

**VOLUME 1, CHAPTER 6: “UNDER SECRETARY OF DEFENSE (COMPTROLLER)
FINANCIAL MANAGEMENT AWARDS PROGRAM”**

SUMMARY OF MAJOR CHANGES

Changes are identified in this table and also denoted by **blue** font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by ***bold, italic, blue, and underlined font***.

The previous version dated **October 2020** is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
2.1.1	Updated Award Titles and increased number of awards from four to six.	Revision
3.1	Updated Award Titles and Description of awards. Increased the number of awards from four to six.	Revision
4.2.4, 4.5.2	Added OUSD(C) Financial Improvement and Audit Remediation Director to the Board.	Revision
4.7.2	Removed Website Instructions and Nomination Form Examples as the information is available online.	Deletion
5.1.1	Updated Scope and Significance Examples.	Revision

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CHAPTER 6

UNDER SECRETARY OF DEFENSE (COMPTROLLER) FINANCIAL
MANAGEMENT AWARDS PROGRAM

1.0 GENERAL

1.1 Overview

The Under Secretary of Defense (Comptroller) (USD(C)) Financial Management Awards Program is a respected program that recognizes and acknowledges the significant contributions of both civilian and military members of the financial management community. This chapter outlines award categories and descriptions, award criteria, and individual responsibilities associated with the program.

1.2 Purpose

The purpose of the USD(C) Financial Management Awards Program is to recognize significant contributions of individuals or teams to financial management improvement.

1.3 Authoritative Guidance

1.3.1. The Government Employees Incentive Awards Act at [Title 5, United States Code \(U.S.C.\), section 4503](#) authorizes agency heads to award an honorary recognition to an employee who contributes to the efficiency, economy, or other improvement of government operations or achieves a significant reduction in paperwork or performs a special act or service in the public interest in connection with or related to his official employment. 10 USC § 1125 authorizes the Secretary of Defense to award medals, trophies, badges, and similar devices to members, units, or agencies of an armed force under his jurisdiction for excellence in accomplishments.

1.3.2. Section 1004(a) of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (10 U.S.C. 240b note) provides that “the Under Secretary of Defense (Comptroller), acting through the Deputy Chief Financial Officer of the Department of Defense, shall develop and issue guidance to provide incentives for the achievement by each department, agency, and other component of the Department of Defense of unqualified audit opinions on their financial statements”.

2.0 POLICY

2.1. Military and civilian members who make outstanding contributions to the improvement of Department of Defense (DoD) financial management (FM) should be recognized.

*2.2. Recognition for their significant contribution(s) during the preceding calendar year, in the form of a [memento such as an engraved plaque](#), shall be presented to, and retained by, the individual and team within each of the five award categories. Awards are conferred in the following areas:

- 2.2.1. Contributions to [Workforce Development](#):
 - 2.2.1.1. Individual at Headquarters and Major Command Level
 - 2.2.1.2. Individual below Headquarters and Major Command Level
 - 2.2.1.3. Team at Headquarters and Major Command Level
 - 2.2.1.4. Team below Headquarters and Major Command Level
- 2.2.2. Contributions to [Taxpayer Dollar Optimization](#):
 - 2.2.2.1. Individual at Headquarters and Major Command Level
 - 2.2.2.2. Individual below Headquarters and Major Command Level
 - 2.2.2.3. Team at Headquarters and Major Command Level
 - 2.2.2.4. Team below Headquarters and Major Command Level
- 2.2.3. Contributions to [Financial Integrity and Audit Results](#):
 - 2.2.3.1. Individual at Headquarters and Major Command Level
 - 2.2.3.2. Individual below Headquarters and Major Command Level
 - 2.2.3.3. Team at Headquarters and Major Command Level
 - 2.2.3.4. Team below Headquarters and Major Command Level
- 2.2.4. Contributions to [End-to-End Business Environment Optimization](#):
 - 2.2.4.1. Individual at Headquarters and Major Command Level
 - 2.2.4.2. Individual below Headquarters and Major Command Level
 - 2.2.4.3. Team at Headquarters and Major Command Level
 - 2.2.4.4. Team below Headquarters and Major Command Level
- 2.2.5. Contributions to [Data-Driven Decision-Making](#):
 - 2.2.5.1. Individual at Headquarters and Major Command Level
 - 2.2.5.2. Individual below Headquarters and Major Command Level

