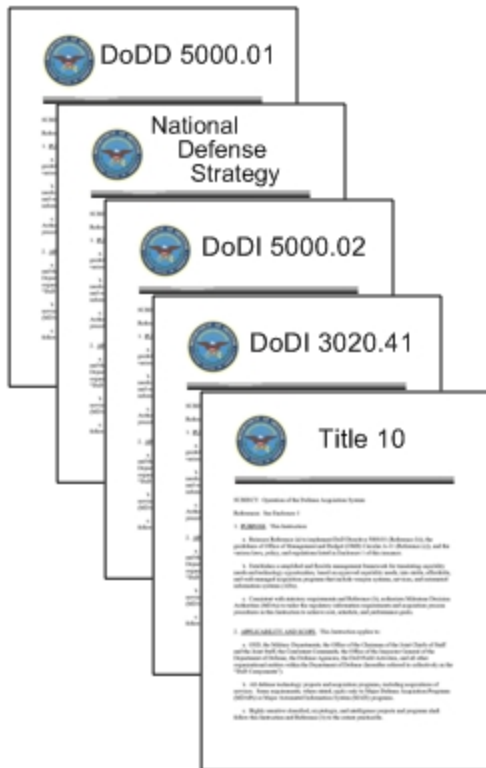


Welcome to Regulatory Environment

This lesson addresses what the life cycle logistician (LCL) should consider to ensure that the demonstration of product support capability complies with a number of key policies, regulations, and guidance.



Objectives

Upon completion of this lesson, you will be able to:

- Identify the key policies, regulations, and guidance that influence the demonstration of product support capability.
- Identify the Life Cycle Logistician's (LCL) role in implementing a product support strategy compliant with DoD Directives and Instructions and public law.



[D](#)

Long Description

A collage of images including: technicians underneath an aircraft, two tanks in the field, military personnel in a classroom setting and an aircraft on an aircraft carrier.

Key Regulatory Elements

Compliance with statutory, regulatory and policy requirements is a key element of a credible and acceptable product support plan demonstration. Key policies, regulations, and guidance that apply include:

- Statutory
 - Title 10, United States Code
 - Federal Acquisition Regulation (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS)
 - The Defense Acquisition Workforce Improvement Act (DAWIA)
- Regulatory
 - DoD Directive 5000.01, Defense Acquisition System
 - DoD Instruction 5000.02, Operation of the Defense Acquisition System
- Policy
 - The Quadrennial Defense Review (QDR)
 - Department of Defense Guide for Achieving Reliability, Availability, and Maintainability (RAM)

Key Regulatory Elements, Cont.

Below are six key statutory, regulatory and documents with which the LCL should be familiar. Select each for details.

DoD Directive
5000.01

DoD Instruction
5000.02

Title 10 of the
USC

QDR and FAR

DAWIA

DoD Guide for
Achieving RAM

Popup Text

DoD Directive (DoDD) 5000.01

[DoD Directive \(DoDD\) 5000.01](#) - Defense Acquisition System, establishes principles, policies, and procedures for managing all DoD acquisition programs. The Defense Acquisition System exists to manage DoD's, and the nation's, investments in technologies, programs, and product support to achieve current and future strategic military objectives. The defense acquisition objective is to procure high-quality products that improve war fighting capability at a reasonable price.

DoD Instruction (DoDI) 5000.02

[DoD Instruction \(DoDI\) 5000.02](#) - Operation of the Defense Acquisition System, is more operationally oriented than DoDD 5000.01, establishing a management framework for turning warfighter needs into acquisition programs. DoDI 5000.02 describes the phases in the management framework, including entry and exit criteria.

Title 10 United States Code (USC)

[Subtitle A, Part IV](#) deals with issues of service, supply, and procurement. Title 10 covers general responsibilities of the Military Services to provide logistics support to the Combatant Commanders.

