AFLCMC/WFALC Parts & Repair Ordering System (PROS) General Overview

PROS PM: Ms. Karen Cole
PROS Deputy PM: Mr. Chad Vorhis
Overview

• Why PROS Exists?
• What is PROS?
• PROS V Contract Features
• PROS Tools and Resources
Why PROS Exists?

- Prior to 1990, 60% of FMS requisitions were cancelled due to lack of organic support
- With PROS, less than 10% of FMS requisitions are cancelled due to lack of qualified source

<table>
<thead>
<tr>
<th>Contract</th>
<th>Period of Performance</th>
<th>Orders Processed</th>
<th>Est’d Value</th>
<th>Actual Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIPARS</td>
<td>1990-1996</td>
<td>100,000</td>
<td>$250M</td>
<td>$470M</td>
</tr>
<tr>
<td>PROS I</td>
<td>1996-2001</td>
<td>174,652</td>
<td>$750M</td>
<td>$900M</td>
</tr>
<tr>
<td>PROS II</td>
<td>2001-2006</td>
<td>184,968</td>
<td>$2B</td>
<td>$1.9B</td>
</tr>
<tr>
<td>PROS III</td>
<td>2006-2012</td>
<td>142,678</td>
<td>$1.5B</td>
<td>$943M</td>
</tr>
<tr>
<td>PROS IV</td>
<td>2012-2017</td>
<td>128,592</td>
<td>$1.64B</td>
<td>$1.56B</td>
</tr>
<tr>
<td>PROS V</td>
<td>2017-2031</td>
<td>24,759*</td>
<td>$4.2B</td>
<td>$322.5M*</td>
</tr>
</tbody>
</table>

*Data as of 21 Mar 2018
What is PROS?

• PROS is a major procurement contract which provides support for our FMS partners nonstandard and hard-to-support standard requirements
  - **Non-standard Item**: An item that is NOT actively managed, procured, stocked, stored or issued within the United States Air Force (USAF) Inventory
  - **Standard Item**: An item that is actively managed, procured, stocked, stored or issued within the USAF Inventory

• Tri-Service program offering support to AF, Navy, and Army FMS customers

**NOTE**: Support is limited to weapon systems of U.S. origin

Primary Method for Non-standard Supply and Maintenance Support within AF FMS
What is PROS?

The Team

- Foreign Partners
- PROS Prime Contractor (S&K Aerospace)
- Commercial Vendors
- Government/AFSAC Program Office
**What is PROS?**

### Services

<table>
<thead>
<tr>
<th>SERVICE AREAS</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUPPLY</strong></td>
<td>Procurement of spare parts and end items. Includes package buys and Price and Availability (P&amp;A).</td>
</tr>
<tr>
<td><strong>MAINTENANCE</strong></td>
<td>Test, Teardown and Inspection (TTI), repair, overhaul, upgrade, modification, and calibration/testing.</td>
</tr>
<tr>
<td><strong>TASK ORDERS</strong></td>
<td>Studies, analysis, and technical services to include site surveys, training, and equipment installation support.</td>
</tr>
</tbody>
</table>

The PROS Team Supports FMS Customers by Focusing on Competitive Pricing, Quality Products, and Timely Support

*Courtesy of U.S. Air Force*
What is PROS?
Supply Area Eligibility

• Non-Standard Items (A05)
  - Input by the FMS customer directly to PROS
  - Standard item may be input as A05:
    • If <Supply> NIIN narrative indicates PROS eligibility with ESA approved source, and
    • NIIN narrative is included in requisition narrative
  - All Navy PROS requisitions are A05

• Hard-To-Support Standard Items (A01)
  - Customer routes requisition to applicable USAF SoS
  - If source unable to support:
    • Customer given the option to pass to PROS
    • SoS must include ESA approved source
What is PROS?
Supply Features

• Substitutions
  - Contractor research may result in Interchangeable/ Substitutable (I&S) part number
  - Customer approval required if part not catalogued

• “Do not substitute” advice codes (2B, 24, or 26)
  - Prohibits part number substitutions
  - For NSN requisitions:
    • S&K can provide any P/N listed under NSN
    • S&K uses only sources listed in FEDLOG/Haystack

• Not To Exceed (NTE)- supply req’s only
  - Based on total material value
  - May reduce time required for price approvals
What is PROS?
Supply Process

SAMIS sends A05/A01 record to Ctr

Ctr acknowledges receipt - BD

Ctr initiates Research/ Solicitation cycle - BZ

Quotes received? YES

Ctr posts price quote - PQ

SAMIS financial status – OK/OH

Price approval required - X5

NO

YES

Cancellation fee processed

NO

YES

Customer approval – R5

Process ends

Ctr cancels - CG

Process ends

Contract awarded – BV/ESD

Ctr researches rqmt - within scope, IDs unique rqmts, NTE, 2B, suggested sources, etc.

