



**DEPARTMENT OF DEFENSE  
EDUCATION ACTIVITY**  
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ARLINGTON, VIRGINIA 22203-1635

Competitive Sourcing Program Office

DoDEA Regulation 9000.2  
July 21, 2005

**DEPARTMENT OF DEFENSE EDUCATION ACTIVITY  
REGULATION**

**SUBJECT:** Competitive Sourcing Program Procedures

- References:**
- (a) DoDEA Regulation 9000.2, "Department of Defense Education Activity Commercial Activities Program," May 22, 2002, as amended (hereby cancelled)
  - (b) Office of Management and Budget (OMB) Circular No. A-76, "Performance of Commercial Activities," (Revised May 29, 2003)
  - (c) Department of Defense Instruction (DoDI) 4100.33, "Commercial Activities Program Procedures," October 6, 1995
  - (d) Federal Activities Inventory Reform (FAIR) Act of 1998, Public Law 105-270, October 1998
  - (e) Defense Reform Initiative Directive (DRID) #20, "Review of Inherently Governmental Functions," January 1998

**1. REISSUANCE AND PURPOSE**

This Regulation reissues reference (a) to update policies and procedures set forth in references (b) through (e), and provides specific guidance for the Department of Defense Education Activity (DoDEA).

**2. APPLICABILITY**

This Regulation applies to the Director, Department of Defense Education Activity; the Director, Department of Defense Domestic Dependent Elementary and Secondary Schools and Department of Defense Dependents Schools, Cuba (DDESS/(DoDDS-Cuba)); the Director, Department of Defense Dependents Schools, Europe (DoDDS-E); the Director, Department of Defense Dependents Schools, Pacific, and Domestic Dependent Elementary and Secondary Schools, Guam (DoDDS-P/DDESS-Guam); and all DoDEA District Superintendents, School Principals, Teachers, and Support Staff.

**3. DEFINITIONS**

Terms used in this Regulation are found in enclosure 1.

#### 4. POLICY

It is DoDEA policy that:

4.1. The Inventory of Inherently Governmental and Commercial Activities (IG/CA) functions will be conducted annually in accordance with the Federal Activities Inventory Reform (FAIR) Act of 1998. DoDEA Headquarters, DoDDS Europe and Pacific, and DDESS shall conduct an annual, in-depth review of all positions to determine if they are Inherently Governmental (IG) or a Commercial Activity (CA), in accordance with instructions received from DoD through the Competitive Sourcing Program Office (CSPO). These instructions are updated and sent out annually along with guidance from the Director, DoDEA. The cutoff date for this inventory will be September 30<sup>th</sup> of the current calendar year (i.e., the calendar year during which the instructions are sent out). Each area is responsible for taking a snapshot of their manpower database as of September 30. This information will be used to develop the FAIR Act Inventory for that year.

4.2. The DoDEA 5-Year Strategic Sourcing Plan (SSP) will be updated annually. DoDEA Headquarters, DoDDS Europe and Pacific, and DDESS shall review the 5-year SSP, detailing all CA and the time frame for them to be competed. All recommendations will be consolidated, reviewed, and coordinated with CSPO and submitted to the Director, DoDEA for approval. The approved plan will reflect the DoDEA functions and number of positions planned for competition, by Fiscal Year.

4.2.1. The Associate Director, Finance and Business Operations; the Associate Director for Education and Principal Deputy; the Director of DoDDS Europe; the Director of DoDDS Pacific and DDESS Guam; and the Director of DDESS and DoDDS Cuba, shall review and comment on the 5-year SSP. The SSP comments and updates shall be conducted annually and submitted to CSPO by October 31 each year.

4.2.2. Submitted comments and updates will be consolidated by CSPO and a recommended revised SSP will be submitted to the Director, DoDEA no later than December 15 each year. All DoDEA commercial activities will be scheduled to undergo at least one review during the 5-year period.

