

BMMP Business Management Modernization Program

Business Management Modernization Program (BMMP) Overview

Army CFO Strategic In-Process Review (IPR)

Date: August 25, 2004

**Arming the Warfighter
Through Business Improvement**

www.dod.mil/comptroller/bmmp





What is the Business Management Modernization Program (BMMP)?

"The Department of Defense will be managed in an efficient, business-like manner in which accurate, reliable, and timely financial information, affirmed by clean audit opinions, is available on a routine basis to support informed decision-making at all levels throughout the department."

– Secretary of Defense

Donald Rumsfeld

BMMP is:

- **An unprecedented transformation effort to integrate financial management and business operations into a joint Defense Department business enterprise**
- **Blueprint for the Future**



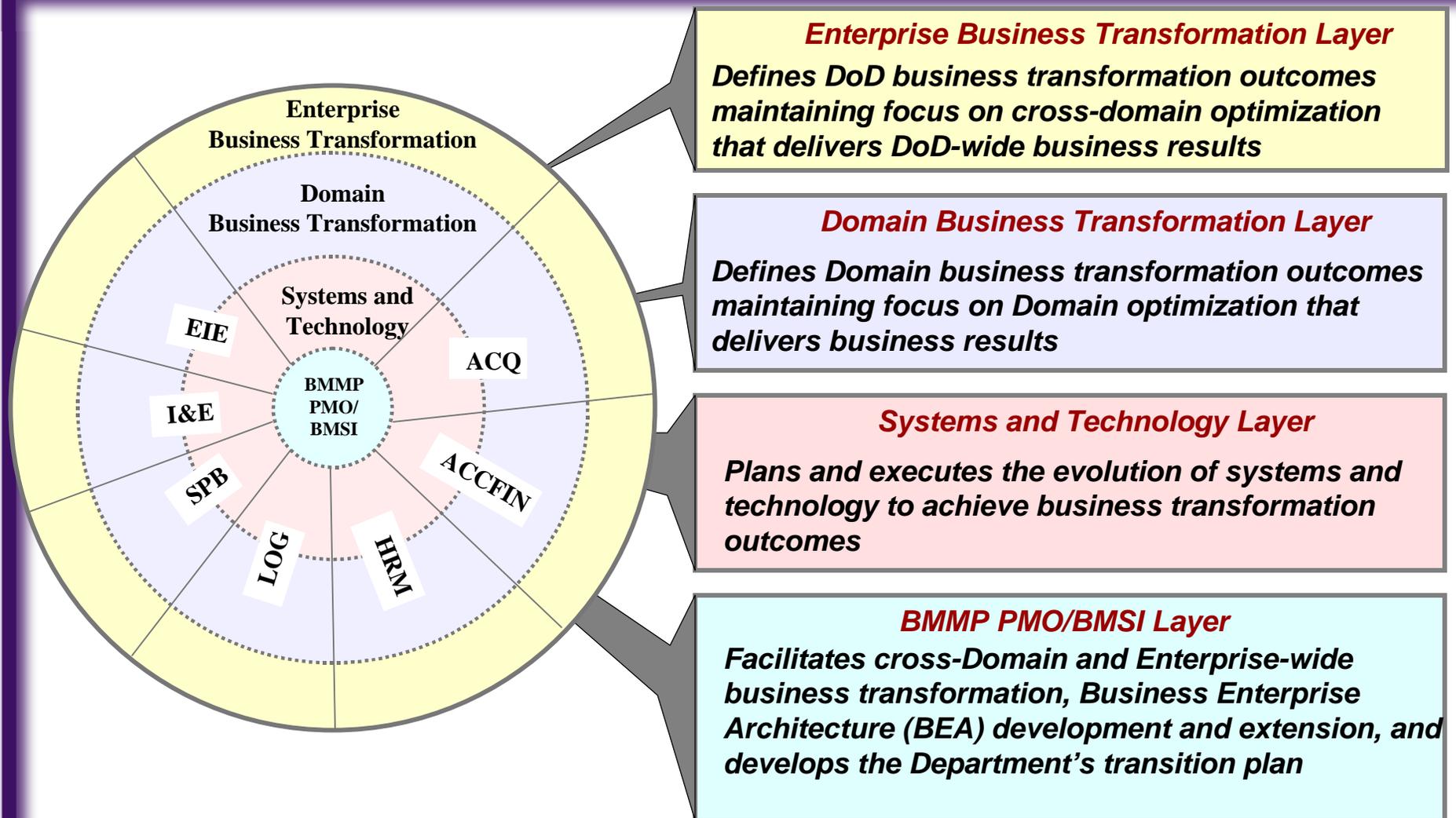
How big is BMMP? It impacts:

