



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(FINANCIAL MANAGEMENT AND COMPTROLLER)
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WASHINGTON DC 20350-1000

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MEMORANDUM FOR DISTRIBUTION

Subj: DEPARTMENT OF DEFENSE (DoD) FINANCIAL MANAGEMENT (FM) CIVILIAN
ENTERPRISE-WIDE COMPETENCIES

Ref: (a) ASN(FM&C) memo of February 28, 2006
(b) ASN(FM&C) memo of 15 January 2009

Encl: (1) Matrix Aligning Competencies to Occupational Series
(2) List of Competencies, Definitions, and Proficiency Levels

As mentioned at various Department of the Navy (DON) FM forums, the Office of the Secretary of Defense Comptroller (OSD(C)) initiated an effort within the last year to create subject competencies. Each community within DoD is being tasked by OSD (Personnel & Readiness) to create enterprise-wide competencies for their respective community; the FM community was one of the first. The purpose of this memo is to promulgate the subject competencies and provide applicable DON guidance.

By reference (a) the DON issued guidance on a FM series alignment. For all DON FM positions we now use the following occupational series: 501, 503, 505, 510, and 511. In addition, the 599 series, FM students, may be used by some commands for employees who are working part time and attending school. Guidance on the series alignment can be found at: <http://www.finance.hq.navy.mil/fmc/PDF/Aligning%20Position%20Classification%20Series.pdf> Based upon a review of data from the Defense Civilian Personnel Data System (DCPDS), there are many commands that are not in full compliance with the previous policy guidance. These commands should take immediate steps to comply as the DON will continue to focus human capital efforts on the aforementioned series. Accordingly, this memorandum will only address enterprise-wide competencies for FM occupational series to be used by DON commands.

Enclosure (1) provides the matrix of competencies by job series. The competencies were developed by a DoD-wide team of which the DON had several participants. Existing Component competencies were evaluated and the end result generally conforms to competencies previously promulgated by the DON in reference (b). In accordance with guidance from OSD(C), the DON may add competencies to various series but may not delete competencies. Much like guidance provided in reference (b), the intent is to give commands some latitude to address local needs. Personnel in the 503 series are required to have the first four competencies and then commands can pick one or more of the asterisked competencies that relate to the job function of the individual.

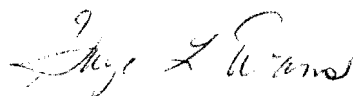
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Enclosure (2) provides the definitions of each competency listed in the matrix and also provides proficiency levels. The plan is that DoD will have an assessment tool whereby the proficiency levels of personnel will be maintained. This assessment tool will likely not be ready until the end of the FY 2012. Current verbal guidance from OSD(P&R) provides the following long term proposal:

- a. An employee is assigned community competencies that correlate to their job series
- b. An employee assesses their proficiency level for each assigned competency using the tool.
- c. The supervisor assesses the proficiency level of the employee in the same tool.
- d. The tool will show any discrepancies and knowledge gaps between the two assessments; supervisors and employees will use this information for possible training, education and/or on-the-job assignments to close the gaps and/or increase proficiency levels for each assigned competency.
- e. DoD will also be able to use the tool to assess various communities and address any findings in Strategic Human Capital reports, currently required by the Congress.

Pending release of this DoD-wide assessment tool, employees and supervisors can begin a dialog or assessment based on the information provided. Although it was a requirement to build definitions for five proficiency levels, it was noted to OSD that in implementation it may be difficult to discern between levels (e.g. it might be hard to document a proficiency level 1 vs. 2 or 2 vs 3; alternatively there may be a clear distinction between a proficiency level 1 and 3 of an employee). Therefore, the DON has the latitude to only use proficiency levels 1, 3 and 5 if that is more efficient. Additionally, DON career roadmaps previously promulgated should continue to be used for the purpose intended - a guide or career planning tool for supervisors and employees.

In addition to using the competencies to assess the workforce, the competencies have been used to establish the framework for the DoD FM Certification Program. Therefore, to ensure that members of the FM community are fully apprised of the information, it is requested that this memorandum receive wide dissemination to all comptroller/FM positions within your command structure. The memorandum will also be posted on the ASN(FM&C) website at: <http://www.finance.hq.navy.mil/fmc/> and commands may refer individuals to this site.