- [10 USC § 2464](#) requires core logistics capability that is government-owned and government operated (including government personnel and government-owned and government-operated equipment and facilities) to ensure a ready and controlled source of technical competence and resources necessary to ensure effective and timely response to mobilization, national defense contingency situations, or other emergency requirements.
- [10 USC § 2466](#) requires not more than 50 percent of the funds made available in a fiscal year to a military department or defense agency for depot-level maintenance and repair workload be used to contract for performance by non-Federal government personnel.

The QDR and the FAR

The [QDR](#) is a report by the Department of Defense that analyzes strategic objectives and potential military threats. It establishes the Administration's defense priorities.

The [FAR](#) implements the federal government's preference for the acquisition of commercial items contained in Title VIII of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355) by establishing acquisition policies more closely resembling those of the commercial marketplace and encouraging the acquisition of commercial items and components.

The Defense Acquisition Workforce Improvement Act (DAWIA)

[The Defense Acquisition Workforce Improvements Act \(DAWIA\)](#) was signed into law in November 1990. It requires the Secretary of Defense, acting through the Under Secretary of Defense (Acquisition, Technology, and Logistics), to establish education and training standards, requirements, and courses for the civilian and military acquisition workforce. The requirements are based on the complexities of the job and are listed in DoD 5000.52-M, "Career Development Program for Acquisition Personnel."

The DoD Guide for achieving, Reliability, Availability, and Maintainability (RAM)

The [DoD Guide for achieving Reliability, Availability, and Maintainability \(RAM\)](#) provides the essential elements necessary to design and field a system with adequate RAM performance. It supports the fundamental principles and procedures as documented in DoDD 5000.01 and DoDI 5000.02, and the discretionary best practices in the [Defense Acquisition Guidebook](#).

Knowledge Review

Which of the below organizations is titled "Operation of the Defense Acquisition System," is more operationally oriented than DoDD 5000.01, and establishes a management framework for turning warfighter needs into acquisition programs?

- ☐ The Federal Acquisition Regulation (FAR)
- ☐ The Defense Acquisition Workforce Improvement Act (DAWIA)
- ☒ DoD Instruction 5000.02
- ☐ The Quadrennial Defense Review (QDR)

Check Answer



DoD Instruction 5000.02 is more operationally oriented than DoDD 5000.01, and establishes a management framework for turning warfighter needs into acquisition programs.

DoD Directive 5000.01

[DoDD 5000.01](#) provides the overarching framework for managing DoD acquisition programs. From a supportability perspective, it emphasizes the use of performance based logistics strategies that optimize total system availability while minimizing cost and logistics footprint. Specific actions in this area include:

- To the greatest extent possible, the LCL shall identify the total costs of ownership, and at a minimum, the major drivers of total ownership costs.
- The LCL should work with the user to address affordability in establishing capability needs.
- Contractors shall be encouraged to submit cost proposals that are realistic for the work to be performed.

Cost drivers to be considered include:

- Research, development, test, and evaluation
- Material procurement
- Military construction and facilities
- Demilitarization and disposal costs
- Acquisition-related operations and maintenance
- Time system quantities
- Average unit procurement
- Business information technology (IT) systems



DoD Instruction 5000.02

LCLs should demonstrate that their product support plan fully satisfies DoD acquisition policies for sustainment. [DoDI 5000.02](#), Operation of the Defense Acquisition System, implements the policies and procedures outlined in the DoDD 5000.01. and:

- Ensures life-cycle planning and execution seamlessly span a system's entire life cycle from Materiel Solution Analysis to disposal.
- Recognizes that effective sustainment of systems results from the design and development of reliable and maintainable systems through the continuous application of a robust systems engineering methodology;
- Designs the maintenance program to minimize life-cycle costs while achieving readiness and supportability objectives.



