



**U.S. Department
of Transportation**

Office of the Secretary
of Transportation

General Counsel

May 31, 2022

1200 New Jersey Ave., S.E.
Washington, D.C. 20590

The Honorable Henry J. Kerner
Special Counsel
U.S. Office of Special Counsel
1730 M Street NW, Suite 218
Washington, DC 20036

Re: OSC File Nos. DI-20-000827, DI-20-000863, DI-21-000350, and DI-21-000353

Dear Mr. Kerner:

By letter dated July 21, 2020, you referred for investigation two whistleblowers' allegations that Federal Aviation Administration (FAA) officials failed to effectively oversee the operations of Atlas Worldwide Holdings and its subsidiaries, Atlas Air and Polar Air Cargo. The referral letter stated FAA's alleged failures may constitute a violation of law, rule, or regulation; gross mismanagement; an abuse of authority; and a substantial and specific danger to public safety. By email dated March 15, 2021, the Office of Special Counsel (OSC) referred "substantially similar" allegations from two additional whistleblowers regarding FAA's oversight of the same carriers, and requested that we make the additional allegations part of this investigation.

The Secretary of Transportation has delegated responsibility for matters falling under 5 U.S.C. Section 1213(d) to the General Counsel. FAA, through its Flight Standards Service, prepared the Report of Investigation (ROI) in this matter. I enclose the ROI with this letter.

The related referrals required investigation into four allegations. The investigation substantiated one of these allegations. Specifically, the investigation found that FAA did not follow appropriate procedure in vetting and approving Atlas requests for individuals to receive cockpit access. FAA previously addressed the issue and took corrective action, including the development of educational modules for the responsible certificate management team. The investigation did not substantiate the other allegations that, among other things, FAA improperly approved an Atlas/Polar joint training program and FAA officials interfered with the work of FAA inspectors responsible for overseeing Atlas and Polar.

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The Honorable Henry J. Kerner

We have appreciated the opportunity to review this important matter and the whistleblowers' diligence in raising their concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "John E. Putnam", with a stylized flourish extending from the end.

John E. Putnam
General Counsel

Enclosure

**Federal Aviation Administration
Report of Investigation
To the Office of the Secretary of
Transportation**

In response to:

U.S. Office of Special Counsel (OSC)

**File DI-20-000827, DI-20-000863, DI-21-000350
and DI-21-000353**

Director, Flight Standards Service (AFX-1)

Federal Aviation Administration

Washington, D.C.

May 31, 2022

Executive Summary

On July 21, 2020, Special Counsel Henry J. Kerner referred disclosures from two whistleblowers to the Secretary of Transportation requiring investigation (OSC File Nos. DI-20-000827 and DI-20-000863). On March 15, 2021, OSC referred related disclosures from two additional whistleblowers (OSC File Nos. DI-21-000350 and DI-21-000353). The matters were initially delegated to the Department of Transportation's Office of Inspector General (OIG) for investigation. On February 4, 2022, the Office of the Secretary of Transportation re-delegated the investigation to the Federal Aviation Administration, Flight Standards Service (AFX).

These disclosures alleged non-compliance with Title 14 of the Code of Federal Regulations (CFR), FAA guidance, and FAA policy by the Dallas Fort Worth, TX (DFW) Certificate Management Office (CMO) (SW-07), New York Flight Standards District Office (FSDO) (EA-15), and Cincinnati FSDO (GL-05). The whistleblowers are FAA Aviation Safety Inspectors (ASIs).

The initial whistleblowers alleged DFW CMO managers and principal operations inspectors failed to provide proper safety oversight of Atlas Air and Polar Air Cargo. Atlas is a 14 CFR Part 121 Passenger/Cargo operator, and Polar is a 14 CFR Part 121 Supplemental Cargo Operator.

The three initial allegations state:

- An FAA official in the NY Flight Standards District Office (FSDO) approved a training program waiver for Atlas and Polar without authority to do so, permitting Atlas and Polar to maintain a single training program in violation of regulations.
- FAA officials in the Cincinnati/Northern Kentucky International Airport (CVG) FSDO and DFW CMO have permitted Atlas and Polar to operate without required paperwork in violation of FAA regulations.
- High-level FAA officials have interfered with attempts by FAA inspectors, including the complainants, to perform their duties and ensure that Atlas and Polar meet FAA requirements.

Subsequent to the July 21, 2020 referral, OSC sent a March 15, 2021 email to the Department of Transportation, stating that OSC had received “substantially similar allegations” from two additional whistleblowers. OSC stated it was “adding these two matters as companion cases to the matters already referred [OSC File No. DI-21-000350 and DI-21-000353].”

