BY ORDER OF THE
SECRETARY OF THE AIR FORCE

DEPARTMENT OF THE AIR FORCE
INSTRUCTION 63-138

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Acquisition

ACQUISITION OF SERVICES

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

This publication implements Air Force Policy Directive (AFPD) 63-1/20-1, *Integrated Life Cycle Management*, for the acquisition and management of contracted services within the Department of the Air Force (DAF). It provides guidance and procedures to meet requirements and processes of the Federal Acquisition Regulation (FAR), Defense FAR Supplement (DFARS), Department of the Air Force FAR Supplement (DAFFARS) and Department of Defense Instruction (DoDI) 5000.74, *Defense Acquisition of Services*. This publication applies to civilian employees and uniformed members of the United States Space Force, the Regular Air Force, and the Air Force Reserve. It applies to the Air National Guard (ANG) when acquiring services through a DAF Contracting Office. Applicability and exceptions to this DAFI are detailed in **paragraph 1.2**. It applies to all activities who acquire services through a DAF Contracting Office or utilize funding appropriated to the DAF to acquire services. This DAFI may be supplemented at any level, but all supplements must be routed to the office of primary responsibility (OPR) of this publication for coordination prior to certification and approval and may not restrict the acquisition flexibilities contained within. Refer recommended changes and questions about this publication to the OPR using the DAF Form 847, *Recommendation for Change of Publication;* route DAF Forms 847 from the field through the appropriate functional chain of command. Ensure all records generated because of processes prescribed in this publication adhere to Air Force Instruction 33-322, *Records Management and Information Governance Program*, and are disposed in accordance with the Air Force Records Disposition Schedule, which is located in the Air Force Records Information Management System. Any records generated from instructions of this DAFI may become a part of the official contract file that has an established disposition schedule and is defined in FAR Part 4, *Administrative and Information Matters*. The authorities to waive Wing/Delta/Unit level

requirements in this publication are identified with a Tier number (T-0, T-1, T-2, T-3) following the compliance statement. Refer to DAF Manual (DAFMAN) 90-161, *Publishing Processes and Procedures*, Table A10.1, for a description of the authorities associated with the Tier numbers. Submit requests for waivers through the chain of command to the appropriate Tier waiver approval authority, or alternately, to the publication OPR for non-tiered compliance items. See **paragraph 1.3.1** within this publication for further non-tiered waiver guidance.

SUMMARY OF CHANGES

This document has been revised and should be completely reviewed. Changes include updating and clarifying implementation of DoDI 5000.74 resulting from changes to that DoD Instruction, addressing organizational changes resulting from the creation of the United States Space Force (USSF), changes to roles and responsibilities, and changes to reflect two DAF Service Acquisition Executives (SAEs). Removed the term Headquarters Air Force (HAF). HAF now represents the Headquarters of the Department of the Air Force which includes the Office of the Secretary of the Air Force (known as the Secretariat), Air Staff, and the Office of the Chief of Space Operations (known as the Space Staff). For clarity, the instruction uses the terms Secretariat, Air Staff, and Space Staff to describe the three specific components within the HAF. Instructions for post-award program management have been strengthened. Names and acronyms for two positions have been changed to align with their roles and responsibilities more clearly; Services Designated Official (SDO) is now Services Acquisition Decision Authority (SADA) and Functional Services Manager (FSM) is now Services Acquisition Lead (SAL) (see **paragraph 2.11**.). A table has been added to establish Program Manager (PM)/SAL certification/credentials by Services Category level (see **Table 2.3**.). In **Chapter 2**, the SAEs specifically appoint the Air Force Program Executive Officer for Combat and Mission Support (AFPEO/CM) as the Senior Services Manager (SSM). The titles of Chapters **3** and **4** have been changed to reflect the full content and restructuring of those chapters. **Chapter 3** encompasses all information related to the requirements approval process. **Chapter 4** is structured to correlate with the Seven Steps to the Services Acquisition Process. **Chapter 5** clarifies policies for the organizational structures by creating separate governance instructions for each structure. **Chapter 6** updates policy on sharing of the Quality Assurance Surveillance Plan with contractors and replaces references to the Contracting Officer Representative Tracking (CORT) Tool with information on Procurement Integrated Enterprise Environment (PIEE) with associated applications Joint Appointment Module (JAM) and Surveillance and Performance Monitoring Module (SPM). Throughout the document, requirements established in previous versions of this instruction have been clarified to increase adherence.

Chapter 1

OVERVIEW AND APPLICABILITY

1.1. Purpose.

1.1.1. The purpose of this DAFI is to ensure DAF services acquisition programs are managed effectively, efficiently, and timely to meet mission needs. This instruction seeks to encourage synergy within the services acquisition community, which consists of Program Managers/Services Acquisition Leads, contracting professionals, functional representatives, contracting officer representatives, quality assurance program coordinators, financial managers, small business professionals, requiring activity personnel, contract attorneys, and any other stakeholder charged with any part of developing, executing, or monitoring a services requirement from identification to contract close-out. A services acquisition program (hereafter referred to as "program") is a set of services requirements executed through one or more contract actions, interagency agreements, and/or other types of acquisitions with a common mission or objective.

1.1.2. Organizational entities employ requirements approval and acquisition approval authorities based on their assigned delegations. Sections and tables within Chapters **2** and **3** are divided into these organizational structures to illustrate the instructions specific to each entity. The organizational structures are the Secretariat, Air Staff, Office of the Chief of Space Operations (Space Staff), Systems Program Executive Officer/Technology Executive Officer (S-PEO/TEO), Major Command (MAJCOM), Field Command (FLDCOM), Field Operating Agency (FOA), and Direct Reporting Unit (DRU).

1.1.3. Use this instruction in conjunction with DoDI 5000.74, *Defense Acquisition of Services,* and Air Force Instruction (AFI) 63-101/20-101*, Integrated Life Cycle Management*, to ensure successful acquisition of services.

1.1.4. The DAF implements the requirements of DoDI 5000.74 for a Services Requirements Review Board (SRRB) process in an ongoing, comprehensive, and multi-faceted approach. The DAF's requirements approval process (see **Chapter 3**) addresses the SRRB elements of mission need, strategic alignment, workforce analysis, relationship to other requirements, projected cost of requirement, and contract and work functions (i.e., inherently governmental functions). The DAF's services acquisition process (see **Chapter 4**) employs both the Early Strategy and Issues Session (ESIS) and the Acquisition Strategy Panel (ASP) to address the SRRB elements of issues, risk, and prioritization. Additionally, the DAF's governance assessment process (see **Chapter 5**) provides a comprehensive annual review of both the performance of individual programs and the effectiveness of organizations' management and oversight of services acquisitions. Finally, the DAF's Quality Assurance oversight process (see **Chapter 6**) addresses the SRRB element of metrics.

1.2. Applicability.

1.2.1. This instruction applies to all personal and non-personal services acquisitions executed with DAF appropriations, with a total services acquisition program value, in current year dollars, greater than or equal to the simplified acquisition threshold (SAT) as defined at FAR 2.101, *Definitions*, regardless of the contracting activity, except as exempted in **paragraph 1.2.3**.

1.2.1.1. Programs funded by DAF organizations that are executed by non-DAF entities shall comply with both this DAFI and AFI 65-118, *Air Force Purchases Using Military Interdepartmental Purchase Requests (MIPRS)*. **(T-1)**

1.2.1.2. Use total services acquisition program values when determining delegation thresholds. (See **para 1.1.1** for the description of a services acquisition program)

1.2.2. Programs funded by non-DAF entities that are executed by a DAF organization shall comply with this instruction.

1.2.3. The following categories of services are exempt from adherence to this DAFI (unless designated as a special interest). This DAFI does apply to Advisory and Assistance Services (A&AS) contracts that support the otherwise exempt categories set forth in paragraphs **1.2.3.1** through **1.2.3.6** below.

1.2.3.1. Research & Development (as described in FAR 35, *Research and Development Contracting*).

1.2.3.2. Federally Funded Research and Development Center (FFRDC) Research and Development Laboratories identified in Table 1. of DoDI 5000.77, *DoD Federally Funded Research and Development Center (FFRDC) Program.*

1.2.3.3. Construction, as defined in FAR Part 2.101 and as applicable to FAR Part 36, *Construction and Architect-Engineer Contracts*. However, this DAFI does apply to routine recurring maintenance of real property as defined in FAR 37.101, *Definitions*.

1.2.3.4. Architect-Engineer Services, as defined in FAR 2.101.

1.2.3.5. Utilities.

1.2.3.6. Foreign Military Sales (FMS), regardless of FMS funding source.

1.2.3.7. Emergency or urgent one-time repairs or maintenance, with supporting documentation.

1.2.3.8. Classified, cryptologic, and intelligence projects/programs except to the extent practical at the discretion and decision of the responsible senior officials and decision authorities.

1.2.3.9. Acquisition of services in direct support of a contingency operation, a humanitarian or peacekeeping operation, or an emergency as declared by the President (See FAR 2.101). This exemption shall apply to the response and initial deployment phase but shall terminate based on conditions on the ground and a determination by the SADA as shown in Tables **2.1 and 2.2**.

1.2.3.10. Services listed in FAR 37.502, *Exclusions*.

1.2.3.11. Services acquired under other pathways of the Adaptive Acquisition Framework (see DoDI 5000.02, *Operation of the Adaptive Acquisition Framework*).

1.2.4. The following organizations are exempt from adherence to this DAFI:

1.2.4.1. Non-appropriated Fund Instrumentalities (unless using appropriated funds).

1.2.4.2. Air National Guard (ANG) (unless executing DAF funding).

1.3. Waivers.

1.3.1. Unique situations may arise that necessitate deviation to the authority levels delineated in Tables **2.1 and 2.2** and Tables **3.1 and 3.2**. Changes to these authority levels require approval by the SSM, except for S-PEO/TEO programs. Changes to S-PEO/TEO program authority levels require approval by the S-PEO/TEO. For all other organizational structures, submit changes to authority levels through the Services Advocate (SA) for staffing to the SSM.

1.3.2. Do not allow this instruction to impede the ability to respond rapidly to urgent situations. Report, in writing to the SSM, any situation which requires a deviation from this DAFI within 10 calendar days from the time the necessity for the deviation is identified or understood.

Chapter 2

ROLES, RESPONSIBILITIES, AND AUTHORITIES

2.1. Overview. The roles and responsibilities as described in this chapter may include further delegations as defined within this DAFI or a Services Management Agreement (SMA). The SMA documents specific roles and responsibilities of Secretariat, Air Staff, Space Staff, MAJCOM, FLDCOM, FOA, and DRU organizations.

2.2. Service Acquisition Executive (SAE). The SAEs are the senior officials responsible for the management of acquisition of contract services. The Assistant Secretary of the Air Force for Acquisition, Technology, and Logistics (SAF/AQ) serves as the SAE of the DAF for non-space systems, programs, and related activities. The Assistant Secretary of the Air Force for Space Acquisition and Integration (SAF/SQ) serves as the SAE of the DAF for space systems, programs, and related activities. The SAE is the Services Acquisition Decision Authority (SADA) with the authority to assign responsibilities. Each SAE has delegated SADA authorities to AFPEO/CM (except for programs assigned to S-PEOs/TEOs), who can further delegate those authorities. Each SAE:

    2.2.1. Assigns responsibility for the review and approval of procurements in each Services Category (S-CAT). As SADA, 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 thresholds and establish the level of review, decision authority, and applicable procedures in such categories.

