

NOTICE

U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

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National Policy

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1/8/15

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1/8/16

SUBJ: Safety Management Systems (SMS) – Approval of Part 121 Certificate Holders' SMS Implementation Plans

1. Purpose of This Notice. This notice provides guidance for Federal Aviation Administration (FAA) Flight Standards Service (AFS) personnel on the approval of Title 14 of the Code of Federal Regulations (14 CFR) part 121 certificate holders' Safety Management System (SMS) implementation plans, as required by 14 CFR part 5, § 5.1(b) and (c).

2. Audience. The primary audience for this notice is FAA AFS personnel in headquarters (HQ) branches, divisions, regions, and field offices. This notice will affect offices with direct responsibilities for oversight of certificate holders authorized to conduct operations in accordance with the requirements of part 121. The secondary audience includes Flight Standards branches and divisions in the regions and in HQ.

3. Where You Can Find This Notice. You can find this notice on the MyFAA employee Web site at https://employees.faa.gov/tools_resources/orders_notices. Inspectors can access this notice through the Flight Standards Information Management System (FSIMS) at <http://fsims.avs.faa.gov>. Operators can find this notice on the Federal Aviation Administration's (FAA) Web site at <http://fsims.faa.gov>. This notice is available to the public at http://www.faa.gov/regulations_policies/orders_notices.

4. Regulatory Requirement. In accordance with part 5, a certificate holder must submit an implementation plan to the FAA Administrator for review no later than September 9, 2015. The implementation plan must be approved no later than March 9, 2016.

5. References. During evaluation of the certificate holder's implementation plan, Certificate Management Team (CMT) inspectors may have occasion to work with any, all, or none of the following documents/tools, in addition to part 5, when evaluating the certificate holder's implementation plan.

a. Related Publication. The current edition of AC 120-92, Safety Management Systems for Aviation Service Providers.

b. Tools.

(1) The Air Transportation Oversight System (ATOS) SMS Design Assessment Supplement (DAS) Constructed Dynamic Observation Report (ConDOR) and/or the SMS Performance Assessment Supplement (PAS) ConDOR Data Collection Tools (DCT).

(2) The ATOS SMS Safety Attribute Inspection (SAI) DCTs for Element 8.1.1, Safety Policy (OPS/AWS); Element 8.2.1, Safety Risk Management (OPS/AWS); Element 8.3.1, Safety Assurance (OPS/AWS); and Element 8.4.1, Safety Promotion (OPS/AWS).¹

(3) The 14 CFR Part 5 Gap Analysis Tool for any certificate holder that chooses to use it for their part 5 implementation plan development.

(4) The Web-Based Application Tool (WBAT), SMS Implementation Plan Manager Module.

Note: Certificate holders may develop their implementation plans in any manner and/or medium that meets their needs and is acceptable to the CMT. The above tools/documents are only suggestions. Certificate holders in the SMS Pilot Project (SMSPP)² may continue to develop their SMSs with the Detailed Gap Analysis Tool (or the Part 5 Gap Analysis Tool). The gap analysis tools, combined with Appendix A, will ensure part 5 compliance.

6. General Guidance. The following resources are available to a CMT during a certificate holder's SMS implementation plan development and approval process.

a. Flight Standards National Field Office (AFS-900).

(1) SMS Program Office (SMSPO). The SMSPO is the national point of contact (POC) for FAA HQ and field divisions in development of SMS policies, procedures, and work instructions. The office is responsible for AFS SMS standardization, training, and guidance.

(2) Implementation Support Team (IST). The SMSPO manages an IST. Part of the SMSPO, the IST is the primary interface between the SMSPO and principal inspectors (PI), CMT personnel, field offices, and divisional SMS specialists. The IST provides briefings, orientation sessions, meetings, and/or seminars, as required. SMS IST members will provide guidance, facilitation, and suggestions on SMS issues to both the CMT and the certificate holder. This service is expected to be available to existing certificate holders and their respective CMTs throughout the part 5 SMS implementation period.

(3) SMSPO assistance can be obtained by emailing the SMSPO National Coordination at 9-NATL-SMS-ProgramOffice@faa.gov.

¹ As ATOS is replaced by the Safety Assurance System (SAS), equivalent SAS tools and processes will be utilized in place of ATOS.