The additional allegation specifies:

- The CMO Manager, CMO Front Line Manager, CMO Principal Maintenance Inspector, CMO Principal Avionics Inspector, and other FAA management officials have permitted Atlas and its subsidiaries to engage in repeated egregious infractions of FAA regulations and requirements, without significant repercussions.

The investigation examined the four allegations, as described in detail below, and substantiated one of them.

Background

Operator History

Atlas Air was founded in 1992 with headquarters in Golden, CO, and main operations at John F. Kennedy International Airport (JFK). By 2000, Atlas Air ranked third among cargo carriers, after FedEx and UPS. Their headquarters and operations moved from Golden, CO and JFK to Purchase, NY. In February 2001, Atlas Air Worldwide formed its current holding company structure, with Atlas Air as a wholly owned subsidiary. In that same year, Atlas Air Worldwide acquired Polar Air Cargo, Inc., an all-cargo, scheduled-service air carrier. In 2016, Atlas Air Worldwide acquired Southern Air.

Polar Air Cargo was established in 1993 as a joint venture between Southern Air Transport and Polaris. Polar relocated from Long Beach, CA to Purchase, NY, after being acquired by Atlas Air Worldwide. Today, Atlas Air Worldwide owns 51% of Polar Air Cargo Worldwide (75% voting interest) and DHL Express holds the remaining ownership interest.

Southern Air Inc. was a global air cargo carrier headquartered in Florence, KY. It was the first airline to provide ACMI (Aircraft, Crew, Maintenance, and Insurance) service for the wide-body Boeing 777F. The airline was established on March 5, 1999 by James Neff out of the assets of Southern Air Transport, and started operations in November 1999. On November 17, 2021, Southern Air ceased operations as it was merged into Atlas Air.

Merger

In June 2005, Atlas Air Worldwide decided to merge Atlas' and Polar's business operations under a single DOT air certificate, while continuing to maintain separate public-facing brands. The Polar pilots objected to a full operational merger, and eventually went on strike (the Atlas pilots, on the other hand, did not object).

On August 16, 2005, Atlas Air Worldwide announced that it was also immediately suspending its previously announced plans to combine the bargaining units and merge the operating certificates of Atlas and Polar. "Due to the uncertainties associated with the release into the 30-day cooling off period, the Company does not believe it is advisable to continue to pursue the merger at this time. We are, therefore, suspending the merger pending the outcome of these negotiations."

In a joint letter to the U.S. Department of Transportation (DOT) dated May 30, 2006, Atlas and Polar stated: "For commercial reasons, [Atlas Air Worldwide] has made the strategic decision to retain and conduct operations under both the Atlas and Polar certificates."

Consequently, the three parties withdrew their previous request to register Atlas as an additional trade name of Polar, which would have supported a broader corporate strategy to consolidate Atlas into Polar with the surviving certificated carrier, Polar, operating under both brands.

The letter pointed out that FAA and foreign government requirements “add complexity to fleet cross-utilization and preclude aircraft interchangeability.” Inter-company wet leasing has allowed for some flexibility in this regard; the legal definition of wet lease is described later in this document.

Additionally, Atlas noted in its 2005 merger application to the FAA that FAA requirements “necessitate duplicative Atlas and Polar management structures in the areas of flight operations and maintenance, precluding a more efficient coordination of operations through a single, completely integrated chain of command.” However, Atlas and Polar said in their May 2006 letter to the FAA that the withdrawal of their application “does not affect our intent to proceed with the integration of the Atlas and Polar crewmember seniority lists, nor does it affect our intent to complete the operational merger of the two airlines to the extent allowed by the FAA.”

Responsible FAA Offices – Atlas/Polar Certificate

Atlas Air was originally overseen by the Garden City, NY FSDO (EA-15). The certificate was transferred to the Cincinnati, OH FSDO (GL-05) in January 2017. The certificate was again transferred to the DFW CMO (SW-07) in August 2018.

Polar Air Cargo was originally overseen by the Los Angeles, CA FSDO (WP-23). The certificate was transferred to the Garden City, NY FSDO (EA-15) in March of 2003. EA-15 transferred the certificate to the Cincinnati, OH FSDO (GL-05) in February of 2017. GL-05 transferred the certificate to the SW-07, DFW CMO in August 2018.

Southern Air Cargo, Air Carrier Certificate number Q2SA131J, was originally overseen by the Garden City, NY FSDO (EA-15). EA-15 transferred the certificate to the GL-05, Cincinnati, OH FSDO in November of 2015. GL-05 transferred the certificate to the DFW CMO (SW-07) in August 2018. The certificate was voluntarily surrendered in November 2021.

