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**US ARMY MEDICAL RESEARCH AND MATERIEL COMMAND
Fort Detrick, MD 21701-5000
201440Q October 2017**

OPERATION ORDER 18-01 (ACQUISITION PLANNING GUIDANCE) – USAMRMC

References:

- a. FAR 7.103 Agency Head Responsibilities, 13 Jan 17.
- b. FAR 7.105 Agency Head Responsibilities, 13 Jan 17.
- c. DFARS 207.105 Contents of written Acquisition Plan, 7 Jun 16.
- d. FAR 34.201 Earned Value Mgt. Policy, 18 Nov 16.
- e. ASAALT, Memorandum Annual Requirement for the Development of a Command 1-N Contract Prioritization List, 20 Nov 13.
- f. MEDCOM OPORD 17-91 Acquisition Planning Guidance, 19 Sep 2017.

Time Zone Used Throughout the Order: Quebec (Eastern Daylight Time).

Task Organization: No Change.

1. (U) **Situation.**

a. (U) Acquisition planning is critical to the successful delivery of health care to our beneficiaries. Good acquisition planning is continuous and assists in creating a shared common operating picture among all stakeholders and serves as a conduit to increase the communications between the contracting activities and the Requiring Activity (RA). Good communications will minimize delays in the contracting process and decrease the incidence of unexpected requirements.

b. (U) The Vice Chief of Staff of the Army (VCSA) and the Deputy Assistant Secretary of the Army for Procurement (DASA-P) have directed all commands develop and maintain a prioritized all-inclusive list of contracts (1-N List) each year. The Contracting 1-N List is the management control that determines the contracting workload for each RA for the fiscal year and serves as the primary document by which the Contracting Activities and Requiring Activities manage their contracting needs.

c. (U) The US Army Medical Command (MEDCOM) is currently facing a significant contingent liability for its lack of acquisition discipline. For the past 5 years, poor planning and contract administration has resulted in millions of dollars left on contracts

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that should have been de-obligated. This has resulted in a contingent liability on current year funding. In order to prevent future years' contingent liability, we must employ good contract administration practices including timely de-obligations and better cost estimates for our contracting requirements, especially when exercising options on contracts that are historically under-executed.

d. (U) The MEDCOM has identified a need to improve Contract Administration via Contracting Officer Representatives' (CORs) continuous monitoring of expenditure rates on all personal and non-personal service and supply contracts. During the Unauthorized Commitment (UC) Root Cause Analysis briefs, MEDCOM identified that a number of UCs were directly linked to the failure of contract administration. An example of effective Program Management of contract administration is the centralized COR Model at Carl R Darnall Army Medical Center (CRDAMC). CRDAMC has created fulltime DHCP COR positions and centralized them under a fulltime COR Supervisor. By creating a centralized COR Cell, CRDAMC has enabled Department Administrators to focus on their clinical responsibilities rather than managing contracts. The effectiveness of the COR Cell is measurable. As a result of the effective monitoring of the execution and burn rates, the CRDAMC DHCP CORs have not had a UC in over 6 years. CRDAMC's COR Cell initiates quarterly de-obligations, which allows funds to be reprogrammed. Additionally, they are able to provide better customer support including: educating the customer on the dos and don'ts about working with contract personnel; conducting monthly surveillance with their department POCs regarding the contractor's performance; completing all monthly COR reports in the COR Tool on time. All invoices are paid before interest accrues. They in-process and out-process all contract personnel. Their increased ability to interact with the customers results in complete Requirements Packets received by Contracting in accordance with the established cut-off dates.

e. (U) All organizations that rely on the US Army Medical Research Acquisition Activity (USAMRAA) for contracting and assistance agreement support are referred to as "Requiring Activity(ies)" throughout this document.

f. (U) All contracting and assistance agreement needs from the Requiring Activities are also referred to as "Requirement(s)" throughout this document.

