

DHS ACQUISITION REVIEW BOARD ACT OF 2017

MARCH 23, 2017.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. McCAUL, from the Committee on Homeland Security, submitted the following

R E P O R T

[To accompany H.R. 1282]

[Including cost estimate of the Congressional Budget Office]

The Committee on Homeland Security, to whom was referred the bill (H.R. 1282) to amend the Homeland Security Act of 2002 to establish Acquisition Review Boards in the Department of Homeland Security, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “DHS Acquisition Review Board Act of 2017”.

SEC. 2. ACQUISITION REVIEW BOARD.

(a) **IN GENERAL.**—Subtitle D of title VIII of the Homeland Security Act of 2002 (6 U.S.C. 391 et seq.) is amended by adding at the end the following new section:

“SEC. 836. ACQUISITION REVIEW BOARD.

“(a) **IN GENERAL.**—The Secretary shall establish an Acquisition Review Board (in this section referred to as the ‘Board’) to—

- “(1) strengthen accountability and uniformity within the Department acquisition review process;
- “(2) review major acquisition programs; and
- “(3) review the use of best practices.

“(b) **COMPOSITION.**—The Under Secretary for Management shall serve as chair of the Board. The Secretary shall also ensure participation by other relevant Department officials, including at least two component heads or their designees, as permanent members of the Board.

“(c) **MEETINGS.**—The Board shall meet regularly for purposes of ensuring all acquisitions processes proceed in a timely fashion to achieve mission readiness. The Board shall convene at the Secretary’s discretion and at any time—

- “(1) a major acquisition program—
 - “(A) requires authorization to proceed from one acquisition decision event to another throughout the acquisition life cycle;
 - “(B) is in breach of its approved requirements; or
 - “(C) requires additional review, as determined by the Under Secretary for Management; or
- “(2) a non-major acquisition program requires review, as determined by the Under Secretary for Management.

“(d) **RESPONSIBILITIES.**—The responsibilities of the Board are as follows:

- “(1) Determine whether a proposed acquisition has met the requirements of key phases of the acquisition life cycle framework and is able to proceed to the next phase and eventual full production and deployment.
- “(2) Oversee whether a proposed acquisition’s business strategy, resources, management, and accountability is executable and is aligned to strategic initiatives.
- “(3) Support the person with acquisition decision authority for an acquisition in determining the appropriate direction for such acquisition at key acquisition decision events.
- “(4) Conduct systematic reviews of acquisitions to ensure that such acquisitions are progressing in compliance with the approved documents for their current acquisition phases.
- “(5) Review the acquisition documents of each major acquisition program, including the acquisition program baseline and documentation reflecting consideration of tradeoffs among cost, schedule, and performance objectives, to ensure the reliability of underlying data.
- “(6) Ensure that practices are adopted and implemented to require consideration of trade-offs among cost, schedule, and performance objectives as part of the process for developing requirements for major acquisition programs prior to the initiation of the second acquisition decision event, including, at a minimum, the following practices:

“(A) Department officials responsible for acquisition, budget, and cost estimating functions are provided with the appropriate opportunity to develop estimates and raise cost and schedule matters before performance objectives are established for capabilities when feasible.

“(B) Full consideration is given to possible trade-offs among cost, schedule, and performance objectives for each alternative.

“(e) **ACQUISITION PROGRAM BASELINE REPORT REQUIREMENT.**—If the person exercising acquisition decision authority over a major acquisition program approves such program to proceed into the planning phase before such program has a Department-approved acquisition program baseline, the Under Secretary for Management shall create and approve an acquisition program baseline report regarding such approval, and the Secretary shall—

- “(1) within seven days after an acquisition decision memorandum is signed, notify in writing the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate of such decision; and
- “(2) within 60 days after the acquisition decision memorandum is signed, submit to such committees a report stating the rationale for such decision and a plan of action to require an acquisition program baseline for such program.