Currently, the DFW CMO (SW-07) oversees both the Atlas and Polar air carrier certificates under a single Certificate Management Team (CMT). However, the team consists of members currently located at the former certificate management offices, geographically located outside the SW-07 office.

Detailed Findings

ALLEGATION 1: *An FAA official in the NY Flight Standards District Office (FSDO) approved a training program waiver for Atlas and Polar without authority to do so, permitting Atlas and Polar to maintain a single training program in violation of regulations.*

Whistleblowers #1 and #2 stated all air carrier certificate holders, including Atlas and Polar, must establish and maintain an FAA-approved training program to ensure that each crewmember, aircraft dispatcher, flight instructor, and check airman is adequately trained to perform his or her assigned duties. They allege that because Atlas and Polar hold separate air carrier (AC) certificates, the ACs are required to maintain their own separate training programs pursuant to 14 CFR § 121.401(a)(1).

The whistleblowers alleged a previous Principal Operations Inspector (POI #1) waived this requirement for the operators in December 2011. This action permitted Polar to transfer its pilots to the Atlas training program. They claim there was no legal basis for this waiver and the resulting integration of Polar employees into the Atlas training program constitutes an ongoing violation of § 121.401(a)(1).

Findings: Not substantiated. No violation of 14 CFR, an FAA order, or an FAA standard has occurred.

Corrective Action: None required.

The records reviewed indicated that neither Atlas nor Polar requested a waiver of 14 CFR with respect to a pilot training program, and therefore, no “waiver” of 14 CFR was granted. Polar and Atlas, each holding its own air carrier certificate, chose to have a joint pilot training program and made such application to the FAA on December 6, 2011. The certification work was performed and completed prior to application submission; the joint training program was then approved by the POI on December 6, 2011. Although this venture is unique when compared to other like air carriers, this combined pilot training program is not contrary to 14 CFR or FAA guidance. In approving a joint pilot training program on December 6, 2011, the POI did not waive any regulations under 14 CFR.

The FAA Chief Counsel also reviewed the training programs and concluded there was no violation of the Part 121 training requirements found in 14 CFR. Furthermore, the Part 121 training regulations specifically provide one Part 121 certificate holder may provide training to another certificate holder certificated under this part, in that such a certificate holder “is eligible under this subsection to provide flight training, testing, checking under contract or some other arrangement to those persons subject to the requirements of this part.” 14 CFR § 121.402(a). Thus, approval of a joint training program between two operators certificated under Part 121 is not a violation of 14 CFR.

In addition to the above interpretation, FAA Order 8900.1, Volume 3, Chapter 19, Section 1, Paragraph 3-1071 states:

“It is the policy of the Flight Standards Service to encourage CHs [certificate holders] to be innovative and creative when developing training methods and techniques. Principal Operations Inspectors (POI) are responsible for ensuring that regulatory requirements are met and that the CH’s flightcrew members can competently perform their assigned duties before they are authorized to enter revenue service. Meeting regulatory requirements is paramount, but POIs should also embrace innovation in training delivery techniques. POIs should work collaboratively with their assigned CHs to explore new training techniques while also ensuring the CHs validate the results of any alternative techniques.”

The Dallas/Fort Worth CMO (SW-07) entered data in the FAA’s Safety Assurance System (SAS) regarding this allegation on March 6, 2020, which was closed on June 10, 2021. The SAS record reads as follows:

“After review of alleged non-compliance through a 2019 Certificate Holder Evaluation Process (CHEP) audit, the Certificate Management Office (CMO) has determined that Polar Air Cargo is compliant with 14 CFR 121.401 and has met the regulatory requirements for establishing a Flight Crewmember Training Program. Supporting document from FAA Legal attached. P5CA-FY21Q4-PICustom-0277 2.1.2.”

ALLEGATION 2: FAA officials in the CVG FSDO and DFW CMO have permitted Atlas and Polar to operate without required paperwork in violation of FAA regulations.

Example A: Whistleblower #1 states air carriers must request and receive authorization for certain individuals to have access to the cockpit in flight via issuance of FAA Form 8430-6 (Admission to Flight Deck), adding FAA guidance states Form 8430-6 must be in hard copy format.

The whistleblower contends despite this guidance, FAA officials in the Garden City, NY (EA-15) and Cincinnati, OH (GL-05) FSDOs permitted Atlas to issue and distribute its own photocopied 8430-6 forms, and that GL-05 Front Line Manager (FLM) repeatedly pressured the whistleblower to expedite Atlas’s authorizations by using an unauthorized fillable electronic form, in some cases for the economic benefit of the airline.

