

Single Process Initiative (SPI)

Process - Process Description

1. Risk Planning

1.1. Single Process Initiative has a four-step process with a 120 day goal. The four steps are: Proposal Development (30 days), Approval (60 days), Contract Modification (30 days), and Implementation.

1.2. The CMOs should appoint a SPI point of contact to facilitate early and frequent communication between the contractor and affected customers' for concept papers in the development phase. This early interface provides the opportunity to informally discuss the feasibility of proposed changes, ensures that the customers concerns are adequately addressed, improves the likelihood of customer approval and provides for rapid implementation.

1.3. CMOs should use a [Management Council](#) to facilitate timely and constructive exchange of SPI information, and make recommendations for approval of SPI concept papers. Management Councils are usually established at the local site level, but may also be established at the corporate or sector (segment) level.

1.4. The CMO will process all requests for SPI changes including those where statutory or regulatory requirements are involved.

1.5. To assist contractors in preparing concept papers, CMOs should use the [SPI Concept Paper Guidebook](#). The Guidebook contains an outline of the information needed to make an informed decision on the merits of the process change.

1.6. Acquisition Pollution Prevention Opportunities should be prepared using the SPI process and the concept paper format. All questions should be directed to the Pollution Prevention District and Headquarters Process Managers. If a suitable alternative to a polluting process or hazardous material is not available, the Management Council should contact the District Process Manager. The District Process Manager via Headquarters will contact the Joint Group on Pollution Prevention to consider initiation of a project to validate an alternative.

2. Risk Assessment

2.1. The CMO should conduct an initial review to ensure that the concept papers contain sufficient information to allow rapid review and approval by the Management Council. This CMO review is not to determine technical sufficiency, feasibility, or viability and shall not result in premature rejection of concept papers.

2.2. The CMO shall coordinate SPI concept papers with its local Office of Counsel to ensure that the concept paper will not impact any on-going investigations or litigation. Local Counsel will coordinate with the Headquarters Contract Integrity Center and/or contact Disputes Resolution Centers, as appropriate.

2.3. It is the responsibility of the ACO to ensure that the concept paper is complete and that the cost benefit analysis is adequate. This means that the analysis is based upon empirical data; that it includes the major activities needed to implement the process, and an estimated cost for each; and that it identifies those requirements to be deleted along with an estimated annual saving to both existing and future contracts. A concept paper should contain the following information:

- 2.3.1. Title
- 2.3.2. Descriptive Summary
- 2.3.3. Planned Transition Approach
- 2.3.4. Implementation of Proposed Process
- 2.3.5. Proposed Metrics
- 2.3.6. Cost Benefit Analysis
- 2.3.7. Impact on Contracts
- 2.3.8. Assessment of Changes in Government's Involvement
- 2.3.9. Statutory/Regulatory/Contractual Changes

3. Risk Handling

3.1. A key to timely processing of SPI concept papers is having a method for resolving component differences. If there is an internal component or cross component disagreement the CMOs shall use the [Escalation Policy](#) for the Single Process Initiative.

3.2. CMOs shall request cognizant DCAA field office analyze the concept paper's cost benefit and provide advice as to its reasonableness. ([DCAA CAM 1-807h](#))

3.3. Following submittal of the proposal, the CMO should determine the contractual/regulatory scope of change, confirm the component customer base impacted and inform the Management Council.

3.4. Each key customer will provide a Component Team Leader (CTL). The CMO should request, from each key customer that an individual be designated as the CTL for that activity. CTLs are designated and granted decision authority by the Component Acquisition Executive (CAE). CTLs are responsible for achieving consensus with other CTLs, the key customers' PCOs and Program Managers (PMs), the component team members and the CAE. Once CTLs have been designated, the CMO should notify all customers.

3.4.1. The CMO shall invite NASA, FAA, and Navy Nuclear Propulsion Program customers, regardless of the dollar value of their contracts, to participate in the Management Council.

3.4.2. The CMO should distribute the concept paper to the Management Council members in a timely manner. The contractor should be encouraged to provide the concept paper to the CMO in electronic format in order to facilitate the rapid dissemination of the concept paper via e-mail or other electronic means. If the contractor cannot provide the concept paper in electronic format due to lack of capability, the CMO should make every effort to convert the paper to electronic format and distribute it via electronic means to Government Management Council members.

3.4.3. The objective of the approval process is to resolve disagreements, facilitate consensus, and escalate and resolve issues of substantial concern. If the CMO Commander cannot achieve consensus because there is disagreement among customers within a component, the CTL is required to raise the issue to the CAE. Additionally, the SPI Management Team can assist in resolving differences.

3.4.4. Management Councils should actively manage concept papers until resolution, including the development of dispute resolution/escalation procedures and a concise tracking mechanism to ensure concept papers remain on track:

3.5. Proposed concepts involving legislative or regulatory changes shall be processed by the local Management Council, even though they do not have final approval authority for these changes.

3.5.1. For each concept paper involving statutory or regulatory changes, the Management Council shall provide the kind of analysis set forth in [DFARS 201.402\(2\)](#).

3.5.2. Legal review at the CMO shall be obtained, with additional legal review provided at the District level as necessary. If the Management Council determines that the concept paper is beneficial to both industry and to the Government it should be forwarded to the HQ DCMA Process Manager for further processing.

