

Procurement

Army Competition Advocacy Program

Headquarters
Department of the Army
Washington, DC
9 June 1989

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SUMMARY of CHANGE

AR 715-31

Army Competition Advocacy Program

This revision--

- o Assigns competition advocate responsibilities (chap 1, sec II).
- o Explains Program Executive Officer and Program Manager responsibilities (chap1, sec II).
- o Defines competition reporting requirements (chap 2, sec II).

Effective 10 July 1989

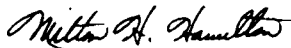
Procurement

Army Competition Advocacy Program

By Order of the Secretary of the Army:

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General, United States Army
Chief of Staff

Official:



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History. This UPDATE printing publishes a revision of this publication. Because the publication has been extensively revised, the changed portions have not been highlighted. This publication has been reorganized to make it compatible with the Army electronic publishing database. No content has been changed.

Summary. This regulation provides acquisition policies, assigns responsibilities, and defines reporting requirements for the Army's

Competition Advocacy Program. It implements DOD Directive 4245.9 and is in accordance with the Competition in Contracting Act (CICA) of 1984 (Public Law 98-369).

Applicability. This regulation applies to the Active Army, the Army National Guard (ARNG), and the U.S. Army Reserve (USAR), and to non-Army activities supported by Army contracting offices. It applies to all personnel involved in the acquisition process for supplies, equipment, construction, or services.

Impact on New Manning System. This regulation does not contain information that affects the New Manning System.

Army management control process. This regulation is subject to the requirements of AR 11-2. It contains internal control provisions but does not contain checklists for conducting internal control reviews. Internal control checklists covering Part 6 of the Army FAR Supplement are published in DACircular 11-88-7.

Supplementation. Supplementation of this regulation and establishment of command and

local forms are prohibited without prior approval from HQDA (SARD-CA), WASH DC 20310-0103.

Interim changes. Interim changes to this regulation are not official unless they are authenticated by the Administrative Assistant of the Secretary of the Army. Users will destroy interim changes on their expiration dates unless sooner superseded or rescinded.

Suggested Improvements. The proposed agency of this regulation is Assistant Secretary of the Army (Research, Development, and Acquisition) (ASA(RDA)). Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) directly to HQDA (SARD-CA), WASH DC 20310-0103.

Distribution. Distribution of this publication is made in accordance with requirements on DA Form 12-09-E, block number 2306, intended for command level D for Active Army, ARNG, and USAR.

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*This regulation supersedes AR 715-31, 30 May 1986.

RESERVED

Chapter 1 Introduction

Section I General

1-1. Purpose

This regulation—

a. Defines objectives, and prescribes policies and responsibilities for the Army Competition Advocacy Program.

b. Outlines general procedural guidance for programs at all command levels having contracting missions.

1-2. References

a. Required publication. Federal Acquisition Regulation (FAR) is a required publication. (Cited in paras 1-4, 1-5a(1), 1-5b, 1-9a, 1-11b, 1-13, 1-13b, 1-13f, 1-14j, and 2-3b.)

b. Related publications. (A related publication is merely a source of additional information. The user does not have to read it to understand this regulation). The following are related publications:

- (1) AR 70-1, Systems Acquisition Policy and Procedures.
- (2) AR 715-30(C), Secure Environment Contracting (U).
- (3) Army Federal Acquisition Regulation Supplement (AFARS).
- (4) Department of Defense Federal Acquisition Regulation Supplement (DFARS).
- (5) DOD Directive 5000.1, Major and Non-Major Defense Acquisition Programs.
- (6) OMB Circular A-109, Major System Acquisitions.

1-3. Explanation of abbreviations

Abbreviations used in this regulation are explained in the glossary.

