

Memorandum

U.S. Department of Transportation

Office of the Secretary of Transportation
Office of Inspector General

Subject: <u>INFORMATION</u>: Audit Announcement—Federal

Aviation Administration's Oversight of Airport

Revenue

Project No. 05A3015A000

From: David A. Dobbs

Assistant Inspector General for Aviation and Special Program Audits

Reply to Attn of: JA-10

August 18, 2005

To: Ramesh K. Punwani
Assistant Administrator
for Financial Services/CFO

The Office of Inspector General is scheduling an audit of the Federal Aviation Administration's (FAA) oversight of airport revenue. The FAA is currently reviewing revenue diversions at Phoenix Sky Harbor and San Francisco International Airports. It has expressed concern that diversions may be occurring at other airports and has requested our assistance in conducting additional reviews. The objective of the audit is to determine if selected airports are complying with revenue use requirements.

We plan to begin the audit in September 2005. We will contact your audit liaison to arrange an entrance conference. Our staff in San Francisco, California, will conduct the audit. Stephen Jones is the Project Manager for this audit. If you have any questions or need additional information, please contact him or Robin Hunt, Deputy Assistant Inspector General for Aviation and Special Program Audits, at (415) 744-3090.

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cc: FAA Deputy Administrator FAA Associate Administrator for Airports Anthony Williams, ABU-100 Martin Gertel, M-1