



ACQUISITION AND
TECHNOLOGY

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

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MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES
PRESIDENT, DEFENSE ACQUISITION UNIVERSITY
COMMANDANT, DEFENSE SYSTEMS MANAGEMENT COLLEGE

SUBJECT: Commercial Business Environment Training Team

As part of the effort to reform the acquisition process within the Department of Defense, I am creating a commercial business environment training team that will propose a training regime on key commercial business practices for the Department as specified in the attached charter.

I am appointing William E. Mounts, Director, International and Commercial Systems Acquisition, from the Office of the Deputy Under Secretary of Defense (Acquisition Reform), to lead this Team.

Please immediately identify your representatives to Mr. Mounts, he can be reached at (703) 697-6398, or email: mountsw@acq.osd.mil. Your representatives should be people with acquisition experience.

The establishment of this training program is another major step in addressing changes in the Defense acquisition process that will improve the way we buy equipment while protecting the public trust. I am dedicated to the success of this effort and request your personal support.

Dave Oliver
Principal Deputy

Attachment:
As stated



Charter for the Commercial Business Environment Team

I. Background

The Department of Defense (DoD) has traditionally relied upon in-house institutions, such as the Defense Acquisition University (DAU), for the majority of education and training for the acquisition workforce. That education and training has produced practitioners skilled in the way DoD has traditionally done business, and efforts are underway to enhance the DAU training and educational opportunities.

In addition, it is also important that DoD recognize that a good portion of what the DoD seeks to accomplish involves the introduction, into the DoD acquisition process, of those practices and techniques that, while commonplace in the commercial environment, will be new to the government arena. As such, DoD's education and training efforts must also include access to appropriate courses, (either existing or designed specifically for the government acquisition workforce) at top business and other academic institutions, as well as new and innovative partnerships with the private sector, that can avail the acquisition workforce of additional and vital perspectives and training on key commercial practices.

II. Authority

In his April 1, 1998, Report to Congress, the Secretary of Defense identified his intent to direct the Under Secretary of Defense (Acquisition and Technology) to develop a program specifically aimed at providing training on commercial business practices. This Training Team is being formed pursuant to that directive. The Team will be comprised of appropriate representatives to ensure broad acquisition perspectives and business perspectives. A significant number of the Team members will be from DoD buying activities.

III. Purpose

The Training Team will develop a broad training program on commercial business practices that covers relevant topic areas such as market research, commercial pricing, commercial financing, commercial terms and conditions, commercial warranties, joint ventures, the uniform commercial code, and the like. Any proposed mandatory training requirements for certification will be reviewed and approved by appropriate management in the Department. To the extent practicable, this training shall be developed in partnership with the private sector and shall include plans to meet requirements for continuing education of the acquisition workforce.

IV. Roles and Responsibilities

The Under Secretary of Defense (Acquisition and Technology) appointed the Office of the Deputy Under Secretary of Defense (Acquisition Reform) as the Team Leader. The Team Leader will be responsible for task accomplishment, management of Team activities, and reporting.