



ACQUISITION  
AND SUSTAINMENT

## THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3010

**MAR 20 2019**

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
CHIEF MANAGEMENT OFFICER OF THE DEPARTMENT OF  
DEFENSE  
CHIEF OF THE NATIONAL GUARD BUREAU  
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE  
DIRECTOR OF COST ASSESSMENT AND PROGRAM  
EVALUATION  
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE  
DIRECTOR OF OPERATIONAL TEST AND EVALUATION  
CHIEF INFORMATION OFFICER OF THE DEPARTMENT OF  
DEFENSE  
ASSISTANT SECRETARY OF DEFENSE FOR LEGISLATIVE  
AFFAIRS  
ASSISTANT TO THE SECRETARY OF DEFENSE FOR PUBLIC  
AFFAIRS  
DIRECTOR OF NET ASSESSMENT  
DIRECTORS OF DEFENSE AGENCIES  
DIRECTORS OF DOD FIELD ACTIVITIES

SUBJECT: Middle Tier of Acquisition (Rapid Prototyping/Rapid Fielding) Interim  
Governance 2

Ref: (a) USD(A&S) Memo "Middle Tier of Acquisition (Rapid Prototyping/Rapid Fielding)  
Interim Authority and Guidance," dated April 16, 2018  
(b) USD(A&S) Memo "Middle Tier of Acquisition (Rapid Prototyping/Rapid Fielding)  
Interim Governance," dated October 9, 2018

Section 804 of the National Defense Authorization Act of Fiscal Year 2016 requires that the rapid fielding pathway guidance shall include a process for considering lifecycle costs and addressing issues of logistics support and system interoperability. Consistent with this authority, sustainment resourcing and planning must be key considerations of rapid fielding. Systems planned for rapid fielding must develop an affordable sustainment strategy, beginning with designing sustainment attributes, such as maintainability and reliability, into system specifications and requirements. As a Concept of Operations is in development, sustainment functions, such as planned and unplanned maintenance, technical data rights levels, manpower, training, and supply must be considered and addressed in the acquisition strategy or tailored Life Cycle Sustainment Plan.

Organizations utilizing this interim authority must include sustainment considerations as part of the data that can be shared across the Department via an open and collaborative

Department-managed tool, as directed in the interim authority and guidance (ref (a)). As part of the quarterly review process outlined in ref (b), the Office of Assistant Secretary of Defense for Sustainment will review the sustainment-related data entered into the Defense Acquisition Visibility Enterprise database prior to the Middle Tier of Acquisition quarterly meetings. If sustainment issues or concerns arise, the Under Secretary of Defense for Acquisition and Sustainment is empowered to address the concerns directly with the Component Acquisition Executives. This memo has been coordinated with the Under Secretary of Defense (Comptroller) and the Vice Chairman of the Joint Chiefs of Staff.



Ellen M. Lord

Attachments:  
As stated



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APR 16 2018

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
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SUBJECT: Middle Tier of Acquisition (Rapid Prototyping/Rapid Fielding) Interim Authority  
and Guidance

**1. Description.** Section 804 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92), provides authority to the Department of Defense (DoD) to rapidly prototype and/or rapidly field capabilities under a new pathway, distinct from the traditional acquisition system. Under the Middle Tier of Acquisition, programs subject to the guidance shall not be subject to the Joint Capabilities Integration Development System (JCIDS) manual and DoD Directive 5000.01, "The Defense Acquisition System," except to the extent specifically provided in the implementing guidance. This memo has been coordinated with the Under Secretary of Defense (Comptroller) and the Vice Chairman of the Joint Chiefs of Staff.

**2. Interim Authority**

**2.1.** This memo provides to DoD Components the authority to implement Section 804 on an interim basis until September 30, 2019. This time period may be extended at the discretion of the Under Secretary of Defense for Acquisition and Sustainment (USD(A&S)). DoD Components are encouraged to immediately further implement the Section 804 authority by developing rapid prototype and fielding processes and procedures.

**2.2.** The Office of the Under Secretary of Defense for Acquisition and Sustainment (OUSD(A&S)) will commence a collaborative policy development effort no later than January 2019. This approach will allow DoD Components to provide input based on their prototype process and procedures, analysis, and lessons learned into policy and guidance for implementing Section 804 authorities. Such policy and guidance will be finalized prior to the expiration of this interim authority.

### **3. Implementation**

**3.1.** Subject to the provisions of Section 804, organizations utilizing this authority are authorized to initiate Middle Tier of Acquisition Rapid Prototyping programs with the objective to field a prototype that can be demonstrated in an operational environment and provide for a residual operational capability within five years of the development of an approved requirement, and Middle Tier of Acquisition Rapid Fielding programs that shall begin production within six months and complete fielding within five years of an approved requirement. The DoD Components will determine what constitutes an approved requirement or may leverage an existing requirement.

**3.2.** The Component Acquisition Executives (CAEs) are accountable for the management and delegation of this authority as appropriate. Organizations utilizing this authority will issue appropriate procedures for Middle Tier of Acquisition efforts to adhere to the following:

#### **A. Rapid prototyping:**

(1) a merit-based process for the consideration of innovative technologies and new capabilities to meet needs communicated by the Joint Chiefs of Staff and the Combatant Commanders;

(2) a process for developing and implementing acquisition and funding strategies for the program;

(3) a process for demonstrating and evaluating the performance of fieldable prototypes developed pursuant to the program in an operational environment; and

(4) a process for transitioning successful prototypes to new or existing acquisition programs for production and fielding under the rapid fielding pathway or the traditional acquisition system.

