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Part 5
Program Assessments and Decision Reviews

- References:
- (a) DoD Directive 5000.1, "Defense Acquisition," 15 Mar 96 (NOTAL)
 - (b) DoD Regulation 5000.2-R, "Mandatory Procedures for Major Defense Acquisition Programs (MDAPs) and Major Automated Information System (MAIS) Acquisition Programs," 15 Mar 96 (NOTAL)
 - (c) SECNAVINST 5420.188D, "Program Decision Process," 31 Oct 95 (NOTAL)
 - (d) OPNAVINST 5420.2Q, "Resources and Requirements Review Board," 26 Jan 93 (NOTAL)
 - (e) SECNAVINST 3070.1. "Operations Security," 9 Aug 84 (NOTAL)
 - (f) SECNAVINST 4105.1, "Integrated Logistics Support (ILS) Assessment and Certification Requirements," 30 May 96 (NOTAL)
 - (g) SECNAVINST 5400.15A, "DON Research, Development and Acquisition and Associated Life Cycle Management Responsibilities," 26 May 95 (NOTAL)

5.1 Purpose

This part establishes mandatory policies and procedures for conducting milestone decision reviews of all acquisition category (ACAT) programs. See references (a), (b), and (c) for further implementation requirements for all Department of the Navy (DON) programs.

5.2 Defense Acquisition Board/DON Program Decision Process

1. The only DON-level decision briefing shall be the Program Decision Meeting (PDM), as prescribed in reference (c). ACAT ID and IAM programs shall be reviewed by a PDM prior to presentation at an Office of the Secretary of Defense (OSD)-level decision meeting. See reference (b), paragraph 5.2, for further implementation requirements for ACAT ID and IAM programs.
2. Program Executive Officers (PEOs), Systems Command (SYSCOM) Commanders, and Direct Reporting Program Managers (DRPMs) shall conduct an acquisition program briefing to prepare for the PDM, and shall issue schedules at least monthly for these briefings. Meeting membership and attendance is controlled by the PEO/SYSCOM/DRPM. Assistant Secretary of the Navy (Research, Development and Acquisition) (ASN(RD&A)), Chief of Naval Operations (CNO), and Commandant of the Marine Corps (CMC) staffs, and other personnel with a need to know shall attend these briefings in lieu of

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individual briefings by program offices. For DON programs where milestone decision authority (MDA) has been delegated below ASN(RD&A), a program briefing will normally constitute the PDM, as provided for in reference (c).

3. The Resources and Requirements Review Board (R3B) shall be used, when necessary, to resolve major program issues at the Office of the Chief of Naval Operations (OPNAV) level prior to review at PDMs or special program reviews. R3B membership and procedures are contained in reference (d). The Ship Characteristics Improvement Panel (SCIP) and the Air Characteristics Improvement Panel (ACIP), as special panels of the R3B, shall provide coordination for ships and aircraft, related systems, and air launched weapons matters. SCIP/ACIP membership and procedures are contained in reference (d).
- 4*. The Planning Guidance Board, with members representing CNO (N2, N3/5, and N8), shall provide operations security (OPSEC) and OPSEC enhancement planning guidance during mission need statement (MNS) review. A sub-panel, the Composite Planning Group, shall coordinate guidance preparation and shall assist the program manager's (PM's) staff in subsequent OPSEC and program protection planning. Detailed policy, procedures, and membership for this board and group are found in reference (e).
- 5*. The cognizant PEO/SYSCOM Commander/DRPM is responsible for ensuring ILS is reviewed for readiness to proceed and for reporting the results to the cognizant MDA. The reviews shall be accomplished on a schedule to support each milestone decision, initial operational capability, and full operational capability. Each review shall encompass all programmatic aspects that address or affect supportability, logistics, or readiness. Using the criteria provided in reference (f), the PEO/SYSCOM Commander/DRPM shall certify to the MDA the adequacy of their ACAT programs' ILS planning, management, resources, and execution. Recommendations to the MDA regarding program continuance shall consider logistics factors in balance with other major decision factors. CNO/CMC, as appropriate, shall be responsible for validating the cognizant PEO/SYSCOM Commander/DRPM ILS assessment process per reference (g).

*Not applicable to ACAT IA programs.

