



DEPARTMENT OF THE NAVY

BUREAU OF MEDICINE AND SURGERY
2300 E STREET NW
WASHINGTON DC 20372-5300

IN REPLY REFER TO
BUMEDINST 4860.5A
BUMED-M12
13 Jun 2008

BUMED INSTRUCTION 4860.5A

From: Chief, Bureau of Medicine and Surgery

Subj: COMMERCIAL ACTIVITIES (CA) PROGRAM

Ref: (a) OMB Circular No. A-76, Performance of Commercial Activities of 29 May 2003
(http://www.whitehouse.gov/omb/circulars/a076/a76_incl_tech_correction.pdf)
(b) DOD Instruction 4000.19 of 9 Aug 1995
(c) OPNAVINST 4860.7D
(d) OMB Circular No. A-76, Cost Comparison System (COMPARE), Attachment C
(e) Federal Acquisition Regulation (FAR) Subpart 33.103

Encl: (1) CA Cost Comparison Major Milestones
(2) Commercial Activities Training
(3) CA Cost Comparison Teams and Firewalls

1. Purpose. To define management responsibilities, procedures, and guidance for implementing CA initiatives within the Budget Submitting Office (BSO) 18.

2. Cancellation. BUMEDINST 4860.5.

3. Scope. Applies to all BSO-18 activities. Competitions conducted outside the continental United States must be adapted to local law and treaties. Implementation of these procedures are subject to the overall mission of BSO-18 and the Total Health Care Support Readiness Requirement (THCSRR) objective of ensuring that sufficient, trained personnel are available upon mobilization to staff the defense force support structure.

4. Background. Reference (a) states that the longstanding policy of the Federal Government has been to rely on the private sector for needed commercial services. To ensure that the American people receive maximum value for their tax dollars, commercial activities should be subject to the forces of competition. References (a) through (c) provide policy and procedural guidance to determine whether recurring CAs should be operated in-house using Government facilities and personnel, under contract with commercial sources or through a public reimbursable source with a possible combination of Federal and Federal contract personnel. Although frequently referred to as the "outsourcing program" or "privatization," CA, outsourcing, and privatization are different. The CA Program identified herein, provides a means for the Government to compete against the private sector. "Outsourcing" is more commonly associated with shifting functions traditionally done in-house to the private sector. "Privatization" is when the Government actually discontinues the business of performing a function and transfers the facility and the functions to the private sector.

5. Guidance. CA work must be timely, accurate, complete, fully documented, and consistent with Department of the Navy policy and procedures in references (a) and (c). Focused attention by all echelons of command is required to ensure completion of CA cost study milestones, enclosure (1). Commanders, commanding officers, and officers in charge, hereafter referred to as the activity head, must ensure adequate and trained resources are available to execute the CA Program, establish realistic goals for the successful completion of cost comparison analyses, and provide continuing management attention in the execution of announced competitions at activities under their command.

6. CA Program Process. The following are general provisions for implementing the CA Program:

a. Inventories. BUMED-M1 will maintain a baseline CA inventory and comply with the Federal Activities Inventory Reform (FAIR) Act by submitting annual inventories to Chief of Naval Operations (OPNAV/N124). The Navy's Inherently Governmental and Commercial Activities Inventory requires coding of all contract workload, Navy military manpower authorizations (including full-time support and Selected Reserve (SELRES)) and funded civilian positions, referred to as "authorizations." The military billet authorizations include both active and reserve end-strength (including SELRES). Civilian authorizations include all civilian U.S. citizens and Foreign Nationals on Department of Defense (DOD) direct payroll, and Foreign Nationals hired indirectly through contractual arrangements with overseas host nations. Inventories will follow the procedures in Attachment A of reference (a), and supplemental guidance as provided by OPNAV/N124 and DOD.

b. Competition. (A formal evaluation of sources to provide a CA that uses pre-established rules.) Competitions between Government, private sector, and public reimbursable sources are performed under the guidelines of the Federal Acquisition Regulation (FAR) and reference (a). The term "competition," includes streamlined and standard cost comparison competition of Government performed CA, contracted services, new requirements, expansions of existing work, and activities performed under fee-for-service agreement. Following the principles of references (a) and (c), the "cost comparison" estimates the Government in-house performance of a CA of that same activity to the cost of performance by private sector or public reimbursable sources.

