

**ORDER**

U.S. DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION  
GREAT LAKES REGION

GL AF 2500.4

8/27/92

**SUBJ: AIRWAY FACILITIES BUDGET ESTIMATE SUBMISSION, OPERATIONS APPROPRIATION**

1. **PURPOSE.** This Order provides guidance and procedures for the formulation and submission of budgetary requirements for the Current Year and the Budget Year under the operations appropriation.
2. **DISTRIBUTION.** This Order is distributed to section level and above in the Airway Facilities Division, to division level in the Budget Division, and to all Supervisors in all Airway Facilities and Air Traffic Field Offices.
3. **BACKGROUND.** The information contained in this Order was previously published annually as a Notice.
4. **ACTION.** Airway Facilities Branch Managers and Sector Managers should prepare and submit budget data on appropriate forms as indicated in Appendices 1 through 8 of this Order. Air Traffic Facility Managers should respond to Appendix 8 of this Order with a copy of their response forwarded to the Resource Management Branch, AGL-520. Negative responses are required. The budget submission should contain the original and one copy of each budget package. Administrative Funded Telecommunications requests should be submitted in accordance with AGL-480's budget call for estimates. AGL-480 issues a separate budget call for those items.
  - a. As it will change each year based on the due date for the national Operations Appropriation Call for Estimates, the Airway Facilities Division will advise affected offices each year of the due date for the budget package. In order to lessen the impact of short turnaround times each sector should plan to have their submission into AGL-423 NLT January 15. Although Washington's deadlines vary from year to year, this date should meet with any deadlines established by Washington Headquarters. Once the national deadline is known, it will be communicated via memorandum to all affected offices.
  - b. Sector Managers should follow the instructions in Appendix 6 and forward their requirements separately for this Appendix. Please submit your cable requirements no later than one week previous to the due date for the budget package.
  - c. All managers should submit their budget submission to be received by AGL-423 no later than January 15, unless a different due date is communicated via memorandum.
5. **RESPONSIBILITY.** The Resource and Planning Branch, AGL-420, has the responsibility for the preparation and submission of the overall Airway Facilities Division Annual Operations Budget.
6. **DEFINITIONS.**
  - a. **Past Year (PY).** The present fiscal year we are operating in.
  - b. **Current Year (CY).** The fiscal year immediately following the PY.
  - c. **Budget Year (BY).** The fiscal year immediately following the CY. In relation to the PY, it is the second year following the PY. For example, in fiscal year 1991, the PY is 1991, the CY is 1992, and the BY is 1993.

Distribution: A-X(AF)-4; A-FAF-0(Supv); A-FAT-0(Supv)  
A-X(BU)-2

Initiated By: AGL-423

d. **Fiscal Year (FY).** A period beginning October 1 of one calendar year through September 30 of the following calendar year. For example, FY 1991 would begin on October 1, 1990, and end on September 30, 1991.

7. **DISCUSSION.** Emphasis should be placed upon recognition and identification of projects, equipments, materials, and services required in order to assure that our total requirements are identified, in terms of product or service and fiscal amount. Each submission package should be accurate and concise on one hand but realistic and complete on the other.

8. **BUDGET PROCESS.**

a. The annual operations appropriation allocation that each region receives is based upon data submitted two years in advance and updated the following year. The budget submission from each individual office should be indicative of prudent planning. It is imperative that a thorough understanding of the budgetary process, as well as intuitive knowledge, guide all personnel involved in the planning function. The question is often asked "why is it necessary to write detailed and complete justifications for an item so obviously required?" The answer is that funding limitations mandate that high priority items be funded first. The written explanation and justification help to determine the priority. Appendix 1 provides guidelines for writing sound justification. Follow the guidelines given in Appendix 1 through 8 of this order when preparing your submission.

(1) Resources requested should be based on actual needs using existing standards as a guide.

(2) Changes to program items are to be explained and justified in a concise manner.

(3) Requested and submitted information for resources are requirements for the Current Year and the Budget Year only, not needs that will manifest themselves during the Past Year.

