BY ORDER OF THE SECRETARY OF THE AIR FORCE



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ACQUISITION
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This instruction implements Air Force (AF) Policy Directive 63-1/20-1, *Integrated Life Cycle Management*, for the acquisition and management of contracted services within the United States AF. This publication implements the requirements and processes of the Federal Acquisition Regulation (FAR), Defense FAR Supplement (DFARS), AF FAR Supplement (AFFARS) and Department of Defense Instruction (DoDI) 5000.74, *Defense Acquisition of Services*. This AF Instruction (AFI) applies to Headquarters AF (HAF), Weapon Systems (WS) Program Executive Officers (PEOs), all Major Commands (MAJCOMs), AF Field Operating Agencies (FOAs), and Direct Reporting Units (DRUs). This instruction applies to the United States AF Reserve. It applies to the United States Air National Guard (ANG) when acquiring services through an AF Contracting Office. Applicability and exceptions to this AFI are detailed in section 1.2. It applies to all activities, including Unified and Combatant Commands who acquire services through an AF Contracting Office (see DoD Directive 5100.03, *Support of the Headquarters of Combatant and Subordinate Unified Commands*) or utilize funding appropriated to the AF. This AFI may be supplemented at the HAF, MAJCOM, WS PEO, FOA and DRU levels but will not be supplemented in a manner that would restrict the acquisition flexibilities contained within.

Route supplements to this AFI through the Senior Services Manager (SSM) for coordination. Refer recommended changes and conflicts between this and other publications to the Senior Services Manager, 112 Luke Avenue, Building 5683 Suite 330, Joint Base Anacostia-Bolling, Washington DC 20302, on AF Form 847, *Recommendation for Change of Publication*. Ensure all records created as a result of processes prescribed in this publication are maintained in accordance with (IAW) Air Force Manual 33-363, *Management of Records*, and disposed of IAW the Air Force

Records Disposition Schedule located in the Air Force Records Information Management System. The authority to waive wing/unit level requirements in this publication are identified with a Tier ("T-0, T-1, T-2, T-3") number, delineated throughout the document, or based on the delegations in **Tables 2.1** or **3.1**. Refer to AFI 33-360, *Publications and Forms Management*, for the waiver process and a description of the authorities associated with the Tier numbers. See also **paragraph 1.3** within this publication for further waiver authority guidance. Any records generated from instructions of this AFI may ultimately become a part of the official contract file that has an established disposition schedule and is defined in FAR Part 4.

SUMMARY OF CHANGES

This document is substantially revised and requires a complete review. Major changes include updating and clarifying Military Interdepartmental Purchase Request applicability, foreign military sales and embedded services exemptions; revising authorities within **Table 2.1** and **Table 3.1**; removing the requirement for quarterly requirement approval documents; and removing a large amount of quality surveillance content to be placed in a resources guide.

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OVERVIEW AND APPLICABILITY

1.1. Purpose. The purpose of this AFI is to ensure AF contracted services are delivered to the warfighter effectively, efficiently, and in a timely manner. This instruction seeks to encourage a synergistic relationship within the services acquisition community, which consists of program managers, contracting officers/specialists, functional representatives, contracting officer representatives, quality assurance program coordinators, financial managers, small business professionals, requirement owners, and any other stakeholder charged with any part of developing, executing, or monitoring a services requirement from identification to contract close-out. Within this AFI, there are actions that call for crosstalk between the different disciplines to gather necessary documentation or data to demonstrate that effective governance processes are in place to manage services acquisitions. It encourages each member to reach out and gather what is necessary to deliver needed services to the warfighter and to show accountability to the taxpayer. It provides instruction to mission owners and acquisition officials charged with defining and acquiring capabilities necessary to support the warfighter. Many sections of this document are divided into the three main structures, which are the categories of the owner's services requirements (MAJCOM/DRU/FOA, HAF, or Weapon Systems PEO). Use this instruction in conjunction with AFI 63-101/20-101, Integrated Life Cycle Management, to ensure adequate acquisition of contracted services.

1.2. Applicability.

- 1.2.1. This instruction applies to all personal and non-personal services acquisitions executed with Air Force appropriations, valued greater than or equal to (>) the simplified acquisition threshold (SAT) (FAR 2.101); regardless of the contracting activity.
 - 1.2.1.1. Organizations providing external funds to be executed by an AF entity shall follow this instruction.
 - 1.2.1.2. Organizations providing funds, via Military Interdepartmental Purchase Request (MIPR), to execute AF requirements, shall comply with both this AFI and AFI 65-118, *Air Force Purchases Using Military Interdepartmental Purchase Requests*.
 - 1.2.1.3. Services acquisition dollar values shall be inclusive of all option years and extensions, IAW FAR 1.108(c). (**T-0**) See **Table 2.1** for Services Category 1 Acquisitions, the only category to have an additional annual trigger.
- 1.2.2. The following categories of services are exempt from adherence to this AFI (unless designated as a special interest):
 - 1.2.2.1. Research & Development (as defined in FAR Part 35.001).
 - 1.2.2.2. Construction, as defined in FAR Part 2.101 and as applicable to FAR Part 36. However, routine recurring maintenance of real property is a service as defined in FAR Part 37.101 to which this AFI applies.
 - 1.2.2.3. Architect & Engineer.
 - 1.2.2.4. Utilities.

- 1.2.2.5. Emergency or urgent one-time repairs or maintenance, with a supported justification.
- 1.2.2.6. Foreign Military Sales, regardless of funding source.
- 1.2.2.7. Classified, cryptologic, and intelligence projects/programs except to the extent practical at the discretion and decision of the responsible senior officials and decision authorities.
- 1.2.2.8. Embedded Services. As used in this AFI, embedded services are those services requirements placed on/within a supply, weapon system, or Major Automated Information System contract.
- 1.2.2.9. Those services requirements in direct support of a declared overseas contingency, humanitarian or peacekeeping operations; emergencies or disasters as declared by the President, as defined in FAR Part 2.101. This exemption shall apply to the response and initial deployment phase, but shall terminate as soon as practical based on conditions on the ground and a determination made by the consensus of the mission owners and acquisition authorities as required by DoDI 5000.74.
- 1.2.3. The following organizations are exempt from adherence to this AFI:
 - 1.2.3.1. Non-appropriated Fund Instrumentalities unless using appropriated funds.
 - 1.2.3.2. Air National Guard (ANG) (unless acquiring services with funding appropriated to the AF).

1.3. Waivers.

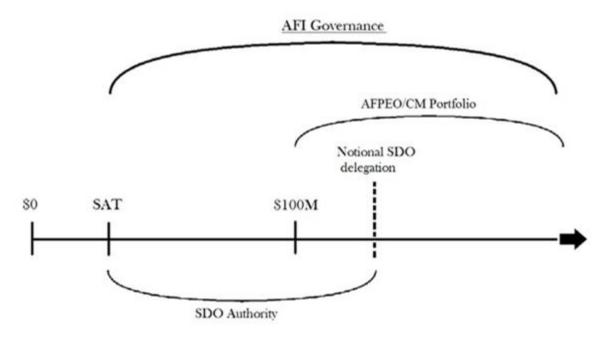
- 1.3.1. Waivers to this AFI may only be granted by the Service Acquisition Executive (SAE) with assigned responsibilities to the Senior Services Manager (SSM) and Services Designated Official (SDO). Further delegations by the SSM and SDO are delineated in **Chapter 2** and **Chapter 3.** The level of waiver approval authority for any subject coincides with the corresponding Service Category (S-CAT) level of authority in **Table 2.1** and **Table 3.1**, which is based on the dollar value of the acquisition, or responsibilities associated with the SSM or is otherwise delineated within the publication. Submit requests for waivers to the appropriate waiver approval authority, or confer with the publication OPR when in doubt.
- 1.3.2. Do not allow this instruction to impede the ability of the SAE or any SDO from rapidly responding to urgent situations. Report, in writing, any urgent situation that requires a deviation from this AFI to the SSM within 10 calendar days of the non-compliance.

