UNDER SECRETARY OF DEFENSE
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COMPTROLLER

AUG 21 2001

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DEPARTMENT OF DEFENSE FIELD ACTIVITIES

SUBJECT: Deployment of Financial Management Enterprise Resource Planning (ERP) Systems

The Secretary of Defense recently established the Financial Management Modernization Program to provide policy direction and oversight for the execution of all financial management modernization efforts. While investments in Enterprise Resource Planning (ERP) systems are important, their overall impact on the Department's pending Financial Management Enterprise Architecture must be assessed. Therefore, all Department Components may continue their current Enterprise Resource Planning initiatives up to and including the point of completion of the pilot/prototype evaluation. The results of a third party assessment must be presented in a formal brief to the Under Secretary of Defense (Comptroller). Under no circumstance should any initiative request approval to enter production nor be deployed--without the explicit written concurrence of the Under Secretary of Defense (Comptroller). The requirements addressed above are in addition to, and not in lieu of, any other defense acquisition policy and Clinger-Cohen Act certification requirements.

My point of contact for this action is Ms. Catherine Santana. She may be reached by e-mail: santanac@osd.pentagon.mil or by telephone at (703) 692-5000.

Dov S. Zakheim