

## Key Priority:

**Improve the Working Capital Fund performance.**

## Actions:

- ❑ Eliminate management redundancies through the use of a single fund manager for Working Capital Funds
- ❑ Standardize accounting and financial definitions and policies across all funds
- ❑ Align timely rate development with customer demand
- ❑ Aggressively seek to convert military positions to civilian positions
- ❑ Provide training for consistent management for all funds and more closely tie business operations to financial operations

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## FOCUSING A TRANSITION

**KEY PRIORITIES**  
FOR THE  
**UNDER SECRETARY OF DEFENSE**  
**FOR COMPTROLLER AND CHIEF**  
**FINANCIAL OFFICER**



JANUARY 2009

**Key Priority:**

**Create greater transparency and accountability in fiscal management.**

**Actions:**

- ❑ Redevelop financial metrics to be “leading indicators” to help achieve the Department’s goals and strengthen systemic weaknesses
  - Align operations with budget authorities and analyze against obligations
- ❑ Unify metrics across the enterprise
  - Consolidate and share Departmental metrics through the use of a standard financial scorecard
- ❑ Align capital investments to support strategic goals
- ❑ Advance the Financial Audit Strategy to obtain a clean audit opinion
- ❑ Improve management oversight of Defense Contract Audit Agency (DCAA)
  - Develop organizational performance metrics
  - Periodically evaluate progress to revise its mission and develop strategic and performance plans
  - Require DCAA to prepare an annual performance report

**Key Priority:**

**Reduce overhead as a percentage of the Defense budget.**

**Actions:**

- ❑ Set a goal to reduce the Department’s overhead well below the current 42%
- ❑ Lead a Department-wide review of direct and indirect costs of both discretionary and non-discretionary programs to find opportunities to reduce “overhead”
  - Centralize shared services, e.g., healthcare
  - Seek new outsourcing opportunities, e.g., military postal service
  - Identify and divest of non-core activities, e.g., commissaries
- ❑ Arrest acquisition program cost growth and baseline changes working with the Under Secretary of Defense for Acquisition, Technology and Logics and Services Acquisition Executives
  - Analyze cost-growth trends in Major Defense Acquisition Programs
  - Provide incentives to DoD and the industrial base to contain program cost growth

**Key Priority:**

**Emphasize and expand the global responsibility of the USD (Comptroller) to better shape the Department’s response to its world-wide missions**

**Actions:**

- ❑ Re-establish the International Branch
- ❑ Focus investments in host nations to support United States security and foreign policy objectives
- ❑ Create an econometric model to support the Combatant Commands pilot program efforts to engage U.S. business in targeted countries
- ❑ Engage with the Inter-Agency (e.g., Departments of State, Commerce, and Treasury) to seek productive partnerships with U.S. businesses and allies to enhance regional stability
- ❑ Strengthen relationships with the Combatant Commands and support the Vice Chairman’s effort to improve the joint capability requirements process to reduce program costs and time-to-field