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Acquisition

INTEGRATED PRODUCT SUPPORT PLANNING AND ASSESSMENT

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This Air Force Instruction (AFI) implements Air Force Policy Directive (AFPD) 20-5, *Air Force Product Support Planning and Management* and AFPD 63-1, *Capability-Based Acquisition System*. It vests responsibility for both acquisition and sustainment product support planning in the Program Manager (PM). Air Force Space Command (AFSPC) is exempt from this AFI for systems not acquired under Department of Defense Instruction (DODI) 5000.2, *Operation of the Defense Acquisition System*. The Department of Defense (DOD) concept of life cycle system management assigns the PM authority and responsibility for implementation, management, and oversight of all activities associated with a DOD system throughout its life cycle. The PM is accountable through the Program Executive Officer (PEO) or Air Logistics Center (ALC) Commander (CC) reporting chain for ensuring viable and complementary acquisition and sustainment strategies are developed early in the system life cycle. PM responsibility for security assistance (SA) [foreign military sales (FMS)] programs is limited to elements/tasks that are contained in a Government-to-Government agreement and specifically implemented for execution to the PM, through the appropriate accountability reporting chain, by the assigned DOD component authority over the agreement. Weapon system sustainment planning and execution impact life cycle cost and are to be emphasized in the life cycle management plan (LCMP). DODI 5000.2 identifies elements for effective weapon system sustainment. Air Force publications referenced in this AFI are available on the AFDPO WWW site at **http://www.e-publishing.af.mil**.

Records created as a result of processes prescribed in this AFI shall be maintained in accordance with (IAW) AFPD 37-1, Information Management, and Air Force Manual (AFMAN) 37-123, Management of Records, and disposed of IAW the Air Force (AF) Records Disposition Schedule (RDS).

Chapter 1

PRODUCT SUPPORT PHILOSOPHY

1.1. Introduction. This AFI provides policy for integrated product support planning and assessment for the implementation of performance-based logistics (PBL), life cycle support concept, Public-Private Partnerships (PPP), Source of Repair Assignment Process (SORAP) and migration planning. It emphasizes integration of the acquisition and sustainment phases of a weapon system for the product support strategy and PM planning responsibility.

1.2. Purpose. A product support strategy is built around the sustainment elements to integrate the acquisition and sustainment phases of a weapon system throughout its life cycle. Product support is a continuous and collaborative set of activities that establish and maintain readiness and the operational capability of a system, subsystem, or major end item throughout its life cycle. It is an overarching activity that bridges the acquisition and sustainment phases of a program. In this instruction, acquisition and sustainment are defined as:

1.2.1. Acquisition is the conceptualization, initiation, design, development, test, contracting, production and deployment of a directed and funded effort that provides a new, improved or continued materiel, weapon, information system or service capability in response to an approved need.

1.2.2. Sustainment is the planning, programming and executing of a support strategy for a system, subsystem or major end item to maintain operational capabilities from system fielding through disposal.

1.3. Scope:

1.3.1. This chapter provides an overview and defines the product support concept. The concept is applicable to all acquisition programs and fielded systems. Development of the product (system) support strategy is led by the PM and includes all stakeholders.

1.3.2. The product support strategy will be developed and updated in the support concept of the LCMP. The strategy shall be included as exit criteria for milestone B and subsequent milestone decisions. For systems acquired under DODI 5000-2, the basis of the LCMP is a blending of the former single acquisition management plan (SAMP) and the product support management plan (PSMP) into one “cradle to grave” document. This document integrates both the acquisition and sustainment strategies and provides all support requirements of a system, subsystem or major end item. Combining the SAMP and the PSMP into a single product support document eliminates redundancy, avoids potentially conflicting guidance and lays out full life cycle product support strategies.

1.3.2.1. An existing program that is already in Milestone B or beyond (legacy program) prior to implementation of this AFI shall transition to an LCMP when the program:

1.3.2.1.1. Enters a new milestone or

1.3.2.1.2. Updates the PSMP or

1.3.2.1.3. Implements a major system modification. At the discretion of the portfolio authority (PEO or ALC/CC) the LCMP may be limited to the modification vs the entire system.

1.4. Requirements. Product support strategies are based on the following statutes and DOD-directed concepts.

1.4.1. **Title 10 United States Code** (USC).

1.4.1.1. Chapter 131 - *Planning and Coordination*, Section 2208(j), *Working Capital Funds*. Under specified conditions, permits a working capital funded industrial facility to manufacture or remanufacture articles and sell these articles, as well as manufacturing and engineering services to persons outside DOD.

1.4.1.2. Chapter 141 - *Miscellaneous Procurement Provisions*. Section 2400, *Low-rate Initial Production of New Systems*. Provides that in the course of development of a major system, the determination of what quantity should be procured for low-rate initial production (including the quantity to be procured for pre-production verification articles) shall be made when the milestone B decision is made. In this context the term "milestone B decision" means the decision to approve the system development and demonstration of a major system.

1.4.1.3. Chapter 144 - *Major Defense Acquisition Programs* (MDAP). Section 2435, *Baseline Description*. Requires the military department to establish a baseline description for each major defense acquisition program under its jurisdiction. The baseline shall include sufficient parameters to describe the cost estimate (referred to as the "Baseline Estimate"), schedule, performance, supportability and any other factor of such MDAP.

1.4.1.4. Chapter 146 – *Contracting for Performance of Civilian Commercial or Industrial Type Functions*.

1.4.1.4.1. Section 2460, *Definition of Depot-level Maintenance and Repair*. In this context the term “depot-level maintenance and repair” means materiel maintenance or repair requiring the overhaul, upgrading, or rebuilding, or rebuilding of parts, assemblies or subassemblies and the testing and reclamation of equipment as necessary. It includes all aspects of software maintenance classified by DOD as of 1 July 1995 as depot-level maintenance and repair, and interim contractor support (ICS) or contractor logistics support (CLS) to the extent that such support is for the performance of services described in the preceding sentence.

1.4.1.4.2. Section 2464, *Core Logistics Capabilities*. Requires Services establish and maintain organic capabilities to provide a ready and controlled source of technical competence and resources necessary to ensure effective and timely response to mobilization, national defense contingencies or emergencies. Core logistics capabilities workload is accomplished in Government-owned/operated facilities with Government-owned/operated equipment by Government personnel. The PM has responsibility to identify core capability budget forecasts to major commands (MAJCOMs).

1.4.1.4.3. Section 2466, *Limitations on the Performance of Depot-level Maintenance of Materiel*. Requires that not more than 50 percent of the funds made available in a fiscal year (FY) to a military department or defense agency for depot-level maintenance and repair workload may be used to contract for the performance by non-Federal Government personnel. For programs they are responsible for, the PM must track and report actual and projected depot maintenance obligations.

1.4.1.4.4. Section 2474, *Centers of Industrial and Technical Excellence: Designation; Public-private Partnerships*. Permits a Center of Industrial and Technical Excellence (CITE) to

enter into public-private cooperative arrangements ("Public-Private Partnership"). The Secretary of the Air Force (SECAF) has designated the depot maintenance activities at Oklahoma City ALC, Ogden ALC and Warner Robins ALC as CITEs. These ALCs are authorized to enter into PPP to perform work related to their core competencies.

1.4.1.5. Chapter 152 - *Issue of Supplies, Services, and Facilities*; Section 2563, *Articles and Services of Industrial Facilities: Sale to Persons Outside the Department of Defense*. Under specified conditions, permits the sale of articles manufactured and services performed by a working capital funded industrial facility that are not available from any United States (US) commercial source to a person outside DOD.

1.4.2. Air Force Federal Acquisition Regulation Supplements (AFFARS) establish uniform policies and procedures for the AF in implementing and supplementing the Federal Acquisition Regulation (FAR), the DOD FAR Supplements (DFARS) and other DOD publications concerning contracting.

