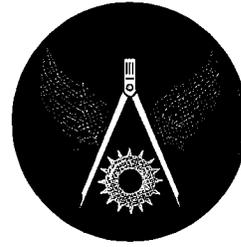




**US Army Corps
of Engineers®**



AIR FORCE MILITARY CONSTRUCTION PROGRAM

Program Management Plan (PgMP)

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1. GENERAL:

1.1 PURPOSE: The HQ U.S. Air Force (HQ USAF) and HQ U.S. Army Corps of Engineers (HQ USACE) developed this Program Management Plan (PgMP) to implement the Partnering Agreement (Reference 1.2a), and to support our joint goal of successful delivery of USAF Military Construction (MILCON) quality facilities that meet user requirements on time and within budget. The PgMP establishes and formalizes the expectations of both organizations in providing 'cradle to grave' management of the Air Force Military Construction Program. This PgMP supersedes the 16 May 2003 version.

1.2 REFERENCES:

- a. Partnering Agreement, HQ USAF/ILE and HQ USACE, 20 June 2002
- b. DODD 4270.5, Military Construction, 12 February 2005
- c. ER 5-1-11, United States Army Corps of Engineers Business Process, 17 Aug 2001
- d. AFI 32-1023, Design and Construction Standards and Execution of Facility Projects, 19 July 1994
- e. Engineer Regulation, ER 5-1-10, Corps-wide Areas of Work Responsibility, dated 30 Sept 1997
- f. Engineering and Construction Bulletin (ECB) 2004-21, MILCON Project Close-out, The Red Zone, dated 14 December 2004
- g. Engineering and Construction Bulletin (ECB) 2005-8, DoD Directive 4270.5, Military Construction, 16 June 2005
- h. Memorandum, CEMP-M (CERM-P), Clarification of USACE Policy on Planning and Design (P&D), Construction Supervision and Administration (S&A), and Post-Award Engineering and Design Services (DDC), dated 26 Mar 2003
- i. Memorandum, HQ USAF/A7C, Air Force Sustainable Design and Development (SDD) Policy, dated July 31, 2007
- j. Engineering and Construction (ECB) 2007-11, Consistent and Uniform S&A and DDC Charging Practices on Design-Build Projects Funded from Appropriations Subject to Flat Rate Procedures (e.g. MILCON, O&M), 15 May 2007
- k. Engineering and Construction Bulletin (ECB) 2007-3, Improving Construction Contract Modification Processing Time on MILCON projects, 23 January 2007
- l. Engineering and Construction (ECB) 2005-7, Use of Stipends in Military Construction-Funded Two Phase Design Build, 19 May 2005
- m. HQUSACE and AFRC Memorandum of Understanding, 10 Jan 2002

1.3 SCOPE: This PgMP applies to all USAF MILCON (Military Construction (MCAF), BRAC Construction (BCF), Family Housing (FHAF), Air Force Reserve (MAFR)) projects assigned to USACE. This PgMP will be supplemented by PgMPs with the appropriate USACE organization, and by a project management plan (PMP) for each MILCON project developed by the USACE district office assigned project management responsibility.

1.4 CHANGES TO PgMP: The PgMP will be reviewed periodically and may be revised at any time on mutual consent of the signatories.

2. ROLES AND RESPONSIBILITIES:

2.1 GENERAL ROLES: HQ USAF/A7CP is responsible for oversight of the AF military construction (MILCON) program. HQ USAF/A7CP provides policy, direction, and financial

management oversight to the Air Force Center for Engineering and the Environment (AFCEE) and HQ USACE for execution of the Air Force MILCON program. AFCEE is responsible for design and construction management of the AF MILCON program previously assigned to the Air Force Major Commands. AF MAJCOMs are responsible for the planning and programming of MILCON projects at their installations, and shall also maintain a liaison function to communicate and coordinate program execution issues with AFCEE.

2.2 GENERAL RESPONSIBILITIES: HQ USACE is responsible for program management of the AF MILCON program assigned to USACE, including USACE policy, guidance and direction for program management and execution, as the AF's design and construction agent. CEMP-II is the primary point-of-contact with HQ USAF/A7CP for program management, financial management, and execution issues including periodic program reviews. HQ USACE Regional Integration Teams (RITs) are point-of-contacts for specific project issues.

