



# *Information Technology...Enabling Logistics*

## *Financial Management Modernization Program*

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# *Financial Management Modernization Program*

## **Financial Management Modernization is**

- DoD-wide initiative to transform business processes
- DoD-wide initiative to standardize and integrate information systems and standards

## ***What Financial Management Modernization is not***

- Not just a Finance and Accounting effort
- Not just a ‘systems’ effort
  - Focus is on business processes



# Current DoD Environment - The Problem

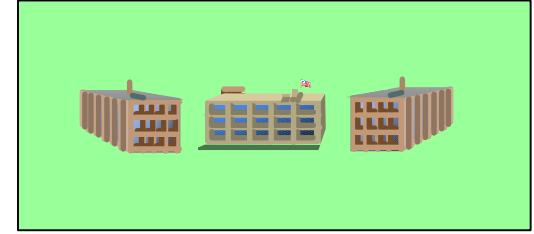
Stovepiped non-integrated, non-standardized business processes and systems



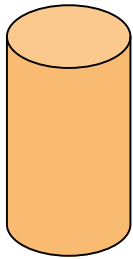
Combatant Commanders



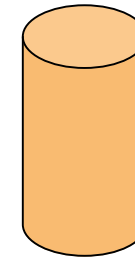
Services



Agencies



Stovepiped Processes and Systems



The Result



- *Over 1900 information systems*
- Inefficiency/Wasted Resources
- Poor data for decision-makers
- Suboptimal warfighter support



# *Top Leadership Support*

## **Secretary of Defense**

- **Vision**

- Operate DoD in an efficient business-like manner
- Develop accurate, reliable and timely management information
- Use clean audit opinions to verify data

- **Scope**

- Standardize data and processes wherever produced - finance and financially-related “feeder” systems and business processes

- **Approach**

- Created centralized Financial Management Modernization Program
- Completing DoD-wide Financial Management Enterprise Architecture



# *The Solution - DoD-Wide Governance*

*Governance is an organizational integration strategy.*

## **Goal**

- Ensure consistency with the requirements defined in the Financial Management Enterprise Architecture

## **Approach**

- Begin by developing an architecture - recognized as overall framework
- Identify logical business areas
- Assign Domain Owners for each business area
- Domain Owners establish Lead Agent (Service/Agency)
- Domain Owners assume responsibility for all included activities



# *Governance Domains - (Logical Business lines)*

## **USD (Acquisition, Technology and Logistics)**

1. Logistics
2. Acquisition/Procurement
3. Real Property and Environmental Liabilities

## **USD (Personnel and Readiness)**

4. Human Resource Management

## **USD (Comptroller) / Chief Financial Officer**

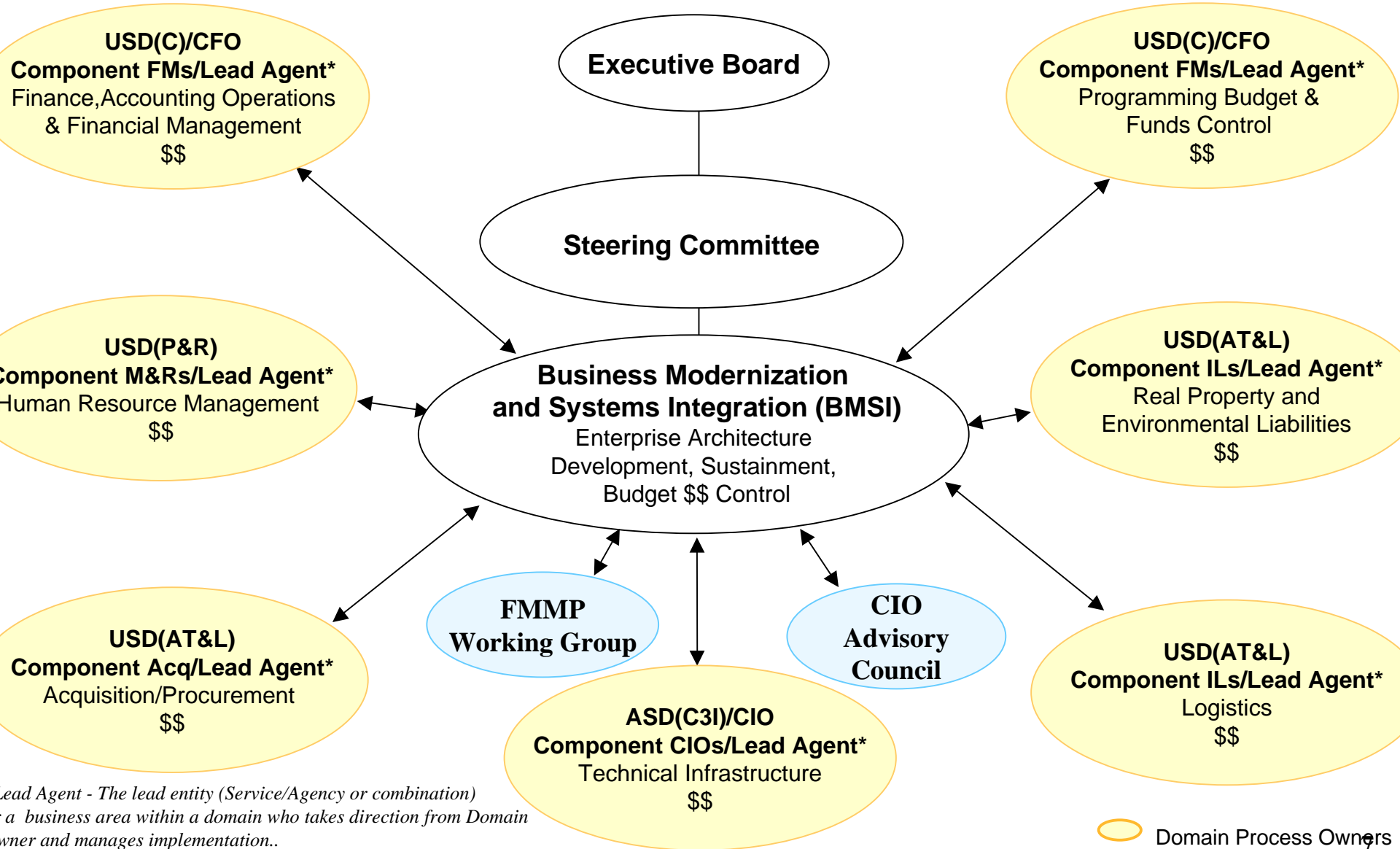
5. Finance, Accounting Operations & Financial Management
6. Programming, Budget and Funds Control

## **ASD (Command, Control, Communications, and Intelligence) / CIO**

7. Technical Infrastructure



# Draft Governance Concept



*Lead Agent - The lead entity (Service/Agency or combination) of a business area within a domain who takes direction from Domain owner and manages implementation..*

Domain Process Owners