



17 February 2009

Space and Naval Warfare Systems Center Atlantic Contracting Capability

Briefing to
Tidewater Association of Service Contractors
Mr. William Paggi
2.0 Contracts Competency Lead

CAPT Bruce Urbon – Commanding Officer

Mr. Philipp Charles – Technical Director





Newly-Formed “Team Atlantic”

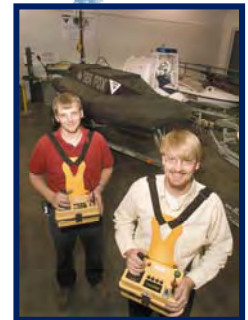
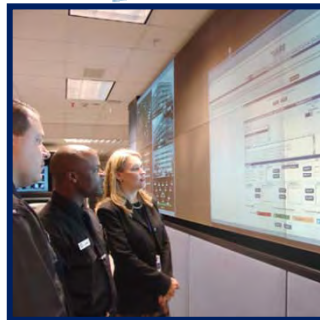
Commissioning of SPAWAR Atlantic October 01, 2008



We are Project Driven

Engineering Solutions for the Warfighter

C4ISR, IO, EIS and Space



Critical Path for Naval & Joint Forces

Delivering secure, integrated, and innovative C4ISR & IT capability and reachback for dozens of Naval, Joint and National agencies.

- Leveraging Technology
- Speed to Capability
- Rapid Prototyping



- ATC Center of Excellence
- All Navy / USMC Shore-based ATC
- ATC expertise leveraged across the Joint Forces
- National Airspace System Modernization



Global Command and Control operations

811 Internet Cafés
9109 PCs
3986 Phones

Net Operations Center



Enabling U.S. Forces to stay connected to loved ones.



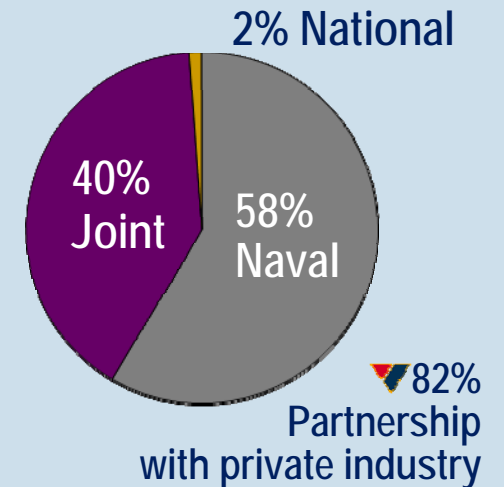
Nearly 15,000 MRAPs integrated

Demand Signal

- Navy
- USMC
- Army
- Air Force
- Dept of Defense
- U.S. Combatant Commands
- Dept of State
- Dept of Veterans Affairs
- Dept of Justice
- Dept of Treasury
- Dept of Homeland Security
- Federal Aviation Admin
- National Science Foundation

Providing quality full-service systems engineering and acquisition to rapidly deploy capabilities.

TOA FY 08 **\$4.37B**illion

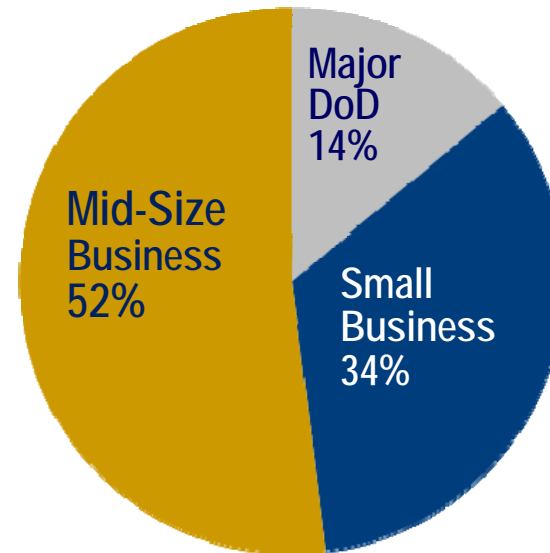
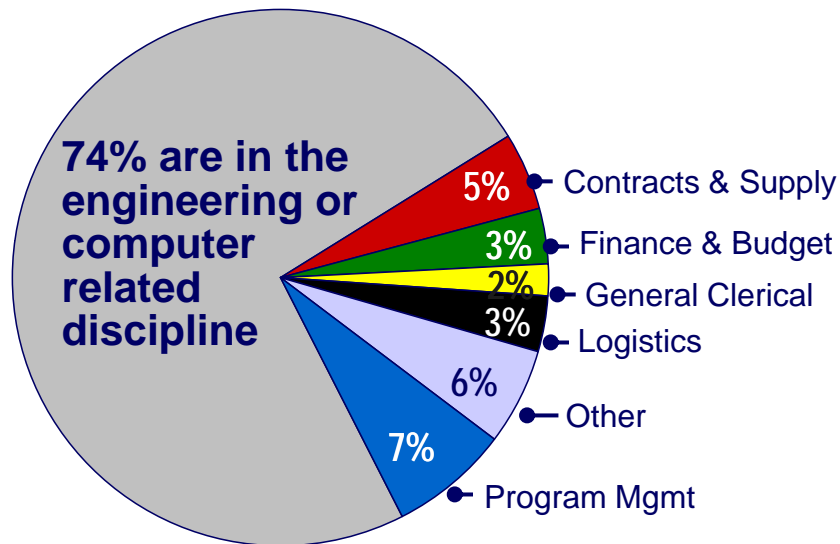


Naval

Joint

National

Our Business Model



**Over 3,000
 Government
 Employees**

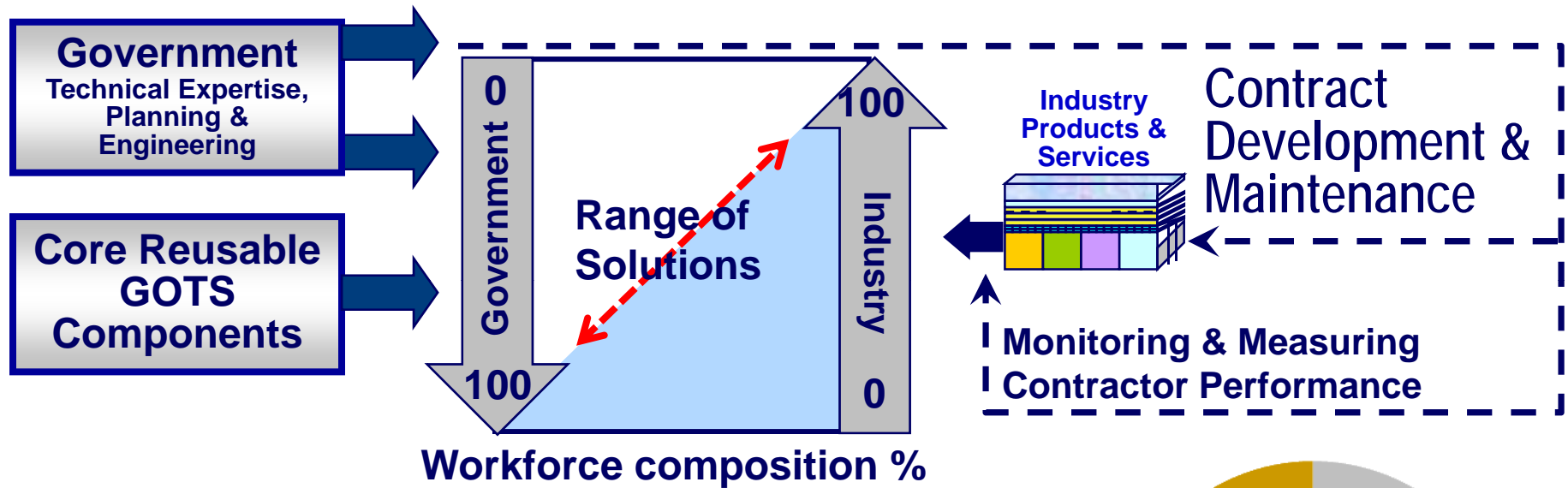
+

**9,000 Industry
 Partners**

=

**Effective &
 Efficient Solution
 to the “Global War
 on Terror”**

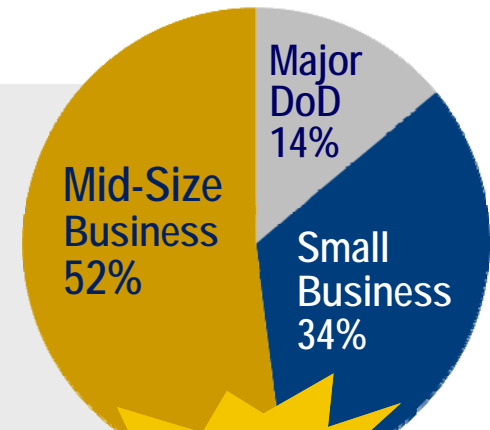
Integration of Government Engineering and Industry Solutions



