



**UNITED STATES MARINE CORPS**  
MARINE AIR GROUND TASK FORCE TRAINING COMMAND  
MARINE CORPS AIR GROUND COMBAT CENTER  
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CCO 4860.1F

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COMBAT CENTER ORDER 4860.1F

From: Commanding General, Marine Air Ground Task Force Training Command,  
Marine Corps Air Ground Combat Center  
To: Distribution List

Subj: OPERATION OF COMMERCIAL ACTIVITIES (CA)

Ref: (a) OMB Circular A-76  
(b) MCO 4860.3D

Encl: (1) Definitions Applicable to CA Functions

1. Situation. Reliance on commercial sources can relieve managers of routine operational responsibilities, and it may be in the Government's best interest to avoid expenditures for capital facilities or equipment with the unnecessary risk of losses caused by obsolescence or unanticipated changes in program requirements. Maximum reliance on private enterprise also benefits federal, state, and local governments by providing additional tax revenue. Per Headquarters, U.S. Marine Corps an annual review must be accomplished to verify the justification for those activities performed in-house, and provide comparative cost analysis.

2. Cancellation. CCO 4860.1E.

3. Mission. To implement Marine Corps policies and to delineate Combat Center responsibilities and policies concerning the operation of Commercial Activities per the references.

4. Execution

a. Commander's Intent and Concept of Operations

(1) Commander's Intent

(a) The Commercial Activity Program must be judiciously applied to the provision of products and services when such products and services may be destined to support the operational forces training aboard the Combat Center.

(b) Both the civilian and military on board the Combat Center are challenged to manage better, work smarter and produce more. To be competitive, staffing must be based on necessary workloads. If there are unnecessary positions in our organizations, there will be less chance of winning competitions. If positions are aligned to effect the best possible organization and the Performance Work Statements (PWS) are complete and accurate, there is a greater chance of having the services continue to be performed by Civil Service agencies (i.e. in-house).

(2) Concept of Operations

(a) The Command understands that implementation of the CA Program may impact the Civil Service employee. Equitable treatment of all employees is ensured by an effectively structured, fair and competitive development of cost analysis prior to the bid process.

(b) In many cases, the Civil Service employee may provide the most productive, responsive, and economical workforce. Therefore, personnel conducting the CA program are directed to accomplish every requirement within the Federal directives and guidelines to ensure the Civil Service functions are adequately addressed.

(c) Each function throughout the Combat Center must operate effectively and efficiently. This may mean reorganizing and changing traditional methods of performing tasks. Employees are urged to look at their jobs, review and question outdated and ineffective policies and regulations, and openly make recommendations/suggestions for operating more effectively and efficiently. Such recommendations/suggestions may meet the Beneficial Suggestion criteria, in which case the employee is encouraged to submit them and be rewarded. Those recommendations/suggestions that do not meet this criterion should be submitted directly to the Business Performance Office (BPO) for consideration in CA studies. To be competitive with a potential contractor, the function must be organized into the most efficient organization possible. Suggested work methods that could be streamlined are work forms, scheduling techniques, and worker accountability for time spent on the job. The importance of good feedback from employees and supervisors cannot be overly emphasized. It will be the expert input from both of these sources that will validate the PWS and establish a most efficient organization.

b. Subordinate Element Missions

(1) Chief of Staff (COS), MAGTF/TC. Approve all announcements, reports or other official information relating to the CA program prior to its dissemination.

(2) CA Program Manager

(a) Manage, direct and supervise the ongoing operations of the CA program to include a systematic and continuing review of commercial or industrial programs.

(b) Chair any task force established to review all current or proposed CA programs.

(c) Direct and supervise the collection and preparation of necessary information for all reports, announcements or other official information on CA matters.

(3) Comptroller Directorate, Accounting Officer. Participate in the comparative cost studies by assisting in developing data as required.