- ▶ **5.5M employees, service members and beneficiaries**
 - Paychecks and W-2's
 - Personnel records and actions
 - Medical and Dental records, appointments, admissions and discharges
 - Training records, plans, and scheduling classes
 - Travel requests, tickets, vouchers
- ▶ **\$400B+ /Year**
 - 267 Appropriations
 - 124 Million accounting transactions
 - 11.2 Million invoices
- ▶ **\$700B+ in Assets**
- ▶ **600,000 Buildings at 6,700 locations in 146 Countries**
 - \$620B in Real Property Assets
 - ▶ 2.3M square feet of buildings
 - ▶ 32M acres
- ▶ **1,312 Major weapons systems**
 - 4.6 Million parts and supplies managed
- ▶ **150+ Federal Source Laws and Regulations (Ex. Title 5, 10, 32, 37)**
 - 4,200+ Specific requirements from source laws
- ▶ **2,274 Business Systems ... and Counting**
 - Different standards and interpretations of rules and requirements

***BMMP:
The Largest
Transformation Effort
in Government or
Industry***



DoD Business Transformation Framework





BMMP Mission, Strategy, and Goals

Mission

- ▶ Support the Warfighter with world-class business operations

Strategy

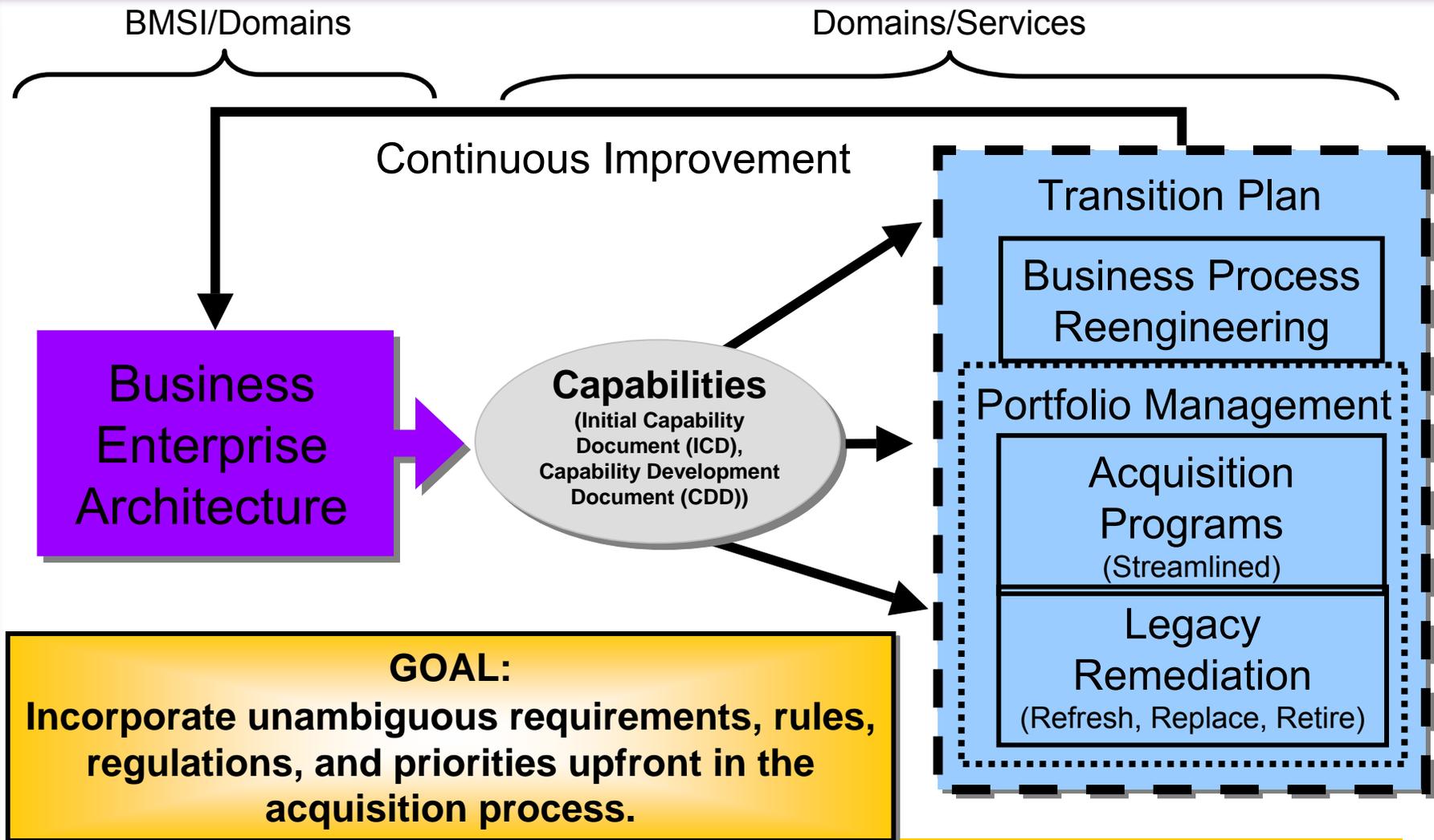
- ▶ BMMP will lead DoD's business transformation by:
 - Developing and maintaining the Business Enterprise Architecture (BEA)
 - Driving Domain Business Process Reengineering
 - Implementing capabilities-based Portfolio Management
 - Performing System Assessments
 - Utilizing the Global Information Grid Enterprise Information Environment

