PART 2

PROJECT INCEPTION STAGE

(HOW IT ALL BEGINS)

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SECTION 1 - PROJECT INITIATION

2-1. **PROJECT INCEPTION STAGE DEFINED**. This stage includes identification and approval of project requirements, budget submission and approval, and development of procurement strategies. Once a project and its funding are approved, activity moves to the project materiel management stage (see Part 3).

2-2. DETERMINATION OF NEED

a. Mission analysis begins the FAA acquisition process with the identification of a need that is not being met by the current NAS. This is a forward-looking activity that evaluates the capacity of agency assets to satisfy existing and emerging demands for services. Need identification may be internally generated or the result of inputs from external sources. It may be generated by the FAA, DOT, a congressional mandate, by the military or another government agency. It may also come from a state or local government, by the private sector such as an airport authority, the airline industry, or the general aviation community.

b. Mission analysis brings to the Joint Resource Council (JRC) for consideration those critical needs the agency must address. It estimates the resources the agency will likely be able to commit to each mission need in competition with all others within the constraint of a realistic projection of future agency budget authority. The resource estimate becomes a "placeholder" in the agency's NAS architecture upon approval of mission need, and is quantified more accurately during investment analysis, and baselined at the investment decision.

c. Requirements identification, approval, and development of procurement strategies are covered in the Acquisition Management System (AMS). Life cycle acquisition management

policy and guidance are available on the internet at http://fast.faa.gov.

2-3. **DEVELOPING SYSTEM REQUIREMENTS.**

a. The program manager develops system requirements and shepherds the program through the investment analysis and decision process. Investment analysis translates mission need into top-level performance and supportability requirements. The requirements document sets criteria for conducting market analyses, alternative analyses, and affordability assessments. Investment analysis defines, in functional and performance terms, the capability FAA must have to satisfy mission need, and to determine and baseline the best overall solution for achieving that capacity.

b. Once the required analyses and assessments are completed, initial requirements are refined and revised into a final requirement document. This document establishes the operational framework and performance baseline in the Acquisition Program Baseline (APB) investment decision.

2-4. **IMPLEMENTING THE SOLUTION**. Solution implementation begins after the JRC selects a solution and establishes an acquisition program. Once the JRC approves the APB, the program may proceed. The IPT, as appropriate, assumes responsibility for the program, triggering the remainder of the program's life cycle. The IPT is completely responsible for overall system design, development, quality assurance, test and evaluation, and installation, including all acquisition, maintenance, and National Airspace System Logistics Support (NAILS) requirements. The IPT Lead validates all cost estimates for Washington-furnished equipment and validates regional and center estimates. The IPT Lead makes sure delivery date estimates of planned major end item acquisitions are accurately reflected in the MDFM, maintains and

reports on the cost, schedule, benefits, and performance baselines that are part of the approved APB.

> HINT. As used in this guide, "center" refers to either the Mike Monroney Aeronautical Center or the William J. Hughes Technical Center.

a. The Acquisition Strategy Paper defines the business and technical approach the IPT will use to implement the program. It defines management roles and responsibilities of key participants and addresses all aspects of acquiring, fielding, and managing the required capability. It also integrates planning for all functional disciplines, such as systems engineering, in-service support, test and evaluation, security, quality assurance, human integration, and configuration management. Development of this paper is the IPT's primary task after program approval at the investment decision, and is the basis for the Integrated Program Plan (IPP).

b. The IPP translates strategies in the Acquisition Strategy Paper into a set of detailed management, contracting, and technical actions, and work activities necessary to implement and manage a program over its life cycle. It encompasses all elements of program implementation, including acquisition of systems and equipment, construction of facilities, functional integration of planned capabilities within the existing infrastructure, and the procurement of services.

SECTION 2. REQUIREMENTS DEVELOPMENT

2-5. **RESOURCE TRACKING PROGRAM (RTP)**. RTP serves as the means for regions and centers to convey program requirements to headquarters. It accumulates these requirements into a revolving database.

a. ABU-300 annually provides valid budget line item and project code data to RTP to upload into regional modules. The IC platform responsible for planning and fiscal requirements solicits input from field offices and other divisions for requirements and justifications. This input is returned for regional validation and prioritization, and is forwarded to the regional IC engineering platforms to develop cost estimates, materiel, and labor resource requirements. Once complete, the submission is transmitted to headquarters.

b. IC engineering and planning personnel develop project networks to track and schedule outyear projects and personnel resources. Activities within the networks, such as electronic and plant engineering, construction, and flight checks, are linked to define various aspects/time lines of projects. Networks are used to generate various scheduling and resource reports.

c. Project scope is coordinated by the IC project manager in conjunction with the IPT, project engineers, and those organizations who will use the equipment once it is commissioned. Project engineers review and approve technical and quantitative requirements for both nationally and regionally furnished materiel for approved projects.

d. Project engineers establish initial project start dates. The IC project managers approve the start dates.

2-6. **NAS F&E PROJECT IDENTIFICATION STRUCTURE**. Regions use the following structure to identify and track F&E projects within the RTP:

a. Job Order Number (JON). A JON provides a means of identifying and classifying costs under FAA's accounting coding structure and is the key element by which property is tracked within RPMMS. The JON provides for the assignment and collection of costs and obligations. Each JON must be associated with a Job Control Number (JCN), see below. A JCN may have multiple JONs associated with it, but a JON can be assigned to only one JCN. Within DAFIS, and RPMMS, the JON alone is used.

b. Job Control Number. The JCN is used to manage an entire F&E project that can span multiple fiscal years. The JCN links all project schedule and resource requirements by relating all JONs associated with a project. While it can be used to identify a companion JON, the JCN is not used in the closeout and capitalization documentation process.

