MANAGEMENT CHALLENGE	
Chapter 1: Maximizing the Department's Economic Recovery Investments	
Key Challenge:	**1B: Enhancing oversight of ARRA spending on existing and new programs.**
ADDRESSING THE ISSUE	
Cognizant Organization:	FAA Office of Airports (ARP) Air Traffic Organization (ATO): • ATO-Finance • ATO-Technical Training Workforce Planning Office - Technical Training and Development
Tools to be Used to Resolve the Issue:	ARP conducted a workforce staffing study and survey, completed in 2009. This empirical model will be used as a decision tool to address staffing requirements and mission priorities. ATO is developing an Acquisition Workforce Plan to evaluate and address staffing needs. This plan provides guidance for workforce hiring, retention and development decisions across all National Air Space (NAS) acquisition programs.
Time Needed to Resolve the Issue:	ARP anticipates continued work through FY 2012 to achieve staffing levels appropriate to meet future requirements and mission priorities. ATO will expand the scope and detail of the workforce plan in the coming year. The current version focuses on the core acquisition community, primarily in the ATO, that is engaged in NAS modernization programs. The portfolio of Facilities and Equipment American Recovery and Reinvestment Act programs are comprised exclusively of modernization programs. Future versions will address the larger acquisition community across the entire FAA.
Specific steps to be taken in FY 2010:	1. ARP is expanding an empirical staffing model for use as a web based tool to analyze current staffing and project future requirements. The web based tool will be available in June 2010. 2. This ARP staffing model is based on functional- competency- based workload drivers, established in 2009 by experienced consultants working with field and headquarters subject matter experts. ARP will establish a corporate approach to model utilization as a decision tool in the context of mission priorities by July 2010. 3. FAA continues to adjust its Section 1512 validation processes in accordance with OMB guidance and in full cooperation with DOT. ARP disseminated revised grant recipient data validation in March 2010. 4. ATO will complete an updated 2010 Acquisition Workforce Plan by July 2010. 5. A National Acquisition Evaluation Group (NAEG) will conduct formal assessments of the ATO acquisition workforce. Site visits will be completed by August 2010.FAA will continuously perform internal reviews of recipient data to address data quality.

Expected Results, this year and in the future:	The FAA will continue to update and utilize the empirical staffing model as a tool to analyze current staffing and project future requirements. FAA will continue to identify mission-critical human capital needs by updating and using the ARP staffing model as a decision tool, evaluating the effects of ARRA on existing programs to achieve the overall agency mission.

The FAA currently has a wide variety of programs, initiatives, and activities in place to address recruitment, development, and retention. ATO's Acquisition Workforce Plan will outline new strategies that build on this success and provide the roadmap for addressing acquisition workforce needs. The FY 2010 update to this plan will present an expanded view of the acquisition workforce. Ongoing evaluation and reporting of the established workforce plan metrics will provide quantifiable indicators of the plan's success.

The FAA continues to adjust its 1512 validation processes as necessary to ensure effective tracking and oversight of ARRA implementation and execution. The FAA continues to work in coordination with recipients to address and resolve data quality issues and support accurate recipient reporting. |

MANAGEMENT CHALLENGE
Chapter 1: Maximizing the Department's Economic Recovery Investments

Key Challenge:	**1C: Reporting Accurate and Consistent Job Creation Data.**

ADDRESSING THE ISSUE	
Cognizant Organization:	FAA Office of Airports (ARP) Air Traffic Organization (ATO) Finance
Tools to be Used to Resolve the Issue:	ARRA grant and contract recipients are required under Section 1512 to provide accurate job reporting. This quarterly report is submitted to Federal Reporting.gov, which is a standardized centralized collection point for the Recovery Act reporting that was developed by OMB. FAA obtains daily data extracts from the OMB site to ensure full recipient reporting compliance, and to validate recipient data, program financial information, program schedule status and description, compensation information for corporate officers, and job numbers and descriptions. OMB's M-10-08, "Updated Guidance on the American Recovery and Reinvestment Act – Data Quality, Non-Reporting Recipients, and Reporting of Job Estimates" was issued on December 18, 2009. This memorandum resulted in standardized guidance across the entire federal government and clarification of reporting requirements for federal and non federal reporters and evaluators. OMB continues to refine this guidance. The FAA uses statistical job validation processes originally developed in FY 2009. FAA's validation processes have been reviewed by GAO, OST and DOT OIG, and have been enhanced over time based on working experience and revised OMB guidance. They have served as a successful model for other DOT modes engaged in ARRA administration. The FAA maintains a broad scope of internal personnel and reporting mechanisms to ensure reported job data correlates with all program indicators. ARP leveraged the existing SOAR grants tracking database coupled with their established Concept of Operations validation process. ATO carefully monitors program schedule, resource, and technical status of all acquisition programs through a variety of weekly and monthly reports, program reviews, and teleconferences. All ATO projects are tracked through their Corporate Work Plan (CWP) System. The CWP maintains program schedule plans and actual accomplishments for each project location. Resident Engineers (RE's) are personnel that make onsite visits to the actual work sites to monitor contractor activities.
Time Needed to Resolve the Issue:	The monitoring of program status data in conjunction with reporting cycles for Sections 1201c and 1512 legislative requirements remains an ongoing and intensive process at FAA. Job data received from FAA contractors and grant recipients continues to be reviewed and correlated with individual program schedule and technical data for individual F&E projects. Grant recipient reporting is being validated through ARP's Concept of Operations processes, and cross-

	referenced against SOAR data for accuracy.

Specific steps to be taken in FY 2010:	1. Collect and analyze Section 1512 recipient reporting from OMB's FederalReporting.gov website to validate basic recipient data, financial information, schedule status and description, compensation information for corporate officers (where applicable), and job numbers and descriptions. Data extract are downloaded on a daily basis throughout the reporting and "Agency Review Period" immediately following every calendar quarter. For FY 2010, these reporting cycles occur during the months of October, January, April, and July.
	
	   i) Apply established data quality review validation processes to review the job work hours and estimated FTEs in 1512 recipient data during the "Agency Review Period," beginning the 13th day of the reporting month ending on the 29th day, under current OMB guidance.
	
	   ii) Formally comment on 1512 records with potential inaccuracies and/or omissions by the 25th day of the "Agency Review Period," to provide recipients time to respond and correct data.
	
	   iii) Contact all recipients with validation findings by the 25th day of the "Agency Review Period."
	
	   iv) Conduct data quality reviews and provide documentation of significant errors and omissions to DOT and OMB.
	
	2. Developed and applied revised validation processes adapted to new OMB 1512 reporting guidance. This guidance was disseminated to Regional offices in March 2010.
	
	3. Engaged in internal reviews of the ARRA data submitted by recipients, through various validation procedures, data reviews and analysis of Regional procedures and on-site field staff. FAA will continue these reviews through FY 2010.
	
	4. Collect monthly reports for both prime and sub recipients until work is complete. Collected data includes the number of hours worked and charged to Recovery Act funds each month of the reporting period. Additionally, cumulative hours for that project charged to the Recovery Act are also reported. The submitted reports are certified by recipient officials, and reviewed by FAA personnel. The data collected directly from recipients is used to compile a consolidated monthly job report for the Secretary of Transportation which is reviewed and discussed at biweekly executive level meetings.
	
	5. ATO will collect weekly status reports from each ARRA program office that contain current technical and schedule information for each program.
	
	   i) Prepare weekly financial report from information in the financial system that reflects current contract obligation and outlay data.
	
	   ii) Review and analyze earned value management (EVM) reports from contractors, conduct weekly and monthly teleconference meetings with contractors and FAA field staff regarding project activities and progress.
	
	   iii) Make daily onsite visits to the project locations to complete a first hand assessment of the work and

	6. The U.S. DOT is responsible for providing indirect job estimates. FAA provides monthly source data based on work hours submitted by recipients. In addition, job estimates are evaluated in conjunction with the direct job projections provided by the Council of Economic Advisors.
Expected Results, this year and in the future:	FAA will continue to evaluate validation processes and adjust as necessary based on future OMB and DOT guidance. ARRA recipient reporting should be reasonable and in line with program indicators. FAA will continue to perform internal reviews of recipient data and coordinated with ARP Regional offices and ATO field staff to validate and address data quality. The rigorous oversight by FAA and DOT along with improved OMB guidance and recipient reporting data access tools will facilitate improved clarification and reporting for all contractors and grant recipients.

