DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH, DEVELOPMENT AND ACQUISITION
1000 NAVY PENTAGON
WASHINGTON DC 20350-1000

OCT 3 2012

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Reducing Reliance on Bridge Contracts

The attached Assistant Secretary of the Navy for Research, Development and Acquisition (ASN RD&A) memorandum (same subject, dated October 1, 2012) establishes policy intended to reduce reliance on the use of bridge contracts. The policy requires the acquisition team, requirements generators, program managers and contracting officers to obtain approval and authorization to award a bridge contract from the Head of the Contracting Activity, Echelon II Chief of the Contracting Office (CCO) or Activity CCO, based on dollar threshold. The bridge contract approval authorization is required prior to requesting a justification and approval (J&A).

The policy is effective November 15, 2012, and will be codified in the Navy Marine Corps Acquisition Regulation Supplement.

My point of contact is Kenneth Brennan. He can be reached at (703) 693-1167 or kenneth.brennan@navy.mil.

Althea H. Coetzee
RDML, SC, USN
Executive Director
DASN (AP)

Attachment: As stated

Distribution:
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THE ASSISTANT SECRETARY OF THE NAVY
(RESEARCH, DEVELOPMENT AND ACQUISITION)
1000 NAVY PENTAGON
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OCT 1 2012

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Reducing Reliance on Bridge Contracts

The Under Secretary of Defense for Acquisition, Technology and Logistics memorandum of November 3, 2010, is an implementation directive to promote greater efficiency and productivity in Department of Defense spending. One initiative focuses on promoting real, effective competition. The use of bridge contracts—a descriptive term for a non-competitive contract to "bridge" the time between the end of one contract action and the beginning of another—is an impediment to real competition. Spend patterns across the Department of the Navy (DON) demonstrate an over-reliance on bridge contracts. Between October 1, 2009 and March 31, 2011, DON issued 375 bridge contracts totaling more than $2.2B.

To reduce reliance on bridge contracts and promote real competition, in addition to the justification and approval (J&A) for the sole source requirement, the program manager/requirement owner shall prepare a separate request for authorization to award a bridge contract. This determination shall address the rationale for use of a bridge contract, certify to the urgency of the requirement, and be signed by both the program manager/requirement owner and the Contracting Officer. The Chief of the Contracting Office (CCO), Echelon II CCO, or Head of Contracting Activity (HCA) shall approve the request for actions based on the following thresholds:

Bridge Value	Approval Authority
$650,000 or less	Activity CCO
Between $650,000 and $5,000,000	Echelon II CCO
Greater than $5,000,000	HCA

This approval authority is delegable one level only. A template to request bridge contract authorization is attached herein.

J&As for bridge contracts shall not be submitted for review and/or approval before the bridge contract authorization is approved for inclusion in the J&A package.

Within 30 days of the end of each quarter, each HCA shall report to the Director for Services Acquisition in the Office of the Deputy Assistant Secretary of the Navy, Acquisition and Procurement (DASN AP) data on bridge contract use, as detailed in the

SUBJECT: Reducing Reliance on Bridge Contracts

attached spreadsheet template. Reports shall be submitted via email to: seniorservicesmanage.fct@navy.mil. Negative reports are required and may be submitted via memorandum. An electronic version of the spreadsheet is available at: https://acquisition.navy.mil/rda/home/acquisition_one_source/bridge_contract_policy.

This memorandum is effective 45 days from issuance. Address questions or comments to Kenneth Brennan at e-mail: kenneth.brennan@navy.mil or phone: (703) 693-1167.

Sean J. Stackley

Attachments: As stated

Distribution:
DON/AA
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REQUEST FOR AUTHORIZATION OF BRIDGE CONTRACT

1) Contract #:

_____

2) Incumbent Name:

_____

3) Date Current Contract Period of Performance Expires:

_____

4) Period of Performance and Value of Last Order/Contract Action:

_____

5) Date Requirement for Bridge Contract Identified:

_____

6) Estimated Period of Performance and Value of Bridge Contract:

_____

7) Anticipated Award Date for Follow-on Contract (after bridge contract):

_____

8) Reason for Bridge Contract:

_____

_____

_____

_____

9) Describe the Urgency and Impact of Lack of Contractual Coverage Without Bridge Contract:

_____

_____

_____

_____

_____

10) Actions Taken to Eliminate Future Need for Bridge Contract: (address whether the acquisition strategy is full and open, limited competition, or sole source)

_____

_____

_____

_____

CERTIFICATIONS AND APPROVAL

TECHNICAL/REQUIREMENTS CERTIFICATION

I certify that the facts and representations under my cognizance which are included in this request for authorization of a bridge contract are complete and accurate to the best of my knowledge and belief.

Technical Cognizance:

Signature	Name (Printed)	Phone No.	Date

Requirements Cognizance:

Signature	Name (Printed)	Phone No.	Date

CONTRACTING OFFICER CERTIFICATION

I certify that the facts and representations for this request for authorization of a bridge contract are accurate and complete to the best of my knowledge and belief.

