

## Recommendation 74: Eliminate redundant documentation requirements or superfluous approvals when appropriate consideration is given and documented as part of acquisition planning.

### Problem

Several documents or iterative approvals are required by multiple regulations despite the fact that they are already included in the Acquisition Plan. These requirements create unnecessary work for contracting officers, PMs, and approving officials, and they add little value to the end product or service.

*Subrecommendation 74a: Eliminate duplicative documentation when rationale is approved as part of an acquisition strategy or acquisition plan. Delegate authority to approve statutory or regulatory determinations documented within the acquisition strategy or acquisition plan to the approving authority of the strategy or plan.*

### Background

Acquisition planning is required by statute (10 U.S.C. § 2305 (a)(1)(A)(ii)) and implemented through FAR 7.102 and DFARS 207.1 to promote and provide for acquisition of commercial items and full and open competition, to the maximum extent practicable, and for the selection of appropriate contract types. Acquisition planning should begin as soon as the agency identifies a need and culminate in a written acquisition plan designed to make sure the acquisition can meet its objectives.<sup>1</sup> The acquisition plan is a detailed document with prescribed contents detailed in the FAR, including all the technical, business, and management aspects of the acquisition, as well as any other influences. According to the *Defense Acquisition Guidebook* (DAG),

*An Acquisition Plan is prepared by the Contracting Officer and formally documents the specific actions necessary to execute the approach delineated in the approved Acquisition Strategy. The Acquisition Plan serves as the basis for contractual implementation as referenced in Federal Acquisition Regulation (FAR) Subpart 7.1 and Defense Federal Acquisition Regulation Supplement (DFARS) Subpart 207.1.<sup>2</sup>*

### Discussion

PMs and contracting officers create many planning documents twice—once for the acquisition plan and once for the contract file—then wait for them to be approved, often through separate review chains. This duplication is driven by redundant FAR or DFARS sections. Table 7-2 illustrates this redundancy with some examples of planning required for the acquisition plan (as detailed in FAR Part 7) as well as in other FAR or DFARS subparts.

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<sup>1</sup> General Procedures, FAR 7.104. Contents of Written Acquisition Plans, FAR 7.105.

<sup>2</sup> DAU, *Defense Acquisition Guidebook*, September 16, 2013, accessed June 25, 2018, <https://at.dod.mil/sites/default/files/documents/DefenseAcquisitionGuidebook.pdf>.

**Table 7-2. Examples of Redundancy in FAR-Directed Acquisition Planning**

	Acquisition Planning Requirements	Other FAR-directed and Unnecessary Requirements
Warranty	FAR 7.105(b)(14)(ii)	DFARS 246.704(2)
Options	FAR 7.105(a)(5)	FAR 17.205
Past Performance Evaluation	FAR 7.105(b)(4)	FAR 15.304(c)(3)(ii)
Electronic and Information Technology Accessibility Standards	FAR 7.103(q)	FAR 39.203
Ozone Depleting Products	FAR 7.103(p)(2)	FAR 11 and FAR 23.8
Consolidation	FAR 7.105(b)(1)(iv)	FAR 7.107-2(b)

In addition to creating more work for contracting officers and PMs, each of these duplications wastes the time of everyone involved in reviewing the various packages. The FAR allows the acquisition plan to be approved at one level above the contracting officer, but the military services typically assign this responsibility to a higher authority, such as the program executive officer, who oversees the PM, or many levels above the contracting officer in the contracting chain.

If a contracting officer has generated documentation demonstrating planning or compliance required by the acquisition plan, it is unnecessary and wasteful to repeat the same process for a different FAR subpart. A single document should suffice for the contract file. While not exhaustive, the six sections below briefly discuss examples of this duplication identified in Table 7-2.

### **Warranty**

Warranties must be justified for both the acquisition plan and agency procedures related to quality assurance. A warranty is “a promise or affirmation given by a contractor to the government regarding the nature, usefulness, or condition of the supplies or performance of services furnished under the contract.”<sup>3</sup>

FAR 46.702 indicates,

- (a) *The principal purposes of a warranty in a Government contract are—*
  - (1) *To delineate the rights and obligations of the contractor and the Government for defective items and services; and*
  - (2) *To foster quality performance.*
- (b) *Generally, a warranty should provide --*
  - (1) *A contractual right for the correction of defects notwithstanding any other requirement of the contract pertaining to acceptance of the supplies or services by the Government; and*
  - (2) *A stated period of time or use, or the occurrence of a specified event, after acceptance by the Government to assert a contractual right for the correction of defects.*

<sup>3</sup> Definitions, FAR 2.101.

