



**DEPARTMENT OF THE ARMY**  
**ASSISTANT SECRETARY OF THE ARMY**  
**ACQUISITION LOGISTICS AND TECHNOLOGY**  
103 ARMY PENTAGON  
WASHINGTON DC 20310-0103

SEP 28 2008

SAAL-ZL

**MEMORANDUM FOR SEE DISTRIBUTION**

**SUBJECT: Army Performance-Based Logistics (PBL) Criteria and Reporting Requirement**

This memorandum provides the U.S. Army criteria for defining a PBL product support strategy. It also provides Army policy guidance for PBL reports in Enclosure.

To be considered a PBL product support strategy a U.S. Army program must possess clearly defined, measurable, product support performance outcome(s) that meet customer requirements and expectations. The program must comply with the new Sustainment Key Performance Parameter, Key System Attributes and/or at least one of the published Department of Defense overarching metrics and/or supporting Army metric sub-element(s). The strategy must make the best use of government (organic), commercial, or organic-commercial partnership sources to ensure a best value approach. The support strategy must comply with the Army's published PBL boundaries and constraints and include, or have a plan to include: (1) An approved and validated Business Case Analysis (BCA), (2) a Product Support Integrator (PSI); and (3) Performance Based Agreement(s) (PBA).

This policy is applicable to all PBL programs and initiatives and joint or other acquisition and sustainment programs where the U.S. Army is the lead service and/or the program will transition to the U.S. Army. For joint programs, lead service policies for PBL will be followed unless it conflicts with U.S. Army requirements or other arrangements are agreed to in writing with appropriate parties prior to PBL execution. Headquarters, Medical Research and Materiel Command (MRMC) is responsible for PBL reporting for medical materiel systems.

This PBL policy is effective immediately.

The DASA(ILS) points of contact (POCs) for this action are Mr. Larry W. Hill, commercial (703) 604-7450, DSN 664-7450 or e-mail: larry.w.hill1@us.army.mil and Ms. Dianna Woody, commercial (703) 604-7449, DSN 664-7449, or e-mail: dianna.woody@us.army.mil. Headquarters, Army Materiel Command POCs are Mr. Paul Barany, commercial (703) 806-9053, DSN 656-9053, or e-mail: paul.barany@us.army.mil and Ms. Karen Mangum, commercial (703) 806-9047, DSN 656-9047, or e-mail: karen.mangum@us.army.mil.

*Claude M. Bolton, Jr.*  
Claude M. Bolton, Jr.  
Assistant Secretary of the Army  
(Acquisition, Logistics and Technology)

Enclosure

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U.S. ARMY TACOM LIFE CYCLE MANAGEMENT COMMAND

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CF:  
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ASSISTANT SECRETARY OF THE ARMY (ACQUISITION, LOGISTICS  
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DEPUTY CHIEF OF STAFF, G-4  
CHIEF, INFORMATION OFFICER/G-6  
DEPUTY CHIEF OF STAFF, G-8

Enclosure 1 to ASA(ALT) Policy Memorandum dated September 28, 2006,  
Subject: Army Performance-Based Logistics (PBL) Criteria and Reporting  
Requirement

### **PBL REPORTING**

PBL Reporting. It is critical that the Army institutionalize a reporting mechanism to evaluate progress and facilitate routine updates to senior Army leadership and the Office of the Secretary of Defense. For product support strategies identified as PBL using the above criteria, a standardized report will be required on a semi-annual basis. The Army PBL reporting requirement is established in order to identify a program's current status in applying performance-based product support at the System of Systems (SoS), weapon system, sub-system, component, and/or secondary item level. The PMs will also report on PBL strategies that have been determined to be operationally and economically feasible based upon a Type I (Feasibility) Business Case Analysis (BCA). If PBL is determined to not be operationally and economically feasible, an initial report will be submitted explaining why PBL is not a viable support strategy; no further reporting will be required unless a future analysis determines potential for a PBL product support approach.

All PBL reports must be submitted in accordance with the Army PBL reporting guidance (preparation and format) provided at Enclosure 2. This reporting requirement applies to each LCMC PM, non-LCMC PM and Direct Reporting PM (DRPM) organization. The reports will be due on a semi-annual basis NLT 30 October and 30 April of each year. The Deputy Assistant Secretary of the Army for Integrated Logistics Support (DASA(ILS)) will send out reminders electronically 60 days prior to the due date to ensure timely reporting. Semi-annual PBL reports will be submitted electronically to the DASA(ILS) and HQ AMC and HQ MPMC (for medical materiel only) in accordance with the information provided below.

