



SECRETARY OF THE ARMY
WASHINGTON

15 NOV 2017

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Army Directive 2017-32 (Acquisition Reform Initiative #6: Streamlining the Contracting Process)

1. References. A complete list of references is at the enclosure.
2. The purpose of this directive is to streamline the contracting process and reduce the time it takes to develop and award a contract. Contracting timelines for systems acquisition can take from 1 to 2 years, slowing the acquisition process and delaying the delivery of capabilities to Soldiers. Our contracting policies and documents must be well-understood, layered, and the overall process much faster. This directive is a continuation of Army Directive 2017-22.
3. I direct the following actions:
 - a. The Assistant Secretary of the Army (ASA) (Acquisition, Logistics and Technology) will:
 - (1) centralize policy under the Deputy ASA (Procurement) to standardize contracting policy across the Army and remove unnecessary or outdated policies that delay the contracting process. The Office of the Deputy ASA (Procurement) is the only Army organization delegated authority to issue contracting policy. (Target: Not later than (NLT) 30 April 2018.)
 - (2) establish a process that provides visibility for all contracting related audits. (Target: NLT 30 April 2018.)
 - (3) review regulatory thresholds for key contracting approval authorities and identify opportunities for further delegation than currently authorized to reduce delays in the procurement process. Incorporate approved changes into the Army Federal Acquisition Regulation Supplement (AFARS). (Target: NLT 30 April 2018.)
 - (4) complete a review of the 350 potential required contract file documents to identify and reduce contract documentation requirements and identify streamlining opportunities. The goal is to reduce contract file documents by at least 10 percent. Incorporate the changes into the AFARS. (Target: NLT 30 April 2018.)
 - (5) review source selection policies, procedures, and training and identify opportunities for increased standardization, greater sharing of best practices, and

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training for source selection evaluations, cost and price evaluations, and the conduct of debriefings. (Target: NLT 30 April 2018.)

(6) mandate that all contracting activities use Virtual Contract Enterprise Paperless Contract File, including the milestone tracking capability, and incorporate this mandate in the AFARS. Include use of the Paperless Contract Folder as a contracting metric. (Target: NLT 30 April 2018.)

(7) review and standardize peer review policies and procedures to reduce redundant or advisory-only peer reviews. Incorporate changes into the AFARS to support efficient execution of reviews and baseline best practices. (Target: NLT 30 April 2018.)

(8) create a new Army regulation for contracting to instruct Army customers when seeking contracted support. Similar to Army Regulation 70-13 (Management and Oversight of Service Acquisitions), the new regulation will set forth the roles and responsibilities of customers, establish standard elements for a “contract requirements package,” and provide information on engagement with contracting offices and oversight of contractors throughout the procurement process. It will identify the minimum standards necessary to execute a contract action for the requirement and will serve as the foundation for training requiring activities. (Target: NLT 30 September 2018.)

(9) assess current training requirements for the Defense Acquisition Workforce Improvement Act and the most recent skill gap analysis. Identify hiring opportunities to improve the selection of people with appropriate skills (including but not limited to writing, analytical, and math skills) for contracting positions and additional training to support career development. (Target: NLT 30 January 2018.)

(10) direct Heads of Contracting Activities to examine their internal organizational structures and develop plans for the optimization of mission, people, and processes across each activity. The overall plan must maintain the effective distribution of skill sets across the organization to ensure full development of the workforce. The Direct Heads of Contracting Activities will provide the optimization report to the ASA (Acquisition, Logistics and Technology) annually. (Target: NLT 30 April 2018.)

(11) develop a process for early engagement between requiring activities and contracting to address deficiencies in the definition of the requirement and preparation of the contract request package to improve the accuracy of the requirements package and reduce cycle times. (Target: NLT 30 April 2018.)

(12) establish a Program Integrator and Review Board policy to review contract document packages before submission to the contracting office to improve the accuracy

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of the requirements package, impose standardization, and reduce cycle times. (Target: NLT 30 April 2018.)

