



DEPARTMENT OF THE AIR FORCE
WASHINGTON DC

OFFICE OF THE ASSISTANT SECRETARY

4 November 2002

MEMORANDUM FOR SEE DISTRIBUTION LIST

FROM: SAF/AQ

SUBJECT: Key SAF/AQ Process Changes

Over the past year the acquisition requirements and test organization have been aggressively pursuing transformation of the acquisition processes within the Air Force to significantly reduce the time to field capability the warfighter needs to achieve their mission. This past year our joint efforts with the acquisition requirements and test communities to transfer our process have focused on two critical processes.

- 1) Establishing a capabilities-based requirement process. Key to this is a CONOPS being established upfront with a consistent continuous definition of requirements beginning with an "initial" capabilities document that is worked collaboratively with the SPO and Test community.
- 2) Creating a seamless verification process that replaces serial/overlapping DT/OT. This new process moves verification away from a tradition pass/fail system. It provides an independent evaluation of system capabilities and limitation with sharing of all the data to enable growth of systems through future spiral capabilities.

In both of these initiatives a new set of Air Force instructions are being finalized to institutionalize these key process changes.

The Chief of Staff and Secretary of the Air Force recently signed a USAF Transformation Flight Plan that establishes seven task force capabilities CONOPS to achieve effects-based results. This plan serves as the focus of transforming our planning, programming, budgeting requirements and acquisition processes and describes how the Air Force tailors forces and employs them. It is critical that the SAF/AQ organization is realigned and our acquisition and business processes are transformed to support the Task Force capabilities CONOPS Champions to achieve effects-based results.

I have identified, briefed and committed to the SECAF and the Chief six key process changes that will be implemented in December 2002. Highlights of these process changes include:

- 1) Realigning of the SAF/AQ staff to support Task Force Champions (Atch 2).
- 2) Revising the resource allocation process for program budget execution (Atch 3).
- 3) Harmonizing the task force capabilities and Program Management Directive process (Atch 4).
- 4) Establishing semiannual program execution status with the warfighters (Atch 5).
- 5) Integrating business development planning with the Capability Directorates (Atch 6).
- 6) Overhauling the "PEM of Record" process (Atch 7).

Each of the initiatives references an attachment that outlines the specific objectives and process changes I briefed and committed to our leadership. I have identified the chair/co-chair of each initiative and have appointed Maj Gen Corley and Mr. Durante to jointly oversee the development and implementation of these changes NLT 10 December 2002. Further, I have directed that Lt Gen Plummer and I be briefed weekly on the status of each initiative. Gen Lyles will also participate in our weekly briefings on the semiannual program initiative with the warfighters.

SAF/AQ is committed to the transformation of our processes to deliver "system-of-systems" capabilities that support multiple task forces. With your help and commitment we will lead the way in acquisition and business transformation.



MARVIN R. SAMBUR
Assistant Secretary of the Air Force
(Acquisition)

Attachments:

1. Distribution List
2. Aligning AQ with Task Force CONOPS
3. Resource Allocation Process
4. Program Management Directive
5. Program Execution Reviews
6. Integrate Contracting
7. PEM of Record Process

cc:

AFMC/CC

Distribution List

SAF/ACE
SAF/AQA
SAF/AQC
SAF/AQI
SAF/AQL
SAF/AQP
SAF/AQQ
SAF/AQR
SAF/AQX

PEO/AT
PEO/C2&CS
PEO/FB
PEO/JSF
PEO/SV
PEO/WP

Align AQ with Task Force CONOPS

Goals of the ongoing Air Force Transformation: Air Force Vision 2020 broadly outlines the goals of transformation. In sum, the Air Force must develop and field capabilities necessary to sustain its core competencies to include necessary command and control through which it employs them in the face of the changing security environment. These core competencies include:

1. Air and Space Superiority: the ability to control what moves through air and space to ensure freedom from attack and freedom to attack.
2. Information Superiority: the ability to control and exploit information to our Nation's advantage to ensure decision dominance.
3. Global Attack: the ability to engage adversary targets anywhere, anytime to hold any adversary at risk.
4. Precision Engagement: the ability to deliver desired effects with minimal risk and collateral damage to deny sanctuary to the enemy.
5. Rapid Global Mobility: the ability to rapidly position forces anywhere in the world to ensure unprecedented responsiveness.
6. Agile Combat Support: the ability to sustain flexible and efficient combat operations.

