Defense Logistics Agency Instruction

DLAI 6703
July 17, 2007
Modified October 20, 2009
J-621

Life Cycle Management (LCM) Oversight/Guidance Emerging Systems

References: Refer to Enclosure 1.

1. PURPOSE. This Defense Logistics Agency (DLA) Instruction (DLAI):

   a. Addresses the mandatory and discretionary requirements for the LCM of Emerging Systems. This includes other emerging information technology (IT) investment programs and services throughout DLA to ensure flexibility and opportunity to tailor LCM requirements based on the risk, size, and complexity of the program. Program product requirements are identified and briefing templates are available at the Program Executive Officer (PEO) Web page, located in eWorkplace at: https://dla1.eportal.dla.mil/irj/portal. The policy and procedures set forth in this document are jointly established by the Component Acquisition Executive (CAE) and Chief Information Officer (CIO).

   b. Addresses the LCM of emerging system programs but does not provide guidance relative to LCM of contemporary/legacy systems. Such guidance may be found in the DLS Instruction, "Automated Information System (AIS) Life Cycle Management (LCM) Oversight/Guidance Contemporary/Legacy Systems."


2. APPLICABILITY. This DLA Instruction applies to Headquarters (HQ) DLA and DLA Primary Level Field Activities (PLFA).

3. POLICY.

   a. LCM is established through the DLA acquisition process (Figure 1) to ensure that AIS requirements are clearly identified and prioritized and that they are corporately reviewed and approved. The life cycle system/software acquisition process establishes the foundation for LCM with an emphasis on commercial off-the-shelf (COTS) solutions.

   b. It is DLA policy that LCM for emerging systems, identified as major programs or Department of Defense (DoD) special interest programs, will fully comply with all oversight and
guidance outlined by DoD Directive (DoDD) 5000.1, The Defense Acquisition System, DoD Instruction (DoDI) 5000.2, Operation of the Defense Acquisition System, and the Defense Acquisition Guidebook. LCM for emerging systems identified as less-than-major programs, to include DLA special interest programs, will fully comply with this DLAI. Compliance will ensure a simplified and flexible management framework for translating needed capabilities and technological opportunities into stable, affordable, and well-managed AIS Programs.

4. RESPONSIBILITIES. Refer to Enclosure 2.

5. PROCEDURES. Refer to Enclosure 2. Definitions are located at Enclosure 3 and Additional Information is at Enclosure 4.


   Director, DLA Enterprise Support

4 Enclosures
   Enclosure 1 – References
   Enclosure 2 – Responsibilities and Procedures
   Enclosure 3 – Definitions
   Enclosure 4 – Additional Information
1. DODD 5000.1, The Defense Acquisition System.
5. DLAI Information Technology (IT) Portfolio Management.
6. DLAI Automated Information System (AIS) Test and Evaluation.
7. DLAI Automated Information System (AIS) Risk Management.
8. DLAI Earned Value Management (EVM).
9. DLAI Enterprise Architecture.
10. DLAI Information Assurance Management Controls.
11. DLAI Information Assurance (IA) Operational Controls.
12. DLAI Information Assurance (IA) Technical Controls.
13. DLAI Continuity of Operations (COOP) Program.
14. DLAI Information Technology (IT) Solutions Adoption Process.
15. DLAI Information Technology (IT) Requirements Capabilities Analysis.
Enclosure 2
Responsibilities and Procedures

1. Life Cycle Management.
   a. Less-than-major Programs. Process inputs for a proposed IT investment include: 1) Initial Capabilities Document (ICD), and 2) Rough Order-of-Magnitude (ROM) BCA. The LCM process is initiated by providing an IT investment proposal. This selection decision is based on the input of a validated Information Technology Capabilities Request (ITCR), ICD, and Rough Order of Magnitude (ROM) Business Case Analysis (BCA). The detailed selection process is identified in the DLA One Book Process Chapters, IT Requirements/Capabilities Analysis and IT Solutions Adoption Process. The functional proponent is responsible for preparing and approving the ICD, which justifies the need for a new IT capability, and the ROM BCA. The ICD and ROM BCA, in coordination with the IT community, are developed during the proponent functional analysis. The ICD must be validated by the director of the appropriate functional proponent organization. See DLA One Book Process Chapters, IT Requirements/Capabilities Analysis and IT Solutions Adoption Process.
   b. Investment proposals designated as ACAT IIIA, IIIB, or DLA special interest are presented to the PEO Review Board. Investment proposals designated ACAT IIIC are assigned to the lead functional organization for acquisition management.
   c. After an ACAT IIIA, IIIB, or DLA special interest investment proposal is presented to the PEO Review Board, the PEO has the lead for establishing the Program Management Office and the managing of the required program products. For Major Programs the process input for a proposed IT investment is: 1) ITCR, 2) ICD, and 3) ROM/BCA.
   d. The functional proponent is responsible for preparing the ICD which justifies the need for a new IT capability and includes the plan for developing the Analysis of Alternative (AoA). The ICD is developed from a functional analysis performed by the functional proponent. The LCM process is initiated with the approval by the Joint Requirements Oversight Council of an ICD for an IT investment that meets the criteria for a Major Automated Information System (MAIS) Program.
   e. The PEO will provide a sustainable pool of available personnel certified to perform as Program Managers (PM) and Deputy PMs.
   f. The validated ITCR is submitted to the J-62A Capabilities Analysis team for processing. As one part of this analysis the investment proposal is provided to the Portfolio Managers for their portfolio investment analysis. After the Capabilities Analysis validation process is completed and Sales Operations and Planning (S&OP) requirements are met, the ITCR is forwarded to the Program Alignment Integration, and Engineering Office to determine the appropriate Acquisition Category (ACAT). PEO Operations then prepares an Acquisition Decision Memorandum (ADM) for PEO approval that identifies the proposal’s ACAT and includes appropriate guidance. The approved ADM is provided to the functional proponent.
   g. LCM establishes the control phase of the IT Investment Management process mandated by the Office of Management and Budget (OMB), Government Accountability Office, and DoD
policy. LCM is a means to ensure that DLA's IT programs are effectively managed and deliver the expected IT capability to DLA's functional proponents.