4.3. OMB Circular A-76 and DoD Instruction 4100.33, at reference (b), and the DoD Instruction, at reference (c), will be adhered to by all activities regardless of location or type of position affected. When performance by a commercial source is permissible, an A-76 streamlined or standard competition will be initiated. This competition shall be conducted according to the procedures for A-76 streamlined and standard competitions outlined in references (b) and (c). The competition will determine the provider of the required services at the best value for the Government. Performance of new and expanded requirements shall be determined as follows:

4.3.1. Private Sector Performance - No Competition Required. When a new CA requirement is identified, it may be performed by the private sector without either a streamlined or standard competition. A segregable expansion of an existing CA requirement, whether the

existing requirement is currently being performed by the Government or the private sector, may be performed by the private sector without either type of competition. A CA requirement that is currently being performed by the private sector may continue to be performed by the private sector without either type of competition.

4.3.2. Government Performance - Competition Required. Government personnel may not perform a new CA requirement unless it has been determined through a streamlined or standard competition that the Government can provide the service at a lower cost than the private sector. Similarly, a segregable expansion of an existing CA requirement that is being performed by government personnel must also be subjected to a streamlined or standard competition before such expansion may be performed by government personnel. In order for a CA that is currently being performed by the private sector to be changed to performance by government personnel, it must be subjected to a streamlined or standard competition.

4.4. The Executive Steering Committee (ESC) members will consist of the Director, DoDEA; the Associate Director for Education and Principal Deputy; the Associate Director for Financial and Business Operations; the Director of DoDDS Europe; the Director of DoDDS Pacific and DDESS Guam; the Director of DDESS and DoDDS Cuba; and the Chief of Staff. This is the final decision-making body for all A-76 matters.

4.5. Identification of positions in A-76 competitions will initially be done through the latest FAIR Act Inventory. Once positions are identified, a list of the personnel corresponding to the position list will be provided by the functional chief, division chief, district superintendent or Area Director. The list will be provided following the decision to begin the preliminary planning process for a projected A-76 competition. A function or group of functions identified and scheduled for competition under A-76 may not be reorganized for the sole purpose to circumvent, negate, or delay the A-76 competition. This list of positions may be adjusted during the preliminary planning phase as more data is collected on the function(s). At the conclusion of the preliminary planning process, and following the public announcement that an A-76 competition will occur, the position list will be “frozen” and will not be changed without CSPO approval. The ESC will be the final authority for approval or disapproval of any proposed changes of more than 10% of the announced positions.

4.6. Market Analysis for Streamlined Competitions will be conducted by a private sector contractor to develop the Estimated Contractor Bid (ECB) used in the cost comparison phase of a Streamlined Competition. The CSPO will ensure that the ECB and its developers are “fire walled” from the other phases of an A-76 competition. This is important to maintain the integrity of the competition. A contractor involved with ECB development will not be involved with the development of the Performance Work Statement or the Agency Tender/Most Efficient Organization. The Chief, CSPO shall certify the ECB developed through market analysis/research, on line 7 of the Streamlined Competition Form.

4.7. Completion of the A-76 Streamlined Cost Form (SLCF) will be performed in accordance with reference (b). There will be three certifications made on the SLCF; each by a different individual. The Agency Tender Official (ATO) will complete lines 1-6 on the SLCF from the agency cost estimate (in-house bid) and certify that the agency cost estimate is accurate

and represents the full cost of government performance of the function(s) under competition. The Chief, CSPO will complete line 7 with the ECB and certify it as accurate. The third certification will be made by the Associate Director, Finance and Business Operations, DoDEA, or applicable Area Director signifying that DoDEA agrees to implement the Performance Decision. These are the only personnel to be present when the values are inputted to the COMPARE software system to determine a Service Provider.

4.8. Announcement of Performance Decisions will be made to the impacted employees prior to any public release of this information. If a competition involves more than one geographic location, every effort will be made to coordinate the release of the information to all impacted employees. DoDEA is required to publish a notice in the Federal Business Opportunities page indicating the Performance Decision and the next step that DoDEA will take to implement the Performance Decision.