Solicit quotes, process RFQ to directed/suggested sources

NO

NO

DFAS pays bill/ delivery reported in SAMIS

Process ends

AFSAC PMO/CO certifies payment

Ctr tracks ESD to Shipment

Ctr confirms shipment - AS3

Ctr submits invoice

Ctr researches rqmt - within scope, IDs unique rqmts, NTE, 2B, suggested sources, etc.

Solicit quotes, process RFQ to directed/suggested sources

Note: This is the AF process. There are slight differences in codes and responses for Navy.
What is PROS?

Maintenance Area Eligibility

- Non-Standard Items (C0R)
  - Input by the FMS customer directly to PROS

- Hard-To-Support Standard Items (C0R)
  - Standard items eligible for maintenance support:
    - If <Repair> NIIN narrative indicates PROS eligibility
    - Customer provides complete Maintenance Requisition Form to PROS Program Office
  - ALL PROS standard maintenance requisitions are input by the PROS Program Office

- Maintenance efforts are repair and return

- Air Force only
What is PROS?

Maintenance Features

• Shipping instructions
  - Posted in SAMIS via X8
  - If item not received in 120 days, requisition cancelled

• Beyond Economic/Physical Repair (BER/BPR)
  - Disposition request posted in SAMIS via X9
  - For BER, customer may continue repair (fair and reasonable pricing still required)
What is PROS?
Maintenance Process

SAMIS sends C0R record to Ctr
Ctr acknowledges receipt - BD
Ctr initiates procurement cycle - BZ
Quotes received?
NO
YES
Ctr cancels – CG
SAMIS sends IQ to SAMIS for TTI
SAMIS financial status - OK/OH
Cancellation Fee Processed
NO
YES
Customer Approve
Process Ends
YES
NO
Price approval required - X5

Price approval required - X5
YES
NO
SAMIS financial status - OK/OH
Contract awarded – BV/ESD
Vendor completes repair
Ctr tracks ESD to shipment
DFAS Pays bill/ delivery reported in SAMIS
AFSAC PMO/CO certifies for payment
Ctr submits invoice
Ctr confirms shipment - AS3

Ctr researches rqmt - within scope, IDs unique rqmts, suggested sources, etc. Solicit quotes, process RFQ to directed/suggested sources

Vendor completes TTI & provides quote for full effort (PQ)
SAMIS financial status - OK/OH
Price approval required - X5

Process Ends

Process Ends
What is PROS? Task Order Eligibility

• A means to procure specialized support
• Directly associated with PROS-procured items
• Includes:
  - Familiarization training
  - Labor to install material procured through PROS
  - Site surveys
  - Studies
  - Management review support by S&K

PROS Program Office determines if TO is appropriate vehicle
Customer submits requirement to AFSAC

PROS Program Office determines supportability

or

Use existing PROS supply/maint processes

See supply/maint process flow

Input requirement as Task Order

SOO forwarded to PROS contractor

Contractor defines method of supporting requirement

AFSAC negotiates/approves contractor’s proposal/support plan

Customer approves support plan and price

Task Order Executed

What is PROS?
Task Order Process
What is PROS?
Materiel Supported

- Aircraft components (wings, tires, etc.)
- Navy ship components
- Engine components
- Support equipment
- Tactical vehicles (HMMWV)
- Vehicles (fire trucks, ambulances)
- Clothing (flight suits, jackets)
- Computer equipment (laptops)
PROS V Contract Features

- Awarded to S&K Aerospace (SKA) on 3 Nov 16 and was implemented 1 Jan 17

- Prime performance parameters are:
  - Timely requisition processing
  - Best value pricing
  - Responsive customer support
  - Quality material
  - Effective program management

<table>
<thead>
<tr>
<th>Contract Periods</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Ordering Period</td>
<td>11 Apr 17 – 31 Dec 21</td>
</tr>
<tr>
<td>Five 1-Year Options</td>
<td>1 Jan 22 – 31 Dec 26</td>
</tr>
<tr>
<td>Closeout (Remaining Shipments/SDRs)</td>
<td>1 Jan 27 – 31 Dec 31</td>
</tr>
</tbody>
</table>
PROS V Contract Features  
Item Eligibility

• **PROS Eligible Cases:**
  - E, M, Q, R, S
  - D, L, O, Y with process owner coordination

• **Standard vs. Non Standard Determination**

<table>
<thead>
<tr>
<th>Eligibility Determination</th>
<th>Managed by ALC</th>
<th>Acquisition Advice Code (AAC)</th>
<th>Material Management Aggregation Code (MMAC)</th>
<th>Expendability, Recoverability, Reparability Code (ERRC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonstandard</td>
<td>No</td>
<td>P, V, Y, L, T, X, F and J&lt;sup&gt;1&lt;/sup&gt;</td>
<td>EX, PU, XA, XG, XL, XN, XT, XU, XV, XW, XY and XZ</td>
<td>N or P (maintenance only)</td>
</tr>
<tr>
<td>Standard (AF PICA)&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Yes</td>
<td>All Others</td>
<td>All Others</td>
<td>All Others</td>
</tr>
<tr>
<td>Standard (AF SICA)&lt;sup&gt;3&lt;/sup&gt;</td>
<td>Yes</td>
<td>All Others</td>
<td>All Others</td>
<td>All Others</td>
</tr>
</tbody>
</table>

