

Acquisition Update

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Transportation
Security
Administration

Office of
ACQUISITION Program
Management

Acquisition Reform

- Historically, TSA Acquisition Programs have consistently experienced **cost, schedule, and performance challenges**
 - Ad hoc requirements process, immature budget development, lack of experienced personnel, etc.
 - Multiple program breaches
- From 2015 into 2016, TSA conducted an internal assessment as a result of a Chief Risk Officer finding, followed by a **Defense Acquisition University (DAU) independent review**
- In August 2016, the Deputy Administrator directed the establishment of an **Acquisition Reform Task Force (ARTF) to develop and implement TSA solutions to four key DAU recommendations:**
 - Centralize acquisition programs into a single reporting chain
 - Establish a dedicated requirements organization
 - Leverage Operational Test Agent and Logistics functions for agency-wide support
 - Refine the Chief Technology Officer's roles and responsibilities
- **Phase 1 of the ARTF implementation occurred December 5, 2016.** Using existing resources, the Agency created three new offices to address recommendations:
 - Office of Requirements and Capabilities Analysis (ORCA)
 - Office of Contracting and Procurement (OCP)
 - Office of Acquisition Program Management (OAPM)
- **Phases 2 and 3 focus on realigning remaining acquisition programs into OAPM,** leveraging TSA's new PPBE process to facilitate the overall realignment and improve program financial planning, and optimizing existing business processes to support the desired end state



OFFICE OF ACQUISITION PROGRAM MANAGEMENT (OAPM)

OAPM Overview

Mission We deliver innovative, mission-driven capabilities required by the frontline to safeguard America's transportation system.

Vision We will efficiently provide effective mission capabilities by developing and leveraging a diverse, expert corps of professionals across the acquisition program lifecycle. We will be committed to open and transparent collaboration with all stakeholders to achieve the best possible outcomes.

Strategic Priorities

- Aggressively field enhanced capabilities
- Build an experienced and engaged workforce
- Promote organizational alignment and collaboration
- Mature portfolios

Focus Areas

- Define OAPM's roles, responsibilities, and operating models & socialize with all stakeholders
- Define & execute a workforce development strategy, including hiring, staff empowerment, and succession planning
- Develop a framework to drive focus on priorities, performance and efficiencies
- Drive stakeholder integration and coordination

Values

Focused - We are relentlessly committed to our security mission and our duty to provide operational solutions

Accountable - We accept full responsibility for every action we take, and we answer to the frontline, our peers, and our stakeholders

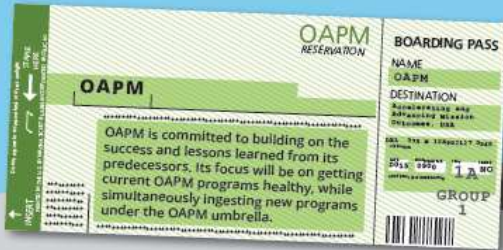
Transparent - We openly share information to ensure the most optimal solutions are identified

Entrepreneurial - We take initiative and manage calculated risks to accomplish our mission

OAPM Roadmap

OAPM Background

In 2016, TSA started consolidating a number of large scale acquisition programs under the new Office of Acquisition Program Management (OAPM). These programs are responsible for procuring, testing, and deploying new capabilities to the field to achieve TSA's mission of ensuring freedom of movement for people and commerce.



OAPM manages nearly **\$1B** in funding for acquisition programs...

...and almost **14,000** TSE units nationwide

OAPM equipment operates **365** days a year

across roughly **440** airports

On any given day, OAPM secures **2.2 M** passengers

and **1.8 M** checked bags

on over **25,000** flights



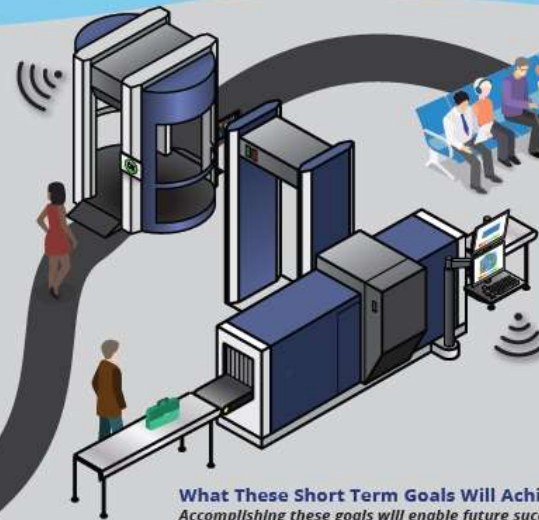
Our Strategic Priorities

- 1 Aggressively field enhanced capabilities
- 2 Build an experienced and engaged workforce
- 3 Promote organizational alignment and collaboration
- 4 Mature portfolios

