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MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Army Waiver Process for Commercial-Off-the-Shelf Information Technology (COTS IT) Procurement Outside the Computer Hardware, Enterprise Software and Solutions Program

1. References:

   a. Army Federal Acquisition Regulation Supplement (AFARS), Revision 25, Part 5139, 1 April 2010.

   b. Army Regulation (AR) 70-1, Army Acquisition Policy, 22 July 2011.

   c. AR 25-1, Army Knowledge Management and Information Technology, 4 December 2008.

   d. Memorandum, Secretary of the Army, 28 June 2012, subject: Support to the Army Request for Information Technology (ARFIT) Process.

   e. Memorandum, Acting Assistant Secretary of the Army (Acquisition, Logistics and Technology) and Chief Information Officer/G-6 (CIO/G6), 4 May 2009, subject: Use of Computer Hardware, Enterprise Software and Solutions (CHESS) as the Primary Source for Procuring Commercial Information Technology (IT) Hardware and Software.

2. Purpose. This memorandum refines Army policy for the purchase of Commercial-Off-The-Shelf Information Technology (COTS IT) via the CHESS program. This policy will be incorporated into AR 25-1 and AR 70-1.

3. Background. In April 2010, AFARS was updated to designate CHESS as the mandatory source for commercial IT hardware and software purchases regardless of dollar value. Furthermore, the policy requires organizations to obtain a waiver prior to executing any purchases outside of CHESS contracts.

4. COTS is defined in the Federal Acquisition Regulation, subpart 2.101, as a commercial item sold in substantial quantities in the commercial marketplace and offered to the government under a contract or subcontract at any tier, without modification, in the same form in which it was sold in the marketplace.

5. Policy.

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a. Project Director (PD) CHESS. Effective 1 July 2013, PD CHESS will no longer issue waivers for the purchase of COTS IT hardware or software that is not available under an existing CHESS contract. For these requests, CHESS will instead issue a statement of non-availability to the requester. The statement of non-availability does not constitute approval to purchase or deviate from any Army regulation or policy.

b. Army organizations. Effective 1 July 2013, HQDA will approve all requests from all Army organizations seeking to purchase COTS IT through sources other than PD CHESS regardless of cost or appropriation. Commands funding the purchase will request a waiver of this policy by using the Goal 1 Waiver website prior to purchase of all IT hardware or software (https://adminapps.hqda.pentagon.mil/akmg1w/index.html). Exceptions are detailed in paragraph 5.c.

c. Exceptions:

(1) The United States Military Academy (USMA), in support of the academic and cadet development mission, will use CHESS as the required source of supply. In the event that CHESS is not able to support the procurement within mission requirements, USMA is authorized to execute the procurement consistent with existing regulations and policies. USMA will provide an annual report, due 30 June, detailing all procurements made to support academic and cadet operations on the Defense Research and Education Network enclave for the preceding 12-month period. The report will include the item description, date of procurement, vendor, price and quantity for each item.

(2) Non-Program Executive Officer/Project Manager managed Military Intelligence Program (MIP) systems. Non-PEO/PM managed MIP systems will be requested using the Army G-2 Automated Systems Integration Database system. The request will include the CHESS statement of non-availability for alternate contract purchase approval and will be reported to the CIO/G6. The Army G-2 will provide a semi-annual report detailing all procurements made to support MIP systems for the preceding six-month period. The report will list the item description, date of procurement, vendor, price and quantity for each item.

6. The CIO/G-6 point of contact is Mr. James Mark: (703) 692-4519 or james.n.mark.civ@mail.mil. The Army G-2 POC is Judith Searles-Miller: (703) 695-0843 or judith.searles-miller.civ@mail.mil. The CHESS point of contact is Mr. Cliff Stevens: (703) 806-8237 or Clifford.j.stevens6.civ@mail.mil.
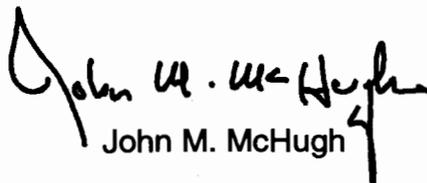
John M. McHugh

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