



Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation
Office of Inspector General

Subject: **INFORMATION**: Audit Announcement—
The Federal Aviation Administration's Award of
Systems Engineering 2020 Contracts
Project Number: 10Z3003Z000

Date: April 9, 2010

From: Mark H. Zabarsky *Mark H. Zabarsky*
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for Acquisition and Procurement Audits

Reply to
Attn. of: JA-60

To: Federal Aviation Administration
Administrator

The Office of Inspector General is initiating one of a series of audits of the Federal Aviation Administration's (FAA's) Systems Engineering 2020 (SE-2020) contractual arrangements in response to the February 4, 2010, request from the House of Representatives Committee on Transportation and Infrastructure (T&I) and its Subcommittee on Aviation (Ranking Minority Members Mica and Petri, respectively).

FAA has begun transforming the National Airspace System to meet expected growth in air traffic operations and an aging infrastructure under an effort called the Next Generation Air Transportation System (NextGen). In order to accomplish NextGen, as well as other non-NextGen aviation-related activities, FAA is awarding a portfolio of contract support services under the title of SE-2020. Over the next 10 years, these contracts are expected to have a value in excess of \$7 billion.

Our overall audit objective is to assess whether FAA's proposed SE-2020 contractual arrangements are being structured and implemented to meet NextGen Program objectives. Specifically, we will examine FAA's practices for planning and awarding SE-2020 contracts, as well as how well positioned FAA is to oversee and administer these contracts.

The audit will be conducted at selected offices within the Operating Administration. We will coordinate with your audit liaison to schedule an entrance conference. If you have any questions or require additional information

concerning this audit, please call me at (202) 366-2001, Anthony Wysocki, Program Director, at (202) 493-0223, or Dana Short, Project Manager, at (202) 222-8739.

cc: FAA Deputy Administrator
Assistant Secretary for Budget and Programs/Chief Financial Officer
FAA Chief of Staff
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