

# Government Must Have A Bottom Line

**Bobby Sturgell**  
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**Federal Aviation  
Administration**



# Federal Aviation Administration

- **Safe skies**
- **Efficient travel**
- **Economic artery: 5% of GDP**



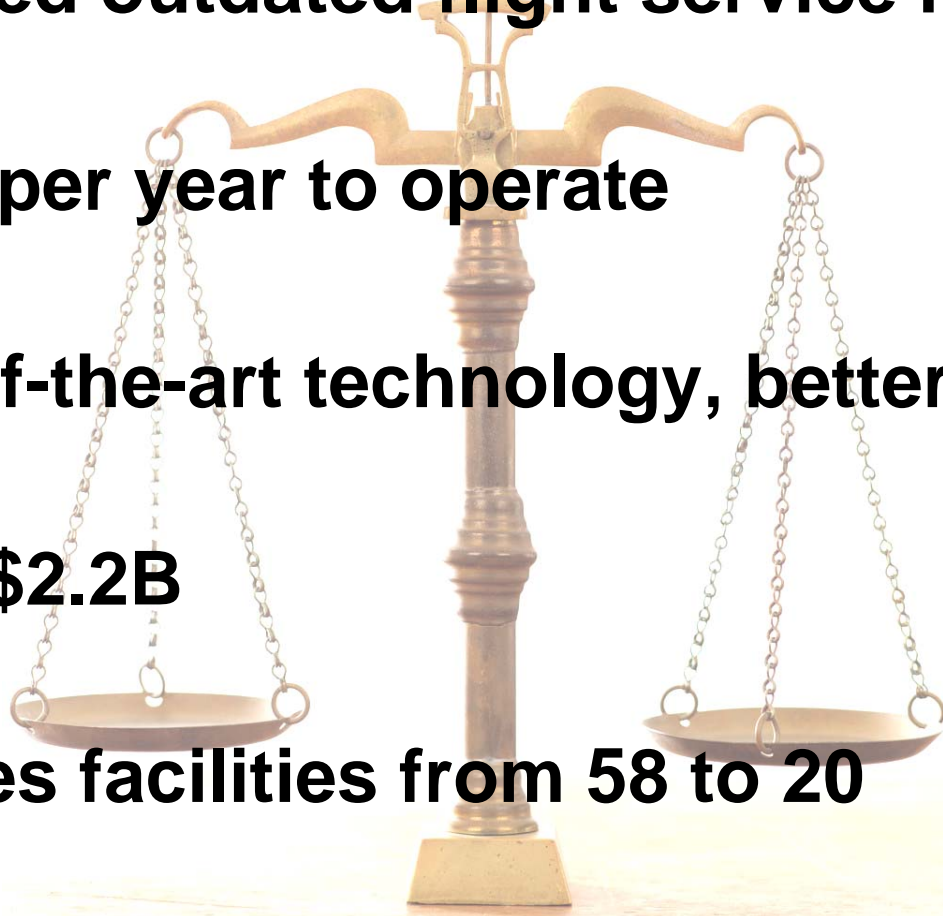
# Business Operations

- **Control operating costs, capital investments**
- **Establish goals, performance metrics**
- **Institute pay for performance**



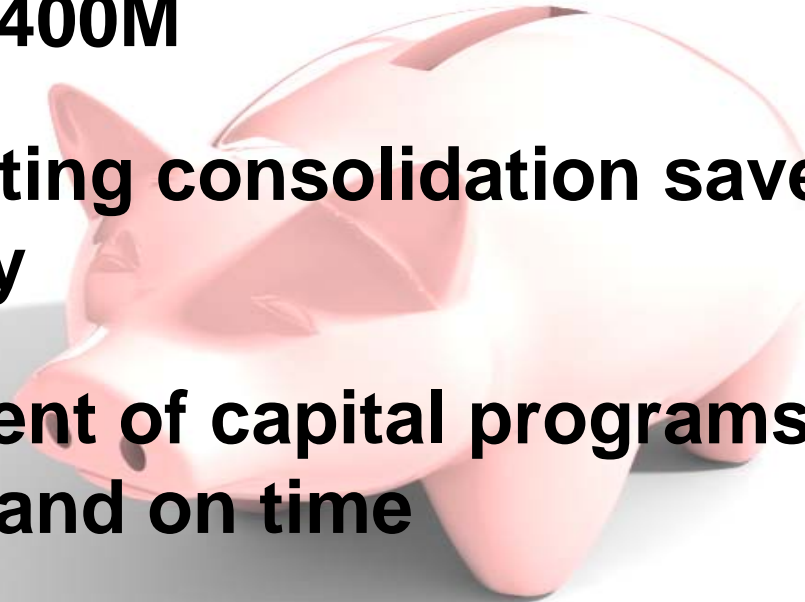
# Tough – But Necessary – Decisions

- Replaced outdated flight service network
- \$500M per year to operate
- State-of-the-art technology, better service
- Saves \$2.2B
- Reduces facilities from 58 to 20



# Savings Accumulate

- **New controller contract saves \$1.9B**
- **Administrative, support staff consolidation saves \$400M**
- **Accounting consolidation saves \$4M annually**
- **97 percent of capital programs under budget and on time**



# Getting Caught Doing Something Right

- **GAO high-risk list for financial management**
- **CEAR award for financial reporting**
- **5 consecutive clean audits**
  - Qualified opinion for 2006
  - Aggressive corrective action plan
  - 2006 CEAR entry



# Final Tally

- **Real change isn't in the numbers**
- **Cultural shift**
- **Business mentality**
- **Safest period in history**

