

DEFENSE SECURITY COOPERATION FMS REINVENTION INTEGRATED PROCESS TEAMS

CHARTER

INTRODUCTION

The Reinvention integrated process teams (IPTs) are established under the authority of the Director, Defense Security Cooperation Agency (DSCA). The IPTs will advise the Director, DSCA on policies, strategies and procedures to improve the Foreign Military Sales (FMS) program. Non-government personnel (e.g., members of the Foreign Procurement Group and representatives of U.S. industry associations) may be invited to observe IPT meetings and provide input but will not take part in actual decision-making.

The Director DSCA has identified four focus areas for action -- Personnel and Training; Financial; Partnering; and Business Processes. One IPT will be established for each focus area and will report to the Director DSCA for oversight. The Security Cooperation 5 (SC-5) will serve as the Board of Directors for the overall FMS Reinvention effort.

PURPOSE

The IPTs are chartered to identify and implement process improvements in their respective focus area which will contribute to an affordable and sustainable FMS system which fosters interoperability, delivers timely goods and services and is responsive to customer needs. The IPTs' goals are to streamline, optimize, and improve FMS business practices in a way that increases customer satisfaction, reduces process cycle time, improves services, creates a more flexible business environment, reduces unnecessary cost and enhances process management.

MEMBERSHIP

Each SC-5 member will appoint representatives from their Department to each IPT. The IPTs will consist of appropriate representatives from DoD functional areas. Department of Commerce, the Foreign Procurement Group and representatives from Defense Industry associations will be invited to provide input to the Partnering and Business Processes IPTs. In addition to formulating and staffing improvements to the FMS process, the IPTs will operate as a decision shaping and advisory group to SC-5.

MEETINGS

Each IPT will have a designated leader. The IPT leader may be from DSCA or one of the military departments. The IPT leader or his/her appointee will initiate and chair the IPT meetings as needed. All IPT members or their appointee are invited to participate in meetings. The IPT

members may request supplementary meetings through the DSCA-SP/RT office, if deemed necessary. DSCA-SP/RT will endeavor to be present at all IPT meetings.

MISSION AND CONCEPT OF OPERATION

The IPT mission is to bring the appropriate functional elements of DoD and non-DoD organizations together to promote partnerships, explore ideas, develop initiatives, and explore alternatives for improving the Foreign Military Sales (FMS) process. The IPTs will, when necessary, establish focus group(s) to facilitate the work of the IPT. The IPTs may set up integrated teams among the MILDEPs for selected initiatives or tasks. The teams will develop appropriate proposals, complete with associated costs/benefits/constraints, and recommend these proposals to the full IPT.

DURATION

FMS Reinvention IPTs will be in effect from January through July 2001, unless extended by the Director DSCA in coordination with the SC-5. During this time, the IPTs will develop the required initiatives or identify, in writing, why the initiative(s) is/are delayed or not feasible and recommend interim or alternative solutions.

PROGRESS REPORTS

IPT leaders will report progress on the activities and proposals under consideration in each IPT to the Director, DSCA, on a regular basis and to the SC-5 when requested. Personal appointments/briefings are expected and will be arranged through DSCA-SP/RT.

INDIVIDUAL INTEGRATED PROCESS TEAM DELIVERABLES

Personnel and Training. The Training and Career Development IPT is chartered to guide the development of security cooperation training programs for civilian personnel in the International Affairs career field in the three MILDEPs and applicable Defense Agencies. The principal deliverable of the IPT will be the development of implementation standards and guidelines which will be forwarded to Director DSCA for approval prior to 4 July 2001. Services will develop their own program implementation plans which Director, DSCA will review. MILDEP implementation plans will be sent to Director, DSCA for approval only when DSCA funding/resources will be required. A second deliverable for the Personnel and Training IPT will be the performance of a work force survey and “gap analysis” to determine: What is the state of the security cooperation work force today? What is the desired state? What resources (money, training days, etc.) will be needed to achieve the desired SC community career development end state? A third deliverable will be the development of a security cooperation internship program. In crafting its programs and recommendations, the IPT will seek suggestions and recommendations from the Foreign Procurement Group (FPG) and U.S. defense industry association representatives.

Financial. The Financial IPT will focus on FMS process improvements in three areas that have been issues of concern for the foreign customer. First, the IPT will coordinate the steps required to implement the use of a Standby Letter of Credit in lieu of prepaid termination liability reserves. Second, the IPT will develop policy guidance designed to produce more streamlined and effective FMS payment schedules. Third, the IPT will effect improvements to the FMS case closure process by developing policies designed to incorporate additional implementing agencies into the FMS case closure process and promoting Accelerated Case Closure Procedures (ACCP) with countries that currently do not participate.

Partnering. The Partnering IPT will focus on changing the Security Cooperation community's cultural mindset and business procedures for providing foreign governments with US defense articles and services. The relationship and inter-relationship between the Security Cooperation and DoD Acquisition communities, foreign customers, and the defense industry is paramount to effecting this change. The IPT will prepare separate policy memoranda, with implementing instructions, outlining how these organizations will engage to ensure that foreign customers participate in the FMS process to an extent which ensures sufficient information is available to them to make timely decisions and justify those decisions to their governments and parliaments. These policy documents will include: 1) Implementing instructions for a DEPSECDEF memorandum and associated amendment to the DFARS allowing the foreign customer to participate in contract negotiations; and 2) Institutionalization of the “Team International” concept by which the foreign customer, contractor and appropriate USG officials are “teamed” in the pre-LOR process to determine requirements and discuss technical, transfer, pricing, and other factors to be considered in a future FMS or direct commercial sale. The IPT will also develop a reference source to assist the foreign customer and other Team International members in identifying key individuals and organizations.

Business Processes. IPT will focus on how we can do business better in the near term. The IPT will include four focus areas: 1) Improving customer satisfaction and feedback into the FMS process – Army lead; 2) The identification of business metrics and subsequent development of standard performance measures which can be utilized in providing to Security Cooperation managers at all levels a tool which will allow them to identify shortfalls and focus resources and attention where needed – DSCA lead; 3) Implementation of an electronic (paperless) process at DSCA and the MILDEPS to speed the LOA approval process – DSCA lead; and 4) development of an electronic “how to” guide for LOR preparation and “best practices” for LOA development – DSCA lead. Director, DSCA is considering the creation of a Process Action Work Out Team to examine the LOR/LOA process, and has asked the Business Process IPT for its views and recommendations.