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DoD Financial Management Competencies

FM Series	Competency(s)
501	Financial Stewardship Financial Management Systems Decision Support Financial Management Analysis Financial Concepts, Policies, and Principles Financial Reporting Budget Concepts, Policies and Principles Budget Execution Budget Formulation, Justification and Presentation
505	Financial Stewardship Financial Concepts, Policies, and Principles Decision Support Financial Management & Reporting Analysis Advanced Financial Management
510	Financial Stewardship Financial Management Systems Decision Support Accounting Analysis Accounting Concepts, Policies, and Principles Financial Reporting
511	Financial Stewardship Audit Concepts, Policies, and Principles Audit Planning & Management Decision Support – Audit Execution Audit Reporting
503	Financial Stewardship Financial Management Systems Decision Support Fundamentals and Operations of Finance Accounting Concepts, Policies, and Principles * Fundamentals and Operations of Accounting * Commercial Pay Concepts, Policies, and Principles * Payroll Concepts, Policies, and Principles * Fundamentals and Operations of Military and Civilian Pay * Budget Concepts, Policies, and Principles * Fundamentals and Operations of Budget * (* from other 500 series aligned with 503)
599	Financial Stewardship Financial Management Systems Decision Support Financial Management Analysis Financial Concepts, Policies, and Principles Financial Reporting

Financial Concepts, Policies and Principles

- **Apply fiscal law, policies, regulations, principles, standards and procedures to financial management activities.**
 - **Level 5** Interprets and advises others on financial policies, regulations and principles on new mandates and highly controversial issues having component and DoD-wide impacts.
 - **Level 4** Develops financial techniques and approaches that conform to fiscal requirements, and makes recommendations for improvement or implementation of new policies.
 - **Level 3** Examines a variety of documents, records, and related reports, and processes, to determine performance in accordance with appropriate procedures and regulations.
 - **Level 2** Applies knowledge of policies and procedures to ensure adherence to financial guidelines.
 - **Level 1** Uses typical financial procedures and practices that apply to most situations.

Financial Management Analysis

- **Analyze, evaluate and review budget and program issues and financial data and reports using business tools and applications, cost and economic analysis, and performance metrics to provide recommendations.**
 - **Level 5** Examines the impact of complex financial management solutions to make controversial decisions, and negotiate with key stakeholders.
 - **Level 4** Solves difficult challenges through financial analysis to determine the proper course of action and provides advice to decision-makers.
 - **Level 3** Interprets and evaluates financial information using a variety of analytical methods to provide recommendations.
 - **Level 2** Applies general analytical and evaluation techniques to review financial data.
 - **Level 1** Reviews standard data and reports to ensure their accuracy.

Financial Reporting

- **Prepare, review and reconcile financial statements and financial reports to meet reporting requirements and to support management decisions.**
 - **Level 5** Briefs senior leadership on financial business operations based on financial statements and/or reports.
 - **Level 4** Summarizes information related to the financial statements and/or reports, and recommends improvement options.
 - **Level 3** Reviews and reconciles the financial statements and/or reports to ensure accuracy and completeness.
 - **Level 2** Prepares and/or queries financial statements and/or reports to meet the requirements as specified in the DoD FMR.
 - **Level 1** Obtains data from financial management systems to acquire a basic knowledge of the financial statements and/or reports.

Financial Management and Reporting Analysis

- **Apply financial analysis, forecasting and planning methods, techniques and products sufficient to ensure financial aspects of command forecasts, reports, plans and strategies are consistent with DoD-wide goals and strategic initiatives.**
 - **Level 5** Designs and adapts financial management processes to changing business practices.
 - **Level 4** Assesses the analytical components of recommendations for decision-making.
 - **Level 3** Resolves complex issues, identifies options, and negotiates with internal and external stakeholders for implementation.
 - **Level 2** Briefs senior leadership on financial positions based on financial statements and supplemental reports; explains corrective action to audit findings and describes future actions.
 - **Level 1** Develops and implements financial management goals and objectives of the strategic plan; collaborates and coordinates with functional components; and reports performance to senior leadership.

Advanced Financial Management

- **Develop, monitor, interpret, and report standardized processes/operations to ensure transparency and compliance with financial statutory, regulatory, and leadership guidance with the intent of promoting effectiveness and accountability.**
 - **Level 5** Advises internal and external stakeholders and Congressional representatives on Department-wide financial processes/operations to ensure financial integrity.
 - **Level 4** Oversees and manages all aspects of the financial process on behalf of a Component or major organization to ensure financial accountability.
 - **Level 3** Interprets and reports the results of the financial processes to ensure consistency with Department-wide goals and strategic initiatives
 - **Level 2** Monitors current financial processes to ensure that spending programs are affordable and sustainable over time.
 - **Level 1** Develops and utilizes financial processes and resources to ensure effectiveness and accountability.