h. The LCM process is based on a disciplined approach to the planning and execution of emerging IT programs that ensures the delivery of IT solutions within cost, on schedule, and that meet performance parameters to enhance DLA's business functions.

i. The LCM objectives are to ensure effective AIS program management, to validate that the AIS capability is linked to DLA's Strategic and Information Resources Management Plans, and to minimize schedule slippage, risks, and cost overruns.

j. The DLA System/Software Acquisition Life Cycle Model establishes the foundation for DLA's LCM process that supports DLA's IT strategy. The model also integrates the Enterprise and program operational, system, and technical architecture requirements with the program life cycle.

(1) See attached Figure 1, PEO Acquisition Process.

(2) See attached Figure 2, Acquisition Management Structure Operational Concept Program Initiation.

(3) See attached Figure 3, PM’s Monthly Assessment.

(4) See attached Figure 4, DoD 5000.02 Defense Acquisition Lifecycle.

2. Responsibilities.

a. For DLA major AIS Programs, the program life cycle (Figure 2) will follow the guidelines in DoDI 5000.2. For less-than-major programs, PMs will tailor the DoD 5000 model, products, and exit criteria. The life cycle model is divided into six phases: 1) Material Solution Analysis; 2) Technology Development; 3) Integrated Systems Design; 4) Systems Capability & Manufacturing Process Demonstration; 5) Production and Deployment; and 6) Operations and Support. Several subprocesses are involved in the LCM process.

(1) Functional Analysis. The functional analysis is conducted by the functional proponents and focuses on the identification of functional deficiencies that relate to a needed IT capability. The Requirements/Capabilities Analysis process, beginning with completing the ITCR, is the initial stage of this effort. These activities lead to a documented and validated material solution approach and the submission of an investment proposal.

(a) ACAT Determination. The determination of program product, program assessment, and program review requirements depends on the acquisition category assigned to the investment proposal. ACAT determination is certified by the PEO except for ACAT IA or special interest programs in which DoD certifies the program as such.

(b) The ACAT is assigned by matching the proposal costs to the dollar thresholds of the selection criteria. An AIS program is an acquisition program that acquires IT, except IT that is an acquisition of services program. Although acquisition of services programs meet specific
category selection criteria, the authority and life cycle requirements may be tailored to best meet the needs of the agency, cost thresholds are depicted in Table 1.

Table 1. DLA IT Acquisition Categories and Dollar Thresholds

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>SELECTION CRITERIA</th>
<th>DESIGNATION AUTHORITY</th>
<th>MILESTONE DECISION AUTHORITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACAT IA</td>
<td>Designated Major AIS or special interest programs, or programs estimated to be:</td>
<td>Assistant Secretary of Defense (Network and Information Integration (ASD(NII))</td>
<td>ASD(NII)/DoD CIO or, if delegated, the DLA CAE</td>
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<td></td>
<td>&gt;$126M Total Program Cost (Fiscal Year [FY 00] $) or</td>
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<td></td>
<td>&gt;$32M in any single year (FY 00 $) or</td>
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<tr>
<td></td>
<td>&gt;$378M Total Life Cycle Cost (FY 00 $)</td>
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<tr>
<td>ACAT IIIA</td>
<td>Designated DLA AIS, or program estimated to be:</td>
<td>Director, DLA</td>
<td>DLA PEO</td>
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<tr>
<td></td>
<td>&gt;$60M Total Program Cost (Current $) or</td>
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<tr>
<td></td>
<td>&gt;$15M in any single year (Current $)</td>
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<tr>
<td>ACAT IIIB</td>
<td>Designated DLA AIS, or estimated to be:</td>
<td>Director, DLA</td>
<td>DLA PEO</td>
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<tr>
<td></td>
<td>&gt;$25M Total Program Cost (Current $) or</td>
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<td></td>
<td>&gt;$5M in any single year (Current $)</td>
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<tr>
<td>ACAT IIIC</td>
<td>Estimated to be:</td>
<td>Director, DLA</td>
<td>Head of the lead Functional Proponent Organization</td>
</tr>
<tr>
<td></td>
<td>&lt;$25M Total Program Cost (Current $) or</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>&lt;$ 5M Program Cost in any single year (Current $)</td>
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</tbody>
</table>

(2) Systems Acquisition. The CAE has overall acquisition management responsibilities for DLA. The CAE delegates management and oversight responsibilities to the PEO for major programs, less-than-major programs, and programs of DLA special interest, except when the PM is designated to report directly to the CAE. Direct-reporting PMs will follow the PEO
process with additional participation and oversight by the CAE. The CIO, under Executive Order 13011, July 16, 1996, is accountable for information resources management activities and, therefore, must have the visibility and management responsibilities necessary to advise the Agency head on the design, development, and implementation of information systems. These responsibilities include: 1) participating in the investment review process for information systems; 2) monitoring and evaluating the performance of those information systems on the basis of applicable performance measures; and 3) as necessary, advising the Agency head to modify or terminate those systems. The PEO has the responsibility to manage the acquisition of the system, in accordance with the DoD life cycle. Systems acquisition is the process of transforming concepts into producible and deployable products that provide an IT capability to the user. An investment decision authorizes the investment proposal to move into the Concept Refinement phase with a focus on identifying a specific IT solution and estimated costs. The Milestone A Decision authorizes entry into the Technology Development phase that focuses on reducing the risk of the proposed solution through demonstrations, vendor collaboration or other techniques, and the preparation of the products necessary to move into the next phase. The Milestone B Decision authorizes entry into Engineering and Manufacture Development, the first phase of the systems acquisition that identifies the investment as a program. The Milestone C Decision authorizes entry into the Production and Deployment phase of the life cycle. After full operational capability, the program enters into Operations and Support.

