



# PM GAZETTE

Relevant and Timely Acquisition Information

U.S. AIR FORCE



Vol. 2 Issue 5

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June 2012

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## “Director’s Note”

Being the USAF Program Manager of an ACAT I or II program is one of the toughest assignments you will ever have, and it will remain one of the most satisfying duties you will perform. This edition of the PM Gazette provides you with some insight and situational awareness to help you be successful.

We feature the wisdom of one of our finest Program Managers -- Lieutenant General Ellen Pawlikowski. As PEO for Space and SMC Center Commander her counsel transcends portfolios and is relevant to every AF PM.

We also introduce changes to our PM leadership -- highlighting new PEOs and ACAT I PMs.

The other articles highlight real-time changes to our business. New OSD / USAF emphasis on Data and Data Rights is explained. A new AT&L Better Buying Power initiative — Cost Consciousness initiative — is introduced. The concept and construct for revitalized Program Integration at the program level are explained, and the Director, Acquisition Career Management (DACM) provides an update on skills development.

Best regards and may your undertakings be fully successful.

— Robert D. Pollock,  
Chief Process Officer, USAF Acquisition

## PEO INTERVIEW SERIES: LT GENERAL ELLEN PAWLIKOWSKI

By Mercedes Fitchett, SAF/AQXC



The PM Gazette editorial team interviewed Lieutenant General Ellen Pawlikowski, PEO for Space, and Commander, Space & Missile Systems Center (SMC), to discuss current trends in Space acquisition.

*Q. What is the current state of Space acquisition? What are the trend lines?*

*R.* During the last ten years, Space acquisition has focused on fielding first-of-kind satellites. The current state of Space acquisition reaps the benefits of those years of development by having the ability to field mature systems now. With the introduction of a host of new satellites such as Advanced Extremely High Frequency (AEHF), Space Based Infrared System (SBIRS), Global Positioning System (GPS), IIF, Space Based Space Surveillance (SBSS), and Wideband Global SATCOM (WGS), we are shifting toward production, eliminating the need to develop each satellite as if it were a brand new system. With this shift, we can begin to reduce the size of our program offices and focus on driving down costs through production efficiencies.

Our shift toward production does not mean we are losing sight of what comes next. We continue to keep an eye on the projected space system needs. We

are planning for resilient and affordable systems to deliver capability to the warfighter that they have grown to rely upon. We are developing new architectures that focus on disaggregated systems that consists of satellites that are smaller, lower cost, and more resilient against growing threats. There is no “one size fits all” when developing satellite systems. We are researching non-traditional approaches such as leveraging the commercial and international space market, common satellite components (especially busses), and commercially-hosted opportunities. We are also opening the trade space between the satellite and the ground infrastructure to best meet our goals for affordable Space acquisitions.

*Q. What are the biggest challenges to creating a culture of cost-consciousness and affordability in Space acquisition? What is your role as the PEO in driving this new culture?*

*R.* Space acquisition has shifted its priorities and elevated the importance of affordability and resiliency in our decision process. This is at every phase of the acquisition process. Our architectures focus on affordability and resiliency. Our contract structures are shifting toward fixed price contracting with lower technical and cost risk to the government. We are streamlining our contract governance and PEO internal processes to achieve quicker, more timely decisions and eliminating unnecessary delays to our programs.

**“Across the board, we are challenging ourselves to find more efficient ways to do our job.”**

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**Cost Consciousness**

*By Lt Col Gil Rosario, SAF/AQXC*

A key BBP initiative is to instill a culture of cost consciousness across the acquisition enterprise — basically, a change in the culture from one of “spend or lose” to one of financial stewardship.

The AT&L Cost Consciousness Team is reviewing root causes driving these “spend or lose” behaviors in both acquisition and sustainment. We will have future articles covering this team’s work and their activities to drive this new culture.

**BBP Info**

For information on AF implementation of BBP, visit the [AOXC website](#). For BBP information across DoD, visit the DAU BBP Gateway site: <https://dap.dau.mil/bbp>

