
U.S. Army Financial Benefits Reporting and Tracking Process User Guide



**1st Edition
(V1.1)**

Updated as of:

27 Jan 2015

Prepared by Office of the Assistant Secretary of the Army (Financial Management and Comptroller)

The goal of this Guide is to make the Army Financial Benefits Reporting and Tracking (AFBRT) process as clear and user-friendly as possible. OASA (FM&C) will review and update the AFBRT Guide as necessary. Questions concerning the AFBRT process and tool can be found on the ASA (FM&C) webpage under the “Documents” tab.

<http://www.asafm.army.mil/Document.aspx>

Comments from users are encouraged and will be incorporated into subsequent versions of this guide.

Submit to:

usarmy.pentagon.hqda-asa-fm.mbx.afbrt-help-desk@mail.mil



SECRETARY OF THE ARMY
WASHINGTON

12 AUG 2013

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Qualification, Reporting and Tracking of Army Financial Benefits

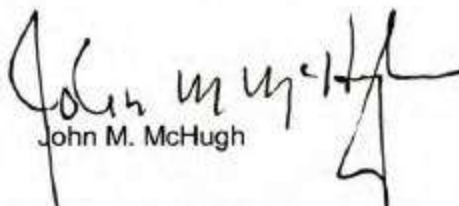
1. As Army leaders, we must be responsible stewards of the funds entrusted to our care. This is particularly true now as we strive to meet the security needs of our Nation in an increasingly resource-constrained environment. I applaud everything you are doing to reduce costs and become more efficient and effective in supporting combatant commanders and sustaining the all-volunteer force. While the efforts to find potential savings throughout the Army are laudable, greater coordination of these efforts is required to ensure that we make the best use of the savings generated.
2. The National Defense Authorization Act for Fiscal Year 2012 directed the Military Services to identify significant savings opportunities and, most importantly, to report the realization of savings as a result of the initiatives. To meet this requirement and provide accurate, reliable data, we must:
 - a. document and report all opportunities for financial benefits in a single repository;
 - b. validate projected savings estimates and incorporate validated projections into the Planning, Programming, Budgeting and Execution process; and
 - c. track financial benefits throughout their lifecycle to make sure savings are actually realized without compromising the ability to accomplish our core missions.
3. To this end, we are developing the Army Financial Benefits Reporting and Tracking process. Commands and Headquarters, Department of the Army staff principals will use the process to report initiatives projected to generate financial benefits, which encompass both savings and cost avoidance. Reporting includes, but is not limited to, Lean Six Sigma and business process reengineering projects, program terminations, requirements reductions, efficiency initiatives, insourcing, military-to-civilian conversions, directed manpower reductions and actions resulting from studies.
4. The Deputy Assistant Secretary of the Army (Cost and Economics) will review and validate the cost estimates for submitted initiatives.
5. After an initial pilot test focusing on Headquarters, Department of the Army agencies, use of the process will be expanded to Army Commands, Army Service Component Commands and Direct Reporting Units.

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6. These measures will enable us to capture real savings in our Planning, Programming, Budgeting and Execution process; comply with the law; better coordinate our efforts to operate efficiently; and ensure that we can continue to support the warfighter and the American people during a period of fiscal uncertainty.

7. The Assistant Secretary of the Army (Financial Management and Comptroller) will publish additional implementing instructions after completion of the pilot test. The point of contact for this action is Mr. Steve Barth, Deputy Assistant Secretary of the Army (Cost and Economics), who can be reached at (703) 692-1722 or stephen.g.barth.civ@mail.mil.


John M. McHugh

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SUBJECT: Implementation Guidance for Qualification, Reporting, and Tracking of Army Financial Benefits

1. References:

- a. Memorandum, Secretary of the Army, 12 August 2013, subject: Qualification, Reporting and Tracking of Army Financial Benefits.
- b. Memorandum, Secretary of the Army and Chief of Staff of the Army, 14 August 2013, subject: 2013 Focus Areas.
- c. Memorandum, Secretary of the Army, 11 September 2012, subject: Optimization of Army Financial Management.

2. The Secretary of the Army, in reference 1a, directed the use of the Army Financial Benefits Reporting and Tracking (AFBRT) process to report initiatives projected to generate financial benefits. Financial benefits initiatives include: cost savings, cost avoidance, and/or revenue generation (see enclosure).

