MEMORANDUM FOR DISTRIBUTION

SUBJECT: Class Deviation Reporting Requirement for Prime Vendor Contracts

By attached memorandum dated February 12, 2010, the Director of Defense Procurement and Acquisition Policy (DPAP) authorized a class deviation to implement Section 346 of Public Law 105-261. Section 346 prohibits the award of prime vendor contracts for depot-level maintenance and repair of a weapon system or other military equipment prior to the submission of a report to Congress by the Secretary of Defense or Secretary of a Military Department, 30 days prior to the award of the proposed contract. The statute requires the report to address four areas which are delineated in the DPAP memorandum. The deviation is effective immediately and will remain in effect until incorporated into the DFARS or otherwise rescinded.

My point of contact for this matter is Mr. Clarence Belton, clarence.belton@navy.mil, (703) 693-4006.

[Signature]
Elliot B. Branch
Executive Director
DASN(A&LM)

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MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY (PROCUREMENT), DASA(P)
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DIRECTORS, DEFENSE AGENCIES
DIRECTORS, DOD FIELD ACTIVITIES

SUBJECT: Class Deviation Reporting Requirement for Prime Vendor Contracts

Effective immediately, contracting officers are prohibited from awarding prime vendor contracts for depot-level maintenance and repair of a weapon system or other military equipment until they are notified that the Secretary of Defense or the Secretary of a Military Department has submitted, 30 days prior to the award of the proposed contract, the report to Congress required by section 346 of Pub. L. 105-261, as amended (10 U.S.C. 2464 note). This report contains information on—

1. Competitive procedures to be used;
2. Cost/benefit analysis demonstrating savings over the life of the contract;
3. Analysis of conformance with 10 U.S.C. 2466; and
4. A description of measures taken to ensure 10 U.S.C. 2464 is not violated.

This deviation remains in effect until implemented in the DFARS, or otherwise rescinded. My point of contact is Ms. Meredith Murphy at 703-602-1302 or via email meredith.murphy@osd.mil.

Shay Assad
Director, Defense Procurement and Acquisition Policy