



SECRETARY OF THE ARMY
WASHINGTON

12 SEP 2014

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Delegation of In-Sourcing Approval Authority

1. References:

a. Memorandum, Deputy Secretary of Defense, 28 May 2009, subject: In-sourcing Contracted Services—Implementation Guidance.

b. Memorandum, Under Secretary of Defense (Personnel and Readiness), 2 March 2012, subject: Guidance Related to the Utilization of Military Manpower to Perform Certain Functions.

c. Memorandum, Assistant Secretary of Defense (Readiness and Force Management), 29 January 2013, subject: Private Sector Notification Requirements in Support of In-sourcing Actions.

d. Department of Defense Instruction 7041.04, 3 July 2013, subject: Estimating and Comparing the Full Costs of Civilian and Active Duty Military Manpower and Contract Support.

e. Memorandum, Secretary of the Army, 28 May 2013, subject: In-Sourcing Approval Authority. (hereby rescinded)

f. Memorandum, Deputy Assistant Secretary of the Army (Force Management, Manpower and Resources), 4 March 2011, subject: Army In-sourcing Approval Procedures.

2. In-sourcing, as defined in reference 1.a., is the conversion of any currently contracted service/function to Department of the Army Civilian or military performance, or a combination thereof.

3. I am delegating the approval authority for in-sourcing proposals, wherever such proposal is generated across the Army, to the Assistant Secretary of the Army (Manpower and Reserve Affairs) (ASA(M&RA)). All in-sourcing proposals presented to the ASA(M&RA) must comply with the enclosed procedures, and be subject to a legal review.

SUBJECT: Delegation of In-Sourcing Approval Authority

4. The resourcing of in-sourcing decisions must be competed through the Planning, Programming, Budgeting and Execution processes, such as Total Army Analysis and/or the Program Objective Memorandum. However, the use of temporary or term hires to ensure prompt corrective action for contracts lacking statutory authority, or those involving inherently governmental functions, is authorized when it is approved by ASA(M&RA) Manpower Policy and notice is provided to the program and budget communities.

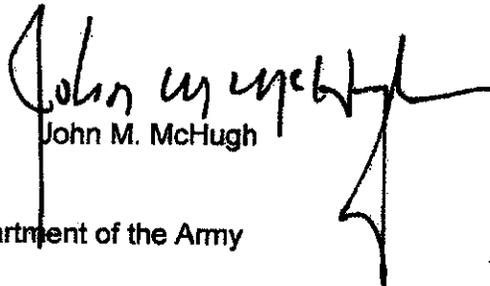
5. This guidance supersedes any prior approval procedures, including references 1.e. and 1.f.

6. The Deputy Assistant Secretary of the Army (Force Management, Manpower and Resources) will provide me with a quarterly report on approved in-sourcing initiatives across the Army.

7. This directive is effective immediately and will remain in effect through 1 June 2016 unless I reissue it or extend its application, in writing.

8. My point of contact for this matter is Ms. Eileen Ginsburg, ASA(M&RA), at 703-693-2109.

Encl


John M. McHugh

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SUBJECT: Delegation of In-Sourcing Approval Authority

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SUBJECT: Delegation of In-Sourcing Approval Authority

Enclosure: In-Sourcing Implementation Guidance, 23 July 2014

1. In-sourcing actions should be bundled together based on function, not on individual positions or contracts.

2. A complete in-sourcing package must be submitted to the Office of ASA-M&RA (FMMR) containing the following items:

a. Cover Memo - The cover memo will provide a brief description of what function(s) is/are to be in-sourced and why, as well as any other pertinent information.

b. Cost Analysis - The cost analysis must comply with Department of Defense Instruction 7041.04, "Estimating and Comparing the Full Costs of Civilian and Active Duty Military Manpower and Contract Support," (reference 1.d.). Coordinate with the Office of the Assistant Secretary of the Army for Financial Management and Comptroller (ASA-FMC), attn: SAFM-CES-I, Ms. Marsha Popp, (703) 692-7406 for assistance in completing the required documentation.

c. Workload Analysis - The workload will be validated by the U.S. Army Manpower Analysis Agency (USAMAA), attn: Mr. Brian Fiore, (703) 805-4236.

d. Manpower Mix Review – upon submission of the request, the ASA-M&RA manpower team will conduct a review to determine if the in-sourcing should be approved based on the function being Inherently Governmental, Critical, or Military Essential. In order to complete this review, the packet must include:

1) Inherently Governmental and Critical Function Review: a description of the function(s) to be in-sourced; the relevant completed Request for Services Contract Approval Form; the Performance Work Statement from the contract to be in-sourced; and the proposed Position Descriptions (PDs) for Department civilians to perform the function. If the position is being in-sourced to military, rather than civilian performance, then a comprehensive description of the Soldier's duties to be performed must be enclosed and the Military Occupational Specialty submitted in lieu of the proposed PDs. The point of contact for the inherently governmental and critical function review is ASA-M&RA (FMMR) Manpower Policy, attn: Ms. Eileen Ginsburg, (703) 693-2109, or Mr. Jason Beck, (571) 256-4366.

SUBJECT: Delegation of In-Sourcing Approval Authority

2) Military Essentiality Review: If the in-sourcing is to be done from contract to military personnel (i.e. it is not required when in-sourcing to civilian performance). The submission must include a narrative description/justification of the use of military personnel in the function to be in-sourced, pursuant to reference 1.b. and Department of Defense Instruction 1100.22, "Policy and Procedures for Determining Workforce Mix." The point of contact for the military essentiality review is the office of ASA-M&RA (FMMR) Manpower Policy, attn: LTC Amy Sheehan at (703) 693-0295, or Ms. Eileen Ginsburg, (703) 693-2109.

3. In-Sourcing Notification Requirement.

a. Once final approval to in-source has been granted by the ASA-M&RA, Commands must prepare an in-sourcing notification letter (pursuant to reference 1.c). Within 20 business days of the receipt of an in-sourcing decision, the contracting officer shall provide a written notification to affected incumbent private sector provider(s).

b. Based on the results of the Manpower Mix Review above, the ASA-M&RA will provide a template notification letter. The letter must be completed and coordinated with ASA-M&RA (FMMR) before being signed and sent to the incumbent private sector provider. This is to ensure that the letter being provided meets all relevant statutory requirements. In addition to the contractor(s), Commands must provide a copy of the signed letter to ASA-M&RA (FMMR), who will in turn forward it elsewhere as required. The point of contact for the in-sourcing notification requirement is office of ASA-M&RA(FMMR) Manpower Policy, attn: Mr. Jason Beck at (571) 256-4366.

4. Statutory and Policy references discussed in this policy may be accessed at www.asamra.army.mil/scra. It is highly recommended that these original source documents be consulted when preparing in-sourcing actions for coordination.

5. Submit completed in-sourcing package via email to ASA-M&RA(FMMR) Manpower Policy Team, Attn: Ms. Eileen Ginsburg, eileen.g.ginsburg.civ@mail.mil, LTC Amy Sheehan, amy.l.sheehan2.mil@mail.mil, or Mr. Jason Beck, jason.m.beck10.civ@mail.mil.