ROLES, RESPONSIBILITIES, AND AUTHORITIES

- **2.1. Service Acquisition Executive (SAE).** The SAE is the senior official responsible for the management of acquisition of contract services on behalf of the AF. This position is also the Assistant Secretary of the Air Force for Acquisition, Technology and Logistics (SAF/AQ). The SAE is the Services Designated Official (SDO) with authority to assign responsibilities. The Services Acquisition Executive:
 - 2.1.1. Assigns responsibility for the review and approval of procurements in each Services Category (S-CAT). As SDO, the SAE holds acquisition planning and sourcing decision authority for all services acquisitions greater than or equal to the SAT. The S-CATs are based on dollar threshold and are for the purpose of establishing the level of review, decision authority, and applicable procedures in such categories.
 - 2.1.2. Provides specific direction, supervision, and oversight of senior leaders as assigned to the acquisition process in **Table 2.1**.
 - 2.1.3. Implements policies, procedures, best practices and guidelines.
 - 2.1.4. Executes Services Management Agreements (SMA) as necessary.
 - 2.1.5. Ensures contract services are procured by means that are in the best interest of the Air Force.
- **2.2. AF Senior Services Manager (SSM).** The SSM is chosen by the SAE and is the acquisition expert responsible for assisting with planning, strategic sourcing, execution, and management of services acquisitions. The SSM establishes, as appropriate, management structures, acquisition governance, and processes to ensure effective implementation of policies for the AF on all services acquisitions. The Senior Services Manager:
 - 2.2.1. Serves as principal advisor to the SAE for services acquisitions.
 - 2.2.2. Provides governance structures for use by authorities responsible for services acquisitions as defined in this instruction.
 - 2.2.3. Informs, guides, and provides advice to the HAF, WS PEOs, and MAJCOM/DRUs/FOAs to support their role in providing management and oversight for services requirements within their respective portfolio.
 - 2.2.4. Determines key categories of services for grouping within the AF acquisition construct and establishes a means to guide improvement in the acquisition of those services within the specified category management taxonomy.
 - 2.2.5. Dedicates and prepares full-time program directors within the AF Program Executive Officer, Combat and Missions Support organization responsible for coordinating service acquisitions and managing day-to-day activities for assigned organizations. These personnel are liaisons building relationships between SDOs, their respective teams, and the SSM.
 - 2.2.6. Issues and evaluates delegations of authority. Provides and maintains policies, procedures, and governance structure for the management and oversight of services

- acquisitions; creates, updates, and maintains templates, tools, and guides for use by authorities responsible for services acquisitions.
- 2.2.7. Prepares required Congressional and Office of the Secretary of Defense (OSD) reports. Be available (as requested) to respond to Congress and OSD for consultations and oversight reviews for delegated services programs. Assist WS PEOs (as requested) in addressing Congress on services acquisition elements within their respective portfolios.
- 2.2.8. Performs enterprise-level data analysis on AF services acquisitions.
- 2.2.9. Manages and oversees the requirements approval process for services acquisitions approval process, IAW Chapter 3.
- 2.2.10. Acts as the AF acquisition liaison to the non-traditional acquisition workforce involved in services acquisitions and provides guidance appropriate for their training in services acquisition procedures. (Non-traditional acquisition workforce personnel are those involved in an acquisition but do not occupy an acquisition-coded position or reside in an acquisition related career field).
- 2.2.11. Fosters a services acquisition culture within the AF by focused strategic messaging through the conduct of periodic services acquisition workshops, as funding allows.
- 2.2.12. Executes waivers to this AFI as deemed necessary.
- **2.3. AF Program Executive Officer for Combat and Mission Support (AFPEO/CM).** The SAE assigns responsibility to AFPEO/CM as the AF's SDO for the management and execution of services requirements. AFPEO/CM:
 - 2.3.1. Executes SDO authority for services acquisitions as assigned by the SAE. Delegates SDO authority to designated HAF, MAJCOM, FOA, and DRU senior leaders through this AFI and as further detailed to the specific organization through mutually agreed SMAs. (See Figure 2.1 which outlines AFPEO/CM's dual role for governance and acquisition authority.)
 - 2.3.2. Reviews and coordinates documentation relating to services acquisitions above delegated authority, prior to submission to SAF/AQ.
 - 2.3.3. Provides executive management and oversight of all AF services acquisitions greater than or equal to \$100 million (\$100M) that are not assigned to another PEO.
 - 2.3.4. Executes waivers to this AFI as deemed necessary.

Figure 2.1. Services Governance Authorities.



2.4. Services Designated Official (SDO). The SDO is the senior leader designated to exercise responsibility for the management and oversight of services acquisition in each S-CAT identified in Tables 2.1 and 3.1 within their portfolio. The SDO may delegate all, some, or none of their SDO authorities. The SDO retains responsibility of those services acquisitions managed through a delegated authority and for those responsibilities further outlined in this AFI regardless of the delegation. When delegating SDO responsibilities to senior leaders, the SDO may execute a Services Management Agreement (SMA). Prior to executing an SMA, the SDO shall take into consideration the applicable leader's commitment to the overall management and execution of services acquisitions, the degree of services acquisition maturity, continuous process improvement, the qualifications and experience to manage services acquisitions, and the in-place structure to support the management and oversight of services acquisitions. AF senior leaders within each structure (MAJCOM/HAF/FOA and DRUs) are responsible for initiating the discussion and the process for executing an SMA with AFPEO/CM; however, this authority remains with AFPEO/CM until an SMA is executed. The senior leaders identified in Table 2.1 can further delegate this authority, but delegation shall remain consistent with this instruction. This AFI defines the roles and responsibilities of the SDO; however, the SMA further defines and tailors responsibilities to meet the unique mission of the delegated senior leader. The SDO shall:

2.4.1. Execute acquisition and management authorities as SDO; exercise authority for award decisions, including, but not limited to, Source Selection Authority (see AFFARS Mandatory Procedure (MP) 5315.3, paragraph 1.4.1.1 for Source Selection Authority appointment and delegation); exercise acquisition strategy panel chair/acquisition plan approval authority, and act as the Fee Determining Official and Term Determining Official. Adhere to all responsibilities identified in FAR 15.303(b), Department of Defense Source Selection Procedures, paragraph 1.4.1.2 and AFFARS Mandatory Procedures 5315.3 paragraph 1.4.1.2.

