

VOLUME 2 AIR OPERATOR AND AIR AGENCY CERTIFICATION AND APPLICATION PROCESS

CHAPTER 1 THE GENERIC PROCESS FOR CERTIFICATING ORGANIZATIONS

Section 2 Safety Assurance System: Assignment of FAA Responsibilities

2-26 GENERAL.

A. Federal Aviation Administration (FAA) Activities. FAA activities associated with the certification process for air carrier and commercial operators and oversight of these certificates can cross district office and regional geographic boundaries. Existing operators can revise their organizational structures and change their scope of operations. These changes may affect the capabilities of a district office. Regional Flight Standards divisions (RFSD) are in the best position to know the capabilities of their district office and assigned personnel. Consequently, RFSDs must be responsible for assigning certification and certificate responsibilities to district offices. RFSDs shall specifically determine which district office will be assigned a certification project and have continuing responsibility for existing Title 14 of the Code of Federal Regulations (14 CFR) part 135 or part 121 operators. The RFSD must make periodic assessments of their existing certificate holder's operations to determine that the assigned district offices continue to be the best suited to fulfill FAA responsibilities for a particular operation.

B. Air Carrier Certification Projects.

- For existing and new part 121, see Volume 2, Chapter 3, Section 1.
- For existing and new part 135, see Volume 2, Chapter 4, Section 1.
- For existing and new 14 CFR part 145, see Volume 2, Chapter 11, Section 1.

C. The Assignment of FAA Offices and Personnel for a 14 CFR Part 91K Application and Program Management Responsibilities. This assignment should be handled in the same manner as the certification of a comparably sized or structured part 135 certification, as described in this section. Fractional ownership programs are not issued certificates; however, they are assigned to a Flight Standards District Office (FSDO) for the application process and continued oversight. The term "certificate-holding district office" (CHDO), as used in this section, refers to both an office that certifies and manages a 14 CFR part 119 certificate and an office that issues the management specifications (MSpecs) and provides oversight for a fractional ownership program. The terms "operator" and "certificate holder" in this section refer to both part 119 certificate holders and fractional ownership program managers. A fractional ownership program manager may have one or more affiliate programs. Each affiliate program should be treated as a separate entity for the purposes of issuing MSpecs and oversight; therefore, each affiliate program must have its own assigned principal inspectors (PI). Some fractional ownership programs are associated with a part 119 certificate holder. Some or all aircraft used in the fractional ownership program may be listed on an air carrier's operations specifications (OpSpecs). In addition, provisions of part 91K allow the use of part 135 manuals, training programs, proficiency checks, recordkeeping, flight and rest provisions, maintenance programs and minimum equipment lists (MEL) to meet the part 91K requirements. Therefore,

the same PIs should be assigned to associated air carriers and the fractional ownership programs. See Volume 2, Chapter 5, for more information on fractional ownership programs.

2-27 PRINCIPAL BASE OF OPERATIONS. Both parts 119 and 91K utilize the term “principal base of operations” to mean the primary operating location. The certificate holder or program manager will designate only one principal base of operations but may designate other operations locations as main bases. A certificate holder must maintain its OpSpecs at its principal base of operations. A part 91K program manager must maintain its MSpecs at its principal base of operations. If records are kept at locations other than the principal base of operations, the certificate holder/program manager will maintain a current listing that will include the location and persons responsible for each required record, document, and report. The office having responsibility for the geographic area in which the principal base of operations is located will normally be assigned the CHDO responsibilities. The principal base of operations and the responsibility for oversight of the certificate holder/program manager is part of the CHDO environment to include staffing considerations. It may be necessary to recruit or transfer inspectors appropriately qualified for the type of operation to the district office having geographic responsibility for the area in which the principal base of operations is located.

2-28 FACTORS TO BE CONSIDERED WHEN DESIGNATING A PRINCIPAL BASE OF OPERATIONS. The FAA’s designation of a principal base of operation is essentially a determination of which district office will be assigned certificate-holding responsibilities. In most situations this determination can be based on several predominant factors that clearly indicate a primary operating location and an obvious assignment of a CHDO. However, in some situations, the factors involved in determining the primary operating location and/or which district office is best suited for certificate-holding responsibilities are complicated by the proposed or existing operation. RFSDs must consider all factors involved when designating a principal base of operations. Sometimes the decision will have to be based on a consensus of factors. Some factors that must be considered in descending order of priority include the following:

- Location and accessibility of an applicant’s or existing certificate holder’s key management personnel and other persons who have authority to make decisions on FAA matters;
- Location of the main operations base and operations system control center;
- Location of the main maintenance base and maintenance system control center;
- Qualification of available district office inspectors with respect to the type of operation and aircraft;
- Geographic centers of route structures and/or areas of operation;
- The applicant’s or existing certificate holder’s corporate headquarters location;
- Training locations; and
- Employee domicile locations.

