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US ARMY MEDICAL RESEARCH MATERIEL COMMAND
FORT DETRICK, MD 21702-5000
081500R November 2016

OPERATION ORDER 17-02 (ACQUISITION PLANNING GUIDANCE FOR FISCAL YEAR 2017)

References:

1. (U) FAR 7.103
2. (U) FAR 7.105
3. (U) DFARS 207.105
5. (U) FAR 34.201
6. (U) ASAALT, Memorandum Annual Requirement for the Development of a Command 1-N Contract Prioritization List, dtd 20 Nov 13.
7. (U) HQ, MEDCOM Operation Order 17-08 (Acquisition Planning Guidance)

Time Zone Used Throughout the Order: Romeo (Eastern Daylight Time). (U)

Task Organization: No Change. (U)

1. (U) **Situation.**

a. (U) Acquisition planning is critical to ensure contracting requirements are executed timely. Complying with the established cutoff dates contained herein is mandatory for all Requiring Activities. Unexpected requirements and modification requests that materialize after the cutoff date will be reviewed and considered for approval to submit after the cutoff date by the Principal Assistant Responsible for Contracting (PARC) for US Army Health Contracting Activity (USAHCA) and the Chief, Business Operations Division for the US Army Medical Research Acquisition Activity (USAMRAA) on a case-by-case basis. Proper planning and coordination with servicing Contracting Activity will keep these requests to a minimum.

b. (U) The MEDCOM has identified a need to improve Program Management via Contracting Officer Representatives' (CORs) continuous monitoring of Fill rates and Burn rates on all personal and non-personal service contracts. During the FY16 Unauthorized Commitment (UC) Root Cause Analysis briefs, MEDCOM identified that a number of UCs were directly linked to the failure of monitoring. An example of effective Program Management is the centralized COR Model at Carl R Darnall Army Medical Center (CRDAMC). CRDAMC has created fulltime DHCP COR positions and centralized them under a fulltime COR Supervisor. By creating a centralized COR Cell, CRDAMC has enabled Department Administrators to focus on their clinical responsibilities rather than managing contracts. The effectiveness of the COR Cell is measurable. As a result of the effective monitoring of the execution and burn rates, the CRDAMC DHCP CORs have not had a UC in over six years. CRDAMC's COR Cell

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initiates quarterly de-obligations, which allows funds to be reprogrammed. They are able to provide better customer support including: educating the customer on the do's and don'ts about working with contract personnel; conducting monthly surveillance with their department POCs regarding the Contractor's performance; completing all monthly COR reports in the COR Tool on time. All invoices are paid before interest accrues. They in-process and out-process all contract personnel. Their increased ability to interact with the customers results in complete requirement packets received by Contracting in accordance with the established cut-off dates.

c. (U) One of the keys to successful and timely Contract / Assistance Agreement execution is routing the requirement to the correct Contracting Activity. In 2001, the MEDCOM transferred 37 Full Time Employees (FTEs) to the Army Contracting Command (formerly Army Contracting Agency) in order to execute all of MEDCOM's non-Medical Requirements. Additionally, in 2014 the MEDCOM transferred eight FTEs to the Defense Health Agency for the procurement of all Health Information Technology (HIT) related Requirements and 17 FTEs for the procurement of all National Capitol Region (NCR) medical requirements.

d. (U) The requirements approval and service acquisition oversight management processes ensure requirements are properly vetted and periodically re-validated to most efficiently utilize limited Army resources. Although requirement development or outsourcing processes are not covered in depth at Tab D, Seven Steps to the Service Acquisition Process, provide a sound requirements development process.

e. (U) All organizations that rely on USAHCA/USAMRAA for contracting and assistance agreement support are referred to as "Requiring Activity(ies)" throughout this document.

f. (U) All contracting and assistance agreement needs from the Requiring Activities are also referred to as "Requirement(s)" throughout this document.

g. (U) This instruction defines the Requirements approval, service acquisition oversight and management processes to ensure service requirements are properly vetted and periodically re-validated. Though Requirements definition or outsourcing processes are not covered in depth in this instruction, the processes herein shall be used in conjunction with sound Requirements definition processes and those that would govern the proper use of various types of manpower resources.

2. (U) **Mission.** MRMC provides the Acquisition Planning Guidance to all Requiring Activities for remaining FY17 and all FY18 requirements with respective cutoff dates (February – September 2017) for USAMRAA in order to proactively manage the contracting/assistance agreement needs of Army Medicine.