MANAGEMENT CHALLENGE
Chapter 4: Addressing Human Factors and Strengthening the Regulatory and Oversight Framework for Aviation Safety

Key Challenge:	**4A: Increasing Efforts to Address Human Factors.** Controller fatigue in the work place has been widely acknowledged as a safety risk that requires prompt, effective FAA analysis and improvement action. FAA is increasing our efforts to address human factors by reviewing existing pilot flight and duty time regulations and rest requirements and determining what changes could be made to combat pilot fatigue.

ADDRESSING THE ISSUE	
Cognizant Organizations:	The ATO Office of Safety, Fatigue Risk Management (FRM) Program Office, AJS-A5, has primary responsibility to define appropriate measures that will reduce the risks to the NAS and to controllers caused by fatigue. Success in this effort demands working in close cooperation with the National Air Traffic controllers Association, in an Article 55 Work Group setting. AVS/Flight Standards Service (AFS) has primary responsibility for developing regulations that govern pilot flight and duty time, and rest requirements.
Tools to be Used to Resolve the Issue:	The principal approach that ATO Office of Safety, FRM Program Office uses to collaboratively analyze fatigue risks and develop an improvement plan is the Article 55 Work Group. This group is utilizing the following tools to help in its analysis and planning: 1. **Benchmarking** of other organizations that have defined methods to address fatigue in a shift work environment. 2. **Analysis** of existing scientific findings related to defining fatigue causal factors and the effectiveness of potential mitigation approaches. 3. **Modeling** of fatigue risk and potential mitigation approaches in the shift work environment. 4. **Data gathering, analysis and reporting** related to the controller work environment through independent surveys, objective studies and other seminal research. 5. **Fatigue Risk Management System** designed to help measure, model, manage, mitigate and monitor fatigue risk in the controller work environment. AFS is currently engaged in rulemaking on flight and duty time regulations and rest requirements (FDR), based on recommendations provided by an Aviation Rulemaking Committee (ARC). Both the ARC and the FAA rulemaking team are using science and information on fatigue, as well as existing international standards, to assist them in developing new rule language.

Time Needed to Resolve the Issue:	The Fatigue Risk Management Program Office will be leading the development of a comprehensive Fatigue Risk Management System (FRMS) that will include a broad range of fatigue risk mitigations, such as watch scheduling, training and education, reporting vehicles, and strategic communications activities. The first phase (i.e. FY 2010) of this activity will include the tasks listed below. Full implementation and effect of these programs and mitigations will occur through FY 2012, leading to a long-term program evolution and improvement phase. The FAA intends to issue a FDR notice of proposed rulemaking (NPRM) in the spring, 2010, with the comment period closing in late summer, 2010.

Specific steps to be taken in FY 2010:	Key to success in developing a comprehensive FRMS will be close, ongoing collaboration with NATCA, and discussions with established fatigue science experts and throughout the FAA, DOT and international transportation community. Full program staffing is expected by April 30, 2010. The following steps will be taken in FY 2010 to address fatigue risk in the controller work environment:
	
	1. Increase fatigue risk awareness throughout the Air Traffic Organization. Interim milestones include:
	   a. Develop and coordinate Fatigue Risk awareness education and training plan for operational employees and management.
	     i. Initial Report due June 30, 2010.
	     ii. Final implementation plan report due end of the fiscal year. Due September 30, 2010.
	   b. Develop and coordinate Fatigue Risk communication plan to provide for all Air Traffic Organization operational employees and management.
	     i. Initial report due June 30, 2010.
	     ii. Final implementation plan report due end of the fiscal year. Due September 30, 2010.
	
	2. Implement programs to increase content of fatigue risk event information and fatigue safety recommendations into current and future Air Traffic Organization safety reporting systems. Interim milestones include:
	   a. Incorporate Fatigue Risk reports into current Air Traffic Organization safety reporting vehicles.
	     i. Initial report due June 30, 2010.
	     ii. Final report due end of the fiscal year. Due September 30, 2010.
	   b. Draft new fatigue risk information reporting vehicle(s) proposal, as required. Due August 15, 2010.
	
	3. Collaborate with all Air Traffic Organization stakeholders to develop a draft design of a Fatigue Risk Mitigation System and implementation timetable. Interim milestones include:
	   a. Develop initial draft of a Fatigue Risk Management System (FRMS) for Controller work force. Due September 15, 2010.
	
	The following steps will be taken in FY 2010 to address pilot flight and duty time, and rest requirements:

	1. Final Team Concurrence and Directors Concurrence of FDR NPRM were completed in November 2009.
	2. Associate level concurrence of FDR NPRM was completed in February 2010.
	3. The FDR NPRM will be published in April 2010.
	4. FDR NPRM comment period closes, and we will begin reviewing comments in August 2010.
Expected Results, this year and in the future:	The FRMS will bring about a sustained focus on fatigue safety through a top-to-bottom approach that incorporates and rests upon fatigue science. It will also leverage all appropriate fatigue risk mitigation best practices to develop and implement effective improvements in fatigue safety in the Air Traffic Controller and Air Transportation System Specialist work environments and work product within a Safety Risk Management context. By the end of FY2010, AFS expects to be reviewing the comments to the FDR NPRM. We intend to publish a Final Rule no later than December 2011. The result of the rule and follow-on implementation by the carriers will be standardized and reliably rested flight crews.

MANAGEMENT CHALLENGE
Chapter 4: Addressing Human Factors and Strengthening the Regulatory and Oversight Framework for Aviation Safety

Key Challenge:	**4B: Providing an equivalent level of safety for passengers flying on-demand carriers by strengthening FAA regulations and oversight.**
	• Create and implement an interim process that considers the inherent operation risk factors in on-demand operations.
	• Continue development on new risk-based oversight approach for on-demand operators that is scheduled to deploy in the next four years.

ADDRESSING THE ISSUE	
Cognizant Organization:	AVS/Flight Standards Service
Tools to be Used to Resolve the Issue:	As recommended by the Department of Transportation (DOT) Office of the Inspector General (OIG), the FAA is revising outdated regulations and strengthening its oversight of on-demand operators by using the following tools: 1. The surveillance requirements for on-demand operators in FAA Order 1800.56J, Flight Standards National Work Program Guidelines (NPG), which are risk-based oversight activities. FAA Flight Standards Service is currently using the Safety Performance Analysis System (SPAS) Safety Priority Index as an interim risk assessment process for on-demand operators. 2. FAA principal inspectors will use the SPAS in conjunction with the Flight Standards National Work Program Guidelines when planning surveillance for on-demand operators. A tool in SPAS is the Surveillance Priority Index (SPI), which is used to adjust planned surveillance activities based on risks associated with on-demand operations.
Time Needed to Resolve the Issue:	FAA Order 1800.56J will be revised no later than September 30, 2010. The FAA's Systems Approach to Safety Oversight (SASO)-developed risk-based oversight system for on-demand operators will be deployed no later than December 2013.
Specific steps to be taken in FY 2010:	Update FAA Order 1800.56 to emphasize use of the SPAS SPI for adjusting planned surveillance for on-demand operators: 1. Complete solicitation of input from headquarters divisions and regional POCs, for revised Order 1800.56. Completed on February 26, 2010. 2. Complete analysis of input and add language to require use of the SPI for PIs assigned to part 135 air carriers. Completed on March 31, 2010. 3. Provide proposed draft Order 1800.56 to AFS-100 for coordination. Completed on March 31, 2010.

	4. Complete comment analysis and publish revised Order 1800.56 by August 31, 2010. Complete the FY 2010 milestones in the SASO project management plan: (The FY 2010 milestones are our interim milestones for the multi-year SASO project): 1. Develop IT tools and automation requirements by September 30, 2010. 2. Demonstrate with a prototype the functionality of the Safety Assurance System by September 30, 2010. In addition, to support Flight Standards (AFS) employees through this cultural shift, the SASO Program Office will establish and implement by September 2010 change management and communications strategies for FAA's transition to SAS.
Expected Results, this year and in the future:	By the end of FY 2010, FAA inspectors responsible for oversight of on-demand operators will use the SPAS SPI to adjust their planned surveillance activities. By the end of FY 2013, deployment of SASO will allow FAA inspectors to provide strengthened, risk based, and standardized oversight to on-demand carriers.