    2.2.2. Establishes policies, procedures, and guidelines.

    2.2.3. Chairs annual Services Requirements Review (SRR) briefings presented by the S-PEOs/TEOs under their authority.

2.3. DAF Senior Services Manager (SSM). Each SAE appoints AFPEO/CM as the DAF SSM. The SSM 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 DAF on all services acquisitions. The SSM:

    2.3.1. Serves as principal advisor to the SAEs for services acquisitions.

    2.3.2. Informs, guides, and provides advice to the Secretariat, Air Staff, Space Staff, S-PEOs/TEOs, MAJCOMs, FLDCOMs, FOAs, and DRUs to support their role regarding management and oversight for services requirements within their respective portfolios.

    2.3.3. 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.

    2.3.4. Prepares required Congressional and Office of the Secretary of Defense (OSD) reports. Assists S-PEOs/TEOs (as requested) in addressing Congress on services acquisition elements within their respective portfolios.

    2.3.5. Performs enterprise-level data analysis on DAF services acquisitions.

2.3.6. Manages and oversees the requirements approval process for services acquisitions, as described in **Chapter 3**.

2.3.7. Facilitates training and development of the services acquisition workforce.

2.3.8. Acts as the DAF 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 belong to an acquisition related career field.

2.3.9. Fosters a services acquisition culture within the DAF using focused strategic messaging through the conduct of periodic services acquisition seminars, as funding allows.

2.4. AF Program Executive Officer for Combat and Mission Support (AFPEO/CM). The SAEs for the DAF assign SADA responsibility to AFPEO/CM for the management and execution of services requirements not assigned to S-PEOs/TEOs. AFPEO/CM:

2.4.1. Executes SADA authority for services acquisitions as assigned by the SAE. Delegates SADA authority to designated Secretariat, Air Staff, Space Staff, MAJCOM, FLDCOM, FOA, and DRU senior leaders through this DAFI and as further detailed to the specific organization through mutually agreed SMAs.

2.4.2. Establishes SMAs as necessary. The SMA is a written agreement between the AFPEO/CM and the Commander or Director of the MAJCOM, FLDCOM, FOA, or DRU organizations. SMAs for the Air Staff and the Space Staff are between the AFPEO/CM and the respective Vice Chiefs. Secretariat organizations are included in the Air Staff SMA. The SMA establishes the organization's delegated authorities in keeping with their degree of services acquisition maturity, continuous process improvement, workforce qualifications and experience to manage services acquisitions, and in-place structure to support the management and oversight of services acquisitions.

2.4.3. Reviews and coordinates documentation relating to services acquisitions prior to submission to SAF/AQ or SAF/SQ.

2.4.4. Dedicates and prepares full-time Program Directors within the AFPEO/CM organization who are responsible for coordinating services acquisitions and managing day-to-day activities for assigned organizations. These personnel are liaisons who build relationships between SADAs, their respective teams, and the SSM.

2.5. Services Acquisition Decision Authority (SADA). The SADA is the accountable senior leader responsible for the execution, management, and oversight of services acquisitions in each S-CAT identified in Tables **2.1 and 2.2** within their portfolio and/or expressed in an SMA. SADAs may delegate all, some, or none of their SADA authorities, but still retain overall responsibility for services acquisitions in their portfolio. The SADA shall:

2.5.1. Exercise authority for acquisition decisions including but not limited to:

2.5.1.1. The overall management and execution of services acquisitions, the degree of services acquisition maturity, continuous process improvement, the workforce qualifications and experience to manage services acquisitions, and the in-place structure to support the management and oversight of services acquisitions.

2.5.1.2. Source Selection Authority (SSA). Make the best value decision in a source selection. See FAR 15.303(b), *Responsibilities*, DFARS 215.303(b)(2), *Responsibilities,* DAFFARS Mandatory Procedure (MP) 5315.3, *Source Selection*, paragraph 1.4.1.2.*,* and *Department of Defense Source Selection Procedures*, paragraph 1.4.1.2.. Also applies to FAR 16.505 Fair Opportunity decisions.

2.5.1.3. Acquisition Plan Approval Authority. Chair the Acquisition Strategy Panel. Approve the acquisition plan. See FAR 7.1, *Acquisition Plans*, DFARS 207.1, and DAFFARS 5307.1. For acquisitions under $50M, determine how the acquisition planning will be documented.

2.5.1.4. Fee Determining Official. For Award Fee-type contracts, determine the amount of award fee to be earned by a contractor for each award fee evaluation period after reviewing Award Fee Board recommendations. See FAR 16.4, *Incentive Contracts*, DFARS 216.4, and DAFFARS 5316.4.

2.5.2. Approve all non-performance-based services acquisitions greater than or equal to the SAT and their related requirements documents, typically a Performance Work Statement (PWS) and Quality Assurance Surveillance Plan (QASP). See DAFFARS 5337.170-2, *Approval Requirements*.

2.5.3. Evaluate opportunities to meet category management and strategic sourcing objectives.

2.5.4. Ensure the formation and training of Multi-Functional Teams (MFTs) to execute the Seven Steps to the Services Acquisition Process for their assigned program. **(T-1)** Verify PM/SALs meet certifications/credentials listed in **Table 2.3**. Document PM/SAL assignment as the MFT lead.

2.5.5. As the SSA, ensure source selection team members have the requisite acquisition experience, skills, and training necessary to execute the source selection, and ensure the highest level of team membership continuity for the duration of the selection process. **(T-1)**

2.5.6. Approve transfer of DAF appropriated funds to procuring activities outside of the DAF. (See **paragraph 4.2.3**.)

2.5.7. Ensure development of a properly planned and resourced management approach for monitoring contractor performance. **(T-1)** Confirm partnerships are established between the requiring activity and the MFT with acquisition responsibility.

2.5.8. Ensure effective post-award management of cost, schedule, and performance. Attend Program Management Reviews (PMRs) annually. **(T-1)** If unable to attend, review PMR documentation at least annually. (See **paragraph 4.8.2.9**.)

2.5.9. Manage risk and assess the progress of the services acquisition against approved cost, schedule, and performance metrics.

Table 2.1. United States Air Force (USAF) SADAs by S-CAT.

S-CAT Level	Threshold Pre-Award: Rqmt Value Post-Award: Program Value (See Note: 6)	MAJCOM/FOA/DRU Structure w/ a Signed SMA (See Notes: 1,2,4,5,7)	Secretariat & Air Staff Structure w/ a Signed SMA (See Notes: 1,2,4,5,7)	Systems PEO/TEO Structure (See Notes: 1,3,4)
S-CAT I	Est. total value: ≥ $1 billion ($1B) or ≥ $300M in any one year	AFPEO/CM Delegable no lower than GO/SES	As designated by USD(A&S), SAF/AQ, or AFPEO/CM Delegable no lower than GO/SES	S-PEO/TEO Delegable no lower than GO/SES
S-CAT II	Est. total value: ≥ $250M but < $1B	AFPEO/CM Delegable no lower than GO/SES	AFPEO/CM Delegable no lower than GO/SES	S-PEO/TEO Delegable no lower than GO/SES
S-CAT III	Est. total value: ≥ $100M but < $250M	AFPEO/CM Delegable no lower than GO/SES	AFPEO/CM Delegable no lower than GO/SES	S-PEO/TEO Delegable no lower than Senior Materiel Leader (SML) or O-6/GS-15 (or equivalent)
S-CAT IV	Est. total value: ≥ $10M but < $100M	MAJCOM/FOA/DRU CC/CD/CV/CA Delegable to Wing/Directorate CC/CV or to a grade no lower than O-6/GS-15 (or equivalent)	SAF/MG or AFPEO/CM Delegable to no lower than the 2-Ltr Principal or Deputy	S-PEO/TEO or Deputy PEO/TEO Delegable to no lower than Materiel Leader (ML)/ or O-5/GS-14 (or equivalent)
S-CAT V	Est. total value: ≥ SAT but < $10M	MAJCOM/FOA/DRU CC/CD/CV/CA Delegable to Squadron CC/Division CC or to a grade no lower than O-4/GS-13 (or equivalent) ≥ SAT but < $5M Delegable to an Acquisition Workforce (AWF) Functional, as described in DoDI 5000.66, with responsibility for the management and oversight of the acquisition	SAF/MG or AFPEO/CM Delegable to no lower than 3-Ltr GO/SES	S-PEO/TEO or Deputy PEO/TEO Delegable no lower than the Materiel Leader (ML)/ or O-5/GS-14 (or equivalent)

Notes:
1. Special Interest Items (any structure): The SADA is designated by the Under Secretary of Defense for Acquisition & Sustainment (USD (A&S)) or designee. (See DoDI 5000.74)
2. MAJCOM/FOA/DRU or Secretariat/Air Staff Structure w/SMA: SMAs may include delegations to specific positions or personnel but will remain consistent with the delegation levels in this table. Delegations beyond this table require waiver by AFPEO/CM.
3. S-PEO/TEO Structure: Delegations beyond this table require waiver by the S-PEO/TEO. If assigned, the Milestone Decision Authority (MDA) is the SADA. For S-CATs I&II, if S-PEO/TEO is O-6, delegable no lower than Deputy PEO/TEO.
4. Delegations expressly allowable within the table must be documented in writing and maintained by the parent organization.
5. For any Structure without an SMA, the SADA is the AFPEO/CM unless delegated in writing.
6. View related task orders within an ordering vehicle and/or options as one program for determining the appropriate threshold. (See **para 1.1.1**)
7. For acquisitions that support multiple MAJCOMs, Secretariat, and Air Staff organizations, the decision authority is the SADA of the executing organization.

Table 2.2. United States Space Force (USSF) SADAs by S-CAT.

