



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS AIR FORCE MATERIEL COMMAND
WRIGHT-PATTERSON AIR FORCE BASE, OHIO

CB

SEP 02 1994

MEMORANDUM FOR OC-ALC/CC
OO-ALC/CC
SA-ALC/CC
SM-ALC/CC
WR-ALC/CC

FROM: HQ AFMC/LG
4375 Chidlaw Road, Suite 6
Wright-Patterson AFB OH 45433-5006

SUBJECT: Management of Depot Maintenance Competition (DMC) Workloads

1. Two efforts to help manage the DMC workloads were the establishment of the Project Administrative Office (CB) and the Depot Maintenance Production and Tracking System (DMPTS). The CB offices are responsible for independent oversight of all competitively assigned workloads, for developing implementation procedures for monitoring DMC assignments at the ALC, and overseeing Workloads Assignment Document (WAD) compliance. The purpose of the DMPTS is to provide cost and schedule control.
2. A recent Coopers & Lybrand report, "Public versus Private Competition", states this command has serious management deficiencies in cost estimating, cost accounting and internal controls. This report accentuates the need for our aggressive post award management of the DMC workloads. It cannot be overemphasized that the functions of the CB offices are appropriately accomplished during the execution of the competed workloads. While AFMC/CC will not direct the commanders to retain the CB office during the command re-engineering effort, he does believe the functions of the office are extremely important to the DMC post award process. It is also important that we use DMPTS so any cost or schedule deviations can be addressed before they become problematic.
3. In keeping with executing DMC awards with integrity, we expect each Center to exercise all DMC options and complete the workload as competed. However, if mission requirements change to the point this no longer makes sense, you should obtain HQ AFMC/LG approval not to exercise the options on that specific WAD.
4. An AFMC/FM/LG/PK team was formed to develop a plan to address the issues in the Coopers & Lybrand audit. AFMC/CC was briefed on 19 Aug 94. We will provide you with a copy of our response to the audit and keep you advised of related developments.

h 94-23L (FAR 17)

Post to AFMCFARS 5317.95 where Depot Maintenance Competition was previously covered. Then file this atch behind sups to FAR 17.

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S [Signature]
[Signature] KT

5. Project officer is Mr. Al Malkiewicz, AFMC/LGPW, DSN 787-5969.

FOR THE COMMANDER



RONDAL H. SMITH
Brigadier General, USAF
Director of Logistics

Attachment:
Briefing Charts