



SPAWAR Industry Executive Network

22 November 2010



Agenda

- ▼ 1500 – 1510 Kickoff & Welcome Remarks RADM(ret) Ken Slaght, USN
- ▼ 1510 – 1600 SPAWAR Tasker Update RADM Pat Brady, USN
- ▼ 1600 – 1610 Networking Break
- ▼ 1610 – 1630 SPAWAR Contracts Update Tim Dowd
- ▼ 1630 – 1650 Data Strategy: Relationship to Information Dominance Dan Green
- ▼ 1650 – 1700 Question & Answer RADM(ret) Ken Slaght, USN
- ▼ 1700 - 1800 Social Hour



What is Information Dominance?

▼ CNO's Vision

- Navy is **prominent and dominant** in the fields of ISR, Cyber Warfare, C2, Information & Knowledge Management
- **Information** becomes a **main battery** of US Navy warfighting capability
- **Warfighting wholeness** replaces sub-optimal stovepipes

▼ Navy's Information Transformation

- Every platform carrying multiple sensors
- Every sensor and processor adaptively connected to the network
- Create a world class Information Dominance Corps
- Every shooter and weapon must be capable of seamlessly using target data derived from any collector or sensor

"We will seek out and embrace game-changers and innovative solutions to current and future challenges, especially at the left end of the kill chain."

- CNO Guidance for 2009



Organizational Changes Taken to Facilitate the Information Dominance Vision

▼ OPNAV N2/6

- June 2009: Combined the Office of the Director of Naval Intelligence (N2) & the Office of the Deputy Chief of Naval Operations for Communication Networks (N6)

▼ 10th Fleet / FLTCYBERCOM

- 1942: Submarine threat
- 2009: Cyberspace threat

▼ CYBER FORCE

- Jan 2010: Type commander for cryptology, signals intelligence, cyber, electronic warfare, information operations, intelligence, networks and space disciplines

▼ NETWARCOM

- 2002: Network and space operations in support of naval forces afloat and ashore
- 2009: Operate and defend the Navy's portion of the Global Information Grid

A synergistic approach to achieving Information Dominance



CNO's Direction to SPAWAR

- ▼ Streamline responsibilities for C4I systems across SYSCOMs to reduce cost and improve interoperability
- ▼ C4I systems maintenance and modernization
- ▼ Improve speed and agility in transitioning new technologies to the Fleet
- ▼ Alignment with OPNAV N2/6 and FLTCYBERCOM/ TENTH FLEET requirements
- ▼ Most effectively and efficiently accomplish our mission
- ▼ SPAWAR and Information Corps acquisition leadership

"SPAWAR should fully realize its role as the Navy's Information Dominance System Command"

Admiral Gary Roughead



Focus on Execution and Results

▼ Focus on execution and results

- Toward the Fleet
- Technical and acquisition command that will make the Navy's Information Dominance vision a reality

▼ Vision

- No seams in Team SPAWAR
- Efficiency from a larger Navy point of view
- We are the Navy's Information Dominance Systems Command

Provide the Warfighter the tools to succeed



Team SPAWAR Focus Areas

- ▼ Getting Navy Program of Record C4I Systems on New Construction Platforms
- ▼ C4I System Maintenance and Modernization Improvements
- ▼ C4I Governance and Technical Authority
- ▼ SSC Alignment with 10th Fleet Operational Initiatives
- ▼ Instilling a Culture of Efficiency from a Larger Navy Point of View

Efficiency from a Larger Navy Point of View



Thoughts for Industry

- ▼ Operational Excellence of Fleet more important than just chasing unique technical solutions
- ▼ Need to be able to field solutions rapidly throughout the Fleet
- ▼ System of Systems Engineering
- ▼ Can't afford ten systems/solutions that do the same thing
- ▼ Technology that improves the speed and accuracy of testing and certification

$$\text{Value of Modernization} = \text{Capability} \times \text{Reliability} \times \text{Operational Proficiency}$$



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▼ What's New?

1. Laws and Regulations
2. Policies
3. Initiatives
4. Summary



LAWS and REGULATIONS



Peer Reviews of DoD Solicitations and Contracts

- ▼ DFAR 201.170 established a requirement for Peer Reviews by DoD teams for solicitations and contracts for services valued at \$1 billion or more (July 29, 2009)
- ▼ OSD/DPAP organizes teams of reviewers and facilitates the process
 - To promote quality and consistency in DoD contracting
 - To share best practices and lessons learned across DoD
- ▼ SPAWAR has had three OSD peer reviews (including COSC, CANES) and we have participated in several peer reviews



Peer Reviews of DoD Solicitations and Contracts

- ▼ Pre-award Peer Reviews will be conducted for all solicitations valued at \$1 billion or more (including options).
 - Pre RFP Release
 - Pre Best and Final (FPR)
 - Pre Award
- ▼ Post-award Peer Reviews will be conducted for all contracts for services valued at \$1 billion or more (including options).
- ▼ Emphasis on source selection procedures, evaluation criteria, etc.
- ▼ Applies to sole source and, of course, competitive buys.
- ▼ Military departments, defense agencies, and DoD field activities are required to establish procedures for pre-award Peer Review of solicitations valued at less than \$1 billion, and post-award Peer Reviews.



