

**DEPARTMENT OF
TRANSPORTATION
INSPECTOR GENERAL
TOP MANAGEMENT CHALLENGES
FOR FISCAL YEAR 2015**

**FEDERAL AVIATION
ADMINISTRATION
YEAR END PROGRESS REPORTS**

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2015 IG Management Challenges Actions Taken Report

Management Challenge: Modernizing the National Airspace System and Addressing Organizational Challenges

Issue: Addressing Underlying Causes for Limited NextGen Progress

Section I: Why is this issue significant?

NextGen is a major modernization effort underway to transform the legacy National Airspace System (NAS). It's important for the FAA to track the progress of key NextGen planning activities and investment priorities to ensure its successful implementation. The agency has taken a series of actions to effectively document and set NextGen investment priorities.

Section II: Actions taken in FY 2015:

- **NAS Enterprise Architecture (EA):** The NAS EA documents levels of planning in keeping with the maturity of the investment, the likely path for the evolution of the NAS, and projected milestones with schedules and cost based estimates for near-and long-term investments. On January 30, 2015 the 2015 NAS EA was published on the NAS EA Portal. This publication includes updates to the NAS Service Roadmaps, Infrastructure Roadmaps, the NAS Segment Implementation Plan (NSIP), and mid-term EA views.
- **NAS Segment Implementation Plan (NSIP):** The NSIP is updated annually to reflect the evolution of program management to support portfolio-level decision-making. The NSIP 2015 was published on January 30, 2015. The NSIP identifies and helps manage incremental improvements necessary to develop, integrate, and implement NextGen capabilities and NAS sustainment activities. This year the NSIP was virtualized into an integrated web-accessible platform which allows NSIP updates to be managed and reported in real-time.
- **Portfolio Management Reviews (PfMRs):** This year, we continued to host regular PfMRs across the multiple Lines of Business (LOBs) within the FAA to promote information flow and communication. The PfMRs ensure transparency and provide updates on current portfolio activities. Each portfolio is briefed quarterly and status reports are given to the NextGen Management Board (NMB) on a semi-annually basis. We plan to continue hosting such PfMRs in FY16 to further monitor and communicate agency efforts regarding NextGen investment priorities.

Section III: Actions remaining and expected completion date

We will continue to update the NAS EA and the NSIP annually to reflect key planning initiatives to ensure the successful implementation of NextGen. We will continue to conduct regular PfMRs to examine, evaluate, and communicate NextGen activities and milestones.

Section IV: Results or expected results:

- Development of an annual comprehensive segmented approach to develop and baseline programs to manage major capital acquisitions
- Reduction of risk and incremental implementation of operational capabilities
- Increased intra-agency communication and collaboration
- Streamlined and standardized agency program plans
- Increased transparency
- Common understanding of portfolio activities

2015 IG Management Challenges Actions Taken Report

Management Challenge: Modernizing the National Airspace System and Addressing Organizational Challenges

Issue: Implementing NextGen Investment Priorities

Section I: Why is this issue significant?

The FAA has worked with aviation community stakeholders, through the NextGen Advisory Committee (NAC) NextGen Integration Working Group (NIWG), to identify those capabilities in the agency's overall NextGen plan that will deliver the most near-term benefits to national airspace system users. The FAA and industry have jointly met a majority of the FY 2015 commitments in the "NextGen Priorities Joint Implementation Plan," which was the outcome of that collaboration.

The Plan commitments include both operational implementations of NextGen capabilities and pre-implementation activities, such as feasibility assessments, introduction of new national standards, and safety cases. While operational capabilities will be available for NAS users immediately, the full benefit of these capabilities will be realized when operators begin to use them on a routine basis. Through the NIWG process, industry has committed to equip the adequate number of aircraft necessary for meaningful operational capability performance levels.

The outcome has been so successful that the FAA and industry have decided to continue to collaborate using the NIWG process and make adjustments to the Plan based on operational needs.

Section II: Actions taken in FY 2015:

The Joint Implementation Plan includes activities in four focus areas scheduled to be completed over a three year period through 2017. Details of those activities and schedules of Plan milestones can be found on the NextGen Priorities website (www.faa.gov/nextgen/snapshots/priorities). We have completed 29 of 32 milestones planned for FY 2015.