Integrated government/industry partner team

=

Effective and innovative solutions for the Warfighter



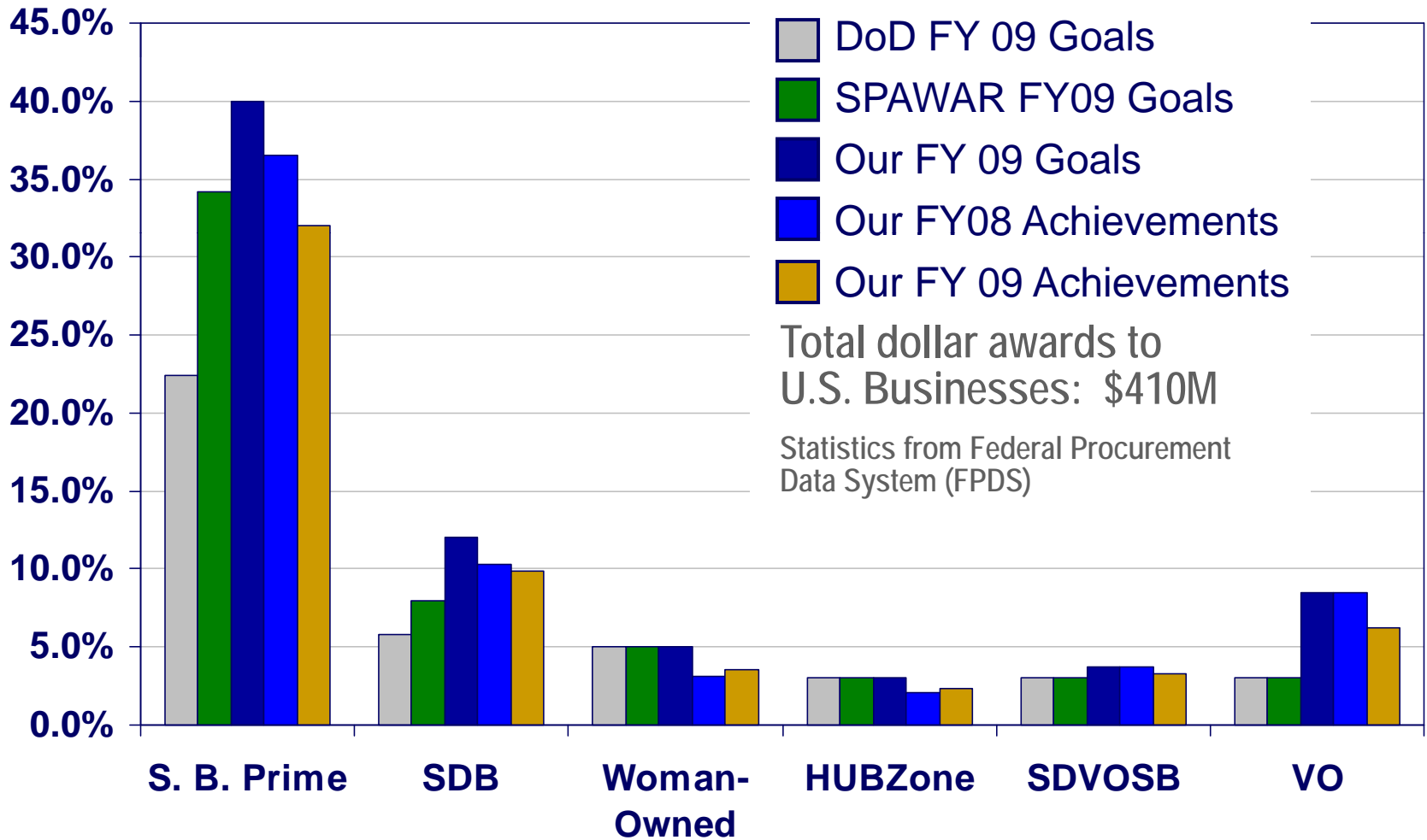
Leveraging Technology

Speed to Engineering Capability

Speed to Capability

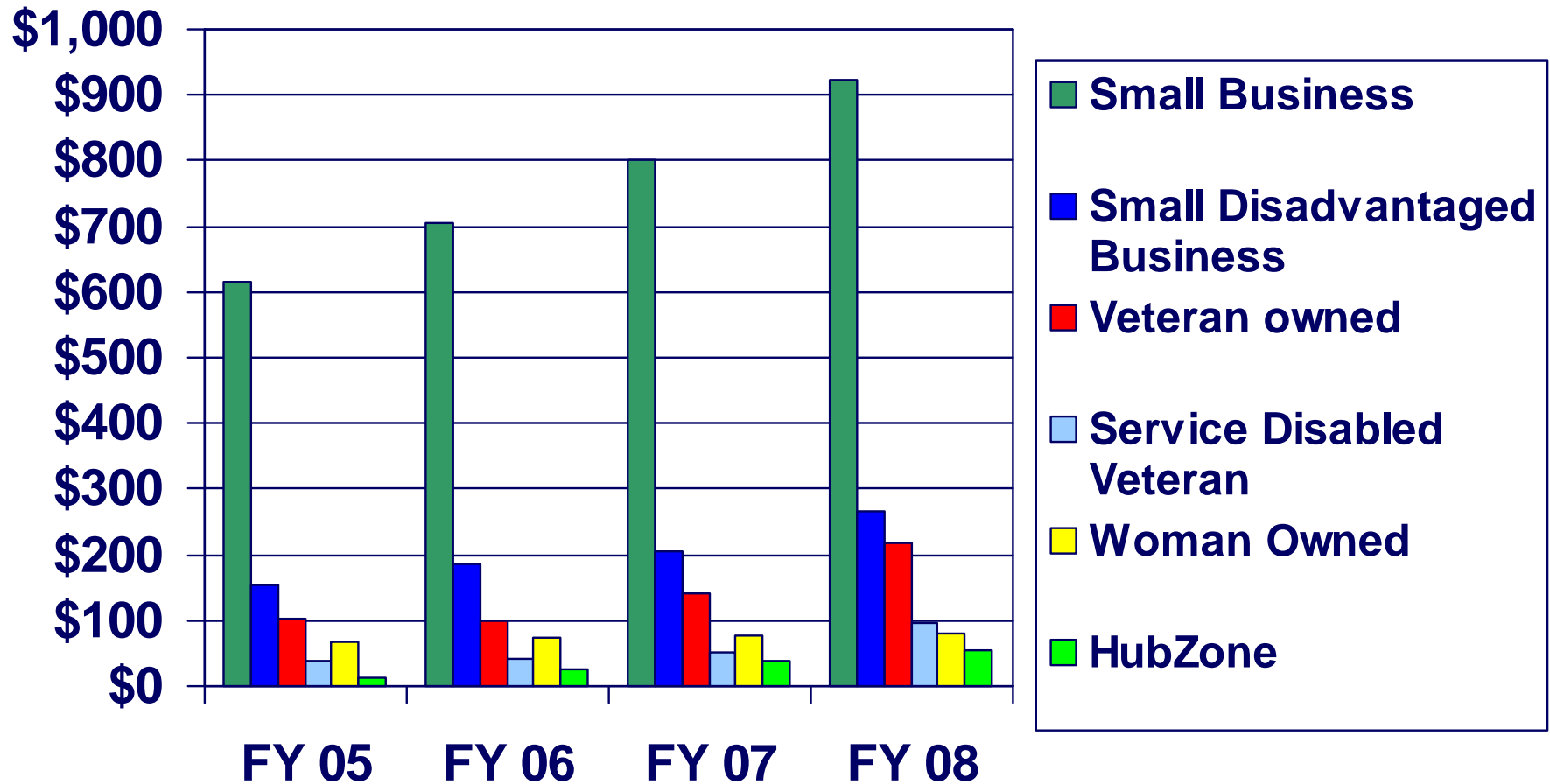
**Values as of Sep 2008*

Small Business Awards FY 09





SSC-Atlantic Small Business Program Growth

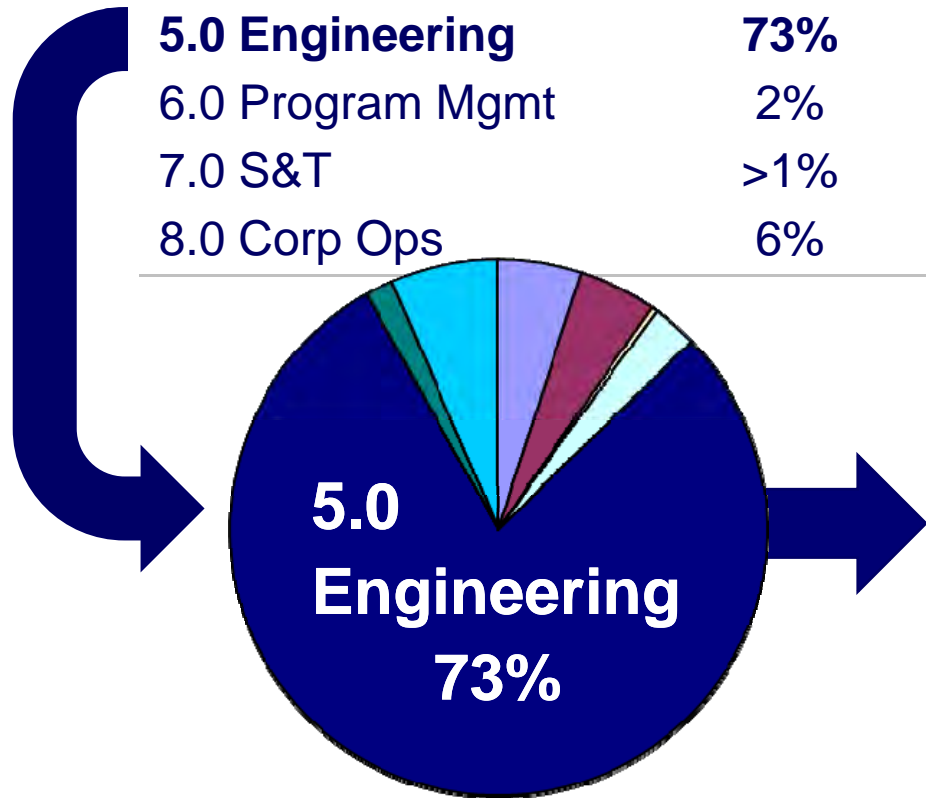


Dollars are expressed in millions

Competency Aligned Organization (CAO)

Competency	Employee %
1.0 Finance	5%
2.0 Contracts	4%
3.0 Legal	>1%
4.0 Log & Fleet	9%
5.0 Engineering	73%
6.0 Program Mgmt	2%
7.0 S&T	>1%
8.0 Corp Ops	6%

A close-knit, unified team shaped by an innovative organizational framework.



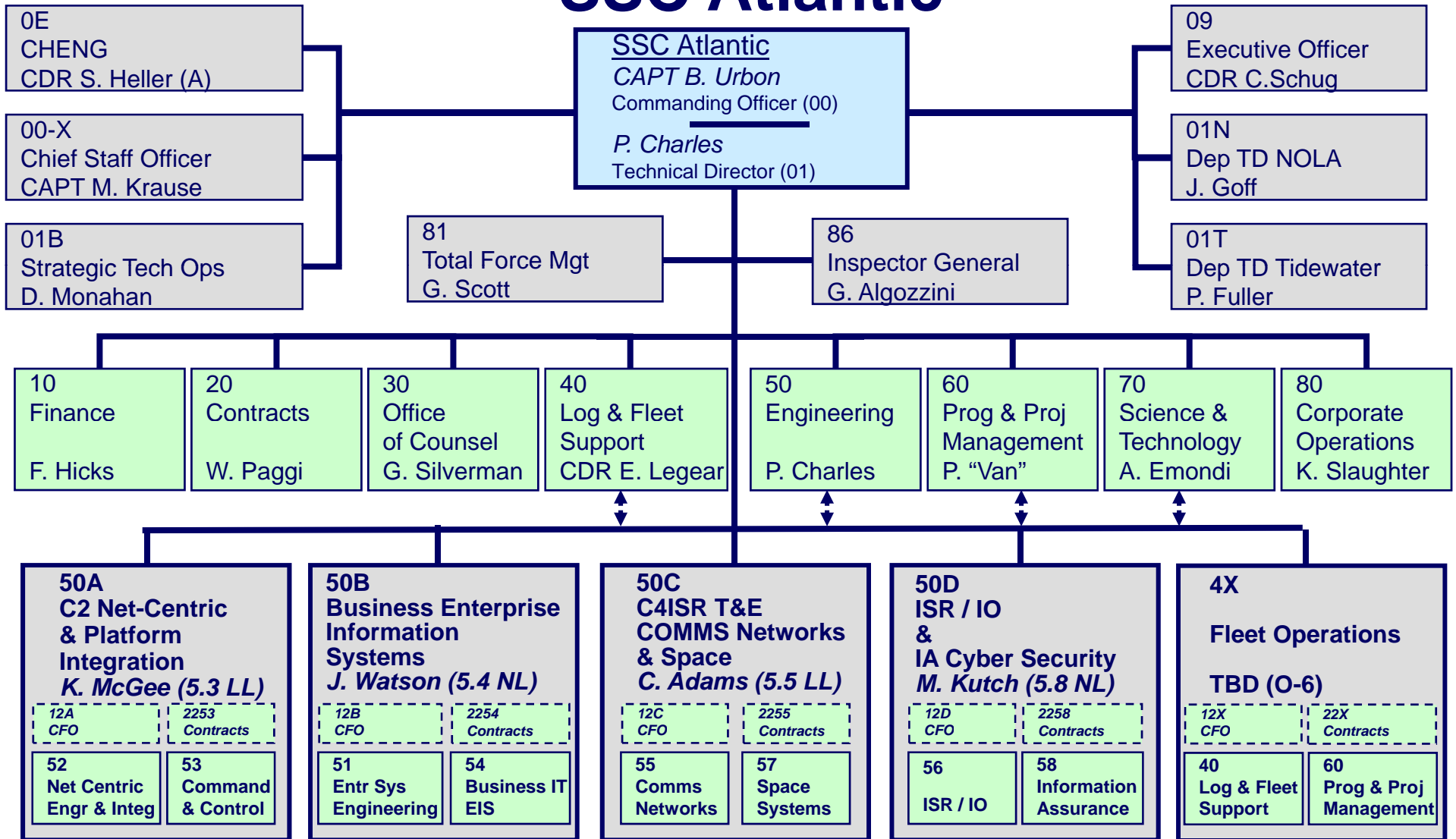
Competency	Percentage
5.0 Engineering	<1%
5.1 Enterprise Systems	1%
5.2 NetCen Eng & Integration	<1%
5.3 Command & Control	24%
5.4 Business / EIS	16%
5.5 Comms & Networks	26%
5.6 ISR / IO	15%
5.7 Space Systems	1%
5.8 Information Assurance	16%
5.9 Systems Test Eval & Cert	>1%

