



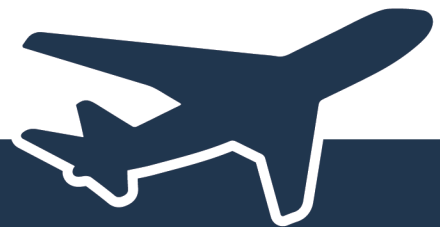
U.S. DEPARTMENT OF TRANSPORTATION
OFFICE OF INSPECTOR GENERAL

**FAA Needs To Adopt a Risk-Based, Data-
Driven Scheduling Process To Improve
the Effectiveness of Its Drug Abatement
Inspection Program**

FAA

Report No. AV2019055

June 25, 2019





FAA Needs To Adopt a Risk-Based, Data-Driven Scheduling Process To Improve the Effectiveness of Its Drug Abatement Inspection Program

Self-initiated

Federal Aviation Administration | AV2019055 | June 25, 2019

What We Looked At

Effective drug and alcohol testing programs in the transportation industry are critical to ensuring the safety of the traveling public. The National Transportation Safety Board recently highlighted this issue in its 2017–2018 Most Wanted List of Transportation Safety Improvements, stating that various issues have led to an epidemic of impairment in transportation. Given this important safety concern, our office initiated a series of reviews on drug testing programs within the Department of Transportation, beginning with this audit of the Federal Aviation Administration (FAA). Our objective was to assess the effectiveness of FAA’s inspection program. Specifically, we evaluated FAA’s risk-based approach for prioritizing and selecting companies for inspection and the basis for the risk factors used.

What We Found

The system FAA uses to develop inspection schedules does not assign risk levels to companies or prioritize inspections based on risk—contrary to FAA’s Safety Risk Management Policy, which was implemented to identify hazards, analyze and assess safety risk, and develop controls. Instead, FAA judgmentally selects where and when to conduct drug and alcohol inspections based on available inspection resources, company location, and FAA’s desire to conduct as many inspections as possible.

Also, the Drug Abatement Division experiences a high number of inspection cancellations. This is partly because its inspection scheduling decisions are based on inaccurate or incomplete company data and it does not coordinate with FAA Flight Standards inspectors to share information prior to scheduling inspections. When these cancellations occur, FAA has not established a risk-based process for selecting substitute companies for inspection. As a result, the Agency is missing opportunities to better target its drug and alcohol program inspections based upon available data and those companies that pose greater risks.

Our Recommendations

We made two recommendations to improve the effectiveness of the Drug Abatement Program. FAA concurred with both of our recommendations. We consider both of our recommendations resolved but open pending completion of planned actions.

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Memorandum

Date: June 25, 2019

Subject: ACTION: Final Report— FAA Needs To Adopt a Risk-Based, Data-Driven Scheduling Process To Improve the Effectiveness of Its Drug Abatement Inspection Program | Report No. AV2019055

From: Anthony Zakel
Deputy Assistant Inspector General for Aviation

To: Federal Aviation Administrator

Effective drug and alcohol testing programs in the transportation industry are critical to ensuring the safety of the traveling public. The National Transportation Safety Board recently highlighted this issue in its 2017–2018 Most Wanted List of Transportation Safety Improvements, stating that marijuana decriminalization, increased popularity of dangerous synthetic drugs, and a significant rise in the use and abuse of over-the-counter and prescription medication, along with alcohol, have led to an epidemic of impairment in transportation. Given this important safety concern, our office initiated a series of reviews on drug testing programs within the Department of Transportation, beginning with this audit of the Federal Aviation Administration (FAA) Drug Abatement Division’s inspection program.

FAA’s Drug Abatement Division (the Division) oversees the aviation industry’s compliance with drug and alcohol testing laws and regulations, covering pilots, mechanics, and flight dispatchers at approximately 7,000 aviation companies. Given the importance of effective oversight to reduce the risk of impairment within these safety-critical positions, our objective for this self-initiated audit was to assess the effectiveness of FAA’s Drug Abatement Division’s inspection program. Specifically, we evaluated FAA’s risk-based approach for prioritizing and selecting companies for inspection and the basis for the risk factors used.