### **TOTAL LIFE CYCLE SYSTEMS MANAGEMENT (TLCSM) CORE TEAM**

LCMC Commanders, separate PEOs, and DRPMs will appoint a primary and alternate PBL Coordinator at their level and may designate PBL Coordinators at lower levels, as desired. Designated PBL Coordinators will be responsible for compiling, verifying, and submitting PBL Reports for the DRPM/PEO/LCMC to higher headquarters and will serve as the single organizational point of contact for PBL reporting. The DASA (ILS), HQ AMC and HQ MPMC will also assign a primary and alternate PBL Coordinator to ensure PBL initiatives are complementary to each other and in concert with Army acquisition/sustainment concepts. Names, email addresses, and phone numbers of PBL Coordinators should be provided to the DASA(ILS) and HQ AMC points of contact (POCs) below NLT thirty days from the date of this memorandum.

Enclosure 1 to ASA(ALT) Policy Memorandum dated September 28, 2006,  
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### **Responsibilities.**

The PEOs/PMs, and LCMCs, in conjunction with other PBL stakeholders, are responsible for ensuring that all programs, processes, and initiatives reported as PBL meet the Army criteria established above. Specific responsibilities for PBL reporting are identified below. Army PEOs/PMs will have lead responsibility for system and sub-system/component level PBL reporting with support from the LCMCs. The LCMCs will have lead responsibility for reporting on non-medical, secondary item PBL strategies, with support from PEOs/PMs, where applicable.

**Program/Product Manager (PM).** As the TLCSM, the PM is the focal point and responsible agent for executing PBL actions across the life-cycle of their programs. The PM and other TLCSM Core Team Elements (to include contracting, logistics, and industrial organizations) will work closely together to complete PBL reporting requirements. PMs will also work closely with other PMs/PEOs/LCMCs to ensure that program PBL initiatives are in concert with sustainment concepts of other component systems. The PMs will:

- Collaborate with AMC LCMC stakeholders to complete and submit PBL Reports.
- Submit completed PBL Report to designated DRPM/PEO/LCMC PBL Coordinator for review and release to higher headquarters.
- Report system and sub-system/component-level PBL while supporting the LCMC in reporting AWCF depot level repairable/ secondary item(s).

**Program Executive Officers (PEO).** The PEO remains responsible for TLCSM of assigned subordinate programs. The PEO will ensure that the PM's PBL initiatives are not only effective for their systems but are also coordinated with other PEOs/LCMCs where required. Where PMs do not fall under an LCMC structure, the PEO is the focal point and primary responsible agent for oversight of PBL actions across the life-cycle of their subordinate programs. They will also work closely with other PEOs/LCMCs to ensure that PM PBL initiatives are in concert with sustainment concepts of other PEO/PM systems. Any PEOs not in an LCMC structure will:

- Appoint a primary and alternate PBL Coordinator.
- Retain responsibility for actions of PBL Coordinators.

Enclosure 1 to ASA(ALT) Policy Memorandum dated September 28, 2006,  
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**Army Materiel Command (AMC) Life Cycle Management Command (LCMC) Commander.** The LCMC Commander is the focal point and primary responsible agent for oversight of PBL actions across the life-cycle of their subordinate programs. They will also work closely with other PEOs/LCMCs to ensure that PM PBL initiatives are in concert with sustainment concepts of other PEO/PM systems. The LCMC Commanders will:

- Appoint a primary and alternate PBL Coordinator.
- Retain responsibility for actions of PBL Coordinators.
- Report AWCF depot level repairable/secondary item(s) PBL while supporting the PEOs/PMs in reporting system/sub-system//component PBL.

**PBL Coordinator.** The designated organizational PBL Coordinator(s) will be responsible for compiling, verifying, and submitting PBL Reports for the DRPM/PEO/LCMC to higher headquarters. The DASA (ILS), HQ AMC, and HQ MRMC (for medical materiel only) will also assign a primary and alternate PBL Coordinator to ensure PBL initiatives are complementary to each other and in concert with Army acquisition/sustainment concepts. The PBL Coordinator will:

- Be the single organizational point of contact for PBL Report inquiries from higher headquarters.
- Report AWCF depot level repairable/secondary item(s) not otherwise reported by the PM, PEO, or LCMC Commander.