2.2.5.3. Team at Headquarters and Major Command Level

2.2.5.4. Team below Headquarters and Major Command Level

2.2.6. Contributions to Financial Management in a Contingency Operation:

2.2.6.1. Individual at any level

2.2.6.2. Team at any level

2.2.7. USD(C) Salute to Excellence in Government Service. These awards specifically allow the USD(C) to recognize an individual or team whose efforts throughout the past calendar year have made exceptional contributions in Savings and Innovation. The Board members will recommend to USD(C) for selection winners of these awards from among the nominations submitted in the categories in paragraph 2.1.

2.2.7.1. USD(C) Salute to Excellence in Government Service – Exceptional Savings. This category recognizes either an individual or team whose actions have resulted in a significant savings to the taxpayer.

2.2.7.2. USD(C) Salute to Excellence in Government Service – Exceptional Innovation. This category recognizes either an individual or team whose actions have resulted in significant innovations in Financial Management.

2.2.8. The Program applies to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, and the DoD Field Activities, and all other organizational entities within the DoD (hereafter referred to collectively as “the DoD Components”). The individual or team’s accomplishment must have occurred within the preceding calendar year.

2.2.9. Any military member or DoD civilian employee (to include Reserve Components) is eligible for nomination. General/Flag Officers, Senior Executive Service, and contractors cannot be nominated for individual awards, but can be named and recognized as members of team awards.

3.0 AWARD CATEGORIES, TYPES, AND LEVELS

*3.1 Award Categories

The award categories in the USD(C) Financial Management Awards Program are:

3.1.1. Contributions to Workforce Development. This category recognizes one individual and one team, at each of the two award levels, who have made significant contributions to building and maintaining a premier FM workforce; optimizing and evolving FM training solutions; or fostering an FM community of practice. Improvements may be in areas such as workforce

development, innovative practices in recruiting and retention, and training and information sharing. Examples of appropriate efforts include:

3.1.1.1. Establishing an innovative training program to improve workforce proficiency in a key area of critical competencies.

3.1.1.2. Establishing a program to improve recruiting, employee engagement, satisfaction, and retention.

3.1.1.3. Establishing forums to implement best practices and accomplishments.

3.1.1.4. Instituting a mentorship or partnership program to help guide the future development of workforce members.

3.1.2. Contributions to Taxpayer Dollar Optimization. This category recognizes one individual and one team, at each of the two award levels, who have made significant contributions to optimizing support to the budget and execution process; innovating cost, performance, and risk management; or fostering a high integrity funds control environment. Improvements may be in areas such as budget formulation, budget execution, cost management, or accountable financial stewardship. Examples of appropriate efforts include:

3.1.2.1. Refining the budget to execution process to optimize mission capability with agility.

3.1.2.2. Creating efficiencies through new guidance and/or reducing outdated regulations, processes, and policies.

3.1.2.3. Delivering innovative financial cost, performance, and enterprise risk management insights to improve resource budgeting and forecasting activity.

3.1.2.4. Improving fiscal control over assets, dissemination of funds, budget execution tracking, and funds realignment through innovative solutions.

3.1.3. Contributions to Financial Integrity and Audit Results. This category recognizes one individual and one team, at each of the two award levels, who have made significant contributions toward remediating material weaknesses aligned with the Department's audit priorities to accelerate its path to an unmodified audit opinion. Improvements may be in areas such as increasing the number of favorable (unmodified or qualified) financial statement or Statement on Standards for Attestation Engagements No. 18 audit opinions, implementing end-to-end business process reengineering efforts leading to improved auditability for a priority area, innovating processes and improving controls to reduce undistributed disbursements and or collections in a timely manner, and developing innovations to achieve unmodified audit opinions. When considering this category, reference 10 U.S.C. § 240b Incentives for the Achievement by the Components of the Department of Defense of Unqualified Audit Opinions on the Financial Statements. Examples of appropriate efforts include:

3.1.3.1. Developing innovations to support achieving unmodified audit opinions.

3.1.3.2. Closing a notice of finding and recommendation related to a priority area.

3.1.3.3. Closing or downgrading a material weakness related to a priority area.

3.1.3.4. Implementing effective improvements to controls over financial reporting for a priority area.

3.1.4. Contributions to End-to-End Business Environment Optimization. This category recognizes one individual and one team, at each of the two award levels, who have made significant contributions to automating FM operations and the identification of business processes that will form tomorrow's environment. Improvements may be in areas such as system security, leveraging innovative digital and automation solutions, or simplifying FM regulation and policy. Examples of appropriate efforts include:

3.1.4.1. Retiring legacy systems and accelerating optimization of modern enterprise solutions.

3.1.4.2. Increasing automation of repeatable processes and interfaces between enduring systems.

3.1.4.3. Simplifying regulations or policies that address barriers to fully enable standardization.

3.1.5. Contributions to Data-Driven Decision-Making. This category recognizes one individual and one team, at each of the two award levels, who have made significant contributions to innovating and empowering data-driven, fiscally informed decision-making; driving universal use of secure, single-source reporting; or instilling confidence in FM data for decision-making. Improvements may be in areas such as improving financial data management standards, increasing data analytics capabilities, and enhancing the usage of real-time data to support decision-making through innovative practices. Examples of appropriate efforts include:

3.1.5.1. Improving the quality of data and universal data management and modeling standards.

3.1.5.2. Developing innovative methods to increase access to real-time data.

3.1.5.3. Supporting a Universe of Transaction balance as a percentage of financial statement balances

3.1.6. Contributions to Financial Management in a Contingency Operation. This category recognizes one individual and one team, at each of the two award levels, who have made significant contributions to modernize and improve financial management while in support of a contingency operation. Improvements can be in auditing, accounting, budget, cost analysis, workforce development, and other Financial Management fields. Examples of appropriate efforts include:

3.1.6.1. Implementing controls that improve auditability of funds managed in the contingency operation.

3.1.6.2. Changing and/or reengineering a process or steps of a process to make the process better, faster, and/or less expensive by using technology as an enabler in a contingency operation.

3.1.6.3. Identifying, proposing, and implementing an improvement to a problem, project, or effort using analysis to better utilize resources and improve mission effectiveness in a contingency operation.

3.1.7. USD(C) Salute to Excellence in Government Service. These awards specifically allow the USD(C) to recognize an individual or team whose efforts throughout the past calendar year have made exceptional contributions in Savings and Innovation. The Board members will recommend to USD(C) for selection winners of these awards from among the nominations submitted in the categories in paragraphs 2.1.

3.1.7.1. USD(C) Salute to Excellence in Government Service - Exceptional Savings. This category recognizes either an individual or team whose actions have resulted in a significant savings to the taxpayer.

3.1.7.2. USD(C) Salute to Excellence in Government Service - Exceptional Innovation. This category recognizes either an individual or team whose actions have resulted in significant innovations in Financial Management.

3.2. Award Types

The two award types in the USD(C) Financial Management Awards Program are:

3.2.1. Individual awards may be given to one person at the Headquarters and Major Command level and Below Major Command level in the six award categories.

3.2.2. One team award may be given to teams at the Headquarters and Major Command level and the Below Major Command level in each of the six award categories. Teams are made up of 2 to 20 individuals brought together to perform a specific task within a specific time frame. Teams of greater than 20 individuals are not eligible for these awards. The team lead must be one of the 20 members of the team. Contractors cannot comprise more than 20 percent of the team. Contractors cannot use these awards as support for performance clauses in contracts.

3.3. Award Levels

The two award levels in the USD(C) Financial Management Awards Program are:

3.3.1. Headquarters level and Major Command level.

3.3.1.1. Headquarters level is defined as the headquarters of a Military Service Department, Defense Agency, or Field Activity.

3.3.1.2. Major Command Level is defined as the highest level of command below headquarters level within the Military Department. For the Defense Agencies and Field Activities, Major Command level is based on the organization's structure, not the nature of the work covered by the award. Major Command level refers to the next level of subordinate organizations to the Headquarters location.