Findings: Substantiated. A violation of an FAA order or standard has occurred.

Corrective Action: None required. The noncompliance was previously corrected by the CMT in 2017.

In accordance with 14 CFR § 121.547, Admission to Flight Deck, the Administrator must approve certain individuals to access the flight deck of a 14 CFR Part 121 aircraft. FAA Order 8900.1 further states, “The Administrator may delegate this authority to AFS-200 or to the POI”, as specified in the order.¹ Utilizing FAA Form 8430-6, the POI may approve authorized individuals to the flight. Per FAA Order 8900.1 guidance, “the original is forwarded to the applicant, and the second copy is retained at the responsible Flight Standards office.”²

While FAA Order 8900.1 does not expressly prohibit the use of FAA Form 8430-6 in electronic format, in an email to GL-05 FLM dated June 22, 2017, Management Program Analyst, AFS-290 provided guidance on the use of FAA Form 8430-6:

“I got guidance on your question. The suggested course of action is to ask the air carrier to utilize the correct procedure; the procedure that utilizes the hardcopy version of the form. Also, if possible, could you try to determine where/how they got the eform.”

GL-05 FLM #1, in turn, directed Whistleblower #1 via email, “The correct way to process the 8430-6 is using the hard copy, not the electronic version.” GL-05 FLM # 2 for the Polar and Atlas CMT responded to GL-05 FLM #1, stating, “I don’t read this as not being able to use the form. It was a suggested course of action from a support group person. It is a controlled form,

¹ FAA Order 8900.1, Volume 3, Chapter 2, Section 1, Paragraphs 3-41 through 3-45.

² FAA Order 8900.1, Volume 3, Chapter 2, Section 1, Paragraphs 3-41 through 3-45.

so the CH can't use it, but we can't continue to live in 1992. It is not a big deal for the 290 folks, because we are the only ones processing this many forms."

The investigation team interviewed GL-05 FLM #1 regarding this allegation. He stated he did not recall the specific email or the discussion with GL-05 FLM # 2, but did recall inquiries to AFS-200 regarding the possible use of an electronic 8430-6 form, which AFS-200 stated was not authorized. GL-05 FLM #1 recalled instances where Atlas or Polar would request that an individual be granted access to the flight deck and would include an electronic 8430-6 form with the application package. According to GL-05 FLM #1, the POI at the time would electronically sign the 8430-6 form and return it to the requesting air carrier. The GL-05 FLM #1 provided the investigation team one copy of an Atlas / Polar 8430-6 electronic form containing crewmember names and an FAA endorsement, dated June 19, 2017. The GL-05 FLM #1 indicated that upon the discovery of this practice, he directed the POI to only use the paper form of 8430-6, and not the electronic version provided by Atlas or Polar. FLM #1 also stated that an educational PowerPoint presentation regarding the correct process for the FAA to approve Atlas/Polar/Southern cockpit access was provided to the entire Atlas/Polar/Southern CMT.

It is not known if the POI's acceptance and use of Polar or Atlas' electronic 8430-6 form was directed by management or simply a human oversight error; however, the investigation revealed that the GL-05 FLM #1 was instrumental in correcting the noncompliance with FAA guidance. It should be noted that the use of FAA Form 8430-6 in electronic format is not contrary to 14 CFR, and no 14 CFR nonconformance was found. Further, while FAA Order 8900.1 does not expressly prohibit use of an electronic version of Form 8430-6, the current Atlas-Polar POI (in an acting capacity) confirmed only the paper Form 8430-6 is presently being used to approve cockpit access.

The DFW CMO Manager stated during the investigation interview that he had no knowledge of this specific situation or of any procedural corners being cut. He added he was only aware of hard copy forms being used. He also stated due to the large volume of requests, at some point he had reached out to other CMOs to see if there was a more expedient way to handle the requests.

Example B: Operation Specifications: Wet Leases.

The whistleblowers alleged FAA management did not require Atlas and Polar to properly update the operator's Operation Specifications (OpSpecs)³ to reflect the nature of their business, which includes a "wet lease" agreement between Atlas or Polar and their respective clients.

Findings: Not substantiated. No violation of 14 CFR, an FAA order, or an FAA standard has occurred.

Corrective Action: None required.

³ Operations Specifications (OpSpecs): are documents that describe what an operator is authorized to do. The regulations in 14 CFR part 119 require that the OpSpecs issued to parts 121, 125, and 135 certificate holders specify the authorizations, limitations, and certain procedures under which each type of operation must be conducted, and under which each class and size of aircraft must be operated.

