



U.S. Department  
of Transportation  
**Federal Aviation  
Administration**

# Memorandum

Subject: **ACTION:** FY 2003 Operating Guidance

Date: MAY 30 2003

From: Acting Assistant Administrator for  
Financial Services/CFO

Reply to AKeenan:  
Attn. of: x78010

To: Associate Administrator for  
Research and Acquisitions

This memorandum: (1) provides formally the FY 2003 Operations funding and staffing allowances for your organization; (2) clarifies financial relief, if any, that will be provided; (3) specifies funding requirements and set-asides; (4) describes agency-wide and specific spending restrictions; and (5) requests your written concurrence to these allowances and conditions. This guidance replaces all previous guidance.

## I. FY 2003 Operations Funding and Staffing Allowances

ARA's Operations allowance for FY 2003 is \$204,745,867.

ARA's Operations-funded staffing ceiling for FY 2003 is 516 EOYs and 523 FTEs<sup>1</sup>.

You should take whatever action is needed to ensure you do not exceed your dollar and staffing allowances.

## II. Financial Relief Being Provided

The Office of Budget will provide ARA with \$160,800 from overhead collections and miscellaneous receipts to cover the non-payroll costs of the FAA law library.

Aside from this relief, no other assistance will be provided. In fact, and due to funding shortfalls elsewhere

<sup>1</sup> These staffing ceilings include 8 EOYs and 4 FTEs associated with management of the FAA libraries.

2

in the agency, ARA will not receive this year the \$468,000 in "administrative-position" funding provided in the past. Even without this additional support, ARA appears able to manage within the resources provided by Congress, plus the \$160,800 in additional support for the libraries.

You must manage your organization within these resources provided. Failure to do so could constitute an Anti-Deficiency Act violation. If due to unforeseen events, you find that the resources provided are likely to be insufficient, please let me know immediately.

### III. Funding Requirements and Set-Asides

ARA should set-aside the following amounts for anticipated expenses in FY 2003. Except where noted, these are Operations-funded set-asides:

<u>Item</u>	<u>Dollars</u>
AOA Reserve, Initial	453,900
AOA Reserve, Additional	408,200
OWCP	1,317,410
Next Gen Email	10,195,950
Oracle (F&E funds)	689,500
Web Contract: Internet/Intranet	0
DOI Payroll Transition	3,874

The funds in the initial Administrator's Reserve should be used as follows:

<u>Item</u>	<u>Dollars</u>
One-Time Library Transition Costs	31,800
Library Payroll Costs	350,000
Support for AHR Funding	
Shortfalls	72,100

AHR budget staff will contact your budget staff regarding a funding cite for the AHR support.

Given the myriad shortfalls and uncertainties the agency faces this year, I request that you set aside an additional \$408,200 for the Administrator's Reserve. I hope we do not need to use these funds, but, given that we have already depleted the initial reserve, it is only prudent to set aside additional funds for possible emergencies. If, as we

hope, these funds are not needed, they will be released to you toward the end of the fiscal year.

#### IV. Spending Restrictions

##### General

Consistent with the guidance provided to all offices, ARA should eliminate all unnecessary spending, as well as spending that might give the impression of being wasteful or extravagant. Toward this end, ARA should work to limit all obligations to those that are clearly needed to meet operational and legal requirements, to protect and maintain agency facilities, and to safeguard employees.

##### Travel

ARA management should review travel carefully to make sure it is appropriate and necessary. Please limit the number of travelers to the minimum required to meet the objectives of the trip.

##### Conferences and Offsites

You and your staff may only arrange conferences and offsites if (i) the purpose of the conference or offsite is clear and consistent with the mission of the agency and the organization and (ii) there is no viable, less expensive option to achieving the same purpose. Furthermore, you should hold FAA-arranged conferences and offsites in Federal facilities, unless Federal facilities are unavailable, unsuitable, or in terms of total cost to the FAA more expensive.

As for conferences and offsites arranged by other Federal agencies or the private sector, if you determine that participation by ARA is required, then you should send the fewest possible participants for the shortest possible time.

##### Air Shows

Attendance at all domestic and international air shows (e.g., Oshkosh, Paris) should be limited to those who have a programmatic reason for attending - e.g., providing flight control services, participating in safety panels,

disseminating safety or flight information, or participating in safety demonstrations.

#### Space, Space Alterations, and Furnishings

You should ensure that all space alterations are consistent with the General Services Administration guidelines and done in the most economical fashion practicable. Standard finishes and furniture must be used. Except for space alterations required to meet OSHA requirements and reasonable accommodations for handicapped employees, space alterations for offices slated to move to FOB-10B are prohibited. Finally, the Facilities Management Division, ASU-400, in headquarters and the regional logistics divisions in the regions must approve all requests for space, space alternations, and furnishings.

#### Procurement Cards

You should ensure that procurement cards are only provided to Federal employees with a need for them. If the cards are misused, you should take immediate action to confiscate and revoke them. Misuse includes purchases that are inappropriate, done without required approvals or authorizations, or exceed prescribed spending limits.

#### Plasma Displays and Personal Data Assistants, Including BlackBerries

Except where you personally decide it is needed to successfully achieve ARA's mission in a cost-effective manner, Federal funds may not be used to purchase, lease, or rent plasma displays or personal data assistants (PDAs), including BlackBerries. If anyone in your organization decides to buy, rent, or lease a plasma display or PDA, including a BlackBerry, there should be on file a written justification approved by you clearly stating the reason for the purchase, lease, or rental. Furthermore, all BlackBerries (and similar PDAs) purchased with Federal funds must be bar coded and retrieved from employees when they leave ARA. BlackBerries purchased with personal funds cannot be used for official government business or supported by federally financed computer and information technology support staff in the FAA.

### Cell Phones and Pagers

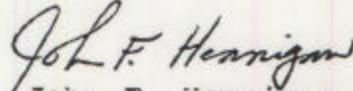
Cell phones and pagers should only be provided to staff with a clear and convincing operational requirement for them. The Facilities Management Division (ASU-400) should review all new and modified cell phone and pager agreements. Finally, due to funding constraints in ASU-400 and the proliferation in the number of cell phones and pagers since the September 11 terrorist attacks, ARA should be prepared to assume the full cost of any new or modified cell phone and pager agreements.

### V. Written Concurrence

Please sign and return the attachment to me within five working days.

I know that these restrictions will in some instances cause difficulties and inconveniences. However, they are necessary if we are to constrain the growth in Operations and manage within the resources provided by Congress this year and within what we expect will be highly restrained levels over the next few years.

If you have any questions, please contact me or the Director of the Office of Budget, Alex Keenan.

  
John F. Hennigan

Attachment

## Attachment

I accept the guidelines and restrictions imposed by the Acting Assistant Administrator for Financial Services/CFO's memorandum "FY 2003 Operating Guidance" and my responsibility to manage within the resources provided.

---

Date

---

Charles E. Keegan  
Associate Administrator for Research  
and Acquisitions