3. (U) **Execution.**

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a. (U) Intent. Each Requiring Activity will serve as lead to review, identify and provide to the respective contracting activity a list of all FY17/FY18 re-compete and expiring contracts no later than 1 Dec 16. It is important that each Requiring Activity actively participate in multifunctional team meetings. Identify Requirements that are candidates for consolidation at the USAMRMC level. Deliberate action should be taken to submit complete Requirements Packages before the specified cutoff date. Provide servicing Contracting Activity with as much lead-time as possible.

b. (U) End State. Conditions are set to position contracting as a mission partner aimed at delivering timely and relevant Contract / Assistance Agreement support to the Military Health Care System and orchestrate a successful acquisition transition into a new fiscal year.

c. (U) Concept of Operations. Requiring Activities will coordinate with their servicing contracting activity to determine capacity to receive prepositioned requirements. The requiring activity will ensure that the requirement packages are complete and provided to the respective contracting activity timely in accordance with the cutoff dates outlined in Tab A and B.

d. (U) Tasks to Subordinate Units. Major Subordinate Commands (MSCs).

(1) (U) Review your Requirements and determine remaining FY17 and all FY18 needs NLT 15 Nov 16 in order to generate your Contracting/Assistance Agreement Requirements.

(2) (U) Deliberate planning must be made to submit complete Requirement Packages by the specified cutoff date.

(3) (U) At least annually, conduct or evaluate periodic spend analyses for acquisitions under their authority.

(4) (U) Reinforce the Requiring Activities' Program Management via the COR/Grants Officer's Representatives (GOR) continuous monitoring of fill rates and burn rates.

(5) (U) Ensure an adequately planned and resourced management approach to monitor Contractor performance including quality assurance surveillance and tracking procedures.

(6) (U) Submit completed FY17 Summer Contracting Requirements Packages to the respective Contracting Offices (CO) NLT 1 Feb 17.

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(7) (U) Submit the Annual Contracting/Assistance Agreement Workload Estimate (CAAW) (Tab D) to USAMRAA NLT 1 Dec 2016.

e. (U) Tasks - USAMRAA

(1) (U) Serve as lead for acquisition policy and compliance.

(2) (U) Assists the MSCs with the identification of remaining FY17 and all FY18 recurring, re-compete and expiring contracts.

(3) (U) For USAMPMC service acquisitions, USAMRAA will facilitate regularly scheduled meetings with customers to appropriately plan and advise on service acquisition approvals and procurement timelines and milestones.

(4) (U) Conduct USAMPMC Strategic Acquisition Review to identify re-compete and new requirements that are candidates for consolidation into a Strategic vehicle.

f. (U) Coordinating Instructions.

(1) (U) All MSCs will coordinate with supporting Contracting Activity in order to validate the recurring, re-compete and expiring contracts list (CAAW) (Tab E) no later than 30 Dec 16.

(a) (U) USAMRAA

(i) (U) Cutoff Priorities

1. (U) Requirements using expiring funds (FY15 Procurement funds, FY16 Research, Development, Test and Evaluation (RDT&E) funds and FY17 Operations and Maintenance funds).

2. (U) Requirements generated from urgent and compelling needs.

3. (U) Services requiring an October – November 2017 start date.

4. (U) All other funded requirements.

5. (U) Although there is no statutory requirement to award FY17 RDT&E funds by 30 September 2017, FY17 RDT&E funds will be obligated by fiscal year end to the maximum extent possible to assist funding managers in meeting objectives.

(ii) (U) All requests for late submission of requirements packages must be

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submitted to the USAMRAA Chief, Business Operations Division in writing and signed by the USAMPMC Subordinate Unit or Research Area Directorate's Commander / Director.

(iii) (U) All requests shall provide a brief description of the requirement, the estimated total dollar value, the circumstances surrounding the late submission, the reason why it could not be submitted by the cut-off date, and the reason why it must be awarded by 30 September 2017.

(iv) (U) Procurement requests with non-expiring funds for work required after 30 November 2017 should not be submitted to USAMRAA until 1 October 2017 unless otherwise notified by USAMRAA. Should an earlier submission be desired, prior coordination with the USAMRAA Chief, Operations Division is required. If accepted, these PRs will be prioritized based on the remaining workload involving expiring funds and/or instructions from the USAMPMC Commander, Deputy Commander or Chief of Staff.

(2) (U) No later than 1 Dec 17, all Requiring Activities will develop and submit their FY18/19 Acquisition Plan to USAMRAA thru the DCoS.

4. (U) Sustainment. Resource Management (RM). Funding IAW FY17/18 plans to match the MEDCOM acquisition planning that occurs in FY17 IAW Tab A and B (Cutoff Dates for submission of end of fiscal year 2017/2018 requirements).