Title 10 United States Code (USC)

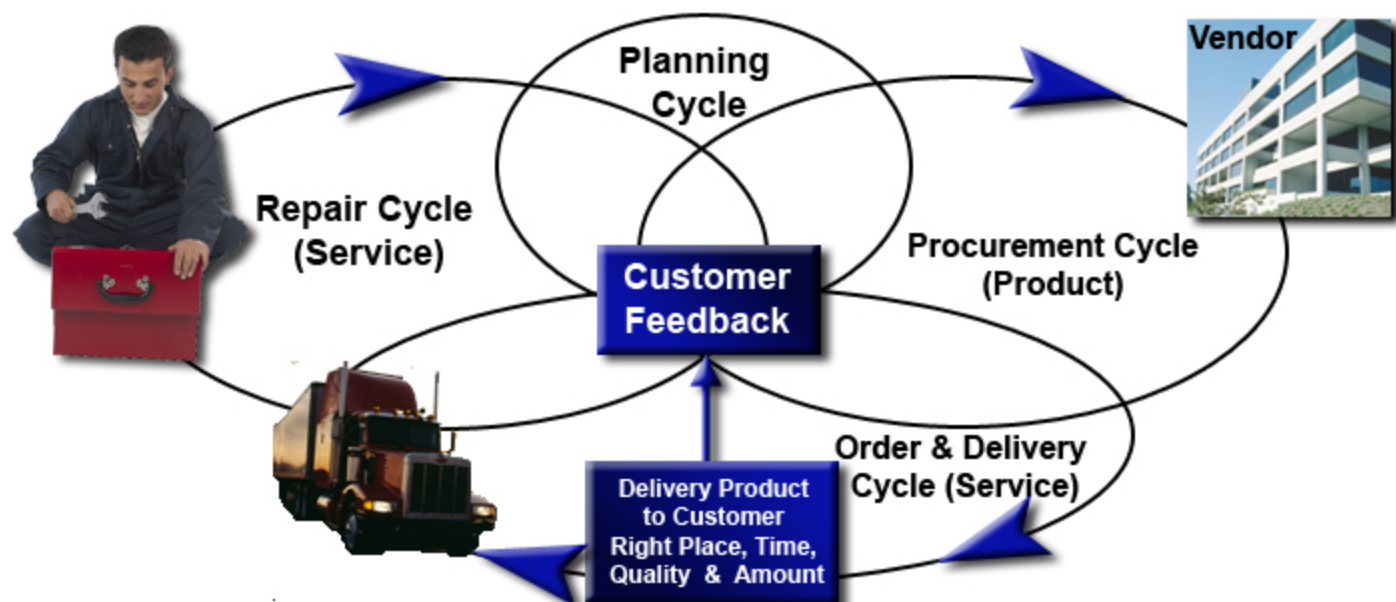
LCLs should be able to demonstrate that their product support plan has adequate provisions to satisfy public law requirements regarding depot maintenance source of repair selection, preservation of core maintenance capabilities, and use of public-private partnership ([PPP](#)) arrangements.

- Initial organic depot level maintenance source of repair assignments shall employ merit-based selection procedures to select the best value among alternative sources.
- Depot level maintenance and repair [core logistics capability](#) requirements shall be identified as early as possible in the acquisition life cycle and addressed in the product support plan.
- [PPPs](#) and other collaborative arrangements for depot maintenance operations shall be employed whenever feasible and beneficial.



The Quadrennial Defense Review (QDR)

LCLs should demonstrate recognition of management direction such as that provided by the [QDR 2006](#)—reduce logistics cycle times.



Long Description

Customer Feedback is in a rectangle in the center of the graphic. Three cycles (Repair Cycle (Service), Procurement Cycle (Product), and Order & Delivery Cycle (Service)) are shown as interlocking circles that converge at the customer feedback rectangle. The Repair Cycle includes a picture of a man operating a listening device. The Procurement Cycle includes a commercial building and the word "Vendor." The Order & Delivery Cycle includes a picture of a truck. There is another box with the words, "Deliver Product to Customer—Right Place, Right Time, Right Quality, and Right Amount" with an arrow connecting it to "Customer Feedback."

