

PFC Program Management



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Objectives

→ Discuss Public Agency Requirements

- Quarterly Reports
- Closeouts
- Modify Charge Expiration Dates
- Annual Audits
- Assurances
- Advisory Circulars



Quarterly Report

- **Part 158.63**
- **Due by end of Month following the end of your quarter**
- **To Remitting Carriers w/cc to FAA**
 - **Electronic Distribution - ok**
 - **Website Posting ok - if no Objection by Carriers**
- **Financial & Project Schedule Update**
- **Used to Estimate Required Duration**



Quarterly Report

→ **Cash Basis**

→ **Challenges**

➤ **Negative Interest**

➤ **Negative PFC Account Balances**

➤ **Cumulative Values Must Tie to Previous Report**

➤ **“Sinking Fund” Interest**

➤ **Updating Project Implementation/Completion Dates**

→ **Recommend not Blending Bond and PFC Revenue Accounts**



Application Closeout

→ Step 1

- Financially Reconcile Projects
- Close All AIP Grants
- Validate AIP Funding

→ Step 2

- Amend Application - As Required
- Disburse Funds – As Required

→ Step 3

- Submit Closeout Form(s)
- Excess Revenue Only if End of Collection Authority



Air Carrier Funds/Reports

- **Funds Due by end of the month**
 - **Can Wire Transfer**
- **Quarterly Reconciliation**
- **Compare to Activity Report (ACAIS)**
- **Airport Responsibility to Monitor & Follow-up**



Modify Charge Expiration Date

- **Part 158.43(c) Notices**
- **Notice to Serving Carriers**
 - **New Date(s)**
 - **Rationale**
- **Transmittal Letter to FAA**
 - **Carrier Notice**
 - **Distribution List**
 - **Duration Estimate Methodology**



Annual Independent Audits

- **Part 158.67**
- **Due NLT 9 months after FY end**
- **FAA Audit Guide**
 - **Programmatic and Financial**
 - **Recommended Exhibits (Checklist/Schedule)**
- **No Commingling of PFC Revenue with Operating Funds**
- **Reconcile Year-End Quarterly Report**
- **FAA Monitoring/Reconciling**



Assurances

- **Part 158 – Appendix A**
- **5 – Nonexclusivity**
- **6 - Carryover Provisions**
- **7 - Competitive Access**
- **8 – Rates Fees and Charges**
- **10 – Record Keeping and Audit**



5. Nonexclusivity of Contractual Agreements.

- It will not enter into an exclusive long-term lease or use agreement with an air carrier or foreign air carrier for projects funded by PFC revenue. Such leases or use agreements will not preclude the public agency from funding, developing, or assigning new capacity at the airport with PFC revenue.



6. Carryover Provisions.

- **It will not enter into any lease or use agreement with any air carrier or foreign air carrier for any facility financed in whole or in part with revenue derived from a passenger facility charge if such agreement for such facility contains a carryover provision regarding a renewal option which, upon expiration of the original lease, would operate to automatically extend the term of such agreement with such carrier in preference to any potentially competing air carrier or foreign air carrier seeking to negotiate a lease or use agreement for such facilities.**



7. Competitive Access.

- It agrees that any lease or use agreements between the public agency and any air carrier or foreign air carrier for any facility financed in whole or in part with revenue derived from a passenger facility charge will contain a provision that permits the public agency to terminate the lease or use agreement if--
- (a) The air carrier or foreign air carrier has an exclusive lease or use agreement for existing facilities at such airport; and
 - (b) Any portion of its existing exclusive use facilities is not fully utilized and is not made available for use by potentially competing air carriers or foreign air carriers.



8. Rates, Fees and Charges.

- (a) It will not treat PFC revenue as airport revenue for the purpose of establishing a rate, fee or charge pursuant to a contract with an air carrier or foreign air carrier.
- (b) It will not include in its rate base by means of depreciation, amortization, or any other method, that portion of the capital costs of a project paid for by PFC revenue for the purpose of establishing a rate, fee or charge pursuant to a contract with an air carrier or foreign air carrier.
- (c) Notwithstanding the limitation provided in subparagraph (b), with respect to a project for terminal development, gates and related areas, or a facility occupied or used by one or more air carriers or foreign air carriers on an exclusive or preferential basis, the rates, fees, and charges payable by such carriers that use such facilities will be no less than the rates, fees, and charges paid by such carriers using similar facilities at the airport that were not financed by PFC revenue.



10. Recordkeeping and Audit.

- It will maintain an accounting record for audit purposes for a period of 3 years after completion of the project. All records will satisfy the requirements of 14 CFR part 158 and will contain documentary evidence for all items of project costs.



Advisory Circulars

- **Technical Specifications Apply to Project Implementation**
- **Federal Procurement Requirements Not Applicable**



National Initiative

- ➔ **Airports website for entering quarterly report data**
- ➔ **Use would satisfy Airport Distribution to Remitting Carrier Requirement**
- ➔ **2005 +**
- ➔ **Phase II – Carrier Reporting Information via Electronic Update**
- ➔ **Airports with non-Federal Quarters will need to report Monthly Revenue**