
Office of Inspector General
Audit Report

Airport Certification Program

Federal Aviation Administration

Report Number AV-1998-025
Date Issued: November 21, 1997





Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Office of Inspector General

Subject: INFORMATION: Report on Audit
of Airport Certification Program
Report No. AV-1998-025

Date: November 21, 1997

From:


Lawrence H. Weintrob
Assistant Inspector General for Auditing

Reply to JA-1
Attn of:

To: Federal Aviation Administrator

We are providing this report for your information and use. Your October 28, 1997, comments to our August 19, 1997, draft report were considered in preparing this report. A synopsis of the report follows this memorandum.

In your comments to our draft report, you concurred with all five recommendations. We consider your comments and planned actions to be responsive to all recommendations. Therefore, the recommendations are considered resolved subject to the followup provisions of Department of Transportation Order 8000.1C.

We appreciate the cooperation and assistance provided by your staff during the audit. If I can answer any questions or be of further assistance, please contact me on x61992, or Alexis M. Stefani, Deputy Assistant Inspector General for Aviation, on x60500.

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Attachment

Airport Certification Program

Federal Aviation Administration

Report No. AV-1998-025

November 21, 1997

Objectives

The objectives of the audit were to determine whether the Airport Certification Program effectively and efficiently uses its resources to ensure airport safety and whether there is an effective followup system, including adequate enforcement actions, to ensure deficiencies are corrected. The audit was conducted between April 1996 and January 1997.

Background

The Federal Aviation Administration (FAA) has an active airport inspection program, which uses 50 inspectors to evaluate safety conditions at airports holding airport operating certificates (certificated airports). Airport Certification Safety Inspectors (inspectors) performed periodic inspections of the 575 certificated commercial airports using comprehensive checklists to ensure the airports maintain their facilities, equipment, and operating conditions in compliance with Federal requirements. Among items and systems inspected by FAA are paved and unpaved areas, marking systems, and aircraft rescue and firefighting equipment. Inspections were conducted based on a fixed frequency. The frequencies varied among regions and ranged from 12 to 36 months. In January 1997, FAA revised the inspection frequency policy to require all certificated airports be inspected annually.

Results

FAA has the opportunity to make better use of its Airport Certification Program inspection resources. We found FAA scheduled and performed airport inspections without giving adequate consideration to airport enplanement data or prior inspection results, and did not distribute inspectors to match inspection workload. In addition, FAA should develop outcome-orientated goals and performance measures, and ensure timely followup actions on safety-related deficiencies identified during airport inspections.

Scheduling Airport Inspections. FAA did not use airport passenger enplanement data or prior inspection results to establish inspection frequencies. FAA conducted inspections of 92 airports that did not have scheduled or unscheduled air carrier service. Although air carrier service was not provided at these airports, FAA continued to inspect an airport as long as the airport did not surrender its certificate.

We also found that some airports having no prior deficiencies were inspected more frequently than airports that consistently had deficiencies. For instance, one airport in the Eastern Region was inspected twice within 10 months and no deficiencies were reported during either inspection. Conversely, an inspection at an airport in the Southwest Region identified nine deficiencies in areas such as missing taxiway signs and taxiway markings, yet this airport was not inspected again until 14 months later. This inspection identified six deficiencies, including insufficient training in firefighting operations and failure to conduct quarterly inspections of fueling operations. FAA has information on enplanement data and prior inspection results to adjust its inspection frequencies but has made limited use of it. Better use of this data would help FAA focus on safety issues and strengthen the Airport Certification Program.

Matching Inspector Staff with Workload Demands. FAA was not distributing its Airport Certification Program inspection resources to match airport inspection workload demand. Although 20 additional inspector positions were authorized in Fiscal Year (FY) 1996, FAA did not have staffing criteria to use in assigning these new positions to the regions. For example, the Great Lakes Region received only 1 new position in FY 1996, bringing its total to 6 inspectors for 115 airports in the region. In contrast, the Western-Pacific Region, with only 59 airports, received 2 new inspector positions bringing its total to 8 inspectors; the Southwest Region, with only 58 airports, received 2 new inspector positions for a total of 5 inspectors.

Staffing imbalances will be further compounded by new workload demands. For example, we estimate that FAA's decision to require annual inspections of all 575 certificated airports will add 106 airport inspections per year. Additionally, recent legislative action will require FAA to inspect airports that serve aircraft with 10 to 30 passenger seats. We estimate this will add another 65 airports to the program. FAA should develop a strategy to distribute inspectors based on workload demands.

Goals and Performance Measures. FAA's Office of Airport Safety and Standards has proposed a goal in response to requirements of the Government Performance and Results Act (GPRA). The goal is to “. . . reduce the number of

accidents in which an airport condition or response is a contributing factor.” FAA now must determine how to measure program performance against the goal. To measure the effectiveness of the Airport Certification Program, FAA needs to identify program costs and make better use of available information, such as enplanement data and prior inspection results. However, FAA does not have a cost accounting system to properly identify and allocate program costs.

To remedy this problem, FAA is developing a cost accounting system and plans to have it fully operational in FY 1999. In our view, implementation of a cost accounting system, along with better use of passenger enplanement data, prior inspection results, and information in the airport inspection database should allow the Office of Airport Safety and Standards to develop outcome-oriented goals and performance measures that gauge the effectiveness of the Airport Certification Program and the safety of the nation’s airports.

Timeliness of Followup Actions. Between October 1994 and March 1996, FAA inspectors in the 4 regions we reviewed initiated 126 Letters of Investigation to ascertain whether there was a basis for pursuing legal enforcement action for violations of Federal regulations. We found inspectors took timely and adequate action to resolve violations identified in Letters of Investigation, and none of the violations we reviewed resulted in enforcement actions.

