FAA Has Made Progress but Continues to Face Challenges in Acquiring Major Air Traffic Control Systems

The ATO met its acquisition goal for fiscal year 2004. However, prior to the establishment of the ATO, FAA had experienced more than two decades of cost, schedule, and/or performance shortfalls in acquiring major systems under its ATC modernization program. For example, 13 of the 16 major system acquisitions that we reviewed in detail have experienced cost, schedule, and/or performance shortfalls when assessed against their original milestones. These 13 system acquisitions experienced total cost growth from $1.1 million to about $1.5 billion; schedule extensions ranging from 1 to 13 years; and performance shortfalls, including safety problems. We found that one or more of four factors—funding, requirements growth and/or unplanned work, stakeholder involvement, and software complexity—have contributed to these legacy challenges. While FAA met its recent acquisition goal, it is important to note that this goal is based on updated program milestones and cost targets for system acquisitions, not those set at their inception.

In this report, GAO examined (1) FAA’s experience in meeting cost, schedule, and performance targets for major ATC system acquisitions; (2) steps taken to address legacy problems with the program and additional steps needed; and (3) the potential impact of the constrained federal budget on this program.

What GAO Recommends

GAO recommends that the Secretary of Transportation direct FAA to provide detailed information to Congress about the impact of planned funding cuts on the agency’s ability to modernize the ATC system, and the National Airspace System (NAS).

In commenting on a draft of this report, the Department of Transportation (DOT), FAA, and ATO said they generally agreed with the report. They did not comment on the recommendation.