



DEFENSE INFORMATION SYSTEMS AGENCY

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DISA INSTRUCTION 270-50-9*

5 MAY 2015

POLICIES

Life-Cycle Sustainment Planning

1. **Purpose.** This Instruction outlines principles, prescribes policy, and assigns responsibilities for life-cycle sustainment planning.
2. **Applicability.** This Instruction applies to DISA activities.
3. **Authority.** This Instruction is published in accordance with the authority contained in DoD Directive 5000.01, The Defense Acquisition System, 12 May 2003; DoD Instruction 5000.02, Operation of the Defense Acquisition System, 7 January 2015; and DoD Directive 5105.19, Defense Information Systems Agency (DISA), 25 July 2006.
4. **References.** References are provided at enclosure 1.
5. **Definitions.** Definitions are provided in enclosure 2.
6. **Principles.**
 - 6.1 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall be managed in compliance with applicable laws and regulations.
 - 6.2 All personnel involved in programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall comply with applicable laws and regulations, exercise ethical performance, practice sound decisionmaking, and execute proper fiscal stewardship and shall question any perceived impropriety and report to appropriate authorities.
 - 6.3 Mission partner(s) involvement is imperative to the delivery of quality, sustainable capabilities at the lowest possible life-cycle cost. Mission partner(s) (e.g., national leaders, Office of the Secretary of Defense, the Joint Staff, Combatant Commands, Military Services, and Defense Agencies to include coalition partners) participation shall be included in sustainment planning and implementation throughout the entire acquisition life cycle to further ensure the availability of agreed-upon capabilities once fielded.
 - 6.4 Strong systems and software engineering principles shall guide sustainment aspects throughout the entire acquisition life cycle. Value engineering procedures and processes must be implemented for analyzing all programs, projects, services, enterprise services, initiatives, or other acquisition-related matters to improve military worth or reduce acquisition and ownership costs during sustainment, in accordance with DoD Instruction (DoDI) 4245.14, DoD Value Engineering (VE) Program (reference 1).

6.5 Sustainment strategies for programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall be directly supportive of evolving acquisition strategies to ensure system availability once fielded to mission partners. Sustainment planning shall include activities from inception, per Enclosure 6, Life-Cycle Sustainment Planning, of DoDI 5000.02, Operation of the Defense Acquisition System (authority document), and ending at the decommissioning of the capability and disposal of related materiel, where applicable. All sustainment strategies shall consider affordability and continually look for efficiencies throughout the life cycle.

6.6 Sustainment metrics, per Enclosure 6, Life-Cycle Sustainment Planning, of DoDI 5000.02 (authority document), shall be developed to assist in assessing the ongoing availability of all programs, projects, services, enterprise services, initiatives, or other acquisition-related matters.

6.7 Sustainment activities, including Technology Refreshments and Supply Chain Risk Management assessments, shall be conducted in such a manner that system vulnerabilities are minimized, while optimizing reliability and information assurance (IA) parameters (i.e., confidentiality, integrity, and availability).

6.8 Logistics management structures for all programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall be based on the size, complexity, risk, life-cycle phase, type of acquisition, mission requirements, and other factors, as appropriate.

6.9 Life cycle sustainment trade-offs shall be managed in a systematic manner such that near-term affordability decisions, as well as adjustments to the programmatic constraints of cost, schedule, and performance, shall be acknowledged (and documented) for future remedial actions.

6.10 Sustainment and logistics best practices and lessons learned shall be employed across the acquisition life cycle of all programs, projects, services, enterprise services, initiatives, or other acquisition-related matters to the greatest extent practicable. Best practices shall be captured and provided to the Component Acquisition Executive (CAE) Acquisition Support Center for sharing with other organizations.

6.11 Successful programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall meet sustainment performance requirements, remain affordable, ensure vendor competition, and continue to seek cost reductions by applying "should cost" management and other incentive-based agreements throughout its Operations and Support Phase.

6.12 Acquisition logisticians shall be recruited, trained, and evaluated based on the required Defense Acquisition Workforce Improvement Act (DAWIA) qualifications and provided opportunities for career development, in accordance with DoD Directive (DoDD) 5000.52, Defense Acquisition, Technology, and Logistics Workforce Education, Training, and Career Development Program (reference 2) and Title 10, U.S.C., Chapter 87, Defense Acquisition Workforce Improvement Act.

6.13 Tailoring of sustainment processes, documentation, and reporting shall be implemented commensurate with the size, complexity, risk, life-cycle phase, type of acquisition, mission requirements, and other factors affecting programs, projects, services, enterprise services, initiatives, or other acquisition-related matters, as appropriate.

7. Policy.

7.1 All programs, projects, services, enterprise services, initiatives, or other acquisition related matters shall execute sustainment activities in compliance with applicable federal laws and regulations and Assistant Secretary of Defense for Logistics and Materiel Readiness (ASD(L&MR)) Memorandum, Performance Based Logistics Comprehensive Guidance (reference 3); Under Secretary of Defense for Acquisition, Logistics, and Technology (USD(AT&L)) Memorandum, Implementation Directive for Better Buying Power 2.0 – Achieving Greater Efficiency and Productivity in Defense Spending (reference 4); USD(AT&L) Memorandum, Should Cost Management in Defense Acquisition (reference 5), regulatory updates to the Life-Cycle Sustainment Plan (LCSP), as described in Table 2 of Enclosure 1, Milestone and Phase Information Requirements Life-Cycle Sustainment Plan (LCSP), of DoDI 5000.02 (authority document); and DISAI 610-225-2, Acquisition Oversight and Management (reference 6).