MANAGEMENT CHALLENGE	
Chapter 4: Addressing Human Factors and Strengthening the Regulatory and Oversight Framework for Aviation Safety	
Key Challenge:	**4C: Maintaining Momentum in Joint FAA/Industry Efforts to Improve Runway Safety.** The Runway Safety "Call to Action" initiative identified several mid-term and long-term initiatives to reduce the risk of runway incursions, including: additional Air Traffic Control procedural changes; deployment of Runway Status Lights; development of Low Cost Ground Surveillance; and enhanced cockpit systems to improve pilot situational awareness. The Runway Safety Office will fully vet and set milestones for the Call to Action Plan's mid- and long-term initiatives; maintain commitment to program despite meeting its overall goal for reducing runway incursions and determine root causes of select runway incursions.
ADDRESSING THE ISSUE	
Cognizant Organization:	**Call to Action** Working Group Lead: AJS, Office of Safety Working Group Members: AJT-24, AJR-1, AAS-100, AFS-200, AFS-400, AFS-800, AIR-130 Others: AJS
Tools to be Used to Resolve the Issue:	**Call to Action** The Call to Action Mid/Long Term Action Plan Working Group was initiated to determine status, actions, and schedules related to the mid/long term action items. **Determine Root Causes of Select Runway Incursions** The Runway Safety Council (RSC) is made up of senior-level safety officials from a select group of industry organizations. The RSC has chartered the Root Cause Analysis Team (RCAT) to review and analyze investigative data from "serious" and selected Category "C" runway incursions from all perspectives, all disciplines (including Human Factors) and offer possible mitigations and/or solutions to identified root causal factors. The RCAT will use the Apollo Root Cause Analysis method and Reality Charting visualization tool to complete the analyses. **Awareness** The Runway Safety Office (RSO) will partner with the American Association of Airport Executives to execute the FAA International Runway Safety Summit.
Time Needed to Resolve the Issue:	The Call to Action Working Group and Runway Safety Council expect to have the actions completed by September 30, 2010.

| | **Call to Action**
The Call to Action Mid/Long Term Action Plan Working Group held a kick-off meeting on January 25, 2010. The group members were briefed on the background, purpose, and expectations of the effort. The Working Group plans to meet bi-monthly and complete a draft Action Plan by July 1, 2010.

Determine Root Causes of Select Runway Incursions

1. RSC will hold quarterly meetings in FY 2010 to discuss runway safety issues, recent runway incursions, and review the analyses and recommended mitigations from the RCAT:
    i)   November 30, 2009 – Completed.
    ii) April 21, 2010.
    iii) By the end of June, 2010.
    iv) By the end of Sept. 2010.

2. RCAT will hold meetings in FY 2010 to analyze serious runway incursions that occurred at Charlotte (CLT) and Boston (BOS) and finalize recommended mitigations for presentation to the RSC:
    i)   February 8, 2010 and March 11, 2010 - Completed.
    ii) May 6, 2010.

3. RCAT completed on February 8, 2010 a preliminary analysis on a serious runway incursion at Charleston (CHS).

4. RCAT presented findings and recommendations from CLT analysis to the Runway Safety Council. Completed on November 30, 2009.

Awareness

1. The Runway Safety Office (RSO) convened the first-ever FAA International Runway Safety Summit December 1-3, 2009.

2. RSO will participate in a minimum of five trade shows and/or safety conferences:
    i)   NBAA Regional Forum, Houston TX. January 14, 2010 – Completed.
    ii)   Women in Aviation, Buena Vista, FL., February 25-27, 2010 – Completed.
    iii) NBAA Regional Forum, Van Nuys, CA. March 11, 2010 – Completed.
    iv)   Human Factors and SMS Workshop, Dallas, TX, March 29 – April 1, 2010.
    v)   EAA Sun N Fun, Lakeland FL, April 13 – 18, 2010.
    vi)   Flight Safety Foundation, CASS, Tucson, AZ, May 11-13, 2010.
    vii) AAAE AM&C, Dallas, TX, May 16-19, 2010.
    viii) NBAA Regional Forum, Teterboro, NJ, June 10, 2010.
    ix)   EAA AirVenture. Oshkosh, WI, July 26-August 1, 2010.

3. RSO will conduct outreach at Sun-N-Fun and Oshkosh fly-ins. RSO has identified 12 major events in which to participate in, including Sun-N-Fun and Oshkosh. Two events have been completed to date:
    i)   Air Traffic Controllers Association – Completed October 4-7, 2009.
    ii) Women in Aviation – Completed February 25-27, 2010.
    iii) EAA Sun N Fun, Lakeland FL, April 13 – 18, 2010. |

	iv) EAA AirVenture. Oshkosh, WI, July 26-August 1, 2010.
	4. RSO will implement the Summer Initiative by working with the FAA Safety Team (FAAST) to expand the pilot special emphasis program to include targeted airports in all nine FAA regions to raise awareness of runway incursion risks in general aviation. Kick-off scheduled for April 17, 2010.
	5. RSO partnered with the American Association of Airport Executives to execute the FAA International Runway Safety Summit December 1-3, 2009. Provided educational materials, event animations, briefings/presentations and booths at trade shows and safety conferences.
	6. RSO will coordinate with the FAA Safety Team to coordinate logistics, identify target airports and pilot populations, and develop educational and promotional materials for the Summer Initiative. The date of the Summer Initiative kick-off has been determined to coincide with the start of Sun-N-Fun. The Regional Runway Safety Program Managers have coordinated with the regional FAA Safety Teams on local kick-off dates and locations. Kick-off April 17, 2010.
Expected Results, this year and in the future:	**Call to Action** The expected result from the Working Group for FY 2010 is an Action Plan that addresses FAA activities, actions, schedules, and milestones for the mid/long term items identified by the Runway Safety Call to Action. **Determine Root Causes of Select Runway Incursions** The expected results from the RSC for FY 2010 are to meet a total of four times and review the findings and recommendations of the RCAT and assign any action items to Council members for implementation. The RCAT will complete any recommendations from BOS and findings and recommendations from CHS and present results to the RSC. A target of six evaluations will by completed by September 30, 2010. **Awareness** Successfully convened the first FAA International Runway Safety Summit. The expected results for FY 2010 are to participate in 12 total major trade shows and safety conferences. The Summer Initiative expects to reach 150 thousand general aviation pilots to raise awareness of runway incursion risks.

MANAGEMENT CHALLENGE

Chapter 5: Moving Toward the Next Generation Air Transportation System and Improving Performance of the National Airspace System	
Key Challenge:	**5A: Taking actions to deliver NextGen benefits in the near- and mid-term.** The FAA's Next Generation Air Transportation System (NextGen) is a complex, multi-program undertaking encompassing a portfolio of investments designed to deliver new capabilities to the National Airspace System (NAS) over the next five to ten years. Given the complexity of NextGen, FAA is ensuring the proper integration and implementation of activities to deliver the capabilities and realize the associated benefits in the near and mid-term.

ADDRESSING THE ISSUE	
Cognizant Organization:	NextGen and Operations Planning (AJP), NextGen Integration and Implementation (I&I) Office
Tools to be Used to Resolve the Issue:	NextGen is being implemented and managed through a series of re-acquisition investments as well as the deployment of new systems, capabilities, policies and standards. **Managing NextGen Implementation** Part of the FAA's process for managing NextGen is to execute near and mid-term activities while continually assessing future requirements. The NextGen Implementation Plan, which FAA will publish in FY 2010, summarizes NextGen goals and objectives and provides detail on the planned activities required to achieve the desired near and mid-term operational improvements, and associated benefits. NextGen implementation will be managed and tracked against the planned annual activities and milestones contained in the NextGen Implementation Plan. The FAA will continue to integrate RTCA, Inc. NextGen Implementation Task Force recommendations into the agency's planning and implementation activities. **NextGen Architecture** The FAA's focus is NextGen's near- and mid-term implementation. The NAS Enterprise Architecture (EA) provides the technical roadmaps for NextGen, and the FAA has worked to ensure there are links within the EA from the mid-term through the long-term. **NextGen Workforce** Implementing NextGen is a complex, resource intensive undertaking that requires a highly skilled and specialized workforce. In 2009, in conjunction with the National Academy of Public Administration (NAPA) findings and recommendations, FAA developed and implemented an acquisition workforce plan to ensure the hiring, development, certification and retention of a workforce with enhanced competencies and skills to successfully implement NextGen. The plan contains descriptions of the acquisition workforce, challenges, workforce planning process, current views of the workforce and future demand, staffing/hiring plans, and strategies to address workforce gaps/needs.

