



NAWCAD Acquisition and Emphasis Areas

October 2019

Presented to:

NAWCAD Industry Day Forum

Presented by:

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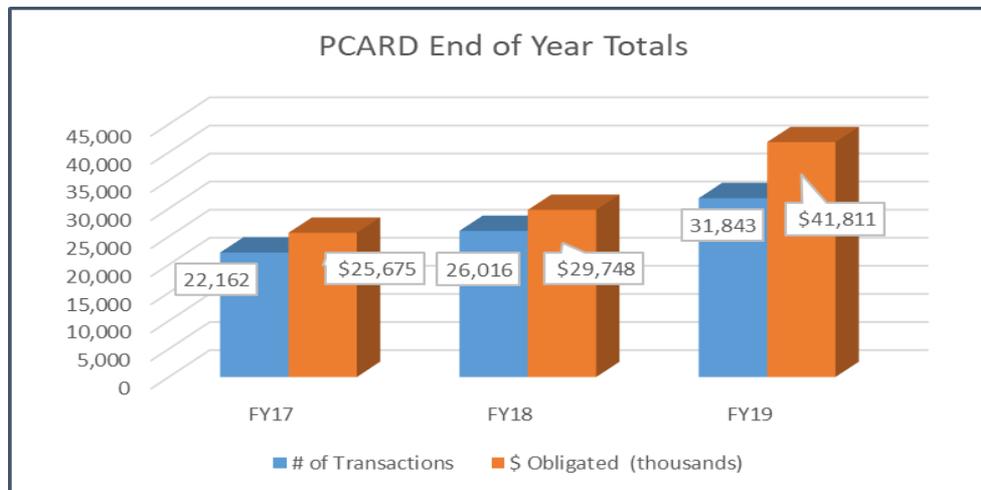
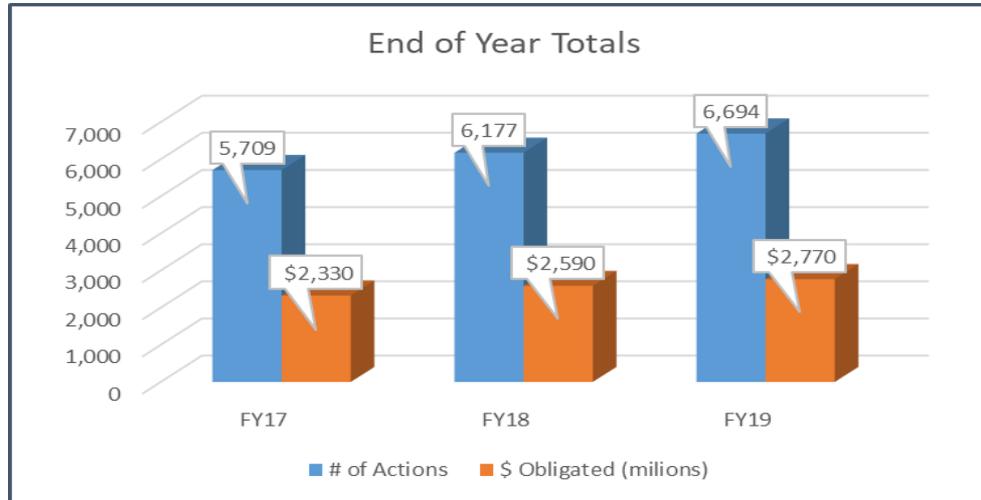