Goals

- More \$\$\$ for the Warfighter
- Optimize Warfighter Support
- Increased Return on Taxpayer Investment



Transition Process





DOD-WIDE INCREMENTS: Enterprise Focus 1 / 2 / 3

FOCUS: Re-engineer the processes and identify the information requirements necessary to implement a modern integrated net-centric Business environment that supports the Warfighters' needs

Increment 1:

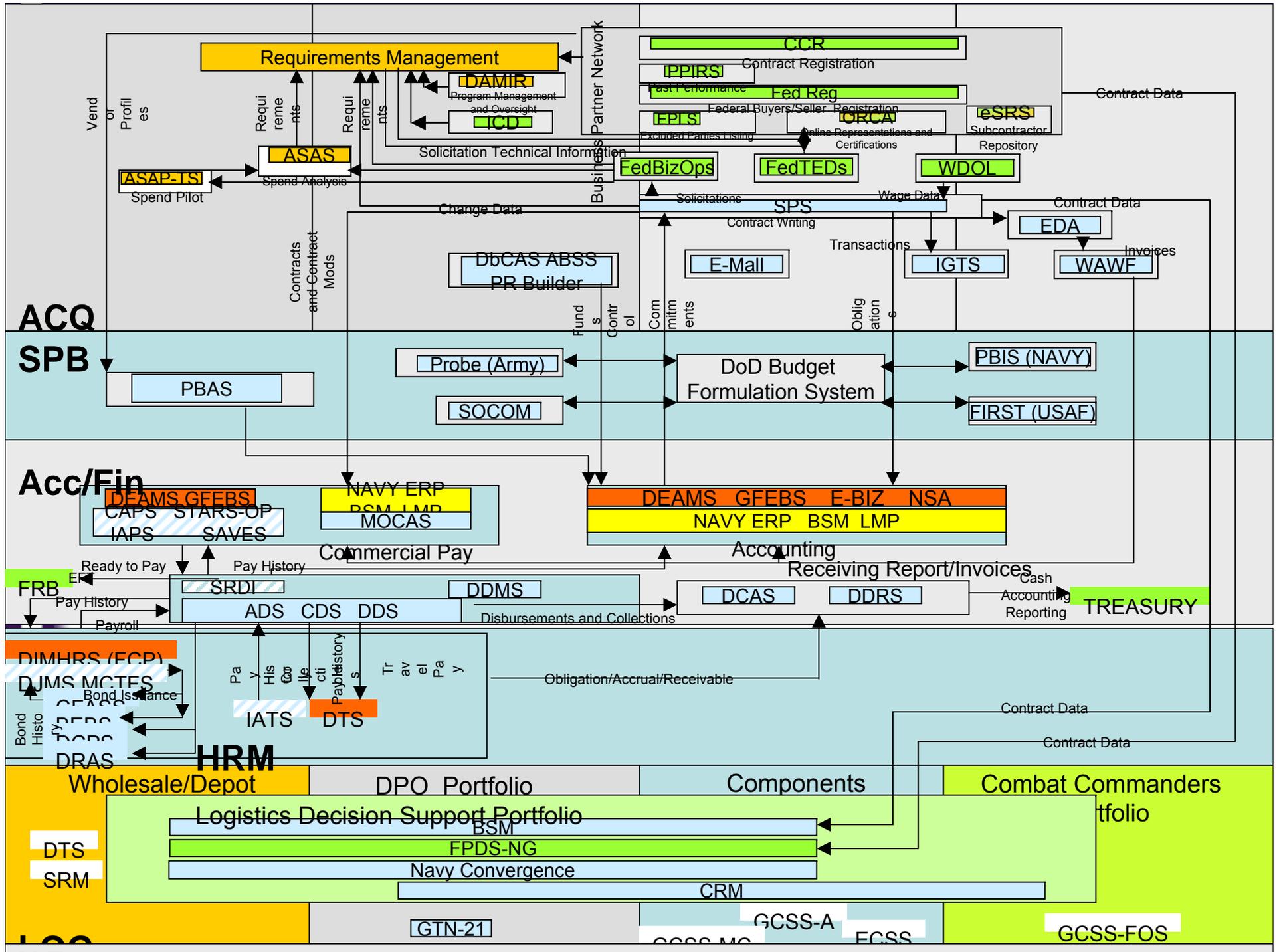
- Sub-focus: Achieve unqualified audit opinion for consolidated DoD financial statements, including related processes to achieve Asset Accountability and address other Material Weaknesses
- Sub-focus: Achieve total personnel visibility to include: military service members, civilian employees, military retirees, and other US personnel in a theater of operations (including contractors and other federal employees)