(13) establish a training course, in conjunction with the Defense Acquisition University, for requiring activities who write the contract request documents and source selection evaluation criteria to improve the accuracy of requirement packages and reduce cycle times. (Target: NLT 30 April 2018.)

(14) update and reissue policy memorandum establishing the alignment of contracting offices to customers. The alignment will promote habitual customer relationships that leverage subject matter expertise and achieve more efficient contracting outcomes, as well as minimize the pursuit of assisted acquisitions by Army customers at non-Department of Defense contracting activities. (Target: NLT 30 April 2018.)

(15) write a legislative change proposal for the National Defense Authorization Act for Fiscal Year 2020 to limit the time to file a protest with the U.S. Court of Federal claims to 10 days (mirroring U.S. Government Accountability Office timelines) to reduce extended protest periods and to establish a statute allowing the Government to recoup costs associated with frivolous protest as determined by the U.S. Court of Federal Claims. (Target: NLT 30 April 2018.)

b. The Commander, Army Materiel Command will:

(1) direct the establishment of a Contracting-Acquisition Review Board with leadership at the appropriate general or flag officer level to drive collaboration of acquisition and nonacquisition stakeholders for Acquisition Categories I, II, and III acquisition programs.

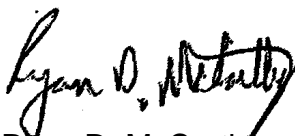
(a) The Review Board will be cohosted by the Commanders of the Life Cycle Management Commands and, in the case of the U.S. Army Aviation and Missile Command, U.S. Army Communications-Electronics Command, and U.S. Army Tank-Automotive and Armaments Command, the Program Executive Officer. (Target: NLT 30 April 2018.)

(b) When the Life Cycle Management Command does not support the Program Executive Office, the Contracting-Acquisition Review Board will be cohosted by the customer and the supporting Principal Assistant Responsible for Contracting. The Commander, U.S. Army Contracting Command will be the adjudicating authority when conflicting contracting priorities occur. (Target: NLT 30 April 2018.)

(2) prepare proposed changes to Army Regulation 70-1 (Army Acquisition Policy). (Target: NLT 30 April 2018.)

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4. The policies in this directive apply to the Active Army, Army National Guard/Army National Guard of the United States, and U.S. Army Reserve.
5. This directive is rescinded upon publication of the revised regulations.



Ryan D. McCarthy
Acting

Encl

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CF:

Director, Army National Guard
Director of Business Transformation
Commander, Eighth Army

REFERENCES

- a. Section 1735, Title 10, United States Code, The Defense Acquisition Workforce Improvement Act of 1990.
- b. Section 1741, Title 10, United States Code, Policies and Programs: Establishment and Implementation.
- c. Section 3016b(5)(A), Title 10, United States Code, Assistant Secretaries of the Army.
- d. Section 1122, National Defense Authorization Act for Fiscal Year 2017, Public Law 114-328.
- e. Section 808, National Defense Authorization Act for Fiscal Year 2016, Public Law 114-92, Volume 129 Statute at Large, p. 888–889.
- f. Chief of Staff of the Army, Report to Congress on Linking and Streamlining Army Requirements, Acquisition, and Budget Processes in Response to National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2016, Section 808 (May 2016).
- g. Department of Defense (DoD) Directive 5000.01 (The Defense Acquisition System), May 12, 2003, Certified Current as of November 20, 2007.
- h. DoD Instruction 5000.02 (Operation of the Defense Acquisition System), January 7, 2015; Incorporating Change 1, Effective January 26, 2017 and Change 2, Effective February 2, 2017.
- i. Army Directive 2017-22 (Implementation of Acquisition Reform Initiatives 1 and 2), 12 Sep 2017.
- j. Army Regulation 70-1 (Army Acquisition Policy), 16 June 2017.
- k. Army Regulation 70-13 (Management and Oversight of Service Acquisitions), 30 July 2010.
- l. Memorandum, SAAL-ZA, 31 October 2016, subject: Improvements to Army Contracting Processes.

Enclosure