DEPARTMENT OF THE NAVY

Financial Management Strategy Fiscal Year 2026 Implementation Plan

The Department of the Navy Financial Management Strategy and this Implementation Plan support the Secretary of the Navy's three priorities: **Strengthen Shipbuilding and the Maritime Industrial Base, Foster an Adaptive, Accountable, and Innovative Warfighter Culture,** and **The Health, Welfare and Training of Our People and Their Families.**



OFFICE OF THE ASSISTANT SECRETARY OF THE NAVY
FINANCIAL MANAGEMENT AND COMPTROLLER

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TONE FROM THE TOP

The Department of the Navy (DON) continues to build upon its foundation of financial management (FM) excellence to better advance the DON mission and support our dedicated Sailors, Marines, civilian employees, and their families.

As we enter the fifth year of our FM Strategy, I reflect on a period of significant achievement and transformation. Your unwavering dedication has been the cornerstone of our success, enabling major strides across our five strategic goals. Building on the historic clean audit opinion for the U.S. Marine Corps, my focus now sharpens as I drive us towards even more ambitious targets. Our commitment to excellence is what makes this the best FM team, and I am very proud of what we have achieved together.



Ms. Alaleh Jenkins

Performing the Duties of Assistant Secretary of the Navy (Financial Management & Comptroller)

The Fiscal Year (FY) 2026 DON FM Strategy Implementation Plan (I-Plan) marks a pivotal evolution in our journey. This year, I am concentrating our efforts on a streamlined set of 12 key performance indicators, ensuring every action is aligned with our most critical priorities. This I-Plan will guide our path as we pursue a clean audit opinion for the Working Capital Fund in FY 2026, continue deliberate progress toward a clean Navy General Fund audit opinion by FY 2028, and optimize the stewardship of our budget by tackling dormant obligations. We will be taking a major step in modernizing our systems through the development of the DON ERP+ platform and environment, enhancing and upskilling our workforce through the FM Academy, and leveraging advanced data analytics with platforms like ADVANA/Jupiter to drive informed decision-making.

Achieving our day-to-day responsibilities while investing in our future transformation requires tremendous dedication, accountability, and collaboration. This I-Plan empowers you with the information needed to be an integral part of this historic change. Every member of our 10,000+ FM team has a vital role to play, and I am counting on each and every one of you as we remain committed to the enduring priorities of the DON.

Thank you for your commitment. I am proud to work alongside you.

OVERVIEW OF THE **DON FM STRATEGY**

MISSION

Lead the DON efforts to produce auditable financial statements, execute effective and transparent budgets, consolidate, and operate agile financial systems, and comply with financial laws, regulations, and policies, enabling leadership decision-making and ensuring stewardship of taxpayer dollars.

VISION

- The FM workforce is inspired, dedicated, and challenged
- DON financial operations are executed in modern ERP systems using standardized business processes, with internal controls tested annually based on risk
- The DON budget is transparent and executed with fiscal discipline
- Senior leaders have access to accurate and timely financial and logistics data, enabling informed decisions

5 STRATEGIC GOALS

Strategic Goal #1

Enhance our highly skilled and engaged FM workforce to support DON's mission

Strategic Goal #2

Standardize DON business processes and strengthen internal controls to improve accountability

Strategic Goal #3

Optimize stewardship and trust in the DON's budget process

Strategic Goal #4

Consolidate DON financial systems and enhance cybersecurity controls to improve data integrity

Strategic Goal #5

Leverage data analytics to improve DON financial operations

DON FM STRATEGY

Scan the QR code or follow the link to read the DON FM Strategy

https://www.secnav.navy.mil/fmc/Documents/Department of Navy Financial Management Strategy.pdf

Scan the QR code or follow the link to access previous DON FM Strategy Implementation Plans

https://www.secnav.navy.mil/fmc/Pages/DFMS.aspx



STRATEGIC GOAL #1

Enhance Our Highly Skilled and Engaged FM Workforce to Support DON's Mission

What Success Looks Like: A workplace where DON FM is the #1 career destination for FM professionals and our workforce is highly engaged with a multi-faceted set of skills that drives our mission and helps us realize our vision.

INTERDEPENDENCIES, RESOURCE OPTIMIZATION & OVERSIGHT

- Deliver DON FM Training Academy to cohorts in various locations
- Professionalize the Accountant profession through Accounting Bootcamp and support for professional certifications
- Facilitate the conversion of Financial Analyst positions to Accountant positions where the bulk of the work is accounting work.

