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Acquisition Planning: A Process for Contracting Support and Timely Budget Execution

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MGMT 850 Strategic Management Integrative Capstone

Granite State College

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Abstract

The purpose of this action research project is to develop acquisition policy and procedures for the New Hampshire Army National Guard to decrease acquisition risk and increase budget execution. Contracting data collected reveals that 47% of acquisitions occurred during the last four months of the fiscal year 2017. Internal and external factors will be analyzed to determine an appropriate course of action and implementation plan. The project will enlist subject matter experts from across the National Guard. The end state is to ensure customers are supported through timely execution of contracts and efficient use of resources.

Keywords: Acquisition Planning, Procurement Acquisition Lead Time, Federal Acquisition Regulation

Acquisition Planning: A Process for Contracting Support and Timely Budget Execution

Introduction

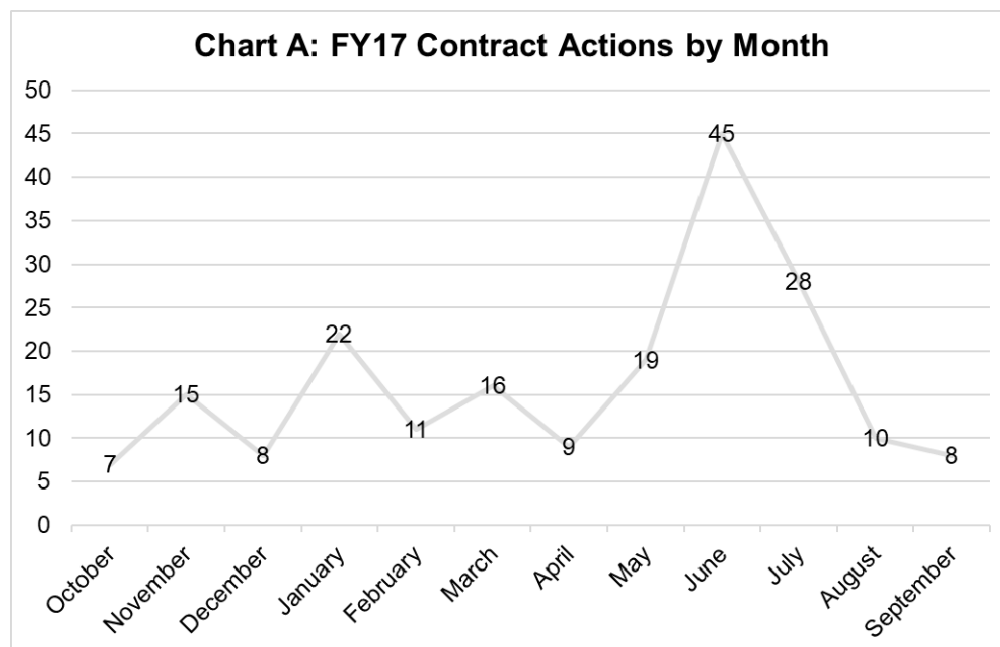
Each of the 54 states and territories has a National Guard with Army and Air forces. The National Guard is unique in that it has two roles it must fill, both state and federal. Usually, the National Guard is a state militia, under the command and control of the Governor. However, in specific instances, such as during national emergencies or in times of war, the state militias can be called into federal service, which would place them under control of the President of the United States. To ensure the National Guard is in a high state of readiness, the Federal Government provides the bulk of the resources including federal funds and equipment. This allows the National Guard to be called upon to fight and win our nation's wars, and respond to natural disasters, weather events, and civil disturbances. Since September 11, 2001, tens of thousands of Guard members have mobilized into federal service to provide security at home and combat terrorism abroad (National Guard, 2018).

Located within each state is a United States Property and Fiscal Office (USPFO), which is responsible to “receive and account for all funds and property of the United States in the possession of the National Guard of a specific State, and ensure that Federal funds are obligated and expended in conformance with applicable statutes and regulations” (NGR 130-6). The main branches of the USPFO are Finance, Contracting, Cooperative Agreements, Supply and Services, Internal Review, and Data Processing. The main branches that will be involved in this action research project are the finance and contracting offices. The finance office provides oversight and control of federal funding received from the National Guard Bureau (NGB) and distributed to various Program Managers within the New Hampshire Army National Guard (NHARNG). The contracting office is responsible for supporting the mission of the NHARNG while ensuring

all Federal and Agency contracting regulations and laws are followed when contracting for supplies and services, subsequently obligating federal funds.

The Acquisition Planning Challenge

The USPFO Contracting Branch receives purchase requests throughout the Fiscal Year (FY), which runs from October 1 – September 30. These purchase requests come from program managers that are spread out amongst military units, special programs, special staff, and directorates. Program managers are responsible for their “pot” of money (federal funds) to support their distinct program. The contracting office is frequently at the risk of mission failure, due to a large number of purchase requisitions received in late third quarter and fourth quarter of the fiscal year. According to FY 2017 data, the contracting office executed 98 of 210 contract actions or 47% of our work in four months (June-September). This presents a problem with available resources (workforce), available time, and the complexity of procurements. Overall, significant risk is burdened due to increased workload and cutting corners to support customer requirements and execute the overall budget. See Chart A, which is a graphical representation of



contract actions per month for FY17.

