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NAVAL AIR SYSTEMS COMMAND
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IN REPLY REFER TO

NAVAIRINST 4200.37A
AIR-1.1.3
5 Jul 00

NAVAIR INSTRUCTION 4200.37A

From: Commander, Naval Air Systems Command

Subj: THE PROCUREMENT INITIATION DOCUMENT PROCESS

- Ref:
- (a) DoD Regulation 5000.2-R, Mandatory Procedures for MDAPs and MAIS Acquisition Programs, Mar 96
 - (b) Naval Air Systems Command Procurement Initiation Document (PID) Guide, Aug 97 (NOTAL)
 - (c) NAVAIRINST 7300.8C, Naval Air Systems Command Headquarters Responsibilities and Procedures for Funding Field Organizations, 20 May 94
 - (d) NAVAIR Electronic Acquisition Executive Steering Group (EAESG) Memo of 28 Dec 99
 - (e) NAVAIRINST 4200.39A, Principles and Procedures for Competitive Source Selection Process, 22 Jul 99
 - (f) NAVAIRINST 4200.21C, Naval Aviation Systems Team Data Requirements Review Board, 29 Jun 95
 - (g) NAVAIR Acquisition Guide, Current Edition
 - (h) NAVAIRINST 13620.2C
 - (i) DoD Regulation 4000.25-1M

- Encl:
- (1) Process A Procurement Initiation Document (PID)
 - (2) Procurement Category Number Coding Detail (N00019-XX-(P1-P7)-XXXXXX)
 - (3) Procurement Planning Agreement (Sample)

1. Purpose. To establish policies, procedures, and assign responsibilities for the Procurement Initiation Document (PID) process, and the use of Procurement Planning Conferences (PPCs) and Procurement Planning Agreements (PPAs) within the Naval Aviation Systems Team (TEAM). This instruction requires the use of an integrated team approach under Program Manager (PM) leadership for the preparation of PIDs.

2. Cancellation. This instruction supersedes NAVAIR Instruction 4200.37 of 16 May 1994 and cancels in its entirety NAVAIR Instruction 4200.34A of 4 March 1992 by incorporation of policies and procedures for PPCs and PPAs. Since this is a major revision, changes have not been indicated. Recognizing the TEAM's ongoing Business Process Reengineering (BPR) initiatives, further changes/revisions to this instruction may be forthcoming as BPR implementation progresses.

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3. Scope. This instruction applies to the Naval Air Systems Command (NAVAIR) and the Naval Aviation Program Executive Officers (PEOs). The procedures in this instruction apply to every procurement undertaken by the TEAM, regardless of dollar value or type, but should be tailored for each type of procurement by the PM.

4. Background. The PID process adopted by the TEAM in the mid-1990's capitalized on the standup of the Competency Aligned Organization/Integrated Program Team (CAO/IPT) concept by instituting a team approach for the streamlined development, review, and approval of procurement documentation. The principal features of this streamlined PID process include:

a. Emphasizing the PM's role in ensuring the quality and timeliness of program procurement actions;

b. Empowering individuals assigned to the PM's IPT to present their competency leaders' positions, policies and processes at procurement planning meetings, thereby eliminating the need for repetitive reviews/revisions during development of the PID;

c. Promoting early and continuous involvement by all members of the PM's IPT from conduct of the first planning meeting to contract award, with an emphasis on the development of the key inputs to the PID, such as performance-based Statements of Work (SOW) and specifications; and

d. Using PPCs/PPAs to:

(1) define the appropriate procurement execution baseline strategy,

(2) identify key issues warranting action and resolutions to execute the procurement, and

(3) establish key PID processing milestones and assign responsibilities.

5. Policy

a. PID. All procurement efforts conducted by the TEAM shall be guided by the general procedures outlined in this instruction. *(Note: While this instruction focuses on procurement requirements that emanate from a PM, and discusses how a PM's IPT will develop and process PIDs, this PID process also applies to procurements that may originate in other team settings (e.g., Enterprise Teams (ETs), Product Support Teams (PSTs) and Externally Directed Teams (EDTs), etc)).* Because procurement actions vary in scope and complexity, the PID process described in this instruction should be tailored to the specific procurement requirement. PM judgment will dictate size and makeup of the IPT. For example, a major systems acquisition may involve a large team with sub-teams meeting at frequent intervals throughout the process. Conversely, a contract modification or non-technical change to a contract may involve a team consisting of only the PM and the Procuring Contracting Officer (PCO). Common systems PMs (e.g., *Air Combat Electronics (PMA209), Aircrew Systems (PMA202), Advanced Tactical Aircraft Protection System (PMA272), etc.*) using aircraft PMs funding will be responsible for the

procurement efforts described in this instruction and will maintain continuous liaison with the aircraft PMs throughout the procurement process. The PM should seek the advice of the PCO and the Counsel Department (AIR-7.7) to ascertain which areas and to what extent consulting services may participate in the procurement. In addition, the PM and the IPT need to acquire the appropriate approvals and address the milestone requirements of reference (a), as well as other applicable directives that are not specifically discussed in this instruction. For a more comprehensive explanation of the PID procedures, refer to reference (b). The basic procedures of the PID process are depicted in enclosure (1) to this instruction as Process A and are described as follows:

(1) The PID process is initiated with the identification of the program procurement requirement by the PM. This may be a new operational requirement or a modification to an existing requirement. The success of any acquisition effort hinges on the PM's ability to adequately define and specify program procurement requirements, which drive up-front team participation in developing a good performance-based SOW, specifications and attendant PID elements discussed in this instruction. Even though the Planning, Programming and Budgeting System (PPBS) should have resulted in the identification of the right type of funding for the requirement, a check with the Comptroller Department (AIR-7.6) is highly recommended at this early phase of the PID process to assure that the appropriation type is correct for the procurement requirement.

(2) The PM assigns a Procurement Number (PN) with the appropriate identifier included. Chapter 4 of reference (b) (NAVAIR PID Guide) describes the numbering system for documents issued to the Contracts Department (AIR-2.0). (See enclosure (2) to this instruction for additional details.) Reference (c) contains the requirements for documents issued to outside agencies and references the "NAVAIR Standard Document Numbering System."

(3) The PM evaluates the procurement needs and assigns members of his/her existing program support team to the procurement effort. The IPT may vary in size and composition from procurement to procurement depending upon document requirements. For a formal competitive procurement of a major weapon system, a large team composed of members from most of the competency areas would be considered. For an administrative change to a contract, the procurement team may be as small as a PCO and the PM. The procurement team should consist of those competency experts needed to do the job, and continue in operation through contract award in order to provide assistance to the PCO during negotiations. Competency leaders are responsible for the training, qualification, and assignment of their personnel who are designated to participate on the IPT.

