

## VA ACQUISITION PROGRAM MANAGEMENT FRAMEWORK (APMF) PROCEDURES

**1. REASON FOR ISSUE:** To establish the process and procedures for VA Directive 7402, VA Acquisition Program Management Framework (APMF) Policy.

**2. SUMMARY OF CONTENTS:** This Handbook:

- a. Creates enterprise acquisition standards and practices across VA;
- b. Summarizes the roles and responsibilities for APMF stakeholders;
- c. Establishes the process and thresholds for appointing an Program Decision Authority (PDA) to an acquisition program or proposed acquisition program;
- d. Establishes certification requirements for Acquisition Program Managers (APM) assigned to APMF-eligible acquisition programs;
- e. Outlines the APMF process including reporting requirements and review procedures;
- f. Outlines risk management and issue resolution processes; and
- g. Lists tools, including templates for program artifacts and reviews, developed and maintained by Acquisition Program Support (APS) to support APMF stakeholders.

**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 DIRECTIVE:** VA Directive 7402, VA Acquisition Program Management Framework (APMF) Policy.

**5. RESCISSON:** None.

**CERTIFIED BY:**

/s/  
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Acting Assistant Secretary for  
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**BY DIRECTION OF THE  
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## VA ACQUISITION PROGRAM MANAGEMENT FRAMEWORK (APMF) PROCEDURES

**1. PURPOSE.** 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 leverages acquisition and program management best practices to enhance VA's ability to acquire business capabilities within established cost, schedule, and scope.

a. A fully deployed APMF provides a consistent and efficient Department-wide approach to the management, support, review, and approval of materiel and non-materiel acquisitions, and encourages:

(1) **Increased Transparency.** APMF standardizes reporting throughout the acquisition process, thereby increasing transparency within and between Administrations, Staff Offices, and VA leadership.

(2) **Empowered VA Administrations and Staff Offices.** The APMF governance structure empowers Administrations and Staff Offices, as primary business owners, to drive key decisions throughout the acquisition life cycle.

(3) **Improved Program Management.** APMF applies program management best practices to the VA environment and aligns to acquisition legislation and policies.

(4) **Enhanced Veteran Experience.** APMF supports VA's efforts to efficiently acquire capabilities and effectively allocate resources to support Veterans.

b. This Handbook establishes processes and procedures for acquisition programs to implement and comply with APMF. The APMF Handbook works in conjunction with VA Directive 7402, VA Acquisition Management Framework (APMF) Policy.

## 2. BACKGROUND

a. On May 1, 2013, the VA Strategic Management Council authorized the implementation of APMF through an Executive Decision Memorandum (EDM). The Deputy Secretary of Veterans Affairs tasked the Office of Acquisition, Logistics, and Construction (OALC) with developing and implementing APMF across the Department. Acquisition Program Support (APS), in OALC's Office of Acquisition and Logistics (OAL), coordinated with stakeholders from VA Administrations and Staff Offices to develop APMF, VA APMF Policy, and VA APMF Procedures. The goal of APMF is to provide 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. Current Federal policy and legislative mandates have highlighted VA's need for an enterprise-wide acquisition program management solution. 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.), which provides Federal agencies with the tools to improve acquisition workforce, training, and business processes, and created the role of the Chief Acquisition Officer (CAO);

(2) 41 U.S.C. § 1702(b), Chief Acquisition Officers and senior procurement executives, which defines the primary responsibilities of the CAO to manage acquisitions within his/her respective Federal agency and advise the agency's senior leaders;

(3) Office of Management and Budget (OMB) Circular A-123, Management's Responsibility for Enterprise Risk Management and Internal Control, which offers guidance on internal controls to improve the accountability and effectiveness of Federal programs; and

(4) FAR Subpart 34.2, Earned Value Management System, which requires an Earned Value Management System (EVMS) to be used for tracking cost and schedule performance for major system acquisitions and for other acquisitions identified by agency procedures.

**3. SCOPE.** This Handbook applies to all acquisition programs as defined in Section 3 in this Handbook that are managed, funded, or overseen by VA Administrations and Staff Offices.

a. 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.

b. An **acquisition program** is defined by VA Directive 7402, VA Acquisition Management Framework (APMF) Policy, as a program that is achieving its goal through the purchase of 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.

c. An acquisition program that meets the following criteria shall comply with APMF:

(1) **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 3(c)(2-5) in this Handbook.

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

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

(4) **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.

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

**4. APPLICATION.** VA Administrations and Staff Offices may organize acquisition programs differently to facilitate decision-making, execution, and compliance with statutory and regulatory requirements. An acquisition program, for example, may be comprised of multiple projects, and projects may include different types of acquisitions (i.e., Information Technology (IT), construction, or services) at multiple cost thresholds.

a. When an acquisition program is comprised of multiple projects and the projects are tightly integrated to produce a capability:

(1) The overall acquisition program progresses through the APMF process; and

(2) The projects are categorized at the same cost threshold as the overall acquisition program regardless of the project's individual cost.

b. When an acquisition program is comprised of multiple projects and the projects are not integrated or are loosely integrated (i.e., the projects provide "stand alone" products), the acquisition program must still comply with APMF, but the Program Decision Authority (PDA) may recommend that some or all of the projects progress individually through the APMF process, regardless of cost.

c. Types of acquisitions that shall comply with APMF, given they meet the APMF criteria outlined in Section 3(c) in this Handbook, include, but are not limited to:

(1) An acquisition of services obtained through contract to provide mission capabilities, including the recompetition of a contract to enhance capabilities.

(2) An acquisition of services obtained through interagency agreement or intergovernmental service agreement to provide mission capabilities.

(3) An acquisition of services obtained as part of a larger acquisition program (in which case the service acquisition is included as part of the acquisition program).

(4) An acquisition in which specific mission capabilities (i.e., performance parameters) must be met through operational testing to be considered successful.

(5) An acquisition in which the item(s) being obtained require(s) modification to meet mission requirements.

(6) An acquisition in which the item(s) being obtained require(s) integration with existing or new systems to meet mission requirements.

(7) An acquisition in which the item(s) being obtained require(s) development to meet mission requirements.

(8) An acquisition in which the item(s) being obtained require(s) life cycle support that is not inherent in a contract.

d. Types of purchasing activities that are exempt from APMF are:

(1) A purchasing activity in which the item(s) obtained do not require modification, integration, or development.

(2) A purchasing activity in which the item(s) obtained replenish existing or expended supplies.

(3) A purchasing activity in which the contract establishes a blanket purchase agreement (BPA) for goods or services, but does not execute against the contract.

(4) A purchasing activity in which the item(s) obtained do not provide a new capability.

(5) A purchasing activity in which the services obtained provide human resources only to perform work (e.g., landscaping, cleaning services).

**5. APMF OVERVIEW.** APMF creates acquisition standards across VA using a consistent process, regular reporting and review procedures, and standardized tools. All VA acquisition programs that are eligible for APMF shall follow the APMF process, depicted in Figure 1. Pre-existing acquisition programs may enter at a later phase, as appropriate and in accordance with Section 6 in this Handbook. 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 phase in the APMF process. In APMF, acquisition programs shall track and report performance data, in accordance with Section 8 in this Handbook, and participate in program- and executive-level reviews, in accordance in Section 9 in this Handbook. APS shall develop and maintain tools to support APMF, in accordance with Section 10 in this Handbook.

Figure 1 – APMF Phases and Decision Events (DE)



**a. Pre-APMF Stage and APMF Phases.**

(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. In accordance with Section 11(a) in this Handbook, the Pre-APMF Stage refers to relevant program planning activities that occur before DE-0.

(2) Verify Phase. An acquisition program verifies that an approach is achievable and appropriate given the level of funding received during budgeting, in accordance with Section 11(c) in this Handbook.

(3) Initiate Phase. An acquisition program develops key planning documents to effectively scope, resource, and plan before obtaining a capability, in accordance with Section 11(e) in this Handbook.

(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, in accordance with Section 11(g) in this Handbook.

(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, in accordance with Section 11(i) in this Handbook.

(6) Operate and Maintain (O&M) Phase. A program operates and maintains a capability while continuing to monitor its performance and value until retirement, in accordance with Section 11(k) in this Handbook.

**b. Decision Events (DE).**

(1) DE-0. An acquisition program must demonstrate that it aligns to a VA strategic goal, has been allotted funding, has completed required program artifacts, and has met other DE-0 exit criteria, in accordance with Section 11(b) in this Handbook.

(2) DE-1. An acquisition program must verify the legitimacy of the need to fill a capability gap, that the program's approach is achievable and appropriate given the level of funding received during budgeting, and that the program is ready to begin acquisition planning activities, in accordance with Section 11(d) in this Handbook.

(3) DE-2. An acquisition program must demonstrate that the acquisition approach, including projected cost, schedule, and scope, are sufficient to obtain the capability, in accordance with Section 11(f) in this Handbook.

(4) DE-3. An acquisition program must demonstrate that the acquired capability is ready to be deployed, in accordance with Section 11(h) in this Handbook.

(5) DE-4. An acquisition program must demonstrate the effectiveness of the deployed capability, verify that the capability satisfies program requirements, and confirm that the capability is prepared to transition to the Business Owner (BO), in accordance with Section 11(j) in this Handbook.

(6) DE-5. A program must demonstrate that the capability no longer meets the stated business need or is otherwise ready to be retired, in accordance with Section 11(l) in this Handbook.

**6. 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). Preexisting acquisition programs, given they meet the criteria outlined in Section 3(c) in this Handbook, must comply with APMF but may take existing contract requirements into consideration.

a. An APMF-eligible, preexisting acquisition program with an expenditure that is greater than or equal to \$200M in one year shall comply within 90 calendar days of issuance. An APMF-eligible, preexisting acquisition program with an expenditure that is less than \$200M in one year shall comply within 365 calendar days of issuance.

b. The Acquisition Program Manager (APM) of a preexisting acquisition program that is in the Initiate, Obtain or Deploy phase shall collaborate with APS to conduct an initial assessment of the program's status. The initial assessment must include:

(1) A determination of the acquisition program's current APMF Phase; and

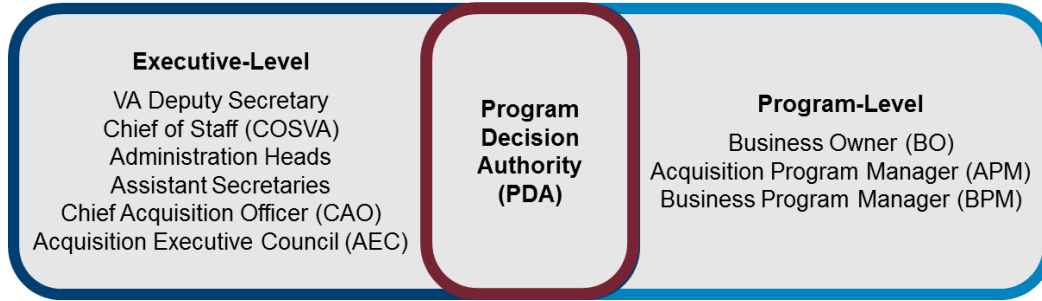
(2) An evaluation of the acquisition program's current health, including artifact completeness and performance (e.g., in terms of cost, schedule, and scope).

c. Preexisting acquisition programs that have existing program management activities and are in the O&M Phase are in compliance with this requirement for the duration of their existing contract (including option years that are exercised). A preexisting program must re-enter APMF at the Verify Phase in order to obtain a new contract.

## 7. ROLES AND RESPONSIBILITIES

a. **Executive-Level and Program-Level Roles.** Executive-level roles provide oversight of acquisition programs, maintain informational awareness of program status and program health, and resolve risks and issues escalated by program-level stakeholders or the PDA, as necessary. Program-level roles provide operational oversight of acquisition programs and aggregate project- and program-level acquisition data into the Program Database for PDA review in the Performance Dashboard. Executive-level and Program-level roles are depicted in Figure 2.

Figure 2 – APMF Executive-Level and Program-Level Roles



(1) **The VA Secretary** shall 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, in accordance with Section 3(c)(1) in this Handbook.

(2) **The VA Deputy Secretary** shall:

(a) 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, in accordance with Section 3(c)(1) in this Handbook.

