



PEO AMMUNITION

Program Executive Office
Ammunition Overview
Dr. Carter Initiatives
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Target Affordability and Controlling Cost Growth

- Mandate Affordability as a Requirement and Treat as a KPP
- Implementing Should Cost/Will Cost by Feb 1st
- Conducting Portfolio Reviews to Eliminate Redundancy
- Set Shorter Program Timelines & Manage to Them



Incentivize Productivity & Innovation In Industry

- Memorandum issued to include a 50/50 share line and 120 percent ceiling is the starting point - departure from these baselines must be documented.
- Memorandum issued requiring Contracting Officer's basis for contract type selected for each proposed contract in excess \$100 million for ACAT ID programs be documented in the Acquisition Plan.
- For all contracts in excess of \$100 million under other ACAT levels, guidance requires that the contract file document the basis of the Contracting Officers selection of contract type as appropriate
- Identifying Pilot Programs for innovative financing based on anticipated release of the model/guidance



Promote Real Competition

- Requires competition be included in the acquisition strategy prior to each milestone for ACAT IC, II, and III programs.
- Reduces single-bid competitions - achieve a two percent reduction in single-bid competitive contracts in Fiscal Year 2011, with continuing reductions thereafter.
- Requires Contracting Officers to conduct negotiations with all single-bid offerors unless waived.
- Conduct a business case analysis at MS B which outlines the open system architecture approach, combined with technical data rights the government will pursue in order to ensure a lifetime consideration of competition.



Improve Tradecraft In Services Acquisition

- Use standard templates in developing Performance Work Statements.
- Review the length of time knowledge-based service contracts to bring them into closer compliance with the three-year general limitation. Single-award actions will normally be limited to three-years (including options).
- In cases where “1-bid” proposals are received, we will require cost and pricing data.
- Solicitations receiving only 1-bid which were open to industry for less than 30 days will be re-advertised for a minimum period of an additional 30 days.
- When robust competition already exists, or there is recent competitive pricing history, ensure that services acquisitions are predisposed toward Firm-Fixed Price (FFP) type contract arrangements. FFP will also be used to the maximum extent reasonable when ongoing competition is used in Multiple Award Contract scenarios.
- Ensure that services acquisitions are predisposed toward Cost-Plus-Fixed-Fee (CPFF) or Cost-Plus-Incentive-Fee (CPIF) arrangements when robust competition or recent competitive pricing history does not exist.



Improve Tradecraft In Services Acquisition

- Ensure that services contracts valued at more than \$1 billion contain provisions in the contract to achieve productivity improvements and cost efficiencies throughout the term of the contract.
- Emphasizing the requirement to compete Multiple Award/IDIQ contracts among small businesses to the maximum extent