Balance key priorities: The AQ organization must integrate with three primary groups with competing organizational philosophies.

1. Strategic Level: Air Staff Task Forces organized into 7 Task Force CONOPS.
2. Operational level: Requirements/budgets set by MAJCOMS organized into a different set of missions and supporting weapons systems.
3. Tactical Level: SPOs are organized by weapons system. Congress authorizes/budgets by weapon system.

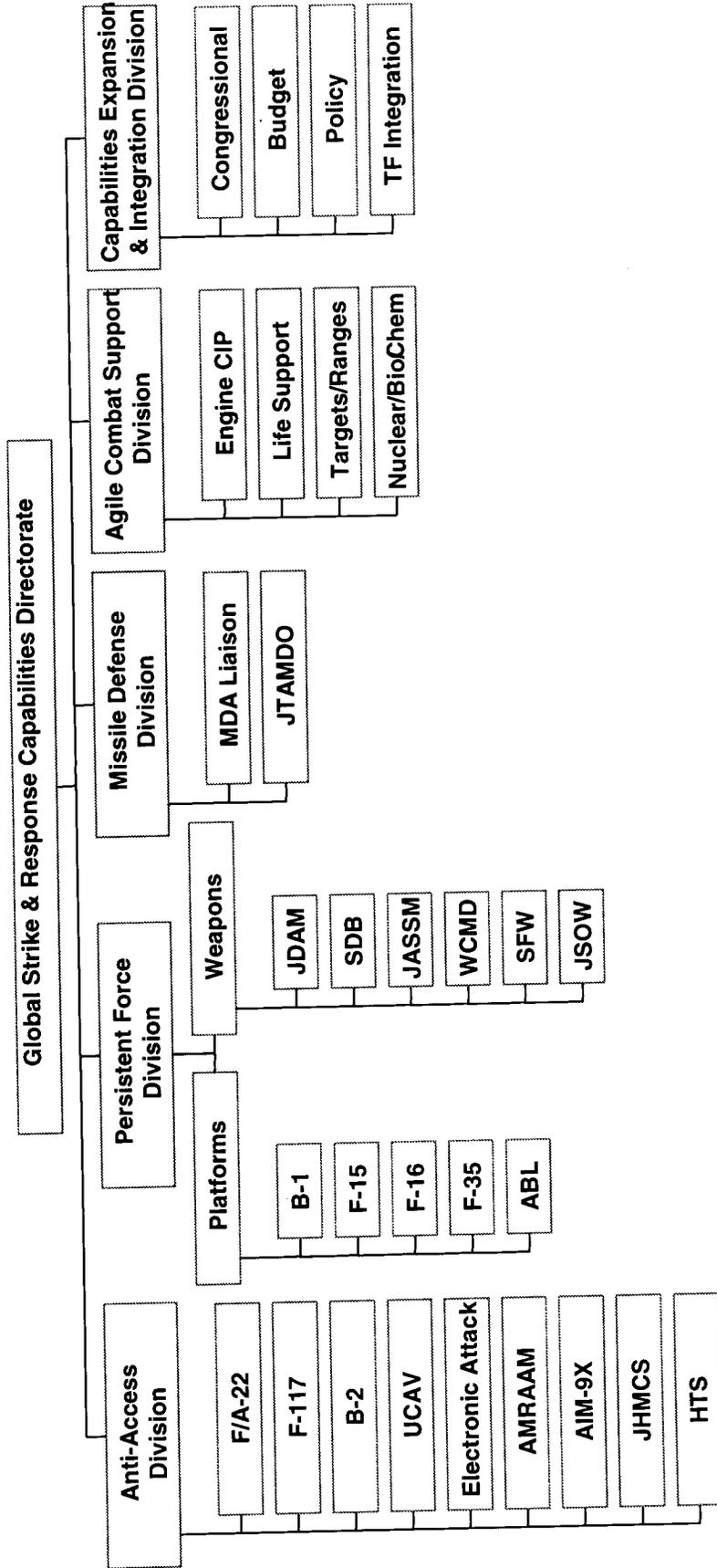
Alignment Implementation:

1. Mission Area Directorates (MAD) changed to Capabilities Directorates (CD).
 - SAF/AQ becomes an integral part of Task Force (TF) Champions CONOPS process
 - Direct and oversee program execution of acquisition programs and budgets
 - Interface with Congress/OSD on program execution
2. Functional Support Staff
 - Facilitate resource allocation trades with TF Champion to achieve desired capabilities
 - Support AQ, SAF, Air Staff and MAJCOM's on all acquisition and policy issues
3. PEOs: (NO CHANGE)
 - Direct planning and execution of programs