3. PROGRAM MANAGEMENT:

3.1 GENERAL: The HQ USAF and HQ USACE will work to meet expectations outlined in this plan. Each will maintain a continuing dialog with their counterpart as well as up and down their management chain to achieve successful projects through a partnered effort by the entire USAF and USACE team. HQ USAF and HQ USACE will coordinate policy changes and process improvements that may impact program execution prior to issuance. USACE Program Management will be in accordance with ER-5-1-11 (Reference 1.2c). HQ USACE and HQ USAF will publish small business goals established by DoD, Army, and USAF and work together to achieve them.

3.2 PROGRAM MANAGEMENT TEAM (PgMT): As a minimum, the Air Force MILCON PgMT will consist of, but, not be limited to, the following: members from USAF and USACE members responsible for program execution. Their roles and responsibilities include developing guidance for field execution of the MILCON program, and resolution of AFCEE and USACE Division/District level conflicts.

3.3 DESIGN AND CONSTRUCTION RESPONSIBILITIES:

a. Design and construction of projects assigned to USACE will normally be executed by the geographic military Division/District responsible for the region where the AF installation is located. A project may be brokered from the geographic district to another district in accordance with USACE policy (Reference 1.2e).

b. The AF may assume design and construction responsibility for selected projects not to exceed five percent of the dollar value of each year's USAF MILCON program assigned to USACE. When exercising this agreement, the AF will assume complete design and construction agent responsibility for execution of the project and share an After Action Report with HQ USACE addressing the Goals in Appendix A at beneficial occupancy date. Specific projects will be identified by HQ USAF/A7CP and requested in writing prior to Design Release. A memorandum requesting alternate agent will be sent to HQ USACE, Programs Integration Division, ATTN: CEMP-II. HQ USACE will coordinate with the

appropriate Division/District and will respond in writing. The AF will request Office of Secretary of Defense (OSD) approval, if required, in accordance with DODD 4270.5 (Reference 1.2b).

3.4 PROGRAM REVIEWS:

a. HQ USACE and HQ USAF program managers will meet periodically to review the current status of the MILCON program and USACE support to the AF. The Chief of Engineers and the Air Force Civil Engineer should plan to meet at least annually. The Director of Military Programs and the AF Civil Engineer should plan to meet quarterly.

b. Program Management Reviews (PMRs): HQ USAF is invited to attend the HQ USACE annual MILCON program review and annual After Action Review. USACE is invited to attend semi-annual HQ USAF/A7CP and AFCEE Program Management Reviews.

c. HQ USAF publishes the AF MILCON Team Scorecard quarterly which shows the program health based on the program goals (Appendix A). Copies will be provided to HQ USACE Director of Military Programs. Data that supports the scorecards will be provided to HQ USACE, CEMP-II. Periodic snapshots of data relative to Dirtkicker metrics in Excel spreadsheet format will be provided to CEMP-II to improve communication and coordination to ensure that accurate data is in ACES-PM. Indicators not meeting the agreed goal are expected to show improvement in subsequent years.

d. HQ USACE conducts periodic Military Programs Directorate of Management Review (DMR) of program execution. DMR information showing program status will address the program goals (Appendix A) and be provided to HQ USAF/A7CP.

3.5 CONFLICT RESOLUTION: Project issues will be resolved at the lowest possible management level. Any impasse will be elevated to the next command level for decision without unnecessary delay. Impasses that remain may be arbitrated by a third party as mutually agreed by The Air Force Civil Engineer and HQ USACE Director of Military Programs.

3.6 AUTOMATED MANAGEMENT INFORMATION SYSTEMS: HQ USACE and HQ USAF will continue to exchange data between P2 and ACES-PM. These systems are listed in Appendix B.

4. PLANNING:

4.1 DESIGN GUIDES: HQ USAF/A7CP will provide HQ USACE opportunities to review Air Force Design Guides as they are being vetted by the document sponsors. Any revised Air Force Design Guides or AF Engineering Technical Letters (ETLs) will be provided to HQ USACE for comment prior to distribution to AF and USACE offices. USACE will comply with HQ USAF approved ETLs in the design and construction of AF facilities.

4.2 LEGISLATIVE PROPOSALS: HQ USACE and HQ USAF/A7C staff will confer directly as needed to coordinate legislative proposals.

4.3 FEEDBACK: PgMT members will provide feedback on the provisions on the planning process during semi-annual AF hosted Program Management Reviews.