Accounting Analysis

- **Analyze, evaluate and review accounting data and reports using business tools and applications, and performance metrics to provide recommendations.**
 - **Level 5** Examines the impact of complex accounting solutions to make controversial decisions, and negotiates with key stakeholders.
 - **Level 4** Solves difficult challenges through accounting analysis to determine the proper course of action and provides advice to decision-makers.
 - **Level 3** Interprets and evaluates accounting information using a variety of analytical methods to provide recommendations.
 - **Level 2** Applies general analytical and evaluation techniques to review accounting data in line with all accounting principles.
 - **Level 1** Reviews standard data and reports to ensure their accuracy.

Accounting Concepts, Policies and Principles

- **Apply federal accounting standards, fiscal law, policies, regulations, principles, standards, internal controls and procedures to financial management activities.**
 - **Level 5** Interprets and advises others on accounting and financial policies, regulations and principles on new mandates and highly controversial issues having component and DoD-wide impacts.
 - **Level 4** Develops accounting and financial guidelines that conform to fiscal requirements, and makes recommendations for improvement or implementation of new policies.
 - **Level 3** Examines a variety of accounts, documents, records, related reports and processes to determine performance in accordance with appropriate procedures and regulations.
 - **Level 2** Applies knowledge of policies and procedures to ensure adherence to accounting and financial guidelines.
 - **Level 1** Uses typical accounting and financial procedures and practices that apply to most situations.

Audit Concepts, Policies and Principles

- **Apply the Federal Acquisition Regulation (FAR), Generally Accepted Government Auditing Standards (GAGAS), Generally Accepted Auditing Standards (GAAS), fiscal law, internal controls, policies, regulations, principles, standards and procedures governing audit activities.**
 - **Level 5** Interprets and advises others on auditing and accounting policies, regulations and principles on new mandates and highly controversial issues having component and DoD-wide impacts.
 - **Level 4** Develops audit guidelines that conform to Generally Accepted Government Auditing Standards (GAGAS) and Generally Accepted Auditing Standards (GAAS) and makes recommendations for improvement or implementation of new policies.
 - **Level 3** Analyzes a variety of documents, records and processes to determine performance in accordance with appropriate procedures and regulations.
 - **Level 2** Applies knowledge of policies and procedures to ensure adherence to auditing and accounting guidelines.
 - **Level 1** Uses typical audit procedures and practices that apply to most situations.

Audit Planning and Management

- **Evaluates audit programs to ensure an appropriate risk-based audit approach, monitors audit progress and reviews working papers and audit reports to ensure audits are properly documented and accomplished in accordance with Generally Accepted Government Auditing Standards (GAGAS) and Generally Accepted Auditing Standards (GAAS).**
 - **Level 5** Leads and directs strategic audit planning efforts at the Component or major organization level.
 - **Level 4** Oversees and manages all aspects of the audit process on behalf of a Component or major organization to ensure integrity and accountability.
 - **Level 3** Interprets and reports the results of the audit processes to ensure consistency with Department-wide goals and strategic initiatives.
 - **Level 2** Monitors current audit processes to ensure compliance with applicable auditing standards and regulations.
 - **Level 1** Develops and utilizes audit processes to improve organizational efficiency and effectiveness.

Decision Support - Audit Execution

- **Conducts audits in accordance with Generally Accepted Government Auditing Standards (GAGAS) or Generally Accepted Auditing Standards (GAAS) to provide value-added recommendations that enable better utilization of resources and improvement of mission effectiveness.**
 - **Level 5** Examines the impact of complex and/or controversial audit results and coordinates recommendations with key stakeholders.
 - **Level 4** Solves difficult challenges through audit analyses to determine the proper courses of action and provides recommendations to decision-makers.
 - **Level 3** Evaluates the accuracy and completeness of audit evidence and analyses to determine whether enough appropriate evidence exists to address the audit objectives and support the findings and conclusions.
 - **Level 2** Applies appropriate analytical and evaluation techniques to reach conclusions and develop recommendations.
 - **Level 1** Prepares working papers to document audit evidence obtained through interviews, observations, and documentation.

Audit Reporting

- **Analyzes, reconciles and prepares audit information to produce required audit reports, statements and other documentation in accordance with Generally Accepted Government Auditing Standards (GAGAS) or Generally Accepted Auditing Standards (GAAS).**
 - **Level 5** Collaborates with senior leadership to address complex and/or controversial findings and recommendations identified in audit reports, statements or other documentation.
 - **Level 4** Completes and reviews audit reports, statements or other documentation to ensure compliance with audit reporting standards.
 - **Level 3** Prepares significant portions of audit reports, statements or other documentation to meet audit reporting standards.
 - **Level 2** Drafts sections of audit reports, statements or other documentation to support audit findings.
 - **Level 1** Summarizes information related to audit findings to identify condition, criteria, cause and effect to communicate potential concerns.