(4) The submission should revalidate CY requirements that were originally requested as BY requirements in the previous fiscal year. As changes in fiscal posture and operational needs necessitate revisions, they can be made in this year's submission. All known and predicted operational needs should be identified for the BY.

b. **General Concept.** Programs must be soundly conceived and estimates shall reflect the resources needed to carry out responsibilities and achieve program goals. All submissions should be prepared disregarding any fiscal restraints currently imposed in order to obtain true fiscal needs.

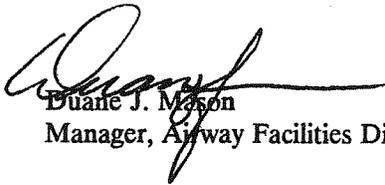
9. **REPORTING FORMAT.** The following format shall be used in the AF budget submission to the region. All forms may be obtained through normal regional supply channels. Two tabbed folders with the following sections are to be submitted.

<u>SECTION NUMBER/SUBJECT</u>	<u>INSTRUCTIONS</u>	<u>FORMS USED</u>
1. Test Equipment Requests	App. 2	GL 6200-1 & 6200-5
2. Working Equipment Requests	App. 3	GL 6200-3
3. Supplies/Services Requests	App. 4	Bond Paper

8/27/92

GL AF 2500.4

4. Vehicle Requests	App. 5	Bond Paper
5. CERSG	App. 6	GL Form 6030-2
6. Cable Requirements	App. 7	Bond Paper
7. Admin. Space Lease Costs	App. 8	Bond Paper



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**APPENDIX 1. GUIDELINES FOR SOUND JUSTIFICATION**

1. Asking what are the guidelines for sound justification is nearly the same as asking "What kind of justification does the Office of Budget want?"
2. There are no rules, instructions, or guidelines that will assure the acceptance by review authorities of a proposal. Two key issues to be considered are whether there is a genuine need for it and what its relative priority is.
3. Listed here are some points that may be of some assistance in preparing a justification.
  - a. The proposal should be stated clearly and concisely. Indicate the objective to be achieved. There is no need to attempt to justify anything in this initial description of the proposal.
  - b. What is the current situation? What is it that is to be improved or changed, that is, what is deficient in the current situation? Background information is absolutely necessary for a review authority, who probably is much less familiar with the problem than the person making the proposal, to get a sufficient understanding of the proposal.
  - c. Describe the proposed plan. How is the current situation to be improved or changed? Relate the proposal to an approved agency policy, program, standard, criterion or plan whenever possible.
  - d. What is the expected useful life of the proposed plan or program? What are the assumptions used in establishing the useful life?
  - e. What is the time schedule for the primary stages, for example, research and development, implementation, training, operation, maintenance and support throughout the full life cycle?
  - f. What will be the effect of not adopting the proposed plan.
  - g. What are alternative courses of action, if any. Are they acceptable to the originator or not? Compare their advantages and disadvantages with the proposed plan.
  - h. What coordination is required? Identify other offices or agencies having an interest in, or input into, the proposal. Indicate the extent of concurrence or nonconcurrence of interested offices.
  - i. Provide cost estimates. Cost data should cover the total cost of the program, even if the total amount will not be required in the first year. If several years are involved, a statement of what is to be accomplished each year should be provided. If costs are offset in part or completely by the cost of the current situation, cost data should be presented in a manner that gives:
    - (1) The total cost of proposal,
    - (2) The current program offset, and
    - (3) The net change.
4. For example, for the FAA to field a new system, the costs would be broken down by year for each of the following:
  - a. Research and Development.
  - b. Investment.

## Appendix 1

(1) **Implementation - facilities, major equipment, construction, and installation.**

(2) **Operations build-up costs such as training.**

c. **Operation and Maintenance (O & M).**

(1) **By activity, air traffic, systems maintenance, etc.**

(2) **Total O & M costs through year of full implementation.**

5. Cost comparisons are very helpful in evaluating proposals and in presenting data to review officials. Therefore, it is desirable that the aforementioned cost schedules be supplemented with comparative cost data on the present program, proposed plan, and alternative plans.

