

SECTION 3. ASSIGNMENT OF RESPONSIBILITIES FOR PART 121 AND PART 135 CERTIFICATES AND CERTIFICATION PROJECTS

27. GENERAL. Because of the complexity of the process, the variety of specific job functions, and the inter-disciplinary coordination that must be accomplished, the task of certificating a Part 121 or Part 135 air operator shall be given the status of a project. FAA activities associated with a certification project and existing operators usually cross district office and regional geographic boundaries. Applicants for a certificate to operate under Part 121 or Part 135 and existing operators constantly revise their organizational structures and change their scope of operations. These changes may affect the capabilities of a district office. Regional Flight Standards Divisions are in the best position to know the capabilities of their district office and assigned personnel. Consequently, Regional Flight Standards Divisions must be responsible for assigning certification projects and certificate holding responsibilities to district offices. Regional Flight Standards Divisions shall specifically determine which district office will be assigned a certification project and have continuing responsibility for certificated Part 121 and Part 135 operators. The Regional Flight Standards Divisions must make periodic assessments of their existing certificate holder's operations to determine that the assigned district offices continue to be the best suited to fulfill certificate responsibilities for a particular operator.

29. PRINCIPAL BASE OF OPERATIONS. FAR Parts 121 and 135 use the term "principal base of operations" to mean the primary operating location as designated by the Administrator. A certificate holder must maintain its certificate and a complete and separate set of its operations specifications at its principal base of operations. Only one principal base of operations will be designated for a certificate holder. When designating a principal base of operations, the prospective certificate holder's or existing certificate holder's needs and recommendations should be carefully considered. The final decision, however, is the responsibility of the FAA. The district office having responsibility for the geographic area in which the principal base of operations is located shall be assigned certificate holding district office (CHDO) responsibilities. The principal base of operations and the responsibility for oversight of the certificate holder is part of the CHDO environment to include staffing considerations. It may be necessary to recruit or transfer inspectors, appropriately qualified for the type of operation, to the district office having geographic responsibility for the area in which the principal base of opera-

31. FACTORS TO BE CONSIDERED WHEN DESIGNATING A PRINCIPAL BASE OF OPERATIONS. The FAA's designation of a principal base of operation is essentially a determination of which district office will be assigned certificate holding responsibilities. In most situations this determination can be based on several predominant factors which clearly indicate a primary operating location and an obvious assignment of a CHDO. However in some situations the factors involved in determining the primary operating location and/or which district office is best suited for certificate holding responsibilities are complicated by the proposed or existing operation. Regional Flight Standards Divisions must consider all factors involved when designating a principal base of operations. Sometimes the decision will have to be based on a consensus of factors. Some factors which must be considered in descending order of priority include the following:

- A. Location and accessibility of an applicant's or existing certificate holder's key management personnel and other persons who have authority to make decisions on FAA matters
- B. Location of the main operations base and operations system control center
- C. Location of the main maintenance base and maintenance system control center
- D. Qualification of available district office inspectors with respect to the type of operation and aircraft
- E. Geographic centers of route structures and/or areas of operation
- F. The applicant's or existing certificate holder's corporate headquarters location
- G. Training locations
- H. Employee domicile locations

33. SPLIT MAIN OPERATIONS AND MAIN MAINTENANCE BASE LOCATIONS.

A. Occasionally a Part 121 or Part 135 operator will locate its main operations base and main maintenance base in different district office and/or regional geographic areas. Usually the operator's management personnel (operations and maintenance) are similarly separated and maintain offices or are most accessible at the location of the activity for which they are responsible. In these situations the most practical and ef-

efficient arrangement is to locate the principal operations inspector near the main operations base and the principal maintenance and avionics inspectors near the main maintenance base. Any full-time assistants should also be similarly located. Physical separation of these key inspectors, if not carefully managed, can result in serious coordination problems.

B. When an operator splits its main operations and maintenance bases the Regional Flight Standards Division shall decide which district office will be the CHDO. When two regions are involved, the respective divisions will coordinate and mutually determine which region is to assume responsibility for the operator and which district office within that region will be assigned certificate responsibilities. If the regions are unable to agree, the issues will be forwarded to AFS-1 for final determination. The basis for determining which region and district office is to be assigned certificate responsibilities will be a thorough consideration of the factors previously listed in paragraph 31 and any other relevant data.

C. The assigned CHDO management shall have overall responsibility for all FAA reporting requirements, technical administration requirements, and regulatory oversight of the operator. The CHDO (region) shall also be responsible for budgeting travel and other necessary funds for assigned principal inspectors and assistants to conduct appropriate work programs and certificate-holding responsibilities.

(1) When an operator is complex and large enough to warrant full-time principal inspectors (responsible solely for one operator), arrangements will be made to locate (satellite) respective principal inspectors in district offices that have responsibility for the geographic area where the appropriate main base is located. In these situations the satellite principal inspector and any full-time assistants shall report directly to the CHDO management on all functional and technical aspects of the operator. The CHDO shall have supervisory responsibility over the satellite principal inspector. The district office where the satellite principal inspector is located shall provide administrative support.