1.4.3. PBL is the DOD preferred approach for implementing product support. It is a strategy for weapon system life cycle sustainment that links product support to weapon system performance. A goal is to optimize total system availability while minimizing cost and the logistics footprint. Effective product support begins with design and development of reliable and maintainable systems. PBL shall be implemented for new acquisition category (ACAT) I and II systems and preferred on new ACAT III and fielded systems if practical. The following support strategies apply to PBL.

1.4.3.1. Performance-based support arrangements are based on operational requirements. The lead MAJCOM identifies performance parameters, e.g. system availability, mission-capable (MC) rates and capabilities that leverage attributes of other DOD components, reference Chairman Joint Chiefs of Staff Instruction (CJCSI) 3170.01D, *Joint Capabilities Integration and Development System*. PBL places accountability for product support on the PM to achieve those parameters. This may be accomplished by using organic (public) providers, commercial (private) providers or a partnership between public and private providers. The PM implements PBL on all new systems and, if applicable, on ACAT I and II fielded systems. For post-acquisition phase programs, a continuous process to compare baseline performance objectives vs. actual performance is required. Refer to AFI 63-1201, *Assurance of Operational Safety, Suitability and Effectiveness*, for information on performance baseline development. Baselines shall be developed in close coordination with appropriate stakeholders.

1.4.3.2. Condition-based maintenance plus (CBM+), reference: ***DOD Maintenance Policy, Programs and Resources***, is an initiative to improve maintenance agility and responsiveness, increase operational availability and reduce life-cycle total ownership costs. The goal of CBM+ is to perform maintenance only upon evidence of need. Condition-based maintenance (CBM) is a set of maintenance processes that rely on a real time assessment of weapon system condition generated by embedded sensors and/or external tests and measurements using portable equipment. CBM+ expands on these basic concepts by employing other technologies, processes and procedures to improve maintenance/logistics. These existing and future technologies, processes and procedures are to be addressed during all phases of a weapon system's life cycle planning, acquisition, sustainment and reclamation.

1.4.3.2.1. The enabling technologies and concepts that constitute an acceptable initial AF baseline for achieving CBM+ implementation are: prognostics, diagnostics, portable maintenance aids, interactive electronic technical manuals, interactive training, data analysis, inte-

grated information systems, automatic identification, reliability-centered maintenance (RCM) and joint total asset visibility (JTAV).

1.4.3.2.2. The CBM+ implementation concepts are RCM and JTAV. The RCM is a disciplined and structured process to identify cost effective and technically sound maintenance practices. JTAV is the capability to provide users with timely and accurate information on the location, movement, status and identity of units, personnel, equipment and supplies.

1.4.4. This AFI requires accomplishment of plans and processes such as: mission assignment, LCMP, SORAP and migration planning.

1.4.4.1. Mission Assignment is a process that establishes the management responsibilities and provides the infrastructure foundation for the life cycle management of the weapon system. The assignment process identifies organizations responsible for acquisition and sustainment of a directed program.

1.4.4.1.1. Mission assignment will be made by Headquarters (HQ) Air Force Materiel Command (AFMC) or AFSPC, as applicable, in sufficient time to allow for acquisition and sustainment planning as well as program and infrastructure resource requirements to be defined and programmed. After the mission assignment is accomplished, the PM will establish agreements with the assigned center(s) for the specific types of support required by the program.

1.4.4.1.2. For AFMC programs the general intent is that programs in acquisition will be assigned to an AFMC product center and programs in sustainment will be assigned to an AFMC ALC. Upon selection of a PM during the concept refinement phase, the milestone decision authority (MDA) should notify HQ AFMC so the applicable center can be assigned to provide infrastructure support to the selected PM. Upon the establishment of a program or prior to Milestone B, the MDA shall notify HQ AFMC so the mission assignment process can ensure assignment of the product and logistics centers. HQ AFMC, as the AF primary focal point for the mission assignment should coordinate and publish additional guidance as needed.

1.4.4.2. An LCMP is a comprehensive document that consolidates the weapon system life cycle acquisition management and product support strategies from concept refinement through reclamation/disposal. It is a document that must be maintained to remain compliant with revised/new DOD policy and statutory requirements. It represents a corporate AF position on how to best execute and manage a specific program and requires participation from all program stakeholders in its development and update. The LCMP:

1.4.4.2.1. Documents the integrated vision, strategy and specific product support concepts and arrangements that will provide the reliability, maintainability and readiness necessary to meet the needs of the warfighter at best value. It reflects a disciplined system engineering process as defined in AFI 63-1201 that ensures supportability considerations are implemented during the design, development, production and sustainment of a weapon system. The LCMP will be coordinated with all stakeholders and approved by the portfolio authority that the program is under.

1.4.4.2.2. Will be maintained in the AF Knowledge Now (KN) Portal. The PM will utilize this portal to document, share and update programmatic data. Changes that do not alter the product support strategy such as administrative, procedural modifications, updates to schedule and

funding adjustments do not require re-coordination; changes to the strategy do require re-coordination.

1.4.4.3. SORAP completion for determining the depot maintenance source of repair (SOR) is a PM responsibility and shall be addressed at the acquisition strategy panel (ASP) meetings. The SORAP is required for new acquisitions, workload shifts, modifications and overseas depot level maintenance.

1.4.4.4. Migration planning begins when a determination has been made that a program has a requirement to maintain assets at the Aerospace Maintenance and Regeneration Center (AMARC). The PM performs this activity to maximize use of inactive aircraft assets to support active US fleet requirements, FMS requirements and current/forecasted United States Air Force (USAF) programming needs.

1.4.5. A PPP is a commitment between the Government (public) and industry (private) to provide products and/or services at best value to the warfighter but not necessarily at lowest cost. A PPP exists when an agreement is consummated between the public and private sector system providers. The services have the statutory authority to utilize a PPP to leverage the best capability mix from both the public and private sectors and, through the PBL approach, shall aggressively pursue the use of partnerships between the public and private sectors. A PPP establishes mutual goals and objectives early in the acquisition life cycle, thereby building trust and open communication. The benefits of PPPs include leveraging efficient public facilities, maintaining DOD's core capability and encouraging industrial investment and technology infusion.

1.5. Space Programs. AFSPC is exempt from this AFI for systems not acquired under DOD 5000 series regulations, for non-military materiel and for materiel that is not and will not be included in the USAF inventory. For such systems refer to the National Security Space (NSS) Acquisition Policy 03-01, **http://www.safus.hq.af.mil/usa/usap/**.

Chapter 2

PERFORMANCE-BASED LOGISTICS

2.1. Purpose: PBL as the preferred strategy for product support (sustaining weapon systems). PBL employs an integrated and affordable performance package that is designed to optimize system readiness and reduce the demand on the logistics tail of a weapon system. It meets performance goals for a system through a support structure based on long-term performance agreements with clear lines of authority and responsibility. These requirements may be stated as system availability or MC rates based on the Government's assessment of best value. PBL is also addressed in DOD Directive (DODD) 5000.1, *The Defense Acquisition System*.

2.2. Scope. PBL places full accountability for product support on the PM using organic, commercial sector or a partnership between organic and commercial providers. The PBL strategy may involve arrangements between the public and private sectors or between two public organizations. The term PBL is not synonymous with CLS nor does it require a private sector integrator.

2.3. Requirements:

2.3.1. The PM is to ensure that logistics, as a process for weapon system support, serves two key objectives: that system readiness is increased through integrated logistics and the resources required to fulfill logistics or support requirements are minimized. Therefore, PBL is a product support strategy to meet these inter-related objectives by balancing and integrating the sustainment elements.