6. Some of the kinds of comparisons that can be made are as follows:

a. Total cost comparison.

b. Comparison of investment costs with annual operating savings for programs expected to realize economic savings.

c. Comparison of in-house versus contract or lease costs.

d. By quantifying benefits, services, or requirements in terms such as instrument approaches, aircraft operations, instrument operations, based aircraft, flight hours, airmen certification, etc, a comparison or evaluation can be made on a unit cost basis.

e. Comparison of Agency cost to direct benefit to the public, such as missed approaches, reduced delays, etc, expressed in monetary value.

f. Comparisons of the benefits of a proposed plan with the present or alternative plan can be made in other than monetary values if it is not feasible to place a monetary value on benefits.

**APPENDIX 2. TEST EQUIPMENT REQUESTS**

1. **BACKGROUND.** Previously, items of test equipment that were put in the Operations Appropriation budget were those authorized in earlier versions of order 6200.4, Test Equipment Management Handbook. Later versions of this order do not contain a listing of test equipment by facility type. The reason for this change is the transition into the workcenter maintenance concept. Under this concept, current plans are to locate test equipment at central locations, as opposed to a site-specific distribution. For the purpose of this Call, central locations are defined as any maintenance unit or sector field office where maintenance personnel report for duty.

Sectors should evaluate their test equipment requirements with this concept in mind. Only requests that are justified using this concept can be supported from a regional level.

- a. Do not include items from previous budgets that were supported by the region, but have not been received.
- b. Any item not previously authorized must include a comprehensive engineering-type justification for support. Vague general statements such as "... sector operations would be vastly enhanced ..." are not sufficient justification.
- c. Review the previous BY test equipment submission and re-submit valid requirements for the CY after assuring that all requests are due to NEW requirements which have not yet been satisfied.
- d. Items not yet received as a documented part of F&E projects should be included normally as exceptions on the Joint Acceptance Inspection (JAI) and, therefore, NOT included in the Operations budget.

2. **BUDGET SUBMISSION.**

- a. Prepare a GL Form 6200-1 for each new item of test equipment requested with all blocks (1 through 17) completed. Items of test equipment authorized by Washington or regional letter, directive, or any other authorizing document must indicate the authorizing reference number and the National Stock Number (NSN) when available. Identify test equipment by manufacturer, model, type, and any other descriptive information available. A valid cost estimate is required on requests for all items.
- b. Prepare a cover sheet for the test equipment package, which lists in order of descending priority:
  - (1) Item requested
  - (2) Item cost
  - (3) Location/Facility/Ident

**APPENDIX 3. WORKING EQUIPMENT REQUESTS****1. BUDGET INPUT.**

- a. All budget request items for working equipment will be for CY and BY only, identified separately.
- b. Items of Schedule B working equipment should be items allowed by Handbook 4630.2 or other Washington or Regional document. The requests must be fully justified in enough detail to be self-supportive. If the item requested has not been allowed, the justification and description must be in sufficient detail to warrant a change to Handbook 4630.2.

**2. BUDGET SUBMISSION.**

- a. Submit a GL Form 6200-3 for each item requested, with all blocks completed. Identify schedule "B" items by index number. When the National Stock Number (NSN) is available, it should be indicated. Items not listed in Handbook 4630.2 should be identified by manufacturer, model, type, operating limitations or characteristics. A valid cost estimate (i.e., current cost) is required on all requests. Include a source of supply if available.
- b. Divide working equipment and submit by fiscal year grouping (CY and BY).

8/27/92

GL AF 2500.4  
Appendix 4

**APPENDIX 4. SUPPLIES/SERVICES**

1. **BUDGET INPUT.** All Branch Managers and Sector Managers should submit their requirements (bond paper) according to the format given below.