(3) Technical Reviews. A technical review is a process for determining the technical health of a program. These reviews will be conducted, as appropriate, throughout the program life cycle tailored to the size and complexity of the program as identified by the program Systems Engineering Plan.

(4) Program Closure. Prior to the disestablishment of the PMO, turn over all program documentation to the appropriate J-64 office, using eWorkplace, and coordinate with the PEO so that the PEO staff has access to all documentation.

(5) Post-Implementation. Each program shall begin Post Implementation Review (PIR) planning in Phase B and conduct the PIR beginning post-IOC, or when the system has a relatively stable operating environment and continues 6-12 months. Below are the responsibilities for PIR activities at DLA.

(a) Program Executive Officer Review.

[1] Application. For ACAT III programs the PIR will be presented to the PEO. For ACAT I programs the PEO will review the results prior to them being submitted to the Office of the Secretary of Defense (OSD).

[2] PIR Plan Review. For ACAT III programs the PEO will review and approve the PIR plans at Milestone C. For ACAT I programs the PEO will review the PIR Plan prior to the plan being submitted to the assigned Milestone Decision Authority (MDA).

(b) PMO Responsibilities.

[1] PIR Planning. The PMO shall develop a PIR plan, prior to Milestone C as an extension of the Capability Development/Production Document (CDD/CPD), and EA which will
be coordinated with J-3, J-6, J-8, and the user community. The PMO will refer to chapter 7.9 of the Defense Acquisition Guidebook (http://akss.dau.mil/dag/welcome.asp) for complete guidance in conducting PIR activities. Additional information can be obtained in Clinger Cohen Act Community of Practice Area (https://acc.dau.mil/CommunityBrowser.aspx?id=31587).

[2] PIR Team. This team shall be comprised of personnel not associated with the PMO or the system integrator. The team should include functional experts with knowledge of the business capability/requirement that was identified in the CDD/CPD and EA.

[3] PIR Analysis. The PMO, through an independent review team, will coordinate a formal PIR using the measures defined in the CDD/CPD and the cost baseline defined in the EA update approved at Milestone C.

(6) Program Products.

(a) For IT investments selected as major AIS investment programs (ACAT IA), or programs of DoD special interest, the program life cycle phases, program products, and exit criteria are negotiated between OSD, the CAE/PEO, and the PMO, in accordance with DoDI 5000.2 requirements and DLA system/software acquisition life cycle model.

(b) For IT investments selected as less-than-major programs (ACAT III), the life cycle phases, program product requirements, and exit criteria are tailored to meet the needs of the program based on size, complexity, and risk of the program with minimum requirements established by the PEO. ACAT III programs are identified as ACAT IIIA, ACAT IIIB, and ACAT IIIC, each requiring a specific level of management and oversight. ACAT III Programs may be designated as DLA special interest programs by the CAE. LCM oversight of DLA special interest programs is the responsibility of the PEO.

(c) LCM for programs designated as ACAT IIIC Programs is the responsibility of the executive director of the program lead organization. The executive director, acting as the MDA, shall approve the program APB, acquisition strategy, and exit criteria for the next life cycle phase (tailored as necessary). Decisions and guidance resulting from each milestone review shall be documented in an ADM.

(7) The executive director shall make programmatic decisions in support of ACAT IIIC less-than-major programs. These decisions include the review of major investment program requirements, funding justifications, acquisitions, program briefings, programmatic reports, related program product requirements, and program milestone decisions. The executive director and the PEO shall jointly agree on the program products or other information that the PEO needs to fulfill DLA IT oversight responsibilities. The executive director will define the minimum acquisition management requirements for management and oversight of DLA's ACAT IIIC programs. When needed, the executive director will orchestrate and conduct IPRs for DLA's ACAT IIIC programs.

(8) The executive director will determine reporting and briefing format and content. The executive director will exercise discretionary authority to tailor the programmatic reporting requirements. Decisions and guidance resulting from each IPR shall be documented in meeting minutes. For programs that are assigned to the executive director, the executive director is
responsible for PMO administrative and organizational support decisions. PMs will conduct IPRs and milestone decision reviews with the appropriate executive director for oversight with respect to cost, schedule, performance, and risk. PMs will work with the appropriate executive director and staff to develop IPR and milestone decision review briefings and briefing schedules.

(9) PMs will notify the appropriate executive director as soon as it is known that a program has or anticipates deviating from the program baseline, referred to as a Program Baseline Breach, or when the program is in conflict with newly established DoD or DLA policy. PMs are to fully coordinate all program products with the appropriate stakeholders internal to DLA. PMs are to submit a monthly program assessment with narrative explanation to the executive director. These monthly assessments shall be forwarded to the PEO.

(10) Milestone Reviews and IPRs. The PEO will orchestrate and conduct IPRs for major programs and DoD/DLA special interest programs. For less-than-major ACAT IIIA and ACAT IIIB programs, IPRs and milestone reviews will be conducted through the PEO Review Board.