- 2.4.2. Manage and oversee services acquisitions IAW the delegation of authority expressed in a mutually agreed upon SMA, this and other applicable regulations, and instructions.
- 2.4.3. Approve all non-performance based acquisitions and their related requirements documents, typically a Statements of Work and Quality Assurance Surveillance Plan (QASP) greater than the SAT, IAW the direction provided at AFFARS 5337.170-2.
- 2.4.4. When appropriate, evaluate and coordinate opportunities with the SSM to meet category management and strategic sourcing objectives.
- 2.4.5. Appoint and ensure training of both source selection teams and Multi-Functional Teams (MFT) to manage the execution of source selections and contract execution. Membership may overlap for some personnel. Ensure MFTs comply with the requirements identified in paragraph 2.9. Mission owners shall be part of the MFT. Ensure the MFT is led by the Program Manager (PM) or Functional Services Manager (FSM). (T-1)
- 2.4.6. Approve transfer of AF appropriated funds to procuring activities outside of the AF.
- 2.4.7. Develop an adequately planned and resourced management approach for monitoring contractor performance utilizing quality assurance surveillance. Ensure partnerships are established between mission owners and the MFT with acquisition responsibility. Establish a meeting frequency for each contract in the SDO's portfolio in order to provide mission owners with insight and dialogue regarding contract performance.
- 2.4.8. Develop a governance process to ensure all post award acquisitions are reviewed no less than annually for services requirements greater than or equal to the SAT for all services requirements procured either by or for the AF by another entity. (See **Chapter 5**, Governance Assessment)
- 2.4.9. Manage risk and assess the progress of the services acquisition against approved cost, schedule, and performance metrics in annual execution reviews.
- 2.4.10. Ensure adequate internal governance policies and procedures are in place to measure the success of the services acquisition processes. Once a year, all programs greater than or equal to \$100M shall be reviewed. (T-1) The organizational SDO identified in the SMA (Top level) may delegate the chair of these reviews, the Annual Execution Review (AER) and the Effectiveness Review, to no lower than the Services Advocate. Ensure the Effectiveness Review considers their entire portfolio, to include acquisitions below \$100M.

Table 2.1. Services Designated Official (SDO) Authority Table.

Services Category (S-CAT) Thresholds for Services Acquisitions within the AF Services Threshold MAJCOM/DRU/FOA HAF Structure Weapon Systems Any Structure								
Category	(Pre-Award:	Structure with a Signed	(notes: 1,2,3,6)	(WS) PEO Structure	without a			
(S-CAT)	Requirement	Services Management		(notes: 1,2,4,6,7)	Services			
	Approval Document	Agreement			Management			
	(RAD) value,	(notes: 1,2,5,6,7)			Agreement			
	Post-Award: Contract Value)							
Special		As designated by Under	As designated by	As designated by	As designated by			
Interest		Secretary of Defense for	USD(A&S), SAF/AQ,	USD(A&S) or SAF/AO,	USD(A&S), SAF/AQ,			
		Acquisition and Sustainment	AFPEO/CM or	(all dollar values)	AFPEO/CM or			
		(USD(A&S)), SAF/AQ,	SSM (all dollar	,	SSM (all dollar			
		AFPEO/CM or SSM (all	values)		values)			
		dollar values)						
S-CAT I	Est \geq \$1 billion (\$1B) or	AFPEO/CM	As designated by	PEO	As designated by			
	\geq \$300M in any one year	(delegable)	USD(A&S), SAF/AQ,	(delegable)	USD (A&S), SAF/AQ,			
			AFPEO/CM or		AFPEO/CM or			
			SSM (delegable)		SSM			
S-CAT II	Est. total value:	AFPEO/CM	AFPEO/CM	PEO	AFPEO/CM			
	\geq \$250M but < \$1B	(delegable)	(delegable)	(delegable)	(delegable)			
S-CAT III	Est. total value:	AFPEO/CM	AFPEO/CM	PEO	AFPEO/CM			
	\geq \$100M but < \$250M	(delegable)	(delegable)	(delegable)	(delegable)			
S-CAT IV	Est. total value:	MAJCOM/DRU/FOA	SAF/ Deputy,	PEO/Deputy PEO	AFPEO/CM			
	\geq \$10M but < \$100M	CC/CD/CV/CA (delegable)	Chief	(delegable)	(delegable)			
			Management					
			Officer (MG) or					
			AFPEO/CM					
			(delegable)					
S-CAT V	Est. total value:	MAJCOM/DRU/FOA	HAF 2-Ltr	PEO/Deputy PEO	AFPEO/CM			
	\geq SAT but $<$ \$10M	CC/CD/CV/CA (delegable)	Principal or	(delegable)	(delegable)			
			AFPEO/CM					
			(delegable)					

Notes:

- 1. All structures can be modified through a SMA. To fully understand the SDO chain for most organizations, the field would need to review this table, their organization's SMA, if applicable, and their SDO delegation letter.
- 2. View related task orders and/or options within an ordering vehicle as one effort for determining the appropriate threshold.
- 3. HAF Structure: SDO for S-CAT I, II, and III delegable to not lower than a General Officer (GO)/Senior Executive Service (SES) unless waived by SSM. SDO for S-CAT IV delegable to no lower than the 2-ltr Principal or Deputy. S-CAT V is delegable to no lower than 3-ltr GO/SES.
- **4. WS PEO Structure:** SDO for S-CAT I and II is the PEO, delegable to no lower than GO/SES. SDO for S-CAT III is the PEO delegable to no lower than the Senior Materiel Leader (SML), O-6/GS-15 (or equivalent). SDO for S-CAT IV and V is either the PEO/Deputy PEO, delegable to no lower than the ML, O-5/GS-14 (or equivalent). In special circumstances, the WS PEO may waive the grade requirement if the SDO has appropriate access to the PEO, or a GO/SES within their leadership structure.
- 5. MAJCOM/DRU/FOA Structure: S-CAT I, II, and III is AFPEO/CM or a General Officer (GO)/Senior Executive Service (SES) unless waived by AFPEO/CM. The waiver will be based upon the proposed SDO's acquisition experience and access to a GO/SES. S-CAT IV delegable to Wing/Directorate CC, or to a grade no lower than O-6/GS-15 (or equivalent). SDO S-CAT V authority is delegable to Squadron CC, or to a grade no lower than O-4/GS-13 (or equivalent). For S-CAT V, for less than \$10M down to \$5M the SDO may delegate Acquisition Plan approval authority to one level above the Procuring Contracting Officer. For ≥ SAT up to \$5M, acquisition plan authority is delegable to the Procuring Contracting Officer.
- **6.** SDOs shall be in the PEO or requirement owner's chain of command. PEOs only have authority for those requirements in their portfolio.
- 7. Delegations to FOA are not automatic but are at the discretion of their parent organization. The delegation may be as indicated in this table or at the discretion of the parent organization's SDO.

- **2.5. Services Advocate.** The Services Advocate is the individual appointed by the MAJCOM/CC, DRU/CC, FOA/CC, Under Secretary of the Air Force (USecAF)/Vice Chief of Staff of the Air Force (VCSAF), or the SAE to serve as the direct representative of the services organization and act as a liaison to AFPEO/CM and the SSM. The Services Advocate shall be a senior official within the relevant structure and hold the rank of General Officer/Senior Executive Service (GO/SES), unless there is no other GO/SES within the organization with direct access to the MAJCOM/CC, DRU/CC, FOA/CC, USecAF/VCSAF, or the SAE. In this case, the MAJCOM/CC, DRU/CC, FOA/CC, USecAF/VCSAF, or the SAE may appoint the Deputy Commander (CD) or Vice Commander (CV) as Services Advocate. Regardless of rank, the Services Advocate shall be documented in the SMA and signed by the SSM and the SDO prior to assuming the role. The Services Advocate shall:
 - 2.5.1. Serve as the principal point of contact for services acquisitions within the HAF and MAJCOM/DRU/FOA, as defined in their SMA.
 - 2.5.2. Ensure their organization remains proactively engaged in improving the efficiency and effectiveness of services acquisitions using innovative processes, policies, and procedures.
 - 2.5.3. Facilitate submission of periodic reports and responses to data calls for service acquisitions within their organizations.
 - 2.5.4. Execute all roles and responsibilities as defined in their SMA.

