



448th Supply Chain Management Wing



Strategic Sourcing Program Overview

Ms. Summer Wishon

429 SCMS/GUMD - SASPO

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Supplying Warfighter Dominance



Overview



- **Strategic Alternate Sourcing Program Office (SASPO) Overview**
- **SASPO Mission Statement**
- **Strategic Sourcing Overview**
 - **Commercially-Used Overhauled Program**
 - **Reverse Engineering/Repair Development/Additive Manufacturing Program**
 - **Sustaining Engineering Program**
 - **Supply Chain Consortium Initiative (SCCI) Other Transaction Authority (OTA)**
- **Strategic Sourcing Industry Day Benefits**
- **SASPO Products**
- **Technical Order and Data Requests**
- **Overview of Source Approval Requests**
- **SASPO Website**
- **Strategic Sourcing POCs**



Strategic Alternate Sourcing Program Office (SASPO)



Centralized Cross-Functional Support Team with Targeted Results



Diminishing Manufacturing Sources & Material Shortages

- **Predictive Tool**
- **Analysis & Resolution**

Strategic Sourcing

- **Source Approval Requests (SARs)**
- **Alternate Sourcing Strategies**
- **Commercially Used Overhauled Program**
- **Reverse Engineering/Repair Development**
- **Marketing Strategies**
- **End of Life (EOL)**
- **Other Transaction Authority (OTA)**
- **Provides policy**
- **Manages web-based tool MPST**

Increase Supportability ★ Increase Availability ★ Increase Competition ★ Reduce Costs

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Mission Statement

- Serve as the Command Diminishing Manufacturing Sources and Material Shortages (DMSMS) subject expert program office by providing AFLCMC, AFSC, AFNWC, Program Offices, and other AF organizations with predictive tools, a DMSMS case resolution archive, analysis and resolution capabilities, data processing, and training for effective management of DMSMS in AF weapon systems. Portfolio managed (\$, people, programs, etc.)
- Serves as the 448 SCMW focal point for Strategic Sourcing efforts, responsible for providing a strategic focus on qualifying and developing alternate sources, developing and implementing strategies for increased supportability and parts availability, and leveraging opportunities for resolution of obsolescence issues across the enterprise Air Force Technical Data & Qualification Process. Provides policy and guidance as well as management of the web-based tool MPST.

Enterprise Focused & Sourcing Solution Program Office

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Industry Day Benefits

- **Communicate 448 SCMW and AFLCMC projected requirements**
- **To be effective and efficient in supply chain planning and execution**
- **Resource for private industry**
- **Government focal point**
- **Identification of possible Reverse Engineering, Repair Development, Additive Manufacturing candidates**
- **Source Approval Request (SAR) training**



429 SCMS SASPO Website

VENDOR RESOURCES

- [T.O. Fact Sheet](#)
- [Quick Overview of Qualification Process 2015](#)
- [White Paper Template](#)
- [Small Business Office \(SBO\)](#)
- [DD Form 2345](#)
- [MMAC Code Identifier](#)
- [Acronym Finder](#)
- [AMSC RMSC Codes Defined](#)
- [Drawing Fact Sheet](#)
- [Tinker Request for Engineering Data](#)
- [Public Sales Request Form](#)
- More to come ...

SASPO ANNOUNCEMENTS

- **Tinker Air Force Base, Okla. --**
 - [Industry Day 17 Aug 2018](#)
-- To register, email the [SASPO Office](#). Include First and Last Name, Company Name, Phone Number and Email.
 - [Industry Day Aug 2017](#)
 - [Industry Day Feb 2017](#)
 - [F108 Industry Day Jan 2017](#)
- **Hill Air Force Base, Utah --**
 - [2018 Industry Day \(tentatively scheduled for 20 Jul 18\)](#)
-- To register, email the [SASPO Office](#). Include First and Last Name, Company Name, Phone Number and Email.
 - [Industry Day June 2017](#)
- **Robins Air Force Base, Ga. --**
 - [Industry Day 22 Mar 2018](#)
 - [Industry Day Sep 2017](#)