Incentive Fee Changes

- ▼ A FAR amendment made a number of changes for incentive fee contracts, including,
 - A D&F required for all incentive and award fee type contracts.
 - Requiring that award fees be linked to acquisition objectives in the area of cost, schedule, and technical performance.
 - Clarify that a base fee amount at zero may be included in a cost plus award fee type contract.
 - Prescribes narrative ratings that will be utilized in award fee evaluations.
 - Prohibiting award fees if the contractor's overall performance is not satisfactory.
 - Prohibiting the "rollover" of unearned award fees from one evaluation period to another.



Weapons System Reform Act of 2009 (May 22, 2009)

▼ Conflicts of Interest:

- Requires DoD to revise the DFARS to provide uniform guidance and tighten existing requirements for organizational conflicts of interest (OCIs) by contracting officers in major defense acquisition programs.
 - DoD issued a proposed rule to amend the DFARS to implement the Weapons System Reform Act of 2009
- **April 22, 2010 Proposed Rule:** New coverage includes:
 - Contracting Officers are charged with gathering & considering a broad range of information.
 - Offerors for gov't contracts covered by DFARS are required to disclose information relevant to OCIs.
 - Examples, additional guidance, new clause.
 - Not finalized (may be put on-hold pending FAR re-write).



OCIs

▼ Types of OCIs:

- Impaired objectivity
- Unfair access to non-public information
- Biased ground rules

▼ Methods of resolving OCIs:

- Avoidance (e.g. Publish non-public info)
- Limitation on future contracting
- Mitigation (e.g. Firewalls)
- Waiver



National Defense Authorization Act of 2010 (Oct 28, 2009)

▼ Non-Price Evaluation Factors

- The Comptroller General was directed to study DoD procurements in which evaluation factors are more important than cost or price. The study must consider:
 - The frequency of such procurements.
 - The types of contracts for which such evaluation factors are most frequently used.
 - The reasons for DoD's use of such factors.
 - The extent to which the use of such factors is, or is not, in the interest of the DoD.

▼ Expect regulatory or policy changes



Contractor Performance Assessment Reporting System (CPARS) (March 2010)*

- ▼ Contractor performance evaluations must be prepared and processed in CPARS for all contracts that, for DoD include:
 - > \$5,000,000 for systems, includes development and major modifications
 - > \$5,000,000 for operations support
 - > \$1,000,000 for services
 - > \$1,000,000 for information technology
- ▼ Increased emphasis and oversight

** CPARS Policy Guide dated March 2010*



Contractor Code of Business Ethics and Conduct (Dec 2008)

FAR 52.203-13

▼ Purpose:

- To ensure that the contractor completes the following actions:
 - Use due diligence to prevent and detect criminal conduct.
 - Assure timely disclosure of procurement fraud.
 - Promote an organizational culture that encourages ethical conduct and commitment to compliance with the law.

▼ Within 30 days after contract award, the Contractor shall:

- Have a written code of business ethics and conduct.
- Make a copy of the code available to each employee involved in performance of the contract.
- Prevent and detect criminal conduct.
- Encourage ethical conduct and a commitment to compliance with the law.
- Timely disclose in writing to the agency Office of the Inspector General (OIG), copy to PCO, whenever in connection with the award, performance, or closeout of the contract, there is credible evidence of criminal activity (fraud, etc.) or violations of the False Claims Act.

▼ Applies to solicitations / contracts over \$5 million with a performance period over 120 days



Transparencies

- ▼ Reporting Executive Compensation and First-Tier Subcontract Awards (*FAR Clause 52.204-10*)
 - Effective July 8, 2010 requires contractors to report first-tier subcontract awards of \$25,000 or more.
 - Contractors & first-tier subcontractors must disclose compensation of their top five executives (above certain dollar thresholds).
 - From Oct.1 to Feb. 28, 2011, reporting will be required for prime contracts over \$550,000.
 - Starting March 1, 2011, reporting will be required at the \$25,000 threshold.
 - Does not apply to classified contracts.



Transparencies (cont'd)

▼ Major defense acquisition program (MDAP)

- Announced April 8, 2010, DoD is adopting as final an interim rule DFARS 234.004 that requires the Milestone Decision Authority (MDA) for MDAP (with advice from Contracting Officer) to select the contract type for a development program that is consistent with the level of program risk.
- The MDA may select a fixed-price type contract, including a fixed-price incentive contract; or a cost-type contract.

