



**U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION**

**ORDER
4250.9C**

National Policy

Effective Date:
03/18/2021

SUBJ: FAA Supply Chain and Field Materiel Management

This order updates the Air Traffic Organization (ATO) materiel management and control for the Technical Operations Services. It modernizes policy for management of materiel across the Federal Aviation Administration (FAA) supply chain.

This order complements related directives, which provide detailed guidance in the specialized areas of administrative management and technical applications. FAA personnel should co-locate this order with the other National Airspace System (NAS) Policy and Services orders and directives.

A handwritten signature in black ink, reading "Jeffery S. Planty".

Jeffery S. Planty
Vice President, Technical Operations Services

Table of Contents

<i>Paragraph</i>	<i>Page</i>
Chapter 1. General Information	1
1. Purpose of This Order	1
2. Audience	1
3. Where Can I Find This Order.....	1
4. What This Order Cancels.....	1
5. Explanation of Policy Changes.....	1
6. Air Traffic Organization (ATO) Guiding Principle.....	1
7. Scope.....	2
8. General Supply Chain Management Principles	2
Chapter 2. Supply Chain Operational Reference (SCOR®) Model.....	4
1. Introduction SCOR Model.....	4
2. Key FAA Supply Chain Elements.....	4
Chapter 3. FAA Supply Chain Organizational Responsibility.....	6
Chapter 4. FAA Supply Support Policy.....	9
1. Facility and Equipment Management.....	9
2. Configuration Management.....	10
3. Inventory Management.....	10
4. Location, Transportation and Warehouse Management.....	11
5. Information and Performance Management.....	13
Chapter 5. FAA Supply Chain Management	15
1. Supply Support Programs and FAA Supply Chains.....	15
2. Integrated Logistic Support (ILS)	15
3. Capital Investment Programs (CIP) / F&E Projects Materiel Management (PMM) Program	15
4. NAS Maintenance Support Program.....	17
5. FAA Logistics Center - Internal FAA Depot.....	18
6. Contractor Maintenance Logistics Support-External FAA Maintenance Support	19
7. Contractor Depot Logistics Support - External FAA Depots.....	19
8. FAA Field Spares Inventory	20
9. Field Level Acquisitions.....	21
Appendix A. Supply Chain Process and Procedure Guides	A-1

Chapter 1. General Information

- 1. Purpose of This Order.** This order updates current order and policy for the Federal Aviation Administration (FAA) overall supply chain management philosophy, general supply support policy and the requirements essential for managing and maintaining the National Airspace System (NAS).
- 2. Audience.** This order applies to all Headquarters, Technical Center, Logistics Center, Academy, Service Area, Service Center, Control Center, District, and System Support Center (SSC) personnel.
- 3. Where Can I Find This Order.** You can find an electronic copy of this order on the Directives Management System (DMS) website:
https://employees.faa.gov/tools_resources/orders_notices/. Or go to the MyFAA Employee website, select "Tools and Resources", then select "Orders and Notices." You can also find this order on TechNet at <http://technet.faa.gov>, dropdown ORDERS.
- 4. What This Order Cancels.** This order cancels and replaces Order 4250.9B, Field Materiel Management and Control, issued January 24, 1992.
- 5. Explanation of Policy Changes.** This revision incorporates changes resulting from field, service area, and headquarters comments, organizational realignment, plain language initiatives, and the Technical Operations Concept of Operations document. These changes include:
 - a.** Updates to define current supply chain and logistics enterprise principles, including an industry supply chain framework, Supply Chain Operational Reference (SCOR®).
 - b.** Consolidation of information previously divided into several agency guidance documents.
 - c.** Updates to FAA systems/tools and organizations
 - d.** Updates to align with Acquisition Management System (AMS) Integrated Logistic Support (ILS) policies.
 - e.** Updates to align with current FAA Order 6000.15H General Maintenance Handbook for NAS Facilities and Technical Operations Services Concept of Operations.
 - f.** All referred to Directives in this order are to utilize current versions.
- 6. Air Traffic Organization (ATO) Guiding Principle.** The ATO guiding principle, as stated in FAA Order 6000.15H, General Maintenance Handbook for NAS Facilities, is to ensure that all facilities are capable of satisfying the NAS mission, regardless of the organization that maintains the facility. ATO must meet the needs of the FAA's operational mission by:
 - a.** Complying with FAA standards and procedures;

- b.** Ensuring safe operation of the NAS;
- c.** Measuring and improving performance;
- d.** Monitoring and minimizing cost.

7. **Scope.** This order updates and establishes common supply chain management and logistics enterprise policy, assigns responsibilities, and prescribes agency principles for the management and control of the agency's supply chain. The objectives are to operate a high-performing and agile supply chain that is responsive to customer requirements while balancing risk and total cost.

a. General Supply Support Philosophy. The ATO Supply Support and Supply Chain Management programs shares the ATO Maintenance Program's dedication "to ensuring safety and providing the best possible service for the lowest possible cost" as stated in FAA Order 6000.15H. The Technical Operations Services 2015 Concept of Operations emphasizes the agency's supply support philosophy, "This means having the right repair part and supplies available, in the right quantities, at the right place, time and price".

b. FAA Supply Chain Management. FAA supply support must contain key elements which enable FAA supply chain activities for life-cycle maintenance of NAS systems. Supply chain activities must align with the ATO's maintenance philosophy and activities leading to optimal NAS infrastructure management. Supply chain management meets customer-driven materiel requirements through the acquisition, maintenance, transportation, storage and delivery of materiel to customers, and managing materiel returns, movement of reparable materiel to and from maintenance facilities. Supply chain management ensures the exchange of information among customers, maintainers, supply chain managers and suppliers.