The New Jersey National Guard (NJNG) had similar problems with Acquisition Planning. COL Charles P McDonald, Supervisory Contract Specialist for the USPFO for NJ states that roughly 35% of contract actions occur during the same four-month period discussed previously. This percentage is more in line where New Hampshire should be. COL McDonald discussed how leadership provides good “top cover” for communication of deadlines, which reduces risk. NJNG also does Acquisition Planning in the first quarter of the FY. This is accomplished through the first quarter accounting Joint Review Program (JRP), which require program manager representatives to come to the contracting office to discuss acquisition needs for the year. COL McDonald mentions that this is mildly successful as some of the representatives do not honestly know the acquisition needs of their department. A more formal process also happens during the first quarter Program Budget Advisory Committee (PBAC) in which leadership makes financial and budgetary resourcing decisions. Another technique is periodically visiting the headquarters building to visit deputy directorates and program managers to discuss acquisition needs in person. Lastly, COL McDonald presented that despite all of the acquisition planning initiatives, program managers rarely fully execute their federal funding.

Literature Review

The Federal Acquisition Regulation (FAR) is the overarching regulation that all agencies must adhere to in their acquisition of supplies and services with appropriated funds. More specifically, “the Federal Acquisition Regulations System is established for the codification and publication of uniform policies and procedures for acquisition by all executive agencies” (United States, 2018, p. 1.1-1). Furthermore, FAR Part 7.102 prescribes that agencies shall perform acquisition planning and conduct market research and that the purpose of this planning is to

ensure that the Government meets its needs in the most effective, economical, and timely manner (p. 7.1-1). FAR 7.104 General procedures show that acquisition planning should begin as soon as the agency need is identified; however, this is rarely the case within the New Hampshire Army National Guard (NHARNG) because many requirements packages are submitted late in the FY. Also, FAR 7.104 General procedures make it known that customers should avoid issuing requirements packages on an urgent basis or with unrealistic delivery or performance schedule because it generally restricts competition and increases prices. The FAR makes it clear that acquisition planning shall be adhered to and is a joint responsibility between the customer, supporting agencies, and the contracting office.

The Defense Federal Acquisition Regulation Supplement (DFARS) prescribes the acquisition laws and policies that the Department of Defense must follow in addition to the FAR. The DFARS describes the purpose of the defense acquisition system “as defined in 10 U.S.C 2545, exists to manage the investments of the United States in technologies, programs, and product support necessary to achieve the national security strategy prescribed by the President pursuant to section 108 of the National Security Act of 1947 (50 U.S.C. 3043) and to support the United States Armed Forces”. FAR Part 207 Acquisition Planning addresses DoD specific policy, responsibilities, and procedures regarding acquisition planning. Written acquisition plans are primarily discussed, which document all the significant milestones and various considerations of the acquisition. DFARS Procedures, Guidance, and Information (PGI) 207.1 – Acquisition Plans provides the exact format of the acquisition plan that all DoD agencies must follow. Lastly, the DFARS makes it clear that the program manager has the overall responsibility for acquisition planning.

The National Guard Bureau policy on acquisition planning addresses some of the challenges that exist at the State National Guard level. The overall purpose of the policy provides guidance on documenting acquisition planning and the preparation of acquisition plans (NGB, 2014). The policy is firm that acquisition planning should begin as soon as the agency need is identified, preferably well in advance of the fiscal year in which contract award or order placement is necessary (NGB, 2014). The overall weakness of the policy is that it only focuses on purchases over \$150K, which is the Simplified Acquisition Threshold (SAT); however, it does not address acquisition planning issues or requires any acquisition planning under \$150K, which is the vast majority of contracting actions for the National Guard. Although projects under \$150K are less risky and not major defense programs, in the aggregate at the end of the fiscal year, acquisition risk is compounded and meeting the needs of the customers, and the organization is challenging.

Although we have regulations such as the FAR and DFARS that guide DoD and our armed services, it is evident that we continue to have acquisition planning challenges. GAO performed a comprehensive study of the acquisition planning activities of the Departments of Health and Human Services (HHS) and Homeland Security (DHS), the National Aeronautics and Space Administration (NASA), and the U.S. Agency for International Development (USAID). GAO found that these organizations had differing levels of oversight and did not take advantage of the acquisition planning process to process the necessary approvals. Furthermore, no standardized lead times exist for the pre-solicitation phase until the requirements package is delivered to the contracting activity, which does have official lead times. Similar to the NHARNG, GAO found that “services acquisitions have suffered from inadequate planning, which can put budget, schedule, and quality at risk” (GAO-11-672, 2011, p. 1).

GAO performed another study acquisition planning for the Department of Energy (DOE): *Actions Needed to Strengthen Acquisition Planning for Management and Operating Contracts*. GAO found that the DOE did not consider broader alternatives when performing acquisition planning on existing requirements, resulting in incumbent contractors receiving the follow-on contracts (GAO-16-529, 2016, p. 1). Furthermore, these contracts represented about “\$13.9 billion in the fiscal year 2015 spending, about 70 percent of total M&O contract spending” (GAO-16-529, 2016, p. 1). DOE acquisition planning process was not fully utilized and did not promote competition. The issues represented in the DOE case are closely related to NHARNG lack of acquisition planning, resulting in less competition and higher prices.

Similar to the NHARNG, The United States Coast Guard also has long-range acquisition planning challenges to maintain the current capability of its surface and air assets. The GAO performed a study called *Coast Guard Acquisitions: Limited Strategic Planning Efforts Pose Risk for Future Acquisitions*. At heart in the study, GAO recognized that the lack of long-term planning presents a significant risk, and the Coast Guard needs to develop a 20-year Capital Investment Plan (CAP) (GAO-17-747T, 2014, p. 1). The Coast Guard presently acknowledged that its 5-year plan is inadequate and does not address the priorities of the organization and the fiscal resources to achieve these priorities. Similar to the Coast Guard, the NHARNG does not have short or long-term acquisition planning goals that identify priorities and the necessary resources to achieve them.

