

UNDER SECRETARY OF THE ARMY WASHINGTON

2 2 OCT 2014

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Establishment of the Army Cost Management Steering Group

- 1. Cost management is a vital and strategic Army capability that requires leadership engagement to synchronize, accelerate, and maximize available resources. Accurate and reliable information and best practice sharing across the enterprise will create an understanding of Army costs while promoting more agile, efficient, and effective decision making. This approach will empower leaders to successfully perform the mission while maintaining good stewardship of the Nation's resources.
- 2. Over the past decade, the Army has invested heavily in standing up enterprise-wide, cost-management capabilities within the General Fund Enterprise Business System and other related enterprise, resource, and planning systems. It is now time to take full advantage of these systems to enable better cost planning, analysis, and control.
- 3. The Assistant Secretary of the Army (Financial Management and Comptroller) (ASA (FM&C) will establish a General Officer/Senior Executive Service (GO/SES) Army Cost Management Steering Group (CMSG) as the forum to inform and influence the implementation of cost management policy, strategy, key capabilities, and best practices that align and enable Army Leadership priorities. Army-wide support for this effort is necessary to successfully implement cost management and meet the information needs across the Army.
- 4. The ASA (FM&C) will issue additional guidance and business rules no later than 28 October 2014. The ASA (FM&C) is also responsible for development of a charter for the CMSG to be available for staffing at the first CMSG meeting and completion before 1 December 2014, completing and gaining the approval of cost-benefit analyses, and complying with Army Regulation 15-1 (Committee Management) and other associated governing regulations and policies.
- 5. Commands are responsible for appointing a GO/SES representative and providing associated contact information to Mr. Stephen Barth, Deputy ASA (Cost and Economics), 703-692-1722 or stephen.g.barth.civ@mail.mil, no later than 24 October 2014.

Brad R. Carson

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