NAWCAD Acquisition and Emphasis Areas

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Presented to:
NAWCAD Industry Day Forum

Presented by:

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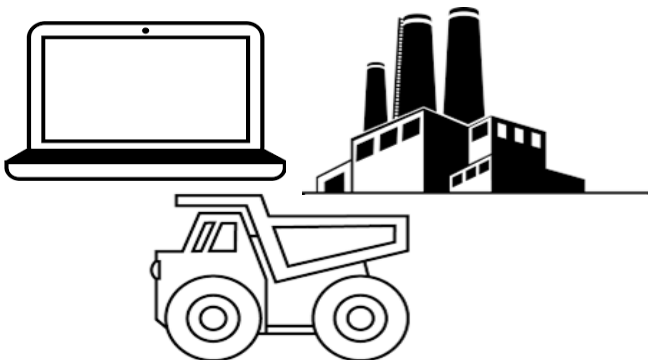**Jeff Guarnero, CCO/Group Lead, NAWCAD PG (A25)**

- **OMB Circular M-19-13-1,** "Category Management: Making Smarter Use of Common Contract Solutions and Practices" :
    - The OMB is assigning increasingly-ambitious Spend Under Management (SUM) goals to Federal agencies, including the Department of the Navy (DON)
    - Meeting these increased SUM goals moving forward will require increased involvement and coordination with the DON Budget Submitting Offices (BSO) and Heads of Contracting Activity (HCA)
- **Category Management** – Government-wide initiative led by OMB that saves the Federal Government billions of dollars each year by improving how agencies buy common products and services. It helps reduce redundant contracts and increase efficiencies (e.g., cost savings, time to award).
- **Spend Category** – The logical grouping of similar expenditure items or services clearly defined by the OMB (based on Product Service Code)

Spend Category Types

Common

Defense Centric

Category Management/Spend Under Management

Common Categories

IT	Professional Services	Security & Protection	Facilities & Construction	Industrial Products & Services
Office Management	Transportation & Logistics Services	Travel & Lodging	Human Capital	Medical

Defense-Centric Categories

[1]Miscellaneous S&E	Research and Development	Equipment Related Services	Electronic & Communications Services	[1]Clothing Textiles, & Subsistence S&E
Aircraft, Ships/Subs, & Land Vehicles	Weapons & Ammunition	Electronic & Communications Equipment	[1]Sustainment S&E	

[1]*Supplies & Equipment (S&E)*

❖ Common spend categories are the only addressable categories to OMB but category management principles can apply to defense centric spend

❖ The PSC Selection Tool provides a crosswalk of PSCs to CM Categories - https://psctool.us/

CATEGORY MANAGEMENT
Tiered Maturity Model Strategy

TIER 3

Best in Class (BIC)

- **BIC = Best in Class; Available to all federal agencies**
- **Meets specific OMB criteria and demonstrates proven cost savings**
- **Examples – Schedule 70 IT, OASIS, Alliant, NASA SEWP**

TIER 2

- **Multi-agency solutions that demonstrate strong CM principles, but have not met BIC criteria.**
- **Examples – Large Scale Construction, Navy Husbanding, WEXMAC**

TIER 1

- **Agency-wide solutions (e.g., DON), per mandatory use or consideration policies**
- **Examples –Navy SeaPort, NGEN, DON FIAR, MSC Maritime Support Vessel**

TIER 0

- **Contractual vehicle lacking necessary strategy in meeting Tiers 1, 2, or 3 criteria**

Disaggregation

- <u>OMB Circular M-22-03</u>: Implements the President's commitment to increase spending to small disadvantage businesses to 15% by FY 2025, as well as increase baseline spending to the other socio-economic categories, including women-owned small businesses, service-disabled veteran-owned businesses, and HUBzones.

- In his Fiscal Year 2023 Small Business Execution Memo, dated 9 March 2023, Secretary of the Navy, Mr. Carlos Del Toro called for <u>disaggregation</u> of requirements to help achieve aggressive small business and socio-economic subcategory goals set between the DoN and DoD (overall 16.63% small business goal).

Cyber Security Labor Qualifications

- An industry-Government team met on multiple occasions summer 2022 to discuss Cyber Security Workforce (CSWF) Government & contractor employee qualifications iaw SECNAV M-5239-2 and DODD 8140.01 – Cyberspace Workforce Management
- The CSWF labor standards apply to any position designated as a CSWF coded position and must include the associated relevant CSWF code(s) in accordance with the Navy COOL - Cyber IT/CSWF (osd.mil)
- Navy COOL qualifications are currently being used in the DAITA Group Cyber Warfare RFP currently in source selection
- DNA Enterprise Hosting draft SOW also includes the updated CSWF labor qualifications
- A major update to the NAVAIR Standard labor Qualification Guide is awaiting legal counsel review and then will be distributed accordingly

- NAWCAD is seeking to establish a multiple award contract (MAC) at the Sensitive Compartmented Information (SCI) level to support a broad spectrum of SCI services across the NAVAIR Enterprise to promote efficiency and affordability improvements based improved access and more competition:
    - Will improve access, and reduce associated costs of access, to services contractors up to the SCI level to support all aspects of the Acquisition Life Cycle of various platforms and programs
    - Will reduce Pre-award and post-award cycle time through the use of a centralized COR function, trained/educated in SCI contract security requirements
    - Will help alleviate the unnecessary elevating of existing collateral contracts to the SCI level when SCI is not the predominance of the work being executed under existing vehicles
    - Will reduce 'piggy backing' on existing SCI contracts and high pass-through fees ultimately increasing the competitive award of SCI requirements and providing more opportunities for small businesses
- Plan to have both small and large businesses as MAC holders and make set-aside decision at order level
- Currently on-hold working to see if SEAPORT D&F will be approved