



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS  
DPAP/EB

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

FEB 03 2004

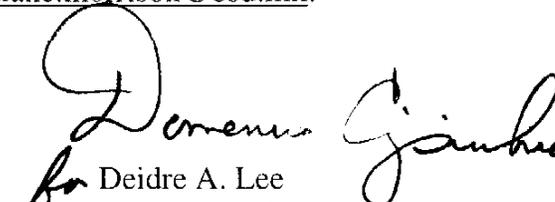
MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY  
(ACQUISITION, LOGISTICS AND TECHNOLOGY)  
ASSISTANT SECRETARY OF THE NAVY  
(RESEARCH, DEVELOPMENT AND ACQUISITION)  
ASSISTANT SECRETARY OF THE AIR FORCE  
(ACQUISITION)  
DIRECTORS, DEFENSE AGENCIES

SUBJECT: Acquisition Domain Business Process Modeling / Business Process Reengineering Initiative

As part of the Acquisition Domain's transformation initiative and in support of the Department's Business Management Modernization Program (BMMP), I am launching a Business Process Modeling / Business Process Reengineering (BPM / BPR) effort and require assistance from subject matter experts (SMEs) from each of your organizations.

The goal of this effort is to develop future acquisition processes that enable strategic acquisition. Process teams comprised of acquisition SMEs will review and model processes, identify opportunities for improvement, and develop process recommendations. To assist you in identifying appropriate SMEs, I have attached process descriptions, SME criteria, and a workshop schedule. While one workshop has already begun, a detailed schedule with specific locations and times will be provided prior to the start of the remaining workshops. Where appropriate existing Integrated Product Teams (IPTs) and working groups will identify SME candidates for you. The Acquisition Domain is prepared to provide travel funding to facilitate participation in these workshops. Guidelines for estimating travel costs were distributed by this office via e-mail on January 6, 2004. Additionally, to streamline the process and avoid duplication of effort, please provide existing process documentation by February 9, 2004.

Your active participation and commitment to this effort is critical for accurate modeling and effective reengineering. Please provide the names of your identified SMEs to my action officer Diane Morrison, 703-614-3883, [diane.morrison@osd.mil](mailto:diane.morrison@osd.mil).

  
for Deidre A. Lee  
Director, Defense Procurement  
and Acquisition Policy

Attachment:  
(As stated)



Table 1: DoD Process Subject Matter Expert (SME) / Process Team Member

<p><b>DoD Acquisition SME Criteria</b></p>	<ul style="list-style-type: none"> <li>• SMEs should have current, practical knowledge with recent hands-on experience of relevant process/activity.</li> <li>• SMEs should have an understanding of the strengths and weaknesses of the relevant processes and be knowledgeable of opportunities for improvement and impending legislative and regulatory changes that may impact the process.</li> <li>• SMEs should be knowledgeable of best practices currently employed within DoD Program Offices.</li> <li>• SMEs should have access to people within the process/organization in order to research process characteristics (cycle time, FTEs expended in process, etc).</li> <li>• SME should understand the relevant controls; e.g., policies, regulations, and procedures that govern or constrain the processes.</li> <li>• SMEs will help to shape the vision and relevant future state processes. SMEs will be expected to contribute to the development of preliminary recommendations on how to improve the process.</li> <li>• SMEs will participate in the identification of best practice organizations and team members will participate in interviewing representatives of best practice organizations.</li> <li>• Consistent representation is a requirement.</li> </ul>
<p><b>Quantity</b></p>	<ul style="list-style-type: none"> <li>• For each process team we will need a group of SMEs that (a) fulfill the aforementioned SME Criteria and (b) provide a major stakeholder's perspective on the process.</li> </ul>
<p><b>Duration of Team/ SME Role</b></p>	<ul style="list-style-type: none"> <li>• Process Team Members and SMEs will be part of the BPR/BPM Team and workshops beginning mid-January 2004. Each process team will begin analyzing their respective processes in a 4-5 day workshop.</li> <li>• The process team and subject matter experts will continue to analyze the process and develop recommendations and future state process improvements from January 2004 – April 2004.</li> <li>• Level of effort will vary depending on the BPR/BPM activities, but should not exceed half-time commitment within any given phase.</li> </ul>