2.6. The Weapon Systems Program Executive Officer (WS PEO) shall:

- 2.6.1. Execute Requirements Approval Authority (RAA) and SDO authority for services acquisitions within their portfolio as outlined in **Table 2.1** and **3.1**.
- 2.6.2. Establish a management structure and processes for a Services Requirements Review (SRR) as described in **paragraph 3.1** for all acquisitions containing services greater than or equal to the SAT within the respective portfolio.
- 2.6.3. Ensure personnel assigned to work services acquisition elements within their programs are properly resourced and trained on the services acquisition life cycle from requirements generation through contract closeout.
- 2.6.4. When appropriate, evaluate and coordinate opportunities with the SSM to meet category management and strategic sourcing objectives.
- 2.6.5. At least annually, conduct or evaluate periodic spending analysis for services acquisitions under their authority.
- 2.6.6. Establish an adequately planned and resourced management approach to monitor contractor performance including quality assurance surveillance and services deliverable tracking procedures. Ensure the building of required partnerships within the MFT are established to execute services acquisitions.
- 2.6.7. Ensure members of a MFT are tailored (i.e., experience, quantity, etc.) for the size and complexities of the services acquisition and are appointed to all services requirements greater than or equal to the SAT. The responsibilities of the MFT are defined in **paragraph 2.9**.

2.7. MAJCOM/DRU/FOA (if delegated) CC/CD/CV/CA, and Deputy, Chief Management Officer (SAF/MG) for the HAF shall:

- 2.7.1. Execute Requirement Approval Authority (RAA) and provide guidance for services acquisitions within their portfolio as outlined in **Table 3.1**
- 2.7.2. Execute/update an SMA with AFPEO/CM.
- 2.7.3. Request from AFPEO/CM, based on oversight authority level as defined in **Table 2.1**, delegation of SDO authority for programs greater than or equal to SAT (unless otherwise delegated via SMA).
- 2.7.4. Establish a management structure and processes for Services Requirements Review (SRR) on all services acquisitions greater than or equal to the SAT within their respective portfolios. See **paragraph 3.1** for additional information on SRR. Ensure the results of the requirements and program annual execution review are considered in the overall Effectiveness Review for the organization. Each execution review assesses progress of the acquisition against approved cost, schedule, and performance metrics.
- 2.7.5. Invite the SSM to attend recurring execution reviews for services acquisitions greater than or equal to \$100M to facilitate the SSM role as an advisor within the AF.
- 2.7.6. Issue services acquisition supplements that address organizational roles and responsibilities, training, and reporting for use by all subordinate units, as needed. Coordinate all such supplements with the SSM.
- 2.7.7. Resource and train personnel involved in the services acquisition process on the services acquisition life cycle from requirements generation through contract closeout.
- 2.7.8. Ensure additional responsibilities or tailoring of these responsibilities are delineated in any SMA (if applicable).
- **2.8. Requirements Approval Authority (RAA).** The RAA is responsible to identify, assess, validate, and approve support requirements at Headquarters AF (HAF), MAJCOM/DRU/FOA, and Program Executive Officer levels. The approval of a requirement allows senior mission leaders to prioritize mission requirements to best support their mission needs within available funding limits. The authority levels are specified in **Table 3.1**. (**Note:** In some cases, the RAA and the SDO may be the same person). The Requirements Approval Authority shall:
 - 2.8.1. Review and approve all RADs over SAT prior to approval of the acquisition strategy for services.
 - 2.8.2. Ensure the necessity of each requirement. Ensure the requirement is not available through any other means, specifically organic, "in-house" DoD resources.
 - 2.8.3. Assist the SDO in assessing program requirements for the SRR on pre- and post-award requirement reviews.
 - 2.8.4. When the RAA is different from the SDO, ensure the SDO is informed of approved RADs.
 - 2.8.5. Ensure all approved RADs that contain depot maintenance requirements are consistent with their respective Depot Source of Repair decisions.

- **2.9. Multi-Functional Team (MFT).** The success or failure of a services acquisition rests on the strength of the MFT. The emphasis of the MFT is on teamwork, trust, and agility in order to fully meet mission requirements. This mission owner-focused team has representatives of all the stakeholders involved in the effort, to include the Program Manager/Functional Services Manager (PM/FSM), Mission Owner, contracting officer, Quality Assurance Program Coordinator (QAPC), Contracting Officer Representative (COR), Legal Advisor, Finance representative, Safety representative, and Small Business Representative. Membership may be tailored to fit the size and complexity of the acquisition. It is convened under the authority of the SDO, who appoints the members. It is led by the PM/FSM or another designee. (See the MFT Resources Guide for additional information). The MFT, with full support from all MFT members, shall:
 - 2.9.1. Conduct market research.
 - 2.9.2. Develop contract requirements, primarily the Performance Work Statement (PWS).
 - 2.9.3. Develop and execute a performance-based acquisition strategy.
 - 2.9.4. Develop the government's surveillance approach in the QASP.
 - 2.9.5. Promptly notify senior leadership of significant variances in cost, schedule, or contractor substandard performance.
 - 2.9.6. Actively participate in all pre-award activities, if appointed.
 - 2.9.7. Assess contractor performance, to include submitting annual Contractor Performance Assessment Review(s).
 - 2.9.8. Manage the services acquisition and contract performance throughout the life of the requirement.
- **2.10. Program Manager (PM) or Functional Services Manager (FSM).** These roles serve as the government's functional authority and are responsible for successful delivery of the contracted requirements, focusing on cost, schedule, performance, and risk. PMs should be appointed to all services acquisitions, however in the absence of a certified PM, an FSM with domain expertise for a given services requirement shall exercise program management responsibilities. **(T-1)** FSMs should have in-depth knowledge of the requirement being considered for contractor support. This will include at least two years' experience managing, supporting, or leading contractor or government performance of work of the same scope and nature as the proposed requirement. **(T-1)** A PM shall be appointed for services acquisitions over \$100M. **(T-1)** The PM or FSM shall:
 - 2.10.1. Execute management and oversight for the delivery of contractually acquired services. **(T-1)(T-3, WS PEO only)** The PM or FSM does not have directive authority over the day-to-day contractor performance. Therefore, the PM or FSM works with the contracting officer to ensure the contractual requirements, as defined in the contract Performance Work Statement (PWS), are met.
 - 2.10.2. Lead and recommend membership for the MFT through the course of the acquisition (pre and post award) as required in DoDI 5000.74. (**T-0**) The PM or FSM leading the MFT should use the Seven Steps to the Services Acquisition Process (with any appropriate tailoring) located under the Services Acquisition Mall tab at https://www.dau.edu/tools/Documents/SAM/home.html.

