

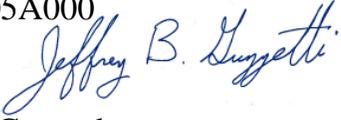


Memorandum

U.S. Department of
Transportation
Office of the Secretary
of Transportation
Office of Inspector General

Subject: INFORMATION: Audit Announcement - Review
of the Terminal Automation Modernization Program
Federal Aviation Administration
Project No. 11A3005A000

Date: March 11, 2011

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

Reply to
Attn of: JA-10

To: Director, Audit and Evaluation

The Federal Aviation Administration (FAA) plans to invest about \$1 billion through 2018 to modernize terminal automation systems that controllers rely on to manage air traffic near airports. This effort is important to replace aging equipment and achieve FAA's goals to enhance capacity and reduce delays through the Next Generation Air Transportation System (NextGen). Since 2004, FAA has followed a phased approach to terminal modernization and currently operates two distinct systems—one of which is the Standard Terminal Automation Replacement System (STARS) at 52 medium-sized air traffic facilities. FAA has announced plans to continue its phased approach and deploy STARS at 11 larger sites, including Denver and Chicago. Later this year, FAA plans to make decisions on over 100 medium and small sites still in need of modernization.

Our audit objectives are to determine whether (1) FAA's acquisition strategy for terminal modernization effectively addresses technological and operational risks and (2) FAA's terminal modernization efforts are compatible with key NextGen programs and schedules. We plan to begin the audit this month and will contact your audit liaison to schedule an entrance conference. If you have any questions, please contact me at (202) 366-0500 or Kevin Dorsey, Program Director, at (202) 366-1518.

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cc: Anthony Williams, AAE-001
Martin Gertel, M-1