**Source of Data: Corporate Resource Review, as of 12/8/08*



Competency Aligned View

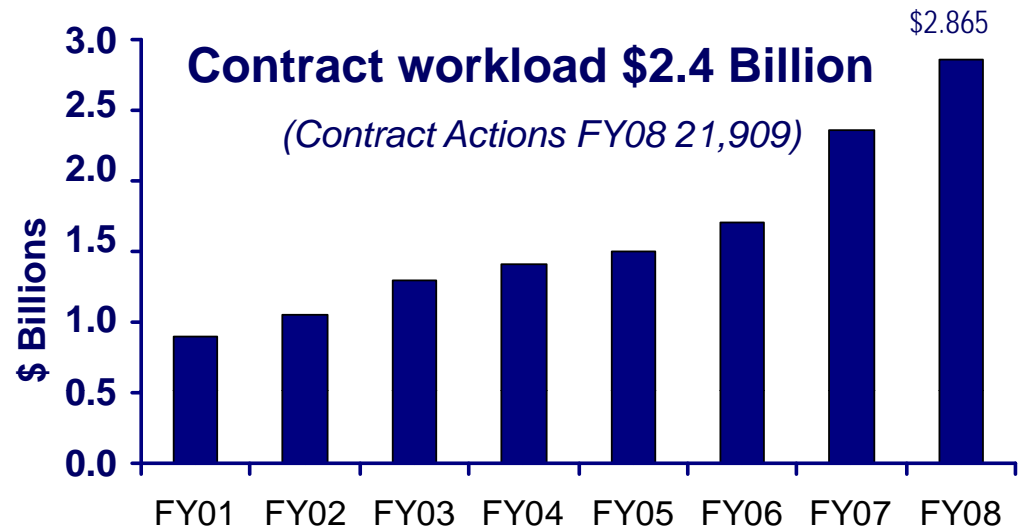
SSC Atlantic





Business and Acquisition Excellence

- ▼ Unlimited contracting authority
- ▼ \$7.9B available ceiling*
- ▼ Total-turnkey acquisition capability
- ▼ Contract Specialists co-located with technical personnel
- ▼ Use of full spectrum contract types and techniques



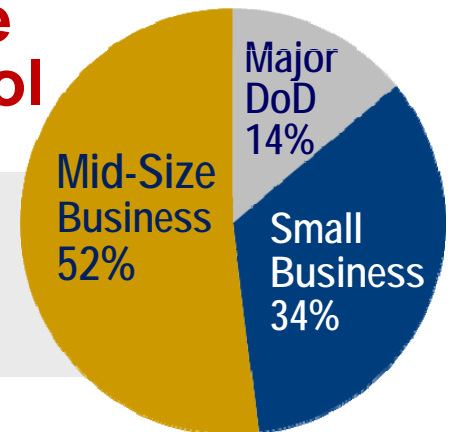
*Values as of Sep 2008

SSC Atlantic is predominately a Navy Working Capital Fund organization. This demands we monitor cost, schedule, and quality to control rates, maintain agility, and satisfy our customers.

An integrated government/
industry
Partner team

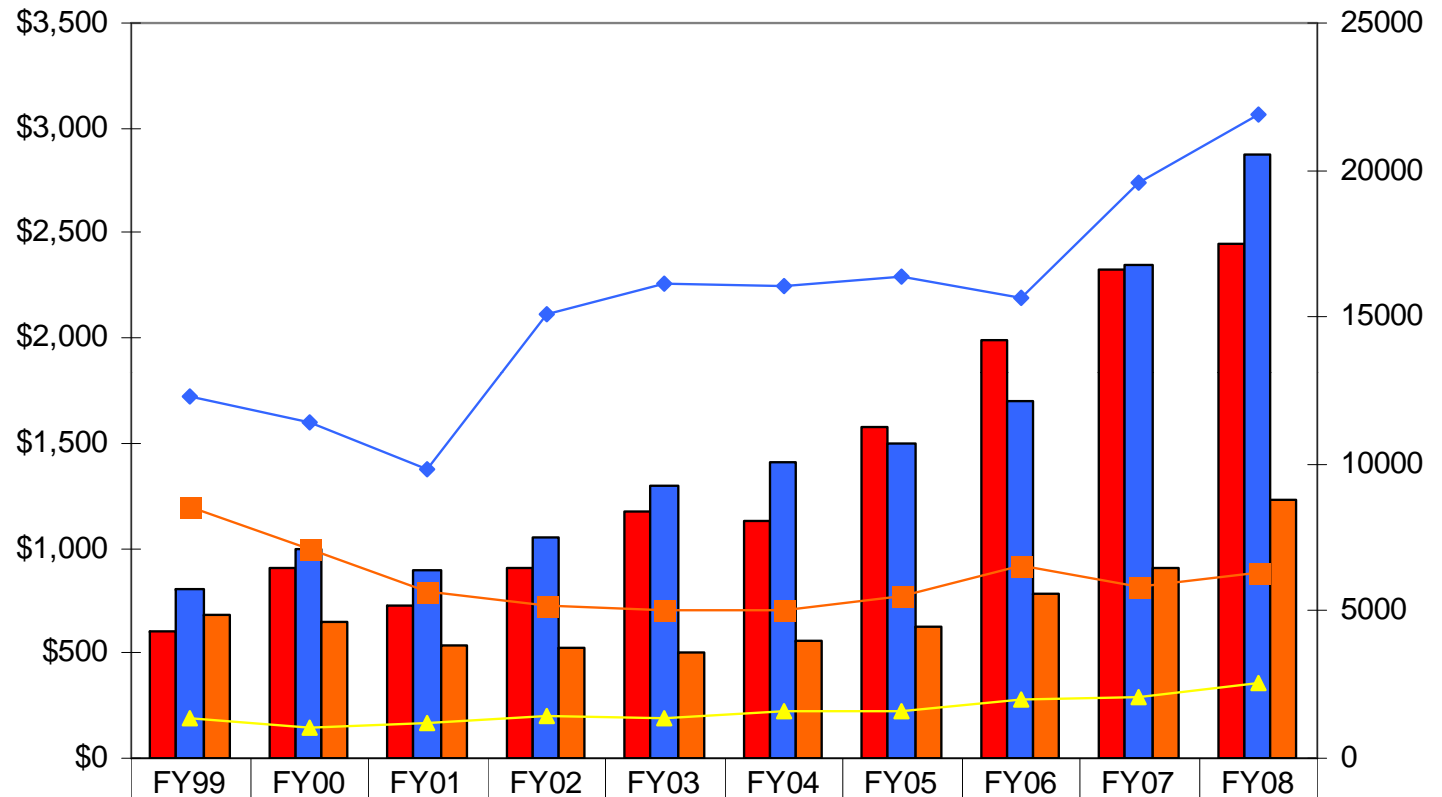
=

Effective and innovative
solutions for
the Warfighter



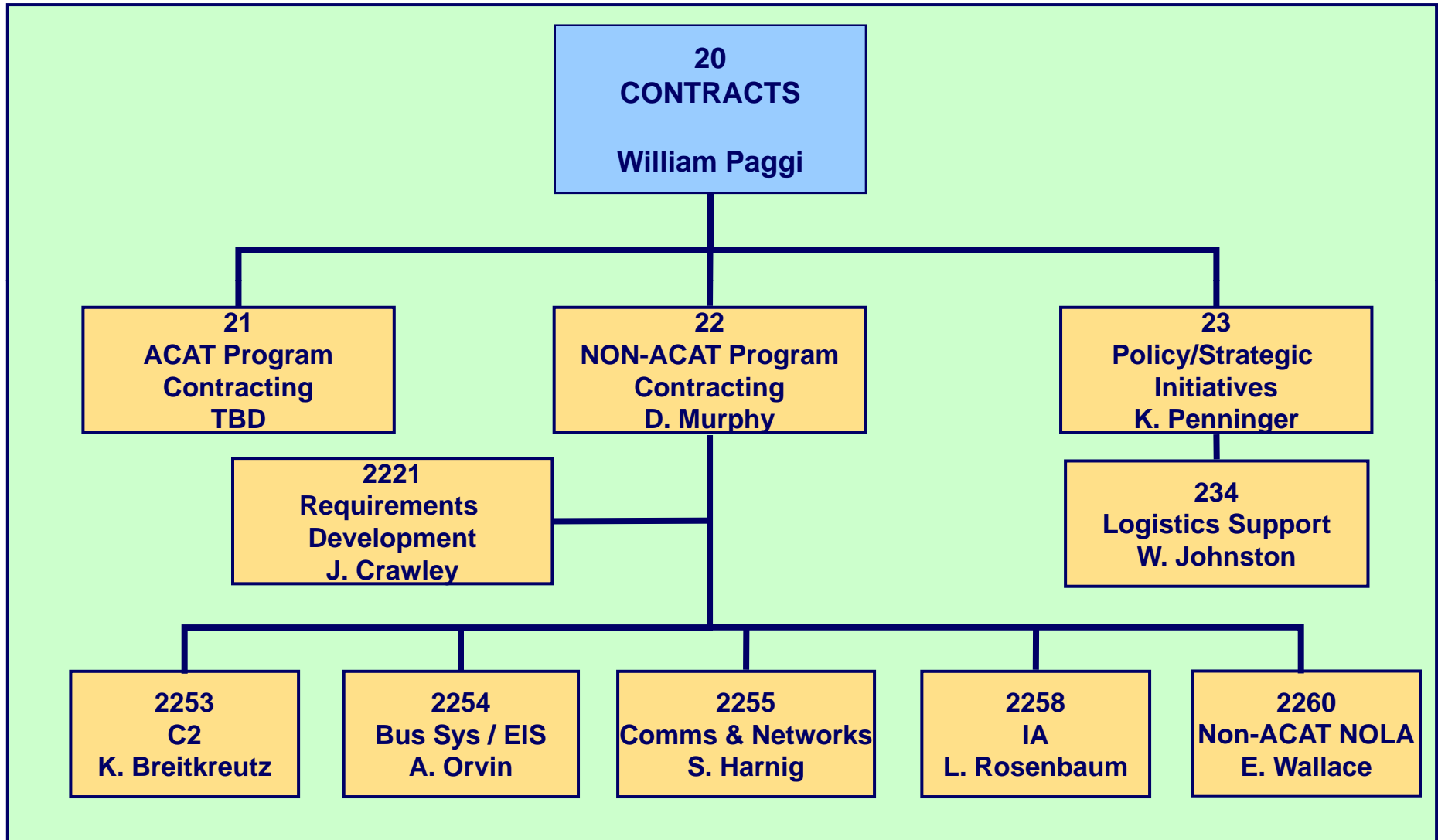


SPAWAR Contracting Workload



HQ Obligations	\$609	\$905	\$728	\$904	\$1,174	\$1,124	\$1,580	\$1,990	\$2,330	\$2,445
SSC-CH Obligations	\$803	\$995	\$893	\$1,047	\$1,292	\$1,409	\$1,500	\$1,700	\$2,353	\$2,873
SSC-SD Obligations	\$683	\$654	\$539	\$531	\$498	\$554	\$630	\$780	\$910	\$1,228
HQ Actions	1341	1072	1165	1424	1360	1560	1616	1972	2089	2550
SSC-CH Actions	12267	11417	9787	15118	16105	16080	16354	15629	19549	21901
SSC-SD Actions	8526	7148	5651	5230	5008	5043	5535	6549	5821	6290

