“Our Army at War – Relevant and Ready...Today and Tomorrow”

Army Contracting Study Update

Briefing for

AMC SES Training Symposium
13-16 Mar 05

By

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Mr. Jeff Parsons, AMCCP
Agenda

• Overview
• Course of Action for Total Army Contracting
• Challenges
• Revised Timeline
• The Way Ahead
• Conclusion
Mission and Purpose

• Mission — Design a World-Class Procurement and Contracting Organization in Support of All Army Personnel: Active, Reserve, National Guard, and Civilian

• Purpose
  - Review Current Procurement and Contracting Organizational Structure/Staffing (Military & Civilian)
  - Review Existing Processes
  - Consider Army and Joint Future Forces/Missions
  - Determine Best Organizational Alignment of Procurement and Contracting Within the Army
  - Address the implementation details of AL&T COA #3, i.e., ACA into AMC with CCO mission and resources to AFSC
Guidance

• Mission drives the solution
• Consider all possibilities
• Consider impact to all stakeholders
  – Ensure service delivery
• Outlook is 3-5 years at a minimum
• Consider all on-going Army initiatives
• Metrics will measure success of study outcome
• Provide a single face to the warfighter
Study Framework

ASA ALT

Senior Advisory Council

Senior Steering Group

Study Working Group

HQDA Team Lead & Facilitate

LMI Contractor Support to Facilitate

Study Framework

Process

Future Structure

Organizational Structure

Future Force

Contracting Offices’ Best People: “Graybeards” & “Rising Stars”

ICAF

NPGS

U. Of Texas

DAU

Howard U.

Honest Broker/
Expert/Advisors

“I Our Army at War - Relevant and Ready...Today and Tomorrow”
Army Contracting Organizations

AMC Total $42B/64K/2148
AMC + ACA = 53B/212K/3866
11B/148K/1718

Secretary of the Army
Assistant Secretary of the Army
Acq, Log and Tech
Deputy Assistant Secretary of the Army
Policy and Procurement

HCA Estab 19 Jun

HQ Army Materiel Command (AMC)
U.S. Army Aviation & Missile Command
U.S. Army Communications-Electronics Command
U.S. Army Field Support Command
Research Development Engineering Command
U.S. Army Tank-Automotive & Armaments Command

HQ Army Contracting Agency (ACA)
ACA Northern Region
ACA Southern Region
Information Technology E-Commerce & Commercial Contract Center
Army Contracting Command, Europe
Army Contracting Command, Korea
Army Contracting Command, Southwest Asia
Army Contracting Element, Pacific
Army Contracting Agency Americas

Department of Defense
U.S. Army Medical Research & Materiel Command
U.S. Army Medical Command
National Guard Bureau
U.S. Army Corps of Engineers
U.S. Army Space & Missile Defense Command
Defense Contracting Command - Washington

Other Total $23B/153K/1833

Army Contracting Command, Europe
Army Contracting Command, Korea
Army Contracting Command, Southwest Asia
Army Contracting Element, Pacific
Army Contracting Agency Americas

Army Contracting Organizations

FY 04 Totals: $76B, 365K actions, 5699 people (110 military & 5589 civilian)
ALT Environment

GENERATING FORCE

AAE
ASA(ALT) MIL DEP DCG ACQ & TECH

AMC

DCG OPNS & READINESS

USASAC

Life Cycle Management Commands
Aviation / Missile

Communications / Soldier/Ground Systems

PEO/ PMs

Sustainment Engineering Insertion

P L A T E

Materiel Management

Industrial Enterprise

LARs

Developmental Engineering Tech Insertion

RDEC

RDECOM

Field Assistance in Science & Technology

WARFIGHTER

TSC

AFSC

GENERATING FORCE

OPERATING FORCE

LIFE CYCLE SUPPORT

ALTSB(X4)

Sustainment Flow

Acquisition Flow

A Seamless Interface
Course of Action for Total Army Contracting
Course of Action E (Phase 1)

ACA as Direct Report to AMC CG

DASA (P&P)  AMC

DCG for Contracting

Principal Deputy

CECOM Acq Center
TACOM Acq Center
AMCOM Acq Center
RDECOM Acq Center
AFSC Acq Center
ACA (Installation & ITEC4)

* Executive agent responsibilities and resources recommended to revert to DASA (P&P) in Phase 2

• Naming Conventions to be Worked (e.g. ACA Needs to be Renamed)

• Implementation 31 Mar 05

Gains Synergies Required in Today’s Environment

Supports COA #3

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Course of Action E (Phase 2)

- Enhanced Workforce Developments – Sharing Best Practices, Business Process Standardization
- Leverage contracting expertise and synergy
- Additional EEDACs within AMC for Command and Control
- Implementation 30 Jun 05
Mission Responsibility Continuum

