



Cost Management Steering Group (CMSG)  
Meeting Summary and Actions  
1 November 2016, Pentagon, G8 Conference Room (3E387)



**Principal Attendees (In Person):**

Mr. Michael Ramsey (DASA-CE), BG Robert Moore (ARNG), Mr. Jeffrey Angers (ASA(MRA)), Mr. Dean Pfoztzer (CIO/G6), Ms. Dru Wyckoff (DASA-BU), Ms. Krystyna Kolesar (G8), COL Clement Coward (OBT), Mr. Thomas Steffens (USACE). **DCS/Telecom:** Ms. Susan Goodyear (AMC), Mr. Ronald Pontius (ARCYBER), COL Derrick Flowers (MEDCOM).

**Additional Member Organizations Represented:**

AAA, ACSIM, ATEC, FPA, G-1, G-3/5/7, G-4, IMCOM, OCAR, TRADOC.

**Meeting Summary:**

Mr. Michael Ramsey, Acting DASA, Cost and Economics and CMSG Chair welcomed all members and thanked them for their continued and valuable participation. After opening remarks, agenda topics were reviewed, starting with an update on the overall CMSG Action Items list. Key action items included the recommendation from the CM Strategic Implementation Plan (CMSIP) working group to track and report the CM implementation and metrics under the Army Financial Management Optimization effort and the Army's Enterprise Strategic Management System (SMS). The CMSG COC's recommendation to change the CMSIP to the Cost Management Strategic Plan (CMSP) was approved. Additionally, the CMSG concurred on renewing the Charter, pending approval by the ASA(FM&C).

Following this topic, a status update on the Implementation Guidance of the Army Directive 2016-16 (Changing Management Behavior: Every Dollar Counts) was provided. Guidance is planned to be published after ASA(FM&C)'s review and approval. The approach being staffed has two components: 1) Applied Analytics: linking resource expenditures to outcomes and 2) Cultural Change: with cross collaboration of operational and financial elements. The planned implementation guidance will initially focus on HQDA with a focus on capturing lessons learned and best practices. The CMSG plans to continue to review the resulting Army staffing recommendations in its upcoming forum.

Next, the CMSG reviewed 3 Army CM tools and associated processes in support of POM 19-23. First, the CBA tool and process was discussed, focusing on the need to review the viability of courses of actions (COAs) and the value of CBAs to effectively support Army decisions. In addition, the CMSG will review CBA recommendations and updates to the CBA section of the Army Program Guidance Memorandum (APGM) (Q1FY17) and an update to the Under Secretary of the Army (USA) and Vice Chief of Staff of the Army (VCSA) Army CBA memorandum (Q2FY17). Second, the AFBRT tool and associated APGM guidance for POM 19-23 was discussed, emphasizing the importance of this tool in the reporting of efficiencies across the Army and to Congress. Third, the CARD process and current OSD CAPE efforts to expand utilization of this tool to all programs coming for HQDA review was discussed. CMSG expressed concerns and recommended further consideration regarding timing, compliance process during the POM and related workload issues.

The CMSG also reviewed a status update and key achievements of current projects: Standard Labor Time Tracking (SLTT), Cost of Training Readiness (COTR), Installation Management Data Integrity Project (IMDIP), and Software Maintenance. All projects are on track and the CMSG will review initial results and lessons learned from these efforts at the next forum. Additionally, the CMSG reviewed the current AFMO CM audit readiness efforts enabling audit



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readiness requirements (Q4FY17). This effort is developing solutions to resolve Army's CM audit materiality (~\$1B), and findings reported in the latest Notice of Findings and Recommendations (NFR P-2015-08).

In closing, the CMSG Chair thanked all members for their valuable participation and stressed the need to continue working on addressing CM challenges and continue developing CM capabilities across the Army enterprise.

**Actions:**

- CMSP WG (Lead, CMSG CoC): Update title to reflect CMSP and remove CM implementation metrics from the document.
- SLTT WG (Lead, SLTT Study Director): Continue with the development of Analysis of Alternatives (AoA) and prepare for a SAG held at the next CMSG.
- CBA Process Enhancements and new SA Memo on CBA Policy. (Lead, CMSG CoC): Provide recommendations for an updated APGM guidance (S: Q1FY17) and updated USA and CSA CBA memorandum to support Army Enterprise Decision Making (S: Q2FY17).
- E\$C implementation Plan (Lead, FPA, OBT): Provide Army Implementation Details.
- Projects and Cost Framework Lessons Learned (Lead, Project Leads): Share CFs' pilot lessons learned.
- CMSG Charter Renewal (Lead, DASA-CE): Obtain ASA(FM&C) approval on CMSG recommendations and submit CMSG Charter for renewal IAW AR 15-1.

**Way Ahead:**

The next quarterly CMSG meeting is scheduled for February, and the next monthly Council of Colonels is scheduled for Monday, 28 November from 1300-1400 in the G-8 Executive Conference Room. Members are encouraged to provide topics for discussion. Following meetings will continue to be focused on shaping Army CM policy, strategy, and needs around the Army Cost Framework and best CM practices across PPBE to inform leadership decisions.