If legal enforcement action is not appropriate, an administrative enforcement action is initiated with a Letter of Correction. Our review of 133 Letters of Correction showed a lack of timely followup action in 61 instances (46 percent). For example, during a November 1994 inspection of an airport in the Southern Region, inspectors found the centerline of a runway was not clearly visible and needed painting. In response to a Letter of Correction, the airport planned to correct the safety-related deficiency by May 1995. However, the same deficiency was identified during the next inspection conducted in May 1996, a year after the airport said it would correct the problem.

Although FAA guidance emphasizes the importance of timely followup on Letters of Correction, the guidance did not define timely followup action. Therefore, we considered FAA followup actions not timely if no action was taken 30 days after the planned corrective action date agreed upon by FAA and the airport manager. We found the average number of days between the agreed upon corrective action date and the actual date the inspector determined corrective action had been taken was 224 days and ranged from 32 to 699 days.

Recommendations

To improve the Airport Certification Program, FAA should (1) develop future inspection schedules targeting its resources more consistent with inspection requirements and making less frequent inspections at airports that do not have air carrier service, (2) develop outcome-oriented GPRA goals and performance measures that gauge the effectiveness of the Airport Certification Program, and (3) ensure corrective actions identified during airport inspections are completed in a timely manner.

Management Position

FAA concurred with all recommendations and stated that, in addition to existing criteria, it will consider other factors including type of operations, change to airport management, and proximity of airports to one another when establishing future airport inspection schedules. Additionally, long-range plans to deploy airport inspectors will be based on new inspection schedules. FAA intends to develop and test its new criteria in FYs 1998 and 1999 and proceed with implementation in FY 2000. FAA also will propose amendments to its regulations and consider other inspection options for airports that no longer serve air carrier operations. FAA indicated that goals and performance measures to comply with GPRA are being developed. FAA also stated Regional Airports Division Managers were directed to establish procedures to ensure corrective actions are identified and completed in a timely manner.

Office of Inspector General Comments

FAA's actions taken and planned are responsive to our recommendations, and are considered resolved subject to the followup provisions of Department of Transportation Order 8000.1C.

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I. INTRODUCTION

Background

The Federal Aviation Administration's (FAA) mission includes the promotion of safety throughout the National Airspace System. To ensure the traveling public is protected, various safety inspection programs have been established. Title 49, United States Code (49 U.S.C.), Chapter 447, establishes safety regulations for aviation programs to promote safe flight of civil aircraft in air commerce. Since October 1996, FAA has had the authority to prescribe minimum safety standards for airports serving any passenger operations of air carrier aircraft designed for more than 9 passenger seats and to issue airport operating certificates.

Title 14, Code of Federal Regulations, Part 139, Certification and Operations: Land Airports Serving Certain Air Carriers (hereafter referred to as Part 139), prescribes rules governing the certification and operation of land airports that serve any scheduled or unscheduled passenger operation of an air carrier using an aircraft having a seating capacity of more than 30 passengers.¹ Part 139 details the requirements for an airport operator to obtain and remain in compliance with its operating certificate. These requirements include standards for marking and lighting, aircraft rescue and firefighting, and ground vehicle movement.

The FAA Airport Safety and Operations Division of the Office of Airport Safety and Standards administers the Airport Certification Program. Inspections of 575 certificated airports are conducted by Airport Certification Safety Inspectors (inspectors) in 9 regions operating under the direction of the 9 Regional Airports Division Offices.

Objectives, Scope, and Methodology

The objectives of the audit were to determine whether the Airport Certification Program effectively and efficiently uses its resources to ensure airport safety and whether there is an effective followup system, including adequate enforcement actions, to ensure deficiencies are corrected.

The audit was conducted between April 1996 and January 1997 at FAA Headquarters and FAA's Central, Eastern, Great Lakes, and Southern Regions. We visited five FAA certificated airports, and we interviewed

¹ Part 139 has not been amended to reflect the October 1996 changes to 49 U.S.C.

officials from two state aviation offices and three non-Government aviation organizations. Exhibit A contains a listing of activities visited.

In conducting the audit, we reviewed 643 airport inspection records and related documentation covering the 2 most recent inspections for each airport in the regions we visited. The inspection reports we reviewed were prepared between June 1991 and September 1996. It was necessary to review certain 1991 inspection records because one regional office was inspecting some certificated airports on a 36-month cycle. In evaluating the effectiveness of the followup system for resolving airport deficiencies, we also reviewed records for eight additional inspections that were performed prior to the two most recent inspections. These eight inspection records were reviewed because corrective actions on all eight inspections had not been complete at the time of our review. Out of the total 651 records, we judgmentally selected 133 airport inspection reports and reviewed the timeliness of FAA's followup actions taken to ensure that airport management had corrected the deficiencies cited in the inspection reports.

We judgmentally selected and reviewed 37 of the 126 Letters of Investigation issued between October 1, 1994 and March 31, 1996, to determine whether actions to resolve the problems were timely and adequate. Letters of Investigation are issued to airport officials to determine if a violation of Part 139 occurred and to ascertain whether FAA should pursue legal enforcement action.

We also reviewed applicable public laws, Federal regulations, and FAA orders identifying policies and procedures for administering the Airport Certification Program. We identified and evaluated management controls established by FAA to administer the Airport Certification Program. We also evaluated FAA's policies and controls over the resolution of enforcement actions, including the timeliness of followup actions. Additionally, we reviewed the Government Performance and Results Act (GPRA) goals, performance measurements, and resources submitted by the Associate Administrator for Airports in FAA's Fiscal Year (FY) 1998 budget submission.

We conducted the audit in accordance with Government Auditing Standards prescribed by the Comptroller General of the United States and included such tests as we considered necessary. Audit steps were designed to provide reasonable assurance of detecting abuse or illegal acts. See Part II of this report for a discussion of the management control weaknesses and their impact on the Airport Certification Program.

Prior Audit Coverage

There have been no Office of Inspector General (OIG) or General Accounting Office audits of the Airport Certification Program in the last 5 years.