CHAIR: Col DeWillis (SAF/AQQ)
CO-CHAIR: Col Saxer (SAF/AQP)

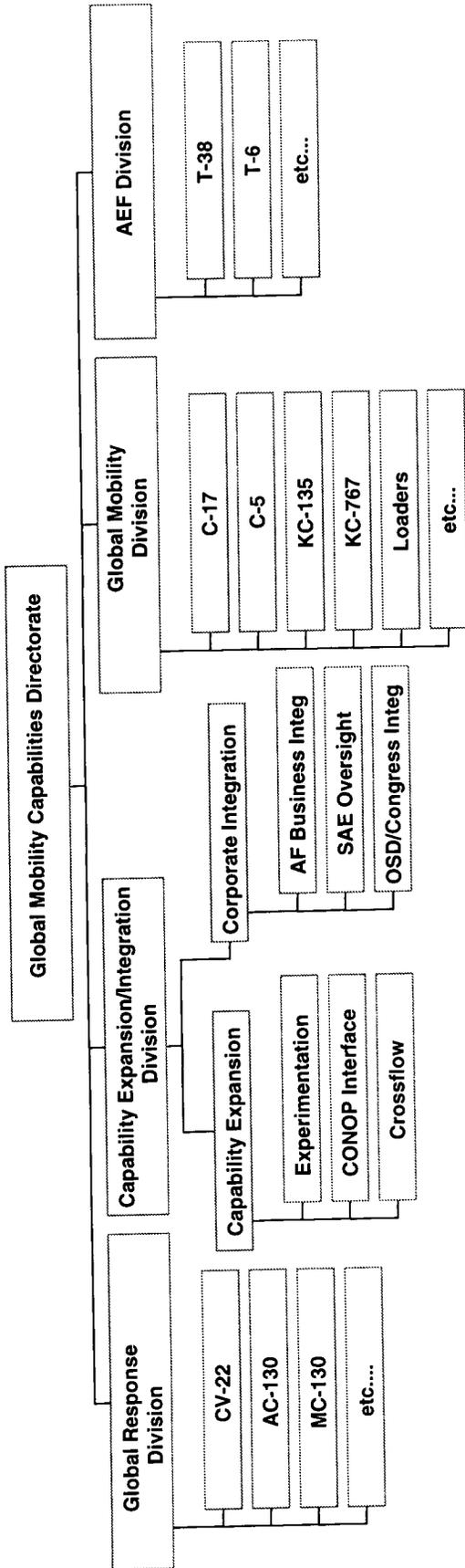
DRAFT

Global Strike & Response Capabilities (SAF/AQP)