(4) The PM issues a requirements letter to the IPT stating in general terms what the basic (*draft*) program procurement requirements are and schedules an initial PPC for a more in-depth discussion. This letter is used to enable all members of the IPT to start from a common baseline and provide a historical record for future reference.

(5) The PM convenes a PPC to convey the basic requirement, tentative schedules, testing requirements and milestone reviews to the IPT, and to solicit their inputs and identify issues

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requiring resolution during the PID process. The results of the PPC are documented in a PPA. The topics that should be considered during a PPC and documented in the PPA are provided in enclosure (1), and a sample PPA format is provided in enclosure (3). Not all of these topics apply to every procurement. In addition, the use of Acquisition Reform (AR) principles of the Office of Secretary of Defense (OSD) and the Acquisition Reform Office of the Assistant Secretary of Navy for Research, Development and Acquisition (ASN(RDA)ARO) homepages, and especially TURBOSTREAMLINER (<http://www.acq-ref.navy.mil/turbo>), shall be considered during procurement strategy planning. After the PPC and before signing of the PPA, the chairperson of the PPC will coordinate with AIR-7.6 to reconfirm the funds appropriation type.

(6) Under the PM's leadership, the IPT prepares all necessary procurement related documents (including the Justification and Approval (J&A), Acquisition Plan (AP)/Acquisition Strategy Document (ASD), Source Selection Plan (SSP), Specifications and the PID). When extensive material is required from one of the competency areas of the IPT (such as logistics or engineering), it may be appropriate to establish sub-teams to the IPT. The responsibility for providing the information rests with the designated IPT member from the applicable competency (*i.e.*, Assistant Program Manager Logistics (APML), Assistant Program Manager Systems Engineering (APMSE), Assistant Program Manager Test & Evaluation (APMT&E), *etc.*). For TEAM solicitations, the PCO (with IPT assistance) assembles inputs compliant with all required regulations (*i.e.*, the Federal Acquisition Regulations (FAR), Defense FAR Supplement (DFARS)), *etc.* Reference (b) shall also be used to assist in maintaining some standardization on document preparation. As directed by the PM, funding document PIDs such as a Military Interdepartmental Purchase Request (MIPR) or a Project Order (but not limited to) can be assembled by anyone on the IPT. Reference (e) provides detailed assistance for competitions and can be used to prepare SSPs and Sections K, L and M of a solicitation. If the TEAM procurement is competitive, the PID must be reviewed and approved by the Source Selection Authority prior to its release. After the PID is assembled, the IPT prepares DD Form 2579 (4/99), Small Business Coordination Record, and meets with the Small Business and Industry Liaison for the Contracts Department (AIR-2.0C) for approval. If the estimated value of the solicitation is greater than \$5 million, the PM (or authorized designee) performs the Data Requirements Review Board (DRRB) function as required by references (a) and (f) and Contract Data Requirements Lists (CDRLs) are reviewed and signed. The PID Approval/Cover/Route Sheet (chapter 4 of reference (b) and reference (d)) is prepared and signatures are acquired. If warranted by the program procurement requirements, the IPT should collaborate with the Aviation Support Equipment Program Manager Air (PMA260) to review and provide recommendations concerning all procurements of Test Program Sets (TPSs), for use with the Consolidated Automated Support System (CASS). Additionally, collaborations with PMA209, Aviation Training Systems Program Manager Air (PMA205), and the Tactical Automated Mission Planning System (TAMPS) Program Manager Air (PMA233) may also be warranted. Such considerations are normally determined during the PPC.

(7) The PCO issues the appropriate synopsis after ensuring all required documents are in place or in process (*i.e.*, J&A, AP, *etc.*).

(8) The PM (or designee) submits the PID (complete with specifications, etc.) to AIR-7.6 for validation of funding type against the work statements. The actual or anticipated accounting data will be identified on the approval/cover/route sheet or a Contract Data Sheet. For latest guidance on Naval Air Systems Command Headquarters (NAVAIRHQ) electronic acquisition transactions see reference (d). Enclosure (1) to reference (d) provides the latest Contract Data Sheets to be used in lieu of Financial Data Addendum Sheets and Financial Accounting Data Sheets (FADS). The appropriate AIR-7.6 division to review the document is determined by the type of funding used and indicated below:

(a) AIR-7.6.1.1: Aircraft Procurement, Navy (APN/1506); Weapons Procurement, Navy (WPN/1507); Other Procurement, Navy (OPN/1810); Coastal Defense Augmentation, Navy (CDA N0380); National Guard and Reserve Equipment (NG&RE/0350); and Procurement Defense Agencies (PDA/0300). Any MIPR or Interdepartmental Purchase Request (IPR) citing these procurement accounts are reviewed in AIR-7.6.1.1 and then passed to Managerial Accounting (AIR-7.6.2) for accounting processing, signature, and release, as appropriate.

(b) AIR-7.6.1.3: Operations and Maintenance, Navy (O&M,N/1804); Operations and Maintenance, Navy Reserve (O&M,NR/1806); and Foreign Military Sales (FMS-ADMIN/8242).

(c) AIR-7.6.1.4: Research, Development, Test and Evaluation, Navy (RDT&E,N/1319); and Research, Development, Test and Evaluation, Defense Agencies (RDT&E,DA/400).

(d) AIR-7.6.2: Foreign Military Sales (FMS-CASE/8242) and other customer funds not allocated directly to NAVAIRHQ.

(9) The PID is reviewed by the Acquisition Program Protection and Automated Information Security functional codes in the Security Department (AIR-7.4) to ensure that all security aspects have been adequately addressed.

(10) Prior to formal issuance of the solicitation, the PCO may release the PID to industry for review (as appropriate). Upon receipt of industry review comments, responses are provided to all industry comments via the PCO and appropriate changes are incorporated into the PID by the IPT. The PCO is responsible for consolidating and incorporating the IPT inputs into the final document. The PID is reviewed, in its final form, by the IPT to ensure that all changes incorporated have not altered the meaning and flow of the requirements or basic program requirements.

NOTE: Occasionally, subsequent to AIR-7.6 review, SOWs are revised to the extent that the appropriation initially sought is no longer appropriate or additional appropriations are required. Therefore, substantive changes to the SOW scope or purpose after the initial AIR-7.6 review shall be resubmitted to AIR-7.6 for appropriation responsibility and concurrence.

