



PM GAZETTE

Relevant and Timely Acquisition Information

U.S. AIR FORCE



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Issue Highlights

- General Raymond E Johns Jr, USAF Leadership Interview 1
- Better Buying Power 2.0 Update 2
- DoD Integrated Product Support Implementation Roadmap Tool 2
- Meeting Financial Auditability -- Government Furnished Equipment 5
- SAF/AQH: Improving Your Staff's Competitive Program & Job Selection, and Selectees for Aerospace & Defense MBA Program 6

"Voice of Our Customer"

As we reflect on Air Force acquisition's 2012 accomplishments, it's appropriate that the last PM Gazette of the year captures the "Voice of our Customer". The former Commander of AMC graciously made time on his jam packed pre-retirement schedule to share his insights with PMs on Air Force acquisition. His perspective on the MAJCOM Commander's role is thought provoking and challenges us to change the way we think and work with other communities outside of acquisition, especially the requirements family. His involvement on KC-46 enables him to share a unique view of what worked. You don't want to miss this one!

We also include major changes unveiled by the Hon Frank Kendall, USD(AT&L) with regards to Better Buying Power 2.0 (BBP 2.0). You have a **unique opportunity** to provide OSD feedback on the seven focus areas. To make things easy for you, "our" customer, we've summarized the 36 initiatives in one page summary papers accessible on our Portal website.

With BBP 2.0's heightened focus on identifying efficiencies throughout the acquisition lifecycle, DAU's new DoD Integrated Product Support Implementation Roadmap Tool provides much needed Product Support services for the PM. The article on Accountability of Government Furnished Property in possession of contractors is a must-read on how the Air Force and all PMs must work to address this material weakness in our financial auditability - a key priority of our Secretary of Defense Panetta.

We conclude with articles that recognize the 2013 Aerospace and Defense MBA selectees and share some insights into how to successfully prepare for any competitive boarding process. The PM Gazette team thanks you for your service and wishes you Happy Holidays and a Prosperous 2013.

VI/R, Mildred Bonilla Lucia
Acquisition Excellence Communicator

LEADERSHIP INTERVIEW WITH GENERAL RAYMOND E JOHNS JR

By Mildred Bonilla Lucia, SAFIAQXC and Mercedes Fitchett, PM Gazette Editor, SAFIAQXC



The PM Gazette team spoke with [General Raymond E Johns Jr](#), USAF just before his retirement as Commander of Air Mobility Command (AMC). The interview provides an acquisition customer's perspective. It focuses on the delivery of capability, roles and responsibilities, and the importance of teamwork using the KC-46 tanker program as an example of the importance of a solid partnership between the requirer and the acquirer to improve acquisition outcomes.

Q. How should MAJCOM Commanders address Combatant Commander (COCOM) capability gaps?

R. What we as MAJCOM Commanders have to do is work through the supply and demand – the COCOMs demand our capability; they demand what we have and employ it with whatever objectives they are given by the national command authority. We in the Air Force do the organize, train and equip mission to ensure we have the capabilities to meet their needs. If we want to go off and do something on our own, we have to really question why.

There is a temporal perspective of today and tomorrow. The combatant commanders are very focused on meeting today's warfight; if it doesn't turn, work, or fly tonight, it is of no good to them. However, they may not be as focused as other people are for 10 to 20 years down the road which is what it takes to field a weapons system. So, where then does the Service go to

look for future requirements? The COCOMs can give us some things but then it comes up to the supplier or the Service or the Air Force to decide what they think they need for the future. And then they need to work that with the COCOMs and others to make sure that as we see the future, we see what capabilities we need to have, and then figure out how to deliver that capability.

To deliver the capability, it doesn't always mean buying something new. I think we should always start with the following premise: where are we now - and then what is the new capability we need? Can I change the Tactics, Techniques, and Procedures (TTP)? That is the least expensive way of doing it. If not, do I need to modify a system for example like modifying a C-17A model into a B model? Lastly, do I have to develop a new piece of equipment which is the most expensive because it requires you to have new research and development (R&D), and go through the whole acquisition process? So I think we need to look at what is the evolutionary way we modify TTP, do we add/alter, or go with a new weapon system to meet that future requirement --- and only with the last approach should we then turn to the acquisition community and say, OK, this is what we see, now how do we deliver on that.

