1 February 2013

MEMORANDUM FOR BUSINESS AND ENTERPRISE SYSTEMS DIRECTORATE

FROM: AFLCMC/HI

SUBJECT: Acquisition Streamlining Initiatives

1. This memorandum implements acquisition streamlining initiatives for BES.

2. BES acquires, operates, sustains, and enables combat and business support information technology (IT). As such, all BES acquisitions, except for existing requirements already accepted into the 8(a) program, shall use the NETCENTS-2 IDIQ contracts for IT requirements falling within the scope of those contracts IAW the 16 May 2011 mandatory use policy. Acquisitions wishing to seek a waiver from using the NETCENTS-2 IDIQ contracts must first obtain my or my designee's consent <u>before requesting a waiver</u>.

3. The NETCENTS-2 program office has developed template solicitations that can be found at the NETCENTS-2 website: http://www.netcents.af.mil/. Program managers and contracting personnel are expected to use these templates.

4. BES has an Acquisition Support Team to provide acquisition assistance to all BES personnel. BES is required to use this team for ACAT programs, acquisitions over $4M, and as otherwise directed.

5. The Acquisition Support Team will host weekly training, beginning Friday, 22 February 2013, that will cover FAR Part 16 ordering procedures and how to use NETCENTS-2. The training will also involve drafting requirements and solicitations. All personnel shall attend this training at least once annually beginning with CY13.

6. All acquisitions shall hotwash their award NLT 4 weeks following the date of award, using the attached template. The hotwash shall include all members of the acquisition team, and shall be led by the contracting officer. The hotwash shall be reported to the Deputy Director.

7. My point of contact for this memorandum is Captain Shane Ross, 416-5462.

ROBERT CARL SHOFNER, SES
Program Executive Officer

Attachments:
1. Acquisition After Action Report (Hotwash) Template
2. NETCENTS-2 Mandatory Use Policy, 16 May 2011

Acquisition After Action Report

1. Program name:

2. Date of submission of comlete requirements package to the CO:

3. Date of RFP release:

4. Date of receipt of proposals:

5. Date of award:

6. Total value of task order awarded (including options):

7. Did you use a template RFP? If so, describe which template you used, how you tailored it, if at all, and the reasons for tailoring it.

8. Did you do oral presentations?

9. Number of proposals received:

10. Total number of evaluators:

11. Length of proposals:

12. Discuss positive attributes/aspects of the award process. Be specific.

13. Discuss suggestions for improvement and/or change. Explain reasons.

14. Is there anything missing from the products you used and/or training you received?

OFFICE OF THE SECRETARY

MAY 16 2011

MEMORANDUM FOR ALL MAJCOM-FOA-DRU-CV
DISTRIBUTION C, MAJCOM CIOs, MAJCOM A7Ks

FROM: AF SAE (SAF/AQ) and AF CIO (SAF/CIO A6)

SUBJECT: Information Technology Acquisition – Mandatory Use of Network Centric
Solutions -2 (NETCENTS-2) Contracts – ACTION MEMORANDUM

1. Air Force information technology (IT) capabilities and networks must use Air Force (AF) accepted interoperable IT standards to support our increasingly network-centric military operations. To ensure the development and sustainment of such netcentric capabilities, SAF/CIO A6 sponsored the development of requirements for the NETCENTS-2 contracts, which AFPEO/CM and the Electronic Systems Center will award beginning fall 2010. NETCENTS-2 supports the IT lifecycle to include legacy operational and sustainment activities, re-engineering of legacy capabilities into target architectures and environments, and future service-oriented capabilities. Furthermore, NETCENTS-2 enables different solution providers to participate over the course of the program lifecycle to facilitate competition.