**Army Materiel Command (AMC) Life Cycle Management Command (LCMC) Integrated Materiel Management Centers (IMMCs), Logistics Readiness Centers (LRCs), Software Engineering Centers (SECs), Depots (and other AMC organizations serving as Army Working Capital Fund (AWCF) depot level repairable/secondary item PBL Product Support manager/integrator).**

The AMC LCMC organization that arranges, manages, and integrates PBL product support for AWCF depot level repairable/secondary item(s) (not being reported by a PEO/PM as part of an ACAT PBL program) will be the focal point and primary responsible agent for executing PBL actions across the life cycle of the PBL application. They will coordinate and collaborate with users across the PEO/PM community to ensure their product support strategy supports overarching life cycle support objectives. The AMC LCMC AWCF entities will:

- Submit their reports on AWCF depot level repairable/secondary item(s) through the LCMC to DASA (ILS) and AMC HQs G5 and HQ MRMC for medical materiel only..
- Consider both system unique and common items.

Enclosure 1 to ASA(ALT) Policy Memorandum dated September 28, 2006,  
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### **JOINT DASA (ILS)/HQ AMC REVIEW TEAM**

**Deputy Assistant Secretary of the Army for Integrated Logistics Support (DASA (ILS))**. The DASA (ILS) Acquisition Logistics Policy Directorate will staff PBL reports in HQDA as required. The DASA (ILS) Acquisition Logistics Policy Directorate will:

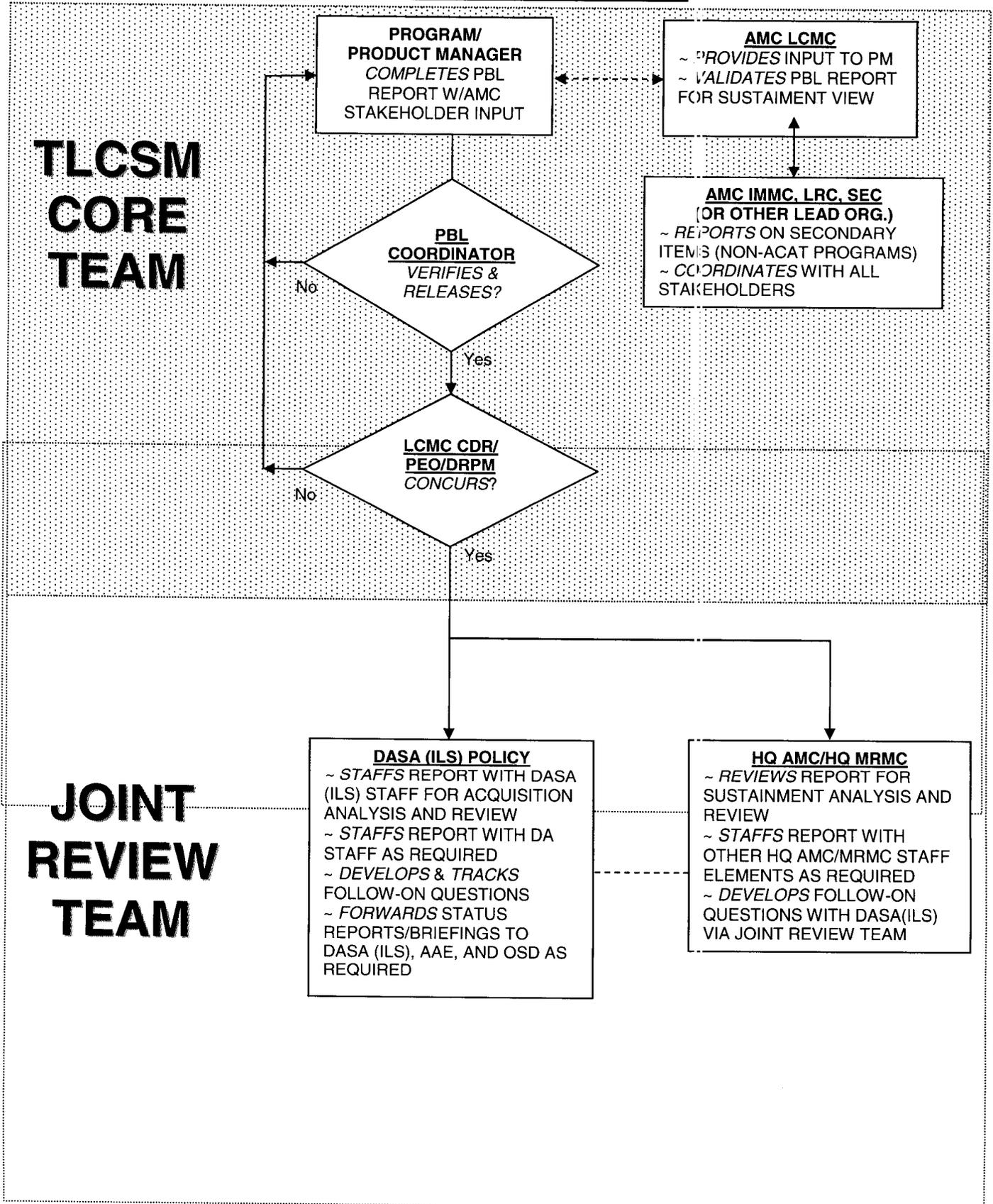
- Assign a primary and alternate PBL Coordinator.
- In conjunction with the DASA(ILS) Weapon Systems Directorate, perform an enterprise-wide review and analysis of the reports to ensure PBL initiatives are complementary to each other and in concert with Army acquisition concepts.
- Contact the organizational PBL Coordinator for additional information and/or to respond to follow-on questions.
- Submit collated reports and overview briefing(s) to the DASA (ILS), Army Acquisition Executive, and OSD as required/requested.