- Multiple Runway Operations: 10 of 12 milestones due by September 30, 2015 have been completed.
- Performance Based Navigation: 4 of 4 milestones due by due by September 30, 2015 have been completed.
- Surface Operations and Data Sharing: 10 of 11 milestones due by September 30, 2015 have been completed, including 3 industry milestones.
- Data Communications: 5 of 5 milestones due by September 30, 2015 have been completed, including 1 industry milestone.

Based on the outcome of completed pre-implementation activities and planned implementations in FY 2015, the FAA and industry agreed to additional Plan milestones:

- Multiple Runway Operations: Dual Independent Parallel Operations w/Offset and Triple Independent Parallel operations in Chicago (both in Q1 CY 2016)
- Performance Based Navigation: Las Vegas Study Team completion (Q1 CY 2016)
- Surface Operations and Data Sharing: Advanced Electronic Flight Strips in Newark (Q2 CY 2016) and Departure Management in Charlotte (Q4 CY 2017)
- Data Communications: Final Investment Decision for En Route Services (Q4 CY 2015)

Three milestones planned for completion in FY 2015 will be revised or removed from the Plan.

- While the FAA has completed work on a Multiple Runway Operations milestone to enable operations on closely-spaced parallel runways at Boston, implementation will be delayed due to pending public comment resolution of an environmental noise assessment. A new date has not been scheduled.
- Wake Recategorization scheduled to be implemented at San Francisco in FY 2015 was shifted to FY 2016 so as not to adversely impact operations: completing Metroplex activities, prepare for the shift in winter weather traffic flows, and avoid negatively impacting surrounding airports during the Superbowl.
- Distribution of surface surveillance event data using Airport Surface Surveillance Capability (ASSC) is being re-planned. A safety risk management decision determined that the implementation may not provide air traffic controllers a complete picture of the airport surface. The milestones for sharing surface surveillance data from ASSC sites will be removed from the Plan.

Section III: Actions remaining and expected completion date

None.

Section IV: Results or expected results:

NextGen Priorities commitments are expected to provide a variety of benefits including, but not limited to, increased efficiency, capacity and safety throughout the National Airspace System (NAS). Each focus area is designed to provide specific benefits to NAS users as outlined in the NextGen Priorities Joint Implementation Plan, which can be found at www.faa.gov/nextgen/snapshots/priorities.

We are already seeing benefits from implemented capabilities. For example, the increased runway capacity and throughput due to the implementation of wake recategorization in Atlanta (part of the Multiple Runway Operations focus area) is increasing efficiency and reducing flight delays, which Delta Airlines reports is saving up to \$38 million a year.

Through the NAC, the FAA and industry have committed to analyzing the benefits gained from NextGen Priorities capabilities at locations where the implemented capabilities have been in use for a sufficient amount of time for data to be available.

2015 IG Management Challenges Actions Taken Report

Management Challenge: Modernizing the National Airspace System (NAS) and Addressing Organizational Challenges

Issue: Deploying Key Controller Automation Systems and Resolving Vulnerabilities

Section I: Why is this issue significant?

The FAA is focused on the En Route Automation Modernization (ERAM) and Terminal Automation Modernization and Replacement (TAMR) programs to ensure the baselined schedule and budget are appropriately managed, while maintaining the schedule of other programs in various stages of delivery that rely on integrating with both ERAM and TAMR. The ERAM baseline system deployment is complete, and already has NextGen capabilities integrated into it such as re-routing and Automatic Dependent Surveillance – Broadcast (ADS-B). TAMR is implementing the Standard Terminal Automation Replacement System (STARS) system as the common automation system for terminal airspace and [where deployed] is enabling NextGen capabilities like ADS-B/Fusion.

Section II: Actions taken in FY 2015:

The ERAM program office has achieved operations at each of its 20 air route traffic control center (ARTCC) facilities, and commissioned the ERAM system into the NAS for full-time use. The successful commissioning of the baseline ERAM system is due to (1) improved software quality through institutionalization of enhanced early site test processes, (2) continued collaboration with key National Air Traffic Controller Association (NATCA) (including the signing of a new Memorandum of Understanding on July 15, 2015 to extend their collaborative governance model with the program) and Professional Aviation Safety Specialist (PASS) unions, (3) strengthened performance incentives and quality controls in the renegotiated prime vendor contract, and (4) enhanced local planning processes at sites that provide consistent data to proactively plan necessary software release components.