“(f) REPORT.—The Under Secretary for Management shall provide information to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate on an annual basis through fiscal year 2022 on the activities of the Board for the prior fiscal year that includes information relating to the following:

“(1) For each meeting of the Board, any acquisition decision memoranda.

“(2) Results of the systematic reviews conducted pursuant to paragraph (4) of subsection (d).

“(3) Results of acquisition document reviews required pursuant to paragraph (5) of subsection (d).

“(4) Activities to ensure that practices are adopted and implemented throughout the Department pursuant to paragraph (6) of subsection (d).

“(g) DEFINITIONS.—In this section:

“(1) ACQUISITION.—The term ‘acquisition’ has the meaning given such term in section 131 of title 41, United States Code.

“(2) ACQUISITION DECISION AUTHORITY.—The term ‘acquisition decision authority’ means the authority, held by the Secretary acting through the Deputy Secretary or Under Secretary for Management to—

“(A) ensure compliance with Federal law, the Federal Acquisition Regulation, and Department acquisition management directives;

“(B) review (including approving, pausing, modifying, or cancelling) an acquisition program through the life cycle of such program;

“(C) ensure that acquisition program managers have the resources necessary to successfully execute an approved acquisition program;

“(D) ensure good acquisition program management of cost, schedule, risk, and system performance of the acquisition program at issue, including assessing acquisition program baseline breaches and directing any corrective action for such breaches; and

“(E) ensure that acquisition program managers, on an ongoing basis, monitor cost, schedule, and performance against established baselines and use tools to assess risks to an acquisition program at all phases of the life cycle of such program to avoid and mitigate acquisition program baseline breaches.

“(3) ACQUISITION DECISION EVENT.—The term ‘acquisition decision event’, with respect to an acquisition program, means a predetermined point within each of the acquisition phases at which the acquisition decision authority determines whether such acquisition program shall proceed to the next acquisition phase.

“(4) ACQUISITION DECISION MEMORANDUM.—The term ‘acquisition decision memorandum’, with respect to an acquisition, means the official acquisition decision event record that includes a documented record of decisions, exit criteria, and assigned actions for such acquisition, as determined by the person exercising acquisition decision authority for such acquisition.

“(5) ACQUISITION PROGRAM.—The term ‘acquisition program’ means the process by which the Department acquires, with any appropriated amounts, by contract for purchase or lease, property or services (including construction) that support the missions and goals of the Department.

“(6) ACQUISITION PROGRAM BASELINE.—The term ‘acquisition program baseline’, with respect to an acquisition program, means a summary of the cost, schedule, and performance parameters, expressed in standard, measurable, quantitative terms, which must be met in order to accomplish the goals of such program.

“(7) BEST PRACTICES.—The term ‘best practices’, with respect to acquisition, means a knowledge-based approach to capability development that includes—

“(A) identifying and validating needs;

“(B) assessing alternatives to select the most appropriate solution;

“(C) clearly establishing well-defined requirements;

“(D) developing realistic cost assessments and schedules;

“(E) securing stable funding that matches resources to requirements;

“(F) demonstrating technology, design, and manufacturing maturity;

“(G) using milestones and exit criteria or specific accomplishments that demonstrate progress;

“(H) adopting and executing standardized processes with known success across programs;

“(I) establishing an adequate workforce that is qualified and sufficient to perform necessary functions; and

“(J) integrating the capabilities described in subparagraphs (A) through (I) into the Department’s mission and business operations.

“(8) MAJOR ACQUISITION PROGRAM.—The term ‘major acquisition program’ means a Department acquisition program that is estimated by the Secretary to

require an eventual total expenditure of at least \$300,000,000 (based on fiscal year 2017 constant dollars) over its life cycle cost.”.

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.) is further amended by adding after the item relating to section 835 the following new item:

“Sec. 836. Acquisition Review Board.”.