1-4. Program objectives

The Competition Advocacy Program is intended to promote and maximize efficient and effective competition for Army Procurements by using pressures of an open marketplace to obtain goods and services at fair and reasonable prices without reducing quality, readiness, or security. Contracts for goods and services will be awarded on other than full and open competition basis only after they are fully justified, as set forth in the FAR/DFARS/AFARS 6.303, and approved by the appropriate approving official. Specific objectives of the Competition Advocacy Program are to—

a. Ensure that personnel in the acquisition process, to include contracting, program and project management, technical, engineering, quality assurance, and requirements personnel, as well as small disadvantaged business utilization specialists and Small Business Administration breakout procurement center representatives, use competitive acquisition strategies to the maximum extent practical.

b. Convert existing noncompetitive acquisitions to competitive where appropriate.

c. Develop alternate sources for supplies and services to enhance both cost effectiveness and expansion of the industrial base.

d. Promote acquisition of supplies and services of the required quality at fair and reasonable prices in a timely manner for the Army.

1-5. Policies

a. Policies of the Army Competition Advocacy Program are as follows:

(1) All supplies and services will be acquired on a competitive basis to the maximum practicable extent as a means of achieving economic, technical, schedule, and supportability benefits through the use of the competitive procedures set forth in FAR/DFARS/AFARS Part 6.

(2) Successful accomplishment of Army competition goals and objectives will be achieved through command interest at all levels.

b. The policies contained in this regulation are not intended to adversely affect such socioeconomic programs as those dealing with small and disadvantaged businesses (FAR/DFARS Part 19 and 26).

c. The use of techniques such as value engineering to

simplify specifications or purchase descriptions is consistent with the policies of this regulation.

d. The policies in this regulation apply to secure environment contracting as outlined in AR 715-30.

Section II Responsibilities

1-6. Under Secretary of the Army (USofA)

As the Army Senior Procurement Executive the USofA approves all—

a. justification and approvals (J&As) exceeding \$10 million.

b. Fiscal year (FY) competition goals and strategy submitted to DOD.

1-7. Assistant Secretary of the Army (Research, Development, and Acquisition) (ASA(RDA))

The ASA(RDA) reviews Competition Advocate General's recommendations on J&As and FY competition goals and strategy. Recommends approval of same to the USofA.

1-8. Director for Contracting, Office of the Assistant Secretary of the Army (Research, Development, and Acquisition) (OASA(RDA))

The Director of Contracting, OASA(RDA) will—

a. Provide staff guidance and administrative and logistical support to the Competition Advocate General to ensure effective management of the Army Competition Advocacy Program.

b. Act as an advisor to the ASA(RDA) and ASA(I&L) on contracting policy and procedures.

c. Provide guidance on competition in secure environment contracting.

d. Review acquisition planning and justification and approval documentation requiring Headquarters, Department of the Army (HQDA) approval to ensure that any contemplated noncompetitive strategies are adequately justified or that actions are taken to convert procurements to competitive acquisitions, as appropriate.

e. Provide the Competition Advocate General with direct matrix support for such staff assistance, as required, to carry out the duties and responsibilities as outlined in the CICA of 1984.

1-9. Army Competition Advocate General. OASA(RDA)

The Competition General will—

a. Serve as the competition advocate for the Department of the Army as prescribed in FAR, Subpart 6.5.

b. Provide policy guidance on competition to all Army elements and their designated competition advocates.

c. Interface with HQDA Staff elements to enhance the competitive acquisition process.

d. Review J&A documents and provide approval or disapproval recommendations to the Senior Procurement Executive for proposed other than full and open competition acquisitions exceeding \$10 million.

e. Serve as an advisor to the Secretary of the Army (SA), Chief of Staff, U.S. Army (CSA), ASA(RDA), ASA(I&L), and the Director for Contracting OASA(RDA) regarding contracting policy and procedures that relate to the enhancement of competitive acquisitions and the overall competition posture of the Army.

f. Prepare the Army competition report for submission to the Office of the Secretary of Defense (OSD) by 15 December of each year.

g. Develop annual competition dollar percentage goals and submit them to the Senior Procurement Executive for approval.

h. Provide DA oversight of command goal performance throughout each fiscal year.

i. Report periodically to the Senior Procurement Executive on Army competition progress.

