



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD, SUITE 2533
FT. BELVOIR, VIRGINIA 22060-6221

IN REPLY
REFER TO

MMP
PROCLTR 97-35

DEC 12 1997

MEMORANDUM FOR PROCLTR DISTRIBUTION LIST

SUBJECT: Single Process Initiative (SPI)

This PROCLTR forwards the Director, Defense Procurement's (DDP), memorandum of August 20, 1997 (Attached). DDP's memorandum advises that the Defense Federal Acquisition Regulation Supplement (DFARS) has been amended to implement the policy set forth in the Office of the Under Secretary of Defense (Acquisition & Technology) memorandum of April 30, 1997, related to the above subject. The amended DFARS policy encourages offerors to propose the use of nongovernment specifications and industrywide practices that meet the intent of military or Federal specifications and standards. Further, it establishes that, in procurements of previously developed items, SPI processes shall be considered valid replacements for military or Federal specifications or standards, absent a specific determination to the contrary.

This PROCLTR is effective immediately and expires upon publication of the DFARS changes in a future Defense Acquisition Circular, but in any event, not later than one year from its issue date. Questions may be directed to Ms. Diana Maykowskyj, MMPOA, (703)767-1364, DSN 427-1364, or via E-mail to diana_maykowskyj@hq.dla.mil.

Attachment

ROBERT L. MOLINO
Executive Director
(Procurement)



ACQUISITION AND
TECHNOLOGY

DP (DAR)

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON DC 20301-3000

August 20, 1997



In reply refer to
DFARS Case: 97-D014
D. L. 97-017

MEMORANDUM FOR DIRECTORS OF DEFENSE AGENCIES
DEPUTY FOR ACQUISITION AND BUSINESS MANAGEMENT,
ASN(RD&A)/ABM
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING), SAF/AQC
ASSISTANT DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)/DIRECTOR FOR CONTRACTOR
DEPUTY DIRECTOR (ACQUISITION), DEFENSE LOGISTICS AGENCY

SUBJECT: Single Process Initiative

We have amended the Defense Federal Acquisition Regulation Supplement to implement the policy set forth in OUSD(A&T) memorandum dated April 30, 1997, as it relates to the Single Process Initiative (SPI) and new contracts. This interim rule encourages offerors to propose the use of nongovernment specifications and industrywide practices that meet the intent of military or Federal specifications and standards, and establishes that, in procurements of previously developed items, SPI processes shall be considered valid replacements for military or Federal specifications or standards, absent a specific determination to the contrary.

The attached interim DFARS rule is effective immediately and will be included in a future Defense Acquisition Circular.

Eleanor R. Spector
Director, Defense Procurement

Attachment

cc: DSMC, Ft. Belvoir



**DFARS Case 97-D014
Single Process Initiative
Interim Rule**

PART 211--DESCRIBING AGENCY NEEDS

* * * * *

211.273 Substitutions for military or Federal specifications and standards.

211.273-1 Definition.

"SPI process," as used in this section, is defined in the clause at 252.211-7005, Substitutions for Military or Federal Specifications and Standards.

211.273-2 Policy.

- (a) Under the Single Process Initiative (SPI), DoD accepts SPI processes in lieu of specific military or Federal specifications or standards that specify a management or manufacturing process.
- (b) DoD acceptance of an SPI process follows the decision of a Management Council, which includes representatives from the Defense Contract Management Command, the Defense Contract Audit Agency, and the military departments.
- (c) In procurements of previously developed items, SPI processes that previously were accepted by the Management Council shall be considered valid replacements for military or Federal specifications or standards, absent a specific determination to the contrary (see 211.273-3(c)).

211.273-3 Procedures.

- (a) Solicitations for previously developed items shall encourage offerors to identify SPI processes for use in lieu of military or Federal specifications and standards cited in the solicitation. The solicitation shall require an offeror proposing to use an SPI process to include, in its response to the solicitation, documentation of the Government acceptance of the process.
- (b) Contracting officers shall ensure that--
 - (1) Concurrence of the requiring activity has been or will be obtained for any proposed substitutions prior to contract award; and

- (2) Any necessary additional information regarding the SPI process identified in the proposal is obtained from the cognizant administrative contracting officer.
- (c) Any determination that an SPI process is not acceptable for a specific procurement shall be made at the head of the contracting activity or program executive officer level. This authority may not be delegated.

