

Financial Management Systems Improvement Council FMSIC Meeting Notes

Marriott Gateway Hotel, Arlington, VA
November 18, 2009

Attendees: Marty Conger-PNNL, Peggy Davis-Savannah River Nuclear Solutions, Jim Eakins-LANL, Rande Finkley and Sue Rhodes-National Securities Technologies LLC, Brian Morishita-INL, Al Moser-LLNL, Ron Ragland-BWXT Y12, Brian Sack and Ron Paige-INL, Tony Bleach-PPPL, Jeffrey Kallio-SNL, Jeffrey Fernandez-LBL, Mike Emery-ORNL, Sandra Fairchild- Savannah River National Lab, Betsy O'Connor-ANL, Cindy Conger-Fermilab, Charlotte Chang and Tana Hutchison-SLAC, Kevin Fox-BNL, Michelle King-SPR, Joe Scarcello-JLab, Patsy Pehrson-ORAU/ORISE

FMSIC: The Council decided to form a working group to rename FMSIC and write a new charter. The Charter Working Group consists of Al Moser (chair), Jim Eakins, Jeffrey Kallio, Brian Sack, and Peggy Davis.

This decision acknowledges that DOE will no longer sponsor the organization, and the desire of the Council to expand membership to all DOE contractors. The organization will include the following:

- Contractor led, but DOE participation encouraged.
- Self-selecting membership among DOE contractors.
- Focused on sharing best practices, and working issues as requested.
- Seek collaboration with other contractor organizations (e.g., NNSA Business Management Advisory Council, EFCOG, DOE CFO Council, etc.) to minimize duplication of effort .

The Council decided this was the option that allowed for the most flexibility. Other options discussed included partnering with EFCOG as a working group or under the umbrella of the NLDC CFO Working Group, which Marty chairs. EFCOG, however, appears to be facing the similar challenges in DOE sponsorship and mission, and collaborations with EFCOG started last year (ARRA, S&S Funding, and Project Management) have yet to bear fruit. The NLDC CFO Working Group is newly formed and the Council wanted to keep open the option of working with the DOE CFO Council in the future.

Update: The draft charter and new name, the Contractor Financial Management Alliance, is enclosed, and will be voted on at the January conference call. Al will communicate the results to Owen and contact EFCOG to renew collaborations under the new charter.

Total Time Reporting (TTR): OEMC is continuing to pressure sites to use TTR, even though CAS does not require it. The NLDC has taken a position against it, but several sites have implemented TTR when EVMS certification was at risk. Jeffery noted as implementation of TTR could cost more than \$500K per system, DOE may have an interest in clarifying the requirement. Some sites (LANL, NREL, LLNL, SRNS) use the proration method, but differ in

the form of documentation required and where it is stored. The NLDC CFO Working Group is preparing a white paper that addresses OECM issues, which Marty will make available to FMSIC members.

Functional Cost: Marty informed Owen that FMSIC would stop performing the peer reviews to validate the functional cost data. The DOE CFO wants indirect cost information, but it is unclear if the functional cost reports will be used for this in the future.

Other items of discussion:

- Owen was provided with the systems matrix report prepared periodically by FMSIC and was pleased with the information it contained.
- FMSIC may designate a liaison to each group it collaborates with. The liaison would be a member in each organization and report back on issues being worked and collaboration opportunities.

Additional Working Groups

- Pension Liabilities Practices - After much discussion, everyone agreed that it is healthy to manage this issue closely so DOE is not blind-sided with issues, to have performance measures related to this, and to be able to fund above minimum. We will decide at the next meeting whether to start a working group on this topic.
- Common safeguards and security charging practices. The cost of security clearances is now being charged to contractors, and practices remain inconsistent between sites. Jim will forward NNSA guidance to FMSIC, and Marty will distribute a white paper written on this will issue. We will decide at the next meeting whether to start a working group on this topic.
- Sharing of audit findings and summary of. Al will lead a working group with the assistance of Eakins. They will determine how to collect information and display on the web.

Possible All Contractors Meeting Topics (April 27-29)

- List of FMSIC/CFMA Accomplishments- Outgoing chair (Conger)
- New charter/name for CFMA – Incoming chair (Moser)
- NLDC Leverage, initiatives and relationship to CFMA
- Hackett Finance Benchmarking – Presentation on results from 11 labs/contractors
- Status on Total Time Reporting and EVMS
- Pension Management and Employee Benefit Best Practices Panel
- ARRA Results & Challenges* – Matt Rogers (should we have Matt stay for a panel discussion on improvements?)
- IG presentation on ARRA Audit Findings* by Friedman or his delegate
- Oracle – Upcoming products and path forward on Fusion
- Procurement Best Practices Panel & Opportunities for Complex Wide Agreements (KC Lead?)
- Travel Best practices Panel
- Conference Management Working Group – Improvements to the order
- Update on DOE Initiatives for new systems/improvements – Warren Huffer
- Tech Transfer & WFO Initiatives within DOE

- Best Practices presentations via call to the DOE Finance Community (need to get a call out)
* = lunch speaker topics