

19 SEP 2001
In reply refer to:
I-01/009498-FM

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF THE ARMY
(INTERNATIONAL AFFAIRS)
DEPARTMENT OF THE ARMY

DIRECTOR, NAVY INTERNATIONAL PROGRAMS OFFICE
DEPARTMENT OF THE NAVY

DEPUTY UNDER SECRETARY OF THE AIR FORCE
(INTERNATIONAL AFFAIRS)
DEPARTMENT OF THE AIR FORCE

DIRECTOR, DEFENSE LOGISTICS AGENCY

DIRECTOR, NATIONAL IMAGERY AND MAPPING
AGENCY

DIRECTOR, NATIONAL SECURITY AGENCY

DIRECTOR, DEFENSE CONTRACT MANAGEMENT
AGENCY

DIRECTOR, DEFENSE FINANCE AND ACCOUNTING
SERVICE (DENVER CENTER)

SUBJECT: Finance IPT Reinvention Policy Documents (DSCA 01-22)

As you know, the Finance IPT was one of four Reinvention teams established to develop and implement deliverables aimed at improving FMS financial operations. In that regard, I am pleased to take this opportunity to provide the policy documents relating to those deliverables.

The Finance IPT focused on three main areas: Standby Letter of Credit (SBLC); Payment Schedules; and Case Closure. Attached are the following:

SBLC

Attachment 1 Excerpts from USG Procedures Paper

Payment Schedules

Attachment 2 Payment Schedule Policy Guidance

Attachment 2A Lexicon of Payment Schedule Related Terms

Attachment 2B FMS Case Review and Reconciliation Checklist

Payment Schedules (continued)

Attachment 2C	Payment Schedule Variance Report Sample (with Lexicon)
Attachment 2D	Revised DoD Financial Management Regulation, Volume 15, (DOD 7000.14-R), Chapter 4 Payment Schedule Policy
Attachment 2E	Life Cycle Matrix for Payment Schedule Actions
Attachment 2F	Line-Level Roll-up Methodology
Case Closure	
Attachment 3	Fall 2001 Closure Review Schedule, Timeline, and Process

I am confident that these policies represent real change and improvements to our FMS program, and that its implementation and widespread practice will further promote business process efficiencies and increase customer satisfaction.

Except as noted in attachments 1 and 2, these policies are effective immediately. Wide dissemination of these documents is strongly encouraged. In addition, these documents will be posted on the DSCA web site, Publications and Policy section (www.dsca.osd.mil) and as a reference document in DoD Deskbook (web2.deskbook.osd.mil).

In closing, I want to thank the individuals outside DSCA as noted in Attachment 4 for their outstanding contributions to this important endeavor. Please convey my personal appreciation for their dedication and professionalism, without which the IPT's objectives would not have been accomplished.

Should your staff have any questions, the DSCA point of contact is Mr. David Rude, Financial Policy Team Chief/IPT Chair, (703) 604-6569, e-mail: david.rude@osd.pentagon.mil.

/SIGNED/
Tome H. Walters, Jr.
Lieutenant General, USAF
Director

Attachments
As stated

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