7.2 Sustainment planning for all programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall address the three primary components of the overall Integrated Management Framework (IMF): Resources, Schedule, and Performance. The subcomponents of IMF provide for the creation of comprehensive program planning support tools to ensure the successful execution of sustainment activities. Subcomponents of Resources include Manning and Life Cycle Cost Estimates (LCCE); subcomponents of Schedule include Integrated Master Schedule (IMS), Plan of Action and Milestones (POAM), and Activities; and subcomponents of Performance include Requirements and Key Performance Parameters (KPP).

7.3 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall use the LCSP as the primary document of record for sustainment planning. The LCSP should not be prepared solely for staff review and approval but be intended primarily for use within the program as a planning and management tool that is highly specific and tailored to the acquisition effort, as described in Enclosure 6, Life-Cycle Sustainment Planning, of DoDI 5000.02 (authority document).

7.4 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall obtain the signature of the Milestone Decision Authority (MDA) or Decision Authority (DA), as outlined in the DISAI 610-225-2 (reference 6), signifying approval subsequent to any changes to the LCSP after the document's initial approval.

7.5 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall perform technology refreshment oversight on all acquisition efforts that have transitioned into the sustainment phase. Upon determination that technology refreshments

are no longer viable and the capability has exhausted its useful life and must be decommissioned (i.e., sunset), technology refreshment plans must reflect the requisite steps for the cessation of the capability and disposal of related materiel assets.

7.6 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall review life-cycle sustainment planning progress at periodic reviews (i.e., monthly portfolio or project reviews).

7.7 All major programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall track affordability constraints, in accordance with office of the USD(AT&L) Memorandum, Recording and Tracking Affordability Constraints and 10 USC 2366a Milestone A Parameters in the OUSD(AT&L) Acquisition Visibility Environment (reference 7), where applicable.

7.8 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall ensure testing processes include test cases for sustainability.

7.9 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall implement metrics early to ensure sustainment considerations are integrated into all planning across the acquisition life-cycle process.

7.10 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters with connections to the Department of Defense information networks (DODIN) shall review its Acquisition Information Assurance Strategy relative to sustainment requirements, in accordance with DoDI 8580.1, Information Assurance (IA) in the Defense Acquisition System (reference 8); DoDI 8500.01, Cybersecurity (reference 9); and DoDI 8510.01, Risk Management Framework (RMF) for DoD Information Technology (IT) (reference 10).

7.11 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters required to sustain DoD certification and accreditation shall evaluate the security posture of the applicable information system, in accordance with the methodology per DoDI 8500.01, Cybersecurity (reference 9).

7.12 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters with equipment or subsystems considered within a satellite's ground terminal information assurance (IA) boundary shall comply with DoDI 8581.01, Information Assurance (IA) Policy for Space Systems Used by the Department of Defense (reference 11).

7.13 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall abide by the DISA First Policy during the sustainment phase (i.e., Operations and Maintenance), per the DISA Director Memorandum, Implementation of the DISA First Strategic Shift (reference 12), by using the DISA enterprise infrastructure and services. All efforts must leverage the mandated advanced development environment within DISA standard platform offerings (e.g., Rapid Access Computing Environment (RACE), Military Cloud (milCloud), and Defense Enterprise Computing Centers (DECCs)/Core Data Center (CDC)) for all phases for development, test, and subsequent production.

7.14 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall apply performance-based logistics (PBL) arrangements, in accordance with the 22 November 2013 ASD(L&MR) Memorandum (reference 3).

7.15 Acquisition of Service (AoS) to deliver product support capabilities to DISA mission partners will comply with the provisions of PBL guidance and best practices, in accordance with the 22 November 2013 ASD(L&MR) Memorandum, (reference 3).

7.16 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall implement Supply Chain Risk Management requirements, in accordance with DoDI 4140.01, DoD Supply Chain Materiel Management Policy (reference 13), and counterfeit prevention techniques, in accordance with DoDI 4140.67, DoD Counterfeit Prevention Policy (reference 14), throughout the entire acquisition life cycle, including sustainment, to ensure the integrity of system components.

7.17 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters that have a mission critical function supporting the direct fulfillment of military or intelligence missions shall continue during sustainment to monitor and mitigate component supplier risk and vulnerabilities, in accordance DoDI 5200.44, Protection of Mission Critical Functions to Achieve Trusted Systems and Networks (TSN) (reference 15) .

7.18 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall fully support DoD and DISA Planning, Programming, Budgeting and Execution (PPBE) process strategic planning, per DoDD 7045.14, The Planning, Programming and Budgeting and Execution (PPBE) Process (reference 16), by providing realistic sustainment cost and budget estimates, comprehensive support documentation, and Exhibit 300 reporting, where applicable.