II. FINDINGS AND RECOMMENDATIONS

FAA has an active Airport Certification Program. Inspectors performed periodic inspections using comprehensive checklists contained in FAA Order 5280.5B, Airport Certification Program Handbook (Handbook). OIG observations of three inspections conducted at large airports indicated the inspections were complete and thorough. FAA Regional Airports Division Offices prepared newsletters and held conferences to provide guidance to airport operators on Part 139 requirements. FAA Headquarters' Office of Airport Safety and Standards also issued policy guidance for day-to-day operations of the Airport Certification Program and has cosponsored Airport Safety and Operations Specialist Schools in various cities since 1990 with the American Association of Airport Executives. However, FAA has the opportunity to make better use of its Airport Certification Program inspection resources.

Finding A. Targeting Inspections

FAA is not effectively and efficiently using its Airport Certification Program resources. FAA (1) inspected airports that did not have scheduled or unscheduled air carrier service, (2) scheduled and performed inspections without giving adequate consideration to airport enplanement data or prior inspection results, (3) did not use available information to develop inspection schedules targeting areas of greatest risk, and (4) did not distribute inspectors among the regions based on workload demands.

Discussion

The Handbook provides FAA personnel with the necessary policy guidance and standard procedures for the day-to-day conduct of the Airport Certification Program. The Handbook includes the inspection, certification, surveillance, and compliance and enforcement activities of airports required by Part 139.

An initial inspection must be conducted by the inspector prior to the issuance of an Airport Operating Certificate (full certificate) or a Limited Airport Operating Certificate (limited certificate). A full certificate airport has scheduled air carrier service, and the Handbook requires that these airports be inspected every 12 or 18 months, depending on the number of annual enplanements. Limited certificate airports have unscheduled air carrier service (such as charter flights) and, in the interest of staffing and resource management, the Handbook allows these airports to be inspected on a 24- to 36-month cycle. Exhibit B shows the number of full and limited certificate airports in each region. After the initial inspection, periodic

inspections are performed to ensure the certificate holder continues to meet the requirements of Part 139. Surveillance inspections may be conducted at any time in addition to the periodic inspections.

On January 8, 1997, a memorandum was issued by the Associate Administrator for Airports regarding Part 139 inspection frequency. This memorandum required all regions to return to the practice, last required in 1994, of performing annual inspections of all certificated airports. This action became effective in January 1997, and will result in an average of 106 additional inspections each year. FAA took this action based on 20 additional inspector positions that were authorized in its FY 1996 appropriations.

Concerned that many airports serviced by commuter aircraft were not inspected by FAA, Congress amended 49 U.S.C., Section 44706, Airport Operating Certificates, as part of the Federal Aviation Reauthorization Act of 1996 (FAA Reauthorization Act). This legislation, passed in October 1996, authorized FAA to issue operating certificates to airports that serve scheduled air carrier service aircraft with 10 to 30 passenger seats, except airports in Alaska. FAA is revising Part 139 to include airports serving smaller aircraft, but the revised rule has not been finalized and the effective date has not been determined.

Based on an FAA listing of airports receiving commuter air carrier service by aircraft with 10 or more seats, we estimate that 65 additional airports will need to be inspected when this change is in effect.² Returning to an annual inspection cycle and adding airports that service 10- to 30-seat aircraft will increase workload demands. However, FAA did not request additional inspector positions in FY 1997 or FY 1998 budget submissions to meet the increased workload.

Inspecting Airports Without Air Carrier Service

FAA inspected airports that did not have scheduled or unscheduled air carrier service by aircraft with more than 30 passenger seats. As long as an airport did not surrender its certificate, FAA continued to inspect the airport to ensure it met Part 139 requirements for facilities, personnel, and equipment. Many airports opted to continue to hold their certificates for various reasons, including the prospect of attracting scheduled or unscheduled air carrier service at some future date.

² The number of airports serving small aircraft with 10 or more passenger seats can fluctuate as airports gain or lose air carrier service.

In April 1993, the Airport Safety and Operations Division requested a legal opinion on whether FAA could require or request an airport to surrender its certificate if the airport does not have air carrier service that required an FAA certificate. This request was made in order to possibly eliminate some airports from the Airport Certification Program because of a large reduction in inspection personnel that had taken place and another reduction that was anticipated for the following year.

The FAA Airports Law Branch issued a reply on July 9, 1993, stating in part, that “Part 139 does not require an airport operator to have a particular service entering their airport to qualify for the Part 139 Airport Operating Certificate. The certificate does allow an airport to receive a particular service.” The Law Branch went on to state “In our opinion, we cannot revoke a certificate of the airport if the airport is still in compliance with the requirements of the regulations under FAR Part 139.” Consequently, FAA has continued its policy of inspecting these airports.

We requested the Airport Safety and Operations Division to identify those airports that were being inspected but did not have scheduled or unscheduled air carrier service. The information was not available at FAA Headquarters. However, FAA Headquarters requested the nine Regional Airports Division Offices to develop and provide the information. The regional offices identified 92 airports (16 percent of the 575 certificated airports) that did not have scheduled or unscheduled air carrier service (exhibit C).

In our view, FAA should discontinue conducting annual inspections at airports that do not maintain scheduled or unscheduled air carrier service and develop an extended inspection schedule for these airports. We were unable to quantify the savings that would occur as a result of discontinuing annual inspections at these airports because FAA does not have a system to capture and allocate the actual cost of performing airport inspections. However, increasing the time between inspections at airports not having scheduled or unscheduled air carrier service would make inspectors available for higher priority inspections. Neither 49 USC nor Part 139 requires FAA to provide periodic airport inspections to these airports.

Enplanement Data

FAA could use its Airport Certification Program inspection resources more effectively if it used passenger enplanement data as a workload indicator when establishing inspection schedules. As the following chart demonstrates, FAA annually inspected airports with few or no passenger enplanements, while other, busier airports were inspected less frequently.