(b) Provide guidance, as necessary, for escalated critical risks and issues related to threshold breaches, in accordance with Sections 9(d)(2) and 9(e)(1) in this Handbook; and

(c) Assess a proposed acquisition program's approach to address a capability gap and approve the approach, when warranted, by signing and issuing the Programming Decision Memorandum (PDM), in accordance with VA Programming Guidance, during the Pre-APMF Stage.

(3) **The COSVA** shall:

(a) 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, in accordance with Section 3(c)(1) in this Handbook; and

(b) Provide guidance, as necessary, for escalated critical risks, in accordance with Section 9(d)(2) in this Handbook.

(4) **Administration Heads** shall:

(a) 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, in accordance with Section 3(c)(1) in this Handbook; and

(b) Provide guidance, as necessary, for escalated critical risks, in accordance with Section 9(d)(2) in this Handbook.

(5) **Assistant Secretaries** shall 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, in accordance with Section 3(c)(1) in this Handbook.

(6) **The CAO** shall:

(a) 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, in accordance with Section 3(c)(1) in this Handbook;

(b) Manage the direction of VA acquisition policy, including implementation of the Department's unique policies, regulations, and standards;

(c) 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;

(d) Monitor the performance of VA acquisition activities and acquisition programs, evaluate the performance of those 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;

(e) Make acquisition decisions consistent with all applicable laws and establish clear lines of authority, accountability, and responsibility for acquisition decision-making within VA;

(f) Provide statutory oversight for acquisition activities and acquisition programs;

(g) Develop and maintain an acquisition career management program to ensure there is an adequate and professional acquisition workforce;

(h) Escalate or provide guidance, as necessary, for critical risks, issues related to threshold breaches, and major cost breaches, in accordance with Sections 9(d)(2) and 9(e) in this Handbook;

(i) With the PDA, oversee a PMR for each acquisition program in the PDA's portfolio at least once each fiscal year, in accordance with Section 9(a) in this Handbook;

(j) Serve as the Acquisition Executive Council (AEC) Chairperson and moderate AEC meetings; and



(k) At the written request of the PDA, 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.

(7) **The AEC**, in accordance with the AEC Charter, shall:

(a) Offer recommendations, as necessary, to the CAO on escalated acquisition program risks and issues; and

(b) Provide feedback on APMF policy, processes, procedures, and stakeholder roles and responsibilities.

(8) **The PDA**, for acquisition programs in the PDA's portfolio, shall:

(a) 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 Sections 9(d)(2) and 9(e) in this Handbook.

(b) 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, in accordance with Section 7(c) in this Handbook;

(c) Approve/disapprove acquisition program cost, schedule, and scope baselines proposed by the APM;

(d) With the CAO, oversee a PMR for each acquisition program in the PDA's portfolio at least once each fiscal year, in accordance with Section 9(a) in this Handbook;

(e) 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 9(c) in this Handbook;

(f) Review an acquisition program's Monthly Status Reports (MSR); and

(g) 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.

(9) **The APM** is an operational management role assumed by a representative from the business office within VA that is sponsoring the acquisition program and expressing its requirements or, when applicable, the office designing, developing, and delivering the capability (e.g., Office of Construction and Facilities Management (CFM)). The APM of an acquisition program shall:

- (a) 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;
  - (b) Develop and manage acquisition program and/or project requirements that satisfy BO user needs, VA acquisition policy, and Federal legislation;
  - (c) Manage and address an acquisition program's risk and escalate, as necessary, critical risks, issues related to threshold breaches, and major cost breaches, in accordance with Sections 9(d) and 9(e) in this Handbook.
  - (d) On a monthly basis during the Initiate, Obtain, and Deploy Phases, collect and consolidate project-level data and enter the data into the Program Database to generate an MSR;
  - (e) Conduct performance-based management for an acquisition program to identify and quantify the program's achievement of, or deviation from, its baseline throughout the acquisition process, in accordance with Section 8(a) in this Handbook;
  - (f) Schedule and brief the PDA and CAO at a PMR at least once each fiscal year;
  - (g) Notify the PDA when an acquisition program is ready for the subsequent phase, and follow the DE process, in accordance with Section 9(c) in this Handbook; and
  - (h) Inform the Business Program Manager (BPM) on the outcomes of DE-2, DE-3, and DE-4.
- (10) **The BPM** is an operational management role assumed by a representative from the business office within VA that is sponsoring the acquisition program and expressing its requirements. The BPM shall:
- (a) Review and co-sign required program artifacts before each DE or as they are completed;
  - (b) Lead acquisition program activities during the Verify Phase (including DE-0 and DE-1) and the O&M Phase (including DE-5);
  - (c) 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
  - (d) Validate that the intended program requirements have been met.
- (11) **The BO** is a strategic management role assumed by a representative from the business office within VA that is sponsoring the acquisition program and expressing its requirements. The BO shall:

(a) Lead strategic planning activities including the identification of strategic capability gaps and development of mission requirements during the Pre-APMF Stage; and

(b) Appoint the BPM.

b. **Assignment of the PDA.** An PDA is appointed to an acquisition program based on the program's projected cost and functional area, as outlined in Figure 3. Senior VA executives shall provide oversight for all other acquisition programs that meet the APMF eligibility criteria in accordance with Section 3(c) in this Handbook.

(1) **VA Priority Programs (Major Initiatives).** The VA Deputy Secretary shall designate the PDA for programs that are VA Priorities (Major Initiatives) or designated as priority acquisitions in accordance with Section 3(c)(1) in this Handbook.

(2) **VHA Acquisition Programs.** The Administration Head or CAO, as appropriate, shall serve as PDA for all VHA acquisition programs with an estimated cost that is greater than or equal to \$100M in any single year.

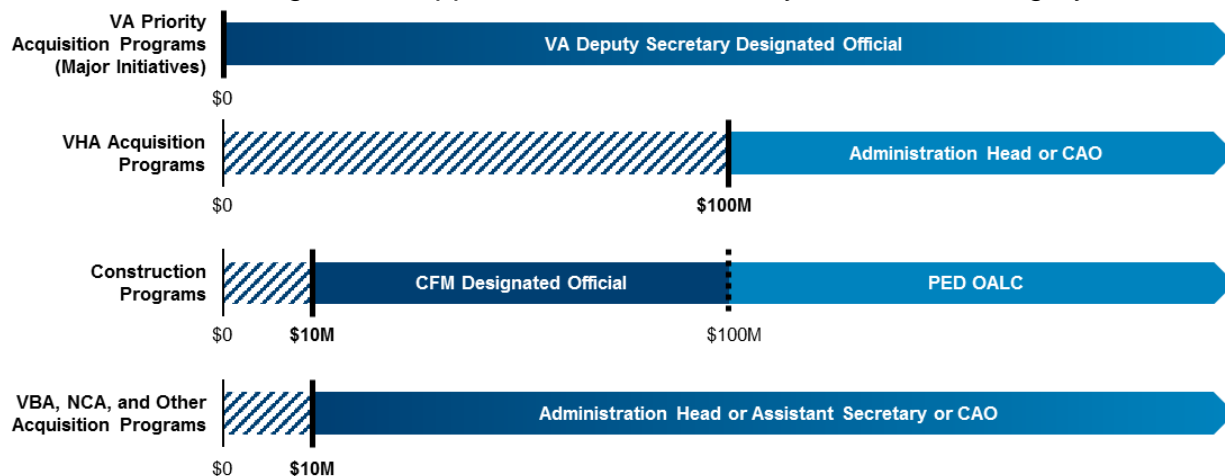
(3) **Construction Programs.**

(a) The Principal Executive Director (PED) OALC shall serve as PDA for a construction acquisition program with an estimated cost that is greater than or equal to \$100M in any single year.

(b) A designated official from CFM shall serve as PDA for a construction acquisition program with an estimated cost that is greater than or equal to \$10M and less than \$100M in any single year.

(4) **VBA, NCA, and Other Acquisition Programs.** The Administration Head, Assistant Secretary, or CAO, as appropriate, shall serve as PDA for VBA and NCA acquisition programs and all other APMF-eligible acquisition programs not covered in Sections 7(b)(1-3) in this Handbook with an estimated cost that is greater than or equal to \$10M in any single year.

Figure 3 – Appointment of the PDA by Threshold Category



c. **Appointment of the APM.** The PDA of a proposed acquisition program shall appoint an APM into a CAP or KMP when the budget request for the acquisition program is submitted to Congress. In accordance with VA Directive 7349 and VA Handbook 7349, VA Acquisition Corps (AC), those appointed into a CAP or KMP must be a VA AC member. VA AC membership requirements, including a Federal Acquisition Certification in Contracting (FAC-C) Level III or Federal Acquisition Certification for Program and Project Managers (FAC-P/PM) Senior, are listed in Section 6(a) of VA Handbook 7349, VA Acquisition Corps (AC).

(1) Identification and qualification of CAP/KMP positions.

(a) Administration and Staff Offices are responsible for the identification of CAPs and KMPs and shall submit proposed CAPs and KMPs to the VA CAO for approval. Tables A-1 and A-2 of Appendix A of this Handbook provide guidelines on the identification for CAPs and KMPs, and should be used as a starting point for discussion with Program Executives in the Administration and Staff Offices. Positional designation may be modified based on the requirements of the Administration or Staff Office.

(b) VA Acquisition Corps Manager (ACM) is responsible for reviewing and recommending approval of incumbents currently occupying CAP and KMP positions and candidates applying for CAP and KMP positions to ensure that they are current VA AC members. Please refer to Section 7(a) of the VA AC Handbook for VA AC membership requirements.

(c) Applicants for CAP and KMP vacancies from other government agencies or the private sector must provide documentation of their qualifications for VA AC membership. If non-VA applicants do not meet VA AC membership requirements, they must apply for a waiver according to Section 7(c)(2) in this Handbook.

(d) Individuals assigned to positions designated as CAPs or KMPs must meet VA AC membership requirements within 12 months or request a waiver or exception in accordance with Section 7(c)(2) or 7(c)(3) in this Handbook.

(2) Waivers.

(a) The VA AC membership requirements can be waived for new incumbents to CAP and KMP positions. Candidates who do not meet the requirements for VA AC membership after 12 months in the position must submit a waiver request (VA Handbook 7349, VA Acquisition Corps (AC), Appendix A) through their supervisory chain to their PDA. The PDA may issue a waiver of the VA AC requirement if the PDA determines the employee possesses significant potential for advancement to levels of greater responsibility and authority, based on demonstrated analytical and decision-making capabilities, job performance, and qualifying experience.

(b) Incumbents who are issued a VA AC waiver shall make a continuous effort toward meeting VA AC membership requirements. Waivers are valid for a period determined to be appropriate for meeting VA AC requirements. If, upon completion of that waiver period, the individual does not meet the conditions for VA AC membership, a new waiver must be issued. The ACM or designee shall maintain a record of all supporting documentation of the waiver.

(c) The PDA shall provide waiver approval based on:

1. Assignment qualification requirements;
2. Individual experience and record; and
3. Recommendations from the individual's supervisory chain.

(3) Exceptions.

(a) The PDA maintains the authority to grant an exception to the VA AC membership requirements for incumbents in newly designated CAPs or KMPs.

(b) Exceptions are granted for an indefinite period of time for an individual who does not meet the qualifications for inclusion into the VA AC to maintain a CAP or KMP. Exceptions, once granted, are non-transferable from one position to another. If an excepted employee departs his/her position and moves to another CAP or KMP, another request for an exception to the VA AC membership is required.

(c) While an excepted incumbent will not be required to earn VA AC membership, he/she will be required to attend senior-level acquisition training in his/her respective career field.

(d) Senior Executive Service (SES) leaders who are serving in a KMP will automatically receive an exception.

(e) In geographic locations with lower grade structures, selected GS-13 positions may be designated as CAPs or KMPs based on the positions' criticality to the acquisition mission. Incumbents occupying a GS-13 position designated as a CAP or KMP in such locations will

receive an automatic exception to the VA AC requirement for the duration of their tenure in that position. This exception is not transferable to any other CAP or KMP.

## 8. REPORTING

a. **Performance-Based Management.** Performance-based management enables the government and contractor(s) 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 performance (i.e., cost, schedule, scope) during the Obtain and Deploy Phases using Earned Value Management (EVM), a performance-based management technique that integrates cost, schedule, and scope, as outlined in Sections 8(a)(1-3) in this Handbook. A more detailed guide to EVM is available on the APMF page on the VA Program Management Center of Excellence (PMCOE) website.

