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Manpower and Organization

**MOST EFFICIENT ORGANIZATION
MANAGEMENT**

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This instruction prescribes responsibilities, procedures for changing a Statement of Work (SOW)/Performance Work Statement (PWS), procedures for improving a Most Efficient Organization (MEO), and procedures for documenting growth/reductions of an MEO. The governing directives are OMB Circular A-76 (Performance of Commercial Activities) and AFI 38-203, Commercial Activities Program. These publications take precedence over this instruction.

1. Roles and Responsibilities. The following is a list of responsibilities for personnel involved with an MEO.

1.1. Wing Leadership.

1.1.1. The MEO must be treated like a contractor. If an increase in service above the current SOW/PWS is requested, manpower and/or dollars must be provided to the MEO to offset the increase in workload prior to the change being implemented. If resources are not provided, the change cannot be implemented. The resources may come from within the MEO if a corresponding change to lessen workload in another area of the MEO results in sufficient resources to fund the increased requirement.

1.1.2. Must ensure the MEO is provided with the resources and support necessary for successful accomplishment of the workload in the SOW/PWS.

1.2. Functional Office of Primary Responsibility (OPR).

1.2.1. The MEO must be treated like a contractor. If an increase in service above the current SOW/PWS is requested, manpower and/or dollars must be provided to the MEO to offset the increase in workload prior to the change being implemented. If resources are not provided, the change cannot be implemented. The resources may come from within the MEO if a corresponding change to lessen workload in another area of the MEO results in sufficient resources to fund the increased requirement.

1.2.2. Must ensure the MEO is provided with the resources and support necessary for successful accomplishment of workload in the SOW/PWS.

1.2.3. The Functional OPR may create a steering group to oversee and advise on complex MEO issues. The steering group will consist of, but not limited to, MEO manager, Functional OPR, Manpower Office (MO), Comptroller Flight (CPTF), Civilian Personnel (DPC) and Contracting (LGC), Judge Advocate (JA).

1.3. MEO Manager:

1.3.1. Track, coordinate and document all SOW/PWS MEO changes.

1.3.2. Request assistance from CPTF and MO for costing changes and/or advisory services.

1.3.3. Check feasibility of implementing changes with DPC, CPTF and MO as appropriate prior to implementing the changes.

1.3.4. Track, coordinate and document all QASP changes. Track Quality Assurance (QA) inspections of the MEO and maintain QA documentation.

1.3.5. Brief Functional OPR monthly (more often as needed) on status of MEO.

1.3.6. Maintain all MEO documentation for the life of the MEO and any additional extensions. Documentation includes, but is not limited to, QA inspections and reports, functional OPR monthly briefing slides with agenda and record of attendance, and all SOW/PWS change documentation.

1.3.7. The MEO manager shall provide to the MO actual dollars expended on the MEO each month, complete the spreadsheets in the MEO tracking Tool provided by HQ AFSPC/XPM outlining the costs (personnel, supplies, equipment), generate reports from the data. These reports are due to the MO on the 10th of each month.

1.3.8. The MEO manager shall track all manpower; personnel and dollars utilized by the MEO to ensure all expenditures are within MEO limits.

1.4. MEO Customer:

1.4.1. The MEO must be treated like a contractor. If an increase in service above the current SOW/PWS is requested, manpower and/or dollars must be provided to the MEO to offset the increase in workload prior to the change being implemented. If resources are not provided, the change cannot be implemented. The resources may come from within the MEO if a corresponding change will lessen workload in another area of the MEO. Results must be in sufficient resources to fund the increased requirement.

1.5. Manpower and Organization:

1.5.1. Provide initial training to key MEO staff and functional OPR on this instruction, A-76 guidelines, SOW/PWS MEO changes and responsibilities. Also provide training for key positions upon replacement of personnel. (See [Attachment 2](#) – Training Plan)

1.5.2. Provide consultant advisory services to the MEO and functional OPR.

1.5.3. Evaluate SOW/PWS MEO changes for manpower impacts and compliance with AFI 38-203, Commercial Activities Program, and this instruction.

