

PBL: PURCHASING USING PERFORMANCE BASED CRITERIA

- DepSecDef memo of 4 Feb 2004 requires “...clear guidance on purchasing using performance criteria.”
- Guidance now in informal coordination
- Existing guidance (FAR, DFARS, DoD 5000 series)
- “Performance” defined as purchasing required military outcomes

SPECIFIC PERFORMANCE MEASURES

- Operational Availability
- Operational Reliability
- Cost Per Unit Usage
- Logistics Footprint
- Logistics Response Time

CONTRACT APPROACH AND INCENTIVES

- Preferred Approach: Multi-Year Award Term Contracts
- Incentives Tied to Tailored Metrics
- Pursue Competition and Small Business Participation
- Maximize Use of DAU Resources