A wet lease is a commercial arrangement whereby an aircraft owner leases both the aircraft and at least one crewmember to another person for his or her exclusive use for a specified period or a defined number of flights.⁴ Each certificate holder shall provide the Administrator with a copy of the wet lease to be executed detailing aircraft and other arrangements for transportation by air.⁵ Neither Atlas nor Polar have wet lease arrangements as defined by 14 CFR; therefore, they do not have OpSpec A028 – “Aircraft Wet Lease Arrangements,” or OpSpec A029 – “Aircraft Interchange Arrangements.”

An FAA legal interpretation referencing Atlas Air, Inc. dated May 18, 2004 states that Atlas and Polar’s operational construct represented charter arrangements and were not wet leases, because one carrier was not taking custody or ownership of the other carrier’s aircraft. A wet lease requires the lessor to take custody or ownership of an aircraft and that did not happen between Polar/Atlas aircraft.

In an email dated February 25, 2022, a representative of DOT’s Office of International Aviation stated:

“There are a number of charter arrangements where specific DOT authorization is not required under [14 CFR] Part 212, like wet-lease arrangements between U.S. carriers, and short-term wet leases involving a U.S. carrier wet leasing to a foreign carrier, or a foreign carrier wet leasing to another foreign carrier where both carriers already hold the necessary DOT economic licenses. I suspect that the Polar/Atlas operations that you’re looking at may fall into one of these categories where an application isn’t required, meaning that we would not likely have a copy of their charter agreement on file.”

The investigation team did not discover any lease or contractual arrangement involving Atlas and Polar, which meet the 14 CFR definition of a wet lease. As an FAA attorney stated in the May 18, 2004 e-mail, because there is no transfer of legal possession of any aircraft between Atlas and Polar which meet the FAA legal definition of a wet lease, they are not required to present these agreements to the FAA. Thus, neither Atlas nor Polar applied for OpSpec A028 and A029, which were not required given the type of business structure they operated.

The investigation team interviewed the DFW CMO Manager regarding this allegation. He stated he has no specific knowledge of the situation, adding “the principals move a lot of paperwork” and he is unaware of anyone doing anything inappropriately.

Example C: Operation Specifications: Business Names and Call Signs.

Whistleblower #1 alleged Atlas and Polar filed flight plans using client call signs while they were operating flights for clients who are also air carriers, such as Cathay Pacific Airways and Qantas Airways, in violation of regulatory requirements.

⁴ FAA Order 8900.1, Volume 3, Chapter 13, Section 4, Paragraph 3-456, 14 CFR Part 110, § 110.2,

⁵ 14 CFR Part 119.53

Whistleblower #1 stated Atlas and Polar OpSpecs A001 must list all names under which an airline conducts business, include only their primary business names, and must include any use of client call signs.

The whistleblower alleges Atlas' and Polar's use of client call signs creates confusion with air traffic control and first responders in emergency situations, because the client is incorrectly held out as having operational control of the aircraft, and further that in an emergency, confusion over who is operating the flight can obscure the nature of the cargo and impede attempts to respond appropriately.

Findings: Not substantiated. No violation of 14 CFR, an FAA order, or an FAA standard has occurred.

Corrective Action: None required.

According to FAA Advisory Circular (AC) 120-26N, third party use of an FAA authorized International Civil Aviation Organization (ICAO) three-letter designators (3LD) and associated telephony designator may be approved for operations within the National Airspace System (NAS), for certain aircraft operators, under either of the following conditions:

- (1) Flight servicing companies, charitable organizations, or other organizations as approved by the FAA, require a security agreement with Air Traffic Organization (ATO) System Operations Security; or
- (2) U.S. Aircraft operators may require use of their ICAO 3LD and associated telephony designator by another aircraft operator (that operates under 14 CFR part 121, part 129, or as otherwise approved by ATO System Operations Security) for services contracted, such as a wet lease, dry lease, or charter.

In an email to the Atlas/Polar CMT dated August 15, 2016, AFS-220 stated;

“From an operational standpoint, AFS-220 does not have any concerns over the use of Atlas airplanes and crews on a route using a Polar call sign. From what was presented it looks to me like this was the case. I will leave it up to AGC, and a great deal more information, to determine whether this constitutes a ‘DBA.’ I think this kind of operation is a routine matter when leasing on a short or long term contract, or a subservice operation. If the operating carrier, in this case Atlas, maintained operational control while using the Polar call sign, and its crews were properly trained and qualified, I see no particular operational issue. This appears to be a Polar route that was merely operated (subserviced / leased) by Atlas.”