(1) The activity head may choose a method of competition depending on the number of civilian full time equivalents (FTEs) involved in the function under study. The type of competition, streamlined or standard are options to completing the cost comparison. Table data obtained from references (a) and (c). The definitions to each method of competition are found in reference (a). The following table outlines the cost comparison alternatives:

TYPES OF CA STUDIES	10 OR LESS FTEs	11-45 FTEs	46-65 FTEs	66 OR MORE FTEs
Streamlined	X			
Streamlined with any number of military	X			
Standard		X	X	X
<u>Approval Authority to Perform</u>				
OPNAV/N124	X	X	X	X
CONGRESS		X	X	X

(2) Activities shall implement CA competitions under the guidelines of references (a) and (c) to include the following as applicable:

(a) Conduct preliminary planning to evaluate the feasibility of implementing a streamlined or standard competition.

(b) Develop a Performance Work Statement (PWS) and Performance Assessment Plan (PAP).

(c) Submit a promise-to-pay letter.

(d) Perform a management study to determine the Government's Most Efficient Organization (MEO).

(e) Develop the in-house Government cost estimate.

(f) Issue the Request for Proposal (RFP) or Invitation for Bid (IFB).

(g) Solicitation of the in-house bid against a proposed contract or public reimbursable source price.

(h) Initiate the contest/protest process.

(3) Once the scope of the CA function under competition has been fully defined, the analyst must evaluate the function and determine whether or not a mixed work center exists. A mixed work center is a combination of civilian, military, or contractor staff completing the current function. If military are involved, liaison with your human resource management office to determine if THCSRR billets are involved. Military and civilian FTEs that must be retained to fulfill inherently governmental functions and THCSRR are excluded from the scope of the CA competition.

(4) Activities shall use the OMB Circular A-76, Cost Comparison System (COMPARE), reference (d), to generate the in-house Government cost estimate. Activities can obtain the system software and manuals upon completing the Costing Policy Training Course, per enclosure (2).

(5) Data obtained for the cost comparison must be quantifiable and verifiable. Baseline costs will be gathered and computed using the COMPARE Program during the preliminary planning period. The individuals involved in preliminary planning and the preparation of these costs may not be the same individuals that may eventually be included on the Agency Tender/MEO Team. The data source to obtain baseline total costs and FTEs for areas under competition should be from the Redistributed Uniform Management Report (RUMR). The cost accounting structure (function/sub-function categories and cost account codes) generally supports the functional areas identified in the CA Program. In some cases, the activity's reported FTEs, the CA inventory, and RUMR may not match. If other than RUMR data is used for

baseline total costs or FTEs, the activity must complete a source list and justification for using an alternative data source. Baseline costs will be recorded in the Navy Database of Competitive Sourcing Initiatives (NAVDOCS) and may be adjusted after Public Announcement, but prior to the competition end date. The adjusted baseline cost must account for any changes made to the scope of the competition, requirements stated in the solicitation, revised cost factors, COMPARE updates, and false information or data.

(6) Exemptions for not completing cost comparisons are in reference (a); all other CAs must have cost comparisons.

(a) The Competitive Sourcing Official (CSO) (e.g., Deputy, Under Secretary of Defense Installations and Environment (DUSD(I&E))) may exempt commercial activities from private sector performance.

(b) Exemptions from contracting functions are primarily limited to inherently governmental functions; national defense considerations during times of a declared war or military mobilization, products or services procured following treaties or international agreements; management and conservation of natural and cultural resources under DoD control; and nonappropriated fund instrumentalities staffed solely with civilian employees paid by nonappropriated funds. The law provides exemptions for functions included on the procurement list established pursuant to the Javits-Wagner-O'Day Act; is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals; is planned to be converted to performance by a qualified firm under at least 51 percent ownership by an Indian tribe; or a Native Hawaiian Organization, as defined in the Small Business Act.

c. Contract Performance of Commercial Activities. As a matter of policy, the Government will acquire nonrecurring CA through contracts with the private sector or a public reimbursable source. The acquisition of a recurring CA by contract or public reimbursable source may be warranted under the following conditions:

(1) Contracted Activities. A CA obtained through a competitively awarded contract will continue to be obtained by contract as long as the quality of service is acceptable and competitive prices are fair and reasonable. If the Government believes the quality is unacceptable or prices appear unreasonable, a cost comparison will be conducted to justify conversion to in-house or public reimbursable source performance.

(2) New Requirements. A new requirement will be obtained by a competitively awarded contract. If there is reason to believe contract service quality or prices may be unreasonable, a cost comparison will be conducted to justify conversion to in-house or public reimbursable source performance.

