



## All Things Financial Management

### Episode 14: The Audit and Accounting Services of the Department of Defense with Mr. Wes Miller

**INTRO:** Welcome to “All Things Financial Management,” an ASMC podcast sponsored by Guidehouse, where we discuss all things under the auspices of the Comptrollers’ Office and address top-of-mind issues in the Financial Management community.

**TOM RHOADS:** Good Morning. My name is Tom Rhoads. I'm a Partner with Guidehouse, where I work with clients across the DoD and other government agencies to transform and optimize their financial management functions. I will be your host for today’s Podcast.

For those of you who may be new to this podcast series, let me take just a moment to provide some background on the American Society of Military Comptrollers. The American Society of Military Comptrollers, or ASMC, is the non-profit educational and professional organization for individuals – military, civilian, corporate, or retired -- involved or interested in the field of defense financial management. ASMC promotes the education and training of its members and supports the development and advancement of the profession of defense financial management. The Society provides membership; education and professional development; and certification programs to keep members and the overall financial management community abreast of current issues and encourages the exchange of information, techniques, and approaches.

And with that, I'd like to introduce our guests for today's podcast, Mr. Wesley Miller. Mr. Miller was appointed to the Senior executive service in May of 2003. He served as the Deputy Assistant Secretary of the Army for Financial Operations, where he was responsible for oversight and integration of all Army policies, program systems and procedures designed to develop, improve and maintain the army's financial accountability, ability to produce audible financial statements and internal management control programs.

Prior to that, Mr. Miller was previously assigned as the Director of Resource Management, U.S. Army Corps of Engineers, where he was responsible for planning, developing, coordinating, advising on, and directing all activities of the US Army Corps of Engineers, Integrated financial Management Systems.

Mr. Miller, thanks for joining us today for our podcast.

**WESLEY MILLER:** We’ll start as we mentioned there as far as my story, and how did I ever get involved with financial management? Actually, it was back when I was in high school. I started to pick up as far as my particular learning disabilities and then where my strengths were. And my strengths were mathematically. And so, I started taking bookkeeping and accounting courses, and I liked that. Now my mom was working bookkeeping and accounting and, so it was natural for me to pick that up. I had, and still have, a reading disability.

**TOM RHOADS:** I never knew that.

**WESLEY MILLER:** Oh, that's why I hate emails and that type of stuff. I depended a lot on oral communication, and in learning through vision. And so, I picked that up. I knew what it was, so I decided to go into accounting. And I found out that I liked it. I loved the, the practice book sets that we used to have back in the old days. And so I started, I focused that way and I did well. So then when it came time as far as to go, go through college, then I went with the reserve officer training, of course.

And I did well. Well enough that they branched me to Finance Corps. And so I came into the Army thinking that I would be staying, three years, but I liked it so well and, and, and what I learned as far as those initial assignments was about the necessity to rigidly apply, a new system. We were adopting Army at the time and it was very strict as far as the implementation.

If you didn't implement according to the standard business process that they had, then individuals were subject to be removed.

**TOM RHOADS:** Really?

**WESLEY MILLER:** Oh, yes. It was that harsh. So I saw that and I think that that was partly the success as far as the conversion from a strictly manual system into an automated system that worked. And, yes there were hiccups, but they had done the things upfront as far as that they had the business process laid out. They had the implementing procedures, they had the document flow, and then they had an inspection team that would come and inspect that'd make sure that you did that that way. And that continued for a good 10 years. And it was that strict. We don't do that type of implementation that strictly now. And so, I think that was that's part of the problem and we will get to that later. Back to my career. So, I started to progress up and I, you know, I had some hiccups as far as changes within the system, the way the evaluation system would work. And you have to know those as far as to see as far as where you're going to go. And you have to trust the evaluation system.

And, and, and make sure that you're doing what you can in order to make the evaluation system work and that it's reflective as far as that you have an opportunity to reflect your particular skills. If there was anything that I learned is you must accept responsibility. You have to go out there and you have to reach forward and see the things that are important to the Army. And make sure that you're, that you're looking at those first, okay? That you, you, you take care of mission, you take care of your people, and you take care of yourself last. and that's generally the way that life goes.

That you have to look at those particular priorities and, and how you're going to, implement yourself. So let's jump forward to, to mid-career so, so I went through those installation type assignments and then, I, you know, I told my assignments officer that I want to put into a position that people can see what I can actually contribute to the Army.