Airport Location	Inspection Frequency Before January 1997	Calendar Year (CY) 1994 Enplanements³
Glens Falls, NY	12 Months	0
Victorville, CA	12 Months	0
Greenville, NC	18 Months	61,691
Sault St. Marie, MI	36 Months	10,136

We identified 113 certificated airports that individually enplaned fewer than 2,500 passengers in CY 1994. During our audit, we determined that 29 of the 113 airports were inspected annually. In our view, annual inspections of these 29 airports is an inefficient use of Airport Certification Program resources, which should be directed toward airports with large numbers of passengers.

Prior Inspection Results

Prior inspection results were not considered when determining the frequency of periodic inspections. FAA should have considered prior inspection results when scheduling inspections to ensure that airports where safety risks had been identified received more frequent inspections. Instead, prior to January 1997, FAA regions had established fixed inspection schedules ranging between 12 and 36 months (exhibit D).

To illustrate, one airport in the Southwest Region was inspected on July 19, 1995 and July 12, 1996, and another airport in the same region was inspected August 11, 1995 and August 28, 1996. In both instances, each airport was inspected twice in about a 12-month period, even though one airport had no reported deficiencies and the other airport had only one deficiency. In our view, performing inspections on an annual basis at airports without evaluating the safety risk is an inefficient use of limited resources.

A more consistent and efficient inspection scheduling process should provide that the number and severity of deficiencies reported in prior inspections be evaluated and used in developing new inspection schedules. Inspection schedules should be adjusted to provide for more frequent inspections at those airports showing need for closer monitoring. Similarly, inspection schedules should be adjusted to provide less frequent inspections at those airports with few or no discrepancies.

³ CY 1994 was the most recent year for which passenger enplanement data were available.

To illustrate, one airport in the Southwest Region had nine deficiencies reported during an inspection on February 23, 1995. Among the deficiencies reported by the inspector were missing taxiway signs and taxiway markings used by pilots for safe maneuvering around the airport. The next inspection was performed 14 months later on April 3, 1996, and showed six deficiencies, such as insufficient training in firefighting operations and failure to conduct quarterly inspections of fueling operations. This airport needed closer monitoring to ensure all safety problems were adequately addressed.

Conversely, one airport in the Eastern Region was inspected on September 1, 1995, and no deficiencies were reported. However, just over 9 months later, on June 14, 1996, another inspection was performed, again with no deficiencies noted. In this instance, a second inspection after only 9 months is not an efficient use of resources considering prior inspection results.

Use of Available Data to Target Inspections

FAA was not using its airport inspection database to target its inspections. In FY 1986, FAA began development of the Certification and Compliance Management Information System (CCMIS) as a means of increasing the efficiency of the Airport Certification Program by expediting the flow of information among the regional offices and Headquarters. Management had not made CCMIS a priority, and it was not until May 1996 that the Office of Airport Safety and Standards issued a policy statement requiring all inspectors to enter airport inspection results into the CCMIS in a timely manner. However, not all regional offices could comply with this policy because their computers had to be upgraded to use CCMIS software. Consequently, we found CCMIS was not widely used in the regions or Headquarters.

CCMIS, if used by all inspectors, could be a valuable tool in developing an inspection schedule. We found that the Central Region, which took an early lead in developing the system, was using CCMIS to generate information that could be, but was not, used to target future inspections. With CCMIS, inspectors in this region were able to quickly determine when an airport was last inspected, how many deficiencies were identified, when deficiencies were corrected, and whether similar deficiencies were widespread. Additionally, we analyzed one of the CCMIS reports in the Central Region and determined that 14 airports were cited 21 times for not properly maintaining marking and lighting systems during FY 1995. In our

view, FAA could make better use of its resources by using CCMIS data to identify recurring weaknesses and target resources to these areas.

Although CCMIS information was available in the Central Region, it was not used to target inspections. Other regions and Headquarters made only limited use of the system. For example, in the Great Lakes Region, we found that CCMIS information was not current or accurate. Headquarters personnel stated they did not use the system to perform trend analyses.

CCMIS could be a valuable management tool if regional and Headquarters personnel ensured the system contained current, complete, and accurate information and then used the system's capability to analyze inspection results and target resources. CCMIS can identify specific airports requiring surveillance due to numerous, repeated, or severe Part 139 deficiencies. Additionally, CCMIS can identify systemwide deficiencies and assist FAA in targeting resources to the areas of greatest risk. Targeting resources is important because FAA may never have enough resources to inspect all airports and conduct other oversight activities. In developing future inspection schedules, FAA should use all relevant data, including enplanement data, prior inspection results, and CCMIS data.

Inspector Staffing Distribution

Airport inspection workload will be increasing because of provisions included in the FAA Reauthorization Act and a recent change in FAA's inspection policy. The legislation authorized FAA to issue operating certificates to airports serving 10- to 30-seat aircraft. We estimate this will increase the number of airports, currently 575, in the Airport Certification Program by about 65 airports. An additional 65 airports represents an 11-percent increase in the total number of airports that will need to be inspected. Also, effective January 1997, the airport inspection policy was revised to require that all certificated airports be inspected annually. We estimate that requiring annual inspections of all 575 airports will add 106 airport inspections per year. The addition of 106 annual inspections represents a 22-percent increase in the number of required inspections.

The distribution of inspectors among regions does not match inspection workload to enable FAA to carry out a consistent annual inspection program. In FY 1996, FAA was authorized 20 additional inspector positions. Since FAA did not have staffing criteria for distributing inspector resources, Headquarters officials were unable to show the basis used to distribute these 20 additional positions to the regions. Consequently, staffing imbalances existed.

For example, the Great Lakes Region received only one new position in FY 1996, bringing its total to 6 inspectors for 115 airports in the region. In contrast, the Western-Pacific Region, with only 59 airports, received 2 new inspector positions bringing its total to 8 inspectors, and the Southwest Region, with only 58 airports, received 2 new inspector positions for a total of 5 inspectors. As a result, staffing imbalances still exist as illustrated in exhibit E. FAA should develop a strategy to balance inspectors and workload demands.