(11) Once finalized and approved, the PID is released as a solicitation.

b. PPC

(1) The PPC is held for the benefit of the PM and the IPT, and is designed to facilitate the procurement process by creating a forum for discussion of an upcoming procurement with all pertinent participants, and to establish milestones leading to a timely contract award. The PPC is convened by the PM and attended by the appropriate TEAM competency representatives responsible to the PM for the procurement. The scope and complexity of the required procurement dictate attendance and representation at the PPC. While it is advisable to tailor PPC attendance to the procurement effort, PPCs normally involve participation by the following members:

- (a) PM/Deputy PM (DPM) and Business Financial Manager (BFM);
- (b) Assistant PM (APM) (Logistics);
- (c) APM (Systems Engineering);
- (d) APM (Test and Evaluation);
- (e) PCO;
- (f) Configuration Manager/Data Manager;
- (g) security;
- (h) counsel (advisory member); and
- (i) IPT Leader.

It is vital that PPC members, as representatives of their respective competency/departments, be knowledgeable of the practices and policies of that organization. The PM has the right to:

1. expect that PPC members are skilled in their respective areas and are empowered to contribute to a quality product;
 2. request upper level competency representation at PPCs if deemed necessary;
- and,
3. expect schedule adherence by the competency representatives to milestone requirements mutually agreed to by PPC participants, unless modified by programmatic events and/or overriding requirements.

The PM will take the initiative to invite procurement process experts to his PPC in order to acquaint his procurement team with issues and/or lessons learned on current processes. For

example, representatives from the Concepts, Analysis, Evaluation and Planning Department (AIR-4.10) should be contacted if a competitive procurement is planned. Personnel from PMA205 should be consulted to explore manpower, personnel, and training system implications of the planned procurement action. A representative from the Systems Engineering Department (AIR-4.1) should be contacted to ensure proper consideration is given to such issues as quality assurance, reliability and maintainability, survivability and vulnerability, value engineering, etc.

(2) Any solicitation with an estimated value greater than \$1 million shall conduct a PPC. Reference (g) (updated annually and available on-line at <http://www.nalda.navy.mil/acquisition/tools.html>) provides guidance on the timing of PPCs and the criticality of this key event to follow-on procurement/contract actions. At the discretion of the PM, the PPC may be held as a stand-alone meeting(s) or it may be incorporated as an agenda item in a regularly scheduled PM team meeting.

(3) Attachment (1) to enclosure (1) provides a list of discussion topics IPTs should use as a guide at the PPC, but should not be considered as the only items needing discussion. To assist discussions during the PPC, the PPC participants should have relevant program documentation and information available prior to the PPC to acquaint participants with key programmatic requirements and concerns (*i.e., requirements letter, operational requirements, acquisition plans, specifications, program briefs, etc.*).

c. PPA. The results of the PPC will be recorded in a PPA, issued by the PM for the item/services being procured, following the sample format guidance of enclosure (3) of this instruction. The PPA format choice is a PM decision, again tailored to the needs of the required program procurement. At a minimum, the PM, IPT Leader, and PCO sign the PPA. APM signatures are also encouraged. The resultant PPA represents a procurement planning baseline and an informal “contract” among the principals of the PPC, and as such, contains the following procurement information:

- (1) PID number and procurement item nomenclature;
- (2) list of attendees;
- (3) date of PPC(s);
- (4) topics discussed, and action item(s) assigned (with action code and due date); and
- (5) dates for submission of the PID to AIR-2.0, solicitation release date, and the target contract award date.

Copies of PPAs will be distributed to the participants within five (5) workdays after the conference. In addition to PPC attendees, it is requested that copies of correspondence calling for PPCs, and minutes/PPAs be provided to the Program Management Support Department (AIR-1.1) and the Cost Department (AIR-4.2). Timely receipt of the PPA is considered more

important than individual attendee signatures. If unforeseen changes are encountered by the program and warrant changes to the PPA, the PM will reconvene a PPC to inform the members of significant changes to the program, analyze impacts to the procurement execution strategy and/or schedule, and amend the original procurement planning baseline as appropriate.

6. Responsibilities

a. PEOs, Direct Reporting Program Managers (DRPMs) and PMs. PEOs and DRPM shall monitor performance of the procurement process for programs under their cognizance and provide recommended process improvements to AIR-1.1. The PM is accountable for overseeing the successful execution of procurement requirements for assigned systems/equipments. As part of that accountability, the PM is responsible for calling and chairing the PPC, preparing the PPA, distributing copies of the PPA to all participants, with a copy to the IPT Leader and AIR-1.1 for monitoring the progress of procurement/contracting activity to PPA commitments. Additionally, PMs will:

- (1) identify the procurement requirement (including FMS);
- (2) obtain/assign PNs;
- (3) determine team participation requirements, coordinate with competency or functional leaders, and issue a requirements letter to designated IPT members;
- (4) convene the PPC and issue the PPA;
- (5) identify Critical Program Information (CPI) for Program Protection Planning (PPP) purposes (PPP guidance available at <https://air74.navair.navy.mil>); and
- (6) coordinate/manage the procurement process for their programs, including such activities as preparation of the J&A, AP, solicitation, MIPRs, Request for Contractual Procurements (RCPs), SSPs, convening and chairing the DRRB, obtaining Test Program Set Assessment Team (TPSAT) and other appropriate reviews, and leading the effort to incorporate industry comments into solicitation packages.

b. AIR-2.0 Competency Leader: For PIDs issued (*e.g., solicitations, contract modifications and orders*) through AIR-2.0, the PCO will be a principal member of the IPT and:

- (1) recommend the appropriate procurement strategy for the program procurement requirement defined by the PM;
- (2) ensure that the PID line item structure is correct before drafting the PID;
- (3) ensure contractual aspects/concerns are addressed in all required documents (*i.e., J&A, AP, SSP, solicitations, subcontracting plans, small business certification, etc.*) and issue synopses;

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- (4) assemble the draft(s) and final solicitation using combined IPT inputs;
- (5) call Program Management Procurement Process Management and Weapons Systems Planning Division (AIR-1.1.3), for the applicable Defense Priorities and Allocation System (DPAS) number for new procurements (no existing contract);
- (6) provide for the release of solicitation to industry; and
- (7) provide business expertise, and interface/negotiate with industry on competitions.

c. Program Management Competency Leader (AIR-1.0) will:

- (1) monitor the effectiveness of the PID process discussed in this instruction and make refinements as appropriate through the NAVAIR Acquisition Operations Council (AOC) and AIR-1.1, the designated PID Process Manager.
 - (2) provide guidance and training on an as needed basis in the areas of:
 - (a) Acquisition Plans (APs), Acquisition Policy and Processes, AIR-1.1.1;
 - (b) PID process, AIR-1.1.3;
 - (c) Program Management Configuration and Data Management Policy and Processes Division, AIR-1.1.5;
 - (d) Government Furnished Equipment (GFE) Policy and Processes, AIR-1.1.4; and
 - (e) overview of the acquisition process and related Acquisition Reform Initiatives, AIR-1.1.2.
 - (3) provide PID and other technical support to the PMs and their IPTs, as required, via AIR-1.1.3;
 - (4) provide on an as needed basis to PMs, technical support for PMA205, PMA260, PMA251, Air Traffic Control and Landing Systems (PMA213), PMA209, and Program Management Test and Evaluation Department (AIR-1.6); and
 - (5) provide DRRB support per reference (f) and act as DRRB chair/vice chair for procurements valued over \$5 million when requested by the PM. Provide guidance on acquisition reform as it relates to Data Item Descriptions (DIDs), CDRLs (AIR-1.1.5).
- d. Logistics Competency Leader (AIR-3.0), Research & Engineering Competency Leader (AIR-4.0), and Test and Evaluation Competency Leader (AIR-5.0): The AIR-3.0 APMLs, AIR-4.0 APMSEs and AIR-5.0 APMT&Es will be principal members of the IPT and:

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(1) designate fully qualified IPT members or identify IPT members and qualified first level supervisors that can assist in the areas needing additional guidance;

(2) provide technical inputs to the PID including SOW, CDRLs and specifications via their respective IPT representative;

(3) ensure the IPT representatives are well versed on all technical aspects and disciplines of their competencies and the application of these disciplines in the development of the PID and related documents (*i.e., J&A, AP, SSP*);

(4) have their IPT representative arrange briefings for the IPT from technical experts when needed;

(5) arrange for source selection support from AIR-4.10, as required; and

(6) arrange for cost analysis support and contract-related data requirements from the Cost Department (AIR-4.2).

e. Corporate Operations Competency Leader (AIR-7.0)

(1) AIR-7.4 will:

(a) serve on the IPT; and

(b) ensure technical security, acquisition program protection, Operations Security (OPSEC) and automated information security aspects/concerns are adequately addressed in the PID, as applicable.

(2) AIR-7.6 will:

(a) serve on the IPT and provide advice, as appropriate,

(b) verify funds availability,

(c) ensure proper use of funds for all procurements,

(d) provide status of program budget requests as it becomes available, and

(e) provide guidance and support to the PM or the IPT for preparing PID funding documents.

(3) AIR-7.7 will:

(a) serve as an advisory member of the IPT, and

(b) ensure all legal issues are identified and addressed during PID preparation and review.

7. Definitions

a. Procurement Initiation Document (PID) - A PID is any document used to procure hardware, software, supplies or services. This includes MIPRs, Project Orders (PXs), Work Requests (WXs), Request for Contractual Procurements (RCPs), Military Standard Requisitioning and Issue Procedures (MILSTRIPs) and PIDs that result in orders, solicitations or a modification to a contract.

b. Procurement Number (PN) - the number assigned to a PID. This number will be assigned per references (b) and (c). For example, documents sent to AIR-2.0 for new procurements will use a 15 digit number described in reference (b), (e.g., N00019-00-P1-PM008, which identifies the eighth document from the F/A-18 Program (PMA265)). Guidance on PNs for MIPRs, PXs, RCPs, WXs, and other funding documents is provided by annex P of reference (b), and reference (c). MILSTRIP numbers are described in reference (i).

c. Procurement Planning Conference (PPC) – the forum used by the PM for procurements over \$1 million to:

- (1) confirm the membership of the team involved in the procurement,
- (2) establish a baseline understanding of the end item/services to be acquired over its life cycle,
- (3) solicit inputs from IPT members and discuss/plan procurement actions,
- (4) establish execution strategy,
- (5) highlight key issues and actions, and
- (6) establish milestones.

d. Procurement Planning Agreement (PPA) – the document that summarizes the results of the PPC. This is an informal “contract” among the principals of the conference and identifies the events and the projected dates on which they will occur. The PPA documents the results and actions assigned at the PPC.

e. PID Process - the sequence of tailored actions undertaken during the period of time from PM identification of a requirement through the final execution of a contractual vehicle. This process applies to the period of time from identification of a requirement through the release of a solicitation to the contractor or potential contractors by the PCO in AIR-2.0 or by AIR-7.6 if an outside activity is the contracting agency.

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f. Integrated Program Team (IPT) - designated personnel within and external to the PM's office who ensure the success of the program procurement effort. The number and functional areas required on the IPT will vary according to the acquisition and procurement strategy used and the complexity of the procurement. However, the IPT normally includes the PM/Deputy PM, AIR-2.0 PCO, AIR-3.0 APML, AIR-4.0 APMSE, AIR-5.0 APMT&E, AIR-7.7, and where applicable AIR-1.1.3 support.

g. Procuring Contracting Officer (PCO) - The designated IPT representative from AIR-2.0 with the authority to enter into, administer and/or terminate contracts and perform related business and contract duties and actions.


h. Program Manager (PM) - The designated PM (or representative) who is responsible and accountable for the overall management, direction, control and integration of assigned program efforts over the total life cycle of the system. Those individuals that are not in a designated PM position but are responsible for a procurement action (e.g., a *designated Requiring Financial Manager (RFM) in the Office of Deputy Commander for Acquisition and Operations (AIR-1.0); Assistant Commander for Logistics (AIR-3.0); Assistant Commander for Research and Engineering (AIR-4.0); Assistant Commander for Test and Evaluation (AIR-5.0); or Assistant Commander for Corporate Operations (AIR-7.0)*), shall perform the same functions as delineated for the PM in this instruction.

i. Solicitation - A document used to communicate government requirements to prospective contractors and to solicit proposals or quotations from industry. The solicitation contains the government's requirements and all terms and conditions. There are several types of solicitations, e.g. Request for Proposal (RFP), Request for Quotation (RFQ) and Invitation for Bid (IFB).

j. Test Program Set Assessment Team (TPSAT) - A Team comprised of program, logistical and engineering personnel who are experts in the field of CASS TPS procurements. The TPSAT will provide the PM with advice in all aspects of the procurement of TPSs for use with the CASS. The TPSATs authority and scope is delineated in reference (h).

8. Effectivity. This instruction shall become effective on the date of signature and will be used on all new procurements initiated thereafter. Procurements already in process shall use this at the discretion of the PM. This instruction has been reviewed and concurred with by the Naval Aviation PEOs, and is also approved for use by their assigned programs.

9. Review. NAVAIR (AIR-1.1) as the PID Process Manager shall review this instruction annually and coordinate/implement updates and changes as appropriate.