2. The NETCENTS-2 contracts enable the delivery of products, services and solutions that adhere to the AF Enterprise Architecture (AF EA). The suite of NETCENTS-2 contracts is described in Atch 1 and will provide Netcentric Products, NetOps and Infrastructure Solutions, Application Services, IT Professional Support and Engineering Services (Advisory & Assistance Services (A&AS), and Enterprise Integration and Service Management (A&AS). Access to NETCENTS-2 will be through the existing AFWAY portal until AFWAY-II is deployed. The URL is https://afway.af.mil/.

3. Except for the IT Professional Support and Engineering Services contracts, the NETCENTS-2 contracts will be the mandatory source for all USAF units purchasing netcentric and IT products and solutions that fall under the scope of the contracts. Contracting officers will determine if a requirement for a proposed IT acquisition falls under the scope of the NETCENTS-2 contracts. IT requirements shall be coordinated with the appropriate functional level, i.e., communications squadron at base level, A6 at MAJCOM level, prior to submittal for contract action. Furthermore, program managers/requirements owners shall ensure that requirements documentation for new contracts awarded outside of NETCENTS-2 include the instruction to use the NETCENTS-2 contracts, when available, as the source for IT hardware purchases. This mandatory use policy will not apply to the acquisition of embedded software/systems (e.g., Cryptography Modernization, Joint Surveillance Target Attack Radar System (JSTARS), Airborne Warning and Control System (AWACS)), Nuclear Command and Control (NC3) systems, or hardware

purchased under the following IT Commodity Council and other enterprise initiatives: Quantum Enterprise Buy, Digital Printing and Imagery, and Enterprise Software Initiative. Air Force automated IT equipment and service buys are exempt from this policy if they are acquiring IT and services through the Federal Automated IT contract. Finally, Air Force IT assets under the cognizance of the Special Access Program Coordination Office (SAPCO) are exempt from this policy.

4. The NETCENTS-2 contracts will be the primary source used by Air Force customers to support missions that require voice, data, and video communications, information services, solutions, and products. All new and ongoing Air Force appropriated fund (APF) acquisition efforts shall incorporate NETCENTS-2 into their acquisition strategy. Deviation from this policy will require written approval from the appropriate governance body (see Atch 1).

5. NETCENTS-2 contracts will follow the fiscal guidance in AFI 65-601 V1 and DOD Financial Management Regulation Volume 2A to determine thresholds for investment funding and proper appropriations for IT resources.

6. The AF-SAE has delegated the waiver approval authority to the USAF CIO. SAF/A6 is the USAF CIO and the only waiver approval authority for NETCENTS-2 and this authority may not be delegated further. All waiver requests must be submitted to the CIO via SAF/A6N (safa6nworkflow@pentagon.af.mil) for processing and the NETCENTS-2 PMO netcents2waiver@gunter.af.mil for tracking, for adjudication at the appropriate level (Tab 2). At a minimum, the request for waiver should include the following information: basic information, justification, and Point of Contact. A sample is provided in Atch 2. Questions regarding this action memorandum can be directed to AFPEO EIS/HIK Program Manager, Stephen Davis, DSN 596-3839, netcents2waiver@gunter.af.mil.

FOR DAVID M. VAN BUREN
Acting Assistant Secretary of the Air Force (Acquisition)

WILLIAM T. LORD, Lt Gen, USAF
Chief of Warfighting Integration &
Chief Information Officer

2 Attachments:
1. Waiver and Governance Process
2. Sample Waiver Request Letter

Attachment 1: NETCENTS-2 Governance Process

I. Overview of NETCENTS-2 Contracts.

Category	Description
Netcentric Products (COTS Only) (Full and Open Contract)	Networking equipment, servers/storage, peripherals, multimedia, software (shrink wrapped), identity management/biometric hardware and associated software, delivery, warranty, maintenance
NETOPS & Infrastructure Solutions (Full and Open Contract and a Small Business Companion Contract)	Network mgt/defense, infrastructure, information transport systems, enterprise level security/mgt and implementation/operations
Application Services (Full and Open Contract and a Small Business Companion Contract)	Systems sustainment/development, migration, integration and netcentric data services
Enterprise Integration & Service Management (EISM)-A&AS (Full and Open Contract)	Services to enable enterprise integration service management support for both infrastructure and mission capabilities (enterprise level A&AS support)
IT Professional Support & Engineering Services-A&AS (Small Business Set Aside for Service Disabled Veterans)	IT Program Management Support and Engineering Services (program level A&AS support)