REFERENCE DOCS

- [SAR Propulsion Training 2017](#)
- [Manufacture Qualification Requirements \(MQR\) for Propulsion Critical Safety Items \(CSI\) Critical Application Items \(CAI\)](#)
- [USAF Propulsion Manufacture Spare, MQR-PSD-1](#)
- [Repair Qualification Requirements \(RQR\) for Propulsion Critical Safety \(CSI\) Critical Application Items \(CAI\)](#)
- [USAF Propulsion Repair, RQR-PSD-1](#)
- [Repair Qualification Requirements \(RQR\) for Propulsion Critical Safety \(CSI\) Critical Application Items \(CAI\) with a Source Demonstration](#)
- [USAF Propulsion Repair Source Demonstration, RQR-PSD-2](#)
- [LPS Form 815 20171004 SAR Evaluation Checklist Distribution E](#)
- [848 QR Master Item List](#)
- [JQR-RQR-848](#)
- [RQR-848](#)

SASPO PRODUCTS

- [SASPO Commercially-Used Overhauled List from Fall 2017 Requirements](#)
- [Spring 2018 Target List](#)
- [Spring 2018 G Coded List](#)
- [Spring 2018 RPOW Repair](#)
- [Spring 2018 RPOW Spares](#)

RPOW HISTORICAL LISTS

SOURCE DEVELOPMENT

- [AFMCI 23-113](#)
- [DLA WebFLIS](#)
- [FBO](#)
- [Defense Logistics Agency Internet Bid Board System \(DIBBS\)](#)
- [Aviation Critical Safety Item Management Handbook \(CSI Handbook\)](#)
- [JACG Source-Approved and Management Handbook](#)

<http://www.tinker.af.mil/Home/429SCMSSASPO.aspx>



Strategic Sourcing Overview



- **Commercially Used and Overhauled (CU/OH) Program:** Match AF Requirements to Industry Availability of Commercially-used Parts with Military Application
- **Reverse Engineering/Repair Development (RE/RD) Program:** Reduce Air Force Supply Chain Costs/Risks through Increased Competitive Sourcing Strategies and Focus on Creating Competition to Improve Affordability and Supportability
- **Sustaining Engineering (SE) Program:** Provide overall program management for engineering projects that resolve technical or supportability deficiencies.
- **End-of-Life Program:** Proactively prevents sustainability issues resulting from contractor discontinuing a product line
- **SCCI OTA:** Enhancing the mission effectiveness of military personnel and supporting platforms, systems, components, or materials proposed to be acquired by DoD



SASPO Products



- **Provide industry the following opportunities:**
 - **RPOW (Requirements Projected On the Web)**. This list provides projected AF requirements (ERRC 8 and 9 items managed within the 448 SCMW) over the next 3-4 years. There is a list with 4,743 NSNs with **Buy (Spares)** requirements and a list with 3,114 NSNs projecting **Repair** requirements.
 - **Target List**. These 284 items have only 1 or 2 approved sources and the government should own the drawings and Tech Orders. All items have future projected requirements. An approved SAR is required to become a qualified source for any of these items.
 - **CU/OH (Commercial Used Overhaul) list**. Items used on commercial derivative aircraft that the Air Force also flies/uses today. These items have been overhauled/repared to meet military standards. If you have available stock and/or wish to become a repair source, a SAR will be required. This program primarily supports F108 engine items but we are looking to expand to other platforms. Currently, there are 18 F108 approved items and 42 more with buy requirements needing a qualified repair source.
 - **G-Coded List**. This list of 296 items we should own the data and do not require a SAR. The items are considered free and open and only require that you respond to the solicitation with your proposal.



