



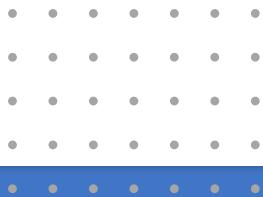
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How (and Why) to Automate Your UFR Prioritization

December 10, 2020

Agenda

- UFR 1.0 – Where we are & why
- UFR 2.0 – Where we are headed & why
- Benefits of evolving UFR approach
- New Tools Assisting in the Transition
- Q&A



Featured Experts



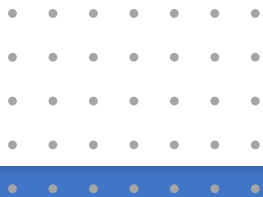
Ret. Lt. Col Jason Williams
U.S. Air Force



Jonathan Allen
Moderator



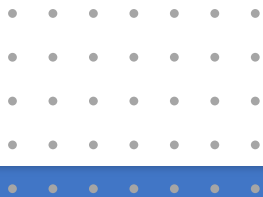
Joey DeSantis
Solutions Engineer



About Decision Lens

Decision Lens uses innovative and powerful analytics and algorithms to eliminate the barriers that are holding your organization back.

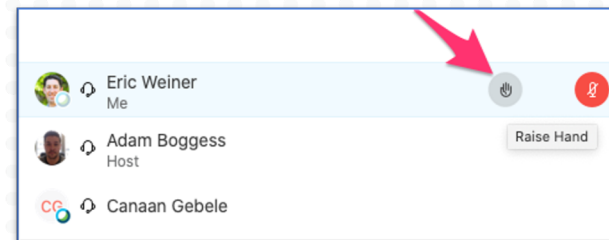
- HQ in Arlington, Virginia
- Founded in 2002
- Dedicated to digitizing Decision Science
- Fed focused with customers in the USAF, Army, TRADOC, Navy, NPA and more
- Recent SBIR Phase 2 award winner sponsored by AMC and the USAF



Virtual Forum 101

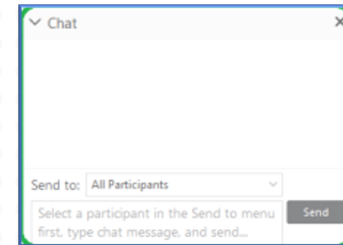
- Hand Raising

We will unmute you to contribute to the conversation
Please put your hand down after you have spoken