Our Short-Term Goals

OAPM Identified four goals to focus on in the next year:

- 1 Further TSA's push toward **networked and integrated security equipment** by awarding **STIP DOMAIN** before FY18 and completing the first pilot/airport by CY end
- 2 Ingest the **Technology Infrastructure Modernization (TIM)** program with formal Program Management (PM) assignment and operations under OAPM
- 3 Pilot **Credential Authentication Technology (CAT)** by June, starting in Pre-Check, with ~200 units by CY end
- 4 Develop a plan and **gain departmental approval** to strategically **realign the Passenger Screening Program (PSP)**; outline milestones for each "new" program initiation



Our Long-Term Strategy

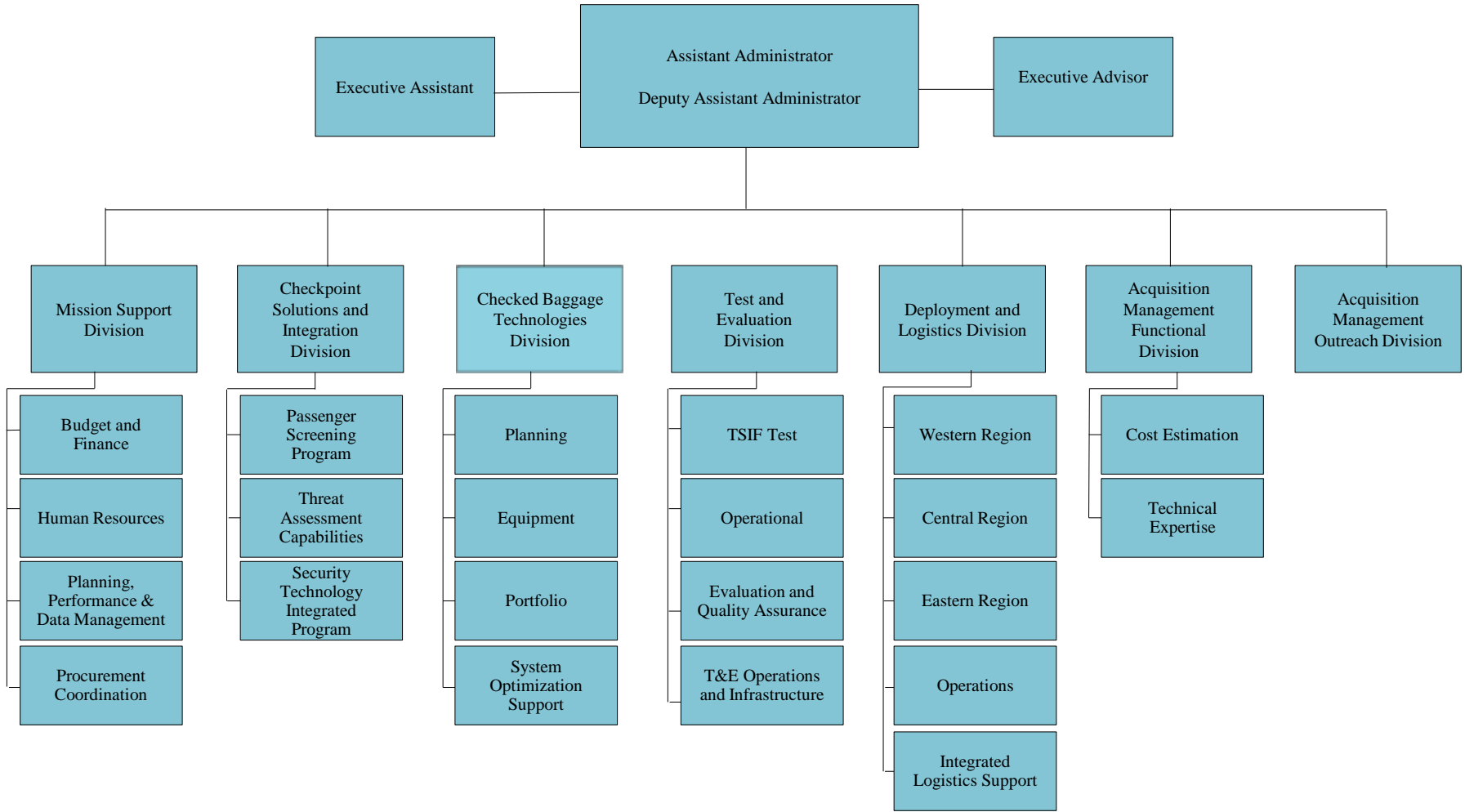
- 1 Enable a more seamless and secure reservation to destination journey
- 2 Reduce the time needed to field new and emerging capabilities
- 3 Evolve and integrate the transportation security platform, balancing security effectiveness, operational efficiency, industry vitality, and the customer experience

