



DEPARTMENT OF THE ARMY
WASHINGTON DC 20310

11 MAR 2004

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Army Business Initiative Council's (ABIC) Approval of Initiatives

On 27 February 2004, the ABIC Executive Director (ED), Mr. Don Tison, presented his quarterly brief to members of the ABIC, and requested approval for the seventh round of initiatives. At the conclusion of the meeting, the ABIC approved 19 new initiatives, 14 for Army implementation and five for DoD implementation, all of which are summarized in the enclosure to this memorandum. The champions of the 14 Army initiatives are hereby authorized to develop and launch their implementation plans. The five initiatives for DoD implementation will be forwarded to the DoD BIC for prospective implementation across the services.

The respective ABIC members associated with these approved initiatives are expected to monitor their champions' progress and become involved, when needed, to overcome any obstacles or barriers that effect the implementation of these initiatives. While undertaking these efforts, they carry my authority, on behalf of the Army Business Initiative Council.

The approval of this seventh round of initiatives continues the ABIC's phased effort to identify and implement business improvements. The ABIC will continue its collaborative work to consistently bring successful ideas forward for consideration.

A handwritten signature in black ink, appearing to read "R. L. Brownlee", is positioned above the printed name.

R. L. Brownlee

Acting Secretary of the Army

Enclosure

SUBJECT: Army Business Initiative Council (BIC)

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INITIATIVE SUMMARIES
CYCLE 7

RECOMMENDED FOR ARMY IMPLEMENTATION

Title: Develop a Logistics Improvement Intelligent Costing Tool

Description of Initiative: This initiative is intended to enable the Army's Logistics Transformation efforts to more accurately compute cost benefit analysis by developing an intelligent costing tool to calculate projected savings in a logical, defensible manner. There is currently no uniform procedure for determining cost savings from potential changes in deployment, sustainment, and force structure modifications from instituting Logistics Transformation enablers.

Required Policy Changes / Approach: Use existing cost databases to apply material and personnel cost to revised force structures that would result from implementing a Logistics enabler to streamline the process.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: LTA

Title: Obtain Performance Based Logistics Agreement Between AMC and USAREUR

Description of Initiative: Establish a Performance Based Logistics Agreement between Army Materiel Command (AMC) and US Army Europe (USAREUR). This initiative is expected to provide enhanced transparency, improved communications, and provide products to the field quicker.

Required Policy Changes / Approach: Define the key players, tasks and timelines related to a product support strategy in line with Logistics Transformation

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: USAREUR

Title: Adopt Unit Set Integrated Logistics Support – Trucks

Description of Initiative: This initiative builds upon a previously approved one, and will identify/implement standardization of parts throughout the Logistics system, with a focus on eight different models of medium and selected heavy tactical trucks. A pilot effort will focus on bearings, seals, hubs, taillights and headlights among the eight truck models. The goal is to achieve cost avoidances, manpower savings, and reduction of the logistics footprint and simplification of the sustainment process. The process will then be expanded to other end items.

Required Policy Changes / Approach: Pilot effort focuses on bearing, seals, hubs, taillights and headlights to identify one or two versions of each part to apply to all eight models of trucks.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: Army G-4

Title: Establish Procedures to Recycle Hydraulic Fluid

Description of Initiative: This initiative proposes to mandate the recycling of hydraulic fluid on the installation. Currently, the Fuels and Lubricants team at TACOM coordinates recycling efforts by testing and approving the purchase of machines used to recycle hydraulic fluids. Some recycling efforts are ongoing, primarily with those installations with high concentrations of Army aircraft or ground vehicles. On average, it costs \$304K a year to dispose of hydraulic fluid, and approximately \$1.4M a year to purchase replacement fluid.

Required Policy Changes / Approach: Establish a program to mandate recycling of military hydraulic fluid for ground vehicles or present a justification as to why it is not feasible and provide alternatives.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: TARDEC, TACOM

Title: Privatizing/Outsourcing the Army Rail Program

Description of Initiative: This initiative recommends privatizing the rail operations and management of on-post rail fleets, where feasible. Currently the on-post rail fleet management is the responsibility of the Installation Management Agency, while the DCS, G-4, Force Projection Directorate, is responsible for power projection, e.g., heavy-duty flatcar fleet.