5.3 Major Automated Information Systems Review Council (MAISRC)

ACAT IAM programs are governed by reference (b), paragraph 5.3, for MAISRC decision meetings. DON ACAT IAM programs

follow the PDM procedures in enclosure (5), paragraph 5.2, subparagraphs 1 through 4, prior to proceeding to a MAISRC.

5.4 Integrated Product Teams (IPTs)/Acquisition Coordination Teams (ACTs) in the Oversight and Review Process

Reference (c), paragraphs 5b and 5c, and this instruction, enclosure (1), paragraph 1.2, provide policy on the use of ACTs, their functions, and membership for ACAT IC, IAC, II, III, and IV programs. The PM shall structure, tailor, and lead IPTs, as needed, to resolve issues and provide assessments at the lowest level. See reference (b), paragraph 5.4, for further implementation requirements for ACAT ID and IAM programs.

5.5 Joint Requirements Oversight Council (JROC) Review Procedures

See this instruction, enclosure (7), appendix II, annex A, section 5, and annex B, section 5 for DON JROC procedures for ACAT I and IA programs, respectively. See reference (b), paragraph 5.5, for further implementation requirements for DON ACAT I and IA programs.

5.6 OSD Cost Analysis Improvement Group (CAIG) Procedures*

When an ACAT ID or IC independent cost estimate (ICE) is prepared by the CAIG (see enclosure (3), paragraph 3.5.1), reference (b) requires the program office life-cycle cost estimate to be documented and briefed to the CAIG. The results of the CAIG review shall be forwarded to the Navy Acquisition Executive, ASN(RD&A). See reference (b), paragraph 5.6, for further implementation requirements for DON ACAT ID and IC programs.

*Not applicable to ACAT IA programs.

5.7 Other Boards and Councils

See reference (b), paragraph 5.7, for implementation requirements for ACAT I and IA programs.

5.8 Program Information

See the following table for all ACAT program mandatory milestone information. Milestone information shall be presented in mandatory formats where required by reference (b) and this instruction. All other mandatory milestone information may be presented in a format that is the MDA's option. In the same manner, PM-prepared information, and any other information as appropriate, may be combined at the MDA's and PM's discretion. See reference (b), paragraph 5.8, and enclosure (1), paragraph 1.4, for further implementation requirements on "tailoring-in" program information content for all DON programs.

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Mandatory Milestone Information (see paragraph 1.4 for tailoring)						
Milestone Information	Statutory	Presentation Medium	ACAT	Applicability	Prepared By	Approved By
Mission Need Statement ^{1/}		Mandatory Format (MOP 77)	I, IA, II, III, IV	Milestone (MS) 0	Program Sponsor	JROC (ACAT I) CNO/CMC
Operational Requirements Document ^{2/}		Mandatory Format	I, IA, II, III, IV	Initial MS and sub ^{2/}	Program Sponsor	CNO/CMC JROC validates (ACAT I)
Acquisition Program Baseline	YES ^{3/}	Mandatory Format	I, IA, II, III, IV	Initial MS and sub	PM	MDA
Test and Evaluation Master Plan ^{3/}	YES ^{4/}	Mandatory Format ^{3/}	I, IA, II, III, IV	Initial MS and sub	PM OPTEVFOR MCOTEA	CNO/CMC ^{3/} MDA DTSE&E ^{4/} DOT&E ^{4/}
Environmental, Safety, & Health Evaluation	YES	Acqn Strat or MDA option	I, IA, II, III, IV	Initial MS and sub	PM	MDA
Technology & Industrial Capability Assessment *	YES	Acqn Strat or MDA option	I	Initial MS and sub	PM	MDA
Cooperative Opportunities Assessment *	YES	Acqn Strat or MDA option	I	Initial MS and sub	PM	MDA
Independent Cost Est ^{5/}	YES *	MDA option	I, IA	Initial MS and sub	CAIG/NCCA ^{7/}	Chair CAIG/Dir NCCA ^{7/}
Manpower Estimate *	YES	Optional	I	Milestones II and III	CNO/CMC	CNO/CMC
LFT&E Waiver Cert *	YES ^{6/}	MDA option	I, II	Prior to Milestone II	PM	MDA
LFT&E Report *	YES ^{6/}	Optional	I, II	Milestone III	DOT&E	DOT&E
OT&E Report	YES	Optional	I, IA, II, III, IVT	As determined in TEMP	OPTEVFOR MCOTEA	OPTEVFOR MCOTEA
Beyond LRIP Report *	YES ^{4/}	Optional	I, II, III, IV	Milestone III	DOT&E	DOT&E
Sys Threat Assessment **		Optional	I, II, III, IV	Milestone 0 and sub	Intell Activity	Intell Activity
Analysis of Alternatives		MDA option	I, IA, II, III, IV	Initial MS and sub	Indep Activity	NAE/MDA/CNO/CMC
Acquisition Strategy		MDA option	I, IA, II, III, IV	Initial MS and prior to subsequent milestones	PM	MDA
Risk Assessment		Acqn Strat or MDA option	I, IA, II, III, IV	Initial MS and sub	PM	MDA
Pgm Life-Cycle Cost Est ^{8/}		MDA option	I, IA, II, III, IV	Initial MS and sub	PM	PM
DT&E Report		Optional	I, IA, II, III, IV	As determined in TEMP	DT&E Activity	DT&E Activity
Acquisition Decision Memorandum		MDA option	I, IA, II, III, IV	All milestones/ and as determined by MDA	MDA staff	MDA
All other information		MDA option		As required by MDA		