2.3.2. The PM is responsible for construction of a business case analysis (BCA) to determine the best strategy for meeting the PBL goals. The BCA is a decision support tool whose results appears as a time based cash flow summary; for additional detail refer to the reduction in total ownership cost (**RTOC**) site. The PM shall form a PBL-BCA team comprised of all of the product support stakeholders, including government and industry providers.

2.3.3. PBL guidance should be applied to all AF contracts and organic product support strategies as determined by the PM management assessment. Requests for proposals for total system support responsibility (TSSR) programs, CLS programs and AF-Defense Logistics Agency (DLA) prime vendor proposals for system product support shall be identified to the offices of the Deputy Chief of Staff (DCS) for Installations and Logistics (I&L) and Assistant SECAF for Installations, Environment and Logistics. To ensure compliance with general AF maintenance and supply procedures, either office may, prior to Government completion of proposal evaluation, request a review of the proposal. Submissions for review will include a description of the general support concept, any deviations from AF standardized support procedures, financial transactions and an assessment of potential issues for theater of operations.

Chapter 3

LIFE CYCLE SUPPORT CONCEPT

3.1. Purpose. The PM is to develop an LCMP that streamlines, consolidates and makes visible to senior leadership all aspects of the program plan. The philosophy is that both acquisition and sustainment are intertwined and the planning for the entire life cycle will be blended into one plan. From a product support standpoint it contains the PM's plan for addressing the life cycle support strategy that will satisfy the warfighter needs at best value. Although the PM is responsible for LCMP development and maintenance, a collaborative effort among all the stakeholders is required.

3.2. Scope:

3.2.1. This AFI and AFI 63-101, for systems acquired under DOD 5000 series regulations, are the policies directing the PM to develop a framework for capability-based acquisition and integrated product support planning. Additional LCMP information is contained in guidance under the cognizance of **SAF acquisition policy**.

3.2.2. An Integrated Program Summary (IPS), instead of a SAMP, is used to provide acquisition information for space systems under the NSS Acquisition Policy 03-01 guidance. The philosophy behind the LCMP for space system acquisitions under 03-01 guidance is analogous to that for non-space systems with acquisition and sustainment intertwined to streamline, consolidate and make visible to senior leadership all aspects of the program.

3.2.3. DODI 5000.2 addresses operations and support and identifies what "sustainment includes". This AFI addresses ten of those sustainment planning elements:

3.2.3.1. Manpower: the human resource affordability of a system: the number of people needed to train, operate, maintain, administer and support the system.

3.2.3.2. Personnel: the fact that certain types and levels of knowledge, skill and abilities are required to optimize total system performance. This should include both operators and all levels of maintainers.

3.2.3.3. Maintenance: the orderly arrangement of all maintenance support, including support equipment and facilities, to keep systems and equipment ready to perform assigned missions. This includes all levels of maintenance and implementation of those levels (includes any partnering, organic and contract support).

3.2.3.4. Supportability: a design characteristic stated in operational terms, achieved and sustained through the life cycle. Examples of supportability factors are deployment, mobility, mission frequency, human capabilities, software/hardware, environment, safety, occupational health and anticipated service life.

3.2.3.5. Systems engineering: an approach to translate approved operational needs and requirements into operationally suitable blocks of systems. The approach consists of a top-down iterative process, throughout the system life cycle, of requirement analysis, functional analysis and allocation, and design synthesis and verification for maintainability, reliability, interoperability and survivability.

3.2.3.6. Data Management: an integrated data system that captures and controls the technical baseline, provides data correlation and traceability, facilitates technology insertion for affordability improvements during post-production support, supports configuration procedures and serves as a reference for planning the system engineering effort. This includes addressing technical data e.g. drawings, technical and commercial operating and repair manuals, and specifications.

3.2.3.7. Supply: the selection of sources of supply support, including support management functions that maximize service to the user while minimizing cost. This function has control over financial and support functions to make trade-off decisions that affect system readiness and cost. It addresses provisioning data, initial spares, deployment spares and replenishment spares. It includes all necessary actions when determining the requirements to acquire, catalog, receive, store, transfer, issue and dispose of materiel.

3.2.3.8. Transportation: consists of the requirements, procedures, processes, resources, design considerations and methods necessary to ensure that all systems, equipment and support items are preserved, packaged, handled, stored and transported properly.

3.2.3.9. Configuration Management: the process that controls the system products, processes and related documentation. It includes identifying, documenting, and verifying the functional and physical characteristics, and recording and controlling changes of an item and its documentation.

3.2.3.10. Training: consists of processes, procedures, techniques, and equipment used to train active duty, reserve and civilian personnel (both individuals and crews) to operate and maintain a system throughout its life cycle.

3.3. Requirements. Product support planning through the LCMP shall be consistent with FAR requirements, provide for establishment of an acquisition management framework to support a program decision, identify provisions for controlling diminishing manufacturing and obsolescent technologies and for obtaining the statutory/regulatory approvals for implementing the strategy. The planning is to consider and address:

3.3.1. Product support through the above sustainment elements is predicated on three tenets of PBL, PPP and Title 10 compliance. Addressing these elements early in the life cycle is a key characteristic of the LCMP. Early product support planning facilitates a viable support strategy, provides ample time for programming and budgeting, promotes early depot activation, can reduce total life cycle costs and promotes better system life cycle decision making.

3.3.2. The PM is responsible for presentation of the product support strategy at the ASP or equivalent reviews and execution of the LCMP. For programs (AF programs, AF-lead joint programs or AF segments of joint programs) identified by the DCS for I&L and Assistant SAF (Acquisition), the PM shall provide an assessment of the sustainment elements as part of the normal acquisition review process. The product support strategies shall be considered by the PM in the development of the product support concepts, documented in the LCMP and addressed prior to Milestone B.

Chapter 4

PUBLIC-PRIVATE PARTNERSHIPS

4.1. Purpose. DOD policy directs preference for the services to pursue sustainment support for products and services through PPP. Three goals of PPP are: to ensure private industry and public depots partner to establish and sustain a core capability; to consider all other non-core maintenance, supply chain management and the other sustainment elements based on the government's assessment of best value; and to promote technology infusion.

4.2. Scope:

4.2.1. The PPP will leverage best capabilities of sources of support from both the public and private sectors in order to meet the performance requirements at best value. The PPP will focus on creating a long-term "business alliance" between two or more entities with diverse but complementary competencies. Effective partnerships should be initiated and developed at the beginning of all acquisitions and prior to concept development to enable all stakeholders to maximize benefits of the partnering construct.

4.2.1.1. The objectives shall be to:

4.2.1.1.1. Maximize the utilization of the depot capability,

4.2.1.1.2. Reduce or eliminate the cost of ownership by the DOD in such area as operations and maintenance,

4.2.1.1.3. Reduce the cost of products of the DOD,

4.2.1.1.4. Leverage private sector investment and

4.2.1.1.5. Foster cooperation.

4.2.2. PPP arrangements include the use of public sector facilities and employees to perform work or produce goods for the private sector; private sector use of public sector equipment and facilities to perform work for the public sector; work-sharing arrangements using both public and private sector facilities and/or employees for DoD end consumption.

4.2.2.1. IAW the provisions specified by USC, PPP arrangements may provide for:

4.2.2.1.1. Employees of the DOD, private industry, or other entities outside the DOD to perform work related to the core competencies of the DOD Center.

4.2.2.1.2. Private industry or other entities outside the DOD to use facilities or equipment of DOD consistent with the needs of the DOD and the use will not have significant adverse effect on the readiness of the armed forces.

4.2.2.2. PPPs that address sharing of investments, sharing and transfer of start-up equipment and/or joint-use of facilities can be beneficial to both public and private sectors and offer potential areas for creative partnering and overall cost reduction. PPP guidance applies to total product support arrangements, as well as individual processes or subsystems and to all competed or sole source proposals.