5. PROGRAMMING: HQ USAF/A7CP will provide DD Forms 1391 as soon as such information is releasable. HQ USAF/A7CP will provide Future Year Defense Plan information electronically to HQ USACE/CEMP-II, at least once a year, when the President's Budget is submitted (normally during winter months). Congressional marks will be provided electronically to HQ USACE/CEMP-II, upon request, or as soon as such data is available to A7CP.

6. DESIGN:

6.1 DESIGN AUTHORIZATION:

a. 2807 Notification: HQ USAF will notify the appropriate committees of Congress when required and will advise HQ USACE, CEMP-II, when the 21-day notification period has started. HQ USAF will notify HQ USACE, CEMP-II after the 21-day notification period has been completed.

b. Design Instruction (DI). HQ USAF will provide a DI report to HQ USACE, CEMP-II, no later than one year prior to the execution year (1 Oct 2007 for projects in the FY 2009 program). This report will include projects AFCEE is authorized to release to USACE districts and proceed with design. Data fields required, but not limited to, FY, Project Number, Installation, Project Title, Programmed Amount (PA), MAJCOM.

c. Field Design Instruction (Field DI). After receipt of the DI, AFCEE will issue a Field DI to the USACE district with information copies to the Division. The Field DI authorizes USACE to design the project and includes specific information including, but not limited to, the following: Project Number, Installation, Project Title, Programmed Amount (PA), Construction Cost Limitation (CCL), Scope, CATCODE, DD Form 1391, Level of Design Authorized (to include the USACE Authorized Phase Code - see Appendix C), and proposed schedule with User Need Date. Depending on design funds availability, design funds will be provided with Field DI to fund authorized level of design. For President's Budget projects, the target is to issue Field DIs at least 16 months prior to beginning of the execution year (e.g., 1 Jun 2007 for the FY09 program). Upon receipt of the DI, the goal (ref Appendix A) is for AFCEE to issue the Field DI within 30 days. For Congressional insert projects, the goal is for HQ USAF and AFCEE to issue DIs within 30 days following three positive Congressional MILCON Subcommittee marks.

6.2 DESIGN AND CONSTRUCTION STANDARDS: Projects will comply with AFI 32-1023 (Reference 1.2d). HQ USAF is responsible for providing written confirmation of any policy waivers to AFI 32-1023 to HQ USACE for dissemination to USACE offices. USACE will not waive AF criteria without written HQ USAF approval.

7. CONSTRUCTION:

7.1 SCHEDULE: Project schedules will be developed jointly between USACE districts and AFCEE to achieve AF requirements. The scheduled beneficial occupancy date (BOD) is a commitment to the customer.

7.2 RED ZONE MEETING (RZM): A RZM (Reference 1.2f) will be convened for the purpose of facilitating physical and fiscal completion of the project.

7.3 PROJECT TURNOVER: Interim DD Forms 1354 will be provided to the appropriate Air Force representative at the completion of construction. Final DD Forms 1354 will be provided when the project has been financially closed out.

7.4 CURRENT WORKING ESTIMATE (CWE): The CWE includes contract award amount, optional bid items, contingency, the applicable Supervision and Administration (S&A) rate, and other miscellaneous items. The miscellaneous items may include costs for: as-built drawings, USAF Management Reserve funds, Design During Construction funds, Base-performed work items, and separately funded equipment or telecommunications requirements. Design During Construction funds must be approved by the AFCEE PM in accordance with, Reference h and j. HQ USACE and HQ USAF require districts to use MILCON Current Working Estimate/Funds Request form for all MILCON funds requests.

8. FINANCIAL MANAGEMENT:

8.1 TRANSFER OF FUNDS: Military Construction funds and Planning and Design funds are released by SAF/FMBIC to HQ USACE for design, award of contracts, increases in contracts, real estate acquisition and other purposes specified in Congressional Authorization and Appropriation Bills. HQ USACE will allocate Planning and Design funds to the appropriate USACE organization upon email authorization from AFCEE. HQ USACE will allocate Construction funds to the appropriate USACE organization upon receipt from SAF/FMBIC unless otherwise requested.

8.2 FUNDS MANAGEMENT: HQ USACE is accountable for all AF MILCON funds transferred to USACE. Upon identification by HQ USAF, USACE will assist in return of excess funds to USAF within 60-days of request by USAF. HQ USACE will provide HQ USAF, AFCEE, and USACE elements with monthly reports of unobligated/unexpended AF MILCON funds which are allocated to USACE.