Fundamentals and Operations of Accounting

- **Research and analyze information related to accounting processes to ensure completeness and accuracy of accounting transactions.**
 - **Level 5** Identifies checks and balances of transactions and procedures that ensure data integrity and regulatory compliance to include negotiability, validity, and accuracy in the processing, auditing and certifying of accounting transactions.
 - **Level 4** Examines non-routine financial management documentation to ensure accuracy and completeness of accounting transactions and accounts and identifies potential solutions for inaccurate or incomplete entries.
 - **Level 3** Researches, organizes and reconciles relevant information from accounts, systems and reports using various standardized procedures.
 - **Level 2** Extracts, records and balances basic information from routine or recurring reports using standardized procedures.
 - **Level 1** Obtains basic data from routine or recurring reports using standardized procedures.

Fundamentals and Operations of Military and Civilian Pay

- **Research and analyze legislative and regulatory guidance related to entitlements to ensure proper payments.**
 - **Level 5** Resolves difficult reconciliations requiring an analysis of precedent setting cases and account updates in pay systems. Analyzes discrepancies, proves the accuracy of adjusted accounts, and recommends actions to prevent recurrence of discrepancies.
 - **Level 4** Evaluates complex pay data, performs extensive reconciling of pay accounts, provides explanations, develops and interprets comparative data and identifies significant changes.
 - **Level 3** Researches historical pay accounts or contacts customer on certain transactions before making input into automated system and performs reviews for accuracy.
 - **Level 2** Examines source documents to verify accuracy, completeness and mathematics of data prior to processing. Advises lead technician/supervisor of recurring, extraordinary or unusual situations/problems.
 - **Level 1** Processes and corrects routine information using well-established, clear-cut procedures and/or knowledge of simple procedures.

Payroll Concepts, Policies and Principles

- **Apply military and civilian pay legislation, administrative and regulatory requirements, laws and policies governing military and civilian pay activities and processes.**
 - **Level 5** Resolves complex pay and allowance cases involving substantial reconstruction of pay accounts and provides guidance and assists other technicians with techniques to correct and process inputs.
 - **Level 4** Applies knowledge of pay regulations to process resolution of complicated cases.
 - **Level 3** Reviews pay authorization documents, determines and processes entitlements, identifies and corrects rejected actions.
 - **Level 2** Processes standardized pay actions to establish or update accounts and correct discrepancies.
 - **Level 1** Processes routine financial and accounting transactions to ensure pay integrity.

Budget Concepts, Policies and Principles

- **Apply the DoD Planning, Programming, Budgeting and Execution (PPBE), fiscal law, policies, regulations, principles, standards and procedures to financial management activities.**
 - **Level 5** Interprets and advises others on financial policies, regulations and principles on new mandates and highly controversial issues having component and DoD-wide impacts.
 - **Level 4** Develops budget and financial guidelines that conform to fiscal requirements, and makes recommendations regarding the budget process or financial operations.
 - **Level 3** Examines a variety of program plans and funding to determine performance in accordance with appropriate procedures, regulations and law.
 - **Level 2** Applies knowledge of policies and procedures to ensure adherence to budget and financial guidelines.
 - **Level 1** Utilizes budget and financial procedures and practices that apply to most situations.

Budget Execution

- **Manage budget requirements by allocating, monitoring and analyzing budgets in compliance with statutory/regulatory guidance.**
 - **Level 5** Manages budgetary guidelines within the organization and develops and recommends appropriate strategies.
 - **Level 4** Implements execution plans and monitors and recommends adjustments to ensure compliance with total obligation authority.
 - **Level 3** Interprets and evaluates budget execution for compliance with fiscal law and guidance.
 - **Level 2** Develops execution reports and monitors status of funds to track organization's budget, operations and processes.
 - **Level 1** Applies basic knowledge of budget principles to complete budgeting transactions

Budget Formulation, Justification and Presentation

- **Manage budget requirements by forecasting, developing and justifying budgets in compliance with statutory/regulatory guidance.**
 - **Level 5** Oversees and ensures budget compliance, consolidates, defends, presents, provides guidance and resolves conflicts.
 - **Level 4** Formulates budget, develops justifications and presents to stakeholders for feedback.
 - **Level 3** Interprets policies, assesses trends, reviews, coordinates and integrates the formulation and preparation of budget exhibits and justification materials.
 - **Level 2** Coordinates budget inputs and gathers justifications.
 - **Level 1** Applies basic knowledge of budget principles to assist in planning.