Through this order the FAA adopts an industry and Department of Defense utilized framework, SCOR®, for managing its supply chain. SCOR remains the global standard for supply chain excellence. SCOR provides a cross-functional process framework that addresses standardization of processes, metrics, practices and skills via their pre-defined relationships. The FAA applies the SCOR framework to multiple supply chains to measure and understand current supply chain conditions and performance, creating a foundation for continuous improvement.

8. General Supply Chain Management Principles. This order provides key supply chain principles and policies compiled into a structured and workable approach for achieving progress toward fully incorporating supply chain management into the FAA logistics process. Supply support of systems, subsystems, and equipment in the NAS will follow these supply chain management principles:

a. Structure materiel management to provide responsive, consistent, and reliable support to maximize availability and reliability of air traffic control, communication, navigation, and surveillance services to the extent practical, consistent with the highest level of safety and established FAA policies, procedures, and practices.

b. Establish end-to-end processes focused on achieving FAA goals and meeting customer needs in the most efficient way possible within the bounds of acceptable risk, including security risk & supply chain risk management.

c. Provide best-value materiel and services for the agency and tax payer.

d. Consider all life-cycle costs associated with materiel management, including acquiring, distributing, transporting, storing, maintaining, repairing, protecting, and final disposition/disposing.

e. Employ risk management strategies, such as Supply Chain Risk Management, to identify and assess potential supply chain disruptions:

(1) Within the FAA supply chain (e.g., insufficient quality, unreliable suppliers, imbedded threats or access points, machine break-down, uncertain demand, vulnerability from interruptions and interdiction of supplies, including fuel and electric power).

(2) Outside the FAA supply chain (e.g., floods, attacks, labor strikes, natural disasters, large variability in demand).

(3) Reduce exposure to potential disruptions, monitor the supply chain to provide as much early warning as possible, and mitigate the effects of problems that do occur.

(4) Maintain records and documentation for purposes of financial and property audits.

Chapter 2. Supply Chain Operational Reference (SCOR®) Model

1. Introduction SCOR Model. The SCOR model was developed by the supply chain council (<http://www.apics.org/apics-for-business/frameworks/scor>) with the assistance of 70 of the world's leading manufacturing companies. SCOR is a management tool used to address, improve, and communicate supply chain management decisions within a company/agency and with suppliers and customers. The framework focuses on five areas of the supply chain: plan, source, make, deliver, and return. These areas repeat again and again along the supply chain. Such categorizations permit a standard credible approach for a company/agency tasking of actions, management oversight, and division of available workforce.

a. Plan: Planning activities associated with operating a supply chain include gathering customer requirements, collecting information on available resources, and balancing requirements and resources to determine planned capabilities and resource gaps. This is followed by identifying the actions required to correct any gaps. An additional essential process within Plan is communicating the plan throughout the organization.

b. Source: Obtain, receive, inspect, hold, issue and authorize payment for materials and finished goods. The Source processes include the ordering and receipt of goods and services. It includes issuing purchase orders, scheduling deliveries, receiving, shipment validation and storage, and accepting supplier invoices.

c. Make/Maintain: Request and receive material; manufacture and test product; package, hold and/or release product. Make activities are associated with the conversion of materials or creation of the content for services. It focuses on conversion of materials rather than production or manufacturing because Make represents all types of material conversions: assembly, chemical processing, maintenance, repair, overhaul, recycling, refurbishment, remanufacturing, and other material conversion processes. Generally these processes are recognized by the fact that one or more items go in, and one or more different items come out of this process.

d. Deliver: Execute order management processes; generate quotations; configure product; create and maintain customer database; maintain product/price database; manage accounts receivable, credits, invoicing; execute warehouse processes including pick, pack and configure; create customer-specific packaging/labeling; consolidate orders; ship products; manage transportation processes and verify performance.

e. Return: Defective, warranty, and excess return processing, including authorization, scheduling, inspection, transfer, warranty administration, receiving and verifying defective products, disposition and replacement. The Return processes activities are associated with the reverse flow of goods back from the customer. The Return process includes the identification of the need for a return and the disposition decision making.

2. Key FAA Supply Chain Elements. SCOR integrated processes of Plan, Source, Make/Maintain, Deliver, Return and a series of Enable elements for each process, are used for developing, improving and conducting materiel management activities throughout the FAA

supply chain to satisfy support requirements. The Enable processes manage the relationships, performance and information for the supply chain. This includes the management of business rules, supply chain performance, data and information, as well as supply chain assets, related contracts, configuration and regulatory compliance.

As components of the SCOR processes, the FAA has identified key supply chain elements that play an integral role in enabling the Agency to achieve supply chain optimization. These elements, Facility and Equipment Management, Configuration Management, Inventory Management, Location /Transportation /Warehouse Management, and Information and Performance Management, form the key components of overall supply chain management.

Chapter 3. FAA Supply Chain Organizational Responsibility

1. Vice President of Technical Operations (AJW-0): The ATO is the line of business charged by the FAA Administrator to provide NAS services. The Administrator has in turn, through the executive leadership, assigned to the Vice President of Technical Operations the mission of ensuring that the NAS operates at the required level of service. Per Acquisition Management System, Section 4.3 the Technical Operations organization is the office with primary responsibility for maintenance and logistics policy and guidance.

2. Operations Support (AJW-1): Provides the support structure, methodology, tools, procedures, performance monitoring and assurance necessary for the proper operation and maintenance of the National Airspace System and the Technical Operations Service Unit. The multiple Operations Support Groups ensure compliance with the FAA's maintenance and supply chain management principles, policy and processes.

