



**OFFICE OF THE SECRETARY OF DEFENSE**

**WASHINGTON, DC 20301**

**24 FEB 2003**

**MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
ASSISTANT SECRETARIES OF DEFENSE  
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE  
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE  
DIRECTOR, OPERATIONAL TEST AND EVALUATION  
COMMANDER, U.S. TRANSPORTATION COMMAND  
ASSISTANTS TO THE SECRETARY OF DEFENSE  
DIRECTOR, ADMINISTRATION AND MANAGEMENT  
DIRECTOR, FORCE TRANSFORMATION  
DIRECTOR, PROGRAM ANALYSIS AND EVALUATION  
DIRECTORS OF THE DEFENSE AGENCIES  
DIRECTORS OF THE DOD FIELD ACTIVITIES  
PROGRAM MANAGER, DEFENSE TRAVEL SYSTEM**

**SUBJECT: Designation of Lead Component for the Defense Travel System (DTS)**

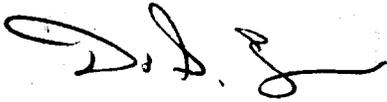
With the designation of DTS as a Major Automated Information System (MAIS) Acquisition Category (ACAT) IAM program, we are making the below designations to ensure the appropriate acquisition guidance and support for the program. This memorandum supercedes all previous guidance assigning roles/responsibilities for the acquisition, implementation, contracting, and oversight of the DTS.

- The Defense Finance and Accounting Service (DFAS) is designated as the Lead Component for acquisition of the DTS.
- The DTS Program Manager (PM) will continue to provide centralized management for the DTS program.
- The U.S. Army Test and Evaluation Command is designated as the Operational Test Agent for the DTS.

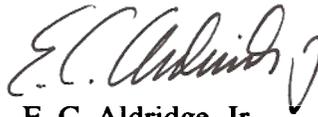
The DTS PM shall report to the Milestone Decision Authority (MDA) through the designated DFAS Program Executive Officer (PEO) and the DFAS Component Acquisition Executive (CAE). In addition, both the PM and Deputy PM shall be certified as meeting Level III requirements in the acquisition career field of Program Management.



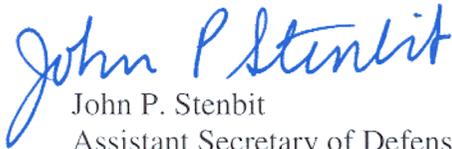
Additional DTS-directed actions are contained in the attachment. For the program to succeed , DTS implementation will require extensive joint cooperation among the Military Departments and Defense Agencies. We request your assistance in minimizing any adverse impact to the approved DTS development and fielding schedule.



**Dov S. Zakheim**  
Under Secretary of Defense  
(Comptroller)



**E. C. Aldridge, Jr.**  
Under Secretary of Defense  
(Acquisition, Technology, and Logistics)



**John P. Stenbit**  
Assistant Secretary of Defense  
(Command, Control, Communications, and Intelligence)

**Attachment:**  
**As stated**

**cc: OIPT Members**

## **Defense Travel System (DTS) Directed Actions**

- DFAS shall prepare and coordinate a Memorandum of Agreement (MOA) specifying the relationship and respective responsibilities of the Lead Component and the other participating Components. The MOA shall address, the following topics: system requirements, funding, manpower, and the approval process for the Operational Requirements Document (ORD) and other program documentation.
- In accordance with current policy, the Joint Requirements Oversight Council (JROC), in coordination with the appropriate Principal Staff Assistants (PSAs), will be responsible for approving the DTS ORD.
- DTS program funding will be managed by the Program Management Office (PMO)-DTS. This includes PMO operations and system development and deployment to Phase II sites. The Military Departments and Defense Agencies are responsible for budgeting and executing Phase III deployment, operation, maintenance, and sustainment to ensure the DTS FY06 Full Operational Capability (FOC) is achieved. They are also responsible for maintaining the installed Phase I and II capabilities at their respective sites.
- The PMO-DTS will develop procedures for billing system users for system operation costs. System users (Military Departments and Defense Agencies) are responsible for payment of DTS operations in accordance with PBD 071.
- DFAS or its designee will be the Designated Approval Authority (DAA) for the DTS system security certification and accreditation. This action is a change from the July 17, 2001 USD(AT&L)/USD(C) Memorandum and redirects the DAA from Military Traffic Management Command (MTMC) to DFAS based on this Lead Component designation.
- PMO-DTS contracting is currently performed by the Army Contract Agency (ACA), Information Technology and Electronic Commerce and Commercial Contracting Center (ITEC4). Any transfer of the contracting office must be undertaken very carefully to avoid impacting DTS implementation. Any change of contracting office responsibilities for the DTS program must be mutually agreed upon by CECOM and DFAS.

The PMO-DTS will standardize Commercial Travel Office (CTO) requirements and consolidate for central procurement all DoD Components' official travel services contracts.

- The DTS program will use the spiral development/evolutionary acquisition process to provide temporary duty travel services. Each succeeding software spiral of the DTS application will expand upon the preceding DTS development.

The DTS Program Manager shall assess his current staffing to ensure that the necessary resources are available to implement a disciplined acquisition process. Resource adjustments should be requested through the appropriate channels.

- Administrative support functions for the DTS program will transfer from the MTMC to DFAS. This action is a change from the July 17, 2001 USD(AT&L)/USD(C) memorandum, and in accordance with the OUSD(C) memorandum dated February 26, 2002, directing that DFAS provide functional and administrative support to DTS.
- The current 06 Working Group and 08 Steering Group will continue to provide functional guidance to the DTS program. OUSD(C), will chair the Steering Group that includes representatives from OUSD(AT&L), OUSD(P&R), ASD(C3I), the Military Departments, USTRANSCOM, Defense Agencies, and other DoD Components, as required. This action is a change from the July 17, 2001 memorandum that directs DFAS and MTMC co-chair the Steering Group. This change is based on DTS being designated an ACAT IAM program and designation of DFAS as Lead Component.
- The Military Departments, USTRANSCOM and Defense Agencies will provide an appropriate level of representation and support to the DTS Working-level Integrated Product Teams (WIPTs), Integrating IPT (IIPT), and Overarching IPT (OIPT).