2. (U) **Mission.** MRMC assists MEDCOM in performing continuous Acquisition Planning effective immediately until 1 Sept 19 in order to proactively manage the contracting/assistance agreement needs of Army Medicine.

3. (U) **Execution.**

a. (U) **Intent.** Complying with the established cutoff dates contained herein is mandatory for all Requiring Activities support by USAMRAA.

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Early and frequent communication is critical. It is important that each Requiring Activity and Contracting Activity work together to identify contracting needs as soon as they materialize. All parties should identify Requirements that are candidates for consolidation either at the USAMRMC or MEDCOM level. Deliberate action should be taken to submit complete Requirements Packets for recurring (Option year), re-compete and expiring requirements before the specified cutoff date. The Requiring Activities and Contracting Activities use the Contracting 1-N List to establish timelines for submission of known current and following year requirements:

(1) (U) Prepare and Submit 1-N List in accordance with administrative tasker MPMC 1710029 COMMANDER'S 1-N CONTRACTS REQUIREMENTS.

(2) (U) Use Contracting 1-N List to establish Acquisition Plan.

(3) (U) Submit complete Requirements Packets.

(4) (U) Identification and processing of current year deobligations.

(5) (U) Identification and process of canceling year deobligations.

b. (U) End State. MPMC assists MEDCOM in creating a collaborative and proactive procurement environment to support Army Medicine.

c. (U) Concept of Operations. Requiring Activities and Contracting Activities shall use the Contracting 1-N List to establish timelines for the submission of Requirements packets so that all packets are received no later than the prescribed cutoff contained in Annex W (USAMRAA cutoff dates). Active Contract Administration by the CORs/Grant Officer representative (GORs) includes active monitoring of expenditure rates and submission of data supported cost estimates. The USAMRAA will ensure synchronization with all Requiring Activities to assist with meeting cutoff dates for submission of remaining FY18 Requirements and all FY19 Requirements according to the jointly established Acquisition Plan.

d. (U) Tasks to USAARL, USAISR, USMRICD, USACEHR, USAMRIID, USARIEM, WRAIR, TATRC, USAMMC-E, USAMMA, USAMMDA, USAMMC-K, 6 MLMC, CDMRP, USAMRAA, PAA, PART, CoS.

(1) (U) Coordinate with supporting Contracting Activity in order to validate your recurring (Option year), re-compete and expiring requirements to be included on the Contracting 1-N List.

(2) (U) Submit the Command Prioritization of Contract Requirements (Contracting 1-N List) to MPMC G8 Management & Manpower Division NLT 20 Oct 17 and to USAMRAA Business Operations Division NLT 27 Oct 17.

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(3) (U) At least annually, conduct or evaluate periodic spend analyses for service and supply acquisitions under their authority.

(a) (U) Contract Execution Review Board (CERB). All requiring activities will establish a CERB to review all contracts starting with those in the 3rd year of execution (Option Year 2) and all subsequent Options years NLT 30 Mar 18. CERB will consist of representative from the supporting contracting office, Requiring Activity, Resource Management (RM), and Contracting Officer Representative (COR). THIS IS AN ANNUALLY RECURRING REQUIREMENT.

(b) (U) The CERB will review all contracts in Option Year 2 and beyond. If the contract execution is under 80% in the base and 1st option year, consideration will be given to decreasing the contracting requirement in the following FY to more closely match actual execution. By bringing the contract in line with the historical execution, we achieve three objectives:

1. (U) Maximize buying power for the activity.
2. (U) Minimize need to deobligate.
3. (U) Free up requirements and dollars to be placed against a different vehicle that may result in better execution.

(6) (U) Contract Administration is performed by the CORs/GORs at each Requiring Activity and is essential to timely identification of deobligation requirements and aids in the avoidance of Unauthorized Commitments through the continuous monitoring of expenditure rates. In order to complete proper contract reconciliation, all CORs must maintain General Fund Enterprise Business System (GFEBS) access to validate execution.