3.3.2. Below Major Command level includes any organization not meeting the requirements to be considered Headquarters and Major Command level. For Defense Agencies and Field Activities, this includes regional offices or other organizations subordinate to the Headquarters or Major Command level.

Table 6-1. Award Level Matrix

Organizational Level Performing the Work	Award Level
Headquarters	Headquarters and Major Command
Military Department Major Command	Headquarters and Major Command
Combatant Command Headquarters	Headquarters and Major Command
Brigade/Afloat Command/Group	Below Major Command
Regional Office	Below Major Command
Examples	
DFAS Headquarters	Headquarters and Major Command
DFAS Major Center (Cleveland, Columbus, Indianapolis)	Headquarters and Major Command
DFAS Other (Rome, Limestone, Japan, Europe, Non-Appropriated Funds, to include Support Offices)	Below Major Command
DCAA (HQ, Regional and Corporate Offices)	Headquarters and Major Command
DCAA (Field Offices and Sub Offices)	Below Major Command
DLA (Headquarters)	Headquarters and Major Command
DLA (Major Subordinate Command and Below)	Below Major Command

4.0 RESPONSIBILITIES

4.1 The USD(C):

4.1.1. Will select awards recipients for each category, type, and level.

4.1.2. May select one or more recipients for the USD(C) Salute to Savings Award from among the pool of nominations submitted in the other [six](#) categories.

4.1.3. Will present awards to each recipient.

4.1.4. Will release an annual memorandum announcing any changes to this regulation, call for the submission of nominations for this awards program, and delineate the nomination and review timeline.

4.2 The OUSD(C) Human Capital Resource Management Director:

4.2.1. Will annually convene a Financial Management Awards Program Board to review nominations from the DoD Components.

4.2.2. Will make award recommendations to the USD(C).

4.2.3. Will appoint a representative from among the Defense Agencies and DoD Field Activities (other than the Defense Finance and Accounting Service (DFAS)) to the FM Awards Program Board.

[*4.2.4. Will ensure OUSD\(C\) Financial Improvement and Audit Remediation Director is represented on the FM Awards Program Board.](#)

4.3 Heads of the Military Departments and DFAS

Will each select a representative to the Financial Management Awards Program Board and notify the Director, Human Capital Resource Management (HCRM) in accordance with the annual USD(C) memorandum, of the representative selected from their Component.

4.4 DoD Component Heads

4.4.1. Will encourage the nomination of individuals and teams for the Financial Management Awards in accordance with the procedures and criteria in [Section 4.0](#).

4.4.2. Will appoint a Final Reviewer [by email per annual call memo](#) for all nominations submitted by members of their component in accordance with the memorandum.

4.5 The Financial Management Awards Program Board

4.5.1. Is chaired by the OUSD(C) HCRM Director, or designee.

*4.5.2. Is comprised of one voting representative from each of the Military Departments, DFAS, one from the Defense-wide community, which encompasses all other Defense Agencies and DoD Field Activities, and the OUSD(C) Financial Improvement and Audit Remediation (FIAR) Director. Members may not delegate attendance of the Board Member meeting. Members may not serve more than two consecutive terms with exception of the OUSD(C) FIAR Director.

4.5.3. Is comprised of members of the Senior Executive Service, general/flag officers, and/or E-9s.

4.5.4. Members must not be the Nominating Officials for any of the award nominations submitted.

4.5.5. Is convened annually to evaluate nominations and make recommendations for winners in each award category based on the criteria in paragraph 4.1.

4.6 Final Reviewers

4.6.1. Are responsible for vetting the nominations prior to submission to the Board. Nominations should be examined for duplications, incomplete submissions, and noncompliance with instructions.

4.6.2. May not be Nominating Officials.

4.6.3. Are responsible for approving or denying each nomination submitted for their particular component, before all nominations are due to OUSD(C). Only approved nominations will go before the Board.

4.7 The Nominating Official:

4.7.1. Will review each one of their nominations ensuring nominee names and contact information are correct and accurate.