(a) The board consists of the appropriate staff from the following DLA directorates:

[1] The PEO (Chair)


[3] Information Operations (J-6)

[4] Human Resources (J-1)


[6] DLA Enterprise Services

[7] Acquisition Management (J-7)

[8] Non-DLA Stakeholders as appropriate (i.e. TRANSCOM or other agency partners)

(b) Review of program life cycle products will be coordinated by the PEO Plans, Policy, and Assessments staff. All life cycle documentation shall be provided to the Program Alignment, Integration, and Engineering analyst assigned to the program, no later than 60 days prior to a scheduled milestone, in order to allow for a detailed review of the program by the subject matter experts. The PEO will determine reporting and briefing format and content. The PEO will exercise discretionary authority to tailor the programmatic reporting requirements.

(c) Program milestone reviews are conducted, as appropriate, during the program life cycle. IPRs for major programs or programs of DoD special interest will be conducted on a quarterly basis or just prior to OSD reviews. IPRs for less-than-major programs and programs of DLA special interest will be conducted on a 3- to 6-month basis or as determined by the PEO. Additionally, IPRs will be scheduled when:
[1] The CAE, in coordination with the CIO or OSD, designates the AIS Program as special interest. An actual or projected deviation (i.e., breach) from the program threshold value for any cost, schedule, or performance parameter must be reported immediately.

[2] If no threshold is specified, then a deviation in the baseline occurs under any of the following conditions:

[a] Cost shown in the baseline is estimated to increase by more than 10 percent.

[b] Baseline schedule is projected to slip by 90 calendar days or more.

[c] There are modifications to approved program funding which result in a baseline that is not executable.

[d] When performance does not meet the minimum acceptable value that, in the user's judgment, is necessary to satisfy the need.

[e] Program planning for execution conflicts with newly established DoD or DLA policy.

[f] The CAE, CIO, or PEO requests an IPR.

[g] Funding for a follow-on life cycle phase is contingent upon the milestone approval to enter that phase by the MDA.


a. IPTs are an integral part of the program organization and acquisition process. Each program shall establish, as appropriate, working-level IPTs to focus on particular program topics such as requirements, CM, risk, cost/performance, test, information assurance, earned value, or contracting. IPT participation is the primary way for any organization to participate in the acquisition program.

b. For ACAT IA Programs and DoD programs of special interest, there are generally two levels of IPT: the Overarching IPT (OIPT) and Integrating IPT (IIPT) focused on the OSD oversight and review process.

c. Planning, Programming, Budgeting, and Execution (PPBE).

d. Budget execution is briefed throughout the program life cycle during IPRs and Milestone Decision reviews.

e. Integrated Acquisition Review Board (IARB).

f. Programs subject to LCM must be in full compliance with IARB processes.

h. Security Certification and Accreditation.

i. Information Assurance (IA) is integral to the entire LCM process.

j. Program certification and accreditation requirements and processes are described in DLAs dealing with the IA Program: 1) IA Management Controls, 2) IA Operational Controls, and 3) IA Technical Controls.

k. Enterprise Architecture. Program life cycle requirements must be in full compliance with the process described in the DLA One Book Process Chapter, Enterprise Architecture

l. Acquisition Career Management. As a part of the acquisition career management process, critical acquisition positions will be identified and coded.

m. PM certification will adhere to the certification requirements of the Defense Acquisition Workforce Improvement Act (DAWIA). Experience level and training requirements of key acquisition personnel will adhere to DoD 5000.52-M.

4. DLA Organizational Responsibilities.

a. The CAE will:

   (1) Provide overall executive guidance and direction for management and oversight for DLA AIS programs.

   (2) Approve Service Acquisition Programs. (See DLAD, Part 37.590-4, Decision Authority.)

   (3) Provide input to the ACAT IA Program Defense Acquisition Executive Summary (DAES) report.

   (4) Review and concur with ACAT IA APBs.

   (5) Review and concur with ACAT IA Acquisition Strategy.

   (6) Jointly identify DLA special interest programs with the CIO.

   (7) Delegate MDA to CIO for special interest programs.

   (8) Delegate MDA to PEO for ACAT III programs.

   (9) Identify specific PMs reporting directly to the CAE.

   (10) Jointly set IT systems acquisition policy and procedures with the CIO.
(11) Execute CAE responsibilities as a part of the TEB membership role.

b. The CIO will:

(1) Provide direction in the preparation of development, technical, and implementation strategies for IT investments.

(2) Jointly identify DLA special interest programs with the CAE.

(3) Provide customer support in the preparation of life cycle documentation and program management strategies for systems and information technology programs.

(4) Certify Clinger-Cohen Act compliance.

(5) Select and assign PMs for IT ACAT IA and ACAT III programs.

(6) Review and concur with IT ACAT IA APBs.

(7) Provide input to the ACAT IA Program DAES report in coordination with the PEO.

(8) Review and concur with ACAT IA acquisition strategy.

(9) Review IT program EA/BCAs.

(10) Oversee the use of technical standards and infrastructure requirements for specific programs and for integration within DoD.

(11) Oversee the expenditures and budget of DLA IT investments from an Enterprise portfolio perspective.

(12) Oversee IT PM training and certification.

(13) Jointly set IT systems acquisition policy and procedures with the CAE.

(14) Provide a report to the OSD Chief Financial Officer (CFO) for compliance of DLA Enterprise Resource Planning (ERP)-type initiatives.

c. The PEO will:

(1) Oversee LCM implementation for DLA's AIS emerging programs.

(2) Provide input to the ACAT IA Program DAES report.

(3) Coordinate with OSD on IPR and Milestone Decision results for DLA's major programs.