(c) *The benefits to be derived from a warranty must be commensurate with the cost of the warranty to the Government*

This subpart goes on to say that warranties must be approved in accordance with agency procedures; however, the requirement for such documentation already exists in the acquisition plan.<sup>4</sup>

### **Options**

Options must be justified for both the acquisition plan and procedures related to special contracting methods. FAR 7.105(a)(5) requires the acquisition plan to describe “the basis for establishing delivery or performance-period requirements.” Additionally, FAR 7.105(b)(5)(i) requires use of options to be discussed as part of *acquisition considerations* in the acquisition plan. FAR 17.205 requires contracting officers to justify in writing the quantities or the term under option, the notification period for exercising the option, and any limitation on option price. If included in the acquisition plan under FAR 7, the additional contract file documentation required by FAR 17 is unnecessary.

### **Past Performance Evaluation**

Past performance evaluation is also required for both the acquisition plan and procedures related to source selection. FAR 15.304(c)(3)(ii) requires past performance to be considered in negotiated, competitive source selections unless the contracting officer documents the reasons it is not an appropriate evaluation factor. Because FAR 7.105(b)(4) requires the acquisition plan to “discuss source-selection procedures for the acquisition, including the timing for submission and evaluation of proposals, and the relationship of evaluation factors to the attainment of the acquisition objectives” the documentation required in FAR 15 is unnecessarily duplicative.

### **Electronic and Information Technology Accessibility Standards**

Agencies acquiring electronic information technology must ensure that federal employees and members of the public with disabilities have comparable access and use of information to those without disabilities. This requirement is mandated by the Rehabilitation Act of 1973 and the Architectural and Transportation Barriers Compliance Board Electronic and Information Technology (EIT) Accessibility Standards and implemented by FAR 39.2.<sup>5</sup>

Conflicting regulatory guidance on the timing of exceptions to these requirements creates confusion and unnecessary work in drafting the acquisition plan. FAR 39.203 requires acquisitions comply with accessibility standards at 36 CFR Part 1194 unless a determination of an exception is made prior to contract award. FAR 7.103(q) requires agency heads to ensure acquisition planning addresses EIT accessibility standards in requirements planning—long before the contract award. If an exception applies, it should be addressed during the acquisition planning phase, included as part of the acquisition plan, and omitted as a separate, later determination.

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<sup>4</sup> DFARS 246.704(2) states, “The chief of the contracting office shall approve the use of a warranty only when the benefits are expected to outweigh the cost.” FAR 7.105(b)(14)(ii) states, “The reliability, maintainability, and quality assurance requirements, including any planned use of warranties.”

<sup>5</sup> Electronic and Information Technology, 29 U.S.C. 794d. Information and Communication Technology Standards and Guidelines, 36 CFR part 1194.

### **Ozone-Depleting Products**

DoD is prohibited by law from contracting for an ozone-depleting substance unless deemed necessary by the senior acquisition official for the procurement.<sup>6</sup> The FAR implements this law in several sections, including requiring compliance as part of acquisition planning, describing the agency need, and again under FAR 23.8, Ozone-Depleting Substances and Greenhouse Gases.<sup>7</sup> Including multiple references to this requirement throughout the FAR is confusing and an inefficient means to achieve an end. When addressed during acquisition planning, the determination should be part of the acquisition plan.

### **Consolidation**

Multiple determinations are required for contract consolidation. Contract consolidation is,

*use of a solicitation to obtain offers for a single contract or a multiple award contract: (A) to satisfy 2 or more requirements of the Federal agency for goods or services that have been provided to or performed for the Federal agency under 2 or more separate contracts lower in cost than the total cost of the contract for which the offers are solicited; or (B) to satisfy requirements of the Federal agency for construction projects to be performed at 2 or more discrete sites.<sup>8</sup>*

By statute, contracts may not be consolidated without the senior procurement executive or chief acquisition officer for the agency making a determination that consolidation is necessary and justified. There are many reasons why an agency may conclude that consolidation is necessary and justified, including cost, improved quality, or shortened acquisition cycle. Rationale for determining whether consolidation is necessary and justified is addressed as part of acquisition planning and must be documented as part of the written acquisition plan in accordance with FAR 7.105(b)(1)(iv). Once documented as part of the written acquisition plan, there is no relief given to the separate determination required by FAR 7.107. This additional determination delays acquisitions by requiring more preparation and staff time. When consolidation is addressed during acquisition planning, the determination should be part of the acquisition plan, and a separate determination should not be required.