2-29 SPLIT MAIN OPERATIONS AND MAIN MAINTENANCE BASE LOCATIONS.

A. Location of Inspectors. Occasionally an operator will locate its main operations base and main maintenance base in different district offices and/or regional geographic areas. The company’s management personnel (operations and maintenance) may be separated and maintain

separate offices at the location of the activity for which they are responsible. In these situations, the most practical and efficient arrangement is to locate the principal operations inspector (POI) near the main operations base and the principal maintenance and avionics inspectors near the main maintenance base. Any full-time assistants should also be similarly located. Physical separation of these key inspectors, if not carefully managed, can result in significant coordination problems.

B. Location of CHDO. When an operator splits its main operations and maintenance bases, the RFSO shall decide which district office will be the CHDO. When two regions are involved, the respective divisions will coordinate and mutually determine which region is to assume responsibility for the operation and which district office within that region will be assigned oversight responsibilities. If the regions are unable to agree, the issues will be forwarded to the Director, Flight Standards Service (AFS-1) for final determination. The basis for determining which region and district office is to be assigned certificate responsibilities will be a thorough consideration of the factors previously listed in paragraph 2-28 and any other relevant data.

C. CHDO Responsibilities. The assigned CHDO management shall have overall responsibility for all FAA reporting requirements, technical administration requirements, and regulatory oversight of the operator. The CHDO and the region shall also be responsible for budgeting travel and other necessary funds for assigned PIs and assistants to conduct appropriate work programs and certificate-holding responsibilities.

1) When an operation is complex and large enough to warrant full-time PIs (inspectors who are solely responsible for one operator), arrangements will be made to locate satellite PIs in district offices that have responsibility for the geographic area where the appropriate main base is located. In these situations the satellite PI and any full-time assistants shall report directly to the CHDO management on all functional and technical aspects of the operator. The CHDO shall have supervisory responsibility over the satellite PI. The district office where the satellite PI is located shall provide administrative support.

2) When an operation is not complex or large enough to warrant full-time PIs, the RFSO will take action as necessary to ensure the following:

a) The assigned PIs are located in a district office responsible for the geographic area where the appropriate main base is located.

b) The assigned PIs report to the CHDO's management on all functional, technical aspects, and other vital information concerning the operator.

c) The district office management where the assigned PIs are located has supervisory responsibility over the PIs and must ensure the CHDO's certificate responsibilities are adequately supported.

D. Split Operations. In situations of split main operations and main maintenance bases, the RFSO must monitor the activities of the respective district offices to ensure that appropriate coordination is occurring. The assigned PIs are physically separated and must be provided the necessary opportunities and tools to effect efficient and timely coordination on technical

administration, surveillance, and investigatory matters associated with the operator. This coordination is essential to ensure that a standardized and common FAA position is taken with the operator.

2-30 REGIONAL COORDINATION FOR THE ASSIGNMENT OR REASSIGNMENT OF CERTIFICATE-HOLDING RESPONSIBILITIES.

A. Certification Project Reassignment to Different District Office. If at any time it is determined that the certification project should be reassigned to a different district office within the region or a district office in a different region, the RFSO shall ensure that the transfer of work previously accomplished and still to be accomplished is thoroughly coordinated between the district offices. Coordination must include the transfer of working files, appropriate briefing of the applicant's personnel, and interdistrict office briefings as necessary.

B. Establishment or Change of Operation Base Location. Part 91, § 91.1015; part 119, § 119.47; 14 CFR part 125, § 125.47; 14 CFR part 141, § 141.25; and 14 CFR part 147, § 147.41 require a program manager/certificate holder to provide written notification to its CHDO at least 30 days before it proposes to establish or change the location of its principal base of operations, its main operation base, or its main maintenance base. The program manager/certificate holder should submit a plan to its CHDO for relocating its base. The details of the plan should be consistent with the size of the operation and the complexity of the move. At a minimum, the plan should provide answers to basic questions such as: who, what, when, where, why, and how. The proposal might include:

- 1) **Dates.** Proposed or specific for moving and whether or not the move will be accomplished at one time or over a period of time.
- 2) **Organization.** How will the move affect the organization? Does the program manager/certificate holder anticipate losing any (key) employees as a result of the move? How will the loss of experienced personnel affect the organization? Will the certificate holder have to hire and train new employees at the new location? When will this occur?
- 3) **Operations.** How will the move affect the program manager's/certificate holder's operation? Does the program manager/certificate holder plan to continue a normal flying schedule while moving? Will the program manager/certificate holder provide additional supervisors to monitor the move? How will operations centers and maintenance control operate during the move? How will radio communications be maintained? How will aircraft be maintained during the move?
- 4) **Facilities.** How will the move affect the program manager's/certificate holder's facilities?
- 5) **OpSpecs/MSpecs.** Does the move affect any OpSpec/MSpec authorizations? Does the move affect any issued deviations or exemptions?
- 6) **Recordkeeping.** How will the move affect required recordkeeping? Where will records be stored? How will required records be maintained during the move?