5. (U) Command and Control.

a. (U) Command. Normal command relationships remain in effect.

b. (U) Signal.

(1) (U) Points of contact for this OPOD.

a. (U) USAMRAA: Mrs. Laurie E. Hovermale, Chief, Business Operations, (301) 619-2180, laurie.e.hovermale.civ@mail.mil

ACKNOWLEDGE: MPMC Operations at usarmy.detrick.medcom-usamrmc.list.mrmc-ops@mail.mil or (301) 619-9172/6839 - DSN 343-9172/6839

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FOR THE COMMANDER:

//original signed//

WILLIAM E. DAVIS IV

COL, MS

Deputy Chief of Staff for Operations

ENCLOSURES:

Tab A: USAMRAA Cutoff Dates for Submission of End of FY17/FY18 requirements

Tab B: Seven Steps to the Service Acquisition Process

Tab C: Contracting / Assistance Agreement Workload (CAAW)

DISTRIBUTION:

US Army Aeromedical Research Laboratory (USAARL)

US Army Institute of Surgical Research (USAISR)

US Army Medical Research Institute of Chemical Defense (USAMRICD)

US Army Center for Environmental Health Research (USACEHR)

US Army Medical Research Institute of Infectious Diseases (USAMRIID)

US Army Research Institute of Environmental Medicine (USARIEM)

Walter Reed Army Institute of Research (WRAIR)

US Army Medical Materiel Center-Europe (USAMMC-E)

US Army Medical Materiel Agency (USAMMA)

US Army Medical Materiel Development Activity (USAMMDA)

US Army Medical Materiel Center-Korea (USAMMC-K)

6th Medical Logistics Management Center (6th MLMC)

US Army Medical Research Acquisition Activity (USAMRAA)

HHD, Medical Research and Materiel Command (MRMC)

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Tab A – USAMRAA Cutoff dates for Submission of Fiscal Year 2018 Requirements to OPORD 17-02 (ACQUISITION PLANNING GUIDANCE) MRMC

Cut-off dates for submission to USAMRAA

Complete requirements packages received by the appropriate cut-off date below will have a target award date of not later than 30 Sep 17. Acceptability of a requirements package will be determined by the Contracting Officer/Grants Officer.

Open Market

\$250M and greater: **1 Dec 16**

\$12.5M to \$250M Request for Proposal (RFP) (materiel & services): **1 Feb 17**

\$6.5M to \$12.5M RFP (commercial/non-commercial materiel & services): **1 Mar 17**

\$3M to \$6.5M (materiel & services requirements): **1 Apr 17**

Up to \$3M (materiel & services requirements): **1 May 17**

Modifications for De-obligations: 1 Apr 17

Sole Source Requirement (materiel & services requirements)

\$12.5M and greater: **1 Apr 17**

\$700,000 to \$12.5M: **1 May 17**

\$3,500 to \$700,000: **1 Jun 17**

Awards against a Program Announcement or Broad Agency Announcement: 1 Jun 17

Orders Placed Against Indefinite Delivery Indefinite Quantity Contracts, General Services Administration Awards or Master Contracts and Blanket Purchase Agreements

Over \$12.5M: **1 May 17**

Under \$12.5M: **1 Jun 17**

Purchase Orders to be placed prior to 30 September 2017 under Simplified Acquisition Procedure Requirements

Under \$150,000 (materiel & services): **1 Jul 17**

Over \$150,000 (materiel & services) : **1 Jun 17**

CHES Orders: 1 Jul 17

Modifications

Priced modifications (including LOE): **1 Jun 17**

Incremental funding: **1 Aug 17**

Exercise Options as Written: 1 Jul 17

Actions for exercising an Option should be submitted at least 60 days prior to expiration of the contract, but NLT 1 July 2017.

Exercise Options with Changes: 1 Jun 17

Actions for exercising an Option should be submitted at least 90 days prior to expiration of the contract, but NLT 1 Jun 2017.

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**Tab B (Seven Steps to Service Acquisition Process) to OPORD 17-02
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PURPOSE: To provide guidance, consistent with DoD guidance, and uniformity in the contracting process and file documentation/templates.

1. AR 710-2 Supply Policy below the National Level 2-6 d:

Priority designators for all supply requests will be determined per DA Pam 710–2–1. Commanders will personally review or will delegate in writing to specific persons the authority to review all requests based on urgency of need designator (UND) A and B.