Required Policy Changes / Approach: IMA will direct Installation Commanders to privatize/outsourcing the Army rail management, maintenance, and operations, where feasible.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: TBD

Title: Automate Travel Entitlement Payment to Mobilized/Deployed Soldiers

Description of Initiative: Soldiers mobilized/deployed in support of some contingency operations are entitled to an additional per diem payment, but a combination of rules and other factors results in soldiers being reimbursed late or not at all, and also in the Army paying for DFAS processing of vouchers. Under this initiative, a procedure would be established that would automatically stop and start payment for soldiers entitled to this benefit, with no requirement for soldiers to file vouchers and no requirement for DFAS to process the vouchers.

Required Policy Changes / Approach: Automate the process. Start/stop the entitlement as part of theater in/out-processing.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: ASA (FM&C)

Title: Conduct Continual Logistical Surveys/AAR of Returning Deployed Units

Description of Initiative: This initiative would establish a formal process to obtain specific logistics feedback on the effectiveness of authorization documents, and focus on: equipment taken on deployment but not used; equipment needed in the theater but not available; and additional equipment taken and used that is not on the Modification Table of Organization and Equipment (MTOE). Currently, there is no

formal system to identify MTOE property excess to current deployment needs and shortfalls of equipment not authorized by MTOE.

Required Policy Changes / Approach: The intent is to expand a proposed FORSCOM pilot program to USAREUR and USARPAC.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: G-4, FORSCOM

Title: Modify the Property Accountability Threshold for Equipment

Description of Initiative: DoD regulations place the limit for property accountability at \$5,000. The Army established a lower threshold of \$2,500. This initiative will seek to increase that threshold.

Required Policy Changes / Approach: Air Force and Navy have raised their property accountability threshold to \$5,000; propose the Army do likewise.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: TBD

Title: Implement Battle Command Knowledge System

Description of Initiative: This initiative will establish an enterprise knowledge management system to network professional forums across all operations, training, leader, and doctrine domains. These domains will be tied through enabling technology and transformed business processes to networked and embedded virtual commander/leader teams. This will enable the Army to generate new solutions and capabilities (knowledge, skills and aptitudes) and apply them to mission decision-making and performance in combat with the speed and effectiveness to outmatch all and adaptive/thinking enemies.

Required Policy Changes / Approach: Establish BCKS, which would be the Army's first comprehensive Knowledge Management effort, intended to provide a quick, on-line vehicle to link soldiers and civilians with needed answers.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: CIO/G-6

Title: Improve Customer Service in OCONUS Housing Referral Offices

Description of Initiative: This initiative proposes to contract out the operations of Housing Referral Offices (OCONUS) to civilian companies or local real estate offices for off-post residences. Under the current process, there is often a shortage of listings of available, off-post housing, and many of those provided are out of date.

Required Policy Changes / Approach: Improve customer service in OCONUS HROs to decrease the search time for suitable housing, as well as increase the level of service to the customer and improve the reliability of the data provided to the customer.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: TBD

Title: Implement Additional Ways for Soldiers and Civilians to Ship Excess Baggage

Description of Initiative: This initiative proposes identifying and implementing additional approaches to pay for shipment of excess baggage in order to give the transportation community a wider range of options to support Soldiers and civilians. Current procedures to pay for shipment of excess baggage rely on hard copy documents, which airlines are beginning to reject because of the cost and time delays associated with those documents.

Required Policy Changes / Approach: Set up blanket purchase agreement with freight company, as well as seek other approaches.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: TBD

Title: Implement a COTS General Fund Accounting System for the Army

Description of Initiative: This initiative seeks to acquire the services of a system integrator to implement a commercial off-the-shelf (COTS) system to perform the Army's general fund accounting functions. This system will provide Army leaders with timely, accurate information to support decision-making, will be in compliance with the Chief Financial Officers Act, and will enable the Army to obtain a "clean" audit of its financial records for the first time.