**Headquarters, Army Materiel Command and HQ MRMC (for medical materiel only)**. The HQ AMC G-5 will serve as the HQ AMC proponent for the Joint DASA (ILS)/HQ AMC Review Team. HQ AMC G-5 will staff PBL Reports within HQ AMC, as required, and will:

- Assign a primary and alternate PBL Coordinator.
- Perform an enterprise-wide review and analysis of the reports to ensure PBL initiatives are complementary to each other and in concert with Army/AMC sustainment concepts.
- Develop follow-on questions with DASA (ILS) via the Joint Review Team to request additional information from organizational PBL Coordinator(s).
- Submit collated reports and overview briefing(s) to the AMC Leadership as required/requested.

HQ MRMC will perform the above responsibilities for medical materiel.

**PBL REPORT SUBMISSION/PROCESS FLOW DIAGRAM**



Enclosure 2 to ASA(ALT) Policy Memorandum dated September 28, 2006, Subject: Army Performance-Based Logistics (PBL) Criteria and Reporting Requirement

<b>PERFORMANCE-BASED LOGISTICS (PBL) REPORT</b>	
<b>LCMC/PEO/DRPM:</b>	<b>DATE OF REPORT:</b>
<b>PROGRAM/PRODUCT MANAGER OFFICE:</b>	<b>PERIOD OF REPORT:</b>
<b>PROGRAM (FULL NAME):</b>	
<b>ACAT LEVEL:</b>	<b>Other/Process/Initiative</b>
<input type="checkbox"/> Pre-MDAP	<input type="checkbox"/> IAC/AM
<input type="checkbox"/> IC	<input type="checkbox"/> III
<input type="checkbox"/> ID	<input type="checkbox"/> II
<input type="checkbox"/> System	<input type="checkbox"/> Sub-System
<input type="checkbox"/> Secondary Item	<input type="checkbox"/> Process/Initiative
<b>PBL IMPLEMENTATION LEVEL:</b>	<b>LIFE CYCLE PHASE:</b>
<input type="checkbox"/> SoS/FoS	<input type="checkbox"/> Concept Refinement (<MS A)
<input type="checkbox"/> Component	<input type="checkbox"/> Technology Development (MS A <->MSB)
	<input type="checkbox"/> System Development and Demonstration (MS B <->MS C)
	<input type="checkbox"/> Production and Deployment (IOC, > MS C): ... Block # / Other:.....
	<input type="checkbox"/> Operations & Support (FOC)
<b>NAME/NOMENCLATURE:</b>	<b>BCA DECISION CRITERIA:</b>
<b>BUSINESS CASE ANALYSIS (BCA) STATUS:</b>	<b>BCA STAFFING AND APPROVAL STATUS:</b>
<input type="checkbox"/> <b>Type 1 (Feasibility):</b>	<input type="checkbox"/> TLCSM Core Team (LCMC/PEO/PM/TRADOC/IMMC/DLA, Etc.)
Projected Start Date:	<input type="checkbox"/> IV&V Team (DA Staff/DASA (CE)/DASA (ILS)/AMC HQ)
Projected Completion Date:	<input type="checkbox"/> APPROVAL TEAM (DASA (ILS)/AAE)
Actual Completion Date:	<input type="checkbox"/> OTHER/NA
<b>Type 2 (Formal):</b>	<b>PRODUCT SUPPORT INTEGRATOR(S):</b>
Projected Start Date:	<input type="checkbox"/> PM/Internal
Projected Completion Date:	<input type="checkbox"/> Organic
Actual Completion Date:	<input type="checkbox"/> Commercial
Date Submitted to Higher HQs:	<input type="checkbox"/> PPP
	<input type="checkbox"/> Other
<b>PERFORMANCE-BASED AGREEMENTS (PBAs)</b>	<b>LIST (Organization Name(s)):</b>
<input type="checkbox"/> <b>PM-Warfighter</b>	
Type PBA:	
Signatory/Approval Parties:	
Criteria/Contract:	
<input type="checkbox"/> <b>PM-PSI(s)</b>	