II. AF IT Governance Process.

1. As part of the AF IT Transformation, the use of NETCENTS-2 contracts is mandatory along with the IT Enterprise governance processes to take advantage of IT consolidation and the reuse of solutions. The Chief Information Officer (CIO) Executive Council, Board, and Group ensures that programs using the NETCENTS-2 contract conform to the overall strategic goals and vision for Air Force IT transformation and employ common reusable infrastructure. The CIO Executive Council (3-2 star level) includes the Air Force CIO, Chief Management Officer (CMO), Senior Acquisition Executive (SAE), AFSPC/CV, AFSPC/CC (or his representative) and ESC/CC. The CIO Board includes the same organizations (1 star level) and likewise the CIO Group. Waivers of low value will be granted by the SAF/CIO A6 and waivers of high value or high risk acquisitions will be reported to the CIO Executive Council/Group/Board, as appropriate. This group will also support alignment of resources and prioritization of requirements for mandatory use

of the NETCENTS-2 contracts by Air Force programs. Air Force policy compliance ensures that all task orders include systems engineering practices and technical rigor (In Accordance With (IAW) AFI 63-1201), and conform to the overall Air Force Enterprise Architecture (AF EA). This governance enforces policies associated with Open Technology Development (OTD), Air Force Systems Engineering Assessment Model (AF SEAM) processes, Sufficiency Reviews, and Configuration Management. The program's functional organizations, with Subject Matter Expert (SME) support, perform activities to support this governance. This governance is not additive policy but employs existing Federal, DoD, and Air Force regulations, policy and processes. NETCENTS-2 executes within the governance process to provide services and solutions which are the product of collaborative engineering design and reuse of existing infrastructure.

2. Scope is based on policy and decisions by the CIO Executive Council/Group/Board, as appropriate. Boundaries are defined by the CIO Executive Council/Group/Board, as appropriate. The Analysis of Alternatives (AoA) and the Acquisition Strategy has already been accomplished. The governance process for a customer using NETCENTS-2 contracts is shown in the diagram below. Within this description, the steps are indicated in italics and enclosed in parenthesis. The first step in the governance process determines if a program falls within the IT Enterprise Governance process or is exempt from the process due to legacy, platform IT or critical needs. These decisions are made by the CIO Executive Council/Group/Board, as appropriate. Programs, projects and organizations using the NETCENTS-2 contracts fall under the IT Enterprise Governance process unless they are from outside the Air Force. The next step is to ensure the solution falls within scope of the NETCENTS-2 contracts. The program should use the Due Diligence Checklist to make this determination. The Due Diligence Checklist is found on the NETCENTS-2 Portal as part of the User's Guide.
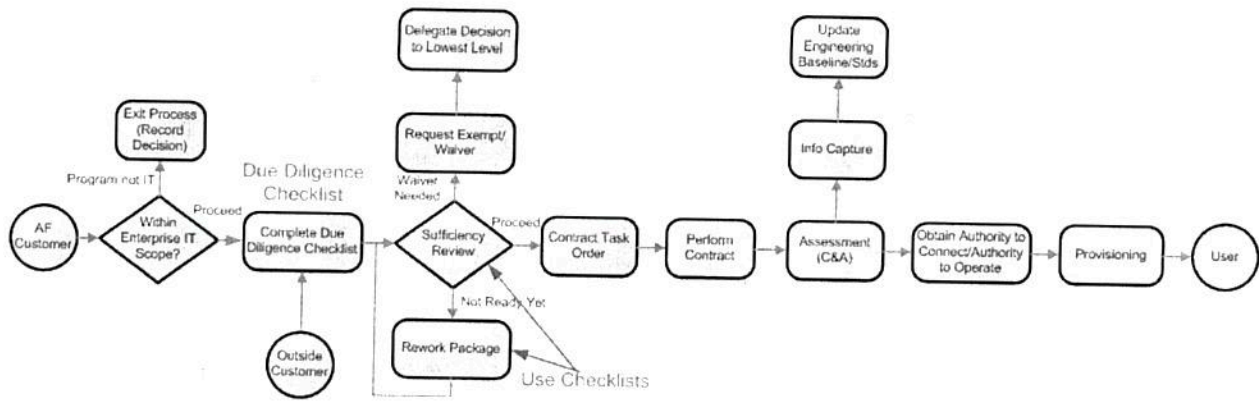
Figure 1: Governance Process Applied

