



DEFENSE FINANCE AND ACCOUNTING SERVICE
CLEVELAND
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OCT 20 2003

DFAS-A/CL

MEMORANDUM FOR DIRECTOR, ACCOUNTING SERVICES NAVY

SUBJECT: Navy Accounting Business Case Analysis

In concert with the DFAS Transformation Strategy, on October 10, 2003, Mr. Bloom directed Navy Accounting as the next transformation candidate from our FY 2004 BCA integrated schedule (see attached).

You are directed to begin the BCA of Navy Accounting Services in accordance with the published schedule. You should appoint your team leader and members and provide contact information to Paula Lyons as soon as possible. The DFAS Business Case Analysis Guide is provided to assist you in conducting the BCA.

Please ensure your Navy accounting personnel are informed of the process and objectives of this BCA. I have attached a Fact Sheet to assist you in the discussions. Please direct any questions to Paula Lyons at (216) 522-6864. I appreciate your support of this important business transformation initiative.

A handwritten signature in black ink, appearing to read "L. J. Krushinski".

L. J. Krushinski
Director, Accounting Services

Attachments:
As stated

cc: Kelly Dull, President, AFGE Council 171

Navy Accounting Business Case Analysis (BCA) Fact Sheet

Transformation Studies: In September 2001, the Quadrennial Defense Review, a report to Congress that defines the strategy, mission and shape of the military, concluded that “Without change, the current defense program will only become more expensive [and] without transformation, the U.S. military will not be prepared to meet emerging challenges.” Secretary Rumsfeld has tasked the Defense Agencies to prepare transformation roadmaps on how to answer this challenge and ready ourselves for the future. DFAS therefore commissioned a DFAS Transformation Management Team to survey the obstacles and outline a roadmap for our transformation process. From the Agency’s initial analysis, all DFAS functions must be examined from the bottom up. This comprehensive view will help us see what works, what can be improved and how to make us the best value to the taxpayer. The first step in the strategy is to conduct a Business Case Analysis (BCA) for each of our product lines. Plans began last fiscal year, with each BCA resulting in a set of recommendations on the best way to transform DFAS.

Business Case Analysis (BCA): BCA is a methodology to be used for, or a study of each product line to outline recommendations on the best way to transform DFAS. In the coming months every business line, product line and individual function will undergo a BCA, as each have opportunity to change and improve.

Navy Accounting BCA Team: Comprised of individuals from the Navy Accounting network as subject matter experts, to include Acquisition, Human Resources, Legal, DFAS-AR Corporate Resources/Corporate Planning, and Union representation. There will be times when the team will need to interview other personnel, or utilize other personnel for short periods of time to ensure all processes are covered.

Current Status: The most important part of any given BCA is documenting the “As Is” process. As a result of earlier efforts, all networks have detailed the “As Is” process which puts the Navy Accounting BCA way ahead of what it would take to complete a BCA.

Request for Information (RFI): A RFI is a tool for market research. The RFI connected with this project will be issued in the near future by DFAS Acquisition. The RFI allows interested vendors to share with us how they provide accounting services to their customers.

Inquiries: Personnel “may” receive inquiries regarding the Navy Accounting BCA from a number of sources (e.g., former DFAS employees, former military service members, employees working for various firms, current military service members, other government personnel, etc.). To ensure accurate information is provided, all inquiries regarding the BCA should be directed to: George Benko at (216) 522-6590 or Paula Lyons at (216) 522-6864.

Attachment