

Development Group and noncommissioned officer acquisition workforce members. Graduation is essential for assuming positions of greater responsibility. The first FA51 IQC in Huntsville will begin in January 2011.

U.S. Army Acquisition Corps (AAC) Annual Awards Ceremony

There are some acquisition workforce members whose performance and contributions to the warfighter set them apart from their peers. These extraordinary people will be recognized for their achievements at the AAC Annual Awards Ceremony on Sunday, Oct. 24, 2010. I invite all AL&T Workforce members to join us in recognizing the significant accomplishments and achievements of these acquisition excellence contributors. For more information, contact Marti Giella at (703) 645-7653 or usaasc.events@conus.army.mil.

Farewell to Retiring USAASC Professionals, DAU President

It is with bittersweet recognition and extreme gratitude that I say goodbye to three USAASC acquisition professionals: Wanda Meisner, Mary McHale, and Cynthia Hermes. Meisner served as the Chief, Force Structures and Manpower Division, and her accomplishments included supervising, coaching, and mentoring a team of government and contractor professionals in developing and presenting the annual Military Acquisition Position List review and the Principal Military Deputy Command Review. Since December 2006, McHale served as the Acquisition Proponency Branch Chief. Among other responsibilities, she analyzed and identified Army acquisition workforce competency, skills, size, structure, and grade distribution requirements. Hermes is retiring as the *Army AL&T Magazine* and *Army AL&T Online* Editor-in-Chief. She has worked on the magazine staff for 12 years and has contributed extensively to the magazine's continual success. Collectively, these three professionals retire after achieving more than 100 years of successful federal service! Their hard work and dedication in supporting the AL&T Workforce will be sorely missed, but their contributions will influence the way we do business for many years to come. I wish them a healthy and happy retirement.

In closing, DAU President Frank Anderson Jr. brings another retirement from the acquisition community this season. Anderson initiated and successfully led the most comprehensive reengineering of DAU defense acquisition workforce training since its establishment as the Defense Systems Management College in 1971. Under Anderson's tenure, DAU was elevated to an internationally recognized corporate university, winning numerous awards from various civilian and military academies. Anderson's leadership and his devotion to the DOD acquisition workforce set the standard for future acquisition career development leaders. I wish him well in all his future endeavors.

Craig A. Spisak

Director, U.S. Army Acquisition Support Center

Contracting Community Highlights



When one hears the term “acquisition reform,” his/her initial response may be to say or think, “not again, been there, done that—and we still don’t have it right.” Today, our approach to acquisition reform is holistic, encompassing which technologies we use, what weapon systems we

buy, funding stability, and the business operations that underlie the whole process. The President and Congress have provided the guidance and legislation to address areas that need reform and improved efficiency in meeting these major problems. We have all heard that the problems start with the process when we establish the requirements for new weapon systems. Specifically, many times we establish requirements that are at the far limit of the technological boundaries. We seek exotic and unproven solutions to warfighting needs, i.e., the bells and whistles that entice. Sometimes these can lead to breakthrough developments, but more often, the result is a disappointing initial performance followed by cost and schedule overruns to correct those performance failures. Then, we repeat the cycle several times before eventually delivering a weapon system late, over budget, and still not at the performance levels that we originally wanted.

To address the issue of “requirements creep,” we will create Configuration Steering Boards that were endorsed by the *FY09 National Defense Authorization Act (Weapon Systems Acquisition Reform Act of 2009)*. These boards provide a mechanism to preclude destabilizing requirement changes and match requirements with mature technology. Program managers will employ this forum to control requirement changes and seek moderation of requirements that become drivers of excess cost in system design.

Additionally, we will employ several initiatives to align profitability with performance. Most contract fee structures, e.g., incentive fees, will be tied to contractor performance. The use of award fee contracts will be restricted to those situations where more objective measures do not exist. We will also rigorously examine service contract strategies to ensure an alignment of fees earned and services provided, and eliminate the use of unpriced contractual actions, whenever possible. Finally, we will ensure that the use of multiyear contracts is limited to instances when real, substantial savings are accrued to the taxpayer.

Army acquisition and contracting are not easy, but enormously complex and large, undertakings. Acquisition reform is similarly

complex and challenging. Since the end of World War II, there have been nearly 130 studies of acquisition reform. Many very smart people have tried and met limited success, but that should not be a deterrent for us to continue to seek better ways to conduct our mission. We need to move forward and continue to improve our acquisition workforce, procurement and acquisition processes, and business operations. We must communicate with our industry partners in an open manner that clearly articulates our requirements and expectations and demonstrates our commitment to a program through stable funding. We must support the tough-minded approach to acquisition reform that has been set forth by Secretary of Defense (SECDEF) Robert M. Gates and Deputy SECDEF William J. Lynn III to make difficult strategic and programmatic decisions and provide disciplined and effective oversight. At each step of the process, we must allow for critical examination of our operations to identify strengths we can amplify and recognize weaknesses we can resolve. Only through this proactive thinking can we meet our objectives and realize the full potential of our vision of serving those who serve.