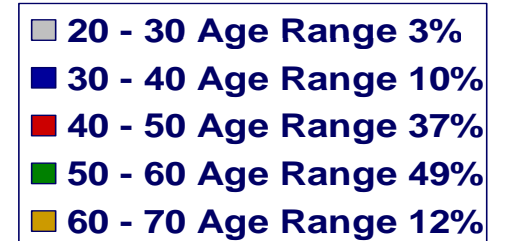
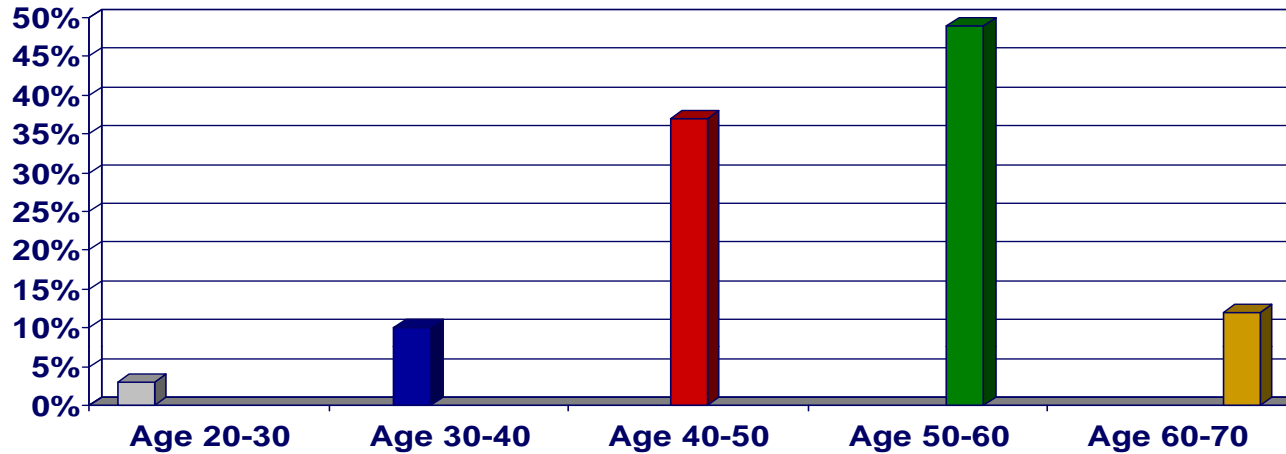
SSC-LANT Contracts Department



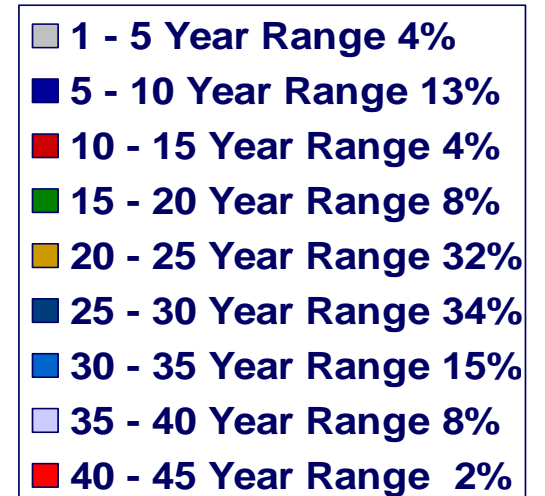
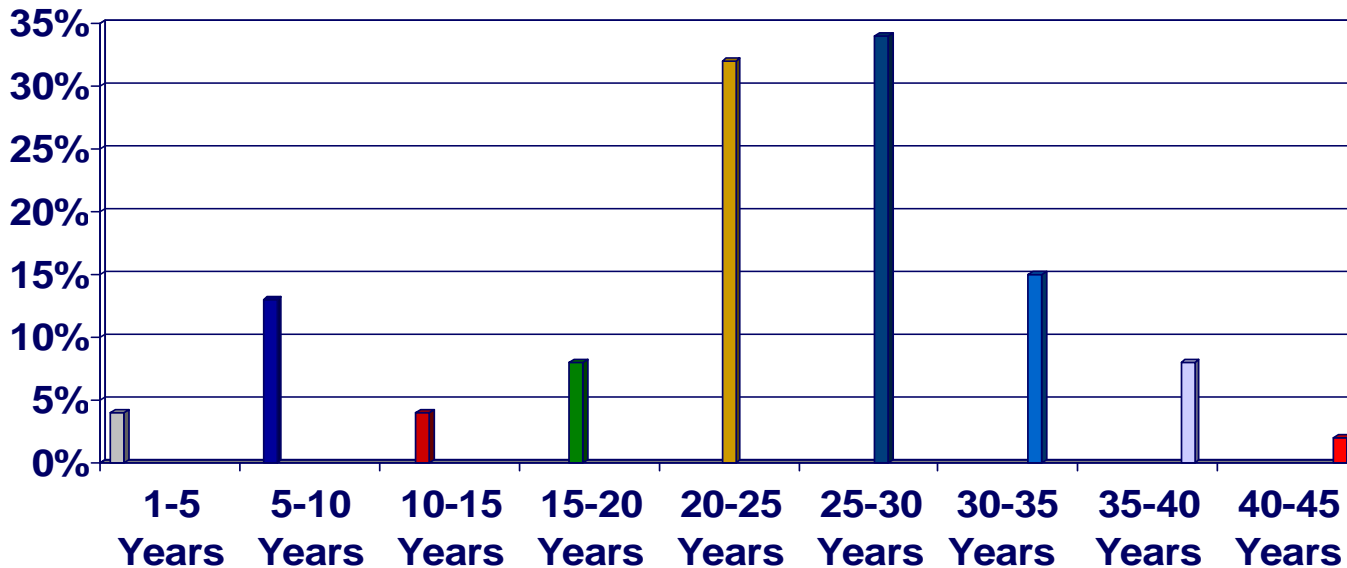


CONTRACTS & LOGISTICS DEPARTMENT WORKFORCE JANUARY 2009

AVERAGE AGE OF CONTRACTS & LOGISTICS WORKFORCE IS AGE 50



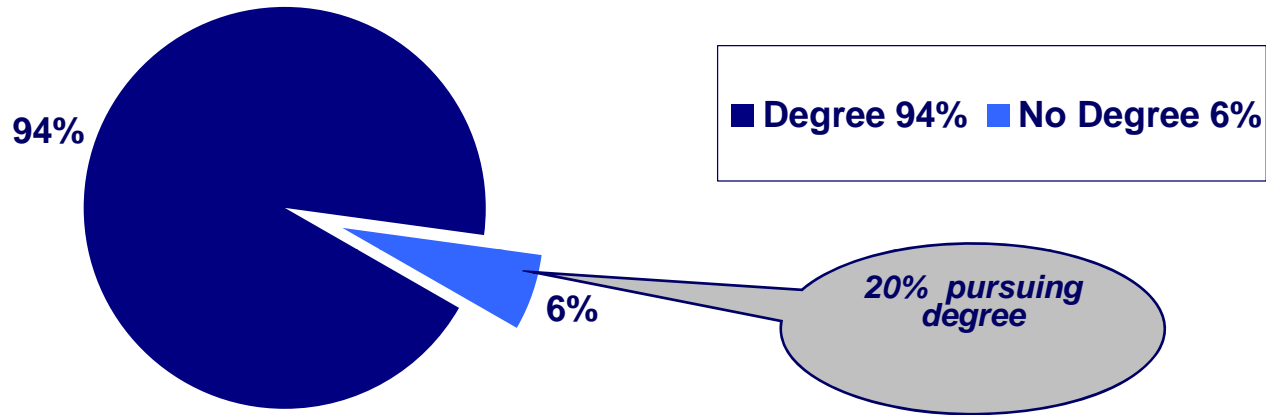
AVERAGE YEARS OF EXPERIENCE IS 23 YEARS



CONTRACTS ACQUISITION WORKFORCE JANUARY 2009

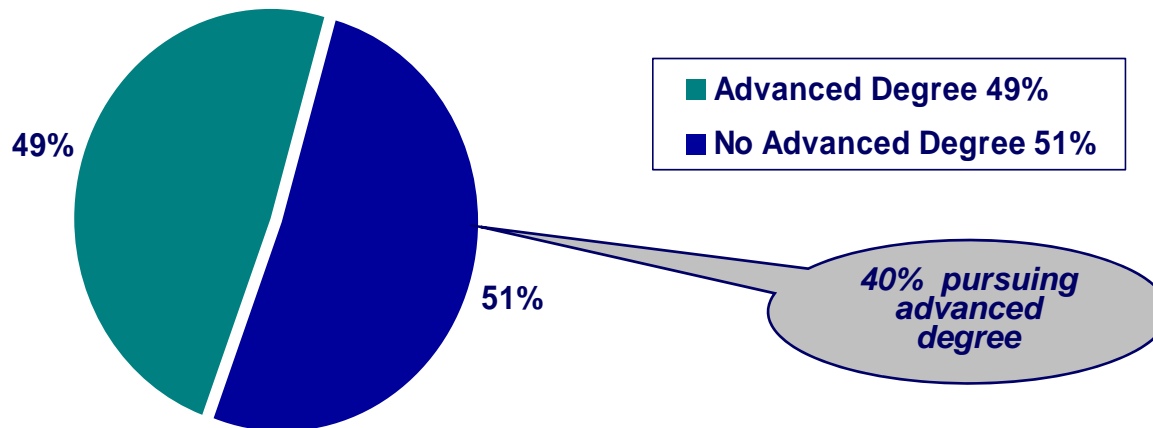
ACQUISITION PERSONNEL (Contract Specialist - 1102 SERIES)