Time Needed to Resolve the Issue:	The FAA's NextGen strategy is to pursue near term initiatives to begin achieving benefits today while laying the foundation for future enhancements. Benefits will grow over time as the transition to NextGen occurs, with the mid-term system expected to be in place by 2018. The specific steps below illustrate actions being taken in FY 2010 that will result in benefits to NAS users.
Specific steps to be taken in FY 2010:	**Managing NextGen Implementation** The following represent specific actions that FAA is taking in FY 2010 that will contribute to the delivery of NextGen benefits. Benefits realized will include increased capacity, enhanced safety and reduced environmental impact at specific locations for users equipped to take advantage of NextGen capabilities: 1. Deploy ADS-B ground infrastructure and provide initial operating capability at Louisville, Houston (Gulf of Mexico operations), Philadelphia and Juneau. 2. Publish final ADS-B Out rule. 3. Complete In Service Decision for Critical ADS-B Services. 4. Develop and test the Aeronautical Information Management portion of the Special Use Airspace Automated Data Exchange capability for System Wide Information Management (SWIM). 5. Create initial set of stakeholder tiger teams to address Performance-based Navigation (PBN) procedure optimization at locations prioritized by need, cost benefit, budget and other considerations. *(RTCA Task Force Recommendation* 6. Begin implementation of all Lean process changes from the Navigation Procedures Project *(RTCA Task Force Recommendation)* 7. Publish 300 new LPV approaches emphasizing highest value areas. *(RTCA Task Force Recommendation)* 8. Complete Charlotte-Douglas International Airport Runway 17/35. 9. Deploy initial data dissemination infrastructure for current DDU-equipped ASDE-X locations to enable surface data sharing via a single SWIM interface. *(RTCA Task Force Recommendation)* 10. Develop policies for data rights and data release in support of surface data sharing goals. *(RTCA Task Force Recommendation)* 11. Complete initial construction and operating capability for NextGen Integration and Evaluation Capability (NIEC) at the Tech Center. 12. Conduct Surface Management demonstrations at Memphis (MEM) and Orlando (MCO) to demonstrate collaborative departure queue management. *(RTCA Task Force Recommendation)* 13. Conduct Staffed NextGen Tower demonstrations at DFW. 14. Conduct Relative Position Indicator (RPI) demonstrations at two

15. Conduct Oceanic Tactical Trajectory Management (AIRE) gate-to-gate demonstration flights from CDG – MIA.

16. Conduct ADS-C ITP (aka Climb/Descent Procedure) operational trials.

17. Reach agreement with one Western Hemisphere country on a demonstration of a NextGen capability.

18. Complete research to support biofuel (hydrotreated renewable jet) standard establishment in 2011.

19. Issue initial contracts for energy, emissions, and noise technology projects under the Continuous Lower Energy, Emissions, and Noise (CLEEN) program. CLEEN is intend to accelerate maturing new energy efficient, low emissions, and lower noise technology for aircraft and engines.

20. Develop a method to create a risk baseline for passenger exposure in all phases of flight, including delays, using a national flow model and an itinerary tracking methodology.

In addition, as NextGen is being implemented, FAA will continually evaluate envisioned NextGen capabilities, timelines, and projected costs.   In 2010, FAA will continue to establish metrics for measuring the overall progress of NextGen implementation. The FAA has established budget priorities for FY 2010 and FY 2011 based on planned NextGen activities, and taking into account programmatic interdependencies, in order to deliver and optimize benefits in the near and mid-term. In FY 2010, FAA will establish the budget priorities for the FY 2012 budget request. The Task Force recommendations have served as the basis for reallocating FY 2010 funding and supporting the FY 2011 NextGen budget request. The FAA must ensure that key NextGen programs such as ADS-B and Datacomm are funded appropriately and remain on schedule.

NextGen Architecture
The FAA will publish an updated EA in early 2010 that will reflect updates to the infrastructure roadmaps: Aircraft, Air-Ground, Automation, Weather, Communication, Navigation, Surveillance, Airspace & Procedures, Enterprise Services, Facilities, Human Systems Integration, and Information Systems Security.

NextGen Workforce
The FAA will update the Acquisition Workforce Plan on an annual basis to help assess and obtain the necessary skills needed to manage and execute NextGen. To address staffing concerns, 198 positions were allocated in FY 2009 to the NextGen program and another 88 positions were enacted in FY 2010.

Expected Results, this year and in the future:	The FAA expects to publish the 2010 NextGen Implementation Plan and updated EA in FY 2010. In addition, the FAA expects to implement NextGen in accordance with the planning documents and complete the commitments described in the 2010 NextGen Implementation Plan.

MANAGEMENT CHALLENGE
Chapter 5: Moving Toward the Next Generation Air Transportation System and Improving Performance of the National Airspace System

| Key Challenge: | **5B: Maximizing the Benefits of Performance-Based Navigation in the National Airspace System (NAS) and Keeping Airspace Redesign Projects on Track.**

The FAA is refining the Integrated Airspace and Procedures concept to transition to a primarily benefits-focused approach to implementation of Airspace Redesign and Area Navigation (RNAV) and Required Navigation Performance (RNP) procedures, and establishing the administrative processes to support this revised focus. Key supporting resources are being made available: For example; contract support for environmental reviews needed for non-overlay procedures now in development are in place.

FAA's ATO continues to develop controller training materials to support RNAV and RNP implementation. FAA Flight Standards Service continues to update various guidance materials regarding pilot training and Performance Based Navigation (PBN) operations for use by the aviation community at large. Examples of such materials include Advisory Circulars (ACs), Aeronautical Information Manual (AIM), and Notices to Airmen Publication (NTAP) – Graphic Notices. Also, the Flight Standards Service personnel at the headquarters level develop relevant guidance for use by field office Aviation Safety Inspectors so that, among other things, adequate pilot training is evaluated prior to issuance of operations approvals. |

ADDRESSING THE ISSUE	
Cognizant Organizations:	ATO-Systems Operations, AJR-3 ATO- Systems Operations, Safety, and Technical Training (AJR, AFS, and AJL)
Tools to be Used to Resolve the Issue:	National Airspace Council will prioritize projects. National Airspace and Procedures Plan will provide systems level view reflective of NextGen policies and priorities. Controller training is being developed. Once completed, training materials will be handed off to the Technical Training Organization (AJL) to format into deliverable training material.
Time Needed to Resolve the Issue:	Refining the Integrated Airspace and Procedures concept and establishing the administrative processes to support this revised focus will be completed by the end of FY 2011. Training is an ongoing process for both controllers and pilots. Controller training will continue to be updated, as needed, and require procedure and rule changes. Additionally, refresher training may be required.

Specific steps to be taken in FY 2010:	The following steps will be taken in FY 2010 to refine the Integrated Airspace and Procedures concept and establish the administrative processes to support this revised focus: 1. Prototype activities (kick-off meetings, initial planning discussion with facilities) in Denver (DEN) began February 2010. 2. Bi-weekly Telcons scheduled for DEN. 3. Continue design work meeting April 19-23, 2010. 4. Prototype project tracker database being developed through May 2010. 5. Prototype project tracker database in test phase expected June - September 2010. 6. Mapping of current airspace redesign and RNAV/RNP processes completed by September 2010. The following steps will be taken in FY 2010 to address controller training materials to support RNAV and RNP implementation: 1. Develop controller training materials by June 2010. 2. Draft Review by July 2010. 3. Final Review by September 2010.
Expected Results, this year and in the future:	Integrated process for design and implementation due to be completed by September 2011. Current controller training on RNAV/RNP procedures to be developed and handed off to ATO Technical Training for final deliverable training materials. FAA Flight Standards Service will continue to update guidance material as needed. Pilot training is the responsibility of their companies.

