SECTION 809 PANEL SPEAKS ABOUT PROPOSED ACQUISITION CHANGES

Presented by: Members of the Section 809 Panel
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March 2019
What is the Section 809 Panel?

- Congressionally mandated (FY16 NDAA), independent commission tasked with streamlining and improving defense acquisition process
- 16 commissioners who are senior marketplace and government leaders with more than 300 years of collective experience
- A catalyst for restoring agility and simplicity to defense acquisition through **bold**, **simple**, and **effective** solutions
- Focused on creating a modern, agile defense acquisition process that provides warfighters what they need, when they need it

“We are a catalyst for restoring agility and simplicity to defense acquisition through **bold** and **effective** solutions.”
Panel Reports

- 5 recommendations
- Addressed wide range of acquisition topics
- Introduced portfolio management concept
- Fully describes dynamic marketplace
- Portrays vision for the Defense Acquisition System

- 3 statutory changes enacted in FY18 NDAA
- 24 recommendations
- 7 statutory changes enacted in FY19 NDAA
- 10 recommendations
- 1 statutory change enacted in FY19 NDAA
- Statutory changes pending
- Summarizes the Panel’s 98 recommendations

Interim Report
Vol. I Report
Vol. II Report
Vol. III Report
Roadmap

May 2017
Jan 2018
Jul 2018
Jan 2019
Feb 2019
Defense Acquisition Needs to Adapt at the Speed of a Changing World

- The United States’ ability to maintain technological, military, and economic superiority is being challenged by near-peer competitors and nonstate actors that are rapidly gaining on traditional U.S. advantages.

- Suffocating bureaucratic requirements are frequently prioritized over mission effectiveness.
  - Acquisition is too slow to keep pace with today’s rapidly changing technological environment
  - DoD is an unattractive customer to firms with innovative solutions
  - Getting capability to the warfighter takes too long

- The Panel envisions a modern Defense Acquisition System on a war footing that enables DoD to rapidly buy technologically superior capability for warfighters inside the turn of adversaries.
Roadmap to Success

Recommendations to Revolutionize How DoD Conducts Business

**LEVERAGE THE DYNAMIC MARKETPLACE**
- Implement the Dynamic Marketplace Framework
- Simplify Commercial Buying
- Revise DoD's Socioeconomic Mission
- Communicate with Industry
- Clarify Use of Other Transaction Agreements

**ALLOCATE RESOURCES EFFECTIVELY**
- Institute Portfolio Management
- Allocate Budgetary Resources Effectively

**ENABLE THE WORKFORCE**
- Reform Workforce Development
- Improve Use of Data for Decision Making
- Support Research & Reform

**SIMPLIFY ACQUISITION**
- Revise Processes to Value Time & Put Mission First
- Update Adjudicative Processes
- Simplify Contracting
- Simplify Acquisition of Information Technology
- Clarify Services Policies
- Improve & Focus Oversight
- Simplify Title 10
Adapt at the Speed of a Changing World

- Promote in all we do:
  - Competition
  - Transparency
  - Integrity

- Deliver capability/innovation to the warfighter inside the turn of near-peer competitors and nonstate actors

- Move DoD to a war footing – mission first

- Value time

- Eliminate Barriers - Buy the way buyers and sellers do business
A radically simplified way of interacting with the private sector and contracting to develop defense-unique items
Cost Accounting Standards Recommendations

- Create an independent Cost Accounting Standards Board within the executive branch

- Reshape CAS program requirements to function better in a changed acquisition environment
  - Dollar Thresholds
  - Commercial Item Exemption
  - Cost Data Exemption
  - Indefinite Delivery Vehicles (IDVs)
  - Hybrid Contracts
  - CAS Notices & Clauses
IT Acquisition Recommendations

- **Defense Business Systems**
  - Combine authority for requirements, resources, and acquisition in a single, empowered entity to govern DBS portfolios separate from the existing acquisition chain of command.
  - Eliminate the separate requirement for annual IRB certification of DBS investments.
  - Fund DBSs to allow for commonly accepted software development approaches.

- **Earned Value Management (EVM)**
  - Eliminate the EVM mandate for DBS software programs using Agile methods.

- **Exempt DoD from the Clinger-Cohen Act provisions**

- **Pilot new authority for direct contracts with independent IT consultants**

- **Revise acquisition regulations to enable more flexible and effective procurement of consumption-based solutions (i.e., XaaS)**
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