As cited in the action plan, the FAA has completed the following:

- ERAM - finalized engineering and benefits analysis associated with potential enhancements to continue to strengthen overall system reliability and stability.
- ERAM - implemented system stability and reliability improvements as planned through the ERAM System Enhancements & Tech Refresh program baseline
- TAMR - completed collaborative processes through the STARS User Team Event to identify additional functionality needed for operational suitability and engage stakeholders in regular communications to promote a smooth transition to STARS.
- TAMR - implemented a test strategy and collaborative governance model consistent with ERAM best-practices.

Section III: Actions remaining and expected completion date

There are no outstanding actions remaining. The Agency plans additional process improvements to strengthen both the ERAM and TAMR programs.

Section IV: Results or expected results:

On March 27, 2015, ERAM successfully completed last-site Operational Readiness Date at all 20 ARTCCs. The ERAM program expects continued improvements in schedule and cost performance, thus addressing the issues raised in the report. The program has seen a decline in software and technology related issues (such as high reliability and a drastic reduction in discrepancies and trouble tickets from the sites), and is expecting to see more improvements. Additionally, while performance monitoring mentioned above indicates ERAM is meeting design requirements, the Agency is committed to minimizing instances of exception-based failures or other unique sets of circumstances that introduce potential risk to the operation.

Based on the approach outlined above, the TAMR program continues to expect improvements in schedule and cost performance, thus addressing the issues raised in the report. In order to continue to mitigate additional potential long-term risks, the FAA is undertaking a three-pronged approach:

- The TAMR program office facilitated a series of planning workshops with multiple stakeholder communities and updated the Estimate to Complete in Q3 FY2014. This estimate is under review by the Agency and was successfully presented to the Joint Resource Council (JRC) in FY15, thus positioning TAMR on a risk-reduced plan moving forward.
- The TAMR program office established a new Terminal Automation Systems Enhancement budget line within the Capital Investment Plan (CIP) to accommodate newly identified perfective and corrective changes required to meet the needs of the Terminal Users in any of the program segments. Formal approval for this new funding line has recently been approved at the TAMR FY15 JRC.
- As part of the forecasted need, there are a series of controls and preventative measures that are in progress to reduce future financial risk. This includes improved requirements and issues disposition through standup of a formal Article 48 of the NATCA Contract dated June 2, 2013, and Article 13 Working Group of the PASS Contract dated December 16, 2012. Both deal with technological changes to the NAS.

2015 IG Management Challenges Actions Taken Report

Management Challenge: Modernizing the National Airspace System and Addressing Organizational Challenges

Issue: Integrating Unmanned Aircraft Systems

Section I: Why is this issue significant?

The *FAA Modernization and Reform Act of 2012* (FMRA) requires FAA to integrate UAS into the NAS by 2015. In addition, UAS integration is forecasted to have significant positive direct economic benefits for the U.S. economy.

Section II: Actions taken in FY 2015:

The FAA granted 1742 petitions for exemptions or amendments for commercial UAS operations under Section 333 of the FMRA of 2012.

On December 30, 2013, Administrator Huerta announced the selection of six UAS Test Sites. The Test Sites, mandated by the FMRA, were established as a research program to support safe integration of UAS into the NAS. The Test Sites have been given the opportunity to have Designated Airworthiness Representatives (DARs), which allows them to issue Special Airworthiness Certificates in the Experimental Category (SAC-ECs) for civil UAS research and development conducted at the Test Sites. On December 19, 2014, the State of Nevada Test Site issued the first SAC-EC under the FAA DAR Program for UAS Test Sites.

FAA has been executing on planned research requirements and is coordinating research activities with other Federal agencies, including National Aeronautics and Space Administration (NASA) and the Department of Defense (DOD). Research focus areas include Sense and Avoid (SAA) and Command and Control (C2). The FAA continued to participate on RTCA Special Committee 228 (SC-228) which focuses on standards development for Sense (Detect) and Avoid (SAA) and Command and Control (C2) systems.