We also noted that inspectors were providing surveillance inspections and other certification services at airports near their duty location, but not providing similar service to airports located outside the inspectors' commuting area. For example, inspectors were onsite at Kansas City International Airport 14 times in FY 1995 to provide certification services. They monitored runway construction and the installation of new sign systems, attended meetings on a new low visibility lighting system, and attended the full scale exercise of the airport emergency plan. In contrast, inspectors were onsite more than once at only 3 of the 43 other certificated airports in the region.

In our view, surveillance inspections provide a valuable service to airport management and should be used more widely. For example, airports undergoing changes in management, airports making upgrades in facilities and equipment, and airports with numerous or severe deficiencies identified during periodic inspections would benefit from surveillance inspections. However, given the additional workload facing inspectors, surveillance activities will be increasingly difficult to maintain.

Government Performance and Results Act

GPRA requires agencies to prepare annual performance plans by FY 1998, which cover each program activity set forth in their budgets. The performance plans are to contain annual goals, the measures to be used to gauge performance toward meeting the goals, and the estimated resources required to meet the goals. To meet this requirement, the FAA Office of Airport Safety and Standards (Program Office) has worked closely with congressional staff to develop a goal, propose and revise measures to gauge performance, and estimate the resources needed to meet the goal. The Program Office's goal is to ". . . reduce the number of accidents in which an airport condition or response is a contributing factor." However, the Program Office has not determined the performance measure for this goal.

In our view, the Program Office has an opportunity to develop new outcome-oriented goals and performance measures for the Airport

Certification Program. For example, as the Program Office begins to use inspection data, including CCMIS data, to better target its inspection resources, it will have better information to measure the effectiveness of the Airport Certification Program. However, the Program Office is limited in developing goals and performance measures that compare outcomes to program costs because FAA does not have a cost accounting system.

To remedy this problem, FAA is developing a cost accounting system and plans to have it fully operational in FY 1999. In our view, better use of airport inspection data, along with the implementation of a cost accounting system, should allow the Program Office to develop outcome-oriented goals and performance measures that gauge the effectiveness and cost of the Airport Certification Program.

Recommendations

We recommend that FAA:

1. Discontinue annual inspections of airports that do not maintain scheduled or unscheduled air carrier service, and develop a less frequent inspection schedule for these airports.
2. Develop future airport inspection schedules using:
 - a. enplanement data and prior inspection results, and
 - b. CCMIS data to identify systemwide deficiencies, targeting resources to the areas of greatest risk.
3. Develop and implement a long-range plan to deploy inspectors among regions consistent with inspection requirements.
4. Develop outcome-oriented GPRA goals and performance measures for the Airport Certification Program.

Management Position

FAA concurred with all four recommendations. Regarding Recommendations 1 and 2, FAA stated that it has begun to develop new criteria for establishing future airport inspection schedules. In addition to using the CCMIS data, past discrepancies, and level of air service as factors in determining inspection schedules, FAA is considering other factors, including type of operations, changes to airport management, and proximity of airports to one another. FAA intends to develop and test these criteria in FYs 1998 and

1999, and proceed with implementation in FY 2000. FAA is also developing a Notice of Proposed Rulemaking to amend Part 139 that would expand the Airport Certification Program to include airports servicing aircraft with 10 to 30 passenger seats. In this rulemaking, the FAA will consider options for airports that no longer serve air carrier operations.

In response to Recommendation 3, FAA indicated that long-range plans for deployment of inspectors will be based on the new airport inspection schedule criteria being developed in conjunction with Recommendations 1 and 2. FAA plans to implement this action in FY 2000.

Regarding Recommendation 4, FAA stated it is in the process of developing goals and performance measures to comply with GPRA. Draft performance measures include outcome-oriented measures for airport safety.

FAA also provided comments concerning the legislation that authorized it to issue operating certificates to airports that service aircraft with 10 to 30 passenger seats. FAA stated that the draft report indicated 65 additional airports would be added to the inspection program as a result of the change in legislation. However, FAA's latest estimate is that only 44 airports would be added to the Airport Certification Program.

FAA also stated that the Background section of the draft report indicated that FAA's inspection authority is limited to airports servicing air carrier aircraft with more than 30 passenger seats. FAA agrees this was true until October 1996 when legislation extended this authority to airports servicing air carrier aircraft with more than 9 passenger seats, except for Alaska which was exempted from this change. However, FAA also stated Part 139 has not been amended to reflect this change and is still only applicable to airports servicing air carrier aircraft with more than 30 seats.

Audit Comments

The planned corrective actions are responsive to the report's recommendations and should improve FAA's scheduling of inspections at certificated airports. As a result, no further response is required.

FAA is developing a new cost accounting system and plans to have it fully operational in FY 1999. At that time, FAA should be able to adequately identify costs applicable to its programs. With this cost information, the Office of Airport Safety and Standards can develop outcome-oriented goals and performance measures that gauge the effectiveness and cost of the Airport Certification Program.

At the time of our review, we estimated that 65 additional airports would be added to the Airport Certification Program as a result of the FAA Reauthorization Act. We recognize, as FAA has noted, that the number of airports requiring inspection will fluctuate as airports gain or lose service, and we have clarified the report to acknowledge this fact. We also revised the report to indicate that the legislative changes made in October 1996 are not yet reflected in Part 139 requirements.

Finding B. Timeliness of FAA Followup Actions

FAA did not have an effective followup system to ensure deficiencies recorded on Letters of Correction were corrected. This occurred because inspectors did not comply with FAA guidelines that require inspectors to document followup actions on previously reported deficiencies to ensure the deficiencies were corrected in a timely manner. As a result, FAA has little assurance that deficiencies were corrected within established timeframes.

Discussion

FAA Order 5280.5B, Airport Certification Program Handbook, prescribes policies and procedures for reporting and resolving airport violations. The Handbook requires that a Letter of Investigation or a Letter of Correction be used to document these violations. The Handbook requires that Letters of Investigation be used to ascertain whether or not there is a basis for pursuing legal enforcement action. Letters of Investigation must include facts and/or circumstances to determine if a violation of Part 139 occurred or existed. The Letter of Investigation is not a statement of charges and should only state a violation may have occurred.