### **Conclusions**

One of the main issues with government acquisition is the copious amount of documentation and approvals required. The FAR and other regulations often create duplicative and conflicting requirements to demonstrate compliance with a single statutory mandate. This redundancy creates unnecessary paperwork and wastes time. Much of this duplication comes from overlap between the acquisition strategy and acquisition plan, or between one of these foundational documents and additional regulatory procedures. Eliminating duplicative documentation and obsolete requirements

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<sup>6</sup> Definitions, 10 U.S.C. 2302 note.

<sup>7</sup> FAR 7.103(p) indicates the Head of the Agency is responsible for “ensuring that agency planners...comply with the policy in 11.002(d) regarding procurement of...and non-ozone-depleting products, and products and services that minimize or eliminate, when feasible, the use, release, or emission of high global warming potential hydrofluorocarbons, such as by using reclaimed instead of virgin hydrofluorocarbons.” FAR 11.002(d), indicates, “When agencies acquire products and services, various statutes and executive orders (identified in part 23) require consideration of sustainable acquisition (see subpart 23.1) including...(vi) Non-ozone depleting substances, and products and services that minimize or eliminate, when feasible, the use, release, or emission of high global warming potential hydrofluorocarbons, such as by using reclaimed instead of virgin hydrofluorocarbons (subpart 23.8).”

<sup>8</sup> Consolidation of Contract Requirements, 15 U.S.C. 657q.

would reduce this redundancy. Further, when rationale must be documented or approved by a higher authority, it should be consolidated into one place with a singular approval authority. The elimination of superfluous documentation and time required to garner approval will reduce procurement lead time.

*Subrecommendation 74b: Revise statutory and regulatory requirements for contract type determination when already approved as part of a written acquisition plan or acquisition strategy, and when a written acquisition plan or acquisition strategy is not required, streamline contract type determinations to a single approval authority no higher than the Chief of the Contracting Office.*

## **Background**

Selection of contract type can be one of the most important decisions made by the PM and contracting officer. Many factors need to be considered when selecting the contract type, including acquisition history, complexity and type of the requirement, and period of performance. The contract type signifies not only the risk the government is willing to accept but also the certainty of the defined requirement and anticipated performance outcomes. In instances when more complex contract types are selected, such as incentive fee or award fee, the contract type can act as a tool to motivate the contractor to increase speed of delivery, reduce cost, or enhance performance.

FAR 16 outlines various contract types and the circumstances when each may be deemed appropriate given the nature of the acquisition. The major categories of contract types are fixed-price and cost reimbursement with variations covering circumstances such as contractor incentives or market fluctuation, and, to a lesser degree, time, and material.<sup>9</sup> Depending on the type of contract selected, the authority to approve certain contract types can be many levels above the contracting officer. This requirement for top-level approval can cause delays in early acquisition phases or even act as a deterrent to suitable contract type selection.