- Chat

Ask questions throughout



UFR 1.0: Where We Are

UFR Prioritization: Should serve as the Foundation for the Entire Fiscal Year

The Challenge: Manual UFR Process

Pros

Known, **familiar** approach

No additional investment required

Cons

Several **manual steps** introduce risk of human error

Timing delayed by HQ review cycle

Prioritization based solely on subjective criteria at best

Version control issues resulting from several systems of records

Potential **security risk** of unencrypted files being shared

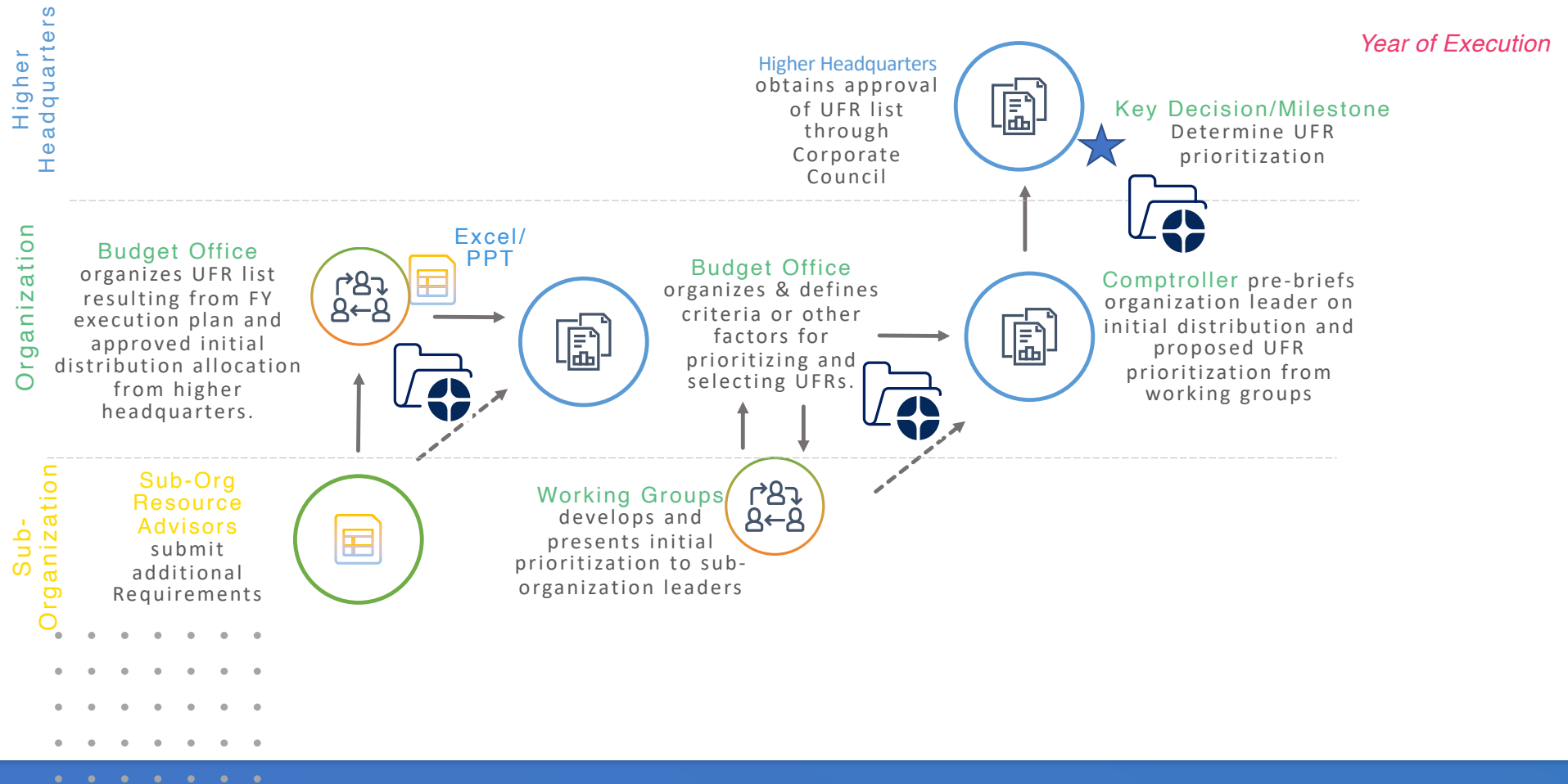


UFR 1.0: The Present Situation – 2 Questions

1. How does the current approach create challenges for financial managers?
2. Why is the DoD open to change?



Current Process: UFR Development / Initial Distribution



UFR 2.0: Combine People, Process & Technology

People

- Develop core cross-functional resource management teams: This is not an FM “drill.” It’s a resource management “drill.”

Process

- Become more linear in the process flow with established “prompted” workflows
- Establish organizational fiscal strategy to link leader’s intent with risk management and UFR prioritization; initiates goal setting and assessment of what is most important
- Assess risk up-front rather than later in fiscal year (HHQ decision points)

Technology

- Introduce solutions to automate the prioritization & assesses key decision points
- Human element is always essential, but solutions can make decisions more objective in nature
- Enable smart COA development in year of execution



Fiscal Strategy Development

Aggressively obligate funded requirements to posture for End of Year fallout

Identify risk early on – potential to **fund UFRs** by shifting priorities

Obligate **must-pay contracts** upfront

Assess strategy with organizational leadership **monthly** via a financial dashboard update

Initial Distribution

Midyear Review

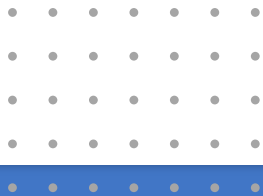
End of Year Closeout



Follow organizational **spend plans** to limit internal fallout at closeout

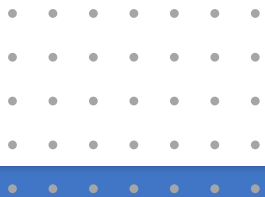
Maintain **obligation rates** at or above straight-line to posture obligation goal of 80% by end of third quarter (June)

Continue the **resource mgt** teaming approach – meet regularly throughout the FY



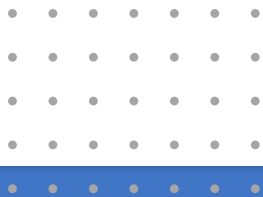
UFR 2.0: Getting to 2.0 – 3 Questions

1. What is required (i.e. technology) to make UFR 2.0 a reality?
2. As a financial manager, how will I benefit from this change?