We conducted this audit in accordance with generally accepted Government auditing standards. Exhibit A details our scope and methodology, and exhibit B lists the organizations we visited or contacted.

We appreciate the courtesies and cooperation of FAA representatives during this audit. If you have any questions concerning this report, please call me at (202) 366-0500 or Tina Nysted, Program Director, at (404) 562-3770.

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

Results in Brief

FAA needs to adopt a risk-based, data-driven scheduling process to improve the effectiveness of its Drug Abatement Inspection Program.

The system FAA uses to develop inspection schedules does not assign risk levels to companies or prioritize inspections based on risk. This is contrary to FAA's Safety Risk Management Policy,¹ which is an Agencywide process for identifying hazards, analyzing and assessing safety risk, and developing controls. Instead, FAA judgmentally selects where and when to conduct drug and alcohol inspections based on available inspection resources, company location and FAA's desire to conduct as many inspections as possible. While FAA does not use risk assessments to assign inspections, it does have program goals. FAA is meeting its goals pertaining to the number of inspections it must complete each year, but is not meeting many of its other goals. For example, one of the Division's inspection goals is to prioritize companies that have a history of noncompliance, indicators of potential issues, or those that have never been inspected. However, according to FAA, 17 percent (1,209 of 6,950) of active aviation companies *have never been inspected*, including some that have been in business since 1988. Additionally, FAA did not re-inspect 146 companies after identifying noncompliances. Furthermore, FAA guidance requires that companies with a suspected noncompliance be placed on the inspection schedule but does not address how to prioritize inspections based on the nature and severity of the noncompliance. Finally, the Drug Abatement Division experiences a high number of inspection cancellations partly because its inspection scheduling decisions are based on inaccurate or incomplete company data. For example, the Division does not coordinate with FAA Flight Standards inspectors to share information prior to scheduling inspections, so inspectors may find that companies they have been scheduled to inspect are no longer in business. When these cancellations occur, FAA has not established a risk-based process for selecting substitute companies for inspection. As a result, the Agency is missing opportunities to better target its drug and alcohol program inspections based upon available data and those companies that pose greater risks.

We are making recommendations to improve FAA's drug and alcohol inspection program.

¹ FAA Order 8040.4B, Safety Risk Management Policy.

Background

FAA ensures compliance with drug and alcohol testing regulations² through its Office of Aerospace Medicine Drug Abatement Division, which covers over 420,000 pilots, mechanics, and flight dispatchers at approximately 7,000 regulated aviation companies in the United States and U.S. territories. Aviation industry testing is required for all safety sensitive employees of certificated air carriers, smaller aircraft charter companies, maintenance and repair stations, non-FAA air traffic control towers,³ general aviation sightseeing companies, and all contractors who support these companies. The Division may also inspect companies that provide drug and alcohol testing services including testing labs and medical review officers. Table 1 below shows the aviation industry’s Positive Random Testing rates for the period we reviewed.

Table 1. Recent Positive Random Testing Rates

Year	Drugs	Alcohol
2014	0.534%	0.106%
2015	0.523%	0.083%
2016	0.610%	0.121%
2017	0.660%	0.108%

Source: FAA

The Division performs onsite inspections of company drug and alcohol testing programs and records using 34 inspectors from three regional offices. Inspection scheduling priorities are outlined within the Division’s Strategic Compliance Monitoring Plan, which defines broad goals for its inspection program each year and places emphasis on completing a set number of inspections each year. For example, the Plan’s priorities have included inspecting passenger airlines (Part 121), the largest companies offering unscheduled flights (Part 135), companies with a history of noncompliance, companies that have never been inspected, and inspecting a broad representation of the industry.

Drug and alcohol inspectors ensure regulated companies are conducting employee drug testing in accordance with Federal regulations, relying on FAA checklists that standardize the way inspections are conducted. Inspectors review

² Drug and alcohol testing requirements for the aviation industry are prescribed within Title 49 of the Code of Federal Regulations (CFR) Part 40 and 14 CFR Part 120.