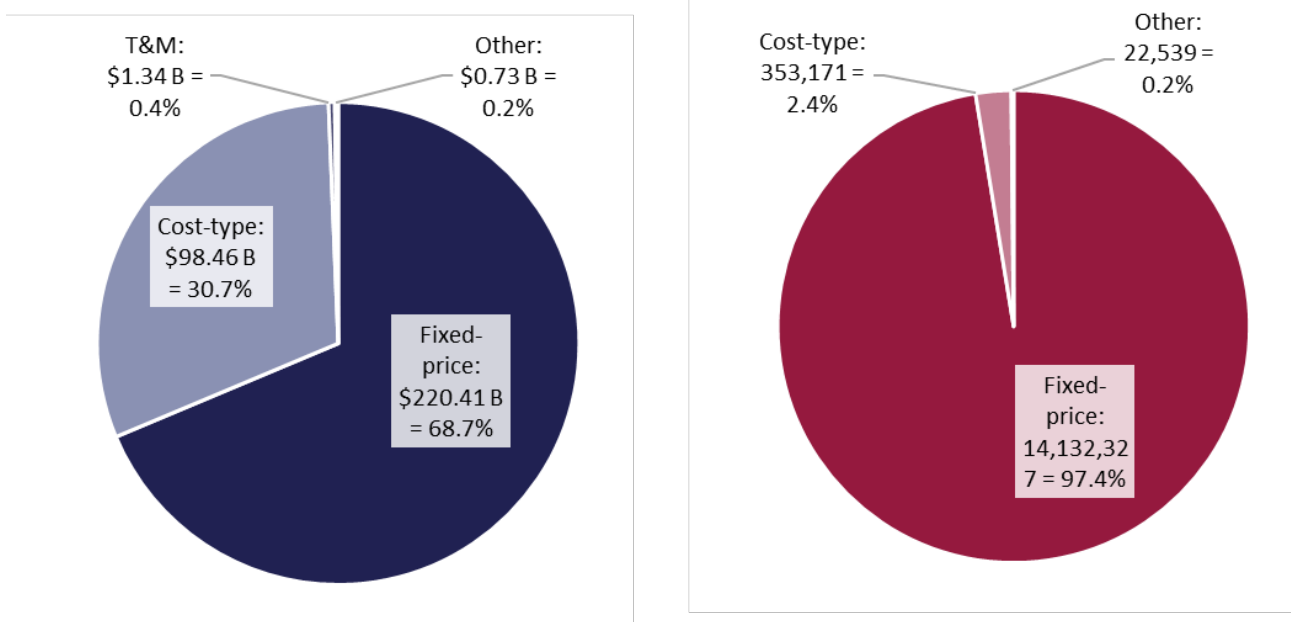
Fixed-price contracts are the preferred and most used contract type, whether measured as dollar obligations or contract actions. Figure 7-2 illustrates the extent of DoD's use of these contract types during fiscal year 2017.<sup>10</sup>

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<sup>9</sup> FAR 16.202-1 describes a firm-fixed-price contract as one that "provides for a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively and imposes a minimum administrative burden upon the contracting parties." FAR 16.301-1 describes a cost reimbursement contract as one which provides "for payment of allowable incurred costs, to the extent prescribed in the contract. These contracts establish an estimate of total cost for the purpose of obligating funds and establishing a ceiling that the contractor may not exceed (except at its own risk) without the approval of the contracting officer." FAR 16.601(b) describes a time and materials contract as one that "provides for acquiring supplies or services on the basis of— (1) Direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit; and (2) Actual cost for materials."

<sup>10</sup> Fixed-price includes firm-fixed-price as well as variations, including: fixed-price award fee, fixed-price incentive fee, fixed-price level of effort, fixed-price redetermination, and fixed-price with economic price adjustment. Cost type includes cost only as well as variations, including: cost-plus award fee, cost-plus fixed fee, cost-plus incentive fee, and cost sharing.

**Figure 7-2. Comparison of DoD Contract Dollar Obligations and DoD Contract Actions, FY 2017<sup>11</sup>**



Despite the preponderance of fixed-price DoD contract actions and obligations, recent law has further encouraged this contract type. The FY 2017 NDAA explicitly establishes a preference for fixed-price contracts and requires a contracting officer to gain approval from the Service acquisition executive or equivalent when entering into cost reimbursement contracts exceeding \$50 million, with the threshold lowering to \$25 million after fiscal year 2019.<sup>12</sup>

### Discussion

Similar to previous examples, multiple instances exist for which the FAR requires duplicative contract type determinations beyond the content of the written acquisition plan. FAR 7.105(b)(3) requires the acquisition plan to address the following:

*Discuss the rationale for the selection of contract type. For other than firm-fixed-price contracts, see 16.103(d) for additional documentation guidance. Acquisition personnel shall document the acquisition plan with findings that detail the particular facts and circumstances (e.g., complexity of the requirements, uncertain duration of the work, contractor’s technical capability and financial responsibility, or adequacy of the contractor’s accounting system), and associated reasoning essential to support the contract type selection. The Contracting Officer shall ensure that requirements and technical personnel provide the necessary documentation to support the contract type selection.*

This requirement is further emphasized with the requirement for the contract file to include rationale for the contract type selection in the acquisition plan, when an acquisition plan is required.<sup>13</sup> FAR 16.203-3 requires additional documentation for fixed-price contracts with economic price adjustment, which should be supported in the rationale contained in the acquisition plan. FAR 16.401(d) requires

<sup>11</sup> Data from FPDS, extracted September 19, 2018.