Another important question is determining the level of risk we are willing to accept. If I try to build the latest, greatest gizmo, then there are two considerations. The threat that we see out there needs to be part of the equation because that talks about how good the system needs to be. The

(Continued on Page 3)

Better Buying Power 2.0 Released! What to Expect...

By Lt Col Jason Rusco, SAF/AQXC

The Honorable Frank Kendall, Under Secretary of Defense for AT&L, released Better Buying Power 2.0 (BBP 2.0) last month through a series of engagements with Congress, the Acquisition Workforce, and Industry. Building off of the previous Better Buying Power 1.0 (BBP 1.0) initiative, the basic goal of BBP 2.0 remains unchanged: deliver better value to the taxpayer and warfighter by improving the way the Department does business.

Why is this important for Program Managers? There is a small window of opportunity for your comments/suggestions, as well as from industry, on the new BBP 2.0. Mr Kendall intends to collect "unfiltered feedback" from all the services, workforce and industry until mid-January 2013. We encourage you to submit your comments, suggestions, and recommendations to the AT&L email address at BetterBuyingPower@osd.mil.

BBP 1.0 had five focus areas under which there were 23 initiatives to increase productivity in defense spending. The five focus areas were the following:

- ◆ Target Affordability and Control Cost Growth
- ◆ Incentivize Productivity and Innovation in Industry
- ◆ Reduce Non-Productive Processes and Bureaucracy
- ◆ Promote Real Competition
- ◆ Improve Tradecraft in Acquisition of Services



As outlined in his memo to the Acquisition Workforce on 13 Nov 2012 titled, "[Better Buying Power 2.0: Continuing the Pursuit for Greater Efficiency and Productivity in Defense Spending](#)," Mr Kendall is introducing a preliminary version of BBP 2.0 that encompasses seven focus areas under which there are 36 initiatives. The seven focus areas are the following:

- ◆ Achieve Affordable Programs
- ◆ Control Costs Throughout the Product Lifecycle
- ◆ Incentivize Productivity & Innovation in Industry and Government
- ◆ Eliminate Unproductive Processes and Bureaucracy
- ◆ Promote Effective Competition
- ◆ Improve Tradecraft in Acquisition of Services
- ◆ Improve the Professionalism of the Total Acquisition Workforce

Additional information on BBP 2.0 including a [Fact Sheet](#) can be found on DAUs Better Buying Power Gateway site at <https://dap.dau.mil/bbp>. For more detailed information, SAF/AQXC has prepared one-pagers for each of the 36 initiatives to include a description, intent, Air Force Implementing guidance, and helpful tools/resources. You can access these papers via the SAF/AQXC website at <https://www.my.af.mil/gcss-af/USAF/site/ACQUISITION/ACE>. If you would like more information or have questions, please contact me at jason.rusco@pentagon.af.mil or DSN 754-3269.

DoD Integrated Product Support Implementation Roadmap Tool Now Available, By Al Bello, SAF/IEL

Planning for sustainment early, and throughout the lifecycle management process, can be complicated for Program Managers, Product Support Managers and Life Cycle Logisticians. To work through these challenges, DAU worked with a team from across the services to develop and launch the new DoD Integrated Product Support Implementation Roadmap Tool. This comprehensive product was developed based on recommendations from the November 2009 DoD Product Support Assessment. The Roadmap is web accessible with links to over 2500 knowledge items, including policy, guidance, references, continuous learning modules, service specific links and other cross functional tools and references. The Roadmap identifies activities and outputs for the twelve integrated product support (IPS) elements, over the total life cycle.

It will help the workforce identify and understand what activities, decisions and documents they are responsible for or play a part participating in and contributing to. It provides easy access to the Life Cycle Sustainment Plan (LCSP) Outline, checklists for Logistics Assessments and for the preparation of technical reviews, and quick access to the new DAG and guidebooks. It links to the Milestone Document Identification (MDID) tool, enabling the user to filter by ACAT and acquisition phase.

Visit the DoD Integrated Product Support Implementation Roadmap at <https://dap.dau.mil/dodpsroadmap/Pages/Default.aspx> Please be sure to provide your feedback by clicking on the "submit feedback" button.