(1) **Plan and Baseline.** Acquisition program performance must be measured against objective and threshold values. These values provide a 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. During program planning, the APM shall establish baseline objective and threshold values for program performance and document these values in the following required APMF artifacts and artifact components:

(a) **Work Breakdown Structure (WBS).** A WBS is a product-oriented, hierarchical breakdown of a program's total scope of work, including both government and contractor work. In a WBS, a program's scope of work is separated into discrete products and services.

(b) **Integrated Master Schedule (IMS).** An IMS is an integrated, networked schedule containing all detailed and discrete work packages and lower-level tasks or activities necessary to support the WBS and overall schedule developed during program planning. The IMS must be traceable to the work scope, WBS, and a program's applicable performance-based management system. The IMS enables VA to identify and assess actual progress versus planned progress; monitor the critical path; develop response strategies for schedule risks; and assess program maturity.

(c) **Acquisition Program Baseline (APB).** The APB establishes the program performance baseline, i.e., objectives and threshold values for cost, schedule, and performance. Establishing a performance baseline helps track if an acquisition program is executing according to plan, or if adjustments are needed to meet to cost, schedule, scope, or other program objectives. A threshold value reflects the level of risk (or variance) that a program is willing to tolerate before actions are taken to return the operations to an acceptable level of risk.

1. The APM shall use the APB to propose data-justified adjustments to the program performance baseline. All adjustments to a performance baseline are subject to approval by the PDA, and are permitted only when all other mitigation strategies have been exhausted. At the discretion of the PDA or CAO, a supplementary PMR may be requested in accordance with Section 9(a)(2)(d) in this Handbook.

2. Changes to the acquisition program baseline shall be applied moving forward and cannot be retroactive. Previously approved baselines must be documented for historical reference.

3. Cost baseline. An acquisition program's cost baseline represents total program funding requirements, not just the amount funded in the budget. It includes any approved, unfunded requirements and contains the baseline for major phases and/or elements of the program's life cycle costs, as stated in the program's Life Cycle Cost Estimate (LCCE). The phases and/or elements include:

a. Development and Planning Cost: All costs related to the planning and development of the system or capability.

b. Acquisition Cost: All costs related to obtaining and deploying the system or capability.

c. O&M Cost: All costs incurred while using and supporting the system or capability, such as personnel, maintenance (labor), and training costs.

d. Total Acquisition Cost: All costs related to the acquisition, including planning, development, acquisition, and implementation costs.

e. Total Life Cycle Cost: Cost of the entire life cycle of the program, including Total Acquisition Cost and O&M.

4. Cost threshold. The APM shall work with the BPM to establish program-specific cost threshold values. APMF guidance for establishing a cost threshold is the objective value plus 8 percent.

5. Schedule baseline. A program's schedule baseline shall reflect the program's IMS and track planned completion dates for major program events (e.g., Decision Events).

6. Schedule threshold. The APM shall work with the BPM to establish program-specific schedule threshold values. APMF guidance for establishing a schedule threshold is the objective value plus six months.

(2) **Track.** Acquisition program performance must be measured as work is completed to inform the APM on program status in terms of its baseline in real-time, and to enable the APM to implement corrective action as necessary. The APM will collect the following program cost and schedule data in the approved WBS using Then-Year Dollars (i.e., dollars that include the effects of inflation or escalation and reflect the expected price levels during the years spent) and report the data in the Program Database:

(a) Planned Value (PV). PV is the authorized budget for scheduled work. It addresses the question: *How much work should be done?*

(b) Earned Value (EV). EV is the measure of work performance expressed in terms of the budget authorized for that work. It addresses the question: *How much work was done?*

(c) Actual Cost (AC). AC is the cost incurred while accomplishing work performed. AC addresses the question: *How much did the work cost?*

(3) **Analyze.** As acquisition program performance data is collected in the Program Database, the APM shall analyze variances from the program's performance objectives and forecast the impact of those variances on the overall cost and schedule. The APM shall incorporate the following indices into the analysis:

(a) Cost Performance Index (CPI). CPI is an indicator that measures the cost efficiency of work accomplished to date. The APM shall monitor CPI at both the program level and at the work package level to provide multi-dimensional insight into cost performance. *How much did you expect the work to cost, versus how much did work actually cost?*

(b) Schedule Performance Index (SPI). SPI is an indicator that measures schedule efficiency. The APM shall monitor SPI at both the program level and the work package level to provide multi-dimensional insight into schedule performance. *How much work did you expect to be done, versus how much work was actually done?*

b. **Monthly Status Reports (MSR).** The APM shall provide a monthly update on an acquisition program's current status to enable the PDA to remain informed of program status, health, and risks and issues.

(1) Each month, the APM shall collect project-level data from project managers. An APM may specify how data is collected from project managers (e.g., in-person meetings, email, etc.).

(2) The APM shall consolidate acquisition program data including:

(a) Cost performance;

(b) Schedule performance;

(c) Risks and issues and their response strategies; and

(d) Updates to any program-level information and technical requirements.

(3) Each month during the Obtain and Deploy Phases, the APM shall enter acquisition program data into the Program Database. The APM is responsible for verifying that the data is accurate. The MSR is automatically generated by the Program Database and submitted to the PDA.

(4) The PDA shall review the MSR and may request additional information or schedule a PMR with the APM at the PDA's discretion.



## 9. REVIEWS

a. **Program Management Review (PMR).** The PMR is a formal review conducted by the PDA and CAO during the Verify, Initiate, Obtain, and Deploy Phases that assesses an acquisition program's alignment to VA's strategic goals and health relative to its objectives and thresholds. The review is also an opportunity for a program to provide context for its performance. A template for the PMR is available on the APMF page on the VA PMCOE website.

(1) The APM shall schedule with the PDA and CAO at least one PMR for the acquisition program each fiscal year.

(a) The APM, in coordination with project managers, shall consolidate project-level documentation, performance data, risks, and issues for review and brief the PDA and CAO at the PMR.

(b) At the PMR, the PDA and CAO will assess acquisition program health. If the program is not performing within expectations, the PDA and CAO can propose response strategies, escalate critical risks or issues, or consult with the AEC.

(2) A supplementary PMR can be requested at the discretion of the PDA, CAO, or VA leadership if an acquisition program is determined to require further guidance or oversight, for example, if:

(a) An acquisition program is high-risk, high-visibility, or of critical importance;

(b) The acquisition program's current performance indicates that an established threshold at completion will be exceeded; or

(c) A program requests to re-baseline its cost, schedule, and/or scope.

b. **Artifact Reviews.** APMF artifacts are designed to 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. Required program artifacts standardize program management and support the planning and execution of APMF acquisition programs during each acquisition phase. Artifacts required by other processes will be reviewed against APMF criteria for equivalency and acceptance.

(1) The APM shall:

(a) Complete APMF program artifacts in the Program Database during each acquisition phase at least 45 calendar days before a DE.

(b) Work to address quality deficiencies and mitigate risk before a DE if acquisition program performance and/or program artifacts are determined to be below quality standards established in the Program Database.

(2) The PDA shall:

(a) Review program artifact scores in the Program Database prior to a DE.

(b) Review required artifacts during a DE.

(c) Consider artifact scores and content when assessing an acquisition program's readiness to advance to the next phase in the acquisition life cycle.

c. **Decision Events (DE).** A DE is a milestone review that occurs before the APMF Verify Phase and after each phase in the APMF process.

(1) Before a DE, the APM or BPM, in accordance with Section 11 in this Handbook, shall monitor acquisition program health and artifact completeness to determine if a program is ready to be reviewed at a DE. The APM or BPM is encouraged to hold a pre-brief with program stakeholders, e.g. Integrated Product Team(s) (IPT), to gain concurrence on the acquisition program's health and artifact completeness before moving forward with a DE. When the program is ready for the DE, the APM or BPM shall:

(a) Notify the PDA and schedule the DE;

(b) At least 45 calendar days before the DE, complete in the Program Database the required artifacts for the respective phase;

(c) Consolidate, in a DE brief (a DE brief template is available on the APMF page on the VA PMCOE website), acquisition program performance data, identified risks and issues, and other relevant program information; and submit the DE brief, proof of funding, required program artifacts, and other documentation that demonstrates that the acquisition program has met DE exit criteria, to the PDA at least 30 calendar days (15 calendar days during the Verify Phase) before the DE;

(d) Prepare a DE Memorandum that, with the concurrence of the BO, requests approval from the PDA for an acquisition program to enter the subsequent phase by verifying that APMF phase requirements have been completed and that adequate funding to enter the subsequent phase has been secured.

(2) During a DE:

(a) The APM or BPM, in accordance with Section 11 in this Handbook, shall brief the PDA on the acquisition program's performance, identified risks and issues, required artifacts for the respective phase, funding, and any other relevant information to demonstrate that the acquisition program is prepared to enter the subsequent APMF phase.

(b) The PDA shall assess the acquisition program to determine if the program has met the DE exit criteria and is ready to enter the subsequent phase.

1. If the PDA determines that the acquisition program is ready to enter the subsequent phase, the PDA shall sign the DE Memorandum and grant approval for the program to proceed.

2. If the PDA determines that the acquisition program is not ready to enter the subsequent phase, the PDA can request that the APM or BPM take additional action, for example, revise program artifacts or develop risk and issue response strategies, and reschedule the DE.

(3) After a DE, the APM or BPM, in accordance with Section 11 in this Handbook, shall:

(a) Document the acquisition program's progression to the subsequent phase in the Program Database;

(b) Capture action items and lessons learned from the DE in the Program Database; and

(c) Upload the DE Memorandum signed by the PDA to the Program Database.

d. **Risk Management.** Risk Management is the process of identifying and mitigating potential for loss, harm, or missed opportunities relating to the achievement of an acquisition program's objectives and priorities. In addition to the following guidance, an acquisition program's risks should be managed in accordance with its Risk Management Plan, a part of the required Program Management Plan (PMP) artifact.

(1) **Risk Management Approach.** Acquisition programs shall engage in a consistent and repeatable risk management approach to identify, analyze, prioritize, mitigate, and monitor risks impacting the cost, schedule, and scope of the acquisition program.

(a) The APM, with assistance from the IPT(s), shall identify risks, including evaluating both internal and external environmental factors.

1. The APM shall establish a Risk Management Plan for identifying and managing risks that negatively impact the acquisition program. The Risk Management Plan is a part of an acquisition program's required PMP.

2. Identified risks that negatively impact acquisition program outcomes must be captured in a Risk Register. A Risk Register template is available on the APMF page on the VA PMCOE website.

(b) The APM shall describe each identified risk with a risk statement in an if-then format (i.e., "If <risk description> then <risk impact>").

(c) The APM, with assistance from the IPT(s), shall hold risk meetings to analyze risks and rate their impact and probability of occurrence. Risk scoring metrics should be used to rate a risk's impact and probability of occurrence. Impact and probability should be assessed using a Likert-type scale of 1 (Low) to 5 (High).

(d) The APM, with assistance from the IPT, shall prioritize risks based on their potential severity (i.e., impact and probability of occurrence).

1. The APM shall develop risk prioritization criteria to assist with identifying critical risks based on their potential severity.

2. The risk severity rating shall be the product of the risk impact and risk probability ratings (i.e., risk impact rating multiplied by risk probability rating).

3. The APM shall develop a Risk Severity Scoring Matrix to categorize risks as low, medium, or high severity based on their impact and probability ratings. A sample Risk Severity Scoring Matrix is included as part of the PMP artifact template, available on the APMF page on the VA PMCOE website.

(e) The APM, with assistance from the IPT(s), shall develop risk response strategies for high severity risks that outline specific actions to reduce the acquisition program's overall vulnerability to the risk, by lowering the probability of the risk's occurrence and/or lessening the risk's impact.

1. The APM shall identify a risk owner (i.e., the program team member responsible for implementing the risk response strategy) and establish a timeline for implementation.

2. The APM shall perform a root cause analysis on each critical risk requiring a risk response strategy. Performing a root cause analysis enables APMs to identify the contributing factors that might lead to the risk occurring. Root cause analysis tools (e.g., Ishikawa/Fishbone Analysis, Bow-Tie Analysis) are included as Appendix B of this Handbook.