³ 14 CFR Part 120 requires testing of safety-sensitive employees of air traffic control facilities not operated by the FAA or by or under contract to the U.S. Military.

company records for new employee drug testing and company random and post-accident drug and alcohol testing, and then record the inspection results in FAA's Compliance and Enforcement Tracking System (CETS). Depending on the deficiencies identified during the inspection, noncompliance may result in remedial actions ranging from Action Letters (requiring specific actions by the company to correct minor deficiencies) to more serious outcomes including Legal Enforcement actions, such as civil penalties and/or operating certificate revocation.

FAA Headquarters Program Analysts (i.e., schedulers) are responsible for scheduling inspections. Schedulers develop quarterly inspection plans detailing which companies will be inspected by Drug Abatement inspectors. Schedulers must assign inspectors to specific locations—by seniority of the inspector—as covered by an employee bargaining unit⁴ agreement. The agreement also requires schedulers to consider other factors, including the length of duty day/week and number of inspections that can be accomplished in an inspection week.

FAA Needs To Adopt a Risk-Based, Data-Driven Scheduling Process To Improve the Effectiveness of Its Drug Abatement Inspection Program

While FAA conducts more than 1,000 drug and alcohol inspections each year, the process the Agency uses to select which companies will be inspected is not risk-based. Instead, FAA schedules inspections based primarily on available resources and geographic location of inspected companies. In addition, FAA does not consider the nature and severity of company noncompliances to determine when a company should be re-inspected. Finally, FAA experiences a high inspection cancellation rate and does not have a risk-based process to select substitute companies when cancellations occur.

⁴ Employees are covered by affiliation with the National Air Traffic Controllers Association.

FAA Does Not Prioritize Inspection Scheduling Based on Risk, Reducing the Effectiveness of the Drug Abatement Program

FAA does not assess risk to select and schedule companies for drug and alcohol inspections. This is because the database FAA uses to schedule inspections does not have the capability to prioritize data for scheduling purposes or assign risk levels. Rather, we found that schedulers rely on judgmental selection for prioritizing inspections to major cities where a higher number of inspectable companies are located, factoring in weather and inspector availability. This process is contrary to FAA's Safety Risk Management Policy, since it does not start by analyzing data and assessing risk. The Safety Risk Management policy outlines standardized principles that enhance FAA's ability to coordinate risk-based decision-making across the organization and reflects one of the Department of Transportation's key strategic goals of enhancing safety oversight by improving safety data analysis.

With thousands of companies covered by Federal drug and alcohol testing regulations, FAA's Drug Abatement Division cannot inspect every company every year. Therefore, the Division must make strategic decisions on targeting its oversight and selecting companies which need to be inspected. Although FAA does not target inspections based on risk assessments, the Division does have program goals. One of the primary factors FAA uses for measuring its program success is the total number of inspections completed during the year. For example, in fiscal year 2017, FAA set a goal to complete 1,450 company inspections based on the number of assigned inspectors and available inspection weeks. This has led to a drug abatement program that emphasizes the quantity of inspections over conducting inspections based on data analysis and risk assessments. As a result, FAA's Drug Abatement Program is not effectively identifying and addressing those companies that may pose the greatest risks to safety.

FAA does have data available that could be used to develop inspection schedules from a risk-based approach. As shown in table 2, over the past 4 years, unscheduled air carriers⁵ and maintenance facilities⁶ have experienced a higher

⁵ Unscheduled air carriers are certified under 14 CFR Part 135 to provide flights when requested by the customer rather than on a fixed schedule and will be referred to as "Unscheduled Operators" throughout the report.

⁶ Companies that provide aircraft maintenance and component repair are certified under 14 CFR Part 145 and are referred to as "Certificated Maintenance Facilities" throughout the report.

number of noncompliance events⁷ that could be used as risk indicators. For example, between fiscal years 2014 and 2017, unscheduled operators had the highest number of noncompliance events (528), which included voluntary disclosures of regulatory noncompliance, and other legal actions taken by the Agency. FAA could have analyzed these data for trends, common factors, and root-cause analysis to prioritize these companies for inspection. However, FAA schedulers do not analyze these data to prioritize inspections and instead rely on a selection process that is not data-driven or risk based.