1-10. MACOM/MSC Commanders and Heads of other Army Staff Agencies

a. Commanders at all levels should establish contract competition as a goal for requirements, acquisition, and technical activities.

b. All Army Staff directors will ensure that their policies and procedures, affecting the acquisition or contracting process, are formulated to encourage and support competitive acquisition.

1-11. Heads of contracting activities (HCAs)

The HCA will—

a. Establish a Command Competition Advocacy Program that meets organizational needs and fulfills both the spirit and intent of the CICA.

b. Nominate an individual to the ASA (RDA) to act as competition advocate for the contracting activity (special competition advocate) for proposed contracts over \$100,000 but not exceeding \$1 million (FAR 6.304(a)(2)) and ensure that these competition advocates—

(1) Are not assigned duties or responsibilities that are inconsistent with the provisions of FAR 6.502.

(2) Receive adequate staff assistance from all functional specialties as may be necessary to carry out the duties and responsibilities for enhancement of full and open competition.

(3) Develop a Command Competition Plan that is consistent with the Planning, Programming, Budgeting, and Execution System (PPBES) that meets the organization's competition goals and that is consistent with their program analysis resources review (PARR) submissions. This plan should support the competition goals and policies of the Army.

c. Establish procedures to manage/monitor the competition performance of the command in achieving its competition goals.

d. Publicize throughout the command significant achievements in obtaining competition for supplies and services.

e. Recommend and submit to HQDA (SARD-CA), WASH DC 20310-0103, by 1 July of each year, a command competition goal consisting of a target dollar amount and percentage of contract dollars to be competitively obligated during the next fiscal year. (RCS exempt under AR 335-15, para 5-2(g).)

1-12. Program Executive Officers (PEOs) and Program Managers (PMs)

a. The PEOs and PMs will—

(1) Develop Total Life Cycle Competition Strategy (TLCCS) beginning with program initiation.

(2) Ensure that TLCCS accommodates full and open competition in balance with the most timely, cost-effective materiel solution.

(3) Consider the entire system, subsystem, major components, spare parts and services when developing TLCCS.

(4) Use analyses of market analysis, concept formulation package, and system support concept to evaluate and select the strategy for maximizing lifecycle competition.

(5) Justify and support by quantitative analysis strategies which call for other than full and open competition.

(6) Develop procedures to ensure receipt of accurate, complete, and adequate technical data.

b. Program Managers will provide annual competition projections and significant changes thereto on a quarterly basis to the Activity Competition Advocate.

1-13. Special Competition Advocates

Special competition advocates will oversee their Major Army command/major subordinate command (MACOM/MSC) Competition Advocacy Program. A special competition advocate is referred to in FAR 6.304 (a)(2) as the competition advocate for the procuring activity and in AFARS 6.303-90 as the procuring activity competition advocate. The individual also has "special" responsibilities for staffing actions to HCA and DA levels and for reviewing and managing the entire Competition Advocacy Program for their MACOM/MSC. Special Competition Advocates will—

a. Develop and monitor the contracting activity's Command Competition Plan.

b. Develop initiatives to increase effective competition in acquisitions, promote full and open competition, and perform the duties set forth in FAR, Subpart 6.502, plus other duties deemed necessary to accomplish the command's competition goals.

c. Review justifications submitted to the HCA or higher headquarters.

d. Establish programs to enhance the awareness of officials in the technical, requirements, management, and contracting workforce regarding effective contract competition in the Army.

e. Establish and maintain records/files required for the administration of the Competition Advocacy Program. These records should as a minimum include the following:

(1) Justifications and approvals for other than full and open competition that are reviewed at the competition advocate (local level), special competition advocate, and the HCA or designee at all levels.

(2) Correspondence that documents actions taken or attempted to enhance competition.