4.3. Requirements:

4.3.1. The PM is responsible for the execution of PPP policy and presenting the strategy at ASP or equivalent reviews. PPP strategies must be considered by the PM in the development of the product support concepts, documented in the LCMP and addressed prior to Milestone B.

4.3.1.1. If the acquisition strategy for an approved new weapon system or a major modification to an existing weapon system includes PPP and contemplates competition, the PPP must be addressed in the solicitation or request for proposal (RFP) and proposal evaluation.

4.3.1.2. Both sectors have responsibility for the establishment of DOD depot capability based on the accepted PPP agreement. Each partner is responsible to ensure their resources are available to support the initial generation of requirements and planning, budgeting and funding for DOD depot activation.

4.3.1.3. PPP documents normally include one or more of the following:

4.3.1.3.1. Overarching strategic agreements e.g. long-range memorandum of understanding/ agreement, strategic partnering agreement, strategic agreement and program charter;

4.3.1.3.2. Direct-sale agreements;

4.3.1.3.3. Work-share agreements;

4.3.1.3.4. Lease agreements.

Documents that may be used as a vehicle to create PPP (but in and of themselves are not PPP documents) include PBL contracts, TSSR contracts, virtual prime vendor (VPV) contracts, corporate contracts, CLS contracts, cooperative research and development agreements (CRADAs) and other high interest contracts.

4.3.2. **Core/Non-core.** PPP arrangements shall ensure that workloads identified to support the core logistics capabilities are repaired in Government-owned and Government-operated facilities using Government-owned equipment and Government employees. Posturing of non-core candidates and other partnering considerations is based on best value.

4.3.2.1. Core: This policy dictates “identification of mandatory partnering” on core candidate capabilities and/or workloads in the RFP/solicitation prior to Milestone B. Later in the acquisition program, when actual usage is available, a full SORAP can be accomplished to determine what, if any, percentage of the core candidate capability/workload can efficiently be outsourced or shared with a private partner.

4.3.2.2. Non-Core and other partnering considerations: The source of repair decision for workloads that are not required to satisfy a core capability requirement shall be considered for best value PPP arrangements or postured via the SORAP using life cycle cost as a primary factor.

4.4. Basis of Authority. PPP execution strategies can be accomplished principally under the statutory authority of Title 10 USC Sections 2208(j) and 2474. In addition to PPP authorized by statute, a PPP also includes a division of work between a contractor and a working capital industrial facility. If specific statutory authority is not required in this arrangement, the PM will typically contract for product support. Work may also be accomplished by the working capital industrial facility at the recommendation or proposal from the PM or the product support contractor.

4.5. Financial Guidance:

4.5.1. PPP agreements will be developed to ensure that the risk of unfunded liabilities to the working capital fund is at a minimum. For additional information refer to Volume 11B of DOD 7000.14-R, *Department of Defense Financial Management Regulations*.

4.5.2. All PPP proposals for direct sales shall be priced following full cost recovery principles outlined in DOD 7000.14-R 11B. While Vol. 11B shall take precedence, the general reimbursement guidance in DOD 7000.14, Vol 11A, Chapter 1 is also applicable.

4.5.3. Cash advances must be received prior to the commencement of work regardless of the PPP approach. Incremental payments are acceptable to the extent that cash is available to cover anticipated work to be performed during the period. All payments shall be credited to the appropriation or fund charged in performing the work.

4.5.4. Final billings are to be based on stabilized prices/rates or rates that reflect the scope of the PPP. For cost reimbursable contracts, stabilized prices and/or actual hours coupled with stabilized rates shall be charged. Firm fixed-price contracts may be used but must consider associated risks and potential impacts to the overall financial health of the participating industrial facility. Gains associated with partnered workloads may contribute to a reduction in overall rates at the facility while losses may contribute to an increase in overall rates. At a minimum, gains and losses will drive yearly changes to PPP pricing as the facility strives to achieve a mandated accumulated operating result (profit) of zero. Due to these fluctuations, firm fixed-price contracts must contain an out-year re-pricing mechanism to reflect rate changes.

4.5.5. Costs and revenues associated with PPP must be separately identifiable in order to comply with reporting requirements. Each industrial facility shall have well documented accounting procedures for handling direct and indirect costs.

Chapter 5

SOURCE OF REPAIR ASSIGNMENT PROCESS

5.1. Purpose. The SORAP is the process by which the USAF postures its depot-level maintenance workloads. It applies to workloads for hardware, software, new acquisitions and fielded systems, whether the Government or private contractor manages the system or subsystem. SORAPs are also utilized to reassess prior SOR decisions when major changes occur that could potentially affect previous SOR decisions (e.g. major changes in the length of a program's life cycle, major modifications, significant increases in cost, quantities of fielded systems, etc.). For fielded systems, the process will be initiated as soon as the change in posture is considered. HQ AFMC shall publish additional SORAP implementation guidance. Systems that fall under the AFPEO for space shall also refer to NSS Acquisition Policy 03-01 for further SORAP guidance as it pertains to space systems.

5.2. Scope. The SORAP is designed to consider a broad range of factors when determining the SOR such as public law (e.g. Title 10 USC 2464, *Core Logistics Capabilities* and 2466, *Limitations on the Performance of Depot-level Maintenance of Materiel*); long-term depot strategy; overall cost to the DOD; and specific weapon system requirements. SORAP packages shall be prepared at the highest level practicable; e.g., system, subsystem. Depot-level maintenance and repair is defined by public law (Title 10 USC 2460).

5.2.1. The SORAP is not to be viewed as a competition between the organic depot and the contractor source. USAF direction is for programs to pursue partnerships between the organic depots and contractors early in the acquisition life cycle. Partnerships must be a major focus area in product support planning activities. New weapon systems that are establishing their support concept and fielded weapon systems changing their depot maintenance support must proactively consider use of the organic depots as part of a partnering strategy. The SORAP must be a collaborative process that includes USAF stakeholders' participation in determining the most beneficial SOR.

5.2.2. Joint acquisition programs require the SORAP to be executed for new items entering the USAF inventory, regardless of decision rendered or degrees of commonality of the items being acquired by other services/agencies. This does not preclude the use of data available from the other Service in the preparation of a USAF SOR recommendation.

5.3. Requirements. The PM is responsible for initiating and completing the SORAP and ensuring the SOR results are implemented. The PM shall also ensure all viable sustainment options are considered before deciding on the SOR recommendation for the SORAP package. Necessary data required for an organic repair capability is mandatory to support viable depot maintenance options and will be included in all RFPs.

5.3.1. There are five situations when a SORAP is required, which are described below:

5.3.1.1. New Starts (New Acquisitions) – The acquisition of any weapon system, item, component, system, subsystem, or software that will result in a requirement for depot-level maintenance. SORAPs for new acquisitions shall be accomplished on the total anticipated inventory to be acquired. A new start is also defined as an increase to any previously postured weapon system, end-item, component, system, subsystem, or software, which will result in a substantial increase in capital investment or in depot maintenance workload.

5.3.1.2. Modification Follow-on Workloads – Depot maintenance workloads generated as a result of a modification installation. When a modification installation introduces one or more new starts, as defined above, it generates a need for the SORAP to determine the destination of the workload.

5.3.1.3. Overseas Workload Program (OWLP) – SORAPs are required for any new, modified, or shift in SOR that involves the potential for accomplishment of depot-level maintenance by a source outside of the United States.

5.3.1.4. Modifications/Reconfigurations – The modification of a weapon system, subsystem, item or component, which is considered depot-level maintenance, is subject to SORAP requirements. This includes the act of modifying (such as installing a modification kit, component removal/asset reconfiguration, etc.). SORAPs for modifications shall be accomplished on the anticipated total inventory to be modified.