211.273-4 Contract clause.

Use the clause at 252.211-7005, Substitutions for Military or Federal Specifications and Standards, in solicitations and contracts exceeding the micro-purchase threshold, when procuring previously developed items.

* * * * *

PART 242--CONTRACT ADMINISTRATION

* * * * *

242.302 Contract administration functions.

(a) * * *

- (S-70) Serve as the single point of contact for all Single Process Initiative (SPI) Management Council activities. The ACO shall negotiate and execute facilitywide class modifications and agreements for SPI processes, when authorized by the affected components.

* * * * *

PART 252--SOLICITATION PROVISIONS AND CONTRACT CLAUSES

* * * * *

252.211-7005 Substitutions for Military or Federal Specifications and Standards.

As prescribed in 211.273-4, use the following clause:

SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS (AUG 1997)

- (a) *Definition.* "SPI process," as used in this clause, means a management or manufacturing process that has been accepted previously by the Department of Defense under the Single Process Initiative (SPI) for use in lieu of a specific military or Federal specification or standard. Under SPI, these processes are reviewed and accepted by a Management Council, which includes representatives from

the Defense Contract Management Command, the Defense Contract Audit Agency, and the military departments.

- (b) Offerors are encouraged to propose SPI processes in lieu of military or Federal specifications and standards cited in the solicitation.
- (c) An offeror proposing to use an SPI process shall--
 - (1) Identify the specific military or Federal specification or standard for which the SPI process has been accepted, and the specific paragraph or other location in the solicitation where the military or Federal specification or standard is required;
 - (2) Provide a copy of the Department of Defense acceptance of the SPI process;
 - (3) Identify each facility at which the offeror proposes to use the specific SPI process; and
 - (4) Unless provided in response to paragraph (c)(2) of this clause, provide the name and telephone number of the cognizant Administrative Contracting Officer for each facility where the SPI process is proposed for use.
- (d) Absent a determination at the head of the contracting activity or program executive officer level that an SPI process is not acceptable for this procurement, the Contractor shall use the following SPI processes in lieu of military or Federal specifications and standards:

(Offeror insert information for each SPI process)

SPI Process: _____

Facility: _____

Military or Federal
Specification or Standard: _____

Affected Contract Line
Item and Subline Item Number
and Requirement Citation: _____

Cognizant Administrative
Contracting Officer: _____

(End of clause)

[Federal Register: August 20, 1997 (Volume 62, Number 161)]
[Rules and Regulations]
[Page 44223-44224]
From the Federal Register Online via GPO Access [wais.access.gpo.gov]
[DOCID:fr20au97-14]

DEPARTMENT OF DEFENSE

48 CFR Parts 211, 242, and 252

[DFARS Case 97-D014]

Defense Federal Acquisition Regulation Supplement; Single Process Initiative

AGENCY: Department of Defense (DoD).

ACTION: Interim rule with request for comments.

SUMMARY: The Director of Defense Procurement has issued an interim rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to facilitate the use of management or manufacturing processes that have been accepted by DoD under the Single Process Initiative (SPI) for use in lieu of military or Federal specifications and standards.

DATES: Effective date: August 20, 1997.

Comment Date: Comments on the interim rule should be submitted in writing to the address shown below on or before October 20, 1997, to be considered in the formulation of the final rule.

ADDRESSES: Interested parties should submit written comments to: Defense Acquisition Regulations Council, Attn: Mr. Rick Laysar, PDUSD(A&T)DP(DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301-3062. Telefax number: (703) 602-0150. Please cite DFARS Case 97-D014 in all correspondence related to this issue.

FOR FURTHER INFORMATION CONTACT: Mr. Rick Laysar, (703) 602-0131.