The investigation team reviewed an Atlas flight plan and dispatch release, dated September 24, 2019, where the call sign “QFA7554” (Qantas) was used. The aircraft used in this specific flight was N854GT, a B-747, and is registered to Atlas. The flight plan shows “Atlas” as the operator; from Melbourne, Australia to Sydney, Australia. Operational control for this flight was clearly “Atlas” and not “Qantas.” No aircraft or operational control was transferred from Atlas to Qantas in this example, and the flights were not operated in the US NAS.

The allegation also indicated that Atlas used a Cathay Pacific Airways call sign; however, the evidence provided that was marked “Cathay Pacific” was actually the Qantas flight described in the previous paragraph. No other evidence was provided regarding use of a Cathay Pacific Airways call sign in this investigation.

During the investigation interview with the DFW CMO Manager, he stated he has no knowledge of this specific situation. He added that Atlas/Polar has a unique route structure, flying to over 300 airports worldwide, and that it is overseen by FAA Principal Inspectors.

ALLEGATION 3: *FAA officials have interfered with attempts by FAA inspectors, including the complainants, to perform their duties and ensure that Atlas and Polar meet FAA requirements.*

This investigation did not show any undue management interference with FAA Inspectors responsible for the Atlas/Polar Certificate, or that FAA management impeded the performance of their duties. Although there is no evidence that FAA officials interfered with FAA inspectors, the investigation team notes that the perception of interference is highly subjective, especially in the complex and dynamic nature of a certificate merger. One inspector may perceive questions or challenges from FAA management to be “interference,” while another inspector may not.

Example A: Whistleblower #1 alleged a DFW FLM improperly directed the approval of Atlas Manuals, in response to Atlas’ request for expedited review.

Findings: Not substantiated. No violation of 14 CFR, an FAA order, or an FAA standard has occurred.

Corrective Action: None required.

The whistleblower contends that the PMI incorrectly signed an Atlas manual revision approval letter on behalf of the POI (the whistleblower) without the POI’s knowledge or consent; that this action was contrary to FAA guidance; and that this allowed Atlas to add new aircraft to revenue service. Additionally, the whistleblower suggests the approval letter was not correctly executed, as it did not include a “List of Effective Pages” (LEP), which is the method of approval for this type of manual revision. Below is an outline of the actions that led to the circumstances described by the whistleblower.

- On March 20, 2019, FLM #2 assigned 11 manual revision reviews and approval to various inspectors within the DFW CMO. The requested completion date was March 29, 2019.
- On April 5, 2019, FLM #2 sent an email to the Aircrew Program Manager (APM) for the Atlas Air B-747-400 aircraft, requesting an update on the assignment. The email stated, “The B747 [Dispatch Deviation Guide] DDG was assigned to you on March 20 with a due date of March 29 and I was wondering if you could provide a status. It appears Atlas will be requesting for the PIs to add this aircraft to the OpSpecs very soon and this appears to be the last manual requirement for them to be able to add the aircraft.”

- On April 5, 2019, the APM replied stating, “I have looked at the Atlas B-747-400 DDG V13 and find no issues. Recommend POI approval. Same message for Polar DDG B-747-400 V11.”
- On April 5, 2019, the Principal Maintenance Inspector (PMI) signed a letter approving the Atlas DDG, Version 13, dated March 19, 2019. This letter had the whistleblower’s name and title (POI) in the signature block, but the letter was signed by the PMI “for” the whistleblower.
- On April 11, 2019, the whistleblower contacted Atlas and requested that Atlas send him the approval documents.
- On April 11, 2019, Atlas responded by providing the approval letter but noted that it had not received the signed LEPs.
- On April 18, 2019, Whistleblower #1 provided the signed LEPs.

The Dispatch Deviation Guide (DDG) contains the Minimum Equipment List (MEL), which includes a list of items that may be inoperative during a flight, by operator, aircraft make, model, and series specific.⁶ The DDG and MEL are part of the operator’s manual system. A proposed MEL revision may be initiated by either the FAA or the operator. All MEL revisions require POI approval. The POI or the POI’s designee maintains current information on all approved MELs and their revisions.⁷ Although FAA guidance indicates that the POI will approve a MEL (similar to a DDG), it is usually an Aircrew Program Manager (APM) for the fleet, and not the POI, that reviews the manual and then makes a recommendation to the POI on whether or not to approve the MEL. Once the APM resolves any discrepancies, completes the review, and makes their recommendation to the POI, the POI signs the LEPs or other approving document (if approved).

In this matter, the investigation team found that FLM #2 assigned the manual review directly to the APM, not the POI, via the email described above. This action is a common and accepted practice. The DDG review and approval was the last of the 11 manual revisions and without this DDG revision approval, the operator could not properly defer repair of inoperative equipment on the newly added aircraft. FLM #2 requested an update after the due date. According to the APM’s email, the DDG review was complete and no discrepancies had been found. As the review was complete, FLM #2 asked the PMI to sign the manual revision approval letter on behalf of the POI, as the POI was out of the office for a period of time; the PMI signed the letter on April 5, 2019.

