

## **Financial Systems Advisory Board Charter**

### Background

Federal Information Technology (IT) projects too often cost more than they should, take longer than necessary to deploy, and deliver solutions that do not meet our business needs. Although these problems exist across the Federal IT portfolio, financial systems modernization projects in particular have consistently underperformed in terms of cost, schedule, and performance.

In response to these problems, OMB issued Memorandum 10-26 (Memorandum) on June 28, 2010. The Memorandum: (1) initiated a re-examination of these expensive and lengthy investments in financial modernization solutions in favor of shorter-term, lower-cost, and easier-to-manage solutions; and (2) established the Financial Systems Advisory Board (Board) under the Chief Financial Officer (CFO) Council.

### Purpose and Scope

As envisioned by the Memorandum, the Board is charged with providing recommendations, advice and support to OMB on the following three questions for each project reviewed:

(1) Is the project as envisioned (or as being currently implemented) consistent with the policies outlined in the Memorandum? This includes determining whether or not the project supports the agency's highest priority business needs, includes a project path that minimizes cost and risk, involves a deployment schedule of 18 to 24 months. The project scope must also be consistent with the capacity of the organization to manage the change involved in the project and the ability of the organization to fully leverage the technology at the initiation of the deployment.

(2) If the answer to question 1 is "no," what are the appropriate alternatives that the agency should consider in re-scoping the project to align with the policies outlined in the Memorandum? Beyond change to scope, are there other potential actions the agency can take to reduce the cost and risk of the project moving forward?

(3) If the answer to question 1 is "yes," what are potential actions that the agency can take to reduce the cost and risk of the project moving forward?

The Board is not chartered to provide oversight of, or decisions to, the agencies. It is not chartered to make final decisions on behalf of, or binding on, the agencies or OMB.

## Membership

As required by the Memorandum, the Board will include CFOs and CIOs from some of the major agencies and have available experts from various communities including acquisition and e-government. The OMB Controller will appoint the members to the Board. Members' terms on the Board shall be of a length that allows adequate achievement of the Board's goals and objectives, as determined by the OMB Controller.

## Operations

The Board will meet at the call of the OMB Controller, or as determined by a majority of the Board's members.

The Board will produce a written assessment of an agency's plan for financial systems within two weeks of conducting one or more review meetings with that agency. The Board will provide the assessment to OMB and said agency for use in informing guidance, instructions and decisions pertaining to the financial system of the agency. This assessment will specifically address the three questions identified above (under Purpose and Scope), to include relevant observations, conclusions, and recommendations. The two week deadline starts on the day of the latest formal review, but Board members can (in concurrence with the OMB Controller) request follow-up meetings if additional information is required.

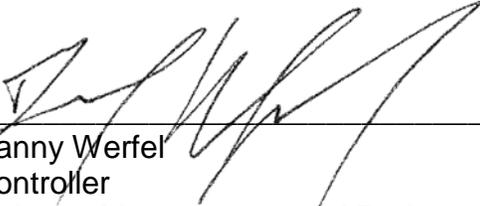
It is envisioned that the Board will generally achieve consensus on an assessment. However, if the Board does not reach a consensus on all issues, the Board may provide an assessment that is based, in relevant part, on the views of a majority of the Board's members; in such situations, the Board shall include in the assessment (without attribution) the views of the non-majority member(s).

The formal written assessment from the Board will represent the Board's official recommendation. As such, references by the Board, OMB, or the agencies to "the Board's recommendations" shall be to the Board's formal recommendations as set forth in the Board's written assessments.

Subsequent to initial project reviews and approval of revised plans, OMB will review project status and, as determined necessary, will re-engage the Board on a quarterly basis through the end of FY 2012.

Closure Date

The Board is chartered through the end of FY 2012. The OMB Controller may set an alternative closure date, either earlier or later.



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