



Financial Operations
Army Day
June 01, 2016

Financial Operation Critical Initiatives

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



Agenda

- FO Critical Initiatives
- FO Critical End-to-End Process Initiatives
- Business Process Improvement Timeline
- Critical Success Factors



Financial Operations Critical Initiatives

As the Deputy Assistant Secretary of the Army for Financial Operations (DASA-FO), I am responsible for policies, procedures, and programs for finance and accounting activities and operations. I lead Army programs for Internal Controls, Internal Review and Audit Compliance. As well as, Joint Reconciliation Program, travel charge card, fraud, waste and abuse and business process standardization.

- Ongoing Initiatives:
 - Year-End preparation, Letter or Instruction, cancelling year funds
 - Joint Reconciliation Program-updating policy and guidance based on the DoDFMR changes. Target Release is FY17Q1
 - UMT Tiger Team to capture the root causes and implement corrective actions-Target completion is September FY16
 - G-Invoicing for intragovernmental reimbursable, target implementation for manual operation is FY17-OSD initiative
 - Contract Close-out- Working with DASA-P, DCMA and DCAA to assist the RMs in getting contracts closed out in a timely manner
 - ZPARK draft policy is being addressed with the commands. Target release is July 2016
 - Judgement Fund/No Fear cases
 - Financial Reporting improvements/Posting Logic
 - Travel Card improvements for CBA-Recon Tool is being implemented



Financial Operations Critical End-to-End Process Initiatives

End-to-End business process standardization ongoing efforts:

- Reimbursable working group (DASA-BU, DASA-CE) to improve and implement standardization across the Army for managing reimbursable labor, MIPRs and cost allocation
- Gift Fund processes have been standardized and are being implemented across the Army to include NAF activities. The 37-1 and AR-1-100 have been updated to reflect the new process
- Transportation working group to improve processes across ten different business areas. Working with the G4 and GFEBs
- Fraud and Recovery program to conduct data collection and analysis, coordination and communication with Commands, DFAS, Department of Justice (DOJ), Judge Advocate General Office, CID and other applicable organizations to capture the current process and implement process improvement
- Develop methodology for process improvements and standardization across the Army and identify business areas (prioritize by auditability impacts and outcomes)



Proposed Definitions of Levels of Process Detail

Tier 1

- **Scope:** 1) End-to-end, federated process description that links to the DoD E2E Business Process Integration Framework and, 2) a policy document that establishes the authoritative Tier 2 and 3 processes
- **Owner:** DASA FO

Tier 2

- **Scope:** System-agnostic, end-to-end processes that illustrate the order steps are performed, key controls, financial events, and generation of key supporting documents
- **Owner:** Developed by USAFMCOM; Published by DASA FO