*4.7.2. Will certify, by electronic signature, that each submission complies with the nomination submission instructions outlined on [FM Online](#).

4.8 The Supervisor:

4.8.1. Will consider members of their workforce whose achievements merit recognition in the USD(C) FM Awards Program.

4.8.2. Will serve as the Nominating Official for appropriate nominations.

4.9 The Submitter:

4.9.1. Will input all data into the nomination template for the appropriate nomination in accordance with the procedures and criteria in this chapter and on [FM Online](#) as directed by the Nominating Official.

4.9.2. May be the same person as the Nominating Official.

5.0 AWARD CRITERIA AND NOMINATION INFORMATION

The award criteria and nomination information for the DoD Financial Management Awards are as follows:

5.1 Award Criteria

Nominations for DoD Financial Management Awards shall be based on individual or team achievements during the preceding calendar year. Board Members will evaluate nominations, assigning a numeric score, after considering the following criteria:

*5.1.1. Scope and Significance, examples include:

5.1.1.1. [DoD Enterprise / Warfighter / Mission Impact](#)

5.1.1.2. [Fiscal Stewardship \(cost/manpower savings, cost avoidance\)](#)

5.1.1.3. [Results were Actionable and Repeatable](#)

5.1.1.4. [FM Workforce Development and or Strategic Partnering Improvement](#)

5.1.1.5. [Focused on Outcomes – maximizing dollars spent and funding priorities](#)

5.1.1.6. [Embraced innovation by streamlining automation solutions](#)

5.2 Nomination Information

For specifics on procedures for submitting nominations refer to [FM Online](#). Information included in the nominations is used for [formal recognition](#).

5.2.1. Nominations should be written to a broad and diverse audience.

5.2.2. Nominations should be written in a concise manner that clearly describes the impact. Limit use of acronyms or superlative wording.

5.2.3. DoD Components may not submit more than one nomination for the same achievements. For example:

5.2.3.1. A DoD Component may not submit a team nomination and an individual nomination for the same achievements.

5.2.3.2. A DoD Component may not submit a nomination, either team or individual, with the same achievements, for different award categories, types, or levels.

5.2.4. For Team awards, DoD Components may identify additional personnel from other DoD Components who participated in the actions leading to the recognized achievements. The addition of other DoD Components to an award does not affect the nomination restrictions set in paragraph 5.3.

5.3 Submission of Nominations

5.3.1. Heads of DoD Components must submit nominations to the OUSD(C) HCRM Director via the OUSD(C) awards nomination site at [FM Online](#).

5.3.2. OUSD(C) must receive nominations by the date designated in the memorandum sent to the Components. OUSD(C) will not accept nominations after the end of the nomination period.

5.3.3. Final Reviewers must review nominations by the date designated in the memorandum sent to the Components. OUSD(C) will not accept nominations edits after the end of the review period.

5.3.4. Heads of DoD Components are restricted in the number of nominations they can submit for consideration in each Category, Type, and Level:

5.3.4.1. DoD Components with an FM workforce of at least 1,000 personnel can submit up to two nominations per Category, Type, and Level; allowing a maximum of [44](#) nominations.

5.3.4.2. DoD Components with an FM workforce of fewer than 1,000 personnel can submit up to one nomination per Category, Type, and Level; allowing a maximum of [22](#) nominations.

5.3.4.3. Combatant Command Support Agents may submit one nomination per Category, Type, and Level for personnel serving in the Headquarters of a Unified Combatant Command. These nominations will compete as Combatant Command nominations.

5.3.5. Components will not submit nominations for the USD(C) Salute to Savings award category. The USD(C) will select winners for this category from among the pool of nominations submitted in the other [six](#) award categories.

5.4 Nomination Responsibilities

5.4.1. Responsibility for individual award nominations is vested with the DoD Component owning the position of the person being nominated.

5.4.2. Responsibility for team award nominations is vested with the DoD Component owning the position of the team lead.

5.5 Individual and Team Awards

Each individual award recipient shall receive a memento such as an engraved plaque. Each team shall receive a single memento such as an engraved plaque, while team members shall each receive a memento such as a certificate.