MANAGEMENT CHALLENGE	
Chapter 5: Moving Toward the Next Generation Air Transportation System and Improving Performance of the National Airspace System	
Key Challenge:	**5C: Improving programs for developing the next generation of air traffic controllers.** The FAA will ensure continued effective national oversight and accurate metrics for measuring progress of new controllers in training (system already in place). Additionally, the agency will implement accurate metrics for effectively monitoring training failures among newly hired Air Traffic Controllers to identify trends and take corrective action. The FAA will also manage more closely the large support services contract with Raytheon who trains and supports FAA controllers.
ADDRESSING THE ISSUE	
Cognizant Organization:	ATO-Technical Training (AJL)
Tools to be Used to Resolve the Issue:	The tools the FAA will be using to ensure continued oversight, implementation, and monitoring of accurate metrics are a National Training Database and a Snapshot tool. The National Training Database serves as the repository for field training results and will be used to monitor training throughout the system. The Snapshot tool, which is an ATO-Finance (AJF) sponsored database, will be used to monitor facility staffing information. An invoice review system developed by the Air Traffic Control Optimum Training Solution (ATCOTS) program office will be used to analyze billed costs from the contractor; Raytheon. Weekly reports from Raytheon will be used to get an early view of contract training hours used. The FAA will develop a Quality Assurance program to monitor Raytheon's contractual compliance.
Time Needed to Resolve the Issue:	The majority of issues regarding monitoring of developmentals' training progress will be resolved in FY 2010. However the monitoring process of training successes and failures will be an ongoing process. Additionally, the majority of the issues associated with the ATCOTS contract will be resolved in FY 2010. The contract will be implemented by the end of the fiscal year and some field training efficiencies will be gained. However, the process of developing and ensuring the national training program is as efficient as possible never ends and is continuous.
Specific steps to be taken in FY 2010:	The specific steps the FAA will be using to ensure continued oversight, implementation, and monitoring of accurate metrics in FY 2010 are: 1. Generate training failure information by: 1) year, 2) type of hire, 3) what stage of training did the student fail in and, 4) completion time. Completed on March 1, 2010.

	2. Generate information on transfers, (those who fail in one facility and are sent to another) and if they were successful or unsuccessful in their new facility. Completed on March 1, 2010.
	3. Report training data by class year so we can account for those hired and their current status in the training system as successful, unsuccessful, and resigned. Completed on March 1, 2010.
	4. Ensuring the information is entered into the database by the AJL Quality Assurance Manager in a timely and accurate manner. Complete by April 1, 2010.
	5. Task the Manager of Quality Assurance and Data Reporting in AJL with the responsibility of analyzing and reporting, time-to-CPC, training failures, and training delays. Complete by April 30, 2010.
	6. Increase the granularity of reporting, especially in the area of training failures. Complete by June 1, 2010.
	The specific steps to manage more closely the large support services contract with Raytheon, who trains and supports FAA controllers are:
	1. Hold bi-weekly invoice review meetings with Raytheon to discuss FAA concerns with specific invoice items. The weekly meetings began on November 1, 2009.
	2. Procure training hours used by the contractor on a weekly basis and analyze cost trends. The procurement process began on February 1, 2010 and is ongoing.
	3. Develop tools to accurately predict contract costing trends for the ATCOTS contract by May 1, 2010.
	4. Fill vacant ATCOTS program office positions by June 1, 2010.
	5. Develop Award Fee Metrics that are more relevant to customer training goals by June 1, 2010.
Expected Results, this year and in the future:	With increased accuracy and quality of training data available to analyze training trends and results the ATO will use this information to help improve hiring decisions. The FAA is expecting the ATCOTS contract to be efficient, on budget and provide needed training services to our customers.

MANAGEMENT CHALLENGE	
Chapter 6: Improving Contract Management and Oversight	
Key Challenge:	**6A: Strengthening DOT's Suspension and Debarment Program to Effectively Safeguard Against Awards to Improper Parties.**
ADDRESSING THE ISSUE	
Cognizant Organization:	AJA-A, Acquisition Policy, Workforce Development and Evaluation
Tools to be Used to Resolve the Issue:	National Acquisition Evaluation Program (NAEP) Integration. Acquisition Management System (AMS) Revisions.
Time Needed to Resolve the Issue:	The solutions to address this issue will be implemented by April 2010.
Specific steps to be taken in FY 2010:	The Federal Aviation Administration policy and guidance governing the Suspension and Debarment (S&D) program is critical in ensuring stakeholders realize their roles and responsibilities. FAA will revise its Acquisition Management System (AMS) by April 2010 to ensure S&D-related content is appropriate and effective. This will include: 1. Assigning an office of responsibility for the S&D program. 2. Verifying procedures and roles identified in AMS are appropriate. 3. Including a 45 day goal, within notification of a referral, for the issuance of a suspension or debarment notice or a written justification why a suspension or debarment is not issued. Oversight is critical in the implementation of the S&D program, and FAA will ensure compliance by incorporating review of the S&D program into its NAEP. The NAEP compliance checks will be conducted onsite by February 2010, and will include Excludes Parties List System (EPLS) entries.
Expected Results, this year and in the future:	Through these program, guidance, and oversight changes, FAA will ensure the S&D program is properly and effectively implemented and managed.

MANAGEMENT CHALLENGE	
Chapter 6: Improving Contract Management and Oversight	
Key Challenge:	**6B: Improving Award-fee Contracting Processes to Meet Acquisition Outcomes.**
ADDRESSING THE ISSUE	
Cognizant Organization:	AJA-A, Acquisition Policy, Workforce Development and Evaluation AJA-4, Director Contracting and Acquisition AJF-12, ATO Audit Liaison
Tools to be Used to Resolve the Issue:	To ensure adequate policy and guidance is in place to support the use of Cost Plus Award Fee (CPAF) contracts, the FAA is revising its acquisition policy, the Acquisition Management System (AMS), to expand its language pertaining to the proper selection and documentation of contract type. This revision includes considerations for the selection and administration of CPAF contracts, detailed guidance on how to establish effective award fee plans, and guidance and standards for instituting measurable award fee criteria. The FAA must also verify its acquisition workforce has the training and management support for the use of CPAF contracts. FAA management will ensure the workforce has the training and experience required to award and administer this contract type. Management will perform a comprehensive assessment of the training and capabilities of COs currently administering CPAF contracts, and provide training and guidance where necessary. Oversight is a critical element in the success of any Federal program to verify mission goals and acquisition requirements are effectively considered and attained. FAA will increase its oversight of CPAF contracts by including it as an element of its National Acquisition Evaluation Program (NAEP).
Time Needed to Resolve the Issue:	The solutions to address this issue will be implemented throughout FY2010.
Specific steps to be taken in FY 2010:	1. AMS Revision: Completed January 2010. This revision was incorporated in the January 2010 update of the FAA Acquisition System Toolset (FAST)/AMS. 2. Initial Assessment of Acquisition Workforce: Completed February 2010. 3. Including CPAF contracts as a specific element of the NAEP: Completed February 2010. As this is now an element of the NAEP, CPAF contracts will be specifically reviewed for compliance with AMS from FY 2010 forward. Based upon the overall findings from NAEP, recommendations will be made for needed training or opportunities for workforce development.
Expected Results, this year and in the future:	Through this guidance revision, and increased management and oversight emphasis on the competency and knowledge of its acquisition workforce, FAA will ensure it awards and administers CPAF contracts effectively and efficiently.

MANAGEMENT CHALLENGE	
Chapter 6: Improving Contract Management and Oversight	
Key Challenge:	**6C: Maintaining High Ethical Standards among DOT Employees and Fund Recipients.**
ADDRESSING THE ISSUE	
Cognizant Organization:	AJA-A, Acquisition Policy, Workforce Development and Evaluation AGC-500, Office of the Chief Counsel - Procurement Division
Tools to be Used to Resolve the Issue:	The Federal Aviation Administration's Chief Counsel's requirement for procurement ethics training in FY 2010 incorporates a personal and interactive approach versus relying upon computer training. FAA holds an Annual Procurement Training Conference and supplements with onsite procurement ethics training at FAA Headquarters, the Mike Monroney Aeronautical Center, and the William J. Hughes Technical Center. To ensure the applicability of procurement ethics training to operational procurement, the content in FY 2010 will have a focus on procurement planning and solicitation. Topics include proper contract type, effective use of Independent Government Cost Estimates (IGCE), and how to avoid waste throughout source selection.
Time Needed to Resolve the Issue:	The solutions to address this issue will be implemented throughout FY 2010.
Specific steps to be taken in FY 2010:	1. Conducted a training conference for 362 acquisition personnel in November 2009. 2. Identified and assigned ethics training module topics: March 12, 2010. 3. Draft preliminary training modules: May 28, 2010. 4. Author final drafts of training modules: June 25, 2010. 5. Deliver first course: July 31, 2010. 6. Complete FY 2010 ethics training: September 1, 2010.
Expected Results, this year and in the future:	Our better educated acquisition workforce will maximize its capabilities, more effectively meeting their mission to act as stewards of taxpayer dollars.