BACHELOR DEGREE



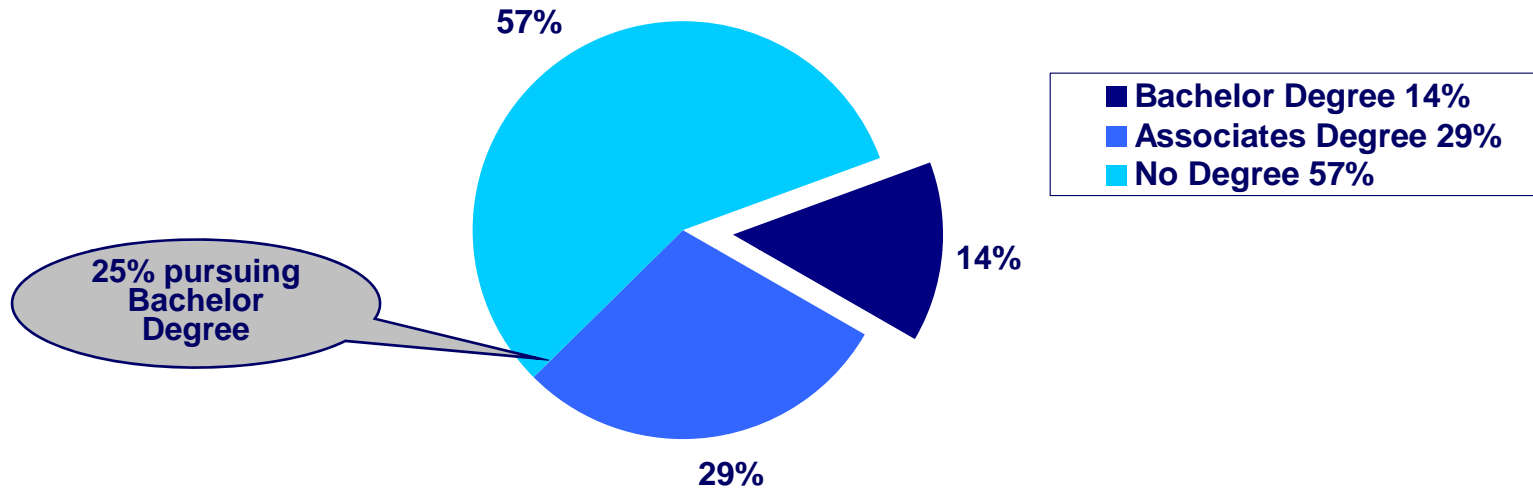
ADVANCED DEGREE

Percentage for Advanced Degree is based on the 94% workforce that have a degree.



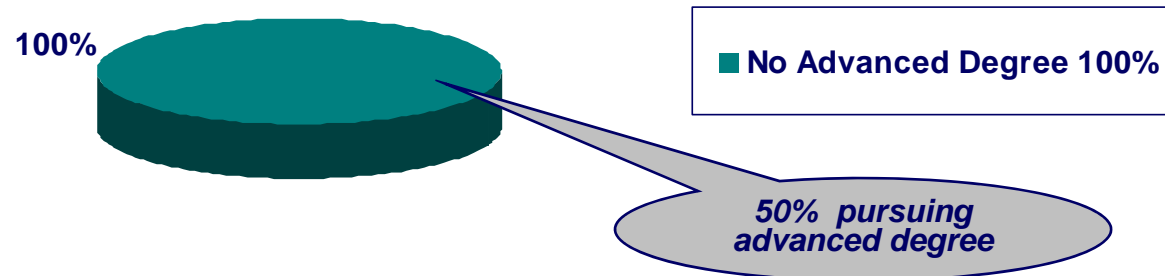
CONTRACTS ACQUISITION WORKFORCE JANUARY 2009

ACQUISITION PERSONNEL (Purchasing Agent - 1105 SERIES) DEGREE INFORMATION



ADVANCED DEGREE

Percentage for Advanced Degree is based on the 14% workforce that have a degree.

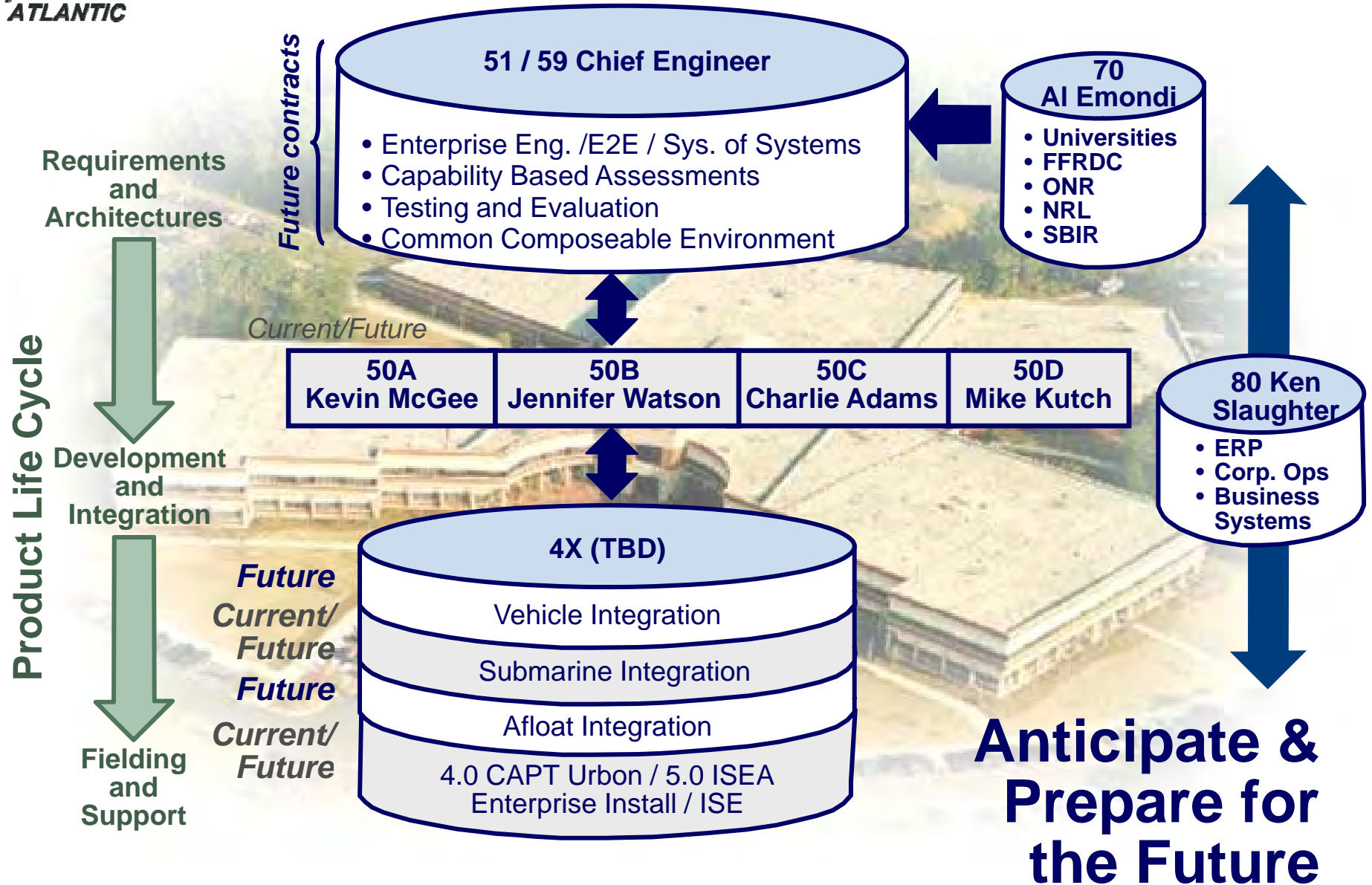




CAO Contract Strategy Construct

- **Centrally managed and controlled portfolio of contract vehicles**
- **Aligned to the Competencies**
- **Appropriate mix of small and large businesses**
- **Contract vehicles initiated and managed at the appropriate organizational level in strategically important functional areas**
- **Contract scope of individual contracts focused on:**
 - Competency areas
 - Customer business areas
 - Program/project IPT requirements.
- **Create contracts that can be, and are used, across the SPAWAR Enterprise to the maximum extent possible**

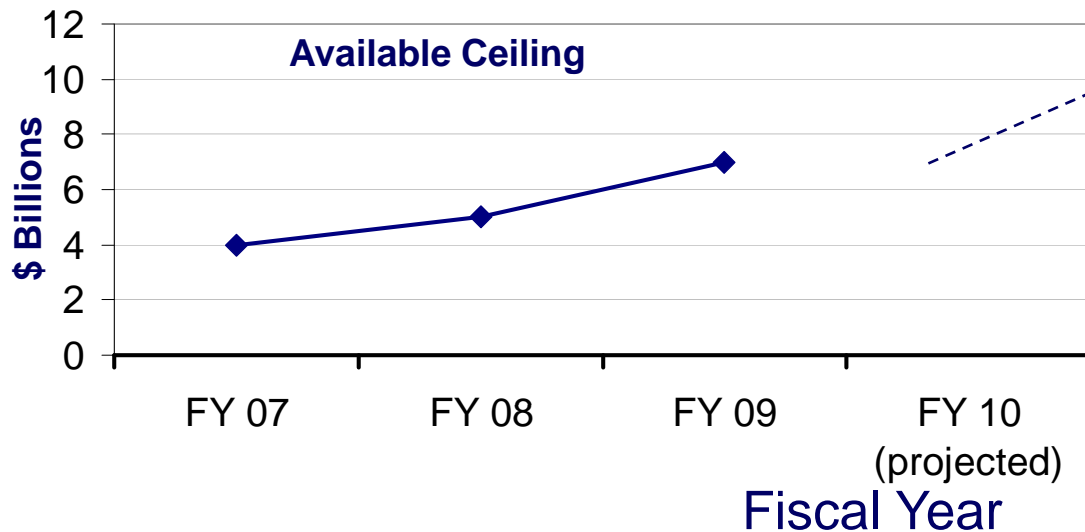
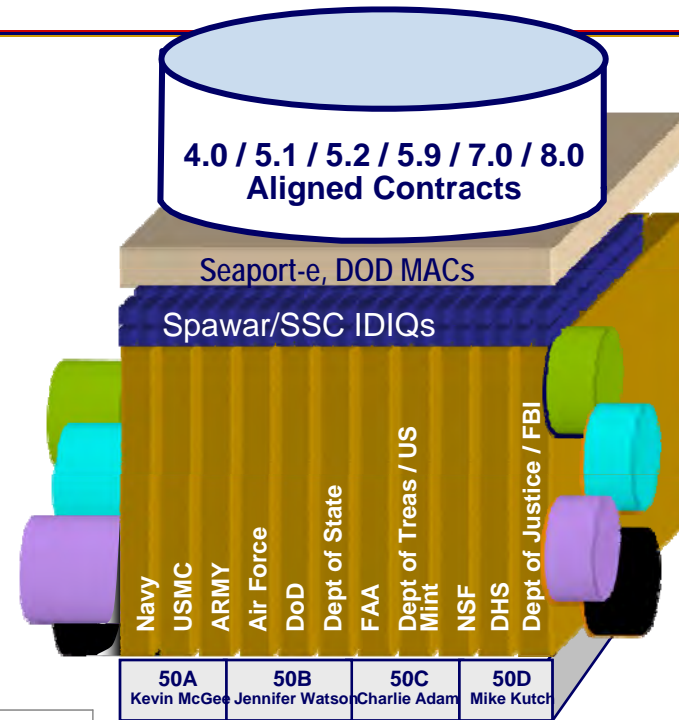
Competency and Demand Aligned Contract Strategy for the Life Cycle



