



U.S. OFFICE OF SPECIAL COUNSEL

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April 12, 2011

The President
The White House
Washington, D.C. 20500

Re: OSC File No. DI-10-1397

Dear Mr. President:

Pursuant to 5 U.S.C. § 1213(e)(3), enclosed please find an agency report based on disclosures made by Robert Spahr, a whistleblower at the Department of Transportation (DOT), Federal Aviation Administration (FAA), Allegheny Flight Standards District Office (FSDO), Pittsburgh, Pennsylvania. Mr. Spahr, who consented to the release of his name, alleged that FSDO employees improperly accepted a revised Approved Aircraft Inspection Program (AAIP) submitted by Holman Leasing (d/b/a Pittsburg Jet Center), a small on-demand air carrier, in violation of law, rule, or regulation and, thus, created a substantial and specific danger to public safety.

On July 1, 2010, Mr. Spahr's allegations were referred to the Honorable Ray LaHood, Secretary of Transportation, to conduct an investigation into these disclosures pursuant to 5 U.S.C. § 1213(c) and (d). Secretary LaHood tasked the investigation of the matter to the Honorable Calvin Scovell, III, DOT Inspector General (OIG). OSC received an agency report dated March 16, 2011, that OIG prepared with technical assistance provided by FAA Flight Standards inspectors and FAA's Office of Audit and Evaluations staff.

The agency report partially substantiated Mr. Spahr's allegations. The agency concluded that although the FSDO Front Line Manager David Milo and Principal Maintenance Inspector James Olsen failed to obtain Mr. Spahr's required approval on the air carrier's revised AAIP in violation of agency regulations, the revisions did not present a danger to the air carrier's passengers. Specifically, Mr. Milo and Mr. Olsen accepted a revised AAIP without the review and approval of Mr. Spahr, the assigned FSDO Principal Avionics Inspector, as required by FAA Order 8900.1. The acceptance of Holman Leasing's revised AAIP was also improper because the AAIP failed to specify necessary maintenance inspection tasks and initiatives; extended the intervals of avionic system inspections from one year up to five years; and removed annual avionic inspection requirements for aircraft without the required justifications pursuant to FAA Order 8900.1.

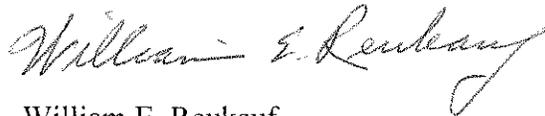
As a result of the agency investigation, Mr. Spahr and Mr. Olsen reviewed the AAIP, and following additional revisions by the air carrier, approved it in accordance with FAA Order 8900.1. FAA verbally counseled Mr. Olsen and required Mr. Milo to participate in management and communication courses as well as coaching sessions on coordinating approval processes and the proper usage of regulatory guidance.

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Pursuant to 5 U.S.C. § 1213(e), Mr. Spahr had the opportunity to review and comment on the agency report. He declined the opportunity to comment. OSC has reviewed the original disclosures and the agency report. Based on that review, OSC has determined that the agency report contains all of the information required by statute, and that the findings of the agency head appear reasonable.

As required by law, 5 U.S.C. § 1213(e)(3), we have sent a copy of the agency report to the Chairman and Ranking Member of the Senate Committee on Commerce, Science and Transportation and the Chairman and Ranking Member of the House Committee on Transportation and Infrastructure. We have also filed a copy of the agency report in our public file, which is available online at www.osc.gov, and closed the matter.

Respectfully,

A handwritten signature in cursive script that reads "William E. Reukauf". The signature is written in dark ink and is positioned above the printed name and title.

William E. Reukauf
Associate Special Counsel

Enclosure