Table 2. Drug Abatement Noncompliance Events by Type of Operator, Fiscal Years 2014–2017

Type	FY14	FY15	FY16	FY17	Total
Scheduled Air Carrier ⁸	42	26	28	27	123
Unscheduled Operator⁹	101	131	165	131	528
Certificated Maintenance Facility	72	148	99	77	396
Those Having Both Scheduled and Unscheduled Operator ¹⁰ Certificates	4	6	9	7	26
General Aviation Tour Operator ¹¹	22	33	30	26	111
Contractor ¹²	42	60	89	61	252

Source: OIG analysis of FAA data

In contrast, FAA’s Flight Standards inspectors—who oversee the safety of commercial airlines—now use FAA’s Safety Assurance System to develop a risk-based, data-supported plan for prioritizing air carrier oversight. FAA recognized

⁷ Noncompliance events are those in which a company fails to comply with FAA, DOT or Federal regulations. Examples include: unreported positive drug/alcohol tests, voluntary disclosures of failing to regulatory requirements, or other legal actions taken by FAA.

⁸ Companies that provide scheduled flights to customers are certificated under 14 CFR Part 121 and will be referred to as “Scheduled Air Carriers” throughout the report.

⁹ Unscheduled Operators are those who provide flights under 14 CFR Part 135.

¹⁰ Some Part 121 Scheduled flight operators also hold Part 135 On Demand certificates and are categorized separately throughout this report.

¹¹ 14 CFR § 91.147 general aviation companies that provide on demand air tour flights within 25 miles from its home base are referred to as General Aviation Tour Operators throughout this report.

¹² Companies that provide services to certificated aircraft operators and maintenance facilities that are not themselves certificated by FAA are referred to as “Contractors” throughout the report.

several oversight weaknesses during its own internal review of the Drug Abatement program. In June 2018, FAA's internal report stated that "deficiencies in CETS have limited the ability of the program to gain access to qualitative and quantitative data that can be used to develop measures of performance and risk (e.g. safety risk)."¹³

Because FAA's drug and alcohol inspection tracking system lacks the ability to prioritize companies for inspection by risk, FAA schedulers rely on their best judgment to prioritize drug and alcohol inspections based on several resource-related factors, such as inspector staffing, number of available inspection weeks, and travel funding. FAA also considers factors such as seasonal weather impacts on inspector travel and geographic considerations (such as where the preponderance of companies are located) before selecting locations for inspections.

While the last inspection date is a consideration in scheduling companies for inspection, our review of FAA data showed potential areas where the Agency could have prioritized companies higher for inspection to make its drug abatement program more effective. For example, FAA's Drug Abatement Program has *never* inspected 1,209 of 6,950 (17 percent) active companies, including 29 companies that have been in business for over 20 years. In addition, 251 of the 1,209 companies are aircraft maintenance facilities that have never been inspected, even though they may perform important repair work for U.S. air carriers.

FAA has only established one risk factor for companies: those companies that have over 1,000 safety-sensitive employees are inspected by FAA every 30–36 months, depending on the company's compliance history. However, FAA did not base this threshold on an analysis that determined that companies with more than 1,000 safety sensitive employees pose a greater risk. For example, we identified two companies with 900 to 999 safety-sensitive employees (just under the Division's 1,000 threshold) that may actually pose an equivalent risk due to the critical repairs these companies perform on passenger air carriers.

Because FAA program officials emphasize the number of drug abatement inspections completed each year rather than completing inspections based on risk, schedulers may be influenced to select companies that are concentrated within major cities to be able to accomplish multiple inspections during one site visit. While this scheduling decision aids in achieving the highest number of inspections and minimizes the cost and time needed to conduct inspections, we found that some companies outside major cities are continuously bypassed for

¹³ FAA's Full Scope Evaluation Report noted that a newer system is being developed to replace CETS but until that time the report recommended the Division "utilize other interim data tools such as Tableau to visualize CETS data and to identify data quality issues."

inspection. For example, an unscheduled operator (i.e., Part 135 operator) in Eugene, OR, has been in business since 2009 but has never been inspected by FAA. This company is located 110 miles from Portland, OR.