And so I had an assignment out with the financing accounting center and was able to go through there and start to see as far as what happens at that service at a national level. National being Army. At an Army level. So I was able to do that, was then selected for command and went out for command and then I came back and started working within the Pentagon on the budget side. That was going fine and dandy. And then we had this thing as far as for 9/11 and then going into, into Iraq. So the Iraq and the administration of, the Coalition Provisional Authority. Now that was a civilian entity.

So there's the Army element, there's the civilian element and I was a new SES at the time and they gave me the responsibility to oversee as far as what was happening on, on the Iraq side, on the reconstruction side. And the appropriation there, so I, I was given that responsibility and I was able to pull together some, some very strong people that were able to help, with that. Bob Spear was one of them.

And Bob Spear, he came out of the finance school and went over, and implemented [inaudible] within Iraq. And they had their own instance of [inaudible] and they were taking care of the \$18 billion and, and Bob was very helpful as far as getting that, that set up. Well how did that happen? The acting Secretary of the Army, Les Brownley, I was advising him on these types of things and, and the Coalitional Provisional Authority came in and asked, asked for our help- as far as for accounting support. And, and so I had remembered something that Secretary Rumsfeld said when they asked, "what was reconstruction?" And he says, "I don't know it, but it sounds a whole lot like construction to me." So when, when asked to provide an accounting system, that was where I went to Corps of Engineers and got [inaudible] and said we needed a construction management system over to help with these funds. And so were able to do that, and, set it up that way.

That started my association as far as with the Corps of Engineers.

So they knew my name and so when it was time to name a new CFO, they named me. So Corps at the time, they had, they had completed, implementing their system. We had used it so I was familiar with it, and then just pushing that forward to get an auditor.

So, the experience, as far as within Iraq led to me than being familiar with the mission, familiar with the Corps as I was then selected to be their Chief Financial Officer. And, so we began that particular journey, I say we began that journey, actually the Corps had begun in their implementation, schedule for as they put different organizations online, they, they were audited forward from that particular point.

Now that was with, the Army's, audit agency but then we were going to go to a commercial agency so Army audit was providing initial audit service, but we continued to go on. It, it took, a number of years, after we started our audit process that we went through. So I had about two and a half years as far as for the audit preparation and getting ready for that. While there, began the association as far as with, public auditors and private audit firms and, commercial firms as far as coming in and that time as far as while I was there, was PWC and then it switched over to KPMG.

But we went through, and we received that first audit opinion. And the difficulty to get through the audit just to get, individuals comfortable, with an audit to give an opinion because it is reputation, okay? And it's reputation of not only the commercial audit firm but it went as far as DoD OIG also. And they were very cautious as far as to give an opinion and it takes, lots of people to help out and had much help as far as with doing that.

I had personal advisers, that were helping me that were outside of, outside of the Corps of Engineers, an individual that's quite famous, within the Army as far as Ernie Gregory was one of my advisers.

Another was Roger Scarce. And so, I asked those guys for their particular help as far as guiding me because an initial opinion like that at that time, was going all the way up to OMB. Office of Management and Budget had oversight and we, the Corps, had been working with OMB as far as on the preparation. And a green to gold program is what they called it. And that way you had another federal agency that already had an audit opinion, was giving you advice so I had lots of help to help me.

It wasn't, it certainly wasn't me alone that was able to get that audit opinion, but it was really-

**TOM RHOADS:** Well, congratulations.

**WESLEY MILLER:** Yeah, it was really teamwork on the part of many people. My personal advisers, the audit firm, they were on our side too.

**TOM RHOADS:** Well, we're seeing across the department how hard it is to accomplish that feat. That's no small thing so, congratulations and a job well done there.

**WESLEY MILLER:** Well, thank you. I wish I could have repeated it up at Army level. Okay? I did stay there with the Corps for 10 years, and during that period we received eight audit opinions and, you know, the way that audit opinions go is when you initially start out it isn't as clean as you would like for it to be. So you do have deficiencies that are still there but then you can start working those down.

It took us three years to work down to having no major deficiencies. And it was one as far as largely respected by Corps members in knowing that it was a big accomplishment for them. And they still take pride as far as doing that the right way. I enjoyed my time with the Corps. They're an organization as far as made up with professionals and they want to do things the right way. And that's not to say that people in the Army at large don't want to do the right thing.

I think in many cases, they don't know exactly what the right thing may be.