(4) Act as the MDA for ACAT IIA and ACAT IIIB Programs.
(5) Coordinate critical program issues and concerns with the CAE and CIO.

(6) Coordinate major program IPRs and milestone meetings at OSD with the CAE and CIO.

(7) Validate IT investment proposal documentation for emerging IT investments.

(8) Identify the ACAT III level for emerging IT investments.

(9) Chair milestone reviews and IPRs for ACAT IIA, ACAT IIIB, and DLA special interest programs.

(10) Review and/or approve program products as appropriate for DLA ACAT IIA and ACAT IIIB Programs, and DLA special interest programs.

(11) Provide a review and concurrence for program products for DLA major programs and DoD special interest programs.

(12) Determine program products for less-than-major programs.
(13) Review the PM monthly assessments, and provide direction and guidance to resolve program management issues and concerns.

(14) Ensure programs are implementing risk management and configuration management in accordance with program plans.

d. The PMs for major programs, special interest programs, ACAT IIIA, and IIIB programs will:

1. Present milestone review briefings to the program MDA for major life cycle milestones.

2. Present program IPRs to the program MDA, as appropriate. PEO Plans, Policy, and Assessments staff to develop IPR and Milestone Decision review briefings, and submit to the PEO final briefing charts, program products, coordination's, and issue papers, as needed, at least 5 working days before scheduled IPRs and Milestone Decision review briefings.

3. Notify the PEO as soon as it is known that a program has deviated from (i.e., breached) or is anticipated to deviate from (breach) the program baseline thresholds, or when the program is in conflict with newly established DoD or DLA policy.

4. Implement, in conjunction with the Program Alignment, Integration, and Engineering staff, an Earned Value measurement process. Where required by regulation or direction, an Earned Value Management System (EVMS) will be implemented to comply with the guidelines of American National Standards Institute-Software Test Descriptions-748-A, EVMSs.

5. Work with the appropriate contracting office to comply with the requirements of the IARB process.

6. Work with the IA Office to comply with the requirements of the DLA IA Program.

7. Coordinate program products as defined in Tables 2, 3, and 4 with the AIS functional proponents, the Program Alignment, Integration, and Engineering staff, and other stakeholders, as appropriate.

8. Develop issue papers to document any topic where coordination cannot be obtained.

9. Submit the following each month to the PEO through the Program Alignment, Integration, and Engineering staff:

   a. A monthly program assessment with narrative comments and a status of IPR action items to the PEO. Program assessments will be included in the PEO's monthly Review and Analysis (R&A) with the CIO. Expanded and more detailed reporting will be required for the J-62 Focus R&A with the CIO (usually once per quarter).

   b. A soft copy of the integrated program schedule that reflects the APB baseline, and the status and update information used in preparation of the monthly assessment.

   c. The status of the action items from program reviews.
(d) A comparison of the current projected savings estimate to the program baseline projected savings estimate (Green line analysis).

(e) Submit, at least quarterly, to the Program Alignment, Integration, and Engineering staff any lessons-learned and/or best practices that would be of value to current and future PMs.

(f) PMs shall ensure that Investment Review Board (IRB), Enterprise Transition Plan (ETP), DoD Information Technology Portfolio Repository (DITPR), Business Enterprise Architecture (BEA), and OSD reporting requirements and certifications are coordinated within DLA and OSD.

(g) Implement a Risk Management (RM) program in accordance with the DLA One Book Process Chapter, Risk Management, and consistent with the program RM plan.

(h) Implement a Configuration Management (CM) program consistent with the program CM plan. Ensure that all program products are under configuration control.

e. PMs for ACAT IIIC Programs will:

(1) Conduct IPRs every 3-6 weeks or quarterly and Milestone Decision reviews, as defined by the lead functional proponent.

(2) Work with the appropriate functional proponent staff to develop IPR and Milestone Decision review briefings and briefing schedule.

(3) Work with the appropriate contracting office to comply with the requirements of the IAR process.

(4) Notify the head of the functional proponent as soon as it is known that a program has deviated from (breached) or is anticipated to deviate from (breach) the program baseline thresholds, or when the program is in conflict with newly established DoD or DLA policy.

(5) Coordinate all program products, as defined in Tables 2 and 3, with the functional proponent and stakeholders.

(6) Submit PM's monthly assessment chart, narrative discussion, and status of IPR action items to the functional proponent executive director.

(7) Submit, at least quarterly to the PEO staff, any lessons-learned and/or best practices that would be of value to current and future PMs.

f. IT Financial Operations Office will:

(1) Coordinate on all budget or funding information on AIS.

(2) Review AIS economic analyses, all documents and reports leaving the Agency with funding information prior to release, and briefings (e.g., IPRs) prior to their dissemination.
(3) Ensure that program costs associated with new or existing AIS modernization initiatives include all funds directly related to concept refinement, development, deployment, and operations and support.

g. The functional proponent will:

(1) Conduct functional analysis to include an assessment of material and nonmaterial solutions to resolve capability deficiencies and prepare the justification that leads to the need for an IT capability.

(2) Prepare an ROM BCA, in coordination with the IT community, which supports the functional analysis solution.
(3) Document the need for a new AIS program in an ICD with the signature approval of the Director of the appropriate functional proponent organization. Submit the approved ICD and the ROM BCA to the Capabilities Analysis Team for entry into the IT Investment Proposal review process.

(4) Participate as member of the PEO Review Board and Program IPTs.

(5) Provide management and oversight for emerging AIS programs categorized as ACAT IIIC programs.

(6) Represent the needs of the AIS user community, including DLA FAs and non-DLA agencies.

h. PEO Plans, Policies, and Assessment staff will:

(1) Identify, evaluate, prioritize, and recommend to the PEO issues that require review board attention.

