



**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Office of Inspector General

Memorandum

Subject: **INFORMATION:** Notification of Audit of FAA's
En Route Automation Modernization Program,
Project No. 03A3017A000

Date: September 12, 2003

From: David A. Dobbs
Assistant Inspector General
for Aviation Audits

Reply to
Attn of: JA-10:X60500

To: John Hennigan
Acting Assistant Administrator
for Financial Services/CFO, ABA-1

The Office of Inspector General plans to conduct an audit of the Federal Aviation Administration's (FAA) En Route Automation Modernization (ERAM) program. The ERAM program is intended to replace the Host computer hardware and software, including the Host backup system. The Host computer is used to receive, process, and track the movement of high altitude aircraft throughout the National Airspace System. However, the Host software architecture is more than 30 years old, is difficult to maintain, and will not support new technologies that enhance capacity.

According to the acquisition strategy, FAA intends to spend \$2.1 billion to complete the development and deployment of ERAM to 27 facilities by 2010. This is one of the largest and most software-intensive programs FAA has undertaken since the Advanced Automation System. Progress and problems with ERAM will impact a wide range of FAA programs, including new communications systems and airspace redesign efforts. Because there is little room for further cost growth and schedule slips with large FAA acquisitions, FAA will need to: ensure that ERAM is properly integrated with other Agency modernization systems, keep requirements stable, and control costs to ensure that the program stays on schedule and within budget in a period when resources are scarce.

In our initial review of this complex, multi-billion-dollar program, we will (1) determine whether FAA has a realistic and executable plan to provide a new en route automation system on time and within budget, (2) identify the key program

risks that could affect FAA's ability to meet cost and schedule projections, and (3) determine whether FAA has adequately addressed computer security in the ERAM system design.

We plan to begin the audit during the week of September 15, 2003. Matt Hampton is the Program Director and Sean Woods is the Project Manager for this audit. We will contact the FAA Audit Liaison to arrange an entrance conference. If you have any questions or require additional information concerning this audit, please call Mr. Woods at (202) 366-1525.

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cc: Federal Aviation Administrator, AOA-1
FAA Chief of Staff, AOA-2
FAA Audit Liaison, ABU-100
OST Audit Liaison, M-1