The UAS Executive Committee (ExCom) approved documents identifying operational and certification requirements that must be developed and implemented to enable public UAS routine operations within the NAS. These requirements will be used in support of the FAA's efforts to comply with Section 334 "Public Unmanned Aircraft Systems," subsection (b) "Standards for Operation and Certification" of the FMRA. This section requires that the Administrator of the FAA "develop and implement operational and certification requirements for the operation of public unmanned aircraft systems in the NAS" not later than December 31, 2015.

Section III: Actions remaining and expected completion date:

On November 7, 2015, FAA will publish the third edition of the UAS Roadmap. The Roadmap outlines the efforts needed to safely integrate UAS into the NAS. It discusses items such as new or revised regulations, policies, procedures, guidance material, training, and understanding of systems and specifications to support routine UAS operations. The Roadmap is updated annually.

FAA continues to make progress in integrating UAS into the NAS. A major initiative is completing the adjudication of comments received on the small UAS Notice of Proposed Rulemaking (NPRM) by the end of Calendar Year 2015.

FAA continues to receive petitions for exemptions under Section 333, Special Rules for Certain Unmanned Aircraft Systems, to operate UAS for commercial purposes.

Section IV: Results or expected results:

Integration of UAS into the NAS is incremental. It is important to note that the integration of UAS is not a destination but a continuous journey. As the NextGen systems come on-line in the NAS, higher and higher levels of UAS integration will be possible. The NAS is constantly evolving and changing and with those changes, aircraft will evolve, allowing even greater integration and utilization.

2015 IG Management Challenges Actions Taken Report

Management Challenge: Modernizing the National Airspace System and Addressing Organizational Challenges

Issue: Consolidating FAA's Vast Network of Facilities

Section I: Why is this issue significant?

Section 804 of the FAA Modernization and Reform Act of 2012 requires the FAA to develop a National Facilities Realignment and Consolidation Report containing recommendations for potential realignment scenarios that support the transition to NextGen and reduce costs without affecting safety. The FAA leadership, in coordination with NATCA and PASS labor unions, established a Section 804 collaborative workgroup to develop criteria and the process for future realignment decisions. The process involves holding working sessions with facility representatives, conducting site surveys in the field, and collecting input from labor unions and industry stakeholders.

Section II: Actions taken in FY 2015

Site surveys and analysis for Year 1 scenarios were completed in FY 2015. The workgroup completed the realignment recommendations for the first two facilities under analysis (known as transfers), presented its recommendations to the Administrator and Labor leadership, and documented the findings in the National Facilities Realignment and Consolidation Report (Year 1, Part 1). The first two transfers under analysis were Cape (K90) TRACON and Abilene (ABI) TRACON. The Year 1, Part 1 report recommends (1) realigning K90 TRACON operations to Boston (A90) Consolidated TRACON and (2) formalizing a TRACAB configuration at ABI to provide Approach Control services from the Control Tower Cab.

The Year 1, Part 1 report was published in the Federal Register for public comments, and submitted to Congress.

The workgroup continued realignment analysis for the 11 additional transfer facilities (a list of Year 1, Part 2 potential transfers and receivers is found under Section IV) and drafted recommendations for the National Facilities Realignment and Consolidation Report (Year 1, Part 2). The Year 1, Part 2 report includes recommendations for realignment to two receiver sites that are prior Agency investments (Cleveland Tower / TRACON and Kalamazoo Tower / TRACON), which were built to accommodate TRACON operations from multiple facilities.

Year 2 analysis includes five potential realignment transfer candidates and seven potential receiver facilities. The workgroup has completed working sessions and site surveys, and is in the process of drafting technical documentation.

Section III: Actions remaining and expected completion date

The workgroup anticipates delivering the National Facilities Realignment and Consolidation Report (Year 1, Part 2) to Agency and Labor leadership in late 2015, followed by Federal Register publication and submission to Congress. As mandated by Congress, each National

Facilities Realignment and Consolidation Report contains recommendations of the Administrator, as well as:

- Justification / projected costs & savings
- Proposed timing of implementation for each realignment

The workgroup will draft the Year 2 report, with the intention of reviewing with Agency and Labor leadership, in Spring 2016.