AD (PAX) SERVICES CYCLE TIME UPDATE



- Record Year in # of actions and obligations for NAWCAD Procurement

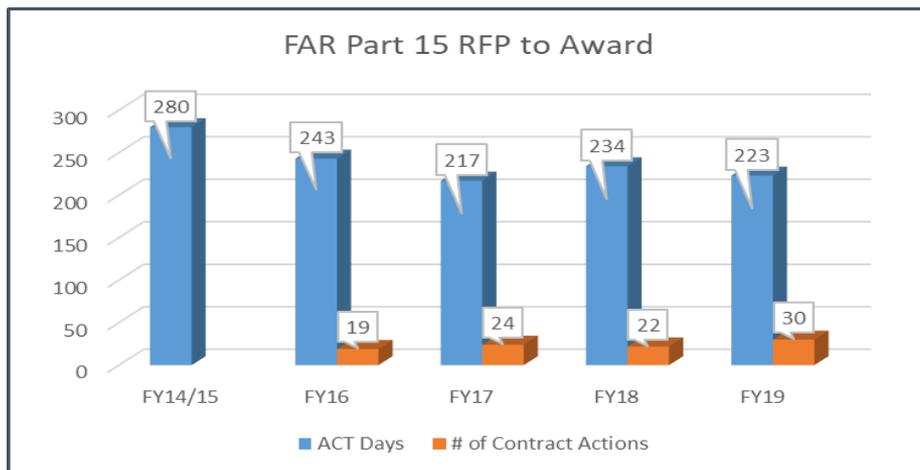




AD (PAX) SERVICES CYCLE TIME (FAR 15)

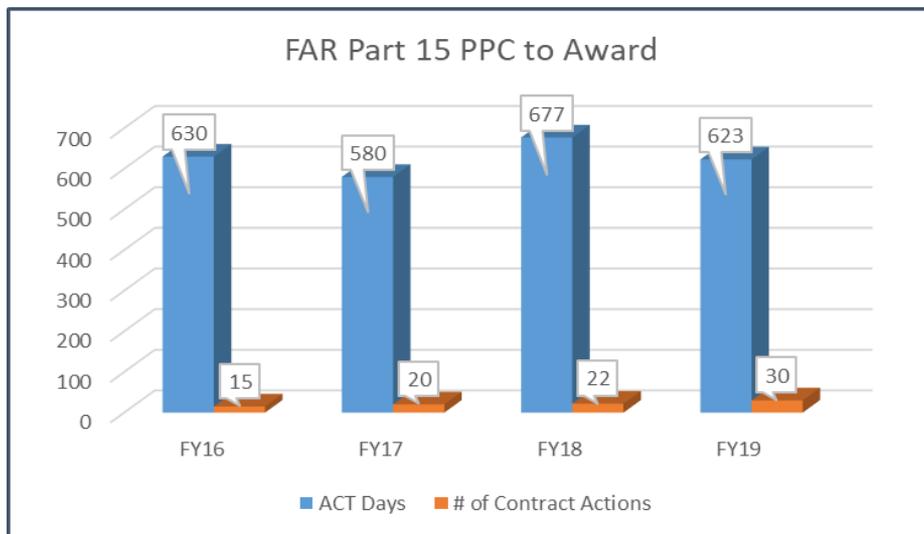


- **BLUF: Making progress in our FAR Part 15 Service competitions**



-57 day Average Cycle Time (ACT) improvement (FY14/15 baseline)

-11 day ACT improvement (FY18 to FY19)



-7 day ACT improvement (FY16 baseline)

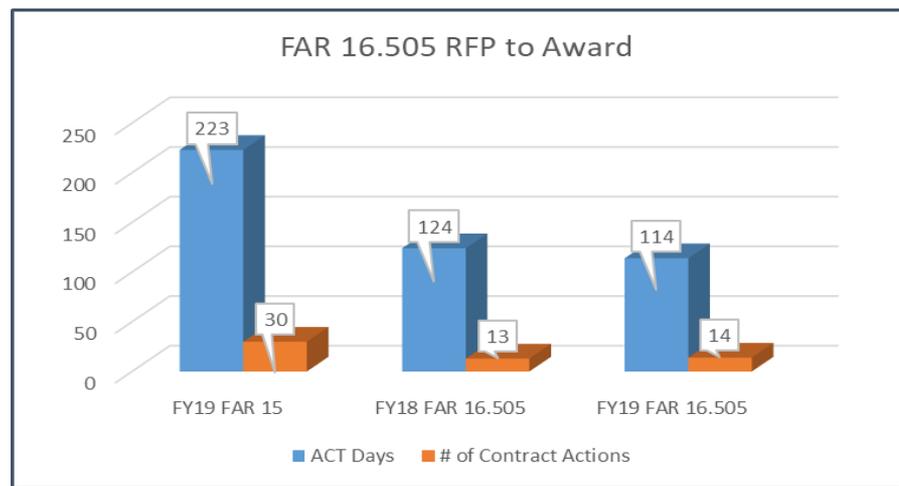
-54 day ACT improvement (FY18 to FY19)



AD (PAX) SERVICES CYCLE TIME (FAR 16.505)