3. NAS Integration and Support Group (NISG) (AJW-13): NISG is the Technical Operations (Tech Ops) representatives for Capital Investment Programs and Next Generation (NextGen) integration and implementation of systems in the NAS. NISG provides policies, management, visibility, and processes for the Technical Operations lifecycle management support for NAS systems through initial acquisition, solution implementation, receiving and installing equipment, maintenance, and final disposition. NISG In-Service Managers (ISM) are the primary Technical Operations interface between the Program Management Office (PMO) and field organizations for pre and post In-Service Management activities.

4. NAS Engineering Group, (AJW-14): Provides national support for software, hardware, technical documentation and direct engineering support for operational NAS equipment. The NAS Engineering Group works closely with AJW-13 NISG's ISMs, FAA Logistic Center (FAALC) and NAS Supply Support Team to enable and comply with FAA supply chain management principles and policy. The NAS Engineering Group manages the National Test Equipment Program (NTEP). The NTEP is responsible for calibration, maintenance, and management of test equipment. Test equipment verifies that all NAS platforms/systems/part are functioning per manufacturer operating tolerances thus a vital part of supply chain management.

5. Communications, Flight Service & Weather Engineering Group, (AJW-17): Provides national software, hardware, technical documentation and 2nd level engineering support for operational NAS equipment. Works closely with AJW-13 NISG's ISMs, FAALC and NAS Supply Support Team to enable and comply with FAA supply chain management principles and policy. AJW-17 develops and maintains mission support systems including the Logistics Center Support System (LCSS) and Remote Monitoring and Logging System.

6. NAS Supply Support Team, (AJW-136): Provides agency supply chain management policy in support of NAS service management. Manages agency's supply chain programs such as, the Maintenance Support Program (MSP), Field Spares Inventory (FSI), Project Materiel Management (PMM), and Contractor Depot Logistics Support (COLS). Serves as the agency's Logistic Element Managers (LEM) for ILS elements Supply Support and Packing, Handling,

Shipping & Transportation (PHS&T), part of any Integrated Logistics Management Team (ILMT).

7. NAS Policy and Services Planning Team, (AJW-137): Is responsible for FAA directives, policy-generated memos, and various analytical tools for NAS Operations including the NAS Maintenance Policy, General Maintenance Handbook for NAS Facilities, Reliability Centered Maintenance (RCM) and NAS System Infrastructure Failure Response Codes, all with which the FAA supply chain management must align and support.

8. Federal Aviation Administration Logistics Center (FAALC) (AJW-L): Is the agency's centralized depot established as a Franchise Fund operation in 2001. Governance is provided through the FAA Franchise Management Council. As prescribed by AMS Section 4.3 policy: the Logistic Center provides in-house integrated supply chain management, depot support, and logistics services. FAALC responsibility includes site services, inventory management, Maintenance, Repair, and Overhaul (MRO) and distribution of FAA-owned and supported NAS assets. FAALC is a service provider for Maintenance Support Facilities, Supply Support, Support Equipment, and PHS&T, working in conjunction with LEMs. FAALC provides additional goods and services, such as first level engineering, parts cataloguing, warehousing and distribution, through multiple Franchise Fund agreements with Operations Support and other FAA organizations.

9. Technical Operations Service Areas (AJW-E, AJW-C, and AJW-W): Provide significant roles and share responsibilities with AJW-1, AJW-L and other stakeholders in FAA's supply chain management. Decisions are made on the basis of total enterprise-wide cost and performance objectives rather than the performance of an individual function or organization, work together to optimize process management, business decisions, and resource allocations. They maximize business acumen to efficiently manage resources without sacrificing quality and service. Technicians verify, adjust and certify every piece of equipment currently in the NAS. They research, test and install future equipment. In performing this mission, they ensure logistics processes are efficient and integrate supply chains of private sector and organic providers that ensures full customer-oriented support to the NAS. Processes such as configuration management, reliability improvement, management of hazardous waste byproducts, and other long-term functions become integral parts of their supply chain responsibility even after delivery of the product or service to the customer.

10. Mission Support Services (AJV-E, C, W): Administrators agency's shared technical and program services. Within each Service Center, the Business Operations Support Teams (AJV-65E, C, W) provides supply chain management guidance and awareness, serving as Service Area coordinators for the MSP/FSI supply support programs and LCSS. AJV Service Area Coordinators provide information and reports to Directors, District Managers and Program Operations groups, such as, MSP financial expenditure, purge, Exchange and Repair (E&R) due-in, and field spares inventory.

11. Aviation Property Management (APM-001): Provides real and personal property mission support across the FAA including Government Property tagging and contractor reporting requirements. The Policy, Planning & Systems Division, APM-200 and Property Operations

Division, APM-400 provide national policy, guidance, oversight and system support of agency-wide real and personal property assets (leased and owned) from the point of delivery to final disposition and disposal. APM provides FAA asset identification standards, manages the agencies assignment and distribution of FAA Global Individual Asset Identifier (GIAI) series. Also within the Property Operations Division, Facilities & Equipment (F&E) Project Materiel Managers located within the Service Areas, are responsible for accomplishment of logistical support to NAS F&E projects in accordance with agency project materiel and property management policy. The Contract Property & Transportation Branch, APM-420 is the organization responsible for Property Administration and Transportation Management Services ensuring contractor's compliance with contract requirements and procurement regulations pertaining to Government property in their possession and the procurement of transportation service providers to ship Government property.

