

Establishing Program/Project/Product Management Offices (PMOs)
(Exerpts from DA PAM 70-3, Army Acquisition Procedures, Appendix VIII)

Guidance – Centralized management by a PM is mandatory when an acquisition program is designated as Acquisition Category (ACAT) I/ACAT IA/ACAT II, or ACAT III.

General Criteria and Factors for Establishing a PMO –

- I. Mission Needs Statement
- II. Favorable Milestone Decision
- III. Other Factors
 - a. Program Operation & Support Cost, when compared to total life cycle equipment costs, are of such magnitude as to warrant centralized management.
 - b. Program has significant impact on U.S. military posture.
 - c. Program is required to satisfied an urgent requirement.
 - d. Program involves unusual organizational complexity, technological advancement, or interface control.
 - e. Program requires extensive interdepartmental, national, or international coordination or support.
 - f. Program has significant Congressional, Department of Defense, or Department of the Army interest.

The criteria and factors above are equally applicable to all acquisition programs with the understanding that each AIS program decision will be reviewed on a case-by-case basis with consideration for the unique aspects of AIS programs.

Conditions for Establishing a Project Manager –

When the program requires consideration of a broad array of factors such as mission criticality; urgency of need; Congressional; DoD, or Army interest; organizational or technical complexity; and the system's life cycle costs.

Conditions for Establishing a Product Manager –

Based on the same criteria used for project management with the discriminating factors being weighted by such things as mission priorities, overall PM organizational structure, and relative program costs.

Preparations and Procedures for Establishing a PMO –

The AAE is the approval authority for designating a program for intensive centralized management by a PM and for establishing the supporting PMO.

The request for a new position/PMO should include the following information:

1. Documentation of a favorable Milestone decision, usually Milestone A
2. Narrative explaining why intensive centralized management is necessary IAW conditions & criteria listed above.
3. Justification that the proposed PM should be military or civilian and the rank or proposed grade level.
4. Estimated program funding by appropriation type (RDTE, PROC, & OMA) for the FYDP.
5. Event or estimated date when the program will transition to a less intensive form of management. Should also include a proposed manpower document and matrix support plan providing information as to how a management office to support the new PMO would be established.

**PM
Selection Criteria Sheet**

PM Name

1. **Brief description of program (one paragraph)**
2. **Brief description of PM responsibilities (one paragraph)**
3. **Desirable Characteristics**
 - a. **Military Education**
 - b. **Civilian Education**
 - c. **Experience**
 - d. **Security Clearance**
 - e. **Branch/Functional Area/Branch/Series**
 - f. **Other**
4. **Administrative Data**
 - a. **Duty Station (include the PMs UIC)**
 - b. **MAPL (if position is already established)**
 - c. **Report Date**

**Program Summary Sheet
(Title of Program)
(Major/Significant Non-Major/Non-Major)**

PEO Materiel

**Command
Incumbent**

**Rotation Date
New Start Date**

Mission (brief description)

ACAT Level

Program Milestones

Program Funding (FY xx-xx POM UPDATE)

MDEP

**PE/PROJ/SSN
Number**

	FY04	FY05	FY06	FY07	FY08	FY09
RDTE						
PROC						
OMA						
TOTAL						

MANPOWER END STRENGTH (FY?? TDA)

CORE	MILITARY	CIVILIAN
CO-LOCATED MATRIX	MILITARY	CIVILIAN
CONTRACTOR SUPPORT	CO-LOCATED	NON-CO-LOCATED

NOTE:

- 1. Submit one summary sheet for each PM position**
- 2. If more than one project shares a funding line, provide only the funding profile (breakout by PE/Project/SSN) for the PM position listed on the summary sheet. Identify customer funding separately.**

OTHER SIGNIFICANT PROGRAM INFORMATION

- 1. Briefly Address the Following (if applicable):**
 - a. Significant Congressional, Office of the Secretary of Defense and/or Department of Army interests.**
 - b. Significant impact on military posture and readiness**
 - c. Extensive interdepartmental, national or international coordination**
 - d. Unusual organizational complexity, technological advancement of interface controls.**
 - e. Unusual difficulties requiring centralized management**
- 2. List the systems currently managed by the PM**
- 3. Attach DD-Form 2589 if position is for fill by military only.**