▼ Publicizing J&As for noncompetitive contracts

- Stated in section 844 of the FY08 DoD Authorization Act.
- Requires that documents be made available on the federal business opportunities website and contracting agency's website within 14 days of award.
- J&A's must remain posted for a minimum of 30 days.



Transparencies (cont'd)

▼ Earmarks

- DoD contracts associated with congressional earmarks must comply with the FAR and DFARS.
- DoD must comply with a June 7, 2010 memo requiring personnel to identify certain earmarks in the FY10 defense appropriations act, to ensure those earmarks are subject to full and open competition, *effective for FY10 only*.
- The Aug. 10, 2010 memo asked DoD entities to “ensure that individual and organizational procurement procedures relating to earmark contract awards are consistent with governing law and regulation.”
- House Earmark – Requires full and open competition.
- Senate Earmarks Senate Rules (no “new” non-competitive).

▼ 2010 Small Business Jobs Act

- Old language gave an ambiguous preference for HUBZone firms.
- New act will place all small business program and HUBZone companies on the same level.



POLICIES



Increase Fixed Price & Competitive Contracts

- ▼ White House Memo – March 2009: Non-competitive and cost reimbursement contracts misused, wasteful, etc.
- ▼ Since 2001, spending on Government contracts has more than doubled, reaching over \$500 billion in 2008.
- ▼ Between FY00 and FY08, dollars obligated under cost-reimbursement contracts nearly doubled, from \$71 billion in 2000 to \$135 billion in 2008.
- ▼ Reports by the Inspectors General, the GAO, and other reviewing bodies have shown that noncompetitive and cost-reimbursement contracts have been misused, resulting in wasted tax-payer resources.
- ▼ A GAO study of 95 major defense acquisition projects found cost overruns of 26 percent, totaling \$295 billion over the life of the projects.
- ▼ DoD established goals for increased competition and fewer cost type contracts.



FY10 Competition Report Based on Obligations

Competition Report SPAWAR FY10 through 9-22-2010

Report Generated 9-22-2010

Department	Percentage Competed (Dollars)
HQ	87%
LANT	82%
PAC	64%
SPAWAR TOTALS	81% *

* Designates fair opportunity exemptions under multiple award contracts as non-competitive; without this change, SPAWAR competition percentage would be 87%.



OUSD Memo Dtd 14 Sep 2010; Better Buying Power

- ▼ Impacts on Program Management
- ▼ From Contracts Perspective - Major Thrusts:
 - Establish a Senior Manager for the acquisition of services.
 - Extend Navy's Preferred Supplier Pilot Program to all DoD (SPAWAR participated in working Navy's program).
 - T&M and Cost Contracts, especially Award Fees are disfavored.
 - "Competitive Strategy " presented at each Milestone Review.
 - Small Business incentivized through weighting evaluation criteria and past performance.
 - Adopt a uniform taxonomy for services, including "Knowledge-based services."
 - Enhance competition via more frequent "re-competes" (3 years in most cases) for services contracts.
 - Promote "real" competition; concern about 1 bid competitions.



OUSD Memo (cont'd)

- ▼ Follow up: OUSD Memo Nov 3, 2010
 - For ACAT I Programs establish an "Affordability Target."
 - For ACAT I Programs establish "should cost" targets which are to be used for program performance reports.
 - Unless waived by HCA, negotiate with all single bid offerors; re-open competition if open less than 30 days.
 - And more...



Service Contracting

- ▼ All new PRs for services must be accompanied by a certification executed by the Program Manager or equivalent stating that the requirement does not include an unauthorized personal services arrangement.
- ▼ The SOW/PWS statements of work or performance work statements clearly distinguish between Government employees and contractor employees (New DFARS section 211.106).
- ▼ (DoD interim rule effective September 8, 2010)
- ▼ Federal Register:
<http://edocket.access.gpo.gov/2010/pdf/2010-22226.pdf>



INITIATIVES



Acquisition Initiatives

- ▼ Emphasize C4I program of record products in new ship construction.
- ▼ Navy Enterprise Resource Planning (ERP).
 - "Live" at SPAWAR HQ 1 October 2009
 - Visibility and improved business processes
 - Deployed at AIR, SUP, SPAWAR; SEA (went live 1 Oct 2010)
- ▼ Continuous process improvement (LSS).
 - Contract road mapping: Demand Signal
 - Study and improve what reduces cost
- ▼ Planning for next contract writing system; successor to SPS.
- ▼ SPAWAR increasing number of multiple award contracts.



