



**DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010**

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Establishment of the Defense Business Transformation Agency (BTA)

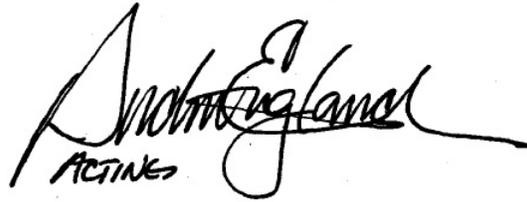
In order to advance defense-wide business transformation, I am directing the establishment of the Defense Business Transformation Agency (BTA) effective immediately. Until a permanent director is named, the Deputy Under Secretary of Defense for Business Transformation and the Deputy Under Secretary of Defense for Financial Management jointly will perform the function of the Director and will report to the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)), as the vice chair of the Defense Business Systems Management Committee (DBSMC). The organization chart for the BTA is attached.

In addition, a two-star joint billet or equivalent Senior Executive Service (SES) position shall be established for a Defense Business Systems Acquisition Executive (DBSAE). The DBSAE will serve in the BTA and will be the Component Acquisition Executive (CAE) for DoD enterprise-level business systems and initiatives. The attached projects, programs, systems and initiatives shall be transferred to the BTA, which shall create the required acquisition organization within 45 days of the date of this letter. This transfer includes manpower and other related resources.

The BTA shall also be responsible for integrating the work of the OSD Principal Staff Assistants in the areas of business process re-engineering, core business mission activities and Investment Review Board (IRB) matters as determined, and revised by the DBSMC. The BTA shall also ensure consistency and continuity across the Core Business Missions of the Department.

In addition to the integrating role of the BTA, it will also provide support to specified Principal Staff Assistant (PSA) functions and responsibilities in order to properly align those functions in a management support organization instead of in OSD billets. Functions, manpower and other resources in the Office of the USD(AT&L) Supply Chain Systems Transformation Directorate, the Business Systems Response Office, the Enterprise Resource Plan (ERP) Support Office, and the Real Property Transformation Office; the Office of the Under Secretary of Defense (Comptroller) (USD(C)) Financial Management Transition Team (FMTT) and the Defense Finance and Accounting Service Transformation Support Office shall transfer immediately to the BTA in accordance with the organizational alignment. The Under Secretary of Defense Personnel and Readiness (USD(P&R)) will also provide five billets to support the integration function of the BTA.

The Director, Administration and Management, in coordination with the USD(AT&L), USD(C), USD(P&R), the Assistant Secretary of Defense for Networks and Information Integration, the General Counsel of the Department of Defense and Director, Program Analysis and Evaluation shall take actions necessary to align manpower and resources to implement the establishment of the BTA.



Attachments:
As Stated

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CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
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