Air Force Qualification Process



- **Research www.beta.SAM.gov**
- **Determine the Managing Organization**
- **Request the Qualification Requirements (QR)**
- **Procure Drawings/Manufacturing or Repair Data**
- **Do your Market Research**
- **Build and submit your SAR Package**
- **For DLA Managed Items call 804.279.5114 or email at:
http://www.aviation.dla.mil/UserWeb/AviationEngineering/Engineering/valueengineering/RPPOB_SAR.asp**
- **This information is also found on our SASPO Website and the Strategic Sourcing Brochure**



Technical Order & Data Requests



Technical Order Requests

- DD Form 2345 – Militarily Critical Technical Data Agreement (completed, signed and certified)
- Request on Company Letterhead to include:
 - Current date
 - Phone number and fax number
 - Point of contact and signature
 - Detailed background information about your company/org
 - Clear reason or justification for the request
 - Clear description of the specific intended use of the data
 - Tech Manual Number and Weapon System
 - NSN, Part Number, and Nomenclature
- Send request to the following offices:
 - Robins: robinspublicsales@us.af.mil
 - Hill and Tinker: aflcmc.ezgtp.PubSale@us.af.mil

Data Requests

- DD Form 2345 – Militarily Critical Technical Data Agreement (completed, signed and certified)
- Complete a Request For Engineering Data Form and ensure following information is provided:
 - Drawing number
 - Cage Code/Nomenclature
 - National Stock Number and/or Part Number
 - Specific business purpose for which data would be used
- Send request to the following Public Sales office:
 - Hill: aflcmc.ezgtp.PubSale@us.af.mil
 - Robins: robinspublicsales@us.af.mil
 - Tinker: ocalc.lgldo.public@us.af.mil
- Allow 30 business days for response to data or technical order requests



Technical Order & Data Requests for Robins AFB



Disclaimer

- The Robins Public Sales Office have implemented some changes to their process we feel Industry needs to be aware of. Their research fee is now \$272/hour and this fee must be paid in full regardless if data is available or not. Please see the statement below from their office if the fee is not paid within 45 days.
- **“Future requests for data will not be processed at this office if the fees incurred on this request are not paid within 45 days. The future request(s) will be returned unprocessed due to outstanding fees due and this company will be placed in our inactive files until outstanding fees due are paid.”**

***** If the SASPO quad charts state the data is NOT available, please do not submit a data request because you will be expected to pay the \$272/hr research fee. *****



