



February 2, 2018

Memorandum

To: Members of the Board
Robin M. Gilliam

From: Robin M. Gilliam, Assistant Director
Wendy M. Payne

Through: Wendy M. Payne, Executive Director

Subject: **ERM Risk Profiling Education Session¹ – Tab A**

MEETING OBJECTIVE

A panel of experts will discuss enterprise risk management (ERM) risk profiling and how agencies are implementing OMB Circular No. A-123.²

BRIEFING MATERIAL

This memo provides the agenda of panelists and topics, and their biographies.

¹ The staff prepares Board meeting materials to facilitate discussion of issues at the Board meeting. This material is presented for discussion purposes only; it is not intended to reflect authoritative views of FASAB or its staff. Official positions of FASAB are determined only after extensive due process and deliberations.

² OMB Circular No. A-123, *Management's Responsibility for Enterprise Management and Internal Control*, July 15, 2016.

BACKGROUND

At the December 2016 meeting, the Board wanted to understand to what extent FASAB can align risk assumed standards with the enterprise risk management (ERM) effort.³ This session is to educate the Board about ERM in preparation for the following discussion (Tab B) about how FASAB might leverage ERM risk profiling for financial reporting.

AGENDA

Presentations will be provided at the Board meeting and available on the Risk Assumed Project webpage.

	Panelist	Topic
1	SallyAnne Harper	High level review of federal enterprise risk management (ERM).
2	Tom Brandt	Review of Internal Revenue Service's risk profiling processes, including risk identification, categorization, assessment, quantification, measurement, and modeling
3	Mike Wetklow	National Science Foundation Implementation – explain risk appetite as a part of risk profiling and what information about remote but severe impact events might be useful to external stakeholders.
4	Daniel Fodera	Federal Highway Administration implementation – explain the tools used in ERM risk profiling, including the use of a heat map.

BIOGRAPHIES

- **SallyAnne Harper - Immediate Past President, Association of Federal Enterprise Risk Management (AFERM)**

Ms. Sallyanne Harper is a founding member and immediate past president of the Association for Federal Enterprise Risk Management (AFERM), a professional organization dedicated to the advancement of federal Enterprise Risk Management. She also serves as adjunct faculty in the Brookings Institution's Executive Education Program.

Previously, Ms. Harper was the Vice-President and Executive Officer of AOC Solutions, Inc.'s Government Financial Management practice where she was responsible for all aspects of planning, performance management, human capital, and knowledge services functions. Ms. Harper also managed significant client engagements related to federal financial management and enterprise risk management.

Prior to joining AOC, Ms. Harper had a 34-year career in public service. She served as Chief Financial Officer (CFO) and Chief Administrative Officer for the U.S. Government Accountability Office, the GAO, a legislative branch accountability agency serving the Congress and the American people.

Prior to coming to GAO, Ms. Harper was the CFO and Assistant Administrator for Administration and Resources Management of the U.S. Environmental Protection Agency (EPA). At EPA, she was responsible for all aspects of EPA's strategic planning and performance management, financial management and reporting, budgeting and financial systems. She had previously served as deputy CFO and deputy assistant administrator of management and administration and IT services. While at EPA, Ms. Harper had served as the finance director, as well as the director of Superfund Procurement. Prior to coming to EPA, Ms. Harper had been in increasingly responsible positions in major weapons systems acquisition with the Naval Air Systems Command.

Ms. Harper graduated from LaSalle University, Magna Cum Laude, with a BA in psychology and received her MBA in finance and investments from the George Washington University. She was awarded an honorary Doctorate of Humane Letters from LaSalle University. She is also a graduate of the Harvard University John F. Kennedy School of Government's Senior Managers in Government program. Ms. Harper is an elected Fellow of the National Academy of Public Administration (NAPA) and served for 6 years as an officer (Treasurer, Vice-Chair) of the Academy and on the NAPA Board. She is a Certified Government Financial Manager (CGFM) and is the recipient of a number of awards, including the prestigious National Public Service Award for lifetime public service achievements, the Elmer Staats Award, two Presidential Rank Awards, the Federal Technology Leadership award, the Frank L. Greathouse Distinguished Leadership award, the Joint Financial Management Improvement Program's Donald L. Scantlebury award and the Association of Government Accountants' National President's award.