12. Business, Product and Service Groups (AJM-0, AJW-2, AJW-1): Any individual group or organization that has responsibility to acquire or upgrade NAS system must support NAS supply chain management including the design, planning, execution, control, monitoring, and risk management of supply chain activities with the objective of creating net value, building a competitive infrastructure, leveraging logistics, synchronizing supply with demand and measuring supply chain performance. Teams within these organizations oversee systems from initial concept to design and development and manage the deployment and sustainment of the system. Within the program office, Washington Item Managers (WIM) are responsible to manage nationally F&E project materiel. Program offices provide integrated logistics support activity plans, establishes, and sustains complete lifecycle support for FAA products and services. The acquiring/program management office, assigns a Service Team Logistics Manager (STLM) and establishes an ILMT per AMS Section 4.3. Integrated Logistics Support. They collaborate supply support strategies with the NISG ISM and NAS Supply Support Team throughout the acquisition process and consult with NAS Supply Support Team during the establishment of COLS, Contractor Maintenance Logistics Support (CMLS), and/or FAALC Service Order Agreements as needed.

13. Other depots and warehouses: This includes the Agency's COLS, CMLS, and F&E warehouses, such as, Anchorage ZAN Warehouse, Central Services Area's Staging Area Center and Mobile Asset Deployment Center. These facilities shall execute supply support and supply chain management in accordance with this order.

Chapter 4. FAA Supply Support Policy

The FAA uses the SCOR® processes; Plan, Source, Make/Maintain, Deliver, Return and Enable as a standard framework for developing, improving and conducting the Agency supply chain management functions to satisfy NAS support requirements. Each of the supply chains and supply support programs document their fulfillment of the SCOR processes in associated Standard Operating Procedures (SOP), Handbooks and/or Process and Procedure Guides.

Key components of the SCOR processes will be used by the FAA to enable supply chain optimization. These key components include; Facility and Equipment Management, Configuration Management, Inventory Management, Location /Transportation /Warehouse Management, and Information and Performance Management.

1. Facility and Equipment Management

a. The FAA shall provide effective planning, acquisition, and control of materiel required for the establishment, replacement, installation and modification of the NAS. Project materiel management processes bring all necessary equipment and materiel required to establish or improve NAS facilities from initial planning through project closeout.

b. The FAA shall identify the source of supply for all inventory assets.

c. Acquiring offices will provide a comprehensive Recommended Spare Parts List (RSPL) for site and depot level spare parts (including Government Furnished Equipment spares, if any). Spare and repair parts for site level maintenance will be identified to the Lowest Replaceable Unit (LRU) level. Spare and repair parts for depot-level maintenance will identify LRUs and any piece parts within the LRU. Updates to the RSPL will be made in response to modifications that introduce new variations of equipment into the FAA inventory.

d. For some programs/systems, the FAALC may provide a separate Spares Planning Model recommendation with regards to depot spares as required for organic, Contractor Repair Support and CDLS support. This is based on delivered Contract Data Requirements List (CDRL)/Data Item Description (DID) for Logistics Management Information reflecting an approved configuration baseline achieved following a successfully documented Physical Configuration Audit.

e. The FAA supply chain management, utilizing LCSS, shall keep facility information updated per the Facility, Service and Equipment Profile (FSEP) system, in accordance with FAA Order 6000.SE, FSEP and standard response codes for NAS equipment per JO 6030.31G, National Airspace System Infrastructure Failure Response.

f. The FAA identifies the priority levels for Facility Type plus Location to determine service and/or restoration levels. These levels are determined by utilizing the FAA's dynamic list based on the Agency risk management. FAA supply chain shall align with these service and/or restoration levels.

2. Configuration Management

a. The FAA shall maintain an approved configuration item (CI) list that goes down to the LRU level to enable optimized supportability. The approved CI list must comply with FAA Order 1800.66, Configuration Management Policy, support reliability centered maintenance per FAA Order 6000.207, RCM Handbook and NAS Criticality Code program.

b. As stated in Order 1800.66 Section I-4.2 Configuration Identification: baselined documentation shall be maintained by the appropriate program FAA line of business, staff office, or service organization, and shall be accessible in a secure environment through the program support library. To ensure configuration management information is available to all decision makers and Configuration Management (CM) practitioners in the FAA community, the FAA Configuration Management Authority (Vice President of Technical Operations) shall be responsible for providing the necessary training, facilities and electronic tools to document, monitor, and report on all CM information.

c. Technical Operations NAS Supply Support Team must be notified of the operational baseline CI for initial configuration and must be notified of any changes to the CI to enable MSP support.

d. Second level engineering, program office, and FAALC collaborate to specify sparing requirements for existing NAS systems.

e. Configuration status accounting must be performed on the knowledge base of the supply chain throughout the lifecycle.

f. FAA site, depot, and repair facilities must perform verification and audits on all spares and equipment. Refer to Order 1800.66 and associated SOPs for direction and work instructions regarding CIs.