Although there is no guidance regarding signing for another inspector, signing “for” an approving official is a common practice in the FAA, and not considered an inappropriate signature or authorization. Moreover, the POI corrected the record by providing the LEPs, which were missing from the approval letter. However, the LEP was not provided to Atlas until April 18, 2019, 13 days after the approval letter was provided to Atlas by the PMI.

⁶ FAA Order 8900.1, Volume 4, Chapter 4, Section 3, Paragraph 4-681

⁷ FAA Order 8900.1, Volume 4, Chapter 4, Section 3, Paragraph 4-693

Whistleblower #1 further alleged that Atlas placed the aircraft into service the day after receiving the approval letter, without signed LEPs and thus flew the aircraft without authorization.

Atlas may have used this DDG when the LEPs had not yet been signed during a 13-day timeframe. However, no evidence was presented to the investigation team that Atlas deferred inoperative equipment pursuant to the DDG and MEL for the aircraft during that 13-day period. It is also noted that even though “revision 13” may not have been approved for Atlas’ 747-400 DDG until April 18, 2019, Atlas’ 747-400 DDG “revision 12” was still valid.

The team interviewed the DFW CMO Manager regarding this allegation. He stated he has no specific knowledge of the situation adding, “The Principals move a lot of paperwork” and he is unaware of, “anyone doing anything inappropriately”.

ALLEGATION 4: *[CMO Office Manager], [CMO Front Line Manager], [CMO Principal Maintenance Inspector], [CMO Principal Avionics Inspector] and other FAA management officials have permitted Atlas and its subsidiaries to engage in repeated, egregious infractions of FAA regulations and requirements, without significant repercussions.*

In its March 15, 2021 email to DOT, OSC stated it had received “substantially similar allegations” from two additional complainants, and OSC was “adding these two matters as companion cases to the matters already referred.”

Findings: Not substantiated. No violation of 14 CFR, an FAA order, or and FAA standard has occurred.

Corrective Action: None required.

The investigation team contacted the OIG Lead Investigator to gain insight into the status of this investigation, already begun by the OIG in 2020. The OIG Investigator stated the great majority of issues raised by the complainants during his interviews with them concerned issues he termed as “toxic workplace” concerns. The OIG investigator stated that the “FAA Management Officials” referenced in this allegation actually refer to the CMO management staff: Office Manager, Front Line Manager, Principal Maintenance Inspector and Principal Avionics Inspector respectively.

The investigation team reviewed the audiotaped OIG interviews with the whistleblowers, as well as supporting emails. The records indicate the vast majority of the complaints refer to workplace environment and culture, as opposed to aviation safety issues. These complaints are outside the scope and purview of this investigation. However, the investigation team reviewed records regarding the whistleblowers’ work to determine whether any of their concerns with management led to aviation safety issues. A review of records show the whistleblowers documented their airline surveillance findings in the FAA SAS. A review of supporting emails and documents indicates all airworthiness and operations concerns raised by the whistleblowers were eventually addressed and closed in SAS. This was also confirmed during the team’s discussion with the DFW CMO manager. There is no evidence presented or discovered that indicated the whistleblowers or other personnel were prevented from conducting any assigned

surveillance activities. A review of email communication between various CMT staff indicated regular and frequent discussion occurred regarding all manner of topics related to Atlas and Polar, and at times displayed noticeable differences of professional opinion.

It was noted the whistleblowers were, in some cases, dissatisfied with the level or type of sanction adjudicated by the CMT management in response to surveillance findings. However, there is no evidence presented or discovered that the named management personnel permitted Atlas and its subsidiaries to engage in repeated, egregious infractions of FAA regulations and requirements. All sanctions were coordinated with FAA counsel. The investigation team interviewed two officials with knowledge of the events and who are still part of the CMO.

The team interviewed the former PMI assigned to the Atlas and Polar certificates at the time of the complaint. He stated he had no knowledge of situation as described in the allegation.

The team interviewed the former PAI assigned to the Atlas and Polar certificates at the time of the complaint. He stated he had no knowledge of situation as described in the allegation.

The team interviewed the former DFW SW-07 FLM #1 assigned to the Atlas and Polar certificates at the time of the complaint. He stated without specific details, he was unfamiliar with the allegation. The team asked if he had been involved in any other complaint or investigation that may relate to this allegation and he stated he had not.