2-7. **PROJECT MATERIEL LIST (PML)**. Generic "template" PMLs are provided to the ICs through RTP for planning purposes (including all test equipment and cable requirements). The PML identifies nationally furnished project materiel associated with a specific project. The ICs can modify a PML by changing quantities or creating regional items as necessary. In addition to template PMLs, IPTs, regions, and centers may develop project-specific PMLs.

2-8. **SPECIAL JON TYPES**.

a. Group JONs. Group JONs are used when funding is provided to regions for use across the region for a single type of effort rather than for a specific project/site; e.g., making buildings

accessible to the handicapped or for contract labor to be used for many different projects. Examples of group JONs are shown below. Paragraphs 3-28.c and 4-11.b on pages 3-40 and 4-14 provide specific information on accounting and property management treatment of these special JON types.

- Hazardous/Occupational Safety and Health Administration (HAZ/OSHA)
- Regional Office (RO)/Various
- Logistics Support Service Contract (LSSC)/NAS Implementation Support Contract(or) (NISC)
- Technical Support Service Contract(or) (TSSC)

b. Special Projects (such as flood recovery)

2-9. **ESTABLISHING STOCK NUMBERS.**

a. Prior to final IPT PML validation, each item on a PML must have a stock number assigned which is listed on the LIS master inventory record.

b. WIMS review stock numbers while the regional submission is being developed. For items not included in the LIS master inventory record, a 14-digit item identification number must be obtained from the LIS Centralized Cataloging System. Until completed, the number will not be accepted in PMMS. The number is configured as follows:

1st - 4th digits	"8200"
5th - 6th digits	"00"
7th - 13th digits	7-digit numeric; i.e., "1234567"
14th digit	"1" to identify the item as F&E

2-10. **BUDGET TRACKING AND APPROVAL**

a. Congress provides an appropriation after reviewing and adjusting the DOT submission. Once provided, OMB apportions the appropriation and ABU provides authority to obligate and expend funds (through the allotment/allowance process) to appropriate activities.

b. Once funds are made available for obligation by means of an allowance document, IPTs request project authorizations (PA) from the Office of System Architecture and Investment Analysis (ASD). The IPT details in their request to ASD what funds will be PA'd, where the funds will be provided (JON, location, state, loc ID, runway, and JCN), and the purpose for which the funds will be utilized. ASD reviews the requests, verifies fund availability, and electronically forwards the requests to ABU, using the BXM. ABU provides PAs to requiring activities to begin project execution. The PAs issue authority to proceed with specific projects at specific locations. Subsequently, ABU redistributes project authority levels, as required, until expiration of each program year's obligation life. Figure 1, shows a sample PA on page 2-10.

FIGURE 1. PROJECT AUTHORIZATION

RIS: BU 2510-15

FAA FACILITIES & EQUIPMENT PROJECT AUTHORIZATION
($ IN DOLLARS)

ISSUED TO: DIRECTOR, NAS PROGRAMMING AND FINANCIAL MANAGEMENT, ASD-300
WASHINGTON, DC 20591

PROJECT AUTHORIZATION NO: SD991110
AUTHORIZATION APPROVAL DATE: 29-JUN-99

PA REQUEST INFORMATION:
REQUEST NO: SD310-99-09610
REQUESTOR NAME: Connie Christmas
REQUEST MANAGER: Leon P. Hillers
REQUEST DATE: 22-JUN-99
REQUESTOR'S ORGANIZATION: ASD-310
REQUEST MANAGER ORGANIZATION: ASD-310

AUTHORIZATION CRITERIA:
PROGRAM YEAR: 99 FUND CODE: 182A LIMITATION CODE: 0 TYPE: DIRECT
APPROPRIATION SYMBOL: 699/18107

BUDGET ITEM	PROGRAM DESCRIPTION	PROJECT CODE	CIP NO.
2B05B0	AIRPORT TRAFFIC CONTROL TOWER (ATCT) - REPLACE	40210603	F01

JON	JCN	LOCATION	STATE	LOCID	RNWY#/LTR	PREVIOUS AMOUNT	PROJECT AUTHORITY CURRENT CHANGE	REVISED AMOUNT
197114		LAGUARDIA	NY	LGA		9,460,000.00	-3,486,800.00	5,973,200.00
				SUB-TOTAL 2B05B0 :		9,460,000.00	-3,486,800.00	5,973,200.00
				PA TOTAL:		9,460,000.00	-3,486,800.00	5,973,200.00

WORK STATEMENT FOR 2B05B0 :
FOR REPLACE ATCT PROJECT.

ATTN: SCOTT LUECKERT, ACE-420
PHONE: (816)426-2242

Related PA Numbers:
CE990096

PA REMARKS:
REFERENCE ANS-240 LAN MAIL, DTD 6/22/99.

APPROVED FOR THE CAPITAL BUDGET DIVISION BY:
FOR:
CHARLES E. MARTIN, JR., ABU-300

FAA FORM 2510-11 (COMPUTER GENERATED)

PAGE 1 OF 1