² The SMS Pilot Project was replaced in August 2014 with the SMS Voluntary Program (SMSVP). The SMSVP is based on part 5.

b. Regional Point of Contact (RPOC). Most FAA regional Flight Standards division (RFSD) offices have an SMS RPOC. RPOCs are part of the regional staff and, with the assistance of the SMSPO, stay abreast of the latest SMS developments and information.

7. Implementation Plan Review and Analysis Process. Procedures for review and analysis of the certificate holder's implementation plan should follow guidance contained in FAA Order 8900.1, Volume 3, Chapter 1, The General Process for Approval or Acceptance.

a. What is an Implementation Plan?

(1) The implementation plan is simply a roadmap describing how the certificate holder intends to implement processes that meet the requirements of part 5. Therefore, the implementation plan should be a realistic strategy for managing SMS implementation.

(2) The implementation plan need not be complex. However, there should be sufficient detail to ensure that the certificate holder will meet the overall objective stated in part 5: "to develop and implement a safety management system (SMS) to improve the safety of aviation-related activities" by March 9, 2018.

b. Receipt of a Certificate Holder's Implementation Plan. When the CMT receives an SMS implementation plan from the certificate holder (per Order 8900.1, Volume 3, Chapter 1, Section 1, paragraph 3-3, Phase Two), the CMT will:

(1) Review the implementation plan to verify that it has been submitted on time (no later than September 9, 2015 and is complete (see subparagraphs 7c and d)).

(2) Analyze and evaluate (per Order 8900.1, Volume 3, Chapter 1, Section 1, Paragraph 3-4, Phase Three), the certificate holder's intended plans to develop or bring nonconforming safety management processes into compliance with part 5 by March 9, 2018 and determine whether the plan is realistic.

c. What the Implementation Plan Should Cover. The certificate holder's implementation plan should include:

(1) Organization-wide SMS development and implementation across all aviation safety-related operational functions (i.e., include all activities or systems that directly affect aviation safety).

(2) Any existing programs, policies, or procedures the certificate holder intends to include in their SMS.³

(3) SMS components and processes that are designed appropriately to the size, scope, and complexity of the certificate holder's operation. Simply stated, small, medium, and large service

³ For example, the certificate holder's implementation plan should show, if applicable, how their Continuing Analysis and Surveillance Systems (CASS), aspects of an Internal Evaluation Program (IEP), aspects of Quality Management Systems (QMS), and elements of employee reporting programs such as an Aviation Safety Action Program (ASAP) meet specific part 5 SMS requirements.

provider implementation plans will not look the same. For example, though the Safety Risk Management (SRM) processes are identical regardless of the organization's size, scope, or complexity, a small carrier might have only one SRM team for the entire company while a large carrier might have multiple SRM teams at the department, division, and/or corporate level.⁴

d. What to Look for in an Implementation Plan.

(1) The certificate holder should list specific part 5 requirements applicable to their operation (e.g., § 5.23(a)(2)(ii)).

(2) For each specific part 5 requirement, the certificate holder's planning information should contain the following minimum information:

(a) Documentation (e.g., reference to a manual or document) that they comply with the specific regulatory requirement (SRR); or

(b) Their plan to comply with the SRR. Their plan should include:

- A brief narrative describing what actions the certificate holder intends to use to comply with the SRR;
- The responsible organization/group and/or individual(s) who will ensure that those actions are completed; and
- The estimated completion date (ECD) (timelines) for compliance with the SRR.

(3) Prior to approval, the implementation plan must be reviewed by the AFS-900 SMSPO.

(a) Implementation reviews conducted by the AFS-900 PO will consider the following elements:

- Designation of an appropriate accountable executive in accordance with § 5.25(a).
- Completeness of the plan to implement all of the SMS processes required by part 5.
- Certificate Holder and CMT activities sufficient to validate compliance with part 5 in accordance with the timelines in § 5.1.
- Sufficient designated personnel resources to accomplish the implementation activities defined in the plan.

(b) Satisfactory reviews will be signed by the AFS-900 SMSPO manager or his or her designee.