PURPOSE AND SUMMARY

The purpose of H.R. 1282 is to amend the Homeland Security Act of 2002 (Pub. L. 107–296) to establish an Acquisition Review Board in the Department of Homeland Security, and for other purposes.

H.R. 1282, the DHS Acquisition Review Board Act of 2017, seeks to ensure that the Department of Homeland Security (DHS) provide the accountability and consistency in oversight needed to manage components’ major acquisition programs by authorizing the Acquisition Review Board (ARB).

BACKGROUND AND NEED FOR LEGISLATION

The Government Accountability Office (GAO) and the DHS Office of Inspector General (OIG) have consistently reported on the longstanding challenges DHS faces in managing its major acquisition programs, which cost the Department over \$7 billion each year. Every 2 years, GAO identifies areas in the Federal Government that are “high risk” due to their vulnerabilities to fraud, waste, abuse, and mismanagement. Since 2003, GAO has identified DHS’s transformation of 22 agencies into one department, and the Department’s subsequent challenges with its management functions, as high risk. In GAO’s 2017 high risk update, GAO noted that DHS has made progress in addressing its management challenges, but has not yet completed all the necessary actions to fully address acquisition management. Additionally, the OIG reports annually on major management challenges facing the Department. In November 2016, the OIG identified challenges in DHS’s management of acquisition programs. The Inspector General found that although DHS has taken steps to improve acquisition management, it still struggles to ensure that major acquisition programs cost what was originally estimated, are delivered on schedule, and provide the capabilities originally intended.

The Department’s Acquisition Review Board (ARB) is the mechanism by which senior Department officials provide critical oversight of major acquisition programs. H.R. 1282 authorizes the ARB and requires it to validate foundational acquisition documents, such as the Acquisition Program Baseline that establishes key cost, schedule, and performance requirements, and requires the ARB to review such requirements. By establishing the ARB in law and laying out its responsibilities, Congress can ensure that this vital oversight mechanism continues to contribute to DHS’ progress toward improving its oversight of major acquisition programs.

HEARINGS

No hearings were specifically held on H.R. 1282. However, the Committee held oversight hearings on acquisition management, as listed below.

114th Congress

On February 26, 2015, the Subcommittee on Oversight and Management Efficiency held a hearing entitled “Assessing DHS’s Performance: Watchdog Recommendations to Improve Homeland Security.” The Subcommittee received testimony from The Honorable John Roth, Inspector General, U.S. Department of Homeland Security; Ms. Rebecca Gambler, Director, Homeland Security and Justice, U.S. Government Accountability Office; and Dr. Daniel M. Gerstein, Senior Policy Researcher, The RAND Corporation.

On April 22, 2015, the Subcommittee on Oversight and Management Efficiency held a hearing entitled “Acquisition Oversight: How Effectively is DHS Safeguarding Taxpayer Dollars?” The Subcommittee received testimony from Ms. Michele Mackin, Director, Acquisition and Sourcing Management, U.S. Government Accountability Office; The Honorable Chip Fulghum, Acting Deputy Undersecretary for Management and Chief Financial Officer, U.S. Department of Homeland Security; and Dr. Cedric Sims, Partner, Evermay Consulting Group.

On September 18, 2015, the Subcommittee on Oversight and Management Efficiency held a hearing entitled “Making DHS More Efficient: Industry Recommendations to Improve Homeland Security.” The Subcommittee received testimony from Mr. Marc Pearl, President and Chief Executive Officer, Homeland Security and Defense Business Counsel; Mr. Harry Totonis, Board Director, Business Executives for National Security; and Ms. Elaine Duke, Principal, Elaine Duke & Associates, LLC.

115th Congress

On February 16, 2017, the Subcommittee on Oversight and Management Efficiency held a hearing entitled “Watchdog Recommendations: A Better Way Ahead to Manage the Department of Homeland Security.” The Subcommittee received testimony from The Honorable John Roth, Inspector General, U.S. Department of Homeland Security, and Ms. Rebecca Gambler, Director, Homeland Security and Justice, U.S. Government Accountability Office.