If legal enforcement action is not appropriate, an administrative enforcement action is initiated with a Letter of Correction. This type of action provides inspectors with a means for disposing of minor types of violations. The Letter of Correction identifies the specific deficiency found and the date the inspector and the airport official agree the deficiency will be corrected. The Handbook also requires that each region maintain a suspense file or system to monitor corrective actions. Further, the Handbook states followup correspondence must be used by inspectors to determine the status of corrective action items and emphasizes the importance of prompt followup on Letters of Correction that are past the agreed due date.

We judgmentally selected 37 of the 126 Letters of Investigation issued between October 1, 1994, and March 31, 1996, and determined FAA regional inspectors took timely and adequate actions to resolve deficiencies. We also found none of the 37 Letters of Investigation resulted in legal enforcement actions. However, we found followup actions to correct deficiencies recorded on Letters of Correction were not timely.

Timeliness of Followup Actions

Inspectors were not timely in providing followup actions to determine whether deficiencies identified during inspections had been corrected within established timeframes. For example, during a November 1994 inspection of an airport in the Southern Region, inspectors reported that the centerline of a runway was not visible and needed painting. The inspector and an airport official agreed to a planned correction date of May 1995. We found no documentation that indicated the inspector determined the deficiency had been corrected. Also, the same deficiency was reported on the next inspection conducted in May 1996.

Our review of 133 inspection records showed a lack of timely followup action in 61 instances (46 percent). We also found that the number of days between the agreed upon corrective action date and the actual date the inspector determined corrective action had been taken ranged from 32 to 699 days and averaged 224 days. Although FAA guidance emphasizes the importance of timely followup on Letters of Correction, the guidance did not define timely followup action. Therefore, we considered FAA followup actions not timely if no action was taken within 30 days after the planned correction or extension date agreed upon between the inspectors and airport officials. Although inspectors advised us they contacted airport officials or performed subsequent inspections, they had no documentation to support their assertions that followup actions were accomplished. As required, inspectors should comply with FAA Order 5280.5B and issue timely followup letters for determining corrective actions.

The following table shows, for each region visited, the number and percent of inspections with untimely followup and the range of days from planned correction date to actual followup.

Region	Number of Inspections with Untimely Followup	Number of Inspections Reviewed	Percent Untimely	Range of Days From Planned Correction Date to Actual Followup
Central	3	13	23	32-315
Eastern	19	41	46	71-699
Great Lakes	24	46	52	58-528
Southern	15	33	45	36-388
Total	61	133	46*	

* Results are based on judgmental sampling techniques and may not be representative of the entire universe.

Recommendation

We recommend that FAA instruct inspectors to comply with FAA Order 5280.5B to ensure corrective actions recorded on Letters of Correction are completed timely.

Management Position

FAA concurred with the recommendation and stated a memorandum, dated September 24, 1997, was issued to Regional Airports Division Managers requiring the establishment of procedures that will ensure airport certification inspectors comply with FAA Order 5280.5B.

Audit Comments

The corrective action taken for the recommendation is responsive and should improve the timeliness of correcting discrepancies identified during inspections. As a result, no further response is required.

ACTIVITIES VISITED

FAA Activities

Headquarters, Chief of Staff, Administration of Airports
Headquarters, Office of Airport Safety and Standards
Headquarters, Office of Planning and Programming
Central Region, Airports Division Office
Eastern Region, Airports Division Office
Great Lakes Region, Airports Division Office
Southern Region, Airports Division Office

FAA Certificated Airports

Cape May County, Wildwood, New Jersey
Hartsfield International, Atlanta, Georgia
Kansas City International, Kansas City, Missouri
La Guardia, New York City, New York
New Castle County, New Castle, Delaware

State Aviation Offices

Maryland Aviation Administration, BWI Airport, Maryland
New Jersey Department of Transportation, Trenton, New Jersey

Aviation Organizations

Air Line Pilots Association
Airports Council International
Regional Airline Association

**NUMBER OF FULL AND LIMITED CERTIFICATE
AIRPORTS BY REGION**

Region	Number of Full Certificate Airports	Number of Limited Certificate Airports	Total Certificated Airports
Great Lakes	66	49	115
Southern	79	18	97
Northwest Mountain	60	15	75
Eastern	62	6	68
Western-Pacific	47	12	59
Southwest	45	13	58
Central	21	23	44
Alaskan	27	10	37
New England	17	5	22
Totals	424	151	575

**CERTIFICATED AIRPORTS WITHOUT SCHEDULED OR
UNSCHEDULED AIR CARRIER SERVICE**

Region	Name of Airport	City/State	Type of Certificate
Central	Clinton Municipal	Clinton, IA	Limited
	Hutchinson Municipal	Hutchinson, KS	Limited
	New Century Aircenter	Olathe, KS	Limited
	Jefferson City Memorial	Jefferson City, MO	Limited
	Lee C. Fine Memorial	Kaiser/Lake Ozark, MO	Limited
	M. Graham Clark	Point Lookout, MO	Full
	Rosecrans Memorial	St. Joseph, MO	Limited
	Spirit of St. Louis	St. Louis, MO	Limited
Eastern	Cape May County	Wildwood, NJ	Limited
	Teterboro	Teterboro, NJ	Full
	Dutchess County	Poughkeepsie, NY	Full
	Massena International	Massena, NY	Limited
	Ogdensburg International	Ogdensburg, NY	Full
	Sullivan County International	Monticello, NY	Full
	Bradford Regional	Bradford, PA	Full
	Danville Regional	Danville, VA	Full
Raleigh County Memorial	Beckley, WV	Limited	
Great Lakes	Mount Vernon	Mount Vernon, IL	Limited
	Quincy Municipal	Quincy, IL	Limited
	Vermilion County	Danville, IL	Limited
	Whiteside County	Sterling Rockfalls, IL	Limited
	Columbus Municipal	Columbus, IN	Limited
	Elkhart Municipal	Elkhart, IN	Limited
	Mount Comfort	Indianapolis, IN	Limited
	Porter County Municipal	Valparaiso, IN	Limited
	Antrim County	Bellaire, MI	Limited
	Ford	Iron Mountain, MI	Limited
	Gogebic County	Ironwood, MI	Limited
	Menominee-Marquette	Menominee, MI	Limited
	Otsego County	Gaylord, MI	Limited
Baudette International	Baudette, MN	Limited	