Strategy Aligned Contract Portfolio

Approach

- Leveraging Command, Seaport-E and other available vehicles
- Maintain a portfolio of C4ISR contracts to support Directorate/Competency requirements

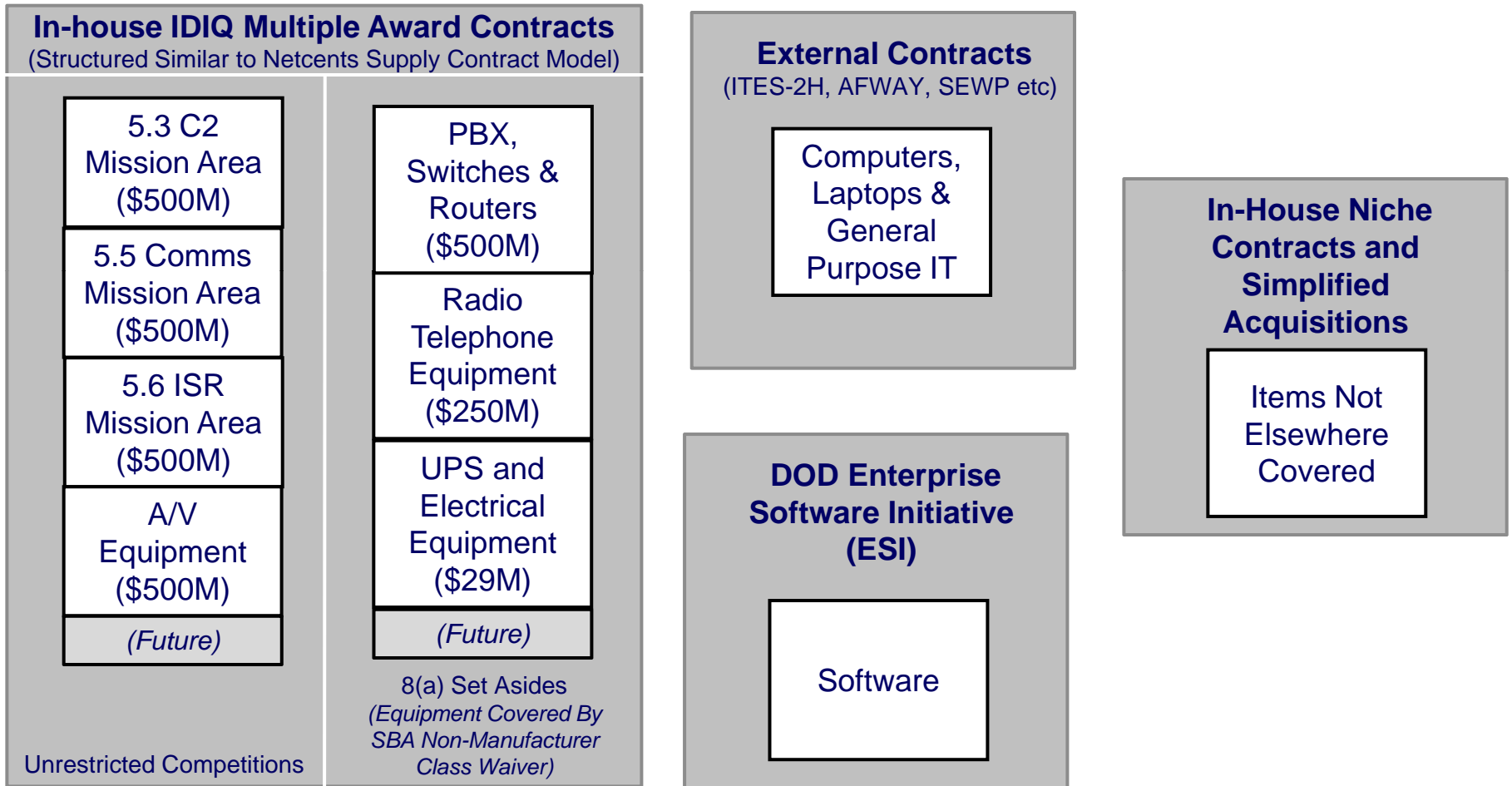


Capacity

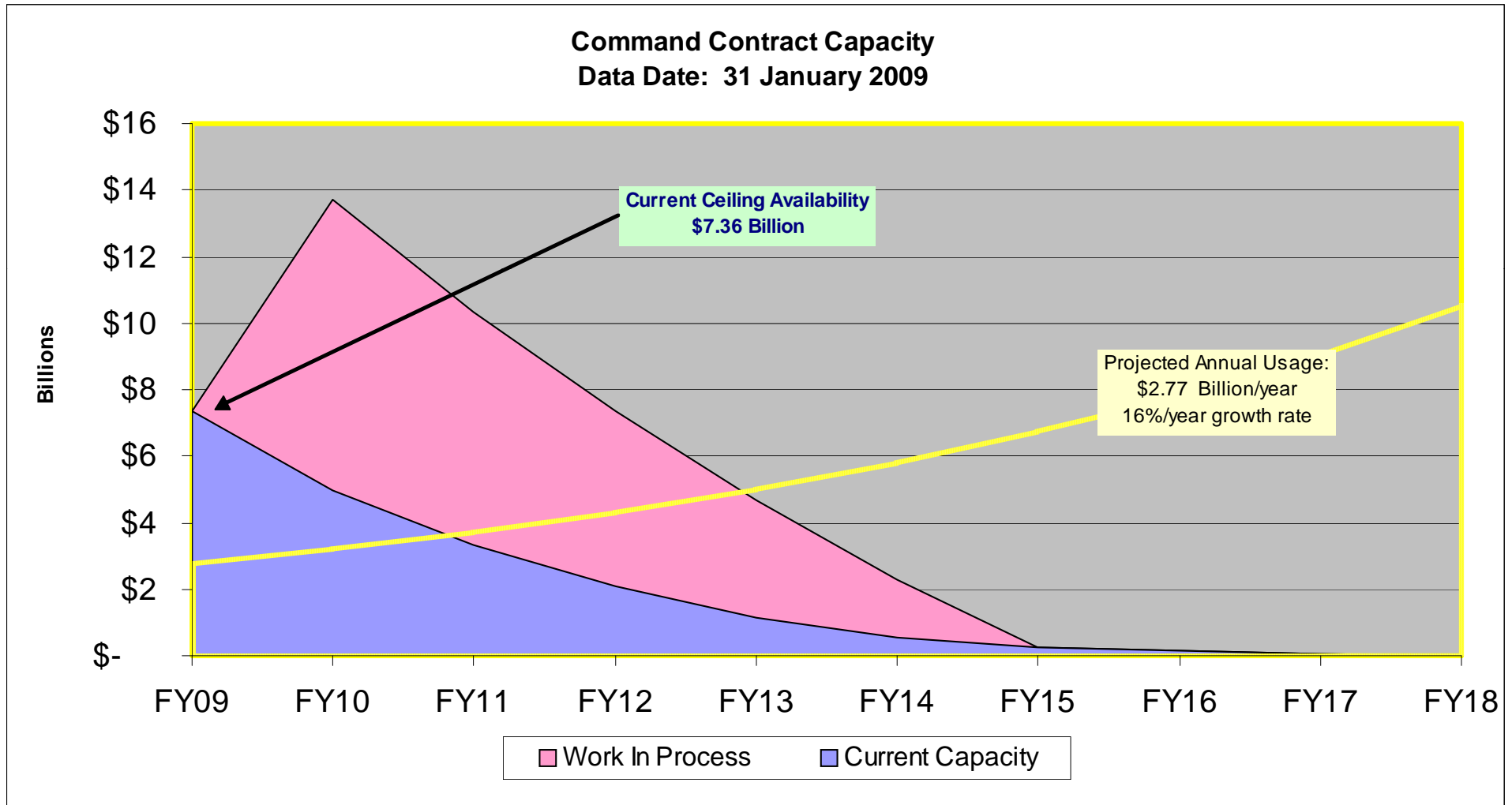
- Department service contract capacity currently at \$7.66B
- Planned capacity within 2 years expected to be \$10B



Contracting Strategy For COTS Supplies



Command Contract Capacity





Existing Capacity

A) Business Ops	Count	6
	Contract \$ Value	\$ 35,405,561
	Ceiling \$ Remaining	\$ 11,889,543
B) Prod/Install	Count	41
	Contract \$ Value	\$ 1,418,317,299
	Ceiling \$ Remaining	\$ 616,919,931
C) Communications	Count	94
	Contract \$ Value	\$ 3,492,711,111
	Ceiling \$ Remaining	\$ 2,561,586,472
D) Command & Control	Count	111
	Contract \$ Value	\$ 3,912,698,751
	Ceiling \$ Remaining	\$ 1,932,089,318
E) IO/ISR	Count	105
	Contract \$ Value	\$ 2,669,013,499
	Ceiling \$ Remaining	\$ 1,467,330,399
F) Business IT	Count	23
	Contract \$ Value	\$ 1,125,239,334
	Ceiling \$ Remaining	\$ 770,447,595
Total Count		380
Total Contract \$ Value		\$ 12,653,385,555
Total Ceiling \$ Remaining		\$ 7,360,263,259



Work in Process (WIP)

		Competitive	Sole Source	Seaport	Total
Business Operations	Sum	\$ 44,500,000	\$ 3,000,000	\$ -	\$ 47,500,000
	Count	2	1	0	3
Production / Installs	Sum	\$ 398,500,000	0	\$ -	\$ 398,500,000
	Count	4	0	0	4
Communications	Sum	\$ 2,645,535,934	\$ 120,450,174	\$ 18,500,000	\$ 2,784,486,108
	Count	19	8	2	29
Command & Control	Sum	\$ 2,365,686,791	\$ 126,346,328	\$ -	\$ 2,492,033,119
	Count	29	22	0	51
IO / ISR	Sum	\$ 1,936,966,775	\$ 72,981,920	\$ 318,900,000	\$ 2,328,848,695
	Count	23	11	5	39
Business IT	Sum	\$ 1,023,575,600	\$ 9,767,842	\$ 171,657,298	\$ 1,205,000,740
	Count	9	3	5	17
Totals	Sum	\$ 8,414,765,100	\$ 332,546,264	\$ 509,057,298	\$ 9,256,368,662
	Count	86	45	12	143