COMMITTEE CONSIDERATION

The Committee met on March 8, 2017, to consider H.R. 1282, and ordered the measure to be reported to the House with a favorable recommendation, as amended, by voice vote. The Committee took the following actions:

The following amendment was offered:

An amendment offered by MR. THOMPSON of Mississippi (#1); was AGREED TO by voice vote.

At page 5, line 20 insert new subsection entitled “(f) Report.” and make conforming changes.

COMMITTEE VOTES

Clause 3(b) of Rule XIII of the Rules of the House of Representatives requires the Committee to list the recorded votes on the motion to report legislation and amendments thereto.

No recorded votes were requested during consideration of H.R. 1282.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of Rule XIII of the Rules of the House of Representatives, the Committee has held oversight hearings and made findings that are reflected in this report.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of Rule XIII of the Rules of the House of Representatives, the Committee finds that H.R. 1282, the DHS Acquisition Review Board Act of 2017, would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 22, 2017.

Hon. MICHAEL MCCAUL,
*Chairman, Committee on Homeland Security,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1282, the DHS Acquisition Review Board Act of 2017.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Mark Grabowicz.

Sincerely,

MARK P. HADLEY
(For Keith Hall, Director)

Enclosure.

H.R. 1282—DHS Acquisition Review Board Act of 2017

H.R. 1282 would direct the Department of Homeland Security (DHS) to establish an Acquisition Review Board to review major acquisition programs and enhance accountability and uniformity in the review process for DHS acquisitions. The bill's requirements are largely consistent with existing DHS procurement policies. Therefore, CBO estimates that implementing H.R. 1282 would cost less than \$500,000 annually; such spending would be subject to the availability of appropriated funds.

Enacting the legislation would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 1282 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 1282 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Mark Grabowicz. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, H.R. 1282 contains the following general performance goals and objectives, including outcome related goals and objectives authorized.

The purpose of H.R. 1282, the DHS Acquisition Review Board Act of 2017, is to codify in law certain acquisition management oversight mechanisms in the Department of Homeland Security.

DUPLICATIVE FEDERAL PROGRAMS

Pursuant to clause 3(c) of Rule XIII, the Committee finds that H.R. 1282 does not contain any provision that establishes or reauthorizes a program known to be duplicative of another Federal program.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with Rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of the Rule XXI.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

PREEMPTION CLARIFICATION

In compliance with section 423 of the Congressional Budget Act of 1974, requiring the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt State, local, or Tribal law, the Committee finds that H.R. 1282 does not preempt any State, local, or Tribal law.

DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that H.R. 1282 would require no directed rule makings.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short Title.

This section provides that this bill may be cited as the “DHS Acquisition Review Board Act of 2017”.

Sec. 2. Acquisition Review Board.

Section 2 amends subtitle D of title VIII of the Homeland Security Act by codifying the Acquisition Review Board (ARB) and requiring the ARB to review foundational acquisition documents of each major acquisition program, including the Acquisition Program Baseline that contains cost, schedule, and performance requirements. Because the ARB already exists in the Department, section 2 does not create a new board.

Section 2 includes provisions to strengthen accountability and uniformity within the DHS acquisition review process and identifies ARB participants. To ensure component buy-in, this section also requires at least two component heads or their designees permanently serve on the Board. Additionally, this section seeks to prevent delays in the acquisition process by requiring the ARB to meet regularly to ensure all major acquisition programs proceed through the acquisition process in a timely manner.

