



**OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
HEALTH AFFAIRS**

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TRICARE
MANAGEMENT
ACTIVITY

TRICARE ACQUISITION DIRECTIVE

**TAD 54-01, Rev. 001
October 16, 2012**

SUBJECT: PROCUREMENT MANAGEMENT PROGRAM

- Reference: (a) TRICARE Acquisition Directive 54-01, Rev 000, "Contract Compliance," July 31, 2012 (hereby rescinded)
(b) TRICARE Management Activity Procedures, Guidance, and Information 254.200, "Contract Compliance," July 31, 2012 (hereby rescinded)
(c) TRICARE Management Activity Procedures, Guidance, and Information 254.200, "Procurement Management Review," current edition

1. PURPOSE. This TRICARE Acquisition Directive (TAD) establishes the TRICARE Management Activity (TMA) Procurement Management Program (PMP) and establishes TMA policy for acquisition compliance assessment. References (a) and (b) are hereby rescinded. Updated procedures, guidance, and information are provided in TMA Procedures, Guidance, and Information 254.200 – Procurement Management Review, Reference (c).

2. APPLICABILITY. This Directive applies to all members of the TMA acquisition workforce that participate in the procurement of supplies and/or services under the authority of the TMA Head of the Contracting Activity (HCA).

3. DEFINITIONS. See Glossary.

4. POLICY. It is TMA policy that:

4.1 The PMP is hereby established to:

4.1.1 Assist the HCA to improve the operational efficiency and effectiveness of the TMA contracting function;

4.1.2 Provide the HCA with periodic assessments of: statutory compliance; integrity of the procurement process; achievement of TMA acquisition goals; and quality of skill development within the contracting workforce.

4.1.3 Provide contracting offices with a forum to share successes and best practices.

4.2 TMA Procurement Management Reviews (PMR) shall be conducted in accordance with this Directive and Reference (c).

4.3 Acquisition Management and Support (AM&S) leadership shall utilize three types of PMR:

4.3.1 Internal PMRs shall be performed annually at each contracting office. Internal PMRs are internal reviews conducted by the Chief of the Contract Operations Division (Chief-COD), and are intended to supplement other types of PMRs performed throughout the year. Completion of an Internal PMR does not exempt a contracting office from additional PMRs.

4.3.2 Biennial PMRs shall be performed every other year at each TMA contracting office on a rotating basis. The Biennial PMR will be conducted by a PMR team comprised of AM&S staff within and outside of the contracting office under review. The Biennial PMR will thoroughly evaluate compliance, focusing on all stages of the acquisition lifecycle, from acquisition planning and solicitation to award and post-award activities.

4.3.3 Focused PMRs shall be performed as required, either at a specific contracting office or across multiple contracting offices. A Focused PMR assesses specific contracting processes or subject areas to evaluate performance of a specific initiative or contracting program. The scope and depth of the Focused PMR will be determined by the Chief Compliance Officer (CCO) in consultation with the HCA, and will be outlined in a PMR Plan.

4.4 The CCO shall develop and publish an Annual Procurement Review Schedule (APRS) describing each PMR and assigning a PMR Team Lead for each PMR planned for the year. Additional Focused PMRs not included in the APRS may be conducted during the year as required.

4.5 At the conclusion of a Biennial or Focused PMR, the PMR Team Lead shall prepare a PMR Report identifying strengths, weaknesses, deficiencies, and recommended corrective actions.

4.5.1 The draft PMR Report will be briefed to the Chief-COD, who may ask questions and provide responses.

4.5.2 Prior to distribution of the final PMR Report as specified in 4.5.3, the PMR Team Lead will brief the PMR findings to the HCA.

4.5.3 The final PMR Report will be given to the Chief-COD, with a copy to the HCA and a copy to the CCO for inclusion in a central repository.

4.6 In response to the final PMR Report for Biennial and Focused PMRs, the responsible Chief-COD shall develop a Corrective Action Plan (CAP) addressing deficiencies and weaknesses identified in the PMR Report. A copy of each CAP will be provided to the HCA and CCO.

4.7 For Internal PMRs, the Chief-COD shall serve as the PMR Team Lead and assume all related responsibilities, including preparation of the final PMR Report and CAP. For Internal PMRs,

the PMR Report and CAP do not need to be distributed outside of the contracting office, but will be available to the PMR Team Lead responsible for subsequent PMRs.

4.8 The CCO will maintain a repository of final PMR Reports and CAPs to allow PMR findings to be used to shape training requirements and periodic re-evaluation of policies and procedures.

4.9 The CCO will publish an annual report summarizing lessons learned from all PMR activity during the year, outlining areas of weakness, and highlighting successes and best practices.

5. RESPONSIBILITIES.

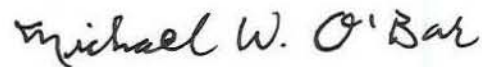
5.1 CCO. The CCO is responsible for developing the APRS, coordinating with contracting offices to support PMR execution, supporting PMR execution, supporting development of the PMR Report, reporting PMR progress and results to the HCA, and coordinating with the Contract Policy Division to ensure PMR lessons learned are considered during future policy development.

5.2 PMR Team Lead. The PMR Team Lead is responsible for executing a specific PMR, collaborating with the CCO to develop the PMR Plan, coordinating PMR team members, managing the PMR team, serving as the primary PMR point of contact, and developing the PMR Report.

5.3 Chief-COD. The Chief-COD is responsible for supporting the conduct of PMRs of their offices, serving as PMR Team Lead for Internal PMRs, and developing and executing CAPs.

5.4 Contracting Officer. The Contracting Officer is responsible for making all necessary documents and files available to the PMR team, supporting PMR execution, and for correcting weaknesses and deficiencies identified during PMRs that relate to contracts for which they are responsible.

6. EFFECTIVE DATE. This directive is effective immediately.



Michael W. O'Bar
Acting Director , Acquisition Management
and Support

Enclosure
Glossary

GLOSSARY

DEFINITIONS

APRS. A plan developed by the CCO identifying PMRs planned for a given year.

CCO. A TMA staff member with overall responsibility for management and oversight of the PMP.

PMR. A review employing customized compliance checklists and review criteria to evaluate contract files, related processes, and internal controls to: assess compliance with applicable law, regulations, and guidance; assess the effectiveness of the organization and management responsible for contract activities; or perform other ad hoc review functions as required.

PMR Plan. A plan developed in advance of a PMR to guide the PMR team. The PMR Plan will describe the background, purpose, methodology, scope, protocols, and reporting related to a specific PMR.

PMR Report. A report developed by the PMR Team Lead, in coordination with the CCO, outlining PMR findings and recommendations.

Corrective action. Any action intended to correct weaknesses or deficiencies or otherwise improve contract action or contract management compliance based on PMR findings.

CAP. A plan developed in response to PMR results outlining corrective actions intended to address identified deficiencies and weaknesses.

Deficiency. A PMR finding indicating significant or material non-compliance with a requirement.

Strength. A PMR finding indicating full compliance with a requirement or superior performance of a required action or activity.

Weakness. A PMR finding indicating minor or non-material non-compliance with a requirement, but that exhibits the potential to develop into a Deficiency.