MANAGEMENT CHALLENGE	
Chapter 7: Enhancing the Ability to Combat Cyber Attacks and Improving the Governance of Information Technology Resources	
Key Challenge:	**7A: Establishing a robust information security program to support the department's missions.** • Identify and plan improvement for security deficiencies in key control areas. • Complete issuance of Personal Identity Verification (PIV) cards to employees and contractors.
ADDRESSING THE ISSUE	
Cognizant Organization:	AIO – Office of Information Services ASH – Office of Security and Hazardous Materials AIN – Office of Security
Tools to be Used to Resolve the Issue:	The Information Systems Security (ISS) Program Plan describes the approach for conducting ISS compliance reviews for all FAA systems. The Compliance Program has been developed to meet federal, Departmental, and agency policies that require the regular testing and evaluation of information security policies, procedures and practices. Each system is required to undergo a triennial Certification and Accreditation (C&A) process to ensure consistent compliance with the highest standards of security controls and practices. A comprehensive assessment of security controls is performed regularly to ensure that policies are correctly implemented and providing full protection to FAA systems. As part of the Certification and Accreditation (C&A) process, Risk Assessment and Security Testing is conducted to evaluate technical, operational, and management security control requirements mandated by Federal Information Processing Standard (FIPS) – 200. From these initial findings, Plan of Actions and Milestones (POAMs) are developed to shore up any potential weaknesses and to provide for an iron clad defense. AIN will continue to use its on-line Card Management System (CMS) for application, enrollment, and issuance of PIV Cards. AIN will continue to set up PIV card issuing stations in FAA facilities across the US. AIN will then move to remote issuing tactics for very small and remote FAA offices.
Time Needed to Resolve the Issue:	Information technology security deficiencies are being successfully addressed at all levels through an ongoing and aggressive program of certification and accreditation in accordance with FISMA standards throughout the agency, in full cooperation with Department's Chief Information Officer (CIO). Each system is required to undergo a triennial C&A process to ensure consistent compliance with the highest standards of security controls and practices. A comprehensive assessment of security controls is performed regularly to ensure that policies are correctly implemented and providing full protection to FAA systems.

	FAA will achieve 76 percent completion of PIV distribution by September 30, 2010. Original plans called for complete PIV distribution by December 2011, but in March 2010 OMB directed all federal agencies to complete distribution by December 31, 2010. AIN is seeking additional funding to meet this objective.

Specific steps to be taken in FY 2010:	1. Conduct monthly reviews to ensure the highest levels of situational awareness through the use of scorecards, visibility charts and project updates.
	
	 2. Provide security incident reporting, scanning results, and regular vulnerability assessments to FAA Staff Offices and Lines of Business.
	
	 3. Completed C&A on 7 (100 percent) systems so far this year and are on track to complete 67 remaining within triennial review anniversary date.
	
	 4. Perform 211 systems assessments by September 30, 2010. We have already completed 8 annual assessments of 211 scheduled in FY 2010.
	
	 5. 8 high risk POA&M vulnerabilities due for remediation in FY 2010.
	
	 Continue PIV card issuance across the US in an effort to issue PIV cards to all 84,000 employees and contractors that require them.
	
	 1. March 16 - 18, 2010: AIN hosts PIV card training conference for those issuing PIV cards at FAA facilities. Most attendees are "trusted agents" in other FAA organizations such as ATO and AVS.
	
	 2. March 20, 2010:
	    i) 105 FAA sites issuing PIV Cards.
	    i) 51 thousand employees and contractors applied for PIV card.
	    ii) 42 thousand of those PIV cards are issued.
	
	 3. April 2010: AIN will seek additional funding to support OMB's policy of 100 percent PIV issuance by December 31, 2010.
	
	 4. May 30, 2010: A total of 158 FAA sites will be set up to issue PIV Cards.
	
	 5. September 30, 2010:
	    i) All 158 sites complete 100 percent PIV card issuance to those personnel for which they are responsible.
	    ii) 64 thousand of the 84 thousand FAA PIV cards issued (76 percent completion).
	
	 6. December 31, 2010: Pending funding, finish all remote PIV card issuance at FAA (100 percent completion).

Expected Results, this year and in the future:	It is crucial that FAA systems protection remains an increasing, shared, and visible priority. The FAA seeks not only to protect systems that protect travelers, but to instill a full and justified confidence in both stakeholders and employees, and to set a recognized standard for systems security.

	FAA will achieve 100 percent PIV card issuance by late 2011. With additional funding, FAA will meet the OMB goal of 100 percent PIV card issuance by December 31, 2010 for. PIV card issuance to new employees and contractors will occur as they are hired.

MANAGEMENT CHALLENGE	
Chapter 7: Enhancing the Ability to Combat Cyber Attacks and Improving the Governance of Information Technology Resources	
Key Challenge:	**7B: Increasing Security Protection and Resilience of the Air Traffic Control System to Reduce the Risks of Cyber Attacks.** • Ensure Web applications are configured according to security standards. • Implement timely corrective actions following detection of cyber incidents. • Strengthen security reviews of air traffic control systems supporting live operations by (a) assuring security reviews target operational sites at risk of having unauthorized system configurations and (b) assuring that operational site security reviews include interviews, examination and testing. • Conduct a comprehensive analysis of the impact on domestic air travel and demonstrate that activating the air traffic control recovery center will not compromise safety. • Develop a robust security design for NextGen and assure that the NextGen security design includes oversight to ensure that security is properly reserved in contractor-owned systems and their interface with the rest of air traffic control infrastructure.
ADDRESSING THE ISSUE	
Cognizant Organization:	ATO Information Systems Security (ISS) Program ATO En Route and Oceanic Services, Program Operations ATO NextGen and Operations Planning
Tools to be Used to Resolve the Issue:	**Web application security**: Nessus, NMap, WebInspect, CORE Impact. **Implement timely cyber incident corrective actions**: Remedy Software Application. **Strengthen security reviews**: ATO ISS Program NIST 800-53 (as amended) Security Control Data Collection Tool. **Activate the air traffic control recovery center without compromising safety**: Business Continuity Plan (BCP), BCP Training Module, Table-Top Exercises of the BCP Activation Plans. **Develop a robust security design for NextGen**: FAA's Information Systems Security (ISS) Accreditation Program procedures and standards will ensure that contractor owned-systems achieve and maintain FISMA compliance in accordance with contract requirements.
Time Needed to Resolve the Issue:	**Web application security**: The Web asset issues identified in the OIG Report will be resolved by September 30, 2010. **Implement timely cyber incident corrective actions**: The ATO

	Security Information Group (SIG) will improve their ability to efficiently process Incident Reports generated by the CSMC by September 30, 2010. **Strengthen security reviews**: Three years are required to fully resolve the issue. Three years coincides with the 3-year C&A cycle required for each system by FISMA. Approximately one third of ATO systems complete the 3-year C&A process on an annual basis using the NIST 800-53 (as amended) Security Controls. FY2010 will mark the third and final year to resolve this issue. **Activate the air traffic control recovery center without compromising safety**: At appropriate points in the development timeline the operational suitability of the BCP was demonstrated through acquisition of communications and surveillance (radar) data. Testing has also demonstrated no impact to other terminal/en route facilities. There are no changes to air traffic control procedures or separation standards, or operational contingency plans (FAA Order 1900.47C) when operating the SPARTCC. The design and development of the BCP capability was accomplished in accordance with the Air Traffic Organization (ATO) Safety Management System (SMS). Design variances from the system architecture of the operating ARTCCs were evaluated for risk, and appropriate mitigations implemented, where needed. The appropriate safety risk documents were prepared. Residual risk was accepted at the appropriate level. **Develop a robust security design for NextGen**: Contractor owned-systems must reach and maintain FAA's FISMA compliance, via contract requirements, with the procedures and standards established by the FAA's Information Systems Security (ISS) Accreditation Program. Throughout a program's system engineering process these security requirements are implemented and FAA's security analysts ensure that security compliance is achieved via the Security Certification and Authorization Package (SCAP) process. To ensure ongoing Contractor compliance, 3-Year full SCAP and Annual Assessments are conducted by the FAA's Independent Risk Assessment Teams so that contractor-owned systems can safely interface with the rest of air traffic control infrastructure.