SUPPLEMENTARY INFORMATION:

A. Background

This interim rule adds a new section at DFARS 211.273 and a new contract clause at DFARS 252.211-7005 to encourage offerors to propose the use of SPI processes in lieu of military or Federal specifications and standards cited in DoD solicitations; and establishes that, in procurements of previously developed items, SPI processes shall be considered valid replacements for military or Federal specifications and standards, absent a specific determination to the contrary.

B. Determination To Issue an Interim Rule

A determination has been made under the authority of the Secretary of Defense that urgent and compelling reasons exist to publish this interim rule prior to affording the public an opportunity to comment. The interim rule amends the DFARS to implement the policy set forth in a memorandum issued by the Under Secretary of Defense (Acquisition and Technology) on April 30, 1997, with regard to SPI and new contracts. This interim rule is necessary to permit the Government and industry to realize, as soon as possible, the significant cost savings anticipated from allowing contractors to use previously accepted facilitywide management and manufacturing processes in lieu of military or Federal specifications and standards. Comments received in response to the publication of this interim rule will be considered in formulating the

final rule.

C. Regulatory Flexibility Act

The interim rule is not expected to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, et seq., because it is estimated that, of the 180 contractors presently participating in SPI, less than 5 percent are small businesses. An Initial Regulatory Flexibility Analysis has therefore not been performed. Comments are invited from small businesses and other interested parties. Comments from small entities concerning the affected DFARS subparts also will be considered in accordance with 5 U.S.C. 610. Such comments should be submitted separately and should cite DFARS Case 97-D014 in correspondence.

D. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501, et seq.) applies because the interim rule contains a new information collection requirement. Under the emergency processing provisions of 44 U.S.C. 3507(j) as implemented at 5 CFR 1320.13, the Office of Management and Budget (OMB) has granted emergency approval of the information collection requirement through December 31, 1997, under OMB Control Number 0704-0398. The OMB approval required under 44 U.S.C. 3507(a)(2) will be obtained prior to publication of the final rule.

Comments

Comments are invited. In particular, comments are solicited on:
a. Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
b. The accuracy of the agency's estimate of the burden of the collection of information;
c. Ways to enhance the quality, utility, and clarity of the information to be collected; and
d. Ways to minimize the burden of the collection of information on respondents, including use of appropriate automated collection techniques or other forms of information technology.

Title, Associated Form, OMB Control Number

DFARS Section 211.273, Substitutions for Military or Federal Specifications and Standards, and related clause at 252.211-7005, Substitutions for Military or Federal Specifications and Standards, OMB Control Number 0704-0398.

Needs and Uses

The information collection permits offerors to propose SPI processes in lieu of military or Federal specifications and standards cited in DoD solicitations for previously developed items. The information will be used by the Government to identify and verify Government acceptance of an SPI

[[Page 44224]]

process as a valid replacement for a military or Federal specification or standard cited in a solicitation.

Affected Public: Businesses or other for-profit and not-for-profit institutions.

- Annual Burden Hours: 540.
- Number of Respondents: 180.
- Responses Per Respondent: 3.
- Annual Responses: 540.
- Average Burden Per Response: 1 hour.
- Frequency: On occasion.

SUPPLEMENTARY INFORMATION: Respondents are offerors responding to DoD solicitations for previously developed items that cite military or Federal specifications or standards, when the offeror has a management or manufacturing process that has been previously accepted by DoD, under SPI, as a valid replacement for a military or Federal specification or standard.

List of Subjects in 48 CFR Parts 211, 242, and 252

Government procurement.
Michele P. Peterson,
Executive Editor, Defense Acquisition Regulations Council.

Therefore, 48 CFR Parts 211, 242, and 252 are amended as follows:
1. The authority citation for 48 CFR Parts 211, 242, and 252 continues to read as follows:

Authority: 41 U.S.C. 421 and 48 CFR Chapter 1.

PART 211--DESCRIBING AGENCY NEEDS

2. Sections 211.273 through 211.273-4 are added to read as follows:

211.273 Substitutions for military or Federal specifications and standards.

211.273-1 Definition.

"SPI process," as used in this section, is defined in the clause at 252.211-7005, Substitutions for Military or Federal Specifications and Standards.