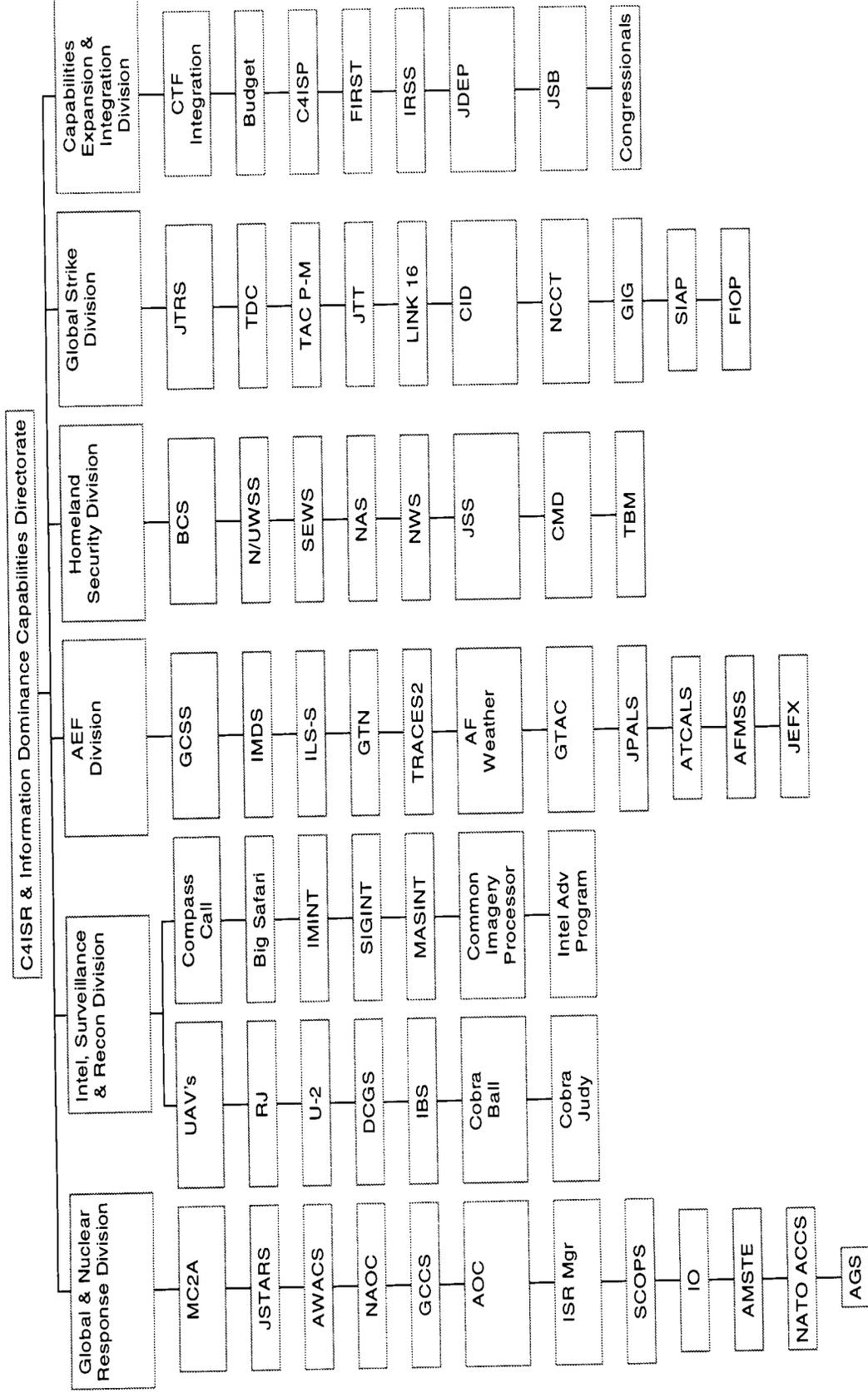


DRAFT

Global Mobility Capabilities (SAF/AQQ)



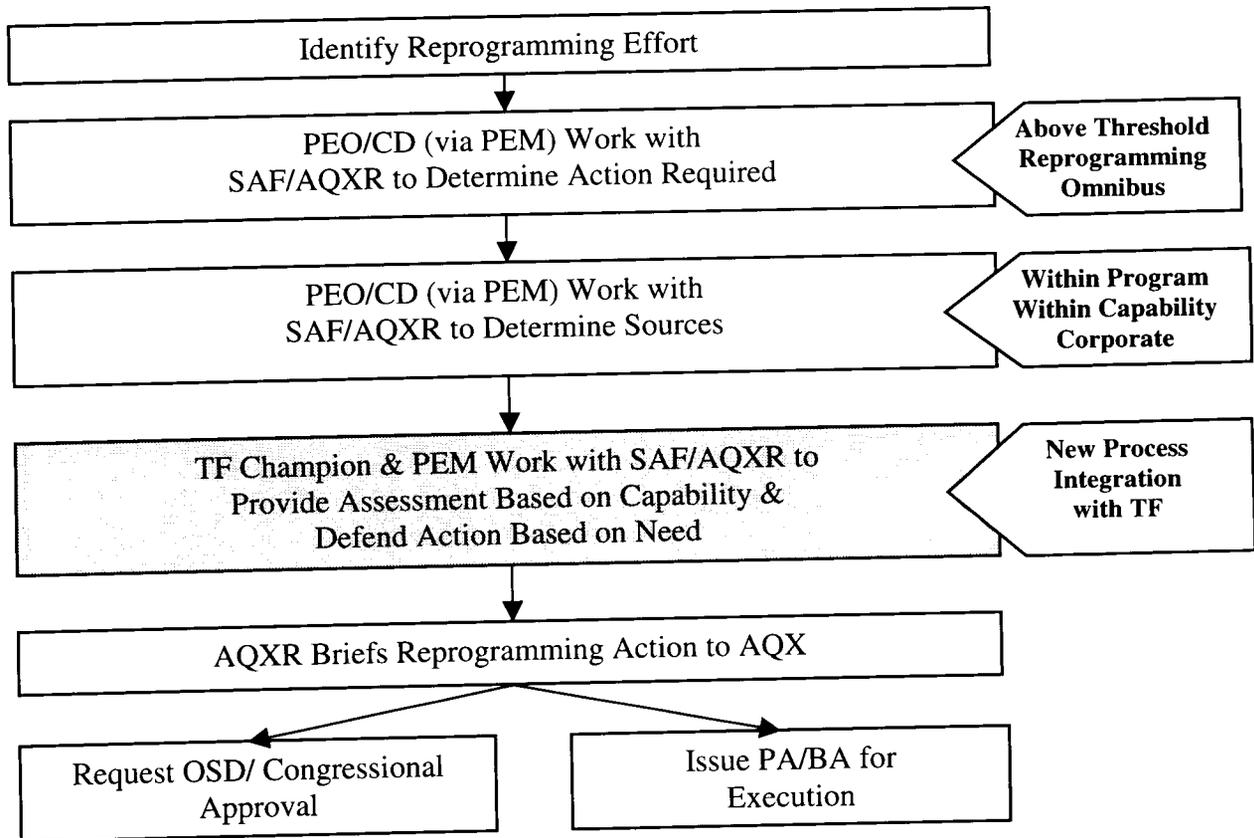
C4ISR & Information Dominance Capabilities (SAF/AQI)