5.3.1.5. Workload Shifts – Permanent change in the officially designated SOR, or source of modification, can only be accomplished through a SORAP when such change involves a public depot. Changes from one contract repair source to another or consolidating several contract workloads does not require a SORAP. Specifically, a SORAP is required for proposed changes in the SOR that result in one of the following types of SOR shifts: from assigned organic depot to another organic depot; from assigned organic depot to a contract; from contract SOR to an organic depot.

5.3.2. Candidates to satisfy a core capability requirement and those proposed to be accomplished using a PPP shall complete the SORAP prior to the system development and demonstration phase. The SORAP shall be accomplished before entering into any long-term depot repair posture such as warranties or extended service contracts.

5.4. Exclusions. There is no *waiver* to the SORAP for depot-level maintenance workloads meeting the criteria above, although certain categories of workloads may be excluded from SORAP requirements. Some specific categories of workloads meeting the exclusion criteria are: workloads generated by training devices as defined in AFI 63-111, *Contract Support for Systems and Equipment*; workloads generated by Industrial Plant Equipment located exclusively within the depot maintenance complex and funded through the industrial fund; automated data processing equipment workloads that are not for national security systems; and modifications that are to be performed in conjunction with scheduled depot maintenance at the assigned SOR. A SORAP is also not required for modifications to components that do not change the form, fit, or function of the component modified and do not change the basic part number, only the version (dash number change) as long as the SOR of the end-item does not change. The PM is responsible for verifying that a specific workload meets the exclusion criteria described above. The PM is still responsible for reporting obligations for depot-level maintenance under Title 10 USC 2466.

5.5. Concept:

5.5.1. New Start SORAPs:

5.5.1.1. Phase 1 – Initiate the SORAP. The PM shall initiate the SORAP by identifying the requirement. While there will be no firm programmatic data available for new starts in the pre-Milestone B stage, the identification will use information based on a system or systems that are currently satisfying the same or similar requirement. In the absence of a comparable source of data, conceptual data may be used. The submission will be of sufficient depth to allow HQ AFMC to identify a candidate organic depot and perform a core capability assessment.

5.5.1.2. Phase 2 – Create a SORAP Team. Upon completion of Phase 1 the PM will form a SORAP team consisting of representatives from the candidate depot, using command and program office as a minimum. The purpose of the team is to develop a depot maintenance strategy that addresses both the requirement to conduct organic repair and to pursue a partnering approach, where feasible. The information necessary to implement the strategy will be included as part of the RFP to ensure depot posturing requirements are addressed. The PM will develop and review SORAP packages for core and partnered workloads and resolve any inconsistencies with the candidate depot Business Development Committee. The completed package will be provided to HQ AFMC for coordination. The SOR recommendation will be approved prior to the release of the RFP for system development and demonstration. The potential workloads that were not submitted during this phase are candidates for contract repair and are addressed in Phase 3.

5.5.1.3. Phase 3 – Validate and Complete SOR Recommendations. The SORAP team will review the results of the solicitation and sort workloads into two categories:

5.5.1.3.1. Workload decisions made in phase 2 (core and partnered) will be reviewed in light of the equipment and software selected. The earlier decision will either be validated or the workload will be placed in the contract repair candidate category.

5.5.1.3.2. Workloads to include the contract candidates identified in Phase 2 will be postured using a cost based approach. These workloads may be deferred until more mature data is available. This data is the basis for the Phase 3 SORAP package submission. While the cost to the USAF of one source over another is a primary factor, the final decision is based on the SORAP team's recommendation. These packages and their associated source of repair recommendations shall be approved prior to full rate production.

5.5.2. Modification SORAPs are prepared in the same way as a new start, with some exceptions. Phase 1 is still required to identify the candidate depot and request a core assessment. Phase 1 must be completed in sufficient time to allow for well-developed input to the acquisition solicitation. Phase 2 begins with the formation of a SORAP team consisting of the PM, using command and candidate depot representatives as a minimum. This team will investigate the potential for organically accomplishing the modification and ensuring the data elements necessary to support the SORAP decision are included in the solicitation. Phase 3 begins with source selection and consists of evaluating the solicitation results and determining if the Phase 2 approach is still feasible. The SORAP package contains the results of that review.

5.5.3. Fielded workload (workload shifts and overseas workload program) SORAP packages can be completed in two phases. Information required to make an informed decision is generally available. Phase 1 will be conducted the same as it is for new start packages and the applicable information will be provided to HQ AFMC for candidate depot identification. This is applicable even in those instances where the results of the assessments appear to be obvious. Phase 2 will begin by forming a SORAP team that will investigate the potential for shifting workload from one source to another and documenting the results of the investigation. That documentation will form the basis for preparing the SORAP Package.

5.6. Cost Evaluation. While cost is a consideration in any posturing decision, a formal costing effort is not always necessary. In many instances, a review of the potential cost drivers is sufficient to allow for a SOR recommendation when considered with other, more salient criteria. In those instances where a costing effort is required, the SORAP team will determine the scope and methodology. The primary consider-

ation is the cost to the Government and not to individual acquisition programs. Cost incurred by individual acquisition program is composed of elements that the USAF would incur regardless of the posturing decision. Those costs are not relevant to the posturing decision. However, the costs associated with the shift in workload should be identified as quickly as possible so that these activities may be programmed and budgeted.

5.7. Follow On Activities. Upon approval of the SORAP recommendation by the ASP (or in the absence of an ASP, by the PM with HQ AFMC concurrence) the PM will initiate the depot maintenance interservice study process in accordance with AFI 21-133(I), *Joint Depot Maintenance Program*. This study is required regardless of the SORAP decision, organic or contract. For organic decisions, the PM shall establish a depot maintenance activation working group (DMAWG)

Chapter 6

MIGRATION PLANNING

6.1. Purpose:

6.1.1. Migration planning is an integral part of weapon system product support planning and is an important element in the inventory management of USAF assets addressed in AFPD 16-4, *Accounting for Units, Installations and Aerospace Vehicles*. Implementation procedures are in AFI 16-402, *Aerospace Vehicle Programming, Assignment, Distribution, Accounting, and Termination*. Migration planning is a deliberative process by which the PM evaluates AMARC-stored aircraft and articulates plans to optimize their use. The goal is to minimize the cost of holding aircraft in storage, maximize the use of reclaimed parts, and reduce the total cost of USAF weapon sustainment.

6.1.2. The primary purposes of the migration plan are to: track program inactive aircraft at AMARC by storage category; identify current and forecast program requirements those aircraft support; identify the potential to re-categorize the AMARC aircraft in order to maximize the value of reclaimed assets; design an orderly flow of inactive storage aircraft from the most restrictive category to the least restrictive in order to reduce the cost to procure new spare parts to support the active US fleet while supporting other USAF requirements; be used by HQ USAF to develop aircraft disposition plans; and be used by AMARC to plan workload.

6.2. Requirements:

6.2.1. The PM will, upon award of the final production contract, develop a migration plan for each mission design series (MDS). It shall be revised on an annual basis, documented in the LCMP and submitted to HQ USAF through HQ AFMC. The plan should be reviewed on a quarterly basis to ensure its continued viability.

6.2.2. For current programs that are beyond the acquisition phase, a migration plan is required for weapon systems currently stored at AMARC, those aircraft scheduled for removal from the USAF active inventory and those that are planned for induction into AMARC storage during the Future Years Defense Program (FYDP). Aircraft programs that do not meet these criteria must submit a negative reply stating that none of their aircraft meet the migration-planning criteria.

