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U.S. Department of Transportation
Federal Aviation Administration

Memorandum

Subject: Program Guidance Letter 99-1

Date: DEC 28 1998

From: Manager, Airports Financial Assistance Division, APP-500

Reply to Attn. of:

To: PGL Distribution List

99-1.1 Assessment and Testing of Automated Data Processing for the Year 2000 Date Change - Mark Beisse (202) 267-8826.

For fiscal year 1999 only, Division C, Title I, section 110(d) of the Omnibus Act (Public Law 105-277, October 21, 1998, Attachment A) amends Title 49, United States Code, section 47102, to define airport development to include activities of commercial service airports to assess year 2000 data processing. This includes testing the capabilities of any automated airport facilities, technology systems, or equipment owned by the airport sponsor regardless of whether such facilities, systems, or equipment are otherwise eligible for grants. Examples of systems for which assessment is eligible under this provision include systems for airport administrative support, financial record keeping, property management and maintenance scheduling.

Eligible assessment and testing will be consistent with the Federal Aviation Administration Year 2000 (Y2K) Repair Process and Standards Handbook, the current version, which is now available within the FAA Web home page at http://www.faay2k.com/html/process.html. This handbook basically uses the General Accounting Office's Y2K five-step process: awareness, assessment (and associated testing), renovation, validation, and implementation. FAA has taken steps to increase awareness by airport sponsors of possible Y2K problems. (See Attachments B, C, and D for letters sent to airports.)

The eligible assessment phase is the second stage of the Y2K process. This phase might address development of an assessment plan, performing a system inventory and impact

analysis, as well as developing Y2K renovation and contingency plans. Associated testing must be operation or execution of a unit, module, interface, system, or program to evaluate the functionality and performance against applicable requirements using sample test data. Assessment involves an iterative process, and testing that is associated with assessment would be eligible even though it may relate to the other steps of Y2K repair. We have also determined that, while Y2K assessment and testing may generally be eligible for PFC funding, the projects must meet at least one of the objectives under the PFC statutes and regulation. Accordingly, if a project does not meet at least one of the PFC objectives, reimbursement cannot be permitted.

Ineligible work is anything in the awareness, renovation, validation or implementation steps, except as noted within PGL 99-1.2. Assessment of nonairport systems owned by an airport sponsor (e.g., harbor facilities owned by a port authority), and the airport-related equipment that may be the responsibility of another party (e.g., FAA navigation aids, airline computers), also would not be eligible. Airports' Y2K team within each region (led by AAS-300) will be kept abreast of the latest information about the division of responsibilities where ownership or maintenance of automated data processing is shared through leases, agreements, as well as other types of contracts.

The special condition in Attachment E should be included within any grant for assessment and/or testing of Y2K compliance. Airports should plan the scope of work in advance for only one such grant due to the urgency of this issue. Lump sum contracting is encouraged.

AIP funding is limited to State apportionments at nonprimary airports or passenger entitlements at primary airports. PFC funds also may be used for Y2K assessments, including reimbursement, subject to the criteria described above.

Regions can help to ensure timely action on Y2K assessment and/or testing by advising sponsors that allowable AIP costs may be paid using the reimbursement provision of PGL 98-1.1, amendments to prior grants, or a stand-alone project.

99-1.2 Y2K Implementation - Mark Beisse (202) 267-8826.

PGL 99-1.1 does not affect eligibility for the implementation of year 2000 automated data processing repairs.

Eligibility of projects to renovate, validate, or implement data processing for Y2K compliance depends on eligibility of the systems to be repaired. For example, safety, security or other equipment eligible as airport development is eligible for repairs to attain Y2K compliance, and noise monitoring system components are eligible if the system is otherwise eligible as a noise mitigation project.

Repairs to airport administrative, operating, or maintenance systems are ineligible, as is anything in the awareness step of the Y2K process. Note that, pursuant to standard assurance number 19, sponsors may be separately required to attain Y2K compliance of a system without AIP funds if it was previously acquired under an AIP grant. This would be also true for any cases in which attaining compliance would be considered maintenance.

The special condition in Attachment F should be included in all fiscal years 1999 and 2000 grants, including those for Y2K assessment and/or testing. Airport development standards are not being changed for Y2K performance of facilities, systems, or equipment, and the special condition is the legal mechanism that specifically highlights the issue for airports.

Please refer any questions pertaining to the threshold between maintenance (ineligible) and repair (eligible) or about other Y2K eligibility requirements to APP-510.