(3) Severable Expansions. Severable expansions of existing in-house, contracted, or public reimbursable source performed activities are obtained by a competitively awarded

contract. If the expansion is not severable, a review of the entire activity, including the proposed expansion, is conducted for potential contract performance. If there is reason to believe contract service quality or prices may be unreasonable, a cost comparison is conducted to justify conversion to in-house or public reimbursable source performance.

(4) Public Reimbursable Source. A Federal agency may compete to provide products or services to another Federal agency on a fee-for-service or reimbursable basis using either civilian employees or Federal contracts with the private sector.

(5) Activities with 10 or fewer FTEs. CAs involving 10 or fewer FTEs may be performed by in-house, contract, or public reimbursable source. A streamlined competition must be completed prior to converting to a different service provider.

(6) Activities of 11 to 65 FTEs. CAs involving 11 to 65 FTEs may be converted to contract or public reimbursable source after completing a standard competition. Reference (a) permits streamlined competition involving 65 or fewer FTEs. However, the law requires Navy activities to formulate an MEO and apply the conversion differential for conversions to contract performance involving more than 10 civilian employees. This conversion differential is 10 percent of the MEO personnel-related costs for performance of that activity or function by Federal employees or \$10 million. Therefore, a standard competition must be conducted. This includes streamlined competitions where a mixed work center exists to include not more than 10 FTEs and any number of military performing the function.

(7) Activities Performed by the Military. CAs performed by the military may be converted to contract or public reimbursable source after completing a streamlined or standard competition. Military personnel are permitted in the Government cost estimate for standard or streamlined competitions if the Agency Tender Official can coordinate a plan to use these billets in either possible outcome of the competition. Costs must be calculated using the full military composite rates provided by the DOD Comptroller. Civilian personnel may be assigned to replace military personnel when developing the MEO. Civilian grade level requirements should be based on civilian grade standards and the nature of the work to be performed and not on any civilian-to-military grade relationship. Streamlined competitions may be conducted for CAs with an aggregate of 65 or fewer FTEs and/or any number of military personnel.

d. Cost Comparison Waivers. The law requires Congressional notification of a waiver to the cost comparison process in a decision to convert to contract performance. The Competitive Sourcing Official (CSO) (e.g., Deputy, Under Secretary of Defense Installations and Environment (DUSD(I&E))) will request and obtain prior written OMB approval before granting cost comparison waivers.

e. Contests/Protests. BUMED-M1 will submit a contest/protest notification report in the Navy Database of Competitive Sourcing (NAVDOCS). This report includes the contest/ protest action disputed and the contest/protest source. A separate report must be filed for each contest/protest received.

(1) Standard Competitions. A directly interested party may contest any of the following actions in a standard competition:

- (a) A solicitation.
- (b) The cancellation of a solicitation.
- (c) A determination to exclude a tender or offer from a standard competition.
- (d) A performance decision, including, but not limited to, compliance with the costing provisions of reference (a) and other elements in the evaluation of offers and tenders.
- (e) A termination or cancellation of a contract or letter of obligation if the challenge contains an allegation that the termination or cancellation is based in whole or in part on improprieties concerning the performance decision. The pursuit of a contest by a directly interested party and the resolution of such contest will be governed by the procedures of reference (e).

(2) Streamlined Competitions. No party may contest any aspect of a streamlined competition.

7. Responsibilities

a. BUMED-M1 is the CA Program Manager for Navy Medicine. Responsibilities include, but are not limited to:

- (1) Directs and coordinates the BSO-18 CA Program with other cost containment programs.
- (2) Serves as the execution authority and point of contact for BSO-18 field commands, higher authority, and other Navy Budget Submitting Offices.
- (3) Coordinates with BSO-18 resource, functional, and program managers as necessary to ensure issues related to the CA Program are adequately staffed and reviewed.
- (4) Develops program guidance, advisories, and direction for field commands which ensures adequate command attention is applied to meet higher authority tasking and requirements; all announced CA competitions and resultant decisions are implemented expeditiously; all authorized CA positions are properly identified and used in the program area; common problems are identified and corrected; and all changes to existing Navy CA policies and procedures are implemented.
- (5) Coordinates the preliminary planning phase of proposed competitions; arranges standardized training for activity heads, competition officials, and team members; liaisons with

the Acquisition Centers of Excellence, OPNAV/N124, competition contractors, and the activity head to ensure the competition is conducted in a fair and impartial environment; provides oversight for ongoing competitions; and ensures activities comply with reporting requirements of reference (c).

b. Regional Commands. Regional command responsibilities include, but are not limited to:

(1) Reviews and approves CA work products submitted by their subordinate commands, including PWSs and PAPs, to ensure thorough development.