(2) Identify a Program Alignment, Integration, and Engineering focal point and alternate for each program to provide guidance and assistance to the PMs consistent with the direction of the PEO and the LCM process.

(3) Provide program oversight support to the PEO by ensuring that programs comply with the LCM and IAR processes and PEO direction, each program product is consistent with every other product produced by that program, and program products are consistent from program to program.

(4) Provide support for and schedule IPR and Milestone Decision reviews.

(5) Ensure that all required program products have been submitted, are in the required format for review purposes, and are fully coordinated. Identify product issues needing resolution.

(6) Develop agenda for meetings, provide advance material to members, and notify participants not later than 10 working days before the reviews.

(7) Provide briefing and program product guidance to the PM and the functional sponsor before scheduled meetings.

(8) Prepare an ADM that includes exit criteria for each Milestone Decision Briefing. The ADM shall be signed by the MDA within 5 working days after the briefing or review.

(9) Prepare minutes for each Milestone Decision Briefing and for each IPR. The minutes shall be signed within 5 working days after the briefing or review.

(10) Analyze the PM monthly assessments and prepare a PM assessment summary report for the PEO that includes all emerging system IT investment programs. The PEO Staff assessment of each program is presented in the CIO's monthly review and analysis.
(11) Maintain an archive of the program products, briefings, minutes, and other key program documents in eWorkplace. These shall become official records and stored in accordance with DoD records management guidelines. In addition to storing the final life cycle management products (final documents shall be in .pdf format), the PEO will use eWorkplace for submitting and reviewing draft and final products. Each program office will be required to establish the following folders (see below) and grant the PEO analyst assigned to their program read/write access to these folders for the management and coordination of the programs life cycle products. The following naming convention will be required for all folder and files to ensure there is a consistent naming convention across the PEO enterprise for ease of searching.

5. Naming Convention for the folders.

a. Final Products folder. (Program Name) Program Life Cycle Management Products MS (A/B/C) - please note that if the signed signature page is separate from the document it as well must be uploaded in .pdf format. Example: CRM Program Life Cycle Management Products MS A.


c. Naming Convention for the final products. Program Name_Lifecycle Product Name_Date (Month Year)_Version (V 1.0). Example: CRM_Acquisition Strategy_June 2006_V1.0.

d. Establish and maintain a repository of lessons learned and best practices for use by current and future PMs.

e. Work with the PEO and the PMOs on coordination of external Agency reporting requirements.

f. The commanders of DLA functional areas will provide AIS requirements, supporting documentation, advice, and assistance to business areas and PMs on request.


a. ACAT IIIA and DLA special interest programs will follow the guidelines of DoDI 5000.2 and the Defense Acquisition Guidebook with regard to identifying program product requirements, exit criteria, and tailoring of life cycle phases and subsequent Milestone Decisions. Product review and approval is internal to DLA.

b. ACAT IIIB and ACAT IIIC Programs will follow DoDI 5000.2 and the Defense Acquisition Guidebook as a framework to define the life cycle phases and exit criteria that best support the program objectives. Program products may be abbreviated or tailored, in coordination with the PEO staff, with regard to content and format based on the size, complexity, and risk of the program. Products will be under configuration management control. Product review and approval is internal to DLA. The MDA, at Milestone Decision review, shall approve the program APB, Acquisition Strategy, and exit criteria for the next life cycle phase (tailored, as necessary). Decisions and guidance resulting from the milestone review shall be documented in an ADM. Program life cycle product guidelines are depicted in the following tables.
Table 2. Life Cycle Product Requirements by ACAT

<table>
<thead>
<tr>
<th>Product</th>
<th>ACAT IIIA</th>
<th>ACAT IIIB</th>
<th>ACAT IIIC</th>
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<tr>
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<tr>
<td>Acquisition Strategy</td>
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<td>Tailored</td>
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<td>Abbreviated</td>
</tr>
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<td>Analysis of Alternatives (AoA) (included in EA)</td>
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<td>X</td>
<td>Abbreviated</td>
</tr>
<tr>
<td>BMMP Certification (As Required)</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Capability Development Document (CDD)</td>
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<td>Abbreviated</td>
</tr>
<tr>
<td>Capability Production Document (CPD)</td>
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<td>Configuration Management Plan</td>
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<td>Continuity of Operations Plan (COOP)</td>
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<tr>
<td>Operational Test Agency Report of OT&amp;E Results</td>
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<tr>
<td>Program Deviation Report Each Occurrence</td>
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<td>Each Occurrence</td>
<td>Each Occurrence</td>
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<tr>
<td>Post-Implementation Review Plan</td>
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Table 3. Product Requirements for Life Cycle Phases for ACAT III Programs

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<th>Phase B</th>
<th>Phase C</th>
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<td>Concept Refinement</td>
<td>Phase A</td>
<td>Phase B</td>
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Table 4. ACAT IIA & ACAT IIB Product Review and Approval

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<th>Review By</th>
<th>Approved By</th>
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<td>PEO Review Board</td>
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<td>Acquisition Program Baseline (APB)</td>
<td>PM</td>
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<td>Acquisition Strategy</td>
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<td>Review By</td>
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<td>PM</td>
<td>Chief Systems Engineer</td>
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</table>