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Distribution (See next page)

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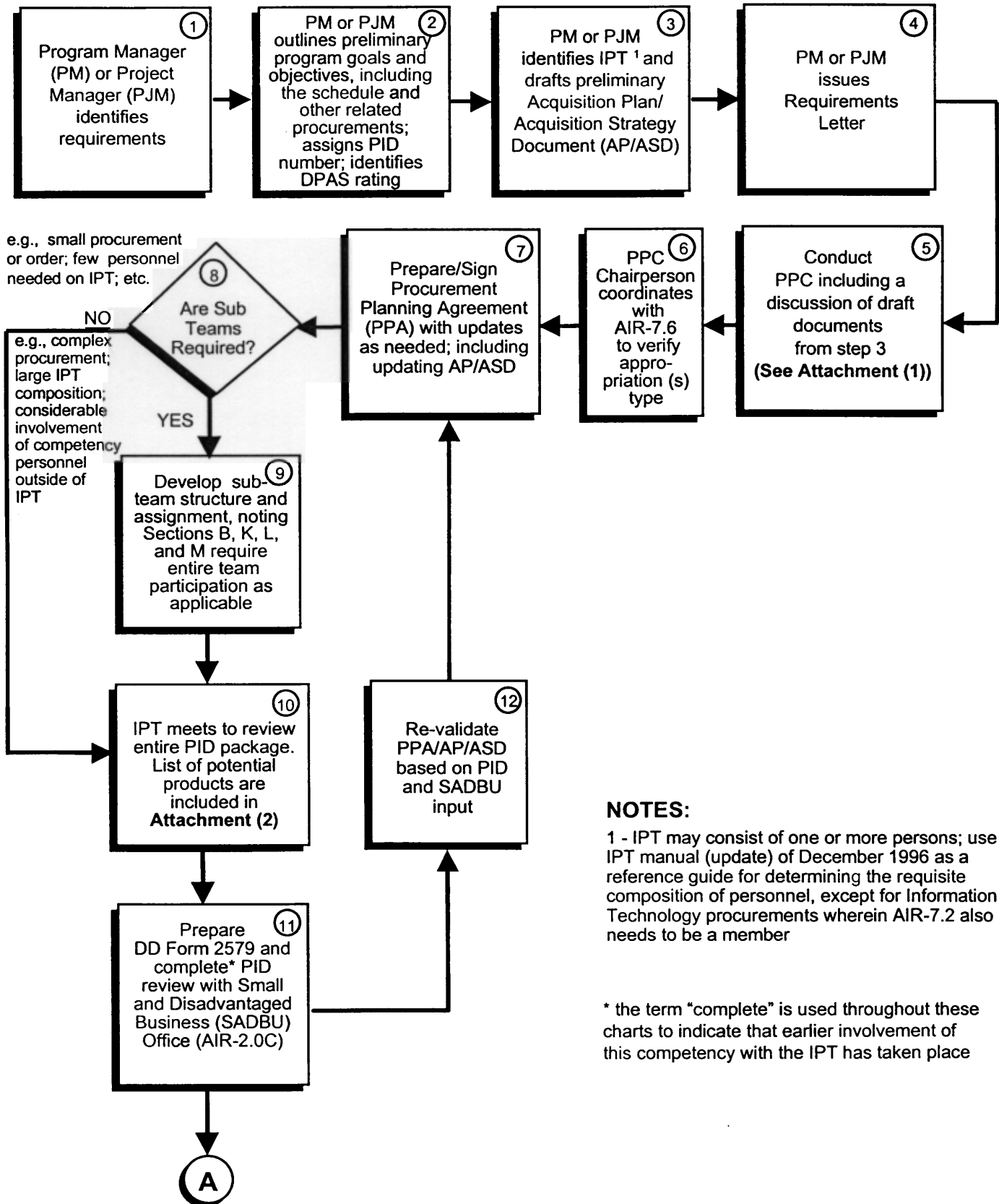
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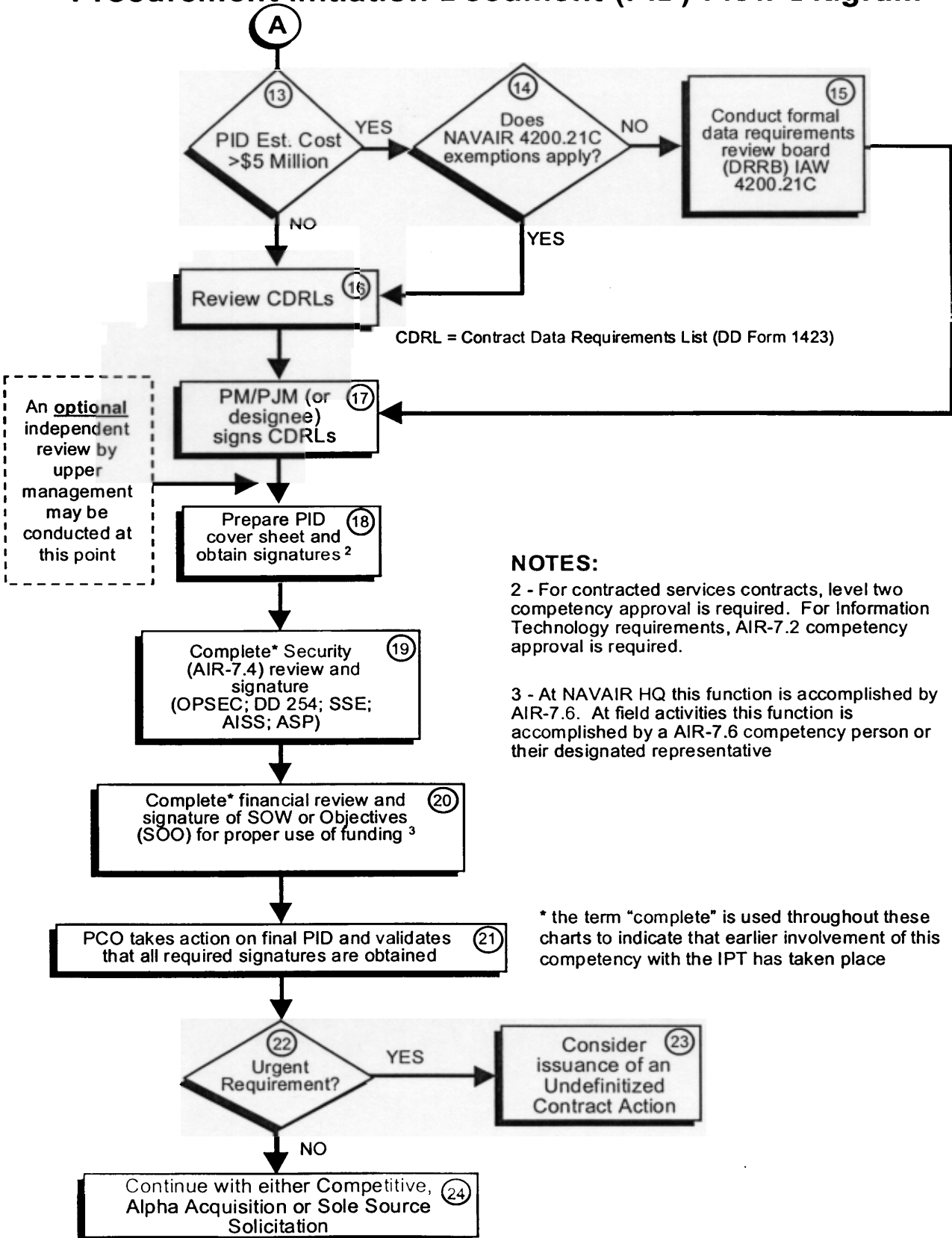
NAVAIRHQs Web Address: www.nalda.navy.mil/instructions/default.cfm or locally on <http://wingspan.navair.navy.mil>