⁴ During the SMS acceptance process (the next step after implementation plan approval), the CMT must evaluate conformance of each pertinent process (e.g., flight operations, maintenance operations, and cabin services) against part 5 requirements. The CMT must also ensure that the carrier's implementation plan addresses each level (e.g., corporate or division) and functional operation that directly affects aviation safety (e.g., dispatch, ground, and cargo) against each part 5 requirement.

(c) Unsatisfactory items resulting from the review will be referred to the manager of the certificate holding office.

(d) Engagement of the SMSPO at an early stage of the process is recommended to ensure timely review, feedback, and approval; however, the SMSPO may be contacted for consultation at any time.

(4) When the CMT agrees that the certificate holder's implementation plan is satisfactory, the CMT manager will approve the plan per subparagraph 8a. If the plan must be rejected, follow subparagraph 8b.

e. Functional Considerations.

(1) Because an SMS cannot be a substitute for any other regulatory requirements, during the certificate holder's SMS implementation plan development, the CMT will continue all of its normal oversight and certificate management duties. Once the certificate holder's SMS implementation plan is approved, CMT oversight will include monitoring changes to the approved plan and conformance to the plan's schedule for development and implementation of the certificate holder's SMS.

(2) The first of two part 5 FAA responsibilities is approval of the certificate holder's implementation plan. The second is to accept the certificate holder's SMS. The implementation plan approval process should consider the CMT workload and the resource requirements of the SMS acceptance process. For example, once the certificate holder's implementation plan is approved, they will follow that plan and begin to design, develop, modify, or align SMS processes to fit their business model and unique operational environment. An implementation plan that has all SMS components due for evaluation the month prior to the deadline would place unrealistic expectations on the CMT.

(3) During implementation plan development, the CMT should periodically review the plan and include informal feedback on adequacy, timeliness of the proposed implementation schedule, and completeness. Communication between the certificate holder and the CMT allows time for the CMT to make suggestions, permit course corrections, and provide feedback on the adequacy of the plan.

f. Implementation Plan Changes. Any changes made by the certificate holder to an approved implementation plan must be documented by the certificate holder and submitted to the CMT for approval. Use caution when implementation plan changes are approved that all estimated completion dates are not moved back to the end of the 3-year implementation period. Approval of a revised implementation plan implies that the CMT has available resources to evaluate submitted SMS components for acceptance in a timely manner (see Order 8900.1, Volume 16, Chapter 1, Section 1, subparagraph 16-1-1-3B).

8. Implementation Plan Approval Process. Procedures for approval of the certificate holder's implementation plan should follow guidance contained in Order 8900.1, Volume 3, Chapter 1.

a. Recording Approval of the Implementation Plan. If the certificate holder has submitted an acceptable implementation plan, the manager (office, unit, frontline, etc.) who is

the approving entity for all collective decisions of the team will approve (per Order 8900.1, Volume 3, Chapter 1, Section 1, Paragraph 3-6, Phase Five), the implementation plan by March 9, 2016 and ensure that implementation plan approval information is entered into the Program Tracking and Reporting Subsystem (PTRS) as follows:

- (1) Activity number: 1045.
- (2) Enter “SMS IP APPROVAL” in the “National Use” box.

b. CMT Rejection of the Certificate Holder’s Implementation Plan. Rejection notification and comments will be returned to the certificate holder according to Order 8900.1, Volume 3, Chapter 1, Section 1, subparagraphs 3-3B and 3-6 and/or CMT office policy. Failure of the certificate holder to submit an acceptable implementation plan by March 9, 2016 should be addressed in the same way as a noncompliance with any other 14 CFR requirements. Appropriate records of submissions and discrepancy findings by the CMT should be maintained, as well as evidence of evaluation timeliness on the part of the CMT. Differences of opinions between the certificate holder and the CMT as to the acceptability of the SMS implementation plan should be referred to the normal chain of authority through respective FAA regional and national offices.

9. Certificate Holders Participating in the SMS Voluntary Program (SMSVP).

a. SMS Implementation under AC 120-92A. Many certificate holders have begun or completed SMS implementation through the FAA SMSPP utilizing the framework contained in AC 120-92A. Their SMS implementation plans, or some or all components of their SMSs, have been validated by the FAA if they have exited level 1 or above. To comply with the implementation plan requirements of § 5.1(b), these certificate holders will need to conduct a comparison (gap analysis) of the systems currently in place under their SMS components/processes and the requirements of part 5. This comparison should identify any gaps that need to be addressed to bring their existing SMS into compliance with part 5. However, they may not have to repeat the entire gap analysis and planning process in areas where there are no differences between the final rule and AC 120-92A guidance.

b. Revising Implementation Plans. Certificate holders may use the bridging tool attached to this notice (Appendix A) to assist in conducting a comparison (gap analysis) between part 5 requirements, their current implementation plan, and those SMS processes already completed.