- 2.10.3. Specifically identify those services within a requirement that are mission essential IAW DFARS 252.237-7023.
- 2.10.4. Keep up-to-date on mission changes that may drive the need for a contract modification. Coordinates with and seek advice from the contracting officer on a possible need for a modification based on changes within the functional mission that could affect the performance requirements of the contract.
- 2.10.5. Review, approve, and sign surveillance schedules prior to upcoming surveillance periods to ensure there is no unnecessary disruption to contract schedule.
- 2.10.6. When necessary, fulfill contracting officer representative (COR) and supervisory duties identified in **paragraphs 2.12** and **2.14** of this instruction. The COR(s) should be organizationally aligned with the PM/FSM whenever possible. However, in some organizations, this may not be possible or desirable.
- 2.10.7. No less than quarterly, review contractor performance assessments prepared by COR personnel to ensure performance is compatible with contract requirements. (T-1)(T-3, WS PEO only)
- 2.10.8. Approve Performance Based Quality Assurance Surveillance Plan (QASP) for contracts greater than or equal to the SAT. Coordinate on Non-Performance Based QASP prior to approval by SDO. (T-3)
- 2.10.9. Ensure a Contractor Performance Assessment Report (CPAR) is accomplished no less than annually and IAW DoD CPAR Guidance. Reviewing Official may be a contracting officer, purchasing agent, PM or FSM.
- 2.10.10. Ensure CPAR assessments and narratives are consistent with the surveillance reports. **(T-1)(T-3, WS PEO only)**
- **2.11.** Contracting Officer. The contracting officer is the only person with the authority to obligate the government and direct a contractor's performance. The contracting officer carries out their duties IAW the Federal Acquisition Regulation (FAR) and its supplements. Broadly, the contracting officer plans for, awards, administers, modifies, interprets, takes corrective action, and terminates a contract on behalf of the government as specified on the contracting officer's warrant. In accordance with DoDI 5000.72, *DoD Standard for Contracting Officer's (COR) Certification*, Enclosure 3, para 1(c), when applicable, the contracting officer designates a properly trained COR in writing before award of all service contracts. (**T-0**) Contracting officers shall designate a COR for all service contracts, unless certain conditions are met, IAW DFARS Procedures, Guidance and Information (PGI) 201.602(d)(v)(A). (**T-0**)
- **2.12.** Contracting Officer Representative (COR). A contracting officer's representative (COR) executes the duties and responsibilities detailed in FAR 1.604, DFARS PGI 201.602, AFFARS MP 5301.602-2(d), and DoDI 5000.72. (**T-0**) Specific duties may also be outlined in the COR appointment letter.
 - 2.12.1. For some services contracts, Subject Matter Experts (SMEs) may provide additional insight and observations to the COR regarding the contractor's performance.
 - 2.12.2. Although the COR must verify and document these observations, a COR shall not appoint, designate, re-designate or sub-designate COR duties/responsibilities to other persons as specified in the DoD COR Handbook. (**T-0**) An example is found in medical field services

- requirements, where Functional Requirements Evaluator Designees are utilized, in addition to the COR.
- 2.12.3. Use of SMEs should be decided by the MFT during acquisition planning or during contractor performance.
- **2.13.** Chief Contracting Officer's Representative (C-COR). When a contracting officer or PM/FSM determines that a services contract requires more than one COR, the PM/FSM may nominate, and the contracting officer may appoint, a C-COR. In addition to the COR responsibilities identified in **paragraph 2.12**., the C-COR manages the activities of all CORs for a particular contract to ensure compliance with regulatory, quality assurance and reporting requirements.
- **2.14. COR Supervisor.** The COR Supervisor is responsible for ensuring that subordinates fully accomplish their COR duties and are resourced with the time and materials needed. See FAR 1.604, DFARS PGI 201.602, AFFARS MP 5301.602-2(d), and DoDI 5000.72 for duties and responsibilities.
- **2.15.** Quality Assurance Program Coordinator (QAPC). The QAPC is responsible for the coordination and management of the organization's contract quality assurance program. The Quality Assurance Program Coordinator (QAPC):
 - 2.15.1. Trains CORs and COR management on quality assurance procedures and verifies that COR training is accomplished. Conducts contract-specific training when necessary.
 - 2.15.2. Monitors COR nominations, designations, terminations and training records.
 - 2.15.3. Assists in market research and PWS development with the MFT.
 - 2.15.4. Assists with the integration of quality requirements into the contract, QASP and Award Fee/Incentive Plan as applicable.
 - 2.15.5. Refer to the MFT Resources Guide, DoDI 5000.72 and AFFARS MP 5301.602-2(d) and 5346.103 for additional QAPC responsibilities.

REQUIREMENTS VALIDATION

- **3.1. Services Requirements Review (SRR).** The Air Force implements the requirements of DoDI 5000.74 for a Services Requirements Review Board in an ongoing, comprehensive, multifaceted approach. The Air Force combines elements of the Requirements Approval Document (RAD), Early Strategy and Issues Session (ESIS), AER, and Effectiveness Reviews. All three AF structures have a role in this process. This approach, known as SRR, leads to an overall AF enterprise assessment that examines management processes for the successful governance of services acquisition.
- **3.2. Requirements Approval Document (RAD).** When the organization determines a need for contracted services, a senior official known as the Requirements Approval Authority, IAW **Section 2.8** and **Table 3.1**, approves the requirement via the RAD prior to approval of the acquisition strategy. A RAD validates the need for a requirement. The RAD is accomplished prior to the acquisition strategy development. Each dollar threshold requires a disciplined requirements approval process that documents the organization's need.
 - 3.2.1. The requiring activity shall ensure RADs are consistent with the scope and complexity of the services requirements and provide (at a minimum) the following:
 - 3.2.1.1. A description of the requirement, the need for the requirement, and the outcomes to be achieved. (T-1)(T-3, WS PEO only)
 - 3.2.1.2. A description of how the requirement was previously satisfied and/or what changed in the environment to require the need for the contracted solution, if applicable. **(T-1)(T-3, WS PEO only)**
 - 3.2.1.3. The impact to the mission if the RAD is not approved. (T-1)(T-3, WS PEO only)
 - 3.2.2. Requirements approval authority captured within program of record milestone decision documents is the Milestone Decision Authority (MDA). Clearly written services requirements vetted by the appropriate stakeholders early in the life cycle, and then documented at AF Review Board, or included in the Acquisition Strategy or Life Cycle Sustainment Plan would serve as requirements approval for services. For those services not included in the original documentation, an amendment to the milestone documentation or a separate RAD is required.
- **3.3. Requirements Approval Authority (RAA).** When the organization determines a need for contracted services, a senior official, IAW **Section 2.8** and **Table 3.1**, approves the requirement via the RAD prior to approval of the acquisition strategy. This process realigns accountability and responsibility of the services requirement within the mission owner's chain of command. The SDO, serving as the Acquisition Strategy Panel (ASP) Chair, may grant a waiver to extend the RAD approval timeline. Acquisition teams must explain the extenuating circumstances that require late approval in the acquisition strategy documentation. However, the RAD shall be approved prior to the release of the solicitation. (**T-1**)(**T-3**, **WS PEO only**)

Services Category (S-CAT) Thresholds for Services Acquisitions within the AF **RAD** MAJCOM/DRU/FOA **HAF** Weapon System **Services** Value Structure (WS) PEO Structure Category (notes: 1,2,5,6,7) (notes: 1,2,3,6)Structure (S-CAT) (notes: 1,2,4,6) As designated by Special As designated by As designated by Interest USD(A&S), SAF/AQ, USD(A&S), USD(A&S), AFPEO/CM or SSM SAF/AQ, SAF/AQ, AFPEO/CM or SSM AFPEO/CM or (all dollar values) (all dollar values) SSM (all dollar values) MAJCOM/DRU/FOA SAF/MG PEO S-CAT I Est > \$1B or(delegable) CC/CD/CV/CA > \$300M in any one (delegable) year MAJCOM/DRU/FOA PEO S-CAT II Est. total value: SAF/MG CC/CD/CV/CA > \$250M but < \$1B (delegable) (delegable) MAJCOM/DRU/FOA SAF/MG S-CAT III Est. total value: PEO CC/CD/CV/CA (delegable) > \$100M but < (delegable) \$250M MAJCOM/DRU/FOA S-CAT IV Est. total value: SAF/MG PEO/Deputy CC/CD/CV/CA > \$10M but < \$100M (delegable) (delegable) (delegable) WG/Directorate CC S-CAT V Est. total value: 2-ltr (delegable) PEO/Deputy > SAT but < \$10M (delegable) (delegable)

Table 3.1. Requirements Approval Authority.

