



DEPARTMENT OF THE NAVY

NAVAL TRAINING CENTER

2601 PAUL JONES ST

GREAT LAKES, ILLINOIS 60088-5000

NTCGLAKESINST 4860.1D

T01M2
26 MAY 00

NTC GREAT LAKES (COMPLEX) INSTRUCTION 4860.1D

From: Commander, Naval Training Center, Great Lakes

Subj: NAVY COMMERCIAL ACTIVITIES PROGRAM

Ref: (a) OMB Circular A-76
(b) OPNAVINST 4860.7C
(c) CNETINST 4860.1F
(d) Office of Federal Procurement Policy Act
Amendments of 1988, Public Law 100-679, and
Amendment of 1989, Public Law 101-189

1. Purpose. To establish policy and assign responsibilities for the management of the Navy Commercial Activities (CA) Program within the Naval Training Center (NTC) Great Lakes (GLAKES).
2. Cancellation. NTCGLAKESINST 4860.1C.
3. Background. The Navy is pursuing the reengineering of its infrastructure by implementation of Strategic Sourcing. The Navy's CA program is a component of its Strategic Sourcing program and is one of the tools that an organization can use to obtain greater efficiency at a reduced cost. The general policy of the Federal Government is to rely on private commercial sources when economically feasible to supply the products and services that it needs. In recognition of this policy, references (a) and (b) have directed that when commercial sector performance of a government operated commercial activity is feasible, a comparison of the cost of contracting and cost of in-house performance shall be conducted to determine who will perform the work more efficiently. Thus, the overall objective of the Navy's CA program is to enhance quality, economy and productivity of government operations of commercial activities through the process of competition. Reference (c) establishes policy and assigns responsibility for management of the CA program within the Naval Education and Training Command and promulgates the roles and responsibilities of the Naval Education and Training Command Management Engineering Team (NAVEDTRAMET).

4. Policy. The NTCGLAKES CA program will be conducted in compliance with references (a) through (d).

5. Program Administration. The scope of the CA program requires participation by many organizational elements in order to conduct comprehensive reviews and management studies, develop Performance Work Statements (PWS), determine the Most Efficient Organization (MEO), complete cost comparisons, and implement either a contract or a new in-house organization. To ensure an efficient process for the NTCGLAKES CA program, the CA Program Manager, CA Steering Committee and CA Study Teams are established as follows:

a. CA Program Manager. The NTC Management Services Supervisor, Code T01M, is designated as the NTC CA Program Manager and Chairman of the NTC CA Steering Committee.

b. CA Steering Committee. The CA Steering Committee is established to provide overall NTC strategy and coordination in accordance with reference (d). NAVEDTRAMET representation will be assigned in accordance with reference (c). The NTCGLAKES Steering Committee will consist of:

- (1) CA Program Manager, T01M - Chairman
- (2) NTC Management Analyst, T01M2 - NTC CA Coordinator
- (3) Applicable NTC Command's CA Program Manager
- (4) Functional Manager of function under review
- (5) HRO Pensacola, Great Lakes Service Center
- (6) NTC Comptroller
- (7) NTC Deputy EEO Officer
- (8) NTC Supervisory Contract Specialist
- (9) NAVEDTRAMET, Norfolk Representative

c. CA Study Team. An ad hoc CA study team will be established, in writing, for each function announced for study. Study team composition will consist of:

- (1) NTC CA Coordinator, T01M2 (advise and assist)
- (2) Applicable NTC Command's CA Program Manager

(3) Functional Manager of function under review

(4) NTC Comptroller Supv. Budget Analyst

(5) HRO Pensacola, Great Lakes Service Center
representative

(6) NAVEDTRAMET, Norfolk representative (upon request)

6. Action. Commander, Naval Training Center is responsible for ensuring expeditious execution/implementation of the CA program, and the final review and ultimate on-station approval of CA studies within NTC. This authority does not lessen the Commanding Officers' responsibility for proper execution of CA studies within the NTC component commands.

a. The Commander, Naval Training Center, per reference (c), will:

(1) Appoint a NTC CA Program Manager.

(2) Appoint a NTC CA Steering Committee.

(3) Exercise overall supervision of the timely execution of the conduct of CA studies and implementation of the results thereof.

b. Commanding Officer (for CA Studies within applicable command) will:

(1) Appoint, in writing, a CA Program Manager, with copy to the NTC CA Program Manager, T01M.

(2) Appoint and make available (for the duration of the study) members of a CA Study Team for each function under study within the respective staffs and assign CA tasks to specific actions within designated time periods established by the (POA&M).

(3) Approve the Plan of Action and Milestones (POA&M) for CA studies.

(4) Certify the MEO required to perform the work specified in the PWS in accordance with Section 502 Public Law.

(5) Approve the completed PWS, cost comparison and Quality Assurance Surveillance Plan (QASP) and certify that they are based on the certified MEO.

(6) Approve CA inventory and reviews required by references (a) and (b).

(7) Report changes in resource requirements, through the chain of command, as soon as they are identified.

