

# RM RESOURCE MANAGEMENT

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HIGHLIGHT P. 9  
AFMO: Army Financial  
Management CONUS Pilot



**Focus on**

## Resource Management: Functional Update



**RM** RESOURCE  
MANAGEMENT

*This medium is approved for official dissemination of material designed to keep individuals within the Army knowledgeable of current and emerging developments within their areas of expertise for the purpose of professional development.*

By order of the Secretary of the Army:

**Mark A. Milley**

GENERAL, UNITED STATES ARMY  
CHIEF OF STAFF

ADMINISTRATIVE ASSISTANT  
TO THE SECRETARY OF THE ARMY

**Gerald B. O'Keefe**

DISTRIBUTION:  
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FINANCIAL MANAGEMENT  
AND COMPTROLLER

**HON Robert M. Speer**

MANAGING EDITOR, THE PENTAGON

**Editorial Team**  
**Comptroller Proponency Office**

DESIGN/LAYOUT,  
**Army Graphics**



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# RM

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## A Message from the Assistant Secretary of the Army (Financial Management & Comptroller)

By Honorable Robert M. Speer

**The Army's #1 priority is readiness. In today's budget uncertainty and fiscally constrained environment this means focusing resources on immediate readiness priorities.**

As such, we owe, to Congress and the American people, the assurance that we are making the best use of resources entrusted to the Army. With fiscal stewardship and audit compliance; we demonstrate the Army's achievement of building a ready Army today and in setting the ground work to achieve readiness into the future.

Proper stewardship of resources requires that we accurately and timely capture financial transactions. Demonstrated and documented accuracy and timeliness is audit readiness and ensures the delivery of such things as military and civilian pay, supply and equipment purchases, and inventories. These are just examples of the financial transactions that provide operational readiness. As such audit readiness reflects and is operational readiness.

In 2016 the Army completed the first ever Army-wide audit of financial transactions reflecting business activity and flow of funds through the Army's budget. This audit of Budgetary Activities (SBA) reflected command focus and team effort across multiple functional domains, including Personnel, Logistics, Installation Management, and Acquisition.



Although we received a disclaimer of opinion from the auditors, the audit provided the Army valuable feedback and resulted in the development of Corrective Action Plans (CAPs) to accomplish and achieve the congressionally mandated objective to be

audit ready on the full set of financial statements by September 2017. As the Army's primary stewards of Financial Management professionals must translate CAPs into actions that ensure we produce operational outcomes for the resources we expend.

As trusted professionals, Financial Managers, you are critical to resourcing operational readiness today and setting the conditions for audit readiness in the future. It is you who master new technologies, improve business processes, and deliver financial management solutions to our Commanders.

Finally, your ability to be the trusted financial management professional requires that you continuously invest and demonstrate your knowledge and skills. You must be and are the knowledgeable experts -- trusted professionals, civilian and military, across all components. Today's FM Leaders must continue to identify and grow future FM leaders through special assignment opportunities, development of individual training plans and attending educational programs.

I am very proud of those who have led the way in achieving their DoD FM Certification and other professional certifications. We must now sustain DoD FM Certification and align continuing education and training to current assignments and our own development needs. We must be the stewards of our most valuable asset to achieve and sustain audit readiness - the FM workforce. **RM**

## A Message from the Principle Deputy to the Assistant Secretary of the Army (FM&C): Stewardship – a whole-life concept.

By Ms. Carol Spangler

This edition of the RM Magazine is all about stewardship. Whether the articles talk about people, money, audit, or processes, they can all be viewed as elements of stewardship. So, thinking along those lines, and using the power of the internet, I've been pondering the concept and how we display stewardship in the Army.

A succinct definition of stewardships is “the careful and responsible management of something entrusted to one’s care” and we generally think about this as in a financial sense – that we are stewards of the taxpayer’s money. While the word originally pertained to responsibilities in a castle, it has evolved to its current definition - to shepherd and safeguard the valuables of others. But we shouldn’t limit our definition of “resources” to only money – it also includes “materials, energy, services, staff, knowledge, or other assets that are transformed to produce benefit and in the process may be consumed or made unavailable.”

The Army’s Every Dollar Counts and Army Financial Management Optimization (AFMO) initiatives have related stewardship goals. The underlying philosophy of the Every Dollar Counts initiative is to enhance outcomes by evaluating costs and changing the mindset of every



soldier/civilian soldier to make them accountable for the well-being of the larger organization they serve. We need to empower and reward leaders who champion new ideas and find better practices to achieve Army and command priorities. The goals of AFMO and the Lines of Effort under the campaign will facilitate accomplishment of enhancing outcomes

for the Army. You will find numerous articles in this edition that speak to these concepts. I want to talk about the concept of stewardship on a more personal level.

How do we really ensure every soldier/civilian soldier feels accountable for the well-being of the larger organization? I think it begins with developing a culture of respect and inclusion so every individual shares in the success of the unit. As leaders, we need to demonstrate to our staff that we value their contributions and we need to celebrate the successes of our subordinates. We have a training and mentoring responsibility, not merely one of demanding perfection and managing deadlines. We need to be cognizant that people are only a renewable resource if they renewed and refreshed (energized, recognized, valued, and given the opportunity to grow and learn new skills) – otherwise, they can be consumed or become unavailable – jaded and disenfranchised.

Knowledge is similar – we are the caretakers – stewards – of our accumulated knowledge for our community.



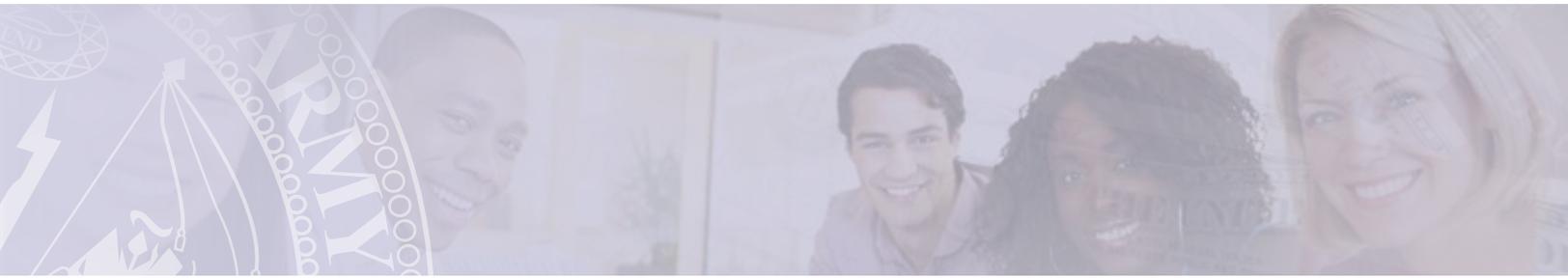
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We have been entrusted the responsibility to shepherd and safeguard our corporate knowledge. This includes not only taking care of what we have, but increasing our knowledge as a community and extending our knowledge to others. The importance of standardizing business processes to make them repeatable and efficient, and the need to ensure our enterprise systems communicate efficiently and accurately are both examples of efforts under AFMO to ensure we are safeguarding and adding to knowledge.

The Army's AFMO and Every Dollar Counts initiatives are essential for enhancing decision support, maximizing outcomes, and producing readiness for the Army. Success in these initiatives ensures we fulfill the mission given to us by the American taxpayer – to be outstanding stewards of America's treasure – its sons and daughters. **RM**

## Stewardship.





# A Message from the Military Deputy for Budget to the Assistant Secretary of the Army (FM&C): Innovation – It’s an Evolution, not a Revolution, and FM is a part of the Movement

By LTG Karen Dyson

The Army and the Department of Defense are spending a lot of intellectual capital and energy on the topic of innovation, which was one of Secretary of Defense Carter’s budget priorities for FY 2017.



Beyond pursuing “offset” technologies, innovation also includes updating war plans and operational concepts, talent management, and institutional efficiency and reform. These budget priorities offer reference points for our own priorities in financial management support we deliver across the Army.

LTG H.R. McMaster, Deputy Commanding General, Futures and Director, Army Capabilities Integration Center, Training and Doctrine Command, describes innovation as “the act or process of introducing something new, or creating new uses for existing designs.

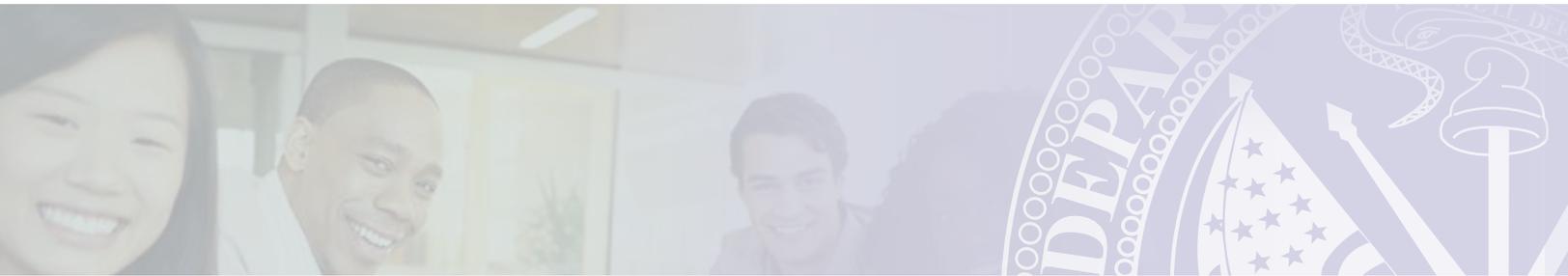
## Linking Army FM to DoD Budget Priorities: Innovation is the key!



*“Not every defense dollar is spent as wisely . . . as it could be . . . That’s why reforming the DoD enterprise is so important – from improving how we’re organized so we can best respond to the challenges and opportunities of the future security environment, to continuing to improve our acquisition and enterprise-wide business and audit practices. . .”*

Secretary of Defense Testimony Submitted Statement – House Appropriations Committee-Defense (FY 2017 Budget Request)  
As Submitted by Secretary of Defense Ash Carter, Washington, D.C., Feb. 25, 2016

*continued on pg. 5*



Innovation is the result of critical and creative thinking and the conversion of new ideas into valued outcomes. To innovate, Army leaders drive the development of new tools or methods that permit Army forces to . . . accomplish the mission in future war.”

Correlated to our financial management environment, the “something new” is GFEBS and the maturing federated financial systems in GCSS-A, LMP and the future IPPS-A. The systems are the tool, the innovation is how we adapt our use of the tool to improve our support for the future.

Army Financial Managers are key players in adapting financial management support that enables changes across the Army to meet demands of a complex, dynamically changing world. Army Financial Management Optimization (AFMO) represents innovation efforts across our financial management domain. Comprehensively, we can see FM application inside the Secretary of Defense’s priorities: Technology (GFEBS, GCSS-A, IPPS-A), updating plans and concepts (updating standardization of business processes inside Army’s end-to-end business processes), talent management (DoD FM Certification and Proponency’s /Financial Management School’s work to enhance educational opportunities), and institutional efficiency and reform (delaying, performing work where best accomplished).

LTG McMaster further states, “Innovation requires the development of capabilities that integrate changes across doctrine, organization, training, leader development, material, personnel, and facilities (DOTML=PF).” The AFMO Campaign Plan synchronizes financial management functions across DOTML-PF and holds leaders accountable for planning and executing actions necessary to innovate for the future. A crosswalk reveals accountability for this innovation framework:

- Doctrine (policies, directives, and how we conduct business to meet audit efforts – (DASA-FO, DASA-BU and DASA-CE));
- Organization (US Army Financial Management Command commanded by a Major General delivers operational financial management support across the Army);

- Training (Proponency and Financial Management will develop an enterprise training strategy applicable to civilian and military alike);
- Materiel (systems fielding in the FM Domain is reaping operational and savings benefits (DASA-FIM) and FM functionality in Logistics Domain systems, such as GCSS-A),
- Leader Development (talent management of civilian and military is a priority for all ASA(FM&C) leaders);
- Personnel (the most important asset we have – our people – with the right skills in the right positions); and
- Facilities (housing our systems, data and backups).

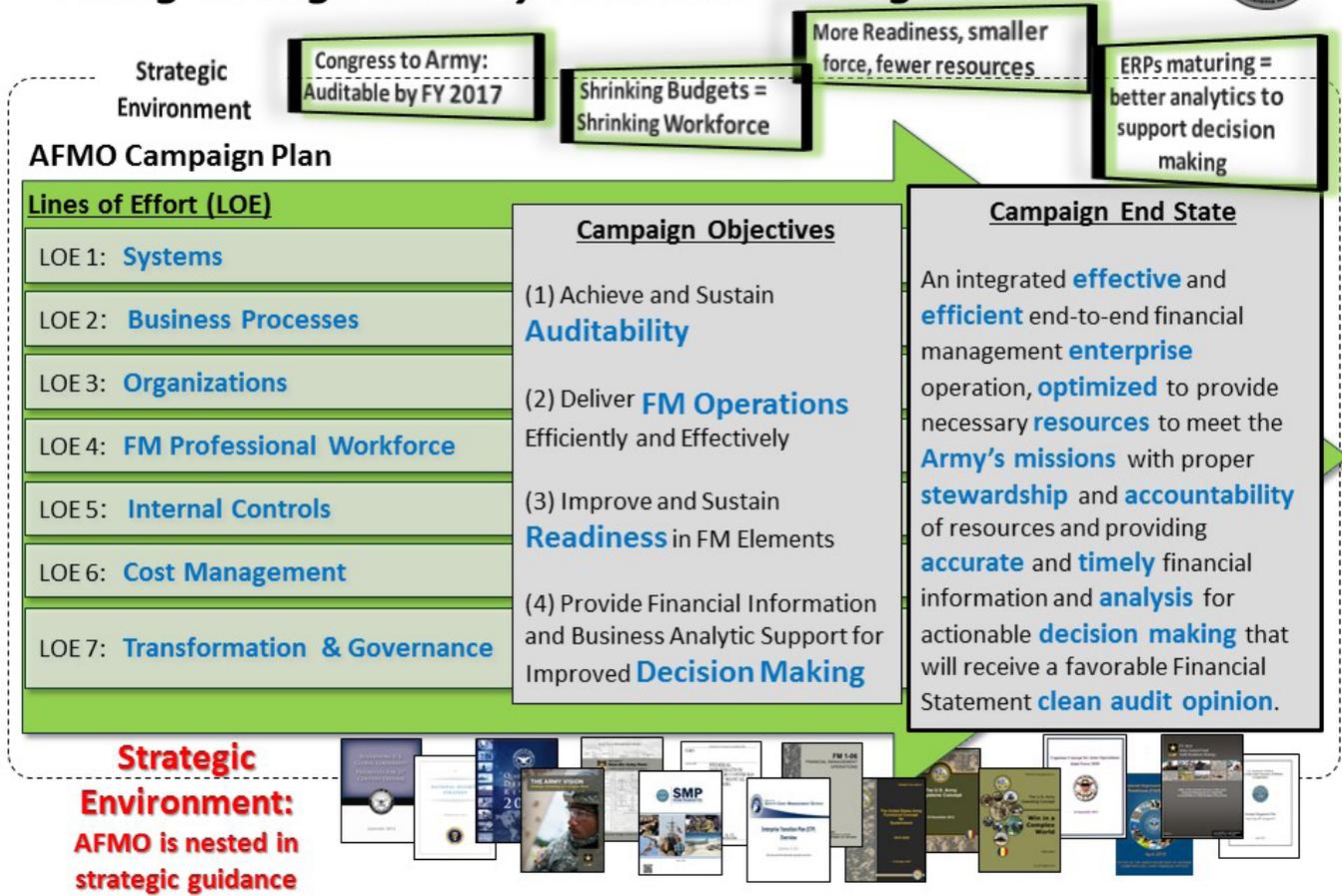
The AFMO Campaign Plan is a framework for synchronizing and measuring progress across the enterprise toward four objectives: Achieve Auditability by the end of FY17, deliver effective and efficient financial management support, enhance readiness in our organizations, and enhance analytical capabilities to improve decision support for commanders. The plan has seven lines of effort spanning the full spectrum of FM functionality: Systems, business processes, organizations, FM Professional Workforce, Internal Controls, Cost Management, and Campaign Oversight. Inherent in the concept of optimization is the capability for technical mission command in US Army Financial Management Command, bringing unity of technical oversight to operational financial management across the enterprise.

In his research, LTG McMaster highlighted research concluding that military innovation is evolutionary more so that revolutionary, a conclusion reached by reviewing innovation between World War I and World War II.

“Bringing new ideas and concepts to fruition was a long process in the interwar years. . . evolutionary innovation depends on organizational focus over time rather than guidance by one individual.”<sup>1</sup>



# The AFMO Campaign Plan: Driving Change in Army Financial Management!



The AFMO Campaign Plan seeks to build an enduring framework that will shape FM operations for years into the future, allowing for transparent views into areas we need to improve and synchronizing our support to deliver better outcomes for commanders. Investments we make today into analyzing support across DOTML-PF and in synchronizing actions across full spectrum financial management in the Lines of Effort are setting conditions for innovating FM for the future. Actualizing AFMO is a long process, and it depends on our organizational focus – the focus of every leader on our team – to innovate to our fullest potential.

Working together, our progress will prove to be evolutionary, rather than revolutionary. Fielding of GFEBS may have been revolutionary in its inception, but it is now a powerful platform we leverage in directions we couldn't think of just five or ten years ago. Ten years from now, we'll look back with pride on the evolutionary innovation achieved through deliberate, collaborative progress. Thank you to all of you who are a part of our innovation evolution.

Reference: Murray, Williamson. "Innovation: Past and Future," *Joint Forces Quarterly*, Summer 1996. **RM**

## FCR Corner: A Message from the (Acting) Functional Chief Representative

By: COL Gregory Sanders

In the past quarter, the CP 11 community has been very busy. We were heavily engaged in getting all our personnel DoD FM Certified. This was a daunting task but one we succeed in fulfilling. We are doing well as we close in on the initial deadline of 30 JUN 2016. I want to applaud all that have taken the time to achieve their certification and encourage the remaining few to “get it done.” This is not just a requirement but a form of “self-pride” to better yourselves as Certified Financial Managers!!!

We have also had the opportunity to engage in our yearly Professional Development Institute (PDI) in 2016. Financial Managers from all walks of life met in Orlando, 1-3 JUN. This is an investment that is very worthwhile to enable individual DoD FM Certification, as well as continued professional development and retention of our talented FM team.

Our theme this year was “Lift Off your Army Career, Shoot for the Stars, and certify your Future.” The Army session was an opportunity for Army FM leaders to provide key information about Army Financial Management initiatives and issues facing the community regarding the Army Budget, Auditability, Information Systems, Army Financial Management Optimization, the value of Cost Management, Department of Defense (DoD) FM certification and improvement of our collective Army FM knowledge.

The 2016 American Society of Military Comptroller (ASMC) National Professional Development Institute (PDI) program afforded unique networking opportunities with other resource management professionals throughout the Army and the Department of Defense. The forums also supported the Army and DoD’s goal to achieve course based DoD FM Certification and meeting continuing education requirements.



Ensure that you share what you have learned at the PDI with those in your organization who were unable to attend. The sharing of knowledge with others is vital to strengthening our professional workforce as a whole.

The Comptroller Proponency office continues to honor its long standing history of excellence in financial management professional training and development. I extend to YOU an invitation to continue to apply for competitive financial management education, self-development courses, talent management and training opportunities (short and long term training) which is centrally funded.