7. **Program Assessment Guidelines.**

   a. Reporting requirements to OSD, for major AIS and DoD-designated special interest programs, are submitted quarterly through Defense Acquisition Executive Summary DAES/MAIS or MAIS reporting process in accordance with DoD 5000 Directives and Instructions. To keep the PEO abreast of the programmatic status of DLA IT investments, PMs will provide, on a monthly basis, the PM's assessment of the program using the Quad Chart stoplight format with a narrative addressing at a minimum each Yellow or Red assessment. In addition, a soft copy of the integrated program schedule that reflects the APB baseline and the
status and update information used in preparation of the assessment will also be provided. PMs for ACAT IIIC Programs, under the management of the Executive Director for the program lead organization, will report to the PEO, on a monthly basis, the status of designated key program milestones. Program assessments are to be submitted to the PEO not later than the 5th working day after the end of the month.

b. Monthly assessments are an integral part of the LCM process. Programmatic indicators assessed by the PM are cost performance, funding, contracts, schedule performance, implementation, architecture, information assurance, program risks, requirements management, test and evaluation, and management structure. The monthly assessment format is defined by the PEO and is shown in Figure 3. The PM provides a green, yellow, or red rating to each indicator in accordance with assessment metrics, and provides, at a minimum, a narrative discussion for each yellow or red rating.
Figure 1

PEO Acquisition Process

Major Program

ACAT IA

ACAT II A

ACAT II B

ACAT III

Current and Legacy Systems

OSD Joint Programs DLA Rep(s)

Prepare Program Documentation

• Coordinate with functional expert (internal/external)

CDD, CPD

APB

EA etc.

ACAT IIIA

ACAT IIIB

Prepare Program Documentation

• Coordinate with functional expert

• Gain concurrence

CDD, CPD

APB

EA etc.

(Optimized)

Program Status Reporting

PEO and/or Lead Organization

• Cost, Schedule, Performance Assessment
• Acquisition Process Compliance
• Configuration Management
• Portfolio Control and Evaluation
• In Progress Reviews

Lead Organization Review

• Change
• Continue
• Terminate

PEO Review Board*

• PEO, Chair
• Logistics Operations Representative
• Information Operations Representative
• Customer Operations and Readiness Representative
• Human Resources Representative
• Financial Operations Representative
• DLA Support Services Representative
• Joint Reserve Force Representative

PEO, Review Board

• Pre-MS Review

OSD

• Request MS Review

OSD Joint

Programs

DLA Rep(s)

Status of DLA Interest

Concerns Issues

PEO

Documents Released to OSD

• CAE
• CIO
• Transformation Executive Board (TEB)

CAE/CIO

CAE/CIO As Appropriate

CAE/CIO

As Appropriate

Pre-MS Review

Qtrly Review

Milestone Review

LCM Figure 1
Acquisition Management Structure
Operational Concept Program Initiation

Functional Proponent

LCM Figure 2
Figure 3
Figure 4

- The Materiel Development Decision precedes entry into any phase of the acquisition management system.
- Entrance criteria met before entering phase.
- Evolutionary Acquisition or Single Step to Full Capability.
1. Acquisition Category (ACAT). Programs are designated as ACAT levels depending on program costs as identified in Table 1. Programs meeting the ACAT IA criteria are designated as MAIS Programs. Programs not meeting the ACAT IA level criteria are designated as ACAT III programs or less-than-major programs. ACAT IIIA, IIIB, and IIIC Programs are defined by specific cost thresholds.

2. Acquisition Program Baseline (APB). The APB is the contract between the MDA and the PM. Includes parameters from which the program progress is measured in terms of cost, schedule, and performance, as documented in accordance with the DoD acquisition process.

3. Acquisition Strategy. A program document prepared by the PM that serves as the roadmap for program execution from program initiation through post-production support. The acquisition strategy describes the relationship of the essential elements of a program. Essential elements in this context include, but are not limited to, open systems, sources, risk management, cost as an independent variable, contract approach, management approach, environmental considerations, modeling and simulation approach, warranty considerations, and source of support.

4. Automated Information System (AIS). A combination of computer hardware and software, data, information, or telecommunications which performs functions such as collecting, processing, storing, retrieving, transmitting, and displaying information. This also covers an AIS environment that includes system, applications, telecommunications, and other components of information technology. Excluded are computer resources, both hardware and software, that are physically part of, dedicated to, or essential in real time to the mission performance of weapon systems.

5. Component Acquisition Executive. The individual charged with overall acquisition management responsibilities within DLA.

6. Chief Financial Officer (CFO). The Director, DLA Financial Operations (J-8), is responsible for financial management within DLA. The CFO is responsible for obtaining and allocating resources, analyzing execution, and providing fiscal guidance and advice to support the Agency. The CFO supports all DLA business areas and PLFAs in accomplishing DLA’s mission in a manner that provides the best return on investment. The CFO and CIO work as a team in the development, approval, and oversight of the DLA IT capital budget and implementation.

7. Commercial-Off-the-Shelf (COTS). COTS refers to any IT item that is ready-made and available for sale, lease, or license to the general public for non-Government purposes. Such items are sold, leased, or licensed in substantial quantities in the commercial marketplace, and are offered to the Government, without modification, in the same form in which they are sold, leased, or licensed in the commercial marketplace.

8. Cost "Threshold." The maximum allowable value for cost. If cost threshold values are not achieved, the program may be too costly, and the affordability of the system may become questionable.
9. Defense Agency Executive Summary (DAES). Quarterly report submitted to OSD by the PM to highlight both potential and actual program problems before they become significant. The DAES report addresses the current estimates of the APB parameters.

10. Enterprise Architecture. The explicit description of the current and desired relationships among business and management processes and IT. It describes the “target” situation that the Agency wishes to create and maintain by managing its IT portfolio.

11. Information Technology Capital Plan (IT-CP). An IT-CP is the ultimate product of the IT Capital Investment Planning process implemented by the OMB in response to the requirements of the CCA. It documents the approved IT investment portfolio. The plan reflects trade-offs made between funding of the operational expenses for an existing asset and the acquisition of a new one. Within DLA, the IT-CP reflects the approved portfolio of DLA IT investments.