(a) (U) All CORs/GORs will have MEDCOM approved COR/GOR smart objective(s) in their performance evaluation.

(b) (U) Consideration should be given to the establishment of a centralized Contract Administration capability.

(c) (U) All CORs/GORs will attend the COR/Acceptor Training at least once every 24 months. Tentative scheduled locations and dates as follows:

1. (U) RHC Atlantic: Fort Gordon, GA TBD.
2. (U) RHC Central: Fort Bliss, TX 22 Jan 2018, Fort Carson, CO 20 Feb 18, and JBSA Fort Sam Houston, TX 5 Mar 18.

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3. (U) RHC Pacific: Tripler Army Medical Center (TAMC), HI 12 Dec 17.
4. (U) RHC Europe: Landstuhl, GE 14 May 18.
5. (U) USAMRMC: Fort Detrick, MD 16 Apr 18.

(d) (U) The CORs will complete the Quality and Narrative Writing (1.75 hours). This training will give the student an understanding of the need for quality and accuracy in narrative writing, examples of narratives and resources to aid in creating quality Past Performance Evaluations and examples of strategies for making the CPARS-FAPIIS process more effective. https://www.cpars.gov/webtrain_auto.htm

e. (U) Tasks to USAMRAA.

(1) (U) USAMRAA assists the MRMC Subordinate Commands with the identification of remaining FY18 and all FY19 recurring, re-compete and expiring contracts.

(2) (U) For USAMRMC service acquisitions, USAMRAA will facilitate regularly scheduled meetings with customers to appropriately plan and advise on service acquisition approvals and procurement timelines and milestones.

f. (U) Coordinating Instructions.

(1) (U) Deliberate planning must be made to submit complete Requirements Packets.

(2) (U) Requests for Exception to Cut Off Date Submission.

(a) (U) USAMRAA

1. (U) Acquisition priorities for FY18 are as follows:

i. (U) Requirements using expiring funds (FY16 Procurement funds, FY17 Research, Development, Test and Evaluation (RDT&E) funds and FY18 Operations and Maintenance funds).

ii. (U) Requirements generated from urgent and compelling needs.

iii. (U) Services requiring an October – November 2018 start date.

iv. (U) All other funded requirements.

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v. (U) Although there is no statutory requirement to award FY18 RDT&E funds by 30 Sep 18, FY18 RDT&E funds will be obligated by fiscal year end to the maximum extent possible to assist funding managers in meeting objectives.

2. (U) All requests for late submission of requirements packages must be submitted to the USAMRAA Chief, Business Operations Division in writing and signed by the USAMRMC Subordinate Unit or Research Area Directorate's Commander / Director.

3. (U) All requests shall provide a brief description of the requirement, the estimated total dollar value, the circumstances surrounding the late submission, the reason why it could not be submitted by the cut-off date, and the reason why it must be awarded by 30 Sep 18.

4. (U) Procurement requests with non-expiring funds for work required after 30 Nov 18 should not be submitted to USAMRAA until 1 Oct 18 unless otherwise notified by USAMRAA. Should an earlier submission be desired, prior coordination with the USAMRAA Chief, Operations Division is required. If accepted, these PRs will be prioritized based on the remaining workload involving expiring funds and/or instructions from the USAMRMC Commander, Deputy Commander or Chief of Staff.

(3) (U) The Contracting 1-N List is used by Requiring Activities in coordination with supporting Contracting Activities to develop and submit their FY18/19 Acquisition Plan NLT 15 Nov 17.

(a) (U) The Acquisition Plan:

1. (U) A time-phased approach to the incremental submission of new FY18 and existing FY19 Requirements based on the Contracting 1-N List.

2. (U) Should consider that FY19 recompetes and new FY18 Requirements require more time than exercising Options.