Table 2: Processes and Area of Specific SME Knowledge

Process	Process Description	Specific SME Knowledge
<p>Grants and Related Instruments <i>(Note: SMEs to be identified by eGrants Working Group)</i></p>	<p>The assistance agreements process (grants process) is the funding process through which DoD supports mission-related research and other activities that serve a statutorily authorized public purpose, e.g., increasing the knowledge base or the number of trained individuals, assistance to communities impacted by DoD activities, or assistance in enhancing infrastructure. The DoD funding instruments used in this process are grants, cooperative agreements, and Technology Investment Agreements.</p>	<p>SMEs should have first-hand knowledge of grants and other financial assistance funding instruments, including policies and procedures for solicitations, proposals, evaluation, award, post-award administration and monitoring, and closeout. SMEs should be representative of the different types of financial assistance program purposes and funding instruments used by DoD.</p>
<p>Conduct Sourcing (Major Weapons Systems and Equipment)</p>	<p>This process begins with the identification of a need and ends with the issuance of a payment. They establish purchase types that set specific business rules requiring differing data requirements to complete an acquisition, payables planning, or disbursement.</p>	<p>SME must possess practical knowledge of weapons systems and the policies and procedures that support the process of acquiring the systems. SME should have an ACAT1 Level 3 certification for sourcing major weapons systems. SME should have first hand experience working with multi-funded contracts. Contracting Officer (CO) experience is a plus.</p>
<p>Conduct Sourcing (Commodities)</p>	<p>The process of buying commodities.</p>	<p>SME should have Inventory Control Point (ICP) and/or DLA experience. Contracting Officer (CO) experience is a plus. Storage depot experience is a plus.</p>
<p>Conduct Sourcing (Utilities, Leases, and other recurring expenses)</p>	<p>This process looks at the purchase of services that require specified payment occurs at a set time for utilities, leases, and other recurring expenses. This process begins with the identification of a need and end with the issuance of a payment. They es</p>	<p>SME will have first hand knowledge of contracting for services. SME should have experience working with GSA to acquire utilities, leases, etc.</p>

Table 2: Processes and Area of Specific SME Knowledge (continued)

Process	Process Description	Specific SME Knowledge
Conduct Sourcing (Services)	This process looks at the purchase of services, which, do not necessarily end up as inventory or an assets, such as consulting services, performing dry cleaning. This process begins with the identification of a need and end with the issuance of a payment.	Experience processing and validating requests for the procurement and management of services. Experience developing sourcing plans, source selection, awarding of contracts to procure services. Additionally, knowledge of contract closeout is needed.
Conduct Sourcing (Purchase Card and Other Card) <i>(Note: SMEs to be identified by Joint Charge Card Working Group)</i>	This process looks at establishing a Purchase Card strategy identifying the source, making the purchase and obtaining the materiel. The process includes the tracking of purchases and reconciling the Purchase Card/other card approved transactions to the card statement sent by the third party administrator (financial institution).	SME must have practical knowledge of purchase card procedures. Contracting Officer (CO) experience is a plus.
Conduct Sourcing (Internal) <i>(Note: SMEs to be identified by Intra-governmental Transactions IPT)</i>	This is the process of selling goods and services between organizations within DoD.	SME should have first hand knowledge of creating Memorandums of Agreement (MOAs). SME must have experience working with the Finance Department to execute MOAs. Familiarity with the new Federal Inter-Governmental Transfers instituted in October 2003 is a plus.
Conduct Asset Valuation and Accountability (Military Equipment)	The process incorporates the activities associated with establishing and maintaining the record of an asset reflecting the value, quantity, and ownership of military equipment.	SME must know all steps of the process from what triggers the assessment and accountability process to what completes the process.
Receipts and Acceptance Micro-process <i>(Note: SMEs to be identified by Tri-Domain Working Group)</i>	This is the process of Receipting and Accepting goods and services at source or destination. The process ends when the contract file is updated and payment and remittance information is sent to ACC/FIN.	SME will have first-hand knowledge of the policies and procedures that define receipt and acceptance of goods and services.

Table 3: Workshop Schedule

	Jan 26	Feb 2	Feb 9	Feb 16	Feb 23	Mar 1	Mar 8
Conduct Sourcing (Major Weapons Systems and Equipment)	█						
Conduct Sourcing (Commodities)				█			
Conduct Sourcing (Services)			█				
Conduct Sourcing (Utilities, Leases & Other Recurring Expenses)						█	
Conduct Sourcing (Internal)							█
Conduct Asset Valuation and Accountability (Military Equipment)		█					
Card Management (Purchase Card and Other Card)						█	
Perform Grants Process (Conduct Sourcing eGrants)		█					
Receipt and Acceptance							█