

Acquisition Categories



Federal Aviation
Administration

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Proposed Acquisition Categories

- **Five acquisition categories** have been created that have corresponding governance and documentation requirements.
- **Criteria:** Acquisition categories will be determined based on dollar thresholds, as well as qualitative factors such as program risk, complexity, political sensitivity, and likelihood of changes to the safety of the NAS.
- **Decision Authority:** The Joint Resources Council (JRC) remains the Final Decision Authority for large, complex programs; however, the investment decision authority for smaller, less complex programs is delegated (by definition) to other investment review forums.
- **Documentation:** Tailored documentation requirements have been created for all ACATs and existing documents have been consolidated to reduce duplicative work.

Acquisition Categories allow FAA to change the “one size fits all” approach of AMS.



Acq. Cat.	Acquisition Designation Criteria (if any of the criteria are met, the program is designated at that Acquisition Category)	Investment Decision Authority	Review Organizations
1	<ol style="list-style-type: none"> 1. Program has F&E costs greater than \$800M 2. Program has a single year of F&E funding greater than \$200M 3. Capital Program has O&M tail costs greater than \$500M 4. For non-NAS IT: FAA enterprise-wide impact or critical to mission support functions of the FAA 5. The aggregate rating of the following factors is high: <ul style="list-style-type: none"> ❖ Political Sensitivity; Risk; Complexity; ❖ Likelihood of changes to the safety of the NAS 	JRC	JRC Secretariat LOB Review Board ATO-P ATO-F AIO
2	<ol style="list-style-type: none"> 1. Program has F&E costs greater than \$300M but less than \$800M 2. Program has a single year of F&E funding greater than \$100M but less than \$200M 3. Capital Program has O&M tail costs greater than \$250M but less than \$500M 4. For non-NAS IT: FAA enterprise-wide impact or critical to mission support functions of the FAA 5. The aggregate rating of the following factors is medium to high: <ul style="list-style-type: none"> ❖ Political Sensitivity; Risk; Complexity; ❖ Likelihood of changes to the safety of NAS 	JRC	JRC Secretariat LOB Review Board ATO-P ATO-F AIO
3	<ol style="list-style-type: none"> 1. Program has F&E costs greater than \$100M but less than \$300M 2. Program has a single year of F&E funding greater than \$50M and less than \$100M 3. Capital Program has O&M tail costs greater than \$100M but less than \$250M 4. For non-NAS IT: (a) significant impact on a single or several FAA LOBs; or (b) impacts the mission support functions of the FAA 5. The aggregate rating of the following factors is medium: <ul style="list-style-type: none"> ❖ Political Sensitivity; Risk; Complexity; ❖ Likelihood of changes to the safety of the NAS 	ATO Program: ATO EC, FAE	ATO-P ATO-F
		Non-ATO Program: Assoc. Admin., CFO, FAE	AIO ATO-F
		Non-NAS IT Program: ITEB	CFO



Acq. Cat.	Acquisition Designation Criteria (if any of the criteria are met, the program is designated at that Acquisition Category)	Investment Decision Authority	Review Organizations
4	1. Program has F&E costs greater than \$20M but less than \$100M 2. Program has a single year of F&E funding greater than \$20M but less than \$50M 3. Capital Program has O&M tail costs greater than \$20M but less than \$100M 4. The aggregate rating of the following factors is medium to low : <ul style="list-style-type: none"> ❖ Political Sensitivity; Risk; Complexity; ❖ Likelihood of changes to the safety of NAS 	ATO Program: ATO EC, FAE	ATO-P ATO-F
		Non-ATO Program: Assoc. Admin., CFO, FAE	AIO ATO-F
		Non-NAS IT Program: ITEB	CFO
5	1. Program has F&E costs less than \$20M 2. Program has a single year of F&E funding less than \$20M 3. Capital Program has O&M tail costs less than \$20M 4. The aggregate rating of the following factors is low : <ul style="list-style-type: none"> ❖ Political Sensitivity; Risk; Complexity; ❖ Likelihood of changes to the safety of NAS 	ATO Program: LOB VP, SVP-F, FAE	ATO-P ATO-F
		Non-ATO Program: Assoc. Admin., CFO, FAE	AIO ATO-F
		Non-NAS IT Program: ITEB	CFO



Role of AEB in Process Execution

- **Establish/approve ACAT level for all existing investment acquisition programs¹**
- **Establish/approve ACAT level for all new investment acquisition programs²**
 - Nominally by IARD
 - Use standard template
- **Use objective financial and subjective criteria**
- **Approve of any AMS tailoring requests**
 - We expect volume of tailoring requests to go down with the introduction of ACATS and streamlining

¹ Being presented today to JRC for review/final approval

² List of newly categorized programs will be sent to JRC for review on a quarterly basis



Categorization of Existing Acquisition Programs



Categorization of Existing F&E Investments

- **AEB categorized “conventional” existing acquisition programs:**
 - Programs that have had a Final Investment Decision and are in Solution Implementation
 - Programs that are in Investment Analysis and heading towards a Final Investment Decision
 - Programs using RPDs but may not have had a formal Investment Analysis
- **AEB deferred categorization of other F&E investments which are not as directly applicable:**
 - PCB&T and major support services contracts (MITRE, TSSC, NISC, etc.)
 - Terminal & EnRoute facility modernization, sustain, replace
 - Etc.