Overview of Source Approval Requests

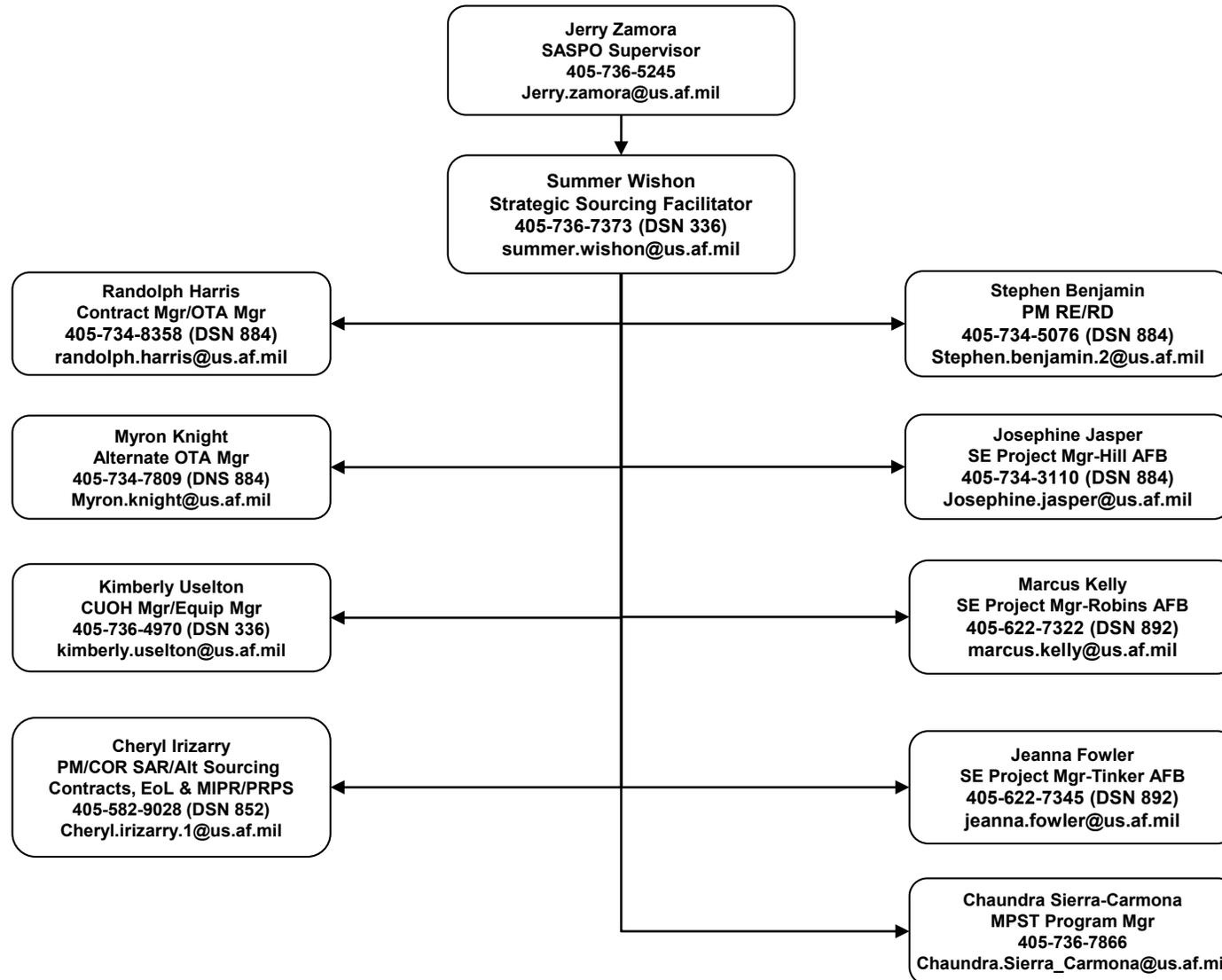


- **SASPO manages an Engineering Services Support Contract to assist in qualifying current and new sources of supply and repair for Air Force components**
- **Follow guidance and procedures from AFMCI 23-113 (Pre-Award Qualification of New or Additional Parts Sources and The Use of the Source Approval Request (SAR))**
- **SARs provide the process and documentation to become a qualified alternate source**
- **Additional sources increases the acquisition competition and system availability**
- **Provides efficiencies in managing SARs**
- **Current turnaround time is 30 days for an open solicitation and 60-90 days for others**

Current Savings to date = \$54.6M



Strategic Sourcing POCs





Questions





Supply Chain Consortium Initiative



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Supply Chain Consortium Initiative Team

Integrity ★ Service ★ Excellence





Overview

- **Part I: What is an OTA?**
- **Part II: What is SCCI?**
- **Part III: How do I use SCCI for my program?**
- **Part IV: What has SCCI done for the 448th?**

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OTA Overview – History and Types

OTA History

- **1958:** Nasa granted first authority to use OTs
- **1989:** DARPA granted OTs for Research
- **1994:** DARPA granted OTs for Prototype Projects
- **1995 – 2014:** Authority granted to 11 other Agencies
- **2016:** OTs permanently codified in 10 USC 2371b
- **2017:** Public Law 115-91 §864 expanded authority for Other Transactions for Prototype Projects (10 USC 2371b)

OTA Types

- **Other Transactions for Prototype Projects (10 USC 2371b)**
 - Provide a direct benefit to the DoD
 - Considered Acquisition Instruments
- **Other Transactions for Research (10 USC 2371)**
 - Provide stimulation or support of research
 - Technology Investment Agreements (TIAs)
- **Procurement for Experimental Purposes (10 USC 2373)**
 - Experimentation and test purposes
 - FAR applies when purchases are made in quantity

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OTA Overview – Prototype Project



•What is a Prototype Project:

Definition: a prototype project addresses a proof of concept, model, reverse engineering to address obsolescence, pilot, novel application of commercial technologies for defense purposes, agile development activity, creation, design, development, demonstration of technical or operational utility, or combinations of the foregoing. A process, including a business process, may be the subject of a prototype project. *(2018 DoD OTA Guide V1.0)*

Scope: Must be “*directly relevant*” to enhancing the mission effectiveness of military personnel and the supporting platforms, systems, components, or materials proposed to be acquired or developed by the Department of Defense, or to improvement of platforms, systems, components, or materials in use by the armed forces.” *(10 USC 2371b(a)).*





OTA Overview – What is an Other Transaction?