Some DoD Agencies are successful with acquisition planning, which is highlighted by Rosen (2010) in the Defense Acquisition Research Journal, which is a publication by the Defense Acquisition University. Rosen (2010) discussed the use of Strategic Planning and Management (SP&M), which is a “set of processes that includes strategic planning, where

managers jointly formulate their strategy; and strategic management, the implementation or execution of the strategic plan” (p. 1). Rosen (2010) conducted and received 412 surveys from DoD acquisition professionals about SP&M in their respective organization, purpose, and benefits. The specific benefits and outcomes are associated with SP&M in defense systems acquisition are better communication; increased internal efficiencies; increased external efficiencies; organizational performance gains; and significant changes to business practices (Rosen, 2010). Although SP&M could be considered the higher-level plan for organizations, many of the SP&M tools can be used to create a practical solution to NHARNG acquisition planning: action plans; root-cause analysis; continuous process improvement; and LEAN Six Sigma tools.

Framework for Analysis

Why does most buying occur in the 4th quarter (July-September) and what can be done to spread the buying throughout the Fiscal Year (October-September)?

We must understand our customers and how they are funded. Do they get funding up front for the year or are they incrementally funded? Do they know how much money they will receive or a reliable estimate? Do they have a “spend plan” or known acquisitions? How many are unplanned purchases? We also must understand the contracting office operating environment. How many contracting specialists and officers are available? How many procurements can each contract specialist handle at any one time? Is regulatory information available? How much time does it take to award a contract (procurement acquisition lead time (PALT))?

Most for-profit organizations would prefer a financial gain from the implementation of an action research project and ultimately an acquisition planning policy and procedure. However,

the Federal Government aims to spend all of its budgeted money. Although that seems counterproductive, Federal spending should be done as efficiently as possible, in a fiscally prudent manner, and ensure contracts that are awarded are the “best value” of the Government. The NHARNG total available federal budget for FY17 was \$75,892,448, of which \$40,258,200 is Operations and Maintenance (O&M) funds, which are the types of funds used to procure supplies and services through the contracting office. Also, \$223,000 of NHARNG O&M funds were not executed and cannot be spent past the end of the fiscal year. Although this figure appears to be low, in the aggregate across 54 states and territories, the National Guard did not execute roughly \$500,000,000 of federal funds. This is a tremendous waste of resources that could have been used to increase the readiness of the National Guard. Developing an acquisition planning policy and procedure could gain multiple benefits including achieving close to a 100% execution rate, predictable spending, increasing efficient use of the contracting workforce, and ultimately supporting the mission and Soldiers of the NHARNG.

The contracting office maintains a contracting log, which shows data such as the description of purchase, amount, submission date, and procurement type. This data is manually entered by contracting specialists and validated by contracting officers. The data that will be used for analysis comes from FY17, which are contracts from October 1, 2016, until September 30, 2017. Irrelevant data has been discarded such as funding document number, comments, and contract specialist assigned. A sample of this processed data is below (Table A), which also represents the busiest month of FY17:

Table A (Contract Log, June 2017)