FAA Does Not Consider the Nature and Severity of Company Noncompliances To Determine When a Company Should Be Re-Inspected

FAA has not trained or required its schedulers to make inspection scheduling decisions based on the risk an identified noncompliance poses. Although FAA guidance requires schedulers to place a company with a suspected noncompliance on the inspection schedule, it does not address how to prioritize the inspections based on the severity of the noncompliance. For example, minor infractions such as missing information on a company's drug and alcohol testing report could result in a compliance "flag," but schedulers do not review the nature of the noncompliance before placing a company on the inspection schedule. This could result in FAA expending resources to follow up on companies with minor infractions rather than those with more serious violations. For example, FAA has not re-inspected 103 out of 297 (35 percent) companies after identification of a legal violation. Conversely, FAA sent two inspectors to Alaska to review a minor noncompliance (a misunderstanding pertaining to use of a designated employee representative) that could have easily been resolved over the phone to free up travel funding for other higher-priority inspections.

We also found instances in which FAA had not re-inspected companies with known noncompliances for many years. For example, FAA has not re-inspected 146 companies (including 6 scheduled air carriers) since it identified noncompliances with FAA drug and alcohol policies. Of these 146 companies, 63 had not been inspected in over 3 years, and 3 had not been inspected in over 4 years since risk factors were identified. Some of the violations were for significant discrepancies that should have triggered a follow-up inspection. For example, an FAA drug and alcohol inspector identified an unscheduled operator who was using a maintenance facility to repair its aircraft without verifying that the maintenance facility had registered its own drug and alcohol program with FAA. FAA never re-inspected this operator to determine if the noncompliance had been corrected.

FAA Experiences a High Inspection Cancellation Rate and Does Not Have a Risk-Based Process To Select Substitute Companies When Cancellations Occur

Inspection cancellations within the Drug Abatement Division occur quite frequently for a variety of reasons, including inaccurate company information and unavailability of inspectors to conduct the inspection. As shown in table 3 below, 33 percent (2,894 out of 8,826) of drug abatement inspections were cancelled between fiscal years 2014 and 2017.¹⁴ Nine percent (277 out of 2,894) of these cancellations were due to erroneous company data.¹⁵

Table 3. Inspections Scheduled and Cancelled, Fiscal Years 2014–2017

Inspection Types	Types of Erroneous Data	FY14	FY15	FY16	FY17	Total
Scheduled Inspections	-	2061	2254	2324	2187	8826
Cancelled Inspections	-	822	774	647	651	2894
Cancelled Inspections Due to Erroneous Data	Company Location Change	18	28	27	21	94
	Certificate Inactive	14	25	14	10	63
	No Longer in Business	34	46	15	25	120
Total Cancelled Inspections Due to Erroneous Data	-	66 (8%)	99 (13%)	56 (9%)	56 (9%)	277 (9%)

Source: OIG analysis of FAA data

These inspection cancellations often cause travel disruptions or delays and may lead FAA inspectors to conduct inspections on replacement companies that may not be a priority for risk-based inspection.

Cancellations caused by erroneous company data occur in part because schedulers do not use other available FAA data when scheduling inspections. Although FAA's compliance and enforcement tracking system imports company data (such as company location and status of its operating certificate) from FAA's

¹⁴ FAA data for fiscal 2014–2017 showed 2,888 cancellations for 8,736 total inspections scheduled during the period.

¹⁵ Erroneous company information includes company no longer in business, certificate revoked/surrendered, and different location for inspection records.

Flight Standards database, the Drug Abatement Division does not assess the data for accuracy until after inspections are scheduled. As a result, the inspection schedule often erroneously includes companies that are no longer in business, have moved testing records to another location, or have not yet started safety-sensitive work. Many of these factors may be known by FAA's Flight Standards Division since it is responsible for granting operations specifications¹⁶ for initiating a drug testing program—not FAA's Drug Abatement Division. However, FAA does not require coordination with the Flight Standards inspectors before approving drug abatement testing inspection schedules.