<sup>12</sup> Section 829 of FY 2017 NDAA, Pub. L. No. 114-328 (2016).

<sup>13</sup> Negotiating Contract Type, FAR 16.103(d)(1).

the head of the contracting activity to sign a determination and finding for incentive and award-fee contracts. Justifying their use is in the best interest of the government. Additionally, FAR 16.601(d) requires the head of the contracting activity approve a determination and finding for time-and-material contracts exceeding 3 years.

The rationale for contract selection already must be thoroughly documented in the acquisition plan. This documentation is a non-value-added, time-consuming processes when duplicated outside the acquisition plan. The additional determination and finding requires more time preparing and staffing a duplicative document to support a solicitation and contract, when often the secondary approval authority would have already reviewed or been in the staffing chain of the acquisition plan.

## **Conclusion**

Multiple instances of redundant, time-consuming contract type approvals exist within the FAR, e.g., economic price adjustment, time and materials greater than 3 years, and incentive or award fee. Further, the FAR identifies the acquisition plan as the appropriate place for documenting the selected contract type. Additional documentation and approvals at levels other than the contracting officer categorically undermine contracting officers' authority, knowledge, and experience with the acquisition. The redundancies hinder the contracting officer's ability to exercise business acumen and delay the procurement process; therefore, they should be revised. Further, inconsistent approval authorities for various contract types, in particular approval authorities many levels above the contracting officers or outside contracting officers' immediate chain of command, cause confusion and further delays in the precontract award phase. When an approved acquisition plan is not required, the contract type determinations should have a single approval path no higher than the chief of the contracting office.

*Subrecommendation 74c: Revise 10 U.S.C. 2304a(d) and 41 U.S.C. 4103(d) to eliminate requirement for approval from the head of the agency for single-source task-order or delivery-order contracts.*

## **Background**

Section 843 of the FY 2008 NDAA included, among other requirements, prohibition of awarding single-source task order or delivery order contracts. This statutory requirement at 10 U.S.C. § 2304a(d) is implemented under FAR 16.504(c)(1). A task-order or deliver-order contract is used when the government has a specified requirement with an indefinite quantity, within stated limits, of supplies or services during a fixed period, also referred to as an indefinite-quantity contract. The government subsequently places orders for individual requirements as needed. Quantity limits may be stated as number of units or as dollar amounts. The FAR indicates a preference for multiple awards when executing an indefinite-quantity contract, meaning contracting officers award to a pool of qualified contractors who will receive future orders for specific quantities once the quantity is known.<sup>14</sup> This practice ensures continuous competition when orders are placed after the initial indefinite-quantity contract is awarded.

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<sup>14</sup> Indefinite-Quantity Contracts, FAR 16.504(a)&(c).

## Discussion

The contracting officer is responsible for determining the number of awardees as part of acquisition planning. Further, “The Contracting Officer must document the decision whether or not to use multiple awards in the acquisition plan or contract file.”<sup>15</sup> The FAR then contradicts itself by requiring the head of the agency to make a written determination that,

- (i) The task or delivery orders expected under the contract are so integrally related that only a single source can reasonably perform the work;*
- (ii) The contract provides only for firm fixed price (see 16.202) task or delivery orders for—*
  - (A) Products for which unit prices are established in the contract; or*
  - (B) Services for which prices are established in the contract for the specific tasks to be performed;*
- (iii) Only one source is qualified and capable of performing the work at a reasonable price to the Government; or*
- (iv) It is necessary in the public interest to award the contract to a single source due to exceptional circumstances.*

The FAR contradicts itself by giving the contracting officer authority to make this determination and then later takes it away, reserving the determination for a higher authority. This authority requires concurrence and eventual approval five levels above the contracting officer.

