

VA ACQUISITION PROGRAM MANAGEMENT FRAMEWORK (APMF) POLICY

- 1. REASON FOR ISSUE:** To establish an enterprise-wide acquisition program management policy within the Department of Veterans Affairs (VA).
- 2. SUMMARY OF CONTENTS:** This Directive supports existing federal laws, mandates and regulations by setting forth policies and responsibilities for acquisition program management within VA. VA Directive 7402 contains the policy regarding APMF program eligibility, phases of the acquisition life cycle, reporting, reviews, tools, and stakeholder roles and responsibilities.
- 3. RESPONSIBLE OFFICE:** Office of Acquisition, Logistics, and Construction (OALC, 003), Office of Acquisition and Logistics (OAL, 003A), Acquisition Program Support (APS, 003A1). APS is responsible for VA APMF policy and will review the policy on an annual basis. In accordance with 41 U.S.C. § 1702(b), Chief Acquisition Officers and senior procurement executives, the Chief Acquisition Officer (CAO) shall be responsible for governance of this policy, which includes the assessment of policy compliance. Any recommendations for modifications to VA APMF policy must be sent to the CAO for consideration, concurrence, approval, and issuance.
- 4. RELATED HANDBOOK:** VA Handbook 7402, VA Acquisition Program Management Framework (APMF) Procedures.
- 5. RESCISSION:** None.

CERTIFIED BY:

**BY DIRECTION OF THE SECRETARY OF
VETERANS AFFAIRS**

/s/

Dat P. Tran
Acting Assistant Secretary for
Office of Enterprise Integration

/s/

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Acting Principal Executive Director
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VA ACQUISITION PROGRAM MANAGEMENT FRAMEWORK (APMF) POLICY

1. PURPOSE

a. The Department of Veterans Affairs (VA) is committed to improving the alignment of authority, responsibility, and accountability for acquisition programs across the Department through the Acquisition Program Management Framework (APMF). APMF is a comprehensive acquisition framework that provides a governed, repeatable, consistent, efficient, and transparent life cycle process for the management and oversight of acquisition programs that support the Department in executing its mission as effectively and efficiently as possible within fiscal and operational constraints.

b. On May 1, 2013, the VA Strategic Management Council authorized the implementation of APMF through an Executive Decision Memorandum (EDM). The Deputy Secretary of the Department of Veterans Affairs tasked the Office of Acquisition, Logistics, and Construction (OALC) with developing and implementing APMF across the Department. APMF addresses statutory requirements prescribed by:

(1) Services and Acquisition Reform Act of 2003 (SARA), Title XIV of National Defense Authorization Act for Fiscal Year 2004, Pub. L. No. 108-136, 117 Stat. 1392 (codified as amended at 41 U.S.C. §§ 131 et seq.)

(2) 41 U.S.C. § 1702(b), Chief Acquisition Officers and senior procurement executives

(3) Office of Management and Budget Circular A-123, Management's Responsibility for Enterprise Risk Management and Internal Control

(4) Federal Acquisition Regulation (FAR) Subpart 34.2, Earned Value Management System

2. POLICY

a. **Program eligibility.** This Directive applies to all acquisition programs as defined in Section 2(a)(2-3) in this Directive that are managed, funded, or overseen by VA Administrations and Staff Offices.

(1) An acquisition is defined by SARA as the process of acquiring, with appropriated amounts, by contract for purchase or lease, property or services (including construction) that support the missions and goals of an executive agency, from the point at which the requirements of the executive agency are established in consultation with the chief acquisition officer of the executive agency.

(2) An acquisition program is defined by this policy as a program engaging in an acquisition for a new or enhanced capability or capabilities. An acquisition program is divided into levels established to facilitate decision-making, execution, and compliance with statutory

and regulatory requirements and may be composed of multiple projects, services contracts, interagency agreements, and other types of acquisitions.