Additionally, FAA's Flight Standards inspectors issue approvals for drug testing programs that may have been combined. For example, companies can elect to run separate drug testing programs for each certificate they hold or combine them into one overall testing program. These combined programs are identified by specific codes in FAA's airworthiness database. Yet, when FAA Flight Standards inspectors make changes to the Certificate/Registration Status for one company, the Drug Abatement Division may not be aware of or able to schedule the other related company drug programs for an inspection due to a lack of interface between FAA's data systems. The Drug Abatement Division may also be unaware when a certificate becomes inactive and therefore no longer requires inspection. As a result of the lack of coordination between the Drug Abatement and Flight Standards inspectors, these operations certificate changes may lead to missed drug testing inspections or cancellations.

Furthermore, we compared FAA certification data for 2,022 active unscheduled operators¹⁷ against FAA's drug and alcohol inspection data and found 13 of these companies were not on FAA's drug inspection list. This highlights the lack of shared data between FAA's divisions. Division managers told us that additional information (such as location of company drug testing records and number of safety sensitive employees—data not currently captured by FAA Flight Standards inspectors during the drug testing program approval process) could reduce inspection cancellation rates.

Finally, although the Drug Abatement Division experiences a high number of inspection cancellations, it has not established a risk-based approach for selecting substitute companies for inspection when unanticipated inspections cancellation occur. Rather, the Drug Abatement Division requires scheduling decisions to be elevated to FAA Headquarters program analysts who make the inspection replacement decision, which is primarily determined based on

¹⁶ FAA issues operations specifications to certificated operators (air carriers, repair stations, etc.) as a legal document that outlines what operators are authorized to do.

¹⁷ See footnote 9.

geographic location (proximity to cancelled company) and short-notice availability of replacement company drug program officials.

Conclusion

Pilots, mechanics, and other safety-critical staff who perform work under the influence of drugs and alcohol pose serious safety risks to the traveling public and our National Airspace System. While FAA's Drug Abatement Division conducts more than 1,000 inspections of aviation companies' drug and alcohol screening programs, the Division does not use a risk-based approach to select companies for inspection, even though FAA's risk management policy requires it to do so. In order to more efficiently and effectively use its resources and meet its safety goals, the Division must take steps to enhance its oversight program and identify risk. Without a risk-based inspection scheduling process, the Agency cannot be assured that it is targeting inspections to aviation companies that pose the highest risk of allowing employees to perform safety-sensitive functions while impaired.

Recommendations

To improve the effectiveness of the Drug Abatement Program, we recommend that the Federal Aviation Administrator:

1. Develop and implement a data-driven, risk-based inspection scheduling program in accordance with FAA's Safety Risk Management Policy. The program should include:
 - a. Procedures for re-inspecting companies with identified noncompliances to ensure corrective actions have been implemented and are effective, and
 - b. Procedures for selecting substitute companies in the event of inspection cancellations.
2. Develop and implement a process to coordinate and verify the accuracy of aviation company data, including coordinating with FAA Flight Standards, prior to finalizing the inspection schedule.

Agency Comments and OIG Response

We provided FAA with our draft report on May 2, 2019, and received its formal response on June 6, 2019, which is included as an appendix to this report. In its response, FAA concurred with both of our recommendations and provided appropriate actions and completion dates for implementing the recommended actions.

Actions Required

We consider both of our recommendations resolved but open pending completion of planned actions.

Exhibit A. Scope and Methodology

We conducted this performance audit between June 2017 and May 2019 in accordance with generally accepted Government auditing standards as prescribed by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit objective was to assess the effectiveness of FAA's Drug Abatement Division's inspection program. Specifically, we evaluated FAA's risk-based approach for prioritizing and selecting companies for inspection and the basis for the risk factors used.

To evaluate FAA's risk-based approach for prioritizing and selecting the companies for inspection, we obtained and reviewed key documents obtained from the Agency. These documents included program plans and policy, inspection scheduling guidance, inspector training guidance, and inspection schedules and results for fiscal years 2014–2017. We also obtained additional inspection data from FAA detailing active companies that have never been inspected.

In addition, we interviewed National Air Traffic Controllers Association officials to obtain information on the current bargaining unit memorandum of agreement and requirements applicable to drug and alcohol inspection scheduling.

