



Memorandum

U.S. Department of
Transportation

Office of the Secretary
of Transportation
Office of Inspector General

Subject: **INFORMATION**: Audit Announcement—
New Participants in FAA's Airport Disadvantaged
Business Enterprise Program for Fiscal Year 2013
Federal Aviation Administration
Project Number 14Z3004Z000

Date: June 10, 2014

From: Mary Kay Langan-Feirson 
Assistant Inspector General for
Acquisition and Procurement Audits

Reply to
Attn. of: JA-60

To: Director, Office of Civil Rights, DOT
Director, Audit and Evaluation, FAA

Each year, the Federal Aviation Administration (FAA) distributes more than \$3 billion in Federal grants for airport projects. In accepting these grants, airports are required to establish disadvantaged business enterprise (DBE) and airport concession DBE (ACDBE) programs, which provide small businesses owned and controlled by socially and economically disadvantaged individuals with opportunities to compete for construction, professional services, and concession contracts.

In the FAA Modernization and Reform Act of 2012, Congress directed the Office of Inspector General (OIG) to report annually for 3 years on new DBE participation at the Nation's largest airports. Congress also directed OIG to identify reasons why some airports have been more successful than others at hiring new DBEs. Our first report, which we plan to issue later this month, identifies the number of new and existing DBE/ACDBE firms at the Nation's largest airports in fiscal year 2012 and the factors that led some airports to award more contracts or leases to these firms. We are initiating this second audit to update these numbers for fiscal year 2013 and build upon our understanding of the factors impacting new DBE/ACDBE firms.

Accordingly, our objectives will be to (1) determine the number of new and existing DBE/ACDBE firms receiving contracts or leases at the Nation's largest airports in fiscal year 2013 and (2) assess the factors that aided or hampered new DBE/ACDBE firms that pursued contracts or leases at these airports.

We plan to start the audit the week of June 16, 2014. If you have any questions or require additional information, please contact me at (202) 366-5225 or Darren Murphy, Program Director, at (206) 220-6503.

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cc: FAA Associate Administrator for Airports
DOT Audit Liaison, M-1
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