(1) If gaps are found, their current implementation plan will be amended (or a new, abridged implementation plan will be created)⁵ to address the gaps identified and the amended plan will be submitted to the CMT for review.

(2) If no gaps are found, a current implementation plan (or revised plan) will be submitted to the CMT for review.

⁵ Certificate holders that have exited SMSPP level 3 (their implementation plan completed) may conduct a gap analysis of those areas of their SMS identified in the bridging document attached to this notice. A new, abridged implementation plan (addressing only the bridging document) will be submitted to their CMT for review.

10. SMSs and Applicants for Air Carrier Certification. SMS implementation for a certificate applicant is different than that for a certificate holder. The implementation plan requirement and the specific deadline for full SMS implementation are dependent on when an organization submits its formal application for a part 121 certificate and when that organization completes all of the pertinent certification requirements.

a. Applicants Completing Formal Application After March 9, 2015. According to 14 CFR part 119, § 119.8, applicants that have not completed formal application prior to March 9, 2015 must demonstrate that they meet the full requirements of part 5 prior to being issued a certificate. The application process can be found in Order 8900.1, Volume 10 (ATOS), Chapter 6, Section 2, Certification Process Document, or Volume 2, Chapter 3 for Safety Assurance System (SAS).

b. Applicants Completing Formal Application Prior to March 9, 2015. Applicants that have completed formal application prior to March 9, 2015 may be issued certificates; however, they are still responsible for meeting the dates listed in §§ 5.1 and 119.8.

(1) Applicants Completing All Other Certification Requirements Prior to September 9, 2015. These applicants can be certificated without an SMS implementation plan. However, they must submit an SMS implementation plan prior to September 9, 2015 for approval by the FAA.

(2) Applicants Completing All Other Certification Requirements Prior to March 9, 2016. These applicants must submit an SMS implementation plan for review by the FAA prior to being issued a certificate. They must have an approved implementation plan prior to March 9, 2016.

(3) Applicants Completing All Other Certification Requirements After March 9, 2016. Prior to receiving a part 121 certificate, these applicants will be required to have an approved SMS implementation plan for completion of all part 5 requirements prior to March 9, 2018.

(4) Applicants that are Unable to Complete All Certification Requirements Prior to March 9, 2018. These applicants will be required to demonstrate compliance with all requirements for SMSs prior to being issued a certificate.

11. Disposition. This guidance will not be included in Order 8900.1, as the need for this guidance expires 12 months after the effective date of part 5. Direct questions concerning this notice to the SMSPO National Coordinator at 9-NATL-SMS-ProgramOffice@faa.gov.

ORIGINAL SIGNED by

/s/ John S. Duncan
Director, Flight Standards Service

Appendix A. Safety Management System Pilot Project Participant Bridging Tool

This appendix is provided for certificate holders who have existing plans or documents that were developed through the former Safety Management System Pilot Project (SMSPP). The table below lists the differences between Advisory Circular (AC) 120-92A, Safety Management Systems for Aviation Service Providers, and Title 14 of the Code of Federal Regulations (14 CFR) part 5 as the SMS Program Office (SMSPO) has identified them. Each certificate holder in the SMS Voluntary Program (SMSVP) has implemented a Safety Management System (SMS) according to their own needs; therefore, a close review of their SMSs, this document, and part 5 is required.

This attachment is advisory; Federal Aviation Administration (FAA) Certificate Management Teams (CMT) are under no obligation to accept or reject an SMS component, element, or process based upon this document; the CMT will evaluate a certificate holder’s SMS against 14 CFR part 5 and determine compliance. This bridging tool may be utilized in the same manner as a gap analysis tool in that objective evidence may be documented for differences already complied with and planning information may be documented for actions needed for compliance.