(Continued from page 1)

second consideration is then how much risk we are willing to accept between what a likely or perceived risk is, versus what the system can be developed to meet. If I am always trying to get to the highest Technology Readiness Levels (TRLs) and Manufacturing Readiness Levels (MRLs) and build a weapons system in time for the warfighter, that is really going to get me in trouble.

Finally, the last element that we do not often talk about is capacity. I have the capability – now how much do I need capacity-wise to allow me to have sufficiency which is what I want to have for my Combatant Commander.

Q. You are familiar with Better Buying Power and how Mr Kendall is targeting affordability and trying to control cost growth. Regarding Affordability tradeoffs, do you think that the AF has the expertise on both the requirement and acquisition side to effectively make affordability tradeoffs throughout the lifecycle?

R. Let me go back to two things. One, what is really the baseline capability we need. Ten years ago we moved to spiral development where we would continue to spiral and evolve it. I think we've lost our discipline in defining our real baseline. I have so many examples from the A8 programming world where I saw this. For a mere \$120 million more, we could do this and etc. and we chased that. We then have instability in determining the baseline configuration because Version .5, 1.0, 1.5 will all be different -- this really drives a lot of inefficiencies.

Now, on affordability, we went to basically a construct where we covered all the costs that the contractor bore, and then they sold us the item down the road. That kind of contract led to a lot of poor discipline because the contractor could come in and say we can do this, and we can do that, etc. And we would say sure, sure, go get the money and off to the races

with requirements creep. I don't think cost plus is the way to go; I believe we need to go firm

fixed price incentive and say, this is what we can afford to do here. The best example is when you go buy a computer and all you have is \$1,300 to spend – however, for this new keyboard, upgraded mouse, etc., your computer now costs \$1,800. The smart person says got it, walks away, goes home and has a discussion, comes back and says – thank you, I'll take the \$1,300 model. The other one who drinks the elixir says ok, I'll buy the \$1,800 model and then you find out that there is more to be had down the road.

I really think the contractor needs to have skin in the game and be incentivized to control costs and not just offer us more stuff under the cost plus contract. I am a firm believer that a fixed price and some type of incentive based on where

we are in the risk module is the way to go. If it's a lot of new development, perhaps there is room for a different contracting vehicle besides firm fixed price due to the uncertainty of the work and the resulting amount of risk a contractor would take on. However, if it is something like a KC-46 which is not much new, I think firm fixed price incentive is a very good way for the contractor to have skin in the game so that we don't have huge cost growth.

Q. You've heard from acquisition leaders that the acquisition community at large is extremely risk averse. If so, how do you think we can change that mindset/culture?

R. Risk aversion is a conversation we're having amongst senior leaders in the Air Force. Have we become risk averse? Have we become less willing to make a decision and then



stick with it? Mr Durante has a lot of data that says yes – and within the Air Force, that the acquisition workforce has become even more risk averse. I don't know that I see this because I have nothing to compare it to. As a customer, the acquisition staff working with us has been very leaning forward, and trying to do some good things. Leadership has been pushing them in a huge way across the myriad of acquisitions and contracts we have. We are very demanding customers. What we have tried to do is say that we need to be partners. I think where we get ourselves in trouble is we blame the acquisition people; or they blame the requirements people and we play this blame game instead of saying it's a team and we'll go through this together. We have advocated this partnership. In the blame game, everyone wants to hide behind the tree and be risk averse and say it's not my fault. I think our culture has really hurt

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us that way, and I'm trying to change that.

I think we also need to change the culture with our contractors whether it's Lockheed, Boeing, L3, etc. I want them to be successful; I want them to have profit; I want them to know what I'm concerned about at night so that they can go off and give me solutions. I want to meet with them. I want to be respectful and have a partnership, but agree to disagree if I need to. Here at AMC, we are trying to regrow this partnership, and we have regrown this partnership amongst our government program offices, the contractors, and us being the requirements of the warfighter. This partnership will allow us to go forward. Sometimes we can't all agree, but we certainly don't need to stick each other in the eye with the pencil as we have in the past.