Required Policy Changes / Approach: Select and field a commercial off-the-shelf accounting system.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: ASA (FM&C)

Title: Eliminate Unnecessary Workgroups, Councils and Committees

Description of Initiative: This initiative proposes that individual Services review all of their standing bodies to determine whether they have a valid function or mission to perform. Consideration should be given to combining groups with similar missions, decreasing the frequency of meetings, and changing meeting locations as a means to decrease travel costs and expended staff hours.

Required Policy Changes / Approach: Army-wide review of all existing standing bodies to determine if there are some that can be dissolved or combined.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: TBD

Title: Improve Coordination Between System Production and Sustainment

Description of Initiative: This initiative would examine processes related to transition of systems from production to sustainment and implement process changes that improve efficiencies and support spiral development. This is most important when systems transition to sustainment at the end of production.

Required Policy Changes / Approach: Examine processes related to transition of systems from production to sustainment and implement process changes that improve efficiencies and support spiral development.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: ASA (ALT)
RECOMMEND FORWARDING TO DoD BIC

Title: Enhance Civilian Medical Tuition Assistance Program

Description of Initiative: This initiative proposes a funded pilot program for the Army civilian medical staff, consisting of education benefits and other steps to increase the education level of employees, to measure the retention success. The long-term solution is the development of a Civilian Academic Program for civilian medical employees that federally funds centralized programs for the medical career field.

Required Policy Changes / Approach: Fund Army civilian medical personnel education benefits and develop a Civilian Academic Program for civilian medical employees that federally funds centralized programs for Career Field (53) Medical in exchange for a 1-3 year service commitment.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: MEDCOM

Title: Streamline FYDP Data Submission Process

Description of Initiative: This initiative will investigate how the Department of Defense can move more aggressively toward establishing a uniform data submission standard and process, with the objective of eliminating all supplemental data submissions and relying solely on the FYDP.

Required Policy Changes / Approach: OSD move faster toward relying solely on the FYDP for POM and budget submission.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: OSD PAED

Title: Revise Process of Paying and Processing PCS

Description of Initiative: This initiative suggests reviewing the entire Civilian Permanent Change of Station (PCS) process with the objective to create a more fluid one which reduces overall costs and time for payment by establishing best business practices that take into account commercial practices, other governments and travel/transportation forums in concert with the General Services Agency, the Services and the Office of the Secretary of Defense as well as a review of ongoing pilot programs within the Federal Government.

Required Policy Changes / Approach: Review the entire Civilian PCS process seeking to reduce time for payment (consider providing an upfront, lump sum payment) and eliminate multi-agency review thereby reducing staffing levels.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: TBD

Title: Develop Policy for Sale of Homeland Security Items to State and Local Governments

Description of Initiative: The FY04 Defense Authorization bill (P.L. 108-136) enabled the Office of Federal Procurement Policy (OFPP) to develop a policy allowing DoD to acquire equipment on behalf of state/local government for homeland

security needs in order to leverage better pricing, avoid new (non-recurring) procurement costs, promote standardization of equipment, maintain the industrial base, ensure robustness and avoid additional development and operational testing. This initiative seeks to ensure that DoD and the Services provide needed input in the formulation of that policy.

Required Policy Changes / Approach: Prepare policy to implement Sec. 803 of the FY04 NDAA that will allow DoD to acquire equipment on behalf of state/local government for homeland security needs.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: ASA (ALT)

Title: Expand Army/DoD Sponsored Community-Based Child Care

Description of Initiative: There is a shortfall of Army Child Development Center vacancies. This initiative seeks to expand the availability of childcare using Army/DoD sponsored community-based alternatives to augment Army/DoD operated programs.

Required Policy Changes / Approach: Expand the availability of and assess the effectiveness of Army/DoD sponsored community based care to augment current programs and increase availability of Child Care for the Total Force.

Approved Actions: ABIC agreed with the initiative.

Responsible Champion: Army CFSC