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AF Life Cycle Management Center

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Reducing Sole Source Contract Award Timeline

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AF Metrics - Summary

\$50-\$500M	Initial Proposal Rec'd	Adequate Proposal Rec'd	Tech Eval	Rate/Audit	Business Clearance	Negotiations	Contract Clearance	Total Contract Award
1 Oct 13 – 30 Sep 14 (46 actions)	167	231	126	116	49	64	47	473
1 Oct 14 – 30 Sep 15 (41 actions)	133	175	123	114	21	48	38	459

Notes:

- Average # days by milestone events
- Includes Awarded USAF Only
- Some events are concurrent so total contract award is not a sum of all events
- Adequate Proposal Rec'd indicates additional days to receive an adequate proposal



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Contract Award Sole Source \$50-500M

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\$50-\$500M Average # of Days	Initial Proposal Rec'd	Adequate Proposal Rec'd	Tech Eval	Rate/Audit	Business Clearance	Negotiations	Contract Clearance	Total Contract Award
USAF (117 Actions)	141	189	117	108	34	50	40	446
FMS (39 Actions)	184	292	160	136	30	115	46	598
Standard Buy (136 Actions)	150	201	116	106	33	52	43	449
UCA (35 Actions)	175	288	156	141	35	109	51	638

Notes:

- Average # days by milestone events
- Includes all data for FY14, FY15, and FY16
- Some events are concurrent so total contract award is not a sum of all events
- Adequate Proposal Rec'd indicates additional days to receive an adequate proposal



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Complexity of the Challenge



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- **Fixed price vs Incentive vs Cost type contract**
- **Content - Material vs Labor**
- **Commercial Item – Determining Fair & Reasonable**
- **Negotiating Unique Contract Requirements**
- **IWAs – Require Full Cost Analysis by USG**
- **DCAA Audits: Unresolved Proposed Cost**
- **Frequent Rate/Overhead Updates**



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What we are doing



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- **AF and Command Level: Developed Guidance, Instruction, Templates and Checklists**
- **AFLCMC Level: Developed Standard Processes, Metrics, Tech Evaluation Training**
 - Partnering with NG, DCAA and DCMA on NG to go after improvements in the pre-RFP, Proposal Development and Analysis phases
- **Program level: Streamlining Proposal Evaluations**
 - Take lessons learned at the program level and push it to the corporate level, more standardization of the process



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What needs to be accomplished



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- **Establish executable requirements**
 - **Clear to both the AF and Contractor before RFP release**
 - **Stability during RFP to contract award**
 - **Avoid “Just in Case” pricing**
 - **Overly flexible requirements in quantities or production periods**
- **Early involvement with industry (prime and major subs) at strategic times during the proposal build/pricing process (not negotiations)**
 - **Budget for it - Bid and Proposal process for competitive and noncompetitive actions should be consistent**
- **Improve quality and timeliness of technical evaluations**
 - **AFLCMC/AZ has developed and is providing technical evaluation training to program teams**



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How can Industry Help?



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- **Work with the AF prior to the release of the RFP**
 - Review Draft RFP/Requirement documents using those responsible for estimating
 - Involve Major Subcontractors
 - Budget for it - Bid and Proposal process for competitive and noncompetitive actions should be consistent
- **Increase competition at the subcontract level**
- **Perform quality reviews on proposals to include interdivisional work and subcontracts**
 - Use Proposal Walk-Through and Fact Finding as opportunities for process improvements
- **Rate Stability - Identify drivers of multiple/continuous rate updates**
- **Challenge subcontractor restrictions on prime review of CoPD**
 - Difficult negotiations for prime and unnecessary assist audits for AF
- **Early submission & well supported resolution of commercial item assertions**
- **Compliance with RFP certified cost or pricing data requirements**
 - Submission of prime/sub actuals, useable cost models, un-redacted subcontractor proposals with submission to the prime
 - Timely, complete and thorough subcontractor cost/price analyses
 - Discuss issues with PCO prior to submitting the prime proposal – no surprises



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