What These Short Term Goals Will Achieve

Accomplishing these goals will enable future success by:

- 1 Combining credential validation and near real-time access to passenger vetting information to close checkpoint capability gaps and exhibit strong stewardship of project funding
- 2 Developing a solution to connect and secure TSE, centralize threat and passenger data, and address cybersecurity concerns in required timeframes for funding
- 3 Expanding OAPM's portfolio to include a non-security technology program, positioning OAPM as an enterprise leader in acquisition program management
- 4 Pulling PSP out of breach, increasing adaptability of portfolios, and increasing transparency and PM accountability
- 5 Developing a data driven decision making approach to drive strategy and improve performance

Current OAPM Organizational Chart



Strategic Five-Year Security Technology Investment Plan Refresh

TSA is developing its biennial refresh to the Strategic Five-Year Security Technology Investment Plan for Aviation Security to provide industry with an update on planned acquisitions and to share insight into TSA's evolving priorities and initiatives. The refresh will be submitted to Congress in August 2017.

Key Topics

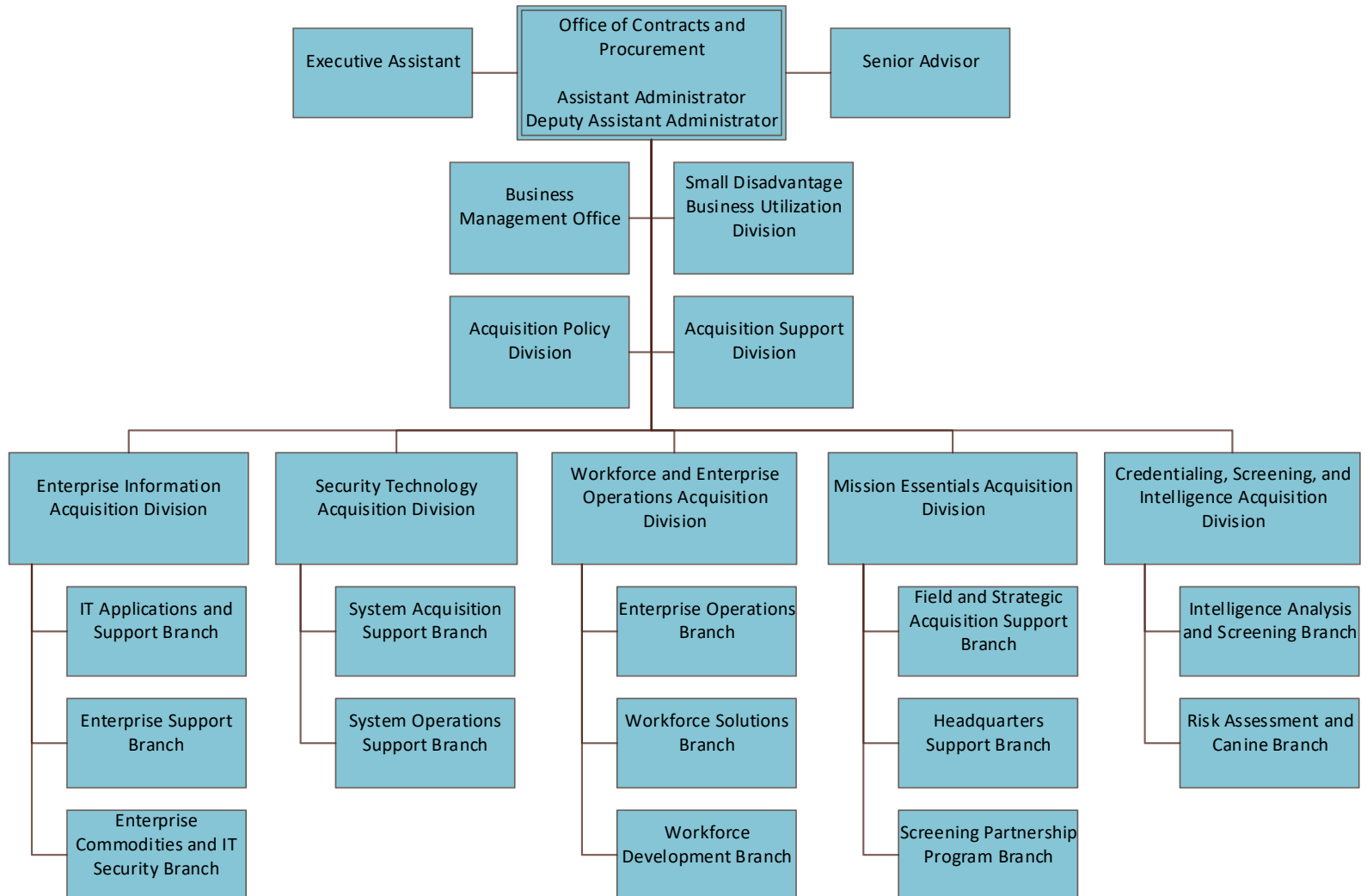
The refresh documents updates to the 2015 plan **and includes new details on TSA priorities** including:

- **TSA's ongoing reorganization** and the impact on stakeholder engagement
- **DHS JRC's role** within the Technology Investment Framework
- TSA's **updated recapitalization numbers** and new **program procurement priorities**
- Investing in the Airport of the Future
 - Updates to major avenues for technology development and ongoing technology initiatives
 - Updated **Technology Capability Gaps**
- The **Innovation Task Force's** history and **future focus areas**



OFFICE OF CONTRACTING AND PROCUREMENT (OCP)

OCP Organization



OCP Overview

IN FY2016, OCP AWARDED **3,354** ACTIONS, OBLIGATING **\$1,702,849,211**

MISSION SUPPORT *

\$9.76M worth of orders were placed for mission critical commodities by designated ordering officials

65,208 p-card transactions were processed

100% were timely reconciled.

SERVICES (\$1.51B) *

\$617.5M

TESTING, DEPLOYMENT, AND MAINTENANCE OF SECURITY DETECTION SYSTEMS

\$178M

SCREENING/SECURITY GUARD SERVICES

\$444.6M

IT SYSTEMS, DEVELOPMENT, OPERATIONS, AND MAINTENANCE

\$345.8M

PROFESSIONAL SUPPORT SERVICES

SUPPLIES (\$199M) *

\$91M

SECURITY DETECTION SYSTEMS

\$65M

IT HARDWARE & SOFTWARE

\$21M

UNIFORMS

CONTRACT PAYMENTS *

24,206 invoices were paid

3,705 large business invoices were paid within 15 days

15,314 small business invoices were paid within 15 days

494 invoices were late

\$38,038 of interest was paid

1,235 contracts were closed

\$164,365,409 was deobligated.

COMPETITION *

\$1.1B was competed (65% of the \$6.8M)

\$1,113,114,152 COMPLETED



\$589,735,060 NON-COMPETED

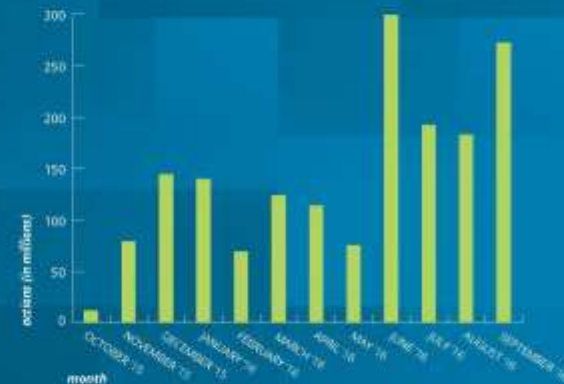
PROTESTS

<10 protests were received (0.2% of contract actions)

we've received 53% less protests since FY12. TSA's high-water mark for protests received.

we have not lost a protest in the last four years

DOLLARS AWARDED BY MONTH



SMALL BUSINESS

SMALL BUSINESS CATEGORY	OBLIGATED (\$)	FY GOAL (%)	YTD ACTUAL (%)
Small Business Actions	\$407,890,312	23%	24.1%
SDB Actions	\$122,208,773	2.9%	7.2%
8a Actions	\$58,450,059	2.9%	3.9%
SDVOWNED Actions	\$58,139,850	3%	3.4%
VOSB Actions	\$65,156,878	3%	3.8%
WOSB Actions	\$123,649,396	2%	7.3%
HubZone Actions	\$42,908,981	3%	2.5%
Total SB Eligible Actions	\$1,092,981,840	N/A	100%

In FY16, the Office of Acquisition met our Small Business goals with the exception of HubZones, which saw an exponential increase since our quarterly metrics. \$1.6M was awarded to small business.