7.19 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall review and update sustainability documentation over the system life cycle to reflect any programmatic cost, schedule, and performance trade-offs. Sustainment documentation, including the LCSP, shall be modified to reflect changes in mission partner operational needs, advances in technology, changes in evolving threats, process improvements, fiscal constraints, plans for follow-on systems, or a combination of these and others influences impacting the capability's sustainment strategy.

7.20 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall be managed in compliance with Enclosure 6, Life-Cycle Sustainment Planning, of DoDI 5000.02 (authority document).

7.21 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall ensure sustainment cost estimates are included in all life-cycle cost estimates that represent best value to the government.

7.22 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall ensure the sustainment portion of the life-cycle cost estimate is fully funded and executable prior to approval of all sustainment related acquisition efforts.

7.23 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall ensure life-cycle cost plans, specifically sustainment cost elements, include funding categories showing the capability's transition from using predominantly appropriated funds to being funded by the Defense Working Capital Fund (DWCF), where appropriate.

7.24 All programs, projects, services, enterprise services, initiatives, or other acquisition related matters shall employ a "Should Cost" management and analysis approach to identify and implement system and enterprise sustainment cost reduction initiatives. In accordance with the 6 August 2013 USD(AT&L) Memorandum (reference 5), should cost management shall be implemented in all DISA Acquisition of Services (AoS) efforts and Acquisition Category I, IA, and III programs, including related services, regardless of life-cycle phase.

7.25 All programs, projects, services, enterprise services, initiatives, or other acquisition-related matters shall document and orchestrate with impacted mission partners the cessation of sustainment activities due to the decommissioning of a capability.

7.26 Every program, project, or enterprise service shall have a logistics and security point of contact.

8. **Acquisition Authorities.** Authorities are detailed in paragraph 8 of DISAI 610-225-2 (reference 6).

9. **Responsibilities.**

9.1 **Component Acquisition Executive (CAE).** The CAE shall:

9.1.1 Provide oversight and support of life-cycle sustainment planning and implementation, in accordance with laws and regulations.

9.1.2 Ensure the sustainment activities are fully funded to the life-cycle cost estimate and executable prior to approval of all acquisition efforts.

9.1.3 Establish leading and summary metrics (i.e., trigger points) to enable correction of performance issues prior to mission-partner impact.

9.1.4 Establish reportable thresholds to evaluate execution of sustainment planning.

9.1.5 Ensure periodic milestone decisions and decision reviews incorporate life-cycle sustainment.

9.1.6 Ensure life-cycle sustainment planning is conducted from the start of the acquisition life cycle and assessed to support progression through deployment, sustainment, and disposal.

9.1.7 Ensure sustainment costs evolve commensurate with the evolution of the capability and that they are included in any life-cycle cost estimates.

9.1.8 Ensure "Should Cost" and "Will Cost" targets are integral inputs to the sustainment costs.

9.1.9 Approve life-cycle sustainment planning and implementation during milestone decisions or decisions for which the CAE is the MDA or when the CAE has been designated the DA.

9.1.10 Provide logistics and sustainment tools and templates to assist programs, projects, services, enterprise services, initiatives, or other acquisition-related matters.

9.1.11 Ensure acquisition personnel, including senior leadership, involved directly in sustainment planning, evaluation, and implementation, are provided acquisition life-cycle training.

9.1.12 Provide management and oversight to track the accession, training, education, career development, enhancement, and Defense Acquisition Workforce Improvement Act (DAWIA) certification of the logistics workforce.

9.1.13 Review acquisition and procurement documentation (e.g., Acquisition Strategy, Acquisition Plan, Life-Cycle Sustainment Plan [LCSP], etc.) for compliance with logistics, sustainment, and performance-based logistics (PBL) requirements, as appropriate.

9.1.14 Develop appropriate metrics to assess the sustainment posture of the capability throughout the acquisition life cycle and report the status in appropriate venues.

9.1.15 Delegate MDA and DA to the Program Executive Officer (PEO) or DISA senior, when appropriate, in accordance with DISAI 610-225-2 (reference 6).

9.2 Program Executive Officer (PEO). A PEO is appointed by the CAE to manage a portfolio of programs, projects, initiatives, services, enterprise services, or other acquisition-related matters. A PEO shall:

9.2.1 Implement life-cycle sustainment and logistics management processes that are in accordance with applicable laws and regulations.

9.2.2 Provide support for life-cycle sustainment planning and implementation.

9.2.3 Establish reportable thresholds to evaluate execution of sustainment planning and execution criteria at milestone decisions.

9.2.4 Establish leading and summary metrics (i.e., trigger points) to enable correction of performance issues prior to mission partner impact.

9.2.5 Ensure periodic reviews are conducted that incorporate life-cycle sustainment planning for the purpose of portfolio management and support for MDA and DA acquisition life-cycle oversight.

9.2.6 Ensure life-cycle sustainment and logistics planning is conducted from the start of the acquisition life cycle and assessed to support progression through deployment, sustainment, and disposal.