SMSPP Process	Part 5 Reference	Differences
<p>If a certificate holder has implemented or is implementing an SMS per AC 120-92A, Appendix 1, these are the processes they have developed or are developing:</p>	<p>This is the part 5 reference for the specific process:</p>	<p>Here are the noted differences between AC 120-92A and part 5. You should pay close attention to the processes identified to ensure part 5 compliance.</p> <p>Words in bold are key words to focus on.</p>
<p>Component 1.0 Safety Policy and Objectives.</p>	<p>§§ 5.3(a)(1) and 5.21–5.27</p>	<ul style="list-style-type: none"> • Ensure that the company designates an Accountable Executive and replaces the term “Top Management” with the term “Accountable Executive” in their manuals and documentation. [Wording and management concept change]
<p>Element 1.1 Safety Policy.</p>	<p>§§ 5.21 and 5.23</p>	<ul style="list-style-type: none"> • Ensure that the company’s Safety Policy contains a commitment to fulfill the organization’s safety objectives. [Bold text not addressed in AC 120-92A] • Ensure that the company’s Safety Policy defines requirements (vice “encourages”) for employee reporting of safety hazards or issues. [Wording and process change, review existing process for part 5 compliance.] • Ensure that the company’s safety policy defines unacceptable behavior and conditions for disciplinary action.

SMSP Process	Part 5 Reference	Differences
		<p>[Change from AC 120-92A (Element 1.1b(2)(f))</p> <ul style="list-style-type: none"> • Ensure that the company’s Safety Policy contains an “emergency response plan which provides for the safe transition from normal to emergency operations in accordance with the requirements of § 5.27.” (refer to § 5.21(a)(6)) <p>[Bold text not addressed in AC 120-92A]</p> <ul style="list-style-type: none"> • Ensure that the company’s Safety Policy requires regular reviews by the accountable executive (vice “organization/company/etc.”) to ensure that it remains relevant and appropriate to the certificate holder. <p>[Wording and process change]</p> <ul style="list-style-type: none"> • Ensure that the company’s Safety Policy defines management’s accountability for safety for SMS processes within their area of responsibility, including, but not limited to: <ul style="list-style-type: none"> (i) Hazard identification and safety risk assessment. (ii) Assuring the effectiveness of safety risk controls. <p>[Bold text not addressed in AC 120-92A]</p>
<p>Element 1.2 Management Commitment and Safety Accountabilities.</p>	<p>§§ 5.23 and 5.25</p>	<ul style="list-style-type: none"> • Ensure that the company defines accountabilities: for the following individuals: <ul style="list-style-type: none"> (1) Accountable executive, as described in § 5.25. (2) All members of management in regard to developing, implementing, and maintaining SMS processes within their area of responsibility, including, but not limited to: <ul style="list-style-type: none"> (i) Hazard identification and safety risk assessment. (ii) Assuring the effectiveness of safety risk controls. (iii) Promoting safety as required in subpart E of this part. (iv) Advising the accountable executive on the performance of the SMS and on any need for improvement. (3) Employees relative to the certificate holder’s safety performance. <ul style="list-style-type: none"> (b) The certificate holder must identify the levels of management with the authority to make decisions regarding safety risk acceptance. <p>[Wording and process change]</p>

SMSP Process	Part 5 Reference	Differences
		<ul style="list-style-type: none"> • Ensure that the company requires the accountable executive (vice “management”) to assess the SMS performance, to review the safety performance and direct actions to address substandard performance. [Wording and process change not addressed in AC 120-92A]
<p>Element 1.3 Key Safety Personnel.</p>	<p>§ 5.25</p>	<ul style="list-style-type: none"> • Ensure that the company designates an accountable executive who satisfies the following: <ol style="list-style-type: none"> (1) Is the final authority over operations authorized to be conducted under the certificate(s). (2) Controls the financial resources required for the operations to be conducted under the certificate(s). (3) Controls the human resources required for the operations authorized to be conducted under the certificate(s). (4) Retains ultimate responsibility for the safety performance of the operations conducted under the certificate. • Ensure that the company defines the following responsibilities for the accountable executive: <ol style="list-style-type: none"> (b) Responsibilities of the accountable executive. The accountable executive must accomplish the following: <ol style="list-style-type: none"> (1) Ensure that the SMS is properly implemented and performing in all areas of the certificate holder’s organization. (2) Develop and sign the safety policy of the certificate holder. (3) Communicate the safety policy throughout the certificate holder’s organization. (4) Regularly review the certificate holder’s safety policy to ensure it remains relevant and appropriate to the certificate holder. (5) Regularly review the safety performance of the certificate holder’s organization and direct actions necessary to address substandard safety performance in accordance with § 5.75. • Ensure that the company requires the accountable executive (vice “top management”) to designate sufficient management personnel (vice “a member of management”) who must be responsible for the following:

SMSPP Process	Part 5 Reference	Differences
		<p>[Wording and process change]</p> <p>(2) Facilitating hazard identification and safety risk analysis, and (3) Monitoring the effectiveness of safety risk controls.</p> <p>[Bold text not addressed in AC 120-92A]</p>
<p>Element 1.4 Emergency Preparedness and Response.</p>	<p>§ 5.27</p>	<ul style="list-style-type: none"> • Ensure that the company requires and the accountable executive approves as part of the Safety Policy, an emergency response plan that addresses at least the following: <ul style="list-style-type: none"> (1) Delegation of emergency authority throughout the organization, (2) Assignment of employee responsibilities during the emergency, and (3) Coordination of the certificate holder's emergency response plans with the emergency response plans of other organizations it must interface with during the provision of its services. <p>[Bold text not addressed in AC 120-92A]</p>
<p>Element 1.5 SMS Documentation and Records.</p>	<p>§§ 5.95 and 5.97</p>	<ul style="list-style-type: none"> • Ensure that the company requires the following record retention times: <ul style="list-style-type: none"> (1) Output of SRM must be retained as long as controls are relevant, (2) Output of SA records must be retained for a minimum of 5 years, (3) Training records must be retained for as long as the individual is employed by the certificate holder, and (4) Records of all communications for a minimum of 24 consecutive calendar-months. <p>[Bold text not addressed in AC 120-92A]</p>
<p>Component 2.0 Safety Risk Management (SRM).</p>	<p>Subpart C, Safety Risk Management, §§ 5.3(a)(2), 5.51, 5.53, and 5.55</p>	
<p>Element 2.1 Hazard Identification and Analysis.</p>		
<p>Process 2.1.1 System Description And Task Analysis.</p>	<p>§ 5.53(a) and (b), System Analysis and Hazard Identification</p>	<ul style="list-style-type: none"> • Ensure that procedures are in place, when conducting the system analysis, to require consideration of: <ul style="list-style-type: none"> (1) Function and purpose of the system.

SMSP Process	Part 5 Reference	Differences
		<p>(2) The system’s operating environment. (3) An outline of the system’s processes and procedures. (4) The personnel, equipment, and facilities necessary for operation of the system. [Bold text not addressed in AC 120-92A]</p>
Process 2.1.2 Identify Hazards.	§ 5.53(c), System Analysis and Hazard Identification	No change noted.
Element 2.2 Risk Assessment And Control.		
Process 2.2.1 Analyze Safety Risk.	§ 5.55(a), Safety Risk Assessment and Control	No change noted.
Process 2.2.2 Assess Safety Risk.	§ 5.55(b), Safety Risk Assessment and Control	No change noted.
Process 2.2.3 Control/Mitigate Safety Risk.	§ 5.55(c), Safety Risk Assessment and Control	No change noted.
Component 3.0 Safety Assurance.	Subpart D, Safety Assurance, §§ 5.3(a)(3), 5.71, 5.73, and 5.75	
Element 3.1 Safety Performance Monitoring and Measurement.		
Process 3.1.1 Continuous Monitoring.	§ 5.71(a)(1) and (2), Safety Performance Monitoring and Measurement	<ul style="list-style-type: none"> • The company may consider replacing the term “Continuous Monitoring”, with the term “Monitoring” in their manuals and documentation. <p>[Optional wording change, no change to the process, review existing process for part 5 compliance. No requirement to match part 5 wording if the process is in compliance.]</p> <ul style="list-style-type: none"> • The certificate holder must develop and maintain processes and systems to acquire data with respect to its operations, products, and services to monitor the safety performance of the organization. These