4.9. Most Efficient Organization (MEO) Letter of Obligation is required by reference (b) for an in-house Performance Decision result. This is to ensure the accountability and integrity of the A-76 competition process. When a performance decision favors the government as the MEO, the Chief, CSPO will prepare a MEO Letter of Obligation for signature by the applicable Director. The letter will also be signed by the Program Manager within the MEO. At a minimum, the MEO Letter of Obligation will include the following elements:

4.9.1. The performance decision date.

4.9.2. The expected date of full performance based on the phase-in plan.

4.9.3. The option years and end date for performance based on the performance periods specified in the solicitation.

4.9.4. The terms of the solicitation and tender for a standard competition or the requirements put forth in the Performance Work Statement (PWS) and MEO documents.

4.9.5. A requirement to document any PWS modifications and MEO changes, and to track actual costs for each performance period.

4.9.6. A statement describing how any disputes or conflicts regarding the administration of the Letter of Obligation will be staffed, and

4.9.7. A requirement to retain the competition documentation until the activity is re-competed.

## 5. RESPONSIBILITIES

5.1. The Director, Department of Defense Education Activity, shall:

5.1.1. Ensure DoDEA complies with the Federal Activities Inventory Reform (FAIR) Act (reference (d)), this Regulation, and the policies and procedures set forth by OMB (reference (b)) and DoD (references (c) and (e)).

5.1.2. Serve as the Component Competitive Sourcing Official (CCSO) for DoDEA.

5.1.3. Appoint the following competition officials: (1) Agency Tender Official, (2) Human Resource Advisor, and (3) PWS Team Leader. Annual performance evaluations will be used to hold them responsible for conducting the competitions in a timely and proper manner.

5.1.4. Promote the competitive sourcing program and encourage senior management to aggressively seek competitive sourcing initiatives with the objective of enhancing performance and quality, while providing the best value for the Government.

5.1.5. Annually review and approve the updates to the 5-year SSP.

5.2. The Associate Director for Education and Principal Deputy, Department of Defense Education Activity, shall:

5.2.1. Ensure the DoDEA Human Resources Office, in close coordination with field locations, takes appropriate action to assist employees who will be affected by a streamlined or standard competition.

5.2.2. Ensure initiatives involving commercial activities that call for manpower expansion or new requirements go through a public-private competition prior to effecting the change, if Government performance is being considered.

5.2.3. Freeze all positions in the CA under competition, immediately upon official competition announcement and continue until a performance decision is reached and disposition of affected positions is determined.

5.3. The Director, Department of Defense Domestic Dependent Elementary and Secondary Schools and Department of Defense Dependents Schools, Cuba; the Director, Department of Defense Dependents Schools, Europe; and the Director, Department of Defense Dependents Schools, Pacific, and Domestic Dependent Elementary and Secondary Schools, Guam shall:

5.3.1. Comply with instructions received from the Director, DoDEA and provide responses to the CSPO in the proper format and by the established due date, as directed in the instructions.

5.3.2. Coordinate with the CSPO for any guidance, questions, or information required.

5.3.3. Ensure all personnel, down to the school level, understand the ramifications of their criteria code in the FAIR Act and how the Competitive Sourcing Program works.

5.3.4. Submit proposed changes or modifications to the SSP (5-year plan) on an annual basis.

5.3.5. Seek guidance from CSPO on scheduling activities and functions for competition.

5.3.6. Continually seek cost savings through process analysis and reengineering initiatives to reallocate savings from the support functions to the core mission.

5.3.7. Have an understanding of the various FAIR Act codes (i.e., function and criteria codes) for all positions within their Area and inform each employee of his or her position's code.

5.3.8. Advise CSPO of any initiatives (self-nomination) that should be put in the 5-year SSP, which are more feasible to study based on an analysis of the commercial activities' disciplines.