In closing, I say again “Thank You” for allowing me to be a part of your team. My continuing charter is to ensure that Financial Management careerists are provided the best opportunity to receive quality training and developmental opportunities at ALL levels. Career development and training involves continuously learning, applying new knowledge, and taking advantage of ALL training opportunities. **RM**

“Thank You”

# Financial Management Support Operations Center (FMSOC) Pilot Program

By: *Army Financial Management Optimization Team*

The Financial Management Support Operations Center (FMSOC) is a critical part of the Army Financial Management Optimization (AFMO), and consists of two hubs designed to consolidate non-decisional tasks across a centralized workforce. A pilot program is currently in progress to test the feasibility of the operations center in both the Continental United States (CONUS) and Outside Contiguous United States (OCONUS) locations, with pilot sites at Fort Bragg, NC and Wiesbaden, Germany. The Fort Bragg pilot focuses on functions at Forces Command (FORSCOM) and Army Reserve Command (USARC), and the Wiesbaden, Germany pilot focuses on functions at United States Army European Command (USAREUR), respectively.

## Goals

The goal of the FMSOC pilot is to increase efficiency and effectiveness of financial management operations and improve support to Commanders. The pilot aims to support the standardization of processes, improve analytical capabilities, and increase the centralization of transactional tasks. The AFMO Task Force has developed the 'Manuals of Functions' to standardize the FMSOC processes and includes process maps for each task. The guiding principles of the FMSOC are in place to facilitate the creation of additional FMSOCs across the Army.

The FMSOC pilot sites are currently performing more than 100 non-decisional tasks for multiple funds centers and operating agencies that were previously performed by budget analysts. The FMSOC utilize the General Fund Enterprise Business System (GFEBS) and multiple interfaced feeder systems to execute assigned tasks. Realignment of work allows for greater centralized support to fund centers, operating agencies, and Commanders. As FMSOC technicians become more experienced, they will gain efficiency through economies of scale and specialization.



Realigning transactional tasks to the FMSOC affords budget analysts the time and opportunity to provide better analysis and increase their decisional support capacity. It further allows the analysts to focus thoroughly on cost management functions and will ultimately increase the Commander's ability to make informed resource decisions.

## Moving Forward

The FMSOC pilots are being evaluated using three sets of criteria:

- Standardize processes and procedures in support of Audit Readiness
- Leverage GFEBS for virtual FM non-decision support transactions across Commands
- Improve organization and utilization of work force skills, knowledge, and abilities in support of Command missions.

The Honorable Robert Speer, Assistant Secretary of the Army Financial Management and Comptroller, will use the lessons learned from the FMSOC pilot to make an informed recommendation on the future of the FMSOC to the Secretary of the Army.

In a time where the financial management community is continuously looking to adapt to a fiscally constrained environment while leveraging advancements in technology, the FMSOC symbolizes a significant shift in the future of financial management operations. **RM**

## Army Financial Management CONUS Pilot

By: COL Lee "Mac" Tonsmeire

For the past 27 months, I served as the director of the CONUS AFMO pilot. It is likely that you heard about this during one of the many AFMO roadshows and 101 briefings. There are a number of questions across the Army about AFMO, why people should care, and why people should get involved. My experience tells me, some people asked themselves, "How do I avoid this?" By the time of publication, I will have moved on to another assignment, I am writing this article to address some of the questions or concerns surrounding our changing Financial Management (FM) environment and, most importantly, to let you know what I learned from the pilot.

Some concerns about AFMO come from their fear of change. Most people do not understand what AFMO means to them or how it translates to their daily actions. We are figuring that out. Many people feel threatened professionally and personally. "This is my job. I have done this for years. What else will I do, if not this? Are you saying I was doing something wrong? I will lose control! I am overworked now and I cannot add another thing to my plate. You will take my job. My workforce will get smaller." All of these concerns are born out of fear and an inherent lack of trust of "those "so and so's" up at the headquarters".

### What is AFMO?

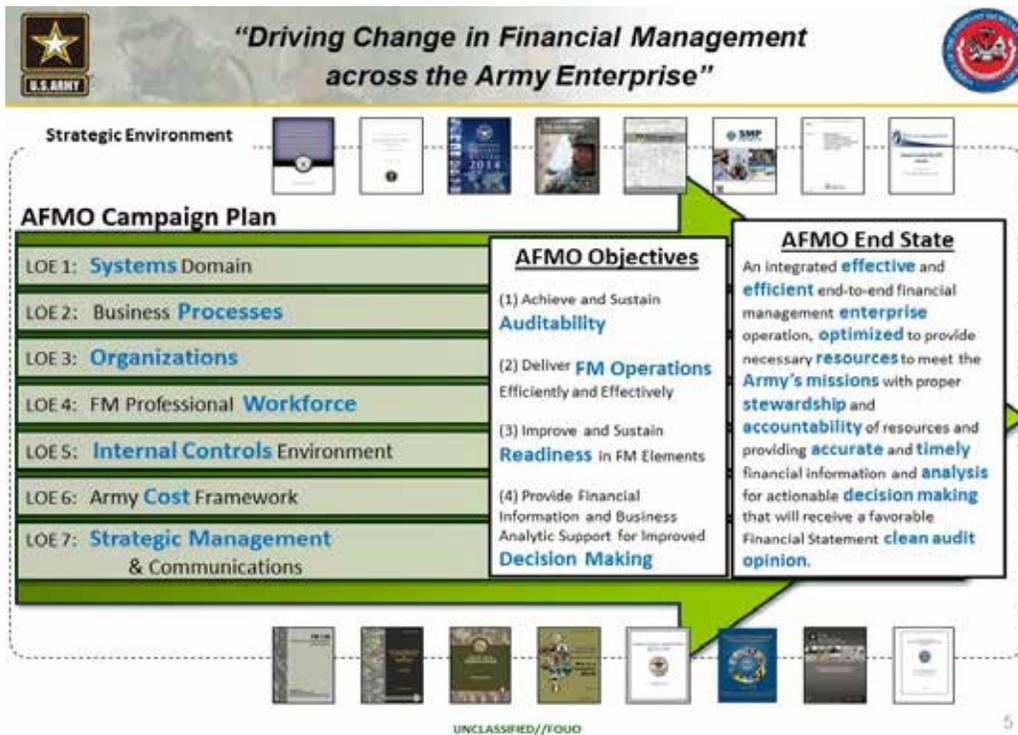
Optimizing our FM operations, is what we all should do every day. While AFMO as an organized initiative is new, the expectations it lays out should not be because, as financial managers and leaders, we should already strive every day to make Army financial management better. If this is not already your frame-of-mind, it is probably time to step aside. I am reminded of the old adage, "lead, follow, or get out of the way." As financial management leaders, we have to apply this as a motto to everything we do because those who follow our lead are watching and learning from us.



The idea of always working to make things better helps us remain focused on the bigger picture, know where we are going as an Army, and build and lead our teams better. Collectively, AFMO is the Army's over-arching response to answer the need for synchronization of financial management efforts across systems, processes, and people to provide expert and timely support to commanders, while meeting standards for audit readiness. We are all leaders. Any change requires leadership and followership.

### How I Got Involved

Based on what Army leaders understood about the system, a plan was developed to study the centralization of some operations. If something is going to happen I want to be involved. FORSCOM volunteered to lead the change agent and lead Army FM transformation. Based on what Army leaders understood at the time, a plan was developed to study the centralization of some operations. I wanted to understand the future of Army FM and maximize the opportunity. The Army struggled during the initial fielding of GFEBS and there was a high amount of resistance to the change that the system brought about. This resistance occurred due to the significant difference of GFEBS from the previous system, even though the new system offered more capability.



will take time to understand and maximize the benefits available in GFEBS. Resisting change, we will miss out of the benefits and luxuries that change has to offer. At some point we look back and wonder how we lived without the benefits technology brings us today.

I wanted to know what is going on in my profession, to ensure I understood the problem facing Army financial management and to know that the right result came from it. I knew that by participating in the effort to pilot AFMO, I would have the opportunity to deepen my understanding of the challenges facing Army financial management and apply solutions to solve them. The guidance we

received was to identify the best way to improve current Army financial management operations in and around GFEBS, specifically centralization.

### The Value of Standardization – Findings from the Pilot

A pilot program is a test. So what did we test, how and why was that done? We talked to the systems experts to identify what tasks could be centralized. We implemented some of the concept across the three CORPS, nine CONUS Divisions and the 2 CONUS Combat Training Centers (CTCs). We wanted to know which tasks could be readily centralized and how that would improve our overall performance. What we learned is, there is significant room for improvement in all of Army FM Operations, from DA policy to operating agencies (OAs) and their subordinate unit fund centers. Some good comes from centralization of infrequent tasks or high-risk tasks (Governance Risk and Compliance (GRC) tasks) and some low risk financial management operations (prior year).

*Not your grandparent's financial management system!*

A comparison of the old/legacy systems to GFEBS is like comparing a Model T truck to a modern F-150. Think of how automobiles have changed over the past 5, 10, 20, 30, and 40 years. There was initially no seat belt, then an optional lap belt, and eventually a shoulder belt required by law. Automobiles went on to have automatic transmissions and needing regular to unleaded gas and then later having options to be hybrid (gas and electric) and fully battery-powered. Amenities have matured from power steering, power brakes, anti-lock brakes, front airbags, and side airbags to including back up cameras, automatic parking and braking, keyless entry, blind spot detection, collision avoidance system, GPS, and completely integrated entertainment systems. We are now at a point where we are awaiting the future autopilot, driverless cars and the new dashboard of the future with a heads up display. This evolution is similar to the Army's transition to GFEBS, expect that the transition from a Model T to the F-150 took place over several decades while the latter is taking place over a relatively short period of time. Just as it took time for drivers to learn new technology in the new F-150, it

*continued on pg. 11*

However, the majority of improvement at this point in the evolution of the system will be garnered from standardization.

Standardization reduces re-work and leads to auditability. If the Army standardizes financial management operations we could move from one command to another with less train up and integration. Every organization is unique and standardization does not take that away. Thus, we should standardize as much as we need to and avoid standardizing everything we can, just for the sake of doing so. After my 20 plus years of jumping out of airplanes and working in combat units where standardization (TTPs, SOPs, etc) are integral to organizational success, it surprises me that we do not have standardized processes that optimize our FM operations. The examples of the benefits of standardization in a large organization consisting of a diverse workforce are limitless. The training benefit of performing FM operations in a standardized format has not been determined, but would clearly be more expertise across fewer variables in our processes. The benefits of standardizing FM operations can resemble the benefits of driving from one city, county or state to another and having the same laws. We drive on the same side of the road, wear seatbelts, use brake lights and headlights, and some of us occasionally use blinkers.

Currently, the variation in FM operations across the Army hampers our efforts to become auditable and creates additional work. The FORSCOM G8 team is conducting a UMT black-belt project in support of an Army UMT black belt project. This project focuses on GFEBS. FORSCOM is developing a follow on black belt project focusing on the Global Combat Support Systems-Army (GCSS-A). The FORSCOM GFEBS UMT project lead, Mr. Kenneth S. Deppe and his team (Mr. Tommy A. Byrd, Mr. Michael W. Menchaca, Michael M Fialkowski, Ms. Elizabeth A. Walker, Ms. Carmencita C. Wilson, and Mr. E.A Edwards) determined that FORSCOM has a first time pass rate (across 4 different systems with the highest error rate for FORSCOM) of 95% compared to the Army first time pass rate of 76%. Mr. Deppe determined that over 50% of UMTs in FORSCOM are preventable through standardization. When extrapolated across the Army there is a significant positive impact to standardization. As a financial manager or as a leader, it offers you more opportunity to lead and make a difference.

## **Cost, risk and decisions - this change requires your leadership, but there is more to it.**

I believe that if you are going to do something, you do it right the first time. Otherwise, you will have to correct it eventually. Therefore, I have always understood the value in standardizing. However, for the Army, I view standardization as the Army priority for achieving auditability. What are some other candidates for applying standardization? Cost. The way we capture cost across the Army is so different that a simple question about the cost of anything requires a data call that can take six weeks to complete. The response back is usually subject to each analyst's interpretation of the question and what data is available based on how the initial transactions were entered. The Army has not fielded a standard method for capturing cost. If we were going to standardize how the Army enters transactions into GFEBS and the feeder systems (e.g, DTS, GCSS-Army), we would capture cost the same way every time. However, the time required to do so would take a large amount of time and energy. Simply put, the Army has to balance the benefits and risks of capturing cost now as is or taking the time to apply standardization to achieve auditability. In an environment of limited resources, the Army has to choose a priority.

When determining priorities, it's clear that "no one pays a juggler to juggle just one ball." The same is true for the Army evidenced every day as we balance multiple priorities. For example, the Army is constantly building builds and using unit training readiness. The Army is also fielding GCSS-A, GFEBS-Sensitive Activities, Integrated Personnel Pay System-Army (IPPS-A), audit readiness testing, developing the cost management framework, and completing financial management certification across the workforce. Our Army financial managers accomplish all of this, in addition to our day jobs of executing funding responsibilities in support of our commanders and providing oversight, through the Joint Reconciliation Program. However, I believe that if the Army does not focus on the single priority of standardizing our financial management operations, we will continue to struggle to improve and fail to achieve auditability.



*Overview of the Army Financial Management Campaign Plan*

## Training opportunities and a blinding flash of the obvious

The AFMO Pilot, as a change agent, helped bring about the development of the AFMO Campaign Plan.

The campaign is focused on working across the Army to: (1) achieve and sustain auditability, (2) deliver financial management operations efficiently and effectively, (3) improve and sustain readiness in financial management elements, and (4) provide financial information and business analytics support for improved decision making. As you could guess, this will involve more than your passive involvement; we will need your active leadership at every level, every day.

During development of the AFMO Campaign plan, FORSCOM's involvement in every Line of Effort (LOE) produced significant results, thereby impacting the overall plan. Our focus, however, was on LOE #3, titled simply “organizations.” AFMO describes it as performing work where it is best aligned to support standard financial management processes.

Because 87% of uniformed service members in the Army reside in FORSCOM, we considered it incumbent to think through the integration of financial management Soldiers into the pilot.

Financial management Soldiers at the company level regularly perform military pay functions that are important, but no longer directly support an Army FM mission. This is a legacy mission that transitions with IPPS-A to the Adjutant General community. Soldiers are a fixed cost and the cost of supporting this mission is not captured, realized or appreciated.

FORSCOM's mission is to provide trained and ready Soldiers and units. While we have a capable financial management Soldier workforce, we have an operational requirement to produce better trained financial management Soldiers. We have found that our financial management soldiers traditionally lack the training opportunities to prepare them to perform their Mission Essential Task List and become proficient in their core competencies. Training is provided prior to a deployment, but this is like training a tank, Bradley, artillery, flight crew or surgeon with a simulator for two weeks, prior to deploying.

We discovered this training opportunity during the AFMO pilot while working with LTC David E. Vandevander, 82nd Special Troops Battalion (STB) commander, MAJ Jeffery L. Jennings, the 82nd Financial Management Support Unit (FMSU) commander, and a part of C and D detachments from the 230th FMSU, led by 1st LT Michelle Desillier, 230th Pilot Team officer in charge. I believe we discovered the blinding flash of the obvious.

These great financial management leaders and their teams contributed to updating learning focused on helping Soldiers better perform cleanup of prior year unliquidated obligations and other centralized tasks.

As a result, these financial management Soldiers and their leaders were excited to come to work and to improve their skills and core competencies. The outcome was another scalable training opportunity for financial management Soldiers and their units.

I consider the maximization and integration of our financial management workforce (military and civilian) one of the most significant opportunities and challenges for today's Army leaders. The sources of many of the conflicts and misunderstandings that they often face include doctrine or regulation, time in the office or time in the field, who someone does or does not work for, and having the necessary skills, training, and knowledge to support financial management activities. We must overcome these challenges to see the bigger picture and pursue the greater good so that we will all benefit in the future.

The opportunity that Financial Management training of our Soldiers presents can only be achieved when the Soldiers and civilians are integrated in the same office working toward a common goal with shared understanding. It helps create synergies that produce tangible results. The key to success for the 230th, charged with prior year travel discrepancies, was the dedicated support and leadership of the 11D G8, LTC Sara Dudley and her whole G8 team, particularly the professional expertise and time lent by the Chief of Accounting. The benefits to both the civilian staff and the soldiers trained in this situation are noteworthy.

The 82nd FMSU team rotated detachments into the FMSOC training, which could not have been possible without the dedicated support of Ms. Marlena Walker, Mr. Rodney Richardson, Ms. Carla Chandler, Ms. Toya Wilson, Ms. Elizabeth Walker, and Mr. Mike Menchaca who worked closely training both detachments. This is challenging, because it is not in the regular scope of our civilians' daily duties. It is not included in the manpower authorization for the G8s, but maybe Soldier training support should be considered part of G8 manpower and requirements. After all, FORSCOM's mission is to produce trained and ready Soldiers and units.

Over time, these FM Soldiers will rotate back into another training opportunity to provide better capability than before with less training. That may require a longer vision forward than most are accustomed, but this is about change and leadership.

Everyone who feels threatened by AFMO, General Fund Enterprise Business System (GFEBS) and change in general should beat down the doors to become more involved in supporting AFMO. The Army fielded GFEBS, we struggled and some resisted. We do not want to struggle through change again. The new system provides more capability and complexity than the previous systems. GFEBS is different, not bad, just different; it is not an intuitive system. We learned to operate the system, but we are not close to maximizing its capability. Still another round of change is meeting resistance.

In summary, the future of Army financial management requires change actively led by strong leaders working together for a clear, common goal. The result will be standard financial management processes across the Army and increased workforce efficiency. The decision to integrate cost capturing into the financial management process standardization, now or later, will yield a significant impact on our financial readiness. The decision must be deliberate and leaders must understand, acknowledge and accept the risk. Our FM Soldiers are ready and capable of integration into the current financial management operational mission and providing a significant benefit while reaping increased unit readiness. Financial Management Soldier readiness requires the support of our civilian subject matter experts. Challenge yourself and your teams to think differently, to see problems differently, to embrace change and improve everything we touch. We are Army Financial Management leaders.

Finally, the credit for all that was learned during the pilot extends across the entire organization from the Army Staff to the G8s and FMSUs. This includes the leaders or supervisors and the led, the privates, Non-Commissioned Officers, accountants, and analyst. What we learned was a result of the process and I was one fortunate participant with a unique perspective afforded by this opportunity. I want to attribute the majority of the learning to those who questioned what we were doing to provide the best outcome. Thank you for what you do every day.

NOTE: These are the opinions of COL Tonsmeire and do not reflect the opinion or decisions of the Army or its leadership.

*About Author:*  
COL Tonsmeire was the director of the CONUS AFMO Pilot established in the FORSCOM G8. **RM**

# Introduction to US Army Financial Management Command (USAFMCOM)

By: *United States Army Financial Management Command*

Major General David Coburn assumed command of the US Army Financial Management Command (USAFMCOM) in the Spring of 2016. This was a significant milestone not just in terms of USAFMCOM transformation, but also in the much larger scheme of the Army's efforts to optimize Financial Management (FM). At one point, the USAFMCOM transformation was the centerpiece of the Secretary of the Army's initiative Army Financial Management Optimization (AFMO). Now the USAFMCOM transformation is a distinct Line of Effort, among many, within the Army FM community. At end state, USAFMCOM will become a fully operational Direct Reporting Unit (DRU) to the Assistant Secretary of the Army (Financial Management and Comptroller) as the Army's FM "Center of Expertise" in the areas of Finance, Accounting, Resource Management, Audit Sustainment, FM Domain Enterprise Resource Planning (ERP) systems, operational and tactical levels of business process standardization, and sustainment training to Army FM elements.

USAFMCOM is responsible for the delivery of Army-wide level Financial Management (FM) functions, including systems support, audit and compliance support, financial operations support, and ERP business process standardization support; and for providing operational oversight of Army field FM activities.

