

**BY ORDER OF THE  
SECRETARY OF THE AIR FORCE**

**AIR FORCE MISSION DIRECTIVE 25**

**15 MAY 2024**



**AIR FORCE COST ANALYSIS AGENCY  
(AFCAA)**

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(Mr. C. Grant McVicker III, SES)

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This directive states the mission, defines the command structure, and establishes the responsibilities for the Air Force Cost Analysis Agency (AFCAA) as provided for under Headquarters (HAF) Mission Directive (MD) 1-12, Assistant Secretary of the Air Force (Financial Management and Comptroller). Refer recommended changes and questions about this publication to the Office of Primary Responsibility using the Department of the Air Force (DAF) Form 847, *Recommendation for Change of Publication*; route DAF Form 847s from field units through the appropriate functional chain of command. Ensure all records generated as a result 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.

**1. Mission.** AFCAA develops and validates life-cycle cost estimates and analyses, and enhances state-of-the-art DAF cost analysis capabilities. AFCAA also develops Independent Cost Estimates (ICEs), Non-Advocate Cost Assessments (NACAs), Service Cost Positions (SCPs), and other cost, economic, and business case analyses on major space, nuclear, aircraft, weapons, electronics, software, and information systems. AFCAA mission execution supports DAF acquisition processes including reviews by acquisition and Milestone Decision Authorities (e.g., DAF Review Boards (AFRBs), Defense Acquisition Boards (DABs), and Cost Review Boards (CRBs)). In addition, AFCAA develops cost analyses that support all DAF Strategy, Planning, Programming, Budgeting and Execution (SPPBE) processes and reviews to include SPPBE decision-making bodies and events. AFCAA serves as the DAF-wide center of excellence via a robust central cost

library and a cost research program that develops cost databases, models, methodologies and tools necessary to ensure credible cost estimates and cost analyses are performed throughout the DAF.

## **2. Command.**

2.1. The Secretary of the Air Force (SecAF) maintains authority, direction, and operational administrative control over the AFCAA, and ensures its effective and efficient operation.

2.2. The Assistant Secretary of the Air Force (Financial Management and Comptroller) (SAF/FM) acts for the SecAF in directing the DAF cost analysis program.

2.3. The Deputy Assistant Secretary for Cost and Economics (SAF/FMC) reports to SAF/FM and serves as the Executive Director of AFCAA. The Executive Director, AFCAA, serves as the key advisor to SAF/FM on cost analyses, assessments, and issues in support of the acquisition process, the SPPBE processes, sustainment reviews, and other major decision events.

2.4. AFCAA is a field operating agency reporting to SAF/FM and is comprised of a Senior Leader Technical Director and four (4) divisions, each headed by a Division Chief.

2.4.1. Aircraft and Weapons (FMCA).

2.4.2. Technology, Command and Control, and Special Programs (FMCT).

2.4.3. Space, Launch, and ICBM Systems (FMCS).

2.4.4. Operations and Support (FMCY).

2.5. AFCAA is headquartered on Joint Base Andrews-Naval Air Facility Washington, MD, and operates six (6) geographically separated Operating Locations at Eglin AFB, FL; Hanscom AFB, MA; Hill AFB, UT; Los Angeles AFB, CA; Joint Base Anacostia-Bolling, Washington, DC; and Wright-Patterson AFB, OH.

## **3. Responsibilities. AFCAA:**

3.1. Develops DAF SCPs for USAF and USSF Major Defense Acquisition Programs (MDAPs), Information Systems, Defense Business Systems (DBS), Special Access Programs (SAPs), Middle-Tier of Acquisition (MTA) programs, Software programs, Rapid Capabilities Office (RCO) programs, Space Rapid Capabilities Office (SpRCO) programs, Space Development Agency (SDA) programs, and other special interest programs.

3.2. Executes the SAF/FMC-chaired CRB and supports SCP decisions for all USAF and USSF MDAP, Information Systems, DBS, SAP, MTA, Software, RCO, SpRCO, and SDA programs, as well as other special interest programs.

3.3. Develops, reviews, and approves the NACA for all USAF and USSF MDAP, Information Systems, DBS, SAP (including RCO, SpRCO, and SDA programs), MTA, Software, and other special interest programs. These NACAs support acquisition events and decisions (e.g., milestones, contract awards, breaches, pre-RFP releases) and satisfy the Department of Defense Instruction (DoDI) 5000.73 Component Cost Estimate requirements. NACAs also support the SPPBE process, analyses of alternatives, planning process estimates, SPPBE decision-making bodies and stakeholders, and other DoD and DAF senior leadership decision forums.

- 3.4. Develops, reviews, and approves the DAF ICE required by statute when Office of the Secretary of Defense Cost Assessment and Program Evaluation delegates that responsibility to the DAF.
- 3.5. Advises the Source Selection Authority and participates in and/or leads cost evaluation teams on USAF and USSF MDAP, Information Systems, DBS, SAP, Software, MTA, RCO, SpRCO, and other special interest program source selections as directed by the SAF/FM, the Defense Acquisition Executive, or the Service Acquisition Executive.
- 3.6. Develops, supports, and/or administers cost, economic, business case, and other comparative analysis policy, guidance, standards and templates, training, education and professional certification programs and analyst qualification criteria.
- 3.7. Provides cost estimating performance and budget portfolio risk metrics.
- 3.8. Manages the DAF-wide cost and technical data collection and database development programs and develops cost estimating methods, tools, and models for DAF-wide use.
- 3.9. Co-chairs with AF/A4 the Cost Per Flying Hour CRB, under the direction of SAF/FMC, responsible for approving flying hour factors and analysis.
- 3.10. Supports development of financial analyses of the defense industry and the potential impact on the DAF and DoD to include the impact of Federal Government initiatives.
- 3.11. Manages and maintains the DAF Total Ownership Cost (AFTOC) System and publishes AFTOC reports consistent with OSD and Congressional requirements. This satisfies DoDI 5000.73 requirement for a service to retain and report Operation and Sustainment (O&S) data via a Visibility and Management of Operating and Support Costs (VAMOSOC).
- 3.12. Provides cost estimating and analysis to the Secretariat, Air Staff, and Office of the Chief of Space Operations (OCSO).
- 3.13. Directs special studies for SecAF, CSAF, CSO, and DAF senior leaders in response to internal DAF, OSD, OMB, and Congressional inquiries.
- 3.14. Reviews and comments on technical propriety and sufficiency of cost estimating and analysis provided to the SecAF, the Under Secretary of the Air Force (USecAF), CSAF, CSO, Vice Chief of Staff of the Air Force (VCSAF), Vice Chief of Space Operations (VCSO), OSD, OMB, and Congress.
- 3.15. Develops guidance and publishes approved planning factors applied across the DAF for budgeting operations and support requirements.

CARLOS RODGERS, SES, DAF  
Principal Deputy Assistant Secretary  
(Financial Management and Comptroller)