(3) An acquisition program that meets the following criteria shall comply with APMF:

(a) **Priority Acquisition Programs (Major Initiatives).** The acquisition program is designated as a priority acquisition by the Secretary of Veterans Affairs, VA Deputy Secretary, Chief of Staff of Veterans Affairs (COSVA), Administration Heads, Assistant Secretaries, or VA CAO, based on qualitative criteria such as the impact of the acquisition on VA's strategic goals, operations, programs, or policy, regardless of whether the acquisition program meets threshold requirements in Section 2(a)(3)(b-e) in this Directive.

(b) **National Cemetery Administration (NCA) Acquisition Programs.** The acquisition program expenditure is estimated to exceed \$10M in one year.

(c) **Veterans Benefits Administration (VBA) Acquisition Programs.** The acquisition program expenditure is estimated to exceed \$10M in one year.

(d) **Veterans Health Administration (VHA) Acquisition Programs.** The acquisition program expenditure is estimated to exceed \$100M in one year, and subject to VHA's program management resources and capability.

(e) **Major Construction.** The acquisition program expenditure is estimated to exceed \$10M in one year.

(4) As Veteran-focused Integration Process (VIP)-related artifacts, roles, reporting, and reviews are equivalent to the APMF requirements outlined in this Directive, **Office of Information & Technology (OI&T)** acquisition programs are exempt from APMF.

b. **Process.** All VA acquisition programs that are eligible for APMF shall follow the APMF process. The APMF process is divided into five phases preceded by the Pre-APMF Stage. A Decision Event (DE) occurs before the APMF Verify Phase and after each other phase in the APMF process. Preexisting acquisition programs may be retroactively onboarded to APMF after DE-1 (i.e., it enters APMF in the Initiate, Obtain, Deploy, or Operate and Maintain (O&M) Phase).

(1) Pre-APMF Stage. A proposed acquisition program that addresses a legitimate capability gap for a VA program is identified and approved by the VA Deputy Secretary in accordance with VA Programming Guidance, and submitted for budgeting.

(2) Verify Phase. An acquisition program verifies that an approach is achievable and appropriate given the level of funding received during budgeting.

(3) Initiate Phase. An acquisition program develops key planning documents to effectively scope, resource, and plan before obtaining a capability.

(4) Obtain Phase. An acquisition program obtains a capability through procurement and development activities and evaluates, tests, and verifies that the capability satisfies program requirements.

(5) Deploy Phase. An acquisition program implements a capability and defines the roles and responsibilities, processes, and procedures to transition the capability to operations and maintenance.

(6) O&M Phase. A program operates and maintains a capability while continuing to monitor its performance and value until retirement.

c. **Reporting.** Reporting is critical to support oversight from VA senior leaders and facilitate effective decision-making throughout the acquisition life cycle. All acquisition programs that are eligible for APMF shall track and report performance data using regular reporting methods and procedures.

(1) Performance-Based Management. Performance-based management enables the government and contractor to identify and quantify an acquisition program's achievement of, or deviation from, its stated, approved baseline throughout the acquisition life cycle. Acquisition programs in APMF shall monitor program health during the Obtain and Deploy Phases using Earned-Value Management (EVM), a performance-based management technique that integrates cost, schedule, and scope.

(2) Monthly Status Report (MSR). The MSR is a high-level status update on acquisition program information including technical requirements, cost performance, schedule performance, risks and issues, and their mitigation strategies. Each month, the Acquisition Program Manager (APM) shall update program data in the Program Database. The Program Database will generate the MSR and submit it to the Acquisition Decision Authority (ADA). The MSR informs the ADA on acquisition program status, health, and risks and issues.

d. **Reviews.** Formal reviews throughout the acquisition life cycle enable the ADA and executive-level stakeholders to assess acquisition program performance, verify alignment with strategic and programmatic objectives, and mitigate risks or issues. All VA acquisition programs that are eligible for APMF shall participate in program- and executive-level reviews.