Description/PR Title	Amount	Service	DODACC/ UNIT	RA/PM Submit Date	Procurement Type	Contract Action
Furniture Slim	\$193,325.73	Air	F8N1TF	6/1/2017	Supply	Contract
VTC and Conference Phone	\$67,000.00	Amy	W14KUU	6/7/2017	Supply	Contract
CyberArk	\$16,847.83	Amy	W14KUU	6/7/2017	Supply	Contract
Hard Drives 3 TB	\$18,696.00	Amy	W14KUU	6/9/2017	Supply	Contract
Radio Trunking System	\$222,622.00	Air	F8N3CM	6/14/2017	Supply	Contract
Bldg 257 MOD 14	\$35,343.33	Air	F8N3CE	6/15/2017	Construction	Mod (+)
Kiosks	\$28,995.60	Amy	W14KUU	6/20/2017	Supply	Contract
VM Tool Boxes	\$236,696.98	Air	F8N3VE	6/21/2017	Supply	Contract
Specimen Centrifuge	\$4,610.99	Air	F8N4ME	6/21/2017	Supply	Contract
Color Vision Tester	\$3,809.00	Air	F8N4ME	6/21/2017	Supply	Contract
Wood Chipper	\$38,000.00	Air	F8N3CE	6/21/2017	Supply	Contract
16' Snow Pusher	\$8,500.00	Air	F8N3CE	6/21/2017	Supply	Contract
Sidewalk Sander	\$5,500.00	Air	F8N3CE	6/21/2017	Supply	Contract
Sidewalk Broom	\$6,000.00	Air	F8N3CE	6/21/2017	Supply	Contract
Landscape Rake Attachment	\$7,500.00	Air	F8N3CE	6/21/2017	Supply	Contract
Fire Department Furniture	\$7,719.01	Air	F8N3CE	6/21/2017	Supply	Contract
D21 Fire Alarm	\$146,000.00	Air	F8N3CE	6/21/2017	Supply	Contract
Air Summer Camp	\$10,500.00	Air	F8N0WG	6/27/2017	Service	Contract
4 Harris Radio Consoles	\$10,516.00	Air	F8N3CM	6/27/2017	Supply	Contract
HHB VTC	\$16,010.00	Amy	W14KUQ	6/28/2017	Supply	Contract
HHB Laptops	\$105,544.00	Amy	W14KUQ	6/28/2017	Supply	Contract
APC Smart UPS	\$7,440.29	Amy	W14KUU	6/28/2017	Supply	Contract
ATHOC Service Renewal (Amy) 23Sep17 - 22Sep18	\$20,185.43	Amy	W14KUU	6/28/2017	Supply	Contract
Non-clinical Case Management Mod 2		Amy	W14KUU	6/28/2017	Service	MOD (No Cost)
Fitness Equipment	\$43,164.00	Air	F8N3SV	6/28/2017	Supply	Contract
Grill Smoker	\$16,000.00	Air	F8N3SV	6/28/2017	Supply	Contract
Dining Facility Booths	\$48,300.00	Air	F8N3SV	6/28/2017	Supply	Contract
Walk in freezer	\$45,000.00	Air	F8N3SV	6/28/2017	Supply	Contract
Bobcat Toolcat OPS	\$5,500.00	Air	F8N1TF	6/28/2017	Supply	Contract
Kitchen Equipment Air	\$8,857.55	Air	F8N3SV	6/28/2017	Supply	Contract
Non-clinical Case Management	\$0.00	Amy	W14KUU	6/28/2017	Service	MOD (No
Non-clinical Case Management	\$219,749.22	Amy	W14KUU	6/28/2017	Service	Mod (+)
Wing Minuteman Statue	\$15,000.00	Air	F8N0WG	6/30/2017	Supply	Contract
IG Office Tablets	\$18,450.00	Air	F8N0WG	6/30/2017	Supply	Contract
POL Lockers	\$7,153.00	Air	F8N3SU	6/30/2017	Supply	Contract
MXG Snowblower	\$45,000.00	Air	F8N2MX	6/30/2017	Supply	Contract
Conference Chairs	\$10,750.00	Air	F8N0WG	6/30/2017	Supply	Contract
Conference Table	\$14,000.00	Air	F8N0WG	6/30/2017	Supply	Contract
Hydraulic Doc Lever	\$138,500.00	Air	F8N3SU	6/30/2017	Supply	Contract
3 PAR Storage	\$142,619.00	Amy	W14KUU	6/30/2017	Supply	Contract
PTOC	\$48,344.00	Amy	W14KU6	6/30/2017	Supply	Contract
AASF Fall Protection	\$18,000.00	Amy	W14N9K	6/30/2017	Supply	Contract
Metal sheet shear	\$13,000.00	Amy	W14N9K	6/30/2017	Supply	Contract
Cargo Cover	\$30,800.00	Amy	W14KU6	6/30/2017	Supply	Contract
LRS Shipping Container	\$21,500.00	Amy	F8N3SU	6/30/2017	Supply	Contract

Additional considerations include contracting workforce available and procurement acquisition lead time (PALT). The Simplified Acquisition Procurement (SAP) Team consists of four Contracting Specialist and a Contracting Officer. Each Contracting Specialist can reasonably handle five purchase requisitions at any one time. PALT is defined as the “interval in time between the initiation of procurement action and receipt of the products or services purchased as the result of such actions” (DAU, 2018). In general terms it is the amount of time the contracting specialist needs to perform all the necessary pre-award actions, follow Federal Acquisition and Agency Regulations, and local Standard Operating Procedures. PALT starts after a complete requirements package is received, which includes all necessary forms and signatory approvals. This becomes important at the end of the FY when purchase requisitions arrive late, and PALT cannot be adhered to, which result in contract specialist cutting corners and mistakes made. Our local contracting office PALT timetable is shown below in Table B. Also, Table C shows the number of procurements that were at risk due to not enough PALT time available at the end of the fiscal year (beyond 30 September).

Table B (NHARNG PALT)

<u>Requirement</u>	<u>\$0 3,000</u>	<u>\$3,000- \$25K</u>	<u>\$25K- \$150K</u>	<u>over \$150K</u>
Commercial	N/A	7-21	10-30	10-30
Supplies	N/A	30	60	120
Services	N/A	45	90	180
Construction	15	60	120	180
A-E	15	60	120	180
IDIQ orders*	N/A	7-21	10-30	10-30
IDIQ orders**	N/A	30-45	30-45	90-120

Table C (At Risk PALT FY 2017 Procurements)