(Continued on page 4)

(Continued from page 3)

Q. From a requirements and affordability perspective what do you think we've done right on KC-46?

R. First, let's talk about the KC-46 requirements document – it was rewritten three times very thoroughly. When I took over from General Lichte, I took the requirements document, read it, then went on a KC-135 11 hour mission out of Manas Air Base in Kyrgyzstan and flew over Afghanistan with the document in my hand. I was saying, ok, as I do this mission in wartime, why do I need this, this, and this. I tried to put myself in the operational environment because I had to internalize that document. Going through this process was a real eye opener. We found out the specs were phenomenally tight and very specific. When it came to the temperature

control on the airplane, the spec said to comply with the Federal

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Aviation Administration (FAA) standard. Well, there is no FAA standard for temperature. So we have this challenge to get this document that was hundreds of pages thick, very specific, and yet have overprescribed it in some areas, and under prescribed it in others. I'm going to offer to you this was probably one of the best requirements documents that the Air Force could have written because it was done so many times under such scrutiny after the contract protests. And yet, you'll never be able to write a document that is perfect. I think along the way, we're trying to over-document the requirements because we have this hostile relationship with contractors and because it's a cost-plus versus firm fixed price, so we're not willing to make trades.

Let me offer you the history of the KC-135. We needed a jet engine tanker so we went out with an RFP in the 1950s. Two companies competed – Douglas and Boeing. Douglas actually won the contract for the tanker plane, but Boeing had on their own gone off and built some of these airplanes. In fact, while we were waiting for Douglas to build their airplanes, we bought some of Boeing's airplanes, about eight. We tried them out and really liked them, so we then said, hey, do you have any more, and we bought 120 more. And then we said do you have any more, and we bought about 150 more. At the end of the day, we had bought 732 tankers from Boeing, the company that had lost the contract award. I can't say that we always did things right back then because we didn't even have a protest mechanism back then. We have to be careful about how pure we are trying to be as we go forward in this process.

Now when it came to the source selection process, we had a very disciplined process that took out a lot of the judgment. It was a very contentious source selection by virtue of all the attention. General Bogdan and the source selection team did a phenomenal job of documenting everything and this is a lesson learned – powerpoint is not

documentation. Documentation is nouns and verbs, adjectives and adverbs, written in prose. We have lost that art. In fact, I came back from the source selection and said we are not to do powerpoint in my command – we will write papers with nouns and verbs. You are allowed to give me one powerpoint slide in your presentation. The rest has to be you articulating your position based on a paper you wrote. This was very painful at first but very necessary.

The source selection team actually had English teachers there who were correcting their writing, and helping them write more clearly for an audience that perhaps may not understand the technical nature of the writing. They actually had a red team conduct practice sessions when they were documenting. And every time someone disagreed with

something in the process, instead of sitting there and saying they had a concern, it was documented and it was resolved. That process was very important in forcing a discipline in the source selection that we hadn't had before. It was key to the source selection team being successful.

As the end user we were very committed and involved in the KC-46 source selection process. I called General Bogdan, former PEO of the KC-46, and told him that AMC was going to work very closely with him the next few years – so that's how involved we were. I will offer one challenging area for us with training systems and simulators. We in our command abdicated our responsibility of working source selection for our simulator and training contracts. Now, we are at a point where the program office did the best they can, but I have a challenge in the Advanced Training Systems (ATS) contracts across the board. Right now, we are reviewing them all to try to identify best practices and move forward. It's critical to get people from the field, the users, involved in the source selections.



I had some Aeromedical Evacuation (AE) personnel in source selection whose involvement had a huge impact — the KC-46 the nation is getting is going to be much more improved over what it could have been had we not invited the AE team to be part of the source selection. I see the positive results of our involvement every day. I think that is the best way of ensuring we have a weapons system that has the capabilities we need -- during source selection.

Q. Is there anything else you'd like to communicate to our Program Managers from your perspective as a Warfighter?

(Continued on page 5)

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Nov/Dec 2012

(Continued from page 4)

R. We need to face the reality that spiral development is not always appropriate, Fixed Price Incentive is the way to go when developmental risk is no longer part of the equation, and good is good enough. If I need a compact car to replace a compact car, then stop there. Don't talk about what you would do with just one more dollar because you don't have that additional dollar. At the end of the day, we have to ensure that MAJCOMs hold firm to their requirements and not let them creep. And maybe the compact car we get doesn't have all the bells and whistles of the current day. In the end, it is still going to be better than the machine we are replacing it with.