3. The APM shall develop risk measures to evaluate the effectiveness of the risk response strategy. Each risk measure should align to a contributing factor identified in the root cause analysis. Effective risk measures:

a. Align with the acquisition program's intended outcomes (e.g., strategic goals and objectives) to demonstrate how the risk could impact the achievement of those goals and objectives;

b. Align with contributing factors identified in the root cause analysis to enable the risk owner to proactively develop corrective action;

c. Support decision-making or the implementation of a risk response strategy by providing metrics to determine the effectiveness of the risk response plan;

d. Provide quantitative metrics that are easy to obtain, accurate, measurable, verifiable, and expressed in relevant units; and

e. Provide information that can be monitored and compared over time, rather than being a “one-time” indicator.

(f) Each risk measure shall also include a threshold value(s) that indicates if the risk is becoming more likely to occur. Similar to risks, mitigation processes shall be triggered when a program is approaching its performance thresholds, established in accordance with Section 8(a)(1)(c) in this Handbook, or performing outside those performance thresholds:

1. If an acquisition program is approaching its threshold value for any of its performance measures, it is considered “at-risk” and the risk escalation process shall be followed, in accordance with Section 9(d)(2) in this Handbook.

2. If an acquisition program exceeds its threshold values for any of its performance measures, the program will undergo the issue resolution process, in accordance with Section 9(e) in this Handbook.

(g) The APM and risk owner shall monitor the implementation of a risk response plan to determine the effectiveness of risk response strategies and support changes to the risk’s probability and impact ratings. For risk metrics monitored beyond the risk threshold, the APM shall immediately escalate the risk using the risk escalation process outlined in Section 9(d)(2) in this Handbook.

(2) **Risk Escalation.** APMF provides a risk escalation path to help program- and executive-level stakeholders collaborate to develop risk response strategies and report critical risks (i.e., risks with a risk severity rating of high) to VA senior leadership. These critical risks can be identified by any stakeholder, but follow a standard escalation path. It is the PDA’s responsibility to address an acquisition program’s risk with the APM and escalate a risk to the CAO, Administration Heads, COSVA, and the VA Deputy Secretary for guidance, as appropriate.

(a) New, modified, and severe risks, and their accompanying response strategies, must be documented in an acquisition program’s MSR for leadership review.

(b) When a risk categorized as high severity in an acquisition program’s Risk Register requires additional guidance to develop a risk response strategy, as depicted in Figure 4:

1. The APM shall escalate the risk to the PDA within 10 business days of documenting; and the APM and PDA shall collaboratively develop response strategies.

2. The PDA may escalate a risk to the CAO should additional guidance be required.

3. The CAO may:

a. Provide guidance to the PDA;

b. Consult the AEC and then provide guidance to the PDA; or

c. Escalate the risk to the appropriate Administration Head should additional guidance be required.

4. The Administration Head may:

a. Provide guidance to the CAO and PDA; or

b. Escalate the risk to the COSVA should additional guidance be required.

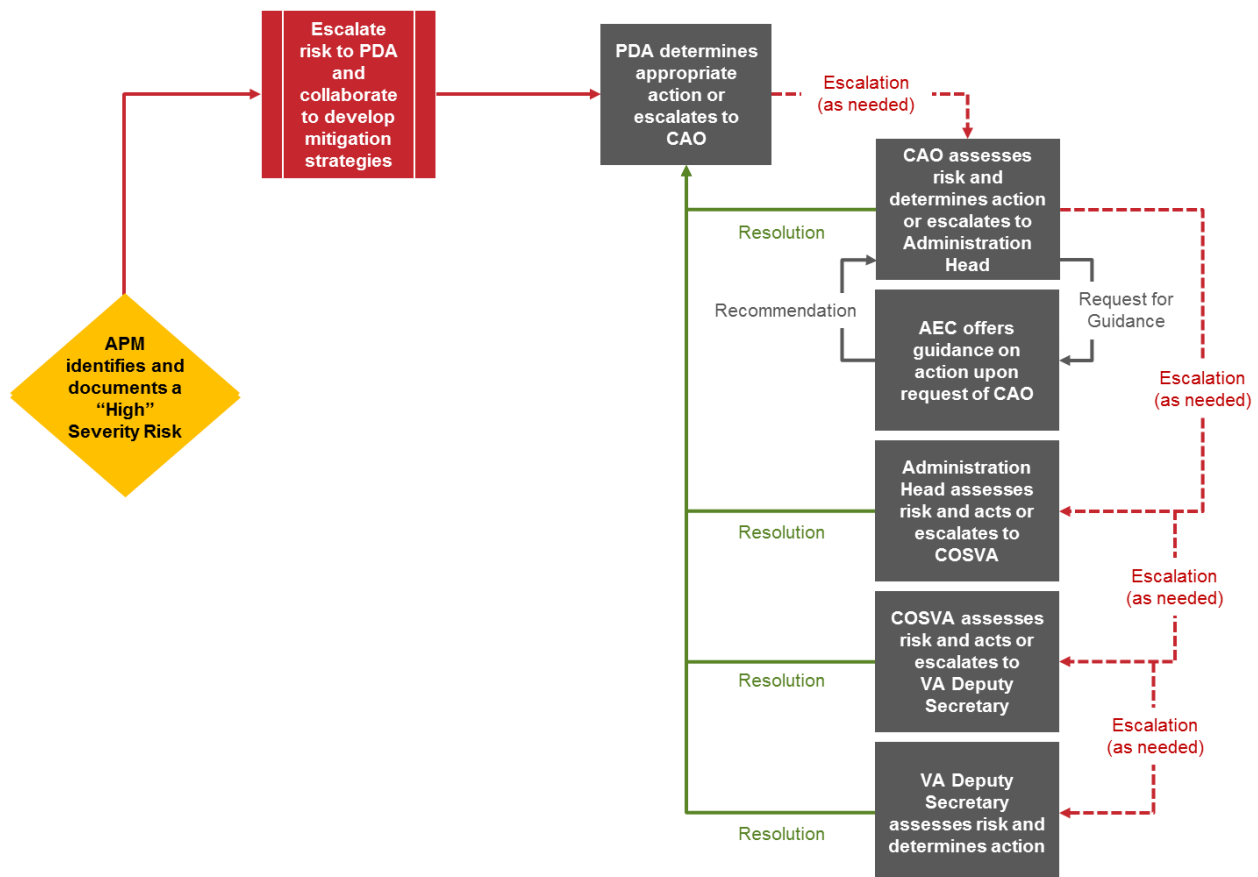
5. The COSVA may:

a. Provide guidance to the Administration Head and PDA; or

b. Escalate the risk to the VA Deputy Secretary should additional guidance be required.

6. The VA Deputy Secretary will provide guidance to the COSVA and PDA.

Figure 4 – Escalation for High Severity Risk



e. **Issue Resolution.** Issue resolution is a path to help program- and executive-level stakeholders collaborate to develop resolution strategies for critical issues (i.e., critical risks that have been realized). It is the PDA's responsibility to address an acquisition program's issue with the APM and escalate the issue to the CAO and VA Deputy Secretary for guidance, as appropriate.

(1) **Breach of Threshold.** A resolution path is prescribed in APMF for issues involving a program performance metric threshold breach (i.e., an acquisition program that exceeds its cost, schedule, or scope threshold, usually 8 percent or greater variance). The resolution path is detailed in Appendix C of this Handbook. Thresholds are proposed by the APM, approved by the PDA, and documented in the program's APB.

(a) If an acquisition program exceeds a baselined threshold, the APM shall immediately report the breach to the PDA.

(b) The PDA shall decide to mitigate, re-baseline, escalate, pause work on, or terminate an acquisition program within 45 calendar days of receiving notice of the breach. If the PDA fails to take action within 45 calendar days of receiving notice of the breach, the issue shall be escalated to the CAO.

1. If the PDA determines that a mitigation strategy can be easily identified, the APM shall develop and submit a mitigation plan for approval by the PDA within 45 calendar days of the PDA's decision.

2. If a mitigation strategy cannot be easily identified and the PDA determines that the acquisition program must be re-baselined because the threshold breach is the result of an acquisition program's change in scope or unrealistic cost and/or schedule thresholds, the APM and PDA shall adjust the acquisition program baseline in accordance with Section 8(a)(1)(c)(1) in this Handbook.

3. If a mitigation strategy cannot be easily identified and the PDA decides to pause work to address the threshold breach in collaboration with the APM, PDA, and contractor(s) (if applicable), the acquisition program shall be paused for an agreed-upon duration and the PDA shall notify the CAO.

4. If a mitigation strategy cannot be easily identified and the PDA determines that the acquisition program must be terminated due to the severity of the threshold breach, the PDA shall notify the CAO, and the APM shall prepare the acquisition program for DE-5, in accordance with Section 11(l) in this Handbook.

5. If a mitigation strategy cannot be easily identified and if the PDA requires additional guidance, the PDA may escalate the threshold breach to the CAO.

(c) If a threshold breach is escalated to the CAO, the CAO shall recommend that the PDA mitigate, re-baseline, escalate, pause work on, or terminate an acquisition program within 45 calendar days of the breach being escalated. If the CAO fails to make a recommendation

within 45 calendar days of the threshold breach escalation, the issue shall be escalated to the VA Deputy Secretary.

1. If the CAO determines that a mitigation strategy can be easily identified, the APM shall develop and submit a mitigation plan for approval by the PDA within 45 calendar days of the CAO's decision.

2. If a mitigation strategy cannot be easily identified and the CAO recommends that the acquisition program must be re-baselined because the threshold breach is the result of an acquisition program's change in scope or unrealistic cost and/or schedule thresholds, the APM and PDA shall adjust the acquisition program baseline, in accordance with Section 8(a)(1)(c)(1) in this Handbook.

3. If a mitigation strategy cannot be easily identified and the CAO recommends that work is paused to address the threshold breach in collaboration with the APM, PDA, and contractor(s) (if applicable), the PDA shall pause the acquisition program for an agreed-upon duration.

4. If a mitigation strategy cannot be easily identified and the CAO recommends that the acquisition program is terminated due to the severity of the threshold breach, the PDA shall notify the APM, and the APM shall prepare the acquisition program for DE-5, in accordance with Section 11(l) in this Handbook.

5. If a mitigation strategy cannot be easily identified and if the CAO requires additional guidance, the CAO may escalate the threshold breach to the VA Deputy Secretary.

(2) **Major Cost Breach.** APMF provides additional guidance for issues involving a major cost breach. A major cost breach occurs when an acquisition program's total cost growth is greater than 25% of the estimate documented during the Initiate Phase (i.e., the Life Cycle objective value in the APB). If an acquisition program has been prescribed a major cost breach threshold other than 25%, the lower threshold applies.

(a) The APM is required to notify the PDA of an estimated breach within 45 calendar days of the breach occurring.

(b) The APM shall conduct a root cause assessment to determine the corrective actions required to return the parameter within 25% of the documented estimate.