* Numbers presented are averages

OCP Industry Engagement

- **Industry Engagement**
 - **Industry engagement strategy** is part of internal gate reviews
 - Final decisions on strategy are made at the **Procurement Strategy Review** after a significant amount of engagement
 - Customer intimacy with all interested companies is impossible, but **should not be interpreted as related to probability of win**
- **Common Engagement Strategies**
 - Request for Information (beyond sources sought notices) that lead to **one-on-one discussions**
 - **Draft documents with responses**
 - Forums
 - **Broad Agency Announcements**
- **Common Industry Groups:** Government Technology Services Council, Washington Homeland Security Roundtable, Homeland Security Defense Business Council, Airport Consultants Council

Source Selection Methodologies

- **Best Value, Trade Off** is standard
- **Low Price Technically Available** – primarily for commodities or multiple award contracts
- **“Technical Prompts”** focused on specific discriminators
 - *Example: In support of SOW Section 1.0 “Test Planning, Analysis, and Reporting”, how will the Quoter interface with an Institutional Review Board (IRB) to obtain and maintain laboratory IRB Certificate of Approval? The Quoter should address what program artifacts are required to implement test projects utilizing human subjects; how the IRB impacts day to day laboratory operations; and the negative impacts and severity of the impact if TSA’s IRB Certificate of Approval and approved protocol is not maintained.*
- **Use of oral presentations increasing**
 - Presentation in mornings and evaluation in the afternoon

Strategic Sourcing Philosophy

- **Considerations:**
 - Ability to delivery the mission
 - Expected number of proposals
 - Price competition
 - Small Business
 - Contracting efficiency
- **Common Vehicles Used:**
 - DHS EAGLE
 - GSA OASIS
 - TSA OASIS
 - DHS FirstSource
 - GSA Consolidated Schedule

Noteworthy Procurements

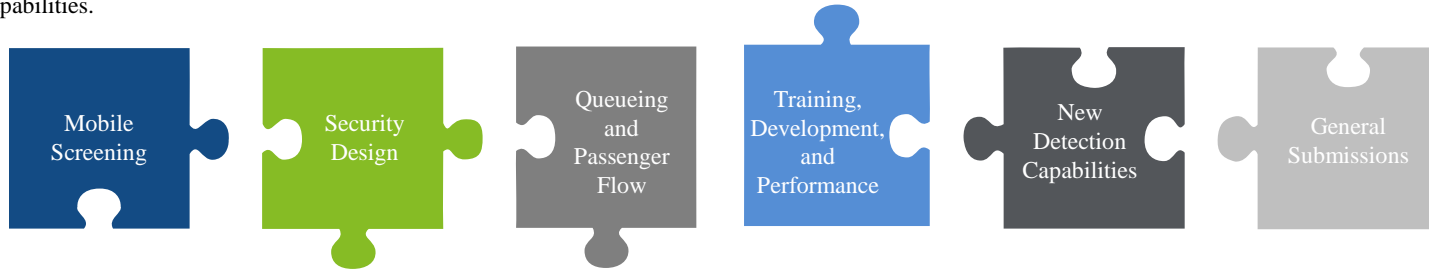
- **Personnel, Payroll and Benefits (PP&B) Operational Support Contract**
 - Support to process and resolve all PP&B related issues for TSA employees as well as provide advisory services to the Office of Human Capital (OHC)
 - Competitively awarded in March to Deloitte Consulting
- **IT Management, Performance Analysis, and Collaborative Technologies (IMPACT)**
 - Day-to-day operational IT services necessary for TSA users of voice, video, and data systems
 - Currently in evaluation, anticipated award timeframe is June
- **Secure Flight**
 - Improve Secure Flights' existing processes, tools, and infrastructure to realize faster development cycles, enhanced name matching, improved reporting/data analytics, and automate and streamline system builds and infrastructure
 - TORP (RFP equivalent for EAGLE II) was released in Feb, anticipated award time frame is August 2017
- **Checkpoint Integrated Logistics Support (ILS) Services**
 - Maintenance and logistics services, including helpdesk service, of TSA security equipment; will be a DHS Strategic Sourcing Vehicle
 - RFP was released in May, anticipated award timeframe is Sept
- **Domain Awareness Integrated Network (DOMAIN) Support Services Contract**
 - Implementation and support of a new network connectivity architecture for TSA security equipment
 - RFP was released in May, anticipated award timeframe is Sept
- **Technology Infrastructure Modernization (TIM)**
 - Agile support of the design and development of the current TIM System and the transition to the TIM Next Generation (TIMNG) Open Source System
 - Anticipated release of RFP in July, anticipated award timeframe is Mar 2018
- **Universal Enrollment Services (UES)**
 - Enrollment services for multiple programs, populations, initiatives or functions required, authorized or serviced by TSA
 - Draft RFP was released in June, Industry Day in June/July, Anticipated release of the RFP in July/August, anticipated award timeframe is Dec