The other part is our financial picture and the budget forecast. There will have to be trade-offs

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if some part becomes too expensive, or a requirement grows somewhere. There has to be an accountability associated with costs. Honestly, every time I have a Permanent Change of Station (PCS) cycle, I get new people in and they want to take the program in a different direction or put their own personal influence on it. We have to be able to understand the context by which we committed to something, and not just come in with the new General, Colonel or Chief Master Sergeant and make changes to programs. We say that flexibility is the key to air power – changing the program for no defined or credible reason as the new Program Manager is not flexibility, it is instability. And instability is not good for our Air Force.

Program Managers have to know that MAJCOMS are partnering with them. They are doing something with expertise that we do not have in the MAJCOM. I have to be a good partner with them so that they are responsible for cost, schedule and performance. I have to be the program advocate. If they become the program advocate, then they lose their objective focus and that is rule #1 of being a Program Manager.

The KC-46 is being done very well and very disciplined. Everything is being documented. Within AMC, we just came out with a statement on every one of our major weapon systems and said, "This is the baseline aircraft." This defines the C-17A model, the KC-135 Block 45, C-5M – this is not the minimum, this is the maximum. This is what defines it, period. Bring your extra money, get it all focused, and get me to a common configuration. We are trying very much to baseline everything and say, "This is good enough." Then I'm looking at my aircraft availability and trying to figure out how many I really do need. Where is the business case that says this is what we are trying to do? We should be as small as we need to be, so that we can ensure the success that we need. I think the KC-46 is a great program on which we have respect, we have discipline, and we will go forward – it is important to our Air Force and our nation that the contractor and the government have a win.

Accountability of Government Furnished Property in Possession of Contractors, By William C. Hunley, SAF/AQXA

Secretary of Defense Panetta continues to personally stress the importance of DoD achieving financial auditability — see the Secretary's video message at http://comptroller.defense.gov/video_ts/secdefaccountabilitymsg.wmv. DoD accounts for 56% of the Federal Government's discretionary budget and 86% of the Government's assets, yet we are the **only** Government agency that is not audit ready. This article focuses on one big disconnect with achieving audit readiness — Government Furnished Equipment (GFE) in the possession of contractors. As a Program Manager/Product Support Manager (PM/PSM), you play a key role in implementing the [DoD Financial Improvement and Audit Readiness \(FIAR\) Guidance](#), and specifically, DoDI 5000.64 on Accountability and Management of DoD Equipment and Other Accountable Property.



As shown in this figure, the DoD financial auditability strategy includes four prioritized waves. The strategy balances the need for short-term accomplishments (Wave 1) against the long-term goal of achieving an unqualified opinion on financial statements by 2017 (Wave 4). GFE in the

* SBR = Statement of Budgetary Resources -- SBR audit to be achieved by end of calendar year 2014

possession of contractors falls under Wave 3, "Mission Critical Asset Existence & Completeness Audit."

The PM/PSM is responsible for preparing a sustainment product support package that (1) describes business relationships with contractors, and (2) identifies, tracks, reports, and accounts for Government owned assets in possession of

(Continued on page 7)

Improving Your Staff's Competitive Program & Job Selection, By Capt Ron Jenkins, SAF/AQH

There are many exciting career development opportunities in the Air Force for the acquisition workforce, and many of these are selected through competitive boarding processes. Opportunities include military and Civilian Developmental Education (CDE), Education with Industry (EWI), Special Program Experience Exchange Duty (SPEED), Exec/Aide de Camp, and many more. Here are some tips to make your staff package/record more competitive for those opportunities.

Know what the board/selection authority is looking for. Each board/position is unique in what it values. Familiarize yourself with the program or office they are applying for, as well as key attributes being evaluated. This is invaluable when it comes to tailoring cover letters, resumes and endorsements. Many packages fail to adequately capture the individual's strengths showing they are a good match for the program or office. Additionally, comply with requested package formats to ensure it is accepted by the board/selection authority. Call the OPR for questions concerning package requirements.