## BACKGROUND

On 11 SEP 12, the Secretary of the Army published initial guidance on the optimization of FM for the Army. Following a series of working groups and senior leader discussions within the FM community, one of the recommendations was to restructure and enhance USAFMCOM to execute enterprise-level FM functions.

Subsequently, the Secretary of the Army directed the transformation of USAFMCOM on 02 MAY 14, which was later codified in a Concept Plan on 02 DEC 14, and, then, approved by HQDA G3/5/7 on 27 JAN 15. The TDA for the restructured USAFMCOM became effective on 03 OCT 15.

The transformation of USAFMCOM entailed the transition from an organization with less than 40 personnel and commanded by a COL, to an organization of more than 200 personnel and commanded by a Major General. The USAFMCOM of old was renamed Army Financial Services (AFS), and became one of three distinct directorates within the command. The other two directorates, Financial Audit and Compliance (FAC) and System Support Operations (SSO), were stood up along with a Headquarters comprising G-staff elements and special staff. The AFS retains its traditional functional responsibilities associated with the USAFMCOM prior to transformation.

The mission of the Army Financial Services is to provide enterprise - wide financial operations and support through oversight of expeditionary and garrison financial operations, liaison and coordination with national service providers, fielding and sustainment of electronic commerce capabilities, oversight and support to Army classified finance and accounting operations, management of banking programs, and distribution of funding to commands.

## TRANSFORMATION

While AFS has retained most of the functional responsibilities of the USAFMCOM of old, new responsibilities continue to be identified while others are transferred within the command. Prior to transformation, the Operational Support Team (OST), for example, had the functional responsibility of training and certifying FM units in preparation for deployment. Once transformation started, the OST was realigned to the G3 in Headquarters with the added responsibility of providing Resource Management expertise to Warfighter Exercises and Mission Rehearsal Exercises conducted by the Mission Command Training Program (MCTP).

New responsibilities for AFS support one of the primary drivers for USAFMCOM transformation – the transition of operational level FM responsibilities from HQDA. Specific to the AFS, this includes functional proponent for the Defense Travel System (DTS), the Government Travel Credit Card, and select accounting functions. While select operational FM functions are added to AFS responsibilities, two additional directorates have been created under USAFMCOM specifically to relieve HQDA of operational level FM responsibilities so that HQDA can maintain focus at the strategic level. The most obvious example of this strategic/operational bifurcation of FM responsibilities is the transition of the SSO.

The SSO was previously aligned to the Deputy Assistance Secretary of the Army for Financial Information Management (DASA-FIM) within ASA (FM&C), and has since been transferred to USAFMCOM in its entirety. The primary and overarching function of the SSO is FM Domain Systems Support. The SSO acts as the link to the field and the Program Manager for the General Fund Enterprise Business System (GFEBS), and also is the functional proponent for financial interfaces from other systems (e.g. DTS, Logistics Modernization Program [LMP], Global Combat Support System – Army [GSCC-Army], and eventually the Integrated Personnel and Pay System-Army [IPPS-A]) that feed into GFEBS, the Army's financial system of record.

The mission of the System Support Operations is to provide effective functional systems support, user support, and governance of the Army's modernized and deployed financial management domain Enterprise Resource Planning (ERP) systems; ensuring technological capabilities maturation and evolution aligns with Army and FM domain goals and objectives.

While the AFS existed previously as USAFMCOM, and the SSO was transferred from DASA-FIM, the FAC, as the third directorate of USAFMCOM, is a new organization being created from scratch. Elements within ASA (FM&C) are the lead in getting the Army auditable, while the FAC's primary responsibility is to sustain auditability once achieved. In the meantime, the FAC supports ASA (FM&C) efforts to achieve Audit Readiness.

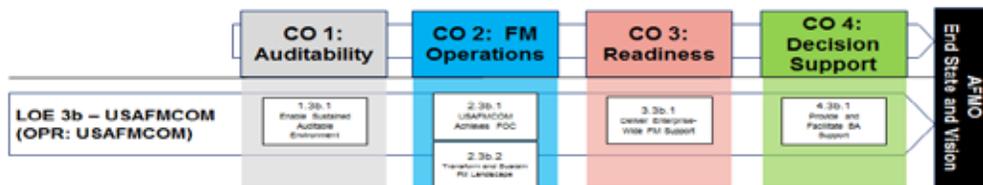
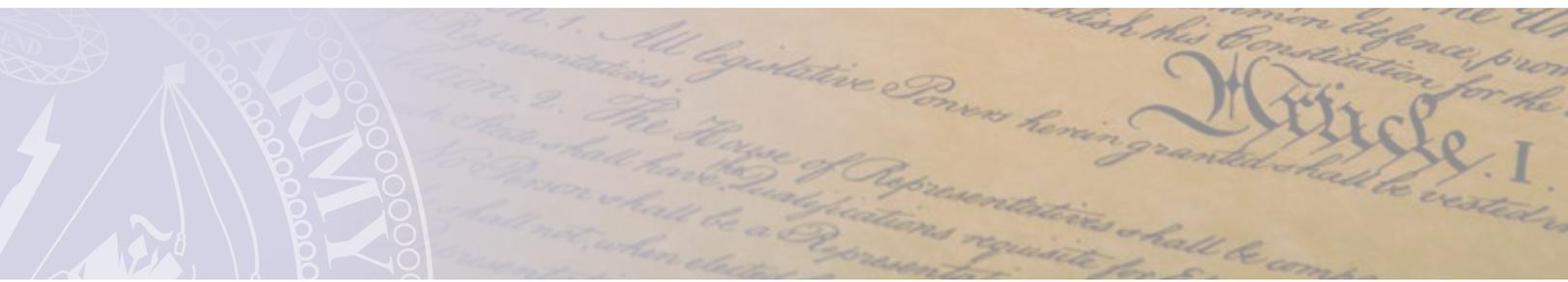
One of the primary efforts in that regard is Business Process Standardization. In coordination with other offices, the FAC is the lead in developing standardized business processes at the operational and tactical levels for the Army. Standardizing business processes for the Army is a monumental undertaking, and a prerequisite for Auditability. The goal is to publish and implement the first standardized process no later than the 1Q of FY17.

The mission of the Financial and Audit Compliance is to support Department of Army strategy to achieve and maintain full financial statement audit by executing and executing financial management audit policies, providing compliance oversight and sustaining Army audit preparedness for business processes and systems through discovery, testing, corrective actions and workforce training.

## WAY AHEAD

Much has been done, but much more still needs to be done. The USAFMCOM mission continues to evolve to the point that the functional responsibilities aligned to the Command have exceeded the resources available. As a result, the Concept Plan produced in 2014 has become outdated and requires an amendment. That, along with many other actions related to USAFMCOM transformation, has been incorporated to the AFMO Campaign Plan in an effort to synchronize actions with multiple lines of effort across the FM community.

Four distinct Campaign Objectives have been identified for AFMO: 1) Achieve and Sustain Auditability, 2) Deliver FM Operations Efficiently and Effectively, 3) Improve and Sustain Readiness in FM Elements, and 4) Provide Financial Information and Business Analytic Support for Improved Decision Making. As mentioned previously, the USAFMCOM transformation is a distinct line of effort, among many, contributing and supporting the Army's drive toward optimization. Five Major Objectives: 1) Enable Sustained Auditable Environment, 2) USAFMCOM Achieves Full Operational Capability, 3) Transform and Sustain FM Landscape, 4) Deliver Enterprise-Wide FM Support, and 5) Provide and Facilitate Business Analytic Support.



The AFMO Campaign Plan is to be published in the Summer of 2016. Many of the efforts toward USAFMCOM transformation have been done in isolation of stakeholders within the FM community, up to this point.

As efforts moving forward are synchronized through the AFMO Campaign Plan, transformation efforts will become more visible to Financial Managers in the field. As the Human Resources Command and the Army Contracting Command are to those communities, so, too, will be USAFMCOM to the FM community. **RM**

## DoD Financial Management Certification: A Message to the Team from the Team

*By: DoD FM Certification Team*

Dear Financial Managers,

On 30 June, we reached our first milestone in the FM Certification Program – the first major Certification deadline for FM members who were launched in the first wave of the Program in 2014. As an organization I am pleased to say that due to your hard work, we had over 7,500 financial managers certified!

Many of you took advantage of the training opportunities available at the PDI. So as the conversation begin to shift from earning certification to maintaining certification through Continuing Education and Training (CET) hours, I want you to take advantage of the Online training opportunities as well training within your local PDIs. Keep an eye on FM Online for the latest leadership programs and other new tools to help you along the way.

The FM Certification Team hopes you will keep in mind that this certification and other training opportunities are instrumental to financial management (FM) professional development and the development of Comptroller community. We encourage those of you, if you have not already done so, to work closely with the leaders in your organizations and to look utilize your DoD FM Certification as a means of professional development. **RM**

**Thank you for all your hard work!**



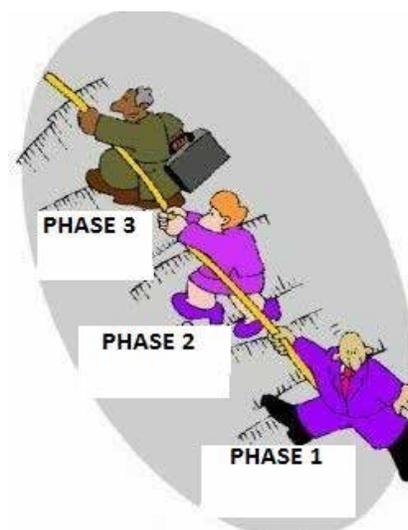
## Lessons Learned: Six Keys to Success in FM Certification

*By: United States Army Corps of Engineers, South Pacific Division*

The United States Army Corps of Engineers, South Pacific Division, (USACE, SPD) is ROCKING our numbers in FM Certification! As of December 30, 2015, we have certified 52 of the 131 South Pacific Division Financial Managers requiring certification. That is 39.69% of our FM workforce certified! In December 2014 we formed the SPD FM certification team to guide our users through this process. Our team has found that there are Six Keys to Success that have put us on top for USACE certifications. These keys are as follows:

**KEY ONE – Knowledge:** SPD Regional Certification Team has provided hands on workshops/training sessions at our Districts. Additionally, we held a session in one of our larger Districts with the USACE Command Component Administrator (CCA). These sessions have proven to be a valuable tool to alleviate the stress of learning a new system and the mandate to certify within a specific time frame. We were able to break the sessions out into phases, contingent on the progress of each employee. This break-out helps to avoid intimidation from pushing out the entire process all at once as well as to not slow down the folks that are well on their way to certification. The first Phase focuses on alignment of learning and academics using FM My Learn. The Second Phase is entering learning and documentation into FM LMS. The Third Phase is compiling certificates and alignment into a required FM certification package for Certification Team, S1 and A2 review and approval.

Each session has produced energy and motivation within the FM staff and resulted in multiple certification package submittals for our FM Certification Team to review after our visits. Prior to deployment of the FM Certification team, District RM's held monthly FM certification meetings on the "how to's" in FM LMS, best course selections (most bang for the buck!), lessons learned regarding FM Certification submittal issues, and aligning courses and academics.



FM Certified Employees have embraced the “Pay it Forward” concept and assist co-workers in their Districts to complete their certification requirements. Knowledge is, and always has been, the first key to success in any new adventure.

**KEY TWO – Communicate, Communicate, Communicate:** Communication is the most powerful tool to alleviate concerns and frustrations about new policy, systems, and completing the certification process within the 2 year deadline. FM Certification requirements change and new paths to certification are identified. In the life of the program we have seen changes in alignment of courses, courses being added, rules, and the “look” of LMS and DoD FM Online. We formed our SPD FM Certification Team, consisting of a team member at each of our four districts and our Division. Our team communicates these issues in various formats, including e-mail, one-on-one support to District staff, and posting information to a SPD FM Certification Share Point website. Communication of new and changing processes, rules and courses to the FM staff provides assurance that our team is there to help them with current, up-to-date, direction and guidance for obtaining their FM Certification. Communication between FM Certification Team members is also the key to our stellar record of Certifications awarded. We require a PDF file be created with all certificates and the alignment documentation for distribution to the team.

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Every submission goes through an intensive review that must be approved by 3 of our 5 team members prior to S1 engagement (unless the S1 is a member of the team). Keys one and two go hand in hand. Complete knowledge is not obtainable without effective communication of information.

**KEY THREE – Automate it!:** We have created a centralized Share point FM Certification site that contains links to all DoD certification guidance and learning aides. DoD FM Online, FM LMS, FM MyLearn, HR (eOPF and MyBIZ) and multiple training site links are all located in one place within the South Pacific Division (SPD) Intranet. Our site also provides SPD specific requirements (certification review process) tools and guidance. Component administrator “shout outs” relay new and changed information regarding the program, new courses are identified and lessons learned are posted. We also update our certified users and users still requiring certification on a weekly schedule. This update helps us to validate the status of all users and take action to reactivate current users or provide Program Notification Memorandum to new users. One of the most common

problems among our user does is not knowing their FM LMS User ID. This site makes it possible for users to easily identify their FM LMS user ID outside of FM LMS. Users obtaining certification are quickly increasing in our region and FM Certification reflects highly on employee’s personal and professional growth efforts. This site provides a platform to provide acknowledgement of Certification accomplishment to the masses. Automation is also instrumental to allowing a review process that requires communication between all Regional Districts and Division. Automation keeps the FM workforce informed as changes occur, provides a communication platform for lessons learned and celebrating the success of our co-workers and provides for effective virtual team activities.

**KEY FOUR – Leadership Support:** TOTAL command support for obtaining and maintaining FM Certification is a necessity...WE GOT THAT! Resource Managers (RMs), Project Mangers, and our regional command group all support and assist employees in obtaining their certification. Our Regional FM certification Team consists of 3 of the 5 being District RMs.



If training to fill gaps is required, work time and space is allowed to complete training. If assistance in FM LMS actions and requirements is needed, RMs support the FM Certification team by providing time, space and travel for local workshops and training sessions to be presented. Certifications are recognized and celebrated by our regional Chief of Resource Management and the Regional Business Directorate Senior Executive. SPD Component Administrators have conducted, and continue to conduct; District site visits to help folks get certified. Face to Face communications are instrumental in showing that the command support is strong and serious. This would not be possible without SPD Leadership providing the time and resources to make things happen.

**KEY FIVE – Spirit of Competition:** WE MAKE IT FUN!! SPD has also created a healthy little competition regarding Certification status. Certification numbers in the region are pulled weekly and presented to each District POC. Identification of just where each District stands locally and regionally motivates staff to “BE ON TOP”!! To further create team camaraderie and bring our region to a higher level of competition, we also present our standing in regards to USACE as a whole. This action brings our team together with one common goal....to be #1 IN USACE!! Based on the data pull dated 31 Dec 2015.....WE ARE THERE!!

**KEY SIX - Acknowledging Your Super Stars:** We have created a Regional Awards Program to recognize individual accomplishments. Once all competencies are completed and submitted for S1 approval, the Financial Manager (FM'er) is recognized with our SPD FM Certification Coin. This coin is as highly respected and sought after as a USACE Commanders Coin....and it is..... Chocolate!

At this point, our FM'er is patiently awaiting certification. Once Certified, FM'er is recognized by a special certificate and package of pop rocks to officially document just how much THEY ROCK! The Presenter of this award is their local Chief of Resource Management or Component Administrator. The presentation occurs at a District Town Hall, FM Certification Workshop, or other local awards function for appropriate recognition of the accomplishment.



We are very proud of our accomplishments and wanted to share our SIX KEYS TO SUCCESS with all.

## Six Keys to Success

- KEY ONE**  
Knowledge
- KEY TWO**  
Communication
- KEY THREE**  
Automation
- KEY FOUR**  
Leadership support
- KEY FIVE**  
Competition
- KEY SIX**  
Award

CERTIFIED

Leadership provides the resources to develop Automation which provides the platform for Communication to create Knowledge.

**Competition builds a common goal and Award shows the respect deserved and ....Let's face it.... they are the "icing on the cake!"**

Our FM Certification team is working like a well-oiled machine and we are rocking our numbers daily! In addition, the practice "paying it forward" has created a much larger FM certification Team including EVERY FM Certified staff member in the Region. As employees obtain their certification, the pride and sense of accomplishment that they are experiencing shines and they are motivated to help their coworkers to obtain that same level of success.

**RM**

*About the Authors:*

*The SPD FM Certification Team was tasked to develop the regional guidance and process from the ground up. When the DoD FM Certification Program launched in 2014, there was virtually no guidance readily available. The SPD FM Certification team did the hard work and trail blazed by researching various training resources; developing Regional templates; established Regional training initiatives and presentations; and did whatever it took to ensure the success of the South Pacific Division and our dedicated FM workforce.*

## FM CERTIFICATION

SPD

TEAM

SPD/SPN FM CERTIFICATION POC & REGIONAL COMPONENT ADMINISTRATOR



Carrie Barnes, DFMCP2, CDFM-A  
Budget Analyst  
US Army Corps of Engineers  
HQ South Pacific Division

SPA FM CERTIFICATION POC



Elizabeth A. McCullough, DFMCP3, CDFM-A  
District Chief Financial Officer  
Resource Management Division  
USACE Albuquerque District

SPL FM CERTIFICATION POC



Betty J. Melendrez, DFMCP3 CDFM  
District Chief Financial Officer  
Resource Management Division  
USACE Los Angeles District

SPK FM CERTIFICATION POC & REGIONAL COMPONENT ADMINISTRATOR



Remona Aden, DFMCP2, CDFM-A  
Accountant, Finance and Accounting Branch  
USACE, Sacramento District

## A Certified Workforce: The Foundation for Individual and Organizational Success

By: Hairo Ortiz and 1LT Stephen Ramlakhan



Developing a workforce that can meet the demands of today's challenges is vital for our nation's defense. As global threats emerge our Nation's finest deserve nothing but the best support possible. The Department of Defense needs a workforce prepared to address nuances and the ability to provide the best they have to offer in a moment's notice. Striving for a certified work force is a goal-oriented improvement practice that serves the professional community in a holistic manner. Achieving and maintaining a certified workforce demands training, professional development and higher education, which results in enhancement and process improvement long-term.

Total Quality Management (TQM) is a management approach well known in the private sector. One of the eight key elements that makes TQM successful is training. In the model, an employee's productivity is enhanced from proper training and their supervisor is responsible to implement and manage performance.

On an organizational level, training provides the necessary foundation to enhance and evolve an organization to meet new challenges while keeping up with standards already set.



On an individual level, continuous training will keep you abreast of any new processes, changes in the fiscal environment, and challenges you will have to face when making decisions in support of our nation's security. Training will not just keep your certification active but it will provide the workforce an opportunity to be creative with new information, become an agent of change and re-energize personal improvement. As the workforce evolves, we need to place our best efforts to ensure we continue to be experts in our field. Training is made available for the workforce to take advantage of and we shouldn't shy away from it.

Part of talent management is providing the opportunities for employees to grow within their organization. As senior professionals get ready for retirement, we have to ensure quality work and processes continue. Programs, such as Senior Enterprise Talent Management, Enterprise Talent Management, Enterprise Emerging Leaders, Civilian Education System, have been deployed to develop future leaders. These are optimally aligned to encourage and transition outstanding Civilian Leaders and should be viewed as high priorities.

During opposing economic confidence, education, training and development can all serve as a way of optimizing an employee's performance to maintain and increase organizational standards.

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The talent management programs are the ideal approach to increase employees' commitment, loyalty and performance, and provide quality means to retain and develop talent attached to the organization.

Training is an investment and has shown a great return on investment for organizations that make it a priority when growing their people. Neglecting training opportunities will inevitably evolve to an underqualified workforce. We must continue to acquire efficiency by unceasingly enhancing the capability of the workforce. Enhancing those capabilities that supports the institution, the organization, and the individual remain our best armor against waste, fraud, and abuse.