Ellis A. Ohnstad

Ellis A. Ohnstad

Attachments

(d) ELIGIBILITY OF AIP FUNDS TO ASSESS Y2K COMPLIANCE.—
(1) ELIGIBILITY.— For fiscal year 1999 the term "airport development" under section 47102(3) of title 49, United States Code, may include activities of an airport sponsor of a commercial service airport (as defined by section 47102(7) of such title) to assess the Year 2000 processing capabilities of any airport facilities, technology systems, or equipment owned by the airport sponsor and directly related to airport activities, regardless of whether such facilities, systems, or equipment are otherwise eligible for assistance under chapter 471 of such title. Such activities may include testing associated with such assessment.

(2) LIMITATIONS.—

(A) Only funds apportioned to sponsors under section 47114(c) of title 49, United States Code, or to States under subsections (d) and (e) of section 47114 of such title, may be used for activities described in paragraph (1).

(B) The expanded eligibility under paragraph (1) applies only to the assessment (and associated testing) with respect to the Year 2000 processing capabilities of airport facilities, systems, and equipment owned by the airport sponsor.

(3) DEFINITION.— In this subsection, the term "Year 2000 processing" means the processing (including, without limitation, calculating, comparing, sequencing, displaying, or storing), transmitting, or receiving of date or date/time data from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000, and leap year calculations.

Attachment 13

Dear Airport Operator:

I am writing you and other operators of public-use airports to make sure you are aware of the potential problems that may occur in some airport systems after December 31, 1999. Specifically, airport systems that use microprocessors may malfunction or produce incorrect information because of a simple date change anomaly. The Year 2000 (Y2K) problem, as it is called, results from the way computer systems store and manipulate dates.

I recognize that some recipients of this letter, especially those that operate smaller general aviation facilities, may not have any systems affected by this problem. However, I believe it is important that all operators assess their systems and determine if they will be affected rather than just assume that it doesn't apply to your airport. I cannot over emphasize the importance of your conducting this assessment regardless of the size of your airport.

I would also like to take this opportunity to advise you of several efforts that are underway in this regard. First, the Federal Aviation Administration (FAA) has done a great deal of work to assess the Y2K problem in its own systems, including any processors in FAA equipment located at airports. Most systems containing microprocessors at airports, however, are owned and operated either by the airport operator or users such as the airlines or fixed-base operators. To ensure that systems continue to function, it is essential that each airport develop an aggressive program to survey and assess airport systems and to correct problems identified.

Because airport users, airport operators, and the FAA all have a stake in the uninterrupted operation of airfield systems, we have formed an Industry-FAA Y2K Airfield Working Group as a forum for the exchange of information on Y2K matters and for coordination between member organizations in efforts to assess and certify airport systems as Y2K compliant. The group includes the FAA, the Airport Council International-North America (ACI-NA), the American Association of Airport Executives (AAAE), the Air Transport Association (ATA), the Regional Airline Association (RAA), the National Business Aviation Association (NBAA), and the National Association of State Aviation Officials (NASAO). Member groups have already been active in surveying the status of airport systems and increasing airport and user awareness of Y2K issues.

One of the first accomplishments of the group has been to review the list, compiled by the ATA and ACI-NA, of airport systems that may be affected by

Y2K. The FAA revised the list based on comments by the Working Group members, and identified those systems that may affect an airport's certification under 14 CFR Part 139, *Certification and Operations: Land Airports Serving Certain Air Carriers*, or compliance with 14 CFR Part 107, *Airport Security*, or 14 CFR Part 108, *Airplane Operator Security*, or that otherwise relate to operation and maintenance of the airfield and the movement of aircraft. The resulting list is enclosed.

I recognize that most of the items on the list are targeted to airports with air carrier service, but some will also be found on airports serving only general aviation. Even though, not every airport will have every item on the list, and you may find items at your airport that have not been included on the general list, the list should help in your assessment of systems for Y2K compliance at your airport.

Within the next few weeks we will be writing a follow up letter to operators of airports certificated under Part 139 to issue more specific guidance on the assessment of any systems that may affect the airport's ability to meet Part 139 regulatory requirements.

The Working Group is also developing a list of manufacturers of equipment used in airfield systems and containing microprocessors. We are contacting those manufacturers to encourage them to provide an assessment of the Y2K compliance of their products and suggestions for correcting any problems. We are encouraging manufacturers to contact operators of airports where their equipment is installed. In addition, the FAA Airports organization will make the information that we receive on Y2K problems available on our web page at: http://www.faa.gov/arp/arp-y2k.htm .