5.4. The Associate Director, Finance and Business Operations shall:

5.4.1. Provide input to the cost of agency performance.

5.4.2. Provide payroll and material costs to the CSPO on a monthly basis for tracking against the government bid.

5.4.3. Verify all savings which accrue as a result of an A-76 competition.

5.4.4. Ensure the equitable distribution of all savings generated under the program.

5.5. The Chief of Staff, Department of Defense Education Activity, shall:

5.5.1. Assist the Director in ensuring DoDEA complies with the FAIR Act, this Regulation, and the policies and procedures set forth by OMB and DoD.

5.5.2. Monitor the CA Program for compliance with established policies.

5.5.3. Approve all A-76 streamlined and standard competitions prior to initiation of the preliminary planning phase.

5.5.4. Be DoDEA's point of contact to respond to CA Program inquiries from Congress, the General Accountability Office (GAO), OMB, and OSD.

5.5.5. Ensure that the streamlined and standard competitions are completed within OMB time limits by establishing milestones that meet these time requirements. Under no circumstances shall statutory time limits be exceeded.

5.6. The Competitive Sourcing Program Office (CSPO) shall:

5.6.1. Administer the A-76 Competitive Sourcing Program.

5.6.2. Provide guidance to all of DoDEA on A-76 issues.

5.6.3. Oversee and direct the annual DoD IG/CA inventory review, and prepare the final submission to DoD.

5.6.4. Serve as the DoDEA CA Program alternate point of contact for GAO, OMB, and OSD. Serve as the primary point of contact for DoD entities other than OSD and for all other Federal agencies.

5.6.5. Lead and facilitate reengineering initiatives. If sufficient in-house staff is not available, support may be provided by a contractor selected through the procurement process.

5.6.6. Conduct streamlined and standard A-76 competitions for DoDEA elements. If sufficient in-house staff is not available, support may be provided by a contractor selected through the procurement process.

5.6.7. Oversee reengineering and A-76 consultants and consulting contracts in accordance with applicable regulations and statutory requirements.

5.6.8. Update DoDEA CA Program policies and procedures as changes occur to guidance, Regulations, and public laws.

5.6.9. Update the Defense Commercial Activities Management Information System (DCAMIS) to ensure the latest and most accurate information is available to Office of the Secretary of Defense.

5.7. The Performance Work Statement (PWS) Team Leader shall:

5.7.1. Be an inherently governmental official, independent of the ATO, HRA, and MEO team; and assist with identifying members for a PWS team of technical and functional experts.

5.7.2. Lead the development of the PWS and Quality Assurance Surveillance Plan (QASP); determine government-furnished property (GFP); and make recommendations to the ESC concerning the PWS, GFP, and QASP.

5.7.3. Assist the contracting officer in developing the solicitation.

5.7.4. Assist in implementing the performance decision.

5.8. The Agency Tender Official shall:

5.8.1. Be an inherently governmental official, independent of the Contracting Officer (CO), the Source Selection Authority (SSA), the Source Selection Evaluation Board (SSEB), and the PWS team; and be a directly interested party in the competition.

5.8.2. Appoint the MEO team of technical and functional experts.

5.8.3. Provide the necessary resources and training to prepare a competitive agency tender.

5.8.4. Propose alternate performance standards, if the solicitation allows it.

5.8.5. Make all final management decisions about the agency tender.

5.8.6. Certify and represent the agency tender.

5.8.7. Submit the agency tender in a sealed package to the contracting officer by the solicitation closing date. In a streamlined competition, submit the AT in a sealed envelope to the Chief, CSPO by the competition end date.

5.9. The Contracting Officer shall:

5.9.1. Be an inherently governmental official and serve as a member of the PWS team, independent of the ATO, the HRA, and the MEO team.

5.9.2. Be DoDEA's point of contact to respond to CA Program inquiries from the private sector.

5.9.3. Determine the acquisition strategy in accordance with Part 7 of the FAR, and identify acquisition procedures and common costs within the solicitation.

