



DEPARTMENT OF THE ARMY
WASHINGTON, DC 20310

24 April 2018

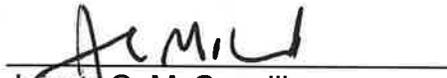
MEMORANDUM FOR SEE DISTRIBUTION

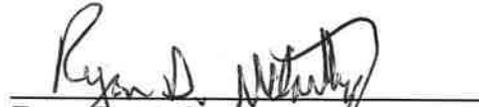
SUBJECT: Establishment of the Command Accountability and Execution Review Program

1. On 14 December 2017, the Secretary of the Army directed the establishment of the Command Accountability and Execution Review (CAER) program to optimize the Army's purchasing power and enhance prudent stewardship of financial resources. This program is designed to increase all commander and senior leader involvement and visibility in the management of Army Operation and Maintenance (O&M) funding, with the focus on three areas in which the Army can impact readiness immediately: (1) de-obligations, (2) under-execution, and (3) uncollected reimbursables.
2. In recent years, the Army has de-obligated an average of 3 to 5 percent of its annual O&M budget (base and overseas contingency operations), which equates to billions of dollars of lost purchasing power that the Army could use to build readiness. This loss is primarily attributed to de-obligations in three areas: (1) service contracts, (2) supply chain management, and (3) transportation of personnel and equipment. This memorandum provides a three-tiered approach to address these problem areas at the Enterprise level: Department of Defense; Headquarters, Department of the Army; and Army commands. Execution of the CAER program will include senior-level engagements across the enterprise, executive-level reviews, changes in policy and practices, and the establishment of predictive analysis and forecasting.
3. Army commands, Army service component commands, and direct reporting units will provide monthly and quarterly assessments of their O&M execution. Reviews will assess indicators of the fiscal health of the organization, share best practices, and monitor and evaluate corrective actions to ensure that the Army is pursuing every possibility to enhance the stewardship of its resources. Designated commands will brief their CAER program to Army senior leaders in accordance with the initial Implementation Guidance as prescribed in enclosures 1-4 and the appendix.
4. Effective immediately, recipients of this memorandum are responsible for implementing the Army CAER program as outlined in the initial Implementation Guidance. The Assistant Secretary of the Army (Financial Management & Comptroller) Military Deputy (MILDEP) is the Executive Lead/Office of Primary Responsibility. The Army Materiel Command Commander is the CAER Champion.

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5. The Assistant Secretary of Army (Financial Management and Comptroller) MILDEP is the proponent for this memorandum.


James C. McConville
General, United States Army
Vice Chief of Staff


Ryan D. McCarthy
Under Secretary of the Army

Encls

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