6.2.3. The annual revision shall include the results of the evaluation of aircraft programmed for induction into AMARC or aircraft scheduled for removal from the USAF active inventory during the FYDP. The Migration Plan should also include projected changes in storage categories inviolate, security assistance program (SAP), potential reclamation, excess, reclamation, reclamation insurance type (RIT) and disposal categories with the overall goal of placing aircraft into programmed reclamation at the earliest possible time in order to offset parts-buy requirements.

Chapter 7

ROLES AND RESPONSIBILITIES

7.1. HQ USAF/IL:

7.1.1. Establishes product support policy consistent with DOD and AF directives.

7.1.2. Advocates logistics product support requirements documented in LCMPs during program objective memorandum (POM), budget estimate submission (BES) and President's budget (PB) preparation.

7.1.3. Coordinates policy and tasking with HQ AFMC and SAF/AQ to eliminate issuing conflicting guidance and overlapping efforts.

7.1.4. Reviews and coordinates with SAF/AQ/IE/US on product support policy issues.

7.1.5. Requires development and submission of migration plans IAW AFI 16-402.

7.1.6. Distributes approved HQ USAF plans required by this AFI to appropriate focal points for dissemination/implementation.

7.1.7. Establishes AF partnering policy.

7.1.8. Advances CBM+ concepts and functions.

7.2. SAF/AQ:

7.2.1. Performs responsibilities in AFPD 63-1, *Capability-Based Acquisition System*.

7.2.2. Approves acquisition-related policy and plans for non-space system.

7.2.3. Reviews and coordinates with SAF/IE/US, HQ USAF/IL and HQ AFMC product support policy and tasking to eliminate issuing conflicting guidance/overlapping efforts.

7.2.4. Reviews LCMPs for acquisition-related product support planning.

7.3. SAF/FM:

7.3.1. Develops/provides financial policy.

7.3.2. Develops BCA policy, procedures and guidance as outlined in AFI 65-501, *Economic Analysis*.

7.3.3. Advocates funding requirements for POM, BES and PB preparation requirements.

7.4. SAF/IA:

7.4.1. Gives projected SA requirements related data to AFMC for analysis and planning.

7.4.2. Develops/provides policy for implementation of SA requirements that are to be executed by AF organizations.

7.4.3. Provides the most current SA requirements to appropriate PM(s) to support development of annual migration plans.

7.5. SAF/IE:

7.5.1. Supports HQ USAF/IL in advocacy of product support requirements within the corporate USAF structure/process.

7.5.2. Coordinates with SAF/AQ, HQ USAF/IL, and HQ AFMC to develop/provide product support guidance.

7.5.3. Teams with SAF/AQ and HQ USAF/IL to develop and update product support policy.

7.6. SAF/US:

7.6.1. Performs responsibilities in AFPD 63-1, *Capability-Based Acquisition System*.

7.6.2. Approves acquisition-related policy and plans for space systems.

7.6.3. Reviews and coordinates with SAF/IE and HQ USAF/IL on Space product support policy issues.

7.6.4. Reviews LCMPs for Space acquisition related components and product planning.

7.7. PEO:

7.7.1. Ensures programs in their portfolio support acquisition and product support objectives.

7.7.2. Maintains responsibility for acquisition program performance for assigned systems or groups over which they have executive oversight.

7.7.3. Reviews and approves system or product LCMP strategy briefed at the ASP or equivalent.

7.7.4. Ensures that validated MAJCOM needs drive the acquisition and modification planning process.

7.7.5. Ensures each system's planning process works effectively with the planning, programming, budgeting and execution (PPBE).

7.7.6. Ensures each system's planning is tied to other product support processes as extracted from the effects-based capability-focused planning (EBCFP) and the USAF mission area planning (MAP).

7.8. HQ USAF/XI:

7.8.1. Provides direction and policy guidance to MAJCOMs on the technologies, concepts of operations, and organizational changes necessary to achieve horizontal integration and interoperability.

7.8.2. Reviews LCMPs as required or requested.

7.9. HQ USAF/XO:

7.9.1. Provides PM with weapon system requirements documents.

7.9.2. Reviews LCMPs as required or requested.

7.9.3. Advocates requirements during POM, BES and PB preparation.

7.9.4. Provides policy guidance to MAJCOMs on intelligence support to acquisition programs, activities or studies.

7.9.5. Provides staffing support and reviews AF acquisition and requirements documents to ensure sufficiency of intelligence content and that supportability and infrastructure requirements are properly documented throughout the program life cycle.

7.10. HQ USAF/XP:

7.10.1. Reviews LCMPs as required or requested to ensure that they accurately reflect programmed force levels.

7.10.2. Provides projected force structure programming changes to using commands and AFMC.

7.10.3. Provides the most current force structure/management data to the appropriate PM(s) to support development of annual Migration Plans.

7.11. Using commands: (*)

7.11.1. Designates an office of primary responsibility (OPR) to address product support strategy/concept.

7.11.2. Implements USAF product support policies jointly with HQ AFMC for non-space programs or HQ AFSPC for space programs.

7.11.3. Develops and validates current and projected operational product support requirements and performance parameters/metric for PBL.

7.11.4. Plans, programs and budgets for out-year program funding requirements necessary to implement the sustainment strategy identified in the LCMP and resulting SORAP recommendations.

7.11.5. Provides a commitment for the product support funding profile

(*AFSPC duties include both the responsibilities as using command and duties as the acquisition agency for space programs.)

7.12. AFMC/CC:

7.12.1. Provides for designation of an OPR for EBCFP.

7.12.2. Assigns weapon system/program acquisition and sustainment management missions to AFMC product and air logistics centers.

7.12.3. Allocates appropriate manpower authorization to AFMC centers to provide acquisition/sustainment management support to weapon systems/programs.

7.12.4. Maintains an adequate work force of qualified personnel.

7.12.5. Implements DOD and AF partnering policy.

7.12.6. Facilitates technology insertion and transition.

7.12.7. Supports the process for transition from the PEO portfolio to the ALC/CC portfolio.

7.12.8. Supports the PM in the development and implementation of the LCMP.

7.12.9. Provides for the review and concurrence/non-concurrence for SORAP recommendations.

7.12.10. Provides for the development and implementation of SORAP policy.

7.12.11. Provides for the review and concurrence/non-concurrence on the BCA IAW AFI 65-501.

7.12.12. Provides for the review and concurrence/non-concurrence on the LCMPs. Any non-concurrence will be resolved through the USAF chain of command/functional organizational structure.

7.12.13. Provides for migration plan training to applicable PMs. The training will relate to the policies and procedures for the storage, reclamation and disposal of inactive aircraft stored at AMARC.

7.12.14. Provides for collection, consolidation, review and submission of all required annual migration plans to HQ USAF.

7.12.15. Consults with HQ USAF (e.g. DCS-I&L/Maintenance Directorate) on reclamation policies and issues, core capabilities and core candidate technologies.

7.12.16. Facilitates technologies that enhance CBM+ concepts where applicable.

7.12.17. Facilitates horizontal integration activities among AFMC organizations.

7.13. AFSPC/CC: (for assigned space programs)

7.13.1. Provides for designation of an OPR for EBCFP.

7.13.2. Assigns weapon system/program acquisition and sustainment management missions.

7.13.3. Assigns a PM to each assigned system and product.

7.13.4. Maintains an adequate work force of certified personnel.

7.13.5. Implements DOD and AF partnering policy.

7.13.6. Facilitates technology insertion and transition.

7.13.7. Supports the PM in the development and implementation of the LCMP.

7.13.8. Provides for the review and concurrence/non-concurrence on the BCA IAW AFI 65-501.

7.14. ALC/CC

7.14.1. Ensures that program strategies and execution of individual programs in the sustainment portfolio support product support objectives.

7.14.2. Maintains responsibility for sustainment program performance for assigned systems or products over which they have executive oversight.