S-CAT Level	Threshold Pre-Award: Rqmt Value Post-Award: Program Value (See Note: 6)	FLDCOM Structure w/ a Signed SMA (See Notes: 1,2,4,5,7)	Space Staff Structure w/ a Signed SMA (See Notes: 1,2,4,5,7)	Systems PEO/TEO Structure (See Notes: 1,3,4)
S-CAT I	Est. total value: $\geq$ \$1 billion (\$1B) or $\geq$ \$300M in any one year	AFPEO/CM Delegable no lower than GO/SES	As designated by USD(A&S), SAF/SQ, or AFPEO/CM Delegable no lower than GO/SES	S-PEO/TEO Delegable no lower than GO/SES
S-CAT II	Est. total value: $\geq$ \$250M but < \$1B	AFPEO/CM Delegable no lower than GO/SES	AFPEO/CM Delegable no lower than GO/SES	S-PEO/TEO Delegable no lower than GO/SES
S-CAT III	Est. total value: $\geq$ \$100M but < \$250M	AFPEO/CM Delegable no lower than GO/SES	AFPEO/CM Delegable no lower than GO/SES	S-PEO/TEO Delegable no lower than the SML or O-6/GS-15 (or equivalent)
S-CAT IV	Est. total value: $\geq$ \$10M but < \$100M	FLDCOM CC/CD/CV/CA Delegable to HQ Director, Delta CC, Space Base Delta (SBD) CC/CV, SML/ML, or to a grade no lower than O-6/GS-15 (or equivalent)	SF/DS or AFPEO/CM Delegable to no lower than the 2-Ltr Principal or Deputy	S-PEO/TEO or Deputy PEO/TEO Delegable to no lower than the Materiel Leader (ML)/ or O-5/GS-14 (or equivalent)
S-CAT V	Est. total value: $\geq$ SAT but < \$10M	FLDCOM CC/CD/CV/CA Delegable to Squadron CC/Division CC or to a grade no lower than O-4/GS-13 (or equivalent) $\geq$ SAT but < \$5M Delegable to an Acquisition Workforce (AWF) Functional, as described in DoDI 5000.66, with responsibility for the management and oversight of the acquisition	SF/DS or AFPEO/CM Delegable to no lower than 3-Ltr Principal or Deputy	S-PEO/TEO or Deputy PEO/TEO Delegable no lower than the Materiel Leader (ML)/ or O-5/GS-14 (or equivalent)

Notes:
1. Special Interest Items (any structure): The SADA is designated by USD(A&S) or designee. (See DoDI 5000.74, Table 1)
2. FLDCOM or Space Staff Structure w/SMA: SMAs may include delegations to specific positions or personnel but will remain consistent with the delegation levels in this table. Delegations beyond this table require waiver by AFPEO/CM.
3. **S-PEO/TEO Structure:** Delegations beyond this table require waiver by the S-PEO/TEO. If assigned, the Milestone Decision Authority (MDA) is the SADA. For S-CATs I&II, if S-PEO/TEO is O-6, delegable no lower than Deputy PEO/TEO.
4. Delegations expressly allowable within the table must be documented in writing and maintained by the parent organization.
5. For any Structure without an SMA, the SADA is the AFPEO/CM unless delegated in writing.
6. View related task orders within an ordering vehicle and/or options as one effort for determining the appropriate threshold. (See **para 1.1.1**)
7. For acquisitions that support multiple FLDCOMs/Space Staff organizations, the decision authority is the SADA of the executing organization.

2.6. Services Advocate (SA). The SA is appointed by the Under Secretary of the Air Force (USecAF), Vice Chief of Staff of the Air Force (VCSAF), Vice Chief of Space Operations (VCSO), MAJCOM/CC, FLDCOM/CC, FOA/CC, or DRU/CC (SA appointing officials) to serve as the direct representative of the services organization and act as a liaison to AFPEO/CM and the SSM. The SA 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 SA appointing official. In this case, the SA appointing official may appoint the Deputy Commander (CD) or Vice Commander (CV) as the SA. The SMA shall document the appointed SA. The SA shall:

2.6.1. Serve as the principal point of contact for services acquisitions within the Secretariat and Air Staff, Space Staff, MAJCOM, FLDCOM, DRU, or FOA, as defined in their SMA.

2.6.2. Ensure their organization remains proactively engaged in improving the efficiency and effectiveness of services acquisitions.

2.6.3. Facilitate submission of periodic reports and responses to data calls for service acquisitions within their organizations.

2.6.4. Execute all roles and responsibilities as defined in their SMA.

2.6.5. Champion services acquisition workforce development and training.

2.7. The Systems Program Executive Officer/Technology Executive Officer (S-PEO/TEO) shall:

2.7.1. Execute Services Acquisition Decision Authority (SADA) and Requirements Approval Authority (RAA) for services acquisitions within their portfolio as outlined in Tables **2.1 and 2.2** and Tables **3.1 and 3.2**.

2.7.2. Establish a management structure and processes for requirements review of all acquisitions containing services greater than or equal to the SAT within the S-PEO/TEO's respective portfolio.

2.7.3. Create an annual SRR that reports budget, cost, schedule, performance, issues, and risks of all services programs greater than or equal to $10M in the S-PEO/TEO's portfolio. The SRR shall be briefed to the cognizant SAE. Use the template provided on the AFPEO/CM SharePoint website. (see **References in Attachment 1**)

2.7.4. Ensure programs are resourced with properly trained personnel. Personnel assigned to work services acquisition elements should be trained on the Seven Steps to the Services Acquisition Process. See available training on the AFPEO/CM SharePoint website. (see **References in Attachment 1**)

2.7.5. Assign a Defense Acquisition Workforce Improvement Act (DAWIA) certified PM for all services acquisitions greater than or equal to $100M. Organizations must gain AFPEO/CM approval to waive this requirement. (See **paragraph 2.11** and **Table 2.3**.)

2.7.6. Evaluate opportunities to meet category management and strategic sourcing objectives.

2.7.7. 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.

2.7.8. Ensure membership of an MFT is tailored (i.e., experience, quantity, etc.) for the size and complexities of the services acquisition and members are appointed for all services requirements greater than or equal to the SAT. The responsibilities of the MFT are defined in **paragraph 2.10**.

2.8. MAJCOM/FLDCOM/DRU/FOA (if delegated) CC/CD/CV/Executive Director (CA), Deputy Under Secretary of the Air Force (Management) (SAF/MG) for Secretariat and Air Staff, and Space Force Director of Staff (SF/DS) for Space Staff shall:

2.8.1. Execute Services Acquisition Decision Authority (SADA) and Requirements Approval Authority (RAA) for services acquisitions within their portfolio as outlined in **Table 2.1**. **or Table 2.2** for SADA and **Table 3.1**. **or Table 3.2** for RAA.

2.8.2. Establish an SMA with AFPEO/CM. (See **paragraph 2.4.4**.) For MAJCOMs, FLDCOMs, DRUs, and FOAs the SMA signatory is the CC. For Secretariat/Air Staff, the SMA signatories are the USecAF and VCSAF; for Space Staff, the SMA signatory is the VCSO.

2.8.3. Establish a management structure and processes for all acquisitions containing services greater than or equal to the SAT. (see **paragraph 1.1.4**.**)**

2.8.4. Ensure program Annual Execution Reviews (AERs) and an overall Effectiveness Review for the organization are presented to AFPEO/CM on an annual basis. The organizational SADA identified in the SMA (top level) may delegate the chair of these reviews to no lower than the SA. (See **Chapter 5**)

2.8.5. Ensure adequate internal governance policies and procedures are in place to evaluate services acquisitions above the SAT.

2.8.6. Assign a DAWIA certified PM for all services acquisitions greater than or equal to $100M. Organizations must gain AFPEO/CM approval to waive this requirement. (See **paragraph 2.11** and **Table 2.3**.)

2.8.7. 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.

2.8.8. Evaluate opportunities to meet category management and strategic sourcing objectives.

2.8.9. 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.

2.8.10. Ensure membership of an MFT is tailored (i.e., experience, quantity, etc.) for the size and complexities of the services acquisition and members are appointed for all services requirements greater than or equal to the SAT. The responsibilities of the MFT are defined in **paragraph 2.10**.

2.9. Requirements Approval Authority (RAA). The RAA approves services requirements at Secretariat, Air Staff, Space Staff, MAJCOM, FLDCOM, FOA, DRU, and S-PEO/TEO levels. For the purposes of DAF, the RAA fulfills the SRRB chair role as defined in DoDI 5000.74. The RAA establishes a process that incorporates cross-functional representation from requiring activity, contracting, financial management, and other pertinent organizations to identify, assess,

validate, and approve services requirements. The approval of a requirement allows senior mission leaders to prioritize mission requirements to best support their mission needs within available funding limits. Tables **3.1 and 3.2** specify the authority levels. (Note: In some cases, the RAA and the SADA may be the same person). The RAA shall:

2.9.1. Review and approve all Requirements Approval Documents (RADs) greater than or equal to the SAT prior to approval of the acquisition strategy for the services being acquired.

2.9.2. Ensure all approved RADs that contain depot maintenance requirements are consistent with their respective Depot Source of Repair decisions. (See AFMAN 63-122, *Depot Source of Repair Planning and Activation*, 21 January 2020)

2.10. Multi-Functional Team (MFT).

2.10.1. The MFT is a mission-focused team responsible for developing contract requirements, assessing contractor performance, and managing service delivery. The emphasis of the MFT is on teamwork, trust, knowledge-sharing, and efficient execution. The MFT is responsible for duties in each of the Seven Steps to the Services Acquisition Process outlined in the Acquisition of Services pathway (see DoDI 5000.74).

2.10.2. This team includes representatives of all the stakeholders involved in the effort. Tailor the membership of the MFT to fit the size and complexities of the acquisition. The MFT will include the Program Manager (PM) or Services Acquisition Lead (SAL), Requiring Activity Representative, Contracting Officer (CO), and Contracting Officer's Representative (COR) when assigned or designated. Others should be added to the MFT based on the pre- and post-award specifics of the program; these include functional/technical subject matter experts, price analyst, contract specialist, labor advisor, safety representative, logistics representative, and/or Defense Contract Management Agency (DCMA) representative. Some members may be necessary for their contribution to specific documents or tasks; these include the Quality Assurance Program Coordinator (QAPC), legal advisor, security representative, cybersecurity representative, finance representative, COR supervisor, functional commander/director, and/or small business representative.

2.10.3. The SADA ensures the formation of the MFT. The MFT is led by a PM or by a SAL; if by a SAL, with close coordination and assistance from the CO. Members of the MFT are accountable to the PM/SAL for the activities related to each member's functional area. (See **Chapter 4** and the MFT Resources Guide on the AFPEO/CM SharePoint website for additional information).

2.11. Program Manager (PM)/ Services Acquisition Lead (SAL). The PM or SAL is the designated individual with the responsibility and authority for managing cost, schedule, performance, and risk of services acquisitions. The Department of the Air Force distinguishes between DAWIA-certified acquisition PMs and functionals performing the duties of a PM. The term Program Manager or PM, as used in this DAFI, refers to a DAWIA-certified PM. A DAWIA-certified PM is required for Programs greater than or equal to $100M. **(T-1)** PMs may be appointed within the grace period to meet certification required by their position as described in DoDI 5000.66, *Defense Acquisition Workforce Education, Training, Experience, and Career Development Program*, para 5.1..f. The term SAL describes functionals (i.e., personnel from the requiring activity) who perform the duties of a PM. A SAL (or PM if assigned by the SADA) is required for all services acquisitions greater than or equal to the SAT and less than $100M. **(T-1)**

Table 2.3 establishes certification and credential requirements for PMs and SALs. The PM or the SAL performs the duties of the Functional Services Manager (FSM) as defined in DoDI 5000.74. The PM or SAL:

2.11.1. Leads the MFT through the Seven Steps to the Services Acquisition Process. Tailors program strategies and oversight. Recommends content, timing, and scope of decision reviews and decision levels based on the characteristics of the capability being acquired (including complexity, risk, and urgency) to satisfy user requirements.

2.11.2. Ensures MFT composition is adequately resourced relative to the scope and complexity of the program considering management of the acquisition (policy and law), business (financial and contract), technical (engineering, logistics, manufacturing, IT, etc.), and leadership.

2.11.3. Develops and coordinates an MFT charter for S-CAT I – III programs for signature by all MFT members. MFT charters are recommended for S-CAT IV – V programs. **(T-1)** The MFT charter assigns resources and establishes roles and responsibilities of members. The MFT charter also documents the acquisition objectives, schedule, deliverables, and communication plan. Issues with development or execution of the charter shall be raised to the SADA for resolution.