Specific steps to be taken in FY 2010:	**Web application security**:
	
	1. Complete implementation of all OIG Web audit Plan of Action and Milestones (POAM) remediation activities.
	
	2. Conduct compliance checks on a sub-set of OIG Web Audit POAM item completion actions.
	    a. Identified sites and plan by March 1, 2010.
	    b. Perform compliance testing and develop report by June 30, 2010.
	    c. Resolve any outstanding issues from compliance checks by September 30, 2010.
	
	3. Perform internal NAS Web audit on Web assets used for NAS internal operations.
	    a. Identified sites and plan by March 31, 2010.

b. Perform internal NAS Web Audit and generate report by August 31, 2010.

Implement timely cyber incident corrective actions:

1. Further develop communication paths with stakeholders.
    a. Initiated liaison with Federal Telecommunications Infrastructure (FTI) Security Operations Center (SOC) by March 1, 2010.
    b. Continued liaison with Cyber Security Management Center (CSMC) by March 1, 2010.

Strengthen security reviews:

1. Complete ATO Level of Effort (LOE) Determination for all systems undergoing a Risk Assessment in FY2010 by April 30, 2010.

2. Document LOE findings in ATO System Site Survey Plan by April 30, 2010.

3. Assure that site visits are distributed over time, selecting sites not previously visited during the last risk assessment except for system "key sites".

4. Assure that risk assessment data gathering includes interviews, examination and testing that meets the requirements of NIST 800-53A (noting that security testing is not performed in a live environment on operational air traffic controls systems due to possible impact on NAS operations).

Activate the air traffic control recovery center without compromising safety:

1. The BCP capability to replicate the functionality of a HOST computer system air route traffic control center (ARTCC) was declared "Activation Ready" on October 1, 2009. The facility is also referred to as the spare ARTCC (SPARTCC). The "Activation Readiness" declaration indicates the completion of the design and implementation phases, including the systems and procedures, required for activation of the SPARTCC. Conduct a Table-Top Exercise of the BCP Activation Plans. The FY 2010 Table-Top Exercise was conducted the week of March 15, 2010.

2. Develop new BCP Training Module for all field personnel. This training will provide a history of the BCP development, provide a general overview of the BCP facility, and an overview of the activation process. We anticipate this module will be completed by September 30, 2010.

Develop a robust security design for NextGen:

1. Complete SCAP Supplemental Risk Assessments to support ADS-B key site Initial Operating Capability (IOC) declarations in FY 2010. These assessments are continuous updates of the complete system SCAP. They include:
    a. Louisville (IOC November 2009).
    b. Gulf of Mexico (IOC December 2009).
    c. Philadelphia (IOC March 2010).

	d. Juneau (IOC April 2010).
Expected Results, this year and in the future:	**Web application security**: 1. ATO Web applications will be configured according to the National Checklist Program. 2. OIG Web asset audit report finding will be resolved. **Implement timely cyber incident corrective actions**: The ATO Security Information Group (SIG) will improve their ability to efficiently process Incident Reports generated by the CSMC. **Strengthen security reviews**: 1. In FY 2010, ATO will complete the final third of system Certification and Authorization (C&A) packages compliant with NIST 800-53 requirements. In the future we will complete one third of the ATO system inventory C&A packages compliant with the requirements of NIST 800-53 and NIST 800-53A, as amended, annually. 2. Improve the means to target security reviews for operational sites at risk of having unauthorized system configurations and strengthen security reviews of air traffic control systems supporting live operations. **Activate the air traffic control recovery center without compromising safety**: Training will result in increased awareness by facility personnel of BCP capabilities. **Develop a robust security design for NextGen:** The regularly scheduled SCAP Annual Assessment is due October 31, 2010, to ensure that contractor-owned systems can safely interface with the rest of air traffic control infrastructure.

MANAGEMENT CHALLENGE	
Chapter 7: Enhancing the Ability to Combat Cyber Attacks and Improving the Governance of Information Technology Resources	
Key Challenge:	**7C: Strengthening the privacy protection program to secure personally identifiable information (PII).** • Obtain an accurate count of PII systems. • Finalize PII inventory and properly secure the systems. • Eliminate the unneeded use of Social Security Numbers (SSNs) and assign a high priority to meet this mandate.
ADDRESSING THE ISSUE	
Cognizant Organization:	AES-200 Information Technology Enterprises Business Services Division AOT Information Technology Optimization
Tools to be Used to Resolve the Issue:	The following tools will be utilized to address and resolve PII issues: 1. PII Inventory Questionnaire and Privacy Threshold Analysis Process. 2. PKWare SecureZip will be procured to provide an interim solution for file encryption, along with PGP for desktop/server encryption. 3. A longer term solution for data loss prevention capability is currently in the early stages of acquisition. 4. Secure service will be procured to will feed sequential numbers to subsystems instead of the SSN.
Time Needed to Resolve the Issue:	FAA will obtain an accurate count of PII systems in FY 2010. As system inventory changes, FAA will monitor all changes in system inventory. The interim capability for data discovery and PII security remediation is currently underway and is called Project QuickSPIIn. The ASPIIrin effort is the longer term data loss prevention solution targeted to be initially implemented by 2nd Quarter FY 2011. The FAA submitted an SSN reduction plan to OST on September 30, 2009. The FAA is currently on target to meet the milestones as outlined in the plan. The FAA plans to comply with OIG's request to implement the SSN reduction plan by 2013.
Specific steps to be taken in FY 2010:	The FAA is in the process of completing a detail discovery of PII systems and their interrelationships. Activities include collaboration with LOBs/SO, interviewing managers of systems that contained PII, reviewing privacy and security documents and developing system mappings and interrelationships due by March 31, 2010. These inventory questionnaires will be used to further the PII reduction effort and to maintain a record of the number of system reductions due to "unnecessary use of PII/SSN."

	Steps taken to date to finalize and secure PII inventory include:
	1. Baselining of PII systems from Privacy Threshold Analysis Process by March 31, 2010, the result of system inventory questionnaires for PII systems which are being verified.
	2. FAA will continue use of QuickSPIIin throughout FY 2010.
	3. Project ASPIIrin data loss prevention solution selected by 3rd quarter of FY 2010 followed by acquisition and beginning of implementation through 4th quarter of FY 2010.
	Steps that are being taken in FY 2010 to eliminate unnecessary use SSNs include a review of LOB/SO business processes by September 30, 2010 to determine where SSN can be reduced. The FAA is in the process of completing a detailed discovery of SSN system interrelationships. Activities included collaborating with LOBs/SO, interviewing managers of systems that contained SSN and developing system mappings and their interrelationship with other systems which is due March 31, 2010.
Expected Results, this year and in the future:	The FAA's efforts will result in an accurate report of PII systems for FISMA and for internal and OIG audits. Procurement of a security tool will enhance protection of our PII systems by the end of FY 2010, significantly reducing the potential for and severity of privacy incidents. The FAA's development of an acquisition strategy for the system modifications and reduction of PII/SSN will yield immediate benefits in FY 2010. The results of the system discovery process and the enterprise view of SSN systems are aiding in the system analysis and design of a more comprehensive SSN reduction service solution by allowing us to see where the SSN data originates, how it mutates through systems, and where it terminates (and what records are produced throughout its lifecycle).

MANAGEMENT CHALLENGE
Chapter 7. Enhancing the Ability to Combat Cyber Attacks and Improving the Governance of Information Technology Resources

Key Challenge:	**7D: Enhancing control of IT investments through oversight and accountability.** • Use Earned Value Management (EVM) - which compares the value of work accomplished in a given period against planned value of work, scheduled for that period - to compile the cost and schedule variances. • Evaluate the EVM system to ensure compliance with DOT's guidance. • Conduct steps to ensure accountability for monitoring and overseeing the performance of major IT investment projects.