3. Inventory Management

a. The FAA must adhere to Federal law and acquisition policy requirements for proper inventory accountability that includes maintain detailed records of produced or acquired inventory.

b. Inventories, stocking and part ordering within the FAA shall directly support the maintenance of NAS facilities.

c. F&E materiel/inventory shall be utilized for approved F&E budgeted program requirement unless authorized by the Program Manager to satisfy emergency operational requirement.

d. The status of all parts shall be monitored and controlled utilizing the latest available inventory technology regardless of the supply location.

e. Spare part storage locations will align with the demand to provide for cost effective spanning.

f. The FAA shall utilize specifications that are in conformance with the General Specifications **1** (GS1) GIAI standard for all supply chain assets. These standards are applied to the FAA's barcode specifications that define the format, standard, location and definition of the barcode label. https://fast.faa.gov/PPG_SOW_DID_Library.cfm

g. The maintenance and assignment of FAA GIAI ranges is centrally controlled by the Personal Property Management Team, APM-200 and is responsible for providing documented agency processes and data management to all agency users.

h. FAA's operating E&R inventory shall be 2-Dimensional barcoded (2DBC) and recorded in the FAA Asset Marking System.

i. The FAA shall maintain a perpetual inventory of field spares by keeping asset records that capture the asset type, quantity, system, physical location and cost using the FAA Asset Marking System IAW Order 6000.15H.

j. No FAA 2DBC shall be removed by FAA or vendor personnel.

k. FAA shall develop and maintain standardized CDRLs for both organic and inorganic inventories. The AMS, provides standard CDRL templates. Refer to DID Library and https://fast.faa.gov/PPG_SOW_DID_Library.cfm#J

l. The FAA shall conduct quality management audits of all supply chain inventories.

m. Unrequired and excess inventory must be dispositioned or disposed of in accordance with the appropriate NAS Disposition Plan and FAA Order 4600.27C Personal Property Management available on My FAA Home, Tools & Resources, Order & Notices. https://employees.faa.gov/tools_resources/orders_notices/

4. Location, Transportation and Warehouse Management

a. The FAA shall collect and analyze data to implement improvements to strategically locate assets that facilitate higher responsiveness and reduced risk to the NAS.

b. Any FAA facility storing parts for the NAS must:

(1) Align storage needs with the physical characteristics and packaging of an item. This can include covered storage, outside storage, controlled environment storage or hazardous materials storage.

(2) Ensure that adequate security, and safe storage environments, technical expertise, and test equipment are available when necessary

(3) Ensure that field spares are physically separated and identified as expendable or repairable to the extent practical

- (4) Manage shelf-life items to ensure they are used before they expire
- (5) Consider using other Government storage facilities when possible, instead of using commercial facilities
- c. Special handling guidelines (i.e. hazmat) for shipped items will be clearly defined.
- d. Components, equipment, and spares will be transported by the most economical means considering dependability, safety, urgency of need, and the use of the least costly mode meeting these considerations.
- e. The FAA shall follow 1-5 levels of specific ordering requirements:
 - (1) Priority 5 Requisition Requires
 - (a) Under normal circumstances, requisitions to the FAALC should be utilized for replacement/replenishment parts orders
 - (b) Preventative or Corrective Maintenance Action
 - (c) Routine Ordering - has a spare to replace
 - (d) FAALC will fill and ship requisition
 - (i) Stocked Item- Most economical means
 - (ii) Non-Stocked Item- Orders worked within 5 working days.
 - (2) Priority 4 Requisition Requires
 - (a) Preventative or Corrective Maintenance Action
 - (b) A "required by" dated for delivery
 - (c) FAALC will fill and ship requisition
 - To be received by the required date
 - (3) Priority 3 No longer in Use
 - (4) Priority 2 Requisition Requires
 - (a) Requisitions are limited to those critical emergency situations that, if not corrected, have the potential for creating a real and present danger to the flying public
 - (b) Corrective Maintenance Action in response to a failure at a facility with no redundancy

- (c) Spare has been used, no backup in case of failure
- (d) P2 will be utilized in a majority of immediate need restorations
- (e) FAALC will fill and ship requisition
 - (i) Stocked Item - Second day delivery
 - (ii) Non-Stocked Item - Orders worked within 48 hours with follow-up
- (5) Priority 1 Requisition Requires
 - (a) Requisitions are limited to extremely critical situations that, if not corrected, have a high potential to negatively influence safety, and or disrupt the expeditious flow of air traffic
 - (b) Corrective Maintenance Action in response to a failure at a facility with no redundancy or spare part
 - (c) Impact to the flying public
 - (d) Limit use to immediate restoration need requiring next day delivery
 - (e) FAALC will fill and ship requisition
 - (i) Stocked Item - Next day delivery
 - (ii) Non-Stocked Item - Orders worked within 24 hours and provide follow-up
 - (f) The criteria for utilization of F&E materiel for **P-1** Operational requirements, FAALC Policy Letter POL-OP-04, shall be strictly adhered to: Critical Priority P-1 situations in which no other means of support is possible at the time of the emergency requirement. Project materiel assets may be transferred to Operations (OPS) Stock and utilized, as long as a reasonable expectation exists that the project materiel asset will be replaced.
 - (g) Should circumstances dictate that the utilization of the Project Materiel must occur immediately; the Project Materiel F&E Item Manager (IM) shall coordinate and secure authorization from the WIM within 48 hours after the fact.

5. Information and Performance Management

- a.** The FAA shall collect, analyze and disseminate information for standardized supply chain management and decision support.

b. The FAA shall have a Quality Assurance program that continuously and systematically evaluates the adequacy and appropriateness of products and services provided by the Logistics Center.

c. The FAA will define, monitor and act upon supply chain metrics for overall supply chain management to ensure continual improvement. Specific metric key performance indicators will be defined at the supply chain level. TechOps and AJW-L will provide oversight of the supply chain metrics tracking and reporting.

d. The FAA shall ensure identified metrics align with the SCOR Model performance attributes which will be analyzed and evaluated in order to compare the capabilities, reliability and successes of the supply chain processes. Each attribute contains corresponding matrix by which evaluation is measured, serving as classifications for the metrics, enabling the formulation of strategic direction. These attributes include:

(1) Reliability- the ability to perform tasks as expected. Focuses on the predictability of the outcome of a process.