5.9.4. Obtain applicable wage determinations from the Department of Labor.

5.9.5. Release all PWS documents and solicitations, including drafts. Determine if amending the solicitation close date is in the best interest of the government. Document changes to the agency tender occurring after the solicitation close date. Publish cancellation notices for any canceled competitions or solicitations.

5.9.6. In the event of no satisfactory private sector or public reimbursable source, consult with industry to identify suggested revisions to the solicitation to increase the potential for competition. Submit the results of such consultations and a course of action to the CCSO.

5.9.7. Perform the various source selection processes and evaluate all offers, including the AT. Perform various costing entries, adjustments, and decisions as specified in OMB Circular A-76, reference (b), Attachment (c). Verify that all cost estimates are calculated in



accordance with Attachment (c) and that the current version of COMPARE costing software is used.

5.9.8. Sign the Standard or Streamlined Competition Form to certify the competition decision.

5.9.9. Award private sector performance decision contracts in accordance with the FAR; execute public reimbursable performance decision agreements; and execute MEO letters of obligation with the official responsible for agency performance decisions.

5.10. The Human Resources Director shall:

5.10.1. Work closely with the CSPO to provide briefings to affected employees and updates on the status of the competition, no less frequently than monthly.

5.10.2. Organize a Civilian Assistance and Re-Employment (CARE) Team to assist with each competition and to provide guidance to affected employees on all their rights and benefits.

5.10.3. Provide a Human Resource Advisor (HRA), who is an inherently governmental official and is independent of the Contracting Officer, Source Selection Authority, PWS Team, and the Source Selection Evaluation Board. The HRA actively participates on the MEO Team and assists the ATO, by providing all HR-related information, such as advising on position classification restrictions; classifying position descriptions; identifying adversely affected employees; preparing a reemployment priority list; and accomplishing Reduction in Force (RIF) processing.

5.10.4. Stay abreast of competition milestones so as to coordinate and establish timetables for any RIF requirements, retraining, reassignment, or other personnel actions required.

5.11. The General Counsel, Department of Defense Education Activity shall:

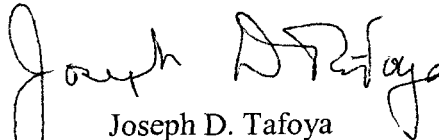
5.11.1. Advise the Director, Chief of Staff, and CSPO regarding matters arising under references (b), (c), (d), and (e).

5.11.2. To the extent possible and as necessary, assign one attorney to advise the MEO team and one attorney to advise the contracting officer in an A-76 standard competition.

5.11.2.1. An attorney who advises the MEO team shall be fire walled from an attorney who advises the contracting officer in the same A-76 standard competition only for purposes of that competition.

6. EFFECTIVE DATE

This Regulation is effective immediately.



Joseph D. Tafoya  
Director

Enclosure - 1  
E1. Definitions

E1. ENCLOSURE 1DEFINITIONS

E1.1. Agency Tender. The agency management plan submitted in response to a solicitation for a standard competition. The agency tender includes an MEO, agency cost estimate, MEO quality control plan, MEO phase-in plan, and copies of any MEO subcontracts (with the private sector providers' proprietary information redacted).

E1.2. Agency Tender Official (ATO). An inherently governmental DoDEA official with decision-making authority who is responsible for the agency tender and represents the agency tender during source selection.

E1.3. Component Competitive Sourcing Official (CCSO). The principal official in charge of a DoD Component's Competitive Sourcing Program. The CCSO is responsible for implementing OMB Circular A-76 and any implementing guidance applicable to the Component. The CCSO for DoDEA is the Director, DoDEA.

E1.4. Commercial Activity (CA). A recurring service that could be performed by the private sector. Commercial activities may exist within or throughout organizations that perform inherently governmental activities or classified work.