Section 2 establishes responsibilities for the ARB and, among other things, authorizes it to conduct systematic reviews of acquisitions and consider tradeoffs among cost, schedule, and performance objectives as part of the process for developing requirements. Further, if the Under Secretary for Management (USM) approves a major acquisition program to proceed without an APB, section 2 requires the Secretary to provide a report to Congress with the justification for the decision. Section 2 also requires the USM to provide important acquisition oversight documentation to the House and Senate Committees on Homeland Security to enhance congressional oversight of major acquisition programs. For example, the USM must provide acquisition decision memorandums for each ARB held, which provide key information on meeting participants, outcomes, and the health of the program. This section also includes relevant definitions related to acquisition management.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic and existing law in which no change is proposed is shown in roman):

HOMELAND SECURITY ACT OF 2002**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Homeland Security Act of 2002”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

* * * * *

TITLE VIII—COORDINATION WITH NON-FEDERAL ENTITIES; INSPECTOR GENERAL; UNITED STATES SECRET SERVICE; COAST GUARD; GENERAL PROVISIONS

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Subtitle D—Acquisitions

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Sec. 836. *Acquisition Review Board.*

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TITLE VIII—COORDINATION WITH NON-FEDERAL ENTITIES; INSPECTOR GENERAL; UNITED STATES SECRET SERVICE; COAST GUARD; GENERAL PROVISIONS

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Subtitle D—Acquisitions

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SEC. 836. ACQUISITION REVIEW BOARD.

(a) *IN GENERAL.*—The Secretary shall establish an Acquisition Review Board (in this section referred to as the “Board”) to—

- (1) strengthen accountability and uniformity within the Department acquisition review process;
- (2) review major acquisition programs; and
- (3) review the use of best practices.

(b) *COMPOSITION.*—The Under Secretary for Management shall serve as chair of the Board. The Secretary shall also ensure participation by other relevant Department officials, including at least two component heads or their designees, as permanent members of the Board.

(c) *MEETINGS.*—The Board shall meet regularly for purposes of ensuring all acquisitions processes proceed in a timely fashion to achieve mission readiness. The Board shall convene at the Secretary’s discretion and at any time—

- (1) a major acquisition program—
 - (A) requires authorization to proceed from one acquisition decision event to another throughout the acquisition life cycle;
 - (B) is in breach of its approved requirements; or
 - (C) requires additional review, as determined by the Under Secretary for Management;
- (2) a non-major acquisition program requires review, as determined by the Under Secretary for Management.

(d) *RESPONSIBILITIES.*—The responsibilities of the Board are as follows:

- (1) Determine whether a proposed acquisition has met the requirements of key phases of the acquisition life cycle framework and is able to proceed to the next phase and eventual full production and deployment.

(2) *Oversee whether a proposed acquisition's business strategy, resources, management, and accountability is executable and is aligned to strategic initiatives.*

(3) *Support the person with acquisition decision authority for an acquisition in determining the appropriate direction for such acquisition at key acquisition decision events.*

(4) *Conduct systematic reviews of acquisitions to ensure that such acquisitions are progressing in compliance with the approved documents for their current acquisition phases.*

(5) *Review the acquisition documents of each major acquisition program, including the acquisition program baseline and documentation reflecting consideration of tradeoffs among cost, schedule, and performance objectives, to ensure the reliability of underlying data.*

(6) *Ensure that practices are adopted and implemented to require consideration of trade-offs among cost, schedule, and performance objectives as part of the process for developing requirements for major acquisition programs prior to the initiation of the second acquisition decision event, including, at a minimum, the following practices:*

(A) *Department officials responsible for acquisition, budget, and cost estimating functions are provided with the appropriate opportunity to develop estimates and raise cost and schedule matters before performance objectives are established for capabilities when feasible.*

(B) *Full consideration is given to possible trade-offs among cost, schedule, and performance objectives for each alternative.*

(e) **ACQUISITION PROGRAM BASELINE REPORT REQUIREMENT.**—*If the person exercising acquisition decision authority over a major acquisition program approves such program to proceed into the planning phase before such program has a Department-approved acquisition program baseline, the Under Secretary for Management shall create and approve an acquisition program baseline report regarding such approval, and the Secretary shall—*

(1) *within seven days after an acquisition decision memorandum is signed, notify in writing the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate of such decision; and*