**Comment [c2]:** Specify fiscal quarters (mm-yy)

**Comment [c3]:** Self-explanatory (dd-mm-yy)

**Comment [c1]:** Enter official LCMC, PEO, or DRPM Title (e.g., Missiles and Space)

**Comment [c4]:** Enter officially designated ACAT program office name (e.g., PM, PFRMS)

**Comment [c5]:** Enter officially recognized ACAT program office name (e.g., GMLRS)

**Comment [c6]:** Mark ACAT level

**Comment [c7]:** Check PBL implementation level(s) covered by this report

**Comment [c9]:** Check life cycle phase of reported system/program/product. Elaborate on upgrades, etc.

**Comment [c8]:** List official name/nomenclature

**Comment [c10]:** Self-explanatory

**Comment [c11]:** [Narrative or bullets]

Will the analysis of alternatives (AoA) in the BCA comply with the Army PBL Boundaries and Constraints, statutory provisions, and regulatory provisions? What considerations outlined in the PBL BCA Policy memo will be addressed in the BCA AoAs? What about other considerations such as ACAT level, readiness reporting, DX, funding constraints, LMI, OSD/D/AMC policies and regulations?

**Comment [c12]:** Check which team or organization formal BCA is with.

**Comment [c13]:** Check PBA(s) in place (PM-WF, PM-PSI; and/or PSL-PSPs).  
Type - Contract, MOU, SLA, etc.? If contract, is it FFP, C+, C+ w/incentives, etc.? Is it a draft PBA?  
Signatory/Approval Parties - Who signed agreements for whom? Who approved PBA?  
[... [1]

**Comment [c14]:** Check appropriate PSI(s) and list names of entity

PERFORMANCE-BASED LOGISTICS (PBL) REPORT	
<b>LCMC/PEO/DRPM:</b>	<b>DATE OF REPORT:</b>
<b>PROGRAM/PRODUCT MANAGER OFFICE:</b>	<b>PERIOD OF REPORT:</b>
<b>PROGRAM (FULL NAME):</b>	<b>PRODUCT SUPPORT PROVIDER(S):</b>
Type PBA: Signatory/Approval Parties: Term/Period:  <input type="checkbox"/> <b>PSI-PSP(s)</b> Type PBA: Signatory/Approval Parties: Term/Period:	<input type="checkbox"/> PM/Internal <input type="checkbox"/> Organic <input type="checkbox"/> Commercial <input type="checkbox"/> PPP <input type="checkbox"/> Other <b>LIST</b> (Organization Name(s)):
<b>PERFORMANCE MEASURES (GOALS):</b>	<b>Enclosure 1</b>
<input type="checkbox"/> <b>Operational Availability</b> – Sub-metric(s):	<input type="checkbox"/> <b>PERFORMANCE OUTCOMES (ACTUALS):</b>
<input type="checkbox"/> <b>Operational Reliability</b> – Sub-metric(s):	<input type="checkbox"/> <b>Operational Availability</b> – Sub-metric(s):
<input type="checkbox"/> <b>Cost Per Unit Usage</b> – Sub-metric(s):	<input type="checkbox"/> <b>Operational Reliability</b> – Sub-metric(s):
<input type="checkbox"/> <b>Logistics Footprint</b> – Sub-metric(s):	<input type="checkbox"/> <b>Cost Per Unit Usage</b> – Sub-metric(s):
<input type="checkbox"/> <b>Logistics Response Time</b> – Sub-metric(s):	<input type="checkbox"/> <b>Logistics Footprint</b> – Sub-metric(s):
<input type="checkbox"/> <b>Other</b> – Sub-metric(s):	<input type="checkbox"/> <b>Logistics Response Time</b> – Sub-metric(s):
<input type="checkbox"/> <b>Other</b> – Sub-metric(s):	<input type="checkbox"/> <b>Other</b> – Sub-metric(s):
<b>SUMMARY OF PBL PRODUCT SUPPORT STRATEGY:</b>	
<b>ISSUE(S)/PROBLEM(S) AND RESOLUTION PLAN (TO INCLUDE LESSONS LEARNED):</b>	