2.11.4. Translates program objectives into outcome-based services requirements with measurable performance objectives and program metrics to measure success. Ensures program objectives and goals are aligned with those of the leadership chain and the mission. Ensures mission essential functions identified by the requiring activity are included in acquisition planning and requirements documents. (see DFARS 237.76, *Continuation of Essential Contractor Services*)

2.11.5. Utilizes appropriate program and project management tools, techniques, and business processes to manage cost, schedule, and performance and associated issues, risks, and opportunities.

2.11.6. Leads the MFT, seeks input, collaborates, and coordinates with team members to develop necessary acquisition documents and artifacts to enable data-driven decisions for effective execution. All members of the MFT must work in concert to ensure execution of sound acquisition strategies and consistent administration of services programs.

2.11.7. Leads the MFT through the performance of market research and analysis of strategies, best practices, and effectiveness of historical methods used to meet Government requirements.

2.11.8. Complies with all applicable regulatory and statutory requirements to include developing and maintaining appropriate programmatic documentation.

2.11.9. Develops tailored and executable program strategies which consider the program's risk.

2.11.10. Proposes waivers and deviations as needed to streamline, tailor, and execute the assigned program.

2.11.11. Leads the development of the acquisition strategy and ensures an ASP is conducted for all acquisitions that require a written acquisition plan (AP) (See DFARS 207.103, *Agency-head Responsibilities*, and DAFFARS 5307.104-92, *Acquisition Strategy Panels (ASP) and AP Approval Authority*.

2.11.12. Actively manages risks, issues, and opportunities from identification to resolution using a documented risk management plan throughout the lifecycle of the program.

2.11.13. Defines processes for managing, prioritizing, and coordinating actions which may impact requirements, cost, schedule, performance, risks, issues, and opportunities throughout the lifecycle of the acquisition. Ensures any proposed changes or modifications are coordinated with the MFT.

2.11.14. Develops a plan to effectively execute the approved program budget to include the management of budget cuts, requirement growth, and contract underruns/overruns. Analyzes funding risk and develops courses of action where disconnects exist between valid requirements and available program funding. Actively engages in all activities related to program funding.

2.11.15. Leads the development, implementation, and execution of award fee and other incentive arrangements.

2.11.16. Ensures contractor performance is assessed using the QASP throughout the acquisition lifecycle and the MFT takes appropriate action as required. **(T-0)**

2.11.17. Ensures a Contractor Performance Assessment Report (CPAR) is submitted annually following guidance found in the General Services Administration Contractor Performance Assessment Reporting System (CPARS) Guidance document. **(T-0)** PMs/SALs may serve as the Assessing Official (AO).

2.11.18. Executes Program Management Reviews (PMRs). (See **paragraph 4.8.2.9**.)

2.11.19. Briefs program(s) at the AER to AFPEO/CM. (See **Chapter 5**)

2.11.20. Collaborates with the contracting officer and contractor to ensure contract closeout is accomplished in a timely manner.

Table 2.3. Certification Levels for PMs/SALs.

	Role	Program Value	Certification/Credential
S-CAT I*	Program Manager	Est $\geq$ $1B or $\geq$ $300M in any one year	DAWIA PM Advanced Certification
S-CAT II	Program Manager	Est. total value: $\geq$ $250M but < $1B	DAWIA PM Practitioner Certification
S-CAT III	Program Manager	Est. total value: $\geq$ $100M but < $250M	DAWIA PM Practitioner Certification
S-CAT IV	Services Acquisition Lead	Est. total value: $\geq$ $10M but < $100M	Defense Acquisition University (DAU) Services Acquisition Team Member Credential
S-CAT V	Services Acquisition Lead	Est. total value: > SAT but < $10M	DAU Services Acquisition Team Member Credential
Notes: 1. Personnel appointed as PMs, as required by this table, must occupy an Acquisition Position Category billet, coded "A" (Program Manager) within the Manpower Programming and Execution System (MPES). **(T-1)** 2. SADAs may appoint DAWIA-certified Program Managers to S-CAT IV and V requirements based on risk, complexity, and availability. 3. SALs should achieve credential NLT six months after designation. 4. Visit dau.edu for current Certification and Services Acquisition Team Member credentialing requirements.			

2.12. Contracting Officer (CO). The CO is the only person with the authority to obligate the Government and direct a contractor's performance. The CO carries out the requirements identified in the Federal Acquisition Regulation (FAR) and its supplements.

2.12.1. The CO plans, awards, administers, modifies, interprets, takes corrective action, and terminates a contract on behalf of the Government commensurate with the limitations specified on the CO's warrant.

2.12.2. As described in DoDI 5000.72, *DoD Standard for Contracting Officer's Representative (COR) Certification*, Enclosure 3, para 1(c), when applicable, the CO designates a properly trained COR in writing. **(T-0)** COs shall designate a COR for all services contracts, unless certain conditions are met, as described in DFARS Procedures, Guidance, and Information (PGI) 201.602-2(d)(v)(A), *Responsibilities*. **(T-0)** Contracting Officers may consider designating alternate CORs as required. COs are responsible for ensuring contract-specific training is scheduled and provided. Training may be conducted by the CO, Contracting Specialist, or QAPC. See DAFFARS MP 5301.602-2(d), *Designation, Assignment, and Responsibilities of a Contracting Officers Representative (COR),* paragraph 1.3.

2.12.3. For acquisitions under $50M, the CO documents acquisition planning consistent with SADA instructions.

2.13. Contracting Officer's Representative (COR). CORs are nominated by the requiring activity and, upon contract award, designated by the Contracting Officer. Requiring activities should nominate CORs early in the acquisition process to allow the prospective COR to receive required training and to provide timely input before contract award.

2.13.1. A COR executes the duties and responsibilities detailed in FAR 1.604, *Contracting Officer's Representative (COR)*, DFARS PGI 201.602, DAFFARS Mandatory Procedure (MP) 5301.602-2(d), and DoDI 5000.72. **(T-0)** Specific duties are outlined in the Contracting Officer's COR designation letter.

2.13.2. Prospective CORs shall participate, as appropriate, in pre-award requirements definition, acquisition planning, and contract formation processes (i.e., market research, independent government estimate, justification and approval documentation). **(T-3)**

2.13.3. CORs may utilize subject matter experts (SMEs) to provide additional insight and observations to the COR regarding the contractor's performance. CORs must verify and document the observations provided by SMEs; however, CORs shall not appoint, designate, re-designate or sub-designate COR duties/responsibilities to other persons. **(T-0)**

2.13.4. CORs will use the Procurement Integrated Enterprise Environment (PIEE) system to maintain documentation of COR training, surveillance activities, and approve contract payments. See the *DoD COR Guidebook* for additional COR guidance. **(T-0)**

2.14. Chief Contracting Officer's Representative (C-COR). When a CO or PM/SAL determines that a services contract requires more than one COR, the requiring activity may nominate, and the contracting officer may designate a C-COR. In addition to the COR responsibilities identified in **paragraph 2.13,** the C-COR manages the activities of all CORs and COR Supervisors for a particular contract to ensure compliance with regulatory, quality assurance and reporting requirements specified in paragraphs **2.13** and **2.15**.

2.15. COR Supervisor. The COR Supervisor shall ensure subordinates fully accomplish their COR duties, document the performance of those duties in the COR's annual appraisal, and ensure CORs are resourced with the time and materials needed. The COR Supervisor is responsible for ensuring that subordinates utilize the Procurement Integrated Enterprise Environment (PIEE) system to maintain documentation of surveillance activities and approve contract payments. See FAR 1.604, DFARS PGI 201.602, DAFFARS MP 5301.602-2(d), and DoDI 5000.72 for duties and responsibilities.

2.16. Quality Assurance Program Coordinator (QAPC). The QAPC is responsible for the coordination and management of the organization's contract quality assurance program.

2.16.1. The QAPC:

2.16.1.1. Trains CORs and COR supervisors on quality assurance procedures and verifies COR training is accomplished. May conduct contract-specific training when necessary.

2.16.1.2. Monitors COR nominations, designations, terminations, and training records.

2.16.1.3. Assists in market research and PWS development with the MFT.

2.16.1.4. Assists with the integration of quality requirements into the contract, QASP, and Award Fee/Incentive Plan as applicable.

2.16.2. Refer to DoDI 5000.72, DAFFARS MP 5301.602-2(d), and DAFFARS MP 5346.103, *Contracting Office Responsibilities*, for additional QAPC responsibilities.

2.16.3. Refer to the MFT Resources Guide on the AFPEO/CM SharePoint site (see **References in Attachment 1**) for more information related to the QAPC's role on the MFT.

Chapter 3

REQUIREMENTS APPROVAL PROCESS

3.1. Overview. Congressional and DoD direction dictates every services requirement greater than or equal to the SAT be validated. DAF-funded requirements are validated and approved by the Requirements Approval Authority (RAA). The RAA establishes a process that incorporates cross-functional representation from the requiring, contracting, and financial management communities to identify, assess, validate, and approve services requirements. A requirements review process is critical to the final cost, schedule, and performance of an acquired service and should incorporate current and accurate mission needs, spend data analysis, cost analysis, risk analysis, and initial market research. The RAA ensures that services requirements are defined and validated in a manner that promotes the most effective use of resources across the DAF enterprise. See **paragraph 1.1.4** for a full explanation of how the DAF implements the requirement for an SRRB.

3.2. Requirement Identification. The requiring activity representative, or assigned PM/SAL, documents the need for the proposed requirement and obtains requirements approval from the appropriate RAA (see Tables **3.1 and 3.2**) as soon as new requirements, follow-on requirements, or changes to recurring requirements are identified.

3.2.1. If there are multiple requiring activities, follow AFI 25-201, *Intra-Service, Intra-Agency, and Inter-Agency Support Agreement Procedures,* to execute a Memorandum of Agreement (MOA) which identifies the requiring activities, the lead organization, PM/SAL assigned, and RAA for execution of the acquisition. If the combined requirements total $100M or more, the identified lead organization will provide the MOA to the SSM if requested.

3.2.2. When the organization determines a need for contracted services, the RAA, as described in **Section 2.9** and Tables **3.1 and 3.2**, approves the requirement via the Requirements Approval Document (RAD) prior to approval of the acquisition strategy. This process aligns accountability and responsibility of the services requirement within the requiring activity's chain of command. The SADA, through written communication with the RAA, may grant a waiver to extend the RAD approval timeline beyond the approval of the acquisition strategy. 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) Exception:** S-PEO/TEO **(T-3)**

3.2.3. For S-PEO/TEO programs of record, requirements approval is captured within the mandatory milestone decision documents. The RAA is the assigned Milestone Decision Authority (MDA). Clearly written services requirements vetted by the appropriate stakeholders early in the life cycle or requirements included in the Acquisition Strategy or Life Cycle Sustainment Plan serve as the 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.

Table 3.1. USAF Requirements Approval Authority.