12. Information Technology Capabilities Request (ITCR). An ITCR details the capabilities that are needed as part of the DLA One Book Process Chapters, IT Requirements/Capabilities Analysis and IT Solutions Adoption.

13. IT Investment. An IT investment is the expenditure of funds for an emerging system, system capability requirement, support services, or an infrastructure acquisition where IT dollars are used. Planning for these IT expenditures is an integral part of the IT portion of the PBR submission.

14. IT System. Any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data information. IT systems include computers, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources.

15. Integrated Product Team (IPT). The IPT provides the design for the central management and decision bodies. Each IPT is composed of representatives from all appropriate functional disciplines working together with a team leader to build successful and balanced programs, identify and resolve issues, and make sound and timely recommendations to facilitate decisionmaking. There are generally two types of IPTs:

- **Overarching IPTs (OIPT).** OIPTs focus on strategic guidance, program assessment, and issue resolution. ASD (NII) OIPTs are used to review MAIS Programs in preparation for IT Acquisition Board milestone reviews.

- **Working Level IPTs (WIPT).** WIPTs identify and resolve program issues, determine program status, and focus on particular topics in support of program execution. An Integrating IPT (IIPT) is a type of WIPT which coordinates WIPT efforts and covers topics not otherwise assigned to another IPT. The IIPT supports the development of strategies for acquisition and contracts and provides the umbrella structure that will be supported by working-level IPTs. ASD (NII) establishes IIPTs to conduct MAIS Program reviews in preparation for an OIPT.
16. Major Automated Information System (MAIS). An investment program that: (1) has total program costs in excess of $126M in fiscal year (FY) 2000 constant dollars; or (2) has estimated program costs in any single year in excess of $32M dollars in FY 00 constant dollars; or (3) has total life cycle costs in excess of $378M in FY 00 constant dollars; or (4) is designated by ASD(NII)/DOD CIO as an MAIS Program.

17. Milestone Decision Authority (MDA). The individual designated, in accordance with DoDI 5000.2, to approve entry of an acquisition program into the next phase. MDAs for other than MAIS programs will promulgate mandatory procedures for those programs unless the Acquisition Executive has already promulgated such procedures. These procedures will not exceed the requirements for MAIS Acquisition Programs established in DoDD 5000.1 or DoDI 5000.2.

18. Nonmajor Investment Program. An investment program that does not meet the criteria for a major investment program, yet is subject to acquisition management control and oversight. The nonmajor investment programs are referred to as ACAT-III. Management of these programs is done at the lowest appropriate level.

19. Objective Value. The value desired by the user, and the value the PM tries to obtain, relative to cost, schedule, and performance. The objective value represents an incremental, operationally meaningful, time-critical, or cost effective improvement to the threshold value of each program parameter.

20. Performance “Threshold.” The minimum acceptable value that, in the user’s judgment, is necessary to satisfy the need. If performance threshold values are not achieved, the program performance may be seriously degraded and the utility of the system may become questionable.

21. Program. A DoD acquisition program, synonymous with project in general use. Specifically, a planned undertaking, having a finite beginning and ending, involving definition, development, production, and logistics support.

22. Program Executive Officer (PEO). The PEO is the single Agency official responsible for overall direction and guidance for the development, acquisition, testing, systems integration, product improvement, and fielding of assigned DLA programs. The PEO has primary responsibility for DLA executive management and oversight for ACAT IA major investment programs, programs of special interest, and designated ACAT III non-major investment programs. The PEO reports to the CIO, and receives guidance and direction from the CIO and CAE. The PEO is required to be a program management professional, in accordance with DAWIA.

23. PEO Program Review Board. Program review board established by the PEO to conduct program IPRs and milestone reviews for designated AIS Programs.

24. Program Manager (PM). The individual who is responsible for managing an emerging AIS Programs. All DLA PMs are required to be program management professionals, in accordance with DAWIA.
27. Program Management Office (PMO). An acquisition office delegated the mission to plan, manage, or execute an emerging AIS Program which is headed by a PM.

28. Special Interest. OSD may designate a program as ACAT IA by the OSD MDA as a result of the MDA’s special interest. Internal to DLA, a special interest program is an ACAT III AIS Program that is determined by the CAE to require dedicated executive management and is assigned by the CAE to the PEO for direct acquisition program responsibility.

29. Schedule "Threshold." The maximum allowable value for schedule slip. If schedule threshold values are not achieved, the program may no longer be timely.
1. PEO, Deputy PEO, PMs, and Deputy PMs of ACAT I Programs are required to be Defense Acquisition Corps level III-certified or scheduled to be level III-certified within 6 months of assignment to their acquisition position.

2. ACAT III PMs or Deputy PMs are required to be level II-certified or scheduled to be level II-certified within 6 months of assignment to their acquisition position.

3. The PEO Operations Staff is required to be certified or scheduled to be level III-certified within 6 months of assignment to their acquisition position.

4. Extensive knowledge of the Defense Acquisition System and major program requirements is necessary for personnel involved in LCM.

5. Agency Defense Acquisition Corps members who are PMs and Deputy PMs for major programs are deemed corporate assets that are managed by the PEO. For major programs, the assignment of personnel as the PM or Deputy PM will be determined by the PEO. The duration of assignments for critical acquisition positions will not be less than 3 years. To ensure the Agency has a sustainable pool of available personnel certified to perform as PMs and Deputy PMs, the PEO will ensure the core competencies for these resources are identified in the Agency-wide training and development plan.