* Not statutorily required for ACAT IA programs. ** Normally not applicable to ACAT IA and information technology (IT) ACAT III and IVT programs.

1/ An umbrella warfare [or functional] MNS may satisfy MNS requirement for Milestone 0 for potential ACAT II, III, and IV programs.

2/ A new, or revised, ORD is not required for subsequent milestones if still current, but ORD must be revalidated by JROC (ACAT I) and CNO or CMC, as appropriate, for subsequent milestones.

3/ Statutory for ACAT I programs.

4/ Statutory for ACAT I programs and those ACAT II, III, and IV programs designated by OSD Director, Operational Test & Evaluation (DOT&E) for oversight.

5/ Not mandatory for ship programs not requiring OT&E; TEMP may be tailored as appropriate for ACAT IVM programs; CNO/CMC ACAT I, II, and III only.

6/ Statutory for those ACAT I and II programs involving covered major systems, major munitions and missiles and product improvements thereto (which could be separate ACAT III or IV programs).

7/ NCCA responsible when independent cost estimate (ICE) is not prepared by CAIG.

8/ A Cost Analysis Requirements Description (CARD) shall be prepared for ACAT I and IA programs prior to preparation of the Independent Cost Estimate and the Program Life-Cycle Cost Estimate.

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5.9 Source Selection Authority (SSA)

The SSA policies below apply to competitively negotiated acquisitions covering the selection of one or more prime development and/or production contractors (including concept exploration or the initiation of preliminary, contract, or detailed design for ship development/acquisition programs). These SSA policies also apply to any other competitively negotiated acquisition that is approved in advance by the assigned PEO, SYSCOM Commander, or DRPM; or the head of the contracting activity (HCA).

5.9.1 ACAT I, IA, and II Programs

ASN(RD&A) for assigned ACAT IA programs, and PEOs, SYSCOM Commanders, and DRPMs for their assigned ACAT I, IA, and II programs, shall be the SSA, unless otherwise specified by the Under Secretary of Defense (Acquisition and Technology), the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) for ACAT IA programs, the Secretary of the Navy, or ASN(RD&A). The ACAT I SSA responsibility may not be further delegated. The ACAT IA SSA responsibility may be delegated. The ACAT II SSA responsibility may be delegated to an individual who:

1. If a member of the armed forces, is a flag or general officer; or
2. If a civilian, is a member of the Senior Executive Service (or in a comparable or higher position under another schedule).

5.9.2 ACAT III, IV, and Abbreviated Acquisition Programs

PEOs, SYSCOM Commanders, and DRPMs for their assigned ACAT III, IV, and abbreviated acquisition programs, and ASN(RD&A) or designee for information technology (IT) ACAT III, IV, and abbreviated acquisition programs not assigned to PEOs, SYSCOM Commanders, and DRPMs, shall designate the SSA at the time approval is granted to use formal source selection procedures.

5.9.3 Other Competitively Negotiated Acquisitions

The SSA for such other competitively negotiated acquisitions shall be as prescribed by the Federal Acquisition Regulation (FAR), the Defense Federal Acquisition Regulation Supplement (DFARS), or the Navy Acquisition Procedures Supplement (NAPS), unless otherwise directed by ASN(RD&A).