2. DA Pam 710–2–1 Using Unit Supply System (Manual Procedures) 2-2 b:

The UND is determined by using unit personnel. The UND is used to express how urgently the unit needs the requested supplies / services. UNDs are identified by the letters A, B, and C. Select UNDs using the following guidelines:

a. Use only one or more of the following criteria for a UND A request:

(1) Immediate end-use and without which the force or activity is unable to perform assigned operational missions, or such condition will occur within 15 days in the CONUS and 20 days overseas.

(2) Required for immediate installation on or repair of mission essential materiel. Without this materiel, the unit or activity is unable to perform assigned missions.

(3) Required for immediate use for installation on or repair of direct support equipment (i.e., ground support, firefighting) needed for the operation of mission-essential materiel.

(4) Medical Logistics Policies AR 40-6, 3-10 d, High-priority requisitions will be held to a minimum consistent with the urgency of the need. Additionally, MEDCOM OPORD 17-XX, Annex R further designates 03 Priority as Life or Death, prolong life & relieve suffering.

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Tab B (Seven Steps to Service Acquisition Process) to OPORD 17-02 (ACQUISITION PLANNING GUIDANCE) MPMC

1. **FORM THE TEAM:** The team should be a customer-focused, multi-functional team that plans and manages the service requirement throughout its life cycle. The composition of the team will differ based on the complexity of the requirement. Some roles/duties may be combined. Team normally will consist of Customer/User, Program Manager, Contracting Officer, Performance Assessment Personnel, Small Business Specialist, Cost/Price Analyst, Finance and Legal.

2. **REVIEW CURRENT STRATEGY:** The most effective foundation for an acquisition is the intended effect it will have in supporting and improving an agency's mission and performance goals and objectives.

a. Identify Current Initiatives/Contracts

b. Review and Document Current Level of Performance

c. Begin Risk Identification

d. Document Current Process

e. Review Current Performance/Statutory Requirements/Desired Results

f. Take the feedback generated in and refine the desired results your team has developed. Validate these refined results one more time to ensure you are moving in the right direction. Time invested here will pay large dividends later in the process.

3. **MARKET RESEARCH.** The ultimate goal of market research is to help the acquisition team become informed consumers. Since market research should address both business and technical considerations of a requirement, the active participation of all acquisition team members is needed.

a. Technical- Research Market Offerings

b. Contracting – Focuses on Industry Practices and Pricing

c. This enables the members of the team to share in the understanding and knowledge of the marketplace and develop a common understanding of what features, schedules, terms and conditions will make the acquisition process successful.

(1) Appropriate to the size and complexity of the action

(2) Commercial/Non Developmental

(3) Assessment of Preferred Source Initiatives for suitability as contract vehicle

(4) Priorities for use of mandatory sources

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**Tab B (Seven Steps to Service Acquisition Process) to OPORD 17-02
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4. REQUIREMENTS DEFINITION

- a. Performance Work Statement
- b. Quality Assurance Surveillance Plan
- c. Independent Government Estimate
- d. Justification and Approvals
- e. Risk Analysis
- f. Antiterrorism and Operations Security
- g. Sexual Harassment/Assault Response & Prevention (SHARP)
- h. Request for Service Contract Approval (RSCA) Form
- i. Inherently Government Functions
- j. Closely Associated with Inherently Governmental Functions
- k. Personal Services
- l. Outsourcing and Conversion of Functions/Critical Functions, etc.

5. DEVELOP ACQUISITION STRATEGY

- a. Type of Contract.
 - (1) There are two basic types of contracts, fixed price and cost reimbursable.
 - (2) The type of contract must represent the nature of the requirement and risks associated with performance.
- b. Selecting the contractor
 - (1) Low Price Technically Acceptable.
 - (2) Trade-Off Method.

6. EXECUTE

- a. After release of the solicitation, the contracting officer must be the focal point of any exchange with potential contractors.

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b. Conduct the source selection: The objective of source selection is to identify the contractor whose proposal represents the best value in accordance with the criteria stated in the solicitation.

- (1) Instructions to Offerors.
- (2) Evaluation Factors for Award.
- (3) Past Performance.

c. Once the source selection process is complete, all approvals have been obtained and required notifications have been completed, the contracting officer awards the contract.

7. PERFORMANCE MANAGEMENT

a. The contracting officers have specific responsibilities that can't be delegated or assumed by the other members of the team. These include making any commitment relating to an award of a task/delivery order or contract; modification; negotiating technical or pricing issues with the contractor; or modifying the stated terms and conditions of the contract. The contracting officer relies on the COR to be his/her eyes and ears for providing an accurate assessment of contractor performance.

- (1) Contracting Officer Duties.
- (2) Contracting Officers Representative (COR) Duties. Appendix 4 to Annex R.

b. Importance of Capturing and Reporting Performance (i.e. CPARS).