



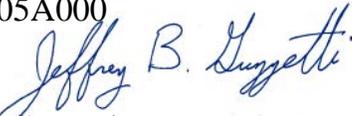
# Memorandum

**U.S. Department of  
Transportation**

Office of the Secretary  
of Transportation  
Office of Inspector General

Subject: **INFORMATION:** Audit Announcement –  
Review of Costs and Controls Associated With the  
2012 FAA/NATCA Collective Bargaining  
Agreement  
Federal Aviation Administration  
Project No. 13A3005A000

Date: April 9, 2013

From: Jeffrey B. Guzzetti   
Assistant Inspector General  
for Aviation and Special Program Audits

Reply to  
Attn. of: JA-10

To: Director, Audit and Evaluation

On October 1, 2012, the Federal Aviation Administration (FAA) and the National Air Traffic Controllers Association (NATCA) extended their collective bargaining agreement (CBA) through July 1, 2016. The CBA addresses various union employee concerns, such as work schedules and equitable pay. The agreement also extends the original 3-year CBA with the controllers' union, which became effective in October 2009. Our review of the 2009 CBA<sup>1</sup> found that FAA could not reliably estimate the costs of its provisions and that controls to prevent cost growth were insufficient.

Accordingly, we are conducting this audit to (1) identify provisions of the 2012 CBA extension that put FAA at risk of unanticipated costs and (2) assess the effectiveness of FAA's policies, procedures, and internal controls in preventing cost escalations. We plan to begin the audit this month and will contact your audit liaison to schedule an entrance conference. If you have any questions concerning this audit, please contact me at (202) 366-0500 or Bob Romich, Program Director, at (202) 366-6478.

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cc: FAA Audit Liaison, AAE-100  
DOT Audit Liaison, M-1

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<sup>1</sup> OIG Report Number AV-2011-120, "FAA Needs To Strengthen Controls Over the 2009 FAA/NATCA Collective Bargaining Agreement," June 9, 2011. OIG reports are available on our Web site at [www.oig.dot.gov](http://www.oig.dot.gov).