Our workforce is 'bringing finance to the fight'

GOAL 1

Enhance our highly skilled and engaged FM workforce to support the DON's mission

FY26 GOALS	FY26 KPIS (ACTION OFFICER - FM&C FMA)	TIMELINE
TRANSFORMATIONAL Enhance our highly skilled and engaged FM workforce to support the DON's mission	1. Utilize the FM Academy to ensure all Accountants throughout the DON are trained for their positions and to facilitate conversion of Financial Analyst positions to Accountant positions where possible.	Q1 Q2 Q3 Q4



STRATEGIC GOAL #2

Standardize DON Business Processes and Strengthen Internal Controls to Improve Accountability

What Success Looks Like: Fully transformed financial management environment built on consistent, secure, and reliable operations that sustain unmodified audit opinions on the DON financial statements.

INTERDEPENDENCIES, RESOURCE OPTIMIZATION & OVERSIGHT

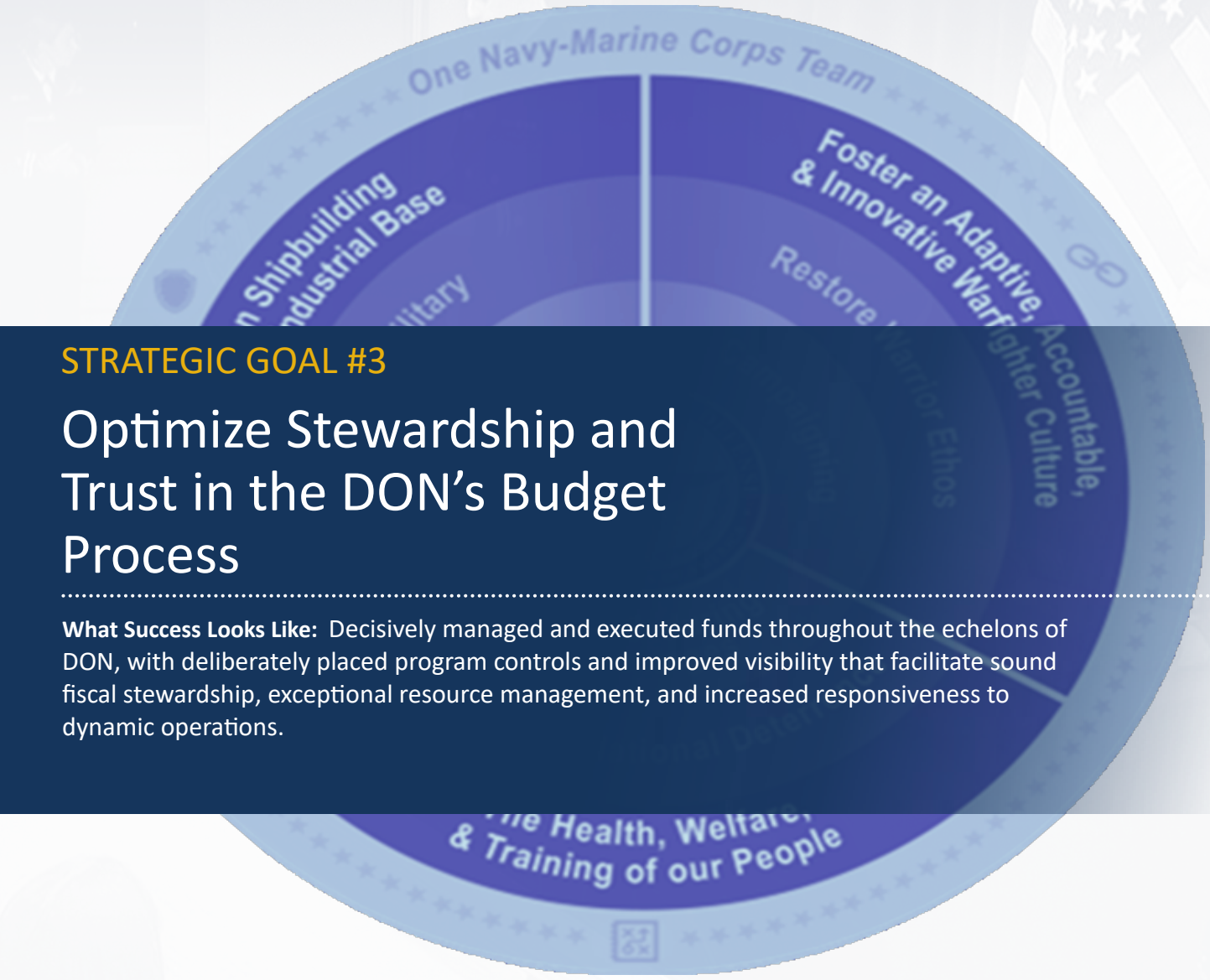
- Working Capital Fund (WCF), General Fund (GF), and Information Technology General Controls (ITGCs) remediation goals require collaboration with OUSD(C), Defense Finance and Accounting Service (DFAS) as DON's service provider, and DON CIO
- Collaborate with stakeholders, including the Military Departments, OSD, Service Providers, and contractors, to achieve our financial transformational goals
- Dependencies exist for external policies set by OSD and the Office of Management and Budget (OMB) (e.g., Working Capital Fund price changes and contract financing payments)
- Oversight is in place to review progress, risks, and milestones (e.g. Audit Committee, Senior Assessment Team, Financial Execution Reporting Management Council (FERMC))