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1. If PN/NSN is identified with Acquisition Advice Code (AAC) J and the ALC provided a directed source, that source shall be used. If there is not a directed source, contractor shall treat as non-standard.
2. Standard (USAF Primary Inventory Control Agency (PICA)) are eligible for PROS support, contractor shall use AF ESA approved source(s).
3. Standard (AF SICA) are eligible for PROS support and shall be openly competed.
• DLA/GSA part number requisitions are eligible
• Night Vision Devices for approved partners
• Program Office review required for:
  - Classified
  - Cartridge Activated Devices/ammo/explosives
  - Hazardous material
  - Significant Military Equipment
  - Major Defense Equipment
### Three Levels of Service
- Highest Level of Service (HLS)
- Urgent
- Routine

### Contract Award Objectives:

<table>
<thead>
<tr>
<th>Level Of Service (LOS)</th>
<th>Supply Contractor Days to Award (BD to BV)</th>
<th>Maintenance Test Teardown and Inspection (TTI) Contractor Days to Award (BD to IV)</th>
<th>Maintenance Contractor Days to Award after PQ for Maintenance (PQ to BV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HLS</td>
<td>21 Days</td>
<td>24 Days</td>
<td>5 Days</td>
</tr>
<tr>
<td>Urgent</td>
<td>40 Days</td>
<td>60 Days</td>
<td>10 Days</td>
</tr>
<tr>
<td>Routine</td>
<td>60 Days</td>
<td>80 Days</td>
<td>15 Days</td>
</tr>
</tbody>
</table>
## PROS V Contract Features

### Fees

<table>
<thead>
<tr>
<th>Type</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contractor Fees</strong></td>
<td></td>
</tr>
<tr>
<td>Fill Fee</td>
<td>Contractor fee for filling requisition. Based on LOS and material value.</td>
</tr>
<tr>
<td>Research Fee</td>
<td>Cancellation prior to price quote.</td>
</tr>
<tr>
<td>Cancellation Fee</td>
<td>Cancellation after price quote. Based on LOS and material value.</td>
</tr>
<tr>
<td>Termination Fee</td>
<td>Customer cancellation after contract award.</td>
</tr>
<tr>
<td>Expedite Fee</td>
<td>Customer request to improve Estimated Ship Date (ESD) after contract award.</td>
</tr>
<tr>
<td>Price &amp; Availability</td>
<td>Waived if requisition submitted after P&amp;A.</td>
</tr>
<tr>
<td>Contingency Ops Fee</td>
<td>DSCA project code; surge effort to work requirements expeditiously.</td>
</tr>
<tr>
<td><strong>Government Fee</strong></td>
<td></td>
</tr>
<tr>
<td>PROS Program Fee</td>
<td>US Government fee to fund contract administration and oversight. 2% of material value (maximum $1.5K per requisition).</td>
</tr>
</tbody>
</table>

**Note:** Actual contractor fee rates are proprietary and may be obtained from the contractor or the Program Office by individuals who have a need to know and have signed a Non-Disclosure Agreement.
• Fill fee reduced for late contract awards
• Additional incentive available for meeting target awards

<table>
<thead>
<tr>
<th>CONTRACTOR DAYS</th>
</tr>
</thead>
<tbody>
<tr>
<td>At/Before Contract Award Objective</td>
</tr>
<tr>
<td>Fill Fee Earned</td>
</tr>
</tbody>
</table>

Requisitions cancelled on day 151 if not awarded
• Provide all required information in requisition
• Sufficient info will eliminate/reduce delays
  - National Stock Number
  - Part Number
  - Cage Code
  - Weapon System/Aircraft Block
  - End item
  - Make/Model/Color
  - Applicable technical order/manual number
  - Suggested source w/ contact info

Accurate information up front is critical to meeting requirements on time!
• Competition required on all nonstandard items
• Customer can provide suggested source
• Single/Only Source: fair and reasonable req’d
• Letter of Offer and Acceptance (LOA) Sole Source
  - Customer must advise at time of requisition input
  - Provide Program Office copy of LOA
  - Program Office will document SAMIS narrative

If customer only wants an item from a particular source, the ONLY avenue is LOA sole source
PROS V Contract Features

Quality

• One year warranty
  - Customer approval required for less than 1 year (XH/RH)
  - Documented on Certificate of Conformance

• Quality
  - Program Office oversees contractor performance
    • Conducts Quarterly Site Audits
  - Supply Discrepancy Report (SDR) process used for defects
**PROS Tools and Resources**

- **AFSAC Online** - https://afsac.wpafb.af.mil/pros5.jspp
  - Customer Handbook
  - PROS reports
  - Communication Tool

**Points of Contact/Organizational Mailboxes:**
- afsac.pros.supply@us.af.mil
- afsac.pros.repair@us.af.mil
- afsac.pros.sdres@us.af.mil