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Feature

Defense Department Releases Major Revision to Acquisition Policy

Revised Instruction Enforces Corrosion Prevention Provisions

By Cynthia Greenwood

On December 2, 2008, John J. Young, Jr., Under Secretary of Defense for Acquisition, Technology, and Logistics, approved a major revision to the DoD acquisition policy intended to reduce cost overruns. Young himself spearheaded the policy overhaul.

The new policy affects all defense acquisition programs involving weapon and information systems. It aims to ensure that key decisions about investment and prototypes for new systems are put in place before a program ever gets off the ground.

For the first time, the DoD's acquisition policy contains enforceable provisions related to corrosion policy and oversight. These provisions give the DoD Corrosion Policy and Oversight Office the authority to require each of the military services to appoint a corrosion executive. In addition, the DoD Corrosion Office will assign specific responsibilities to all military services for managing corrosion programs related to DoD equipment and infrastructure.

"In broad terms, we wanted to make sure that our programs were conceived, designed, and executed more effectively than before," Senior Acquisition Analyst Skip Hawthorne told [Defense Link](#). "Now, if a program has not demonstrated key technologies, we will prototype them," Hawthorne said. "As a result, we'll have better information about how well we are doing instead of accepting assertions of capability. The key technologies must be demonstrated before we begin the engineering phase of development."

This revision, which is the first major change to acquisition policy in more than five years, reflects the Defense Department's determination to improve the effectiveness and efficiency of its enterprise-wide acquisition business processes so it can continue to provide war fighters with the best weapons systems and support in the world.

Young noted that "the directive reflects a conviction that our policies must be more disciplined and effective to ensure that results are more predictable and that we are better stewards of taxpayer dollars."

John G. Grimes, Assistant Secretary of Defense for Networks and Information Integration who co-signed the policy, stated that "this directive is particularly important because it sets policy guiding early consideration of the radio frequency spectrum to enable better management of competing battlefield requirements that have become a growing concern in theater."

New Policy Emphasizes Corrosion Prevention Across all Services

The new policy—referred to as DoD Instruction 5000.02—includes the first provision related to corrosion policy and oversight. "In this revised DoD Instruction, we have strong language directing the military departments to create corrosion prevention acquisition teams (CPATs) for all new programs involving Acquisition Category (ACAT) I weapon systems," said Daniel J. Dunmire, director of the DoD Office of Corrosion Policy and Oversight. (ACAT I weapon systems are major

defense acquisition programs that will require more than \$355 million in eventual spending for research, development, testing, and evaluation.)

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Dunmire added, “The changes included in the instruction were based on GAO (Government Accountability Office) recommendations and agreed upon by the Department of Defense. Thus far, this DoD instruction carries the most weight because the Services will have to comply with all corrosion-related provisions.”

“In DoD Directive 5000.01, the Services were directed to make deliberate decisions and trade-offs concerning corrosion prevention, but the way in which they were supposed to do that was not spelled out,” Dunmire said. “DoD Instruction 5000.02 instructs them on how to do this.”

According to the corrosion provision of the revised DoD Instruction 5000.02, the DoD has embraced a goal of reducing the total cost of owning systems, noting that “each ACAT I program shall document its strategy in a Corrosion Prevention Control Plan.” The provision also states: “Corrosion considerations shall be objectively evaluated throughout program design and development activities, with trade-offs made through an open and transparent assessment of alternatives.” ([Click here](#) to review DoD Instruction 5000.02.)

Key Provisions of the DoD Acquisition Instruction

Key provisions of the new acquisition instruction include the following requirements for new acquisition programs:

- **A Mandatory Acquisition Process Entry Point**—Programs will be required to proceed through a Materiel Development Decision Review to ensure they are based on approved requirements and a rigorous assessment of alternatives.
- **Competitive Prototyping**—Programs will be required to implement acquisition strategies requiring a technology development phase where two or more competing teams will produce prototypes of the system or key components. Consequently, technologies will have to be demonstrated and proven before engineering development is initiated.
- **More Frequent and Effective Program Reviews to Assess Progress**—Two key engineering reviews, the Preliminary Design Review and the Critical Design Review, become significant program decision points to allow acquisition authorities to assess progress.
- **Configuration Steering Boards**—These boards provide a forum that can preclude destabilizing requirement changes and avoid a problem that has traditionally contributed to increased costs and extended schedules. Program managers can use this forum to control requirements creep and seek moderation of requirements that become costly drivers in the system design.
- **Technology Readiness Assessments**—Independent reviews must certify the maturity of program technologies for a program to progress to the costly final phase of development.
- **Engineering and Manufacturing Development**—the final phase of system development is returned to the previous label of “Engineering and Manufacturing Development.” This name change is intended to emphasize the focus on engineering and manufacturing development during the final, costly phase that leads to initial production. Technology development and basic system design work should be accomplished in the earlier Technology Development phase.
- **More Effective Test and Evaluation**—Test activity will be integrated into every acquisition development phase to facilitate early identification and correction of technical and operational deficiencies.

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Young also co-signed the new policies with Charles E. McQuery, Director of Operational Test and Evaluation. McQuery noted that “this policy revision incorporates all the policy initiatives I have supported, principal among them being integrated developmental and operational testing with results available to all.”