Naval Open Architecture

- ▼ Open Architecture is a goal of the Navy to decouple hardware from software to yield more modular, interoperable systems that adhere to open standards with published interfaces and fosters software reuse.
 - Increase competition
 - Life cycle affordability
 - Cited in Dr. Carter's memo
- ▼ The Navy has developed a guide book for program managers for the enterprise on open architecture tenets with sample language for requirements, evaluation factors, data rights and contract data requirements lists (CDRLs).
 - Now on Version 2



Naval Strategic Sourcing Governance

Background:

- In November 2008, ASN (RD&A) formally established the DON Strategic Sourcing Governance Structure and Charter
- The Naval Strategic Sourcing Working Committee (SSWC) is chaired by RDML Baucom, (ASN, ALM) responsibility to approve DON-wide strategic sourcing initiatives
- NAVSUP is Executive Agent via the Strategic Sourcing Program Office
- Focus is now on services (IT, PM, Logistics)

Goals:

- Optimize performance
- Streamline and standardize processes
- Minimize price
- Increase socio-economic acquisition goals
- Evaluate total life cycle management costs
- Improve vendor access to business opportunities



SUMMARY

- ▼ OUSD Memos of 14 September and 3 November are the key documents and demonstrate focus on cost, competition and “Getting a better deal”
- ▼ More changes expected, e.g., emphasis on cost/price in source selections; new OCI provisions
- ▼ Stay tuned



Agenda

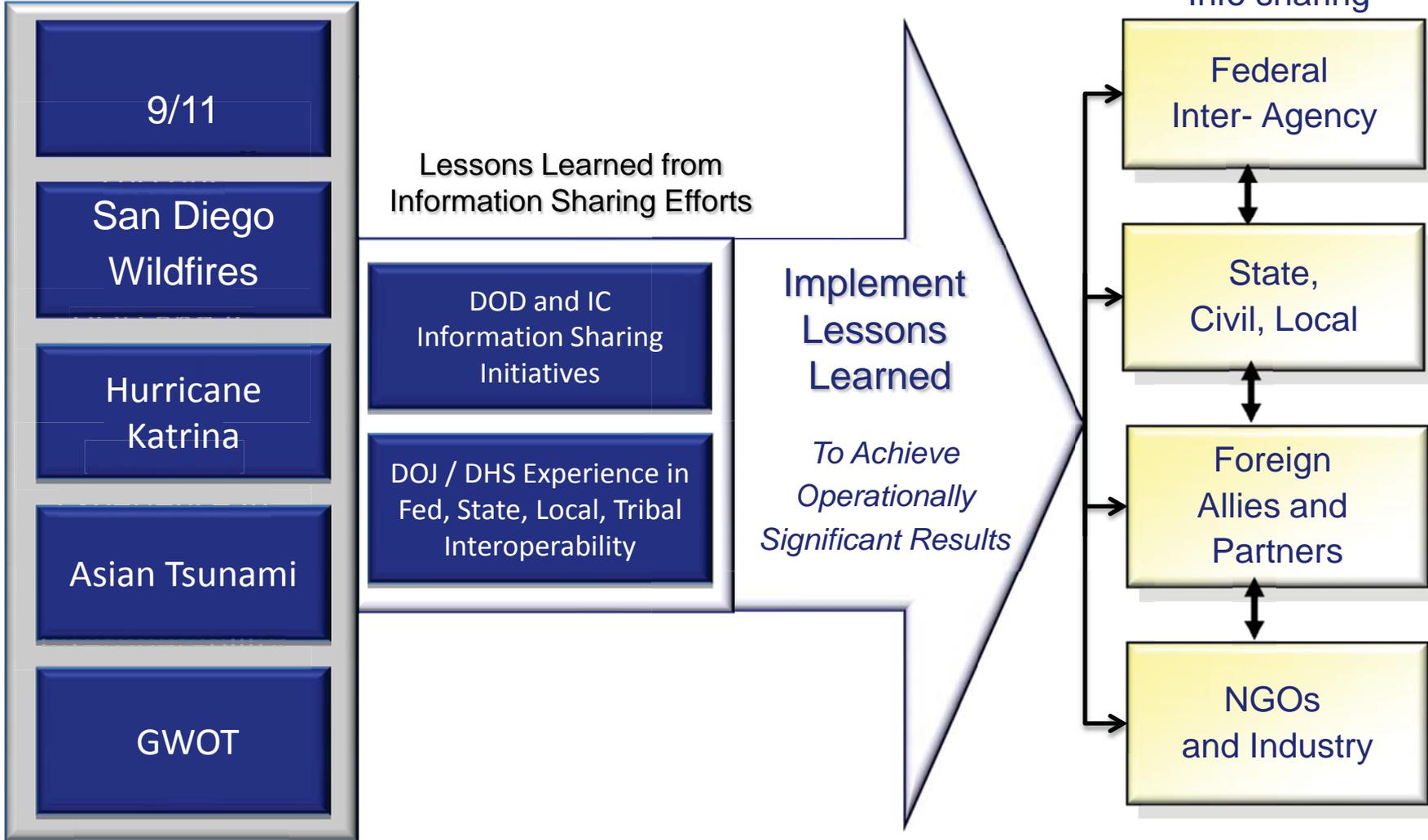
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What is the Problem?