Increment 2:

- Sub-focus: Align acquisition practices with Government & Industry best practice benchmarks
- Sub-focus: Achieve total asset visibility and accurate valuation of assets (includes Operating, Materials and Supplies; Inventory and Property; Plant and Equipment)
- Sub-focus: Enhance force management through position accountability and visibility (military and civilian)
- Sub-focus: Improve military health care delivery through a more efficient healthcare claims system, more accurate patient diagnostic coding, and joint medical material asset visibility
- Sub focus: Improve environmental safety and occupational health

Increment 3:

- Sub-focus: Implement Planning, Programming, Budgeting and Execution (PPBE) process improvements in accordance with Joint Defense Capabilities Study recommendations for a capabilities-based PPBE process
- Sub-focus: Achieve integrated total force management
- Sub-focus: Improve installation management





Why do System Compliance Certification?

- ▶ Congress expects the Department of Defense to instill greater control over information technology investments.
- *Section 8084 of the DoD Appropriations Act of 2004 (Public Law 108-87)* states:

**Systems
Compliance:
It's the Law**

(b) CERTIFICATIONS AS TO COMPLIANCE WITH FINANCIAL MANAGEMENT MODERNIZATION PLAN.

(1) During the current fiscal year, a financial management automated information system, a mixed information system supporting financial and non-financial systems, or a system improvement of more than \$1,000,000 may not receive Milestone A approval, Milestone B approval, or full rate production, or their equivalent, within the Department of Defense until the Under Secretary of Defense (Comptroller) certifies, with respect to that milestone, that the system is being developed and managed in accordance with the Department's Financial Management Modernization Plan. The Under Secretary of Defense (Comptroller) may require additional certifications, as appropriate, with respect to any such system.

- ▶ A draft Management Initiative Decision will expand the Public Law requirement for the Comptroller's approval to all business systems improvements of more than \$1,000,000.