**Comment [c2]:** Specify fiscal quarters

**Comment [c3]:** Self-explanatory (dd-mm-yy)

**Comment [c1]:** Enter official LCMC, PEO, or DRPM Title (e.g., Missiles and Space)

**Comment [c4]:** Enter officially designated ACAT program office name (e.g., PM, PFRMS)

**Comment [c5]:** Enter officially recognized ACAT program office name (e.g., GMLRS)

**Comment [c15]:** Check appropriate PSP(s) and list names of entity

**Comment [c16]:** Check top-level metric(s) (goals) and list all sub-metrics with quantified goal (#)

**Comment [c17]:** Check top-level metric(s) (actuals) and list all sub-metrics with quantified actuals (#)

**Comment [c18]:** Synopsise in narrative key points from support strategy

**Comment [c19]:** State issue(s)/problems concisely and synopsise plan to resolve. Also discuss what is needed from external organizations to help resolve.

PERFORMANCE-BASED LOGISTICS (PBL) REPORT	
<b>LCMC/PEO/DRPM:</b>	<b>DATE OF REPORT:</b>
<b>PROGRAM/PRODUCT MANAGER OFFICE:</b>	<b>PERIOD OF REPORT:</b>
<b>PROGRAM (FULL NAME):</b>	
<b>POC NAME:</b>	<b>POC CONTACT INFO:</b>

- Comment [c2]:** Specify fiscal quarters
- Comment [c3]:** Self-explanatory (dd-mm-yy)
- Comment [c1]:** Enter official LCMC, PEO, or DRPM Title (e.g., Missiles and Space)
- Comment [c4]:** Enter officially designated ACAT program office name (e.g., PM, PPRMS)
- Comment [c5]:** Enter officially recognized ACAT program office name (e.g., GMLRS)
- Comment [c20]:** Name and position/title
- Comment [c21]:** Commercial phone number(s), DSN, and email address(es)

Check PBAs in place (PM-WF; PM-PSI; and/or PSI-PSPs).

Type - Contract, MOU, SLA, etc.? If contract, is it FFP, C+, C+ w/incentives, etc? Is it a draft PBA?

Signatory/Approval Parties - Who signed agreements for whom? Who approved PBA?

Term/Period: Terms of agreement (1+4, 5, etc.) to include incentives and length/period of agreement?

Enclosure 3 to ASA(ALT) Policy Memorandum dated September 28, 2006,  
Subject: Army Performance-Based Logistics (PBL) Criteria and Reporting  
Requirement

Army PBL criteria will be incorporated into the Army PBL Implementation Guide dated 4 May 2004 during the next update. References specific to the semi-annual PBL reporting requirement are contained in the documents below.

### **References**

Army PBL Implementation Guide, May 4, 2004

Defense Acquisition Guidebook, October 8, 2004

DoD 5000.1. The Defense Acquisition System, May 12, 2003

DoD 5000.2. Operation of the Defense Acquisition System, May 12, 2003

Designing and Assessing Supportability in DoD Weapon Systems: A Guide to Increased Reliability and Reduced Logistics Footprint, October 24, 2003

DoD Template for Application of TLCSM and PBL in the Weapon System Life Cycle, March 7, 2003

Performance Based Logistics: A Program Manager's Product Support Guide, November 10, 2004

Product Support Boundaries, August 1, 2004

Total Life Cycle Systems Management (TLCSM) Metrics, November 22, 2005