(2) Reviews and oversees completion of BSO-18 tasking to subordinate echelon commands within area of responsibility.

(3) Ensures BSO-18 plan of action and milestones (POA&Ms) for field commands conducting CA competitions are met, or appropriate justifications for POA&M changes are provided to BUMED-M1 for approval.

(4) Ensures execution of decisions to implement the MEO, public reimbursable source, or conversion to contract operation. If MEO implementation is authorized, regional commands shall ensure required organizational, functional, and resource changes are initiated. If contract award or public reimbursable source is authorized, regional commands will ensure that funds from the in-house organization are used to support the contract or public reimbursable source.

(5) Ensures resource changes are reflected in future budget requirements and efficiency review reports.

c. Mission Specific and Regional subordinate Commands. All commands will:

(1) Submit work products to BUMED-M1 via the regional command if appropriate, which include Post Competition Accountability Review Reports, Competition Cost Reports, Annual Update Reports, and other competition related reports, following references (a) and (c), and supplemental BSO-18 guidance as provided.

(2) Activity heads will use the procedures of references (a) and (c) to conduct competitions for potential transfer of work between Navy civilian employees, military personnel, and the private sector. Activities will submit a letter of intent to BUMED-M1 via the chain of command before initiating CA competitions. Functions recommended for cost comparison must be announced to the public and approved by Congress.

(3) For those commands which have announced or are conducting CA initiatives:

(a) The contracting officer at the Competitive Sourcing Acquisition Center of Excellence (CSACOE) will coordinate with BUMED-M1 and activity head to make the requisite Federal Business Opportunities (FedBizOpps) announcement and concurrent local level public

announcement to begin the competition. The formal public announcement, via the Web site at <http://fedbizopps.gov/> is the start date of the competition for reference (a) and statutory time limit purposes. All affected employees, unions, and other interested parties impacted by the competition must be notified by the activity head or designee.

(b) BUMED-M1 in coordination with the activity head will identify competition officials and core teams per enclosure (3) during the preliminary planning process. These individuals perform key roles and have essential responsibilities for the successful completion of the competition. The activity head will recommend appointment of the following competition officials: Agency Tender/MEO Team Leader, Human Resource Advisor, Baseline Cost Official, and PWS Team Leader. OPNAV/N124 will recommend the Contracting Officer and Source Selection Authority. The Agency Tender Acquisition Center of Excellence will assist the Agency Tender Official in obtaining legal counsel to serve in an advisory role. The legal counsel is not an appointed competition official.

(c) Initiate formal cost comparisons upon announcement and complete the competition within established time limits.

1. Standard competitions will not exceed 12 months from public announcement (start date) to performance decision (end date) unless the CSO grants a time limit waiver, in writing before public announcement. The time limit waiver will extend the competition timeline an additional 6 months for a total of 18 months.

2. Streamlined competitions will not exceed 90 calendar days from public announcement (start date) to performance decision (end date) unless the Component Competitive Sourcing Official (e.g., DUSD(I&E)) grants a time limit waiver, in writing before public announcement. The time limit waver will extend the competition timeline an additional 45 calendar days, for a maximum of 135 calendar days. The time limit waiver may be granted if the activity creates an MEO or issues a solicitation for private sector offers.

(d) The activity will retain all documents developed during the competition process for a period of 10 years regardless of the performance decision.

(e) Meet established POA&Ms, or submits appropriate justification for changes to BUMED-M1.

(f) The activity Comptroller will develop and provide a letter of intent-to-pay to the contracting officer at the CSACOE before the RFPs is issued. The letter of intent-to-pay is based upon potential contract performance decision and will meet requirements stated in the Anti-Deficiency Act, 31 USC 1341 and referenced in FAR Part 32.7.

(g) Upon completion of a streamlined or standard competition, the activity head will certify and sign a Letter of Obligation for decisions resulting in Government in-house performance.

(h) Implement the activity's MEO, convert to contract, or public reimbursable source operation. The activity head will ensure that the performance decision is implemented after congressional announcement. Should in-house MEO execution be applicable, perform a Post Competition Accountability Review annually for a period of 5 years. If the function is converted to contract operation or public reimbursable source, comply with reporting requirements in reference (c).