- **Thomas Brandt - Chief Risk Officer, Internal Revenue Service (IRS); AFERM President Elect**

Tom Brandt has served as the IRS's Chief Risk Officer since 2014, leading the enterprise risk management program and enabling the identification, prioritization, evaluation and mitigation of key risks to achieving the IRS mission. Previously, Tom was the Director of Planning and Research in the IRS's Large Business and International Division, with responsibility for the Division's workload selection and risk identification processes, and development of the annual compliance plan. In 2016, Tom served as the Head of the Tax Administration Unit at the Organization for Economic Cooperation and Development (OECD) in Paris, France where he led the work of the Forum on Tax Administration (FTA), a unique body that brings together the leaders of tax administrations from 50 countries to enhance tax administration around the world. Tom has also provided tax administration advisory and capacity building assistance to numerous tax administrations through projects of the International Monetary Fund and OECD. Tom began federal service in 1994 as a Presidential Management Intern.

- **Mike Wetklow – Deputy Chief Financial Officer and Division Director for Financial Management, National Science Foundation (NSF)**

At NSF Mike is responsible for supporting the Chief Financial Officer (CFO) in executing responsibilities of the CFO Act. He is the NSF's principal advisor and senior accountant for NSF's financial management functions and is accountable for accounting, financial system operations and maintaining the control and disbursement of over \$7 billion.

During his first two years at NSF, Mike maintained NSF's clean opinion and staff morale despite a four month audit delay; eliminated all significant deficiencies; achieved compliance with the Improper Payments Elimination and Recovery Act; and served as the Senior Official supporting the NSF CFO, Director and Chief Operating Officer in implementing Enterprise Risk Management (ERM). Mike also represents NSF on a variety of ERM projects including the CFO/PIO Council ERM Playbook; the AGA's ERM HUB; George Mason University's Chief Risk Officer Advisory Council; and AFERM's 2018 ERM Summit Planning Committee.

Before NSF, for four years, Mike was a Branch Chief in the Office of Management and Budget's (OMB) Office of Federal Financial Management (OFFM) responsible for leadership, policy, and implementation of OMB efforts to initiate government-wide financial management improvements. Most significantly, while at OMB he led efforts to develop the Federal Government's first ever guidance on Enterprise Risk Management in OMB Circular No. A-11 and A-123, Management's Responsibility for Enterprise Risk Management and Internal Control.

Prior to OMB, Mike spent eight years at the Department of Homeland Security (DHS) where he had been the Department's first Director of the Internal Control Program

Management Office, leading efforts to eliminate pervasive material weaknesses and obtained the Department's first Balance Sheet opinion in FY 2011. Prior to DHS, he held several accounting and auditing positions at KPMG, the Government Accountability Office (GAO), and the Maryland Legislative Auditors Office.

Mike has received top honors throughout his career, including the AGA's 2016 National President's Award; AGA's National 2015 Achievement of the Year Award; AGA's DC Chapter 2015 Achievement of the Year Award; DHS CFO's 2011 Partnership Award for Extraordinary Mission Contribution; DHS Secretary's 2008 Individual Award for Excellence; DHS Secretary's 2008 Award for Team Excellence; DHS CFO's 2008 Individual Award for Exceptional Service; and Customs Border Patrol (CBP) Commissioner's 2005 citation for DHS/CBP Financial Management Partnership 2005.

Mike received his undergraduate degree in accounting and his graduate degree in public administration both from the University of Maryland at College Park. Mike is a Certified Public Accountant and Certified Government Financial Manager. With his wife Mai, Mike is the proud father of three sons.

- **Daniel Fodera - Lead Management Analyst, Program Management Improvement Team, Directors of Field Services, Federal Highway Administration (FHWA)**

Daniel serves as the lead management analyst on the Program Management Improvement Team. His team is responsible for coordinating FHWA risk management efforts, conducting analysis and reporting on Compliance Assessment Program, and leading capacity building efforts to strengthen the program and management analyst discipline agency-wide. He is a National Highway Institute instructor for several courses and the technical panel lead for the risk management course. Daniel has been with FHWA since 2000, with assignments as a transportation specialist in the headquarters Office of Professional and Corporate Development, and as a program specialist in the Georgia Division. While in the Georgia Division he played key roles in establishing the Traffic Incident Management Enhancement Task Force, developing Georgia's Strategic Highway Safety Plan, and defining performance measures for the Metro Atlanta transportation system. He is a Certified Enterprise Risk Manager, holds a Master Black Belt certificate in Lean Six Sigma from Villanova University, and a Master's degree in Public Administration from the University of Maryland (Europe). Prior to joining FHWA he served on active duty in the US Navy as a reconnaissance and special projects air crewman, nuclear arms control inspector, and National Security Agency analyst.

If you have any questions, please contact Ms. Gilliam at 202-512-7356 or gilliamr@fasab.gov

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