7) **Aircraft Parts.** How will aircraft parts be moved and protected?

8) **Manuals.** How will the move affect current programs and procedures?

C. Notification of RFSD. The district office will immediately notify its respective RFSD of the proposed change and forward a copy of the plan. The CHDO will provide any additional information and comments that may assist the RFSD in its review and assessment of the plan. The CHDO will provide any additional information and comments which may assist the RFSD in its review and assessment of the proposed move. It is important that the CHDO communicate concerns about the program manager's/certificate holder's compliance history and behavior, working relationship with the CHDO, projects, or initiatives underway.

D. Impact Assessment. The RFSD will assess the impact of the program manager's/certificate holder's move on the FAA. If the move will significantly impact the FAA or be complex and require additional FAA oversight, the RFSD will notify and coordinate with AFS-1 or the Deputy Director, Flight Standards Service (AFS-2).

E. Reassignment of Certificate Responsibilities. If the RFSD determines that certificate responsibilities need to be reassigned to another district office, one of the following actions shall be taken.

1) When the district offices are in the same region, the RFSD will accomplish the following:

a) Before reassignment, inspect the files of the losing CHDO which are maintained on the operator to determine if they are complete and up to date and take action as necessary to ensure completeness and currency. Inspection of these files should also identify open items and/or discrepancies that must be resolved.

b) Interview the losing CHDO manager and PIs to further identify open items and/or discrepancies that must be resolved by either the losing CHDO or the gaining CHDO.

c) Decide how, when, and who will be responsible for resolving any open items and/or discrepancies.

d) Arrange for a briefing of the gaining CHDO manager and prospective PIs on the certificate holder's operation, key management personnel, and any open items and/or discrepancies that are being transferred for action by the gaining CHDO.

e) Select a date to transfer certificate responsibilities.

f) Arrange a briefing for the certificate holder concerning the decision with an explanation for the need to reassign certificate responsibilities to another district office. Arrange an introductory meeting between the certificate holder's management personnel and the new CHDO manager and newly assigned PIs.

g) Supervise the transfer of the previous CHDO's operator files to the newly assigned CHDO.

2) When district offices are not in the same region, the respective RFSD will accomplish the following:

a) Initiate interregional coordination and agree on the need to reassign certificate responsibilities. If the regions are unable to agree on a reassignment of certificate responsibility, these issues will be forwarded to AFS-1 for final determination.

b) The losing RFSD will inspect the previously assigned CHDO operator files to determine if the files are complete and current. The RFSD will take action as necessary to ensure completeness and currency. Inspection of these files should identify open items and/or discrepancies that must be resolved.

c) The losing region will interview the losing CHDO manager and PIs to further identify open items and/or discrepancies that must be resolved by either the losing CHDO or the gaining CHDO.

d) The losing region will coordinate with the gaining region and agree on how, when, and who will be responsible for resolving open items and/or discrepancies.

e) The gaining region will arrange for a briefing of the gaining CHDO manager and newly assigned PIs on the certificate holder's operation, key management personnel, and open items and/or discrepancies being transferred for action by the gaining CHDO.

f) The respective regions will select a date to transfer certificate responsibilities. The losing region will notify the operator's management personnel of the decision and give an explanation of the need to change the assigned CHDO.

g) The gaining region will arrange a briefing for the certificate holder and an introductory meeting between the certificate holder's management personnel and the gaining CHDO manager and prospective PIs.

h) The respective regions will coordinate and supervise the transfer of the losing CHDO's operator files to the gaining CHDO.

F. RFSD Responsibilities. The RFSD will oversee and ensure the necessary changes are made to FAA documents and electronic databases (e.g., Air Carrier Certificate, OpSpecs/MSpecs, enhanced Vital Information Database (eVID), Surveillance/Work Programs). Additionally, the RFSD will oversee and coordinate the transfer of files, manuals, and any other item relating to certificate management. Transfer of the manuals should include coordination with the program manager/certificate holder, since many manuals are controlled.

G. Impact of Base Relocation and Certificate Transfer. The impact of the base relocation and certificate transfer, on the air carrier and the FAA respectively, could be complex enough to be designated as an FAA project. If disagreements occur between CHDOs over the prior approvals or accepted policy or procedures, the RFSDs will mediate and decide on appropriate action. Good communication and timely decisionmaking are essential to efficiently and effectively accomplish the task of transferring a certificate and meeting the needs of the program manager/certificate holder and the FAA.

H. Documentation. RFSD and field personnel will document all certificate transfer and related activity in the Program Tracking and Reporting Subsystem (PTRS) using activity codes 1245, 3240, and 5240.

RESERVED. Paragraphs 2-31 through 2-45.