Edward M. Harrington

Deputy Assistant Secretary of the Army (Procurement)

40mm Cartridge Family Systems Contract Awards Support Small Businesses

Julie A. Seaba and Jake M. Adrian

In February 2010, the U.S. Army Contracting Command-Rock Island Contracting Center (RICC) made two 100-percent small business set-aside contract awards with a total program ceiling of \$3.8 billion. The awards were for the 40mm cartridge family systems on behalf of Program Executive Office Ammunition (PEO Ammo) and Project Management Office Maneuver Ammunition Systems (PMO MAS).

40mm Cartridge Family Systems

The 40mm cartridge family systems is composed of many types of 40mm tactical and training ammunition supplied to the U.S. Army, U.S. Navy (USN), U.S. Marine Corps (USMC), U.S. Air Force (USAF), and foreign military sales. Some of the rounds include:

- M385A1 Practice Cartridge—only for practice and proof testing weapons.
- M430A1 High-Explosive Dual Purpose (HEDP) Cartridge—for anti-armor and anti-personnel.

- M918 Target Practice—to simulate the M430A1.
- M433 HEDP Cartridge—for anti-armor and anti-personnel.
- M583A1 White Star Parachute Cartridge—for illumination and signaling.
- M992 Infrared Illuminant Cartridge—to enhance nighttime operational capabilities.
- M585 White Star Cluster Cartridge—illumination and signaling round designed for less weight and bulk than comparable hand-held signals.
- M661 Green Star Parachute Cluster Cartridge—for illumination and signaling.
- M662 Red Star Parachute Cartridge—for illumination and signaling.

Acquisition Milestones

An integrated product team (IPT)—consisting of RICC; the U.S. Army Joint Munitions Command; the U.S. Army Research, Development, and Engineering Command; PEO Ammo; and PMO MAS—was formed in January 2008. The U.S. Army Sustainment Command's (ASC's) small business and legal offices provided matrix support. In July 2008, a Sources Sought Notice was issued on Army Single Face to Industry and Federal Business Opportunities. The IPT conducted an industry day and then issued a draft request for proposal (RFP) in March 2009. The formal RFP was issued in June 2009, evaluations were conducted from August 2009–January 2010, and awards were made in February 2010.

Acquisition Challenges

The IPT faced many challenges during the acquisition. First, the estimated value of the acquisition required an Office of the Secretary of Defense Peer Review, a stringent cross-agency assessment of the acquisition from presolicitation to contract award. Second, the IPT had to develop and write custom contract language that required the contractors to procure and maintain the weapons used to test the rounds. Under prior 40mm cartridge family systems acquisitions, the weapons were provided as government-furnished equipment. Finally,



M430A1 M918 M385A1 M781 M433 M583A1 M585 M661 M662 M992

The 40mm cartridge family systems tactical and training ammunition are supplied to the Army, USN, USMC, and USAF. (U.S. Army photo by Jack Crowley, PMO MAS.)



Soldiers from the 443rd Transportation Co. fire an MK-19 automatic grenade launcher, sending 40mm training projectile grenades down range at Camp Atterbury, IN. (U.S. Army photo by SPC John Crosby.)

the IPT had to develop the economic price adjustment (EPA) requirements.

Small Business Awards

There were two systems contracts awarded, one to AMTEC Corp. and one to DSE Inc. Both contractors are considered small businesses, and the combined award was \$56 million with a potential to grow to \$3.8 billion if all options are exercised in full. Each contract is for a base period with five option periods, is firm-fixed-price (FFP), and contains EPA clauses for aluminum, steel, and zinc.

The 40mm cartridge family systems acquisition was a 100-percent small business set-aside. It represents 68.7 percent of ASC's small business FY10 projected total dollar awards. It also represents 9.8 percent of ASC's 15 percent goal of total FY10 U.S. business base dollar awards to small businesses.

Additional Small Business Awards

RICC had previously awarded contracts for components supporting the 40mm cartridge family systems. The M385A1 Projectile Assembly is a component for the M385A1 Practice Cartridge, and the M918 Projectile Assembly is a component for the M918 Target Practice. Both projectile assemblies are provided as government-furnished material under the 40mm systems contracts. The procurements for the projectile

assemblies were restricted to 8(a) set-aside. The resultant contracts were FFP with EPA for a base period and four option periods. Avasar Corp. and GTI Systems Inc. received contracts for the M385A1 Projectile Assembly valued at \$8.1 million combined (including base and option periods). Elite CNC Machining Inc. and GTI Systems Inc. received contracts for the M918 Projectile Assembly valued at \$30.5 million combined (including base and option periods). These procurements represent 31.9 percent of ASC's small disadvantaged business FY10 projected total dollar awards. They also represent 1.2 percent of ASC's 3.8 percent goal of total FY10 U.S. business base dollar awards to small disadvantaged businesses.

Looking ahead, RICC continues to partner with its supported commands to achieve the Army's small business goals.

Julie A. Seaba is an RICC Load, Assembly, and Pack 40mm Contracting Officer (KO). She has 30 years of contracting experience and is certified Level III in contracting.

Jake M. Adrian is an RICC Southwest Asia Support Branch KO. He holds a B.A. in liberal studies with emphasis in economics and aerospace engineering from Iowa State University and an M.B.A. from St. Ambrose University. Adrian is certified Level III in contracting and Level I in program management, and is a U.S. Army Acquisition Corps member.