7.14.3. Reviews and provides concurrence/non-concurrence on product support strategies in the LCMP. Any non-concurrence will be resolved through the USAF corporate structure

7.14.4. Assists the PM in the development and implementation of the iterative LCMP to ensure that all technology, acquisition, workload assignment and sustainment decisions optimize the capabilities of the system or group.

7.14.5. Ensures that validated MAJCOM needs drive the sustainment planning process.

7.14.6. Ensures each system planning process effectively addresses PPBE sustainment requirements for current and known future mission assignments.

7.14.7. Designates an OPR for product support guidance and procedures at the ALC.

7.14.8. Assigns a sustainment PM for each weapon system or product within the ALC sustainment portfolio.

7.14.9. Facilitates technology insertion and transition through the EBCFP.

7.14.10. Assists the PM in the development of the SORAP.

7.14.11. Reviews and provides concurrence/non-concurrence on SORAP.

7.14.12. Reviews and provides concurrence/non-concurrence on recommendations and plans to transition programs from the acquisition portfolio to the sustainment portfolio. Any non-concurrence will be resolved through the USAF corporate structure.

7.15. PM:

7.15.1. Acts as the single point of accountability for accomplishing program objectives for the life cycle system management.

7.15.2. Responsible for program performance and overall health of the weapon system or product.

7.15.3. Develops and implements an iterative product support strategy in the LCMP to ensure that all technology, acquisition, workload assignment, and sustainment decisions optimize the capabilities of the system or product. Ensures CBM+ concept and functions are considered.

7.15.4. Ensures that validated MAJCOM requirements drive the planning process.

7.15.5. Ensures that the individual system or product support strategy process is linked to all other related product support strategies to ensure support strategies are synchronized.

7.15.6. Ensures the planning process used to develop the LCMP works effectively with the PPBE.

7.15.7. Ensures the product support strategy in the LCMP is coordinated with all stakeholders (e.g. using commands, sustainment ALC commanders, other Services, etc.).

7.15.8. Ensures that maintenance requirement review board (MRRB) reporting is accomplished IAW AFI 21-102, *Depot Maintenance Management*.

7.15.9. Develops migration plans IAW this AFI and AFI 16-402. Submits migration plans through appropriate management chain to HQ USAF for review.

7.15.10. Completes the SORAP.

7.15.11. Reports obligations for depot-level maintenance.

7.15.12. Develops and implements sustainment strategies that optimally use public and private sector capabilities through partnering.

7.15.13. Accomplishes the PM actions that are required by this AFI.

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Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References

AFI 10-602, *Determining Mission Capability and Supportability Requirements*

AFI 16-402, *Aerospace Vehicle Programming, Assignment, Distribution, Accounting, and Termination*

AFI 21-102, *Depot Maintenance Management*

AFI 21-133(I), *Joint Depot Maintenance Program*

AFI 63-101 (Interim), *Operation of the Capabilities-based Acquisition System*

AFI 63-111, *Contract Support for Systems and Equipment*

AFI 63-1201, *Assurance of Operational Safety, Suitability and Effectiveness*

AFI 65-501*, Economic Analysis*

AFMAN 37-123, *Management of Records*

AFMCI 21-101, *Depot Maintenance Activation Planning*

AFPD 10-9, *Lead Operating Command Weapon Systems Management*

AFPD 16-4, *Accounting for Units, Installations and Aerospace Vehicles*

AFPD 20-5, *Air Force Product Support Planning and Management*

AFPD 37-1, *Information Management*

AFPD 62-4, *Standards of Airworthiness for Passenger Carrying Commercial Derivative Transport Aircraft*

AFPD 62-5, S*tandards of Airworthiness for Commercial Derivative Hybrid Aircraft*

AFPD 63-1, *Capability-Based Acquisition System*

CJCSI 3170.01D, *Joint Capabilities Integration and Development Systems*

DODD 5000.1, *The Defense Acquisition System*

DODI 5000.2, *Operation of the Defense Acquisition System*

DOD 7000.14-R, *Department of Defense Financial Management Regulations*

NSS Acquisition Policy 03-01, *Guidance for DOD Space System Acquisition Process*

Title 10 USC 2208(j), *Working-capital Funds*

Title 10 USC 2366, *Major Systems and Munitions Programs: Survivability Testing and Lethality Testing Required Before Full-scale Production*

Title 10 USC 2399, *Operational Test and Evaluation of Defense Acquisition Programs*

Title 10 USC 2400, *Low-rate Initial Production of New Systems*

Title 10 USC 2435, *Baseline Description*

Title 10 USC 2460, *Definition of Depot-level Maintenance and Repair*

Title 10 USC 2464, *Core Logistics Capabilities*

Title 10 USC 2466, *Limitations on the Performance of Depot-level Maintenance of Materiel*

Title 10 USC 2474, *Centers of Industrial and Technical Excellence: Designation; Public-private Partnerships*

Title 10 USC 2563, *Articles and Services of Industrial Facilities: Sale to Persons Outside the Department of Defense*

Abbreviations and Acronyms

ACAT—acquisition category

ADM—acquisition decision memoranda

AETC—Air Education and Training Command

AF—Air Force

AFDPO—Air Force Departmental Publishing Office

AFFARS—Air Force Federal Acquisition Regulation Supplement

AFI—Air Force Instruction

AFMC—Air Force Materiel Command

AFMCI—Air Force Materiel Command Instruction

AFPD—Air Force Policy Directive

AFSPC—Air Force Space Command

ALC—Air Logistics Center

AMARC—Aerospace Maintenance and Regeneration Center

ASP—acquisition strategy panel

BCA—business case analysis

BES—budget estimate submission

CBM—condition-based maintenance

CBM+—condition-based maintenance plus

CC—commander

CITE—Center(s) of Industrial and Technical Excellence

CJCSI—Chairman Joint Chiefs of Staff Instruction

CLS—contractor logistics support

CRADA—cooperative research and development agreement

DCS—deputy chief of staff

DFARS—Department of Defense Federal Acquisition Regulation Supplement

DLA—Defense Logistics Agency

DMAWG—depot maintenance activation working group

DOD—Department of Defense

DODD—Department of Defense Directive

DODI—Department of Defense Instruction

EBCFP—effects-based, capability-focused planning

e.g.—for example

etc.—etcetera; meaning “and so forth”

FAA—Federal Aviation Administration

FAR—Federal Acquisition Regulation

FMS—foreign military sale(s)

FY—fiscal year

FYDP—Future Years Defense Program

HQ—headquarters

IAW—in accordance with

I&L—installations and logistics

ICS—interim contractor support

i.e.—id est; meaning “that is”

IPS—Integrated Program Summary

JTAV—joint total asset visibility

KN—knowledge now

LCMP—life cycle management plan

MAJCOM—major command

MAP—mission area plan/planning

MC—mission-capable

MDA—milestone decision authority

MDAP—major defense acquisition program

MDS—mission design series

MRRB—maintenance requirement review board

NSS—National Security Space

OL—operating location

OPR—office of primary responsibility

OWLP—Overseas Workload Program

PB—President's budget

PBL—performance-based logistics

PEO—program executive officer

PM—program manager

POM—program objective memorandum

PPBE—planning, programming, budgeting and execution

PPP—Public-Private Partnership

PSMP—product support management plan

RCM—reliability-centered maintenance

RFP—request for proposal

RIT—reclamation insurance type

RPM—Reclamation Program Manager

RTOC—reduction in total ownership cost

SA—security assistance

SAMP—single acquisition management plan

SAP—security assistance program

SECAF—Secretary of the Air Force

SMCI—Space and Missile Systems Center Instruction

SOR—source of repair

SORAP—Source Of Repair Assignment Process

TSSR—total system support responsibility

US—United States

USAF—United States Air Force

USC—United States Code

VPV—virtual prime vendor

WWW—World Wide Web

Terms

NOTE: The purpose of this glossary is to help the reader understand the terms listed as used in this publication. It is not intended to encompass all terms. See pertinent Joint and USAF specific publications for standardized terms and definitions for DOD and USAF use.