(c) Within 90 calendar days of the PDA being notified of a major cost breach, one of the following must occur:

1. The APM must address the breach and the acquisition program is on track to execute within the original APB parameters;



2. PDA and CAO must conduct a supplementary PMR with the APM to review the APM's proposed baseline revision(s); and the APM must enact the PDA and CAO's recommendations; or

3. The acquisition program must be paused or terminated.

**10. TOOLS AND TEMPLATES.** APS shall develop and maintain the following tools to support APMF stakeholders:

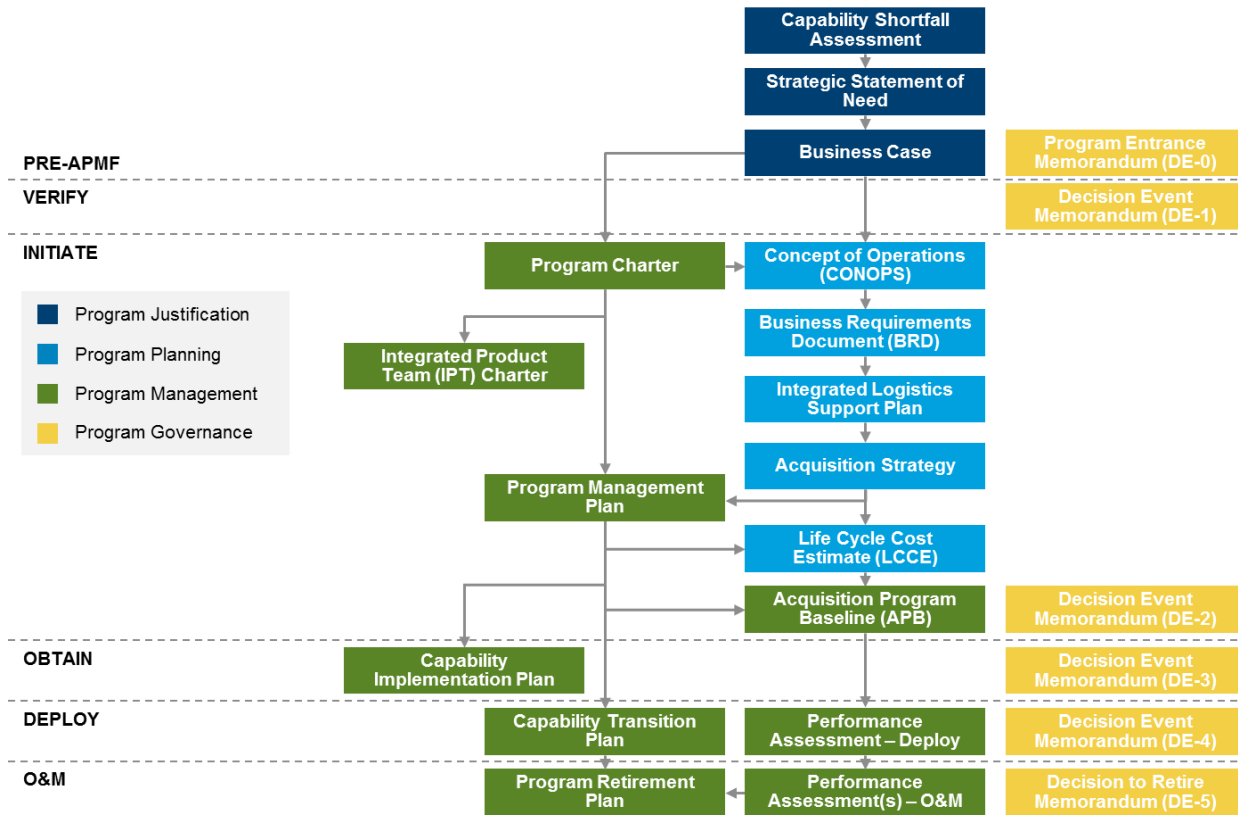
a. **Program Database.** The Program Database serves as a master list of all acquisition programs in APMF, and includes programmatic details that feed the Performance Dashboard. It is a dedicated space for stakeholders assigned to APMF acquisition programs to:

- (1) Complete program artifacts during each APMF Phase and at least 45 days prior to a DE;
- (2) Document an acquisition program's entrance into a new phase; and
- (3) Track on a monthly basis program risks and performance (i.e., in terms of cost, schedule, and scope).

b. **Performance Dashboard.** The APMF Performance Dashboard functions as a dynamic tracking and reporting tool for APMF stakeholders to access portfolio-wide and program-specific performance data. The tool includes user-specific views based on stakeholder roles.

c. **Artifact Templates.** APMF artifacts are designed to capture the critical thinking and planning required throughout an acquisition's lifecycle. The APM or BPM shall complete required program artifacts throughout the APMF process. Figure 5 illustrates the sequence and interdependency of the artifacts throughout the APMF process. APMF program artifact templates are available on the APMF page on the VA PMCOE website.

Figure 5 – APMF Artifacts are Sequenced and Aligned to the APMF Phases



## (1) Pre-APMF Stage Artifacts.

(a) Capability Shortfall Assessment. Defines a capability shortfall, aligns the shortfall to a VA strategic goal, and considers alternative solutions.

(b) Strategic Statement of Need. Formally describes the need required to address a capability shortfall, and states the need in terms that allow for alternative capabilities to be considered in the Business Case.

(c) Business Case. Justifies an acquisition program based on an analysis of alternative capabilities including a comparison of benefits, costs, and risks.

(d) APMF Program Entrance Memorandum. Requests approval from the PDA for a program to enter APMF by verifying that Pre-APMF Stage activities have been completed and that adequate funding to enter and complete the Verify Phase has been secured.

## (2) Verify Phase Artifacts.

(a) Capability Shortfall Assessment.

(b) Strategic Statement of Need.

(c) Business Case.

(d) DE-1 Memorandum. Requests approval from the PDA for a program to enter the APMF Initiate Phase by verifying that a program's approach is achievable and appropriate given the level of funding received during budgeting, and that adequate funding to enter and complete the APMF Initiate Phase has been secured.

(3) Initiate Phase Artifacts.

(a) Acquisition Program Charter. Records an acquisition program's roles, responsibilities, and scope statement, including goals, stakeholders, risks, milestones, and other defining characteristics.

(b) Integrated Product Team (IPT) Charter. Designates a multidisciplinary team responsible for delivering a defined product or process, usually within a complex program.

(c) Concept of Operations (CONOPS). Describes the capability at a high level from the users' perspectives using operational scenarios to help communicate capability characteristics to stakeholders.

(d) Business Requirements Document (BRD). Outlines a capability's high-level functional and non-functional requirements in terms of performance parameters, including user needs and expectations.

(e) Integrated Logistics Support (ILS) Plan. Outlines the management and technical activities and design specifications for logistics support.

(f) Acquisition Strategy. Describes the approach to contracting for and acquiring a capability.

(g) Program Management Plan (PMP). Describes how a program will be executed, monitored, and controlled during the Obtain and Deploy Phases with a consolidated collection of management documents.

(h) Life Cycle Cost Estimate (LCCE). Estimates the total cost associated with an acquisition program and provides a program baseline for cost. A Life Cycle Cost Estimating guide is included in the VA Enterprise Cost Estimating Guide, available on the APMF page on the VA PMCOE website.

(i) Acquisition Program Baseline (APB). Establishes program performance baselines for cost, schedule, and performance (i.e., Key Performance Parameters (KPPs)).

(j) DE-2 Memorandum. Requests approval from the PDA for a program to enter the Obtain Phase by verifying that Initiate Phase requirements have been completed and that adequate funding to enter and complete the Obtain Phase has been secured.

(4) Obtain Phase Artifacts.

(a) LCCE.

(b) Capability Implementation Plan. Outlines how a program's capabilities will be implemented during the Deploy Phase, including site readiness requirements, acceptance criteria, schedule, and associated training activities.

(c) DE-3 Memorandum. Requests approval from the PDA for a program to enter the Deploy Phase by verifying that Obtain Phase requirements have been completed and that adequate funding to enter and complete the Deploy Phase has been secured.

(5) Deploy Phase Artifacts.

(a) ILS Plan.

(b) Capability Transition Plan. Describes a capability's transition to O&M, and includes an Organizational Breakdown Structure (OBS), cost estimate, and transition approach and schedule.

(c) Performance Assessment—Deploy. Assesses a deployed capability's operational and financial performance and verifies that it meets VA's mission and strategic goals.

(d) DE-4 Memorandum. Requests approval from the PDA for an acquisition program to enter the O&M Phase by verifying that Deploy Phase requirements have been completed and that adequate funding to enter and complete the O&M Phase has been secured.

(6) O&M Phase Artifacts.

(a) Performance Assessment(s)—O&M. Assesses a capability's operational and financial performance and verifies that it continues to meet VA's mission and strategic goals.

(b) Program Retirement Plan. Maps the retirement of a program capability, and includes a summary of the program's performance and closeout activities such as a retirement cost estimate, the redeployment of resources, and records management.

(c) Decision to Retire Memorandum. States the BO's intent to retire a capability and requests approval from the PDA.

d. **VA Program Management Center of Excellence (PMCOE).** The mission of the VA PMCOE is to enhance the probability of success for VA programs and projects by providing access for APMs and BPMs to program management intellectual capital, trainings, and subject matter experts. APMF has a dedicated page on the VA PMCOE website that details the five key elements of APMF (i.e., process, roles and responsibilities, reporting, reviews, and tools) and enables APMs and BPMs to request SME support, submit questions to APS, and access APMF reference documents and artifact templates.

## 11. PROCESS

a. **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. During the Pre-APMF Stage:

(1) The BO shall lead strategic planning activities including the identification of strategic capability gaps and the development of mission requirements.

(2) When funding is requested for a newly initiated acquisition program, including those identified by the PDM:

(a) The PDA shall be appointed to an acquisition program in accordance with Section 7(b) in this Handbook;

(b) The PDA shall appoint an APM to the acquisition program in accordance with Section 7(c) in this Handbook; and

(c) The BO shall appoint the BPM to the acquisition program in accordance with Section 7(a)(11)(b) in this Handbook.

(3) The BPM shall develop required acquisition program artifacts in preparation for DE-0, in accordance with Section 11(b)(1)(c) in this Handbook.

b. **DE-0.** An acquisition program must demonstrate that it aligns to a VA strategic goal, has been allotted funding, has completed the required program artifacts, and has met other DE-0 exit criteria, in accordance with Section 11(b)(2)(b) in this Handbook.

(1) When funding is allotted to the acquisition program, the BPM shall:

(a) Notify the PDA and schedule a DE;

(b) At least 45 calendar days before the DE, complete in the Program Database the following required artifacts:

1. **Capability Shortfall Assessment.** This artifact or equivalent defines a capability shortfall, aligns the shortfall to a VA strategic goal, and considers alternative solutions.

2. **Strategic Statement of Need.** This artifact or equivalent formally describes the need required to address a capability shortfall, and states the need in terms that allow for alternative capabilities to be considered in the Business Case.

3. **Business Case.** This artifact or equivalent justifies an acquisition program based on an analysis of alternative capabilities including a comparison of benefits, costs, and risks.

(c) Consolidate acquisition program artifacts, proof of funding, and other documentation to demonstrate that the program has met DE-0 exit criteria, and submit these documents to the PDA at least 30 calendar days before DE-0; and

(d) Prepare the APMF Program Entrance Memorandum, including the concurrence of the BO, requesting approval from the PDA for an acquisition program to enter APMF by verifying that DE-0 exit criteria have been met and that adequate funding to enter and complete the Verify Phase has been secured.

(2) During DE-0:

(a) The BPM shall brief the PDA on the acquisition program's artifacts, funding, and previously completed work to justify and resource the program and to demonstrate that the program is prepared to enter APMF and begin execution.

(b) The PDA shall confirm that the acquisition program has met the following exit criteria:

**1. General Criteria.**

a. Does the program meet established APMF-eligibility criteria?

b. Has a qualified APM been assigned to a CAP/KMP?

c. Has a BPM been assigned?

d. Has adequate funding to enter and complete the Verify Phase been secured?

**2. Document Criteria.**

a. Have all required artifacts been signed by the BPM, APM, and PDA?

b. Have mission requirements to address the capability shortfall been outlined?

c. Have a capability shortfall and any previous or current attempts to address the shortfall been identified and described?

d. Has an AoA that considers materiel and non-materiel solutions been completed?

e. Has the program's alignment to a VA strategic goal been documented?

f. Have a Needs Assessment and Impact Analysis been completed?

g. Has an AoA of capabilities that can be acquired to address the need been completed?

h. Has a preliminary LCCE, including funding by phases, been completed?

i. Has the DE-0 Program Entrance Memorandum been signed by the BO?

(c) The PDA shall assess the acquisition program to determine if the program is ready to enter APMF.

1. If the PDA determines that the acquisition program is ready to enter APMF:

a. The PDA may prescribe supplemental exit criteria that address the unique characteristics of an acquisition program on a case-by-case basis.

b. The PDA shall sign the APMF Program Entrance Memorandum and grant approval for the program to proceed to the Verify Phase.

2. If the PDA determines that the acquisition program is not ready to enter APMF, the PDA can recommend steps to meet DE-0 exit criteria, as appropriate. Once the BPM has complied, a second DE may be scheduled.

(3) After DE-0 the BPM shall:

(a) Capture action items and lessons learned from the DE in the Program Database;

(b) Document the acquisition program's entrance into APMF in the Program Database;

(c) Upload the APMF Program Entrance Memorandum signed by the PDA to the Program Database; and

(d) Inform the APM of the outcome of the DE.

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

(1) The BPM shall develop or revise required acquisition program artifacts in preparation for DE-1, in accordance with Section 11(d)(1)(c) in this Handbook.