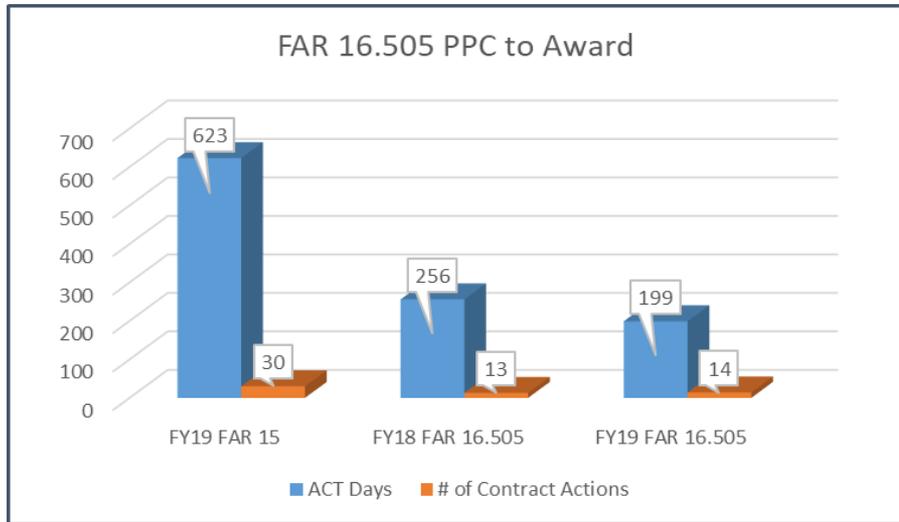


- **BLUF: MAC Task Order (TO) competitions are yielding much better ACTs**



-109 day ACT improvement over FAR Part 15 competitions in FY19

-10 day ACT improvement from FY18 to FY19 for FAR Part 16.505 competitions



-424 day ACT improvement over FAR Part 15 competitions in FY19

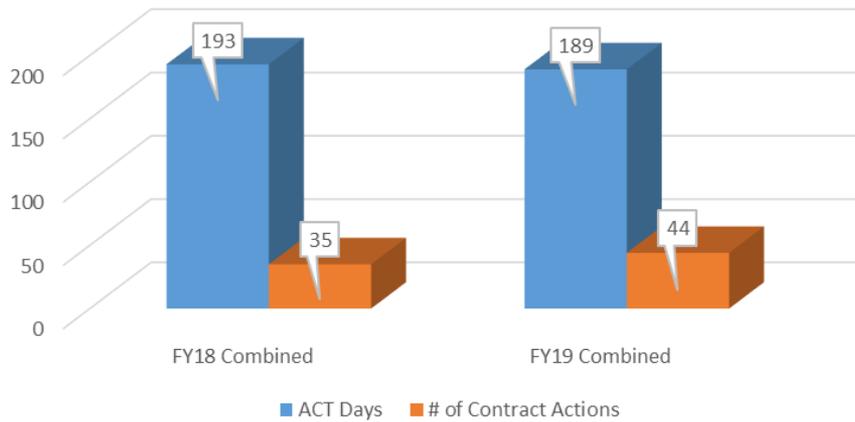
-57 day ACT improvement from FY18 to FY19 for FAR Part 16.505 competitions



AD (PAX) SERVICES CYCLE TIME (Combined)