8.3 CLAIM SETTLEMENT AND REIMBURSEMENT TO THE JUDGEMENT FUND:

a. USACE will not hold contingency funds for payment of claims in excess of the estimated amount for settlement of claims jointly determined to have merit. HQ USAF will provide funds to reimburse the judgment fund, including S&A, for claims jointly determined to have merit.

b. HQ USACE will provide HQ USAF/A7CP and USACE elements a quarterly report, as requested, summarizing outstanding claims.

9. PROGRAM GOALS: The overall goal for the MILCON program is to safely provide quality facilities that meet user requirements on time, and within budget. The Air Force mutually agreed upon goals are shown in Appendix B. The AF MILCON Team Scorecard is published by HQ USAF/A7CP quarterly showing the program health based on these goals. Indicators not meeting the agreed goal are expected to show improvement in subsequent years and the USACE/Air Force team will work together to effect those improvements.

APPENDIX A

GOALS

1. DESIGN AUTHORIZATION. AFCEE will issue Field Design Instructions to USACE districts with copies to the Division within 30 days after A7CP issues Project Design Authorization. For President's Budget projects, the target is to issue Field DIs at least 16 months prior to beginning of the execution year (e.g., 1 Jun 2007 for the FY09 program). For President's Budget projects, the target is for USACE district to receive field Design Instruction and design funds for final design no later than 1 Oct, one year prior to the execution year. For Congressional Insert projects, field design instructions will be issued within 30 days of three positive Congressional MILCON Subcommittee marks. Depending on design funds availability, design funds will be provided with Field DI to fund authorized level of design. AFCEE will track Field DI dates to ensure they are issued in a timely manner.

2. USE OLD P&D FUNDS. Obligate prior year P&D funds against contracts or in-house labor (not just MIPRs), by the end of the third quarter, as follows:

FY-2 (FY07 for FY09) and prior years	100% obligated,
FY-1 (FY08 for FY09)	80% obligated.

3. DESIGN COMPLETION. Complete design of all President's Budget projects and be ready to advertise for construction by 30 September prior to the execution year.

4. CONSTRUCTION CONTRACT AWARD, PRESIDENT'S BUDGET PROJECTS.

Award all President's Budget projects in the first two quarters of the appropriation FY.

5. CONSTRUCTION CONTRACT AWARD, CONGRESSIONAL INSERT, SUPPLEMENTALS, AND BRAC PROJECTS. Award all Congressional Insert Projects, Supplemental projects, and BRAC projects in the appropriation FY.

6. CONSTRUCTION DURATION. Construction duration (NTP to BOD) at time of award should not exceed the following:

PA less than \$5M, construction duration is 365 days (455 days for OCONUS projects)
PA between \$5M and \$20M, construction duration is 540 days (630 days for OCONUS projects)
PA \$20M and greater, construction duration is 730 days (820 days for OCONUS projects)

7. CONTRACT AWARD COST (CWE/PA RATIO). Award the current execution program year with a CWE/PA ratio established annually by HQ USAF. The sum of the award CWE divided by the sum of the PA for all projects available for award in FY should be less than the annually established amount. AFCEE is responsible for ensuring this target is met for each program year.

8. CONSTRUCTION SCHEDULE GROWTH. Manage schedule growth to 10% or less. Construction Schedule Growth is the performance days (i.e., NTP to BOD) relative to the original estimated performance days specified in the contract. Schedule growth has a direct impact on cost growth. Minimizing schedule growth promotes quicker closeout of projects and availability of funds for use elsewhere if needed.

9. CONSTRUCTION COST GROWTH. Manage construction cost growth to 5% or less of the original contract amount. Cost Growth is the ratio of current contract cost to original contract cost.

Original contract award price (including cost of options even if not awarded on same day as base bid) is the basis for all calculations.

10. FINANCIAL CLOSEOUT. Financially close projects in CONUS within 12 months of BOD, and OCONUS projects within 15 months.

APPENDIX B

AUTOMATED MANAGEMENT INFORMATION SYSTEMS

1. Corps of Engineers Financial Management System (CEFMS): CEFMS will be used for tracking and reporting funds management. The district PM will maintain accurate data in CEFMS.

