

AWARD NARRATIVE

The challenge facing the Federal Acquisition Regulation (FAR) 16.5 High Performance Team (HPT) was to reduce acquisition cycle times for competitive task/delivery orders issued off multiple award Indefinite Delivery Indefinite Quantity (IDIQ) contracts. FAR 16.505(b)(1) allows flexibility in conducting fair opportunity competitions where it states:

*[T]he contracting officer may exercise **broad discretion in developing appropriate order placement procedures**...contracting officers may use streamlined procedures, including oral presentations...the competition requirements in Part 6 and the policies in Subpart 15.3 do not apply to the ordering process.*

However, acquisition teams failed to maximize this flexibility making current cycle times unacceptably long. Because the FAR and its supplements do not contain more specific guidance or information on how contracting officers can utilize their “broad discretion,” many teams spend valuable time, money and resources using formal FAR 15.3 source selection procedures because of the detailed regulation, training and sample documentation available. Acquisition times were often extended 12 months or more.

Targeting the entire acquisition cycle, from requirement identification to award, the solution was to establish unique lexicon, identify streamlined processes, create tailorable templates and training and conduct Air Force training webinars. AFMC formed a cross-functional nationwide HPT appointing a 3-member leadership panel who oversaw the entire effort by first developing a comprehensive charter guiding the effort through focused purpose, objectives, milestones, ground rules and goals. A 14-member core team implemented the day-to-day efforts leading six subgroups focusing on timeline collection, reviewing current policy and establishing unique lexicon, a guiding principle document and templates.

To ascertain factual FY16 baseline times, the HPT exchanged over 200 emails completing a manual data pull of 9,660 cells of data on 644 contract actions. Current process times were established by dollar value, acquisition category, and acquisition phase.

Eleven members assembled for a one week value stream mapping event. This event leveraged functional expertise and established the FAR 16.5 process map leading to a Guiding Principle document providing a quick look comparison of FAR 15.3 against FAR 16.5 by acquisition step as well as a unique lexicon. The unique lexicon was the linchpin to the effort as it clearly distinguishes the FAR 16.5 ordering process from the formal FAR 15.3 source selection process. It sets the “mindset” and facilitates a common understanding among all Government and industry stakeholders as well as reinforces case law supporting FAR 16.5 flexibilities. The Guiding Principles also describe various streamlining methodologies and how to utilize the strategies, identifies key considerations when selecting strategies and provides 11 tailorable templates. A grass roots review of the Guiding Principles was conducted to test how useful it would be, even to the least experienced audience. Twenty-three junior cross-functional personnel reviewed and provided input. Over 365 questions/comments were generated. As a result, the HPT developed a tailorable Work Breakdown Structure (WBS)/Schedule tool describing the process (from requirement identification to award) to assist teams to identify activities for a particular acquisition and establish process durations, milestones and schedules.

The Guiding Principles were first released March 2017 and officially incorporated into AFMC Informational Guidance August 2017. After releasing the Guiding Principles, the HPT

conducted an aggressive marketing campaign. The HPT established a SharePoint site, published an article in the AFMC Contracting Bulletin and created a comprehensive training slideshow implementing face-to-face training. The initiative was briefed at a Secretary of the Air Force for Contracting (SAF/AQC) Strategic Council encompassing 26 of the senior Air Force contracting leaders. It was also briefed during the 2017 USAF Systems Contracting Summit and a Defense Procurement Acquisition Policy (DPAP) Services Workshop. The Defense Acquisition University (DAU) reviewed the Guiding Principles and stated the document would be very beneficial beyond the Air Force. To gain exposure beyond the Air Force, the initiative was briefed to the Director, Defense Pricing/DPAP.

The HPT worked closely with five pilot programs valued at \$147M to test strategies, capture lessons learned and document cycle times. Significant results include:

- Software service reduced total acquisition cycle time 183 days (31%) over comparable FY16 efforts in that program office.
- Global air transportation system support acquisition reduced cycle time from solicitation to award 88 days (40%) over comparable FY16 efforts in that program office.
- Research and development pilot released the solicitation in just 98 days, 53% better than comparable AFMC efforts in FY16.
- A total of more than \$28M savings over predecessor contracts.