9.2.7 Ensure sustainment costs evolve commensurate with the evolution of the capability and that they are included in any life-cycle cost estimates.

9.2.8 Ensure "Should Cost" and "Will Cost" targets are integral inputs to the sustainment costs.

9.2.9 Provide management and oversight to track the accession, training, education, career development, and enhancement of the logistics workforce.

9.2.10 Review acquisition and procurement documentation (e.g., Acquisition Strategy, Acquisition Plan, LCSP, etc.) for compliance with logistics, sustainment, and PBL requirements, as appropriate.

9.2.11 Develop appropriate metrics to assess the sustainment posture of the capability throughout the acquisition life cycle and report the status in appropriate venues.

9.3 Milestone Decision Authority (MDA) and Decision Authority (DA). An MDA and DA are executive level officials appointed by the CAE to exercise acquisition authority for assigned programs, projects, initiatives, services, enterprise services, or other acquisition-related matters. For the following acquisition matters, the MDA and DA will report to the CAE and shall:

9.3.1 Provide oversight and support of life-cycle sustainment planning and implementation, in accordance with applicable laws and regulations.

9.3.2 Ensure the sustained capability is fully funded to the life-cycle cost estimate and executable prior to approval of all acquisition efforts.

9.3.3 Establish reportable thresholds to evaluate execution of sustainment planning.

9.3.4 Establish leading and summary metrics (i.e., trigger points) to enable correction of performance issues prior to mission-partner impact.

9.3.5 Ensure periodic milestone decisions and decision reviews incorporate life-cycle sustainment.

9.3.6 Ensure life-cycle sustainment and logistics planning is conducted from the start of the acquisition life cycle and assessed to support progression through deployment, sustainment, and disposal.

9.3.7 Ensure sustainment costs evolve commensurate with the evolution of the capability and that they are included in any life-cycle cost estimates.

9.3.8 Ensure "Should Cost" and "Will Cost" targets are integral inputs to the sustainment costs.

9.3.9 Approve life-cycle sustainment planning and implementation at milestone decision reviews or key decision points.

9.3.10 Provide management and oversight to track the accession, training, education, career development, and enhancement of the logistics workforce.

9.3.11 Review acquisition and procurement documentation (e.g., Acquisition Strategy, Acquisition Plan, LCSP, etc.) for compliance with logistics and sustainment requirements (e.g., sustainment, Item Unique Identification (IUID), PBL, and property accountability policies, etc.), as appropriate.

9.3.12 Develop appropriate metrics to assess the sustainment posture of the capability throughout the acquisition life cycle and report the status in appropriate venues.

9.3.13 Ensure compliance with DISA reporting requirements for efficiency, safety, etc.

9.3.14 Provide situational awareness of acquisition, life cycle support, and programmatic information, including decision criteria and rationale.

9.4 Portfolio Manager, Program Manager (PM), Functional Service Manager (FSM), Project Leader (PL), or Enterprise Service Manager (ESM). The Portfolio Manager, PM, FSM, PL, or ESM for their respective program, project, service, enterprise service, initiatives or other acquisition-related matter shall:

9.4.1 Initiate life-cycle sustainment planning from the start of the acquisition life cycle to address life-cycle sustainment planning considerations, implement the plan, and deliver an effectively sustained capability.

9.4.2 Develop life-cycle sustainment documentation and ensure the documentation is assessed and updated to reflect the current state of sustainment throughout the life cycle.

9.4.3 Develop an LCSP to minimize total life cycle cost while optimizing operational readiness and sustainability objectives.

9.4.4 Ensure mission partner participation in sustainment planning and implementation throughout the entire acquisition life cycle.

9.4.5 Tailor sustainment-related planning to be commensurate with the size, complexity, risk, life-cycle phase, and type of acquisition, mission requirements, and other factors, as appropriate.

- 9.4.6 Ensure life cycle sustainment planning is supportive of and integral to the Integrated Management Framework.
- 9.4.7 Ensure the Chief Financial Executive (CFE) Center for Cost Analysis is involved in all new cost estimating requirements.
- 9.4.8 Ensure sustainment costs are included in any life cycle cost estimates and ensure "Should Cost" and "Will Cost" goals and caps are integral inputs to the sustainment costs.
- 9.4.9 Abide by the DISA First Policy in the DISA Director 3 May 2013 Memorandum (reference 12), by utilizing Agency enterprise infrastructure and services.
- 9.4.10 Incorporate strong systems and software engineering principles to guide sustainment aspects throughout the entire acquisition life cycle.
- 9.4.11 Implement value engineering procedures and processes to improve military worth or reduce acquisition and ownership costs, in accordance with DoDI 4245.14 (reference 1).
- 9.4.12 Employ effective PBL planning, development, implementation, and management.
- 9.4.13 Demonstrate effective supportability and sustainability planning and status to the MDA or DA at milestone decisions points or decisions key points.
- 9.4.14 Collaborate with all stakeholders to document performance and sustainment requirements in performance agreements specifying objective outcomes, measures, resource commitments, and stakeholder responsibilities.
- 9.4.15 Plan for and implement IUID to identify and track applicable critical end items, configuration-controlled items, and government-furnished property, where applicable.
- 9.4.16 Ensure acquisition and procurement documentation (e.g., Acquisition Strategy, Acquisition Plan, LCSP, etc.) complies with logistics and sustainment requirements (e.g., sustainment, IUID, PBL, and property accountability policies, etc.), as appropriate.
- 9.4.17 Develop appropriate metrics to assess the sustainment posture of the capability throughout the acquisition life cycle and report the status in appropriate venues.
- 9.4.18 Establish leading metrics to enable correction of performance issues prior to mission-partner impact.