**Data and Data Rights — Easy and Affordable?**

*By Maria Ovalles and Jason Miller, A4ID*

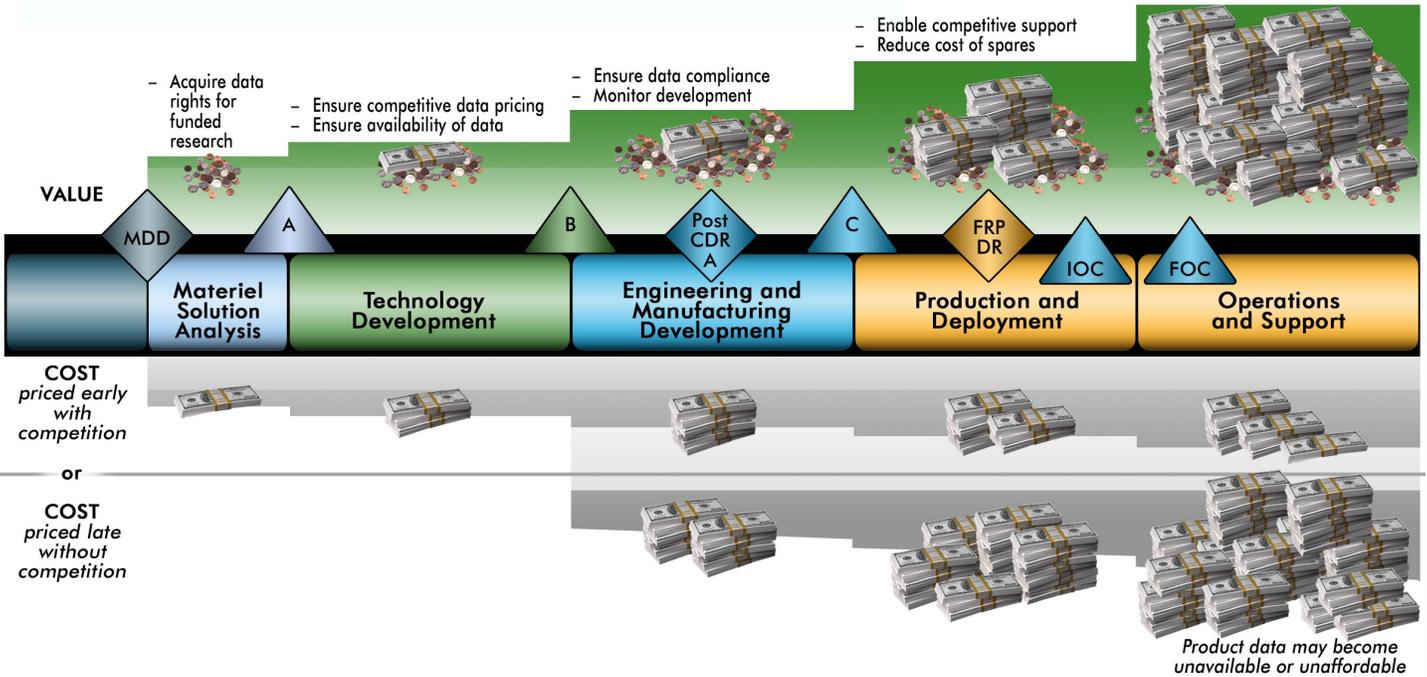
You’ve heard it said before — data is expensive! Making product data and data rights acquisition and planning decisions is not always easy. Selecting, buying, inspecting, and accepting the right type of data can be time consuming and difficult to properly execute. The Directorate of System Integration (AF/A4I) recognized this challenge and launched the PDAQ initiative to help PMs by providing a source of standard tools, best practices, and other guidance material. This initiative was developed with the assistance of top Air Force Subject Matter Experts from different functional disciplines including legal, contracting, logistics, and engineering. The PDAQ team deployed web-based guidance through the Air Force portal which provides tools (e.g., checklists, decision trees, worksheets, templates) to help PMs make the right decisions from the development of a data strategy through the acceptance of data deliverables.

The PM is responsible for the program’s acquisition strategy. To make sure the PM buys the right data for the program’s life cycle, they need the right team to include legal, contracting, engineering, and logistics experts. And the team may go well beyond the program office—for example, it is critical to engage the logistics center personnel as key players in selecting the right data as they will ultimately maintain the system.

A central tenet of the PDAQ initiative is to acquire product data early in the life cycle when it is most affordable and in a competitive environment. As time progresses (see graphic below), data costs rise dramatically, greatly reducing the benefit to the Air Force. (This may be a clue to the question on cost of data.) The bottom line is that it is a good business tactic to buy data early.

Over the past year the PDAQ team refined and deployed new tools and guidance, including a Data Item Description (DID) Selector tool, an Inspection & Acceptance checklist and Independent Research & Development (IR&D) data guidance. Please visit the portal frequently to check out the “What’s New” section on the homepage to see the latest news and developments relating to product data. For more information, please visit the [PDAQ portal](#) at <https://www.my.af.mil/gcss-af/USAF/site/ACQUISITION/ACE/PLM> or contact the PDAQ team at [pdaq@pentagon.af.mil](mailto:pdaq@pentagon.af.mil).