Public Law 103-355 and the Federal Acquisition Regulations (FAR)

LCLs should demonstrate that their product support plan incorporates provisions of Public Law 103-355 (Federal Acquisition Streamlining Act of 1994 ([FASA](#))) and the [FAR](#) which establish special requirements for the acquisition of [commercial items](#). Some basic planning guidelines include:

- Description of agency need must contain sufficient detail for potential offerors of commercial items to know which commercial products or services may be suitable.
- Use standard forms for solicitation/contract/order for commercial items, and use simplified acquisition procedures.
- Effectively conduct [market research](#).
- Use past performance as an important element of every evaluation and contract award for commercial items.
- Be aware of customary commercial terms and conditions when pricing commercial items.
- Comply with all DoD policies regarding special acquisitions such as procurement of [technical data](#).

Popup Text

Commercial Items

From the FAR Part 2.101:

“Commercial item” means—

(1) Any item, other than real property, that is of a type customarily used by the general public or by non-governmental entities for purposes other than governmental purposes, and—

- (i) Has been sold, leased, or licensed to the general public; or
- (ii) Has been offered for sale, lease, or license to the general public;

(2) Any item that evolved from an item described in paragraph (1) of this definition through advances in technology or performance and that is not yet available in the commercial marketplace, but will be available in the commercial marketplace in time to satisfy the delivery requirements under a Government solicitation;

(3) Any item that would satisfy a criterion expressed in paragraphs (1) or (2) of this definition, but for—

- (i) Modifications of a type customarily available in the commercial marketplace; or
- (ii) Minor modifications of a type not customarily available in the commercial marketplace made to meet Federal Government requirements. Minor modifications means modifications that do not significantly alter the nongovernmental function or essential physical characteristics of an item or component, or change the purpose of a process. Factors to be considered in determining whether a modification is minor include the value and size of the modification and the comparative value and size of the final product. Dollar values and percentages may be used as guideposts, but are not conclusive evidence that a modification is minor;

(4) Any combination of items meeting the requirements of paragraphs (1), (2), (3), or (5) of this definition that are of a type customarily combined and sold in combination to the general public;

(5) Installation services, maintenance services, repair services, training services, and other services if—

- (i) Such services are procured for support of an item referred to in paragraph (1), (2), (3), or (4) of this definition, regardless of whether such services are provided by the same source or at the same time as

the item; and

(ii) The source of such services provides similar services contemporaneously to the general public under terms and conditions similar to those offered to the Federal Government;

(6) Services of a type offered and sold competitively in substantial quantities in the commercial marketplace based on established catalog or market prices for specific tasks performed or specific outcomes to be achieved and under standard commercial terms and conditions. For purposes of these services—

(i) “Catalog price” means a price included in a catalog, price list, schedule, or other form that is regularly maintained by the manufacturer or vendor, is either published or otherwise available for inspection by customers, and states prices at which sales are currently, or were last, made to a significant number of buyers constituting the general public; and

(ii) “Market prices” means current prices that are established in the course of ordinary trade between buyers and sellers free to bargain and that can be substantiated through competition or from sources independent of the offers.

(7) Any item, combination of items, or service referred to in paragraphs (1) through (6) of this definition, notwithstanding the fact that the item, combination of items, or service is transferred between or among separate divisions, subsidiaries, or affiliates of a contractor; or

(8) A nondevelopmental item, if the procuring agency determines the item was developed exclusively at private expense and sold in substantial quantities, on a competitive basis, to multiple State and local governments.