3.5.3. If implementing the proposal requires a legislative change, the HQ DCMA process manager should work with the DCMA Associate General Counsel (Legislation) to prepare the draft legislative change. The DCMA Associate General Counsel (Legislation) should then submit the proposed change through channels to the DoD Deputy General Counsel (Legislative Reference Service) for input in the DoD Authorization Act submission.

3.5.4. If implementing the proposal requires a change to the FAR/DFARS then the request shall be submitted by the DCMA HQ process manager through the DCMA DAR Council Policy Member to the Director, DAR Council for processing. The HQ Process Manager shall draft the FAR/DFARS case in accordance with the format contained in [DFARS 201.201-1\(d\)](#).

3.5.5. If implementing the proposal requires a deviation from the FAR/DFARS then the DCMA HQ process manager shall prepare the request in accordance with the instructions in [DFARS 201.402](#) and submit the request to the appropriate approval authority specified in [DFARS 201.402\(1\)](#) and (2).

3.5.6. Questions arising while preparing the FAR/DFARS case(s) should be addressed to the CMO submitting the concept paper.

3.5.7. Upon resolution of the legislative or regulatory change, the CMO shall disposition the action in the SPIS database, (e.g., modification or withdrawn data fields), in a timely manner.

3.5.8. The HQ DCMA SPI process manager should input the date the proposal was received in the SPIS database and forward the proposal to the appropriate HQ process Manager. The HQ DCMA process manager should provide periodic updates on the status of the legislative and regulatory proposals in the SPIS database.

3.6. After all affected parties agree, the Administrative Contracting Officer (ACO) should modify the applicable contracts at the facility.

3.6.1. When there are significant net savings on existing contracts, the ACO should issue an initial block change modification and subsequently definitize the change with a supplemental agreement to effect an equitable adjustment. The initial block change modification shall contain language that preserves the Government's entitlement to an equitable adjustment.

3.6.2. When there are no significant net savings on existing contracts, the ACO should issue an ARZ or block change modification. If an ARZ modification is used, the ACO should enter into a dated bilateral Memorandum of Understanding (MOU) that describes the proposed modification and implementation schedule. The ACO should attach the MOU to the master ARZ modification. Sample consideration language can be used to document the adequacy of the consideration decision.

3.6.3. If a corporation has established Corporate Councils or Sector Management Councils, these councils may endorse a particular concept paper or block change and recommend corporate-wide adoption, but do not have the ability to implement a block change since there is no single ACO at the sector or corporate level:

3.6.4. The CACO or DACO for the Corporate Council or Sector Management Council acts as the DCMA CTL for facilitating the resolution of issues and buy-in from other affected ACOs and coordinating the issues with the other key customer CTLs. In cases where there is no CACO or DACO, the "lead commander" may designate one ACO for the sector along with a specific DCMA office and corporate business unit.

3.6.5. The DCMA CTL drafts the contract modification language and the local ACOs modify the contracts.

4. Risk Monitoring

4.1. Management Councils should track the status of all concept papers using milestone charts that identify all key coordination and decision/action/events along with the responsible person.

4.1.1. Management Councils should establish a projected completion date for each concept paper within 30 days of receipt and maintain this projected completion date throughout the disposition process.

4.1.2. Management Councils should identify milestone events within the 0-30 day, 31-90 day, 91-120 day and 120+ time frames. Concept papers with schedule breaches affecting final disposition dates shall be reported as part of the CMO SPIS database update. Significant milestone slippage and/or irreconcilable differences shall be escalated.

4.1.3. The Districts shall monitor all overage concept papers and strategies for resolution. Concept papers with schedule breaches shall be reported monthly to Headquarters. The Districts shall also report all concepts that have been withdrawn by the contractor or disapproved. Upon request the Districts may be asked to brief this information at the monthly SPI Management Team meetings.

4.2. Information Sharing: ([Sharing of Contractor's Innovations](#))

4.2.1. CMOs should encourage contractors to submit information summarizing their approved SPI concepts. Contractor participation is strictly voluntary.

4.2.2. CMOs should enter the exact description provided by the participating contractor as part of their SPIS database update (maximum 2000 characters). (Example: <http://home.dcma.mil/onebook/7.0/7.2/7.2.6/spiinfo.pdf>). This information should provide a general description of the original system, the approved SPI concept that replaced the existing system including expected benefits, a contractor point of contact and phone number. ([SPIS User's Manual](#), Participating Contractors; page 12)

4.2.3. CMOs should ensure that proprietary or company sensitive information is not included, since this information will be posted on the DCMA Home Page where it is available to the public.

4.2.4. Cancelled specifications and standards included in new contracts may conflict with processes approved by the Government under SPI. If such a conflict occurs, the CMO should notify the buying command(s) using DD Form 1716, or coordinate with the local Management Council to resolve the conflict.

5. Risk Documentation

5.1. The Contract Management Office (CMO) shall manage the Single Process Initiative, implementing all four process steps and reporting progress via the Single

Process Initiative System (SPIS) database.

5.2. CMOs shall report their SPI activity and milestone progress using SPI System (SPIS) database. The [SPIS User's Manual](#) provides instructions on downloading, installing, and inputting data. CMOs shall update their data as actions occur or at least monthly.

5.3. As part of the SPIS database update, CMOs should report the contractors' estimated cost to implement the proposed process change and the estimate of annual cost savings and cost avoidances on both existing and future contracts. DCAA estimates and the rationale for any differences shall also be reported.