



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

MAR 29 2010

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 The deviation is effective immediately and will remain in effect until incorporated into the DFARS or otherwise rescinded.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](mailto:clarence.belton@navy.mil), (703) 693-4006.

*Elliott B. Branch*

Elliott B. Branch  
Executive Director  
DASN(A&LM)

Attachment:  
As stated

Distribution:  
See next page

**SUBJECT: Class Deviation Reporting Requirement for Prime Vendor Contracts**

**CMC (LB)  
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NAVFACENGCOM (ACQ)  
NAVICP (02)  
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OFFICE OF THE UNDER SECRETARY OF DEFENSE  
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FEB 12 2010

In reply refer to  
DARS Tracking Number: 2010-00002

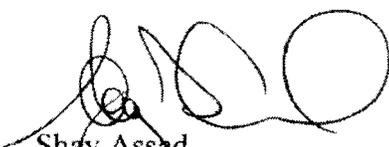
MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
COMMANDER, UNITED STATES TRANSPORTATION  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
DEPUTY ASSISTANT SECRETARY OF THE ARMY  
(PROCUREMENT), DASA(P)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY  
(ACQUISITION & LOGISTICS MANAGEMENT),  
DASN (A&LM)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING), SAF/AQC  
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](mailto:meredith.murphy@osd.mil).

  
Shay Assad  
Director, Defense Procurement  
and Acquisition Policy