Fundamentals and Operations of Budget

- **Research and analyze information related to the federal budget process to support budget formulation and execution.**
 - **Level 5** Provides some analysis and makes recommendations, on exceptionally difficult information from reports, systems and accounts using various standardized procedures under strict time constraints.
 - **Level 4** Examines and reconciles complex transactions from budget information and systems using various standardized procedures.
 - **Level 3** Researches and organizes relevant budget information and systems using various standardized procedures.
 - **Level 2** Extracts, records and balances basic information from financial management systems.
 - **Level 1** Obtains and inputs basic data utilizing financial management systems.

Commercial Pay Concepts, Policies and Principles

- **Apply commercial pay legislation, administrative and regulatory requirements, laws and policies governing commercial pay activities and processes.**
 - **Level 5** Formulates guidance to others on handling new or changing work processes applying the current financial policies and procedures.
 - **Level 4** Researches transactions for validity using knowledge of the interrelationship between the appropriations and the various control and subsidiary accounts and the impacts of policies and laws on the various financial transactions.
 - **Level 3** Completes a variety of transactions by applying knowledge of policies, procedures and regulations.
 - **Level 2** Ensures accuracy of recurring transactions through knowledge of policies, procedures and regulations.
 - **Level 1** Performs routine commercial pay tasks requiring a basic knowledge of commonly used accounting, budget or other financial management procedures.

Financial Management Systems

- **Utilize integrated federal financial management systems and sub-systems to extract data, identify and resolve system problems, and maintain data integrity**
 - **Level 5** Identifies emerging trends for use with automated financial management systems to improve operations, customer service and ensure system compliance.
 - **Level 4** Identifies functional processes, requirements or interfaces. Analyzes and resolves problems and authorizes enhancements to support financial management functions.
 - **Level 3** Identifies system problems, extracts ad hoc reports, recommends enhancements, and initiates system change requests.
 - **Level 2** Inputs and extracts data and creates recurring reports to maintain financial integrity.
 - **Level 1** Acquires the ability to use and obtain basic information from financial management systems.

Decision Support

- **Perform value-added financial, accounting or economic analysis to make informed decisions that better utilize resources and improve mission effectiveness.**
 - **Level 5** Formulates solutions based on the recommendations to improve mission effectiveness.
 - **Level 4** Develops and evaluates alternatives and interventions that are results of the analysis to provide valued recommendations.
 - **Level 3** Analyzes results of the financial, accounting and economic analysis to determine possible outcomes.
 - **Level 2** Interprets the data of financial, accounting and economic analysis to prepare for decision making.
 - **Level 1** Obtains knowledge of financial, accounting and economic analysis to assist with the decision making process.

Fundamentals and Operations of Finance

- **Research and analyze information related to accounting, auditing, budgeting or other financial management activities to ensure the accuracy of transactions.**
 - **Level 5** Applies knowledge of financial management policies and procedures to process non-recurring transactions and uses interpersonal skills to respond to customer inquiries.
 - **Level 4** Applies established procedures to determine and coordinate actions necessary to resolve non-recurring situations.
 - **Level 3** Initiates actions to locate, extract, adjust and compile financial data to support the financial management function.
 - **Level 2** Gathers a variety of standard reports and data from various systems to support the financial management operational areas.
 - **Level 1** Applies knowledge of commonly used financial management procedures and techniques to perform routine and repetitive clerical tasks.

Financial Stewardship

- **Manage, allocate and monitor financial resources in compliance with laws, regulations, and policies, with sufficient transparency and appropriate internal controls to ensure these resources are efficiently applied to meet organizational goals and objectives, while considering the Federal Government's fiduciary duty to the Nation.**
 - **Level 5** Manages and monitors all aspects of the financial process on behalf of a Component or major organization to ensure compliance with laws, regulations, and policies, and efficient use of resources to meet organizational goals and objectives.
 - **Level 4** Interprets, analyzes and advises others on financial policies, regulations and procedures to ensure compliance with laws, regulations, and policies, and efficient use of resources to meet organizational goals and objectives.
 - **Level 3** Allocates funds within approved guidelines and uses appropriate finance and accounting procedures to ensure compliance with laws, regulations, and policies, and efficient use of resources to meet organizational goals and objectives.
 - **Level 2** Applies knowledge of policies and procedures to ensure compliance with laws, regulations, and policies, and efficient use of resources to meet organizational goals and objectives.
 - **Level 1** Performs and documents transactions and monitors records in compliance with laws, regulations, and policies to meet organizational goals and objectives.