A top priority for our leaders is readiness. By making training a priority we echo the importance of being cognizant of emerging realities that impact our nation, resources, and work environment. Our future Army leaders must be technically and tactically proficient, innovative, and committed to life-long learning. This is the current message to our nation and our workforce as described in the four pillars of readiness. Ensuring a trained and ready Army takes time and resources and can only be achieved through the cumulative effect of consistent, multiple, and repetitive training activities.

#### *About the Authors:*

*Hairo Ortiz is a Financial Management Analyst for SAFM-BUC-I, Army Budget Office. He provides management with financial information including trend analyses and projections of quarterly and year-end status and comparison of actual performance to appropriations. Conducts special studies, analyzes historical data, develops projections of program funding requirements, and recommends financial strategies and actions for meeting program objectives. Hairo is a former Army intern who served on active duty for almost 7 years with a tour of 15 months to Iraq.*

*Stephen Ramlakhan is a First Lieutenant Financial Manager with the Army National Guard. 1LT Ramlakhan is currently assigned to SAFM-BUC-I, Army Budget Office. He is responsible for integrating budget analysis and presentation of major Army programs, strategic communications, and themes. Responsible for coordinating and producing Executive-level products to inform and influence Army Staff and external stakeholders on Army budgetary matters in support of the Army Budget Office. Provides analytical assessments, actionable insights and quick reaction evaluation to facilitate knowledge sharing, strategic messaging and decision making within the Office of the ASA (FM&C) and Army Staff. Stephen enlisted in the New York Army National Guard in 2000 as an Accounting Specialist (73D). After earning the rank of Sergeant First Class, Stephen was selected and graduated from Officer Candidate School (OCS) in September 2013. He is the recipient of the prestigious Nathan Towson Medallion and the MG Emmett J. Bean awards for his distinguished leadership abilities in Financial Management. Stephen served in many Financial Management positions to include, Budget Manager, Accounts Manager, Disbursing Agent, Chief of Military Pay, Commercial Vendor Services NCO, Accounting Sergeant, and Disbursing Cashier. He is a member of the American Society of Military Comptrollers (ASMC) and holds a Certified Defense Financial Manager (CDFM) and a Defense Financial Management Certification Program Level 2 (DFM-CPL2).*



## A Thought Piece: Stewardship as a Core Value

By: Christopher Craft



**“Stewardship of the resources entrusted to us remains a top priority...”**

– Secretary of the Army,  
2014 Annual Financial  
Report

### Introduction

The Army implies that stewardship of resources is important; however, the Army has not directed clearly its military and civilian members, through policy and doctrine, to be good stewards of our nation’s resources. There are examples of excellence in stewardship throughout the Army; in roles of direct support to stewardship of resources, the Army has implemented programs, which instill accountability through leadership, policy and performance measurement; these are part of a broad approach. Some examples of Army-wide programs include leadership at all levels has incorporated cost, through use of Cost-Benefit Analysis in their decision-making; the Campaign on Property Accountability (EXORD 259- 10); the Army Financial Plan and Audit Readiness Strategy 2012; the Army Energy Program; and multi level Cost-Culture Training and a Cost-Culture Business Initiative. These programs have proven to be successful drivers; endorsing much needed education.

It is a personal, professional and moral obligation of every member of the Army family to change the way in which we plan for and consume resources. This change requires innovative thought and behavior from all members of the Army family to be efficient with resource consumption,

and simultaneously to maintain quality of life and the Army’s status as the premier land force in the world. To begin this journey, the Army must commit itself to a culture of resource stewardship.

### Discussion

#### Systemic Challenges to Stewardship of Resources:

The Federal resourcing process is a combination of decisions between the legislative and executive branches of the government. The Planning, Programming and Budgeting System, instituted in 1962, was a formal attempt to link strategic planning with budgeting and resources in a single system. The intent of former Secretary of Defense Robert McNamara, the creator of the Department of Defense resourcing process, was to distribute risk in a structured way so that national security was maximized while the opportunity cost paid by the American public was minimized. Although the Department of Defense resourcing system and processes have changed throughout the last 50 years, the basic structure remains largely intact. There are basic differences between how the government and for profit companies execute stewardship. The Army receives a fixed budget and makes the best choices it can within that framework, profit is not a motive driving responsible stewardship of resources.

A perspective when considering why individuals and leaders throughout a government agency do not consistently look for resource savings is that it is not rational to do so. The espoused value of stewardship and the operational value that does not reward stewardship create organizational dysfunction. Military leaders, uniformed or civilian, act rationally within the federal system when they work to expand their budgets and increase the size of their organizations. To catalyze the change at all levels of the Army, alignment of the espoused and operational values is necessary to drive cultural change that encourages behaviors of responsible stewardship.



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## A Foundation for Change

Adapting resource behaviors in an era of national economic scarcity is a major leadership responsibility. These resources -- forces, materiel, and other assets and capabilities -- provide the Army with the ability to be the best-trained, ready and effective force in the world. The Defense budget, as former Secretary of Defense Robert Gates noted, "...almost doubled during the last decade, but our capabilities didn't particularly expand. A lot of that money went into infrastructure and overhead and frankly, I think a culture that had an open checkbook ... "(Secretary of Defense Interview with Katie Courie, CBS, May 15, 2011).

To maintain this status as the world's premier ground force in an environment of fiscal austerity, a foundation for Army behavior must be an explicit value placed on stewardship. Everything the Army does is based upon a foundation of policy and doctrine. Grounded and influenced by policy, the Army's Warrior Ethos, in part, includes the Army Core Values, the Soldier's Creed, the Army Code of Conduct and Code of Ethics for Government Service. These establish standards for organizational and individual behaviors; however, Army policy and doctrine do not contain explicit and formal guidance on the importance of being good stewards of our resources.

## A New Army Core Value

Army Core Values are a foundation that influence and guide the behaviors of all members of the Army family (Soldiers, NCOs, Families, Officers and Civilians). This foundation guides the decisions made across the Army on a daily basis. The idea of improving upon our set of core values does not indicate that as an Army we are failing at anything, they define who we are, what we do, and what we stand for.

Army Core Values received their impetus from the Army's Character Development XXI initiative and have been part of the initial-entry training scene since July 1998, when dog tags and thousands of posters representing loyalty, duty, respect, selfless-service, honor, integrity and personal courage (the seven core Army Values) were distributed worldwide to the field down to company level. The Army designed color posters depicting each of the seven core values, while an eighth poster features all the values.

In the Training and Doctrine Command, drill sergeants and instructors teach Soldiers how to be warriors, the sense of the Army as a values-based institution begins here.

Our individual effectiveness as part of the Army team comes from within, from our upbringing, our character and our values. The Army is an organization guided by values. Army values are the basic building blocks that enable us to see what is right or wrong in any situation. They build the warrior ethos and they are mutually dependent-you cannot fully follow one while ignoring another. These values tell you what you need to be, every day, in every action you take and remind us and the world who we are and what we stand for. "Army Values" is not merely a phrase for how members of the Army should act; they are whom we are. We emulate the seven Army Values because they are the standard for behavior, not only in the Army, but also in any ordered society. Creating a foundation for stewardship of resources will instill a cornerstone for Army behavior that will ensure the continued protection and preservation of America's resources and help us maintain balance.





## Stewardship-the Way Ahead

How Army leadership can execute successfully the stewardship change action:

1. Express verbally and in writing, as a matter of strategic direction and cultural alignment, that each organization and individual be good stewards of the Nations entrusted resources.
2. Promote to the Army, the institutionalization of strategic policy direction and doctrine to be good stewards of resources by making stewardship of resources an Army Core Value.
3. Catalyze detailed implementation of strategic policy direction and doctrine to adopt a new Army Core Value to be good stewards of resources by directing the following:
  - a. Assistant Secretary of the Army, for Manpower and Reserve Affairs (Office of Primary Responsibility for Army Core Values) lead development of the implementation plan, within 90 days for approval, with intent of creating change within Army-wide policy and doctrine focused on unit and individual behavior.
  - b. Principal Officials, Headquarters Department of the Army, Army Commands, Army Service Component Commands and stakeholders support the plan development to implement this strategic decision and direction.
  - c. Headquarters Department of the Army policy and functional principals in coordination with Army Commands, cascade the new Army Value throughout appropriate policy and doctrinal documents, and revise training and education programs to be inclusive.

## Summary

For the most part, we are likely to lose money if there is poor stewardship of the funds that we invest. Responsible stewardship of Army resources is in our combined self-interest; those individuals or organizations lacking such stewardship tend to become unaccountable. We all have a responsibility, to ourselves, our future Soldiers and the nation to leave our operating forces and areas of business a better place because of our time on station.



To be responsible stewards, it is necessary often to place long-term needed outcomes over near-term desired gains that likely do not support our strategy.

Criticality of responsible stewardship is more now than ever before given our ever-growing national debt, the escalation of political party animus and the absolute need to retain and acquire high tech weapons systems to ensure dominance on the 21<sup>st</sup> century battlefields.

**Achieving responsible stewardship at all levels, positions and organizations in the Army will not resolve based on a directive or buried in a policy. Responsible stewardship will only occur across the Army with cultural acceptance of its necessity by the people who are the Army. This cultural change must be a part of our Army Values, which every Soldier espouses and lives through the Warrior Ethos.**

**RM**

*About the Author:*

*Christopher Craft joined the Army Office of Business Transformation in March 2008. As Culture & Education Division Chief, he supports the Business Operations Director managing, supervising and coordinating OBT efforts supporting the Under Secretary of the Army / Chief Management Officer as he carries out all aspects of the Army's Business Strategy. Key accomplishments include an OBT program of education, teaching business performance assessment, management and improvement, with responsible stewardship, strengths based leadership and complex group facilitation for the Command and General Staff College (spring term 2016 ILE); complete revision and publication of AR 5-1, Management of Army Business Operations (Nov 2015), and; current work includes developing a General Officer executive management program of education for SecArmy and CSA approval.*

*continued on pg. 27*

## Understanding the Difference Between ‘Getting Audit Ready’ and ‘Being Audit Steady’

By: William Roberts



As the Congressionally-mandated audit readiness deadline of 30 September 2017 rapidly approaches, the Army continues to consider what its auditable financial state might look like, as well as the areas in which it might continue to improve and innovate beyond 2017. Key to meeting the deadline, however, is understanding the difference between “audit readiness” and an audit itself. The mechanics of this can seem convoluted – a series of audits is currently being undertaken, in order to achieve audit readiness, so as to prepare for a single larger audit that is scheduled to begin in Fiscal Year (FY) 18– but this sequential, iterative approach is proving its worth.

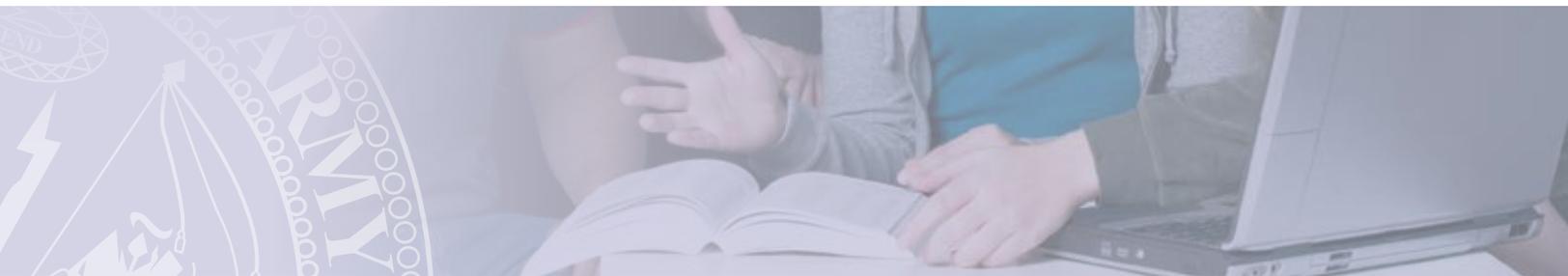


*Caption: Army 1st Lt. Carolyn Frazier, right, goes over an inventory list with one of her noncommissioned officers a day before a combat logistical patrol on Forward Operating Base Kalsu, Iraq, June 12, 2008. U.S. Army photo by Spc. Amanda McBride.*

The Army’s audit readiness strategy involves annual audits. The findings and results of these audits will be used to identify and subsequently correct areas in need of improvement. This article will outline this audit readiness strategy, describe what the Army will look like “under audit,” and lay out a vision for the post-2017 audit-ready Army.

“Audit readiness” consists not just of accurate financial statements and information, but refers to a larger program of good fiscal stewardship across the Army and the Department of Defense. The May 2016 Financial Improvement and Audit Readiness Plan describes that end-game as: “the Department’s need to improve business and financial oversight and transparency; be more efficient in how the Department uses resources; strengthen controls to deter waste, fraud and abuse; and meet its cybersecurity goals. Better information enables better decision-making.” Audit readiness is not a single accomplishment that can be checked off; rather, it is a persistent state of being where audit readiness is embedded into the DNA of the Army’s culture and operations – thereby being “Audit Steady.”

To accomplish this goal, the Army has adopted a phased approach. Smaller, narrow-scope examinations of, respectively, appropriations received, mission-critical assets, real property, and operating material and supplies have comprised the first two waves of audit readiness.



The latter portion of these was accompanied by the Army's first-ever schedule of budgetary activity (SBA) audit, making the entirety of FY15 appropriations available for auditor review and sampling for the first time ever. This audit resulted in a "disclaimer of opinion," meaning that the auditors could not render an opinion of pass or fail because the Army could not provide sufficient documentation, precluding the auditors from performing sufficient testing to form a conclusion. However, the audit provided invaluable insight and understanding into the expectations and infrastructure needed to prepare for the full financial statement audit that is to come. The auditor identified numerous deficiencies that the Army is using to inform its audit preparations. To address them, an Army-wide corrective action program this is identifying root causes and addressing them through numerous corrective actions.

The Army and its auditor are now hard at work conducting the FY16 SBA audit and a partial audit of the Army Working Capital Fund, in addition to implementing corrective action plans. The auditor and the Army personnel have conducted 72 site visits and walkthroughs, while the auditor has made approximately 2,475 data requests (as of 6 June 2016). Priority areas and targets of corrective action plans include ineffective system controls, an incomplete universe of transactions, and missing or incomplete supporting documentation. The audit readiness efforts will require leadership and support from all echelons of the Army, particularly its senior leadership. But make no mistake: audit readiness is everyone's responsibility, even non-financial personnel.

By FY 2018, the Army will have achieved the audit readiness milestone and be undergoing full financial statement audits. This means, in essence, that the Army's financial, payroll, and asset/liability data will be recorded properly, stored, and transmitted in such a way as to be easily obtainable by an auditor and the Army's internal control environment is sound and effective.

While under audit, it will be critical to sustain the Army's readiness posture, and the most important means to this end is the governance strategy. The Army must establish and maintain appropriate oversight bodies in order to present a clear chain of reporting and command, and to ensure accountability at all levels. A future governance strategy will also require an Army-wide understanding of the best practices for facing and managing audit issues as

they arise, oriented towards solutions. Clear and thorough training must be a big part of this effort to ensure new and tenured staff are aware of and fully understand what is expected of them in carrying out their duties. Whether it be submitting or collecting supporting documentation for soldier housing allowances, or following the correct system control procedures of outgoing system users, Army personnel must have the proper knowledge on how to perform their roles correctly, and in accordance with prescribed policies and procedures. Ultimately, these efforts require that a culture of transparency and accountability be inculcated in Army Soldiers and civilians and be sustained, with all personnel fully understanding the parts they play. Leadership must maintain its "tone at the top," and in order to prevent valuable skills from atrophying, it will be necessary to incorporate audit techniques into everyday operations.



*Critical factors for sustaining the Army's readiness posture while under audit.*

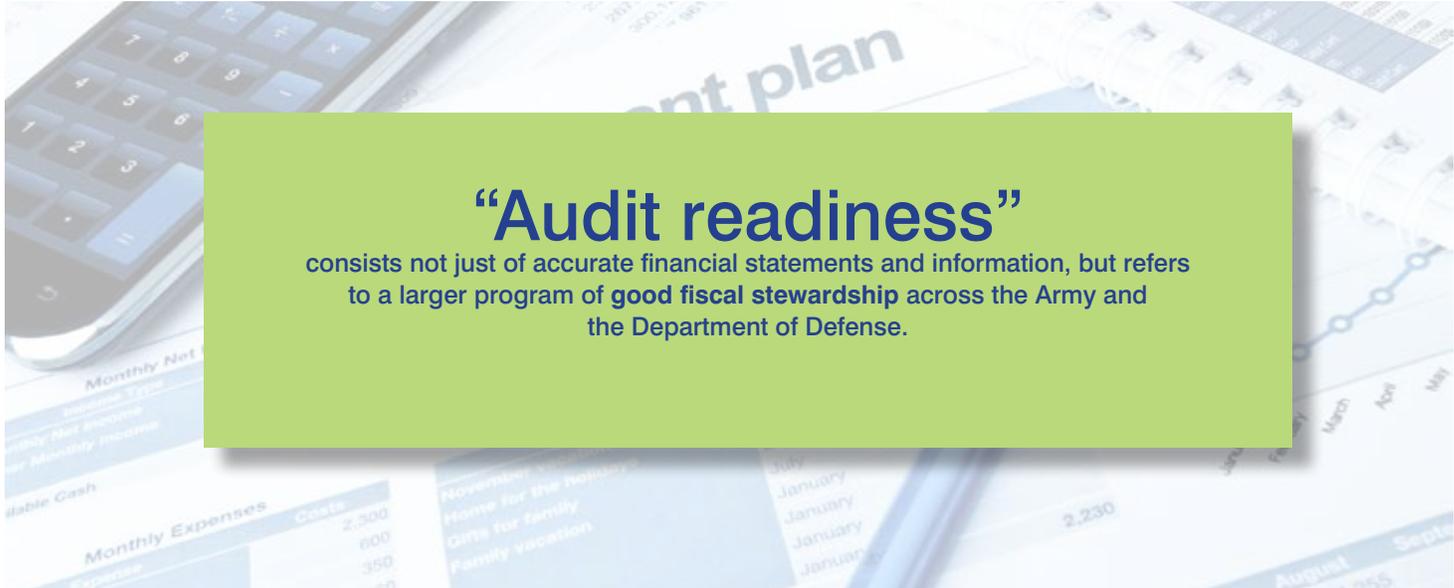
Paramount to all of this is the data that the Army generates and uses, and which will be audited regularly. The Army and DoD environments are very complex, with hundreds of different software and hardware system and a user base numbering in the millions. Data must pass through multiple systems (e.g., payroll, human resources, accounting, logistics, health) across DoD and the Army itself. The result is that data is difficult to trace, but must be accurate across each system. Army units and agencies will need to fully understand how to analyze their own financial data, adhere to policies and procedures, and to clean up any issues before audits begin. If an audit is

*continued on pg. 29*



## “Audit readiness”

consists not just of accurate financial statements and information, but refers to a larger program of good fiscal stewardship across the Army and the Department of Defense.



presented with bad data, the results will be negative. The technical solutions to this are still being determined – part of the audit readiness process consists of selecting a fix – but in terms of operational practice, maintaining fewer systems and ledgers is the best practice. This will also require eliminating legacy systems once and for all. Good data must be baked into every routine procedure and daily process.