(2) *within 60 days after the acquisition decision memorandum is signed, submit to such committees a report stating the rationale for such decision and a plan of action to require an acquisition program baseline for such program.*

(f) **REPORT.**—*The Under Secretary for Management shall provide information to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate on an annual basis through fiscal year 2022 on the activities of the Board for the prior fiscal year that includes information relating to the following:*

(1) *For each meeting of the Board, any acquisition decision memoranda.*

(2) *Results of the systematic reviews conducted pursuant to paragraph (4) of subsection (d).*

(3) *Results of acquisition document reviews required pursuant to paragraph (5) of subsection (d).*

(4) *Activities to ensure that practices are adopted and implemented throughout the Department pursuant to paragraph (6) of subsection (d).*

(g) *DEFINITIONS.—In this section:*

(1) *ACQUISITION.—The term “acquisition” has the meaning given such term in section 131 of title 41, United States Code.*

(2) *ACQUISITION DECISION AUTHORITY.—The term “acquisition decision authority” means the authority, held by the Secretary acting through the Deputy Secretary or Under Secretary for Management to—*

(A) ensure compliance with Federal law, the Federal Acquisition Regulation, and Department acquisition management directives;

(B) review (including approving, pausing, modifying, or cancelling) an acquisition program through the life cycle of such program;

(C) ensure that acquisition program managers have the resources necessary to successfully execute an approved acquisition program;

(D) ensure good acquisition program management of cost, schedule, risk, and system performance of the acquisition program at issue, including assessing acquisition program baseline breaches and directing any corrective action for such breaches; and

(E) ensure that acquisition program managers, on an ongoing basis, monitor cost, schedule, and performance against established baselines and use tools to assess risks to an acquisition program at all phases of the life cycle of such program to avoid and mitigate acquisition program baseline breaches.

(3) *ACQUISITION DECISION EVENT.—The term “acquisition decision event”, with respect to an acquisition program, means a predetermined point within each of the acquisition phases at which the acquisition decision authority determines whether such acquisition program shall proceed to the next acquisition phase.*

(4) *ACQUISITION DECISION MEMORANDUM.—The term “acquisition decision memorandum”, with respect to an acquisition, means the official acquisition decision event record that includes a documented record of decisions, exit criteria, and assigned actions for such acquisition, as determined by the person exercising acquisition decision authority for such acquisition.*

(5) *ACQUISITION PROGRAM.—The term “acquisition program” means the process by which the Department acquires, with any appropriated amounts, by contract for purchase or lease, property or services (including construction) that support the missions and goals of the Department.*

(6) *ACQUISITION PROGRAM BASELINE.—The term “acquisition program baseline”, with respect to an acquisition program, means a summary of the cost, schedule, and performance parameters, expressed in standard, measurable, quantitative terms, which must be met in order to accomplish the goals of such program.*

(7) *BEST PRACTICES.*—The term “best practices”, with respect to acquisition, means a knowledge-based approach to capability development that includes—

- (A) identifying and validating needs;
- (B) assessing alternatives to select the most appropriate solution;
- (C) clearly establishing well-defined requirements;
- (D) developing realistic cost assessments and schedules;
- (E) securing stable funding that matches resources to requirements;
- (F) demonstrating technology, design, and manufacturing maturity;
- (G) using milestones and exit criteria or specific accomplishments that demonstrate progress;
- (H) adopting and executing standardized processes with known success across programs;
- (I) establishing an adequate workforce that is qualified and sufficient to perform necessary functions; and
- (J) integrating the capabilities described in subparagraphs (A) through (I) into the Department’s mission and business operations.

(8) *MAJOR ACQUISITION PROGRAM.*—The term “major acquisition program” means a Department acquisition program that is estimated by the Secretary to require an eventual total expenditure of at least \$300,000,000 (based on fiscal year 2017 constant dollars) over its life cycle cost.

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