SMSPP Process	Part 5 Reference	Differences
		<p>processes and systems must include, at a minimum, the monitoring of the operational environment to detect changes.</p> <p>[Bold text not addressed in AC 120-92A]</p>
<p>Process 3.1.2 Internal Audits by Operational Departments.</p>	<p>§ 5.71(a)(3), Safety Performance Monitoring and Measurement</p>	<ul style="list-style-type: none"> • The certificate holder must develop and maintain processes and systems to acquire data with respect to its operations, products, and services to monitor the safety performance of the organization. These processes and systems must include, at a minimum, auditing of operational processes and systems. <p>[The term “Systems” is not addressed in AC 120-92A in reference to this process. This is an optional wording change as there are no functional differences in the processes. There is no requirement to match part 5 wording if the process is in compliance.]</p>
<p>Process 3.1.3 Internal Evaluation.</p>	<p>§ 5.71(a)(4), Safety Performance Monitoring and Measurement</p>	<ul style="list-style-type: none"> • The certificate holder must develop and maintain processes and systems to acquire data with respect to its operations, products, and services to monitor the safety performance of the organization. These processes and systems must include, at a minimum, evaluations of the SMS and operational processes and systems. <p>[The term “Systems” is not addressed in AC 120-92A in reference to this process. This is an optional wording change as there are no functional differences in the processes. There is no requirement to match part 5 wording if the process is in compliance.]</p>
<p>Process 3.1.4 External Auditing of the SMS.</p>	<p>§ 5.71(a)(3), Safety Performance Monitoring and Measurement</p>	<ul style="list-style-type: none"> • This process has been included with § 5.71(a)(3) <p>[Combining of processes]</p>
<p>Process 3.1.5 Investigation.</p>	<p>§ 5.71(a)(5) and (6), Safety Performance Monitoring and Measurement</p>	<p>No change noted.</p>
<p>Process 3.1.6 Employee Reporting And Feedback System.</p>	<p>§ 5.71(a)(7), Safety Performance Monitoring and Measurement</p>	<ul style="list-style-type: none"> • The company may consider replacing the term “Employee Reporting and Feedback System”, with the term “Confidential Employee Reporting System” in their manuals and documentation. <p>[This is an optional wording change as there are no functional differences in the processes. No</p>

SMSP Process	Part 5 Reference	Differences
		<p>requirement to match part 5 wording if the process is in compliance.]</p> <ul style="list-style-type: none"> The certificate holder must develop and maintain processes and systems to acquire data with respect to its operations, products, and services to monitor the safety performance of the organization. These processes and systems must include, at a minimum, the following: <p>(7) A confidential employee reporting system in which employees can report hazards, issues, concerns, occurrences, incidents, as well as propose solutions and safety improvements.</p> <p>[Bold text is not addressed in AC 120-92A with reference to the Employee Reporting System]</p>
Process 3.1.7 Analysis of Data.	§ 5.71(b), Safety Performance Monitoring and Measurement	<ul style="list-style-type: none"> The certificate holder must develop and maintain processes and systems to acquire data with respect to its operations, products, and services to monitor the safety performance of the organization. These processes and systems must include, at a minimum, processes, the following: <p>(8) The certificate holder must develop and maintain processes that analyze the data acquired through the processes and systems identified under paragraph (a) of this section and any other relevant data with respect to its operations, products, and services.</p> <p>[Bold text is not addressed in AC 120-92A. There is a requirement for this process in the AC but it only refers to “operations”. Review existing process, if “operations” includes products and services. No change is required.]</p>
Process 3.1.8 System Assessment.	§ 5.73, Safety Performance Assessment	No change noted.
Element 3.2 Management Of Change.	§ 5.73(a)(4), Safety Performance Assessment	<ul style="list-style-type: none"> This process has been included with § 5.73(a)(4) <p>[Combining of processes]</p>
Element 3.3 Continuous Improvement.	§ 5.75, Continuous Improvement	No change noted.
Process 3.3.1 Preventive/Corrective Action.	§ 5.75, Continuous Improvement	No change noted.
Process 3.3.2	§ 5.73(a)(4), Safety	<ul style="list-style-type: none"> This process has been included with § 5.73(a)(4)