Requirement

AFSB

CONTINGENCY

STABILIZATION

AFSC

RECONSTRUCTION

Contracting

G3-- Big Planning

Establish G-3 link for S&R

Contracting S&R Planning Cell (WCC - Phase 2)
Course of Action E
(Phase 3)

Future Change

AMC

DCG for Contracting

Phases 1 & 2

Washington Contracting Center

(DCSC) for Contracting

Phases 1 & 2

Specialty Commands

Total ARMY Contracting

DCG responsibility & authority

Limited resources move

Implementation 1 Oct 05

All will be looked at but not all will move

(Coordinating Authority Only)

DASA (P&P)

Allows for Single HCA

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Challenges

• Organizational turbulence

• Ensure funding flow maintains customer support focus

• DCG integrated with the specialty commands

• Comprehensive change management process required

• Establish a construct to ensure distribution of contracting assets to support army mission
### Revised Timeline

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<th>ID</th>
<th>Task Name</th>
<th>Duration</th>
<th>Start</th>
<th>Finish</th>
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<td>Study Start/Finish</td>
<td>152 days</td>
<td>9/1/04</td>
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<td>PARC Conf</td>
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SAC = Senior Advisory Council, SSG = Senior Steering Group, SWG = Study Working Group

4 Mar 05 ~ US Army Contracting Study  ASA ALT Sept 04 – Mar 05

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DA Executive Agent Recommendation

• All executive agent designations revert to the DASA (P&P) level, and associated resources provided:

**ACA Executive Agent Designations**
• Services/A-76
• Standard Proc Sys
• Fed Proc Data Sys
• Procurement Mgmt Assist
• Acquisition Excellence
• Purchase Card Program
• Contingency Contracting
• NIB/NISH/JWOD
• Randolph-Sheppard
• Utilities Privatization
• IT Commercial Products
• PPMIS

**AMC Executive Agent Designations**
• Pricing
• Finance
• Cost Principles
• Cost Accounting Standards
• Commercial Products/ Processes
• Contract Administration
• Army Single Face to Industry
• Detail to DAR Council
Change Management
(Communication)

External Customers
- Sec Army – Mr. Kelly 25 Feb 05
- ASA(I&E) – Mr. Proesch 19 Jan 05
- HQDA CIO/G-6 – LTG Boutelle 13 Dec 04/MOU in progress
- Deputy G-8 – Mr. Tison 13 Dec 04
- PEO EIS – Mr. Carroll 10 Jan 05
- IMA – MG Johnson 19 Jan 05
- ACSIM – Ms. Menig 19 Jan 05
- NETCOM 7 Mar 05
- MDW TBD
- FORSCOM TBD
- TRADOC TBD
- US Army South TBD
- NGB – Mr. Gardner 24 Feb 05
- Army Reserves TBD

Note: G-4 (24 Nov 04) & G-3 (10 Dec 04) Declined in Person Briefing - Provided Electronic Copy of Slides in Lieu of Briefing
COA E Way Ahead

Action ECD

• Decision MOA ASA ALT/CG, AMC signatures 1 Mar 05

• Detailed MOA to Follow 25 Mar 05

• Change Management/Implementation Plan - Draft 25 Mar 05

• Multiple Town Hall Meetings NLT 31 Mar 05

• Executive Agent Function Transfer to DASA P&P 30 Jun 05
  - People (Phase 2)
  - Money
  - Spaces (OPCON Until New General Order Approved)
Contracting Study Way-Ahead

• Complete NLT 31 March 05

• Specialty Commands: Review and Develop Recommendations Per Study Mission and Purpose

• Complete Development of Metrics to Measure Benefits and Success of Actions Implemented

• Provide Overarching Recommendations in Line With the Study Mission and Purpose

• Continue to Work Execution of Phases
  Phase 2 (30 Jun 05)
  Phase 3 (1 Oct 05)
Conclusion

• Business Side of Soldier Support Must be Relevant and Ready
• Senior Leader Engagement is Critical
• Bottom Line: Magnitude of Change Means Getting it Right

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Questions & Comments?
Principal Business Facts

• Support to the Warfighter
  - LOGCAP $15B
  - Iraq Reconstruction $18B
  - Iraqi Armed Forces $50M - $400M
  - Interrogation Services $3M/month
  - Balkans $15M/month
  - Afghanistan $530M
  - $80B requested Jan 05

• Workload $ and Actions

• Workforce Trends (Size & Age)

• Army Modularity (Different World-wide Footprint)

• Transparency to the Customer

We Must Leverage Expertise and Synergies