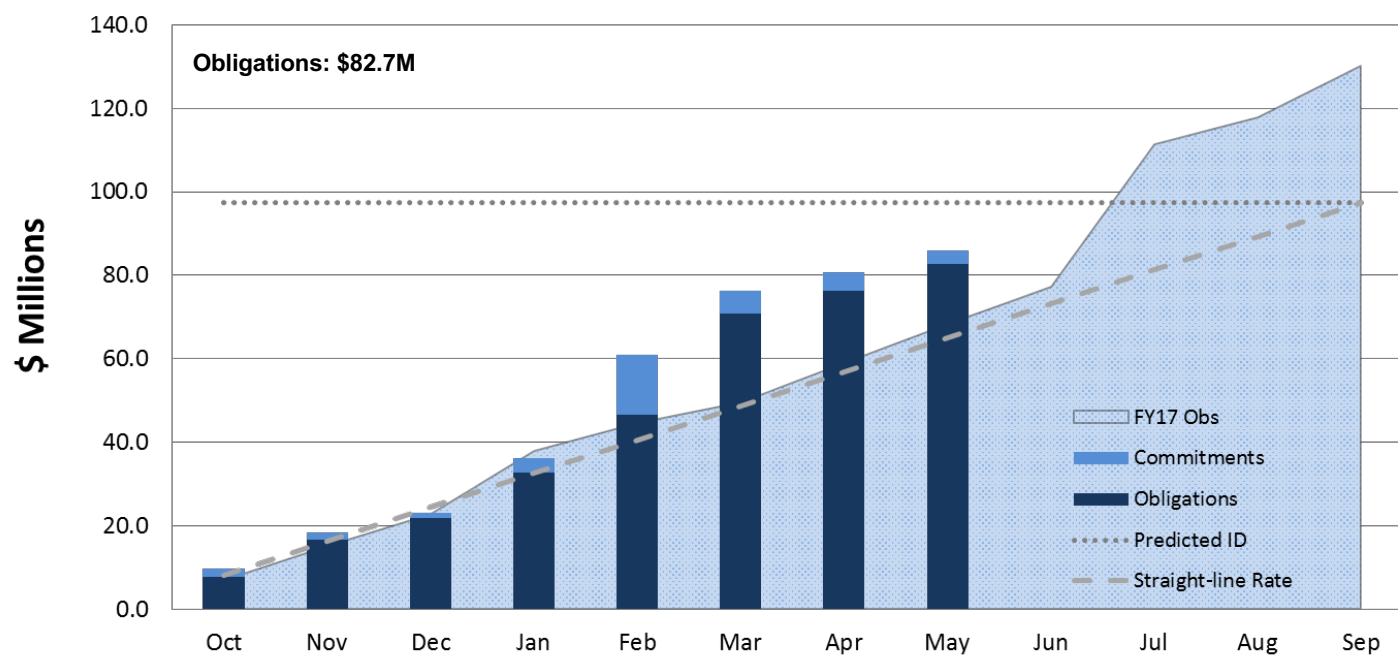


FY20 HHQ B Level 1 UFRs – Living UFR List

Priority	Unit	Requirement	Funded (K)	Unfunded (K)
1	CES	Pest Management Contract		\$ 420.0
2	FSS	DFAC Clipper		\$ 162.0
3	LRS	Overhead Fall Protection System		\$ 43.9
4	CS/SFS	Land Mobile Radios (LMR's)		\$ 490.0
5	SFS	Plate Carriers/Accessories		\$ 171.2
6	LRS	GSA Speed Pay Accident and Billbacks		\$ 30.0
7	CES	Copper Mitigation Requirement		\$ 60.0
8	LRS	Flash Tester		\$ 24.7
9	LRS	Series WAV (Work Assist Vehicle)		\$ 40.4
10	CES	Hurricane Response Team (HRT) Emergency Communication Equipment		\$ 20.0
11	CES	Emergency Operations Center (EOC) Room Expansion		\$ 600.0
12	CES	EOC Comm/AV Equipment		\$ 200.0
13	CES	HRT Trailer refurbishment		\$ 20.0
				\$ 2,282.2

