergone the required non-destructive testing. Despite these assertions, less than four months later on November 30, 2007, SWA would make the disclosure that an additional 56 (55 plus the initial) aircraft had not undergone the required inspection. In addition, seven of these 56 aircraft were found non-compliant. From our review of the records, it appears that FAA took no steps to verify that SWA completed the inspections of the 97 aircraft as they asserted on July 31, 2007; or the 55 additional aircraft disclosed on November 30, 2007. We also found no evidence that SWA determined the root cause of the multiple instances of non-compliance, or that FAA verified the root cause and SWA's subsequent corrective action, as required by AC 00-58A.

Our review of records pertaining to this investigation also determined that 30 of the 55 aircraft identified as missing the required inspection for AD 2002-07-08 (nearly 56%), were identified by our previous investigation as having not undergone an inspection as required under AD 2004-18-06. Moreover, four of the six aircraft determined to be non-compliant with AD 2002-07-08 were also non-compliant with AD 2004-18-06. FAA did not report follow-up surveillance, including random review of SWA's inspection records regarding these disclosures until December 9, 2008, one week *after* being notified of our investigation into Mr. Boutris' second disclosure of VDRP improprieties.

Recommendations:

Based on our findings, we recommended the following to FAA:

1. Consider appropriate administrative action for PMI Tom Hoover based on his failure to ensure that SWA'S VDRP self-disclosure pertaining to AD non-compliance met the requirements of AC 00-58A. Specifically, PMI Hoover failed to ensure that SWA's disclosure was timely; that non-compliance had ceased immediately upon detection; that the root cause of the non-compliance had been determined; and that SWA had identified and implemented effective corrective measures, as required by FAA.

2. Consider appropriate administrative action for then-SWA CMO Manager Bobby Hedlund for his failure to ensure that PMI Hoover had followed FAA policy before approving PMI Hoover's Letter of Correction to SWA, which allowed SWA to avoid a potential civil penalty for their non-compliance.

By Memorandum dated October 19, 2009, the FAA Administrator agreed to determine the appropriate administrative action for Mr. Hoover and Mr. Hedlund by December 31, 2009. We consider FAA's actions responsive to our findings and recommendations.

If I can answer any questions, please contact me at 6-1959, or my Deputy, David Dobbs, at 6-6767.

Attachments

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Federal Aviation Administration

Memorandum

Date: OCT 19 2009

To: Bob Westbrooks, Acting Assistant Inspector General for Washington Investigative Affairs

From: J. Randolph Babbitt, Administrator

Prepared by: Margaret Gilligan, Associate Administrator for Aviation Safety, AVS-1 x73131

Subject: Implementation Plan for Recommendations Included in the Report on OIG Investigation #I09Z000006SINV, Certificate Management Office for Southwest Airlines.

I have reviewed the results and recommendations presented in the report on OIG Investigation #I09Z000006SINV and will take action as indicated in the attached Implementation Plan.

We will update you on the status of our actions by December 31, 2009. If you have any further questions, please contact Mr. Doug Dalbey at 202-267-8237.

Attachment

Implementation Plan for OIG Investigation #I09Z000006SINV

Recommendation #1:

Consider appropriate administrative action for PMI Tom Hoover based on his failure to ensure that SWA's VDRP self-disclosure pertaining to AD non-compliance met the requirements of AC 00-58A. Specifically, PMI Hoover failed to ensure that SWA's disclosure was timely; that non-compliance had ceased immediately upon detection; that the root cause of the non-compliance had been determined; and that SWA had identified and implemented effective corrective measures, as required by FAA.

Recommendation #2:

Consider appropriate administrative action for then-SWA CMO Manager Bobby Hedlund for his failure to ensure that PMI Hoover's Letter of Correction to SWA, which allowed SWA to avoid a potential civil penalty for their non-compliance.

AVS Response:

We will work with FAA Human Resources personnel to determine the appropriate action regarding Mr. Hedlund and Mr. Hoover. In that regard, we request from OIG all items of proof supporting the recommendations. We expect to make a determination on these matters by December 31, 2009.