The first Year 3 working session is planned for October 2015.

Section IV: Results or expected results

If a joint resolution of disapproval is not enacted by Congress for the Year 1, Part 1 report, and the report recommendations are approved by the FAA Administrator, implementation activities related to relocation of functions, services, or personnel positions may begin in FY 2016.

We anticipate submission of the Year 1, Part 2 recommendations to Congress in mid-2016, after public comment in the Federal Register and an Agency review of comments.

Year 1, Part 2 scenarios

1. Toledo (TOL) Terminal Radar Approach Control (TRACON) operations for potential realignment to Cleveland (CLE) Tower / TRACON, Detroit (D21) TRACON, or Kalamazoo (AZO) Tower / TRACON
2. Erie (ERI) TRACON operations for potential realignment to Buffalo (BUF) Tower / TRACON, CLE, or to Pittsburg (PIT) Tower / TRACON
3. Akron-Canton (CAK) TRACON operations for potential realignment to PIT or CLE
4. Youngstown (YNG) TRACON operations for potential realignment to PIT or CLE
5. Mansfield (MFD) TRACON operations for potential realignment to PIT, CLE or Columbus (CMH) Tower / TRACON
6. Grand Rapids (GRR) Tower / TRACON operations for potential realignment to Kalamazoo (AZO) Tower / TRACON, or South Bend (SBN) Tower / TRACON
7. Muskegon (MKG) TRACON operations for potential realignment to AZO, SBN, or Milwaukee (MKE) Tower / TRACON
8. Lansing (LAN) TRACON operations for potential realignment to AZO or D21
9. Flint (FNT) TRACON operations for potential realignment to AZO or D21
10. Saginaw (MBS) TRACON operations for potential realignment to AZO or D21
11. Fort Wayne (FWA) TRACON operations for potential realignment to AZO or SBN

2015 IG Management Challenges Actions Taken Report

Management Challenge: Enhancing Safety and Oversight of a Diverse and Dynamic U.S. Aviation Industry

Issue: Leveraging Data to Reduce Risks

Section I: Why is this issue significant?

These issues are significant since the mission of the FAA is to provide the safest and most efficient aerospace system in the world. In order to continue increasing safety and mitigating risk, the FAA must continue to build upon its success in reducing aviation accidents and incidents. Given the current trends in global aviation growth and dynamics, the FAA must use every available resource to the maximum balance of efficiency and effectiveness in providing oversight and surveillance of commercial aviation to ensure continued improvement. This includes regulation, personnel (inspector workforce), and tools (VDRP, ASIAs, Safety Management System), as well as compliance policies. These items comprise a system that integrate and synchronize the FAA's safety mission and newly adopted compliance philosophy.

Section II: Actions taken in FY 2015:

The FAA has taken many actions to ensure that aviation safety remains paramount and the gold-standard of the world. These actions include upgrading VDRP to ensure viability and integration with National Airspace System (NAS)-wide data to analyze and identify risk(s).

In August 2015, the FAA announced the roll-out of the NextGen ASIAs Fusion model which will integrate multiple de-identified voluntary safety programs and multiple FAA and NAS systems, allowing analysts, inspectors, and managers access to actionable analysis in an effort to increase aviation safety.

The Commercial Aviation Safety Team (CAST), which is made up of the primary commercial aviation stakeholders and subject matter experts, continues to coordinate, collaborate, and provide valued recommendations on safety enhancements that includes changes to regulation, training, and systems/equipment with the goal of increasing aviation safety.

The Office of Accident Investigation and Prevention and Flight Standard Service ASIAs Work Group continue to meet monthly and on an ad-hoc basis to review actionable information gleaned from ASIAs data. Working group members also continue to attend Joint Implementation Measurement Data Analysis Team (JIMDAT), CAST, ASIAs Executive Board meetings along with InfoShare to learn of emerging air carrier safety issues relative to Flight Standards oversight responsibilities.