PROCESS A

Procurement Initiation Document (PID) Flow Diagram



PROCESS A (continued) Procurement Initiation Document (PID) Flow Diagram



The Procurement Initiation Document Process - Process A (PID)

PROCESS A Attachment (1) PROCUREMENT PLANNING AGREEMENT DISCUSSION TOPICS LIST

- Requirements Determination (e.g., Mission Need Statement (MNS), Operational Requirements Document (ORD), Engineering Change Proposal (ECP), letter, etc.)
- Relationship of this Procurement to Other Procurements (e.g., supports another major procurement)
- Major Milestone Requirements that this Procurement must provide (e.g., data, reports, test completion, metrics, etc.)
- Integrated Product and Process Development Team Approach (Contractor on Team) and Cost Performance-IPT (one of CAIV initiatives)
- Type of Funds
- Budget/Funds Availability
- FMS Applicability and Funding Availability
- Procurement Schedule (when award of contract is needed as end point, but not later than 1 April of the Fiscal Year funding is available; and all intermediate steps)
- Discussion of Acquisition Strategy
 - Non-Material Solutions Considered
 - Joint Service Applicability
 - Contract Type
 - Options
 - Multi-Year Contract
 - Production Unit Cost, O&S Cost Objectives with Tradeoffs, and Risk Management (CAIV initiative)
 - Contract Incentives (also a CAIV item)
 - Synopsis Requirement and Timing
 - Sources (sole source, need to conduct sources sought advertisement, can commercial item meet the need and has market research been conducted, is this a Non-Developmental Item (NDI), are Foreign Sources acceptable, etc.)
 - Small Business Application
 - GFE/GFI
 - Supply Support Management Plan
 - Technical Manual Contract Requirement
 - Support Equipment/Test Program Set/Interface Device/Common Automated Support System Assessment
- Common Avionics Assessment
- Acquisition Reform Initiatives - especially the impact of the Single Process Initiatives (SPI) (see Turbo-Streamliner at <http://www.acq-ref.navy.mil/turbo/> for additional topics of consideration)
- Use of Earned Value Management and Technical Performance Measurement techniques
- Potential Problems:
 - Historical Problems
 - Electronic Media usage (e.g., paperless)
 - User/Fleet Involvement (also a CAIV item)
- Acquisition Planning/Strategy Document requirements (e.g., Address Reports Required by the Milestone Decision Authority)
- Justification and Approval Coverage
- Contract Line Item Structure (consideration of 19 Aug 96 policy memo for minimizing ACRN and CLIN/SLIN structure to reduce contract payment problems and contract complexity)
- Contract Data Requirements Lists (CDRLs)
- Statement-of-Work (SOW) or Statement-of-Objectives (SOO)
- Specifications
 - (1) Performance
 - (2) Military with Waiver (those with blanket waivers and any new waiver requirements for this procurement)
 - (3) Detail
- Issuance of Draft Specifications and/or Solicitation to Industry for Comment; and use of Pre-solicitation Conference
- Provisioning Items
 - (1) Integrated with Production Contract
 - (2) Provided for under a separate BOA (preferred method for reducing contract payment problems)
- Spares Acquisition Integrated with Production (SAIP) (Purchase NAVICP quantities with new production)
- Logistics Approach
 - Affordable Readiness (Total Cost of Ownership, Sustained Maintenance Planning, Right Sourcing, and Flexible Sustainment)
 - Depot Maintenance Issues (does this procurement require Core assessment in consonance with 10 U.S.C. 2464)

The Procurement Initiation Document Process - Process A, Attachment (1)

Att. (1)
Enclosure (1)

PROCESS A Attachment (1) PROCUREMENT PLANNING AGREEMENT DISCUSSION TOPICS LIST

- Approach to designing and implementing cost effective support (Acquisition Logistics Handbook)
- Approach to acquiring support and support-related engineering and logistics data (Logistics Management Information Performance Specification)
- Scheduling of Contract Deliverables
- Security Classification (DD254)
- Acquisition Protection
 - Operation Security (OPSEC)
 - Systems Security Engineering (SSE)
 - Acquisition Systems Protection (ASP)
 - Automated Information Systems Security (AISS)
 - Expert Team Protection Assistance
- Special Contract Requirement and Clauses
- Evaluation Approach/Criteria
 - Contract Sections L & M (e.g., How do you incentivize COTS/NDI usage)
 - Source Selection Plan
 - Technical Evaluation Plan
 - Application of Best Value and How to Evaluate it
 - Use of EIA-IS-649 to Evaluate Configuration Management
- Data Rights
- Technical Data Package(s)
- Need for Data Requirements Review Board (dollar threshold)
- Industrial Base Issues (does this procurement warrant an Industrial Capabilities analysis (see DoD Handbook 5000.60-H))
- Government Furnished Equipment (need to conduct an MGFEL conference with AIR-1.1.5/Government Furnished Material Required)
- Trainer Requirements
- Support Equipment Requirements (e.g., for CASS need to discuss with PMA 260)
- Packaging and Handling (e.g., are shipping containers available from stock (NAVICP) and can be provided as GFE?)
- Transportability
- Reliability and Maintainability
- Parts Management
- Safety, HAZMAT, and Environmental Issues
- Human Systems Integration
- Quality Assurance
 - ANSI/ASQC Q-9000 Series
 - ISO-9000
 - Contractor Equivalent
 - MIL-STD
- Survivability and Vulnerability
- Value Engineering (DoD Handbook 4245.8-H)
- Electromagnetic Environmental Operability
- Testing/Tests (Overall objective IAW Acquisition Reform is to reduce oversight, use existing data and test methods where possible, and substitute Modelling and Simulation whenever practicable)
 - Sequencing of tests to be conducted
 - Special Instrumentation Requirements
 - Integration with Milestone Reviews
 - Types (Compatibility Tests, Environmental Tests, First Article Inspection, Factory Acceptance Tests, Quality Conformance Tests, Periodic Lot Sampling, Structural Tests, Aerodynamic Performance Tests, etc.)
- Warranties
- Configuration Management (MIL-STD-2549; MIL-HDBK-61; and ISO-10007)
- Open Systems Architecture
- Information Technology (non-tactical) Issues (separate approval process required)
- Team Composition, Assignments, Agreements
- Use of DLA and NAVICP Personnel on the Team
- In-House Administrative Schedule
- Funding for In-House Support (e.g., Field Activities and other Navy Capital Working Fund activities, etc.)
- Physical Space to prepare solicitation and conduct proposal evaluations