(4) Functional or Operational Manager. Prepare and submit required information for specific sections/functions under their cognizance on an as required basis to the CA Program Manager. This is the most vital information of the entire CA process. The information provided is the basis for an accurate and complete Performance Work Statement (PWS), Quality Assurance Surveillance Plan (QASP), Acceptable Quality Level (AQL), and the Most Efficient and Effective Organization (MEO). No one knows the function as well as the manager and the personnel involved. They will be required to provide this basic information to whoever prepares the study.

(5) Directors/Division Heads. Furnish the technical and expert personnel required to conduct inventories, reviews, cost comparison studies, determine personnel requirements and ensure appropriate grade levels to meet CMC directed CA submission.

c. Coordinating Instructions

(1) The Commanding General is the sole approval authority for decisions resulting from cost comparison analysis conducted in accordance with reference (a). This authority may not be delegated.

(2) The Director BPO is responsible for overall execution and management of the CA program.

(3) The Deputy Director BPO is responsible for the management and supervision of ongoing operations in accordance with reference (b)

(4) Definitions. Definitions applicable to CA functions are contained in enclosure (1).

5. Administration and Logistics. Distribution Statement A-1 directives issued by the Commanding General are distributed via e-mail upon request. This Order can be viewed at <http://www.29palms.usmc.mil/dirs/manpower/adj/ccotoc.asp>.

6. Command and Signal

a. Signal. This Order is effective the date signed.

b. Command. This Bulletin is applicable to all active duty, reserve, and civilian employees working on board the Combat Center.

  
J. R. BRADEN  
Chief of Staff

DISTRIBUTION: A-1

DEFINITIONS APPLICABLE TO CA FUNCTIONS

1. Commercial Activity (CA). A commercial activity is a recurring service that could be performed by the private sector and is resourced, performed, and controlled by the agency through performance by government personnel, a contract, or a fee-for-service agreement. A commercial activity is not so intimately related to the public interest as to mandate performance by government personnel. Commercial activities may be found within, or throughout, organizations that perform inherently governmental activities or classified work.
2. In-House Performance. The performance of a CA by Marines or Federal civilian personnel.
3. Office of Management and Budget Circular A-76 (OMB A-76). Executive Branch directive establishing the policies and procedures to be used to determine whether commercial type needed work will be accomplished by a contractor or with in-house personnel.
4. Inventory of a CA. An annual requirement for submission of an inventory of personnel to HQMC by 15 November each year.
5. Review of a CA. The examination of a CA or a service contract to determine whether the present method of performance should be continued or whether the function should be scheduled for a cost comparison and a possible change in method of performance. All CA functions are subject to a review scheduled within a 5 year period.
6. Cost Comparison (or Cost Comparison Analysis). The process of developing an estimate of the cost of Government performance of a CA and comparing it, in accordance with the requirements of OMB A-76. An accurate determination of whether it is more economical to acquire the needed products or services from a commercial source or from an existing or proposed in-house CA. Cost Comparison studies are directed by HQMC or the Commanding General, MCAGCC.
7. Performance of Work Statement (PWS). A comprehensive description of what is to be done, including performance standards. The PWS should describe all duties, tasks, responsibilities and frequency of performance.
8. Most Efficient Organization (MEO). Management studies and manpower surveys are conducted to certify the most efficient and cost effective organization for in-house performance. The in-house cost calculation will be based on the MEO for in-house performance of the work described in the PWS.
9. A Conversion to Contract. The changeover of an activity from Government performance to performance under contract by a commercial source.
10. A Conversion to In-House. The changeover of an activity from performance under contract to Government performance.
11. A Commercial Source. A business or other non-Federal Activity located in the United States, its territories and possessions, the District of Columbia or the Commonwealth of Puerto Rico, which provides a commercial product or service.

12. A Governmental Function. A function which is so intimately related to the public interest as to mandate performance by Government employees. These functions include those activities which require either the exercise of discretion in applying Government authority or the use of value judgment in making decisions for the Government.

13. Directly Affected Parties. All Federal employees and their representative organizations and bidders or offerors on the instant solicitation.