3. The AFBRT process serves as the Army's official financial benefits review and reporting process. The future ePROBE component will serve as the single official repository for information on financial benefits. This memo provides the following initial implementation guidance for the AFBRT submission process:

- a. Report all initiatives expected to generate financial benefits whether initially identified by commands, other activities, or directed by Army leadership. This includes, but is not limited to, initiatives resulting from the Focus Area reviews (reference 1b), Financial Management Optimization (reference 1c), Lean Six Sigma (LSS), Business Process Reengineering, program terminations, requirements reductions, efficiency initiatives, in-sourcing, military-to-civilian conversions, directed manpower reductions, and other actions resulting from studies.
- b. The submitting commands and activities will assign a sponsor to each initiative throughout its active lifecycle and ensure the sponsor documents actual savings or cost avoidance each year. For each action or initiative, enter cost data at a level of detail that enables reviewers to monitor execution in financial systems. Enter cost data for all years from year of execution through the Program Objective Memorandum (POM) period. Users will identify the total cost of status quo processes and programs, costs

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associated with implementing the given initiative, and the revised cost of the processes and programs. In addition, users shall identify other resource requirements, both status quo and projected. This includes manpower (military, civilian, and contractor), supplies/materials, and equipment.

c. Commands and activities will tie all submitted savings and cost avoidances to specific programs. In some cases, savings will be tied to multiple programs. All potential benefits shall be tracked and reported throughout the life of the initiative in the AFBRT process.


d. The Deputy Assistant Secretary of the Army for Cost and Economics (DASA-CE) will review and validate the status quo and projected cost estimates, IAW reference 1a. DASA-CE will determine whether the potential costs and savings contained in these initiatives are suitable for tracking and reporting in the Planning, Programming, Budgeting, and Execution process. This review and validation does not eliminate the need for the submitting organization comptroller/resource manager to validate cost estimates for LSS projects.

e. Commands and activities will explain variances between projected and actual financial benefits over the course of the Future Years Defense Program. Should conditions or assumptions underlying these financial benefits change, commands and activities shall identify these changes and submit revised benefits estimates.

f. ASA(FM&C) will maintain organization-level metrics showing the number of initiatives submitted, projected financial benefits, and actual benefits achieved. Metrics will also include data on the outcome of selected initiatives.

4. End user guidance and submission templates are available in the documents section of the ASA(FM&C) website: <http://www.asafm.army.mil/Document.aspx>. Please submit questions to the AFBRT helpdesk email at: usarmy.pentagon.hqda-asa-fm.mbx.afbrt-help-desk

5. The POC for this action is Mr. Mort Anvari, Acting Director of Programs and Strategy in the Office of the DASA-CE. He can be reached at 703-692-7410 or morteza.anvari.civ@mail.mil.



Mary Sally Matiella, CPA

Enclosure

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Purpose

This document establishes the use of the Army Financial Benefits Reporting and Tracking (AFBRT) process. It establishes standard procedures for entering financial benefit initiatives into the AFBRT tool. In addition, this document prescribes the mission, roles, responsibilities and procedures for the review and validation of submitted AFBRT initiatives.

References

1. National Defense Authorization Act (NDAA) of 2012 and 2013
2. GAO Tracking and Reporting (FY12-16)
3. DFAS-IN Manual 37-100
4. Memorandum, Secretary of the Army, 12 August 2013, subject: Qualification, Reporting and Tracking of Army Financial Benefits
5. Memorandum, ASA(FM&C), 6 December 2013, subject: Implementation Guidance for Qualification, Reporting, and Tracking of Army Financial Benefits
6. Memorandum, Secretary of the Army, 14 August 2013, 2013 Focus Areas
7. Memorandum, Secretary of the Army, 11 September 2012, subject: Optimization of Army Financial Management
8. Memorandum, Secretary of the Army, 26 August 2010, subject: Oversight of Army Efficiencies Efforts
9. Memorandum, Under Secretary of the Army, 2 September 2010, subject: Guidance on Implementing Army Efficiencies Initiatives

Documenting Army Financial Benefits Initiatives

Reference 1 directs the services to identify significant savings opportunities and, most significantly, to report the realization of savings as a result of these initiatives. IAW reference 4 this includes but is not limited to, initiatives resulting from the Focus Area reviews (reference 5), Financial Management Optimization (reference 6), Lean Six Sigma (LSS), Business Process Reengineering, program terminations, requirements reductions, efficiency initiatives, in sourcing, military-to-civilian conversions, directed manpower reductions, and actions resulting

from studies. For the purposes of this User Guide, financial benefits (FB) initiatives, to include savings, cost avoidance, and revenue generation will be reported.

In this context, “reviewing and validating” a financial benefit initiative means that the DASA(CE) will review the analysis in sufficient detail to determine whether it can be relied upon to support resource informed decision making. The DASA(CE) does not approve or disapprove the specific recommendation contained in a FB initiative. This decision will continue to be the responsibility of duly-appointed managers and decision-making bodies. The DASA(CE) supports these managers and decision-making bodies by helping to ensure that their decisions are analytically sound and based on robust analysis. For example, if ASA(ALT) submits a Better Buying Power initiative into AFBRT, the DASA(CE) will review and comment on the sufficiency of the submitted FB initiative to support the decision.