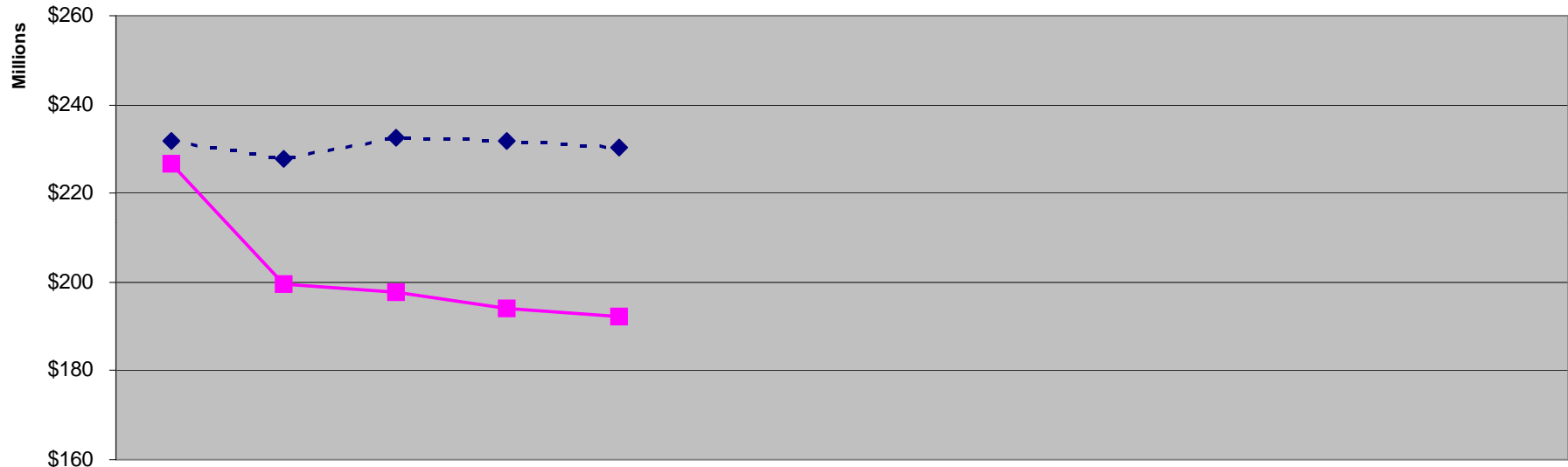
CIRs in Progress

		Competition			
Competency	Data	Competitive	Sole Source	SeaPort	Grand Total
Communications	\$ Value			\$ 9,000,000	\$ 9,000,000
	Count			1	1
Command & Control	\$ Value		\$ 80,250,000		\$ 80,250,000
	Count		4		4
IO/ISR	\$ Value	\$ 494,000,000	\$ 6,500,000	\$ 60,000,000	\$ 560,500,000
	Count	6	2	1	9
Business IT	\$ Value			\$ 28,800,000	\$ 28,800,000
	Count			1	1
Total \$ Value		\$ 494,000,000	\$ 86,750,000	\$ 97,800,000	\$ 678,550,000
Total Count		6	6	3	15



FY09 Burn Rates / IM2 projections

FY2009 - Monthly Burn Rates



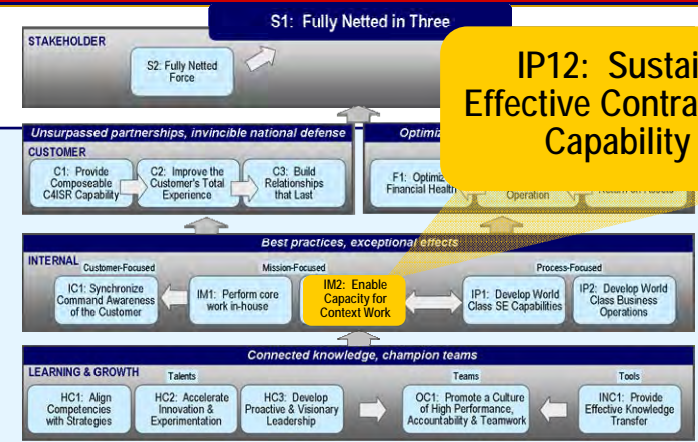
	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09
Planned	\$231,844,770	\$227,657,236	\$232,670,208	\$231,898,931	\$230,449,465								
Actual	\$226,556,993	\$199,436,695	\$197,793,901	\$194,064,043	\$192,275,632								
IM2	2.3%	12.4%	15.0%	16.3%	16.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Data Date: 31 January 2009	Projected Annual Burn Rate	Current Annual Burn Rate	Current IM2	3 month Projection	6 month Projection	9 month Projection	12 month Projection
Business Ops	\$ 6,896,561	\$ 5,898,127	14.5%	39.5%	48.3%	52.8%	55.5%
Production / Installs	\$ 272,195,682	\$ 272,588,385	-0.1%	8.4%	15.0%	20.2%	24.5%
Communications	\$ 782,455,660	\$ 581,523,493	25.7%	27.7%	29.6%	31.2%	32.8%
Command and Control	\$ 914,859,207	\$ 809,739,016	11.5%	12.6%	13.8%	14.8%	15.8%
IO / ISR	\$ 611,015,665	\$ 510,559,372	16.4%	18.3%	20.0%	21.7%	23.2%
Business IT	\$ 177,970,806	\$ 126,999,190	28.6%	34.8%	39.3%	42.6%	45.2%
Command Total	\$ 2,765,393,583	\$ 2,307,307,584	16.6%	19.4%	21.9%	24.2%	26.2%

BSC Reserve Contract Capacity Results

IP12 Goal: 30%

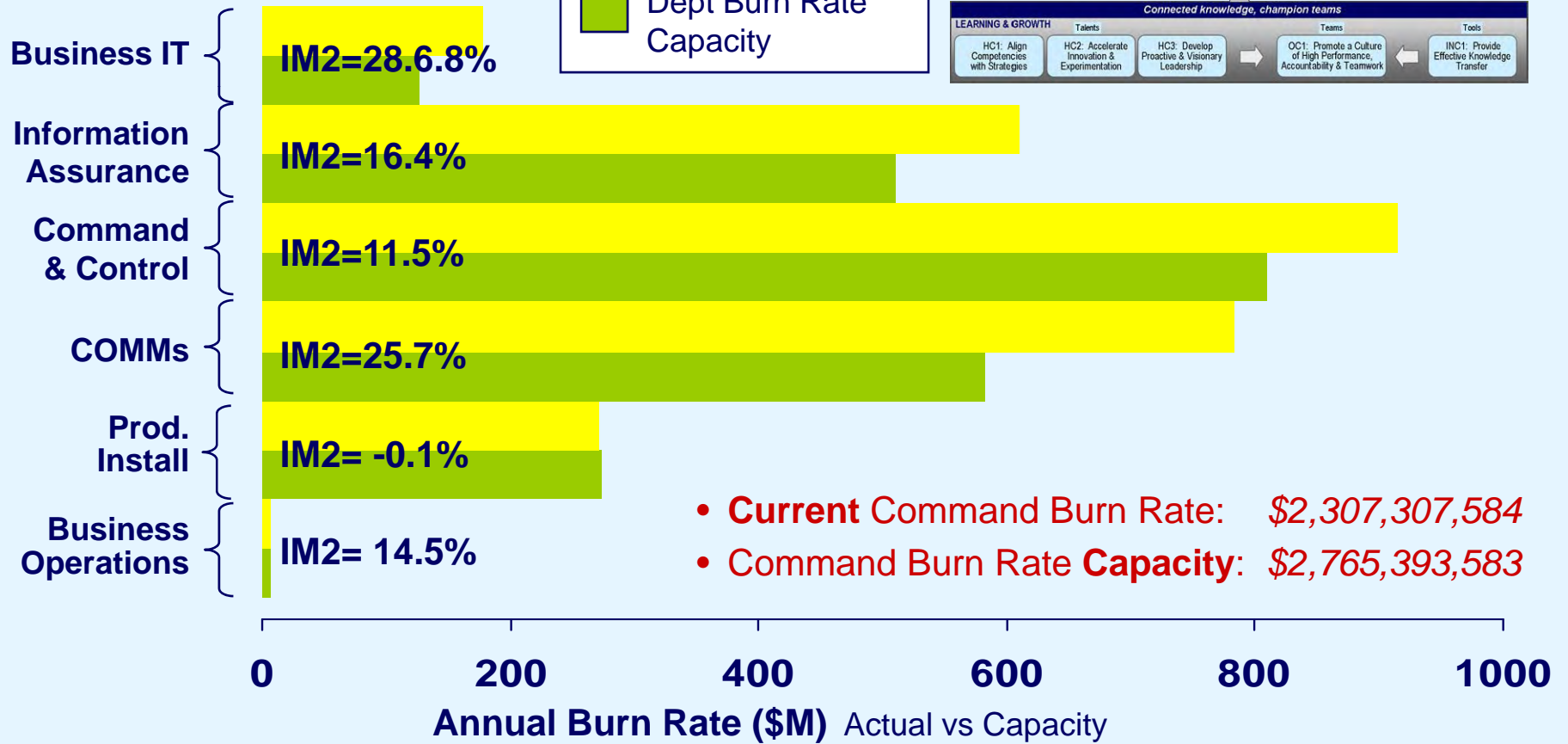
IP12: Sustain Effective Contracting Capability



FY09 Data

1st Quarter: 16.3%
EOM January: 16.6%

Current Contract Burn Rate for Dept
 Dept Burn Rate Capacity



- **Current Command Burn Rate:** \$2,307,307,584
- **Command Burn Rate Capacity:** \$2,765,393,583



Acquisition Estimates and Forecasting

- **Advanced Planning**
 - Defense planning guide
 - QDR
 - President's budget
 - Programs of Record
 - Funding profile over FYDP
- **Historical Analysis of Existing Contracts**
 - Expiration Dates
 - Dollar Ceiling Burn Rate
- **Budget Trends**
 - Aggregated Dollars On Contract
 - Aggregated Burn Rates
 - Direct Cite Orders Received
- **Business and Market Intelligence**
 - Work Shaping and Acceptance Process
 - New Customers
 - Existing Customers
 - Ongoing Projects and Programs
 - New Projects and Programs



Long-range acquisition estimates & Small Business reporting requirements

- **5.404 Release of long-range acquisition estimates**
 - To assist industry planning and to locate additional sources of supply, it may be desirable to publicize estimates of unclassified long-range acquisition requirements. Estimates may be publicized as far in advance as possible.
- **5.404-1 Release procedures**
 - (a) *Application.* The agency head, or a designee, may release long-range acquisition estimates if the information will—
 - (1) Assist industry in its planning and facilitate meeting the acquisition requirements;
 - (2) Not encourage undesirable practices (e.g., attempts to corner the market or hoard industrial materials); and
 - (3) Not indicate the existing or potential mobilization of the industry as a whole
- **5205.404 Release of long range acquisition estimates**
 - (a) *Application.* HCA is designated as official who may, in addition to the agency head, release long-range acquisition estimates
- ***15 U.S.C 637(a)(12)(C)**
 - Requires Executive Agencies to prepare a forecast of expected contract opportunities for next and succeeding fiscal years that small businesses are capable of performing

* New requirement



Historical Analysis (Example)