(2) The BPM shall engage in a consistent and repeatable risk management approach that involves identifying, analyzing, prioritizing, mitigating, and monitoring risks that impact the acquisition program, in accordance with Section 9(d)(1) in this Handbook.

(3) As appropriate, the BPM shall escalate risks that have been identified, categorized, and documented in the acquisition program's Risk Register, in accordance with Section 9(d)(2) in this Handbook.

(4) When an issue occurs, the PDA shall determine the strategy to mitigate the issue's impact to the acquisition program, in accordance with Section 9(e) in this Handbook.

(5) The BPM shall submit data on a monthly basis for a MSR, in accordance with Section 8(b) in this Handbook.

(6) At the PDA's direction, the BPM shall be prepared to brief the PDA and CAO at a PMR on the acquisition program's alignment to VA's strategic goals, health metrics, (e.g., cost, schedule, scope, and artifact completeness), identified risks and issues and their response strategies, and context for the program's performance.

d. **DE-1.** An acquisition program must verify the legitimacy of the need to fill a capability gap, that the program's approach is achievable and appropriate given the level of funding received during budgeting, and that the program is ready to begin acquisition planning activities.

(1) Before DE-1, the BPM shall monitor acquisition program health, artifact completeness, and satisfaction of exit criteria to determine if a program is ready to be reviewed at a DE. The BPM is encouraged to hold a pre-brief with the BO and APM, as appropriate, to gain concurrence on the acquisition program's health and artifact completeness before moving forward with the DE. When the program is ready for DE-1, the BPM shall:

(a) Notify the PDA and schedule the DE;

(b) At least 45 calendar days before the DE, complete in the Program Database the following required artifacts:

1. Capability Shortfall Assessment.

2. Strategic Statement of Need.

3. Business Case.

(c) Consolidate, in a DE brief, identified risks and issues and other relevant program information, and submit the DE brief, proof of funding, required program artifacts, and other documentation that demonstrates that the acquisition program has met DE-1 exit criteria to the PDA at least 15 calendar days before DE-1; and

(d) Prepare a DE Memorandum that, with the concurrence of the BO, requests approval from the PDA for an acquisition program to enter the Initiate Phase by verifying that the program's approach is achievable and appropriate given the level of funding received during budgeting and that adequate funding to enter and complete the Initiate Phase has been secured.

(2) During DE-1:

(a) The BPM shall brief the PDA on the acquisition program's performance, identified risks and issues, required artifacts, funding, and any other relevant information to demonstrate that the acquisition program is prepared to enter the Initiate Phase.



(b) The PDA shall confirm that the acquisition program has met the following exit criteria:

**1. General Criteria.**

- a. Is the business need still aligned with the VA mission?
- b. Does the capability being acquired meet the identified business need?
- c. Have lessons learned been captured and documented?
- d. Is the program's approach still achievable and appropriate given the level of funding received during budgeting?
- e. Has adequate funding to enter and complete the Initiate Phase been secured?

**2. Document Criteria.**

- a. Have the program's justification documents (e.g., Strategic Statement of Need, Business Case) been revised, as appropriate, given the level of funding received during budgeting?
- b. Have all required artifacts been signed by the BPM, APM, and PDA?
- c. Have mission requirements to address the capability shortfall been outlined?
- d. Have a capability shortfall and any previous or current attempts to address the shortfall been identified and described?
- e. Has an AoA that considers materiel and non-materiel solutions been completed?
- f. Has the program's alignment to a VA strategic goal been documented?
- g. Have a Needs Assessment and Impact Analysis been completed?
- h. Has an AoA of capabilities that can be acquired to address the need been completed?
- i. Has a preliminary LCCE, including funding by phases, been completed?
- j. Has the DE-1 Program Entrance Memorandum been signed by the BO?

(c) The PDA shall assess the acquisition program to determine if the program is ready to begin acquisition planning activities.

1. If the PDA determines that the acquisition program is ready to enter the Initiate Phase, the PDA shall sign the DE Memorandum and grant approval for the program to proceed to the Initiate Phase.

2. If the PDA determines that the acquisition program is not ready to enter the Initiate Phase, the PDA can recommend revisions to program artifacts or request risk and issue response strategies from the BPM, who shall then comply.

(3) After DE-1 the BPM shall:

(a) Document the acquisition program's progression to the Initiate Phase in the Program Database;

(b) Capture action items and lessons learned from DE-1 in the Program Database;

(c) Upload the DE-1 Memorandum signed by the PDA to the APMF Program Database; and

(d) Inform the APM of the outcome of the DE.

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

(1) The APM shall develop or revise required acquisition program artifacts in preparation for DE-2, in accordance with Section 11(f)(1)(c) in this Handbook.

(2) The APM shall engage in a consistent and repeatable risk management approach that involves identifying, analyzing, prioritizing, mitigating, and monitoring risks that impact the acquisition program, in accordance with Section 9(d)(1) in this Handbook.

(3) As appropriate, the APM shall escalate risks that have been identified, categorized, and documented in the acquisition program's Risk Register, in accordance with Section 9(d)(2) in this Handbook.

(4) Each month, the APM shall submit data for a MSR, in accordance with Section 8(b) in this Handbook.

(5) At the PDA or CAO's direction, the APM shall be prepared to brief the PDA and CAO at a PMR on the acquisition program's alignment to VA's strategic goals, health metrics (e.g., cost, schedule, scope, and artifact completeness), identified risks and issues and their response strategies, and context for the program's performance.

f. **DE-2.** An acquisition program must demonstrate that the acquisition approach, including projected cost, schedule, and scope are sufficient to obtain the capability.

(1) Before DE-2, the APM shall monitor acquisition program health and artifact completeness to determine if a program is ready to be reviewed at a DE. The APM is encouraged to hold a pre-brief with the BO, BPM, and IPT(s) (as appropriate), to gain concurrence on the acquisition program's health and artifact completeness before moving forward with the DE. When the program is ready for DE-2, the APM shall:

(a) Notify the PDA and schedule the DE;

(b) At least 45 calendar days before the DE, complete in the Program Database the following required artifacts:

1. Acquisition Program Charter. This artifact or equivalent records an acquisition program's roles, responsibilities, and scope statement, including goals, stakeholders, risks, milestones, and other defining characteristics.

2. Integrated Product Team (IPT) Charter. This artifact or equivalent designates a multidisciplinary team responsible for delivering a defined product or process, usually within a complex program.

3. Concept of Operations (CONOPS). This artifact or equivalent describes the capability at a high level from the users' perspectives using operational scenarios to help communicate capability characteristics to stakeholders.

4. Business Requirements Document (BRD). This artifact or equivalent outlines a capability's high-level functional and non-functional requirements in terms of performance parameters, including user needs and expectations.

5. Integrated Logistics Support (ILS) Plan. This artifact or equivalent outlines the management and technical activities and design specifications for logistics support.

6. Acquisition Strategy. This artifact or equivalent describes the approach to contracting for and acquiring a capability.

7. Program Management Plan (PMP). This artifact or equivalent describes how a program will be executed, monitored, and controlled during the Obtain and Deploy Phases with a consolidated collection of management documents.

8. Life Cycle Cost Estimate (LCCE). This artifact or equivalent estimates the total cost associated with an acquisition program and provides a program baseline for cost.

9. Acquisition Program Baseline (APB). This artifact or equivalent establishes program performance baselines for cost, schedule, and performance (i.e., KPPs).

(c) Consolidate, in a DE brief, acquisition program performance data, identified risks and issues, and other relevant program information, and submit the DE brief, proof of funding,

required program artifacts, and other documentation that demonstrates that the acquisition program has met DE-2 exit criteria to the PDA at least 30 calendar days before DE-2; and

(d) Prepare a DE Memorandum that, with the concurrence of the BO, requests approval from the PDA for an acquisition program to enter the Obtain Phase by verifying that Initiate Phase requirements have been completed and that adequate funding to enter and complete the Obtain Phase has been secured.

(2) At DE-2:

(a) The APM shall brief the PDA on the acquisition program's performance, identified risks and issues, required artifacts, funding, and any other relevant information to demonstrate that the acquisition program is prepared to enter the Obtain Phase.

(b) The PDA shall confirm that the acquisition program has met the following exit criteria:

**1. General Criteria.**

- a. Is the business need still aligned with the VA mission?
- b. Does the capability being acquired meet the identified business need?
- c. Have lessons learned been captured and documented?
- d. Have all identified risks/issues been resolved, or is there a response strategy in place?
- e. Has adequate funding to enter and complete the Obtain Phase been secured?

**2. Document Criteria.**

- a. Have all required artifacts been signed by the BPM, APM, and PDA?
- b. Have major goals and success criteria been defined?
- c. Have program roles and responsibilities been defined?
- d. Have high-level requirements, high-level milestones, and high-level deliverables been identified?
- e. Have IPTs been assigned for each defined product or process?
- f. Has a description capability concept been developed?
- g. Have KPPs been defined?

- h. Have all types of logistics support elements been planned?
- i. Have logistics milestones been identified?
- j. Has market research been conducted?
- k. Has an acquisition approach been defined?
- l. Has the IMS been created?
- m. Has a Communications Management Plan been developed?
- n. Has a Risk Management Plan, including a Risk Register, been developed?
- o. Has a Change Management Plan and Change Log been developed?
- p. Has a WBS been constructed?
- q. Has a LCCE been completed?
- r. Has an Independent Government Cost Estimate (IGCE) been completed?
- s. Have program baselines and thresholds for cost, schedule, and performance (i.e., KPPs) been established?
- t. Has the DE-2 Memorandum been signed by the BO?

3. Performance Criteria. Is the program performing within acceptable cost, schedule, and scope parameters?

(c) The PDA shall assess the acquisition program to determine if the program is ready to begin obtaining the capability.

1. If the PDA determines that the acquisition program is ready to enter the Obtain Phase, the PDA shall sign the DE Memorandum and grant approval for the program to proceed to the Obtain Phase.

2. If the PDA determines that the acquisition program is not ready to enter the Obtain Phase, the PDA can recommend revisions to program artifacts, or request risk and issue response strategies from the APM, who shall then comply.

(3) After DE-2 the APM shall:

(a) Document the acquisition program's progression to the Obtain Phase in the Program Database;

- (b) Capture action items and lessons learned from DE-2 in the Program Database;
- (c) Upload the DE-2 Memorandum signed by the PDA to the Program Database; and
- (d) Inform the BPM of the outcome of the DE.

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

(1) The APM shall develop or revise required acquisition program artifacts in preparation for DE-3, in accordance with Section 11(h)(1)(c) in this Handbook.

(2) The APM shall carry out performance-based management practices, to include the collection and analysis of program data and data-driven management of the acquisition program, in accordance with Section 8(a) in this Handbook.

(a) If any of an acquisition program's performance measures approaches its threshold value as defined in the APB, it is considered "at-risk," and the APM shall follow the risk escalation process, in accordance with Section 9(d)(2) in this Handbook.

(b) If any of an acquisition program's performance measures exceeds its threshold value and there is no approved reason for exceeding a threshold, the program will undergo the issue resolution process, in accordance with Section 9(e)(1) in this Handbook.

(c) If a major cost breach occurs (i.e., the program's total cost growth is greater than 25% of the estimate documented during the Initiate Phase):

1. The APM shall notify the PDA of a breach within 45 calendar days of the breach occurring; and

2. The PDA shall determine within 90 calendar days of being notified how the breach will be addressed in accordance with Section 9(e)(2)(c) in this Handbook.

(3) The APM shall engage in a consistent and repeatable risk management approach that involves identifying, analyzing, prioritizing, mitigating, and monitoring risks that impact the acquisition program, in accordance with Section 9(d)(1) in this Handbook.

(4) As appropriate, the APM shall escalate risks that have been identified, categorized, and documented in the acquisition program's Risk Register, in accordance with Section 9(d)(2) in this Handbook.

(5) Each month, the APM shall submit data for a MSR, in accordance with Section 8(b) in this Handbook.

(6) At the PDA or CAO's direction, the APM shall be prepared to brief the PDA and CAO at a PMR on the acquisition program's alignment to VA's strategic goals, health metrics (e.g., cost, schedule, scope, and artifact completeness), identified risks and issues and their response strategies, and context for the program's performance.

h. **DE-3.** An acquisition program must demonstrate that the acquired capability is ready to be deployed.