PROCESS A
ATTACHMENT (2)
LIST OF POTENTIAL PRODUCTS OF THE PID

JUSTIFICATION AND APPROVAL (J&A)

CONTRACT DATA REQUIREMENTS LIST (CDRL, DD FORM 1423)

STATEMENT OF WORK (SOW) OR STATEMENT OF OBJECTIVES (SOO)

SECTIONS A THRU K (INCLUDING THE APPLICABLE CLAUSES)

SECTIONS L & M (FOR COMPETITIVES)

SOURCE SELECTION PLAN

LABOR CATEGORY DESCRIPTIONS AND CONTRACTING OFFICERS
REPRESENTATIVE (COR) NOMINATION LETTER FOR CONSULTING
SERVICES (CS) CONTRACTS

TECHNICAL DATA/SPECIFICATIONS/DRAWINGS

FINANCIAL SHEET

DD FORM 254 (SECURITY)

COST ESTIMATE (INDEPENDENT COST ESTIMATE (ICE), INDEPENDENT
GOVERNMENT COST ESTIMATE (IGCE), LIFE CYCLE COST ESTIMATE
(LCCE), OR OTHER TYPE COST ESTIMATE)

PID COVER SHEET (APPROVALS)

LIST OF GFE/GFM/GFP

LIST OF ADDRESSEES (PRIMARILY FOR DD FORM 1423 DELIVERIES)

LIST OF ACRONYMS

CROSS REFERENCE MATRIX

SYNOPSIS

ACQUISITION PLAN

SOURCE LIST

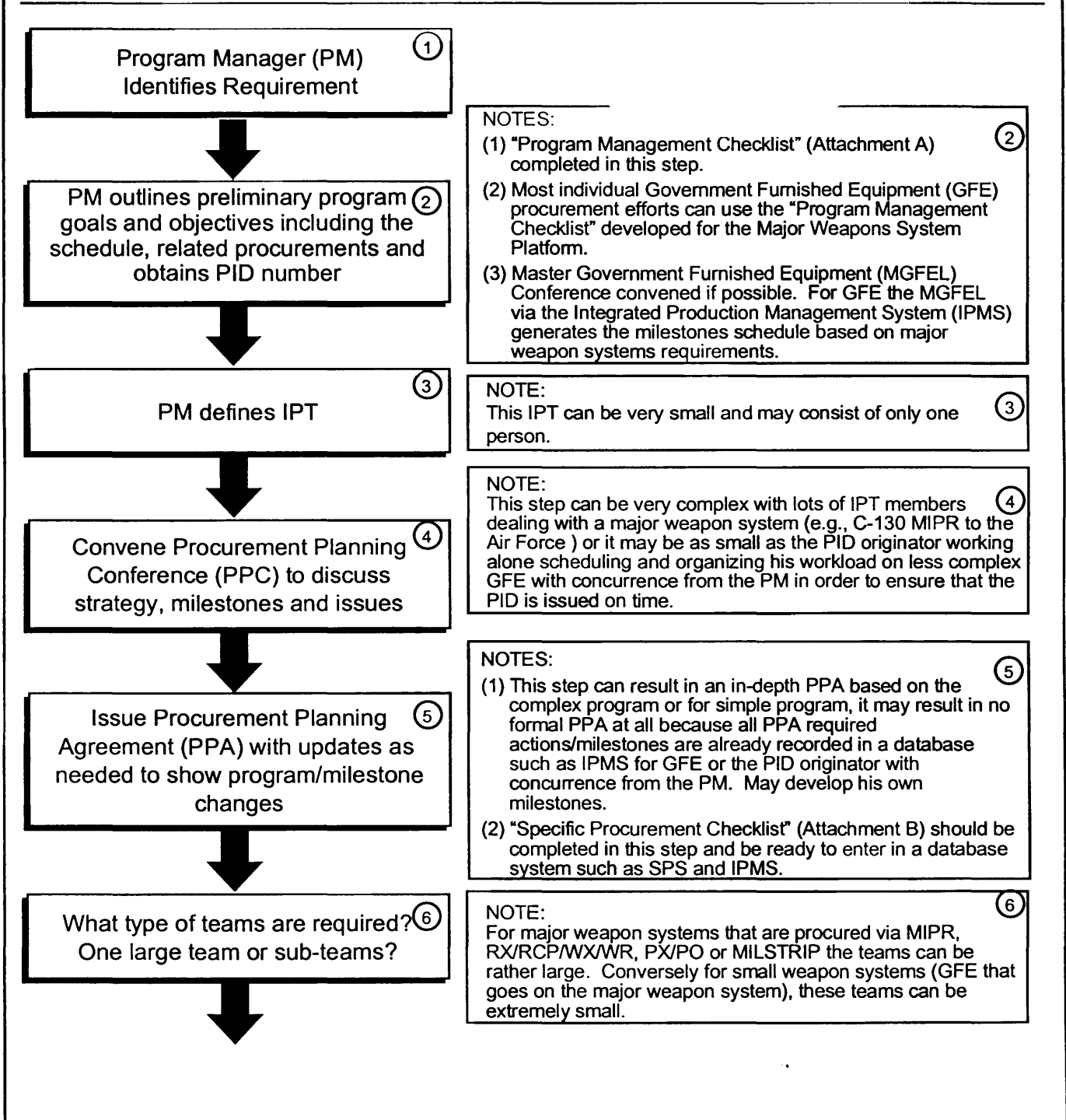
LEVEL II APPROVAL SHEET

The Procurement Initiation Document Process - Process A, Attachment (2)

Att. (2)
Enclosure (1)

PROCESS A1

MIPR (DD Form 448), RX/RCP/WX/WR (2276A & 2276),
PX/PO (2275), and MILSTRIP Requisition Acquisition
Planning Process