3. Conformance of the solution to Air Force policy and the AF EA will be reviewed at the appropriate level during Sufficiency Reviews. Reuse of previously conducted AF EA compliance assessments will be accomplished to streamline the process. The reuse of AF EA assessments will save resources and avoid inconsistencies in application of compliance standards. The decision matrixes shown on the following pages indicate the level of review as a function of the contract being used and the funding level. During these reviews, a checklist will be used to determine if all applicable aspects of the policies and architecture are being followed, and these checklists are available to programs in order to understand what information will be needed. The information will be compiled into a package and delivered to the reviewers. Three possible outcomes result: (1) continue with the process by developing a NETCENTS-2 Task Order, (2) pursue a waiver from the NETCENTS-2 contract vehicle (*Request Waiver*), or (3) re-convene the review with additional information (*Rework Package*). In the cases which require waivers, decisions will be made at the appropriate acquisition level based on activity type and scope (*Delegate Decision to Lowest Level*).

4. Decision Matrixes for Reviews.

    a. Product Purchases

Factor	Decision Points	Expected Decision Level
Independent Government Cost Estimate (IGCE) $Value	< $500K	NETCENTS-2 Program Office
	> $500K < $1M	Program's Acquisition Authority
	> $1M	CIO Board

NOTE: All Biometrics product purchases will be reviewed by the Biometrics Team Lead at SAF/A6.

b. Telephony Products and Solutions

Task Orders under this contract will only be reviewed by the NETCENTS-2 Program Office and the Air Force Lead Command for Voice (AFNIC/ECNV).

c. Network Operations (NETOPS) and Infrastructure Solutions and Application Services

Factor	Decision Points	Decision Points
Total Task Order Value IGCE	< $5M	NETCENTS-2 Program Office
	> $5M < $10M	Program's Acquisition Authority
	> $10M (and all R&D task orders funded with 3600 funds)	CIO Executive Council

NOTE: All Biometrics solutions requirements will be reviewed by the Biometrics Team Lead at SAF/A6.

d. Enterprise Integration and Service Management (EISM)

Factor	Decision Points	Decision Points
Total Task Order Value IGCE	< $5M	NETCENTS-2 Program Office
	> $5M < $10M	Program's Acquisition Authority (For ESC this would be the ESC Change Control Board (CCB))
	> $10M (and all R&D task orders funded with 3600 funds)	CIO Executive Council

III. NETCENTS-2 Waiver Guidelines. The following are NETCENTS-2 waiver guidelines:

1. **Mandatory Use:** It is mandatory to use NETCENTS-2 for all requirements that fall under the scope of the NETCENTS-2 contracts except for those requirements that fall under the IT Professional Support and Engineering Services Advisory and Assistance Services (A&AS) contract. Long-haul telecommunications requirements are not under the scope of NETCENTS-2, those requirements are met by Defense Information Systems Agency (DISA).