Continued academic/professional education. Most packages competing for Air Force special programs and job opportunities request information about completion of an advanced academic degree (AAD) and professional military education (PME). To maximize competitiveness, regardless if military or civilian, completion of an AAD and PME is imperative, and historically an eliminating factor. Completion of both at the earliest opportunity is highly recommended.

Stay professionally current/qualified. As an acquisition workforce member, earning Acquisition Professional Development Program certifications and engaging in continuous learning is required. Certification is the means by which the AF documents that an individual meets minimum mandatory education, training, and work experience required for acquisition positions. Members must achieve the level of certification appropriate for their rank or grade to be competitive for program and job selections. Additionally, per DoDI 5000.66 (para. E2.2.8.), acquisition workforce members must earn 80 continuous learning points every two years. Those not professionally current are not eligible for special career development programs and assignments (i.e. EWI, SPEED tours), Air Force level acquisition awards, Key Leadership Positions (KLP), and the Materiel Leader board.

Show job performance progression. Outstanding performance in meaningful jobs is paramount. To stand out, it is imperative to show increasing levels of professional responsibility, and to show top level stratification amongst your peers (i.e. on OPRs or Distinguished Graduate on training reports).

Show return on investment for the Air Force. When assessing packages, selection boards and hiring authorities key in on what the Air Force's return on investment will be if they select that individual. If package submission format permits, tie how your selection supports overall AF requirements.

Show availability. Many competitive opportunities require worldwide volunteer statements, availability statements, and/or career field release statements. Limiting availability/omitting required volunteer statements is a quick way to get eliminated.

Peer review. Do not be afraid to have a fresh set of eyes look at packages. No one person is the expert at package writing; the more perspectives you have, the better the package will be. Peer review helps identify gaps or missing information, as well as areas where the package can be strengthened.

You can find information regarding these exciting opportunities via the myPers website under Force Development, <https://gum-crm.csd.disa.mil/app/landing>. Consult your supervisor or Development Team (DT) representative if you have questions. A [current list of DT members](#) can be found on the [Professional Development page](#) in the Career/APDP section of the Acquisition functional area on the AF Portal; click on the "DT Membership" link towards the bottom of the page. 

Aerospace and Defense Masters of Business Administration (ADMBA) Selectees for CY2013! By SAF/AQH

The University of Tennessee ADMBA program is designed to provide acquisition professionals with the tools to understand the aerospace industry as a business, while completing a thesis project to create at least \$1M in savings for their organizations. SAF/AQ would like to congratulate the following selectees for the 2013 ADMBA program:

- ◆ Mr Bill Seeman, AF Space Program Cost Estimation, AFCAA/FMS
- ◆ Mr Scott Kensinger, F-16 Avionics Program, AFLCMC/WWMPAB
- ◆ Ms Lynne Hamilton, AF/AI Domain IT Projects, AFLCMC/HIBG
- ◆ Ms Amanda Gentry, JSF Science & Technology Team, OUSD (AT&L) JSF
- ◆ Ms Jaquenette Belka, F-15C/E Mission Training Centers, AFLCMC/WNSPB
- ◆ Ms Sharon Dore, Aircraft Auxiliary Power Unit Logistics, 419 SCMS/GUMA
- ◆ Ms Tiffany Morgan, MMSOC Ground Systems Architecture, SMC/SDTC
- ◆ Capt Greg Wooley, Future ICBM Acq & Sustainment Construct, AFNWC/NIQ
- ◆ Capt Joel Walker, Force Development IT, AF/AIDI

For more information on this highly competitive program, see Education Opportunities in the Career/APDP section of the Acquisition functional area on the Air Force Portal: <https://www.my.af.mil/gcss-af/USAF/site/ACQUISITION/Career>. 

(Continued from page 5)

contractors. The Air Force is taking steps to close gaps over the next few years through the implementation of new/revised processes including:

- ◆ replacement of manual contractor reporting with Item Unique Identification (IUID) (DoDI 8320.04);
- ◆ tracking and reporting GFE in the DoD IUID Registry (DFARS 252.211-7007); and
- ◆ using the IUID Registry as the master data source for capturing GFE data for updating the Air Force Equipment Management System (AFEMS) property accounting records (DoDI 5000.64).