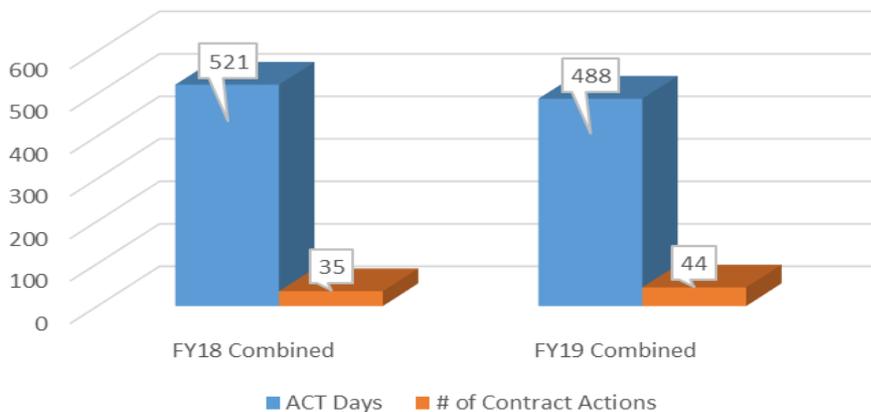


Combined FAR 15 & 16.505 RFP to Award



-4 day ACT improvement from FY18 to FY19

Combined FAR 15 & 16.505 PPC to Award



-33 day ACT improvement from FY18 to FY19



FY20 NDAA Background/FAQs



- The National Defense Authorization and Appropriations Act for Fiscal Year 2020 (FY20 NDAA) was sent to the Senate on 10 Sep 2019 (H.R. 2500)
 - Link: <https://www.congress.gov/bill/116th-congress/house-bill/2500>
- WHAT IS IT?
 - To authorize FY20 appropriations and set forth policies regarding the military activities of the DoD, military construction, and the national security programs of the Department of Energy (DoE). Once signed into law, the bill authorizes appropriations, but **does not provide budget authority**, which is provided by separate appropriations act.
- DO WE HAVE TO COMPLY NOW? **NO***
 - Although the NDAA is law once signed, formal rule making/implementing regulations are required. (i.e., change to FAR and/or DFARS). *Very very rare for compliance to be immediate.
- IF WE LIKE SOMETHING, CAN WE ELECT TO COMPLY NOW? **NO**
 - Local implementation in advance of regulatory rule making is not permitted.



FY20 NDAA Changes Affecting AD



- **Sec 803: Modifications to Cost or Pricing Data for Certain Procurements** This section would modify section 2306a(b)(4) of title 10, United States Code, and allow the HCA to obtain cost or pricing data for commercial items that may be procured under sole source authority based on market research.
- **Sec 804: Modifications to Cost or Pricing Data on Below-Threshold Contracts** This section would modify section 2306a(c) of title 10, United States Code, and section 3504 of title 41, United States Code, to allow contracting officers to request certified cost or pricing data when necessary to determine price reasonableness and removes the commercial item exception.
- **Sec 825: Responsibility for Data Analysis and Requirements Validation for Services Contracts** This section would amend section 2329 of title 10, United States Code, to specify that the Secretary of Defense act through the Under Secretary of Defense (Comptroller) and Director of Cost Assessment and Program Evaluation to collect data and information annually on the amount contracted for services procured by the Department of Defense, which would be included in the Future Years Defense Program submitted to Congress.



FY20 NDAA Changes Affecting AD



- **Sec 826: Annual Reports on Authority to Carry Out Certain Prototype Projects** This section would amend section 2371b of title 10, United States Code, by adding a new section requiring the Secretary of Defense to annually submit a report to the congressional defense committees on the activity carried out under the authority to use other transaction authorities for prototype projects and any deviations from implementing guidance.
- **Sec 827: Competition Requirements for Purchases from Federal Prison Industries** This section would amend section 2410n of title 10, United States Code, by removing "for which Federal Prison Industries does not have a significant market share". This section would create a requirement for conducting market research before purchasing a product listed in the Federal Prison Industries (FPI) catalog.
 - This section would require the Department of Defense to:
 - (1) conduct market research to determine if the product is comparable to products in the private sector and meets the Department's needs (price, quality, or time of delivery) prior to purchasing a product from FPI.
 - (2) use competitive procedures or purchase under a multiple award contract if the product is not comparable and does not meet the Department's needs.
- **Sec 828: Enhanced Post-Award Debriefing Rights** This section would amend section 818 of the FY18 NDAA (Public Law 115-91), which required postaward debriefings of the Department of Defense rating for each evaluation criteria and overall award decision, by reducing the award threshold for comprehensive debriefings from \$100M to \$50M.