(3) General correspondence pertaining to competition advocacy and competitive acquisitions.

f. Review and provide input to the commander regarding acquisition plans calling for other than full and open competition. Ensure command compliance with the competition mandates of FAR, Part 6.

g. Support the commander and the Army Competition Advocate General in meeting the Army's competition goals, competition assessment, and reporting requirements.

h. Ensure there are no organizational problems, policies, or procedures that inhibit competition and that corrective action is being taken when problems, policies, or procedures that inhibit competition are found.

i. Ensure command/activity officials and workforce understand the organization's responsibility to maximize competition at both the prime and subcontract levels.

1-14. Local Competition Advocates

Competition advocates below the MACOM/MSC level will be appointed pursuant to AFARS 6.501 and will manage the command's Competition Advocacy Program for proposed contracts not exceeding \$100,000 to include performance of the functions as shown below. The Local Competition Advocate will—

a. Seek to improve the overall competitive contract performance for their command/activity by reviewing the policies, procedures, and decisions of the organization as follows:

(1) Ensure that competition is being considered and planned early in the acquisition process.

(2) Ensure that competition is emphasized early in the acquisition cycle, when needs are identified, to ensure that competition opportunities are not precluded by—

(a) The use of restrictive need statements.

(b) Restrictive purchase descriptions.

(c) Unnecessarily detailed or restrictive specifications.

(d) Poor planning or arbitrary action.

(e) Nonavailability of technical data required for spare parts breakout, either because of inappropriately restrictive contractor markings and proprietary claims or because of failure to acquire rights to, or properly manage, technical data.

(3) Ensure there are no organizational problems, policies, or procedures that inhibit competition and that corrective action is being taken when problems, policies, or procedures that inhibit competition are found.

(4) Ensure local installation officials and workforce understand the organization's responsibility to maximize competition at both the prime and subcontract levels.

(5) Ensure market research is employed to identify potential sources.

b. Participate in the coordination process for statements of need.

c. Support the DOD Spare Parts Breakout Program.

d. Maintain surveillance over the procurement data screening

process to determine where improved policies or procedures are needed.

e. Review items to be acquired that appear to be excessively priced and attempt to restore unit price integrity through appropriate technical means such as value analysis.

f. Promote the use of the Value Engineering Program and the concept of reverse engineering as tools for developing new supply sources or fostering more economical acquisitions.

g. Challenge specific requirements that could result in unjustified noncompetitive acquisitions. (Use the questions set forth in app A as an aid.)

h. Participate in developing acquisition strategy plans where applicable.

i. Establish and maintain files of all actions for other than full and open competition review at the local Competition Advocate level. Furnish a copy of all local approvals/disapprovals to the special competition advocate.

j. Review findings of the Small Purchase Verification Program (described in AFARS 13-190) to ensure that competition requirements set forth in FAR Part 13 are being achieved for proposed contracts not exceeding \$25,000.

Chapter 2 Competition for Army Contracts

Section I Army Competition Advocacy Program

2-1. Designation of Competition Advocates

a. The Secretary of the Army will appoint competition advocates to review procurements for compliance with the CICA.

b. Individuals may be designated as competition advocates on a full-time or part-time basis, according to the needs of the organization. Personnel designated as competition advocates must have extensive knowledge of the Army acquisition system. Competition advocates will not be assigned any duties that are inconsistent with their responsibilities as competition advocates.

c. Competition advocates should be designated within an organization where they can effectively review the procedures and policies that cause other than full and open competition procurements. To this end, the competition advocate will receive staff assistance from functional specialists in areas such as contracting, engineering, technical operations, legal, security, supply management, quality assurance, production management, and small business. The competition advocate will also be afforded direct access to commanders, PMs, and PEOs to manage the Competition Advocacy Program effectively and meet competition goals.

2-2. Resources

a. Competition advocates will be provided staff assistance and such logistical support as may be necessary to execute the advocates' responsibilities. The level or amount of resources allocated by an organization to the competition program may vary, depending on—

(1) The volume of acquisitions to be processed by an activity in terms of dollar value and number of actions.