Acquisition plan content requirements, outlined at FAR 7.105, address indefinite-quantity contract preferences in multiple sections. First, FAR 7.105(b)(2) addresses competition and “how competition will be sought, promoted, and sustained throughout the course of the acquisition.” Under FAR 7.105(b)(3), the acquisition plan must address “the rationale for the selection of contract type.” If an indefinite-quantity contract is selected, whether for single- or multiple-award preference, the acquisition plan is required to address the rationale for the selection in conjunction with the acquisition risks, industry support, competition maximization objectives, and other concerns. The acquisition plan does so more comprehensively than the determination required by FAR 16. The requirement to seek a head of the agency determination for single-source task order or delivery order contracts is both duplicative and unduly burdensome.

## Conclusion

FAR 16.504(c)(1) is contradictory, first delegating responsibility for determining the number of awardees to the contracting officer, then reserving the determination for a higher authority. Additionally, the written acquisition plan already requires the planning team to address the salient components of FAR 16. The statutory requirement to obtain head of the agency approval for single-source task-order or delivery-order contracts exceeding \$112 million should be revised and FAR 16.504(c)(1) should be repealed.

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<sup>15</sup> Indefinite-Quantity Contracts, FAR 16.504(c)(1)(ii)(A)&(C).



*Subrecommendation 74d: Direct DoD to justify, consolidate, or eliminate requirements in the FAR and DFARS relative to acquisition plans and acquisition strategies.*

**Problem**

FAR Part 7 establishes requirements for acquisition planning and contents of an acquisition plan, but this regulation has become overly complex and overlaps with other subparts of the FAR and DoD Instructions (DoDIs), especially DoDI 5000.02, 5000.74, and 5000.75, relative to acquisition strategies.

**Background**

DoD must report to Congress annually on major defense acquisition programs and does so using data collated in program acquisition strategies. According to the DAG,

*The Acquisition Strategy is a top-level description, in sufficient detail to allow senior leadership and the Milestone Decision Authority (MDA) to assess whether the strategy makes good business sense, effectively implements laws and policies, and reflects management’s priorities.*<sup>16</sup>

DoD implements acquisition strategy requirements through FAR 34.004 and DoDI 5000.02 for Major System Acquisitions and through FAR 37 and DoDI 5000.74 for services contracts. Yet another DoDI, 5000.75, governs acquisition strategy requirements for defense business systems. The FAR also requires the acquisition strategy for major systems be prepared in accordance with Subpart 7.1, the same subpart that governs acquisition plans and indicates that the strategy “shall qualify as the acquisition plan for the major system acquisition.”<sup>17</sup> According to the DAG, “in practice, DoD Components often prefer to provide a more general acquisition strategy to the milestone decision authority (MDA) for approval and choose to prepare a separate, more detailed [acquisition plan].”<sup>18</sup> Further, DoD implements acquisition strategy requirements for service contracts through FAR 37 and DoDI 5000.74.

Both the acquisition strategy and the acquisition plan include statutory and regulatory components, but their purposes differ. The acquisition strategy is a higher level document that delineates programmatic goals for full lifecycle performance. The acquisition plan is more detailed and focuses on the business arrangement structured in the contemplated contract. Table 7-3 compares the two documents.

**Table 7-3. Summary of Distinctions between the Acquisition Strategy and Acquisition Plan<sup>19</sup>**

	Acquisition Strategy	Acquisition Plan
Required by	DoDI 5000.02, Enclosure 2, paragraphs 5(c) and 6(a)	FAR 7.1
Required for	All acquisition categories	Contracting or procuring for development activities when the total cost of all contracts for the acquisition program is estimated

<sup>16</sup> DAU, *Defense Acquisition Guidebook*, September 16, 2013, accessed June 25, 2018, <https://at.dod.mil/sites/default/files/documents/DefenseAcquisitionGuidebook.pdf>.

<sup>17</sup> Acquisition Strategy, FAR 34.004.

<sup>18</sup> DAU, *Defense Acquisition Guidebook*, September 16, 2013, accessed June 25, 2018, <https://at.dod.mil/sites/default/files/documents/DefenseAcquisitionGuidebook.pdf>.

<sup>19</sup> Ibid.