(i) Cancellation of a streamlined or standard competition must be approved via the chain of command through OPNAV/N124 in coordination with higher authority. The CSO must approve all cancellations in writing. After approval by the CSO, the contracting officer will publish a cancellation notice on the FedBizOpps.gov Web site and the activity head or designee will notify directly affected employees and their representative of the cancellation. No cancellation is necessary prior to public announcement of a streamlined or standard competition.

8. Program Coordination

a. Staffing. BUMED-M1 has the responsibility for oversight of the CA Program. Navy medical and dental activities in the continental United States, Puerto Rico, and Guam have designated positions for the CA Program coordinators to oversee and assist in the execution of the CA Program at their activities and at field activities under their cognizance. Incumbents of these designated positions must devote a minimum of 50 percent of their effort to the CA Program. Commands with no designated CA positions shall appoint CA Program coordinators as collateral duty assignments. To ensure adequate support, civilian position descriptions and performance appraisals for CA Program coordinators must reference CA responsibilities.

b. Roster of Coordinators. BUMED-M1 maintains a current list of CA Program coordinators (both designated and collateral duty assignments) for regional commands and BSO-18 field commands.

9. Action. All BSO-18 activities in the 50 United States and its territories, the District of Columbia, and the Commonwealth of Puerto Rico shall comply with references (a) and (c), and this instruction.

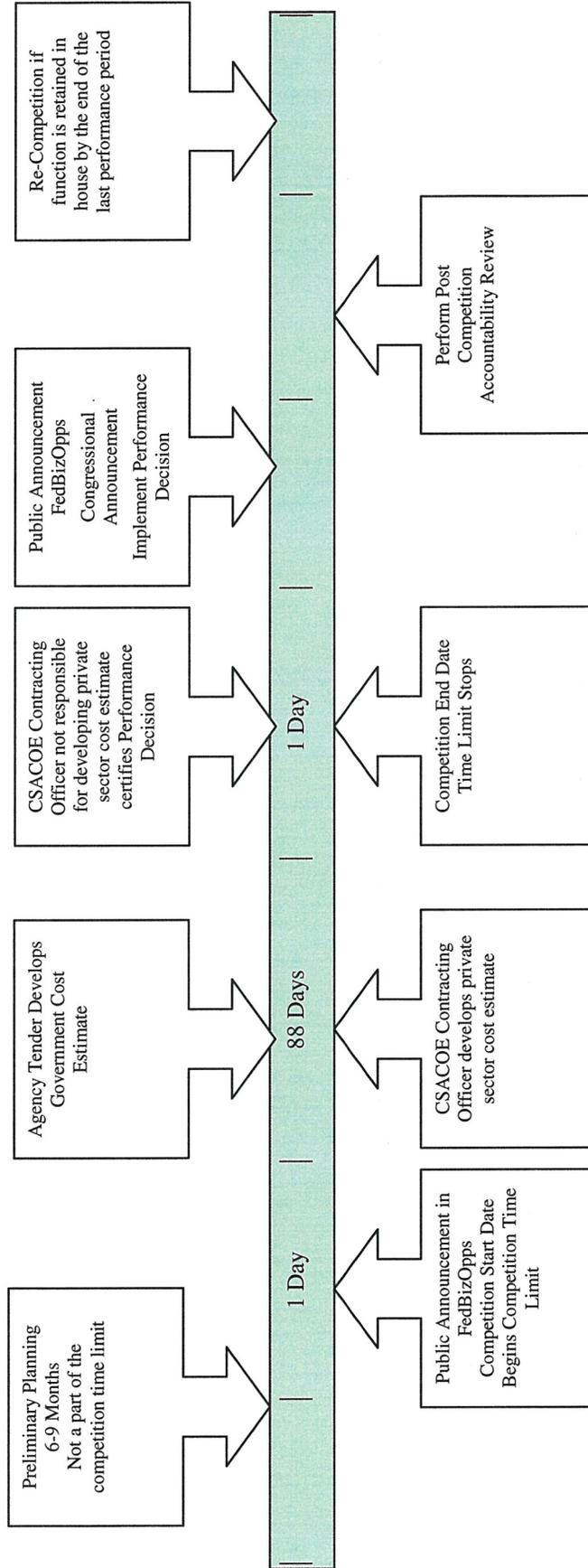
10. Training. BUMED-M12 will coordinate with OPNAV/N124 to arrange just-in-time standardized training for activity heads, competition officials, and team members per enclosure (2). The BSO-18 CA Program Managers will notify participants of the scheduled training dates via e-mail once OPNAV/N124 approves the electronic training request posted by BUMED-M12 in NAVDOCS.



