

Memorandum

Date: March 14, 2002

U.S. Department of Transportation

Office of the Secretary of Transportation
Office of Inspector General

Subject: INFORMATION: Audit Announcement - Review of

Cost Accounting System, Terminals/Towers Stations, FAA

Project Number: 02F3001F000

From: John L. Meche

Reply To Meche:x61496

Attn Of:

Deputy Assistant Inspector General for Financial, Information Technology, and Departmentwide Programs

To: Assistant Administrator for Financial Services Federal Aviation Administration

The Office of Inspector General is initiating an audit of the Federal Aviation Administration (FAA) cost accounting system for Terminals/Towers. The objective of the audit is to evaluate the completed business rules for cost assignment and allocation of cost, to test the accuracy and validity of the allocations, and ensure that costs were accurately reported in the cost accounting system in accordance with applicable standards.

We will contact your audit liaison to establish an entrance conference to discuss the audit. We plan to start the audit in early April 2002. The Program Director for the project is Keith Cosper and the Project Manager is Paul Barry. For any additional information, please call Keith Cosper or me at (202) 366-1496.