Need for Improved Information Sharing

Operationally Derived Requirements





What is Intent of Universal Core?

Vision

- Improve information sharing by defining and exchanging a small number of important, universally understandable concepts across a broad stakeholder base

Value

- Improved degree of data interoperability between known and unanticipated users while achieving cost and time savings through standardization, modularity, and reuse

▼ History

- Feb 07: Common Core Task Force Reports Out
- Apr 07: UCore Executive Steering Committee (ESC) Formed
- May 07: DOD and IC Co-lead Development
- Oct 07: UCore V1.0 Released
- Oct 07: DHS and DOJ join UCore ESC
- Sep 08: UCore V2.0 Beta Released
- Mar 09: UCore V2.0 Production



Information Sharing Policies

UCore Alignment to Net-Centric Objectives

DATA SHARING CHALLENGES

DoD NCDS TENETS (DoD Directive 8320.2)

IMPLEMENTATION APPROACHES

User **UNAWARE** information exists

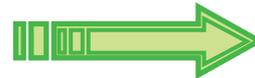
Visible



Incorporation of the Department of Defense Discovery Metadata Specification provides enterprise level data discovery

User knows it exists, but **CANNOT ACCESS IT**

Accessible & Trusted



Incorporation of the Intelligence Community Information Security Marking (IC-ISM) Standard provides security related metadata for trusted net-centric accessibility

User can access information, but cannot exploit it due to **LACK OF UNDERSTANDING**

Understandable



By defining common representations of Who, What, Where, and When (UCore) data becomes understandable across agencies, mission areas and communities of interest

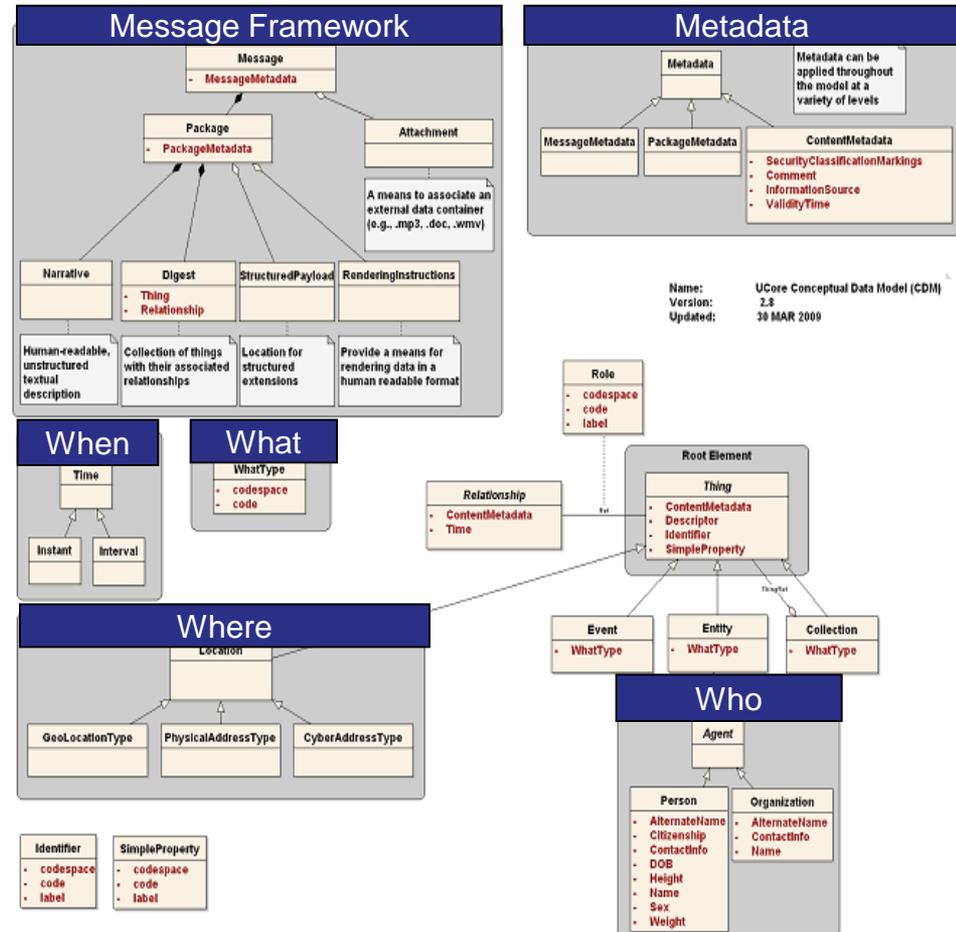


What is the Universal Core (UCore)?