(b) (U) The intent of the Acquisition Plan is to establish a glide-path to have all FY19 Subject to Availability of Funds (SAF) and new FY18 Requirements submitted by established cut-off dates in order to increase capacity at yearend for current year and canceling year de-obligations.

(4) (U) Command Prioritization of Contract Requirements (1-N List)

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<u>Action</u>	<u>Responsible</u>	<u>Suspense</u>	<u>Purpose</u>
Submit to MPMC G8 USAMRAA	Requiring Activities RAs	20 Oct 17 27 Oct 17	Provides recommendations for new FY18 contracts for FY19 execution.
1st Qtr Review	RAs & CAs	15 Nov 17	Establish Acquisition Plan with supporting Contracting Activity
2nd Qtr Review	RAs & CAs	30 Mar 18	Re-prioritizes remaining FY18 obligations and FY19 SAF and establishes the FY14-FY18 deobligation prioritization.
3rd Qtr Review (final)	RAs & CAs	29 Jun 18	Final re-prioritization of all remaining deobligations, FY18 obligations, and late FY19 SAF

(5) (U) MPMC is currently drafting instructions and a process to address this requirement and that document will be distributed or published.

4. (U) **Sustainment**. Resource Management (RM). Funding IAW FY18/19 plans to match the MEDCOM acquisition planning that occurs in FY18 IAW Annexes W (Cutoff Dates for submission of end of fiscal year 2018/2019 requirements).

5. (U) **Command and Signal**.

a. (U) **Command**. Normal command relationships remain in effect.

b. (U) **Signal**.

1. (U) USAMRAA: Ms. Laurie E. Hovermale, Chief, Business Operations, (301) 619-2180, laurie.e.hovermale.civ@mail.mil.

2. (U) All official communications should be sent to the USAMRMC Current Ops box at usarmy.detrick.medcom-usamrmc.list.mrmc-ops@mail.mil

3. (U) This Operation order expires 1 Sep 19.

ACKNOWLEDGE: MPMC Operations Center at usarmy.detrick.medcom-usamrmc.list.mrmc-ops@mail.mil or (301) 619-9172 - DSN 343-9172

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FOR THE COMMANDER:

//original signed//
MICHAEL C. SAUER
COL, MS
Deputy Chief of Staff for Operations

ANNEXES:

Annex W: USAMRAA Cutoff Dates for Submission of End of FY18/FY19 requirements
Annex X: Urgency of Need Designator (UND)

DISTRIBUTION:

MRMC, Office of the Chief of Staff
Office of the Principal Assistant for Acquisition (PAA)
Office of the Principal Assistant for Research and Technology (PAR&T)
Director, Congressionally Directed Medical Research Programs (CDMRP)
Director, Telemedicine and Advanced Technology Research Center (TATRC)
US Army Aeromedical Research Laboratory (USAARL)
US Army Institute of Surgical Research (USAISR)
US Army Medical Research Institute of Chemical Defense (USAMRICD)
US Army Center for Environmental Health Research (USACEHR)
US Army Medical Research Institute of Infectious Diseases (USAMRIID)
US Army Research Institute of Environmental Medicine (USARIEM)
Walter Reed Army Institute of Research (WRAIR)
US Army Medical Materiel Center-Europe (USAMMC-E)
US Army Medical Materiel Agency (USAMMA)
US Army Medical Materiel Development Activity (USAMMDA)
US Army Medical Materiel Center-Korea (USAMMC-K)
6th Medical Logistics Management Center (6th MLMC)
US Army Medical Research Acquisition Activity (USAMRAA)

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Annex W – USAMRAA Cutoff dates for Submission of FY 17 RDT&E, FY18, & FY19 Requirements to OPORD 18-01 (ACQUISITION PLANNING GUIDANCE) – USAMRMC

Cut-off dates for submission to USAMRAA

Complete Requirements Packets received by the appropriate cut-off date below will have a target award date of not later than 30 Sep 18. Acceptability of a requirements package will be determined by the Contracting Officer/Grants Officer.