SMSPP Process	Part 5 Reference	Differences
Management Review.	Performance Assessment	[Combining of processes]
Component 4.0 Safety Promotion.	Subpart E, Safety Promotion	
Element 4.1 Competencies and Training.	§ 5.91, Competencies and Training	No change noted.
Process 4.1.1 Personnel Expectations (Competence).	§ 5.91, Competencies and Training	No change noted.
Process 4.1.2 Training.	§ 5.91, Competencies and Training	No change noted.
Element 4.2 Communication and Awareness.	§ 5.93, Safety Communication	<ul style="list-style-type: none"> • Compare and contrast these AC 120-92A, Appendix 1 elements/processes with part 5 requirements to ensure compliance: 1.1b(2)(1), 1.2b(3), 1.3b(1)(c), 3.3b(2)(b), 4.0b(1)(c) and (d), and 4.2b(1).

Appendix B. Comparison Table for Safety Management System Pilot Project Participants

The following table compares Advisory Circular (AC) 120-92A, Appendix 1, Aviation Service Provider Safety Management System Framework: Functional Expectations, with Title 14 of the Code of Federal Regulations (14 CFR) part 5. It is designed for certificate holders participating in the SMSPP who have implemented Safety Management Systems (SMS) according to the AC. This appendix is for information only.

AC 120-92A Appendix 1 (SMSPP)	14 CFR Part 5
<i>Component 1.0 Safety Policy and Objectives</i>	<i>Subpart B, Safety Policy, § 5.51(a)(1)</i>
Element 1.1 Safety Policy	§ 5.21 Safety Policy
Element 1.2 Management Commitment and Safety Accountabilities	§ 5.23 Safety Accountability and Authority
Element 1.3 Key Safety Personnel	§ 5.25 Designation and Responsibilities of Required Safety Management Personnel
Element 1.4 Emergency Preparedness and Response	§ 5.27 Coordination of Emergency Response Planning
Element 1.5 SMS Documentation and Records	Subpart F, SMS Documentation and Recordkeeping, §§ 5.95 and 5.97
<i>Component 2.0 Safety Risk Management</i>	<i>Subpart C, Safety Risk Management, § 5.51 Applicability</i>
Element 2.1 Hazard Identification and Analysis	§ 5.53 System Analysis and Hazard Identification
Process 2.1.1 System Description and Task Analysis	§ 5.53(a) and (b)
Process 2.1.2 Identify Hazards	§ 5.53(c)
Element 2.2 Risk Assessment and Control	§ 5.55(a) Safety Risk Assessment and Control
Process 2.2.1 Analyze Safety Risk	§ 5.55(a)
Process 2.2.2 Assess Safety Risk	§ 5.55(b)
Process 2.2.3 Control/Mitigate Safety Risk	§ 5.55(c) and (d)
<i>Component 3.0 Safety Assurance</i>	<i>Subpart D, Safety Assurance</i>
Element 3.1 Safety Performance Monitoring and Measurement	§ 5.71 Safety Performance Monitoring and Measurement
Process 3.1.1 Continuous Monitoring	§ 5.71(a)(1) and (2)
Process 3.1.2 Internal Audits by Operational Departments	§ 5.71(a)(3)
Process 3.1.3 Internal Evaluation	§ 5.71(a)(4)
Process 3.1.4 External Auditing of the SMS	§ 5.71(a)(3)
Process 3.1.5 Investigation	§ 5.71(a)(5) and (6)

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Process 3.1.6 Employee Reporting and Feedback System	§ 5.71(a)(7)
Process 3.1.7 Analysis of Data	§ 5.71(b)
Process 3.1.8 System Assessment	§ 5.73(a) Safety Performance Assessment
Element 3.2 Management of Change	§ 5.73(a)(2)–(5) and (b)
Element 3.3 Continuous Improvement	§ 5.75 Continuous Improvement
Process 3.3.1 Preventive/Corrective Action	§ 5.75 Continuous Improvement
Process 3.3.2 Management Review	§ 5.73(a)
<i>Component 4.0 Safety Promotion</i>	<i>Subpart E, Safety Promotion</i>
Element 4.1 Competencies and Training	§ 5.91 Competencies and Training
Process 4.1.1 Personnel Requirements (Competence)	§ 5.91
Process 4.1.2 Training	§ 5.91
Element 4.2 Communication and Awareness	§ 5.93 Safety Communication