The HPT also advised other teams throughout the Air Force with acquisition strategy mentoring and guidance. The team provided strategy advice to the \$985M C-17 simulator program acquiring world-wide training systems. Streamlining opportunities helped shave at least 75 days off the acquisition timeline. In addition, over \$66M (25%) was saved on recurring support over the predecessor contract. The HPT also assisted an information technology service effort helping reduce total cycle time 253 days or 43% over comparable FY16 efforts in that program office, while also saving \$1.1M (13%) off the predecessor contract.

The HPT set a goal for a 30% cycle time reduction. To assess the impact of the team's efforts, an analysis was conducted comparing AFMC-wide orders awarded between 1 Jul 17 - 30 Jun 18 against the FY16 baseline times. The sample of 343 orders included some orders with varying degrees of effort that was completed prior to release of the Guiding Principles. This sample set saved 40 acquisition days (23%) on average per order. This will save the Air Force \$3.5M per year in acquisition costs just on this sample size. Dollar savings is based on The Coalition for Government Procurement's estimates.¹ They found it takes 145 days less to place an order than to establish a new contract, saving \$37,000 per order averaging to \$255 per day.

To assess the true impact of the effort, the 343 orders were filtered to include only orders with acquisition start dates after release of the Guiding Principles—i.e., these efforts had the Guiding Principles from commencement of the acquisition. This set of 270 orders revealed savings of 84 days (48%) on average per order saving \$5.8M per year in total acquisition costs.

The Guiding Principles promote agility and process improvement while maximizing resources to benefit the warfighter and the taxpayer. The team promotes innovation and creative strategies through flexibility already provided within the FAR. On a broader scale, this effort has the potential to make sweeping impacts across the DoD. With over 1,700 new competitive order awards for the Air Force per year, the Guiding Principles streamlining opportunities could help save as much as 143K acquisition days per year; \$36M in acquisition costs just for the Air Force.

<http://thecgp.org/multiple-award-idiq-contracts-essential-tools-in-the-acquisition-toolbox.html>

CITATION TO ACCOMPANY THE
2018 FLEXIBILITY IN CONTRACTING AWARD
TO

FEDERAL ACQUISITION REGULATION 16.5 HIGH PERFORMANCE TEAM

The Federal Acquisition Regulation 16.5 High Performance Team, Headquarters Air Force Materiel Command, Wright-Patterson Air Force Base, Ohio, distinguished itself from 1 July 2017 through 30 June 2018. The High Performance Team tackled Air Force Materiel Command Contracting's top initiative to reduce acquisition times for competitive task and delivery orders. The team conducted a value map streaming event leading to a comprehensive process map and associated 40-page Guiding Principle document. The document provides a quick-look comparison of formal source selection procedures against competitive ordering procedures, outlines streamlining methodologies, lists key considerations when selecting and using strategies and incorporates 11 tailorable templates. The team provided strategy advice to the 985 million dollar C-17 simulator program helping shave 75 days off the acquisition and 66 million dollars off the predecessor contract. The team assisted an information technology service effort helping reduce cycle time 253 days, 43 percent, over comparable fiscal year 2016 efforts in that program office while saving 1.1 million dollars, 13 percent, off the predecessor contract. The team set a goal for 30 percent cycle time reduction. A sampling of 270 orders with acquisitions initiated after release of the Guiding Principles provided a comparison against the 2016 baseline times. Streamlining opportunities helped save acquisitions an average 84 days, 48 percent, totaling 5.8 million dollars saved in acquisition costs. With more than 1,700 new competitive orders per year, streamlining opportunities could help save as the Air Force much as 36 million dollars in acquisition costs per year. The distinctive accomplishments of the Federal Acquisition Regulation 16.5 High Performance Team reflect great credit upon itself and the United States Air Force.