Acquisition Strategy		Acquisition Plan
Approval Authority	MDA	at \$10 million or more; procuring products or services when the total cost of all contracts is estimated at \$50 million or more for all years or \$25 million or more for any one fiscal year; and other procurements considered appropriate by the agency.
Purpose	Describes overall strategy for managing the acquisition program. The acquisition strategy describes the PM's plan to achieve programmatic goals and summarizes the program planning and resulting program structure.	Component Acquisition Executive or designee in accordance with Agency FAR supplements.
Use	Required at program initiation. The acquisition strategy should be updated for all subsequent milestones, at the full-rate production decision review, and whenever the approved strategy changes.	Comprehensive plan for implementing the contracting strategy.
Level of Detail	Required at program initiation. The acquisition strategy should be updated for all subsequent milestones, at the full-rate production decision review, and whenever the approved strategy changes.	Integrates the efforts of all personnel responsible for significant aspects of the contractual agreement. The purpose is to ensure that the government meets its needs in the most effective, economical, and timely manner.
Content	Strategy level. Needed by MDA for decision-making. Also planning level for some discrete information requirements.	Execution level. Provides the detail necessary to execute the approach established in the approved acquisition strategy and to guide contractual implementation and conduct acquisitions.
Individual Responsible for Preparing the Document	Prescribed by DoDI 5000.02 ; additional guidance in the DAG	Prescribed by FAR 7.1; DFARS 207
	PM	Person designated as responsible.

## Discussion

Acquisition planning is a multifunctional team effort. The results of planning efforts are detailed in the acquisition plan and include “the technical, business, management, and other significant considerations that will control the acquisition.”<sup>20</sup> The FAR is itself a comprehensive and detailed set of rules in which various subparts often create overlapping requirements. Notably, the acquisition strategy and the acquisition plan overlap to such an extent that is unclear why all this documentation is necessary, especially when it bogs down the acquisition process.

Statute requires agencies to document aspects of both an acquisition plan and acquisition strategy, but there is no prohibition to doing so in one document. In the case of major system acquisitions, the acquisition strategy actually qualifies as the acquisition plan.<sup>21</sup> Table 7-4 identifies the required content of both documents. Some similarities within the documents present clear opportunities for streamlining. Duplicative requirements include contract type determination (including a discussion on multiyear procurement and business strategies), risk management, market research (including available sources), and background and objectives such as cost and procurement history.

**Table 7-4. Acquisition Plan and Acquisition Strategy Requirements and Commonalities**

Acquisition Plan Contents <sup>22</sup>	Statutory Requirements for an Acquisition Strategy <sup>23</sup>
<ul style="list-style-type: none"> <li>▪ Acquisition background and objectives:                             <ul style="list-style-type: none"> <li>– Statement of need</li> <li>– Applicable conditions</li> <li>– Cost</li> <li>– Capability or performance</li> <li>– Delivery or performance-period requirements</li> <li>– Trade-offs</li> <li>– Risks</li> <li>– Acquisition streamlining</li> </ul> </li> <li>▪ Plan of action:                             <ul style="list-style-type: none"> <li>– Sources</li> <li>– Competition</li> <li>– Contract type selection</li> <li>– Source-selection procedures</li> <li>– Acquisition considerations</li> <li>– Budgeting and funding</li> <li>– Product or service descriptions</li> <li>– Priorities, allocations, and allotments</li> <li>– Contractor versus government performance</li> <li>– Inherently governmental functions</li> <li>– Management information requirements</li> <li>– Make or buy</li> <li>– Test and evaluation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Acquisition approach</li> <li>▪ Benefit analysis and determination</li> <li>▪ Business strategy</li> <li>▪ Contracting strategy                             <ul style="list-style-type: none"> <li>– Contract type determination</li> <li>– Termination liability estimate</li> </ul> </li> <li>▪ Cooperative opportunities</li> <li>▪ General equipment valuation</li> <li>▪ Industrial base capabilities considerations</li> <li>▪ Intellectual property strategy</li> <li>▪ Market research</li> <li>▪ Modular open systems approach</li> <li>▪ Multiyear procurement</li> <li>▪ Risk management</li> <li>▪ Small Business Innovation Research/Small Business Technology Transfer Program technologies</li> </ul>

<sup>20</sup> Contents of Written Acquisition Plans, FAR 7.105.

<sup>21</sup> Acquisition Strategy, FAR 34.004.

<sup>22</sup> Adapted from FAR 7.105.