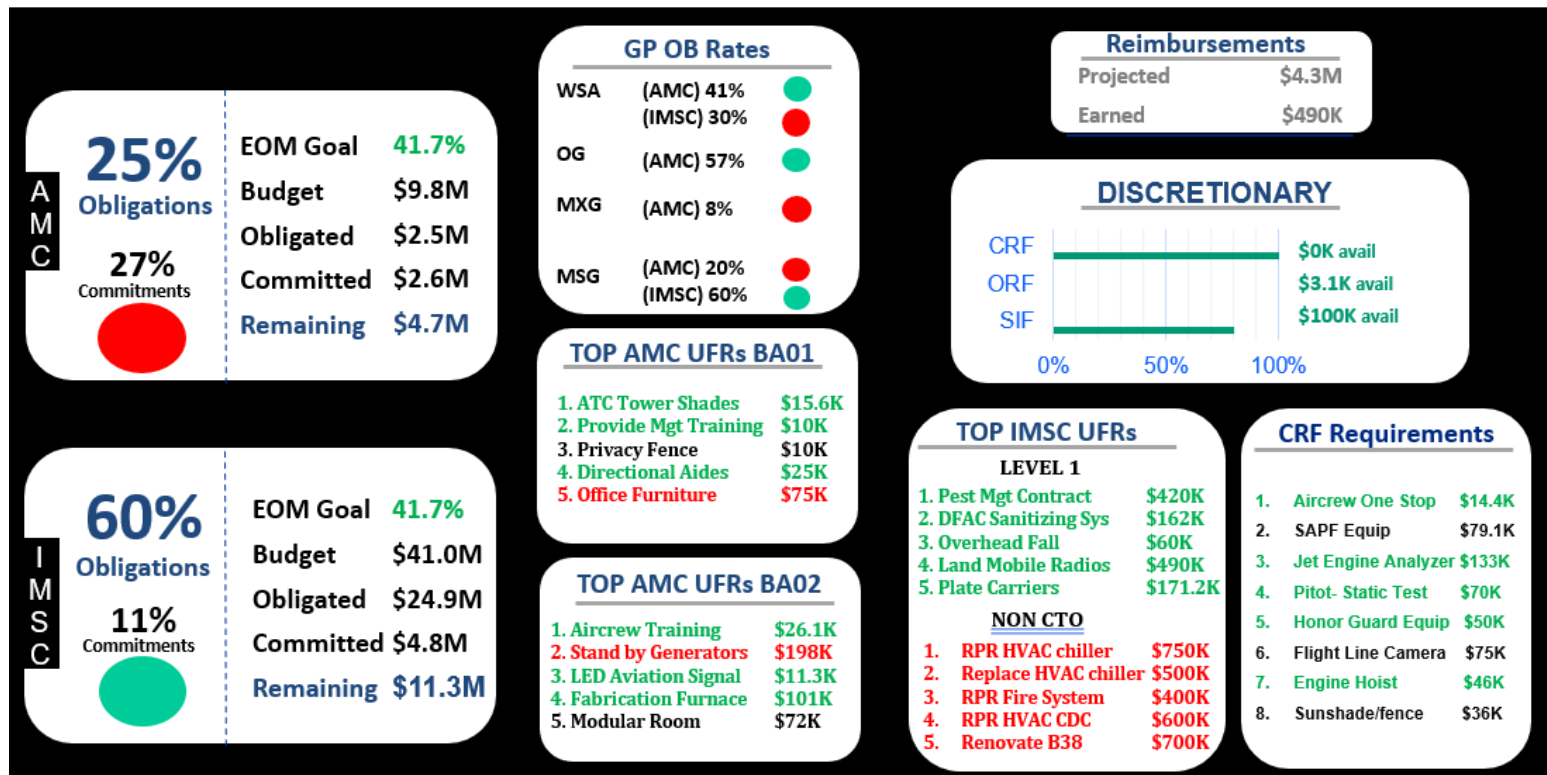


Mission Status of Funds

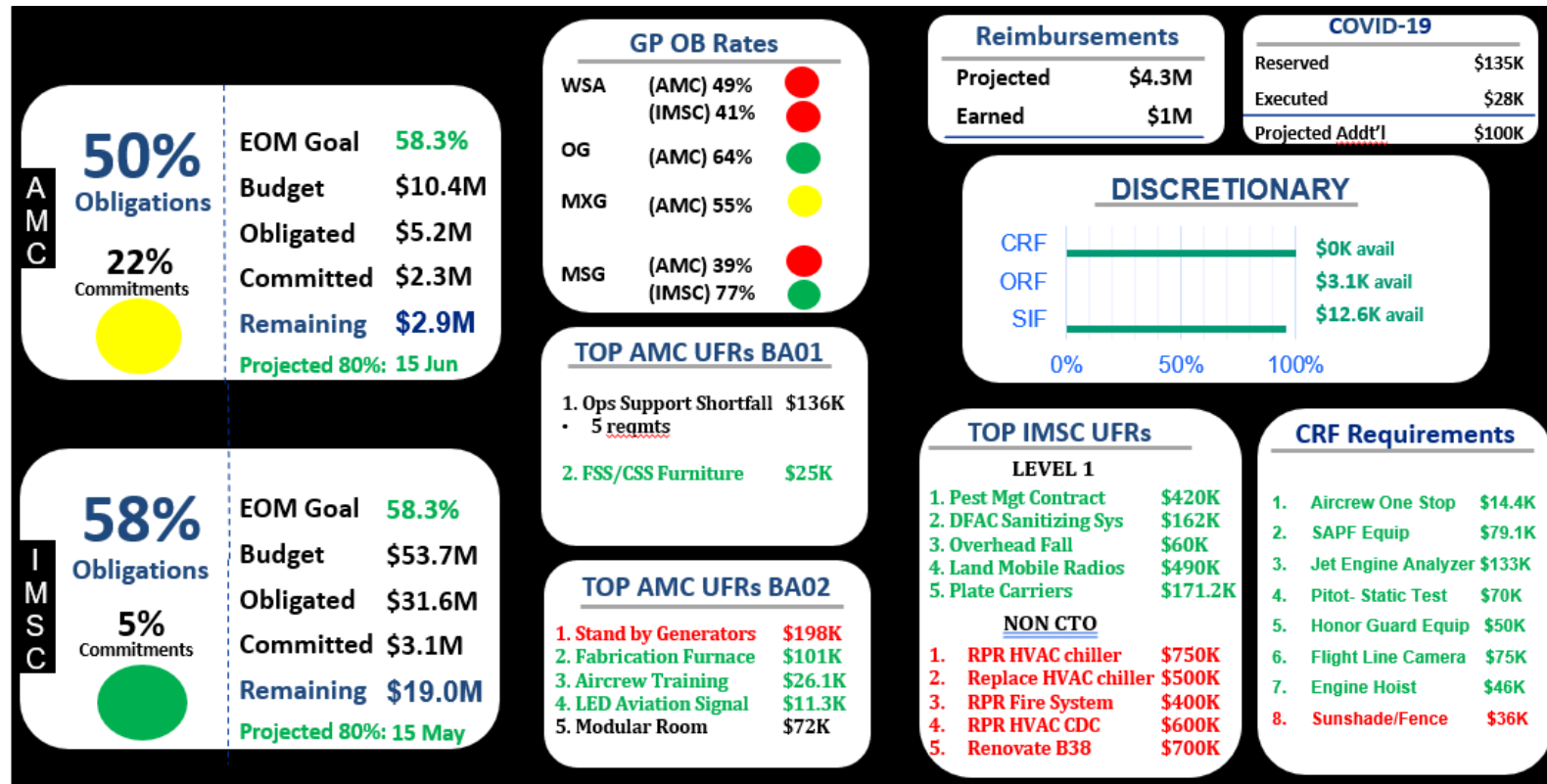


- ID Straight-line Goal: 60%
- Current Ob Percentage: 85%

Fiscal Strategy February Update - Dashboard



Fiscal Strategy April Update - Dashboard



UFR 2.0: More Effective Risk Management

- Lay out clear scenarios
- Think through the implications of each COA
- Provide a recommendation to leadership