What to know to get your program up to speed.

AFEMS is the property accounting system for GFE — the master data source for populating AFEMS with GFE in possession of the contractor is the IUID Registry. All contractors are required to input GFE in their possession into the IUID registry. Currently, AFEMS does not interface directly with the IUID Registry; therefore, the PM/PSM must collaborate with appropriate stakeholders to include the contracting officer, sustainment/logistics support team, and the contractor to accurately reconcile the AFEMS property accounting records against physical in-use inventories of GFE as recorded in the IUID registry. Failure to update the IUID registry to reflect receipts, shipments, turn-ins, or disposal actions may result in an out of balance property accounting record in AFEMS.

It is the PM's responsibility to ensure that GFE accountability is appropriately addressed throughout the acquisition lifecycle including in the following documents: the Acquisition Strategy (AS)/Technology Development Strategy (TDS), Systems Engineering Plan/IUID Implementation Plan, and the Life Cycle Sustainment Plan.

- ⇒ **Acquisition Strategy (AS)/Technology Development Strategy (TDS):** The PM must identify the planned use of GFE, unique tooling, or other similar contractual requirements in the AS/TDS. Additional information is available at paragraph 7.5.9 *Identify Any Planned Use of Government-Furnished Special Test Equipment, Unique Tooling, or Other Similar Contractual Requirements* and paragraph 13.3 *GFP to be Included in the End Item* of the OSD Template at http://www.acq.osd.mil/se/docs/PDUSD-Approved-TDS_AS_Outline-04-20-2011.pdf.
- ⇒ **Systems Engineering Plan (SEP)/IUID Implementation Plan:** All assets (including GFE) that require tracking during any point of their lifecycle require an IUID Implementation Plan at Milestone B and C as described in DODI 8320.04. The SEP must include the IUID approach either as a link to the approved IUID Implementation Plan or by attaching the approved Plan to the SEP. Additional information is available at paragraph 3.5 *Relationships with External Technical Organizations* and Table 4.61 *Design Considerations* of the [OSD SEP Template](https://acc.dau.mil/CommunityBrowser.aspx?id=441239) at <https://acc.dau.mil/CommunityBrowser.aspx?id=441239>.
- ⇒ **Life Cycle Sustainment Plan (LCSP):** The LCSP articulates the product support strategy, and it must be kept relevant as the program evolves through the acquisition milestones and into sustainment. The LCSP outline emphasizes early-phase sustainment requirements development and planning, focuses on cross-functional integration - most critically with systems engineering - and highlights key sustainment contract development and management activities. OSD LCSP Template is at https://dap.dau.mil/policy/Lists/Policy%20Documents/Attachments/3303/USA005157-11_SignedLCSPMemo_14Sep2011.pdf. Section 4 on Product Support Arrangements includes sustainment related contract efforts, in place or planned, including management of GFE in possession of contractors per FAR Part 45, *Government Property*, the DFARS Parts 52.245-1 *Government Property* and 252.211-7007 *Reporting of GFE in the DoD IUID Registry*.

Additionally, AT&L released a memo on 11 April 2012 [Government-Furnished Property Attachment to Solicitations and Award](#) that introduces the electronic formats to be used by all DoD components and contractors to provide required GFP data. With the implementation of this provision, DoD embarks upon its initial phase to effectively report GFP as data. Contracting Officers are to use these electronic formats (fillable Adobe PDF forms) to capture required GFP information as an attachment to contracts generated by both existing and future Contract Writing Systems.

By undertaking the above documentation and planning, the PM/PSM will be well on their way to ensuring that GFE assets are accurately and thoroughly included in Air Force property accounting records—a key requirement for DoD achieving financial auditability. For more information, visit the website http://www.acq.osd.mil/pepolicy/accountability/accountability_GFP.html or contact the following PoCs with any questions:

- * Program Management Policy: William Hunley, SAF/AQXA, william.hunley@pentagon.af.mil;
- * Contract Policy: Lt Col Tyr Brenner, SAF/AQCP, tyr.brenner@pentagon.af.mil;
- * Property Accountability: Colquitt Lawrence, AF/A4LM, colquitt.lawrence@pentagon.af.mil.