Object Class	PY	CY	Cost Adjustments	BY Base	Program Increase	BY Request
254X (Except 2549)						
2591						
2630						
2632/2639						
2645						
2691						
2631						
2682						

2. **INSTRUCTIONS.**

- a. **Column a, PY.** Enter into this column, by object class, the amount of money programmed for this fiscal year. Use the previous quarter(s) allocated amount to prorate to an annual figure.
- b. **Column b, CY.** Enter into this column, by object class, the amount of money programmed for next fiscal year. Increases must be documented with a separate narrative statement indicating why the increase is needed and what the impact of not obtaining funding is.
- c. **Column c, Cost Adjustments.** Enter into this column, by object class, the amount of money programmed as a cost adjustment against the column 2, CY-91 figure. These adjustments include:
  - (1) Program decreases resulting from a decreased program, i.e., nonrecurring requests that have been satisfied.
  - (2) Any program increases that are recurring amounts and should therefore be included in the base value, e.g., fuel tank registrations, elevator maintenance contract increases.
- d. **Column d, Base BY.** Add columns 2 and 3, and enter the total into this column. This represents the amount of funding required to carry on business at the same level as the prior year. This is referred to as the base.
- e. **Column e, Program Increase.** This is the most important column on this form. Enter into this column, by object class, the amount of money that is being requested as a result of adding new programs or expanding existing ones. These figures must be accompanied with thorough justification on an attached sheet, by object class.
- f. **Column f, BY Request.** Add columns 4 and 5, and enter the total in this column. This represents the

total amount requested in the budget year

**3. REVIEW.** Ensure that all of the figures are added correctly when submitting your request. Submissions that are not fully documented and justified cannot be supported in the divisional request to Washington. AGL-423 needs accurate, fully justified information in order to prepare a sound divisional budget for the BY. This is the same level of detail that is used in the Washington Call for Estimates. As you can see, it is impossible to increase the amount of funding requested in the budget without a detailed, thorough description. Please be accurate and thorough when preparing this form.

**APPENDIX 5. VEHICLES**

1. **BACKGROUND.** Our current vehicle fleet has been distributed to meet field requirements. This data is requested so that an evaluation of vehicle usage versus distribution can be made, and vehicle reassignments can be made where they are necessary.

2. **BUDGET SUBMISSION.** All offices must submit an organizational chart depicting all of the offices and assigned vehicles. On this chart, you are requested to indicate for each office the following information; vehicle type (2132 or 2231), license plate number, and average monthly mileage. This information needs to be provided for all vehicles including those that are commercially leased. Please provide a note to indicate what vehicles are commercially leased. Vehicle usage data (monthly mileage) can be obtained from automated data processing (ADP) records currently available at each sector. Any requests for additional vehicles should be indicated on a separate sheet along with a complete justification that would include the following information:

- a. Type of vehicle (Auto-2132, Truck-2231).
- b. Placement of vehicle (HDQ, SFO, SFO II, UNIT).
- c. Quantity.
- d. Type of usage (Facility Routines, General Transportation).
- e. Estimated monthly usage (mileage).
- f. Fiscal year that vehicle will be needed.

**APPENDIX 6. CRITICAL AND EMERGENCY REPAIRS TO STRUCTURES AND GROUNDS (CERSG)**

1. **BACKGROUND.** Projects for submission within the CERSG project category are defined in GL Order 6032.5, Management of Maintenance Project Work as Special Maintenance Projects.

2. **BUDGET INPUT.**

a. Projects should be planned for only one mode of accomplishment (Sector, CERSG, or F&E) and submitted under one appropriation only (i.e., do not submit under both Operations and F&E).

b. Work that is currently included on pending work orders, or approved CERSG projects (projects currently listed on PY, CY, CERSG printout), should NOT be resubmitted. However, if a project has been previously disapproved, it may be resubmitted with additional justification.

c. Projects that are requested under this order are to be of the CERSG category only. CERSG is now defined as a specially justified and funded project for the repair, improvement, or replacement of facility components.