2. **Waiver Process:** Waiver requests will be submitted to the AF CIO staff (safxciworkflow@pentagon.af.mil) and monitored by the NETCENTS-2 Program Office (netcents2waiver@gunter.af.mil). The burden of rationale is the responsibility of the submitter. If an applicable acquisition strategy is planned that does not use the NETCENTS-2 contracts, a waiver is required prior to release of any formal notification to industry identifying the requirement. Also, if the market research shows essentially the same market/vendor pool as that which is under the applicable NETCENTS-2 category the waiver will likely be denied. This timeline will take no more than three business days. Waivers of high value or high risk acquisitions will be reported to the CIO Executive Council for review, which will take seven days.

3. **Waiver Justifications-Cost:** Cost savings alone is not a justification for a waiver. This value assessment must include total cost of ownership, and not just initial purchase price. The cost of paying a little less (potentially) does not outweigh the benefit of allowing the USAF the ability to have visibility and control of IT acquisitions across the enterprise. This ability to govern IT purchases will allow for better standardization, interoperability, security, and compliance with standard architectures. Therefore a significant cost savings would be needed to justify a waiver based on cost. If such a cost differential exists, the NETCENTS-2 management team should find out why NETCENTS-2 customers are not receiving competitive pricing from existing NETCENTS-2 vendors.

4. **Waiver Justification – Mission Urgency:** Waivers may be warranted when the requesting organization can demonstrate that the level of urgency exceeds the delivery timelines set forth in NETCENTS-2

5. **Waiver Justification – Host Nation Laws:** In non-US locations, a waiver may be warranted when the NETCENTS-2 contract conflicts with any host country contract for information technology equipment and services. Example of known exception items include the following USAFE requirement:
   a. Any requirement for labor (O&M) exceeding 90 days per calendar year. Requirements exceeding this limitation are subject to Host Nation

Labor Law and DoD Contract Personnel (DOCPER) requirements, and will be awarded through USAFE Contracting.

b. All expanded communications services requirements that require completion within 90 days. Expanded communications services include: engineering and installation, support for outside cable plant to include fiber and copper cable, wireless access points and network infrastructure, interior building premise wiring, digging and trenching for telecommunications manhole/duct system infrastructure, telephone and key system installation, minor local area network (LAN) work, and any other minor work considered out of scope by the Communications Squadron maintenance work centers. This does not include enterprise requirements covered by the Combat Information Transport System (CITS) Program Office.

6. **Waiver Justification - Existing Options:** Once the NETCENTS-2 contracts are awarded, contracting officers must coordinate their plans to exercise options on existing contracts with the NETCENTS-2 Program Office 6 months prior to exercising the option to determine if a waiver is required. This is for existing contracts or task orders that fall under the scope of NETCENTS-2, including small business contracts. The reason for this coordination is to provide an opportunity for the IT Governance structure to have an opportunity to disallow further acquisition (options) of services or solutions that no longer align with the USAF strategic direction or that duplicate existing NETCENTS-2 enterprise level task orders for the same work.

7. <u>**Waiver Justification – Small Business (SB)**</u>**:** After NETCENTS-2 contracts are awarded, contracting officers must coordinate their plans with the NETCENTS-2 Program Office 6 months prior to writing new SB contracts with requirements that fall under the scope of NETCENTS-2. This is true for all requirements including those strategies that support the achievement of AF small business, small disadvantaged business, 8(a), or other disadvantaged group goals. If a waiver is written, it should describe the requirement, the small business goals being supported and a statement that the SB Contractor understands and will comply with the applicable standards and applicable USAF policies. Nevertheless, technical considerations, such as transformational efforts across the AF to more enterprise level solutions, play the key role in the waiver decision. These enterprise level solutions will increase efficiencies, improve security, interoperability, economies of scale, and reduce duplication of effort. An example of this is in the Help Desk area. The USAF is moving to the Enterprise Service Desk concept and bases will no longer be able to write a task order for IT help desk support as a standalone task. Even if a waiver is granted, the customer is responsible for reporting the types of IT acquisition is being done to include the dollar value, a summary of the requirement and the vendor – once selected.