Signature	Name (Printed)	Phone No.	Date

ACQUISITION VALUED $650,000 OR LESS
ACTIVITY CHIEF OF THE CONTRACTING OFFICE APPROVAL

Upon the basis of the information contained in this request, I hereby approve, as the Activity Chief of the Contracting Office, the negotiation of a bridge contract valued at $650,000 or less as described herein.

Signature	Name (Printed)	Date

ACQUISITION VALUED BETWEEN $650,000 AND $5,000,000
ECHELON II CHIEF OF THE CONTRACTING OFFICE APPROVAL

Upon the basis of the information contained in this request, I hereby approve, as the Echelon II Chief of the Contracting Office, the negotiation of a bridge contract valued between $650,000 and $5,000,000 as described herein.

Signature	Name (Printed)	Date

ACQUISITION VALUED GREATER THAN $5,000,000
HEAD OF THE CONTRACTING ACTIVITY APPROVAL

Upon the basis of the information contained in this request, I hereby approve, as the Head of the Contracting Activity, the negotiation of a bridge contract valued greater than $5,000,000 as described herein.

_____	_____	_____
Signature	Name (Printed)	Date

Instructions for completing the Quarterly Bridge Contract Report

1. Re-name the tab currently titled "HCA Name (CHANGE)" to the contracting office activity name.
2. For every bridge contract issued in the reporting quarter report the details for each and every bridge action.

Note: Report each bridge contract action on a single line. Multiple bridge contract actions may NOT be

3. After completion, save Excel spreadsheet as "(Your HCA name)-Bridge Contracts-FY(2-digit year)Q(1-digit quarter #)". E.g. NAVSEA-
4. Email spreadsheet as attachment to kenneth.brennan@navy.mil
5. POC is Ken Brennan, ASN(RDA), phone 703-693-1167, email, kenneth.brennan@navy.mil

Data Dictionary

Field:	Page Location	Description
Reporting Office	Row 2	Name of reporting organization (SYSCOM / HCA/ etc.)
POC	Row 3	First point of contact, including Name, phone and e-mail
Bridge Contracts Issued (FY10 through 18 MAR 2011)	Row 6	Header separating contracts already awarded at time of reporting
Bridge Contracts Projected (18 MAR 2011 through FY11)	Row 16	Header separating contracts projected to be required for award during the remainder of FY11
Contract Number	Column A	Full individual designator for each contracting action that resulted in a bridge contract. (e.g. N00189-08-D-XXXX, etc.)
Contract POP Start Date	Column B	yyyymmdd for beginning date.
Contract POP End Date	Column C	Period of Performance end date for original contract (end date of last order. Use date format yyyymmdd for end date.
Incumbent	Column D	Name of vendor awarded the original contract
Value of Last Planned order ($)	Column E	Awarded cost of the last planned POP
Bridge POP Start Date (Actual for past awards, projected for future awards)	Column F	Period of Performance start date for the individual bridge contract. Use date format yyyymmdd for beginning dates.
Bridge POP End Date (Actual for past awards, projected for future awards)	Column G	Period of Performance end date for the individual bridge contract. Use date format yyyymmdd for end date.
Bridge Contract Value ($) (Actual for past awards, projected for future awards)	Column H	Awarded / additional cost / value of the individual Bridge POP
Date of Bridge Award (Actual for past awards, projected for future awards)	Column I	Date bridge award was signed
Cause of Bridge Contract	Column J	Reason a bridge contract was required. Free form description. Significant detail is not required, a short explanation is acceptable. Possible reasons may include (but not be limited to, Delayed submission of requirements, Late change to requirements, PCO/CS issues, Protest, Delayed DCAA audits, etc..
Bridge Approved by	Column K	Name of approver, most regularly the individual who signed the Justification and Analysis (J&A). Include name and organizations descriptor.

Quarterly Bridge Contract Report

Report Peri__ QTR FY ____

Reporting Of	
POC:	

The ASN(RDA) requirement to report the scope and prevalence of bridge contracts will be addressed by information provided in this spreadsheet. The information gathered is to provide data points for assessing the number, value and recurrence rate of "bridge" contracts; those contracts awarded as an interim method to meet workload contract requirements when a long-term, contracted solution is unavailable for any reason. The goal of this report is to provide an inventory of bridge contracts to manage metrics associated with reducing bridge contract usage.

Bridge Contracts Issued

Contract Number	Original Contract Period of Performance Start Date mm/dd/yyyy	Original Contract Period of Performance End Date (expiring date of last planned order) mm/dd/yyyy	Incumbent Vendor Name	Value of Last Planned order ($)	Bridge Contract Period of Performance Start Date mm/dd/yyyy	Bridge Contract Period of Performance End Date mm/dd/yyyy	Bridge Contract Value ($)	Date of Bridge Award mm/dd/yyyy	Rationale supporting use of a Bridge Contract	Bridge Contract Authozized By: (Name, Title, Organization)