(8) Establish the government's tentative decision based on the cost comparison results. Process appeals of this decision in accordance with references (a) through (c). Appeals, along with recommendations and evaluations, must be submitted to CNET via Commander, NTC.

c. Cognizant Command CA Program Manager will:

(1) Prepare and update CA inventories and prepare/review as required by higher authority.

(2) Maintain documentation to support inventories and identify the CA designation of each authorized civilian and military position/billet.

(3) Submit a management review briefing package to the Commander, NTCGLAKES and Steering Committee within 20 working days of receiving a CNO study announcement, to include as a minimum:

(a) A complete description of the function to be studied including organization descriptions, number of military and civilian personnel, existing contracts, etc.

(b) Anticipated problems and appropriate recommendations.

(c) A POA&M for completing the study within reference (a) guidelines.

(d) The names, billets and telephone numbers of recommended study team members, including proposed responsibilities and specific taskings for each.

(4) Direct CA study teams and coordinate study plans, ensure action requirements and milestones are achieved and provide assistance to ensure that studies are completed accurately, thoroughly and on time.

(5) Recommend approval/disapproval of major provisions of the study including development of the contract solicitation, determination of the MEO and completion of the cost study.

(6) Recommend suitable action on issues that affect contract and in-house methods. Such issues may include work requirements; whether to provide government materials, facilities and equipment to contractors; acceptable quality levels and quality assurance requirements; and contractor qualifications.

(7) Review progress and evaluate task results to identify and resolve problems that may delay study completion.

(8) Recommend new and/or improved systems to ensure maximum efficiency of the in-house operation.

(9) Request assistance from the NAVEDTRAMET, Norfolk when required.

(10) Identify appropriate organization to audit completed cost study and coordinate scheduled audit.

(11) Compile the information submitted by various activity components to form the management study, PWS, MEO, QA plan and cost comparison.

(12) Identify changes in resource requirements (e.g., additional civilian Full Time Equivalent (FTE), funding to support the mandatory conversion from military to civilian personnel, additional funding for required equipment) and report impact, alterations and recommendations to the Commander, Naval Training Center, Great Lakes and the Steering Committee.

(13) Define the data elements to be collected and work with responsible participants on specific parameters, formats, etc.

d. NTC Steering Committee will:

(1) Schedule meetings as needed - Steering Committee Chairman.

(2) Determine and notify applicable attendees - Steering Committee Chairman.

(3) Review study progress periodically to ensure program milestones and objectives are being met and recommend any required corrective action - NTC CA Coordinator, T01M2.

(4) Review CA inventories and review sheets for CNTC endorsement - NTC CA Coordinator, T01M2.

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(5) Advise committee on progress of study group - Functional Manager of function under review.

(6) Coordinate the dissemination of information (in writing) in regard to the status of studies/milestones progress to all personnel affected by the study and to local unions - HRO Pensacola, Great Lakes Service Center.

(7) Review cost comparison worksheets for completeness and accuracy - NTC Comptroller.

(8) Advise Steering Committee Chairman of budgetary impacts - NTC Comptroller.

(9) Advise Steering Committee Chairman of EEO impact - NTC EEO Officer.

(10) Ensure compliance with procurement regulations - NTC Supervisory Contract Specialist or NTC OGC.

(11) Provide guidance and recommendations - NAVEDTRAMET, Norfolk.

e. CA Study Team will:

(1) Collect/organize relevant data in the function under study - Functional Manager.

(2) Develop the PWS and ensure task statements, workload, quality standards, equipment and material are accurate - Functional Manager.

(3) Develop MEO and verify that it will support the requirements described in the PWS - Functional Manager.

(4) Develop and validate QA plan to ensure that it is workable and that it meets the requirements of the PWS - Functional Manager.

(5) Prepare cost analysis and provide supporting documentation required:

(a) Staff Studies - NTC Comptroller Supervisory Budget Analyst.

(b) Complex Command Studies - Applicable CA Program Manager.

(6) Review cost analysis for completeness, accuracy and budgetary impact - NTC Comptroller.

(7) Conduct mock Reduction-In-Force, assist in development of MEO and advise on matters which involve personnel management - HRO Pensacola, Great Lakes Service Center.

(8) Provide technical expertise and guidance of the CA study process. Assist (as required and agreed to, for individual studies) in the preparation of PWS, MEO, cost analysis and/or QA plan - NAVEDTRAMET, Norfolk.

(9) Advise/assist in the management study - NAVEDTRAMET, Norfolk.

(10) Advise/assist in preparing CA inventories and review sheets - NAVEDTRAMET, Norfolk.

7. Quarterly Status Reports. Quarterly status reports to verify the POA&M is on schedule are due to CNET within 30 days after the end of the calendar quarter. When delays to the established milestones occur, a detailed explanation of the factors causing the delays will accompany the report.

8. Reports. The reporting requirement contained in paragraph 6, subparagraphs a, b, and c have been assigned the Report Symbol (RCS) NTC-GL-4860-1.



EDWARD E. HUNTER

Distribution:
NTCGLAKESINST 5216.5M
Lists I & II (Case A)