ADDRESSING THE ISSUE	
Cognizant Organization:	AJA – Acquisition Business Services (AJA-0 is Vice President of Acquisition Business Services, who is also the FAA Acquisition Executive (FAE), chairs FAA's Joint Resources Council (JRC) and is responsible for the FAA's Investment Decision-making Process. The JRC Executive Secretariat (AJA-A2) supports AJA-0 by managing the investment decision-making process in support of all of the Investment Decision Authorities (IDA) including the JRC, the ATO Executive Council (EC), Aviation Safety (AVS) and Regions and Center Operations (ARC) IDAs along with the ATO Vice President (VP) IDAs. AJF – ATO Finance Business Unit AES – Information Technology Enterprise Services (AES-100 supports another IDA called the IT Executive Board [ITEB] which is chaired by the FAA CIO.)
Tools to be Used to Resolve the Issue:	The JRC is the corporate level IDA which has oversight responsibility over all of FAA's investments and operational assets. An Acquisition Executive Board, also chaired by the FAE, assigns an acquisition category (ACAT) to each investment based on criteria that is outlined in FAA's lifecycle acquisition policy called the FAA Acquisition Management System (AMS). The Policy for major programs to use and report Program Level EVM has been in the AMS since August 2005. The AMS contains standard FAA contract clauses that are used to implement EVM on contracts. FAA made a business decision at the start of this effort not to require existing contracts to be modified to include EVM, if the requirements were not on the original contract. The FAA provides an assessment of each major Program's EVM System as part of the Investment Decision Process and conducts annual surveillance after the initial assessment. The FAA has documented the process for assessment/validation of both programs and contractors in AMS. The FAA also accepts

	contractor validations issued by the Defense Contract Management Agency (EVM Executive Agent for DoD).

The FAA has a standard functional Work Breakdown Structure (WBS) that is tailored by all programs as part of the investment decision process. A product oriented WBS is also developed as part of the Final Investment Decision process.

The ACAT level determines the IDA responsible for the investment. The JRC reviews and provides final approval for all ACAT designations. The JRC meets at a minimum the third Wednesday of each month to consider making investments decisions on ACAT level 1 and 2 investments that have completed the AMS requirements and have been deemed ready for a decision.

The agency uses the "Readiness Process" as a means of tracking investments as they complete the AMS required activities. |
| Time Needed to Resolve the Issue: | The implementation of EVM within the FAA, while well established, is a continuous process. While the basics are in place, the Agency will continue to develop and improve the process to ensure a consistent approach to the implementation of EVM for all major programs and contracts.

The AMS was modified in November 2009 to reflect the inclusion of ACAT level assignments in the investment decision-making process. The agency is working to implement the process changes. The JRC made the decision that it wanted the SLRs to be more portfolio based. The first set of portfolio based SLRs will be conducted in April and May of 2010. The first ATO VP IDA meeting was held in March 2010. The first AVS IDA investment meeting is currently being scheduled. |
| Specific steps to be taken in FY 2010: | 1. Developed plan to establish the FAA System Description (FAA EVM SD) by March 2010. The plan was briefed to the Acquisition Executive Board on March 5, 2010 and was approved.

2. Establish an EVM Performance Measurement Baseline management procedure (part of the FAA EVM SD) by June 2010.

3. Review of the Draft FAA EVM System Description by the EVM Council - August 2010. The goal is to have this document ready for submission to the Acquisition Executive Board (AEB) for consideration for incorporation into AMS by December 2010.

4. Conduct Service Level Reviews through JRC twice a year to obtain the status of the agency's entire portfolio of investments and operational assets.

5. Perform quarterly reviews of the major program EVM data, and the results of Post Implementation Reviews conducted on programs.

6. JRC and ATO EC will hold quarterly review meetings to track the progress being made in achieving the decision points and milestones outlined in the FAA Enterprise Architecture (EA). The JRC approves the EA yearly and the F&E and RE&D annual budget submissions.

7. ATO EC will meet each Tuesday to make investment decisions |

	8. The Line of Business Head IDAs (ARC & AVS) and the ATO VP IDAs make decisions on assigned ACAT 4 and 5 investments. Their investment meetings are scheduled and held after the investment has completed all of the items in the "Readiness" checklist. The ITEB makes decisions on assigned ACAT 4 and 5 investments. The ITEB investment meetings are held monthly.
Expected Results, this year and in the future:	The FAA continues to be a recognized leader in the implementation of EVM within the Department of Transportation; GAO and OMB have recognized that the FAA is a leader in implementing EVM among civilian agencies. The development of the FAA EVM System Description will provide a single reference for programs for implementation of EVM. This will provide standard templates and resource documentation that individual programs will be able to tailor for their individual program. The result will be a consistent presentation of program information across all FAA programs. The changes made to the AMS which inserted the assignment of ACAT levels and the creation of the ATO VP IDAs will continue to be implemented throughout the year. These changes were recommended by PricewaterhouseCoopers (PWC) in their 2008 independent assessment of the AMS. These changes were identified in the PWC assessment report as "quick wins" that could have the effect of streamlining the investment decision-making process and the time it takes an investment to go through it. The impact of these changes on the investment decision-making process will be evaluated by the FAA in 2011.

MANAGEMENT CHALLENGE	
Chapter 9: Strengthening the Department's Acquisition Workforce	
Key Challenge:	**9A: Addressing Acquisition Workforce Retention and Recruitment Concerns.**
ADDRESSING THE ISSUE	
Cognizant Organization:	AJA-A, Acquisition Policy, Workforce Development and Evaluation AJF-12, ATO Audit Liaison
Tools to be Used to Resolve the Issue:	Acquisition workforce planning will be extended beyond the Air Traffic Organization (ATO) to include the Service Areas, Regions and Center Operations (ARC), and the Aviation Safety (AVS) organizations. Enhancements to FAA's acquisition workforce planning model will be made to provide a stronger, integrated framework. Workforce analyses will be improved to examine more closely specific workforce needs of NextGen and other critical acquisition programs. Acquisition workforce planning tools will be improved to better project future needs and identify workforce gaps. Site Sessions will be conducted by the National Acquisition Evaluation Group (NAEG). The goal is to assess the acquisition workforce through interviews and workgroup sessions. These interviews will include management and non-management personnel who are considered stakeholders to the acquisition process. Interviews will be conducted at Headquarters, the Mike Monroney Aeronautical Center, the William J. Hughes Technical Center, and the Service Centers and Regional Offices.
Time Needed to Resolve the Issue:	The solutions to resolve this issue will be implemented throughout FY2010.
Specific steps to be taken in FY 2010:	1. Complete and publish the 2010 Acquisition Workforce Plan by June 30, 2010. 2. Complete all NAEG Site Visits by July 31, 2010. 3. Complete expansion and enhancement of workforce planning and analysis by September 30, 2010.
Expected Results, this year and in the future:	Through more effective management, workforce analysis, and overall workforce communication, FAA will ensure its workforce is commensurate with the need of agency goals and mission.

MANAGEMENT CHALLENGE	
Chapter 9: Strengthening the Department's Acquisition Workforce	
Key Challenge:	**9B: Ensuring a Sufficient and Competent Acquisition Workforce to Meet Mission Needs**.
ADDRESSING THE ISSUE	
Cognizant Organization:	AJA-A, Acquisition Policy, Workforce Development and Evaluation AJF-12, ATO Audit Liaison

Tools to be Used to Resolve the Issue:	1. Centralized Acquisition Career Management Group. The Group's focus is workforce planning, workforce development, and the implementation of certification programs specifically designed for the acquisition workforce. The change in organizational infrastructure emphasizes the critical importance of the agency's acquisition workforce to mission accomplishment and transition to the Next Generation (NextGen) air traffic control system.
	
	2. Our Acquisition Career Program Guide will be published online under Acquisition Management System (AMS) policy. This Guide establishes core requirements related to competencies, training, experience, and certification for multiple acquisition workforce disciplines.
	
	3. National Acquisition Evaluation Program (NAEP) review findings will be used when identifying performance gaps within the acquisition workforce. Current training programs and policies will be modified as required or necessary. Areas of review include:
	
	   i) Defining and estimating FAA requirements.
	
	   ii) Utilization of performance-based acquisition.
	
	   iii) Evaluation of proposals and negotiation.
	
	   iv) Contracting Officer Technical Representative (COTR) communications and management.
	
	   v) Administration life-cycle logistics and contracts by program offices.

Time Needed to Resolve the Issue:	The proposed solutions to this issue will be implemented and fully operational by the end of this fiscal year, September 30, 2010.
Specific steps to be taken in FY 2010:	1. Acquisition Career Management Group: Primary Staffing, completed December 31, 2009. 2. Acquisition Career Program Guide: March 31, 2010. 3. NAEP Reviews: FY2010 Reviews will be completed by July 31, 2010.
Expected Results, this year and in the future:	Our overall goal is to ensure the agency has the staffing and skill mix to successfully manage NextGen and other major acquisition programs now and into the future. Through the introduction of the Acquisition Career Management Group, documented plans and standards, and proper oversight, FAA will be able to estimate and implement training and support where best needed to effectively achieve mission.