(2) When an operator is not complex and large enough to warrant full-time principal inspectors, Regional Flight Standards Divisions will take action as necessary to assure the following:

(a) The assigned principal inspectors are located in a district office responsible for the geographic area where the appropriate main base is located.

(b) The assigned principal inspectors report to the CHDO's management on all functional, technical

aspects, and other vital information concerning the operator.

(c) The district office management where the assigned principal inspectors are located has supervisory responsibility over the principal inspectors and must ensure the CHDO's certificate responsibilities are adequately supported.

D. In situations of split main operations and main maintenance bases, Regional Flight Standards Divisions must monitor the activities of the respective District Offices to assure that appropriate coordination is occurring. The assigned principal inspectors are physically separated and must be provided the necessary opportunities and tools to effect efficient and timely coordination on technical administration, surveillance, and investigatory matters associated with the operator. This coordination is essential to ensure that a standardized and common FAA position is taken with the operator.

35. REGIONAL COORDINATION FOR THE ASSIGNMENT OR REASSIGNMENT OF CERTIFICATE-HOLDING RESPONSIBILITIES.

A. If at any time, it is determined that the certification project should be reassigned to a different district office within a region or a district office in a different region, the Regional Flight Standards Divisions shall ensure that the transfer of work previously accomplished and still to be accomplished is thoroughly coordinated between the district offices. Coordination must include the transfer of working files, appropriate briefing of the applicant's personnel, and inter-district office briefings as necessary.

B. FAR 121.83 requires a certificate holder to obtain written approval from its CHDO at least 30 days in advance of any change in the location of its operations or maintenance base. If due to a change in location or a change in the overall scope of the certificate holder's operation (or for any other reason) the CHDO or any other district office believes certificate responsibilities should be reassigned, the district offices shall bring the matter to the attention of their respective Regional Flight Standards Division. If during a periodic assessment of certificate responsibility or from information forwarded by a district office, the Regional Flight Standards Division determines that certificate responsibilities need to be reassigned to another district office, one of the following actions shall be taken.

(1) *District Offices Within Same Region.* When the district offices are in the same region, the Regional Flight Standards Division will accomplish the following:

(a) Before reassignment, inspect the files of the losing CHDO which are maintained on the operator to determine if they are complete and up-to-date and take action as necessary to ensure completeness and currency. Inspection of these files should also identify open items and/or discrepancies which must be resolved.

(b) Interview the losing CHDO manager and principal inspectors to further identify open items and/or discrepancies which must be resolved by either the losing CHDO or the gaining CHDO.

(c) Decide how, when, and who will be responsible for resolving any open items and/or discrepancies.

(d) Arrange for a briefing of the gaining CHDO manager and prospective principal inspectors on the certificate holder's operation, key management personnel, and any open items and/or discrepancies that are being transferred for action by the gaining CHDO.

(e) Select a date to transfer certificate responsibilities.

(f) Arrange a briefing for the certificate holder concerning the decision, with an explanation for the need to reassign certificate responsibilities to another district office. Arrange an introductory meeting between the certificate holder's management personnel and the new CHDO manager and newly assigned principal inspectors.

(g) Supervise the transfer of the previous CHDO's operator files to the newly assigned CHDO.

(2) ***District Offices Not Within The Same Region.*** When district offices are not in the same region, the respective Regional Flight Standards Division will accomplish the following:

(a) Initiate inter-regional coordination and agree on the need to reassign certificate responsibilities. If the regions are unable to agree on a reassign-

ment of certificate responsibility, these issues will be forwarded to AFS-1 for final determination.

(b) The losing Regional Flight Standards Division will inspect the previously assigned CHDO operator files to determine if the files are complete and current. The Regional Flight Standards Division will take action as necessary to ensure completeness and currency. Inspection of these files should identify open items and/or discrepancies which must be resolved.

(c) The losing region will interview the losing CHDO manager and principal inspectors to further identify open items and/or discrepancies that must be resolved by either the losing CHDO or the gaining CHDO.

(d) The losing region will coordinate with the gaining region and agree on how, when, and who will be responsible for resolving open items and/or discrepancies.

(e) The gaining region will arrange for a briefing of the gaining CHDO manager and newly assigned principal inspectors on the certificate holder's operation, key management personnel, and open items and/or discrepancies being transferred for action by the gaining CHDO.

(f) The respective regions will select a date to transfer certificate responsibilities. The losing region will notify the operator's management personnel of the decision and give an explanation of the need to change the assigned CHDO.

(g) The gaining region will arrange a briefing for the certificate holder and an introductory meeting between the certificate holder's management personnel and the gaining CHDO manager and prospective principal inspectors.

(h) The respective regions will coordinate and supervise the transfer of the losing CHDO's operator files to the gaining CHDO.

36. - 40. RESERVED.

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