(1) Program Management Reviews (PMR). The PMR is a formal review conducted by the ADA and CAO during the Verify, Initiate, Obtain, and Deploy Phases that assesses an acquisition program's alignment to VA's strategic goals and the program's health relative to its objectives and thresholds. The APM shall schedule with the ADA and CAO at least one PMR for the acquisition program each fiscal year. A supplementary PMR can be requested at the discretion of the ADA, CAO, or VA leadership if an acquisition program is determined to require further guidance or oversight.

(2) Artifact Reviews. APMF artifacts capture the critical thinking and planning required throughout an acquisition's lifecycle. An artifact review is an assessment of the content and completeness of an acquisition program's required artifacts. During each APMF Phase, the BPM/APM shall complete a set of required program artifacts in the Program Database and

work to address quality deficiencies and mitigate risk before a DE if program artifacts are determined to be below quality standards established in the Program Database. The ADA shall review completed artifacts at the subsequent DE.

(3) **Decision Events (DE).** A DE is a milestone review that occurs before the APMF Verify Phase and after each phase in the APMF process. During a DE, the ADA shall assess an acquisition program's progress and performance, and determine if the program has met the DE exit criteria and is ready to enter the subsequent phase.

(4) **Risk Management and Issue Resolution.** APMF provides a risk and issue resolution path to help program- and executive-level stakeholders collaborate to develop response strategies for critical risks and issues. Acquisition programs shall engage in a consistent and repeatable risk management approach to identify, analyze, prioritize, mitigate, and monitor risks impacting program performance. When a threshold is breached, i.e., an issue involving program performance metrics occurs, acquisition programs shall follow a resolution path prescribed by APMF.

e. **Tools and Templates.** Acquisition Program Support (APS) shall develop and maintain the following tools to support APMF stakeholders:

(1) **Program Database.** The Program Database functions as a master list of all acquisition programs in APMF and includes programmatic details that feed the Performance Dashboard.

(2) **Performance Dashboard.** The Performance Dashboard functions as a dynamic tracking and reporting tool for APMF stakeholders to access portfolio-wide and program-specific performance data.

(3) **Artifact Templates.** APMF artifact templates standardize program management and support the planning and execution of APMF acquisition programs. Artifacts are completed in the Program Database.

3. RESPONSIBILITIES

a. **The VA Secretary** shall designate, when appropriate, acquisition programs that must comply with APMF regardless of cost, based on qualitative criteria such as the impact of the acquisition on VA's strategic goals, operations, programs, or policy.

b. **The VA Deputy Secretary** shall: (1) designate, when appropriate, acquisition programs that must comply with APMF regardless of cost, based on qualitative criteria such as the impact of the acquisition on VA's strategic goals, operations, programs, or policy; (2) provide guidance, as necessary, for escalated critical risks, and issues related to threshold breaches; and (3) assess a proposed acquisition program's approach, when warranted, by signing and issuing the Programming Decision Memorandum (PDM), in accordance with VA Programming Guidance, during the Pre-APMF Stage.

c. **The Chief of Staff of Veterans Affairs (COSVA)** shall: (1) designate, when appropriate, acquisition programs that must comply with APMF regardless of cost, based on

qualitative criteria such as the impact of the acquisition on VA's strategic goals, operations, programs, or policy; and (2) provide guidance, as necessary, for escalated critical risks.

d. **Administration Heads** shall: (1) designate, when appropriate, acquisition programs that must comply with APMF regardless of cost, based on qualitative criteria such as the impact of the acquisition on VA's strategic goals, operations, programs, or policy; and (2) provide guidance, as necessary, for escalated critical risks.

e. **Assistant Secretaries** shall designate, when appropriate, acquisition programs that must comply with APMF regardless of cost, based on qualitative criteria such as the impact of the acquisition on VA's strategic goals, operations, programs, or policy.