• What is an Other Transaction:

- ✓ A legally binding agreement *other than* a Procurement Contract, Grant, or Cooperative Agreement
- ✓ OTA Authority is delegated from SAF/AQ to the MAJCOMs and then to the individual organization
- ✓ OT Benefits
 - ✓ Flexible Terms and Conditions that can be Tailored
 - ✓ Reduce Impediments for Nontraditional Contractors
 - ✓ Access to New and Emerging Technology

• Defined by what it is NOT:

- ✗ Not a **Procurement Contract**
 - ✗ Generally not subject to Federal Laws and Regulations
 - ✗ Federal Acquisition Regulations (FAR) does not apply.
 - ✗ FAR Supplements do not apply i.e. DFARs, AFFARs
- ✗ Not a **Grant**, or **Cooperative Agreement**
 - ✗ DoD Grants and Agreements Regulations (DoDGARS) does not apply.





OTA Overview – Applicable Laws and Regulations



• What **DOES** apply:

- ✓ Fiscal Law
 - ✓ Agency Fiscal Regulations Apply – Consult Legal and Comptroller
- ✓ Anti-Deficiency Act (ADA)
- ✓ Property Law
- ✓ Procurement Integrity Act
- ✓ Award to a Legal Entity:
 - ✓ Single Company, Joint Venture, Partnership, Consortium, or a Prime Contractor with Subcontract relationships
- ✓ Price Reasonableness
 - ✓ Exhaust all other means before requesting cost information

• What **DOES NOT** apply?

- ✗ Truth In Negotiations Act (TINA)
- ✗ Cost Accounting Standards (CAS)
- ✗ Competition in Contracting Act (CICA)
- ✗ Bayh-Dole Act
- ✗ Contract Disputes Act (CDA)
- ✗ GAO Protests
 - Agency-Level Protests and U.S. Court of Federal Claims **are applicable**

Use of OT authority does not eliminate the applicability of all Laws and Regulations. Consult legal counsel whenever an OT is used!





OTA Overview – Appropriate Use of Authority



Per 10 USC 2371b(d), an OTA may be used when at least one of the following apply:

- ✓ At least one **Nontraditional Defense Contractor or nonprofit research institute** participating to a significant extent in the prototype project, or
- ✓ All Significant Participants in the transaction other than the Federal Government are **Small Businesses** (including those participating in a program described under section 9 of the Small Business Act (15 USC 638) or **Nontraditional Defense Contractors**, or
- ✓ A **Cost Share** of at least 1/3 of the total cost of the prototype project is to be paid out of funds provided by sources other than the Federal Government, or
- ✓ The **Senior Procurement Executive** for the agency determines in writing that exceptional circumstances justify the use of a transaction.

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OTA Overview – Nontraditional Involvement



What is a Nontraditional Defense Contractor:

- An entity that is not currently performing and has not performed, for at least the one-year period preceding the solicitation, any contract or subcontract for DoD that is subject to full coverage under the Cost Accounting Standards (10 U.S.C. §2302(9)).