Services Category (S-CAT)	Requirement Value	MAJCOM/DRU/FOA Structure (Notes: 1,4,5)	Secretariat & Air Staff Structure (Notes: 1,2)	System PEO/TEO Structure (Notes: 1,3)
Special Interest		As designated by USD(A&S), SAF/AQ, or AFPEO/CM (all dollar values)	As designated by USD(A&S), SAF/AQ, or AFPEO/CM (all dollar values)	As designated by USD(A&S), SAF/AQ, or AFPEO/CM (all dollar values)
S-CAT I	Est. total value: ≥ $1B or ≥ $300M in any one year	MAJCOM/DRU/FOA CC/CD/CV/CA (delegable)	SAF/MG	S-PEO/TEO (delegable)
S-CAT II	Est. total value: ≥ $250M but < $1B	MAJCOM/DRU/FOA CC/CD/CV/CA (delegable)	SAF/MG	S-PEO/TEO (delegable)
S-CAT III	Est. total value: ≥ $100M but < $250M	MAJCOM/DRU/FOA CC/CD/CV/CA (delegable)	SAF/MG	S-PEO/TEO (delegable)
S-CAT IV	Est. total value: ≥ $10M but < $100M	MAJCOM/DRU/FOA CC/CD/CV/CA (delegable)	SAF/MG (delegable)	S-PEO/TEO or Deputy (delegable)
S-CAT V	Est. total value: ≥ SAT but < $10M	MAJCOM/DRU/FOA CC/CD/CV/CA (delegable)	SAF/MG (delegable)	S-PEO/TEO or Deputy (delegable)

Notes:

1. RAD format is at the discretion of the RAA for all dollar values. All requirements greater than or equal to the SAT require an approved RAD signed by the RAA indicated by dollar threshold in the above table (or as delegated). The RAA must show the existence of a requirements review process.

2. Secretariat/Air Staff Structure: S-CAT IV and S-CAT V delegable to no lower than 3-Ltr Principal or Deputy. For SAF/CDM efforts, the RAA is Administrative Assistant to the Secretary of the Air Force (SAF/AA) (delegable).

3. Systems PEO/TEO Structure: RAA for S-CAT I and II is the S-PEO/TEO, delegable to no lower than GO/SES or Deputy PEO/TEO if S-PEO/TEO is O-6.
-RAA for S-CAT III is the S-PEO/TEO delegable to no lower than SML, O-6/GS-15 (or equivalent).
-RAA for S-CAT IV and V is either the S-PEO/TEO or Deputy delegable to no lower than the ML, O-5/GS-14 (or equivalent). In special circumstances, the S-PEO/TEO may waive the grade requirement if the RAA has appropriate access to the S-PEO/TEO, or a GO/SES within their leadership structure. Regardless of delegation level, if program has an assigned MDA, the MDA is the RAA.

4. MAJCOM/FOA/DRU Structure: MAJCOM/FOA/DRU CC/CD/CV/CAs may delegate authority for
S-CAT I, II, or III to a General Officer (GO)/Senior Executive Service (SES) within its command.
-S-CAT IV authority is 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).

5. Delegations to FOAs are not automatic but are at the discretion of their parent organization.

Table 3.2. USSF Requirements Approval Authority.

Services Category (S-CAT)	Requirement Value	FLDCOM Structure (Notes: 1,3,5)	Space Staff Structure (Notes: 1,2,5)	System PEO/TEO Structure (Notes: 1,4,5)
Special Interest		As designated by USD(A&S), SAF/SQ, or AFPEO/CM (all dollar values)	As designated by USD(A&S), SAF/SQ, or AFPEO/CM (all dollar values)	As designated by USD(A&S), SAF/SQ, or AFPEO/CM (all dollar values)
S-CAT I	Est. total value: $\geq$ \$1B or $\geq$ \$300M in any one year	FLDCOM CC/CD/CV/CA (delegable)	SF/DS	S-PEO/TEO (delegable)
S-CAT II	Est. total value: $\geq$ \$250M but < \$1B	FLDCOM CC/CD/CV/CA (delegable)	SF/DS	S-PEO/TEO (delegable)
S-CAT III	Est. total value: $\geq$ \$100M but < \$250M	FLDCOM CC/CD/CV/CA (delegable)	SF/DS	S-PEO/TEO (delegable)
S-CAT IV	Est. total value: $\geq$ \$10M but < \$100M	FLDCOM CC/CD/CV/CA (delegable)	SF/DS (delegable)	S-PEO/TEO or Deputy (delegable)
S-CAT V	Est. total value: $\geq$ SAT but < \$10M	FLDCOM CC/CD/CV/CA (delegable)	SF/DS (delegable)	S-PEO/TEO or Deputy (delegable)

Notes:

1. RAD format is at the discretion of the RAA for all dollar values. All requirements greater than or equal to the SAT require an approved RAD signed by the RAA indicated by dollar threshold in the above table (or as delegated). The RAA must show the existence of a requirements review process.

2. Space Staff Structure: S-CAT IV and S-CAT V delegable to no lower than 3-Ltr Principal or Deputy.

3. FLDCOM Structure: FLDCOM CC/CD/CV/CAs may delegate authority for S-CAT I, II, or III to a General Officer (GO)/Senior Executive Service (SES) within its command.
-S-CAT IV authority is delegable to HQ Directors, Delta CC, and Space Base Delta (SBD) CC/CV, 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).

4. Systems PEO/TEO Structure: RAA for S-CAT I and II is the S-PEO/TEO, delegable to no lower than GO/SES or Deputy PEO/TEO if S-PEO/TEO is O-6.
-RAA for S-CAT III is the S-PEO/TEO delegable to no lower than SML, O-6/GS-15 (or equivalent).
-RAA for S-CAT IV and V is either the S-PEO/TEO or Deputy delegable to no lower than the ML, O-5/GS-14 (or equivalent). In special circumstances, the S-PEO/TEO may waive the grade requirement if the RAA has appropriate access to the S-PEO/TEO, or a GO/SES within their leadership structure. Regardless of delegation level, if program has an assigned MDA, the MDA is the RAA.

5. Any requirements related to Enterprise Data Management or Information Technology (IT) Services must be coordinated with the Chief Technology and Innovation Officer (CTIO) prior to approval per the CSO's Delegation of Requirements Decision Authority (RDA) Memo dated 9 November 2022.

3.3. Requirement Review and Documentation. A RAD in the form of a memorandum and/or an electronic approval record is mandatory for all services acquisitions applicable to this DAFI, unless otherwise exempted (see **Chapter 1**) or validated by other means (see **paragraph 3.2.3**.). Organizations may mandate the use of the Requirements Application of AFPEO/CM's Strategic Management Tool (SMT) to facilitate the review, approval, and documentation of services requirements.

3.3.1. The requiring activity shall assess, review, and validate the following as part of the requirement approval process:

3.3.1.1. Mission Need. Explanation of the need for the requirement and the outcomes to be achieved by the services acquisition. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.3.1.2. Strategic Alignment. How the requirement supports the overall organizational mission and the interests of the DAF. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.3.1.3. Workforce Analysis. Analysis of the decision to contract for services from a manpower perspective, taking into consideration total force management policies and procedures. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.3.1.4. Relationship to Other Requirements. How the requirement may impact other requirements or vice versa. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.3.1.5. Projected Cost of Requirement. Estimated cost of fulfilling the requirement for the projected total period of performance including options and extensions. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.3.1.6. Contract and Work Functions. Review requirement for inherently governmental functions, closely associated with inherently governmental functions, or critical functions. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.3.2. The RAD, regardless of form, at a minimum shall document the following information:

3.3.2.1. A description of the requirement, anticipated service start date, the need for the requirement, and the outcomes to be achieved. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.3.2.2. A description of how the requirement was previously satisfied and/or what changed in the environment to require the need for a contracted solution, if applicable. Include a description of the nature and extent of market research conducted. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.3.2.3. The impact to the mission if the RAD is not approved. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.3.2.4. An estimate of the total cost of the potential program including all periods, options, and extensions. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.4. Other RAD Considerations.

3.4.1. A RAD is required before a DAF organization may establish an inter-agency agreement to fund a requirement. **(T-1)**

3.4.2. A blanket RAD is a requirements approval that spans multiple requirements of a similar nature for a program or over the life of a contract vehicle ordering period.

3.4.3. RADs for strategic contract vehicles (non-DAF). When using another agency's enterprise contract vehicle with decentralized ordering, an appropriately approved DAF RAD, or DAF-approved blanket RAD, is required. **(T-1)**

3.4.4. RADs for strategic contract vehicles (DAF). For a DAF contract vehicle with decentralized ordering, an appropriately approved DAF RAD, or DAF-approved blanket RAD, is required for the award of the basic contract executed by the procuring organization. **(T-1)**

RAD amount will be for the entire ceiling value based on anticipated users. A separate RAD must be executed for task orders not included in the original contract RAD value. **(T-1)**

3.4.5. If the funding agency and the requiring activity are different, the RAD processing shall follow the processes and procedures established by the requiring activity's management structure. The RAD shall be coordinated through the funding agency prior to approval. Requirement approval is not dependent on funding availability. **(T-1)**

3.4.5.1. Installation and Mission Support service requirements ≥$10M that are resourced by 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/FLDCOM executing the requirement. **(T-2)** The requirement shall be assessed, reviewed, and validated by the owning MAJCOM/FLDCOM before AFIMSC approval. Owning MAJCOM/FLDCOM must coordinate on the RAD prior to AFIMSC approval. **(T-2)**

3.4.5.2. Requirements ≥$10M that are partially funded by OAC-18 account elements shall follow the respective MAJCOM/FLDCOM's requirement approval process. RAD shall also be coordinated with AFIMSC. **(T-2)**

3.4.5.3. AFIMSC approval authorities are defined by the MAJCOM/FLDCOM RAA structure (see Tables **3.1 and 3.2**.), Air Force Materiel Command SMA, and further written delegations.

3.5. Acquisitions with Different Execution and Funding Organizations.

3.5.1. DAF requirements executed by a non-DAF entity, to include Assisted Acquisitions, require an approved RAD. Non-DAF requirements executed by a DAF entity require documented evidence of requirement approval. Non-DAF requirement approval may follow the processes and procedures established by the non-DAF organization. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.5.2. If an acquisition solution to use a non-DAF procuring office to satisfy customer requirements is determined to be in the best interest of the DAF, the requiring activity representative or the assigned PM/SAL shall submit a RAD (approved by the RAA) (see **para 3.4.1**). **(T-1)** The approved RAD along with a SADA memorandum approving the use of a non-DAF procuring office must be included with any applicable Military Interdepartmental Purchase Request (MIPR) package. Organizations may use their own format for the SADA memo.

3.5.3. When a DAF entity serves as the procuring organization for a non-DAF entity, the procuring organization shall obtain a copy of a signed host tenant support agreement or MOA. The agreement must reflect the current environment of the scope of requirements or number of resources available to support procurement of the requirement and contract administration for the life of the contract vehicle. (**T-2**) If the agreement does not reflect the current environment of the scope of requirements or number of resources available to support, then the principal parties shall revisit the agreement. **(T-2)** If no host tenant support agreement or MOA exists, an agreement shall be written which acknowledges an awareness of the requirement and that the procuring organization has both the willingness and adequate personnel to support procurement of the requirement. **(T-2)** See AFI 25-201 and DoDI 4000.19, *Support Agreements*, for more information.