Notes:

- 1. RAD format is at the discretion of the RAA for all dollar values. All requirements estimated at greater than \$10M require an approved RAD signed by the RAA indicated by dollar threshold in the above table (or as delegated). A validating process of requirements below \$10M is mandatory. The RAA needs to show the existence of a requirements review process.
- 2. Requirements that have been approved by a Milestone Decision Authority (MDA) for an Acquisition Category or Major Automated Information Systems program of record captured within the program milestone decision documents serve as the requirements approval for services acquisitions.
- 3. HAF Structure: S-CAT IV and S-CAT V delegable to no lower than 3-Ltr Principal or Deputy.
- **4. WS PEO Structure:** RAA for S-CAT I and II is the PEO, delegable to no lower than GO/SES. RAA for S-CAT III is the PEO delegable to no lower than SML, O-6/GS-15 (or equivalent). RAA for S-CAT IV and V is either the PEO/Deputy PEO delegable to no lower than the ML, O-5/GS-14 (or equivalent). In special circumstances, the WS PEO may waive the grade requirement if the RAA has appropriate access to the PEO, or a GO/SES within their leadership structure.
- 5. MAJCOM/DRU/FOA Structure: MAJCOM/DRU/FOA CC/CD/CV/CAs may delegate authority for S-CAT I, II or III to the Center CC/CA or a Numbered or Named AF CC within its command. S-CAT IV delegable to Wing/Directorate CC, or to a grade no lower than O-6/GS-15 (or equivalent). S-CAT V authority is delegable to Squadron CC, or to a grade no lower than O-4/GS-13 (or equivalent).
- **6.** For an AF Commodity Council acquisition with a HAF 2-ltr Commodity Sourcing Official, approval of the Commodity Sourcing Strategy constitutes requirements approval.
- 7. Delegations to FOA are not automatic but are at the discretion of their parent organization.

3.4. Requirements Approval Applicability.

- 3.4.1. RADs are mandatory for all services acquisitions applicable to this AFI, unless otherwise exempted (see **Chapter 1**) or validated by other means (see **paragraph 3.2.2**). For requirements validation below \$10M, the process (form and formatting) is at the discretion of the RAA. The RAA needs to show the existence of a requirements review process.
- 3.4.2. Amended/New RADs: An amended RAD is required when the value of the approved service exceeds the authority of the initial RAA and when the new aspects of the service are identified which were not initially contemplated when the initial RAD was approved. When the value of the acquisition exceeds 25% of the approved RAD but does not exceed the approval authority of the RAA, the SDO shall inform the RAA of the value increase in writing. (T-1)(T3, WS PEO) The initial RAD shall be staffed with all RAD amendments. (T-1)(T3, WS PEO)
- 3.4.3. Applicable to the three (3) structures:

3.4.3.1. MAJCOM/DRU/FOA:

- 3.4.3.1.1. Ensure requirements at each dollar threshold have a requirement approval process that documents the need. These processes are defined by the MAJCOM/DRU/FOA; however, all requirements greater than or equal to \$10M require an approved RAD signed by the approval official for the delegated dollar threshold as stated in **Table 3.1**.
- 3.4.3.1.2. Installation and Mission Support service requirements ≥\$10M that are resourced by the Air Force Installation and Mission Support Center (AFIMSC) and wholly funded through Operating Agency Codes (OAC)-18 account elements shall be approved by the appropriate AFIMSC authority, regardless of the MAJCOM executing the requirement. (T-2) Requirements ≥\$10M that are partially funded by OAC-18 account elements shall be coordinated with AFIMSC and follow the respective MAJCOM's requirement approval process. (T-2) AFIMSC approval authorities are delineated by the MAJCOM RAA structure (Table 3.1), AFMC Service Management Agreement, and further written delegations.
- 3.4.3.2. HAF: Brief HAF requirements greater than or equal to the SAT (Operations and Maintenance and investment appropriations) annually to the Services Review Group (chaired by HAF Director of Staff (HAF/DS), SAF Administrative Assistant (AA), and SAF/MG). RADs are approved by the HAF based on the below dollar values and are further outlined in **Table 3.1**.
- 3.4.3.3. WS PEO: RADs are approved by the WS PEO based on the above dollar values outlined in **Table 3.1**.

3.5. Process (All Structures).

3.5.1. The requiring activity documents the need for the proposed requirement and obtains requirements approval from the appropriate RAA (identified in **Table 3.1**) as soon as new requirements, follow-on requirements or changes to recurring requirements are identified. An

- approved RAD shall accompany the requirement if the requirement is executed by another entity regardless if the executing entity is AF or an outside agency. (T-1)(T3, WS PEO)
- 3.5.2. If there are multiple requiring activities, execute a Memorandum of Agreement (MOA) under HAF/WS PEO/MAJCOM/DRU/FOA guidance identifying the lead activity and, if appropriate, the lead organization for execution of the acquisition. If the requirement or the services element of the requirement is estimated to total \$100M or more, staff the MOA through the SSM for situational awareness.
- 3.5.3. When the funding agency and the procuring agency are different, the procuring agency obtains a copy of a signed host tenant agreement or MOA signed by the RAA for the dollar threshold associated with the requirement. At a minimum, the agreement shall acknowledge an awareness of the requirement and that the procuring agency has a willingness and adequate personnel to support procurement of the requirement. (T-2) If the agreement does not reflect the current environment of the scope of requirements or amount of resources available to support, then it shall be revisited by the principal parties. (T-2) For example, if the Army funds a requirement that directly supports its mission and has sent a funding document of \$25M to XYZ Air Force Base to procure the services, the AF shall have a letter signed by the MAJCOM/DRU/FOA CC/CD/CV/CA or delegated authority acknowledging both a willingness and adequate personnel to support the requirement.
- 3.5.4. The intent of the RAD process is for mission owners to validate the requirements for their organizations. RADs for enterprise vehicles may be approved and put in place by entities far removed from a given Wing, Center, etc. When utilizing another agency's enterprise contract vehicle with decentralized ordering, an appropriately approved AF RAD, or AF approved blanket RAD, is required. A blanket RAD may be accomplished to approve a series of similar requirements or an individual services requirement for the life of the ordering period.
- 3.5.5. If the funding agency and the procuring agency are different but the funding agency submits the requirement through an activity associated with the management structure, the requirement's owner shall follow the processes and procedures associated with that particular management structure. (T-1) For instance, funding that supports military treatment facilities flows from Defense Health Agency. As the requirement's owner, the Medical Treatment Facilities within that MAJCOM shall follow those processes and procedures established by their MAJCOM.
- 3.5.6. Each organization shall maintain a rolling record of all approved RADs with an estimated value of \$10M or greater. (**T-1**) The organization shall be prepared for quick-turn queries and reports of this information to the SSM and higher headquarters. (**T-1**) The individual records shall be maintained for 5 years. (**T-1**)
- 3.5.7. For requirements involving an increase or alteration to infrastructure systems or facilities, the multi-functional team shall include membership of the Base Civil Engineer to help determine 2nd and 3rd order effects on mission owner requirements. (T-2) This is to support early recognition of requirements that may drive unintended/unknown facility funding requirements at the MAJCOM, or HQ AF levels. Notification of such requirements shall be identified by the Base Civil Engineer and elevated through the MAJCOM to SAF/Installations Environment and Energy (IE) (usaf.pentagon.safe-ie.mbx.saf-iee-workflow@mail.mil.) (T-2)
- 3.5.8. When USD(A&S) has identified a requirement as a special interest item (see **Table 3.1**), prepare a RAD and any other requested documentation in coordination with AFPEO/CM for