1. Open Market
 - a. \$250M and greater: 1 Dec 17
 - b. \$12.5M to \$250M Request for Proposal (RFP) (materiel & services): 1 Feb 18
 - c. \$6.5M to \$12.5M RFP (commercial/non-commercial materiel & services):
1 Mar 18
 - d. \$3M to \$6.5M (materiel & services requirements): 1 Apr 18
 - e. Up to \$3M (materiel & services requirements): 1 May 18
2. Modifications for De-obligations: 1 Apr 18
3. Sole Source Requirement (materiel & services requirements)
 - a. \$12.5M and greater: 1 Apr 18
 - b. \$700,000 to \$12.5M: 1 May 18
 - c. \$3,500 to \$700,000: 1 Jun 18
4. Awards against a Program Announcement or Broad Agency Announcement:
1 Jun 18
5. Orders Placed Against Indefinite Delivery Indefinite Quantity Contracts, General Services Administration Awards or Master Contracts and Blanket Purchase Agreements.
 - a. Over \$12.5M: 1 May 18
 - b. Under \$12.5M: 1 Jun 18
6. Calls placed against Blanket Purchase Agreements.
 - a. Calls \$150,000 or less: 1 Aug 18
 - b. Calls \$25,000 or less: 1 Sep 18
 - c. Calls \$10,000 or less: 15 Sep 18
7. Purchase Orders to be placed prior to 30 Sep 18 under Simplified Acquisition Procedure Requirements.

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Annex W – USAMRAA Cutoff dates for Submission of FY 17 RDT&E, FY18, & FY19 Requirements to OPORD 18-01 (ACQUISITION PLANNING GUIDANCE) – USAMRMC

- a. Under \$150,000 (materiel & services): 1 Jul 18
 - b. Over \$150,000 (materiel & services): 1 Jun 18
8. Modifications.
- a. Priced modifications (including LOE): 1 Jun 18
 - b. Incremental funding: 1 Aug 18
9. Exercise Options as Written: 1 Jul 18
Actions for exercising an Option should be submitted at least 60 days prior to expiration of the contract, but not later than 1 Jul 18.
10. Exercise Options with Changes: 1 Jun 18
Actions for exercising an Option should be submitted at least 60 days prior to expiration of the contract, but not later than 1 Jun 18

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Annex X – Urgency of Need Designator (UND) to OPORD 18-01 (ACQUISITION PLANNING GUIDANCE) - USAMRMC

PURPOSE: To provide guidance, consistent with DoD guidance, and uniformity in the contracting process and file documentation/templates.

1. AR 710-2 Supply Policy below the National Level 2-6 d:

Priority designators for all supply requests will be determined per DA Pam 710–2–1. Commanders will personally review or will delegate in writing to specific persons the authority to review all requests based on urgency of need designator (UND) A and B.

2. DA Pam 710–2–1 Using Unit Supply System (Manual Procedures) 2-2 b:

The UND is determined by using unit personnel. The UND is used to express how urgently the unit needs the requested supplies / services. UNDs are identified by the letters A, B, and C. Select UNDs using the following guidelines:

a. Immediate end-use and without which the force or activity is unable to perform assigned operational missions, or such condition will occur within 15 days in the CONUS and 20 days overseas.

b. Required for immediate installation on or repair of mission essential materiel. Without this materiel, the unit or activity is unable to perform assigned missions.

c. Required for immediate use for installation on or repair of direct support equipment (i.e., ground support, firefighting) needed for the operation of mission-essential materiel.

d. Medical Logistics Policies AR 40-6, 3-10 d, High-priority requisitions will be held to a minimum consistent with the urgency of the need. Additionally, MEDCOM OPORD 18-XX, Enclosure 1 to Annex R further designates 03 Priority as Life or Death, prolong life & relieve suffering.

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