Section III: Actions remaining and expected completion date:

- Issue notice to inspectors and senior office managers on the changes and new procedures concerning the VDRP upgrade. This has been delayed (estimate release by August 2016) due to the Administrator's release of the new FAA Compliance Philosophy, which will have significant impact on VDRP.
- The NextGen ASIAs fusion feasibility model was demonstrated in August 2015 and the next step will be gaining the approval of the ASIAs Executive Board in September 2015. This will lead to a two year demonstration period for the program.

Section IV: Results or expected results:

The expected results of both the VDRP upgrades and the NextGen ASIAs fusion program are to provide inspectors, analysts, stakeholders, and management the tools to focus on both root cause analysis and prevent unintentional/non-criminal, non-compliance from occurring or re-occurring.

2015 IG Management Challenges Actions Taken Report

Management Challenge: Enhancing Safety and Oversight of a Diverse and Dynamic U.S. Aviation Industry

Issue: Managing the Federal Aviation Administration's (FAA) Aircraft Certification Process

Section I: Why is this issue significant?

Given the expected continued growth of the aviation industry, it is critical for FAA to establish clear standards and increase efficiency for all of its certification processes.

Section II: Actions taken in FY 2015:

The FAA revised the Certification Services Oversight Process (CSOP), Standard Operating Procedure (SOP) (Revision 4, dated May 28, 2014) and updated the CSOP SharePoint site to align with Revision 5 of the CSOP SOP. The CSOP SharePoint site enhances the tracking of all certification activities at the field office level and enhances the visibility and reporting at both the regional office and National Headquarters levels.

The FAA developed an audit tool to support validation of data collection that documents field office and regional compliance with CSOP process.

The FAA revised CSOP SOP Revision 5 (AFS-002-900-S1) on April 9, 2015 to include the following sentence "***Regional POCs must review the CSOP report for wait-list each month to monitor the regions' ability to perform certification projects.***"

Section IV: Results or expected results:

The changes made to the CSOP has allowed field and regional office managers improved flexibility and efficiency in addressing certification projects.

2015 IG Management Challenges Actions Taken Report

Management Challenge: Enhancing Safety and Oversight of a Diverse and Dynamic U.S. Aviation Industry

Issue: Bolstering Oversight of Aircraft Repair Stations

Section I: Why is this issue significant?

In 2011, the United States and the European Union (EU) entered into an aviation safety agreement which directed the Federal Aviation Administration (FAA) to begin transferring oversight of its repair stations to the National Aviation Authorities (NAA) of 18 EU countries to minimize duplicative oversight efforts. The NAA safety inspectors oversee more than 400 EU repair stations performing maintenance on U.S.-registered aircraft for the FAA. The Office of the Inspector General (OIG) recently reported that FAA's initial assessments to evaluate the NAA's capabilities to perform inspections on its behalf were incomplete and the results of these assessments were not adequately substantiated. In addition, the OIG also noted that inspector training, procedural and data quality weaknesses have impeded FAA's ability to effectively monitor EU repair stations to ensure they continue to meet FAA standards.

Section II: Actions taken in FY 2015:

The FAA reviewed and incorporated numerous revisions to the Maintenance Annex Guidance (MAG) requirements to ensure the FAA inspection procedures and audit reports are comparable in content to the European Aviation Safety Agency (EASAs). Additionally, the FAA inspector guidance in FAA Order 8900.1 was revised to reflect Revision 5 of the MAG. Some of the revisions include the development standardized instructions for FAA and foreign authority inspectors to properly complete the revised audit reports/checklist which are consistent with the audit report requirements used by EASA, and enhanced guidance to the FAA coordinator on the assessment of the foreign authority's oversight capabilities.

The FAA and EASA conducted workshops to all members of the EU aviation authorities (AA) and to the FAA coordinators. The workshops highlighted on the training requirements prior to assuming FAA oversight responsibilities and the related changes to Revision 5 of the MAG and the FAA Order 8900.1.

Section III: Actions remaining and expected completion date

The FAA revised the inspector guidance in the FAA Order 8900.1, to reflect the recent changes incorporated into the MAG on the evaluation of a foreign authorities oversight capabilities prior to assuming FAA oversight responsibilities of FAA-certificated repair stations. These revisions will move forward for publication which is expected to be by March 31, 2016.