And that people think that they have a certain degree of latitude as far as what particular changes they are, and they really don't. People like to use the term business process re-engineering. And it kind of makes me curl a

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little bit because people think that they are going to, modify the accounting system or change the accounting system. That's not what this is about. It's business process standardization but it's talking about adoption of the ERP so that the accounting is in fact done the right way and then what you're changing is you're changing your business process, your functional business process to align with the accounting system. And sometimes, people think that they have greater latitude than that. They just don't want to grasp it. That is the one thing that, I would like to see the Department of Defense embrace as far as realizing as far as that, no, we're not going to change the accounting system. The accounting system, it will do many things for you. It will set it up so that you can do business functions different ways. Whether it's through direct funding or whether it's through reimbursable funding or whether it's through a direct fund site or funds transfer. The accounting system has to be able to do all of those things. It can't say one particular way is going to meet all particular items.

So the accounting system has to have that flexibility in order to take the approved processes for different funding techniques and to adopt those. That's, what I see as far as one of the biggest challenges that there is going to continue to be as far as within defense. As far as getting the business process ironed out and what is going to be used there.

**TOM RHOADS:** Mr. Miller, thank you for those perspectives and insights. You know, we're recording this at ASMC's PDI and at this PDI you were awarded the ASMC National Presidential Award. First of all having known you for several years, I would like to say thank you for your service, and thank you for all that you've done for the Army.

**WESLEY MILLER:** Well, well, thank you. I don't consider it me. I'm just the example of an individual. You stay some place 50 years, you're eventually going to have go, one, but number two, you're eventually going to be recognized in some ways, and when recognized, it's not about really what you did personally. It's about, how you were able to get help from other people.

And, so many people including you, Tom. You've been very helpful and, the teams that you have always provided to help us, but there are many out there the same way. But it's what those individuals, they do, how you can collectively put that together and accomplish, and accomplish some things. And I certainly appreciate what, what help I have been given. I appreciate all the, you know, when you come up at this time and yes, you start having memory lapses and that type of thing, so I'm at one of those stages where a whole lot more people know me than I know them. I can't remember names and stuff like that so that starts, that starts to happen. But you always remember the face. And, you know just having someone come up and say hello means so much that you know that there's still that closeness and that people appreciate it as far as being able to help them out. So, it touches me. It touches me a lot, as far as the way that people still feel about me. And I'm in the end so I feel very good about it.

**TOM RHOADS:** Well, thank you for sharing that. And I think it's a reflection of the number of people that you've touched, over the course of your career. And it's being reciprocated this time. And now that you're retired going to enjoy the hills of northern Georgia, one of the questions that we would like to ask is, "knowing what you know now, what advice would you give me a new careerist who's just starting their career out in federal service?"

**WESLEY MILLER:** Yes, the most important trainer that we ever come across is ourselves, okay? Number one, we have to become committed as far as what we are, what we're doing. We have to know yourself and then you have to look as far as those particular items that are, that are important and fill you as an individual. So, you have that responsibility to make sure that you do a self-assessment, know what particular career path, to choose, and then go out and get it done.

I mean, here, I like the certification programs that we have. I like both of them. They do different things for us. But by buying into those particular systems then you start to know as far as well, well, there are differences.

They teach you or you learn about yourself through different testing techniques. I like those but it starts to broaden you as far as what is important to the professional series.

And, you can't criticize it if you haven't done it, okay? I mean if you aren't DoD [inaudible] certified, you can't say that it's a bunch of bull. Okay? You have to realize that you have to buy in and understand, as far as what it does. Then you can criticize it, okay?

**WESLEY MILLER:** After you become certified. After you become certified, then you can criticize it and say, "these are some improvements that we, that we need to make." But no, there is that particular portion as far as new individuals having to know that they're not going to be spoon-fed, that they have to buy in, they have to make sacrifices themselves. Okay? Mentioned it a little bit earlier. It is mission. It is others. And then it is yourself.

You have to buy into all three of those particular aspects as far as what you're, what you're going forward and what you're doing.

**TOM RHOADS:** That's great advice. I really want to thank you, Mr. Miller, for personally, for the mentorship that you've offered me over the course of my career. And our, our team that have supported you in different capacities, have loved working for you, and want to say thank you for that. And definitely want to thank you on behalf of ASMC for your time today and taking time out of your busy schedule to record this with us so thank you very much.

**WESLEY MILLER:** Well, thank you, Tom. You know, you used the word love. Okay? And there is that. I mean, you have to love yourself, you have to love your job, you have to love what you're doing in order to have that particular enthusiasm. And I hope that in some way that I've been infectious in being able to pass that onto others.

**TOM RHOADS:** Well said, and thank you, Sir.

**WESLEY MILLER:** Thank you.