



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3010

DEC 22 2003

MEMORANDUM FOR SERVICE ACQUISITION EXECUTIVES  
DIRECTOR, DEFENSE LOGISTICS AGENCY

SUBJECT: Implementation of Changes in Acquisition Business Rules

By memorandum, dated April 14, 2003 (attached), I directed the Defense Contract Management Agency to proceed with a time-phased implementation of changes in business rules to limit Government source inspections for contracts valued below \$250,000. We are now finalizing corresponding changes to the DoD Federal Acquisition Regulation Supplement to implement the business rules. These changes will focus our contract management resources where they can provide the greatest benefit.

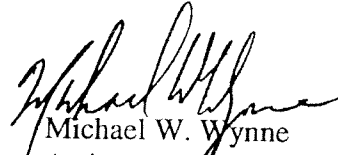
A long-standing criticism of destination acceptance is the time it takes for the payment office to receive acceptance information causing potential payment delays. Wide Area Workflow (WAWF) is now available to deliver acceptance information electronically providing a capability for real time invoicing. Beyond the benefits described in Dr. Zakheim's and my memorandum dated February 6, 2003, full and rapid implementation of WAWF will ensure this change in acquisition business rules produces the positive benefit desired without a negative impact to contractors.

By January 31, 2004, I expect you to have procedures and performance measures in place to ensure only those procurement actions meeting the revised criteria will require source inspection. Please provide your Service/Agency-level implementation plans, including defined measures to gauge the reduction in contracts requiring source inspection, to Mr. Robert Schmitt at DCMA at [robert.schmitt@dcma.mil](mailto:robert.schmitt@dcma.mil), by January 16, 2004. If the source inspection implementation timeframe is not possible, please advise me accordingly.

With regard to WAWF, please provide WAWF deployment and implementation plans to Mr. Will Bishop (Acquisition Domain) at [william.bishop@osd.mil](mailto:william.bishop@osd.mil), with a copy to the Business Initiative Council, Major Michael Cordero, USMC, at



CorderoME@hqmc.usmc.mil, by January 16, 2004. If security or other concerns preclude implementation of WAWF, submit mitigation strategies addressing your plans to implement electronic invoicing and receiving reports as well as strategies to capture data requirements in support of military equipment valuation and Universal Identification (UID).

  
Michael W. Wynne  
Acting

Attachment:  
As stated