9.5 Director for Development and Business Center (BD). The Director, BD, shall:

9.5.1 Provide functional area support for the execution of this Instruction, as stated in DISAI 610-225-2 (reference 6).

9.5.2 Ensure effective supportability and sustainment is integrated in system and engineering processes and documented in the Systems Engineering Plan (SEP).

9.6 Director for Resource Management Center (RMC). The Director, RMC, shall:

9.6.1 Provide functional area support for the execution of this Instruction, as stated in DISAI 610-225-2 (reference 6).

9.6.2 Ensure compliance with IUID requirements.

9.6.3 Oversee property operations to include accountability and ensure accountability measures are developed and maintained.

9.6.4 Assist the Portfolio Managers, PMs, FSMs, PLs, and ESMs in addressing out year resources in support of requirements for sustainment planning for programs, projects, initiatives, services, enterprise services, or other acquisition-related matters.

9.7 Risk Management Executive (RME). The RME shall:

9.7.1 Provide information assurance (IA) sustainment support consistent with the oversight responsibilities, as outlined in DISAI 610-225-2 (reference 6).

9.7.2 Assist the Portfolio Managers, PMs, FSMs, PLs, and ESMs in addressing IA sustainment requirements throughout the acquisition life cycle.

9.7.3 Provide appropriate organizational IA sustainment planning and implementation support at milestone decisions and key decision points.

9.8 Director for Center for Operations (OPC). The Director, OPS, shall:

9.8.1 Provide functional area support for the execution of this Instruction, as outlined in DISAI 610-225-2 (reference 6).

9.8.2 Ensure ongoing availability of capabilities operating on the DODIN.

9.8.3 Assist the Portfolio Managers, PMs, FSMs, PLs, and ESMs in addressing sustainment strategies for network operations.

9.9 General Counsel (GC), Chief Technology Officer (CTO), Chief Information Officer (CIO), Director for Procurement (PLD), Director for Office of Small Business Programs (SBP), Director for Implementation and Sustainment Center (ISC); and Director for Defense Spectrum Organization (DSO). These individuals will provide functional area support for the execution of this Instruction, as outlined in DISAI 610-225-2 (reference 6).

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2 Enclosures a/s

MARK E. ROSENSTEIN
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Chief of Staff

SUMMARY OF SIGNIFICANT CHANGES. Availability as a key sustainment metric has been given emphasis, in accordance with DoDI 5000.02, Operation of the Defense Acquisition System. The Under Secretary of Defense (Acquisition, Technology, and Logistics) (USD(AT&L)) direction on Better Buying Power initiatives has been incorporated. References to the Global Information Grid (GIG) have been changed to reflect the Department of Defense information networks (DODIN). The designation of Senior Decision Authority (SDA) has been rescinded, as those responsibilities have been returned to the Component Acquisition Executive (CAE). The CAE now delegates Decision Authority (DA) to a Program Executive Officer (PEO) or DISA senior, as appropriate. Due to extensive changes, the reader is encouraged to review the Instruction in its entirety.

*This Instruction replaces DISAI 270-50-9, 13 July 2011, and must be reissued, canceled, or certified current within 5 years of its publication. If not, it will expire 10 years from its publication date and be removed from the DISA issuances postings.

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DISTRIBUTION: P

Enclosure 1

REFERENCES

References are located at <https://disa.deps.mil/DISA/ORG/AT3/Pages/270-50-9-References.aspx>

1. DoDI 4245.14, DoD Value Engineering (VE) Program, 26 October 2012.
2. DoDD 5000.52, Defense Acquisition, Technology, and Logistics Workforce Education, Training, and Career Development Program, 12 January 2005.
3. ASD (L&MR) Memorandum, Performance Based Logistics Comprehensive Guidance, 22 November 2013.
4. USD(AT&L) Memorandum, Implementation Directive for Better Buying Power 2.0 – Achieving Greater Efficiency and Productivity in Defense Spending, 24 April 2013.
5. USD (AT&L) Memorandum, Should Cost Management in Defense Acquisition, 6 August 2013.
6. DISAI 610-225-2, Acquisition Oversight and Management, 19 February 2015.
7. OUSD (AT&L) Memorandum, Recording and Tracking Affordability Constraints and 10 USC 2366a Milestone A Parameters in the OUSD (AT&L) Acquisition Visibility Environment, 5 August 2013.
8. DoDI 8580.1, Information Assurance (IA) in the Defense Acquisition System, 9 July 2004.
9. DoDI 8500.01, Cybersecurity, 14 March 2014.
10. DoDI 8510.01, Risk Management Framework (RMF) for DoD Information Technology (IT), 12 March 2014.
11. DoDI 8581.01, Information Assurance (IA) Policy for Space Systems Used by the Department of Defense, 8 June 2010.
12. DISA Director Memorandum, Implementation of the DISA First Strategic Shift, 3 May 2013.
13. DoDI 4140.01, DoD Supply Chain Materiel Management Policy, 14 December 2011.
14. DoDI 4140.67, DoD Counterfeit Prevention Policy, 26 April 2013.
15. DoDI 5200.44, Protection of Mission Critical Functions to Achieve Trusted Systems and Networks (TSN), 5 November 2012.
16. DoDD 7045.14, The Planning, Programming, Budgeting and Execution (PPBE) Process, 25 January 2013.