E1.5. Competitive Sourcing Program Office (CSPO). Office working directly under the Chief of Staff responsible for the execution of the A-76 program. This office also acts as liaison with the Housing and Competitive Sourcing Office, DUSD (AT&L), Office of the Secretary of Defense (OSD).

E1.6. Contracting Officer (CO). An inherently governmental official who serves as a member of the PWS team. The CO and the SSA may be the same individual.

E1.7. Criteria Code. The DoD code used to identify the manpower functions performed by military and civilian personnel as inherently governmental, exempt from private sector performance, or subject to competition.

E1.8. Executive Steering Committee. This committee is composed of the Associate Director for Education and Principal Deputy; Director, DoDDS Europe; Director DoDDS Pacific and DDESS Guam; Director, DDESS and DoDDS, Cuba. This committee is the final approval source for all A-76 program issues.

E1.9. Government Furnished Property (GFP). During the development of the PWS, decisions are made whether to provide existing GFP to the in-house MEO and private sector bidders. If the GFP is going to be made available to the in-house MEO it must be provided to the private sector. The private sector has the option to accept or reject the GFP. If the GFP is not provided to the in-house MEO and the private sector bidder, then it must be costed in the Agency Cost Estimate.

E1.10. Human Resource Advisor (HRA). An inherently governmental DoDEA official who is a human resource expert and is responsible for performing human resource-related actions to assist the ATO in developing the agency tender.

E1.11. Inherently Governmental. An activity that is so intimately related to the public interest as to mandate performance by government personnel, as provided by Attachment (a) of OMB Circular A-76. These activities require the exercise of substantial discretion in applying Government authority and/or in making decisions for the government.

E1.12. Most Efficient Organization (MEO). The staffing plan of the agency tender, developed to represent DoDEA's most efficient and cost effective organization for the function(s) being competed. An MEO is required for a standard competition and may include a mix of government personnel and MEO subcontracts. Development of an MEO is encouraged for a streamlined competition.

E1.13. New Commercial Activity Requirement. A newly established need for a commercial product or service that is not already being performed by: (1) DoDEA with Government personnel, (2) a fee-for-service agreement with a public reimbursable source, or (3) a contract with the private sector. An activity that is performed by DoDEA and is reengineered, reorganized, modernized, upgraded, expanded, or changed to become more efficient, but still essentially provides the same service, is not considered a new requirement. New ways of performing existing work are not new requirements.

E1.14. Performance Work Statement (PWS). A formal, performance-based statement that documents the technical, functional, and performance characteristics of DoDEA's requirements in a specified functional area or areas. The PWS serves as the basis for the solicitation in a standard competition.

E1.15. PWS Team Leader. An inherently governmental official who leads the team of technical and functional experts that develops the PWS.

E1.16. Quality Assurance Surveillance Plan (QASP). Document developed in conjunction with the PWS that outlines the tasks that will be reviewed by the Continuing Government Activity (CGA). This document also includes the type of surveillance, the lot size, and the timing of the surveillance. This is a living document that can change as the service provider becomes more proficient in performing the work in the MEO.

E1.17. Segregable Expansion. An increase to an existing commercial activity that can be performed separately.

E1.18. Self-Nomination. Competitive sourcing initiatives recommended by the Area Directors or HQ Divisions themselves; rather than those initiatives directed by DoDEA Headquarters.

E1.19. Service Provider. This is the entity that is successful in performing the workload contained in the PWS at the lowest cost, technically acceptable manner. This can be either the in-house MEO or a private sector bidder.

E1.20. Source Selection Authority (SSA). An inherently governmental official who is ultimately responsible for the source selection process that is part of a standard competition. The SSA appoints the Source Selection Evaluation Board.

E1.21. Source Selection Evaluation Board (SSEB). A team of individuals who are not directly affected by a competition. The SSEB evaluates the Agency Tender Offer and private industry bids in a standard competition.

E1.22. Strategic Sourcing Plan (SSP). A five-year plan outlining what positions will be subject to competition and when the competitions are projected to begin. This plan is updated annually.