

ORDER

U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

GL AF 2500.5

GREAT LAKES REGION

3/27/95

**AIRWAY FACILITIES FISCAL PROGRAM MANAGEMENT - FACILITIES AND
EQUIPMENT (F&E) APPROPRIATION, ACTIVITY 5 PERSONNEL AND RELATED
SUBJ: EXPENSES (PCB&T)**

1. **PURPOSE.** This order establishes policy and procedure to identify, allocate, and manage Facilities and Equipment (F&E) Activity 5 fiscal resources used by various organizational elements of the Great Lakes Region. The order also provides for a normal fiscal operating environment by using a quarterly allocation process which incorporates resource planning and prioritization, and which establishes controls.
2. **DISTRIBUTION.** This order is distributed to the division level and above in the Logistics Division and Air Traffic Division in the Great Lakes Region, to the section level and above in the Airway Facilities Division, and to all Airway Facilities Sector and field offices.
3. **BACKGROUND.** Due to Congressional mandates, the F&E appropriation is undergoing major changes. A recent revision created Activity 5 to fund Personnel Compensation, Benefits, and Travel to include all direct and indirect F&E personnel costs. The Congressional mandates, coupled with various resource allocations, have necessitated policy changes to the Activity 5 program. This order is a result of requests from entities within the Great Lakes Region for a budget program which is both flexible and establishes necessary controls for the use of available funds.
4. **FISCAL PROGRAM GOAL.** The overall goal of the fiscal program is to ensure that available funding is dedicated to the highest priority programs, activities, and functions and is consistent with existing regulations. Sound program management by all personnel is necessary for attainment of this goal.
5. **PROGRAM MANAGEMENT.** Program management is a tool used to plan for the future, control the present, and make adjustments based on the highest priority and current needs. Effective fiscal program management incorporates advance planning for identification of needed resources, timely obligation, and accurate expenditure of funds. Conformance to requirements and ongoing evaluation to identify and resolve problems are integral parts of quality program management.
6. **PHASES OF THE F&E APPROPRIATION BUDGET.** The overall development and execution of the budget encompass two main phases:
 - a. **Planning Phase.** Funding requirements are developed during this phase. Long-term planning is accomplished with the annual Call for Estimates, which originates at the Headquarter level and concludes at the lowest organizational levels. From the budgetary submissions provided in response to the Call, the agency develops estimates for upcoming fiscal years.

Distribution: A-X(LG/AT)-2; A-X(AF)-4; A-FAF-0(LTD)

Initiated By: AGL-422

b. Execution Phase. This phase is the obligation and expenditure of funds against the approved annual financial plan. Like the planning phase, this process is accomplished at all levels within the agency and region.

7. RESPONSIBILITIES. The Manager, Airway Facilities Division, AGL-400, has the overall responsibility to manage the region's F&E appropriation, to ensure the efficient utilization of allocated fiscal resources and to interface with the Budget Division, AGL-30, the Division Management Team (DMT), and the Regional Management Team (RMT). The following specific responsibilities apply within the Airway Facilities Division:

a. The responsibility of the Resource and Planning Branch, AGL-420, is the staff work and support of fiscal program management.

b. The F&E NAS Planning Section, AGL-422, is responsible for the day-to-day management of the F&E fiscal program. The section monitors the overall budget and develops procedures for tracking funding obligations and adjustments to maintain control of the funding allowance. AGL-422 makes recommendations for efficient and effective use of resources. Fiscal allocations and policy changes are made with the concurrence of AGL-422.

c. All managers and supervisors are responsible for management of the fiscal program for their respective organizations. They will initiate a process to manage the expenditure of funds within current approved fiscal allocations. Their program should include analysis of trend data, indicators to identify potential problems, and means to monitor performance. Overall performance in this area will be measured according to the procedures outlined in this order. Managers may delegate the monitoring and controlling functions of their program.

d. Managers and supervisors are responsible for projecting the fiscal requirements for their organizations and submitting these requirements to the parent organization fiscal manager. The managers/supervisors shall ensure timely obligation of funds in accordance with the fiscal plan and statutory and regulatory requirements. Their responsibilities include activities required in requesting funds and reporting expenditures. They are responsible for familiarity and compliance with the current version of the following directives:

- (1) Order 2500.8, Budget and Fiscal Management.
- (2) Order 2500.10, Regional Facilities and Equipment (F&E) Budget Process.
- (3) Order CE/GL 1370.3, FAA Standard Codes Handbook.
- (4) Order GL 4402.2, Small Purchases.