3. **BUDGET SUBMISSION.**

a. Submit your requests for CERSG projects on GL form 6030-2, (1-88) special Maintenance Project Data Sheets. Most blocks on the form are self-explanatory. Note the estimated cost block includes several cost divisions which must be addressed by the sector for the proposed project to receive proper consideration. The requested construction start date is to be the FY-Q (fiscal year-quarter) in which the work is to be constructed in the field. The requesting office will indicate whether the project package will be compiled by the sector or may request regional engineering. Requests for regional engineering are subject to availability and may be changed to project compilation by the sector upon division-level review.

b. When establishing projects, the following items should be considered.

1. Engineering must be accomplished approximately 6 months prior to the construction start date

2. The season being considered for the construction start date must be appropriate for the type of construction being planned.

c. A printout will be furnished to each sector containing the PY and CY projects prior to the distribution of sector CERSG funds. This will allow sectors to review their overall CERSG program and establish priorities.

4. **GENERAL.** Along with a sound justification for the project, a thorough explanation of the requested work should be given. This will aid in the determination of the project priority. An extra effort should be made in determining the cost estimate, and a proposed course of action to resolve the problem should be cited.

**APPENDIX 7. CABLE REQUIREMENTS**

**1. BUDGET INPUT.**

- a. All cable request items will be for the CY and the BY only, and identified separately.
- b. Cable requirements for CERSG projects and replacement cables must be projected in advance to ensure that the FAA Depot has cable on hand for our needs, as well as meet their own budgetary requirements. The FAA Depot submits the cable requirements for the FAA on the national budget call; therefore, they must have sufficient input from each region in order to complete their budget.
- c. Cable requirements are defined as power cables, control cables, coaxial cables, etc. We must show each type of cable needed by description, NSN, required footage, and quarter required.
- d. Due to the fact that the Depot has to prepare their annual budget submission for cable requirements at the same time that we prepare our budget, we are requesting that this data be forwarded to AGL-423 no later than one week previous to the due date for the budget package. This will allow us to notify the Depot of our requirements in time to be included in their budget.

**2. BUDGET SUBMISSION.** ALL cable requirements shall be submitted one week prior to the due date of the budget package. Submit your cable requirements on an 8-1/2" x 11" sheet for each fiscal year separately. The sectors will be provided with an updated listing of Depot-supported cable. Follow the suggested format below:

**CABLE REQUIREMENTS  
FY-92 FOR XYZ-AFS**

Cable Description	NSN	Required Footage	Required Date	CERSG Project No.
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Negative reply.

**CABLE REQUIREMENTS  
FY-93 FOR XYZ-AFS**

Cable Description	NSN	Required Footage	Required Date	CERSG Project No.
3/v #8 ARM	6145-00-867-4633	1,500'	1st quarter	SMPX81
25 Pair #19 ARM	6145-00-765-6736	6,000'	2nd quarter	SMPYIO
RG-331/U	6145-00-174-3587	3,000'	3rd quarter	N/A

**APPENDIX 8. ADMINISTRATIVE SPACE - LEASE COSTS**

1. **BACKGROUND.** As a result of budgetary constraints, there have been changes in the amounts of leased administrative space that can be supported. To ensure that all future plans for increases in administrative space are budgeted for, we are asking for the following information. Negative responses are required.
2. **BUDGET INPUT.** Please submit, on bond paper, a separate listing for both the CY and the BY. Air Traffic Managers shall forward a copy of their submissions to the Resource Management Branch, AGL-520. All requests shall include the following information on each sheet:
  - a. Description of space required,
  - b. Location,
  - c. Approximate month that space is required,
  - d. Number of square feet required,
  - e. Estimated cost for lease (annual),
  - f. Estimated additional costs for support such as copy machines, etc. (annual),
  - g. Justification for requirement, and
  - h. Impact, if funds for this increase in space are not provided.
3. **DECREASED COSTS.** As above, submit the costs saved as associated with a reduction in administrative space. Submit separately for both the CY and the BY.