(1) Before DE-3, the APM shall monitor acquisition program health and artifact completeness to determine if a program is ready to be reviewed at a DE. The APM is encouraged to hold a pre-brief with the BO, BPM, and IPT(s), as appropriate, to gain concurrence on the acquisition program's health and artifact completeness before moving forward with the DE. When planned, the APM may employ an independent resource to verify that the acquired capability is ready to be deployed. When the program is ready for DE-3, the APM shall:

(a) Notify the PDA and schedule the DE;

(b) At least 45 calendar days before the DE, complete in the Program Database the following required artifacts:

1. LCCE.

2. Capability Implementation Plan. This artifact or equivalent outlines how a program's capabilities will be implemented during the Deploy Phase, including site readiness requirements, acceptance criteria, schedule, and associated training activities.

(c) Consolidate, in a DE brief, acquisition program performance data, identified risks and issues, and other relevant program information, and submit the DE brief, proof of funding, required program artifacts, and other documentation that demonstrates that the acquisition program has met DE-3 exit criteria to the PDA at least 30 calendar days before DE-3; and

(d) Prepare a DE Memorandum that, with the concurrence of the BO, requests approval from the PDA for an acquisition program to enter the Deploy Phase by verifying that Obtain Phase requirements have been completed and that adequate funding to enter and complete the Deploy Phase has been secured.

(2) During DE-3:

(a) The APM shall brief the PDA on the acquisition program's performance, identified risks and issues, required artifacts, funding, and any other relevant information to demonstrate that the acquisition program is prepared to enter the Deploy Phase.

(b) The PDA shall confirm that the acquisition program has met the following exit criteria:

**1. General Criteria.**

- a. Is the business need still aligned with the VA mission?
- b. Does the acquired capability meet the identified business need?
- c. Have lessons learned been captured and documented?
- d. Have all identified risks/issues been resolved, or is there a response strategy in place?
- e. Has adequate funding to enter and complete the Deploy Phase been secured?

**2. Document Criteria.**

- a. Have all required artifacts been signed by the BPM, APM, and PDA?
- b. Has the PMP been refined?
- c. Has the APB been updated, as necessary?
- d. Has the BRD been updated, as necessary?
- e. Has the ILS Plan been refined?
- f. Has the LCCE been refined?
- g. Has an implementation approach been developed?
- h. Have Acceptance Criteria for implementation been identified?
- i. Has the DE-3 Memorandum been signed by the BO?

**3. Performance Criteria.**

- a. Is the program performing within acceptable cost, schedule, and scope parameters?
- b. Has a PMR been conducted annually?

(c) The PDA shall assess the acquisition program to determine if the program is ready to begin deploying the capability.

- 1. If the PDA determines that the acquisition program is ready to enter the Deploy Phase, the PDA shall sign the DE Memorandum and grant approval for the program to proceed to the Deploy Phase.



2. If the PDA determines that the acquisition program is not ready to enter the Deploy Phase, the PDA can recommend revisions to program artifacts, or request risk and issue response strategies from the APM, who shall then comply.

(3) After DE-3 the APM shall:

(a) Document the acquisition program's progression to the Deploy Phase in the Program Database;

(b) Capture action items and lessons learned from DE-3 in the Program Database;

(c) Upload the DE-3 Memorandum signed by the PDA to the Program Database; and

(d) Inform the BPM of the outcome of the DE.

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

(1) The APM shall develop or revise required acquisition program artifacts in preparation for DE-4, in accordance with Section 11(j)(1)(c) in this Handbook.

(2) The APM shall carry out performance-based management practices, to include the collection and analysis of program data and data-driven management of the acquisition program, in accordance with Section 8(a) in this Handbook.

(a) If any of an acquisition program's performance measures approaches its threshold value as defined in the APB, it is considered "at-risk," and the APM shall follow the risk escalation process, in accordance with Section 9(d)(2) in this Handbook.

(b) If any of an acquisition program's performance measures exceeds its threshold value and there is no approved reason for exceeding a threshold, the program will undergo the issue resolution process, in accordance with Section 9(e)(1) in this Handbook.

(c) If a major cost breach occurs (i.e., the program's total cost growth is greater than 25% of the estimate documented during the Initiate Phase):

1. The APM shall notify the PDA of a potential breach within 45 calendar days of the breach occurring; and

2. The PDA shall determine within 90 calendar days of being notified how the breach will be addressed in accordance with Section 9(e)(2)(c) in this Handbook.

(3) The APM shall engage in a consistent and repeatable risk management approach that involves identifying, analyzing, prioritizing, mitigating, and monitoring risks that impact the acquisition program, in accordance with Section 9(d)(1) in this Handbook.

(4) As appropriate, the APM shall escalate risks that have been identified, categorized, and documented in the acquisition program's Risk Register, in accordance with Section 9(d)(2) in this Handbook.

(5) Each month, the APM shall submit data for a MSR in accordance with Section 8(b) in this Handbook.

(6) At the PDA or CAO's direction, the APM shall be prepared to brief the PDA and CAO at a PMR on the acquisition program's alignment to VA's strategic goals, health metrics (e.g., cost, schedule, scope, and artifact completeness), identified risks and issues and their response strategies, and context for the program's performance.

j. **DE-4.** An acquisition program must demonstrate the effectiveness of the deployed capability, verify that the capability satisfies program requirements, and confirm that the capability is prepared to transition to the BO.

(1) Before DE-4, the APM shall monitor acquisition program health and artifact completeness to determine if a program is ready to be reviewed at a DE. The APM is encouraged to hold a pre-brief with the BO, BPM, and IPT(s) (as appropriate), to gain concurrence on the acquisition program's health and artifact completeness before moving forward with the DE. When planned, the APM may employ an independent resource to verify the effectiveness of the deployed capability. When the program is ready for DE-4, the APM shall:

(a) Notify the PDA and schedule the DE;

(b) At least 45 calendar days before the DE, complete in the Program Database the following required artifacts:

1. ILS Plan

2. Capability Transition Plan. This artifact or equivalent directs the transition of a capability to O&M, and includes an Organizational Breakdown Structure (OBS), cost estimate, and transition approach and schedule.

3. Performance Assessment—Deploy. This artifact or equivalent assesses a deployed capability's operational and financial performance and verifies that it meets VA's mission and strategic goals.

(c) Consolidate, in a DE brief, acquisition program performance data, identified risks and issues, and other relevant program information, and submit the DE brief, proof of funding, required program artifacts, and other documentation that demonstrates that the acquisition program has met DE-4 exit criteria to the PDA at least 30 calendar days before DE-4; and

(d) Prepare a DE Memorandum that, with the concurrence of the BO, requests approval from the PDA for an acquisition program to enter the O&M Phase by verifying that Deploy

Phase requirements have been completed and that adequate funding to enter the O&M Phase has been secured.

(2) During DE-4:

(a) The APM shall brief the PDA on the acquisition program's performance, identified risks and issues, required artifacts, funding, and any other relevant information to demonstrate that the acquisition program is prepared to enter the O&M Phase.

(b) The PDA shall confirm that the acquisition program has met the following exit criteria:

**1. General Criteria.**

- a. Is the business need still aligned with the VA mission?
- b. Does the deployed capability meet the identified business need?
- c. Is the operating organization prepared to accept and operate the solution?
- d. Are the users and impacted stakeholders prepared for the release of the new capability?
- e. Have lessons learned been captured and documented?
- f. Have all identified risks/issues been resolved, or is there a response strategy in place?
- g. Has adequate funding to enter and complete the O&M Phase been secured?

**2. Document Criteria.**

- a. Have all required artifacts been signed by the BPM, APM, and PDA?
- b. Has the PMP been refined?
- c. Has the APB been updated, as necessary?
- d. Have all types of logistics support elements been planned?
- e. Have logistics milestones been identified?
- f. Has the LCCE been refined?
- g. Has a transition approach been developed?
- h. Have Acceptance Criteria for transition been identified?

- i. Has the DE-4 Memorandum been signed by the BO?

**3. Performance Criteria.**

- a. Has the Performance Assessment—Deploy been conducted?
- b. Is the program performing within acceptable cost, schedule, and scope parameters?
- c. Has a PMR been conducted annually?

(c) The PDA shall assess the acquisition program to determine if the program is ready to begin transitioning the capability to operations and maintenance.

1. If the PDA determines that the acquisition program is ready to enter the O&M Phase, the PDA shall sign the DE Memorandum and grant approval for the program to proceed to the O&M Phase.

2. If the PDA determines that the acquisition program is not ready to enter the O&M Phase, the PDA can recommend revisions to program artifacts, or request risk and issue response strategies from the APM, who shall then comply.

(3) After DE-4 the APM shall:

(a) Document the acquisition program's progression to the O&M Phase in the Program Database;

(b) Capture action items and lessons learned from DE-4 in the Program Database;

(c) Upload the DE Memorandum signed by the PDA to the Program Database; and

(d) Inform the BPM of the outcome of the DE.

k. **O&M Phase.** A program operates and maintains a capability while continuing to monitor its performance and value until retirement. During the O&M Phase the BPM shall:

(1) Each fiscal year, complete a Performance Assessment—O&M for the capability in the Program Database;

(2) Monitor the capability's performance until the capability is no longer meeting its performance objectives or the VA's mission or strategic goals; and

(3) If the capability is no longer meeting its performance objectives or the VA's mission or strategic goals:

(a) Collect or develop required program artifacts in preparation for DE-5; or

(b) Collect or develop required program artifacts in preparation for DE-1 when a contract associated with a capability is ending, but there may still be a need to meet the performance objective.

I. **DE-5.** A program must demonstrate that it no longer meets the stated business need or is otherwise ready to be retired.

(1) Before DE-5, the BPM shall monitor program health and artifact completeness to determine if a program is ready to be reviewed at DE-5. When the program is ready for DE-5, the BPM shall:

(a) Notify the PDA and schedule the DE;

(b) At least 45 calendar days before the DE, complete in the Program Database the following required artifacts:

1. Performance Assessment(s)—O&M

2. Program Retirement Plan. This artifact or equivalent maps the retirement of a program capability, and includes a summary of the program's performance and closeout activities such as a retirement cost estimate, the redeployment of resources, and records management.

(c) Consolidate, in a DE brief, program performance data, identified risks and issues, and other relevant program information, and submit the DE brief, proof of funding to retire, required program artifacts, and other documentation that demonstrates that the acquisition program has met DE-5 exit criteria and is ready to be retired, to the PDA at least 30 calendar days before DE-5; and

(d) Prepare a Decision to Retire Memorandum, which states the BO's intent to retire a capability and requests approval from the PDA.

(2) At DE-5:

(a) The BPM shall brief the PDA on the program's performance, identified risks and issues, required artifacts, funding, and any other relevant information to demonstrate that the program is ready to be retired.

(b) The PDA shall confirm that the proposed program has met the following exit criteria:

1. **General Criteria.**

a. Have lessons learned been captured and documented?

b. Have all identified risks/issues been resolved, or is there a response strategy in place?

**2. Document Criteria.**

- a.** Have all required artifacts been signed by the BPM and PDA?
- b.** Has program performance been summarized?
- c.** Have Closeout Activities been listed?
- d.** Has the DE-5 Memorandum been signed by the BO?

**3. Performance Criteria.** Have O&M Performance Assessments been conducted annually?

(c) The PDA shall assess the program to determine if the program is ready to be retired.

**1.** If the PDA determines that the program is ready to be retired, the PDA shall sign the Decision to Retire Memorandum and grant approval for the program to be retired in accordance with the program's Program Retirement Plan.

**2.** If the PDA determines that the program is not ready to be retired, the PDA can recommend revisions to program artifacts, or request risk and issue response strategies from the BPM, who shall then comply.

(3) After DE-5 the BPM shall:

- (a) Document the program's planned date of retirement in the Program Database; and
- (b) Capture action items and lessons learned from DE-5 in the Program Database;

(c) Upload the Decision to Retire Memorandum signed by the BO to the Program Database; and

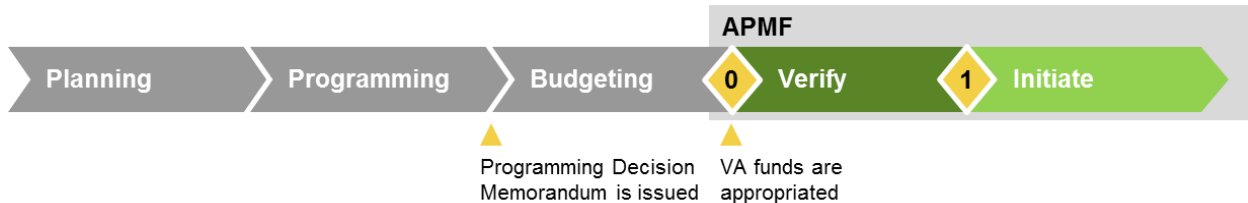
(d) Inform the BO of the outcome of the DE.

