



# Memorandum

**U.S. Department of  
Transportation**

Office of the Secretary  
of Transportation  
Office of Inspector General

Subject: **INFORMATION:** Audit Announcement –  
FAA Oversight of Accountable Property  
Federal Aviation Administration  
Project No. 13F3018F000

Date: March 12, 2014

From: Louis C. King   
Assistant Inspector General for Financial and  
Information Technology Audits

Reply to  
Attn. of: JA-20

To: Federal Aviation Administrator

In 2013, we reported that purchase cardholders and property control officials at the Federal Aviation Administration (FAA) did not always follow Agency policy for tracking accountable personal property such as computers and digital cameras.<sup>1</sup> Thirty-two percent of tested computers and servers were not promptly accounted for, and 22 percent of these systems had not been recorded in FAA's Automated Inventory Tracking System (AITS). As of November 2013, the AITS record included about \$1.2 billion of non-capitalized accountable personal property.<sup>2</sup>

OIG will perform an audit of FAA's oversight of non-capitalized accountable personal property. Our audit objectives are to (1) determine whether FAA has implemented effective internal controls for managing non-capitalized accountable property, and (2) assess the extent of compliance with those controls.

We plan to begin this audit immediately and to conduct it at the Mike Monroney Aeronautical Center in Oklahoma City, the William J. Hughes Technical Center in Atlantic City, NJ, other FAA field offices, and FAA Headquarters in Washington DC. We will contact your audit liaison to schedule an entrance conference. If you have any questions or need additional information, please contact George Banks, Program Director, at (410) 962-1729, or Mark Rielly, Project Manager, at (410) 962-0699.

<sup>1</sup> *Actions Needed To Enforce Controls Over Purchase Cards*, OIG Report No. FI-2013-116, July 25, 2013. OIG reports are available on our Web site at: <http://www.oig.dot.gov/>.

<sup>2</sup> Non-capitalized accountable personal property has a value of less than \$100,000 and is not recorded in DOT's consolidated financial statements as assets. Capitalized accountable personal property is recorded as assets and reported in the financial statements.

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