The Army's prospects for future auditability are bright. There is much to improve, but the Army has identified its issues and is executing corrective actions in order to mitigate them. Following the initial 2017 audit readiness goal, however, the Army will have to preserve and maintain its progress, in order to ensure it continues to practice good fiscal stewardship of American taxpayer dollars. Every Soldier, civilian, leader, and technical system will contribute to this effort. Much of modern American power projection and military strength is based on a certain degree of combat readiness across units with a tremendous variety of capabilities. By the same token, continuing audit readiness will ensure that the Army's finances are unquestionably sound, and that Army financial management is just as prepared for anything as the rest of the Army. **RM**

### *About the Author:*

*Mr. William H. Roberts is the Acting Director of Accountability and Audit Readiness in the Office of the Assistant Secretary of the Army (Financial Management & Comptroller). In this role, he is working to meet the Army's audit readiness goal of auditable full financial statements by the end of fiscal year 2017. Currently, Mr. Roberts's work is focused on obtaining an audit opinion for the Army's Schedule of Budgetary Activity, which has an annual resource balance in excess of \$240B dollars. He is also managing the audit readiness efforts in proper valuation of the various assets and liabilities on the Army's Balance Sheet, which has a total in excess of \$300B dollars.*

*Mr. Roberts has more than 19 years of accounting, management, and audit readiness experience with commercial businesses and the federal government. Prior to his work with the Army, Mr. Roberts served in several financial management roles at the Department of Defense with the Office of the Under Secretary of Defense (Comptroller)'s Financial Improvement and Audit Readiness Directorate, Department of the Navy and the Business Transformation Agency. His prior consulting experience focused on financial transformation and business process improvement. He holds a bachelor's degree in accounting from Hampton University and a master of business administration from Johns Hopkins University.*

# Impacts of the Bipartisan Budget Act of 2015 on the Army Budget

By: MAJ Michael Mai



## Déjà vu.

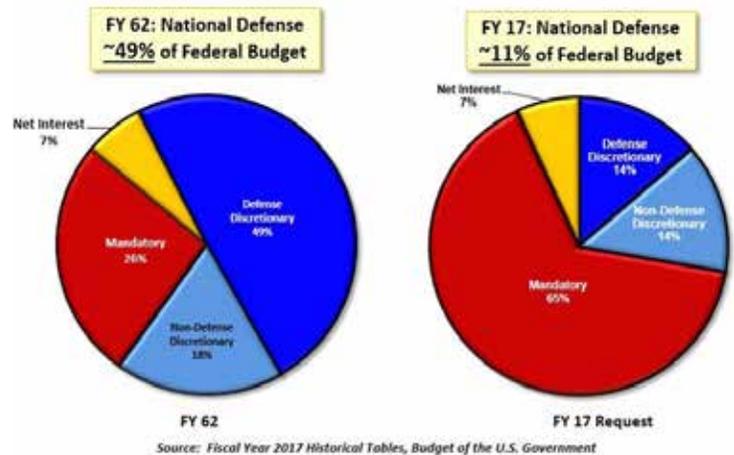
Any observer of federal budget proceedings couldn't help but be struck by this sensation after President Obama signed P.L. 114-74, the Bipartisan Budget Act of 2015 (BBA15), into law. Certainly within the Pentagon there was a feeling of tepid relief as Congress and the President agreed to a

second consecutive two-year budget deal – this time for FY16 and FY17 – that partially relieves all Federal Departments from the discretionary budget caps imposed by the Budget Control Act (BCA) of 2011. Assuming that Congress passes the FY17 Appropriations Act in line with this deal and our FY17 President's Budget (PB17) request, it will provide the Army with \$10B more funding over two years than we otherwise would have had under the BCA caps.

## Budget Control Act and Bipartisan Budget Act History

<b>BCA</b>	The Budget Control Act (BCA) of 2011, P.L. 112-25, signed 2 August 2011, amended the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) to establish budget caps on Federal discretionary spending for 2012 – 2021. Overseas Contingency Operations (OCO) dollars were not affected by these caps.
<b>BBA13</b>	Bipartisan Budget Act of 2013 (BBA13), P.L. 113-67, signed December 2013, provided relief from the BCA by adding discretionary spending above the BCA cap limits in the amounts of \$45B in FY14 and \$18B in FY15 across all federal departments. The Security/Defense portfolio relief was \$19.3B in FY14 and \$10B in FY15. OCO dollars, which WERE NOT included in the original BCA, were not affected.
<b>BBA15</b>	Bipartisan Budget Act of 2015 (BBA15), P.L. 114-74, signed October 2015, provided relief from the BCA by adding discretionary spending above the BCA cap limits in the amounts of \$50B in FY16 and \$30B in FY17 across all federal departments. The Security/Defense portfolio relief was \$25B in FY16 and \$15B in FY17. OCO dollars WERE included in the revised cap provided by this Act.

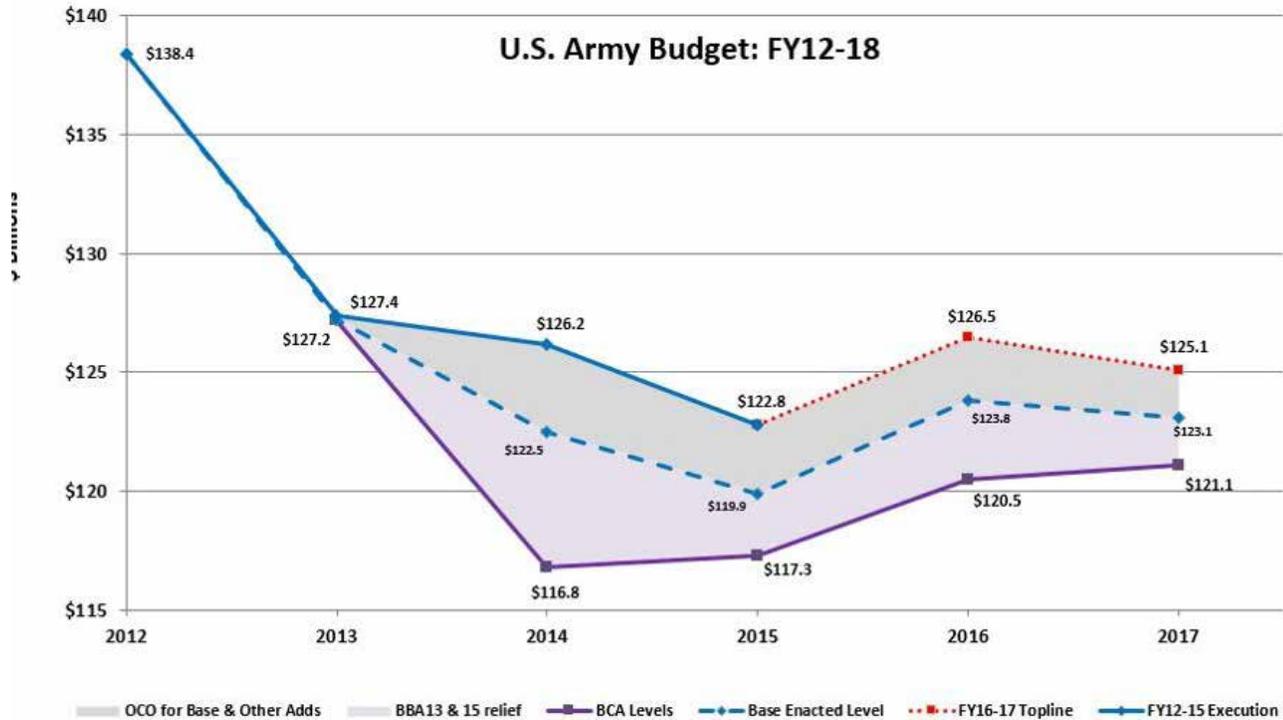
Let's take a quick step back. During the summer of 2011, the President and Congressional leadership debated a myriad of options for extending the Federal debt-ceiling in the short and long term. After much back and forth, the two sides brokered a deal that President Obama signed into law in August, 2011 known as the Budget Control Act (BCA), P.L. 112-25. In short, the bill extended the debt ceiling limit and set targets for deficit reduction by capping discretionary spending in all Federal Departments and effectively limiting how much money Congress could appropriate annually across the government. By law, the President would be obligated to sequester any amount appropriated above these caps.



Because the Department of Defense (DoD) is 50% of the discretionary budget, we were hit especially hard, with the Army's share of the reduction dropping our base budget funding topline from \$138B in FY12 to \$127B in FY13.

As the BCA's impacts rippled across the government, the President and Congress agreed on an interim deal in December 2013 known as the Bipartisan Budget Act of 2013 (BBA13), P.L. 113-67, which provided some temporary relief from the budget caps by allowing Congress the flexibility to appropriate an additional \$45B in FY14 and \$18B in FY15. The deal was not an Appropriations Act and thus did not directly provide any money, but it did provide the framework to allow for additional money to be proportionally shared across the Federal Government.

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For the Army, these caps have certainly taken a toll on our operations, as we have been provided billions of dollars less than our programmed requirements. The President and Congress recognized this fact and have consequently provided the DoD with additional money in our Overseas Contingency Operations (OCO) account to be spent on base requirements ever since FY13. This “temporary and extraordinary” source of funding is not subject to the BCA caps. Legally, this maneuver is known as a transfer of Title II funding (base dollars) to Title IX funding (OCO dollars) in the annual Appropriations Act. Even with the loosened caps provided by BBA13 and aided by \$3.1B of OCO for base purposes, the Army executed only \$126.2B in FY14, a 9.3% reduction from just two years earlier.

As severe as the decline was in FY14, FY15 was even more challenging. \$18B in BBA13 relief spread over all Federal discretionary programs translated to only \$2.2B for the Army. Even while Congress appropriated another \$1.1B in OCO for base purposes, the Army still executed just

\$122.7B base budget dollars in FY15, our lowest total since FY09.

At that time, the Army’s OCO budget was over \$100B higher and units utilized it much more frequently as they were almost always either deployed, preparing to deploy, or in reset. Commonly referred to as our “divot” year, FY15 challenged leaders and comptrollers across the Army as they struggled to provide adequate funding for their commander’s requirements. Bottom line: for three successive years, legislative budget caps have compelled the Army to accept risk in modernization and training readiness while Combatant Commanders requests for ground forces have steadily increased.

### So what does this new BBA deal do for the Army?

For one, it continues to complicate our accounting. Just as Congress appropriated additional OCO dollars for base purposes in FY14 and FY15 to supersede BBA13 caps,



BBA15 perpetuates the use of this mechanism in FY16 (\$2.7B) and FY17 (\$2.0B). In fact, the Army’s \$2.0B OCO for base add in FY17 is actually built into our PB request for the first time; historically, it was only provided to the military services through enacted legislation. Another first is the liberal use of OCO for base purposes across appropriations. From FYs 13-16, these transfers have solely occurred in our Operation & Maintenance (O&M) account. Though the bulk of the OCO for base dollar request remains in O&M (~\$1.6B) for all three Army components, the other ~\$400M is spread across military pay, procurement, and Research, Development, Test & Evaluation (RDTE) accounts. Keeping all of that straight will require the expert accounting and funds control that Army comptrollers have always provided.

### What effect does the BBA have on our obligation authority?

For FY16, the Army received exactly what we asked for in our PB Request: \$126.5B. This is about \$6B above the Army’s target BCA level from the Office of the Undersecretary of Defense (Comptroller) (OUSD (C)). However, the mix of funding between appropriations is significantly different than our request.

### FY16 O&M and Investments

After years of shortchanging our investment accounts (all procurement accounts and RDTE), the Army has \$23.9B to help buy new equipment, modernize our existing fleets, and conduct basic and platform-specific research this year. We had requested only \$23.1B for these purposes. For those comptrollers dealing with day-to-day training, sustainment, and installation readiness, our O&M accounts are about \$1B less than our PB16 request of \$44.7B. As folks operating in the field have already seen this year, meeting the Army’s Chief of Staff’s Sustainable Readiness Model (SRM) requirements will be challenging.

### FY17 O&M and Investments

BBA15’s overall impact on the Army’s FY17 budget request (\$125.1B) was a \$1.4B decrease from our FY16 enacted number, though the reductions are not proportionately spread by appropriation. As we attempted to build readiness toward

achieving the Army’s strategic vision and maintain our status as the world’s premier ground force, our PB17 request actually boosts O&M spending by \$1.4B above FY16 levels (\$45.2B versus \$43.8B). Still, it will remain very difficult to ensure we have enough money to properly balance the amount of training, sustainment, and installation funding for our warfighters after years of declining budgets.

Our Army’s focus on operational training forces us to take risk in long-term readiness in FY17. The O&M funding gain comes at the expense of our investment accounts, which fall to \$22.6B (including OCO for base purposes), down \$1.3B from FY16. As our near-peer adversaries increase their own spending and OPTEMPO, especially in Eastern Europe, this should concern every Soldier. Are our tanks, helicopters, and troop carriers outfitted with the latest protection, detection, and lethality technology? Do we have enough of them? Are our computer networks robust and secure? Do our communications have the latest encryption technology? Though the Army is actively engaged in multiple operations around the world, we still need to prepare for future battles in today’s uncertain geo-strategic environment.

### Military Pay and MILCON

As for the Army’s largest appropriation, Military Pay (\$55.3B in FY17), the BBA15 caps will require us to continue our planned end strength ramp down, taking us to 990K total force by the end of FY17 on our way to 980K Soldiers by FY18.

As the graphic shows, all three Army components have lost considerable uniformed manpower. In a span of just seven years starting in 2011, our force levels will fall over 15% from our post 9/11 peak of 1,132K troops. Army civilian workers have fallen 19% during this same period: from 233K in FY10 to 196K projected for PB17. But worry not about your personal paycheck - that 1.6% pay raise is still built into our budget request!

Army End Strength (Thousands of Soldiers)									
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Active Duty	562.4	569.4	562	552.1	520	490	475	460	450
National Guard	358.2	358.2	358.2	358.2	354.2	350	342	335	335
Army Reserve	205	205	205	205	205	202	198	195	195
<b>Total</b>	<b>1125.6</b>	<b>1132.6</b>	<b>1125.2</b>	<b>1115.3</b>	<b>1079.2</b>	<b>1042</b>	<b>1015</b>	<b>990</b>	<b>980</b>

Anyone who has worked on an Army installation in the past few years has seen ample firsthand evidence that our rate of construction and building sustainment has fallen off. Unfortunately, many Soldiers and civilians will continue to live or work out of that old barracks or office building for a while longer, as military construction (MILCON) accounts continue to be suppressed under the BBA15.

Though FY16's \$1.05B MILCON budget improved upon FY15's low \$958M figure, the PB17 MILCON request is at an eighteen-year low with \$804M across all three Army components. With an average of only 31 projects from FY15-17, the Army is well-below FY14's MILCON budget and project list, where \$1.6B was programmed on 57 MILCON and minor construction projects. By comparison, the Army's MILCON budget in FY09 was \$4B. The current allocation provides us just enough money to focus on failing facilities and critical infrastructure, but little more. The Army Reserve and National Guard do gain some new ranges, training, and maintenance facilities, but are still well below their replacement rate.

## Is there anything else important in BBA15?

Bearing in mind once again that BBA15 is not an appropriation itself, but only an agreement on the level of funding for each federal agency, the fact that we have a target ceiling for the combination of Base and OCO funding does provide us with a measure of predictability for FY17 that we didn't have going into this year. Another positive is that the caps don't extend past 2021, leaving our military just four more years (FY18-21) to grapple with the uncertainty of Sequestration. This fact is unique to the DoD, as BBA13 and BBA15 extended the BCA caps out to 2025 for the other federal agencies. Note, however, that BBA15 does not mean that we won't start FY17 under a Continuing Resolution. Even though Congress and the President agreed on the budget cap levels for FY17 through this legislation, plenty of contentious issues remain to be solved that could stall the passing of an Appropriations Act.

One other point to consider is that BBA15 currently caps our base & OCO funding combined. BBA13 only capped our base dollars, which provided Congress more room to appropriate OCO dollars for use funding base requirements.

If events on the ground in Eastern Europe, the Middle East & Africa, Pacific, or somewhere else entirely necessitate significantly more funding, we will need additional legislative authority repealing the caps.

## Conclusion

Every day, the American public is forced to realize the dangers posed by terrorist state and non-state actors around the world and the existential threat from historical adversaries like Russia. These growing threats require more resources to fight, and we comptrollers must persist in stretching every dollar to meet our commanders' requirements. Our ability to "do more" regardless of funding is what made our Army the most powerful land force on earth, and also one that continues to improve our efficiency and effectiveness. Public support for a strong military remains as high as ever, but our resources are constrained. The federal budget deficit and the national debt are not getting smaller; mandatory spending on Medicare, Medicaid, and Social Security continue to rise inexorably.

After the BBA13 passed, many Capitol Hill experts thought that it was a precursor to full repeal of the BCA. Now, as we muddle through the midst of a second two-year budget deal, we have to ask ourselves, "Will the trend continue?" The BBA deals were certainly better than the BCA funding level, but both DoD and Army leadership have been clear in numerous engagements with Congress that full repeal of the BCA caps is needed to ensure adequate and predictable funding.

In keeping with those requests, let's hope that old Yogi Berra malapropism, "It's déjà vu, all over again," doesn't repeat itself in two years. **RM**

### *About the Author:*

*MAJ(P) Michael Mai is currently a Program Budget Officer working for the Deputy Assistant Secretary of the Army (Financial Management & Comptroller) – Budget. He began his career as a Field Artillery Officer and later as a Logistician. His FM assignments have included positions in financial operations, programming, and resource management. He holds a BS in economics from the United States Military Academy at West Point and an MBA from San Jose State University.*

# Enterprise Decision Analytics Makes It Simple

By: Amol Bhoje

Modern technologies and tools enable the analysis of huge data sets in minutes, if not seconds. These technologies enable us to make better decisions based on the present indicators and historical trends. Imagine a world in which you can easily show an auditor how the original acquisition, calculated depreciation, repair parts transferred from stock, and hourly rates charged by a repair-person all contributed to the asset value of a tank being reported on your balance sheet. Now imagine that with a couple taps and swipes on an iPad you can also explain to the auditor that the repair part was paid for with a previous year's money because you needed it staged at the nearest repair depot BEFORE the turret reached a 90% likelihood of falling off. None of that is possible, however, without an Enterprise Data Warehouse to pool together data from across the domains (Finance, Logistics, Human Resources, Acquisition, etc.) as depicted in figure 1 below.



When Army embarked on its modernization effort, the Enterprise Resource Planning (ERP) system implementations began in silos: General Fund Enterprise Business System (GFEBS) for Finance, Logistics Modernization Program (LMP) and Global Combat Support System-Army (GCSS-Army) for Logistics, Integrated Personnel and Pay System-Army (IPPS-A) for Human Resources, Army Contract Writing System (ACWS) for Contracting. While each of these systems fulfills the immediate, tactical needs within its silo, the splintered data sets leave users without strategic insight into their cross-domain business processes. Enterprise-level analytics require the centralized integration of data sets from myriad systems. The Army started to march toward a vision of integrated analytics to achieve the following major benefits:

- a. End-to-end optics from consolidated data sets.
- b. System and domain-agnostic analysis.
- c. Simplified system architecture and smaller portfolio as legacy systems are retired (depicted in figure 2 below).

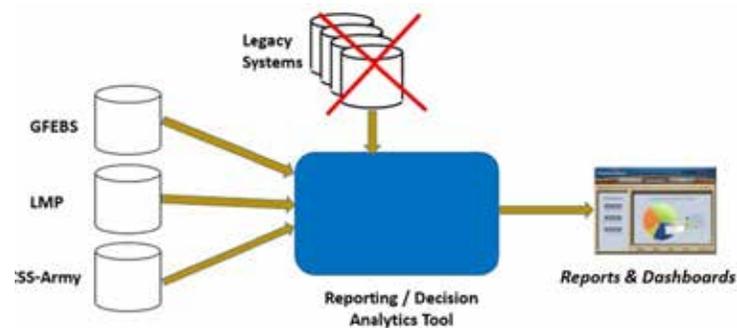


Figure 2

Pulling data together can be done virtually (real-time, no data duplication), with database replication (near-real-time, duplicates data), or with traditional batch files (not real-time, duplicates data); a hybrid of all three techniques is usually required to accommodate a diverse set of source systems. The data is then transformed, normalized, and presented to the users via reports and dashboards to support analysis and inform decisions.