3.6. Amended Requirements.

3.6.1. An amended RAD is required when the value of the approved service exceeds the approval authority of the RAA who approved the initial RAD. Include the initial RAD in the amended RAD approval package. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.6.2. When the value of the acquisition exceeds 25% of the approved RAD but does not exceed the approval authority of the RAA, the PM/SAL shall inform both the SADA and the RAA of the value increase in writing. **(T-1) Exception:** S-PEO/TEO **(T-3)**

3.6.3. When there are changes to the scope of the original requirement that were not contemplated when the initial RAD was approved, the initial RAD will be canceled and a new RAD must be processed for the entire requirement. **(T-1) Exception:** S-PEO/TEO **(T-3)**

Chapter 4

SERVICES ACQUISITION PROCESS

4.1. Overview. The Services Acquisition Process starts when an organization identifies a mission requirement that can best be satisfied by contract and acquisition objectives defined by the requiring activity. Acquisition success depends largely on the preparation and planning conducted by the MFT prior to solicitation and award. The PM/SAL leads the MFT through the Seven Steps to the Services Acquisition Process to ensure proven, repeatable processes and procedures as described in DoDI 5000.74. The seven steps should be implemented in a manner consistent with the complexity and dollar value of an acquisition. Acquisition planning, market and enterprise research, and risk assessment, shall occur early and continuously throughout the acquisition process. The MFT is responsible for assessing, documenting, measuring, and reporting post-award service provider performance. Organizations may mandate the use of the Services Acquisitions application of AFPEO/CM's SMT to create, manage, and track the services acquisition and contract information. Additional information on the Seven Steps to the Services Acquisition Process may be found on the AFPEO/CM SharePoint website. (see **References in Attachment 1**)

4.2. Acquisition Planning (Steps 1 and 2). The MFT (led by the PM/SAL) shall complete acquisition planning activities to include forming the team, developing a team charter (see **paragraph 2.11.3**), defining the scope of the requirement with the requiring activity, establishing schedule, assessing past strategies and their effectiveness, assessing current performance (if reacquiring services), identifying stakeholders, and conducting a risk assessment. **(T-1)** Services acquisition planning and coordination activities shall allow sufficient time to develop or re-validate services requirements consistent with the requiring activity stated objectives.

4.2.1. Metrics. MFTs shall employ performance management metrics to achieve efficiencies in procurement of services using performance-based services contracting, competition, program review spend analyses, and improved management of services contracts. MFTs should tailor specific metrics to the needs of the requiring activity. Metrics must track and measure performance effectively, support and inform acquisition planning, and be considered during the requirement review and approval process.

4.2.2. Services Acquisition Workshop (SAW). See DoDI 5000.74 for MFT requirement to participate in a SAW provided by DAU. The DAF SSM waives the specific SAW requirement for all task orders greater than or equal to $100M and less than $500M unless the acquisition is determined special interest.

4.2.3. Assisted Acquisitions. The use of an assisted acquisition to satisfy a requirement may also be introduced during the acquisition planning phase. When an assisted acquisition solution is determined by the MFT to be the best approach, seek SADA approval in writing. Personnel from the assisting organization will participate in all pre-award and post-award phases of the acquisition according to their defined roles. Any authorities being delegated to an outside agency shall be delegated in writing. **(T-1)** Assisted acquisitions require a Fiscal Service (FS) Form 7600A, *Agreement Between Federal Program Agencies for Intragovernmental Reimbursable, Buy/Sell Activity,* detailing the roles and responsibilities of the requesting office and supporting acquisition office. An MOA may be used to further detail terms and conditions in addition to the FS Form 7600A. Recommend use of an MOA for DAF intra-agency

acquisitions. Adhere to AFI 65-118 for all assisted acquisitions that require acquisition support outside of the DAF.

4.3. Market and Enterprise Research (Step 3). MFTs shall follow the market research policies and procedures in FAR Part 10, *Market Research.* **(T-0)** When executing a new or follow-on strategic/enterprise vehicle, market research will likely require more in-depth assessments of the marketplace, including DAF's enterprise leverage, potential industry partners, and how to align with commercial best practices. MFTs shall engage with industry early and often to inform acquisition strategies that maximize competition, consider opportunities for small business and AbilityOne non-profit agency (see FAR 8.705-1, *Procedures*) participation, and increase reliance on commercial capabilities and technologies. MFTs shall consider strategic sourcing and use of enterprise vehicles, such as pre-existing contracts (inter- and intra-agency contracts), to fulfill services requirements before awarding new contracts (see FAR 7.102(a)(4), *Policy*). **(T-0)**

4.4. Early Strategy and Issues Session (ESIS). The purpose of an ESIS is to facilitate a candid and collaborative working session to discuss ideas, best practices, and significant acquisition issues. An ESIS is not meant to establish an acquisition strategy or to solicit a decision but serves as a vector-check from senior leaders prior to solidifying the acquisition strategy. The MFT should formally document any direction provided by the SADA for the acquisition. An ESIS is mandatory for all services acquisitions greater than or equal to $100M and is recommended for services acquisitions below $100M. **(T-1)**

4.4.1. ESIS participants from the MFT include the requiring activity representative, SADA, PM/SAL, contracting personnel, and other relevant MFT members (e.g., current COR (follow-on requirements), prospective COR (new requirements), financial management (FM), small business (SB), legal, security, manpower, safety).

4.4.2. When establishing milestones, schedule the ESIS after preliminary market research is conducted and no later than 90 calendar days prior to the ASP. **(T-3)** SADAs may approve earlier ASP briefings.

4.4.3. Consider holding a follow-on ESIS if market research or other considerations lead the team in a new direction that is more advantageous for the acquisition. If a follow-on ESIS is not feasible, discuss post-ESIS changes during the ASP briefing.

4.5. Requirements Definition (Step 4). MFTs shall align services requirements with the stated requiring activity objectives. Requirements shall be written in a performance-based manner supporting measurable cost, schedule, and performance outcomes tied to service quality and delivery. Integrate the results of risk analysis to assist in shaping the performance-based requirements. Performance-based requirements provide industry flexibility in meeting services requirements while relying on industry best practices and standards, where possible. Requirements shall be stated in terms of what is to be accomplished (result), rather than how to accomplish the work (method). Requiring activity representatives shall ensure that any citation to an instruction or directive within a performance work statement (PWS) is specific and does not reference the entire publication. The CO should share draft PWSs with industry for review and feedback.

4.5.1. The Quality Assurance Surveillance Plan (QASP) measures a contractor's performance against PWS requirements. See **Chapter 6** for Quality Oversight.

4.5.2. MFTs shall develop an Independent Government Cost Estimate (IGCE) to be submitted with the requirement package to Contracting. An IGCE is the Government's estimate of the

contractor's projected price for the successful performance of the contract. IGCE format and contents will vary depending on the complexity and value of the requirement and cost estimating technique employed, such as analogous, parametric, and bottom-up. IGCEs should be treated as Controlled Unclassified Information (CUI). Accurate IGCEs are critical for use in source selections, sole source negotiations, budget planning, and future requirement changes. Common elements of costs found in an IGCE include labor skill mix, hours, direct and indirect costs based on service levels, frequency of performance, and quality levels.

4.5.3. The PM/SAL is responsible for leading the development and coordination of requirements with functional SMEs.

4.5.3.1. Representatives from all applicable functional disciplines will support the PM/SAL in defining the requirement.

4.5.3.2. The PM/SAL shall include applicable safety, security, intelligence supportability, statutory, and regulatory requirements associated with contracted services as appropriate. Specific instructions that must be reviewed with airworthiness and safety SMEs are:

4.5.3.2.1. DAFI 62-601, *Airworthiness.* As applicable, include airworthiness requirements in the PWS. **(T-1)**

4.5.3.2.2. Defense Contract Management Agency Instruction 8210.1, *Contractor's Flight and Ground Operations.* As applicable, include flight and ground safety Contractor-Owned, Contractor Operated air services requirements in the PWS. **(T-1)**

4.5.3.2.3. AFI 91-202, *The US Air Force Mishap Prevention Program*. As applicable, include safety reviews/processes, systems safety and safety risk assessments and acceptance, in the PWS. **(T-1)**

4.5.3.2.4. DAFI 91-204, *Safety Investigations and Reports*. As applicable, include mishap investigation and reporting responsibilities in the PWS. **(T-1)**

4.5.3.2.5. AFI 63-101/20-101, paragraph 4.16.. As applicable, include critical intelligence supportability requirements in the PWS. **(T-1)**

4.6. Acquisition Strategy (Step 5).

4.6.1. Ensure the services acquisition strategy aligns with mission objectives and establishes a methodology that optimizes and drives performance. The selected contract type, source selection procedures, and contract incentives (if used) shall align to stated requirements and objectives. Consider applicable fees when contemplating use of inter-agency vehicles. Non-performance based requirements and strategies shall be approved by the SADA (see **paragraph 2.5.2**.). Organizations shall use templates established by AFPEO/CM for briefings identified below (see **References in Attachment 1**). All templates are tailorable to specific organizational acquisitions. The assigned AFPEO/CM Program Director shall be invited to attend all ESIS and ASP briefings for services acquisitions greater than or equal to $100M.

4.6.2. Acquisition Plan (AP) and Acquisition Strategy Panel (ASP). The acquisition strategy shall be documented in a comprehensive, integrated acquisition plan covering all cost, schedule, technical, business, and support strategies to manage program risks and meet program objectives. **(T-0)** Develop evaluation criteria that allow the Government to make meaningful differentiations among proposals ensuring consistency and linkage between the PWS and the finalized solicitation. DFARS 207.103 determines when a written AP is required.

Prepare the AP as described in FAR 7.105, DFARS 207.105, and DAFFARS 5307.105, *Contents of Written Acquisition Plans,* and DAFFARS 5307.104-92. ASP briefing charts satisfy the requirement for a written AP only when they satisfy the requirements of FAR 7.105 and DFARS 207.105.

4.7. Execute Acquisition Strategy (Step 6). The acquisition strategy is executed by the MFT. The strategy may include a variety of approaches to meet mission requirements. Acquisitions may be competitive or non-competitive in nature. In either case, the MFT shall follow the applicable business and contract clearance procedures defined in DAFFARS 5301.90, *Clearance*. **(T-0)** Competitive acquisition strategies are preferred. When necessary to procure through non-competitive means, see FAR 6, *Competition Requirements*. When execution will be accomplished using a competitive source selection process, the acquisition will be accomplished as described in FAR 15.3, *Source Selection*, the *Department of Defense Source Selection Procedures*, and DAFFARS MP 5315.3, *Source Selection*. **(T-0)**

4.8. Post-Award Performance Management (Step 7).

4.8.1. This step ensures effective management of cost, schedule, performance, and risk after contract award. The PM/SAL will ensure continued participation by the MFT during contract administration. The CO and PM/SAL should conduct a post-award conference (kick-off meeting) with the MFT and the contractor team members to ensure a common understanding of services requirements, expectations, and responsibilities of all members. The PM/SAL shall manage the transition plan timeline and monitor activities to ensure a smooth contract transition. **(T-1)** See FAR 42.5, *Post-award Orientation*.

4.8.2. The PM/SAL and the MFT shall implement services post-award management processes and tools that will be used to ensure successful execution in terms of cost, schedule, performance, and risk. **(T-0)** At a minimum, services post-award management will address the following:

4.8.2.1. Program objectives and goals aligned to those of senior leaders and the mission with associated metrics to measure and track success of the program.