Description/PR Title	Amount	Service	DODACC/ NIT	RA/PM Submit Date	Procurement Type	Contract Action	PALT Days	Award Date
KC-46A Fuselage Trainer Renovation, B251	\$2,087,319.00	Air	F8N3CE	9/15/2017	Construction	Contract	180	3/14/2018
Project # SZCQ152634 Repair Building 262 Type A-2, B A/E Services	\$220,984.00	Air	F8N3CE	9/11/2017	A&E	Contract	180	3/10/2018
SZCQ139905 KC46 Pavements & Hydrant System	\$12,000,000.00	Air	F8N3CE	9/1/2017	Construction	Contract	180	2/28/2018
Type C Services in support of SZCQ172251 KC-46A Install Fuselage Trainer	\$83,000.00	Air	F8N3CE	9/29/2017	A&E	Contract	120	1/27/2018
Non-clinical Case Management Support Mod 4 (Option Year 1)	\$219,749.22	Army	W14KUU	6/28/2017	Service	Mod (+)	180	12/25/2017
FY 16 SRM Projects, MOD 02, Additional Type A, B, and C services for project # SZCQ162247. Project title has been changed from "Repair Roof Building 247" to "Add to and Alter Building 247 for ATC	\$134,508.00	Air	F8N3CE	8/24/2017	A&E	Mod (+)	120	12/22/2017
SZCQ139905 KC46 Pavements & Hydrant System AND SZCQ152910 Repair Aircraft Parking Apron	\$0.00	Air	F8N3CE	9/29/2017	Construction	Mod (admin)	60	11/28/2017
Flt Sim Follow on Contract-SZCQ139903B	\$183,282.28	Air	F8N3CE	5/15/2017	Construction	Contract	180	11/11/2017
Electrical Maintenance for Substation, Pad Mount, Transformers, & Appurtenances	\$61,500.00	Air	F8N3CE	8/10/2017	Service	Contract	90	11/8/2017
SIM Laptops	\$49,000.00	Air	F8N1TF	9/8/2017	Supply	Contract	60	11/7/2017
VM Tool Boxes	\$236,696.98	Air	F8N3VE	6/21/2017	Supply	Contract	120	10/19/2017
OWS Bldg 243	\$25,000.00	Air	F8N0FM	7/20/2017	Service	Contract	90	10/18/2017
Bldg 257 MOD 14	\$35,343.33	Air	F8N3CE	6/15/2017	Construction	Mod (+)	120	10/13/2017
Radio Trunking System	\$222,622.00	Air	F8N3CM	6/14/2017	Supply	Contract	120	10/12/2017
KC46 Laptops	\$21,000.00	Air	F8N1TF	9/8/2017	Supply	Contract	30	10/8/2017
Monitors	\$5,300.00	Air	F8N1TF	9/8/2017	Supply	Contract	30	10/8/2017
B-254 HVAC compressor replacement	\$4,500.00	Air	F8N3CE	8/21/2017	Service	Contract	45	10/5/2017
Troop Command Lockers	\$40,945.50	Army	W14FX0	8/3/2017	Supply	Contract	60	10/2/2017
Plymouth State University Advertising	\$5,000.00	Air	F8N3SV	8/17/2017	Service	Contract	45	10/1/2017
Keene State University Advertising	\$5,000.00	Air	F8N3SV	8/17/2017	Service	Contract	45	10/1/2017

Methods

With consideration to the type of problem, data available, and desired solution, I chose to evaluate and consider the following decision-making models: Simulation, heuristics, and analytical. Simulation aims to parallel reality and is a technique for conducting experiments (e.g., what-if analyses) with a computer on a model of a management system (Sharda, 2014, p. 446). In a general sense, simulation can be used for conducting experiments. Advantages of simulation include: long-range scenarios can be played, managers can do what-if analysis quickly, and can handle a wide range of problem types. Disadvantages to simulation include: An optimal solution is not guaranteed, construction of the model can be a slow and costly process, and the answers

from the simulation are not readily transferable to other problems due to the uniqueness of the design of the model.

Sharda (2014) defines heuristics as informal, judgmental knowledge of an application area that constitutes the rules of good judgment in the field (p. 439). Similarly, heuristic programming utilizes heuristics to solve complex problems using search methods or algorithms “but limit the solutions examined either by limiting the search space or stopping the method early” (Sharda, 2014, p. 439). Advantages to the heuristics approach to problem solving include: the ability to find a satisfactory solution when the optimum solution is impossible or not practical; providing solutions for problems that involve exhaustive, repetitive processes to arrive at a solution (Sharda, 2014, p. 440; and can be based off of readily accessible data/information that may be loosely related to the problem. Disadvantages include the requirement to have experience and knowledge to implement the heuristics, and the optimal solution may not be found.

Analytical problem-solving techniques often use mathematical formulas to find the optimal solution or predict a particular result (Sharda, 2014). Also, “analytical techniques are used mainly for solving structured problems, usually of a tactical or operational nature, in areas such as resource allocation or inventory management” (Sharda, 2014, p. 438). An example of an analytical solving model is the Military Decision-Making Process, which is a simplistic approach that military planners use for decision making and selecting the best course of action (COA). Being that this is a military-related problem and the simplistic and efficient design of MDMP, I will choose this decision-making tool that senior NHNG leaders will understand and appreciate.

The MDMP process includes seven steps: Receipt of Mission; Mission Analysis; Course of Action (COA) Development; COA Analysis (War Game); COA Comparison; COA Approval;

and Orders Production (Army Field Manual 5-0). I would consider the most critical steps of the COA Development, COA Analysis (War Game), and COA Comparison, which are the exact steps that we will accomplish

COA 1 will be to hire additional temporary personnel for the last four months of the Fiscal Year. The purpose would be to increase the total number of purchase requisition packages the contracting office could process. With this course of action, we will elect to hire four additional personnel. COA 2 will be to establish a cut-off date policy, which will set dates that all purchased requisition packages must be received by in order for the contracting office to support. If the requisition is requested after the cut-off date, the program manager will have to wait until next year to purchase the supply or service. COA 3 will be to establish an acquisition planning policy, which requires program managers to submit data on all funded, planned, and unfunded requirements at the beginning of the FY.