- 1.5.4. Maintain a copy of the costing and SOW/PWS change documentation. Provide the Functional reports on the 15th of each month to HQ AFSPC/XPM.
- 1.5.5. Update cost changes in WinCOMPARE.
- 1.6. Comptroller Flight (CPTF):
 - 1.6.1. Track MEO costs by performance period and provide reports to MEO manager.
 - 1.6.2. Provide costing assistance to the MEO manager, the MO and the Wing/CC in pricing increases/decreases in workload due to potential SOW/PWS changes.
- 1.7. Contracting Office (LGC):
 - 1.7.1. Review SOW/PWS changes for consistency with solicitation. Verify change is within the scope of the original solicitation.
 - 1.7.2. Provide writing assistance on SOW/PWS changes.
- 1.8. Judge Advocate (JA).
 - 1.8.1. Review SOW/PWS changes to ensure compliance with applicable laws and regulations.
- 1.9. Civilian Personnel (DPC).
 - 1.9.1. Work with the MEO manager to resolve personnel issues.
 - 1.9.2. Assist the MEO in obtaining qualified personnel to staff the MEO.

2. Changes to the SOW/PWS. The following outlines requirements to document and obtain coordination and approval for SOW/PWS changes.

- 2.1. Identify a potential SOW/PWS change. The requirement for a SOW/PWS change may be identified by the functional OPR, the MEO, or by MEO customers.
- 2.2. Determine if the proposed change is warranted. The functional OPR and MEO manager must jointly determine if the proposed change is warranted, and complies with applicable instructions.
- 2.3. Obtain a cost/benefit analysis from MO and CPTF for the proposed change. MO and CPTF validate any impact on resources (i.e. manpower, dollars, etc). MO may outline numerous options including whether the MEO or the residual organization should perform the proposed work, or not at all.
- 2.4. The functional OPR must determine where the manpower or dollars will come from in order to offset any increases generated by the proposed change. The resources may come from within the MEO if a corresponding change to lessen workload in another area of the MEO results in sufficient resources to fund the increased requirement. The proposed SOW/PWS change will not be approved without resources being provided to offset increased workload/cost.
- 2.5. The MEO manager provides a staff summary sheet (SSS) for official coordination and approval of the proposed change. The SSS requesting the change must be coordinated, as a minimum, through LGC, MO and CPTF with the appropriate functional OPR as the approving authority. More functions may be added for coordination as necessary. The following information must be included:
 - 2.5.1. Purpose: Obtain functional OPR approval for change to SOW/PWS and funding.

2.5.2. Background: Provide an overview of the SOW/PWS change. Provide full SOW/PWS change including page, paragraph, and specific wording change on document change request (DCR) as an attachment. (See [Attachment 3](#) – SOW/PWS change examples)

2.5.3. Authority Driving Change: Provide change justification/authority (Air Staff, local requirement, etc.). New requirements, workload left out of the SOW/PWS, work no longer required, and more efficient use of resources are examples of additional justification. Identify potential workload and resource impacts.

2.5.4. Resource Impact: The functional OPR must verify the proposed change is warranted, complies with applicable instructions, impact on resources and proposes where resources will be obtained. Additional resources must correspond to an increase in the SOW/PWS workload. Any increases in manpower or dollars are the responsibility of the functional OPR. The functional OPR approves resources to be realigned. Additional resources must be identified prior to SOW/PWS change approval. If the functional OPR must obtain approval from a higher authority for realignment of resources, the functional OPR will be listed on the SSS as a coordinator and the higher authority will be the approver.

2.5.5. Recommendation: Functional OPR (or higher authority as required) approves proposed change to the SOW/PWS and realignment of resources.

2.5.6. Tabs: As a minimum, provide the Document Change Request (at [Attachment 3](#)) and all supporting documentation for the change as attachments.

2.6. Obtain approval. Once approval is obtained from the functional OPR or higher authority, the SSS will be returned to MO, CONS/LGC and CPTF for action. The MO will update cost changes in COMPARE. CPTF will update and track the MEO costs.

2.7. Realignment of resources. MO and CPTF will realign resources identified by the functional OPR.

2.8. Modification of the SOW/PWS. The MEO manager and/or the functional OPR will make the approved changes to the SOW/PWS and provide copies to MO.

2.9. The MEO manager will adjust the MEO operations to comply with the updated SOW/PWS and maintain all supporting documentation and provide copies of the documentation to MO, CONS/LGC and CPTF.

3. Improving an MEO. Like any other organization in the Air Force, MEO management is required to find ways to improve customer service, operations efficiency, and resource utilization. Keep in mind the MEO in most cases must re-compete at the end of five years. If the MEO finds efficiencies that reduce required resources, the MEO is authorized to realign those resources to other areas of the MEO that may not have enough or turn the excess resources to the Wing for redistribution to higher priority areas. Any improvements must be documented with justification for the change explaining the old system, the new system and savings. These changes must meet union approval and follow all personnel regulations. The MEO manager and 50 SW/MO must maintain copies of the improvement documentation. All improvements must be briefed to the functional OPR.

4. MEO Growth/Reductions. The following outlines the requirements to document and obtain coordination and approval for MEO growth and reduction changes.