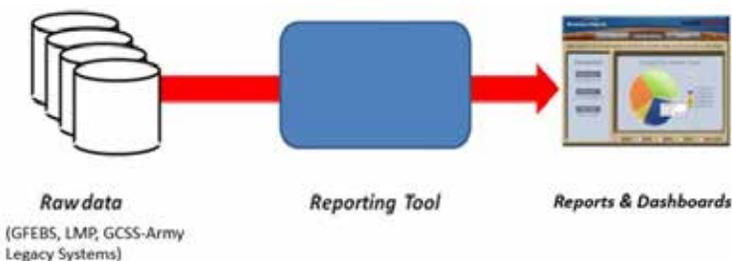


Figure 1

This Extract, Transform and Load (ETL) process (depicted in figure 3 below) consumes a majority of the time that it takes for the data to be made available from the source systems to the reports for analysis and decision making in the current environment.

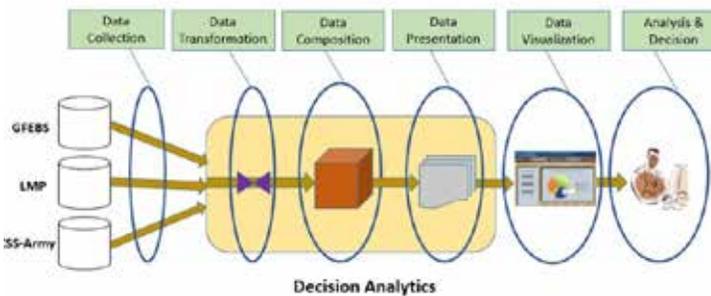


Figure 3

GFEBS is the key financial system implemented by Army to deliver the analytics and reporting capabilities for all of Army’s financial analytics needs. The GFEBS Business Analytics platform is being upgraded to include the latest enhancement from SAP known as HANA (depicted in figure 4 below), a state-of-the-art, in-memory appliance envisioned to fulfil the Army financial community’s requirement for consolidated, near real-time reporting and decision analytics. In-memory analytics technology helps faster retrieval of data for presentation in reports and dashboards by storing the data in memory rather than on a disk. The upgrade to an SAP HANA in-memory appliance is expected to yield the following benefits for the user community:

1. A single access point to consolidated data from different ERPs and legacy systems with appropriate context applied so that the data makes sense for reporting and decision analytics.
2. Reduced data latency by expediting the ETL process (knowing how much budget you had left five days ago does not help when you need to process an emergency funds request NOW).
3. Faster report execution times – “at the speed of thought”.
4. Ability to perform predictive analytics based on a combination of historical trends and qualitative forecasting.

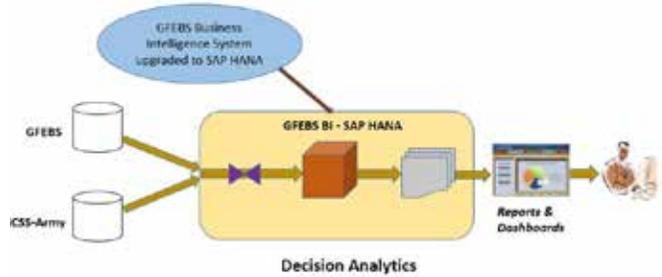


Figure 4

Ultimately, the Financial Domain Enterprise Architecture’s objective is to kill complexity by collapsing the Financial Management systems portfolio and retiring legacy systems. A majority of the remaining legacy systems cannot be retired until their reporting and analytics capabilities are subsumed by GFEBS Business Intelligence [BI]. SAP HANA will provide the foundation needed to begin migrating the data sets necessary for decision analytics from the legacy systems into GFEBS BI. As HANA subsumes these capabilities, legacy systems can be retired, the Financial Systems portfolio footprint will shrink (depicted in figure 5 below), the systems architecture will streamline, and the Army will stop paying to sustain and upgrade systems with duplicative information and marginal added value.

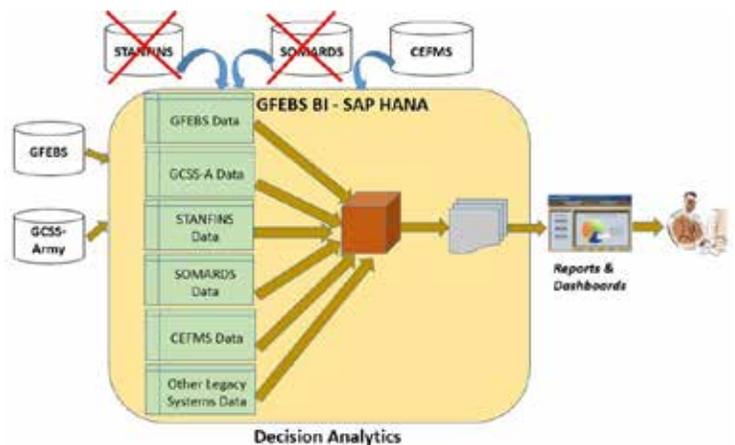


Figure 5



Army is shifting its paradigm to achieve this level of modernization in data analytics. The barriers separating the functional domain approach are being revisited as we move towards understanding that business domains and systems do not share a one to one relationship. ERPs allow business process from multiple domains (e.g. Finance, Logistics, Human Resources, Contracting etc.) to be implemented in a single system. This end state goal will take executive championship and organizational changes.

### Conclusion:

The Financial Management enterprise has made great strides in reducing its system complexity in order to improve business operations. We continue to focus on reducing legacy systems, interfaces, non-standard processes, and data as a means to simplify the environment. The Army is also making significant investments in state of the art technology, like SAP HANA, that will deliver enhanced capabilities to the financial management workforce. As a result, we strive to achieve an auditable and sustainable business environment that kills system complexity and simplifies decision analytics (depicted in figure 6 below) thus equipping our users and leaders with the right information at the right time. **RM**

#### About the Author:

*Amol Bhoje is the Financial Management Domain Enterprise Integration Manager and Business Intelligence (BI) Solution Architect in the Office of the Deputy Assistant Secretary of the Army for Financial Information Management (DASA-FIM). Amol has over 10 years of experience in implementing Enterprise Data Warehouse reporting solutions in complex ERP environments in government as well as commercial sectors. He holds a Bachelor's degree in Electronics & Communications Engineering from Regional Engineering College, Jalandhar, India and a Master's degree in Interdisciplinary Telecommunications from the University of Colorado, Boulder. Certified in SAP HANA and Amol has supported DASA-FIM on the GFEBS program as the SAP BI Solution Architect for over 4 years.*

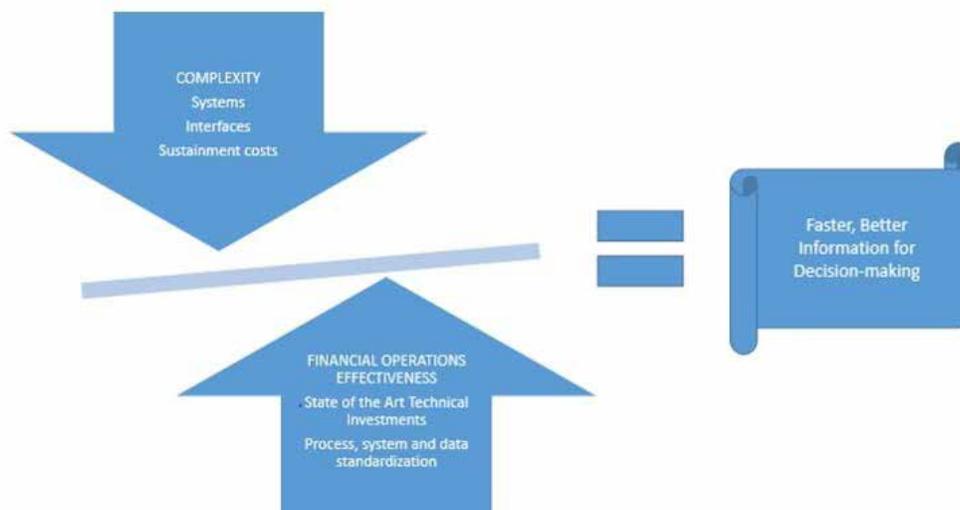


Figure 6

## Complexity Kills: An Overview of the Complexity Enemy within the Army Financial Management Enterprise & the Army's Strategy to Kill It!

By: Cheryl Darlington-Wright, CDFM, and Dave Sen

The United States Army is a very large and complex organization. It is a diverse, world-wide enterprise that is operating at a very demanding pace. The scope and breath of the Army mission, to prepare, provide and sustain forces for the Combatant Commanders, gives rise to complexity. This complexity is compounded by stovepipe processes and systems that were developed, in many cases, over 40 years ago. As these processes became more automated, more customized systems were developed, creating tremendous problems for accounting processes, integration and interoperability, across the Army enterprise.

Complexity is one of the biggest villains in the Army's financial management enterprise. Complexity thwarts audit, drains resources, reduces ecosystem performance, stalls progress, and limits successful financial processing. To overcome complexity, a thorough understanding of the complexity enemy is needed. The Army is meeting this challenge by designating the Deputy Assistant Secretary of the Army for Financial Information Management (DASA-FIM) with providing oversight of the Army's complex range of Army financial management systems and processes. This will ensure the systems and processes are modernized and integrated to conduct business transactions, provide accountability to the public, and support performance reporting and decision making.

This article will describe the complexity enemy lurking within the United States Army's financial management domain and introduce the Army's strategy to kill it.

### THE COMPLEXITY ENEMY – CIRCA 2004

“If we could first know where we are, and whither we are tending, we could then better judge what to do, and how to do it”

-Abraham Lincoln, in the “House Divided” speech; June 16, 1858

In order to get to a specific place, you need to identify where you are, where you are going and how to get there. Initiated in 2004, the Single Army Financial Enterprise (SAFE) is the Army's financial management enterprise architecture that documents the interactions amongst the many Army legacy financial management systems, non-financial systems in other Army domains, and interactions with Department of Defense systems. Governed by the DASA-FIM, the goal of the SAFE is to produce a view of how Army financial integration will take place. The SAFE provides the information necessary to provide inventory details on existing systems currently in use by the Army. As such, the SAFE alignment to an integrated schedule shows an orderly transition to reach the Army's target vision state for achieving Department-wide financial management objectives.

Figure 1, depicts the Army's complex financial management system landscape, during the SAFE's inception in 2004. It shows the hundreds of interconnections, and decentralized, stove piped systems, some developed over 40 years ago.

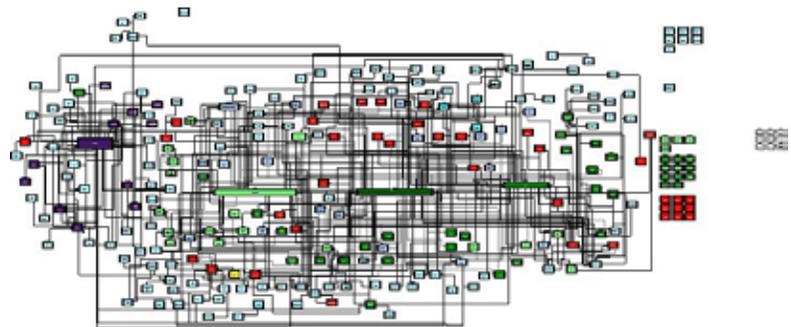


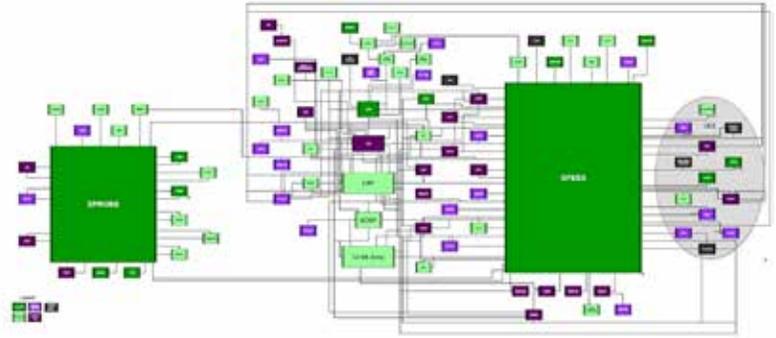
Figure 1: Snapshot of Army Financial Management Complex System Landscape, Circa 2004

These legacy systems automated the Army's manual accounting processes, and were primarily budget systems that were designed to allow the Army to track how it receives money, and obligates and de-obligates funds. The Army's legacy systems were designed to function on a stand-alone basis operating independently at each post, camp, station, arsenal, depot or other location receiving funding authorizations. These systems were not supported by a standard general ledger (SGL) that can support the level of detail required for an unqualified audit. Additionally, financial data was frequently obtained through data calls, which entail substantial workarounds and manual data reconciliations.<sup>1</sup>

### **THE COMPLEXITY ENEMY – CURRENT STATE**

The Army's complex system landscape was a contributing factor in the Office of the Secretary of Defense (OSD) direction to the Services to comply with the Congressional mandates to meet the requirements of the Chief Finance Officer (CFO) Act. In order to comply with this mandate, the Army initiated the implementation of the General Fund Enterprise System (GFEBS). In July 2012, GFEBS became the first ERP program in the Army to fully deploy and it provides the capability to manage the \$140 billion General Fund, as well as the \$80 billion Overseas Contingency operation budget and accommodates 52,000 end users at more than 200 locations worldwide. It forms the centerpiece of the Army's financial reporting and accountability and it is critical to reaching the Army's auditability goals.

Thus far, with the implementation of GFEBS, and in conjunction with business process reengineering, 52 legacy systems that were in use to support the Army General Fund have been retired. Despite this achievement, the complexity enemy remains, as depicted in Figure 2.

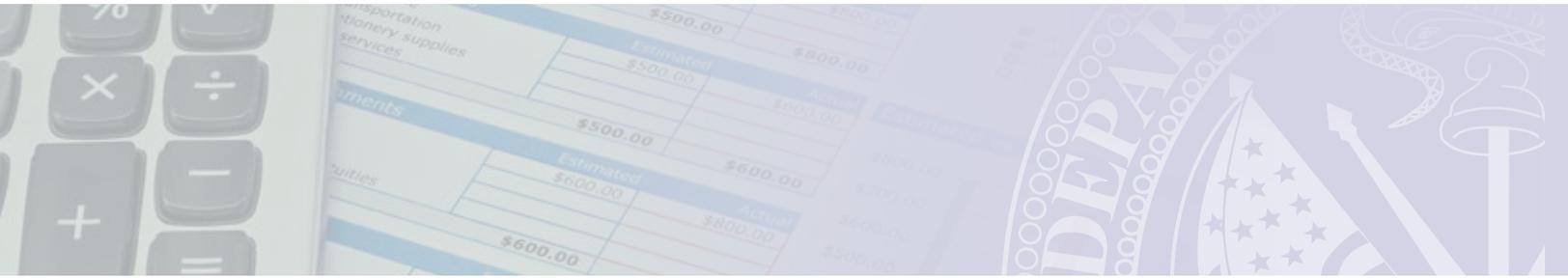


*Figure 2: Snapshot of the current complex Army financial management systems landscape*

Figure 2 shows that the current state of systems in the Army's financial enterprise have improved but still have limited integration and limited ability to produce enterprise-wide information, even though many of the systems operate well within the scope of their original purpose.

Currently, there are approximately 74 systems and over 180 interfaces within the Army's Financial Management domain. The DASA FIM is applying an aggressive strategy to kill complexity and improve support to financial operations. The strategy includes enterprise architecture employed in concert with portfolio-based capital planning, investment and control practices to enable better configuration of the financial management operational IT environment.





## DIMENSIONS OF THE COMPLEXITY ENEMY

The United States Army's financial management business mission area is complex because of the sheer number of systems and their components, process siloes, confusing roles and unclear accountabilities. As such, the Army's financial management business mission area presents complexity in all its dimensions, including imposed complexity, inherent complexity, designed complexity and dynamic complexity,<sup>2</sup> as depicted in Figure 3.



Figure 3: Dimensions of the Complexity Enemy

### Imposed Complexity

Imposed complexity includes complexity imposed from existing or new government laws, regulations and policies. This dimension of the complexity enemy is illustrated by the numerous statutory and regulatory requirements that core financial systems, including GFEBS, must comply with, including the Chief Financial Officer's Act, the Federal Financial Management Improvement Act, the Digital Accountability and Transparency Act of 2014 (DATA Act), amongst numerous others. Many regulations and policies were not enforced in the legacy systems due to the high cost of implementation.

### Inherent Complexity

Inherent complexity is intrinsic to the nature of the enterprise and its operating model. As the largest branch of the Armed Forces, the Army's inherent complexity enemy is pervasive. Adding to the complexity is that financial management business processes cuts across all parts of the Army and require information from systems that are owned by other Army and non-Army Business Mission Areas, as well as the DoD.

### Designed Complexity

Designed complexity arises due to the sheer number of systems and their interconnected components. Despite the retirement of 52 legacy systems due to the implementation of GFEBS, this dimension of the complexity is still pervasive, and consists of approximately 74 systems and over 180 point to point interfaces. The complicated system landscape inhibits accurate and timely aggregation of data at higher levels of command, and therefore does not enable effective management of financial resources across the Army enterprise.

### Dynamic Complexity

Dynamic complexity arises due to the degree of change and the number of interactions between people, processes and systems. In addition, delays between decision-points create hard-to-predict feedback loops (e.g. the emergent threats of cyberwarfare and domestic terrorism). This dimension of the complexity enemy is depicted by the Army's broad base of internal and external customers, stakeholders, and business mission areas, that interact with the Single Army Financial enterprise and its environment (i.e. oversight agencies (DoD, Congress, White House), Army-wide initiatives, DFAS, etc.).

## TARGETS OF THE COMPLEXITY ENEMY

The Army's complexity enemy has many targets. It thwarts audit, drains resources, reduces ecosystem performance, stalls progress, and limits successful financial processing, as depicted in Figure 4.



Figure 4: Targets of the complexity enemy

### **Complexity Enemy Target 1: Thwart Audits**

Currently, within the Financial Management enterprise, there are approximately 74 systems and over 180 point to point interfaces. Interfaces come with potential problems. First, interfaces are costly to design and maintain. Second, interface failures prevent the easy reconciliation of data between source and target systems, ultimately contributing to unreliable data to depend upon for audit readiness activities.<sup>3</sup> The complex interface landscape thwarts the Army's audit readiness activities, as the monitoring of internal controls for financial systems and the audit trail, to trace transactions to their sources is impacted by the number of interfaces in the process.

### **Complexity Enemy Target 2: Drains Resources**

Another target of the complexity enemy is resources. Resources are drained because the Army's complex system landscape makes it harder to support making data visible, accessible, understandable, trustable and interoperable. There are also significant direct and indirect labor costs associated with each system and associated transactions processing. In the absence of lean optimized processes and systems, more resources are expended on correcting errors from human intervention, manual handoffs, manual edit checks and adjusting entries to reconcile data.

### **Complexity Enemy Target 3: Stalls Progress**

Complexity makes it harder to reach a common understanding and visualize a path forward for progress. It makes it harder to turn business strategy into operational reality, as sun setting legacy systems, reducing costs, introducing new capabilities and retiring obsolete technologies are difficult to achieve in a complex system landscape. Despite, the development of a financial management enterprise architecture, and deployment of an integrated financial General Fund enterprise solution, the benefits to be gained from the SAFE and GFEBs continues to mature.