BMMP Program Baseline Framework

Approved by DO/IT and Steering Committee

Determine Cost and Schedule for Each Baseline

BMMP Enterprise Program Baseline

BMSI program baseline



Domain program baselines



Service and Agency architecture integration programs and offices

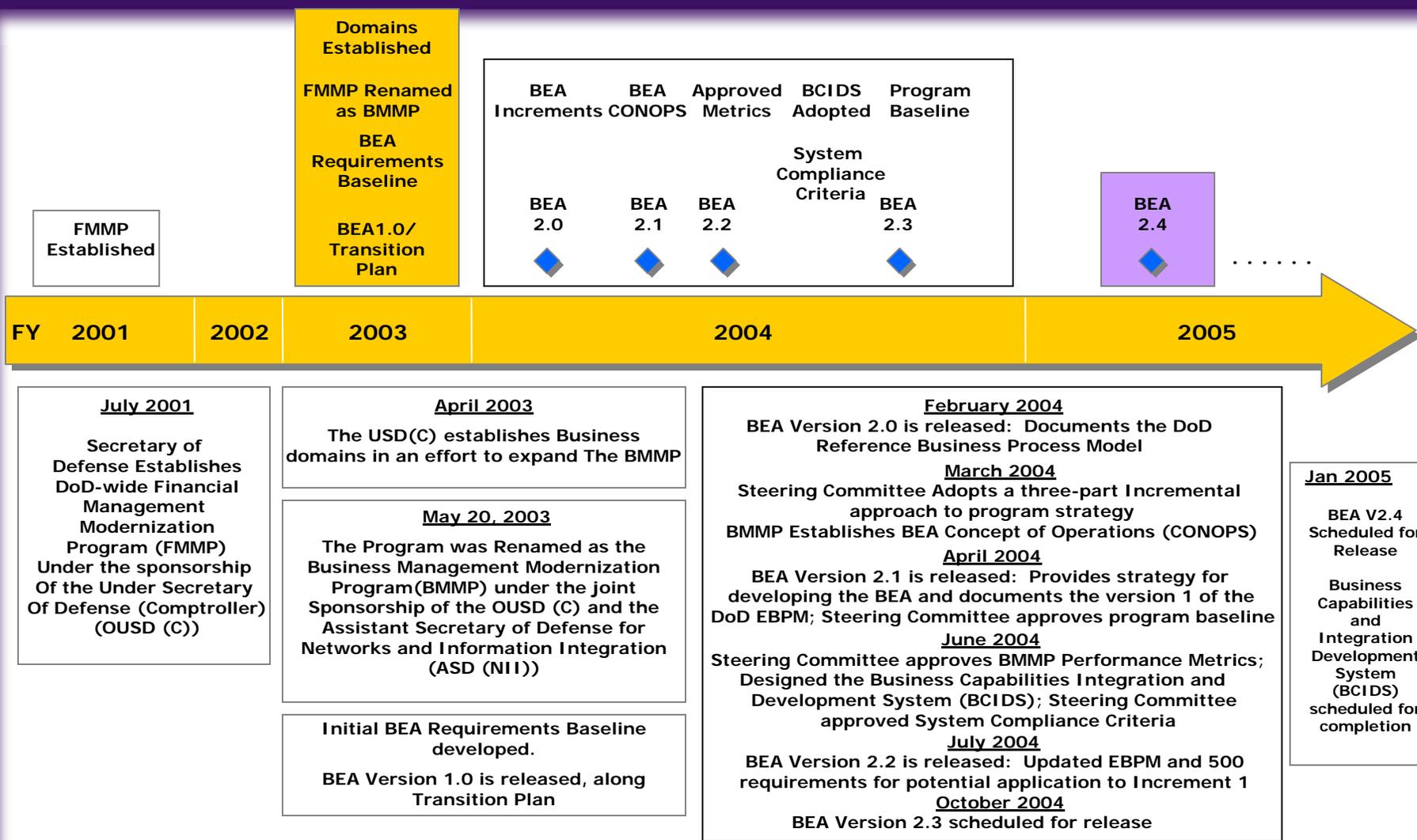
Business Process Reengineering

OSD and Component IT Programs (e.g., DIMHRS) Baselines

Service and Agency Legacy Systems

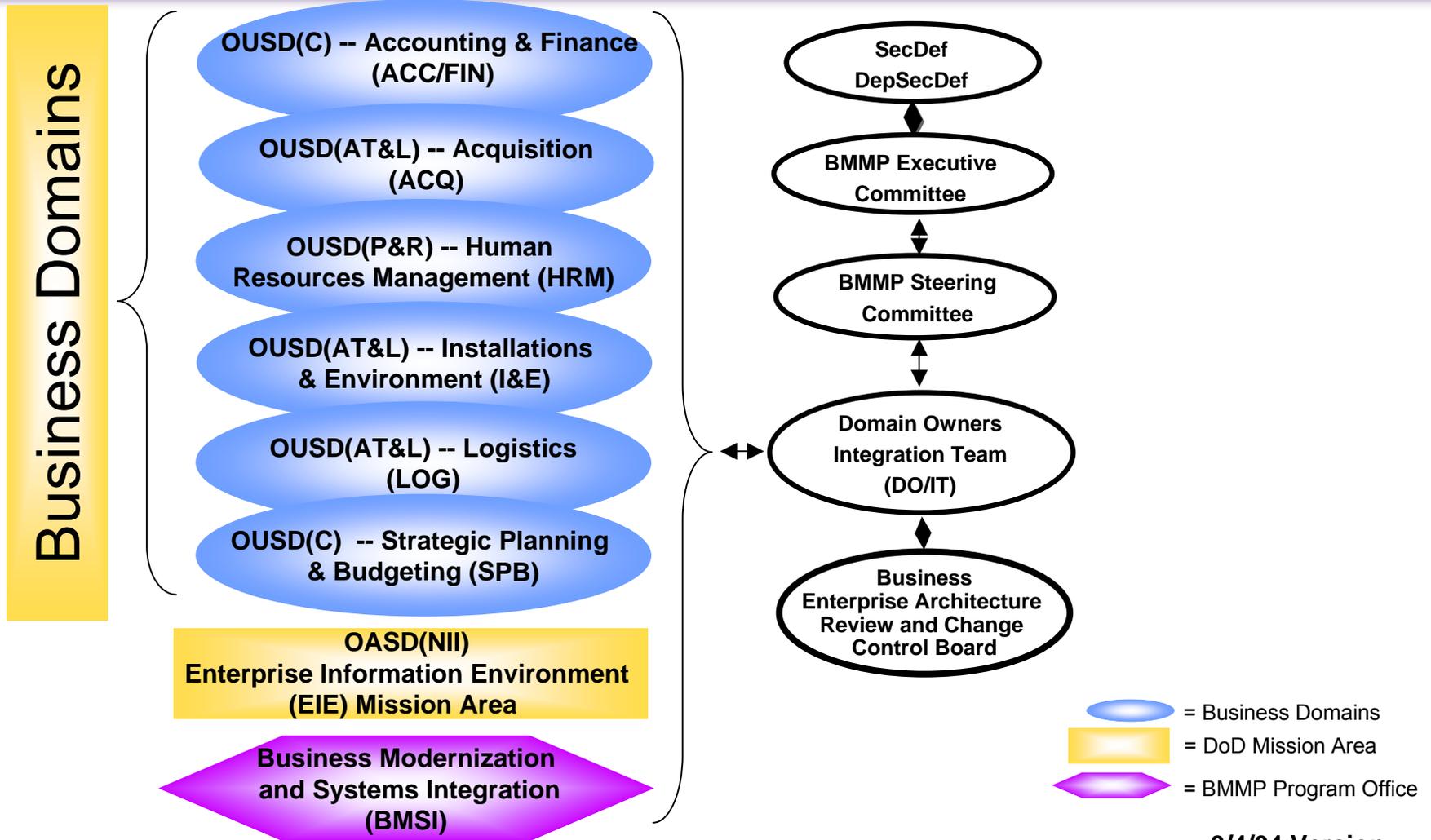


Program Authority and Timeline





BMMP Governance Structure



3/4/04 Version



BMMP Website:

<http://www.defenselink.mil/comptroller/bmmp/>

BMMP Home - Microsoft Internet Explorer

Address <http://segdev2.anteon.com/bmmp2/pages/index.html>

Department of Defense
Business Management Modernization Program
Arming the Warfighter through Business Improvement

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February 25th 2004

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Timely, accurate and reliable information for business management...

"However, make no mistake - we will win this global war on terror. To do so, we're going to need to continue to transform our department, making our forces lighter, more agile. We're going to have to continue to try to create a culture that rewards unconventional thinking and thoughtful risk-taking."

*Secretary of Defense
Donald Rumsfeld*

Welcome to the Business Management Modernization Program (BMMP). BMMP represents an unprecedented effort to integrate financial management and business operations into a joint Defense Department business enterprise. We strive to support our war-fighters with world-class business operations. Through business transformation we will:

- Expend fewer resources on business processes and systems
- Ensure men and woman in uniform have the business information they need when they need it
- Tell Congress and the public, with confidence, where we spend resources in the Department of Defense

Questions and Comments can be Sent Using the "Contact Us" Page on this Website.