IDEA Broad Agency Announcement

What is the Innovation Task Force?

The Innovation Task Force (ITF) is a division within TSA's Office of Requirements and Capabilities Analysis (ORCA) that demonstrates emerging people, process, and technology solutions in a live airport environment. These short-term demonstrations are used to inform future TSA requirements and provide vendors with feedback to mature solutions.

ITF has identified six submission categories for solutions under IDEA. These categories highlight specific areas of interest for TSA and will be used for the purposes of organization and evaluation. Vendors should identify the one (1) category most applicable for their solution and where the solution provides the greatest advancement over current TSA capabilities.



How can you share your IDEA?

What do you share?*	How do you share?
<p>A White Paper must include the following key information:</p> <ul style="list-style-type: none"> ▪ Company information ▪ Company point of contact ▪ Solution description ▪ Solution level of innovation ▪ Submission category 	<p>A White Paper should be shared via one of the following forms:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Traditional Paper: White Paper of no more than five pages, not including a cover page <input type="checkbox"/> Slide Deck: Slide deck presentation of no more than fifteen slides, not including a cover slide <input type="checkbox"/> Video Submission: Video (with transcript) of no more than five minutes describing or demonstrating the proposed solution

Share your White Paper by July 15, 2017

*For more information on White Paper requirements please see the complete Broad Agency Announcement posted on FedBizOpps

TSIC Broad Agency Announcement

The Transportation Security Innovative Concepts (TSIC) Broad Agency Announcement (BAA) is a solicitation through FedBizOpps.gov designed to identify innovative security concepts that can be applied to support TSA's mission. TSA seeks innovations which offer potential advancement and/or improvement on:

Technologies • **Processes** • **Security Operations** • **Human Factors** • **Capabilities**

BAA Respondents:

TSA seeks information and solutions from the following groups:

- Original Equipment Manufacturers (OEMs)
- Universities
- Third Party Vendors
- Service Providers



TSIC BAA Program

BAA Customers:

TSIC BAA procurements may be used by the following TSA Program Offices/Divisions:

- OAPM
- ORCA



Open BAAs

Solicitation is always open and respondents may submit concept papers about any topic

- Respondents can submit concept papers any time
- Concepts align to TSA mission objectives
- Evaluation and selection typically requires six-months

Targeted BAAs

TSA releases BAA solicitations requesting response to focused topic areas

- Topics are selected by TSA to advance specific program objectives.
- There is a short open window to receive concept papers (avg. 2 months)
- Specific funding identified for each T-BAA



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Industry Liaison

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The Industry Liaison is the point of entry for vendors seeking to do business with TSA. The industry liaison coordinates vendor presentations with program offices and Industry Days, conducts market research, responds to informal Congressional requests, and performs vendor analysis reporting. The Industry Liaison provides industry partners greater visibility into TSA’s requirements and fosters knowledge sharing between TSA and vendors.



Small Business Advocate

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The TSA Office of Small Business Programs is tasked with ensuring that TSA spends a proportionate share of its procurement dollars with small, small disadvantaged, women-owned small, HUBZone, veteran-owned small and service disable veteran-owned small business concerns as required by public law. The office helps acquisition officials understand various small business programs, conduct market research, and make set aside determinations.