8. FUNDS (OBJECT CLASSES) AUTHORIZED. For organizations other than the Establishment Engineering Branch, AGL-450, only the object classes for overtime and travel are permitted. Allocations are made to the branch manager, sector manager, staff manager, individual in an acting capacity, or to a delegated individual.

a. AGL-450 funding shall be for all object classes for which Activity 5 funds are authorized.

b. Funding authority in object classes other than those authorized has not been delegated. **OBLIGATING GOVERNMENT FUNDS WITHOUT AUTHORITY IS PROHIBITED.**

9. **ALLOCATION OF AUTHORIZED FUNDS.** Authorized funds will be allocated on a quarterly basis to the divisions, branches, and sectors. First quarter distribution will depend upon the timeliness of the division's receipt of our quarterly Project Authorization from the budget office. During periods of continuing Congressional resolutions or other delays in processing the annual program, there may be a corresponding delay in making the distribution. If spending controls are placed on the division by Headquarters, you will be notified at once. The actual authorizations will be based on quarterly fiscal request submissions, identifying by object class the anticipated spending in the upcoming quarter. (Reference paragraph 11). Authorization will be provided in writing, on form GL 2500-20, Great Lakes Project Authorization (Appendix 1), by the first working day of the second month of the quarter.

10. **NATIONAL TRAVEL.** Travel performed in support of national programs is funded from the appropriate Associate Program Manager (APM) in headquarters to the appropriate Regional Associate Program Manager (RAPM). Such travel might include Operational Test and Evaluation (OT&E), Deployment Readiness Review (DRR), and National Airspace Integrated Logistic Support (NAILS) Meetings. The RAPM's will provide the funding and appropriation code for this travel.

11. **REQUESTS FOR ALLOCATION OF FUNDS.** To ensure fiscal allocations are utilized for the highest priorities first, the fiscal requests should be detailed. The requests shall outline specific goals to be achieved with funding in each object class. They must include an explanation of accomplishments expected or the purpose for the requested funding. Requests shall be on an EXCEL spreadsheet to include, by event, the number of employees, program, purpose, organizational priority, and estimated cost by object class. The spreadsheet is described in Appendix 2. Copies of the spreadsheet will be furnished to customers by AGL-422. Requests are required by close of business the last working day of June.

12. **DISTRIBUTION GUIDELINES.** Personnel costs and benefits for F&E personnel will be reserved. Distribution of the remaining funds will be prioritized based on the request's level of significance to the accomplishment of the F&E Program and on complete, justified descriptions. Items considered most **ESSENTIAL** will be funded first. Consideration will be given to what happens to both the immediate and the long-term accomplishments of the F&E program, if the request is deferred. Requests which have a significant impact will have the highest priority for funding. Historical spending patterns will be considered.

13. **OBLIGATION OF ALLOCATED FISCAL AUTHORIZATIONS.** Obligation of funds is constituted when an **OBLIGATING DOCUMENT** has been processed by the Accounting Division, ACE-20. A purchase that has been made but the bill not yet forwarded to Accounting for payment is an **UNOBLIGATED EXPENDITURE**. Departmental Accounting Financial Information System (DAFIS) has no way of reflecting the amount of unobligated expenditures at any one point in time.

a. Listed below are **OBLIGATING DOCUMENTS** which will constitute an obligation when entered into DAFIS:

- (1) Government Purchase Order-Invoice-Voucher (SF-44).
- (2) Imprest Fund Reimbursement Voucher.
- (3) Government Transportation Requests.
- (4) Credit Card Monthly Billing Statements.
- (5) Travel Order for Temporary Duty.
- (6) Travel Vouchers/Travel Agency Reports.
- (7) Unvouchered Travel Reports.
- (8) Contract Action Data Sheets - Result of a Procurement Request for service to be performed.
- (9) Purchase Orders - Result of a Procurement Request for an individual purchase.
- (10) Time and Attendance Reports (T&A's) (Overtime).
- (11) Labor Distribution Reports (LDR's)(Overtime transfer charges).
- (12) Cash Award Payment Authorization and/or Recognition and Award Transmittal Form. (Region Funds for AGL-450 only).
- (13) Customer Supply Center (CSC) Invoices.

b. Submission of a Procurement Request, FAA Form 4400-19, does not constitute a legal obligation nor an expenditure against a budgeted plan. A Procurement Request is merely a request for a purchase to be made. Procurements must be closely monitored to see when their expenditure will take place, and budget plans must be prepared accordingly. This is absolutely critical during the 4th quarter of the fiscal year.

