



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH DEVELOPMENT AND ACQUISITION
103 ARMY PENTAGON
WASHINGTON, D.C. 20310-0103



21 DEC 1995

SARD-PP

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Common Process Facilities Initiative

References:

- a. Secretary of Defense memorandum, December 6, 1995, subject: Common Systems/ISO-9000/Expedited Block Changes.
- b. Under Secretary of Defense (Acquisition and Technology) memorandum December 8, 1995, subject: Single Process Initiative.

The referenced memoranda (copies enclosed) move the common process facilities initiative forward another step. In addition to using common processes for all future contracts to be performed in a particular facility, Secretary Perry wants to begin incorporating such processes into current contracts.

This "block change" process is described in the attachment to reference b. As it applies to Army activities, the process is --

-- Upon receipt of a contractor's proposal for streamlining specifications and standards and establishing common processes, the Defense Contract Management Command (DCMC) will so notify the contractor's largest Army customer.

-- That Army activity, whether Program Executive Officer or buying command, will designate an Army team leader to assist the Deputy Assistant Secretary of the Army (Procurement) (DASA (P)) in representing all Army customers in the evaluation of the contractor's proposal. The designated Army team leader shall also sit, along with the DASA (P), on the management council established to evaluate the proposal.

-- The DCMC will notify all Army customers of the identity of the designated Army team leader.

-- The Army team leader shall notify the DASA (P) of the designated team leader.

-- The Army team leader shall coordinate proposal evaluation and acceptance efforts with all affected Army customers and the

DASA (P), to include authorizing the DCMC to execute block modifications to Army contracts either with or without equitable adjustments.

-- In coordination with the DASA (P) the Army team leader has the authority to resolve disagreements between various affected Army customers, and to develop the Army position on disputed issues.

The common process facility initiative has significant potential for future cost savings and, in many cases, for reducing the cost of current contracts as well. The Army is firmly committed to exploiting this potential for cost savings, and I expect that all Army participants in this effort will do their best to make it succeed.

If you have any questions, contact either COL Lee Thompson, DSN 761-7569 or Mr. Curtis Stevenson, DSN 227-2630.



For Gilbert F. Decker
Assistant Secretary of the Army
(Research, Development and Acquisition)