Resource Allocation Process

Realign resource allocation process with Capabilities Review and Risk Assessment (CRRA) process:

- SAF/AQ Capabilities Directorates (CD) and SAF/AQX realign resource allocation process
- SAF/AQX develop new processes as outlined below
 - These processes should be agile and not increase lead time.
 - Budget analysts provide direct support to Task Force (TF) Champions
 - Conduct analysis across programs to facilitate optimum trades to support desired capabilities
 - Coordinate reprogramming requirements with the AF/XO TF Champion
- Each CD will establish a separate “Capabilities Expansion & Integration Division” to coordinate and integrate with TF Champions including budget reprogrammings



CHAIR: Col Lombardi (SAF/AQX)
 CO-CHAIR: Mr. Smart (SAF/AQI)

Program Management Directive

Near Term: Coordinate Program Management Directive (PMD) with Task Force Champion

Long Term: Work with XOR to write “Capstone Task Force Capability” document
– Change PMD process to be a Task Force implementing document for Program Direction

CHAIR: Col Lombardi (SAF/AQX)

CO-CHAIR: Col DiCicco (SAF/ACE)

Program Execution Reviews

Establish semiannual program execution status with MAJCOM Commander's

- Allows better preparation for Hill reviews and CRRA reviews
- Assists MAJCOMs in preparation of POM

MAJCOM Reviews Include:

- Warfighters: ACC, AMC, SOCOM & AETC
- Verification
- AFMC – Enterprise

Establish criteria and format for program reviews

Establish schedule with each MAJCOM

- Goal is to begin reviews in January and synchronize reviews with budget preparation process and finalization of POM

CHAIR: Mrs. Judy Stokley (PEO/WP)

CO-CHAIR: Maj Gen Mushala (AFMC/DR)

Integrate Contracting

Contracting organization must support PEOs, Capabilities Directorates and AEF CONOPS

- Move contracting experts into CD's organization for direct support of Task Force capabilities champions
- Lead E-Business contracting revolution in streamlining processes. Identify major initiatives with milestones for fielding, including training
- Continue support of Air Staff, Space, AQ and MAJCOMs on all contracting issues and policies

CHAIR: Col Clay (SAF/AQC)
CO-CHAIR: Mr. Peasant (PEO/AT)

PEM of Record

RECOMMENDATION: Establish joint team led by Maj Gen Corley and Maj Gen Leaf to develop definitive policy on PEM of record and spiral development

- AQ responsible for program execution during spiral development and production
- XO responsible for program when it transitions to sustainment
- Establish one Program Element (PE) and break out to XO the management of O&M budget
- Coordinate PE changes and above threshold reprogramming of RDT&E/Procurement funds with AQ/PEM and XO Task Force Champion
- Result: Acquisition Executive oversight and budget execution during development/acquisition process, including mods, and XO oversight and budget execution of sustainment O&M

CHAIR: Mr. Smart (SAF/AQI)
Co-CHAIR: Col Saxer (SAF/AQP)