(2) Responsiveness - the speed at which tasks are performed.

(3) Agility- the ability to respond to external influences, and the ability to change.

(4) Cost - the cost of operating the process, including labor costs, material costs, and transportation.

(5) Asset Management - the ability to efficiently utilize assets.

Chapter 5. FAA Supply Chain Management

1. Supply Support Programs and FAA Supply Chains. FAA supply chain management is currently utilizing multiple supply support programs and sources of supply which interact and align with standardized processes to manage and fund FAA NAS supply support. The supply chains include F&E Capital Investment Programs, FAALC, CDLS, CMLS and Field-level Acquisition.

2. Integrated Logistic Support (ILS). ILS was established by the FAA AMS to execute the requirements of enterprise logistics management. All FAA PMO and Technical Operations 2nd Level Engineering Groups that execute new acquisitions and/or Tech Refresh programs for systems in the NAS, will involve the NISG ISM and NAS Supply Support Team in logistics planning, provisioning, and provide all logistic documents required by AMS Section 4.3 ILS and Joint Resource Council policy and guidelines, such as, Implementation Strategy and Planning Document (ISPD), Integrated Logistic Support Plan (ILSP), Supply Support Transition Plan, NAS Disposition Plan, CDLS/CMLS Contracts Statement of Work (SOW), FAALC Service Order Agreements (SOAs).

a. Final review and approval by Technical Operations is provided when ILSP and ISPD documents provide the single or final implementation solution with corresponding supply support plan. When a Tech Refresh program is implemented, updates will be made to the original ILSP document without creating another ILSP for Technical Operations review. The ILSP will state if the program office or other organization will be providing the funding for the lifecycle supply support of the system or if it will transition to MSP Ops funding.

b. The In-Service Review (ISR) Checklist is a list of all of the FAA's requirements for deployment of a system, program, solution, acquisition, etc. The Program Offices must ensure that the applicable items in the checklist are completed prior to conducting an In-Service Decision (ISD).

c. The ISR Subject Matter Expert (SME) is responsible for: identifying ISR Checklist items as not applicable, or concurs with the closure of ISR Checklist items, or coordinates an action plan(s) prior to Director approval/signature of the action plan. ISR Checklist Section 8.3 Supply Support and Items 13.6 and 13.7 provide for the necessary elements of FAA's supply chain management.

d. The SME for these checklist items is the NAS Supply Support Team, AJW-136 who will work with the Program Office to address, document and close each item. AMS policy for ISD and ISR is located in sections 2.6 and 4.6 on the FAA's Acquisition System Toolset (FAST).

e. The Deployment Planning and ISR Process Guidance is located in the Guidance section of the FAST. All ISD-related templates are located on the ISD Executive Secretariat website: <https://my.faa.gov/org/linebusiness/ato/safety/isd.html>.

3. Capital Investment Programs (CIP)/F&E Projects Materiel Management (PMM) Program. F&E Programs plan, acquire (make/deliver) and provide initial asset/system

equipment/configuration, test equipment, depot and field spares. Programs are the beginning of the FAA supply chain for most NAS facilities/system. CIP provide materiel and equipment for installation and are the source for initial supply chain assets, such as depot and field level spares and test equipment, planning and supporting NAS maintenance and supply support for up to 24 months after system commissioning. (Reference FAA Financial Manual, Volume 2)

Project materiel is materiel acquired using an F&E appropriation. NAS F&E PMM defines the responsibilities of organizations and processes involved to bring all needed equipment and materiel to establish or improve NAS facilities. This includes initial planning through project closeout or until the construction in progress inventory (project materiel) is transferred to the in-use property custodian, normally through the Joint Acceptance Inspections (JAI) process.

The PMO, or other FAA organization performing the program/system acquisition, Program Manager will ensure all approved national projects are established and maintained in the agency's project materiel management system, including:

- a. The Program Manager will assign a WIM to provide F&E materiel management. Program Manager will work with the WIM to track inflow and outflow of all equipment relating to a project. After WIM assignment, the Program Manager will contact AJW-136 NAS Supply Support Team for user access to the project material management system, training information and assistance.
- b. The Program Manager will properly identify, manage and control all the nationally furnished project materiel associated with a specific project, including all test equipment and site spares, providing a Project Materiel List (PML) of all F&E assets to be installed at a facility. A PML will be provided for conduct of JAI.
- c. The Program Manager will ensure traceability of the PML with Enterprise Configuration Management which uses the Product Baseline Index for project equipment traceability.
- d. The FAA project materiel shipping and receiving process is the agency's method of controlling property and ensuring proper records management for vendor shipments of nationally procured project materiel. Shipping documents serve as authorization to ship, notice to the consignee, receipt information to all offices concerned, and assurance of proper accountability records for physical control. The Program Office will produce and manage FAA shipment and receipt documents for all nationally furnished equipment regardless of origin of shipment (FAALC, other FAA warehouses or facilities, vendor facilities).
- e. The WIMs are responsible for prior coordination with the Logistic Center F&E IM when program requirements or project scheduling requires shipment and storage at the Logistics Center.
 - (1) All F&E Programs must coordinate and execute an FAALC Service Order Agreement for materiel management through the Logistics Center.
 - (2) Inventory adjustments may not be made to the Logistics Center F&E held inventory without prior approval of the WIM.

f. The FAA receiving organizations will provide acknowledgement of receipt of all assets, regardless of origin of shipment, utilizing the agency's PMM system.

g. Service Area/Regional F&E Project Materiel Managers are responsible for monitoring projects and materiel received in a region /service area. They provide PMM support services to the F&E Project Engineers.

h. Consignees are any facilities where project materiel is delivered until needed for project installation. The Consignees are responsible for receiving project materiel and forwarding all receiving documents in accordance with existing agency PMM procedure. The Facility Managers are responsible for management and control over materiel until it is installed or dispose of in some other way.