COA Development Scenario: Critical health/Safety Contract Not Fully Funded by Higher Headquarters at Initial Distribution

1) Fund Base CLIN Only

Fund only CLIN 1 and submit remainder as #1 higher headquarter UFR for mid-year review

- a. Note: Contract is not considered a Level 0 (must fund) by higher headquarters
- b. Not an option: Serious health/safety concerns

2) Multiple Organizational Risk

Until mid-year review, take risk in the following squadrons to fund the remaining CLINs:

- Organization A: \$XXXX (X% cut)
- Organization B: \$XXXX (XX% cut)
- Organization C: \$XXXX (XX% cut)
- Impacts: organizations will assume a lot of day-to-day risk in fuels, supply, training (already decreased budgets in those line items)

3) Defer Organization X's Requirements

Defer three lower-level requirements in one organization until later in the fiscal year

- Realign funding from those requirements to fully fund critical health, safety contract

Recommendation: COA #3

Wouldn't it be nice to use an automated solution to get to COA #3? Current processes and technologies are out of date

Fiscal Year-end Closeout: Linking Results to Priorities

Priority 1: Maintain Constant Mission Readiness

- ❖ Ops Contract - \$645K
- ❖ Vertical Tool Storage - \$597K
- ❖ SATAF Furniture - \$1.6M
- ❖ Fire Radio upgrades - \$280K
- ❖ Readiness/Innovation - \$1M
- ❖ Alert Facility - \$ 261.7K
- ❖ Deployment Upgrades - \$260K
- ❖ Engine Stands - \$117K
- ❖ Security Upgrade - \$430K
- ❖ Overseas Contingencies - \$6.3M

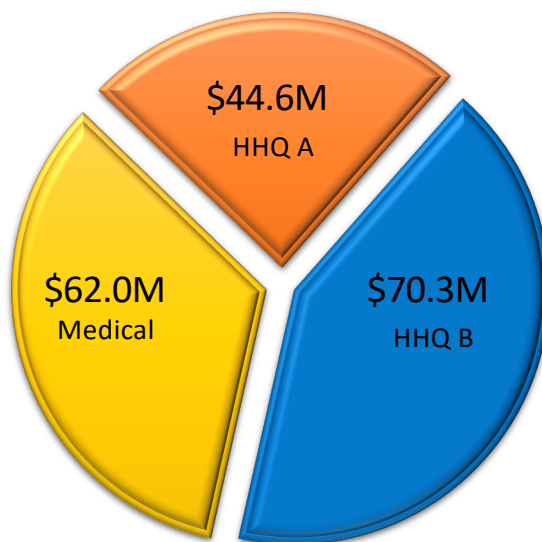


Priority 2: Develop Professional Airmen

- ❖ Education and Training - \$18K
- ❖ Airmen Leadership School - \$12.7K
- ❖ Honor Guard - \$63.9K
- ❖ Air Park - \$16.5K
- ❖ Conference Room Upgrades - \$150K
- ❖ Dorm Application - \$7K
- ❖ Customer Svs Prof Dev - \$18K

Priority 3: Cultivate Teamwork

- ❖ Consolidated Club Upgrade - \$900K
- ❖ Airfield Lighting Vault - \$6.2M
- ❖ Repair Taxiway Golf Pavement - \$3.4K
- ❖ Relocatable Chiller - \$900K
- ❖ Facility Projects - \$4.8M
- ❖ Storm Projects - \$8.1M



\$183.9M - Total Obligation Authority

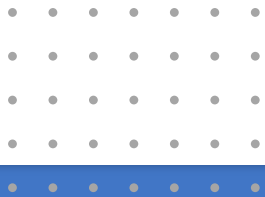


Decision Lens & UFR 2.0

Live Demonstration



Joey DeSantis
Solutions Engineer





4 Key Takeaways



Think through how to **combine people, process, and technology** to upgrade and automate your UFR process