approval. Submit the package through AFPEO/CM prior to issuance of the solicitation. Within 10 business days after receipt of the notification, USD (A&S) or designee may direct a review of the proposed requirement to be accomplished within 30 calendar days of such direction. Issues arising from the review shall be resolved IAW procedures specified by USD (A&S) or designee, in direct coordination with SAF/AQ through the SSM. (**T-0**) If USD (A&S) does not notify the SSM or requiring organization focal point within the 10 business days of the status of the RAD (approved, disapproved or additional direction), the acquisition may proceed.

ACQUISITION PLANNING AND SOURCING

- **4.1. Overview.** The success of services acquisition depends largely on the preparation and planning conducted prior to solicitation and award. See FAR Part 7 and DFARS 207 for additional acquisition planning regulations.
- **4.2. Early Strategy and Issues Session (ESIS).** The purpose of an ESIS is to simplify an Acquisition Strategy Panel (ASP) and to mitigate re-work.
 - 4.2.1. An ESIS is mandatory for all services acquisitions greater than or equal to \$100M and is recommended for services acquisitions below \$100M. (T-1) It is most effective when conducted as an informal, open discussion between the acquisition team, their chain of command, Source Selection Authority, SDO, and/or Services Advocate. It is a synergistic approach to sharing top level ideas and best practices prior to the formation of the formal acquisition strategy.
 - 4.2.2. If market research leads the team in a direction that is more advantageous for the acquisition, the team should discuss the change during the Acquisition Strategy briefing. The team should schedule an ESIS as early as possible after some preliminary market research.
 - 4.2.3. Optimally, plan to conduct an ESIS at least 120 calendar days prior to the ASP. The ESIS is intended to facilitate dialogue from the first day of ESIS through the ASP. However, an ESIS it is not meant to establish an acquisition strategy or to solicit a decision.
- **4.3.** Acquisition Planning. Acquisition teams monitor active contracts to allow sufficient time to plan re-procurements and develop clear, performance-based requirements. All requirements should include identifiable and measurable cost, schedule, and performance outcomes.
 - 4.3.1. Ensure a risk assessment has been performed and the acquisition planning documents reflect how the risks will be mitigated.
 - 4.3.2. Ensure a services acquisition strategy develops requirements that align and track mission objectives complemented by a contract methodology that optimizes and drives performance.
 - 4.3.3. If the strategy is a non-performance based requirement, the team shall obtain approval from the SDO IAW AFFARS 5337.170-2 and **paragraph 2.4.3**. (**T-1**) Ensure the selected contract type, source selection procedures, and contract incentives align with performance requirements and objectives to achieve mission success. Obtain from the installation/servicing Manpower Office documentation of the determination required by DFARS Subpart 207.503, prior to approval of the acquisition strategy.
- **4.4. Safety.** Safety activities shall be considered during the pre-award phases of contract development (RAD, Statement of Work or Performance Work Statement, etc.). (**T-1**) In accordance with AFI 91-202, *The US Air Force Mishap Prevention Program*, include safety reviews/processes in the PWS as appropriate.
- **4.5. Contracted Air Services Additional Considerations.** Airworthiness requirements shall be included IAW AFI 62-601, *USAF Airworthiness*.

- **4.6. Market Research.** Market research is essential to the government's ability to buy best-value services that deliver mission-critical results. Acquisition approaches that maximize competition shall be the norm, and organizations shall make every effort to achieve the maximum competition for both current and future requirements. Exploration of small business opportunities, strategic sourcing and enterprise vehicles is critical. Market research should be the guide in constructing the best acquisition strategy that meets the needs of the government. Acquisition teams shall accomplish diligent market research IAW FAR Part 10. (**T-0**)
- **4.7. Performance Work Statement (PWS).** A PWS defines the requirement in terms of results rather than the method of performing the work. The requiring activity develops the PWS jointly with the other members of the MFT. Cite reference directives (e.g., publications, instructions) by specific process or procedure (e.g. paragraph or chapter) rather than the entire publication in the PWS. Ensure the PWS is written as performance based unless approved by the SDO to solicit a non-performance based acquisition. In that case, a Statement of Work would result, not a PWS.
- **4.8. Quality Surveillance.** See **Chapter 6** for information on Quality Surveillance considerations for the MFT.

GOVERNANCE ASSESSMENT

5.1. Governance Assessment. Consists of the Annual Execution Reviews (AERs) of selected programs and an overall self-assessed Effectiveness Review of the organization's governance, within their portfolio.

5.2. Applicable to All Structures, HAF, MAJCOM/DRU/FOA, and WS PEO.

- 5.2.1. Annual Execution Reviews (AER).
 - 5.2.1.1. AFPEO/CM develops templates each year tailored to highlight key areas of interest. All programs greater than or equal to \$100M shall be briefed. (**T-1**) Acquisitions being executed by external organizations, such as General Services Administration or Department Information Systems Agency, should be included within the organization's portfolio.
 - 5.2.1.2. The PM or FSM is responsible for the preparation and briefing of their respective programs.
- 5.2.2. Effectiveness Review.
 - 5.2.2.1. AFPEO/CM develops templates each year tailored to highlight key areas of interest. The scope of this review is larger than the AER. It is to discuss the management and governance of services requirements greater than or equal to the SAT throughout the organization. It shall include a requirement for an annual MIPR report and analysis. (T-1)
 - 5.2.2.1.1. For acquisitions less than \$100M, each structure may use its discretion for template form and format, but it is encouraged to refer to the templates provided for guidance.
 - 5.2.2.1.2. Ensure the results of each organization's AER and Effectiveness Review is summarized and accounted for in the organization's overall assessment.
 - 5.2.2.2. SDOs evaluate the execution of services acquisitions within their organization and assess the effectiveness of their operations for the past fiscal year.
- 5.2.3. Schedule: Both the AER and the Effectiveness Review briefings, which review the previous fiscal year's services acquisitions, are to be concluded no later than 15 March of the current fiscal year.
- **5.3. Applicable to HAF.** SAF/MG is the designated HAF Services Advocate and is responsible for 2-ltr requirements approval greater than or equal to \$10M and for the HAF governance assessment.
- **5.4. Applicable to MAJCOM/DRU/FOA.** MAJCOM/DRU/FOA shall coordinate with AFPEO/CM to schedule the AER and Governance Assessment. Briefings will be due 30 days in advance of the scheduled time for review and discussion prior to the formal briefing. Briefings are encouraged to be as up-to-date as possible, considering the lapsed time from the end of the fiscal year and when the AER's occur.