<sup>23</sup> Extracted from DoDI 5000.02, Enclosure 1, Table 2 (2017).

## Acquisition Plan Contents<sup>22</sup>

## Statutory Requirements for an Acquisition Strategy<sup>23</sup>

- Logistics considerations
- Government-furnished property
- Government-furnished information
- Environmental and energy conservation objectives
- Security considerations
- Contract administration
- Other considerations
- Milestones for the acquisition cycle
- Identification of participants in acquisition plan preparation

Naval Sea Systems Command published an *Acquisition Strategy Guide* in April 2010, which calls out a single acquisition management plan (SAMP) combining the acquisition plan and acquisition strategy requirements into one document.<sup>24</sup> According to the guide, “Use of a SAMP is at the PEO’s discretion for [Acquisition Category (ACAT)] I and II programs where the [Milestone Decision Authority] is Navy, but is highly recommended when there is a common approval authority for both [acquisition strategy] and [acquisition plan] such as ACAT III, IV, and [Abbreviated Acquisition Program] programs.”<sup>25</sup> One former Navy official interviewed indicated that during his time as a procurement analyst, out of the more than 100 acquisition plans he reviewed, only one used the SAMP format.<sup>26</sup> For the Defense Information Systems Agency, the agency acquisition regulation supplement requires use of a combined, standard, or streamlined plan; however, as noted earlier, in the DAG, DoD acquisition planners often prefer to prepare separate documents.<sup>27</sup>

## Conclusions

It is best for DoD and the individual Military Services to review the acquisition planning documentation requirements and reduce them to basics. DoD should focus documentation requirements on those required by statute or truly critical to “satisfying the mission need in the most effective, economical, and timely manner.”<sup>28</sup> The growing demand for documentation should be reduced by eliminating requirements that are obsolete or not value added. DoD should compare these requirements with those in DoDI 5000.02, 5000.74, and 5000.75, then revise—and right size—these acquisition instructions to eliminate redundancy with FAR requirements or other unnecessary requirements.

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<sup>24</sup> Naval Sea Systems Command, *Acquisition Strategy Guide v1.0*, April 2010, accessed October 10, 2018, <http://www.dtic.mil/dtic/tr/fulltext/u2/a550109.pdf>.

<sup>25</sup> *Ibid.*, 18.

<sup>26</sup> Data collection interviews, conducted by Section 809 Panel Team 6: IT Acquisition, October 2018.

<sup>27</sup> DISA Acquisition Regulation Supplement (DARS), Subpart 7.103 indicates, “A written plan (combined AS/AP, standard, or streamlined) shall also be prepared for... (1) Acquisitions with a total value, including options, of \$50M and above.”

<sup>28</sup> Acquisition Strategy, FAR 34.004.

## Implementation

### *Legislative Branch*

- Revise Section 829 of the FY 2017 NDAA (Pub. L. No. 114–328; 10 U.S.C. § 2306 note), which requires senior acquisition executive approval for cost type contracts.
- Revise 10 U.S.C. § 2304a(d), which requires head of the agency approval for single source task order or delivery order contracts.
- Revise 41 U.S.C. § 4103(d) which requires head of the agency approval for single source task order or delivery order contracts.

### *Executive Branch*

- Revise FAR and DFARS to explicitly eliminate separate determinations, when rationale documented in an approved acquisition plan or acquisition strategy. Delegate authority to approve determinations documented within the acquisition plan or acquisition strategy to the plan or strategy approving authority.
- Revise FAR and DFARS to eliminate contract type determinations when already approved as part of a written acquisition plan or acquisition strategy. When a written acquisition plan or acquisition strategy is not required, revise FAR and DFARS to delegate contract type determinations to a single approval authority no higher than the Chief of the Contracting Office.
- Direct DoD to consolidate or eliminate requirements in the FAR and DFARS relative to acquisition plans and Acquisition Strategies. DoD should compare these requirements with those in DoDI 5000.02, 5000.74, and 5000.75, then revise—and right size—these acquisition instructions to eliminate redundancy with FAR requirements or other unnecessary requirements. This study should begin no later than 180 days after passage of the Act, and conclude within 1 year.

### *Implications for Other Agencies*

- The recommended changes to the statutes and the FAR would apply to DoD and civilian agencies that use the FAR. Both DoD and civilian agencies will benefit from these recommendations.