**CERTIFICATED AIRPORTS WITHOUT SCHEDULED OR
UNSCHEDULED AIR CARRIER SERVICE**

Region	Name of Airport	City/State	Type of Certificate
Great Lakes (cont.)	Chandler Field	Alexandria, MN	Limited
	Fairmont Municipal	Fairmont, MN	Limited
	Mankato Municipal	Mankato, MN	Limited
	Thief River Falls Regional	Thief River Falls, MN	Limited
	Willmar Municipal	Willmar, MN	Limited
	Worthington Municipal	Worthington, MN	Limited
	Devils Lake Municipal	Devils Lake, ND	Limited
	Jamestown Municipal	Jamestown, ND	Limited
	Burke Lakefront	Cleveland, OH	Full
	Cincinnati Municipal	Cincinnati, OH	Limited
	Cuyahoga County	Cleveland, OH	Full
	Lorain County Regional	Lorain/Elyria, OH	Limited
	Ohio State University	Columbus, OH	Full
	Rickenbacker International	Columbus, OH	Limited
	Springfield-Beckley Municipal	Springfield, OH	Limited
	Brookings Municipal	Brookings, SD	Limited
	Chan Gurney Municipal	Yankton, SD	Limited
	Huron Regional	Huron, SD	Limited
Mitchell Municipal	Mitchell, SD	Limited	
Kenosha Regional	Kenosha, WI	Limited	
New England	Danbury Municipal	Danbury, CT	Limited
	Igor I. Sikorsky Memorial	Bridgeport, CT	Full
Northwest Mountain	Garfield County Regional	Rifle, CO	Full
	Lamar Municipal	Lamar, CO	Limited
	Astoria Regional	Astoria, OR	Limited
	Corvallis Municipal	Corvallis, OR	Limited
	McMinnville Municipal	McMinnville, OR	Limited
	Newport Municipal	Newport, OR	Limited
	Kanab Municipal	Kanab, UT	Limited
	Ogden-Hinckley	Ogden, UT	Limited
	St. George Municipal	St. George, UT	Limited
	Vernal	Vernal, UT	Limited
	Olympia	Olympia, WA	Limited
	Snohomish County	Everett, WA	Full
Worland Municipal	Worland, WY	Full	

**CERTIFICATED AIRPORTS WITHOUT SCHEDULED OR
UNSCHEDULED AIR CARRIER SERVICE**

Region	Name of Airport	City/State	Type of Certificate
Southern	Mobile Downtown	Mobile, AL	Limited
	Talladega Municipal	Talladega, AL	Limited
	NASA Shuttle Landing Facility	Titusville, FL	Limited
	Charlotte County	Punta Gorda, FL	Limited
	Space Center Executive	Titusville, FL	Limited
	Richard B. Russell	Rome, GA	Limited
	Hardy-Anders Field	Natchez, MS	Limited
	Trent Lott International	Pascagoula, MS	Limited
Southwest	Lea County/Hobbs	Hobbs, NM	Full
	Sierra Blanca Regional	Ruidoso, NM	Limited
	Cox Field	Paris, TX	Limited
	Scholes Field	Galveston, TX	Limited
Western-Pacific	Ernest A. Love Field	Prescott, AZ	Limited
	Flagstaff Pulliam	Flagstaff, AZ	Full
	Kingman	Kingman, AZ	Limited
	Page Municipal	Page, AZ	Limited
	Pinal Airpark	Marana, AZ	Limited
	Buchanan Field	Concord, CA	Full
	Chico Municipal	Chico, CA	Full
	Jack McNamara Field	Crescent City, CA	Limited
	Mammoth Lakes	Mammoth Lakes, CA	Limited
	Oxnard	Oxnard, CA	Full
	Paso Robles Municipal	Paso Robles, CA	Limited
	San Bernardino International	San Bernardino, CA	Full
	Ely Airport	Ely, NV	Limited
Winnemucca	Winnemucca, NV	Limited	

AIRPORT INSPECTION SCHEDULES -
NUMBER OF MONTHS BETWEEN INSPECTIONS
PRIOR TO JANUARY 1997

Region	Full Certificate Hub Airports	Full Certificate Non-Hub Airports	Limited Certificate Airports
Eastern	12	12	12
New England	12	12	12
Southwest	12	12	12
Western-Pacific	12	12	12
Great Lakes	12	18	36
Southern	12	18	36
Northwest Mountain	12	18-24-36*	36
Alaskan	12	12	24
Central	12	12	24

* Full certificate airports without air carrier service were inspected every 36 months.

NUMBER OF AIRPORTS AND INSPECTORS BY REGION

Region	Number of Certificated Airports	Full-Time Inspectors	Part-Time Inspectors*
Great Lakes	115	4	2
Southern	97	3	1
Northwest Mountain	75	3	2
Eastern	68	3	4
Western-Pacific	59	5	3
Southwest	58	3	2
Central	44	2	1
Alaskan	37	2	2
New England	22	2	0
Headquarters**	0	4	2
Totals	575	31	19

* Credentialed staff with secondary duties to perform airport inspections.

** Headquarters inspectors assist in administering the program and are not responsible for performing airport inspections.

MAJOR CONTRIBUTORS TO THIS REPORT

The following is a list of the auditors who contributed to this report.

