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## Memorandum

Date: July 25, 2018

Subject: INFORMATION: Audit Announcement | Update on FAA's Contract Tower Program  
| Project No. 18A3008A000  
Federal Aviation Admin

From: Matthew E. Hampton   
Assistant Inspector General for Aviation Audits

To: Director, Audit and Evaluation

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The Federal Aviation Administration's (FAA) Contract Tower (FCT) Program—operated by three contractors and the Air National Guard—began in 1982 at five airports and has evolved into over 250 towers throughout the United States. Since 1998, we have performed several audits evaluating the Program. Most recently, in 2012, we reported<sup>1</sup> that contract towers provide air traffic control services at a lower cost than similar FAA towers and maintain an equivalent safety level. We also reported that airspace users strongly supported the Program.

The Chairmen of the House of Representatives Committee on Transportation and Infrastructure and its Subcommittee on Aviation have requested that we update our prior work and review FAA's efforts to revise its benefit-cost analysis (BCA) for the Program. FAA uses this BCA to support decision-making for establishing or discontinuing a tower under the Program. Accordingly, our audit objectives will be to assess (1) the FCT Program's safety record and cost effectiveness and (2) the status of the benefit-cost analysis revisions.

We plan to begin the audit in August and will contact your audit liaison to schedule an entrance conference. We will conduct our work at FAA Headquarters, and at contract and low-activity FAA towers. If you have any questions, please contact me at 202-366-0500, or Nelda Smith, Program Director, at 202-366-2140.

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

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<sup>1</sup> *Contract Towers Continue To Provide Cost-Effective and Safe Air Traffic Services, but Improved Oversight of the Program Is Needed* (OIG Report No. AV-2013-009), November 5, 2012. OIG reports and testimonies are available at <https://www.oig.dot.gov>.