UCore is an information exchange specification and implementation profile

- Vocabulary
 - Of most commonly exchanged concepts: Who, What, When, Where
- XML representation of the concepts
- Security markings to permit controlled access, electronic tear lines
- Message framework to provide consistent packaging of content
- Guidance for extension to permit tailoring to specific mission

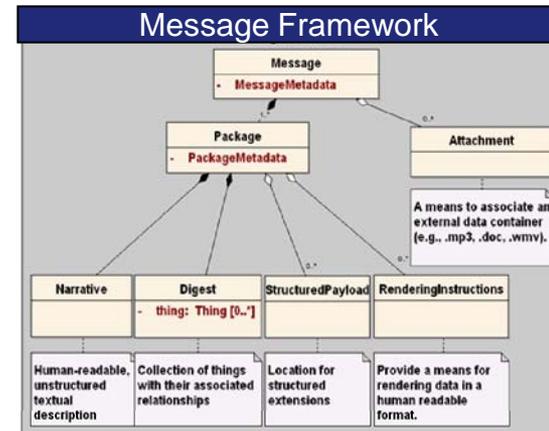
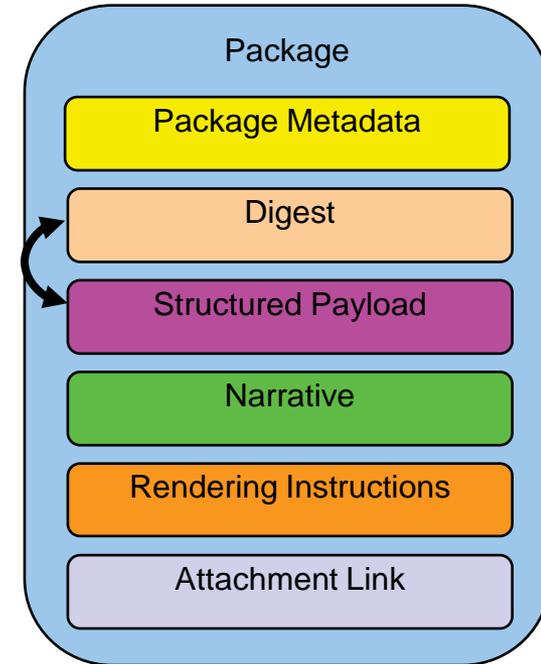
UCore V2.0 Conceptual Data Model



How is the ULEX Data Item Structured?

