

Office of the Secretary of Defense

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ATTACHMENT 2 TO APPENDIX B TO PART 169a— CODES FOR DENOTING COMPELLING REASONS FOR IN-HOUSE OPERATIONS OF PLANNED CHANGES IN METHOD OR PERFORMANCE

1. PERFORMANCE (for entry in field A8)

Code	Explanation
A	Indicates that the DoD CA has been retained in-house for national defense reasons in accordance with paragraph E.2.a(1) of DoD Instruction 4100.33, other than CAs reported under code "C" of this attachment.
C	Indicates that the DoD CA is retained in-house because the CA is essential for training or experience in required military skills, or the CA is needed to provide appropriate work assignments for a rotation base for overseas or sea-to-shore assignments, or the CA is necessary to provide career progression to a needed military skill level in accordance with paragraph E.2.a(1)(a) of DoD Instruction 4100.33.
D	Indicates procurement of a product or service from a commercial source would cause an unacceptable delay or disruption of an essential DoD program.
E	Indicates that there is no satisfactory commercial source capable of providing the product or service needed.
F	Indicates that a cost comparison has been conducted and that the Government is providing the product or service at a lower total cost as a result of a cost comparison.
G	Indicates that the CA is being performed by DoD personnel now, but decision to continue in-house or convert to contract is pending results of a scheduled cost comparison.
H	Indicates that the CA is being performed by DoD employees now, but will be converted to contract because of cost comparison results.
J	Indicates that the CA is being performed by DoD hospital and, in the best interest of direct patient care, is being retained in-house.
K	Indicates that the CA is being performed by DoD employees now, but a decision has been made to convert to contract for reasons other than cost.
N	Indicates that the CA is performed by DoD employees now, but a review is in progress pending a decision. (i.e., base closure, realignment, or consolidation).
X	Indicates that the Installation commander is not scheduling this CA for cost study under the provisions of congressional authority.
Y	Indicates that the CA is retained in-house because the cost study exceeded the time limit prescribed by law.
Z	Indicates that the CA is retained in-house for reasons not included above. (i.e., a law, Executive order, treaty, or international agreement).

2. USE OF OTHER CODES. Other codes may be assigned as designated by the ODASD (I).

[50 FR 40805, Oct. 7, 1985, as amended at 57 FR 29210, July 1, 1992; 60 FR 67329, Dec. 29, 1995]

APPENDIX C TO PART 169a—SIMPLIFIED COST COMPARISON AND DIRECT CON- VERSION 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) 1951. 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 manage 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. The data elements described in this appendix represents 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 22202-2884 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 printouts of cost comparison records (CCR) and conversion and/or comparison records (DCSCCR) 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.