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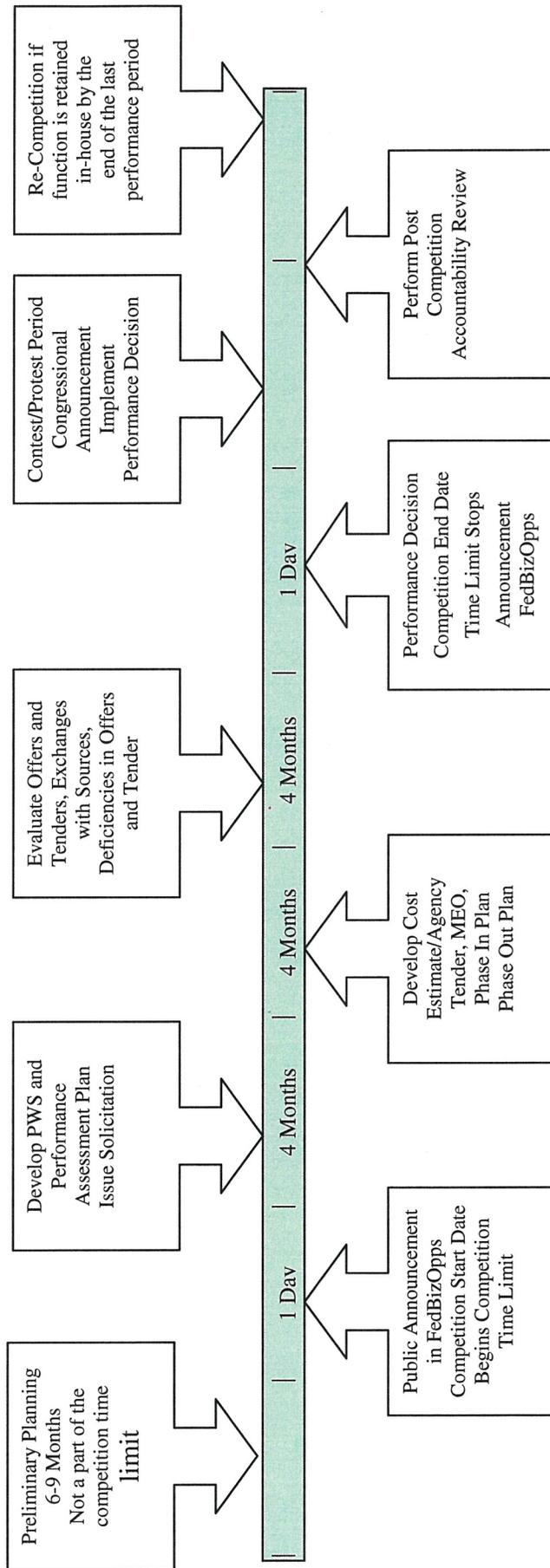
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STREAMLINE COMPETITION MAJOR MILESTONES



- The Navy Preliminary Planning Guide provides instruction and guidelines for completing the preliminary planning process.
- The A-76 competition process will be implemented under the guidelines of OMB Circular A-76 and OPNAVINST 4860.7D.
- The Navy Post Competition Accountability Review Guide must be completed and submitted to BUMED-M1 within 90 days at the end of each performance period for competitions resulting in Government performance.
- All of the above referenced documents are available for download at <https://competitivesourcing.navy.mil/>.

STANDARD COMPETITION MAJOR MILESTONES



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- The Navy Preliminary Planning Guide provides instruction and guidelines for completing the preliminary planning process.
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- All of the above referenced documents are available for download at <https://competitivesourcing.navy.mil/>.

COMMERCIAL ACTIVITIES TRAINING

A-76 training for Competition Officials and appropriate team members will be scheduled during the preliminary planning phase of the proposed competition. BUMED-M12 will coordinate with OPNAV/N124 to schedule just-in-time training for each competition team. Actual training will occur after the congressional announcement and public announcement in the Federal Business Opportunities. Training may be provided at specific sites identified by OPNAV/N124, usually in the Arlington, Virginia area. The participants are responsible for travel costs and OPNAV/N124 pays for the training. Depending upon the number of participants and budget restraints, training may be provided at the activity level if OPNAV/N124 determines that it is cost effective. Training courses include the following:

Executive A-76 Overview

- **Course Length:** 3-4 hours
- **Target Audience:** Activity head or designees; Program Management
- **Synopsis:** The Executive A-76 Overview course is geared toward activity heads or their designees and senior management/leadership involved with or directly affected by an A-76 competition. Participants are introduced to the essence of competitive sourcing through an examination of the OMB Circular A-76, DOD, and Department of the Navy guidance and implementation. The course offers a summary of the complete competitive sourcing process, preliminary planning through agency tender development, source selection, and post competition accountability, while highlighting issues that may directly affect the activity head.