**Data and Data Rights Throughout the Life Cycle  
Earlier is Better!**



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We are right sizing our program offices, shifting from the in-depth technical oversight required for development programs to streamlined oversight for production. We have aggressive should cost targets for all programs, to include existing contracts. Across the board, we are challenging ourselves to find more efficient ways to do our job. My role as the PEO is to ensure that affordability is always part of the decision space and to empower our great acquisition professionals with the tools they need to do that.

Q. Since capitalizing on International Partnerships is a large part of our [National Security Space Strategy](#), what do you foresee as the next Space opportunities for international collaboration?

R. At SMC, we have established a number of vital international partnerships already. GPS continues to be highly successful at collaborating with foreign Global Navigation Satellite Systems (GNSS) providers across the world to ensure compatibility and interoperability of navigation signals and user equipment. In partnership with the Australian Defence Force, we have contracted for the sixth WGS satellite vehicle, set to launch next calendar year. In exchange for their support, Australia will receive a dedicated percentage of SATCOM bandwidth from the entire WGS constellation. Similar agreements with international partners have already been established and many new opportunities continue to surface. The future space-based weather architecture may be composed of a mix of US, allied, and commercial capabilities; we are working with the National Oceanic and Atmospheric Administration (NOAA) and Taiwan on weather sensor small satellites. Collaboration with the international community may create ride share opportunities which opens doors to US payloads on allied satellites and vice versa. These collaborations only scratch the surface as we continue to explore opportunities that leverage both dollars and emerging architectures with international partners.

Q. With the Air Force Materiel Command (AFMC) reorganization, will your role or responsibilities as PEO for Space or Commander of SMC change?

R. The reorganization of AFMC's product centers to a five-center construct under the new Air Force Life Cycle Management Center does not substantially affect SMC. We report through Air Force Space Command (AFSPC) and have been structured as the acquirer and sustainer of space systems from cradle to grave since 2002. My responsibilities as PEO for Space and Commander of SMC will not change with this consolidation. We will seek to

leverage the lessons learned in AFMC's reorganization and all opportunities to streamline our own business management.

Q. What approach is SMC taking to find efficiencies and ways to drive down the cost of satellites?

R. We reviewed our existing space architectures and identified what we needed to change in order to improve resiliency, flexibility, and affordability. For example, although SBIRS, AEHF and GPS III will remain the cornerstone of our architectures, disaggregating some of their missions and leveraging commercial infrastructures present

opportunities to simplify these satellites, reducing development and production costs. We stood up the Hosted Payload Office (HPO) to explore the viability of such strategies and the HPO is currently engaging with SMC programs on several endeavors. One on-going activity is to exploit the success of the Commercially Hosted Infrared Payload (CHIRP) which only took 39 months from initiation to launch.

Furthermore, we are looking at the way we do business more closely, applying Should Cost analysis to determine opportunities for improved efficiencies and cost reductions. Historically, we have been using Will Cost estimates based on previous program experience. We are now adjusting cost estimates to account for changes in areas such as learning curves, technology, overhead, and indirect costs. We are shedding unnecessary tests for those programs where we no longer need to verify designs. We are simplifying Contract Line Item Numbers (CLINs) and eliminating unnecessary Contract Data Requirements Lists (CDRLs). On several of our major programs, we have eliminated over 50% of special clauses, standardized Requests for Proposal (RFPs), and reduced Subcontract Management Fees. We're changing our mindset to examine the way we've been doing business across the SMC portfolio to ensure we're not driving unnecessary costs into our programs.

Finally, for those in the acquisition workforce who would like to learn more about Space acquisition and our challenges and opportunities, I

recommend "[Space: Disruptive Challenges, New Opportunities, and New Strategies](#)" in [Strategic Studies Quarterly](#), Spring 2012. The article website is <http://www.au.af.mil/au/ssq/2012/spring/pawlikowski.pdf>

**"...we continue to explore opportunities that leverage both dollars and emerging architectures with international partners."**



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### **Did you know...** By Lt Col Jeff Kotz, SAF/AQXC

The Acquisition Excellence and Change Office (SAF/AQXC) serves as the Secretariat for Air Force Review Boards (AFRBs), Acquisition Strategy Panels (ASPs) and Configuration Steering Boards (CSBs) for all ACAT I/IA programs. While the process for successfully accomplishing these executive acquisition oversight reviews can be dynamic, SAF/AQXC is here to help you. The first step is for Program Managers to contact their respective Program Advisor from SAF/AQXC who can provide you with the latest advice and guidance to assist your program through the oversight process. For example, Program Advisors can assist with current acquisition trends/policies such as “knee in the curve” analysis, Should-Cost, efficiency, and life cycle affordability.