Working Group member organizations are in the process of surveying many of the larger airports for the status of Y2K compliance, and you may already have provided information to one or more of the group members. We invite you to contact the working group members at any time with questions, comments, or identification of any special problems or solutions to problems at your airport. A list of Working Group members and representatives is enclosed.

In the meantime, we urge airport operators, air carriers, and other airport tenants to work closely in identifying the Y2K-affected systems at your airport, to share information, and to cooperate fully in resolving any problems you find. The FAA Office of Airports will provide assistance to you in ensuring that your airport systems are Y2K compliant as soon as possible, so that we may look forward to "business-as-usual" airport operations on January 1, 2000.
I appreciate your attention to this important issue.

Sincerely,

Susan L. Kurland
Associate Administrator for
Airports, ARP-1

Enclosure(s)

Attachment C

U.S. Department
of Transportation

**Federal Aviation
Administration**

800 Independence Ave., SW
Washington, DC 20591

Dear Airport Operator:

I am writing to provide you with an overview of the FAA's year 2000 (Y2K) efforts and the status of the FAA-owned equipment located at your airport. My hope is that this information will facilitate your efforts to ensure that the systems you own and operate on your airport are Y2K compliant prior to January 1, 2000, and will demonstrate FAA's commitment to successfully meet this challenge.

In March 1998, FAA Administrator, Jane Garvey, created the Y2K Program Office, which reports directly to her to ensure the agency's success in preparing its systems for the Y2K date change. This office adopted the five-step approach, awareness, assessment, renovation, validation, and implementation, which was developed by the U.S. General Accounting Office.

The first step, awareness, is ongoing and involves alerting all organizations within the agency that the Y2K problem will impact their operations and that Y2K readiness must be a top priority.

Then, in order to determine the scope and repair requirement of all systems, each system went through the assessment phase. This phase not only determined if a system was Y2K compliant, but also helped to estimate the scope of the repair work, the scale of problems within a system, and the level of effort associated with resolving the issues. Assessment of mission critical systems and non-mission critical systems was complete on January 31, 1998, and April 15, 1998, respectively.

During the third phase, renovation, specific changes that were needed to make a system Y2K compliant were identified, executed, and tested. On September 30, 1998, 99 percent of FAA systems had been renovated with the remaining one percent, i.e., two systems, scheduled to be renovated by December 31, 1998.

The FAA is now in the validation phase. This involves testing the "fixes" made to each system, correcting the individual system's problem, and enabling it to interact with other systems. Once the validation phase is complete, we will implement the "fixes" on all identical systems in the National Airspace System. The final phase, implementation, is scheduled to be complete for all FAA systems by June 30, 1999.

Since the agency is still in the validation phase for its systems, "fixes" have not been made to the vast majority of the FAA systems located on individual airports. However,

the FAA is on schedule and remains committed to achieve Y2K compliance of all its systems no later than June 30, 1999.

I hope this information helps clarify the Y2K compliance status of the FAA systems located on your airport. Additional information on the agency's Y2K efforts can be accessed on the FAA Y2K Program Office's website at www.faay2k.com or call them at 202-267-9512.

I strongly encourage all airports to take a similar five-phase approach to ensure Y2K readiness of each of their systems. Our regional personnel will be in contact with you to continue the dialogue on this important challenge. I am confident that—if we all work together—we can ensure that the national air transportation system experiences a seamless transition into the new millennium.

Sincerely,

Susan L. Kurland
Associate Administrator
for Airports

Attachment D

U.S. Department
of Transportation

**Federal Aviation
Administration**

800 Independence Ave., SW
Washington, DC 20591

Dear Airport Operator:

I recently wrote a letter to all operators of public-use airports emphasizing the importance of addressing the Year 2000 (Y2K) issue. This letter is a follow-up specifically to operators of airports certificated under 14 CFR Part 139, *Certification and Operations: Land Airports Serving Certain Air Carriers* (Part 139). The purpose of this letter is to provide you with further guidance on identifying systems that may impact your operation, acceptable documentation for showing Y2K compliance, and our plans for monitoring your progress on certifying systems that may affect your ability to comply with Part 139.