211.273-2 Policy.

(a) Under the Single Process Initiative (SPI), DoD accepts SPI processes in lieu of specific military or Federal specifications or standards that specify a management or manufacturing process.

(b) DoD acceptance of an SPI process follows the decision of a Management Council, which includes representatives from the Defense Contract Management Command, the Defense Contract Audit Agency, and the military departments.

(c) In procurements of previously developed items, SPI processes that previously were accepted by the Management Council shall be considered valid replacements for military or Federal specifications or standards, absent a specific determination to the contrary (see 211.273-3(c)).

211.273-3 Procedures.

(a) Solicitations for previously developed items shall encourage offerors to identify SPI processes for use in lieu of military or Federal specifications and standards cited in the solicitation. The solicitation shall require an offeror proposing to use an SPI process to include, in its response to the solicitation, documentation of the Government acceptance of the process.

(b) Contracting officers shall ensure that--

(1) Concurrence of the requiring activity has been or will be obtained for any proposed substitutions prior to contract award; and

(2) Any necessary additional information regarding the SPI process identified in the proposal is obtained from the cognizant administrative contracting officer.

(c) Any determination that an SPI process is not acceptable for a specific procurement shall be made at the head of the contracting activity or program executive officer level. This authority may not be delegated.

211.273-4 Contract clause.

Use the clause at 252.211-7005, Substitutions for Military or Federal Specifications and Standards, in solicitations and contracts exceeding the micro-purchase threshold, when procuring previously developed items.

PART 242--CONTRACT ADMINISTRATION

3. Section 242.302 is amended by adding paragraph (a) (S-70) to read as follows:

242.302 Contract administration functions.

(a) * * * (S-70) Serve as the single point of contact for all Single Process Initiative (SPI) Management Council activities. The ACO shall negotiate and execute facilitywide class modifications and agreements for SPI processes, when authorized by the affected components. * * * * *

PART 252--SOLICITATION PROVISIONS AND CONTRACT CLAUSES

4. Section 252.211-7005 is added to read as follows:

252.211-7005 Substitutions for Military or Federal Specifications and Standards.

As prescribed in 211.273-4, use the following clause:

SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS (AUG 1997)

(a) Definition. "SPI process," as used in this clause, means a management or manufacturing process that has been accepted previously by the Department of Defense under the Single Process Initiative (SPI) for use in lieu of a specific military or Federal specification or standard. Under SPI, these processes are reviewed and accepted by a Management Council, which includes representatives from the Defense Contract Management Command, the Defense Contract Audit Agency, and the military departments.

(b) Offerors are encouraged to propose SPI processes in lieu of military or Federal specifications and standards cited in the solicitation.

(c) An offeror proposing to use an SPI process shall--

(1) Identify the specific military or Federal specification or standard for which the SPI process has been accepted, and the specific paragraph or other location in the solicitation where the military or Federal specification or standard is required;

(2) Provide a copy of the Department of Defense acceptance of the SPI process;

(3) Identify each facility at which the offeror proposes to use the specific SPI process; and

(4) Unless provided in response to paragraph (c) (2) of this clause, provide the name and telephone number of the cognizant Administrative Contracting Officers for each facility where the SPI process is proposed for use.

(d) Absent a determination at the head of the contracting activity or program executive officer level that an SPI process is not acceptable for this procurement, the Contractor shall use the following SPI processes in lieu of military or Federal specifications and standards:

(Offeror Insert Information for Each SPI Process)

SPI Process:-----

WAIS Document Retrieval

<http://frwebgate1.access.gpo.gov/c...24693813+2+0+0&WALSAction=retrieve>

Facility:-----
Military or Federal Specification or Standard:

Affected Contract Line Item and Subline Item Number and Requirement
Citation:

Cognizant Administrative Contracting Officer:

(End of clause)

[FR Doc. 97-21887 Filed 8-19-97-8:45 am]
BILLING CODE 5000-04-M

Sep 30 '97 14:47 P.10/10

SPI/BLOCK CHANGE MGT Fax:7037677305

08/22/97 08:25:49