Existing Programs - continue with JRC as IDA

ACAT 1

- ERAM
- ADS-B
- ASDE-X
- FTI
- Runway Status Lights Segments 1 & 2
- WAAS LPV Segment
- Data Communications
- Terminal Automation Modernization Phase 3
- Logical Access Authorization Control Service
- Two NextGen outyear planning items

ACAT 2

- ATOP
- NEXCOM Segments 1a & 2
- SWIM
- Instrument Flight Procedures Automation (IFPA)
- International Flight Inspection Aircraft – Bombardier Challenger
- Flight Standards Inspector Replacement Aircraft
- NAS Voice Switch
- NextGen Network Enabled Weather (NNEW)
- Aeronautical Information Management (AIM) Program
- Logistics Center Support System (LCSS)
- Instrument Landing Systems
- National Airspace System Recovery Communications (RCOM)
- Five NextGen outyear planning items

Awaiting JRC Approval



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Existing Programs - will have other IDA's

ACAT 3

- TFM
- ITWS
- ATCBI-6
- CATMT Work Packages 1 & 2
- RCISS Segment 2
- System Approach for Safety Oversight (SASO)
- TMA
- VSCS Tech Refresh Phase 2
- Low Cost Ground Surveillance
- Visual Nav aids – ALSIP Continuation
- Aircraft Related Equipment Program
- Terminal Sustainment
- CFE Expansion
- Alaska Flight Service Modernization
- Visual Nav aids – Replace VASI with PAPI
- VORTAC
- One NextGen outyear planning item

ACAT 4

- CFE UHF Replacement
- ASR-11 Tech Refresh
- TDWR SLEP
- ASOS P3I
- ASKME
- Next Generation VRRP
- ATCSCC Relocation
- Training Simulators Tower Cab
- Juneau Airport Wind System
- NEXRAD – Legacy, Icing and Hail algorithms
- Alaska Weather Camera Program Segment 1
- Airbus Simulator Purchase
- ECG Tech Refresh
- CIWS
- Integrated Display Systems
- WARP Tech Refresh
- Electronic Flight Strip System

Awaiting JRC Approval



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Existing Programs - will have other IDA's

ACAT 4 (cont'd)

- Airport Cable Loop Systems Sustained Support
- Runway Visual Range – Replacement/Establishment
- Distance Learning
- Visual Nav aids for New Qualifiers
- FDIO Replacement
- Sustain DME
- Visual Nav aids – Replace, Sustain and Relocate
- ANICS Modernization – ASTI
- NAS Training – Equipment Modernization
- CFE – RFI Elimination
- ATOMS LAN/WAN
- Eight NextGen outyear planning items

ACAT 5

- Aircraft Related Equipment Program – Simulator Replacement
- ASR/WSP Tech Refresh
- EnRoute Training Simulation System (ERTSS)
- ITWS Tech Refresh
- IFPA Tech Refresh
- Beacon only site – facility establishment
- San Juan facility remediation
- NAS IDLM
- Route Availability Planning Tool
- 29 NextGen outyear planning items

Proposed Acquisition Category Documentation

- **Intent is to focus the documents**
 - Programs to create documents, and Review organizations need to analyze
 - Succinct and Concise Documents and Analysis providing the necessary & sufficient information for decision making by IDA
 - Right-sized documents and analysis will ENSURE Executives read packages in preparation for the IDA will review
- **Intent is to focus on internal FAA decision-making needs**
- **AMS Investment Analysis phases re-worked so far**
 - Concept & Requirements Definition is work to be done yet

Acquisition Category 1: Documentation for *Final* Investment Analysis/Decision

- **Final Program Requirements Document**
 - Tailoring is still “under construction”
 - *Expect no more than 35 pages*
- **Final Business Case**
 - Tailoring is “under construction”
- **Final Implementation Strategy & Planning Document (ISPD)**
 - Major re-engineering of document
 - Add specific ATO VP signatures for some sections
 - *No more than 35 pages*
- **Acquisition Program Baseline (new/re-established)**
 - Cost, schedule, performance
 - Obtained from Requirements Document, Business Case, and ISPD
- **In Service Review Checklist**

Acquisition Category 1: Documentation for *Initial* Investment Analysis/Decision

- **Initial Program Requirements**
 - Tailoring is still “under construction”
 - *No more than 35 pages*
- **Initial Business Case**
 - Tailoring is “under construction”
- **Initial Implementation Strategy & Planning Document**
 - Major re-engineering of document
 - Only five sections required (with page limits) for *initial* document
 - Add specific ATO VP signatures for some sections
- **Final Investment Analysis Plan**

Documentation for Investment Analysis/Decision

- **ACATs 2, 3, 4, and 5:**
 - Documentation requirements are same as ACAT 1, except for page limits for ISPD
 - ACAT 2 is also 35 pages
 - ACAT 3 & 4: 25 page limit
 - ACAT 5: 15 page limit
 - Caveat: Requirements Document and Business case tailoring are still “under construction”

ACATs and Verification and Validation

What do you think.....

.....Is there a way to scale V&V activities for different ACAT categories???