What is Significant Participation (*Key Participant*):

- ✓ Supplying New Key Technology or products
- ✓ Accomplishing a Significant Amount of the effort
- ✓ Causing a Material Reduction in the cost or schedule or increase in performance

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OTA Overview – Cost Sharing



What is a Cost Share:

- At least one third of the total cost of the prototype project is to be paid out of funds provided by the parties to the transaction other than the Federal Government (10 U.S.C. 2371b(d)(1)(C) Appendix 1, and Section C1.5.1 of the DoD OT guide).
- Cost sharing should generally consist of labor, materials, equipment, and facilities costs (including allocable indirect costs)

Cost Sharing is only Applicable when:

- Neither a **Nontraditional Defense Contractor** nor a **Small Business Concern** is participating to a significant extent in the prototype project





OTA Overview – Maximizing Competition



- Competitive procedure **shall** be used **“to the maximum extent practicable.”** (10 USC 2371b(b))
- Characteristics of competitive OT procedures:
 - Structured in a **common sense** manner
 - Consistent with industry practice for that market segment
 - **Fair, transparent, and ethical**



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OTA Overview – Prototype Transition



Sole source follow-on production contract(s) or transaction(s) may be awarded when

- The acquisition approach for the prototype project **addressed the strategy for follow-on activities** and the following two criterion are satisfied:
 - ✓ **Competitive procedures were used** for the selection of parties for participation in the transaction; and
 - ✓ The participants in the transaction **successfully completed the prototype project** provided for in the transaction.

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OTA Overview – Common OTA Models



Direct OTA



- **Direct Award**
- **Custom Terms**
- **Direct Payment**
- **May Require and/or Consume More USG Resources to Administer/Manage**
- **Possible increased lead times**
- **Solicitation (i.e. BAA or program specific)**

Consortium Model



- **Projects Awarded to Consortium Manager**
- **Custom Terms & Flow-Downs**
- **Payment to Consortium**
- **Consortium Acts as Mentor**
- **Publicizes Projects to Consortia**
- **Administrative Fee**





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SCCI Scope & Depth

...any topic generally consistent with the RDT&E of Air Force Supply Chain, may extend to address other systems, components, or materials and any integration therein...

Leading to prototype, modify, enhance, test, measure, document, and integrate next-generation, OSA for capabilities and tools that satisfy requirements for open-architecture systems.





OTA + Consortium Model

- System of Systems (SOSSEC) Consortium is the SCCI Awardee
 - ✓ **758+ Member Companies**
 - ✓ Broad spectrum of Defense Contractors, Nontraditional Defense Contractors, Academia, and Non-profit Organizations
 - ✓ Breadth of Capabilities, Expertise, and Technology
 - ✓ Low barrier-to-entry for new Consortium Members
- SOSSEC, Inc. acts as the OT Lead Organization
 - ✓ **Single Point of Contact for Contracting/Administration**
 - ✓ Quality Control on Proposals/Reports/Invoicing
 - ✓ Provides price reasonableness analysis on proposals
 - ✓ Receives Administration Fee
 - ✓ Ensures Deliverables are Provided
- **Enables the Nontraditional Contractor to focus on Technical Performance not Business/Contracting Issues.**

SCCI



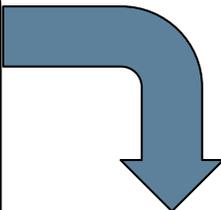
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OTA + Consortium Model

Customers:

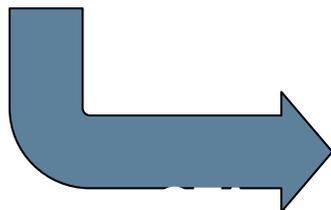
- 448th AFSC
- AFLCMC
- DLA
- SCMS
- NWC



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Supply Chain Consortium Initiative



SOSSEC | system of systems consortium



Members:

- 758 partner companies
- 19 University
- 34 Non-profit
- 612 Non-Traditional
- 146 Traditional
- 563 Small Business
- 161 Large Business

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Supply Chain Consortium Initiative

| Key Information | |
|---|----------------------------|
| Contract PoP | 5yr (1 Oct '19-30 Sep '24) |
| Accumulative Ceiling | \$99M |
| Fee | 3.75% |
| Incentives | |
| Negotiated on each Individual Project Agreement | Up to 1% |