A-76 Overview

- **Course Length:** 1 day
- **Target Audience:** BSO 18 Activity Designees; Team Members
- **Synopsis:** Participants in the A-76 Overview course are introduced to the fundamental nature of competitive sourcing through an examination of the OMB Circular A-76, DOD, and Department of the Navy guidance and implementation. The course is further enhanced by an overview of the A-76 process including discussions about the preliminary planning process, as well as development of the PWS through agency tender development and post competition accountability. Participants are provided with a course book that contains relevant documents including: OMB Circular A-76 (May 2003), OPNAVINST 4860.7D, sample Responsibility Assignment Matrix (RAM), and Performance Assessment Plan, COMPARE Users Manual, as well as a compilation of Competitive Sourcing Memoranda. At the conclusion of the course, participants demonstrate their knowledge of the A-76 process through the successful completion of a brief open-book test designed to familiarize the student with the subject matter and textbook contents.

Preliminary Planning

- **Course Length:** 2 days
- **Target audience:** Preliminary Planning Team Lead and Members; Baseline Costing Officials
- **Synopsis:** The Preliminary Planning course provides a brief summary of the overall A-76 competitive sourcing process, with the main focus on the preliminary planning process. Primary areas of discussion include, but are not limited to, concepts and methodologies for preliminary planning, data collection, and baseline costing. In addition, the course outlines the roles and responsibilities of competition officials, the preliminary planning team, and the Centers of Excellence. A course book complete with a copy of the slide presentation, supporting text, and relevant guidance and documents such as OMB Circular A-76 (May 2003), OPNAVINST 4860.7D, Preliminary Planning Guide, FAR definitions as well as a collection of Competitive Sourcing Memorandum is presented to each participant. The course includes exercises designed to generate a better understanding of FTE task breakdown used to effectively scope and group like functions. Certification in preliminary planning is contingent on the successful completion of a short open-book test designed to familiarize the student with the subject matter and textbook contents.

Performance Work Statement (PWS) Development

- **Course Length:** 2 days
- **Target Audience:** PWS Team Lead and Members
- **Synopsis:** The Performance Work Statement Development course introduces the overarching objectives and benefits of performance-based service acquisition, while building a foundation for performance work statement development. The course focuses on various aspects and techniques for writing a performance work statement. Through presentation, exercises, and discussion participants examine various tools and methodologies available for the development of the performance work statement effort, including data collection and analysis, and performance assessment plan guides. Participants are provided with a course book complete with copies of the slide presentation and course text as well as applicable documents such as the OMB Circular A-76 (May 2003), OPNAVINST 4860.7D, sample Performance Assessment Plan and FAR definitions. In addition, participants confirm their knowledge by completing an open-book test at the end of the course designed to familiarize the student with the subject matter and textbook contents.

Training for the Agency Tender Official

- **Notional Course Length:** 2 days
- **Target Audience:** Agency Tender Officials; Human Resource Advisors
- **Synopsis:** Training for the Agency Tender Official is designed to provide the insight, knowledge, and skills necessary to effectively respond to a solicitation and for the successful development of an agency tender. The course provides an in-depth analysis of building the phase-in plan, quality control plan, and understanding the agency cost estimate. The course

Synopsis (continued):

discusses the role of the Agency Tender Official as it pertains to the competitive sourcing effort. Information on employee communications, the employee transition plan, and phase-in plan are included for the benefit of the Human Resources Advisor and Agency Tender Official. Each participant is provided with a course book that contains a copy of the slide presentation, supporting course text, as well as the OMB Circular A-76 (May 2003), OPNAVINST 4860.7D, a description of MEO tools, a sample solicitation, corresponding compliance matrix, and MEO. At the conclusion of the course, participants will complete a brief test for certification designed to familiarize the student with the subject matter and textbook contents.