Additionally, the Secretariat provides several vetted and approved resources to help programs, such as AFRB/ASP/CSB briefing templates, information on required attendees, timelines, governing regulations, and documents explaining the acquisition review process – all of these are on the SAF/AQXC portal at <https://www.my.af.mil/gcss-af/USAF/site/ACQUISITION/ACE> via the “Secretariat” tab. The Secretariat also walks you step-by-step through the review process and assists with all scheduling, staffing and logistics before, during and after the review.

The key to a successful oversight review is to begin working with your Program Advisor as soon as you know the timeframe for the review to take place. They will help ensure that your program is ready and will provide you with assistance to guide you through the process. SAF/AQXC’s goal is to provide your program with the best practices to ensure success.

For further information on the Secretariat, contact Maj Dave Bartley or Stan Armstead at (202) 404-3403/3401.

To contact your ACAT I Program Advisor, please see below:

Kathy Boockholdt, AAC Programs, (202) 404-3293  
Mercedes Fitchett, ESC Programs, (202) 404-3288  
Tony Kausal, SMC/ASC Programs, (202) 404-3285  
Lt Col Jeff Kotz, SMC/ASC Programs, (202) 404-3299

### **Recently Appointed PEOs & PMs!**

We welcome the following recently appointed PEOs and ACAT I PMs:

**Maj Gen Kenneth D Merchant** as PEO for Weapons, Air Force Life Cycle Management Center (AF LCMC), Air Force Materiel Command (AFMC). Previously, he was Commander, Air Armament Center and PEO for Weapons.

**Maj Gen Craig S Olson** as PEO for Command, Control and Communications Information and Networks (C3I&N), AF LCMC, AFMC. Previously, he was PEO Business and Enterprise Systems, Electronic Systems Center (ESC).

**Maj Gen (S) Dwyer L Dennis** as PEO for Fighters and Bombers, AF LCMC, AFMC. Previously, he was Director, Intelligence, Surveillance, Reconnaissance and Requirements.

**Mr Steven Wert** as PEO for Battle Management (BM), AF LCMC, AFMC. The new PEO/BM portfolio is a combination of the previous PEO/BM portfolio and the PEO/Theater Command and Control (TC2) portfolio.

**Mr Robert C Shofner** as PEO for Business & Enterprise Systems, AF LCMC, AFMC. Previously, he was Director, Enterprise Sourcing Group.

**Mr David Garofoli** as Program Manager for the Defense Enterprise Accounting & Management System, AF LCMC, AFMC.

### **Attention Execs**

By SAF/AQH

We recently worked a short notice tasker to provide OSD (AT&L) with acquisition professional development information on all PEOs and ACAT I PMs. Because the Acquisition Career Management System (ACMS) is tailored to acquisition information in the official military and civilian personnel records, this was a simple matter of providing an ACMS SURF on each individual. However, in a few cases, we discovered records that were showing as yellow or red for Continuous Learning (CL). In every case, after we contacted the individual, we traced the problem to late reporting of CL accomplishments. *This is where you can help!*

A periodic assist to the boss to check/update his/her CL status (and verify the rest of their APDP record) can save everybody headaches downstream. You can become the local expert on what counts for CL by studying the [point guide](#) found in ACQ Now for CL and on the [Currency/Continuous Learning](#) page in the Career/APDP section of the Acquisition functional area on the AF Portal. Your local [APDP manager](#) is another great resource. If you have any questions, contact SAF/AQH via the workflow at [saf.aqh.workflow@pentagon.af.mil](mailto:saf.aqh.workflow@pentagon.af.mil).

### **Program Integration**

By Ray Flores and Kate Hiebert, SAF/AQXR

So, what is Program Integration (PI)? PI has been described to include traditional business areas such as Baseline Management, Report Management, Earned Value Management, Budget, Cost Estimating and Scheduling. However, SAF/AQX is working with representatives from the Centers to better define PI activities and associated organizational structures. We will soon issue policies, tools and targeted training to improve workforce capabilities in this area.

Ultimately, PI’s objective is to strengthen decision-making through improved integration of business area planning and execution in support of the PM. To enhance communication and share best practices across the Acquisition Community, we will produce a “living” PI Handbook this Summer. In addition to the handbook, there will be associated outreach and training so as to provide PMs and their teams the tools for effectively implementing PI into their program office operations.

Stay tuned for more information. In the meantime, if you have any questions, contact SAF/AQXRR via the workflow at [saf.aqxrrworkflow@pentagon.af.mil](mailto:saf.aqxrrworkflow@pentagon.af.mil).