Logistics Enterprise Integration
Advisory Board

Funds Control
17 Nov 03
Background

15 Oct 02 - GOWG for Single Stock Fund program Milestone 3 Implementation Army-wide

- A number of financial issues were identified:
  - Complicated Obligation process
  - Cumbersome Reconciliation process
  - Lack of robust Fund Control tool

- ASA(FM&C) recognized the need to pursue solutions
Progress to Date

- 30 Oct 02 - ASA(FM&C) decision to pursue Funds Control
- 13 Mar 03 - SecArmy approved Funds Control as an Army - Business Initiative Council (ABIC) initiative
- 1 Jul 03 - ASA(FM&C) provided funding and effort began
- 13 Aug 03 - Business Rules Baselined
- 8-10 Sep 03 - Meeting with MACOM representatives
- 25 Sep 03 - Briefed AMC Principal Deputy G-3, Mrs. Sue Baker
- 29 Sep 03 - Briefed AMC Assistant to the DCG, Mr. A. David Mills
- 1 Oct 03 - Briefed PM ASA(FM&C), Mr. Ernest Gregory
- 10 Nov 03 - Briefed AMC G-3, MG Stevenson
Objectives

→ Eliminate Installation Supply Buffer (ISB)
→ Obligate on the initial supply order (AO)
→ Establish an integrated Funds Control process
→ Simplify supply-finance reconciliation

✓ No impact on national level systems
✓ Checks funds availability before processing transaction
✓ Automated notification to RM when nearing funds target
Vision

Integrated Logistics Enterprise = Common Operating Picture

MW-FCM (Middle Ware-Funds Control Module)
MW (Middleware) (14)
CTASC (18)
SARSS-1 (500+)

SOS
Interfund Bills

ODS (Operational Data Store)
Update
Daily Execution
- Obligations
- Accruals
- Cost Transfers
- Interfund Bills

STANFINS

SARSS
STANFINS (36+)
ODS

Middleware Funds Control Module

Supported Units

Log & Finance Users

Funds Control
Error Correction
Obligation Information
Queries, Reports, etc.
Logistic History
Finance History
Credit Tracking
Recon
Exchange Pricing
User Profiles
Catalog Information
APC & EOR Tables
IT Architecture

- Web-enabled
- Bridges to Integrated Enterprise
- Uses current technology
- Easily upgraded hardware
- Low risk
- Single view for Log & RM customers
<table>
<thead>
<tr>
<th>Objective</th>
<th>Today</th>
<th>Tomorrow</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eliminate financial requirement for sterile SARSS boxes during deployment</td>
<td>Financial &amp; logistical difficulties during alert, marshal, &amp; RSOI phases</td>
<td>MW-FCM eliminates off-post customers from financial point of view</td>
<td>Reduced soldier workload Reduced coordination requirements Quicker deployment times Faster establishment of in-theater supply support</td>
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<td>Eliminates ISB across the Army</td>
<td>36 ISB across AC &amp; AR and SABERS for NG</td>
<td>MW-FCM passes everything to ODS</td>
<td>Savings/cost avoidance of $9M Transactions pass near real-time Simplifies process for off-post customers</td>
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<td>Obligates on the initial supply order/request (A0)</td>
<td>Obligates on first positive status for AA &amp; AR, on first transaction for NG</td>
<td>Obligates on first transaction entering SARSS system</td>
<td>Simplifies obligation process Standardizes across Army Suspends transaction if no funds Allows obligation matching in ODS</td>
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<td>Establishes a robust customer Funds Control process</td>
<td>SARSS counters at -2A level which is past point of initial request</td>
<td>Check for funds at point of origin at SARSS level (if within SARSS)</td>
<td>Incorporates credits &amp; cancellations Allows Log &amp; RMs to view same data Control funds at multiple levels Error transactions are CFO compliant</td>
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<td>Simplifies customer level supply-finance process</td>
<td>Monthly SARSS to ISB and ISB to STANFINS</td>
<td>Daily reconciliation between</td>
<td>Eliminates two monthly reconciliations Eliminates need for down-time</td>
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Bridge to the Future

EASIER TO IMPLEMENT INTEGRATED

• Eliminates financial need for sterile SARSS boxes
• Eliminates 36+ ISB databases
• Sets stage for Integrated Enterprise
• Simplifies obligation process
• Simplifies logistical-financial transaction process
• Standardizes processes across Army
• Provides common view of data for Log and RM
• Eliminates unique MACOM work-arounds
• Provides near real-time information
• Moves current STAMIS closer to CFO compliance
• Significantly increases capabilities

ENHANCED AUDITABILITY

• Eliminates manual manipulation of data
• Establishes automated method for making corrections
• Provides an audit trail for all transactions
• Simplifies reconciliation process
• Faster, more reliable process
• Sets stage to link Budget and Accounting
Integrated Logistics Enterprise = Common Operating Picture

**Requirements Determination**
- Develop requirements & process flows
- Develop Business Rules
- Develop alternatives & cost

**Business Process Reengineering**
- Develop new supply-finance interface/reconciliation
- Develop conversion procedures
- Develop software requirements & ECPs

**System Modification and Testing**
- Make program changes by system
- Conduct SIT & Lead Site Verification
- Conduct metrics test & evaluation

**Train and Field**
- Develop Sequence of Events
- Conduct training and fielding
- Document process

**Army-wide Fielding**
- (~ 1 March 2005)

**EP & FC Draft Schedule**

1 January – 30 September 2005
- Train and Field
- (~ 1 March 2005)

1 January 2004 – 28 February 2005
- System Modification and Testing
  - (~ 1 July 2004)
  - Lead Site (~ 1 Nov 2004)

1 November – 31 March 2004
- Business Process Reengineering
  - (~ 1 July 2004)
  - (~ 1 Nov 2004)

1 July – 31 December 2003
- Requirements Determination
  - Develop requirements & process flows
    - Develop Business Rules
    - Develop alternatives & cost

**We are here**

We are here to integrate the schedule with Exchange Pricing.

- Integrates schedule with Exchange Pricing
- Lowers total costs
- Packages development effort
- Less impact on soldiers
Bottom line

→ Funds Control initiative is on track

→ Initiative in sync with Exchange Pricing