The team interviewed the DFW CMO Manager regarding this allegation. He stated given the vagueness of the complaint, he has no specific knowledge of the situation.

Other Information

The whistleblowers brought forward other information related to previous reviews conducted of the office, including reviews of the Cargo Focus Team (CFT), Certificate Holder Evaluation Process (CHEP), and Business Process Assistance Visits (BPAV) which were not included in the OSC referral or delegation to DOT. These issues will be evaluated and addressed as appropriate within Flight Standards Service.

Investigation Methodology

Investigative Team:

- [REDACTED], Manager, Systems Investigations Branch, AFB-420
- [REDACTED], ASI (INV), Systems Investigations Branch
- [REDACTED], ASI (INV), Systems Investigations Branch
- [REDACTED] Attorney-Investigator, Office of the Inspector General

Documents

The team analyzed records, documents, and interviews obtained from the DOT Office of Inspector General, as well as memoranda, emails, FAA guidance, policy, regulations, orders, and notices. The investigation also relied upon the FAA Office of Audit and Evaluation's

investigative report for Administrator Hotline A20190822017, as well as SAS BPAVs and CFT/CHEP reviews. In addition, interviews, discussions of policy, and email correspondence were conducted with multiple personnel, including headquarters technical specialists and FAA Human Resources.

List of Names

- Whistleblower #1 - [REDACTED], ASI, DFW CMO- SW07
- Whistleblower #2 - [REDACTED], ASI, AFS-910, CHEP Team
- Whistleblower #3 - [REDACTED], ASI, DFW CMO- SW07
- Whistleblower #4 - [REDACTED], ASI, DFW CMO- SW07
- Previous Principal Operations Inspector (POI) #1, ASI [REDACTED],
- Attorney-Lead Investigator, Office of the Inspector General, [REDACTED]
- Dallas Fort Worth (DFW) SW-07 CMO Manager, [REDACTED]
- GL-05 Front Line Manager (GL-05 FLM # 2), [REDACTED]
- DFW SW-07 FLM #1, [REDACTED]
- Previous Principal Maintenance Inspector (PMI), ASI [REDACTED]
- Retired AFS-910 Manager, [REDACTED]
- Acting AFS-910 Manager, [REDACTED]
- Division Manager, FAA Safety Analysis & Promotion, [REDACTED]
- BPAV Team Lead, Safety Assurance and Promotion, AFS-910, ASI [REDACTED]
- Former Cargo Focus Team Lead, ASI [REDACTED]
- Previous Principal Avionics Inspector (PAI), ASI [REDACTED]
- Management Services Branch, AFB-350, [REDACTED]
- Director, Office of Air Carrier Safety Assurance, [REDACTED]
- Division Manager, AFC-200, [REDACTED]
- AFS-290, Management Program Analyst, [REDACTED]
- GL-05 FLM # 1, [REDACTED]
- DFW SW-07 FLM #2 - [REDACTED] FLM, DFW-CMO
- Aircrew Program Manager (APM), Atlas Air B-747-400, [REDACTED]
- U.S. Department of Transportation, Office of International Aviation, [REDACTED]

OIG Interviews

- [REDACTED], ASI, DFW CMO- SW07
- [REDACTED], ASI, DFW CMO- SW07
- [REDACTED], ASI, DFW CMO- SW07
- [REDACTED], ASI, Cabin Safety, PHX FSDO
- [REDACTED], Sr. Aerospace Engineer, Seattle Aircraft Certification Office (ACO)
- [REDACTED], ASI, AFS-910, CHEP Team

AFX Interviews

- [REDACTED], Office of Inspector General (OIG) Attorney, Lead Investigator of Initial OSC 2020 Complaint

- [REDACTED], Acting Manager, AFS-910
- ASI [REDACTED], AFS-910, Safety Assurance and Promotion, Business Process Assistance Visit (BPAV) Team Lead
- ASI [REDACTED], AFS-910, Front Line Manager (FLM)
- ASI [REDACTED], AFS-910
- ASI [REDACTED], FAA Cargo Focus Team (CFT) Lead
- ASI [REDACTED], AFB-411, FAA Safety Assurance System (SAS) SME
- [REDACTED], AFB-350, FAA Management Services Branch
- [REDACTED], GL-05 Front Line Manager (GL-05 FLM # 2)
- [REDACTED], Acting (current) POI, Dallas-Ft. Worth CMO
- [REDACTED], former, GL-05 FLM # 1
- [REDACTED], Dallas Fort Worth CMO Manager
- [REDACTED], former FLM #1, DFW SW-07
- [REDACTED], former PAI, DFW SW-07
- [REDACTED], former PMI, DFW SW-07