Specific project materiel management instructions are contained in the Project Materiel Management Desk Guide. A link is provided in Appendix A.

4. NAS Maintenance Support Program. MSP enables the field to procure replacement/replenishment parts and services from the FAALC and CDLS contractors needed for NAS in service supply support generated from a maintenance action on NAS equipment.

a. MSP manages an annual OPS budget per policy guidance in FAA Financial Manual, Volume 2 which details funding criteria for the Agency's appropriation accounts. There are two MSP OPS budget line items, MSP-Part and MSP-CDLS/CMLS. The Transition to Operations & Maintenance (TOM) budget process, plays a vital role to identify and request future MSP funding requirements. TOM supports the Budget Formulation Phase by determining if any changes to the OPS budget need to be factored into the FAA's Budget Submission. The TOM development process occurs from November through June, two years prior to the fiscal (execution) year. ABP-200 TOM Team is the point of contact for the TOM process. During the TOM budget formulation, the CIP F&E Program Manager works with the MSP Manager in developing supply support cost estimates for the OPS budget.

b. MSP support requirements include:

(1) MSP funds are allocated for the purchase of items that directly relate to the maintenance of baselined NAS equipment as shown in the respective NAS system Technical Instruction Book.

(2) For all restorations, corrective maintenance and preventive maintenance, field spares will be utilized first. Do not place a MSP LCSS order when a field spare is available for use. This may include checking FAA FSI for availability of parts to assist with restoration. Place a routine (PS) order to replace the utilized field spare. Utilize expendables on hand and plan reorders with a 60/90 day reorder plan.

(3) MSP funds will not be used for purchase of additional field spares.

(4) MSP funds are used for E&R of NAS Parts. Requests for an initial issue parts must be sent with justification via email to the MSP Program Manager for approval before ordering.

(5) Strictly adhere to the MSP Non Supported item guidance provided by the MSP. Please see the MSP guidance document for information regarding the types of items supported by and not supported by MSP funding.

(6) Routine Priority (PS) ordering is primarily used for all MSP orders: replenishment of spares, E&R, Repair and Return, expendables, mod kits, forms, flags, etc.

(7) Priority ordering (PI/P2) is used only for extremely critical emergency situations that have a potential for creating a real and present danger to the flying public or may create a major disruption to the safe and expeditious flow of the nation's air traffic.

(8) Warranty and reporting of discrepancies and defects will be reported to LCSS Customer Care Center regardless of if the item is outside the 90-day warranty period. All defective assets should be reported regardless of warranty.

These MSP requirements and instructions with additional information are contained in the MSP Process and Procedure Guide. A link is provided in Appendix A.

A series of dashboards provide interactive visualizations of the MSP LCSS orders, is accessible on the Tech Ops MSP Dashboard.

https://tableau.faa.gov/t/jasonlovison/views/MaintenanceSupportProgramAnalysis/MSPOverview?embed=y&:showShareOptions=true&:display_count=no&:showVizHome=no

c. MSP oversees the Shared Service Partnership Agreement (SSPA) (formally Universal Service Agreement), a high-level "umbrella" agreement that does not contain funding but establishes an interagency agreement that defines expectations and responsibilities of both supplier and receiver of goods and services. The SSPA contains the legal language required to enter into an agreement with the Franchise Fund and is executed for signature not later than October 1 of each fiscal year in order to begin business. After the SSPA is signed, individual Parts and SOAs may be executed which require only a signature page with funding and statement of work. Specific instructions are contained in the AJW SOA Process Guide, Appendix 3, to assist FAA organizations needing to prepare FAALC SOAs.

d. MSP and the National Defense Program (NDP) partners for cost sharing and establishing FAALC SOAs for parts and services, such as, Enroute Radome Inspection and Maintenance Program, Enroute Tower Program, and Common Parts (LRUs that are required to support both the Primary Radar and Secondary Radar missions). NDP's mission is to support the military services, and other federal agencies, tactical homeland defense initiatives with minimal impact to NAS operations and air traffic procedures.

5. FAA Logistics Center - Internal FAA Depot. The FAALC performs centralized MRO of NAS equipment, provides internal supply chain management and logistics support services, and operates the FAA's Centralized Distribution Center by interagency agreements.

a. The FAALC will serve as the agency's central point to obtain supplies and materiel needed directly to support the NAS. The FAALC warehouse operations shall utilize 2DBC for life cycle parts management and visibility.

b. Operations Support, AJW-1, has an agreement with the FAALC, AJW-L, to provide all aspects of operational supply support to sustain facilities within the NAS. The AJW Operating Business Rules contains annual agreed upon business rules for many of the business operations at the FAALC. A link to this document is provided in Appendix A.

c. Interagency agreements, known as FAALC SOA or Parts Agreement, must be established annually for acquiring goods and services from the FAALC Franchise Fund. A Cost Recovery Rate is computed by the FAALC based on the projected MSP fiscal year allocation for the MSP Parts Agreement, FAALC overhead and indirect operation cost. The SOA becomes the source document for obligation of funds and the scope of products and service is identified in the individual SOW.