#### **B. Rapid fielding:**

(1) a merit-based process for the consideration of existing products and proven technologies to meet needs communicated by the Joint Chiefs of Staff and the Combatant Commanders;

(2) a process for demonstrating performance and evaluating for current operational purposes the proposed products and technologies;

(3) a process for developing and implementing acquisition and funding strategies for the program;

(4) a process for considering lifecycle costs and addressing issues of logistics support and system interoperability; and

(5) a process for identifying and exploiting opportunities to use the rapid fielding pathway to reduce total ownership costs.

**4. Rapid Prototyping Fund.** While using this interim authority, organizations must make use of their existing funding consistent with the purpose for which the funds were appropriated. This interim authority does not cover the establishment of the Rapid Prototyping Fund. The Rapid Prototyping Fund will be authorized when approved by the organizations responsible for those authorities.

**5. Data.**

**5.1.** Organizations utilizing this interim authority must also identify data that can be shared across the Department via an open and collaborative Department-managed tool under the final guidance. This data must include, but not be limited to: name of program, capability gap or problem, definitive source for the capability gap or problem, capability characteristic or solution, date funds approved for initiation, funding source, program result (transition or termination), date of transition or termination, reason for transition or termination, program budget, and vendor name(s).

**5.2.** The CAE, for organizations utilizing this authority, is responsible for capturing and storing the above data. This data will be provided during the collaborative policy development effort discussed above.

**6. Education and Training Needs.** Organizations utilizing this interim authority should also identify any additional education and training needs required to best utilize the Middle Tier of Acquisition responsibly and as a matter of regular acquisition practice. This information will be used to develop necessary curricula and programs at the Defense Acquisition University.

**7. Related Changes to Existing Policy.** Organizations utilizing this interim authority should also identify changes required of existing acquisition policy, to include DoD Instruction 5000.02, or statutes to allow programs executed through the Middle Tier of Acquisition to address statutory requirements that add little or no value to the management of the program. This data will be provided during the collaborative policy development effort discussed above.



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OCT 09 2018

MEMORANDUM FOR CHIEF MANAGEMENT OFFICER OF THE DEPARTMENT OF  
DEFENSE

SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
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**SUBJECT: Middle Tier of Acquisition (Rapid Prototyping/Rapid Fielding) Interim Governance**

Given the positive response to, and interest in, the Middle Tier of Acquisition (MTA) Interim Authority and Guidance, dated April 16, 2018 (attachment 1), which provided initial interim policy guidance for section 804 of the National Defense Authorization Act for FY 2016, the Office of the Under Secretary of Defense for Acquisition and Sustainment (OUSD(A&S)) will adopt an interim governance approach. Components seeking to exercise MTA for acquisitions initiated after the date of this memorandum must comply with the initial guidance set forth in the April 16, 2018 memorandum and this memorandum, as well as any Component-level policy that might be applicable. This memo has been coordinated with the Under Secretary of Defense (Comptroller) and the Vice Chairman of the Joint Chiefs of Staff (VCJCS).

The rapid prototyping pathway shall provide for the use of innovative technologies to rapidly develop fieldable prototypes to demonstrate new capabilities and meet emerging military needs. The objective of a rapid prototyping program under this pathway is to field a prototype that can be demonstrated in an operational environment and provide for a residual capability within five years. The rapid fielding pathway shall provide for the use of proven technologies to field production quantities of new or upgraded systems with minimal development required. The objective of a rapid fielding program under this pathway is to begin production within six months and complete fielding within five years. A six-month and five-year limit for entering

production and completing a MTA program will be calculated from the date of the first obligation of funds for a program purpose.

The purpose of this interim governance is to ensure that Department of Defense (DoD) Components execute MTA programs in a manner that allows the Office of the Secretary of Defense (OSD) and Congress to have confidence in the appropriateness of the Components' use of this authority.

In accordance with OUSD(A&S)'s renewed focus on governance through data collection and analysis, rather than individual program oversight, Component Acquisition Executives (CAEs) will formally identify existing MTA programs by submitting an information memorandum to OUSD(A&S) no later than 30 calendar days after the signing of this memorandum. Additionally, CAEs will submit MTA – Program Identification data to OUSD(A&S) utilizing the authoritative spreadsheet in the Defense Acquisition Visibility Environment (DAVE) at <https://dave.acq.osd.mil/> to capture key data elements no later than 30 days after the signing of this memorandum.

CAEs will identify new MTA programs by submitting an information memorandum and Program Identification data at least 30 calendar days before the obligation of any funds for an MTA effort.

There will be monthly MTA governance meetings attended by a representative of the VCJCS, the Under Secretary of Defense for Research and Engineering (USD(R&E)), the Under Secretary of Defense for Acquisition and Sustainment (USD(A&S)), and the Director, Cost Assessment and Program Evaluation (CAPE), to assess the aggregate use of the MTA authority based on data submissions. MTA programs do not require OSD approval, however, OSD may determine that specific programs are not appropriate for MTA. In this event, I will direct that the program be executed using traditional acquisition authorities as set forth under DoD Instruction 5000.02, and include, when applicable, the requirements of Chapters 139 and 144 of title 10, United States Code. On a quarterly basis, the Director, JS, USD(R&E), USD(A&S), and D,CAPE will meet with each of the CAEs to discuss their portfolio of MTA programs.

After initial program identification, MTA programs will submit updated data quarterly on the first business day of the first month of each fiscal quarter. OUSD(A&S) will continue to refine data collection requirements in collaboration with the Office of the Vice Chairman of the Joint Chiefs of Staff, OUSD(R&E), CAPE, and the CAEs to ensure data collection is not overly burdensome.

My point of contact for this memorandum is Chris Davis, Office of Strategy, Data, and Design, at [christopher.p.davis.civ@mail.mil](mailto:christopher.p.davis.civ@mail.mil) or 703-692-9726.



Ellen M. Lord