Enclosure 2

DEFINITIONS

Acquisition. The planning, design, development, testing, contracting, production or construction, introduction, acquisition logistics support, modification, and acceptance or disposal of systems, capabilities, equipment, facilities, supplies, or services that are intended for use or support of Agency missions.

Acquisition Category (ACAT). Categories established to facilitate decentralized decision-making, execution, and compliance with statutorily imposed requirements. The categories determine the level of review, decision authority, and applicable procedures.

Acquisition Strategy. A business and technical management approach designed to achieve program objectives within the resource constraints imposed. It is the framework for planning, directing, contracting for, and managing a program. It provides a master schedule for research, development, test, production, fielding, modification, postproduction management, and other activities essential for program success. The acquisition strategy is the basis for formulating functional plans and strategies (e.g., Test and Evaluation Master Plan [TEMP], Acquisition Plan [AP], competition, systems engineering, etc.)

Affordability.

A determination that the Life-Cycle Cost (LCC) of an acquisition program is in consonance with the long-range investment and force structure plans of the DoD or individual DoD Components.

Conducting a program at a cost constrained by the maximum resources the DoD or DoD Component can allocate for that capability.

Acquisition of Services (AoS). The execution of one or multiple contracts or other instruments committing or obligating funds (e.g., funds transfer or placing orders under existing contracts) for a specified requirement. Acquisition begins at the point when Agency needs are established and includes all functions directly related to the process of fulfilling those needs by contract, agreements, or funds transfer.

Component Acquisition Executive (CAE). Heads of Agencies with the power of redelegation. The CAEs are responsible for all acquisition functions within their Components. This includes acquisition executives in DoD Components (i.e., DISA) which have acquisition management responsibilities.

Decision Authority (DA).

The designated individual with overall responsibility for an Acquisition of Service (AoS) or Acquisition of Information Technology (IT) Services. The DA must have authority to approve

entry of an AoS or Acquisition of IT Services into the next phase of the acquisition process and must be accountable for cost, schedule, and performance reporting to higher authority, including Congressional reporting.

Alternatively, the designated individual with overall review and approval responsibility for efforts across the acquisition life cycle.

Decommission. To officially stop using (a ship, weapon, dam, etc.); to remove (something) from service (<http://www.merriam-webster.com/dictionary/decommission>).

Disposal. The second effort of the Operations and Support (O&S) phase, as established and defined by DoDI 5000.02, Operation of the Defense Acquisition System. At the end of its useful life, a system shall be demilitarized and disposed of in accordance with all legal and regulatory requirements and policy relating to safety (including explosives safety), security, and the environment. The act of getting rid of excess, surplus, scraps, or salvage property under proper authority. Disposal may be accomplished by, but not limited to, transfer, donation, sale, declaration, abandonment, or destruction.

Department of Defense Information Networks (DODIN). A DoD globally interconnected, end-to-end set of information capabilities and associated processes for collecting, processing, storing, disseminating, and managing information on demand to warfighters, policymakers, and support personnel, including owned and leased communications and computing systems and services, software (including applications), data, security services, and other associated services, and national security systems.

Enterprise Services. This initiative provides a common platform for discovery, asset management, deployment, engineering, and sustainment of enterprise applications and data services. It enables a scalable infrastructure (e.g., the DISA Rapid Access Computing Environment [RACE]) to leverage a common security and access control framework that will reduce the number of unique interfaces required for access to applications and data repositories; reduce costs associated with developing and maintaining multiple services; provide a common infrastructure capability that better enables Services and Components to locate, access, and use shared services; and reduce duplicative and under-used devices and associated licenses, support, and utility costs.

Enterprise Service Manager (ESM). The designated individual with responsibility for and authority to accomplish enterprise service objectives for development, production, and sustainment to meet the DoD enterprise needs. The ESM must be accountable for credible cost, schedule, and performance reporting to the Milestone Decision Authority (MDA).

Functional Service Manager (FSM). In the absence of a certified acquisition program manager (PM), FSMs with domain expertise for a given service requirement (e.g., Transportation Unit Commander, Installation Commander, Medical Treatment Facility Commander) must exercise program management responsibilities. This individual is the focal point of responsibility for developing, coordinating, and resourcing the requirement and oversees management throughout the life of the acquisition. FSMs are supported by and oversee a multifunctional team that will

prepare all other documents for the acquisition requirements package, including, as applicable, the market research report, acquisition strategy, acquisition plan, Contracting Officer Representative (COR) nomination, Independent Government Estimate, and the solicitation. FSMs must, to the maximum extent practical, undergo formal service acquisition management training offered by the Defense Acquisition University.