Results

COA 1 would involve hiring temporary employees to increase the number of total contracts the contracting office could accomplish. The existing SAP Team includes four individuals who can work concurrently on average five contracts each, for a total of 20 contracts at any given time. Hiring an additional four employees would allow for 40 contracts being worked at any one time. The downfall of this strategy is that not many temporary personnel will have the technical skills and knowledge of Government Contracting and will require extensive on the job training to be successful. This will be burdensome for the fulltime staff. Also, COA 1 does not resolve the existing PALT issue as shown in Table C. Table D below shows the before and after for available contracting bandwidth compared to past FY17 purchases. With the additional help, the bandwidth does increase dramatically at the end of the Fiscal Year.

Table D (COA 1: Temporary Personnel)

Month	# Contracts	Contracting Bandwidth with 4 people	Delta	Contracting Bandwidth with 8 people	Delta
October	7	20	13		
November	15	20	5		
December	8	20	12		
January	22	20	-2		
February	11	20	9		
March	16	20	4		
April	9	20	11		
May	24	20	-4	40	16
June	45	20	-25	40	-5
July	35	20	-15	40	5
August	10	20	10	40	30
September	8	20	12	40	32

COA 2 would establish a cut-off date of July 31st for all purchase requisitions. This would allow for the contracting office adhere to PALT times and award contracts within the available resources and workforce currently existing in the contracting office. Additional temporary personnel would not be needed at the end of the FY. The disadvantage of this strategy is it reduced the number of contracts to be awarded and represents a significant potential for “grow back,” which is sending federal funds back to NGB. Also, it does support the mission of the NHARNG. Table E shows which FY17 requisition packages would have been denied based on the date cut-off policy.

Table E (COA 2: Establishing Cut-Off Dates)

Description/PR Title	Amount	Service	DODACC/U NIT	RA/PM Submit Date	Procurement Type	Contract Action
Type C Services in support of SZCQ172251 KC-46A Install Fuselage Trainer	\$83,000.00	Air	F8N3CE	9/8/2017	A&E	Contract
SZCQ139905 KC46 Pavements & Hydrant System AND SZCQ152910 Repair Aircraft Parking Apron	\$0.00	Air	F8N3CE	9/9/2017	Construction	Mod (admin)
KC-46A Fuselage Trainer Renovation, B251	\$2,087,319.00	Air	F8N3CE	9/10/2017	Construction	Contract
Project # SZCQ152634 Repair Building 262 Type A-2, B A/E Services	\$220,984.00	Air	F8N3CE	9/11/2017	A&E	Contract
SIM Laptops	\$49,000.00	Air	F8N1TF	9/8/2017	Supply	Contract
KC46 Laptops	\$21,000.00	Air	F8N1TF	9/8/2017	Supply	Contract
Monitors	\$5,300.00	Air	F8N1TF	9/8/2017	Supply	Contract
SZCQ139905 KC46 Pavements & Hydrant System AND SZCQ152910 Repair Aircraft Parking Apron	\$12,000,000.00	Air	F8N3CE	9/1/2017	Construction	Contract
FY 16 SRM Projects, MOD 02, Additional Type A, B, and C services for project # SZCQ162247. Project title has been changed from "Repair Roof Building 247" to "Add to and Alter Building 247 for ATC	\$134,508.00	Air	F8N3CE	8/24/2017	A&E	Mod (+)
4' Joma Plow Blade	\$18,000.00	Air	F8N3CE	8/24/2017	Supply	Contract
Laminated Rubber Buffers	\$5,500.00	Air	F8N3CE	8/24/2017	Supply	Contract
B-254 HVAC compressor replacement	\$4,500.00	Air	F8N3CE	8/21/2017	Service	Contract
Plymouth State University Advertising	\$5,000.00	Air	F8N3SV	8/17/2017	Service	Contract
Keene State University Advertising	\$5,000.00	Air	F8N3SV	8/17/2017	Service	Contract
EMT-R Course Equipment	\$8,916.75	Air	F8N4ME	8/11/2017	Supply	Contract
Electrical Maintenance for Substation, Pad Mount, Transformers, & Appurtenances	\$61,500.00	Air	F8N3CE	8/10/2017	Service	Contract
Caterer meal Food Service FTX - 11072592	\$6,300.00	Army	W14KUU	8/7/2017	Supply	Contract
Troop Command Lockers	\$40,945.50	Army	W14FX0	8/3/2017	Supply	Contract

COA 3 is a more proactive plan, which establishes an acquisition planning policy and procedure, which would be signed by the Chief of the Joint Staff. Program Managers would be responsible for submitting data on all funded, planned, and unfunded requirements at the beginning of the FY. The contracting office will utilize this data and establish purchase requisition submission dates based on PALT and available workforce. If the program manager does not presently have the funds, the contracting office will utilize FAR Clause 52.232-18 Availability of Funds to pre-compete contracts and have them “on the shelf” ready to be awarded once the funds are received. Also, the contracting specialist will be pre-assigned many months in advance, which allows for establishing customer relationships and backward planning much earlier in the process. The main disadvantage of this COA is it relies on program manager input and does not account for unplanned purchases throughout the year. Table F is a representation of

the data that would be submitted as part of this policy. The color green represents inputs from program managers, and blue represent outputs from the contracting office.