(2) The complexity and nature of the acquisitions.

b. A low incidence of competitive acquisitions may require allocation of more effort and resources.

Section II Command Competition Plans and Reporting

2-3. Command Competition Plans (RCS SAOSA-226)

Each MACOM or activity that has been delegated procurement authority will develop a Command Competition Plan.

a. The Command Competition Plan will be—

(1) Used as the road map for attaining the organization's competition goals and objectives over a 5-year period.

(2) The 5-year plan will be approved and signed by the commander, or his or her designee, and forwarded through procurement channels to HQDA (SARD-CA), WASH DC 20310-0103 by 15 November of each year.

b. Each Command Competition Plan should—

(1) Describe the general or specific problems or factors that inhibit competition in the command, addressing the portion of obligated dollars that are noncompetitive.

(2) Address the command's portion of programmed resources for the next 5 years as outlined in the POM/FYDP.

(3) Show the command's competition goal for the upcoming fiscal year, and the planned competition goals for the 4 succeeding fiscal years.

(4) Show projected follow-on and other noncompetitive percentage of obligated dollars for the next fiscal year and the 4 succeeding fiscal years. Proposed follow-on actions (pursuant to FAR 6.302-1) should be distinguished from other noncompetitive actions.

(5) Describe specific management plans and actions (for example, changes to policy procedures, manpower, and organization) to be taken by the command during the up-coming fiscal year to solve the problems/issues identified earlier in the Command Competition Plan that will enhance competition and reduce the number of other than full and open competition acquisitions.

(6) Identify the following:

(*a*) Noncompetitive (other than full and open competition and follow-on) acquisition requirements for the period covered in the Command Competition Plan.

(*b*) Repetitive noncompetitive command acquisitions. Address specific plans to convert these to competitive acquisitions, at the prime or major component subcontractor level when feasible. Set target dates for establishment of conversion plans. If it is determined that such acquisitions must remain noncompetitive, a brief justification will be included in the Command Competition Plan. Submission of the Command Competition Plan will not be construed to obviate the need for justification of acquisitions using other than full and open competition acquisitions described.

(7) Establish milestones and identify action officers responsible for accomplishing plan actions.

c. The Command Competition Plan for subordinate organizations may be included in appendixes or as annexes to the parent organization plan. Subsequent annual submissions of the Command Competition Plan may be revisions, updates, or new plans. Planned actions and milestones may extend longer than 2 years but subsequent Command Competition Plans should incorporate these extended actions.

2-4. Quarterly Reports (RCS SAOSA-208)

a. Quarterly competition reports are a requirement for competition advocates of procuring activities. The quarterly report will be in five-part format and will include the following:

(1) A narrative summary of the past quarter's performance in regard to the annual goal. Any significant deviation from the annual Competition Plans should be explained, to include the anticipated impact on attaining the annual goal.

(2) A narrative of new or innovative techniques developed or implemented during the past quarter that will enhance competition in the areas of early acquisition planning, awareness of responsibilities under the CICA, market research techniques or overcoming barriers to competition.

(3) A listing of all J&As submitted to the command during the past quarter annotating item nomenclature, dollar value, FAR exception cited, and disposition (approval/disapproval).

(4) A listing of awards presented to military and civilian employees as a result of enhancing competition.

(5) A narrative of good news items outlining significant savings or quality/performance enhancements as a result of competition.

(6) Any significant actions taken, but not previously identified.

(7) Additional information as prescribed by the Army Competition Advocate General.

b. Reports will be submitted to HQDA SARD-CA, WASH DC 20310-0103, no later than 30 days after the end of each quarter. Reports will be cumulative beginning with the 1st quarter of each

fiscal year. The 4th quarter report will be considered the annual report and will include, in addition to data required above, the following:

(1) Mitigating actions affecting goals achievement, such as the number of sources sought, synopsis issued to solicit competitive sources to which there was no response, and other actions that indicated that competition would not be workable.