4.8.2.2. A process for contract modifications.

4.8.2.3. Management of Government-Furnished Property, if applicable.

4.8.2.4. Tracking, reviewing, and analyzing contract deliverables, data, and data markings.

4.8.2.5. Management of risk, issues, and opportunities.

4.8.2.6. Obtaining, allocating, and prioritizing funding.

4.8.2.7. Timely review and acceptance of invoices for services received.

4.8.2.8. Contractor performance assessment, documentation, and reporting to include development and submission of the CPAR.

4.8.2.9. Program Management Reviews (PMRs) with the contractor, requiring activity, and other key stakeholders to review cost, schedule, performance, risks, issues, and opportunities.

4.8.2.9.1. Conduct PMRs for all S-CAT I, II, and III programs with the organization's senior leadership and key stakeholders on at least an annual basis. **(T-1)** These PMRs

are separate from the AFPEO/CM AERs and Effectiveness Reviews. Consider PMRs for S-CAT IV and V programs based on the scope, complexity, and mission of the contracted service. Organizations may use their own PMR format. The designated AFPEO/CM Program Director shall be invited to all PMRs for programs (not assigned to S-PEOs/TEOs) with a program value greater than or equal to $100M. **(T-1)**

4.8.2.9.2. Collect cost, schedule, and performance data to effectively manage the program.

4.8.2.9.3. Use performance management metrics as part of PMRs to review cost, schedule, performance, risks, issues, and opportunities associated with current contractual performance.

4.8.2.9.4. When discovered, report significant impacts to cost, schedule, or performance through the leadership chain to the SADA with a plan of action for resolution.

Chapter 5

GOVERNANCE ASSESSMENT

5.1. Governance Assessment. An annual review of services acquisition programs and processes is required for all organizational structures within the DAF (see DoDI 5000.74 para 4.6a). The assessment consists of an Annual Execution Review (AER) on programs greater than or equal to $100M and an overall self-assessment of the organization's governance of all services over the SAT (Effectiveness Review). The governance assessment briefings cover the previous fiscal year's services acquisitions and conclude no later than 15 March of the current fiscal year. **(T-1)** Organizations shall use templates established by AFPEO/CM for the briefings (see link for AFPEO/CM SharePoint website located in **References in Attachment 1**). **(T-1)** Organizations will develop and implement internal policies and procedures to evaluate programs greater than or equal to the SAT and less than $100M. **(T-1)** Organizations using both the Requirements and Services Acquisition applications of SMT may use SMT's Services Review and Enterprise Analytics applications to generate their governance assessment briefings.

5.2. Applicable to Secretariat, Air Staff, and Space Staff.

5.2.1. Deputy Under Secretary of the Air Force (Management) (SAF/MG) is the designated Secretariat and Air Staff Services Advocate responsible for the governance assessment. Space Force Director of Staff (SF/DS) is the designated Space Staff Services Advocate responsible for the governance assessment.

5.2.2. Annual Execution Reviews (AERs). The AER assesses cost, schedule, performance, risks, and issues of individual programs.

5.2.2.1. Organizations shall complete AERs for all programs greater than or equal to $100M, including those executed by non-DAF entities (e.g., General Services Administration, Defense Information Systems Agency). **(T-1)**

5.2.2.2. PMs/SALs shall brief their respective programs. **(T-1)**

5.2.2.3. SAF/MG and SF/DS should consider inclusion of programs under $100M based on risk, complexity, and performance.

5.2.3. Effectiveness Review. This review encompasses a self-assessment of the organization's ability to manage and govern services in the areas of People, Process, and Performance for those requirements greater than or equal to the SAT. **(T-1)**

5.3. Applicable to MAJCOMs, FLDCOMs, FOAs, and DRUs.

5.3.1. The organizational SADA may delegate responsibility for the governance assessment to the SA.

5.3.2. Annual Execution Reviews (AERs). The AER assesses cost, schedule, performance, risks, and issues of individual programs.

5.3.2.1. Organizations shall complete AERs for all programs greater than or equal to $100M including those executed by non-DAF entities (e.g., General Services Administration, Defense Information Systems Agency). **(T-1)**

5.3.2.2. PMs/SALs shall brief their respective programs. **(T-1)**

5.3.2.3. The SA should consider inclusion of programs under $100M based on risk, complexity, and performance. AFPEO/CM may specifically request briefings for select programs under $100M.

5.3.3. Effectiveness Review. This review encompasses a self-assessment of the organization's ability to manage and govern services in the areas of People, Process, and Performance for those requirements greater than or equal to the SAT. See **paragraph 2.8.4** for Effectiveness Review roles and responsibilities. **(T-1)**

5.4. Applicable to Systems PEOs/TEOs.

5.4.1. The S-PEO/TEO is the SADA for services acquisitions.

5.4.2. Following the end of each fiscal year, S-PEOs/TEOs shall conduct an annual review of their services requirements, i.e., a Services Requirements Review (see **paragraph 2.7.3**). **(T-1)** This annual review is briefed to the cognizant SAE and provides an effective overview of the management, performance, and governance of services acquisitions within each S-PEO/TEO portfolio. Use the template provided on the AFPEO/CM SharePoint website (see **References in Attachment 1**). **(T-1)** SAF/AQ and SAF/SQ consolidate the inputs from their respective S-PEOs/TEOs into integrated Health of Services assessments for the S-PEO/TEO structure.

5.5. Annual Summary. AFPEO/CM creates an annual integrated assessment for DAF services programs within their portfolio. **(T-1)** The integrated assessment is provided to the Services Review Group (SRG) no later than 30 April.

5.5.1. The SRG is a three-star level panel which consists of principals from SAF/Administrative Assistant (AA), AF/Director of Staff (DS), SF/DS, and SAF/MG.

5.5.2. The SRG reviews the information to identify DAF-wide synergies, efficiencies, and strategic opportunities. The SRG's recommendations may be presented to the DAF Council.

Chapter 6

QUALITY OVERSIGHT

6.1. Overview. The Government's role in quality oversight is to ensure it receives the services contracted for and only pays for the services received. The Government's approach to quality is documented in the Quality Assurance Surveillance Plan (QASP). The type and extent of contract quality requirements needed depends on the service being acquired (see FAR 46.201, *Contract Quality Requirement, General*). Solicitations and contracts may provide for alternative, but substantially equivalent, inspection methods to obtain wide competition and low cost. However, the CO may authorize contractor recommended inspection alternatives when in the Government's interest and approved by the requiring activity. Quality is the responsibility of the services contractor, not the Government. A guiding principle to quality is that the COR's level of surveillance is commensurate with the level of risk associated with contractor performance.

6.1.1. Contract quality requirements for services above the SAT fall into three general categories, depending on the extent of quality assurance needed by the Government for the acquisition.

6.1.1.1. Contracts for commercial services. The Government shall rely on the contractor to accomplish all inspection and testing needed to ensure that commercial services acquired conform to contract requirements before they are tendered to the Government (see clause at FAR 52.212-4, *Contract Terms and Conditions—Commercial Products and Commercial Services*).

6.1.1.2. Standard inspection requirements. Contractors provide an acceptable inspections system, give the Government the right to inspect, and keep complete records of inspection work. Services related clauses include FAR 52.246-4, *Inspection of Services-Fixed-Price*; FAR 52.246-5, *Inspection of Services-Cost Reimbursement*; and 52.246-6, *Inspection-Time-and-Material and Labor-Hour*.

6.1.1.3. Higher-level contract quality requirements. Requiring higher-level quality standards may be necessary in solicitations and contracts for complex or critical services (see FAR 46.202-4, *Higher-Level Contract Quality Requirements,* and clause at FAR 52.246-11, *Higher-Level Contract Quality Requirement*). Higher-level contract quality requirements are used in addition to standard inspection requirement (see DFARS 246.202-4, *Higher-Level Contract Quality Requirements*).

6.1.2. Background. Sections 4501, 4502, and 4505 of Title 10, United States Code (USC) mandate Performance-Based Services Acquisition goals, cost savings, and a management/oversight structure for services acquisitions similar to the procurement of products.

6.1.3. Additional Information. The MFT Resources Guide on the AFPEO/CM SharePoint site (see **References in Attachment 1**) 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 and surveillance.

6.2.2. QASP Development. The QASP is developed based on the surveillance necessary to assess contractor compliance to PWS requirements. Mission essential/critical Services Summary (SS) items with measurable performance thresholds shall be included in the PWS. The MFT ensures the QASP includes the SS items with performance objectives (acceptable quality levels), surveillance methods, and surveillance frequency. Other PWS/contract items are included within the QASP for surveillance, on an as needed basis, to ensure PWS coverage. Furthermore, the QASP identifies how CORs link surveillance of SS items to periodic surveillance reporting and to CPARS reporting. The QASP may be shared with the contractor to provide transparency regarding the Government's surveillance methodology but shall not be part of the resulting contract.

6.2.3. QASP Related Requirements: QASP-related requirements are addressed in several regulatory, procedural, instructional, and guidance documents. These documents should be consulted for each acquisition to determine an appropriate QASP approach. Consult FAR Parts 12, *Acquisition of Commercial Products and Commercial Services*, 37, *Service Contracting,* and 46, *Quality Assurance*; DFARS 237.172, *Service contracts surveillance*, and 246.401, *Government Contract Quality Assurance*; DFARS PGIs 222.1703(4), *Combating Trafficking In Persons, Policy*, and 237.172, *Service contracts surveillance;* DAFFARS MP 5301.602-2(d) and 5346.103; the MFT Resources Guide on the AFPEO/CM SharePoint site; and any applicable functional community guidance (e.g., DAFI 21-101, *Aircraft and Equipment Maintenance Management*, for aircraft maintenance community) for QASP requirements. This is not an all-inclusive list.