Table F (COA 3: Acquisition Planning Policy)

FYXX Organization Acquisition Plan		PM NAME:	MAJOR PAIN					
Organization	Project Description	Required Due Date (MM/DD/YYYY)	Supply or Service	Will be funded (must fund) or will be treated as a UFR	Estimated Funded Amount	Fully Funded Requisition Package Due	Status (Received = Funds/Pending Funds)	Contracting POC
Example	Food for June Drill	9/2/2018	Supply	Funded	\$ 12,000.00	8/3/2018	Received	SGT Somebody
197th FAB	HHB, 197th FAB: HDT Base-X Model 8D36 Shelter (olive drab)	6/1/2019	Supply	UFR	20,000.00	5/2/2019	Received	SGT Somebody
197th FAB	HHB, 197th FAB: Laptops (\$1,693.88 x50)/24" Monitors (\$139 x150)	4/1/2019	Supply	UFR	105,544.00	1/31/2019	Received	SGT Somebody
197th FAB	3643d BSB: (2) Amtech, M1165 HHT Cargo Bed Cover (Part #205-0016-2-C)	5/1/2019	Supply	UFR	30,800.00	3/2/2019	Received	SGT Somebody
197th FAB	3-197th FAR: (2) Amtech, M1078 HHT Cargo Bed Cover (Part #218-0002-2-C)	5/1/2019	Supply	UFR	41,126.00	3/2/2019	Received	SGT Somebody
197th FAB	BDE HQ: (4) SOI, PTOC Portable TOC Kit, 1660 (x2 for HHB & x2 for 3643d BSB)	6/1/2019	Supply	UFR	48,344.00	4/2/2019	Received	SGT Somebody
197th FAB	HHB, 197th FAB: SIPR Polycom Video Conferencing System DX80 (\$1,900 x4)/SX80	6/1/2019	Supply	UFR	16,100.00	5/2/2019	Received	SGT Somebody
197th FAB	Environmental and/or waste removal during AT @ Cp Grayling, MI	6/1/2019	Service	Funded	25,000.00	3/3/2019	Received	SGT Somebody
197th FAB	Contract meals during AT @ Cp Grayling	6/1/2019	Service	Funded	100,000.00	3/3/2019	Received	SGT Somebody
197th FAB	Ice during AT @ Cp Grayling	6/1/2019	Service	Funded	488,880.00	2/1/2019	Received	SGT Somebody
197th FAB	Trac cell phones	6/1/2019	Supply	Funded	5,000.00	5/2/2019	Received	SGT Somebody
Projected Total					\$ 880,794.00			

Discussion and Analysis

The next phase in MDMP is COA Comparison, which is where we select the best course of action. According to FM 5-0, COA Comparison involves comparing the strengths and weaknesses of the COAs identifies their advantages and disadvantages concerning each other. The evaluation criteria will be the following elements: Executes all requisition packages, adheres to PALT, customer service, feasibility, and executes funds. The evaluation criteria will be ranked 1-3, with one being excellent, two being Satisfactory, and three being poor. Table E represents the COA evaluations and rankings by the established criteria.

Table G (COA Comparison)

Evaluation Criteria	COA 1	COA 2	COA 3
Executes All Requisition Packages	1	3	1
Adheres to PALT	3	1	1
Customer Service	1	3	1
Feasibility	3	2	1
Funds Execution	2	3	1
Total	10	12	5

The COA comparison revealed that COA 3 is the preferred solution. COA 1 was able to execute all requisition packages and increase customer service but did not address the PALT issues displayed in FY17. Also, hiring temporary personnel was not feasible because the required qualifications and the burden on the existing employees at the end of the FY would be counterproductive. COA 2 and establishing cut-off dates did adhere to PALT but resulted in not executing 18 purchase requisitions based on the FY17 data. Also, this approach would have led to poor customer service. COA 3 provided the best results due to its proactive approach to understanding customer requirements early and backward planning utilizing PALT and communicating with the customer, which increases customer service. COA 3 was able to execute all purchases and federal funds while also adhering to PALT. Lastly, it was the most feasible approach as it utilized existing resources while also setting realistic expectations for program managers.

Recommendations

The GAO makes it very clear that the Government Agencies as a whole lack the necessary short and long-term acquisition planning (GAO, 2011). Similar to HHS, DHS, NASA, and USAID, the NHNG has suffered due to the lack of policies and procedures dedicated to acquisition planning. Similarly, the Coast Guard lacked the acquisition planning to ensure the readiness of the surface and aviation assets (GAO, 2014). The National Guard requires the

Strategic Planning and Management processes discussed by Rosen (2010) combined with the efforts of the NJNG to increase the awareness of acquisition planning.

The overall recommendation is for National Guard states to implement COA 3, Acquisition Planning Policy (Appendix A). The policy requires all directorates, program managers, and units to submit essential data on funded, planned, and unfunded requirements at the beginning of the FY. The main advantage of receiving this data is applying PALT to acquisition needs at the beginning of the FY and also assigning Contract Specialists early in the acquisition process. Also, the Acquisition Planning Policy establishes cut-off dates for purchase request packages to ensure PALT is met and the contracting office can procure supplies and services at the best value of the Government. The Acquisition Planning Policy will be socialized similar to that of NJNG and through the National Guard leadership, JRP, and PBAC. Through this approach, National Guard contracting offices can provide the necessary support to Soldiers, facilities, and equipment to protect the homeland and fight and win our nation's wars.