Improving our business operations to ensure our warfighters have the most efficient and accountable use of resources to our enduring priorities

OBJECTIVE 2

Standardize DON business processes and strengthen internal controls to improve accountability

	FY26 GOALS	FY26 KPIS (ACTION OFFICER –FM&C FMO, OPNAV N4, BSOs)	TIMELINE
TRANSFORMATIONAL	Working Capital Fund Audit Opinion in 2026	1. Achieve a clean audit opinion to be published in February 2027 for FY2026	Q1 Q2 Q3 Q4
TRANSFORMATIONAL	Achieve key outcomes necessary to achieve a Navy General Fund (GF) audit opinion in FY 2028	1. Real Property Complete	Q1 Q2 Q3 Q4
		2. Improve the accuracy of ordnance and property inventories	Q1 Q2 Q3 Q4
		3. Enhance integrity of the Statement of Budgetary Resources	Q1 Q2 Q3 Q4



STRATEGIC GOAL #3

Optimize Stewardship and Trust in the DON's Budget Process

What Success Looks Like: Decisively managed and executed funds throughout the echelons of DON, with deliberately placed program controls and improved visibility that facilitate sound fiscal stewardship, exceptional resource management, and increased responsiveness to dynamic operations.

INTERDEPENDENCIES, RESOURCE OPTIMIZATION & OVERSIGHT

- Budget submission timelines and requirements are driven externally by the President, Congress, the Office of the Secretary of Defense, and OMB
- Unforeseen external factors (e.g. natural disasters, conflicts) directly impact the execution of the DON's budget and require agile response to provide economic and human assistance or direct military aid
- Budget policy is dependent on OSD and Office of Management and Budget (OMB)
- Oversight is in place to review process, risks, and milestones (e.g. OMB, OSD, and FM&C policy and guidance)

Delivers the resources necessary to operate, build, train, and equip a combat-credible, dominant naval force to keep the sea lanes open and free, deter conflict, and when called upon decisively win our Nation's wars

OBJECTIVE 3

Optimize stewardship and trust in the DON's budget process

	FY26 GOALS	FY26 KPIS (ACTION OFFICER – FM&C FMB)	TIMELINE
TRANSFORMATIONAL	Optimize Stewardship and trust in the DON's budget process	1. Eliminate dormant obligations 2. Evaluate deobligations to ensure proper fiscal stewardship of funding. Validating that funding was appropriately obligated and a valid reason for deobligation has occurred. 3. Ensure all BSOs are spending according ot the established obligation phasing plans submitted to FMB.	Q1 Q2 Q3 Q4



STRATEGIC GOAL #4

Consolidate DON Financial Systems and Enhance Cybersecurity Controls to Improve Data Integrity

What Success Looks Like: An agile systems environment that can evolve quickly to meet changing needs, produce timely and valuable information for decision-makers, and eliminate or rapidly resolve issues, minimizing the burden on Sailors, Marines, and civilians.