Core Capability—Skills and resources maintained within organic repair depots to meet contingency requirements. Core comprises a minimum level of mission-essential capability either under the control of

the individual DOD component or a consolidated capability under the control of a jointly determined DOD component where economic and/or strategic considerations warrant.

Depot Maintenance—Materiel maintenance or repair performed by contractor or organic depots requiring the overhaul or rebuilding of parts, assemblies, or subassemblies, and the testing and reclamation of equipment as necessary. The term includes all aspects of software maintenance as classified by the DOD as of 1 July 1995 as depot level maintenance and repair.

Depot Maintenance Activity—A plant designated by the DOD to perform depot level maintenance on weapon systems, equipment, and components.

Depot Maintenance Capability—The aggregation of all resources required to perform depot maintenance. These resources include facilities, skilled personnel, tools, test equipment, drawings, technical publications, ongoing training, maintenance personnel, engineering support and spare parts.

Direct-sale Agreement—Where the AF program office receives funding from the customer and passes it directly to a vendor who subcontracts the workload and provides funds to the depot performing the workload.

Lead MAJCOM—The command that serves as operators' interface with the PM for a system as defined by AFPD 10-9, *Lead Operating Command Weapon Systems Management,* not to be confused with that MAJCOM designated by HQ USAF/XOR as OPR for authoring an operational capability requirements document.

Life Cycle Management Plan—This document integrates both the acquisition and sustainment strategies from concept development to disposal and provides all product support requirements of a supported system, subsystem, or major end item. The LCMP lays out full life cycle product support strategies; and maximizes system effectiveness from the perspective of the warfighter.

Life Cycle System Management—The implementation, management and oversight by the designated PM of all activities associated with the acquisition, development, production, fielding, sustainment and disposal of a DOD weapon or materiel system across its life cycle.

Major End Item—A final combination of assemblies, components, parts and materiel that performs a major, complete operational function and needs no further augmentation to make ready for its intended use.

Milestones—Major decision points that separate the phases of an acquisition program.

Minimum Level—Minimum peacetime continental US organic depot maintenance capability and capacity that is consistent with the most demanding wartime scenario as presented in the current Defense Guidance and articulated in the USAF War and Mobilization Plan. This capacity provides peacetime base line capabilities (that is, facilities, equipment, and manpower) that can be expanded to accomplish wartime and high surge depot maintenance requirements.

Mission Assignment—The designation of the product and air logistics centers that will be responsible for acquisition and sustainment management of weapon systems or programs.

Mobilization—Assembling and organizing national resources to support national objectives in time of war or other emergencies. The process by which the Armed Forces or part of them achieve a state of readiness for war or other national emergency. Mobilization includes activating all or part of the reserve components as well as assembling and organizing personnel, supplies, and materiel.

Modification—An alteration to a configuration item applicable to aircraft, missiles, support equipment, ground stations software (imbedded), trainers, etc. As a minimum, the alteration changes the form, fit, function or interface of the item.

Modifications Installation—The installation of a modification on a weapon system, item, component, system, subsystem, or software.

Operator —An operational command or agency that employs acquired systems for the benefit of users. Operators may also be users.

Operational Capability Requirements—A system capability or characteristic to accomplish approved capability needs. Operational (including supportability) requirements are typically performance parameters, but they may also be derived from cost and schedule. For each parameter, an objective and threshold value must also be established.

Organic Depot Maintenance—The depot level maintenance performed by a Military Department under military control using government owned or controlled facilities, tools, test equipment, spares, repair parts, and military or civilian personnel. For purposes of this regulation, organic refers to only the ALCs or their operating locations (OLs). Work to be done for the Army or Navy as well as any other customer, at an ALC or an ALC's OL is considered organic.

Performance-Based Logistics—A strategy for weapon system life cycle sustainment that links product support to an integrated weapon system performance package designed to optimize readiness. Performance-based support arrangements/contracts are based on operational requirements, e.g., system availability and MC rates, with clear lines of authority and responsibility. PBL is strategy that intends to optimize total system availability while minimizing cost and logistics footprint.

Product Support Strategy—The planning and directing for effective integrated logistics support throughout the life cycle of a weapon system that will maximize system capabilities, reduce the logistics footprint, minimize total system sustainment cost and satisfy the requirements of the warfighter.

Program Executive Officer—A military or civilian official who has primary responsibility for directing several MDAPs and for assigned major system and non-major system acquisition programs.

Program Manager—The designated individual with responsibility for and authority to accomplish program objectives for development, production and sustainment to meet the users' operational needs. The PM's responsibility integrates system acquisition and sustainment into a cohesive logistics support function from development through the complete life cycle of the weapon system.

Public-Private Partnering—PPP exists when two or more persons, representing both the public and private sectors enter into a documented agreement for the production of goods or services. A partnership focuses on creating a long-term "business alliance" between two or more entities with diverse but complementary core competencies. The first goal of PPP is to ensure private industry partners with public depots to establish and sustain a core capability. The second goal is that partnering considers all other non-core maintenance, supply chain management and the other sustainment elements based on the government's assessment of best value. Partnering leverages the best capabilities of sources of support in order to meet the performance requirements at the best value.

Software Maintenance—Those activities necessary to: 1) correct errors in the software; 2) add incremental capability improvements (or delete unneeded features) through software changes; and 3) adapt software to retain compatibility with hardware or with other systems with which the software interfaces. Software maintenance comprises software maintenance performed on military materiel (e.g.

weapon systems and their components, space control systems and their components, automated test equipment and test package sets, and systems integration laboratories).

Source of Repair—An industrial complex (organic, commercial contract, or inter-service facility) with required technical capabilities to accomplish repair, overhaul modification, or restoration of specific types of military hardware or software.

Source of Repair Assignment Process—The SORAP is the primary method by which depot maintenance posturing decisions for both hardware and software are made. It applies to both new acquisition and fielded programs. It is designed to ensure compliance with all applicable factors, including public law, that merit consideration in achieving best value depot maintenance SOR.

Stakeholders—Individuals, groups or organizations who fund, are affected by or in some way influence programs, products and services. Their views are important and their support is often a necessary condition for success of the program, product or service. Examples include the PEO, PM, using MAJCOMs, Lead MAJCOM, implementing command, SOR, source of training, source of supply, test and evaluation community, etc.

User—An operational command or agency that receives or will receive benefit from the acquired system. Combatant commanders and their Service component commands are the users. There may be more than one user for a system. Because the Service component commands are required to organize, equip, and train forces for the combatant commanders, they are seen as users for systems. The Chiefs of the Services and heads of other DOD components are validation and approval authorities and are not viewed as users.

Warfighter—An individual, regardless of rank or position, who executes military force or is responsible for making operational decisions that result in the use of military force. The term includes field level personnel assigned to an Air and Space Expeditionary Force (AEF) whose duties support USAF core competencies and distinctive capabilities.

Weapon System—A weapon system is defined as a combination of elements that function together to produce the capabilities required for fulfilling a mission need, including hardware, equipment, software, and all PBL sustainment elements, but excluding construction or other improvements to real property.

Workload Shift—The change of an officially designated postured workload from organic repair to contract repairs or vice versa. It also includes the change of a previously postured workload from one organic source to another. Not included are changes in previously postured contract workloads from one contract source to another, combining several permanently postured contract workloads into fewer contracts or current contract workloads that are broken out to several contract sources.

Work-share Agreement—Where the AF program office receives funding from the customer and passes it directly to the depot performing the workload.