Section IV: Results or expected results:

The FAA works closely with EASA and continues to make significant improvements to enhance the procedures as a result of the agreements between the U.S., EU, and NAA safety inspectors who oversee repair stations in the EU on the FAA's behalf. The FAA and EASA recently made

significant changes to the MAG to ensure the continuation of the high level of regulatory cooperation and harmonization between the U.S. and the EU. The FAA revised the inspector guidance in the FAA Order 8900.1 that reflects the current changes in the MAG. These enhancements will result in more consistent inspection practices that will improve the detection of systemic deficiencies and increase the effectiveness of repair station safety oversight performed by the FAA, EASA, and AA's who oversee repair stations in the EU.. Additionally, this will lead to continuity in the sharing and coordination of elevated risks, corrective action plans, and follow-up assessments among various AA's under the new aviation safety agreements.

2015 IG Management Challenges Actions Taken Report

Management Challenge: Enhancing Safety and Oversight of a Diverse and Dynamic U.S. Aviation Industry

Issue: Improving Runway Safety

Section I: Why is this issue significant?

Mitigating risk to acceptable levels at the nation's airports, specifically on and around the runway, is vital to improving the safety of the flying public.

Section II: Actions taken in FY 2015:

- Runway Safety Focus Airports. The Action plans for each of the ten Fiscal Year 2015 Runway Safety Focus Airports Programs were published prior to September 30, 2015 and are recorded in an FAA internal database called the Runway Safety Tracking System.

On June 10, 2015, Lincoln Airport held a local Runway Safety Action Team meeting and subsequently developed an action plan with six action items to mitigate risk. On June 29, 2015, the Federal Aviation Administration (FAA) conducted a Regional Runway Safety Team (RRST) meeting for the Alaskan airport identified by the Runway Safety Focus Airports Program and a subsequent action plan was developed. On July 15, 2015 the FAA conducted an RRST meeting for the Western-Pacific region airports identified by the Runway Safety Focus Airports Program and a subsequent action plan was developed.

- Local Runway Safety Action Team (LRSAT) meetings. All of the required towered airports (over 500) held a local Runway Safety Action Team meeting. A runway safety action plan was completed after each meeting and over 215 localized action items were developed to help mitigate risk.
- Runway Status Lights (RWSL) implementation. The FAA commissioned the Minneapolis–Saint Paul International Airport RWSL system on August 13, 2015, the Charlotte Douglas International Airport RWSL system on March 25, 2015, and the Fort-Lauderdale-Hollywood International Airport system on May 7, 2015.
- Surface System Event Rate metric. The FAA gathered a full fiscal year of runway safety data using the Surface Risk Analysis Process such as, but not limited to, the safety

barriers that were in place during the time of the event and the rate of closure between two aircraft or vehicles.

Runway Safety Call to Action. Since the 2007 Call to Action Safety Summit, serious runway incursions, "A" and "B" incidents, have dropped by 44 percent. Seven years have passed since the last runway collision at a major airport and nine years since the last fatal runway collision. Despite this long-standing trend, A and B events have recently begun to increase. On June 24, 2015, the FAA held a *Runway Safety Call to Action* to address an increase in the number of runway incursions this year. The meeting was attended by 108 representatives from industry, labor, and government. The event focused on mitigating visual, communication, and procedural challenges that occur on the surface environment. There were a total of 32 recommendations received at the end of the Call to Action. The collaboratively developed recommendations include, but are not limited to, developing focused outreach, conducting a human factors analysis of runway incursions, establishing workgroups to develop safety enhancements, and supporting the development of safety technologies. A summary of the event, along with the recommendations, were published in a report on July 31, 2015 as Phase 1 - Runway Safety Call to Action.

Section III: Actions remaining and expected completion date

The FAA will monitor the identified action items within each action plan to completion. An expected completion date varies due to the scope of the action items.

Each towered airport is required to hold a local Runway Safety Action Team meeting every fiscal year and develop an action plan. The FAA will continue to monitor these activities to completion.