4.1. MEO Growth. The MEO may experience a growth in requirements based on level of service or changes to an AFI. If a growth in the MEO is required, the following procedures must be accomplished.

4.1.1. Follow the procedures for making a SOW/PWS change identified in paragraph 3. of this instruction.

4.1.2. If growth of the MEO exceeds prescribed limitations identified in AFI 38-203, the MEO will be re-competed.

4.2. MEO Reductions. An MEO is still subject to the same resource constraints as any Air Force organization. If a mandatory reduction in manpower or dollars is received for 50 Space Wing, the leadership may choose to take a portion of the reduction from an MEO. If a reduction in the MEO is required, the following procedures must be accomplished.

4.2.1. Follow the procedures for making a SOW/PWS change identified in paragraph 3. of this instruction.

4.2.2. Identify what services will no longer be accomplished due to the reduction.

5. Temporary Increases to the MEO. Temporary increases to the MEO could occur for a variety of reasons, such as moving the MEO operation temporarily for building renovations. Support of the MEO for this type of unforeseen circumstance requires less documentation and does not require a change to the SOW/PWS. However, documentation is required for audit purposes.

5.1. State the following minimum requirements in a memorandum:

5.1.1. Describe the work to be performed and why.

5.1.2. Identify the resources necessary to accomplish the temporary workload.

5.1.3. State that it is a one-time requirement and the residual organization is funding the requirement as Government Furnished resources to the MEO.

5.1.4. Identify from where the resources are to be realigned.

5.2. The MEO manager, MO and the functional OPR must maintain copies of the letter. Courtesy copies should be forwarded to CPTF and DPC.

6. MEO Termination.

6.1. MEO Default.

6.1.1. Default Determination. The MEO will be in default when the cost of the MEO exceeds the original MEO cost plus the minimum conversion differential. To determine if the MEO is in default, the Post-MEO review authority will use the original final decision CCF, taking into consideration allowable adjustments, and add the conversion differential to the MEO cost. If the current MEO cost exceeds the result of that calculation, the MEO is in default.6.1.2. A-76 Waiver. If the MEO is in default, the default determination will be the basis for an A-76 cost comparison waiver. The waiver documentation will be sent to the 9a Authority for approval (refer to **Attachment 1** paragraph 1.1.). Upon approval of the waiver the contracting officer will release a solicitation for private sector competition. Since the MEO is in default, there will be no MEO or

government in-house cost estimate developed. The functional OPR and the contracting officer will immediately design a transition plan to ensure an orderly transition to contractor performance.

6.2. Decision to Re-compete. The Wing Commander may choose to re-compete an MEO at any time.

6.2.1. The Wing Commander must have documentation explaining the reasons for re-competing early. The MEO manager and the wing MO must maintain this documentation.

6.2.2. The Wing Commander can choose to increase the resources allocated to the MEO prior to the announcement of the competition if there is sufficient justification. Examples of appropriate justification are; the MEO was bid incorrectly or the MEO is no longer believed to be competitive. The MEO manager and the MO must maintain all documentation and backup.

6.2.3. The Manpower Office, MEO Management, and the Functional OPR must begin preliminary planning for strategic sourcing.

SUZANNE M. VAUTRINO, Commander

Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****Abbreviations and Acronyms***

9a Authority—The authority granted to the Office of the Secretary of Defense in OMB Circular A-76, section 9a (for DoD).

CAMIS—Commercial Activities Management Information System

CCF—Cost Comparison Form

DPC—Civilian Personnel Office

FAR—Federal Acquisition Regulation

CPTF—Comptroller Flight Commander

Functional OPR—Functional designated to oversee SOW/PWS.

LGC—Contracting Office

JA—Judge Advocate

MO—Manpower Office

MEO Manger—Most Efficient Organization Manager/Supervisor

MEO—Most Efficient Organization.

PWS—Performance Work Statement.

QA—Quality Assurance

QASP—Quality Assurance Surveillance Plan

SSS—AF Form 1768, Staff Summary Sheet

SOW—Statement of Work

WinCOMPARE—DoD Cost Comparison Software.

Attachment 2**MEO TRAINING PLAN**

A2.1. Personnel Requiring Training. As a minimum, the following personnel require MEO training:

A2.1.1. 50 SW Leadership

A2.1.2. Functional OPR

A2.1.3. MEO manager and Key MEO Staff

A2.2. When Training is Required. MEO training is required when a new MEO is implemented or when key personnel are replaced.

A2.3. What Training is Required. The minimum training required is as follows:

A2.3.1. Training on this instruction emphasizing responsibilities, making SOW/PWS changes and maintaining documentation.