Tier 3

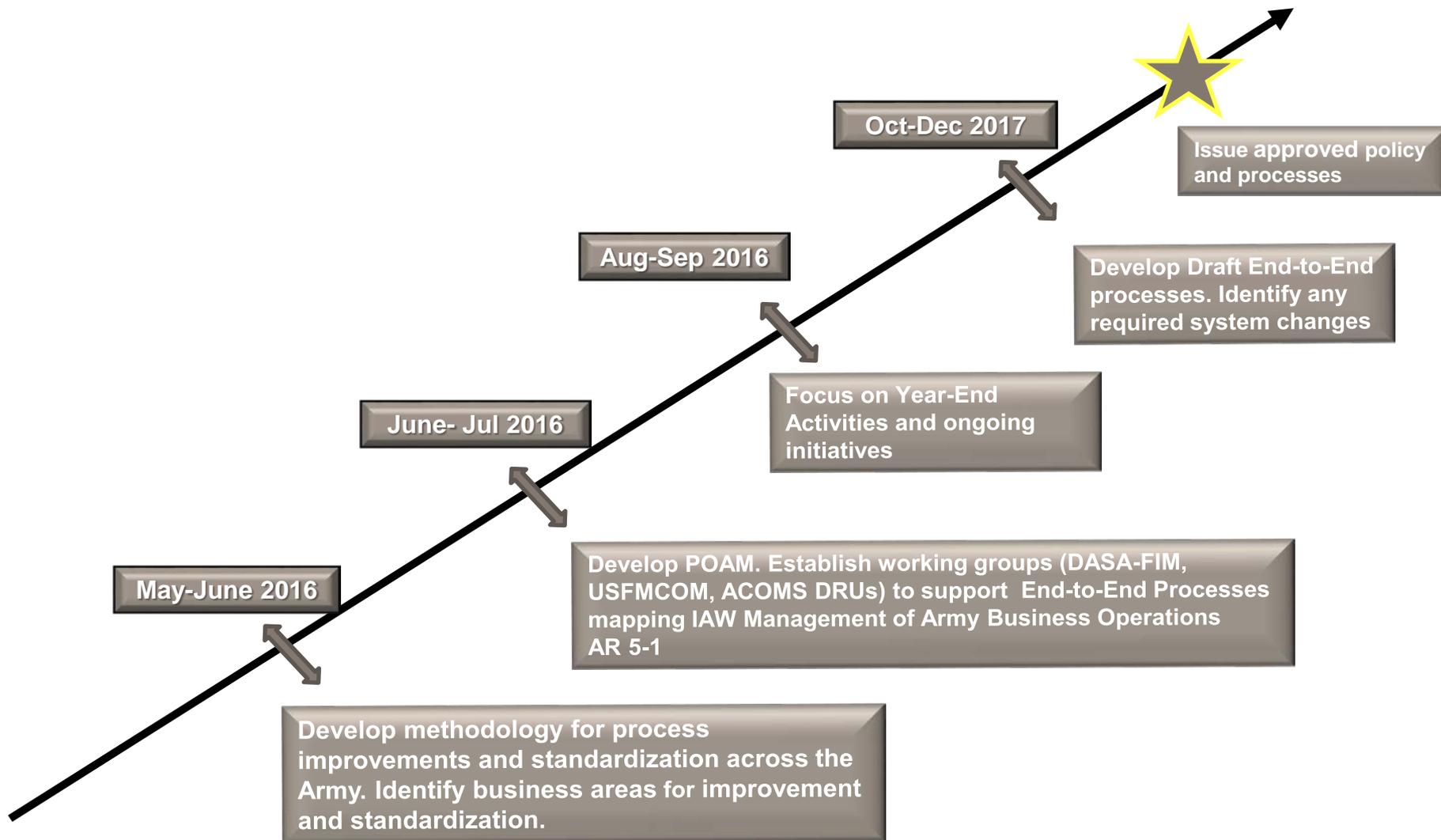
- **Scope:** System-specific, end-to-end processes that illustrate the steps performed in feeder systems, manually and in the ERP. Final products highlight transaction codes and unique manual or automated controls.
- **Owner:** Developed by USAFMCOM with support from DASA FIM; Published by DASA FO

Tier 4

- **Scope:** Standard Operating Procedures, and Job Aids to inform step-by-step execution of processes, ensuring alignment to DASA FO-published process standards
- **Owner:** USAFMCOM is developing job aids, Commands may develop additional materials



Business Process Standardization Timeline





Phased Approach to BP Improvement



Key Activities

- Define project scope, roles & responsibilities, approach and deliverables
- Gather and review existing process documentation

- Develop a draft end-to-end process standard and vet across enterprise
- Facilitate Department-wide working groups to develop an approved process

- Issue approved processes as policy
- Publish processes online
- Coordinate implementation to the operational level

- Stand-up a Change Control Board to maintain processes
- Facilitate business process reengineering activities to address complex variation

Outputs

- BPI program charter, briefing materials, and policy memo
- Prioritization criteria
- Inventory and analysis of existing process & controls artifacts
- Process template

- Tier 1-3 process documentation
- Identified process variations and drivers (e.g. system limitations, operating environment, policy, processes, etc.)

- Process repository
- Training, communications and change management materials
- Measures for evaluating adherence

- Infrastructure to review process and control changes as a result of Corrective Action Plans, policy, or system changes
- Solutions to increase standardization



Financial Operations Critical Success Factors

How is the Army going to meet auditability through process standardization and compliance?

By following these critical success factors:

- **Build a multi-disciplinary team – A team comprised of facilitators, auditors, process subject matter experts (SMEs), process analysts, and change management professionals will bring the diverse skillsets needed to deliver relevant end products.**
- **Involvement of Army and Army service provider SMEs – Processes must be developed and reviewed by individuals with intimate knowledge of how the process is performed in an operational environment and ability to recommend realistic solutions.**
- **Challenge the “way we’ve always done it”**
- **Proactive, on-going communication**
- **Monitor implementation – Check-in with stakeholders after publication of deliverables to identify and address implementation road blocks.**

Success is measured by the effectiveness of change and that involves YOU!