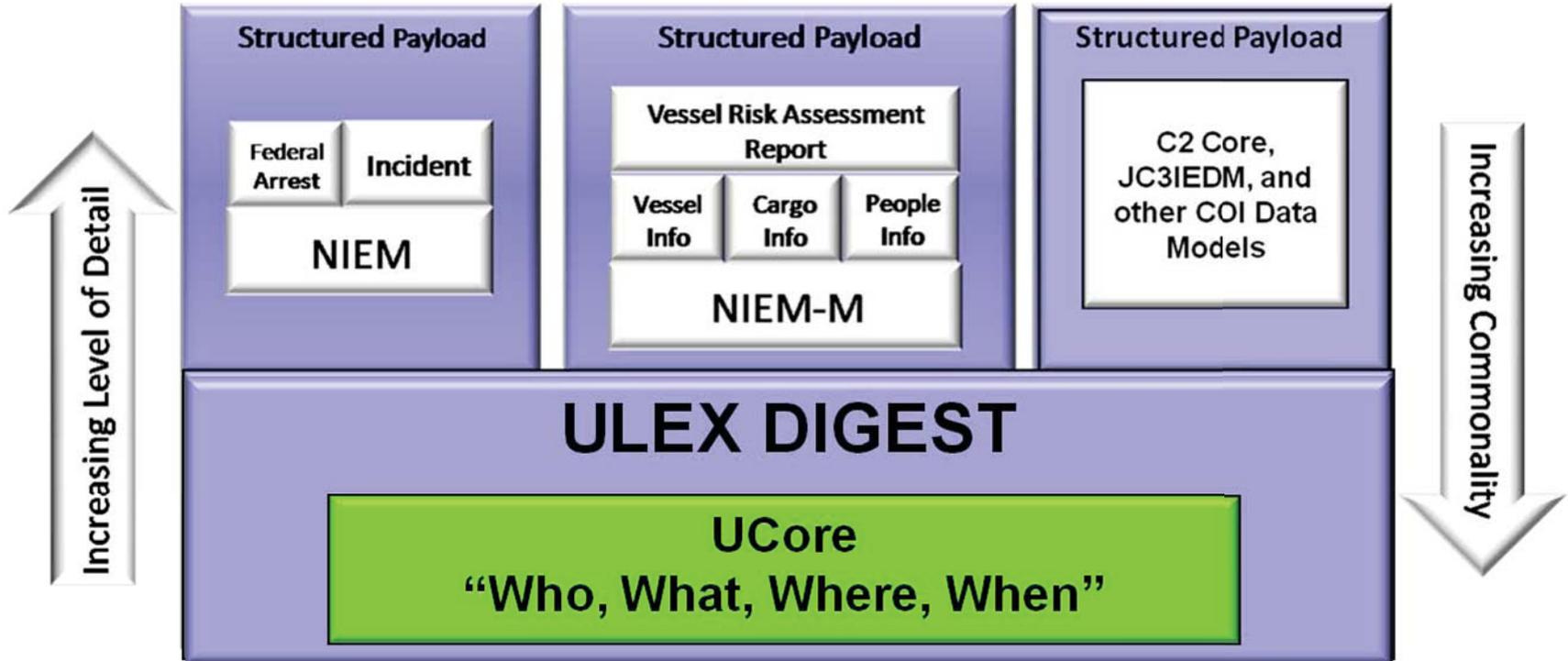
▼ Package

- Package Metadata
 - Identification, contact information, etc.
- Digest
 - Standardized structured entities, roles, and associations
 - Foundation of run-time interoperability
- Structured Payload
 - Based on independently created schemas
 - Can be ignored if not recognized/understood/implemented by consumers
 - Provides framework for extensibility
- Narrative
 - Unstructured (text) data
 - XSLT or pre-rendered (e.g., PDF) attachments
- Rendering Instructions
 - Can reference content in un-recognized structured payloads
 - Foundation of interoperable display (human understanding)
- Attachment Link
 - Semantically rich associations (e.g., facial image, SMT image)





Extension Strategy

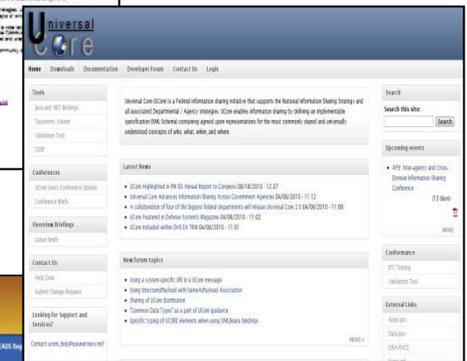


UCore is used in conjunction with existing modeling approaches, infrastructure and enterprise architectures



UCore Maturation

- ▼ UCore Certification Process: JITC
 - Formal process leading to Certification Letter
 - http://jitic.fhu.disa.mil/projects/ucore/ucore_public.html
- ▼ UCore Developer Support
 - Developer's Guide
 - SW Artifacts
 - Briefs
 - Web site: <https://ucore.gov>
- ▼ UCore in DoD Metadata Registry: Super Namespace
 - Compliance with DOD Directives on Data Strategy
 - <https://metadata.dod.mil>
- ▼ UCore in DoD Information Standards Registry (DISR)
 - New Information/Guidance Document