f. **Chief Acquisition Officer (CAO)** shall: (1) designate, when appropriate, additional acquisition programs that must comply with APMF regardless of cost, based on qualitative criteria such as the impact of the acquisition on VA's strategic goals, operations, programs, or policy; (2) manage the direction of VA acquisition policy, including implementation of the Department's unique policies, regulations, and standards; (3) advise and assist the VA Secretary, VA Deputy Secretary, and/or COSVA to ensure that VA's mission is achieved through the management of acquisition activities; (4) monitor the performance of VA acquisition activities and acquisition programs on the basis of applicable performance measurements, and advise the VA Secretary, VA Deputy Secretary, and/or COSVA regarding the appropriate business strategy to achieve VA's mission; (5) make acquisition decisions consistent with all applicable laws and establish clear lines of authority, accountability, and responsibility for acquisition decision-making within VA; (6) provide statutory oversight for acquisition activities and acquisition programs; (7) develop and maintain an acquisition career management program to ensure there is an adequate and professional acquisition workforce; (8) escalate or provide guidance, as necessary, for critical risks, issues related to threshold breaches, and major cost breaches; (9) for each APMF acquisition program, conduct a PMR with the ADA at least once each fiscal year; (10) serve as the Acquisition Executive Council (AEC) Chairperson and moderate AEC meetings; and (11) at the written request of the ADA, approve the use of artifacts, roles, reporting, or reviews, with or without modification, from existing acquisition processes to fulfill APMF requirements for a specific acquisition program.

g. **Acquisition Executive Council (AEC)** shall: (1) offer recommendations, as necessary, to the CAO on escalated acquisition program risks and issues; and (2) provide feedback on APMF policy, processes, procedures, and stakeholder roles and responsibilities.

h. **Acquisition Decision Authority (ADA)** shall: (1) address an acquisition program's risk with the APM and escalate, as necessary, critical risks, issues related to threshold breaches, and major cost breaches, in accordance with Section 2(d)(4) in this Directive; (2) appoint an APM in a Critical Acquisition Position (CAP)/Key Management Position (KMP) for a proposed acquisition program when the budget request for the acquisition program is submitted to Congress (3) approve/disapprove acquisition program cost, schedule, and scope baselines proposed by the APM; (4) with the CAO, oversee a PMR for each acquisition program in the ADA's portfolio at least once each fiscal year, in accordance with Section 2(d)(1) in this Directive; (5) during a DE, determine if an acquisition program has met the DE exit criteria and

is ready to proceed to the subsequent APMF phase, in accordance with Section 2(d)(3) in this Directive; (6) review an acquisition program's MSRs; and (7) request that the CAO approve the use of artifacts, roles, reporting, or reviews, with or without modification, from existing acquisition processes to fulfill APMF requirements for a specific acquisition program.

i. **Acquisition Program Manager (APM)** shall: (1) lead acquisition program activities, such as documenting key program information in required program artifacts and monitoring acquisition program health during the Initiate, Obtain, and Deploy Phases; (2) develop and manage acquisition program and/or project requirements that satisfy Business Owner (BO) user needs, VA acquisition policy, and Federal legislation; (3) manage and address an acquisition program's risk and escalate, as necessary, critical risks, issues related to threshold breaches, and major cost breaches; (4) on a monthly basis during the Initiate, Obtain, and Deploy Phases, collect and consolidate project-level data and update program data in the Program Database to generate a MSR for the ADA; (5) employ performance-based management techniques to identify and quantify an acquisition program's achievement of, or deviation from, its baseline throughout the acquisition process; (6) brief the ADA and CAO at a PMR at least once each fiscal year; (7) notify the ADA when an acquisition program is ready for the subsequent phase, and follow the DE process; and (8) inform the BPM on the outcome of DE-2, DE-3, and DE-4.

j. **Business Program Manager (BPM)** shall: (1) review and co-sign required program artifacts before each DE or as they are completed; (2) lead acquisition program activities during the Verify Phase (including DE-0 and DE-1) and the O&M Phase (including DE-5); (3) on a monthly basis during the Verify Phase and O&M Phase, collect and consolidate project-level data and enter the data into the Program Database to generate an MSR; and (4) validate that the intended program requirements have been met.

k. **Business Owner (BO)** shall: (1) lead strategic planning activities including the identification of strategic capability gaps and development of mission requirements during the Pre-APMF Stage; and (2) appoint the BPM.