Twelve of the 17 Runway Status Light production systems are operational. The remaining operational schedule is as follows: John F. Kennedy International Airport – December 2015, Chicago O'Hare International Airport and Newark Liberty International Airport – March 2016, Baltimore/Washington International Thurgood Marshall Airport and San Francisco International Airport – March 2017.

The FAA will analyze the gathered data and develop a risk based metric by July 31, 2016. The metric will allow the FAA to set a baseline target to meet every fiscal year by October 1, 2016 and monitor the effectiveness of the programs, processes, and procedures related to surface safety.

The FAA, in collaboration with labor and industry teams, are in the process of developing detailed implementation plans which will be incorporated into a Phase 2 - Runway Safety Call to Action report detailing short, medium and long-term corrective actions including dates for implementation. The report will be available on November 31, 2015.

Section IV: Results or expected results:

The FAA expects that with proper mitigations in place, the level of surface risk will be reduced. Once a risk-based runway safety metric is implemented, the rate of these improvements will be reflected in the rate beginning in FY2017. The ultimate goal is a reduction in surface events on and around the runway.

2015 IG Management Challenges Actions Taken Report

Management Challenge: Managing Acquisitions and Grants to Maximize Performance and Save Federal Funds

Issue: Improving Acquisition Practices for Management Support Services

Why is this issue significant?

The Federal Aviation Administration (FAA) addressed recommendations provided by the Office of Inspector General (OIG) to improve the management of the Air Traffic Control Optimum Training Solutions (ATCOTS) contract, which was awarded in 2008. The contract provides controller training support to train new Air Traffic Controllers (ATC) during a 10-year period. In testimony before the Senate Subcommittee on Financial and Contracting Oversight, the OIG highlighted the following in their 2013 report: (1) lack of clearly defined training requirements; (2) insufficient contract funding for training innovations; (3) ineffective cost incentives and award fees; and (4) inadequate contract oversight and ineffective communication with contract oversight staff.

This issue is significant to ensure (1) contract management, oversight and monitoring of contract support in the delivery of Controller Training; (2) resources and funding is available to meet the demand and requirements of controller training across the FAA; and (3) cost are contained within established funding levels within the contract.

Actions taken in FY 2015:

In April 2015, the Program Office awarded the new Controller Training Contract (CTC). This contract is a Fixed-Firm Price and Time & Materials contract that is in alignment with the Program Office's goals of Controller Training delivery.

The Transition Plan was completed in June 2015 and outlined the new contractor's process for hiring, staffing, badging, and as well as other activities for an effective transition on September 9, 2015. Based on the transition plan, the Program Office did not have to execute the H.8 – Continuity of Services clause under the ATCOTS contract. This clause could extend the contract for up to 365 days for phase-out activities.

The Program Office implemented a newly developed Training Requirements Tool (TRT) which captures training requirements for the Mike Monroney Aeronautical Center (Academy) and field offices for the monitoring and management of the contract. This tool is effective in capturing all training requirements in the field and Academy while maintaining cost within the contract.

The first Program Management Review (PMR) was held August 20, 2015, whereby the contractor provided an overview of their activities for transitioning on September 9, 2015. This

meeting will be held on a quarterly basis and is part of the management and monitoring activities under the contract.

The CTC contract successfully transitioned on September 9, 2015. The transition was smooth with no disruption to training delivery and contractor support across the field and Academy. The Program Office will continue to develop and standup processes to monitor contractor performance and continue to hold weekly status meetings with the contractor on monthly activities.

In 2015, the Program Office increased its oversight activities using a labor-hour method which easily identifies problems in contract oversight. This method provides discrepancy findings and reporting that will indicate the contract needs improvement. Other oversight activities include the Performance Work Statement (PWS), which specifies how ATO will achieve its performance objectives and the Field Requirements Tool (FPT). The PWS consist of specifications and other portions of the contract that describe the required delivery of ATC training services provided by the service provider.

Actions remaining and expected completion date:

- Conduct contract closeout activities on the ATCOTS Contract. December 2015

Results or expected results:

The FAA will monitor the CTC contract performance through implementation of weekly status meetings, Quarterly Status Reviews, Training Requirements Tool (TRT) reporting, quality audits, evaluations and financial reports.

The FAA will continue ATCOTS closeout activities until completion.