The Federal Aviation Administration (FAA) invests billions of dollars on complex systems acquisitions annually. Its fiscal year 2012 request for its capital investment portfolio exceeds $3.1 billion. These investments pose risks because of their large dollar value, need for extensive planning and development efforts, and complex and lengthy implementation.

The Department of Transportation’s (DOT) Investment Review Board (IRB) and FAA’s Joint Resources Council (JRC) are executive governance boards responsible for the approval and oversight of the annual investment of billions of dollars in major systems acquisitions. These acquisition and investment review processes are intended to ensure that capital investments fulfill mission priorities and that investment decisions mitigate risks, make the best use of resources, and minimize duplication of investment efforts. FAA has faced challenges in effectively planning, implementing, and overseeing its major acquisitions, resulting in some failures to meet cost, schedule, and performance baselines. The Office of Inspector General (OIG) is initiating an audit of the DOT’s IRB and FAA's JRC investment and acquisition review processes used for oversight and management of the FAA’s high risk major systems acquisitions.

Our objective is to assess the effectiveness of the DOT’s IRB and FAA’s JRC investment and acquisition review processes to ensure that the FAA’s high-risk major program acquisitions are effectively planned and implemented to meet mission needs and achieve desired cost, schedule, and performance goals.
We plan to begin work immediately and will conduct the audit at DOT and FAA headquarters in Washington, DC, and other sites as needed. We will contact your audit liaison to schedule an entrance conference. If you have any questions or require any additional information, please contact me at (202) 366-5225, or Anthony Wysocki, Program Director at (202) 493-0223.

cc: Anthony Williams, FAA
    Martin Gertel, M-1