Pursue an **aggressive fiscal strategy** for obligating funds; create visibility into budget execution processes



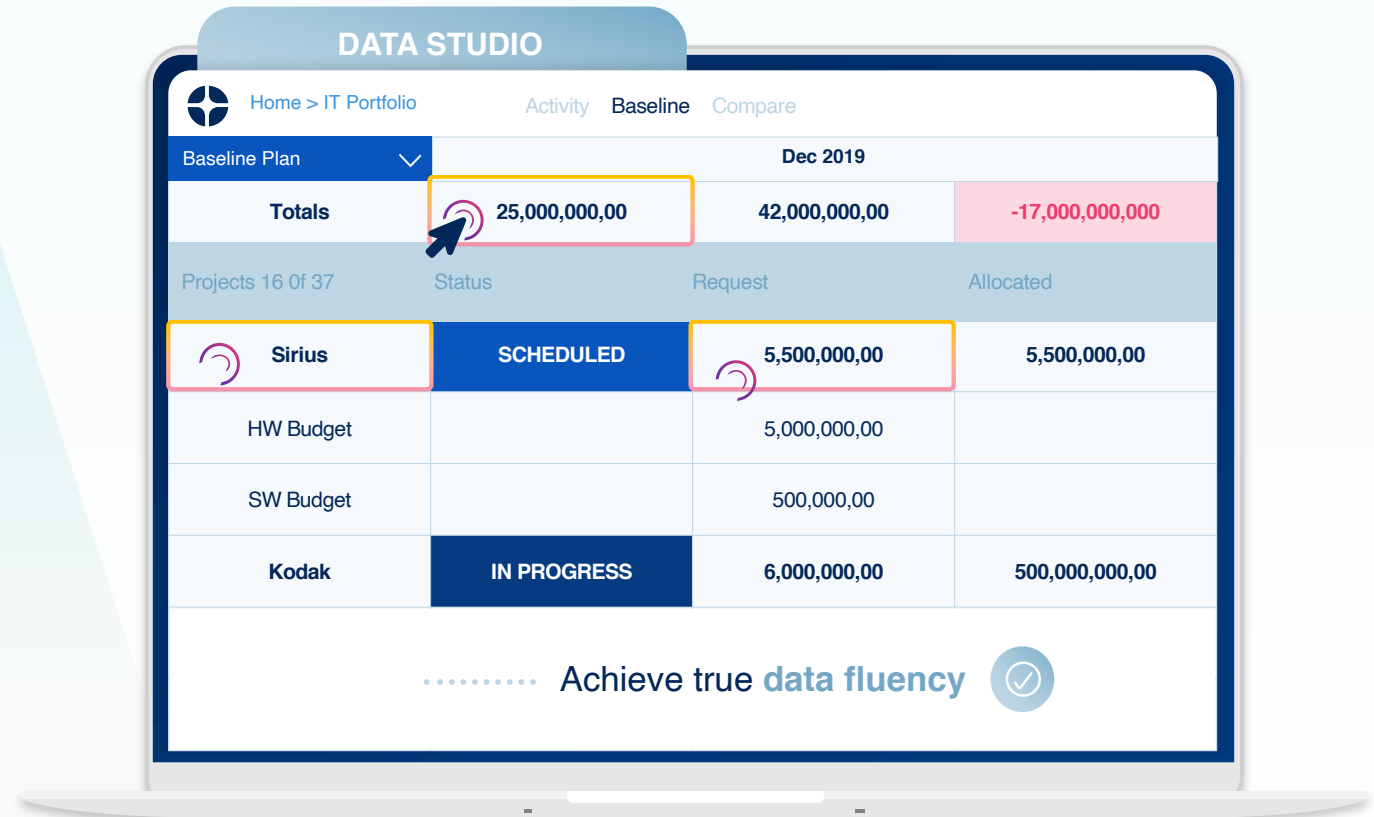
Visualize your UFR priorities and budget execution progress through reports and dashboards



Decision Lens can enable you to have an **automated, continuous UFR development process**, complete with prioritization and budget planning/budget execution capabilities



Q&A



Request a demo

decisionlens.com/request-demo