Based on Ceiling Available vs Burn Rate or Expiration Date

Contract Number	Contractor Name	Total Value	Total Orders	Ceiling Remaining	Projected Contract End Date	CIMS Description
Total \$		\$ 12,505,713,652	\$ 4,843,618,228	\$ 7,662,095,424		
Total Count		418				
Filtered Total \$		\$ 1,795,298,136	\$ 933,136,763	\$ 862,161,373		
% of Total \$		14.4%				
Filtered Count		38				
% Filtered Count		9.1%				
N65236-04-D-6842	L-3 COMMUNICATIONS TITAN CORP	\$ 229,988,257	\$ 134,330,074	\$ 95,658,183	12/31/2009	PROGRAM MANAGEMENT SUPPORT ENGINEERING SERVICES
N65236-04-D-6845	TRIDEA WORKS, LLC	\$ 34,179,236	\$ 26,565,928	\$ 7,613,308	1/2/2010	TECHNICAL IMPLEMENTATION & SUPPORT FOR FBI ESTS, CALEA IMPLEMENTATION PROJECT
N65236-05-D-6850	CSSI, INC	\$ 28,378,466	\$ 14,758,197	\$ 13,620,269	2/15/2010	TECHNICAL SUPPORT SERVICES FOR A BROAD RANGE OF COMPLEX ELECTRONIC SYSTEMS FOR ATC AND METEOROLOGY AND OCEANOGRAPHIC (METOC) PROGRAMS, SYSTEMS, AND EQUIPMENT.
N65236-05-D-7146	TECH COMM INC.	\$ 9,675,000	\$ 1,283,178	\$ 8,391,822	2/7/2010	MOBILE ANTENNAS
N65236-05-D-7719	SFA, INC	\$ 9,998,825	\$ 6,074,861	\$ 3,923,964	6/13/2010	INTEGRATED CONSUMABLE ITEM SUPPORT (ICIS) APPLICATION DEVELOPMENT
N65236-05-D-8130	INSTRUMENTS, INC.	\$ 5,373,694	\$ 487,401	\$ 4,886,293	4/10/2010	ELECTRONIC EQUIP REPAIR (POWER AMPLIFIER MODE S-11-56)
N65236-05-D-8833	TITAN CORPORATION UNIDYNE GROU	\$ 125,887,107	\$ 28,078,694	\$ 97,808,413	2/28/2010	NAVIGATION SYSTEMS SUPPORT SERVICES
N65236-05-D-8834	CHUGACH MCKINLEY, INC	\$ 17,089,309	\$ 12,069,589	\$ 5,019,720	3/2/2010	ENGINEERING AND SOFTWARE SUPPORT SERVICES
N65236-06-D-5874	HI-Q ENGINEERING, INC	\$ 20,228,295	\$ 11,483,355	\$ 8,744,940	2/23/2010	FIXED VERY LOW FREQUENCY/LOW FREQUENCY (FVLF/LF) TRANSMITTER AND ANTENNA SSSYEM FOR FLEET REQUIREMENTS.
N65236-06-D-5875	MALIBU RESEARCH ASSOCIATES	\$ 4,825,618	\$ 3,003,140	\$ 1,822,478	2/6/2010	SBIR PHASE III - PLANAR LENS SCANNING ANTENNA BASE YEAR WITH 4 ONE YEAR OPTIONS
N65236-06-D-7221	ARGON ST INC	\$ 11,733,033	\$ 865,764	\$ 10,867,269	3/26/2010	ARGON ST - TEST/EVALUATE/REPAIR MARITIME/PRIVATEER BOBCAT SYSTEM ERRORS FOUND IN KTR'S PROPOSED - KTR WILL REVISE -
N65236-06-D-7720	PRIME MEASUREMENT PRODUCTS LLC	\$ 3,971,055	\$ 2,507,036	\$ 1,464,019	1/30/2010	TECHNICAL SUPPORT, PROCUREMENT AND INSTALLATION CAPABILITIES FOR OVER 1500 MODEL 3500 BARTON AUTOMATED TANK GAUGING (ATG) SYSTEMS, LOCATED AT DOD SITES WORLDWIDE, DESIGNED AND MANUFACTURED EXCLUSIVELY
N65236-06-D-7721	VAREC, INC	\$ 9,624,827	\$ 5,154,703	\$ 4,470,124	6/19/2010	VAREC - AUTOMATED ENVIRONMENTAL LEAK DETECTION SYSTEM MAINTENANCE TECH CODE IS CHANGING SOW.
N65236-06-D-7874	TRIDENT SYSTEMS, INC	\$ 29,843,756	\$ 20,062,123	\$ 9,781,633	1/11/2010	ADVANCED THREAT WARNING TECHNOLOGIES
N65236-06-D-8848	MILCOM SYSTEMS CORP	\$ 577,588,058	\$ 354,500,146	\$ 223,087,912	5/31/2010	C4ISR SEA ENTERPRISE INSTALLATION SERVICES
N65236-06-D-8851	ALUTIQ GLOBAL SOLUTIONS LLC	\$ 5,836,682	\$ 3,450,143	\$ 2,386,539	3/20/2010	ADMINISTRATIVE AND TECHNICAL SUPPORT FOR SPAWAR ELECTRONIC SECURITY SYSTEM
N65236-07-C-5876	ITT INDUSTRIES	\$ 85,737,065	\$ 51,844,097	\$ 33,892,968	2/10/2010	SOLIDER RADIO WAVEFORM (ALPHA)
N65236-07-D-5113	CVG INCORPORATED	\$ 10,000,000	\$ -	\$ 10,000,000	5/10/2010	DEPLOYABLE NODES

2.0 FY 09 Initiatives/Issues

- **Impact of movement to multiple award contracts**
 - Strategy
 - Small business
 - Process
 - PWS/SOO development by tech code
 - Source selection
 - Processing times (PALT)
 - Staffing
 - # of people
 - Grade levels
- **Monitoring/Measuring/reporting contractor performance (DOCOR function)**
 - Standardization and Automation of DOCOR Function
 - Adopt pilot program
 - Improve CPARS
 - Facilitate PBSA/EVM/CPARS
 - Audit DOCOR function



2.0 FY 09 Initiatives/Issues Cont'd

- **Increase/refine standardized processes**
 - Large contracts
 - SAP
 - Task orders
 - Contract desk guides/training modules
 - Development/Maintenance/Location
- **Improve quality of PR packages**
 - Reduce inconsistencies between purchasing agents/branches
 - Train technical code originators

2.0 FY 09 Initiatives/Issues Cont'd

- **Workforce Development**

- In house Training program
- OJT techniques
- Professional development
- EDPs
- Continued emphasis on quality recruitments
- Succession planning

- **Contract Strategy**

- Refine Directorate/Competency strategy
 - 4200.9/process
 - Development/Maintenance/Refinement

- **NERP**
- **NGEN**
- **Competency Based Organization (CAO)**
- **NSPS**
- **Political pressure to increase competition and use of firm-fixed-price-contracts**
- **EVM**
- **Open Systems Architecture**
- **POM 11/NI Total Force**
- **Future budget cuts**
- **New Administration**



FY 08 DoD Authorization Act

- **Sec. 324**
 - Guidelines on in-sourcing new and contracted out functions
- **Sec. 802. Lead Systems Integrators**
 - Restriction on award of contracts for lead systems integrator functions.
- **Sec. 807. Inventories and Reviews of Contracts for Services**
- **Sec. 808**
 - Independent Management Reviews of Contracts for Services.
- **Sec. 826. Market Research**
 - Task orders > \$5M - Market research required
- **Section 843**
 - Multiple award contracts
 - Protest of task orders > \$10M
- **Sec. 844.**
 - Public disclosure of J&A required within 14 days of contract approval
- **Sec 852**
 - Purpose is to ensure acquisition workforce can:
 - Properly perform its mission
 - Provide appropriate oversight of contractor performance, and
 - Ensure that the Department receives the best value for the expenditure of public resources.



FY 09 DoD Authorization Act

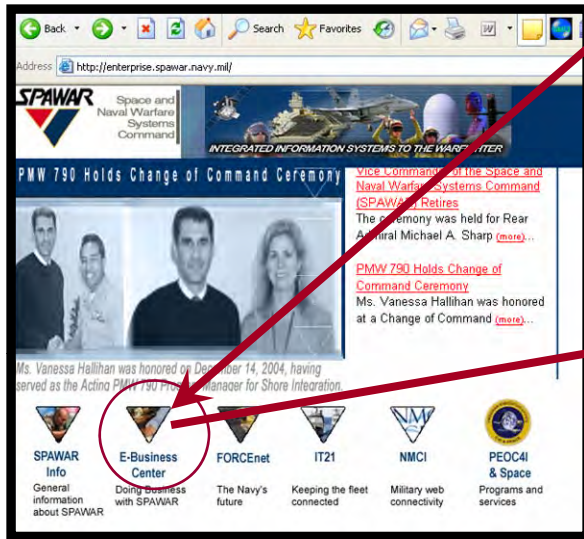
- **SEC. 831. DEVELOPMENT OF GUIDANCE ON PERSONAL SERVICES CONTRACTS**
 - DoD required to develop guidance related to personal services contracts to
 - (1) require a clear distinction between employees of the Department of Defense and employees of Department of Defense contractors;
 - (2) provide appropriate safeguards with respect to when, where, and to what extent the Secretary may enter into a contract for the procurement of personal services
 - (3) assess and take steps to mitigate the risk that, as implemented and administered, non-personal services contracts may become personal services contracts.
- **SEC. 833. ACQUISITION WORKFORCE EXPEDITED HIRING AUTHORITY**
 - DoD may use authority to recruit and appoint highly qualified persons to fill shortage category positions
- **SEC. 841. ETHICS SAFEGUARDS RELATED TO CONTRACTOR CONFLICTS OF INTEREST**
 - Requires OFPP to issue policy to prevent personal conflicts of interest by contractor employees performing acquisition functions closely associated with inherently governmental functions (including the development, award, and administration of Government contracts) for or on behalf of a Federal agency or department.



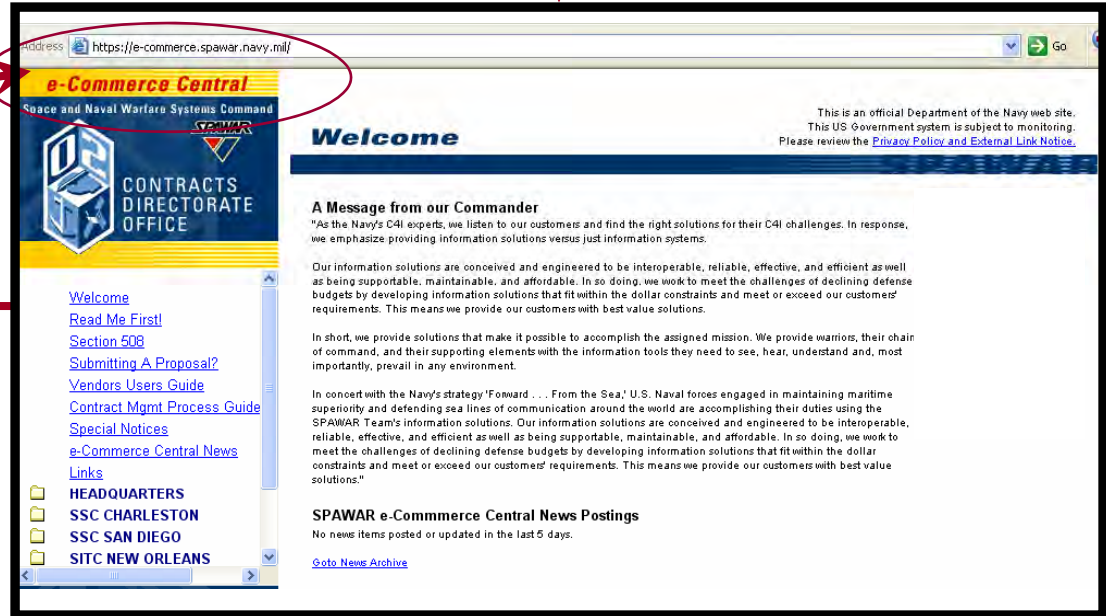
Systems Center
ATLANTIC

www.spawar.navy.mil

Doing Business with Us



https://e-commerce.spawar.navy.mil



**Business
Methods**

- Electronic subscription service
- All solicitations issued electronically
- Electronic proposal submission
- Synopsis automatically posted to FEDBIZOPPS

Questions?