(2) Outline for improving competition during the up-coming fiscal year. (This portion should be consistent with the Activity Command Competition Plan but not a complete restatement of the Command Competition Plan.)

Appendix A List of Questions to be considered for Review of Noncompetitive Procurements

This listing is not to be construed as all inclusive. Circumstances may dictate the use of questions and criteria not specifically mentioned in this appendix.

a. What are the acquisition's minimum requirements? Material evidence should be presented verifying these minimum requirements.

b. What unique capabilities does the proposed contractor possess that make it the only company capable of meeting the minimum requirements?

c. Was a market survey conducted? Material evidence should be sought to verify that such a survey was conducted and that the proposed contractor was the only one capable of meeting minimum requirements. Technical and requirements personnel should assist in conducting market surveys when appropriate.

d. Was the item or service previously acquired? If so, was it from the same contractor? If this is a continuation of a previous effort by the same contractor, examine why no other sources of supply are available.

e. Is there a technical data package, specification, engineering description, statement of work, or purchase description available that is sufficient for competitive acquisition? If not, is one being developed? If not, why not? How much leadtime would be required to develop it? Has any cost-benefit analysis been conducted to determine whether it is advantageous to the Government to buy or to develop such information? If not, what evidence is available to demonstrate why this analysis is not needed? Some type of specification, work statement, or description must be prepared even if the procurement is sole source.

f. Can the item be subjected to redesign efforts such as Reverse Engineering or Value Engineering which would enhance its ability to be competed in the future? Can the Contractor be persuaded to provide the Government the specifications, drawings, etc., which will enable the Government to compete the item in the future?

g. Can individual components of the requirement be competitively acquired? If so, what steps have been taken to do this?

h. Can individual components of the requirement be procured directly from subcontractors? If so, what steps have been taken to do this?

i. Does the acquisition result from an unsolicited proposal? If so, who first described the problem to be addressed by the unsolicited proposal? Is it unique and innovative? Is the idea in the public domain? Did the Government already plan to acquire the proposed supplies or services? (See FAR, Subpart 15.5 for clarification.)

j. What material evidence exists that the Government would be injured if the noncompetitive acquisition was not made? This includes estimates of additional costs that might be incurred, criticality of schedules (including when the acquisition need was first identified, reasonableness of required delivery schedules, and so forth), and quality/acceptance criteria.

k. What steps are being taken to foster competition in subsequent acquisition of this product or service?

l. Have efforts been made to implement actions to foster competition that were presented in previously approved J&As?

m. What provisions are in place to foster competition in subcontracting?

Glossary

Section I Abbreviations

AMC

U.S. Army Materiel Command

ARNG

Army National Guard

ASA(I&L)

Assistant Secretary of the Army (Installations and Logistics)

ASA(RDA)

Assistant Secretary of the Army (Research, Development, and Acquisition)

CICA

Competition in Contracting Act of 1984 (Public Law 98-369)

CSA

Chief of Staff, U.S. Army

DA

Department of the Army

DOD

Department of Defense

FY

Fiscal year

FYDP

Five Year Defense Program

HCA

head of contracting activity

HQDA

Headquarters, Department of the Army

J&A

justification and approval

MACOM

major Army command

MSC

major subordinate command

OASA(RDA)

Office of the Assistant Secretary of the Army (Research, Development, and Acquisition)

OSD

Office of the Secretary of Defense

PARR

Program Analysis Resources Review

PEO

Program Executive Officer

PM

Program Manager

POM

Program Objective Memorandum

PPBES

planning, programming, budgeting, and execution system

RCS

Requirement Control Symbol

SA

Secretary of the Army

TLCCS

Total Life Cycle Competition Strategy

USofA

Under Secretary of the Army

USAR

United States Army Reserve

Section II

This section contains no entries.

There are no special terms.

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