2. P2: P2 is the current USACE project management system. The district PM will promptly enter and continuously maintain project data in P2. The system integrates Oracle Projects Data Management, myPrimavera web Scheduling, Primavera Project Management Scheduling, CMI (Command Management Information), CEFMS and Resident Management System (RMS) into a single integrated management system. CMI is a component in P2 that provides current and detailed project data for all projects on a real time basis. However, CMI is restricted to Corps users and selected customer Project Delivery Team (PDT) members that have been granted access authority. WebCMI provides open web access to Air Force personnel with a “.mil” address and provides detailed project data similar to CMI plus design and construction metrics reports based on 24 hours old data for P2.

3. Air Force Automated Civil Engineer System – Program Management (ACES-PM): ACES-PM provides an integrated, worldwide network for transfer of Air Force design and construction management information. The system utilizes distributive processing, with information entered at local desktop computers to generate daily updated project data for worldwide availability. AF Program Managers (PM) will be responsible for entering information into the ACES-PM system during the design and construction phases.

4. ACES-PM/P2 Interface: The interface requirement agreements provided for ACES PM to send specific project and DD Form 1391 information to a table (data file) called “Directives” within that system for MILCON projects. The business process requires Air Staff to issue the initial DI, and for the Design Agent (DA) or Construction Agent (CA) to be the “COE” before the project would be sent to the P2 system.

Process Flow: The following is the process flow to ensure the P2 interface is successful when the “COE” will be the designated DA or CA for projects:

- 1) The base creates the project and DD Form 1391 document, and submits to their respective MAJCOM.
- 2) The MAJCOM reviews and approves the DD Form 1391 and submits to Air Staff if it is a part of the MILCON program. If the MAJCOM intends for the “COE” to be the DA or CA, they should update these fields on the Supplemental Tab.
- 3) The Air Staff performs their review and prioritizes with other MILCON requirements.
- 4) The Air Staff issues the initial DI, moving the project status to “DSG”. When this occurs and the DA or CA is identified as “CoE”, the project record is flagged, and the required data fields are “staged” in a ACES PM table for P2 to retrieve. The key here is that the DA or CA for the project MUST be “COE”
- 5) Any additional DI’s issued for the project will result in ACES PM sending the updated data to the staging table for P2.
- 6) If the initial DI has been issued and the “COE” was not identified as the DA or CA, the record may still be transmitted to the P2 system by updating the value to “COE”.

APPENDIX C

AUTHORIZED PHASE CODES

Design codes are defined as follows:

- 1) Code 0 – A centrally funded planning charrette, using O&M funds, is authorized.
- 2) Code 1 – The project is authorized for accomplishment of site investigation work, preparation of predesign cost estimate, and other predesign work to the extent defined by special instructions of individual directives. Selection and negotiation (not award) of an architect-engineer (A–E) contract for design is authorized.
- 3) Code 2 – Preparation of concept design is authorized. Award of a design contract is authorized, if appropriate. Approved concept design is considered to be 35 percent of the total design effort.
- 4) Code 3 – Preparation of parametric design is authorized. Award of a design contract is authorized, if appropriate. Approved parametric design is considered to be 5 to 15 percent of the total design effort.
- 5) Code 4 – The project design is on hold, pending a supplemental design directive.
- 6) Code 5 – The project is deferred from the program. Do not start design. If design of the project by USACE district in-house personnel has begun, it will be terminated. If design is being accomplished by A–E contract, it will be concluded per paragraph 5–5*d*.
- 7) Code 6 – The project is authorized for final 100 percent design.
- 8) Code 7 – Preparation of an RFP for a design-build project is authorized. Award of an A–E contract to prepare a design-build RFP is authorized, if appropriate. Under Code 7, the design effort is limited to that which is appropriate to award a contract to a single construction contractor to perform both the design and construction of a facility using performance specifications under a firm, fixed-price contract; development of nominal technical project criteria is expected.
- 9) Code 8 – The project is canceled and if design is being accomplished by A–E contract, it will be concluded as follows: A deferred or canceled project may require termination of the A–E contract. Work must cease or be completed through the next logical stopping point.
- 10) Code A – The project is authorized to be advertised for a construction contract (or a design-construct contract). This code does not authorize the award of a contract.
- 11) Code 9 – A construction contract (or design-construct contract) is authorized for award.