**12. PROCESS INTEGRATION.** APMF aligns with existing acquisition processes to facilitate program health and performance reporting to VA executive leaders. It is not the intention of APMF to duplicate or negate the existing procedures of VA Administrations and Staff Offices. To support integration with APMF, the CAO will work with Administrations and Staff Offices to identify equivalencies that are part of existing business processes and fulfill APMF requirements.

**a. Requests for Equivalency.** At the written request of the PDA, the CAO will approve the use of artifacts, roles, reporting, or reviews, with or without modification, from existing acquisition processes to fulfill the APMF requirements outlined in this Handbook for a specific acquisition program.

**b. Integration with Enterprise-wide Processes: Planning, Programming, Budgeting, and Execution (PPBE).** PPBE is VA's enterprise-wide process for allocating resources within the Department. APMF helps acquisition programs manage the resources allocated during PPBE and fulfill a prioritized strategic objective, as depicted in Figure 6.

Figure 6 – Program Transition from the PPBE Budgeting Phase to APMF



(1) During the PPBE Planning and Programming Phases, the BO shall lead strategic planning activities including the identification of strategic capability gaps and the development of mission requirements in accordance with Section 11(a)(1) in this Handbook.

(2) When funding is requested during the PPBE Budgeting Phase for a newly initiated acquisition program, including those identified by the PDM:

(a) The PDA shall be appointed to an acquisition program in accordance with Section 7(b) in this Handbook;

(b) The PDA shall appoint an APM to the program in accordance with Section 7(c) in this Handbook; and

(c) The BO shall appoint the acquisition program BPM in accordance with Section 7(a)11(b) in this Handbook.

(3) The appropriation of funds at the end of the PPBE Budgeting Phase shall trigger the entry of newly-funded programs into APMF through DE-0.

(4) The BPM shall develop required acquisition program artifacts in preparation for DE-0 in accordance with Sections 11(b)(1)(b-c) in this Handbook.

(5) During the PPBE Programming and Budgeting Phases, APMF program performance data may be used as a supplemental input to the PPBE Programming Analytical Framework to inform resourcing allocation decisions based on acquisition performance history.

**c. Integration with Construction Processes.** APMF aligns with the Major Construction Project Life Cycle process to support the management of Major Construction Projects, to facilitate program health and performance reporting to VA and CFM executive leaders, and to avoid duplicating or negating existing CFM procedures. All Major Construction Projects are APMF-eligible.

(1) Requests for Equivalency. At the written request of the PDA, the CAO will approve the use of Strategic Capital Investment Planning (SCIP) and/or Major Construction Project Life Cycle Process artifacts, reporting, or reviews, with or without modification, to fulfill the APMF requirements outlined in this Handbook for a specific construction program.

(2) Strategic Capital Investment Planning (SCIP). The Business Case developed during the SCIP process fulfills the requirement for the completion of a Business Case prior to DE-0.

(3) Major Construction. The following Major Construction Project Life Cycle Process roles and components inform, or may be considered equivalent to, the specified APMF requirements. Components that inform subsequent APMF Phases and executive-level reviews are depicted in Figure 7.

(a) The BO is a representative of the Administration that will manage the capital asset.

(b) The CFM Project Manager is equivalent to the APM, whose responsibilities are listed in Section 7(a)(9) in this Handbook.

(c) The PDA for a Major Construction Project is not required to appoint an APM to a proposed acquisition program when the budget request for the acquisition program is submitted to Congress, in accordance with Section 7(c) in this Handbook. Instead, the PDA for a Major Construction Project shall appoint the APM, which is equivalent to the CFM Project Manager, after the budget request and Major Construction Project is approved.

(d) The CFM Project Review Board (PRB) report is equivalent to the MSR if the PRB reports for a Major Construction Project are aggregated and made available to executive- and program-level stakeholders listed in Section 7(a) in this Handbook.

(e) The CFM risk register is equivalent to the Risk Register required by the Risk Management Plan (part of the PMP, a required APMF artifact) if the CFM risk register is made available to executive- and program-level stakeholders listed in Section 7(a) in this Handbook.

(f) If an artifact required by APMF (e.g. ILS Plan) is the responsibility of the business office, the CFM Project Manager shall work with the BPM to complete and submit the artifact as part of the subsequent DE brief.

(g) CFM may leverage the PRB process and regularly scheduled reviews with the CAO to escalate risks if the time limitations for escalating risks, in accordance with Section 9(d)(2) in this Handbook, are met.



(h) The Pre-Award Negotiation Meeting (PNM), which occurs before the Architect-Engineer (AE) contract is awarded, informs the subsequent executive-level review during APMF DE-1.

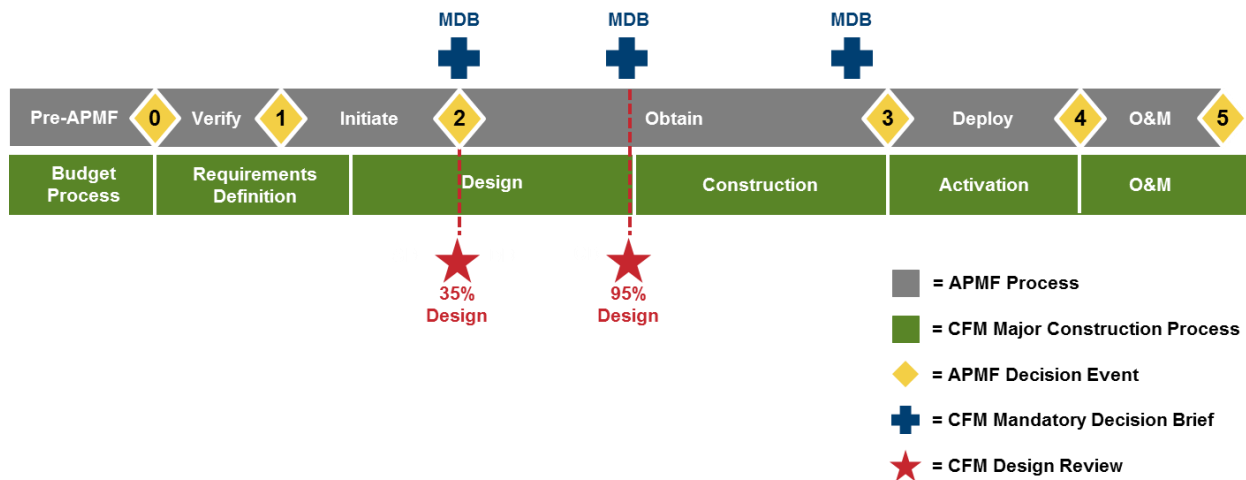
(i) The outcome of the Mandatory Decision Brief (MDB) performed at 35% Design is equivalent to APMF DE-2.

(j) The outcome of the MDB performed at the end of the Construction Phase informs the subsequent executive-level review during APMF DE-3.

(k) The Activation Phase aligns to the APMF Deploy Phase.

(l) The O&M Phase aligns to the APMF O&M Phase.

Figure 7 – Alignment of the Major Construction Project Life Cycle Process to APMF

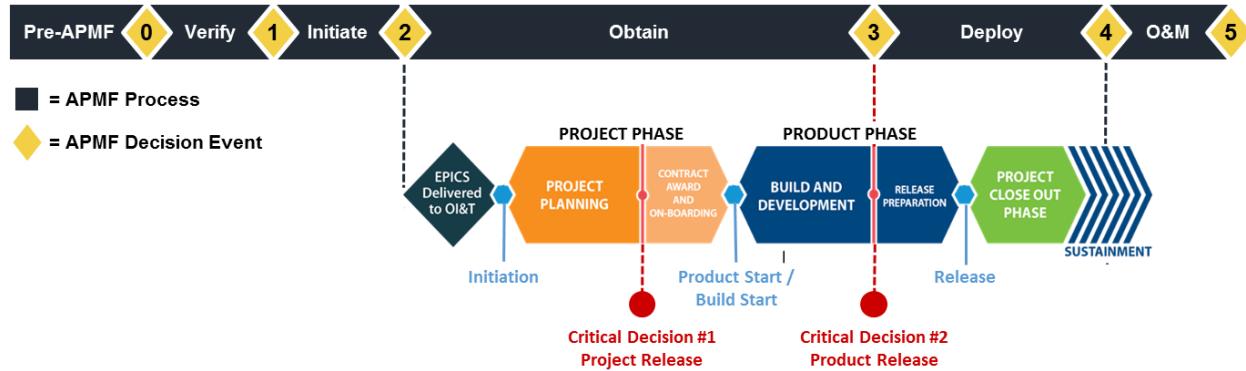


d. **Integration with IT Processes.** APMF recognizes existing Office of Information and Technology (OI&T) processes such as the Veteran-focused Integration Process (VIP) to avoid duplicating or negating OI&T best practices.

(1) VIP. VIP-related artifacts, roles, reporting, or reviews, with or without modification, are equivalent to the APMF requirements outlined in this Handbook.

(2) VIP and APMF promote data-driven decisions, portfolio-based management, involving the BO in the acquisition process, sharing data between projects and programs, and establishing a standardized issue resolution process. The integration points between VIP and APMF are described below and depicted in Figure 8.

Figure 8 – APMF Integration with VIP



(a) APMF will leverage VIP data, artifacts, and review results to support the thorough assessment of an acquisition program's health and status throughout its life cycle.

(b) VIP begins after APMF DE-2 and supersedes the APMF Obtain and Deploy Phases. Program-level planning is completed by the BPM during the APMF Initiate Phase and reviewed at DE-2. Project planning then begins as part of the VIP Project Phase.

(c) VIP Critical Decision #2 supersedes APMF DE-3.

(d) APMF DE-4 occurs after all projects in an APMF acquisition program have been deployed, released, or activated. Specifically, all VIP projects must have entered sustainment before DE-4 can occur.

### 13. 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 (EVMS)*

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)*

f. Department of Veterans Affairs Memorandum, VA PPM (2013-07), *Use of Integrated Product Teams (IPT) for Major Acquisitions (VAIQ 7327809)*, issued 22 May 2013

g. “APMF Home.” VA Program Management Center of Excellence (PMCOE). <https://vaww.portal2.va.gov/sites/VAPMCOE/PMF/APMF/SitePages/APMF.aspx> (retrieved January 12, 2017).

## 14. DEFINITIONS

a. **Acquisition Program.** A program that is achieving its goal through the purchase of 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. **Actual Cost (AC).** Costs incurred while accomplishing work performed. AC addresses the question: *How much did the work cost?*

c. **Decision Event (DE).** Milestone reviews that occur before the APMF Verify Phase and after each phase in the APMF process. During a DE the PDA 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.

d. **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.

e. **Earned Value (EV).** The measure of work performance expressed in terms of the budget authorized for that work. EV addresses the question: *How much work was done?*

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

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

h. **Integrated Master Schedule (IMS).** An integrated, networked schedule containing all detailed and discrete work packages and lower-level tasks or activities necessary to support the WBS and overall schedule developed during program planning.

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

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

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

l. **Performance Dashboard.** A dynamic tracking and reporting tool for APMF stakeholders to access portfolio-wide and program-specific performance data.

m. **Planned Value (PV).** The authorized budget for scheduled work. PV addresses the question: *How much work should be done?*

n. **Pre-Acquisition Program Management Framework (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.

o. **Preexisting Acquisition Program.** 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).

p. **Program Database.** A master list of all acquisition programs in APMF, including programmatic details that feed the Performance Dashboard.

q. **Risk.** The potential for loss, harm, or missed opportunities in relation to achievement of an acquisition program's mission and strategic objectives.

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

s. **Threshold.** 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.

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

u. **Work Breakdown Structure (WBS).** A product-oriented, hierarchical breakdown of a program's total scope of work, including both government and contractor work. In a WBS, a program's scope of work is separated into discrete products and services.