(1) All programs will execute an SOA for processing of parts orders via LCSS Portal for NAS maintenance. <https://lcss.faa.gov/lcss/#Home>

(2) Copies of all SOAs will be provided to the NAS Supply Support Team.

(3) FAALC Business System Group will provide monthly financial reports for services within the Customer Financial Inquiry and daily reports on parts agreements.

6. Contractor Maintenance Logistics Support-External FAA Maintenance Support. The FAA may employ CMLS services as a maintenance strategy in which a contractor is needed to perform both site and depot-level maintenance. CMLS services require that the contractor is fully responsible for all preventive and corrective maintenance, including failed LRU removal and replacement, LRU repair, and parts supply support. CMLS includes maintenance and warehouse support. It is full contract logistics support.

7. Contractor Depot Logistics Support- External FAA Depots. COLS is contractor-provided, in-service depot repair support. The contractor furnishes all required labor, facilities, support equipment, materials, test equipment, preservation, packaging, and marking required to provide depot level repair and supply support. CDLS/CMLS is a critical area of the FAA supply chain support for which NISG provides program management including planning, programming and budgeting for OPS-funded COLS efforts within the FAA.

Depot level maintenance can be delivered by a support contractor during the intervening period between production of the first item and establishment of organic maintenance capability or as a permanent maintenance solution. This is typically referred to as Interim Contractor Depot Level Support (ICDLS) and funded by an F&E Program.

The Office of Primary Responsibility (QPR) Program or STLM will initiate contact with NAS Supply Support Team during the acquisition phase of a system or service but no later than two years prior to the year of transition from F&E to OPS. The OPR will provide:

a. Maintenance Concept: a brief description of the maintenance considerations, constraints, and plans for operational support of NAS systems/equipment. The maintenance concept is typically derived from the Concept of Operations and described in a Program's ISPD and ILSP documents.

b. Cost benefit analysis: determines the economic feasibility of organic versus contractor depot level support.

c. Copy of the current contract: If applicable, AJW-136 requires a copy of the current contract specifically Section B which is a breakdown of cost and Contract Line Item Number structure, Section C which contains the statement of work and Section D PHS&T.

d. Waterfall schedule: A sequential schedule for program/system deployment during the production and implementation phase of NAS systems/equipment.

Specific instructions are contained in the CDLS Guide, to assist FAA organizations needing to coordinate, prepare and manage CDLS contracts. A link is provided in Appendix A. Additionally, standard Data Item Descriptions templates are provided by the AMS. Refer to DID Library and https://fast.faa.gov/PPG_SOW_DID_Library.cfm#J

8. FAA Field Spares Inventory. FAA's supply chain on-site inventory consist of spare parts held in field facilities at the individual SSC level. An SSC's field spares are the first line of supply support for maintenance actions for local facilities. Field spares include spare parts supported by the FAALC and/or contractor depots. The FSI Program is an integral function in the FAA's achievement of complete inventory records of the NAS E&R spare parts held at field facilities.

a. FAA Order 6000.15H, requires keeping an accurate inventory of site spares utilizing the Field Spares Inventory Program's Asset Marking System, and ensuring that facilities and equipment present a clean, well-ordered professional appearance at all times. FAA Order 4600.27C provides the requirements and process for excessing field spares assets, as well as other personal property.

b. The FSI Program will provide FSI tools (Asset Marking System, Bluetooth scanners, 2D barcodes and electrostatic discharge equipment) and inventory instructions to field users, with the expectation that users will use the improved tools to mark field spares assets and storage locations with 2D barcodes, complete a baseline inventory of all field spares assets, and maintain the asset movements in and out of the field spares storage locations.

c. The SSC Manager is responsible for an accurate inventory of the facilities field site spares. FSI management requirements include:

(1) All field spare E&R parts will be 2DBC'd, recorded and maintained in Asset Marking System.

(2) Keep an accurate and perpetual inventory of all E&R spares that are active and ready to use in a system using Asset Marking System.

(3) Maintain in and out movement using Asset Marking System of field E&R spares. (Actively reporting spares as they move "out" of FSI as a result of maintenance actions and move "in" to the FSI as reordered/replacement spares arrive.)

(4) Utilize FSI spares first, when available, and prevent initial parts purchases.

(5) Utilize the FSI to locate a spare part in surrounding SSC's if one is not available on-site, to shorten restoration time.

Specific instructions are contained in the FSI Process and Procedure Guide. A link is provided in Appendix A.

Current field spares information in the FAA's FSI Asset Marking System can be utilized throughout Technical Operations to support optimization of FAA's supply chain management of E&R parts and provide awareness of parts availability. A series of dashboards provide interactive visualizations of the Asset Marking System field spares asset data, is accessible on the FSI KSN link.

https://tableau.faa.gov/tNivianaGonzalez/views/FSI-AMS/Overview?:embed=y&:showShareOptions=true&:display_count=no&:showVizHome=no

9. Field Level Acquisitions. Other sources of supply are purchases made by offices to locally procure items (through General Services Administration (GSA) sources, commercial vendor, etc.). These may include small purchases of any items at the site of work in satisfaction of day- to-day requirements that cannot be furnished on a timely basis through FAALC or requirements for items prohibited from shipment due to a documented physical or hazardous characteristic. The local purchase alternative is not intended to preclude or replace routine replenishment of field inventories through the FAALC or from mandatory GSA sources.

Appendix A. Supply Chain Process and Procedure Guides

The Appendix provides the FAA process and procedure guides required to implement the policy contained in this order referenced throughout Chapter 5 are available in electronic format. These guides are available at:

<https://my.faa.gov/org/linebusiness/ato/operations/logistics/nsst.html>