Roles and Responsibilities

1. DASA(CE) has the primary responsibility for determining whether a FB initiative is:
 - Well Documented – Financial information and conclusions are transparent and can be traced back to referenced source documentation. The FB initiative supporting documentation clearly illustrates the calculations and estimation techniques used in the analysis.
 - Comprehensive – The analysis has a reasonable level of detail to ensure that all relevant cost elements and benefits are neither omitted nor double counted. The scope of the analysis is inclusive of all relevant factors of the project.
 - Accurate – The cost estimates and assumptions within the analysis are unbiased, not overly conservative or overly optimistic, and based upon an assessment of most likely costs and benefits.
 - Credible – Analysis includes a discussion of any limitation of the analysis from uncertainty or bias surrounding data or assumptions. Sensitivities to the outcomes of the project are transparent and are reasonable.

2. An analyst from DASA(CE) will serve as lead for the validation of each FB initiative entered into the AFBRT tool. The DASA(CE) analyst:
 - Receives the AFBRT submission
 - Reviews provided data and supporting documentation
 - Performs initial screen for redundancy with other proposed savings

- Determines whether the potential costs and/or savings contained in these initiatives are suitable for tracking and reporting in the Planning, Programming, Budgeting, and Execution (PPBE) process
- Makes the final determination as to whether the projected benefits should be classified as savings or cost avoidance
- Provides a signed AFBRT validation Memo

3. DA Staffs, Army Commands, Direct Reporting Units, and Army Service Component Commands:

- A Resource Manager or local Comptroller will enter all FB initiatives into the AFBRT tool
- The submitting organization shall tie all savings and cost avoidances to a specific program or multiple programs. All potential benefits shall be tracked and reported throughout the life of the initiative in the AFBRT process.
- Ensure that a sponsor is assigned to each initiative throughout its active lifecycle, and that the sponsor documents actual savings or cost avoidance each year. Execution will be reported in GFEBs
- Explain variances between projected and actual financial benefits over the course of the Future Years Defense Program. Should conditions or assumptions underlying these financial benefits change, identify these changes and submit revised benefits estimates, if necessary

Procedures

The AFBRT tool, and all associated documents, can be found on the ASA(FM&C) website, at the following link: <http://www.asafm.army.mil/Document.aspx>. They can also be found on milBook: [https://www.milsuite.mil/book/groups/cost-warriors/content?filterID=contentstatus\[published\]~category\[afbrt-tool\]](https://www.milsuite.mil/book/groups/cost-warriors/content?filterID=contentstatus[published]~category[afbrt-tool])

1. Documents:

a. Benefits Submission Form – Excel document that captures required FB information. The form consists of 13 worksheets, of which numbers 2-6 require data entry and number 7 requires data entry only if there are implementation costs:

- Narrative

- Project Information
- Project Flags
- Baseline
- Revised
- Investment or Implementation
- Operating Agency codes and agencies
- Initiative Type definitions
- ROC Codes
- Fund Code
- MDEP Codes
- Commitment Item codes
- Work Set

Additional information and definitions for the data elements can also be referenced in DFAS-IN 37-100 (<http://www.asafm.army.mil/offices/BU/Dfas37100.aspx>) and other cited sources.

b. Directions for AFBRT Data Fields - Instructions and data element definitions for the Benefits Submission Form can be found on this document.

c. Example Benefits Submission forms – There are examples provided to assist with filling out the Benefits Submission Form.

d. AFBRT Overview – PowerPoint document which provides background, outcome, and phase definitions and information on the AFBRT process.

2. Process:

- Organizations will submit the completed Benefits Submission Form to the AFBRT Help Desk mailbox. (usarmy.pentagon.hqda-asa-fm.mbx.afbrt-help-desk@mail.mil)
 - The submission will be reviewed by a DASA(CE) Cost Analyst. The Analyst will reach out to the identified point of contact with any questions or needed clarification. The submitting organization will be notified when the submission has been validated.
 - Once validated, the submission will be reviewed for decision on inclusion in the Army budget, by the appropriate decision making bodies and personnel. The submitting organization will be notified once a decision has been made.
 - Organizations will be responsible for monitoring and updating actual execution of the initiative and explaining any variances.

- Adjustments to savings estimates will be made based on actual execution

Assistance

Please submit questions to the AFBRT helpdesk: usarmy.pentagon.hqda-asa-fm.mbx.afbrt-helpdesk@mail.mil

Appendix A: Acronyms

AFBRT – Army Financial Benefits Reporting and Tracking

ASA(ALT) – Assistant Secretary of the Army, Acquisition, Logistics and Technology

ASA(FM&C) - Assistant Secretary of the Army, Financial Management and Comptroller

DASA(CE) – Deputy Assistant Secretary of the Army, Cost and Economics

DFAS-IN – Defense Finance and Accounting Services – Indianapolis

FB – Financial Benefits

MDEP – Management Decision Execution Package

NDAA – National Defense Authorization Act

OASA(FM&C) – Office of the Assistant Secretary of the Army, Financial Management and Comptroller

PPBE – Planning, Programming, Budgeting, and Execution