David A. Dobbs	Program Director
Ernest L. Eigenbrode	Project Manager
Elizabeth A. Robinson	Auditor
Samuel S. Vass, Jr.	Auditor
Thomas E. Wise, Jr.	Auditor



U.S. Department
of Transportation
**Federal Aviation
Administration**

Memorandum

Subject: **INFORMATION:** Draft Report on Audit of
Certification Program

Date: 08/28/97

From: Associate Administrator for Administration

Reply to
Attn. of: AWilliams:
267-9000

To: Deputy Assistant Inspector General for Aviation

As requested in your August 19 memorandum, we have reviewed the subject Office of Inspector General report. Overall, we concur with the report's conclusion and have already taken steps to comply with its recommendations. Our comments and a description of corrective actions taken or planned for each recommendation are provided below.

Recommendations 1 and 2: (1) Discontinue annual inspections of airports that do not maintain scheduled or unscheduled air carrier service, and develop a less frequent inspection schedule for these airports. (2) Develop future airport inspection schedules using (a) enplanement data and prior inspection results, and (b) Certification and Compliance Management Information System (CCMIS) data to identify system wide deficiencies, targeting resources to the areas of greatest risk.

FAA's Combined Response: Concur. These recommendations address the frequency of certification inspection. In response to both, the Associate Administrator for Airports (ARP) has begun to develop new criteria for establishing future airport inspection schedules. In addition to the CCMIS data, past discrepancies, and level of air service, ARP is considering other factors, including type of operations, changes to airport management, and proximity of airports to one another. It is our intention to develop and test these criteria in FY's 1998 and 1999, and proceed with implementation in FY 2000.

Furthermore, ARP is currently developing a Notice of Proposed Rulemaking (NPRM) to propose an amendment to 14 CFR part 139 that would expand the applicability of the FAA's airport certification program. In this rulemaking, the FAA will consider options for airports that no longer serve air carrier operations. This NPRM is tentatively scheduled to be published in the Fall of 1998.

Recommendation 3: Develop and implement a long-range plan to deploy inspectors among regions consistent with inspection requirements.

FAA Response: Concur. Long-range plans for the deployment of inspectors will be based on the new airport inspection schedule criteria developed in response to recommendations 1 and 2. ARP is committed to deploying adequate inspection personnel to accomplish this new inspection schedule.

Recommendation 4: Develop outcome-oriented Government Performance and Results Act (GPRA) goals and performance measures for the Airport Certification Program.

FAA Response: Concur. ARP is in the process of developing goals and performance measures to comply with GPRA. Draft performance measures include outcome-oriented measures for airport safety.

Recommendation 5: FAA should instruct inspectors to comply with FAA Order 5280.5B to ensure corrective actions recorded on Letters of Correction are completed timely.

FAA Response: Concur. We concur with this recommendation and have issued the attached memorandum to Regional Airports Division Managers requiring the establishment of procedures that will ensure airport certification inspectors are complying with FAA Order 5280.5B. We consider this action to close out this recommendation.

In a similar effort, we are developing a modification to the automated CCMIS that would alert airport certification inspectors to unresolved discrepancies specified in Letters of Correction that are more than 14 days past due.

In addition, we have identified the following items that should be corrected in the final report.

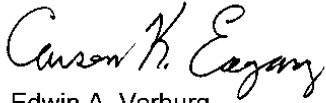
Synopsis, page 2 and Draft Report, pages 5 and 9. These pages state that recent legislation requiring the FAA to inspect airports serving aircraft with 10-30 seats would add another 65 airports to the inspection program. Our latest estimate is that only 44 airports would be added to the airport certification program. We expect this number to continue to fluctuate as airports gain and lose service, and as additional locations with scheduled service are verified.

Draft Report, page 1. The first paragraph of the background section states that FAA's authority is limited to airports serving air carrier aircraft with more than 30 passenger seats. This was true until October 1996 when legislation was passed that expanded this authority to airports serving air carrier aircraft

with more than 9 passenger seats (Alaska was exempted from this change and the FAA authority in this state is limited to airports serving air carrier aircraft with more than 30 seats). See 49 U.S.C. section 44706 (a) and (d). The 14 CFR part 139 has not been amended to reflect this change and is still only applicable to airports serving air carrier aircraft with more than 30 seats.

Draft Report, page 11, Recommendation 2. Missing punctuation after the word "using."

We appreciate the opportunity to comment on your draft report and request that you incorporate our comments in any final report that you may issue.



for

Edwin A. Verburg

Attachment



U.S. Department
of Transportation
Federal Aviation
Administration

Memorandum

Subject: **ACTION:** Implementation of FAA Order 5280.5B Date: SEP 24 1997

From: Director, Airport Safety
and Standards

Reply to
Attn. of:

To: Regional Airports Division Manager

On August 19, 1997 a draft report on an audit of the Airport Certification Program was issued by the Office of the Inspector General (OIG). Distribution of this report outside the Department of Transportation (DOT) is authorized only on explicit approval of the OIG. Consequently, the data that appears below should not be released to anyone outside the agency.

The audit was conducted between April 1996 and January 1997 at Federal Aviation Administration (FAA) Headquarters, Central, Eastern, Great Lakes, and Southern Regions. Out of a total of 651 records, the OIG judgmentally selected 133 airport inspection reports and reviewed the timeliness of FAA's follow-up actions taken to ensure deficiencies cited in the inspection reports were corrected by airport management. The review of the inspection records indicated a lack of timely follow-up action in 61 (46 percent) instances. The OIG considered FAA follow-up actions not timely if no action was taken within 30 days after the planned correction or extension date agreed upon with the inspectors and airport officials.

In response to this finding, we agreed that Regional Airports Division Managers will instruct Airport Certification Inspectors to comply with FAA Order 5280.5B, Section 501(b)(3) and (4). These sections require timely follow-up action on deficiencies cited on a Letter of Correction and that a discrepancy close-out letter must be issued when deficiencies found during the inspection have been corrected.

Please implement procedures to ensure that corrective action, for discrepancies noted on a Letter of Correction,

is completed and documented in a timely manner. In this regard, we are testing modifications to CCMIS that will inform both inspectors and management of unresolved discrepancies more than 14 days old. We will keep you advised of our progress in this area



David L. Bennett