Market Research

A process for gathering data on product characteristics, suppliers’ capabilities, and the business practices that surround them, plus the analysis of that data to make acquisition decisions. Market research has two phases: market surveillance and market investigation. (DAU Glossary, 12th edition, pg B-101)

Technical Data

Scientific or technical information recorded in any form or medium (such as manuals and drawings) necessary to operate and maintain a defense system. Documentation of computer programs and related software are TD. Computer programs and related software are not TD. Also excluded are financial data or other information related to contract administration. One of the traditional [Integrated Logistics Support] elements. (DAU Glossary, 12th edition, pg. B-163)

Defense Acquisition Workforce Improvement Act (DAWIA)

The [DAWIA](#) provides a number of initiatives that enable the DoD to more effectively develop and manage its Acquisition, Technology, and Logistics (AT&L) Workforce. LCLs should be able to demonstrate that their product support plan incorporates DAWIA education, development and training provisions designed to improve the knowledge, skills and abilities of the acquisition workforce.

Workforce considerations include:

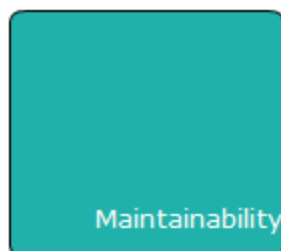
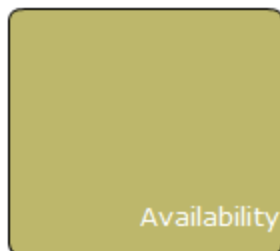
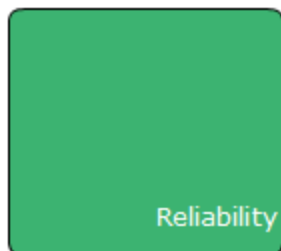
- AT&L [career field certification](#),
- Acquisition Corps membership and Tenure,
- Special statutory requirements for Flag/General Officers and Senior Executive Service ([SES](#)); Contracting Officers; and Contracting Specialists ([GS-1102](#) (and comparable military)),
- Assignment-specific training (as required), and
- [Continuous learning](#) requirements



DoD Guide for Achieving Reliability, Availability, and Maintainability

LCLs should demonstrate that the capability exists to provide the required package of support functions necessary to maintain the readiness and the operational capability of the weapon systems, subsystems, and support systems.

The [DoD Guide for Achieving Reliability, Availability, and Maintainability \(RAM\)](#) provides guidance for improving product support. Select each of the components to read a description.



Popup Text

Reliability

Given the operational environment and combatant commander availability requirements, define the logistics reliability targets and the corresponding sustainment infrastructure necessary to ensure achievement of reliability objectives.

Availability

Provide a detailed assessment of the requirements for the system to operate successfully in the mission operational environment and the necessary support requirements to achieve that objective.

Maintainability

Provide comprehensive identification of both projected maintenance strategy, including use of diagnostics and prognostics, maintenance duration targets, and similar measures.

Knowledge Review

Which of the following regulatory documents will help LCLs to demonstrate that their product support plan recognizes the requirement to plan programs based on realistic projections of the dollars and manpower likely to be available in future years?



DoD Directive 5000.01



Defense Acquisition Workforce Improvement Act



DoD Instruction 5000.02

Check Answer



DoD Directive 5000.01 will help LCLs to demonstrate that their product support plan recognizes the requirement to plan programs based on realistic projections of the dollars and manpower likely to be available in future years.

Knowledge Review

Which of the following regulatory documents will help the LCL demonstrate incorporation of workforce development and training provisions in the product support plan, which enables the DoD to more effectively develop and manage its AT&L Workforce?

- ☐ DoD Instruction 5000.02
- ☒ Defense Acquisition Workforce Improvement Act (DAWIA)
- ☐ Title 10 United States Code

Check Answer



Defense Acquisition Workforce Improvement Act (DAWIA) will help the LCL demonstrate incorporation of workforce development and training provisions in the product support plan.

Regulatory Environment Summary

You have completed the Regulatory Environment and should now be able to:

- Identify the key policies, regulations, and guidance that influence the demonstration of product support capability.
- Identify the LCL's role in demonstrating a product support plan compliant with DoD Directives and Instructions and public law.

Lesson Completion

You have completed the content for this lesson.

To continue, select another lesson from the Table of Contents on the left.

If you have closed or hidden the Table of Contents, click the Show TOC button at the top in the Atlas navigation bar.