We also conducted site visits to all three of FAA's Drug Abatement Regional Offices to obtain specific information from office managers and inspectors on inspection scheduling, inspection conduct and whether inspectors are required to identify industry risk for scheduling purposes. We also visited or interviewed representatives of 12 companies that had recently received inspections by the Division to understand industry concerns on the FAA's drug and alcohol inspection program.

Because we found that FAA does not use a risk-based approach for prioritizing and selecting companies for inspection, we were unable to evaluate the Agency's basis for the risk factors used.

Exhibit B. Organizations Visited or Contacted

FAA Facilities

FAA Headquarters

FAA Eastern Division Field Office

FAA Central Division Field Office

FAA Western Division Field Office

Other Organizations

Advanced Air LLC / Jet Center Los Angeles

Aerokool Aviation

Air Medical Charters

Air Quality Aviation, Incorporated

Arrowhead Products

CAW Design, LLC

Flight Center International Academy

GulfStream Long Beach California

Jet Accessories Technicians

National Air Traffic Controllers Association

Robinson Helicopter Company

Star Helicopters

TEM Enterprises/ DBA Xtra Airways

Exhibit C. List of Acronyms

CETS	Compliance and Enforcement Tracking System
CFR	Code of Federal Regulations
DOT	Department of Transportation
FY	Fiscal Year
LLC	Limited Liability Corporation
OIG	Office of Inspector General

Exhibit D. Major Contributors to This Report

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Appendix. Agency Comments



Federal Aviation Administration

Memorandum

Date: June 6, 2019

To: Matthew E. Hampton, Assistant Inspector General for Aviation Audits

From: H. Clayton Foushee, Director, Office of Audit and Evaluation, AAE-1

Subject: Federal Aviation Administration's (FAA) Response to Office of Inspector General (OIG) Draft Report: *FAA Needs to Adopt a Risk-Based, Data-Driven Scheduling Process to Improve the Effectiveness of Its Drug Abatement Inspection Program*

The FAA oversees approximately 7,000 aviation employers, including Parts 121 and 135 air operators, sightseeing operators as defined under 14 Code of Federal Regulations § 91.147, non-FAA or Military Air Traffic Control Facilities, and contractors of Part 145 repair station operators that conduct their own Federal testing. The FAA utilizes existing regulations, educational resources, and the inspection program to provide a powerful deterrent against the illicit use of drugs and misuse of alcohol by safety-sensitive employees in the commercial aviation industry. Since 1990, the FAA industry drug and alcohol testing program has identified and removed nearly 60,000 safety-sensitive employees from the aviation industry for drug and alcohol violations.

FAA's Office of Aerospace Medicine is coordinating with FAA's Flight Standards Service and other aviation safety offices to enhance FAA's Drug Abatement inspection program to include the following efforts:

- sharing risk factors, developing a common risk-profiling methodology, and adopting structured, national-level profile to identify and analyze emerging trends that affect safety;
- developing a tool to help define information for statistical analysis such as baseline numbers, confidence levels, a calculated inspection sample, and a target error rate, which will provide a method to validate the Strategic Compliance Monitoring Plan¹ goals for inspection scheduling. This initiative will provide scheduling and inspector personnel with enhanced tools to identify, analyze and document risk when planning

¹ This strategic plan for compliance monitoring in the FAA Drug Abatement Program establishes the priorities and goals for the Drug Abatement Division, and is the basis for all investigation and inspection planning.

and conducting surveillance and is the direct result of the FAA's Risk-Based Decision Making (RBDM) plan to implement the Integrated Oversight Philosophy²; and

- developing an initial plan for determining high, medium and low risk non-compliance transmitted within the program prior to deploying the Aerospace Medicine Safety Information System program, which will allow for an automated scheduling process based on the risk analysis.

Upon review of the OIG's draft report, we concur with both recommendations, as written, to improve FAA's drug and alcohol inspection program. We plan to implement the recommendations by December 31, 2020.

We appreciate this opportunity to respond to the OIG draft report. Please contact H. Clayton Foushee at (202) 267-9000 if you have any questions or require additional information about these comments.

² The FAA Integrated Oversight Philosophy reflects a shift towards a risk-based approach embracing many interdependent principles, including RBDM, safety management systems, Compliance Program, and voluntary safety reporting programs.

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