INTERDEPENDENCIES, RESOURCE OPTIMIZATION & OVERSIGHT

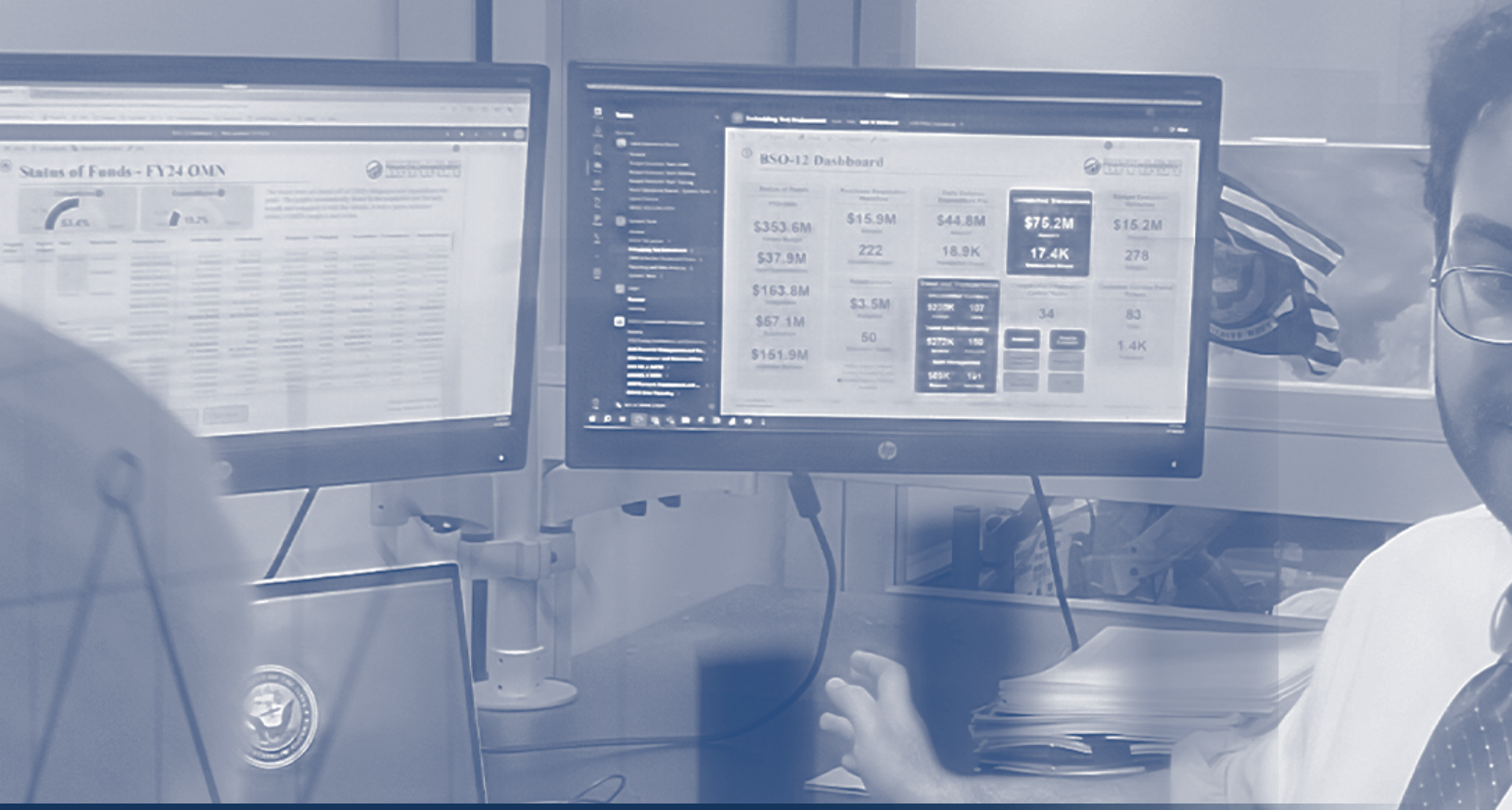
- Coordinate with all stakeholders (OSD, DFAS, PMW-220, DON CIO, FM&C, BSOs) to prioritize system migrations and standardize business processes across the enterprise
- Lead ERP+ modernization efforts
- Oversight is in place to review progress, risks, and milestones to monitor FM Functional Area Manager (FAM) and ERP modernization and migrations (e.g. ERP Executive Steering Group, Systems Consolidation Action Plan (SCAP))

Protecting sensitive information from our adversaries

OBJECTIVE 4

Consolidate DON financial systems and enhance cybersecurity controls to improve data integrity

FY26 GOALS	FY26 KPIS (ACTION OFFICER – FM&C FMS, BSOs)	TIMELINE
OPERATIONAL Consolidate DON financial systems and enhance cybersecurity controls to improve data integrity	1. Deliver the ERP+ Contract	Q1 Q2 Q3 Q4
	2. Finalize all current Key Design Decisions	Q1 Q2 Q3 Q4
	3. Start development of DON ERP+ environment	Q1 Q2 Q3 Q4



STRATEGIC GOAL #5

Leverage Data Analytics to Improve DON Financial Operations

What Success Looks Like: Real-time access to consolidated financial information to enable decision making.

INTERDEPENDENCIES, RESOURCE OPTIMIZATION & OVERSIGHT

1. Coordinate with stakeholders (e.g. FM&C Divisions, BSOs) to prioritize enterprise-wide landscape of ADVANA / Jupiter dashboard requirements
2. Collaborate with OSD and MILDEPs to apply predictive analytic best practices to the organization
3. Oversight is in place to review progress, risks, and milestones (e.g. FM data governance board, Audit Committee, FERMC, and CERMC)

Arming DON leadership with data to support operational decision making

OBJECTIVE 5

Leverage data analytics to improve DON financial operations

FY26 GOALS	FY26 KPIS (ACTION OFFICER – FM&C FMS, FMB)	TIMELINE
OPERATIONAL Leverage data analytics to improve DON financial operations	1. Utilize ADVANA/Jupiter platforms to analyze data and make informed decisions to improve DON financial operations.	Q1 Q2 Q3 Q4
	2. Utilize automation to support audit responsiveness and reduce manual efforts to submit KSD documentation	Q1 Q2 Q3 Q4
	3. Complete discovery of opportunities for automation for budget formulation and develop a technical solution	Q1 Q2 Q3 Q4

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