### **Complexity Enemy Target 4: Limits Successful Financial Processing**

Complexity kills successful financial processing, as it flies in the face of simplicity. The successful processing of

financial transactions requires accuracy, accountability and control, simplification, and compliance with stakeholder needs, all of which is limited in a complex system landscape. By increasing the dependence on manual processes and off-line Excel spreadsheets for consolidation and reconciliation, the complexity enemy improves its chances of limiting successful financial processing.

### **Complexity Enemy Target 5: Reduces Eco-System Performance**

With increasing complexity of the systems landscape, the number of connections needed between Systems grow - exponentially with the square of the number of System nodes ( $N^2$ ) – leading to the N-Squared Problem of complex architectures.<sup>4</sup>

The N-squared Problem applies equally to the number of physical connections as it does to the number of Data Transformation needed, which in turn, hinders decision-making based on timely and accurate information by Army Resource Managers. It also applies to the number of potential Failure Points – which once broken, becomes increasingly difficult to recover and labor intensive to fix.

Moreover, the greater the systems complexity, the more difficult it is to rollout training to End-users and to the different tiers of sustainment and support resources.

Finally, when it is time to retire a System, it becomes a challenge to untangle the complex “Gordian knot” of connections with other Systems in the Landscape.



*Figure 5: The Gordian Knot of Complexity”*

## CONCLUSION

Complexity is one of the biggest villains in the Army's financial management enterprise. Complexity thwarts audit, drains resources, reduces ecosystem performance, stalls progress, and limits successful financial processing. The DASA FIM is employing a strategic approach to kill the complexity enemy and transform the Army's financial management domain. The approach is evident in developing, implementing, and maintaining an enterprise architecture, ensuring adherence to the Target state architecture, and driving investment and divestment to achieve the desired end state. In order to know more, please refer to the article "Killing Complexity" in this edition of the RM Resources Publication. **RM**

### Reference:

- 1 "Capability Production Document (CPD) for the General Fund Enterprise Business system (GFEBs)", Version 2.0, February 2009
- 2 "Putting organizational complexity in its place" by Julian Birkinshaw and Suzanne Heywood, McKinsey & Company Report May 2010
- 3 Army's Audit Readiness at Risk Because of Unreliable Data in the Appropriation Status Report, DODIG Report, June 26, 2014
- 4 "Advancing the Whole of Government Enterprise Architecture Adoption with Strategic (Systems) Thinking" by Dr. Pallab Saha, October 2010

*About the Authors: Cheryl Darlington-Wright is a Senior Enterprise Architecture Consultant with Process Informatics Inc. with over 10 years of experience in Department of Defense enterprise strategy, governance, solution implementation and compliance. She is currently supporting the Office of the Deputy Assistant Secretary of the Army for Financial Information Management. Cheryl holds a Bachelor of Science degree in Chemical Engineering from the University of Ottawa, and a Master's degree in Enterprise Engineering & Policy from George Mason University. She is certified in Defense Financial Management (CDFM), and is a member of ASMC's Washington Chapter.*



*Dave Sen is a Senior Enterprise Architecture Consultant in the Office of the Deputy Assistant Secretary of the Army for Financial Information Management (DASA-FIM). Dave is a results-oriented Systems Thinker, with a focus on SAP Business and Data Architectures. He has demonstrated experience, of over a decade, in transforming high-value resources and complex ERP eco-systems into solutions that meet the Enterprise' Strategic Goals. Dave holds a Bachelor's degree in Computer Science & Engineering. He is certified by the SEI (Software Engineering Institute) at Carnegie Mellon University, the SAP Americas as well as by The Open Group.*

# Killing Complexity: Reducing Complexity through Robust Investment Management of the Army's Financial Management IT Portfolio

By: Kevin Miller



The number of systems in an organization is a key driver of organizational complexity. A key enabler to reducing this complexity is to reduce the number of Army systems. This strategy is affirmed by a Department-wide directive from the Office of the Deputy Chief Management Officer and by the Office of the Undersecretary of

Defense Comptroller's Financial Management Functional Strategy to reduce the Army's Information Technology portfolio. Directives apply to all Services and is a critical part of the annual investment review process. As the portfolio management and investment control arm of the financial management domain, it is the Enterprise Integration Division's (EID) of the Office of the Deputy Assistant Secretary of the Army for Financial Information Management (DASA-FIM) role to ensure that unnecessary complexity is minimized. To date, the Army has made significant progress in reducing its overall financial management portfolio.



Chart 1 describes how the portfolio has shrunk in the past 10 years and illustrates the target to be achieved with an end state of 10 systems.

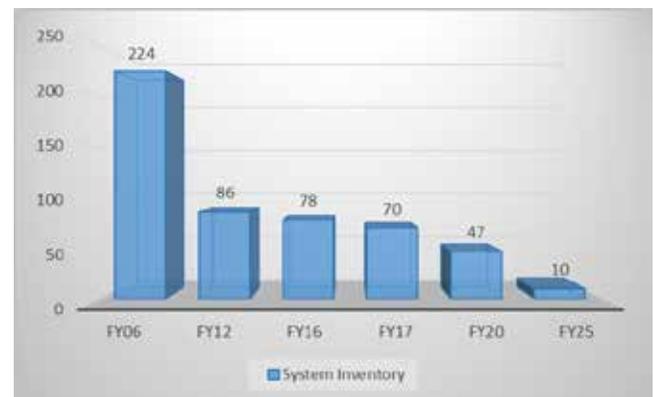


Chart 1: Portfolio Reduction

## CURRENT STATE OF ARMY FINANCIAL MANAGEMENT PORTFOLIO

Today, EID maintains oversight over the Army's 74 financial management domain registered systems. Additionally, EID also provides direction and guidance to all systems enabling financial management operations. Chart 2 illustrates the number of systems that are currently impacting Army financial management operations. Clearly the number of systems portrayed creates tremendous amounts of complexity for Resource Managers across the Army that leads to the issues described in the earlier article of this edition titled, "Complexity Kills." The EID team is focused on the financial management domain's portfolio both Army-owned and non-Army owned systems. Other functional domains are faced with similar challenges and are currently working to reduce their portfolios as well. Because our systems have end-to-end interdependencies, cross-domain coordination and synchronization is crucial to successfully reducing the portfolio.

*continued on pg. 43*

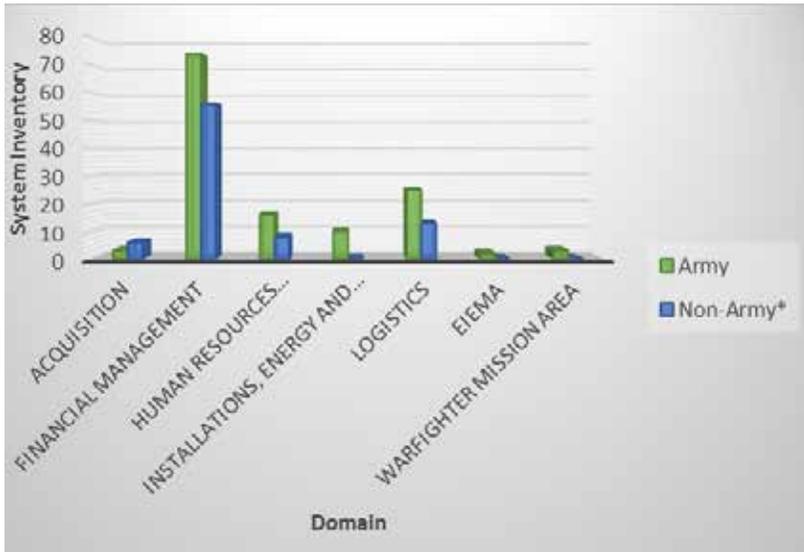


Chart 2: Systems Enabling FM Operations

## ACHIEVING THE TARGET STATE

In order to identify the unnecessary complexity and redundancy, the EID team conducted rigorous analysis of the FM portfolio. The team collected and analyzed portfolio data from the Army Portfolio Management Solution (APMS), Single Army Financial Enterprise (SAFE), the Army’s financial management enterprise architecture, and multiple rounds of data calls with Commands. The EID team assessed the portfolio data collected to identify a target portfolio that would be less complex and achieve Department-wide financial management objectives. The remaining systems’ capabilities were reviewed to identify an appropriate transition plans for those capabilities to an enduring system, such as the General Fund Enterprise Business System (GFEBS), a new material solution or subject to elimination through business process re-engineering

Chart 3 describes the number of systems supporting financial management capabilities. As depicted, there are a number of capability areas supported by a significant number of systems. In order to achieve our business goals and objectives, these systems are being analyzed now for further system retirement.

Enterprise capabilities that require new material solutions are assessed and prioritized by their estimated return on investment. The team evaluates the current number of systems performing those capabilities today as well as the costs to maintain those systems. Additionally, a Rough Order of Magnitude is assigned to what it would take to implement a material solution. This comparison of legacy sustainment costs and development costs is used to develop the estimated return on investment.

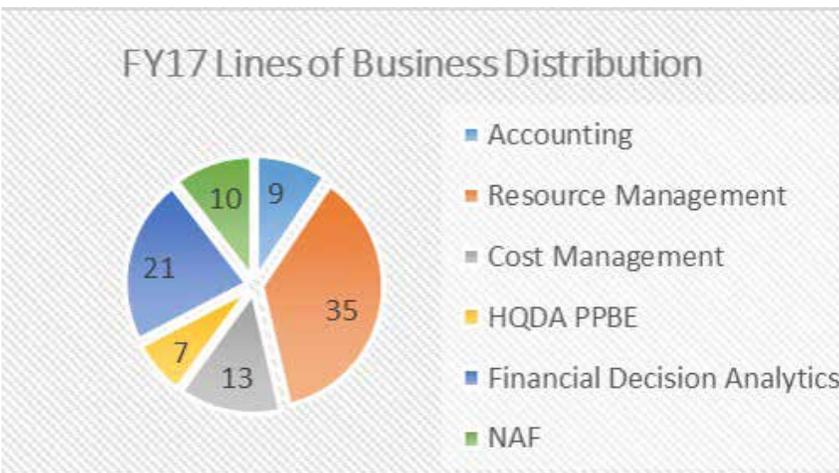


Chart 3: System Distribution by Capability

The material solutions are then managed through the regular investment and acquisition management processes that ultimately lead to designation of material solution selection, development, deployment and sustainment. Figure 1 describes the current material solutions that are in the investment management life-cycle. Clearly there are some capabilities that will retire many systems. As these capabilities move the domain closer towards its end goal of 10 systems, additional methodical steps are necessary to achieve the system retirement and continue the evolution of the portfolio over time.

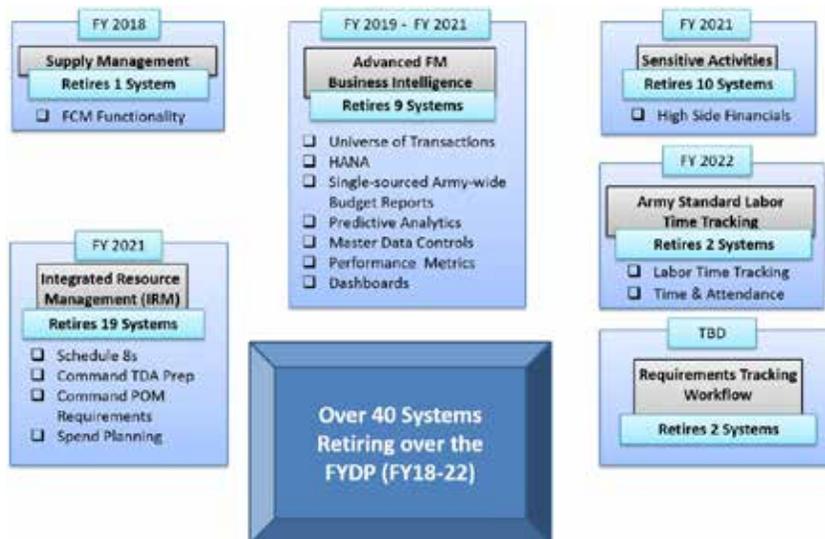


Figure 1: Legacy System Migration and Retirements Roadmap

## LEGACY SYSTEM RETIREMENT CHALLENGES

Numerous challenges and activities exist beyond delivering the capabilities in an enterprise solution. Users need new capability training so that they can take advantage of the new system. Business processes must be analyzed and re-engineered to take advantage of the capabilities of an enterprise system. Locally developed processes often do not scale well across the enterprise thus enterprise-wide, standard processes need to be adopted at the organizational level. Additionally, legacy systems often were developed to meet the needs of a local organization. When adding capabilities to the enterprise solution, FM&C must consider the cost-benefit analysis. It will not always be the case where each individual capability can be deployed to the enterprise and thus business process re-engineering may be required. Often times, locally developed systems contain capabilities that are unique and not contained in a target enduring system resulting in what is referred to as “orphan functionality.” Orphan functionality occur when a legacy system has a portion of its capabilities retired by a target system, but additional mission critical capabilities remain. Target systems for the “orphan functionality” are being identified as part of the analysis.

As stated earlier, another critical element when retiring systems is the need for cross-domain coordination. Cross-domain coordination is necessary to ensure that the retirement of a system does not impact another domain’s operations due to broken process and/or data linkages that existed in the legacy environment.

Another core component of our ability retire legacy systems is an effective governance model. Governance helps the Army overcome the change management challenges associated with retiring systems including the reality that individuals typically oppose change and wish to maintain their status quo. In order to improve financial management governance, the Office of DASA-FIM is currently revising its governance processes. An effective governance model exists to ensure that the IT portfolio is aligned to the goals and objectives of the organization.

A final challenge associated with retiring systems is the resistance to change. Change is hard and daunting for most individuals of large enterprises. Resistance to change can be overcome by employing many of the strategies described earlier including sufficient training, business process re-engineering, strong governance and executive leadership. Change management also requires advocates within all Army organizations to challenge the status quo and we are relying on you to our advocates.

## CONCLUSION

Our business environment is changing and we must adopt to the new systems and processes being deployed. In reducing our systems portfolio, we will improve our enterprise systems performance, reduce interfaces, standardize processes, become audit ready and reduce costs. Ultimately, the business environment will be less complex and more effective for our Leaders and Soldiers **RM.**

### *About the Author*

Kevin Miller is a Senior Consultant with Process Informatics Inc. with over twelve years of experience supporting enterprise transformation projects in both private and public sector. He has provided enterprise architecture, IT governance and portfolio management support to the Deputy Assistant Secretary of the Army for Financial Information Management for the past seven years. He holds an MBA from the Robert H. Smith School of Business at the University of Maryland.

## FORSCOM Financial Management Training and Development Program

By: 1LT Nicholas Lorimor



Brigade Budget Officers are vital advisors who face unique challenges on a daily basis. Are we on track to meet our phase plan? Will our budget allow for this unexpected expense? How will this decision affect other funding requirements? What is the impact on mission readiness? These questions, while always relevant,

became integral to my critical thinking process during my developmental assignment as part of the FORSCOM Financial Management Training and Development Program. My assignment teamed me with a Brigade Budget Officer to expose me for the first time to the art of comptrollership and is directly responsible for broadening my perspective on Army financial management. I not only received training in a wide array of areas but was also trusted with fund certification authority, supporting day-to-day operations, and resourcing a Joint Readiness Training Center (JRTC) rotation. This opportunity with the resource management community taught me invaluable technical skills and laid the groundwork for future assignments of increasing fiscal responsibility.

Only a year ago, I was unfamiliar with the FORSCOM Financial Management Training and Development Program and its intent to cultivate resource management competencies in junior Soldiers who focus on finance operations. In November 2015, I was part of a group of five Soldiers from Fort Campbell, Kentucky selected to

participate in this program. After prerequisite training, we attended a week-long familiarization course at DFAS Rome in New York. The course covered topics from the basics of what makes up a line of accounting to the integration of GFEBS and other automated systems within unit operations. Upon successful completion of our training, we began a six-month developmental assignment with a local resource management office, a contracting office, or the Army's Financial Information Management Office. I was assigned to work in the 3rd Brigade Combat Team (3BCT) S8 Budget Office of the 101st Airborne Division (Air Assault).

I hit the ground running as the 3rd Brigade Combat Team had already started preparations for a month-long training exercise at the JRTC in Fort Polk, Louisiana. Within days, I was attending the JRTC Initial Planning Conference where representatives from the 3rd Brigade Combat Team, JRTC Operations and Logistics elements, and key leaders of participating units from Active Duty, National Guard, and Reserve Components gathered to lay out JRTC objectives, plans, and requirements. Aside from organizing the upcoming training event, the Initial Planning Conference allowed us to meet the participating unit representatives face-to-face and begin the dialogue of identifying their resource requirements. Over the following months, our units would meet at several stages to review the status of requirements prior to the JRTC training event, identify any fiscal friction points early, and develop a mitigation strategy.

Over the course of my first three weeks, I met the Civilians and Soldiers of the G8, Audit Readiness Department, and Legal Office to learn about their relationship with resource management. As a professional in any new or unfamiliar situation I absorbed as much of this new material as possible. My instructors, given their years of operational financial management experience, were a wealth of knowledge. We covered training materials and navigated through GFEBS ERP and Business Intelligence as it applies to a Brigade S8. In order to fully immerse myself in the operation of a S8 Budget Office, the 101st G8 granted me fund certification authority after I completed requisite training; this responsibility ensured I had "skin in the game" and reinforced the relativity of all previous training.



As my time in the in the S8 Budget Office progressed, I understood and became more familiar with day-to-day operations. Normally, I worked on things like purchase requisitions to repair broken vehicles or funding logistical support for unit training events. I became involved in funding transportation requests for moving Soldiers and equipment to training events at Fort Knox, Kentucky and Camp Swift, Texas. I also had the opportunity to learn from our logistics counterparts and the property book office; this helped me understand the importance of cross-communication and the seamless integration of our respective functions. By learning about their role, I developed an understanding of the interaction between logistics and resource management. On a weekly basis, I would update the current budget status and travel voucher delinquencies during 3rd Brigade's Logistics Management Review meeting. Each month and quarter, I attended the Working Program Budget Advisory Committee and the Division-level Senior Program Budget Advisory Committee meetings to represent my Brigade's requirements. It was during these meetings that I became aware of the larger scope and depth of fiscal management, the resourcing challenges within the Division and the perspective of my higher headquarters. Seeing levels above my assignment with the 101st Financial Management Support Unit was invaluable.

Near the end of my development assignment, we were finishing the final arrangements for the JRTC rotation. With Work Breakdown Structures and Purchase Requests

in place for the life support and other rotational costs in GFEBS, we finalized and funded the remaining transportation for Soldiers and equipment. The Brigade S-8 team continued to receive messages from the participating units from across the United States requesting funding to support the training event which we resolved. In April 2016, I traveled to Louisiana for the actual training event. This on the ground operational exposure during an actual unit rotation completed the picture of the level of involvement and constant action necessary by a financial manager to execute a successful JRTC rotation.