To assist you in your effort to develop an aggressive program to survey and assess airport systems for Y2K compatibility, I have enclosed a suggested decision flow chart and a revised list of systems that may be affected by this problem. The flow chart provides a very basic decision tree for determining if a system is Y2K compliant. The list indicates those systems that are often used at airports to support Part 139 requirements; those systems that are often used at airports to achieve compliance with Part 107/108; and those systems that may be critical to the operation of your airfield. Some of the systems identified as "Airfield Critical" in the list are not related to specific regulatory requirements but should still be checked for Y2K compliance to ensure efficient airfield operation.

It is your responsibility to ensure that all systems that support your Part 139 certificate requirements are Y2K compatible or that contingency plans are in place for meeting those requirements. The Federal Aviation Administration (FAA) has targeted a date of June 30, 1999 to certify that its internal systems are Y2K ready, and we strongly recommend that you adopt the same date. A target date of June 30 will allow time for any additional testing or follow-up actions prior to January 1. In recognition of the importance of computers in systems and equipment used to meet Part 139 requirements, I have established a national team with representatives in each region to monitor each airport operator's progress in determining Y2K compatibility for all Part 139 systems indicated on the enclosed list. The team members may accomplish this through site visits, telephone calls, and correspondence. The team will be requesting assurance from each Part 139 airport operator that systems are Y2K ready in the form of one of the following:

- Manufacturer's certification that the system is does not contain any computers or microprocessors.

- A written description of the testing performed to determine that the system is Y2K compliant.
- Documentation that replacement hardware or software that it is Y2K compliant.
- A written description of your contingency plan for the system in question. For example, the contingency plan for an airfield lighting circuit of uncertain Y2K compatibility might contain a written description indicating the existence of a manual override switch and how and when to use it. This would ensure continued airfield operations in the event the system should fail due to Y2K noncompatibility.

Team members will determine the progress of each airport in completing the process of surveying and assessing these systems by the airport either certifying the systems as Y2K compliant or developing contingency plans.

With respect to systems that support 14 CFR Part 107, *Airport Security*, and Part 108, *Airplane Operator Security*, the Associate Administrator for Civil Aviation Security has asked me to advise you that to ensure adequacy of security controls, representatives from the Office of Civil Aviation Security (ACS) will, on a case-by-case basis, review the impact of the Y2K glitch on airport/air carrier integrated security systems. If computers used in the process of access control and allied systems fail due to the millenium bug, ACS has deemed that nonautomated mechanical or manual systems will be required and, if performed properly, will be considered effective.

We believe that these actions will provide air passengers and airport users a safe and efficient airfield environment on January 1, 2000. I recognize that other organizations, such as the General Accounting Office and Air Transport Association of America, also have Y2K survey efforts in progress and that you may have already been asked to provide extensive information. The FAA is cooperating with these other efforts and will attempt to avoid duplicative requests for information. However, the agency will need to maintain current information on the effect of the Y2K problem on Part 139 compliance.

If you have any questions on Y2K system assessment and remediation, you may call Mr. Robert David, Manager, Airport Safety and Operations Division, at 202-267-3085, Fax 202-267-5257, or email at Bob.David@faa.gov.

Sincerely,

Susan L. Kurland
Associate Administrator
for Airports

Enclosures

Attachment E

SPECIAL CONDITION

Automated Data Processing Assessment for Year 2000.

The sponsor attests any automated facility, technology system, or equipment assessed and/or tested under this Airport Improvement Program project has, or will have, a complete assessment for year 2000 (Y2K) date change data processing compliance. Any future Y2K awareness, assessment, and testing work for the facilities, systems, or equipment related to the project will be the responsibility of the sponsor or its contractor. The Government will not participate in additional costs for Y2K assessment or testing work for any automated data processing subject to this grant agreement.

Attachment F

SPECIAL CONDITION

Data Processing Repairs for Year 2000 Date Change.

The sponsor attests any automated facility, technology system, or equipment acquired, assessed, tested, installed or repaired under this Airport Improvement Program project has completed, or will complete, successful verification and validation of the year 2000 (Y2K) date change data processing. The sponsor shall ensure Y2K compliance of the facilities, systems, or equipment prior to its acceptance and/or commissioning to verify it meets operational standards. The sponsor must provide for continuous operation and maintenance of such, or alternate courses of action. The future Y2K awareness, assessment (including associated testing), renovation, validation, and implementation work related to the project will be the responsibility of the sponsor or its contractor. The Government will not participate in additional costs of Y2K assessment, testing, or repair work for the automated data processing subject to this grant agreement.