

A close-up, side-profile photograph of a Marine in a dark blue uniform with gold stripes on the sleeve, wearing a white-gloved hand to his forehead in a salute. The background is blurred, showing a crowd of people.

Joint Financial Management at the Operational Level

A Marine's Perspective

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This author suggests methods to improve financial management during contingency operations in austere environments.

The objectives of financial management are the same regardless of the operating environment, that is, to translate operational requirements into fiscal requirements, to acquire funds from the proper sources, and to account for and report costs as they are incurred. These objectives are defined by *Joint Publication 1-06: Joint Tactics, Techniques, and Procedures [TTPs] for Financial Management During Joint Operations*. To support these objectives, the organization, systems, policies, processes, and procedures should be established and designed to operate seamlessly across the spectrum of conflict.

During Operation Iraqi Freedom (2004-2006), operational financial management was the responsibility of the Multi-National Corps-Iraq (MNC-I) C8 Comptroller Section. Tactical-level financial management was executed by the major subordinate commands included in MNC-I (for example, II Marine Expeditionary Force, 101st Airborne Division, and the 42nd Infantry Division). Strategic-level financial management was the responsibility of the Multi-National Force-Iraq (MNF-I), U.S. Central

Command, the military services, and the Office of the Secretary of Defense.

The MNC-I C8 Comptroller Section was a jointly staffed office, with representatives from all four Department of Defense (DoD) military services who used both Army and Air Force accounting systems. Despite the very successful integration of the services and the close working relationships established in order to achieve almost monumental goals, improvements can be made at the joint level to enhance the effectiveness of financial management during future operations and to achieve the financial management objectives defined by Joint Publication 1-06. The following reflect a few thoughts for improvements in financial management systems, exercise programs, and education and training—improvements specific to meeting operational challenges in a war zone or in a natural disaster site.

Financial Management Systems

The numerous financial management systems used by the military services are not standardized or designed for contingency opera-

tions in an austere environment. At the operational level, this lack of system integration and support results in manual intervention to account for costs, significant delays in reporting costs due to the requirement to send transaction information “to the rear” for input into the accounting systems, and incomplete reporting of total costs. These shortfalls ultimately lead to deficiencies in determining future budget requirements.

To improve this situation, accounting data elements first must be fully standardized across all accounting systems (not simply cross-walked). Second, accounting and reporting for all systems should be standardized using the COST (Contingency Operations Support Tool) model defined in *DoD Financial Management Regulation*, Volume 12, Chapter 23. Finally, system access—preferably small, hand-held devices—must be developed that has the capability to capture costs at the point of transaction level, where access to servers, networks, and mainframes may not be immediately available.

Exercise Programs

The doctrine for executing Operation Iraqi Freedom does not exist from an operational or a financial management perspective. U.S. Forces in Iraq are attempting to reconstruct a country and a government while fighting an insurgency that has resolved to prevent those reconstruction efforts. Our financial managers in Iraq are attempting to support the efforts of U.S. Forces through the use of TTPs for types of funding that typically are not used in a garrison environment (for example, Overseas Humanitarian, Disaster and Civic Aid funding), as well as congressionally established funding programs that did not exist prior to the Global War on Terrorism (for example, Commander’s Emergency Response Program and Iraqi Relief and Reconstruction).

Almost all military units participate in an annual exercise program to practice the TTPs they would employ in an actual contingency operation and as part of theater security engagement programs. While these exercise programs enable financial managers to exercise financial management TTPs used in a contingency operation, the focus of financial management during the exercises tends

to be on the execution of life support requirements rather than actual exercise play. This is due to the recurring nature of annual exercises, which necessitates that the financial management functions be established months in advance. This current exercise dynamic focuses more on efficiency of execution rather than effectiveness of operations.

While providing for life support requirements and tracking exercise costs are important, it is more important to practice those TTPs that may be used in a contingency operation. This includes the establishment of an exercise joint-manning document that emphasizes the



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operational requirements of the deployed financial management office, the introduction of vignettes into the exercise scenario relating to financial management TTPs (for example, the use of rewards funding and weapons buyback programs), and the integration of disbursing and finance operations. The focus should be on the desired end state: a financial management community that is fully prepared to apply and employ all resources that a commander has available to maximize operational effects on the battlefield from the first day that operations begin.

Education and Training

There is also a need to integrate financial management education and training opportunities formally across the services in order to develop personnel who are more capable of operating in a joint financial management environment. Short of establishing a joint financial management course, cross-training may be accomplished simply by inviting members from other services to attend service-specific financial management courses. Operation Iraqi Freedom and Operation Enduring Freedom have taught

us that operations in the future—more of them than not—are going to be joint endeavors. The education and training of our financial management professionals should reflect this changing dynamic.

Conclusion

In every respect, financial management operations at the operational level within MNC-I were a success. They were a success because of the hard work and determination provided by service members in the C8 Comptroller Section and the financial management professionals at all of the supporting major subordinate commands.

While we can expect the same level of dedication and support from our financial management professionals in future operations, we cannot expect those operations to be any easier or less complex than the ones we are fighting today. By improving our systems, establishing our TTPs during exercises, and educating and training our financial management professionals, we will go a long way toward ensuring that they are fully capable of achieving the objectives of financial management in joint operations and meeting the operational challenges that lie ahead. 

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