Information Assurance (IA). Information operations that protect and defend information and information systems by ensuring their availability, integrity, authentication, confidentiality, and nonrepudiation. This includes providing for restoration of information systems by incorporating protection, detection, and reaction capabilities.

Initiative. An effort that could be entering the acquisition life cycle as a program, project, service, or enterprise service but the planning is not yet complete.

Integrated Management Framework (IMF). A comprehensive management system consisting of program management tools (i.e., Work Breakdown Structure [WBS], Integrated Master Schedule [IMS], Spend Plan, execution monitoring, risk mitigation, Earned Value Management [EVM], documentation, etc) that improves the probability of acquisition life cycle project success.

Integrated Master Schedule (IMS). An integrated and networked multilayered schedule of program tasks required to complete the work effort captured in a related Integrated Master Plan (IMP). The IMS should include all IMP events and accomplishments and support each accomplishment closure criteria.

Item Unique Identification (IUID). A DoD program to identify and track Government-Furnished Property (GFP) through the use of Unique Item Identification (UII) in transaction-derived data from electronic business transactions. IUID applies to all items for which the government's unit acquisition cost is \$5,000 or more; items for which the government's unit acquisition cost is less than \$5,000, when identified by the requiring activity as DoD serially managed, mission-essential, or controlled inventory; when the government's unit acquisition cost is less than \$5,000 and the requiring activity determines that permanent identification is required; regardless of value for (a) any DoD serially managed subassembly, component, or part embedded within an item and (b) the parent item that contains the embedded subassembly, component, or part.

Life-Cycle Cost (LCC). The total cost to the government for an information system, weapon system, program and/or initiative over its full life. It includes the cost of requirements analyses, design, development, training, acquisition and/or leasing, operations, support and, where applicable, disposal. LCC encompasses direct and indirect initial costs plus any periodic or continuing sustainment costs, all contract and in-house costs, all cost categories, and all related appropriations/funds. LCC may be broken down to describe the cost of delivering a certain capability or useful segment of an information technology (IT) initiative. LCC normally includes 10 years of sustainment funding following Full Operational Capability.

Life-Cycle Sustainment Plan (LCSP). An evolutionary document for acquisition category (ACAT) programs, projects, services, enterprise services, initiatives, or other acquisition-related matters that is begun during the Material Solution Analysis Phase as a strategic framework for obtaining optimal sustainment at minimal life-cycle cost. An LCSP evolves into an execution plan for how sustainment is applied, measured, managed, assessed, and reported after system fielding. By Milestone C, it should contain details on how the program is fielding integrated logistics elements to meet readiness targets, sustaining system performance capability threshold criteria, mitigating operating and support costs, reducing the logistics footprint, and complying with environmental and other logistics related regulations.

Milestone Decision Authority (MDA). The designated individual with overall responsibility for a program, project, enterprise service, or other acquisition-related matter. The MDA shall have authority to approve entry of a program, project, enterprise service or other acquisition-related matter into the next phase of the acquisition process and shall be accountable for cost, schedule, and performance reporting to higher authority, including Congressional reporting.

Mission Critical Function. Any function, the compromise of which would degrade the system effectiveness in achieving the core mission for which it was designed.

Network Operations (NetOps). The Department of Defense-wide operational, organizational, and technical capabilities for operating and defending the Department of Defense information networks (DODIN). NetOps includes, but is not limited to, enterprise management, net assurance, and content management. NetOps provides commanders with DODIN situational awareness to make informed command and control decisions. DODIN situational awareness is gained through the operational and technical integration of enterprise management and defense actions and activities across all levels of command (strategic, operational, and tactical).

Other Acquisition-Related Matters. An effort that does not involve specific programs, projects, services, or enterprise services and that does not deliver capability to mission partners. Effort is comprised of the following attributes: lower dollar value, limited duration has oversight by or is of specific interest to DISA senior leadership due to critical objectives, and/or schedule and/or dependency with other DISA or DoD activities.

Performance-Based Logistics (PBL). An outcome-based product support strategy that plans and delivers an integrated, affordable, performance solution designed to optimally balance readiness and Life-Cycle Costs (LCCs) by leveraging public and private industrial base capabilities.

Portfolio. The collection of capabilities, resources, and related investments that are required to accomplish a mission related or administrative outcome. A portfolio includes outcome performance measures (mission, functional, or administrative measures) and an expected return on investment. "Resources" include people, money, facilities, weapons, information technology (IT), other equipment, logistics support, services, and information.

Portfolio Management. The management of selected groupings of information technology (IT) investments using strategic planning, architectures, and outcome-based performance measures to achieve a mission capability. Management activities for the portfolio include, but are not limited to strategic planning, capital planning, governance, process improvements, performance metrics/measures, requirements generation, acquisition/development, and operations.