5.5. Applicable to WS PEO.

5.5.1. The PEO is the SDO for WS PEO's services acquisitions.

5.5.2. Following the end of each fiscal year, WS PEOs are to conduct an AER of their services requirements. Each WS PEO is encouraged to conduct AERs using AFPEO/CM templates. The intent of the presentations is to have effective dialogue on the management, performance, and governance of services acquisitions within each WS PEO's portfolio. SAF/AQ (or delegate) consolidates the inputs from all WS PEOs into an integrated assessment for the entire WS PEO structure.

5.6. Annual Summary.

- 5.6.1. AF structure (SAF/AQ, SAF/MG, and AFPEO/CM) leads shall create and summarize an integrated assessment for their AF services programs within their portfolio. (**T-1**) The integrated assessments are then provided to the Services Review Group not later than 31 March.
- 5.6.2. The Services Review Group is a three-star level, tri-chaired panel, which consists of principals from SAF/Administrative Assistant (AA), AF/Director of Staff (DS), and SAF/MG and is supported by advisors from SAF/Financial Management (FM), SAF/AQ and AFPEO/CM.
- 5.6.3. The Services Review Group reviews the information to identify AF-wide synergies, efficiencies and strategic opportunities. Their recommendations may be presented to the AF Council, chaired by USecAF and VCSAF during the 2nd quarter of the calendar year. This is an integrated assessment from the HAF, MAJCOM/DRU/FOA and WS PEOs and is in a forum to identify lessons learned and best practices that have AF-wide applicability.

QUALITY OVERSIGHT

- **6.1. Overview.** The Government's role is to ensure it receives the services contracted for and only pays for the services actually received. The government's approach to quality is documented in the QASP/Award Fee or Incentive Plan. Per FAR 46.201(b), the contracting officer may also authorize contractor recommended inspection alternatives when in the Government's interest and approved by the mission owner. The contractor's role is to ensure the quality of services they provide is captured in their internal Quality Management System (QMS) and executed as identified in FAR 46.105(a)(1), 46.202-4, 52.246-X; it is the responsibility of the services contractor, not the government. A guiding principle to quality is that the level of surveillance is commensurate with the level of risk associated with contractor performance.
 - 6.1.1. Background. Sections 801 and 802 of the FY02 National Defense Authorization Act mandate Performance-Based Services Acquisition goals, cost savings, and a management/oversight structure for services acquisitions similar to the procurement of products.
 - 6.1.2. Additional Information. The MFT Resources Guide provides greater detail and best practices for quality oversight information and MFT roles and responsibilities.

6.2. Quality Assurance Surveillance Plan (QASP).

- 6.2.1. Purpose. The purpose of a QASP is to provide a documented process for surveilling the contractor's actual performance and comparing that to the technical requirements of the contract. The QASP identifies and describes the roles and responsibilities for implementing and maintaining the key elements of contract performance management.
- 6.2.2. QASP Development. QASP surveillance is based on the minimum surveillance necessary to assess contractor compliance to PWS requirements. The Services Summary (SS) is releasable to the contractor but the QASP is an internal Government document. After establishing mission essential/crucial SS items with measurable performance thresholds, the MFT ensures the QASP builds a surveillance plan that schedules surveillance of all SS and other PWS/contract items. Furthermore, the QASP identifies how CORs link surveillance of SS items to periodic surveillance reporting and CPARs reporting.
- 6.2.3. QASP Related Requirements: QASP-related requirements are addressed in several regulatory, procedural, instructional, and guidance documents. Documents should be consulted for each particular acquisition to determine an appropriate QASP approach. Consult FAR Parts 12, 37 and 46; DFARS 237.172 and 246.401; DFARS PGIs 222, and 237 AFFARS MP 5301.602-2(d) and 5346.103; the MFT Resources Guide; and any applicable functional community guidance (e.g., AFI 21-101, *Aircraft and Equipment Maintenance Management*, for aircraft maintenance community) for QASP requirements. This is not an all-inclusive list.
- 6.2.4. Contracting Officer Representative (COR) Tracking. DoD has mandated use of a tracking tool for all contracts for which a COR has been designated. (**T-0**) See DoDI 5000.72 for further information.
- **6.3.** Actions to Address Substandard Services and Contractual Non-Conformities. The types of corrective actions available to the government for contractor services not meeting contract

requirements are prescribed in the contract. When developing the solicitation, the MFT shall carefully consider which contract terms, conditions, and clauses should be included in the contract to allow substandard service and non-conformities to be adequately addressed. (T-2)(T-3, WS PEO only)

WILLIAM B. ROPER, JR ASSISTANT SECRETARY OF THE AIR FORCE (ACQUISITION, TECHNOLOGY, & LOGISTICS)

Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References

MFT Resources Guide, hosted at AFPEO/CM SharePoint:

https://cs2.eis.af.mil/sites/10263/projects/Services/SitePages/PEOCM.aspx

AFI 63-101/20-101, Integrated Life Cycle Management, 7 August 2018

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Prescribed Forms

None

Adopted Forms

AF Form 847, Recommendation for Change of Publication

Abbreviations and Acronyms

AA—Administrative Assistant

AER—Annual Execution Review

AF—Air Force

AFFARS—AF Federal Acquisition Regulation Supplement

AFI—Air Force Instruction

AFIMSC—Air Force Installation and Mission Support Center

AFPEO/CM—AF Program Executive Officer, Combat and Mission Support

ANG—Air National Guard

ASP—Acquisition Strategy Panel

CA—Executive Director

CC—Commander

CD—Deputy Commander

C-COR—Chief, Contracting Officer's Representative

COR—Contracting Officer's Representative

CPAR—Contract Performance Assessment Report

CV—Vice Commander

DFARS—Defense Federal Acquisition Regulation Supplement

DoD—Department of Defense

DoDI—Department of Defense Instruction

DRU—Direct Reporting Unit

DS—Director of Staff

ESIS—Early Strategy and Issues Session

FAR—Federal Acquisition Regulation

FM—Financial Management

FOA—Field Operating Agency

FSM—Functional Services Manager

GO/SES—General Officer/Senior Executive Service

HAF—Headquarters AF

IE—Installations, Environment and Energy

IAW—In Accordance With

MAJCOM—Major Command

MDA—Milestone Decision Authority

MFT—Multi-Functional Team

MIPR—Military Interdepartmental Purchase Request

ML—Materiel Leader

MOA—Memorandum of Agreement

MP—Mandatory Procedure

OAC—Operating Agency Codes

PEO—Program Executive Officer

PGI—Procedures, Guidance, and Information

PM—Program Manager

PWS—Performance Work Statement

QAPC—Quality Assurance Program Coordinator

QASP—Quality Assurance Surveillance Plan

RAA—Requirement Approval Authority

RAD—Requirement Approval Document

SAE—Service Acquisition Executive

SAT—Simplified Acquisition Threshold

S-CAT—Services Category

SDO—Services Designated Official

SECAF—Secretary of the Air Force

SMA—Services Management Agreement

SME—Subject Matter Expert

SML—Senior Materiel Leader

SRR—Services Requirements Review

SS—Service Summary

SSM—Senior Services Manager

USecAF—Under Secretary of the Air Force

USD(A&S)—Under Secretary of Defense for Acquisition and Sustainment

VCSAF—Vice Chief of Staff of the Air Force

WS—Weapon System