PROCESS A1

MIPR (DD Form 448), RX/RCP/WX/WR (2276A & 2276), PX/PO (2275), and MILSTRIP Requisition Acquisition Planning Process (continued)

In group sessions, the IPT or IPT sub-teams prepares and reviews:

- draft MIPR or RX/RCP, PX/PO or MILSTRIP Requisition special requirements/ attachments
- J&A inputs (as appropriate)
- perform DRRB function if required
- sign CDRLs if required

NOTE:
IPT or PID originator normally prepares the basic components of MIPR, RX/RCP/WX/WR, PX/PO or MILSTRIP. For a MIPR or RX/RCP, the receiving activity normally prepares the draft solicitation, etc. However, it is not unusual to be asked to contribute to these documents or even send special requirements within the MIPR or RX/RCP to meet the special needs of the Navy or any funding limitations. A MILSTRIP is reasonably straight forward because the acquisition action is the procurement of a physical product/item. A WX/WR/PX/PO can be straight forward or complex depending on the requirement. In complex situations the IPT may be quite involved in specification issues, the statement of work, data issues and other attachments which all need to become a part of the WX/WR/PX/PO.

Is Level II Competency Approval Required?

NOTES:

- (1) PID Guide has sample approval sheet.
- (2) Approval not required for many acquisition efforts. An example would be a hardware procurement with a designated service lead and an assigned NSN or P/N.
- (3) Other efforts may need competency approval. These might include certain engineering and logistics efforts, etc.

AIR-7.6 competency or individual (BFM) authorized by the AIR-7.6 competency will review draft/final document including the SOW to validate proper use of funding type

NOTE:
Planning MIPR or RX/RCP documents are feasible when the description of the item is very firm, quantities are set and funding has been delayed or is not yet available. A funded amendment can then follow once the funding has been released. For MILSTRIP, document obligation occurs when the document is issued. For a WX/WR and PX/PO, obligation occurs when the document is accepted by the receiving activity. On occasion, planning WX/WR/PX/POs are issued to let an activity formally know what work lies ahead, however they need a funded document before they can legally start work.

Document Released By AIR-7.6 (Field Activity Comptroller), or designated representative (e.g., MILSTRIP Requisition Process)

Document accepted by Receiving Command or Agency

Documents Delivered to Contracting Authority (MIPR) or (RX/RCP) or Responsible Party (WX/WR/PX/PO)

PROCUREMENT CATEGORY NUMBER CODING DETAIL

CATEGORY "P1" - N00019-XX-P1-XXXXXX (MAJOR)

- New program/equipment starts (Research, Development, Test and Evaluation (RDT&E), production, logistics)
- Follow-on hardware procurements (examples follow)
 - Aircraft/Government Furnished Equipment (GFE)/Missile and Components/Support Equipment (SE)/Air Traffic Control(ATC)/Imaging Systems/Launch and Recovery Systems
 - Independent (stand-alone) Foreign Military Sales (FMS) Solicitations for above
- PPC Required

CATEGORY "P2" - N00019-XX-P2-XXXXXX (BOAs)

- PIDs to establish Basic Ordering Agreement (BOAs)
- PIDs to place BOA orders (with changes required to basic BOA)
- PIDs to place BOA orders (with no change required to basic BOA)
- PIDs to modify or amend BOAs
- PPC required for BOAs and BOA Orders

CATEGORY "P3" - N00019-XX-P3-XXXXXX (OPTIONS)

- Exercising an established option (all types) where changed requirements (e.g., scope of effort, schedule, specification) must be addressed
- Exercising an established option (all types) with no changes
- NO PPC required except when exercising the option is not routine

CATEGORY "P4" - N00019-XX-P4-XXXXXX (PROVISIONED/MISCELLANEOUS/MINOR)

- General one-time/miscellaneous/provisioned/line item type requirements
 - One-time microcircuit obsolescence buy
 - Production program spin-off or stand-alone Research and Development (R&D) contracts (engineering studies/investigations, non-recurring engineering, etc.)
 - Production line support (ex. Test equipment/bailment/lay-away)
 - MANTECH, IMIP, Foreign Comparative Test (FCT)
 - Spares procurement (as add-on to production buy)
 - Repair of Repairables (ROR) contracts
 - Establish new provisioned line items (for future consideration)
- PPC Optional depending on specific PID

CATEGORY "P5" - N00019-XX-P5-XXXXXX (CONTRACTOR CONSULTING SERVICES)

- PIDs to establish basic CS type contract
- PIDs* to place orders against CS contracts
- PPC required for new contracts. PPC not required for individual orders.

CATEGORY "P6" - N00019-XX-P6-XXXXXX (SBIR)

- Small Business Innovation Research Program (SBIR) - Phase I
- Small Business Innovation Research Program - Phase II
- PPC optional for Phase II SBIR requests

PROCUREMENT CATEGORY NUMBER CODING DETAIL (Cont'd)

CATEGORY "P7" – N00019-XX-P7-XXXXX (CONTRACT/FUNDING/OTHER)

- Largest category of PIDs for admin/funding, etc., type requirement
 - Incremental funding/late funds/line of accounting change
 - CDRL changes/address changes/code changes/part number changes, etc.
 - Change established contract quantities or delivery schedule
 - Solicitations providing funds for change orders for Engineering Change Proposals (ECPs) (Change Control Board)
 - Spec/SOW changes
 - Adding new line items other than provisioned line items or spares
 - Revised DD254 contract security classification requirements

NOTE: * See *NAVAIR Procurement Initiation Document (PID) Guide, Annex W* for format and guidance in developing PIDs for CS contracts.

PROCUREMENT PLANNING AGREEMENT

From: Program Manager

Subj: PROGRAM, NOMENCLATURE AND FISCAL YEAR BUY

Encl: (1) List of Attendees

1. Acquisition Strategy: Competitive versus Sole Source and why.
2. Concerns:
 - a. Program Manager Issues: (Funding, milestone decision status, quantities, deployment requirement, and specific equipment, services, provisioned items and data to be procured.)
 - b. Contracting Issues: (Contract type, draft Request for Proposal (RFP), small business goals, Section B, availability and quality of technical data package, etc.)
 - c. AIR-4.0 Issues: (SOW, quality, warranty, test and evaluation, ODS, technical data, etc.)
 - d. AIR-3.0 Issues: (Spares, technical data, planned maintenance, etc.)
 - e. AIR-7.7 Issues: (See Note)
3. Milestone Dates: At a minimum, date contract award required and corresponding date solicitation due to AIR-2.0.

Distribution:
Attendees
AIR-1.1

NOTE: Do not insert "Attorney-Client Privileged" data. This type data should not be listed in a document that would be released under the Freedom of Information Act (FOIA) or in litigation.