14. REPORTING REQUIREMENTS.

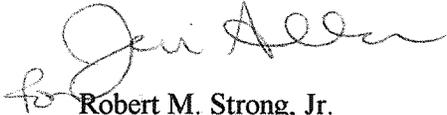
a. Each organization receiving Activity 5 funds, other than AGL-450, shall furnish a quarterly report to AGL-422 by the fifteenth of the month following the end of the quarter. Reports shall be on an EXCEL spreadsheet to include, by event, the number of employees, program, purpose, organizational priority, and estimated cost by object class. The spreadsheet is described in Appendix 3. Copies of the spreadsheet will be furnished to customers by AGL-422.

b. Organizations failing to furnish the quarterly report may have funding restricted or be required to request funds on a case-by-case basis for the following quarter.

c. Automated reporting can be accomplished by attaching the spreadsheet to a cc:Mail message addressed to AGL-422.

15. **READJUSTMENTS TO FUNDS**. All branches and sectors will be afforded an opportunity each quarter to turn back surplus funds or, depending on funding availability, request additional allocations.

16. **PERFORMANCE MEASUREMENT**. Performance in fiscal program management will be measured quarterly and annually. Funds must be obligated within + or - 1% of the overall annual allocation. Organizations who do not meet the tolerance may have funding restricted or be required to request funds on a case-by-case basis. The region, division, branches, and sectors are held accountable for **OBLIGATIONS** made during an annual reporting period as reflected in DAFIS. Performance will be measured from these reported expenditures. Branches and sectors will be held accountable to their overall allocation for the entire fiscal year.



Robert M. Strong, Jr.
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FACILITIES and EQUIPMENT QUARTERLY FISCAL PROGRAM

(RIS: GL AF 2500-4)

GREAT LAKES REGION PROJECT AUTHORIZATION

FROM: AGL-420

ISSUE DATE:

TO: AGL-50

FY: 1995

GL-PA# 50-01

COST CENTER: 8050

HQ PA #	FUND SOURCE	JON	ANNUAL AUTHORIZATION	F&E QUARTERLY PROGRAM			
				1st QTR	2nd QTR	3rd QTR	4th QTR
GL-94-	5A01		\$0				
TOTAL			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Your appropriation code is: C582P.0/CCC/810/XXXyyyyy/object class
 CCC = your cost center code; XXX = ; yyyy = the assigned Job Order Number

Assistant Manager, Resource and Planning Branch, AGL-420.1

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FIGURE 1. GREAT LAKES PROJECT AUTHORIZATION FORM, GL 2500-20
 (RIS: GL AF 2500-4)

GL AF 2500.5
 Appendix 1

**APPENDIX 2. EXPLANATION OF ACTIVITY 5 REQUEST
EXCEL SPREADSHEET**

1. **ORG/PROG.** This is the organization name or the name of the program for which this request is made.
2. **PURPOSE.** Self explanatory.
3. **AP Approved.** Entries here to be made by AGL-422 only.
4. **SALARIES, OVERTIME, TRAVEL, SUPPLIES, and SERVICES.** The dollar amount of the request. Supplies and services are not authorized for any organization other than AGL-450.
5. **TC Travel Code.** Use one of the following codes:

01 Refurbish Structures	06 Training (For F&E funded personnel only)
02 Meetings	07 Details
03 Seminars	08 Organizational Management Travel
04 Construction	09 Leases
05 Installation	10 Other (specify)

If more lines are required, select the number of lines required by placing the mouse on the row number and dragging down the number of rows required. Select EDIT, INSERT. This procedure will not destroy any named cells or formulas.

To increase the size of the purpose field, position the cursor in the appropriate cell. Select FORMAT, ALIGNMENT, TEXT WRAP. The cell will now accept up to 240 characters.

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APPENDIX 3. INSTRUCTIONS FOR ALLOTMENT and EXPENDITURES SPREADSHEET

If more lines are required, select the number of lines required by placing the mouse on the row number and dragging down the number of rows required. Select EDIT, INSERT. This procedure will destroy the formulas in the balance column. To restore the formulas, select the BALANCE cell directly above the point of insertion. Select EDIT, COPY. Select the first BALANCE cell inserted and drag down the number of rows inserted. Select EDIT, PASTE. The formulas are now restored.