FY20 NDAA Changes Affecting AD



- **Sec 829: Standardizing Data Collection and Reporting on Use of Source Selection Procedures by Federal Agencies** This section would repeal portions of section 2305 note of title 10, United States Code, and section 3701 note of title 41, United States Code, which required the GAO to provide an annual report on the use of lowest price technically acceptable (LPTA) source selection procedures by the Department of Defense and civilian agencies, respectively. This section would also require revisions to the Federal Procurement Data System (FPDS), or any successor systems, to facilitate the collection of data on source selection procedures used in awarding contracts and other relevant contract actions. The committee expects that the new information to be collected would include, at a minimum, whether the contract awarded or order issued was made using LPTA or best value contracting methods, or some other procedure.
- **Sec 830: Modification of Justification and Approval Requirement for Certain Department of Defense Contracts.** This section would modify the justification and approval threshold to \$100M for Department of Defense sole source contracts awarded to certain Native communities. The threshold was established in section 811 of the FY10 NDAA.
- **Sec 852: Assured Security against Intrusion on United States Military Networks.** This section would prohibit the Secretary of Defense from awarding contracts for the procurement of telecommunications services or installations of telecommunications infrastructure on national security installations located on territories of the United States in the Pacific Ocean unless the contractor is American-owned or American-operated. This section includes an exception for contracts for telecommunications services or telecommunications infrastructure that do not process or carry information concerning the national security of the United States. The Secretary of Defense may waive this prohibition upon written determination that such a waiver is in the national security interest of the United States.



FY20 NDAA Changes Affecting AD



- **Sec 872: Size Standard Calculations for Certain Small Business Concerns** This section would clarify that section 3(a)(2)(C) of the Small Business Act undoubtedly applies to the Small Business Administration (SBA). The section would align the size standards based on data to the Small Business Runway Extension Act of 2018 (Public Law 115-324) by changing the calculation from 3 years to 5 years. This section also would require the SBA to develop a transition plan for small businesses and Federal agencies to help them successfully navigate the transition from the previous 3-year calculation to the new 5-year calculation as mandated
- **Sec 873: Modifications to Small Business Subcontracting** This section would ensure greater accountability for prime contractors electing to receive subcontracting credit for subcontracting with small businesses at lower tiers, and would provide small businesses with an alternative avenue for nonpayment issues with the prime contractor.
 - This section would:
 - (1) clarify that large prime contractors have the ability to receive subcontracting credit for small businesses at lower tiers;
 - (2) strengthen the agency's ability to collect and review data regarding prime contractors' achievement of their subcontracting plans;
 - (3) require the prime contractor to keep and maintain records to demonstrate subcontracting credit claimed; and
 - (4) implement a new dispute process allowing small subcontractors to bring nonpayment issues to the agency small business advocate.
- **Sec 878: Improvements to Certain Defense Innovation Programs** This section would create a pilot program within the Department of Defense to encourage engagement with commercial technology companies through the Small Business Innovation Research Program and the Small Business Technology Transfer Program, and would modify other elements of the innovation architecture within the Department.
- **Sec 897: Prohibition on Contracting with Persons That Have Business Operations with the Maduro Regime.** This section would prohibit the Department of Defense from entering into a contract for the procurement of goods or services with any person that has business operations with an authority of the Government of Venezuela that is not recognized by the United States as the legitimate Government of Venezuela.



Policy Topics of Interest



- **Delegation of Authority to Make Determination to Award Single Source Task or Delivery Order Contract over \$112M (ASN(RD&A) memo dated 7 Aug 2019) & Delegation of Authority to Make Determination to Award Single Source Task or Delivery Order Contract (DASN(AP) memo dated 8 Aug 2019).**
 - ASN(RDA) memo delegated authority to make the determination required by FAR 16.504(c)(1)(ii)(D)(1)(v) to DASN(AP). DASN(AP) memo further delegated that authority to the Echelon II, Head of the Contracting Office, without power of further delegation.
- **Section 233 Phase II, Sprint 1:**
 - Raised threshold for approval of Consolidation D&Fs from \$2M to up to \$50M for NAWCAD and for NAVAIR HCA up to \$100M
 - Authority to waive SSAC requirement for procurements under \$250M, increasing threshold from \$100M to \$250M
 - Delegation of contracting authority for facilities work to include Sustainment, Restoration, and Modernization (SRM), facilities services....to include HVAC, lighting upgrades, and building envelope repairs.



Policy Topics of Interest



- CLIN Pilot (use of TDLs, Rated SCCs, etc...) being expanded to several other services contracts and new pre-award Services actions
- Use of OTAs (Section 2371b), Prototypes for Experimental Use (Sect 2373), and Prize Challenges (Sect 2374)
 - Establishment of NASC Consortium
- Revising AP Instruction to increase threshold for approval by Level 1 up to \$250M
- PCOs have been instructed to keep the nomenclature consistent between the NAWCAD LRAF and the procurement title on FBO/SAM