



Development of Written Acquisition Plans

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Agenda

- Acquisition Planning vs. Acquisition Plans (AP)
- When is an AP required?
- Who is responsible for developing an AP?
- What are the contents of the AP?
- How much detail is required in an AP?
- Who approves the AP?
- When should an AP be revised?
- AP Best Practices
- AP Tools and References

What is Acquisition Planning?

- Acquisition Planning is the process by which the efforts of all personnel responsible for an acquisition are coordinated and integrated through a comprehensive plan for fulfilling the agency's needs in a timely manner and at a reasonable cost. (FAR 2.101)
- Acquisition Planning is required by statute (10 USC 2305 (a)(1)(A)(ii)), and implemented through FAR, Part 7, "Acquisition Planning" as well as DFARS, Part 207, "Acquisition Planning."
- Acquisition Planning includes developing the overall acquisition strategy for managing the acquisition.

Is Acquisition Planning the same as a written Acquisition Plan?

- Acquisition planning is an effort required for all procurements, but *written* Acquisition Plans (AP) are not always required.
- When required, acquisition planning efforts will be documented in a written AP, which will lay out the strategy to fulfill requirements in the most effective, economical, and timely manner.
- The AP explains how the need will be met on time and at a reasonable cost.
- APs must be reviewed and approved prior to solicitation or negotiation.

When is a written AP required?

- FAR 7.103(e) directs agency heads to develop criteria and thresholds for increasingly formal acquisition planning efforts, including the requirement for written APs.
- DFARS 207.103(d)(i) requires a written and approved AP for:
 - Acquisitions for development, as defined in FAR 35.001, when the total cost of all contracts for the acquisition program is estimated at \$10 million or more;
 - Acquisition for production or services when the total cost of all contracts for the acquisition program is estimated at \$50 million or more for all years or \$25 million or more in any fiscal year; and
 - Any other acquisition considered appropriate by the Department or Agency.
- Additionally, FAR 7.103(e) was recently revised to require written APs for cost-reimbursement type contracts, regardless of dollar value.

Who is responsible for developing the AP?

- FAR 7.103(i) and DFARS 207.103(g) designate the “program manager (PM) or other official responsible for the program” as responsible for APs; the PM may delegate AP development tasks, but retains overall responsibility for the AP.
- What is the PM’s responsibility?
 - Collaborate with the Contracting Officer (CO), technical experts, legal, finance, etc.
 - Use the TMA Guide and Template to draft the AP
 - Ensure the AP addresses all key points of the business strategy
 - Obtain required approval signatures
 - Update and maintain the AP, including the milestone chart, as needed
- The input of the CO and multi-functional team members are critical to developing a thorough AP.

What are the contents of the AP?

There are a variety of specific topics the AP must address:

- Background
- Statement of Need
- Applicable Conditions
- Cost
- Capability/Performance
- Delivery or Performance Period
- Trade-offs
- Risks
- Acquisition Streamlining
- Market Research
- Sources
- Competition
- Source Selection
- Acquisition Considerations
- Budgeting and Funding
- Product/Service descriptions
- Priorities, Allocations, Allotments
- Contractor vs. Gov. Performance
- Inherently Gov. Functions
- Management Information Requirements
- Make or Buy
- Test and Evaluation
- Logistics Considerations
- Gov-furnished property/equipment
- Gov-furnished information
- Environmental and Energy Considerations
- Security Considerations
- Contract Administration
- Major Systems Considerations
- Other Considerations
- AP prep participants

See the TMA AP Guide and Template for detailed explanations of each of the these areas.

How much detail is required in an AP?

- All *applicable* sections must be considered and addressed.
- APs should contain enough detail to:
 - Recite key business considerations
 - Explain the Government's plan to achieve competition
 - Show how the Government will minimize price
 - Describe the Government's plan to administer the contract
 - Secure the signatures of approving officials
- For some procurements, the AP may be brief.
 - “Not Applicable” is sometimes the appropriate response.
 - Brief answers can still demonstrate adequate consideration.

Who approves the AP?

- FAR 7.103(j) requires the Agency Head to establish procedures for review and approval of APs.
- The Director, Defense Procurement and Acquisition Policy (DPAP), is the TMA Agency Head.
- The Director, DPAP has not yet delegated authority for the review and approval of APs to any TMA official.
- A delegation of approval authority, particularly as regards cost reimbursement contracts, may be sought by TMA.

When should an AP be revised?

- APs should be updated as needed to ensure accuracy.
- APs should be evaluated or revised:
 - Annually
 - When major program events occur
 - When conditions are not met
 - When a stated element is no longer possible
 - When there are changes to the requirement
 - When there are changes to the source selection process
 - Otherwise as deemed appropriate
- Significant revisions should be submitted for re-approval.

AP revisions can take the form of a Memo, a number of approved pages, or a completely revised AP. Approval of revisions is the same as the original authority.

AP Best Practices

- Start Acquisition Planning process early
- Work closely with TMA AM&S
- Involve multi-functional teams
- Follow the TMA AP Guide and Template
- Address each required section thoroughly
- Remember that the level of detail should be commensurate with the requirement
- Allow sufficient time to secure all necessary approvals
- Keep the AP current - amend the AP as conditions change

TMA requiring activities planning a procurement above the DFARS thresholds, or anticipating using a cost-reimbursement type contract, should contact a TMA CO as soon as possible in the planning process

Solicitation or negotiations should not begin until the AP has been reviewed and approved (FAR 7.103(j))

AP Tools and References

- TMA Acquisition Plan Guide
(http://tricare.mil/tma/ams/ams_acqpolicy.aspx)
- TMA Acquisition Plan Template
(http://tricare.mil/tma/ams/ams_acqpolicy.aspx)
- TMA Acquisition Plan PGI
(<http://tricare.mil/tma/ams/pgi.aspx>)
- OFPP Policy on Acquisition Plans
(http://www.whitehouse.gov/omb/procurement_index_acq_planning/)
- Defense Acquisition Guidebook
(<https://acc.dau.mil/CommunityBrowser.aspx?id=289207>)

Questions

- For questions related to Acquisition Planning or written Acquisition Plans, please contact the TMA AM&S Contract Policy and Pricing Branch:

By phone: (303) 676-3453

By email: policyweb@tma.osd.mil