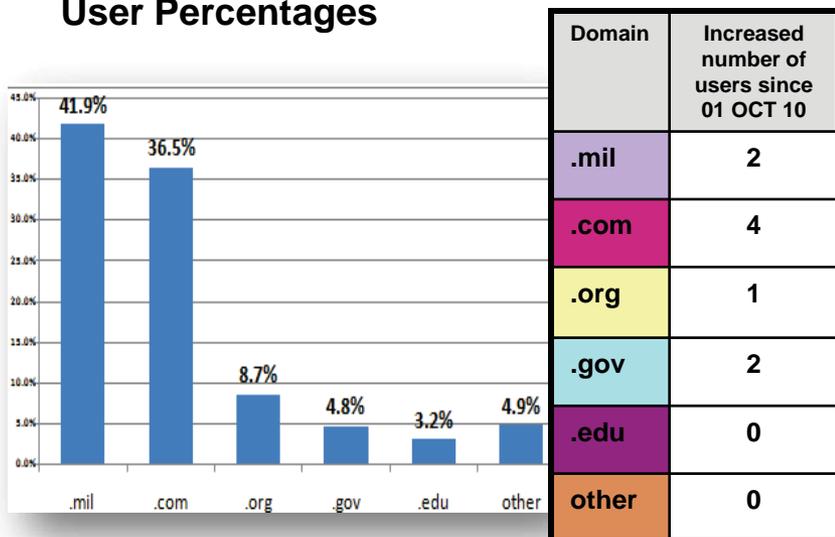
End-to-End Life Cycle Management



UCore Community Metrics

UCore Users by Extension

User Percentages



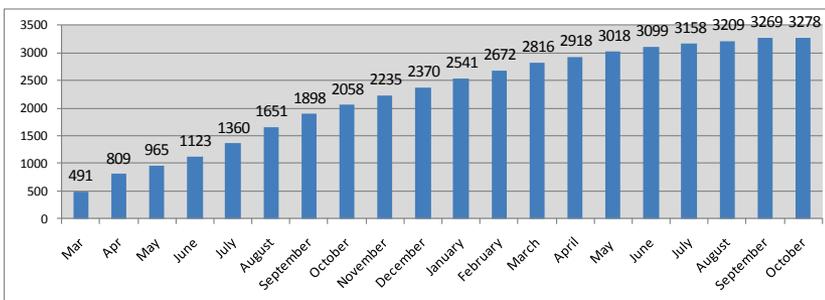
Top 10 Content Views: 28 October 10

	Title	Total Views on 28 OCT 10	Views since 01 OCT 10
1	Documentation	2,610	289
2	Downloads	2,194	268
3	UCore Developer's Guide	1,788	230
4	Taxonomy	1,552	207
5	Briefs and Documentation	1,125	129
6	Tutorial Overview	1,072	173
7	Conceptual Data Model (CDM)	1,012	118
8	Starting with Your Existing Information Exchange Schema	730	81
9	Message Framework	716	67
10	Example Instances	708	82

****Note**** Website document views were reset on 29 May 2010
When the website was updated**

Number of Users: 3,278

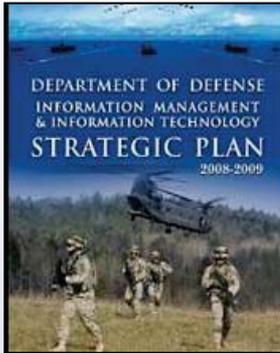
9 New Users since 01 October 2010



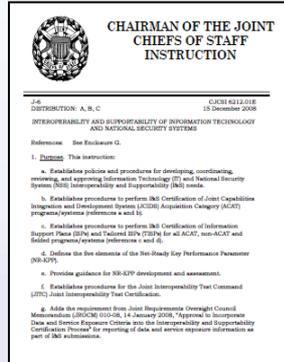
Schedule

- DoD Information Exchange Schema (IES) Focus Group 
- Scheduled: 12 – 13 October 2010

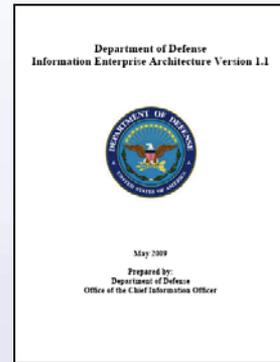
UCore Guidance and Policy in DoD



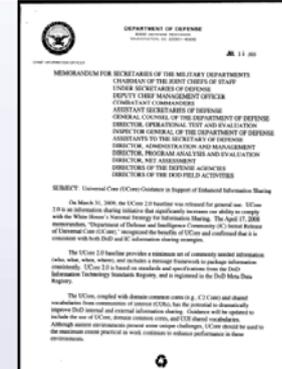
DoD IM & IT Strategy
2008 - 2009



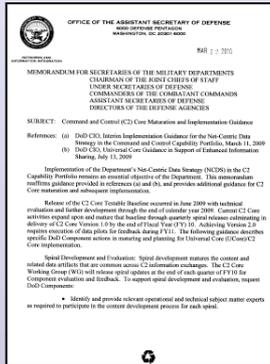
CJCSI 6212.01E
15 December 2008



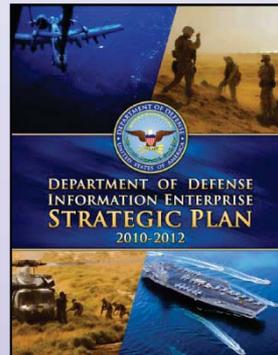
DIEA V1.1
May 2009



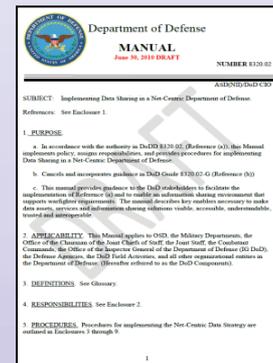
UCore Memo
13 July 2009



C2 Core Maturation and Implementation Guidance
12 March 2010



DoD Information Enterprise Strategic Plan
2010 - 2012



DoDM 8320.02
Forthcoming



Issues: Relative Truths and Subjective Facts

- ▼ Interop. ambiguity
- ▼ Consensus is Highly Overrated
- ▼ Developer's Phobia: "Mission Accomplished"
- ▼ Disposable Services
- ▼ POM Political Capital
- ▼ Standards versus Standardization
- ▼ Think Globally, Act Logically
- ▼ MicroPPBE 101

**Bottom Line: Need
Enterprise Digital Media Lifecycle Management**



TEAM

SPAWAR

®



Facebook: facebook.com/spaceandnavalwarfaresystemscommand

Twitter: twitter.com/SPAWARHQ

Youtube: youtube.com/user/TEAMSPAWAR