Responding to the Request for Proposal (RFP) Training

- **Course Length:** 2 ½ days
- **Target Audience:** Agency Tender Officials; MEO Team Members; Human Resource Advisors
- **Synopsis:** The Responding to the RFP course presents the most efficient organization team and the human resource advisor with the tools and methodologies necessary to effectively build a successful agency tender. The course focuses on constructing the most efficient organization, developing the quality control plan, and building the phase-in plan. Data collection techniques are discussed as they pertain to building the agency tender and costing the most efficient organization. A study of the Agency Cost Estimate, through an in-depth examination of the Standard Competition Form, serves to provide a better understanding of the differences between Public and Private Sector costs and the elements of a good cost estimate. Further, the course examines the roles and responsibilities of the Human Resource Advisor. A course book is given to participants that include the OMB Circular A-76 (May 2003), OPNAVINST 4860.7D, a sample solicitation, corresponding compliance matrix, and MEO, as well as a description of MEO tools. Successful completion of the course includes exercises designed to understand the breakdown of a solicitation. Certification is predicated on passing a short test designed to familiarize the student with the subject matter and textbook contents.

Costing Policy Training

- **Course Length:** 1 day
- **Target Audience:** Baseline Costing Officials; Agency Tender Officials; PWS Team Leads
- **Synopsis:** The Costing Policy course provides participants with a basic understanding of the costing rules and policies used in building the agency cost estimate and baseline costs in an A-76 competition. Data collection techniques and cost estimating basics are reviewed before trainees are introduced to the COMPARE version 3.2 software. Trainees are presented with comprehensive examination of the COMPARE software's capabilities and applicability when determining the Total Cost of Agency Performance, the Total Adjusted Cost of Private Sector/Public Reimbursable Performance and the Cost of Performance Decision calculations.

Synopsis (continued):

The 1-day Costing Policy course is recommended for the Baseline Costing Official, PWS Team Lead, and the ATO. A course book complete with a copy of the slide presentation, supporting text, and also relevant guidance and documents such as the OMB Circular A-76 (May 2003), OPNAVINST 4860.7D, COMPARE User Manual, and sample COMPARE file, as well as a DOD Costing Manual and DOD Baseline Costing Policy memorandum is presented to each participant. Participants in the costing policy course complete a test designed to familiarize the student with the subject matter and textbook contents.

Post Competition Accountability Training

- **Course Length:** 2 days
- **Target Audience:** MEO Managers; Designees responsible for financial reporting
- **Synopsis:** The Post Competition Accountability course provides insight into post competition accountability from performance decision thorough implementation and phase-in of the most efficient organization to reporting requirements. The course focuses on dissecting and completing the Navy's post competition accountability review guide with an emphasis on the relationship between competition files, supporting documentation, and the post competition accountability process. At the conclusion of the course, participants complete a case study that further reinforces the skills gained in the course. Each participant is provided with a course book that contains a copy of the slide presentation, supporting course text, as well as the OMB Circular A-76 (May 2003), OPNAVINST 4860.7D, most recent Navy Post Competition Accountability Review (PCAR) Guide, Competitive Sourcing program memorandum, and sample performance assessment plan.

CA COST COMPARISON TEAMS AND FIREWALLS

Competition Officials and the associated team members are identified during the preliminary planning process. Firewalls are established as outlined in the chart below to avoid any appearance of conflict of interest.

PWS TEAM	FIREWALL	MEO TEAM	FIREWALL
CSACOE Charleston	Responsible for the acquisition process Cannot participate on MEO Team	Agency Tender ACOE Patuxent River	Responsible for assisting the Agency Tender develop the Government's offer/bid. Cannot be a PWS Team or SSEB member.
PWS Team Leader	Develops the PWS and Performance Assessment Plan (PAP). The PWS Team Leader may also be the Baseline Cost Official. Cannot participate on MEO Team. May be a member of SSEB if not directly affected employee.	Agency Tender Official	Responsible for developing the Government cost estimate (offer/bid). MEO Team Leader. Responds to solicitation. Cannot participate on PWS Team or SSEB.
PWS Team	Directly affected personnel may be on the team. Cannot participate on MEO Team. Can participate on SSEB if not a directly affected employee.	MEO Team	Assist the Agency Tender Official with developing the Government cost estimate and MEO. Cannot participate on PWS Team or SSEB.
PWS Team Contractor	Procured by CSACOE Charleston. Supports the PWS Team Leader and members in developing the PWS and PAP. Cannot support MEO Team.	Agency Tender Contractor	Procured by Agency Tender ACOE Patuxent River. Provides support to the Agency Tender. Cannot provide support to the PWS Team or SSEB.
Source Selection Evaluation Board	Evaluate cost and price proposals. Cannot be a member of the MEO Team.		