A2.3.2. The basic MEO structure and an overview of the SOW/PWS requirements.

A2.3.3. The MEO QASP inspection and documentation requirements.

A2.3.4. What services are available through MO.

A2.3.5. Emphasize that all documentation must stand up to an Air Force Audit.

Attachment 3

SOW/PWS CHANGE PROCESS

Staff Summary Sheet							
	To	Action	Signature (Surname), Grade, Date		To	Action	Signature (Surname), Grade, Date
1	50 CONS/LGC	COORD		5	50 SW/CC	APPR	
2	50 SW/JA	COORD		6	50 SW/MO	ACTION	
3	50 SW/FM	COORD		7	50 SW/FM	ACTION	
4	50 SW/MO	COORD					
Grade and Surname of Action Officer			Symbol	Phone		Suspense Date	
MEO Manager			MEO				
Subject						SSSDate	
Requested Change to SOW/PWS						18 March 2004	
Summary							
<p>1. Purpose. Obtain approval for change to PWS and funding.</p> <p>2. Background. Provide overview of SOW/PWS change. Provide full PWS change including page, paragraph and specific wording change on document change request (DCR) as attachment. (See example)</p> <p>3. Authority Driving Change. Change justification (Air Staff, local requirement, etc.). New requirement, left out of SOW/PWS, work no longer required, more efficient use of resources, etc. Identify potential workload and resource impact.</p> <p>4. Resource IMPACT. Functional manager verifies the proposed change is warranted, complies with applicable instructions, evaluates impact on resources and proposes where resources will come from. Additional resources must correspond to an increase in the SOW/PWS workload. Any increases in manpower or dollars are the responsibility of the Wing. Wing CC approves resources to be realigned. Additional resources must be identified prior to SOW/PWS change approval.</p> <p>5. Recommendation. 50 SW/CC approve proposed change to SOW/PWS and realignment of resources.</p>							
MEO Manager				2 Tabs			
MEO Manager Title				1. Document Change Request			
				2. Supporting Documentation			

SAMPLE

DOCUMENT CHANGE REQUEST		DATE
NAME OF REQUESTER <i>(Include rank, name, organization/office symbol, and DSN number)</i> Insert information		Insert
IDENTIFICATION OF DOCUMENT TO BE CHANGED <i>(i.e. Statement of Work (SOW) Performance Evaluation Checklist (PEC))</i> , CONTRACT NAME AND NUMBER: Personal Development MEO SOW DCR#MEO-03-001		
INDICATE DOCUMENT PART, CHAPTER, SECTION PARAGRAPH AND PAGE NUMBER; FOR CDRL CHANGE REQUEST INDICATE SEQUENCE AND ITEM NUMBER IN REFERENCE BELOW.		
REFERENCE	REQUESTED CHANGE <i>(Indicate Exact Change Requested "From and To")</i>	
SOW 1.10.C.6	<p><i>Change From:</i> Security Awareness Training And Education (SATE). The contractor shall ensure all assigned personnel receive initial and recurring SATE training IAW AFI 33-204. Records of SATE training shall be kept on file and available for Government review.</p> <p><i>To:</i> Information Assurance Awareness Program (IAAP). The contractor shall ensure all assigned personnel receive initial IAAP training IAW AFI 33-204. Records of IAAP training shall be kept on file and available for Government review.</p> <p><i>Rationale: The SATE program has changed to IAAP. The yearly training requirement has been deleted from the AFL.</i></p>	
SOW 1.10.F.2.1	<p><i>Change From:</i> Security Awareness Training and Education (SATE). Ensure all assigned contract personnel receive initial SATE training within 60 days of assignment to Cheyenne Mountain Air Station and annual recurring training thereafter.</p> <p><i>To:</i> Information Assurance Awareness Program (IAAP). Ensure all assigned contract personnel receive initial IAAP training within 60 days of assignment to Cheyenne Mountain Air Station.</p> <p><i>Rationale: The SATE program has changed to IAAP. The yearly training requirement has been deleted from the AFL.</i></p>	
SOW 1.10.F.4.1	<p><i>Change From:</i> Fulfill the duties of SATE monitor and equipment custodian (EC) for the work center.</p> <p><i>To:</i> Fulfill the duties of IAAP monitor and equipment custodian (EC) for the work center.</p> <p><i>Rationale: The SATE program has changed to IAAP.</i></p>	
Bidder's Library	<i>Either adds to or does not effect the bidder's library.</i>	
Independent Cost Estimate (ICE)	<i>Will or will not change FTE (manpower).</i>	



