ACQ Streamline & Culture Initiatives

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ACQ Streamline and Cultural Initiatives

- **Buy Down Risk**
  - Establish ACAT IV Programs
  - Leverage Middle-Tier ACQ – NDAA 16 Section 804
  - Leverage Rapid Prototyping of System Comp or Tech – NDAA 17 Section 806

- **Empower PEOs, PMs, PARCs, KOs**
  - Delegate all ACAT IV, most ACAT III and selected ACAT II to PEOs
  - Utilize Simplified ACQ Management Plans (SAMP) – ACAT II, III, IV

- **Smart Contracting**
  - Leverage Commercial Procurement – NDAA 16 Section 809
  - Leverage Other Transaction (OT) Authority
  - Leverage Other Contracting Vehicles, Initiatives

- **Testing**
  - Proposed testing initiatives

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*Change – Ongoing – Within ASA(ALT) Focus on Streamline & Culture*
Buy Down Risk – Middle Tier ACQ

Create and Foster an Environment that **Drives Down / Manages Risk Prior to MS B**

- **Leverage “Middle Tier” ACQ Approach – NDAA 16 Section 804**

**IF:** Your Effort meets Middle Tier ACQ pathways for **Rapid Prototyping and Rapid Fielding** as outlined,

- Involves **Rapid Prototyping** of Innovative Technologies for fieldable prototypes (New Capability)
- Can be demonstrated in an **Operational Environment**
- Could provide residual Operational Capability within five years of an approved requirement
  - Time Starts at Contract Award, Time Stops when First Unit Equipped (FUE)

- **Rapid Fielding** – Leverages Proven Technologies to field production quantities
  - New or Upgraded Capability
  - Begins Production within six months and complete fielding within five years of an approved requirement
  - Time Starts with requirement approval, Time Stops when Last Unit Equipped (LUE)

**THEN:**

- Not Subject to JCIDS and DoD Directive 5000.01 – USD(ATL)/OSD(C) and VCJCS working guidance
- Service Level designation, “Merit Based Process”
- Middle Tier PM direct report to SAE
- Leverage / Compete for DoD Rapid Prototyping Fund (RPF)

*Middle Tier – Congressional Intent for Flexibility*
Create and Foster an Environment that **Drives Down / Manages Risk Prior to MS B**

Leverage “**Prototyping of Weapons System Comp or Tech**” ACQ Approach – NDAA 2017 Section 806

**IF:**

- A Program of Record (PoR) or Development, and Experimentation of Weapon System Components or Technologies to include Commercial Items and Technologies
- Prototype Projects completed within two years
  - Time Starts at Contract Award, Time Stops with project termination or transition to production
- Prototyping Project NTE $10M, or $50M with SA approval and Congressional Notification
- Follow On Production Contract may not require Competitive Procedures if
  - High Priority, Competitive Used in initial selection, Successful Project, and demo in Relevant Environment
  - If additional time or funding required transition to Section 804 processes

**THEN:**

- Recommend to an *Army Oversight Board* that Directs WPN SYS Components and Tech alignment with
  - High Priority Warfighter Needs
  - Gaps or Readiness Issues with Major WPN Systems
  - Opportunity to incrementally integrate new components
  - Opportunity to reduce O&S costs of Major WPN Systems
- Leverage Section 806 to Prototype Weapon Systems Components or Technology
- Use ACAT IV & SAMP Construct

*Army Oversight Board – 2nd QTR 2018

**Prototype WPN SYS Comp / Tech – Congressional Intent for Flexibility**
# Sections 804 and 806

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<td>Yes – Merit Based</td>
<td>Yes – Merit Based</td>
<td>Yes – Merit Based Oversight (3) Yr Strat Plan</td>
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<tr>
<td><strong>Reporting</strong></td>
<td>PM Direct Report SAE</td>
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<td><strong>Time Constraints</strong></td>
<td>NTE (5) Years</td>
<td>Begin Production within (6) months and complete fielding within (5) years of approved requirement</td>
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<td><strong>Demonstrated Environment</strong></td>
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<td>Relevant</td>
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<tr>
<td><strong>Streamlining</strong></td>
<td>Approved Requirement within (6) months of initiation</td>
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<td><strong>Exemptions</strong></td>
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<td><strong>Funding</strong></td>
<td>DoD Rapid Prototyping Fund ($100M/Annually)</td>
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<td>Work within R-Forms / Budget Docs</td>
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<td><strong>Funding Limits</strong></td>
<td>NA</td>
<td>NA</td>
<td>NTE $10M NTE $50M with SA Approval &amp; Congressional Notification</td>
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Comparison of Section 804 – Rapid Prototyping and Fielding with Section 806 Prototyping Components and Technology Insertion