Portfolio Manager. A DISA senior who has responsibility for obtaining insight into and reporting on the management of selected groupings of information technology (IT) investments using strategic planning, architectures, and outcome-based performance measures to achieve a mission capability or a mission-related or administrative outcome. Insight into and reporting on management activities for the portfolio include, but are not limited to strategic planning, capital planning, governance, process improvements, performance metrics/measures, requirements generation, acquisition/development, and operations.

Program.

A defined effort funded by research, development, test, and evaluation (RDT&E) and/or procurement appropriations with the express objective of providing a new or improved capability in response to a stated mission need or deficiency.

Alternatively, a defined effort, extending throughout the acquisition life cycle, regardless of funding source, with the express objective of providing a new or improved or sustained capability in response to a stated mission need or deficiency, or an accepted mission partner request, or a stated efficiency/effectiveness improvement effort.

Program Executive Officer (PEO). A military or civilian official who has responsibility for directing several programs, projects, services, enterprise services, or other acquisition-related matters.

Program Manager (PM). The designated individual with responsibility for and authority to accomplish program or service objectives for development, production, and sustainment to meet the user's operational needs. The PM shall be accountable for credible cost, schedule, and performance reporting to the Milestone Decision Authority (MDA) or Decision Authority (DA).

Project. A type of program that is comprised of the following attributes: has no other effort(s) dependent on its success to in turn be successful; has high technology maturity, is low risk, and has lower-dollar value.

An acquisition category (ACAT) III effort funded by research, development, test, and evaluation (RDT&E) and/or procurement appropriations with the express objective of providing a new or improved capability in response to a stated mission need or deficiency that is comprised of the following attributes: has no other effort(s) dependent on its success to in turn be successful; has high technology maturity; is low risk; and has lower-dollar value.

Alternatively, an acquisition category (ACAT) III effort, extending throughout the acquisition life cycle, regardless of funding source, with the express objective of providing a new or improved or sustained capability, in response to a stated mission need or deficiency or an accepted mission partner request or a stated efficiency/effectiveness improvement effort that is comprised of the following attributes: has no other effort(s) dependent on its success to in turn be successful; has high technology maturity; is low risk; and has lower-dollar value.

Alternatively, a subset of capabilities of a program, extending throughout the acquisition life cycle, regardless of funding source, with the express objective of providing a new or improved or sustained capability to enable a program to respond to a stated mission need or deficiency or an accepted mission partner request or a stated efficiency/effectiveness improvement effort.

Project Leader (PL).

The designated individual with responsibility for and authority to accomplish project objectives for development, production, and sustainment to meet the user's operational needs. The PL shall be accountable for credible cost, schedule, and performance reporting to the Milestone Decision Authority (MDA).

Alternatively, the designated individual with responsibility to accomplish objectives for development, production, and sustainment of a subset of capabilities to meet a program's need. The PL shall be accountable for credible cost, schedule, and performance reporting to the Program Manager (PM).

Service. Engagement of the time and effort of a contractor whose primary purpose is to perform an identifiable task, or tasks, rather than to furnish an end item of supply.

"Should Cost" Estimate. An estimate of contract price that reflects reasonably achievable contractor economy and efficiency. It is accomplished by a government team of procurement, contract administration, audit, and engineering representatives performing an in-depth cost analysis at the contractor's and subcontractor's plants. Its purpose is to develop a realistic price objective for negotiation purposes. "Should Cost" targets shall be developed using sound estimating techniques that are based on bottom-up assessments of what programs should cost. These costs shall be used as a basis for contract negotiations and contract incentives and to track contractor and program performance. Program performance against "Should Cost" estimates is monitored and reported to the Office of Acquisition Resources and Analysis through the Acquisition Visibility Service Oriented Architecture.

Supportability. The ability of systems and infrastructure components, external to information technology (IT) or national security systems (NSS), to achieve, aid, protect, complement, or sustain design, development, testing, training, or operations of the IT or NSS to its required capability.

Sustainment. Sustainment involves the supportability of fielded systems and their subsequent life-cycle product support from initial procurement to supply chain management (including maintenance) to reutilization and disposal. Sustainment begins when any portion of the

production quantity has been fielded for operational use. Sustainment includes assessment; execution and oversight of performance-based logistics initiatives, including management of performance agreements with force and support providers; oversight of implementation of support systems integration strategies; coordination of logistics information technology and other enterprise integration efforts; implementation of logistics footprint reduction strategies; coordination of mission area integration; identification of technology insertion opportunities; and identification of operations and support cost reduction opportunities and monitoring of key support metrics.

Value Engineering (VE). An analysis of the functions of a program, project, product, item of equipment, building, facility, service, or supply of an executive agency performed by a qualified agency or contractor personnel, directed at improving performance, reliability, quality, safety, and life-cycle cost. Other terms used in VE include value methodology, value analysis, value management, or value planning.

"Will Cost" Estimate. A forecast of the program will cost based upon reasonable extrapolation from historical experience. The DoD and Congress use an independent cost estimate (ICE) to forecast will cost.

Work Breakdown Structure (WBS). An organized method of breaking down a program or project into logical subdivisions at lower and lower levels of detail.