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Appendix A

NGNH-PFO-JCO

DATE

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: USPFO-NH, Joint Contracting Office Acquisition Support Plan for FYXX and FYXX Cut-off Dates for Purchase Request Submission

1. The need for acquisition planning is critical to ensure purchase requirements are awarded promptly in order to meet the mission requirements of the NHNG. Adherence to the established Procurement Administrative Lead Time (PALT) for action is necessary in order to meet the FYXX cut-off dates as well as fiscal year closeout guidance. Program Offices must anticipate requirements and engage with subordinate units early in the process to allow sufficient time for completing acquisition activities. To better support all of your purchase requirements, the Joint Contracting Office (JCO) for the USPFO of NH has established this Acquisition Support Plan for FY 20XX.
2. The JCO now requires Program Managers/Resource Advisors to provide the list, outlined in Appendix B, of all their known, planned, funded, or unfunded FYXX requirements by 1 Nov 20XX. Appendix B should also include your required delivery dates or needed start dates for all supplies and services. After all information is received, a procurement timetable will be generated by the JCO and distributed to Program Managers, Resource Advisors, and Comptrollers. PALT will be established for each requirement based on the complexity of the contract, the estimated annual dollar requirement, the level of approval needed and the required by date. The table in Appendix A illustrates key milestone dates for the submission of contract requirements, which when met will ensure proper and timely contract support from the Joint Contracting Office.
3. Once the procurement timetable is established, the JCO will track all submitted PR Package's Submit NLT Dates, and Funded NLT Dates. The JCO will then work with the PM/RAs and their Leadership to help ensure the submission dates are met.
4. For APPROVED unfunded requirements (UFRs), Program Managers/Resource Advisors should work with RMD/Wing FM to submit their requests in enough time to be approved by leadership before the FYXX cut-off dates listed in Appendix A.
5. All purchase request packages will include:
 - A filled out PR Form
 - Market Research Documentation
 - Draft Form 9/GFEBS PR/Approved Short of Award
 - Services PRs require additional PR documents:
 - Performance Work Statement (PWS)

- Performance Requirement Summary (PRS)
- Quality Assurance Surveillance Plan (QASP)
- Contracting Officer's Representative (COR) Nomination
- Request for Services Contract Approval (RSCA) Form
- Contractor Manpower Reporting Application (CMRA) CLIN in DEAMS/GFEBS PR
- Anti-Terrorism/OPSEC Coversheet (*for all services*)
- Additional Documentation as applicable:
 - Justification and Approval (J&A) (*if brand-name only or sole source requests*)
 - Independent Government Estimate (IGE) or Independent Government Cost Estimate (IGCE) (*if >\$150,000*)
 - Acquisition Strategy (AS) (*if service requirement >\$150,000*)
 - Informal Acquisition Plan (IAP) (*if supply and construction requirement between \$150,000 and \$10,000,000*)
 - Anti-Terrorism/OPSEC Coversheet (*if supply requirement > \$150,000*)

6. Purchase Requests received after the cutoff date are considered late and may not be processed. The Head of Contracting Activity (HCA) for NGB has delegated the authority to establish exceptions to the FYXX Acquisition Support Timelines to the United States Property and Fiscal Officer (USPFO) IAW (AFARS 5107.104(a)(iv)). All reviews requiring O-PARC review will abide by the established cut-off dates unless an exemption has been granted by the PARC. All exemptions shall be documented in writing, and the responsible Contracting Officer shall upload it to the contracting file before the O-PARC team's review.

7. The point of contact for this Acquisition Support Plan is the Joint Contracting Office.

SIGNATURE
Chief of the Joint Staff

Attachments:
FYXX Cutoff Dates (Appendix A)
Organization Acquisition Plan (Appendix B)

Distribution:
157th ARW Wing Commander
NHARNG Chief of Staff
NHARNG Directorates
NHANG Group Commanders
NHARNG PBAC 1 and PBAC 2
NHANG Resource Advisors

Appendix A of Acquisition Planning Policy Memorandum:

FYXX Cut-off Dates for Complete Purchase Request Package Submission to NHNG-JCO

Requirement		Total Estimated Dollar Amount	PR Package Submission Deadline to Meet <u>Award by 31 JUL XX</u>	PR Package Submission Deadline to Meet <u>Award by 30 SEP XX</u>
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Supplies and Services (Including Information Technology)

Commercial & non Commercial Items/ Services	Up to \$25K	1 JUN XX	15 JUL XX
	\$25K to \$150K	1 MAY XX	1 JUL XX
	\$150K to \$700K	1 APR XX	1 JUN XX
	>\$700K to \$1M	1 FEB XX	1 APR XX
	>\$1M to \$10M	20 DEC XX	20 JAN XX
Orders against Multiple Award Indefinite Delivery Indefinite Quantity (IDIQ) Contracts (CHESS/AFWAY)	≤ \$15,000.00	1 JUN XX	1 AUG XX
	>\$15K to \$150K	1 MAY XX	30 JUN XX
	>\$150K to \$1M	1 APR XX	5 MAY XX
	>\$1M to \$5M	1 FEB XX	15 MAR XX

Construction

Construction, Repair, and Maintenance	\$2,000 & Below	Use GPC	Use GPC
Construction, Repair, and Maintenance	Over \$2,000 to \$5M	1 APR XX	1 MAY XX

Exercising Options for Existing Contracts

	Timelines are contract specific and require close coordination with the JCO. We recommend a minimum of 75 days before the expiration date depending on the complexity.
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Appendix B of Acquisition Planning Policy Memorandum:

FYXX Organization Acquisition Plan						
Organization		PM/RA NAME:				
	Project Description	Required Due Date (MM/DD/YYYY)	Supply or Service	Will be funded (must fund) or will be treated as a UFR	Estimated Funded Amount	RA / PM Notes
Example	Food for Jun Drill	9/2/2018	Supply	Funded	\$ 12,000.00	
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
			Projected Total		\$ -	