



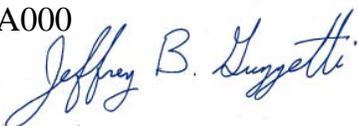
# Memorandum

**U.S. Department of  
Transportation**

Office of the Secretary  
of Transportation  
Office of Inspector General

Subject: **INFORMATION:** Audit Announcement –  
FAA’s Progress in Meeting the NextGen  
Provisions of the FAA Modernization and Reform  
Act of 2012  
Federal Aviation Administration  
Project No. 13A3003A000

Date: February 14, 2013

From: Jeffrey B. Guzzetti   
Assistant Inspector General  
for Aviation and Special Program Audits

Reply to  
Attn. of: JA-10

To: Director, Audit and Evaluation

The Federal Aviation Administration (FAA) plans to spend \$2.4 billion from fiscal years 2013 through 2017 to develop the Next Generation Air Transportation System (NextGen). NextGen is intended to transform the management of the nation’s air traffic from a ground-based radar system to one that is satellite-based for improved safety, capacity, and efficiency. While FAA has committed to improve the management of NextGen and its other major modernization programs, key programs continue to experience schedule delays and cost overruns that could compromise the expected benefits from NextGen initiatives.

The FAA Modernization and Reform Act of 2012<sup>1</sup> includes provisions intended to advance NextGen and enhance FAA’s management of its modernization efforts. These provisions include setting deadlines for installing NextGen technologies at key airports, establishing a Chief NextGen Officer, and providing Congress with status reports on NextGen activities. On September 18, 2012, the Chairmen of the House Transportation and Infrastructure Committee and its Aviation Subcommittee requested that we review FAA’s progress in meeting these NextGen provisions. Accordingly, the objectives of this audit are to (1) assess FAA’s progress in meeting the NextGen provisions prescribed in the FAA Modernization and Reform Act of 2012, and (2) identify challenges that may prevent FAA from meeting the provisions of the Act.

<sup>1</sup> Public Law 112-95, signed into law on February 14, 2012.

We plan to begin the audit next month and will contact your audit liaison to schedule an entrance conference. If you have any questions concerning this audit, please contact me at (202) 366-0500, or Barry DeWeese, Program Director, at (415) 744-0420.

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

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