6.2.4. DoD has mandated use of the Joint Appointment Module (JAM) and the Surveillance and Performance Monitoring Module (SPM) within the Procurement Integrated Enterprise Environment (PIEE) system 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 will be 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 appropriately addressed. **(T-2) Exception:** S-PEO/TEO **(T-3)**

ANDREW P. HUNTER
Assistant Secretary of the Air Force
(Acquisition, Technology & Logistics)

Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References

10 USC § 4501, *Procurement of contract services: management structure*

10 USC § 4502, *Procurement of contract services: senior officials responsible for management of acquisition of contract services*

10 USC § 4505, *Procurement of services: tracking of purchases*

DoDI 4000.19, *Support Agreements*, 16 December 2020

DoDI 5000.02, *Operation of the Adaptive Acquisition Framework*, 23 January 2020

DoDI 5000.66, *Defense Acquisition Workforce Education, Training, Experience, and Career Development Program,* 27 July 2017

DoDI 5000.72, *DoD Standard for Contracting Officer's Representative (COR) Certification*, 26 March 2015

DoDI 5000.74, *Defense Acquisition of Services*, 10 January 2020

DoDI 5000.77, *DoD Federally Funded Research and Development Center (FFRDC) Program,* 31 January 2018

DoDD 5100.03, *Support of the Headquarters of Combatant and Subordinate Unified Commands*, 09 February 2011

AFPD 63-1/20-1, *Integrated Life Cycle Management,* 7 August 2018

DAFI 21-101, *Aircraft and Equipment Maintenance Management*, 16 January 2020

AFI 25-201, *Intra-Service, Intra-Agency, and Inter-Agency Support Agreement Procedures,* 18 October 2013

AFI 33-322, *Records Management and Information Governance Program*, 28 July 2021

DAFI 62-601, *Airworthiness*, 10 June 2022

AFI 63-101/20-101, *Integrated Life Cycle Management*, 30 June 2020

AFI 65-118, *AF Purchases Using Military Interdepartmental Purchase Requests (MIPRS)*, 8 April 2020

DAFI 91-202, *The US Air Force Mishap Prevention Program,* 12 March 2020

DAFI 91-204, *Safety Investigations and Reports,* 10 March 2021

AFMAN 63-122, *Depot Source of Repair Planning and Activation*, 21 January 2020

DAFMAN 90-161, *Publishing Processes and Procedures*, 18 October 2023

Federal Acquisition Regulation (FAR)

Defense Federal Acquisition Regulation Supplement (DFARS)

Department of the Air Force Federal Acquisition Regulation Supplement (DAFFARS)

Department of Defense Contracting Officer's Representatives Guidebook, October 2022

Department of Defense Source Selection Procedures, 20 August 2022

Air Force Installation and Mission Support Center (AFIMSC) Standard Process for Contract Support Services (CSS) Requirements Approval, August 2021

AFPEO/CM SharePoint website:
https://usaf.dps.mil/sites/SAFAQ/projects/services/sitepages/peocm.aspx

Prescribed Forms

None

Adopted Forms

DAF Form 847, *Recommendation for Change of Publication*

FS Form 7600A**,** *Agreement Between Federal Program Agencies for Intragovernmental Reimbursable, Buy/Sell Activity*

Abbreviations and Acronyms

AER—Annual Execution Review

AFI—Air Force Instruction

AFIMSC—Air Force Installation and Mission Support Center

AFPD—Air Force Policy Directive

ANG—Air National Guard

AP—Acquisition Plan

ASP—Acquisition Strategy Panel

A&AS—Advisory and Assistance Services

CA—Executive Director

CC—Commander

CD—Deputy Commander

C-COR—Chief, Contracting Officer's Representative

CO—Contracting Officer

COR—Contracting Officer's Representative

CORT—Contracting Officer's Representative Tracking

CPAR—Contract Performance Assessment Report

CPARS—Contract Performance Assessment Reporting System

CUI—Controlled Unclassified Information

CV—Vice Commander

DAF—Department of the Air Force

DAFFARS—Department of the Air Force Federal Acquisition Regulation Supplement

DAFI—Department of the Air Force Instruction

DAU—Defense Acquisition University

DAWIA—Defense Acquisition Workforce Improvement Act

DCMA—Defense Contract Management Agency

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

FFRDC—Federally Funded Research and Development Center

FLDCOM—Field Command

FM—Financial Management

FMS—Foreign Military Sales

FOA—Field Operating Agency

FS—Fiscal Service

FSM—Functional Services Manager

GO/SES—General Officer/Senior Executive Service

HAF—Headquarters Air Force (Composed of Secretariat, Air Staff, and Space Staff)

IGCE—Independent Government Cost Estimate

JAM—Joint Appointment Module

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

OCSO—Office of the Chief of Space Operations

OSD—Office of the Secretary of Defense

PEO—Program Executive Officer

PGI—Procedures, Guidance, and Information

PIEE—Procurement Integrated Enterprise Environment

PM—Program Manager

PMR—Program Management Review

PWS—Performance Work Statement

QAPC—Quality Assurance Program Coordinator

QASP—Quality Assurance Surveillance Plan

RAA—Requirements Approval Authority

RAD—Requirements Approval Document

SA—Services Advocate

SADA—Services Acquisition Decision Authority

SAE—Service Acquisition Executive

SAL—Services Acquisition Lead

SAT—Simplified Acquisition Threshold

SAW—Services Acquisition Workshop

SB—Small Business

S-CAT—Services Category

SDO—Services Designated Official

SMA—Services Management Agreement

SME—Subject Matter Expert

SML—Senior Materiel Leader

SMT—Strategic Management Tool

S-PEO—Systems Program Executive Officer

SPM—Surveillance and Performance Monitoring Module

SRR—Services Requirements Review

SRRB—Services Requirements Review Board

SS—Services Summary

SSA—Source Selection Authority

SSM—Senior Services Manager

TEO—Technology Executive Officer

USecAF—Under Secretary of the Air Force

USSF—United States Space Force

VCSAF—Vice Chief of Staff of the Air Force

VCSO—Vice Chief of Space Operations

Office Symbols

AFPEO/CM—Air Force Program Executive Officer for Combat and Mission Support

SAF/AA—Administrative Assistant to the Secretary of the Air Force

SAF/AQ—Assistant Secretary of the Air Force (Acquisition, Technology, & Logistics)

SAF/MG—Deputy Under Secretary of the Air Force (Management)

SAF/SQ—Assistant Secretary of the Air Force (Space Acquisition and Integration)

SF/DS—Space Force Director of Staff

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

Terms

Acquisition Plan—A formal written document reflecting the specific actions necessary to execute the approach established in the approved Acquisition Strategy Panel and guiding contractual implementation.

Acquisition Strategy Panel (ASP)—An ASP includes the Chair, panel members, and a briefing supporting the proposed strategy. The ASP briefing is presented to the acquisition plan approving authority (SADA, unless delegated) to allow discussion of the proposed strategy and promote an informed decision.

Annual Execution Review (AER)—An annual review of services acquisition programs which assesses cost, schedule, and performance of individual programs. Presented to AFPEO/CM by the Program Manager or the Services Acquisition Lead of each program.

Assisted Acquisition—A type of interagency acquisition where a servicing agency performs acquisition activities on a requesting agency's behalf, such as awarding and administering a contract, task order, or delivery order.

Direct Reporting Unit—A subdivision of the Air Force, directly subordinate to the Chief of Staff, US Air Force. A DRU performs a mission that does not fit into any of the MAJCOMs.

Early Strategy and Issues Session—A candid and collaborative working session held early in the acquisition process to discuss ideas, best practices, and significant acquisition issues.

Effectiveness Review—An annual self-assessment of an organization's ability to manage and govern services requirements greater than or equal to the SAT. Typically presented by the organization's Services Advocate to AFPEO/CM.

Field Operating Agency—A subdivision of the Air Force, directly subordinate to a HQ USAF functional manager. A FOA performs field activities beyond the scope of any of the major commands.

Independent Government Cost Estimate—An estimate of the cost for goods and/or estimate of services to be procured by contract. Such estimates are prepared by Government personnel, i.e., independent of contractors.

Mission Owner/Partner—See Requiring Activity definition.

Multi-Functional Team—Team composed of representatives from appropriate functional disciplines working together and supporting the PM/SAL to create successful acquisition of services, identify and resolve issues, and make sound and timely recommendations to facilitate decision-making.

Performance Management Metrics—Parameters or measures of quantitative assessment used to track and manage performance. Metrics should be specific, measurable, achievable, relevant, and timely (SMART).

Program Management Review—A structured review, conducted by the Program Manager (PM) or the Services Acquisition Lead (SAL) with all key stakeholders, that assesses and reports program cost, schedule, performance, risks, issues, and opportunities.

Program Manager—Designated individual with responsibility for and authority to accomplish program objectives to meet the needs identified in the acquisition documents. Accountable for program cost, schedule, and performance and managing their associated risks and issues. Certified by DAWIA at Practitioner or Advanced level.

Quality Assurance Program Coordinator—The government individual responsible for coordinating and managing the Quality Assurance Program.

Quality Assurance Surveillance Plan—The document Government personnel use to assess contractor performance. The QASP identifies what is going to be inspected, the inspection process, and who will do the inspecting.

Requirements Approval Authority—The individual responsible to identify, assess, validate, and approve services requirements within Secretariat, Air Staff, Space Staff, MAJCOM, FLDCOM, DRU, FOA, and S-PEO/TEO organizations.

Requiring Activity—The organization charged with meeting a mission and delivering requirements. The requiring activity is responsible for obtaining funding or developing the program objective memorandum. The requiring activity may also be the organizational unit that submits a written requirement or statement of need for services required by a contract. The requiring activity is responsible for delivering the services to meet the mission if a contract is not in effect. Finally, the requiring activity provides a trained and qualified contracting officer's representative capable of determining whether services contract requirements are being performed following the terms of the contract. This DAFI uses Requiring Activity as an all-encompassing term for Mission Owner, Mission Partner, Requirements Owner, or Requiring Organization.

Senior Services Manager—The individual at the general or flag officer or Senior Executive Service level appointed by the Service Acquisition Executive to be responsible for governance in planning, execution, strategic sourcing, and management of services acquisitions. The AFPEO/CM is the designated SSM for the DAF.

Service Acquisition Executive—The civilian official within a military department who is responsible for the management of acquisition of contract services for or on behalf of that military department. SAF/AQ serves as SAE for non-space systems and programs. SAF/SQ serves as SAE for space systems and programs.

Services Acquisition Decision Authority—The individual responsible for ensuring a proposed services acquisition is consistent with DoD and DAF policies, procedures, and best practices guidelines for the acquisition of services through approval of the acquisition strategy. Formerly known as the Services Designated Official.

Services Acquisition Lead—The individual from a functional (i.e., requiring) organization who performs the duties of a Program Manager (see definition above). Individuals in this position are not DAWIA certified but are expected to attain the DAU Services Acquisition Team Member Credential.

Services Acquisition Program—A set of services requirements executed through one or more contract actions, interagency agreements, and/or other types of acquisitions with a common mission or objective.

Services Advocate—The individual who serves as the principal point of contact for services acquisitions within the Secretariat, Air Staff, Space Staff, MAJCOM, FLDCOM, FOA, or DRU. Must be GO/SES unless otherwise approved by SSM.

Services Management Agreement—Document between AFPEO/CM and Commander or Director of the Secretariat, Air Staff, Space Staff, MAJCOM, FLDCOM, FOA, and DRU organization which identifies the specific organizational roles and responsibilities not contained in this DAFI. SMAs further define the specific delegations for SADA and RAA within that organization.

Services Requirements Review Board—The DAF does not use the term Services Requirements Review Board (SRRB) as defined in DoDI 5000.74. However, the DAF implements all functions of an SRRB as described in **paragraph 1.1.4**.

Services Requirements Review Board Chair—The Requirements Approval Authority (RAA) performs this function.

Special Interest—Services that, by their nature or the circumstances related to their acquisition, deserve increased attention or care during planning, review, approval, and oversight.

Strategic Management Tool—A suite of program management and analysis apps that streamlines the generation, collection and tracking of services data. The SMT is a DAF enterprise solution that provides full life-cycle productivity apps from generating a Requirement Approval Document (RAD) to tracking Pre and Post Award milestones for a Services Acquisition. The Service Review app provides for automation of program annual review charts.

Systems Program Executive Officer—The individual dedicated to executive management and supervision of a portfolio of mission-related programs (both ACAT and S-CAT). The S-PEO reports directly to the SAE. Formerly referred to as Weapon Systems Program Executive Officer.