4. REFERENCES

a. Services and Acquisition Reform Act (SARA) of 2003, Title XIV of National Defense Authorization Act for Fiscal Year 2004, Pub. L. No. 108-136, 117 Stat. 1392 (codified as amended at 41 U.S.C. §§ 131 et seq.)

b. 41 U.S.C. § 1702(b), *Chief Acquisition Officers and senior procurement executives*

c. Office of Management and Budget (OMB) Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*

d. Federal Acquisition Regulation (FAR) Subpart 34.2, *Earned Value Management System*

e. Office of Federal Procurement Policy (OFPP) Memorandum, December 16, 2013, *Revisions to the Federal Acquisition Certification for Program and Project Managers (FAC-P/PM)*

5. DEFINITIONS

a. **Acquisition Program.** A program that is acquiring a new or enhanced capability or capabilities. An acquisition program is divided into levels established to facilitate decision-making, execution, and compliance with statutory and regulatory requirements and may be composed of multiple projects, services contracts, interagency agreements, and other types of acquisitions.

b. **Decision Event (DE).** A milestone review that occurs before the APMF Verify Phase and after each phase in the APMF process. During a DE the ADA reviews an acquisition program's progress, performance, and satisfaction of exit criteria prior to granting approval for a program to proceed to the next phase.

c. **Deploy Phase.** An acquisition program implements a capability and defines the roles and responsibilities, processes, and procedures to transition the capability to operations and maintenance.

d. **Exit Criteria.** Exit criteria consist of three categories of qualitative questions that reflect the key properties of an acquisition program's overall health.

e. **Initiate Phase.** An acquisition program develops key planning documents to effectively scope, resource, and plan before obtaining a capability.

f. **Issue.** An existing event or condition that an organization must address to achieve its mission.

g. **Obtain Phase.** An acquisition program obtains a capability through procurement or development activities and evaluates, tests, and verifies that the capability satisfies requirements.

h. **Operate and Maintain (O&M) Phase.** An acquisition program operates and maintains a capability while continuing to monitor its performance and value until retirement.

i. **Performance Dashboard.** The Performance Dashboard functions as a dynamic tracking and reporting tool for APMF stakeholders to access portfolio-wide and program-specific performance data.

j. **Pre-APMF Stage.** A proposed acquisition program that addresses a legitimate capability gap for a VA program is identified and approved by the VA Deputy Secretary in accordance with VA Programming Guidance, and submitted for budgeting.

k. **Preexisting Acquisition Program.** A preexisting acquisition program is an acquisition program that is retroactively onboarded to APMF after DE-1, (i.e., it enters APMF in the Initiate, Obtain, Deploy, or O&M Phase).

l. **Program Database.** The APMF Program Database functions as a master list of all acquisition programs in APMF, and includes programmatic details that feed the Performance Dashboard.

m. **Risk.** A risk is the potential for loss, harm, or missed opportunities in relation to achievement of an acquisition program's mission and strategic objectives.

n. **Risk Management.** Risk Management is the systematic application of policies, procedures, methods, practices, and tools to the tasks of identifying, analyzing, evaluating, treating, and monitoring risk.

o. **Threshold.** The threshold value is the minimum acceptable value that, in the user's judgement, is necessary to satisfy the need. These values provide a consistent benchmark for determining if a given program is executing according to plan, or if adjustments are needed to adhere to cost, schedule, scope, or other program objectives.

p. **Verify Phase.** An acquisition program verifies that an approach is achievable and appropriate given the level of funding received during budgeting.

6. CONTACT. For any questions, please contact the Office of Acquisition and Logistics (OAL), Acquisition Systems Integration (ASI) at (202)-632-4883.