The six months I spent job-shadowing a Brigade Budget Officer was extremely rewarding. I learned a great deal from many experts who invested their time to nurture my understanding of resource management. I hope this program continues to allow junior officers greater exposure to spend and time refining resource management competence. I believe the experience and information I gained will prove beneficial for future budget assignments I hold in the future. The value of this program is immense and will pay dividends for years to come. **RM**

*About the Author:*

*1LT Nicholas Lorimor is an Army Finance Officer assigned to the 101st Financial Management Support Unit at Fort Campbell, KY. He is a graduate of the United States Military Academy with a Bachelor of Science in Economics.*

## ASMC PDI – Army Day 2016

### FY 2015 ASA (FM&C) Resource Management Award Recipients

#### Capstone Awards Winners

#### 1. ASA (FM&C) Civilian Capstone Award

Sandara D. Weaver  
Army Test and Evaluation Command

#### 2. ASA (FM&C) Military Capstone Award

MAJ Daniel J. Shill  
25th Infantry Division, G-8

#### 3. Functional Chief Representative Award

Cynthia D. Crippen-Black  
HQDA, Resource Services

#### Neil R. Ginnett Civilian Award

#### 4. Special Award

Sandara D. Weaver  
Army Test and Evaluation Command





**Individual Awards Winners**

**5. Accounting and Finance - Civilian**

Lauren M. Morrow  
(ACOM)  
U.S. Army Corps of Engineers

**6. Accounting and Finance - Civilian**

Deborah D. Williams  
(Below ACOM)  
U.S. Army Corps of Engineers

**7. Analysis and Evaluation – Civilian**

Venus R. Larson  
(ACOM) HQ-ACoS for  
Installations Management

**8. Analysis and Evaluation - Civilian**

Matthew L. Peck  
(Below ACOM)  
U.S. Army Joint Munitions Command



*continued on pg. 49*

## 2016 ASMC PDI Service Day – Army Schedule of Events

<b>General Session</b>	<b>Speaker (Leadership)</b>
Welcome/Opening Remarks ASA (FM&C)	HON Robert Speer, LTG Karen Dyson, Ms. Caral Spangler
RM Awards Ceremony	Mr. Anson Smith – Master of Ceremony
AFMO - "Change Management"	LTG Karen Dyson, COL John Vogel
Closing Remarks	Mr. Speer / LTG Dyson / Ms. Spangler
<b>Workshops</b>	<b>Speaker (Leadership)</b>
Army Budget Overview	MG Thomas Horlander
Army Strategic Emphasis in Cost Management	Mr. Michael Ramsey
Financial Information Management	Mr. Drew Morgan
Critical Initiatives in Fin Ops/Audit Readiness	Mr. Wesley Miller
Proponency Update CP-11/CP-26	COL Gregory Sanders, Mr. Anson Smith, Ms. Beryl Hancock
GFEBs End-to-end Scenario	Mr. Wes Robinson
Speed Mentoring	<b><i>SEE LIST OF SPEED MENTORS BELOW</i></b>
<b>Speed Mentors</b>	
HON Robert M. Speer	COL Bradford Whitney
LTG Karen Dyson	Ms. Susan Goodyear
Ms. Caral Spangler	COL Darrell Brimberry
Mr. Davis Welch	COL John Vogel
COL Frank Holinaty	Ms. Glenda Scheiner





**9. Auditing - Civilian**

Karen J. Gamel  
(ACOM)  
U. S. Army Audit Agency

**10. Auditing - Civilian**

Natasha R. Garcia  
(Below ACOM)  
U. S. Army Audit Agency

**11. Budgeting - Civilian**

Sandra K. Akana  
(ACOM)  
U.S. Army North

**12. Budgeting - Civilian**

Kelley R. Joyce  
(Below ACOM)  
Training and Doctrine Command

**13. Budgeting - Military**

MAJ Sean K. Cook  
(Below ACOM)  
412th Theater Engineer Command, G-8

**14. Comptroller/Deputy Comptroller - Civilian**

Johnny D. Bevers  
(Below ACOM)  
U.S. Army Installation Command

## 15. Comptroller/Deputy Comptroller – Military

MAJ Daniel J. Shill  
(Below ACOM)  
25th Infantry Division, G-8

## 16. Cost Analysis - Civilian

Allison F. Hufford  
(ACOM) ASA (FM&C) Cost and Economics

## 17. Cost Analysis - Civilian

Sharon M. Schoenbachler  
(Below ACOM)  
U.S. Army Recruiting Command

## 18. Cost Analysis – Military

CPT John M. Bowser  
(Below ACOM)  
25th Infantry Division G-8

## 19. Cost Savings Initiatives - Civilian

Amanda D. Davis  
(ACOM) Office of the Provost Marshal General

## 20. Cost Savings Initiatives - Civilian

Richard S. Russell  
(Below ACOM)  
U.S. Army Recruiting Command

## 21. Education, Training, and Career Development - Civilian

Carolyn M. Prickett  
(ACOM)  
Training and Doctrine Command



## 22. Education, Training, and Career Development - Civilian

Paul W. Ochs Jr.  
(Below ACOM)  
Joint Munitions Command

## 23. Resource Mgmt in an Acquisition Environment - Civilian

James A. Schwartz  
(Below ACOM)  
Tank-Automotive and Armaments Command

## 24. Outstanding Intern Award

Jared A. McCullough  
(ACOM)  
ASA (FM&C) Cost and Economics

## Organization and Team Awards

## 25. Outstanding Resource Management Organization Award

U.S. Army Audit Agency  
(ACOM)  
Incapacitation Team  
Lead: Charles Brownfield

## 26. Outstanding Resource Management Organization Award

U.S. Army Audit Agency  
(Below ACOM)  
Forensic Audit and Applied Technology Team  
Lead: Leigh Ann Searight

## 27. Outstanding Resource Management Team Award

ASA (FM&C) & GFEBS Prog. Mgmt. Ofc.  
Functional Integration (ACOM)  
GFEBS Functional Integration Team  
Lead: Ronald Robinson

## 28. Outstanding Resource Management Team Award

United States Army, Pacific Command  
(Below ACOM)  
175th FMSC Team Middle East  
Lead: MAJ Vincente Garcia



**Photos Courtesy of Mr. Brian Gresham,  
Associate Director for Communications &  
Public Relations, American Society of Military  
Comptrollers (ASMC)**



## Syracuse University – Class Photos

**ECC 16-III**  
**June 6 – 24, 2016**  
(left to right)

*Row 1 (Front): Irma Finocchiaro, Midge Hartig, Marilyn Zinke, Astrid Jones, Angela Martin, Jasmine Liburd, Denise Taylor, Song Flagler*

*Row 2: Dwight Lawrence, Hairo Ortiz, Scotty Grigsby, Andrea Vinson, Natalie Kindle, LaVonne Williams, Deborah Fogle*

*Row 3: Fran Machina, Gloria T. Campbell, Ryan Graziano, Rick Stafford, William Clark, Pam Pistella, April S. McRae*

*Row 4: (Back): Edward Huskey, Marty Crouse, James Elkins, Mario Farron, Amadeo Vargas*



## SRMC 16-I

**April 4 – 8, 2016**  
(left to right)

*Back Row: Lawrence Robinson, Veronica Helden, Jeanette Barnes, Richard Edmundson, André Tucker, Kevin Givens, Paul Hilton, Jason Wynnnycky, Ralph Standbrook*

*Second Row: Mario Porter, Altamese Williams, Monique Compere Anderson, Thomas Ruth III, Mac Tonsmeire, Jamie Phepls, Chris Forsythe, Bill May, Louise Shumate*

*First (Front) Row: David Potts, Jennifer Coons, Letsy A. Perez-Marsden, John Nalls, Nicole McClenic, Troy Clay, Wesley Miller, Irma Finocchiaro*



## ACC 16-III

**April 18 – May 6, 2016**  
(left to right)

Row 1: Ruqayyah Singletary, Dawn Cox, Brenda Shockley, Alfreda Dupont, Katheryn Guarnieri, Cecilia F. LaRose, Tracy Roof, Natasha Hunt, Lianet Cornwell, Irma Finocchiaro  
 Row 2: Cherdasak Khanbom, Deirdre Lowder, Kathleen Terry, Dawn Devault, Elisa Ventura, Janeth Myers, Kenny Nguyen, Charletta Williams, Kamishia Stanfield, Elizabeth Kent Dondell  
 Row 3: Jeff Van Ness, Daniel Stieler, Samantha Gies, Pha Jones, Kristina Marshall, Chittrathip Warnpeurch, Jody Albers, T. Emily Pinter  
 Row 4: Carolyn Chisolm, Kimberly Taylor, Jim Williams, Justin Kelly, Christa King, Sundae Morgan, Naman Jani, Curtis Youngs  
 Row 5: Felix Knight, John Griffiths, Sean Rodman, Carolyn D. Purnell, Craig Rodland, Jerome Carter, Dimas Fonseca, Marc Czzygan, Sophia Blocker, Ruben Carpenter, Brian Marquis, Jared McCullough, Bob Shapiro, Jeremy Johnson



## ACC 16-IV

**August 8 - 26, 2016**  
(left to right)

Row 1: Fran Machina, Christina McCree, Ebony Price- Brueckner, Stephanie Ellis, Danielle Pistella, JinWoo Kim, Javier O. Rogel, Stephen Ramlakhan, Teresa Nelson, Irma Finocchiaro  
 Row 2: Ben Barile, Cassondra N. Fair, Kenisha Anderson, Kristine Tsai, Randy Caughel, Carlene West, Jordan Gort, Lianne Yamane, Grace Cochran, Emily M. Souza, Mary Daye  
 Row 3: Steve Thompson, Chiquann Calboun, Michelle Rice, Ashley Meckelborg, Tommy Marrero, Drew Culpepper, Ben Singleton, Jewell Forand, Cheryl Foston, Barbara Krueger, Alean Chase  
 Row 4: Nina Joyner, Arous D. Brown, Jesse L. Morgan IV, Ty Wallace, Sindie Hicks, Kevin Johnson, Brian Hakes, Faustin Desir, Keith Madison  
 Row 5: Michael A. Broz, Aurevoir Carbonell Sr., Travis Dubasik, Joseph A. Mizraim, Robert Kowalewski II, Bajji (Ben) Bajti, Crystal Juengel



## DCP Class of 2017

**May 31, 2016 – August 4, 2017**

**\*\*CLASS LIAISONS**

*Back Row: Anthony Bello-Figueroa, Edward Freeman\*, Kirsten Onimette, Nathaniel Haynes, Christopher Heughan, Kyle Schwemmer, Frank Simmons, Robert Ursel*

*Middle Row: Loren Aderbold, Michaela Latham, Erica Poole, Elizabeth Tognarelli, Rose Pope, Jaclyn Maher, Matthew Tognarelli, Michael Kim, Pedro Valdes, Andres Leon, Timothy Jones*

*Seated: Nathan Bond, Eric Travis, Maura Mitchell\*, Josie Shabehn, Latoray Wood, Casey Colbeth, Adam Westermann, Allan Jackman*

# Resource Management Publication: Guidelines for Authors

## General Information

The Resource Management (RM) Publication is a professional bulletin published quarterly and sponsored by the Office of the Assistant Secretary of the Army for Financial Management and Comptroller (ASA [FM&C]). The RM Publication provides a forum for expression of professional ideas on the art and science of resource management.

ASA (FM&C) Proponency Office leads coordination of the RM Publication and welcomes submission of articles. Military and civilian careerists, and interns, are encouraged to contribute their input on the current and developing trends in the RM field.

## Article Topics

New ideas and techniques are of particular interest, particularly in relation to respective RM Publication themes. The 2016 RM Publication Themes are as follows:

Fall – Cost Management

Winter – Professional Development

Articles should stimulate thinking about matters of importance to managers and seek to inspire engagement in critical analysis, leading to better understanding and improvement. Articles pertaining to Lessons Learned in RM topics and initiatives are also encouraged.

## Article Content

All articles are to be prepared and submitted in Microsoft Word document. Please Save the document using the following file name format: Last Name of Author\_Short Title of Article\_ FY16Article.

For articles containing images, charts, and/or graphics: All associated content must be submitted in their original format (e.g. jpg, gif) and referenced via highlighted notation in the Article text (e.g. Insert Graphic # Here). Please Save associated file(s) using the following file name format: Last Name of Author\_ Short Title of Article\_ FY16 Graphic #.

## About the Author

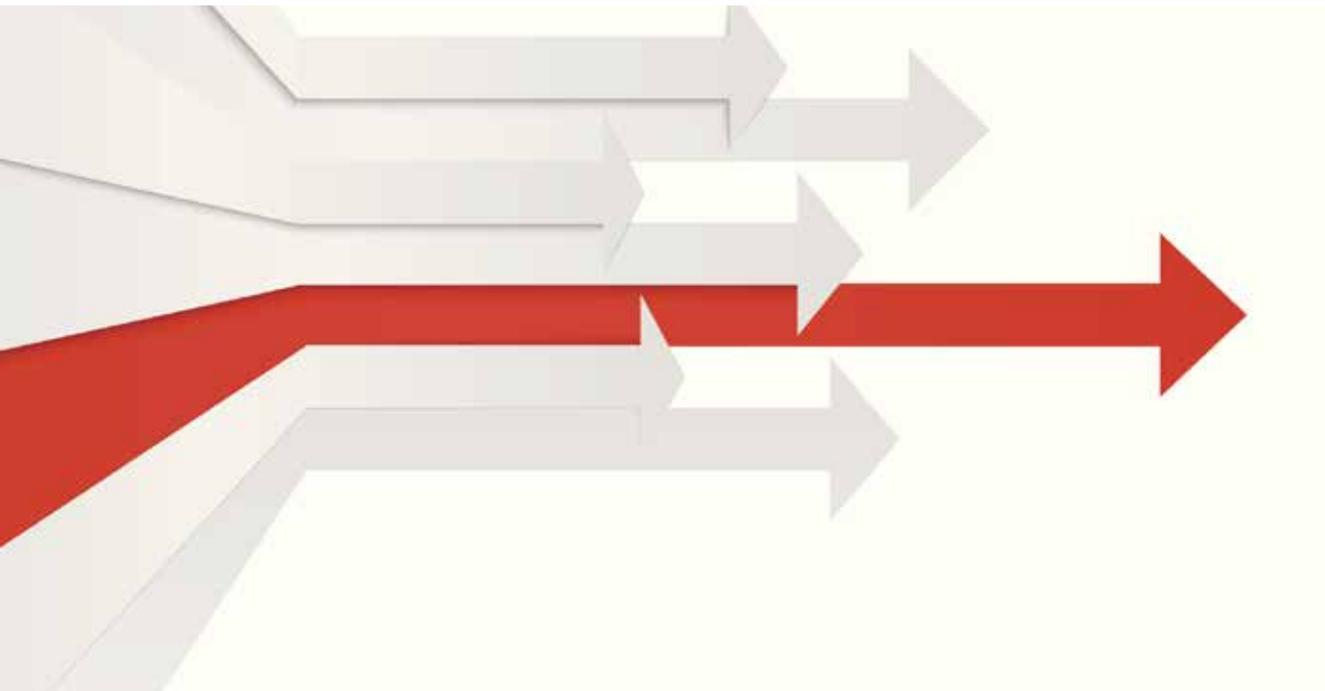
Authors must provide a brief biography and individual photo headshot with their submission. Biography should include current job title and Organization at minimum.

## Style Guidelines

**Style:** Associated Press (AP), include Summary of Article



*continued on pg. 57*



**Length:** Article must not exceed 10 pages single spaced; includes images, charts, and graphics as applicable.

**Font:** Times New Roman, 12 point.

**Graphics:** Reference image, charts, and/or graphics via highlighted notations.

Add relevant Caption for image, charts, and/or graphics under notations.

**References:** Ensure all works and graphics are properly cited when applicable.

## Electronic File Submission Guidelines

Data calls for articles submission are sent out quarterly. All articles must be submitted to the Coordination Office notated for its respective issue to be considered for publication.

Please ensure all documents and associated images are contained in one email. If file size is too large, please notated "File 1 of #" in the Subject Line.

It is the responsibility of the author to ensure that all rights for reproduction of photos have been obtained from the photographer.

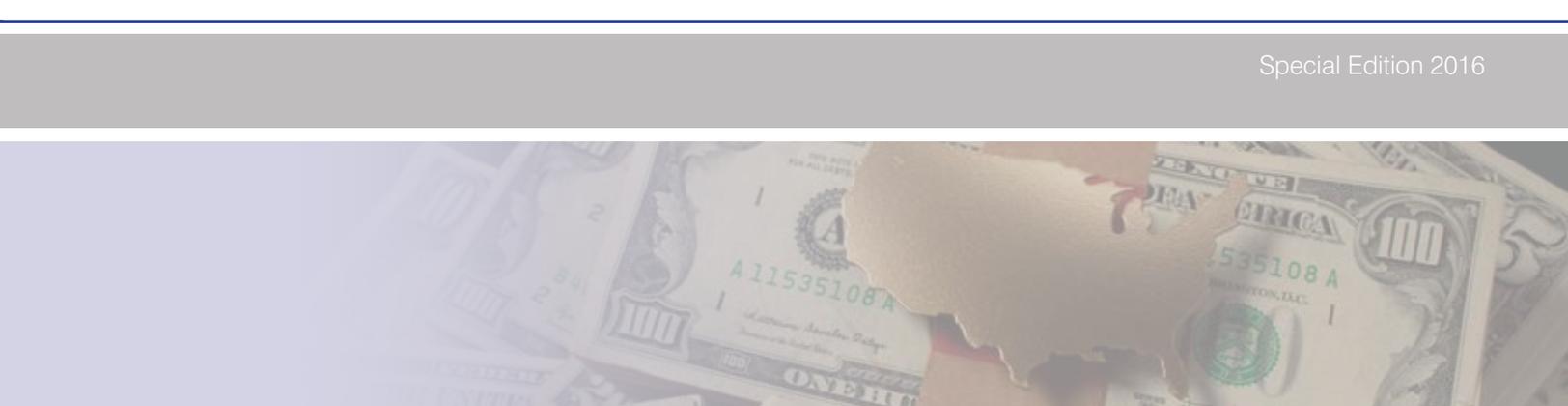
Prior to submission, Authors must review their articles carefully to verify accuracy, correct errors, clarify acronyms or abbreviations, and ensure references are properly cited. The author of the article is responsible for any statements made in the article.

The Coordination Office may recommend adjustments prior to official submission for inclusion in the RM Publication, and/or defer the article to later RM Publication issue.

## Things to Keep In Mind

\* Resource Management covers a variety of topics, including fiscal policies relating to management of manpower, facilities, information, time and material. Article submissions may be deferred for inclusion in a later article to better fit an associated theme.

\* Authors must ensure their work is article is clear and precise. Use of active voice, avoiding passive verbs, and brief sentence construction will assist with this.



\* Articles should have a strong introductory paragraph written to catch the reader's interest and introduce the main topics of the piece. Ensure major points follow a logical progress and the article closes with a conclusion crafted to both summarize and evoke further consideration.

\* Write with enthusiasm! Be natural. Language and tone must remain professional but may take an informal approach. Don't adopt a style of writing that's foreign to your normal patterns of thinking and speaking.

\* Ensure all references, paraphrases or quotes are properly referenced and used in original context. Use full names (first, middle initial and last), ranks, job titles and spell out acronyms for first references within the article. Afterward, use title/rank and last name or acronyms only for reference.

\* Avoid use of jargon. Spell out acronyms and clearly state or describe phrases or words that may not be commonly known to all readers. If necessary, add a glossary at the end of your article to identify the acronyms and jargon you use. Likewise, if you use foreign terms, explain them.

\* High quality artwork, photos, maps, charts or graphs can increase understanding and enhance reader interest. Crisp, well-composed color or black and white photos are encouraged but must be provided by the author to be associated with the article. Be sure to give appropriate credit for any artwork or graphics used, and are not under copyright that would prevent their use.

## Copyright

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## Questions

Questions regarding article submission are to be directed to the Coordination Office POC listed in the data call. General questions can be directed to RM Publication enterprise Mailbox [usarmy.pentagon.hqda-asa-fm.mbx.rm-publication@mail.mil](mailto:usarmy.pentagon.hqda-asa-fm.mbx.rm-publication@mail.mil). **RM**

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# RM RESOURCE MANAGEMENT

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or visit the ASA (FM&C) Proponency Office Website at:  
<http://asafm.army.mil/offices/po/poinfo/rmpsub.aspx>



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Resource Management

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