Project Level Agreements



- **Prototype Projects are Awarded to SOSSEC**
 - **Firm Fixed Price** Prototype Projects
 - **Milestone payments** track technical progress
 - OT is Amended to add the Project, Milestones, and Funding
- **SOSSEC then enters into a Project Level Agreements with the Consortium Member (Project-Level Performer)**
 - **Not a Prime-Subcontractor Relationship**
 - Project Level Performer is responsible for technical work however, SOSSEC responsible for delivery
 - Government has direct insight into the technical performance
 - SOSSEC acts a Mentor to the Performer and Intermediary for the Government

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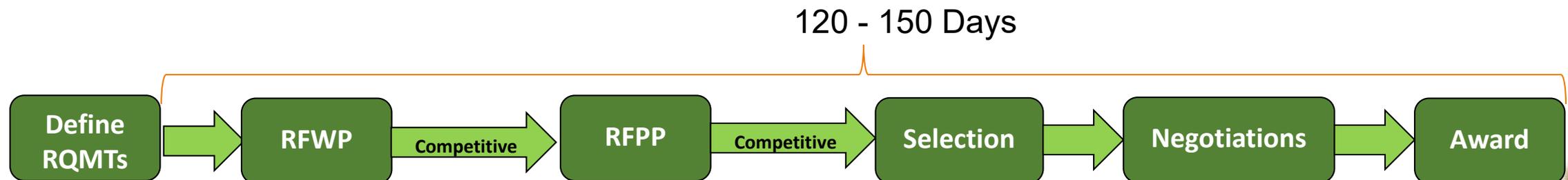
SCCI Solicitation Methods



Two Solicitation Approaches:

- 1) Request for **Whitepapers (RFPW)**
 - 2) Request for Prototype **Proposals (RFPP)**
- SCCI works with the respective Program Offices to determine the best acquisition approach for each individual prototype project
 - Prototype projects are solicited **competitively** with all members of the SOSSEC consortium eligible for a project award

RFPP → Award = **One-step Process**
 RFPW → RFPP → Award = **Two-step Process**



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How to start

Step 1: Contact SCCI Team for latest templates and guide

Step 2: Fill out SCCI prototype request form

Step 3: Schedule meeting with SCCI team to discuss request and objectives.

Step 4: SCCI team will develop announcement and schedule, then send back to customer to review.

Step 5: Review and confirm

Step 6: SCCI final review and posting RFWP to SOSSEC consortium

Step 7 : Contractors develop White Papers (usually 14-31 days // <15 pages)





White Paper/RFPP Phase



Step 8: Once white papers are received, customers will evaluate to find the white papers on track for a good proposal

Step 9: SCCI posts the request for prototype proposal

Step 10: Contractors develop Proposals (usually 26-36 days // <45 pages)

Step 11: Once proposals are received, customers will evaluate to recommend their desired solution to the agreements officer

Step 12: Final Review, negotiation, and award

Step 13: Begin Prototyping



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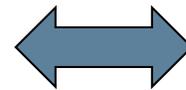


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Communication ROEs

Pre-Award

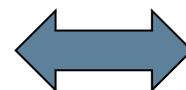


SOSSEC | system of systems consortium

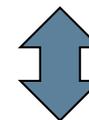


Members/
Contractors

Post-Award



SOSSEC | system of systems consortium



GFP Request, Extension Requests, Issues

Members
Contractors





Funding Information



- **Must have funds prior to RFP**
- **PR or MIPR maybe used, refer to SCCI guide for more information**

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Other Items

- **All GFP requests go through SCCI team**
 - (refer to guide for more information)
- **All Invoices processed through SCCI team**
- **All schedule changes processed through SCCI team**
- **During Pre-Award Phase all contractor communications are done through SOSSEC**
- **All negotiations handled by SCCI team**

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SCCI Project Awards



- **SCCI OTA has awarded 20 projects for a value of \$13,141,681**
 - 17 NSNs, TF33 bolts and brackets
 - 1 NSN, B-1 FCGMS (electronic component)
 - 1 NSN, F-16 Turbine & Matched Gear Set
 - 1 NSN, KC135 Air Inlet Guide

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Points of Contact

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