




Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation
Office of Inspector General

Subject: **INFORMATION:** Review of the RESULTS
Multiple-Award Procurement Program
Project Number: 05F3029F000

Date: July 15, 2005

From: Theodore P. Alves 
Principal Assistant Inspector General
for Auditing and Evaluation

Reply to
Attn. of: JA-20

To: Federal Aviation Administrator

In response to a request from the Chairman for the Senate Committee on Finance and the Chairman for the Senate Subcommittee on Federal Financial Management, Government Information, and International Security, we plan to review the Federal Aviation Administration's (FAA) use of multiple-award umbrella procurement programs to acquire contract support services. Because of the magnitude of these procurement programs, we will focus on the RESULTS procurement program in this audit and review other FAA procurement programs later.

The RESULTS procurement program was established in 2002 and is managed by FAA's Logistics Center in Oklahoma City, Oklahoma. Under the RESULTS procurement program, FAA has awarded over \$552 million of contract services to a group of pre-qualified contractors. One of the contracts awarded was to support FAA's Military Operations (MILOPS) office. On May 13, 2005, the Chairman for the Senate Committee on Finance requested our office to do an audit of this contract because of allegations of potential fraud, waste, and abuse. In addition to MILOPS, we will select other contracts awarded under the RESULTS program for review.

Our objectives are to determine whether (1) the RESULTS program is properly established and managed, including the process used to pre-qualify over 140 contractors; (2) contract work is properly competed with well defined scope and controlled scope changes; and (3) contracts are properly administered to ensure satisfactory performance and valid payment requests.

We plan to start this audit in July 2005. We will contact your audit liaison to schedule an entrance conference date to discuss the planned review. If you have questions, please call Rebecca Leng, Deputy Assistant Inspector General for Information Technology and Computer Security, or Terrence Letko, Program Director, at (202) 366-1496.

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cc: FAA Deputy Administrator, ADA-1
FAA Chief of Staff, AOA-2
FAA Chief Operating Officer, ATO-1
Vice President for Acquisition & Business Services, AJF-6
FAA Assistant Administrator for Region and Center Operations, ARC-1
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