APPENDIX C TO PART 169a—SIMPLIFIED COST COMPARISON AND DIRECT CONVERSION OF CAs

A. This appendix provides guidance on procedures to be followed in order to convert a commercial activity employing 45 or fewer DoD civilian employees to contract performance without a full cost comparison. DoD Components may directly convert functions with 10 or fewer civilian employees without conducting a simplified cost comparison. Simplified cost comparisons may only be conducted on activities with 45 or fewer DoD civilian employees.

B. Direct conversions with 10 or fewer DoD civilian employees must meet the following criteria:
1. The activity is currently performed by 10 or fewer civilian employees.
2. The direct conversion makes sense from a management or performance standpoint.
3. The direct conversion is cost effective.
4. The installation commander should attempt to place or retrain displaced DoD civilian employees by
   a. Placing or retraining employees in available permanent vacant positions, or
   b. Assigning displaced employees to valid temporary or over-hire positions in similar activities for gainful employment until permanent vacancies are available. The type of employee appointment (e.g., career, career-conditional, etc., or change from competitive to excepted service or vice versa) must not change, or
   c. Where no vacancies exist or are projected, offer employees retraining opportunities under the Job Training Partnership Act or similar retraining programs for transitioning into the private sector.
5. The function to be directly converted does not include any DoD civilian positions that were as a result of DoD Component streamlining plans and/or were removed with buyout offers that satisfied Section 5 of the Federal Workforce Restructuring Act requirements.
C. The following provides general guidance for completion of a simplified cost comparison:
1. Estimated contractor costs should be based on either the past history of similar contracts at other installations or on the contracting officer’s best estimate of what would constitute a fair and reasonable price.
2. For activities small in total size (45 or fewer civilian and military personnel):
   a. Estimated in-house cost generally should not include overhead costs, as it is unlikely that they would be a factor for a small activity.
   b. Similarly, estimated contractor costs generally should not include contract administration, on-time conversion costs, or other contract price add-ons associated with full cost comparisons.
3. For activities large in total size (including those with a mix of civilian and military personnel) all cost elements should be considered for both in-house and contractor estimated costs.
4. In either case, large or small, the 10 percent conversion differential contained in part IV of the Supplement to OMB Circular No. A-76 should be applied.
5. Part IV of the Supplement to OMB Circular No. A-76 shall be utilized to define the specific elements of cost to be estimated.
6. Clearance for CA simplified cost comparison decisions are required for Agencies without their own Legislative Affairs (LA)
and Public Affairs (PA) offices. Those Agencies shall submit their draft decision brief to the Deputy Assistant Secretary of Defense (Installations) room 3E813, the Pentagon, Washington, DC 20301 for release to Congress.

7. Provide CA simplified cost comparison approvals containing a certification of the MEO analysis, a copy of the approval to convert, a copy of the cost comparison, with back-up data, before conversion to the following:
   a. Committee on Appropriations of the House of Representatives and the Senate (11-45 civilian employees only).
   b. Copies of the following:
      (1) Assistant Secretary of Defense (LA), room 3D918, the Pentagon, Washington, DC 20301.
      (2) Assistant Secretary of Defense (PA), room 2E757, the Pentagon, Washington, DC 20301.
      (3) Office of Economic Adjustment, room 4C767, the Pentagon, Washington, DC 20301.
      (4) Deputy Assistant Secretary of Defense, (Installations), room 3E813, the Pentagon, Washington, DC 20301. (exception—no copies required from Agencies that do not have legislative and public affairs offices).

8. Most Efficient and Cost-Effective Analysis for Contractor Performance of an Activity (Report Control Symbol DD-A&T(AR)) 1981. The installation commander must certify that the estimated in-house cost for activities involving 11 to 45 DoD civilian employees are based on a completed most efficient and cost effective organization analysis. Certification of this MEO analysis, as required by Public Law 103-139, shall be provided to the Committee on Appropriations of the House of Representatives and the Senate before conversion to contract performance.

[57 FR 29212, July 1, 1992, as amended at 60 FR 67329, Dec. 29, 1995]

APPENDIX D TO PART 169a—COMMERCIAL ACTIVITIES MANAGEMENT INFORMATION SYSTEM (CAMIS)

Each DoD Component shall create and maintain their CAMIS data base. The CAMIS data base shall have a comprehensive edit check on all input data in the computerized system. All data errors in the CAMIS data base shall be corrected as they are found by the established edit check program. These data elements described in this appendix represent the DoD minimum requirements.

On approval of a full cost comparison, a simplified cost comparison, or a direct conversion CA, the DoD Component shall create the initial entry using the data elements in part I for full cost comparisons and data elements in part II for all other conversions. Within 30 days of the end of each quarter the DoD Component shall submit a floppy diskette. Data files must be in American Standard Code Information Interchange text file format on a MicroSoft-Disk Operating System formatted 3.5 inch floppy diskette. Provide submissions in the Defense Utility Energy Reporting System format. The data shall be submitted in the Director, Installations Management (D,IM), 400 Army Navy Drive, Room 206, Arlington, VA 22202-2804 at least 60 days prior to the end of the quarter. The D,IM shall use the automated data to update the CAMIS. If the DoD Component is unable to provide data in an automated format, the D,IM shall provide quarterly print-outs of cost comparison records (CCR) and conversion and/or comparison records (DC8CCR) that may be annotated and returned within 30 days of the end of each quarter to the D,IM. The D,IM then shall use the annotated printouts to update the CAMIS.

PART I—COST COMPARISON

The record for each cost comparison is divided into six sections. Each of these sections contains information provided by the DoD Components. The first five sections are arranged in a sequence of milestone events occurring during a cost comparison. Each section is completed immediately following the completion of the milestone event. These events are as follows:

1. Cost comparison is approved by DoD Component.
2. Solicitation is issued.
3. In-house and contractor costs are compared.
4. Contract is awarded/solicitation is canceled.
5. Contract starts.

The events are used as milestones because upon their completion some elements of significant information concerning the cost comparison become known.

A sixth section is utilized for CCRs that result in award of a contract. This section contains data elements on contract cost and information on subsequent contract actions during the second and third year of contract operation.

The data elements that comprise these six sections are defined in this enclosure.

PART II—DIRECT CONVERSIONS AND SIMPLIFIED COST COMPARISONS

The record for each direct conversion and simplified cost comparison is divided into six sections. Each of the first five sections is completed immediately following the completion of the following events:

1. DoD Component approves CA action.
2. The solicitation is issued.
3. In-house and contractor costs are compared.
4. Contract is awarded or solicitation is canceled.
5. Contract starts.