



Auditable Design and Configuration Management of Enterprise Changes

March 8, 2018

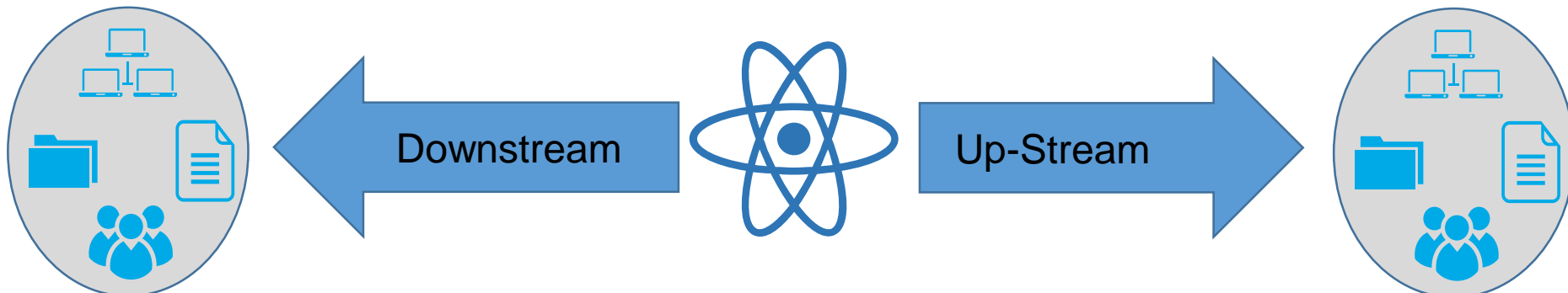




Enterprise Changes Impact Audit & Compliance



- Financial Statement audits involve every aspect of DoD's world wide functions and operations. An initiative grounded in **enterprise-wide governance, process, system and control transformation** with an emphasis on each facet of DoD s business operations adopting the mentality of financial stewardship
- For organizations undergoing annual financial statement audits, financial and audit implications must be thoroughly understood for each change contemplated before any changes are adopted/implemented by any DoD organization and its service providers.
- Any change generally has some degree of interdependencies:
 - Implementing each change independently, may produce band aids vs. fixing issues...need to prevent a “whack-a-mole” approach
 - Should be implemented through an integrated Organization view and approach, particularly with concurrent changes/projects occurring simultaneously



NEW GAME – NEW RULES



Major Enterprise Changes



Audit

Will drive substantially more NFRs and extensive remediation and corrective actions across enterprise, year after year....no reprieve between audit cycles



Mission / Organization

Do not entirely consider financial/audit compliance implications within design and implementation (i.e. PBLs, DCMO Reforms, etc.)

Projects / Innovations / Improvements

Current and future efforts need to incorporate financial and audit requirements into design, implementation, and testing (i.e. Treasury Direct, G-Invoicing, IPPS, SFIS/SLOA, E Commerce, PDS/PRDS (procurement standards), contract writing, etc.)

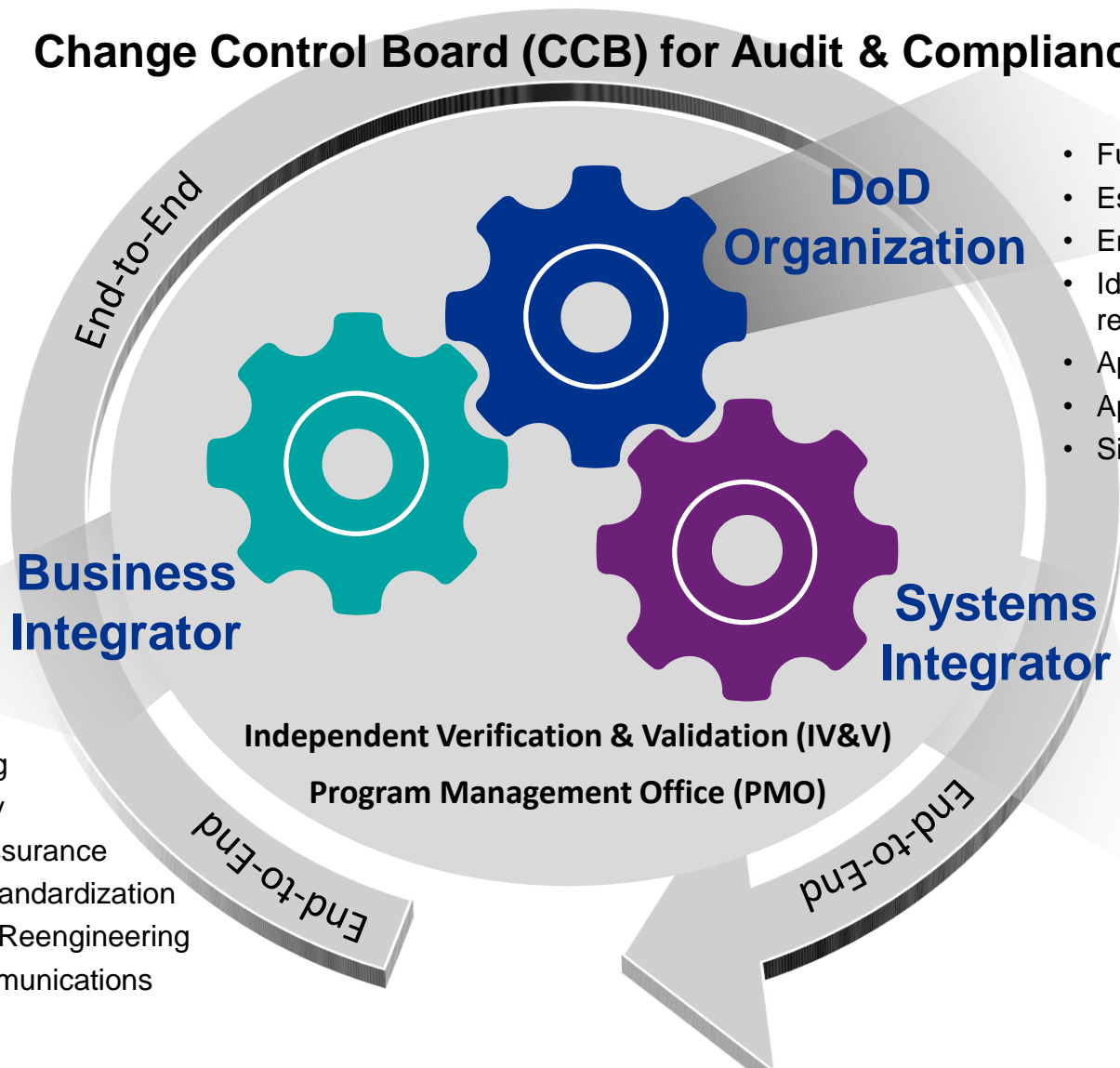
ALWAYS THINK END-TO-END IMPACT



Roles Required for Governing Change



Change Control Board (CCB) for Audit & Compliance



- Audit Compliance
 - Controls Design
 - Documentation
 - Evidential Matter
- Federal Accounting
- Audit Sustainability
- Perform Quality Assurance
- Process Design/Standardization
- Business Process Reengineering
- Change Mgt, Communications

- Functional Domain Expertise
- Establish objectives / vision
- Enforce governance model
- Identify business requirements
- Approve design
- Approve changes
- Sign off on results

- System Design
- System Architecture
- System Configuration
- Development
- Unit and system tests
- Design processes; jointly w/ DoD Org & Business Integrator



Call to Action

