

Army Materiel Command

AWCF Funding of Performance Based Logistics Contracts





Purpose

Provide a brief overview of the requirement necessary for the use of Supply Management Hardware Obligation Authority (HW OA) to fund services and cost, which are part of Performance Base Logistics (PBL).



Requirements

- **Business Case Analysis must be approved by ASA(FM&C)**
 - Impact on AWCF prices
 - Impact on customer buying power
 - Full recovery of AWCF outlays
- **AWCF Break Even Analysis**
 - Prices should be set to recoup cost incurred in the execution year
 - Pricing must be at NIINs level
 - Outyear demands and returns are estimated but will be adjusted as appropriate in future budget cycle