



DEPARTMENT OF THE NAVY
SPACE AND NAVAL WARFARE SYSTEMS COMMAND
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SPAWARINST 7000.1
SPAWAR Code 08-5
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SPAWAR INSTRUCTION 7000.1

From: Commander, Space and Naval Warfare Systems Command

Subj: FINANCIAL MANAGEMENT PROCESSES

Ref: (a) Information Technology Management Reform Act (1996)
(b) Chief Financial Officers Act (1990)
(c) Government Performance and Results Act (1993)
(d) Government Management Reform Act (1994)
(e) Federal Financial Management Improvement Act (1996)
(f) OMB Circular A-127 (7/93, with revs.)
(g) DODI 7000.14R (rev. 4/01)
(h) Federal Manager's Financial Integrity Act (FY-99)
(i) DODI 5000.2C of 2 Nov 00
(j) CFO Council, Framework for Financial Management Systems
(k) CFO Council, JFMIP Core Requirements
(l) CFO Council, JFMIP FINANCIAL Management Systems Compliance Review Guide
(m) USD Memorandum - Defense Financial Management Modernization Program - System Initiatives of 12 Oct 01
(n) ASN Memorandum - Defense Financial Management Modernization Program - System Initiatives of 30 Nov 01
(o) DoN CIO Capital Investment Management Guide of Apr 01
(p) SPAWARINST 5000.19A

Encl: (1) SPAWAR Business Financial Manager Manual - Version 3.2 (Sep Cover)
(2) SPAWAR Business Process Reengineering Final Report for SPAWAR Headquarters Financial Management of Aug 01 (Sep Cover)

1. Purpose. To establish policy, requirements, and procedures and align responsibilities for publication of financial management (FM) processes. These processes are a product of SPAWAR Headquarters, and are intended to be

APR 01 2002

consistent with references (a) through (p). The SPAWAR Business Resources Manager sponsors this instruction and currently is the designated natural process owner chartered by the SPAWAR Board of Directors. This is intended and necessary for command wide use.

2. Cancellation. This instruction will remain effective until superseded or canceled by Commander, Space and Naval Warfare Systems Command.

3. Background. The SPAWAR Financial Management Process Review was chartered in 1999. This review laid the groundwork for a high-level strategic FM Business Process Reengineering effort and a tactical Best Practice Business Financial Management Manual. These efforts evolved over an 18 month period through interviews, program reviews, extensive work and coordination within the SPAWAR financial management and the Program Management Team Omnibus (PMTO) contractor support communities. The BPR charted a vision for the SPAWAR FM processes. The BFM Manual, created during the same time, created an extensive user oriented financial manual for baselining, standardizing, indoctrinating, and training. These efforts have established a baseline for major financial management improvement efforts such as the implementation of Enterprise Resource Planning coming in the future.

4. Policy. The execution of the SPAWAR mission requires timely and accurate financial information. This information is critical for effective program management, cost control, and system evaluation. The ability to create accurate financial information is dependent upon understanding our processes and the systems that support those processes. Process change can occur through either command policy changes, direction from higher authority, redevelopment of accounting standards, implementation of data standards, normal process improvement, introduction of new systems, introduction of increased functionality in systems through new modules, and/or changes in technology. Due to these changes, tactical documents like the BFM Manual are living documents that require periodic updates. The entire SPAWAR FM community is responsible to ensure that financial processes and tactical documents like the

APR 01 2002

BFM Manual are created, organized, communicated and maintained.

5. Action

a. SPAWAR Business Financial Manager (BFM) Manual is approved and provided for command wide use; enclosure (1).

b. SPAWAR Business Process Reengineering Final Report is approved for further command use; enclosure (2). The SPAWAR Business Resources Manager, who reports to the Commander, Space and Naval Warfare Systems Command and the SPAWAR Comptroller (SPAWAR-01), assumes leadership for financial processes. Financial processes must achieve command goals and be consistent with the regulatory and policy guidance provided in references (a) through (p). The SPAWAR Financial Management community (commonly known as the P Codes for the PDs and PMWs) shall be tasked by the Business Resources Manager and will jointly work financial processes issues and will have significant input to the process.

c. The PMTO Financial Management Working Group will work at the direction of the Business Resources Manager and the SPAWAR financial management community to update the BFM manual document and to promote command wide financial management best practices. The PMTO group shall designate one individual to be the lead for maintaining the BFM manual and to promote command wide information sharing. Recommended changes in the FM processes shall be addressed to Business Resources Manager, copying the SPAWAR FM community. The Business Resources Manager and the FM community will review this document at least annually. Proposed process change will be documented as follows:

(1) Description of proposed process change, who is impacted, tools use, and timeframe to affect process change.

(2) Basis for proposed change to current operations (e.g., new regulation/information/policy, new tool, new organizational structure, new reporting requirements, etc).

APR 01 2002

(3) Process change proposals, policy guidance and final resolutions will be archived on the SPAWAR Knowledge Center (SKC) in the Command Process repository. Process changes will be numbered and their disposition tracked through a listing housed on the SKC. Process changes that involve major system modification, upgrades, and/or changes will be run through the SPAWAR Information Resources Board/Configuration Control Board (IRB/CCB).



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Distribution:

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