



REPLY TO
ATTENTION OF:

DEPARTMENT OF THE ARMY
HEADQUARTERS, EIGHTH UNITED STATES ARMY
UNIT #15236
APO AP 96205-0009

EAGA-CP-CC

05 FEB 2003

MEMORANDUM FOR

19th TSC, ATTN: EANC-CPOC-D, APO AP 96218-0171
Area 1 Support Activity, ATTN: EANC-AL -CPAC, APO AP 96258-0707
34th Support Group, ATTN: EANC-SA-CPAC, APO AP 96205-0177
US Army Support Activity Area III, ATTN: EANC-HG-CPAC, APO AP 96271-0164
20th Support Group, ATTN: EANC-T-CPAC, APO AP 96218-0562

SUBJECT: Cost Management / Activity Based Costing (CM/ABC) Implementation

1. In response to the Department of Defense Wide goal of more effectively managing and understanding the costs of it's programs, the Army is pursuing a system tool called Activity Based Costing (ABC). The Secretary of the Army is firmly committed to the aggressive pursuit of Cost Management throughout Army's 11 Business Areas by using ABC. Civilian Human Resources (CHR) is one of the 11 Business Areas. Because of the importance of cost management to the Army, the Vice Chief of Staff is personally monitoring this initiative through quarterly reviews. The HQDA Office of the Assistant G-1 for Civilian Personnel Policy is complying and leading the way with this vital undertaking.
3. The final deployment schedule for our Civilian Human Resources Activity Based Costing System (hereafter called the "System") is being finalized. The Civilian Personnel Division will be working with HR professionals throughout Korea to streamline the deployment of this new resource. In the coming months you will see many proposed source data for your review. We ask that you provide your input with any suggestions you may have to make a better product. Remember, your comments are invaluable to assure the implementation of the ABC system is as smooth as possible.
4. The schedule for deployment will be aggressive, as the deadline for system deployment to all CHR offices Army wide is September 30, 2003. All US & KN appropriated fund civilians employees must use the system. Point of Contact for this project is Howard Vickers, and can be reached at DSN 724-4112, or at vickersht@usfk.korea.army.mil.


M. LaPRELL MURPHY
Deputy Assistant Chief of Staff, G-1
(Civilian Personnel)