



Financial Management Line of Business

Government Enterprise Integrators Group (GEIG)

February 20, 2007





 Financial Management Line of Business (FMLOB) Vision and Goals

FMLOB FY 2007 Activities



Financial Management LOB



Vision and Goals				
Vision	To improve the cost, quality, and performance of financial management (FM) systems by leveraging shared services solutions and implementing other government-wide reforms that foster efficiencies in Federal financial operations.			
Goals	Provide timely and accurate data available for decision-making			
	 Facilitate stronger internal controls that ensure integrity in accounting and other stewardship activities 			
	 Reduce costs by providing a competitive alternative for agencies to acquire, develop, implement, and operate financial management systems through shared services solutions 			
	Standardize systems, business processes and data elements; and			
	 Provide for seamless data exchange between and among Federal agencies by implementing a common language and structure for financial information and system interfaces. 			



FMLOB Vision Framework



Results

Improved performance of financial system solutions (agency and govt.-wide) — timely & accurate data for decisions; lower risk and cost; improved stewardship and accounting

Competitive Environment

A limited number of high performing and stable shared service providers that offer competitive alternative for Federal agencies

Seamless Data Integration

Financial data easily compared and aggregated across agencies; reduced cost and risk of establishing interfaces between agency business systems

Transparency

Performance Measures

Standard quality and cost measures for agencies to benchmark and compare performance of financial system alternatives

Migration Planning Guidance

Menu of services offered by COEs; rules of engagement, comparing public vs. private solutions; human capital implications

Standardization

Standard Business Processes, Rules, & Data Elements

Core financial functions such as payables, receivables, funds control

Common Accounting

Code
Uniform standard
structure, layout,
definitions



FMLOB Value Proposition



Performance Measure Work Stream Key Benefits:

- Ability to provide input into how Centers of Excellence are measured
- Access to transparent and consistent performance data that can inform your COE selection process

Migration Planning Work Stream Key Benefits:

- Access to implementation and business process best practices from other agencies
- Access to migration planning guidance that will assist procurement efforts

Active Participation in the FMLOB Gives Your Agency:

- Decision making ability in a process that will impact your agency
- Assurance that your agency's needs are considered in the development of final standards and migration policies
- Insight that can influence your long-term financial systems planning
- Access to important information early in the process
- Increased ability to focus on analytics and management instead of transactional system coordination
- Reduced licensing, integration and audit costs
- Reduced ops and maintenance costs through combined services
- Reuse of hardware, software and infrastructure

Business Process Work Stream Key Benefits:

- Expanded government control of vendor community resulting in vendors providing more value add functionality and services.
- Access to transparent and consistent performance data that can inform your COE selection process

Common Accounting Code Work Stream Key Benefits:

- Seamless data exchange for complex reconcilitaitons
- Assurance that agency specific requirements are factored in to the new standards



FMLOB Work Streams



Work Stream

Project Description

Performance Measures Develop a series of measures (i.e. cost, quality, timeliness) to assess the major service areas offered by a financial services organization (e.g. Shared Service Providers).

Migration Planning Guidance

Develop guidance for shared services centers and agencies migrating to a shared service center. Guidance will address COE menu of services, rules of engagement, public vs. private solution comparison, SLA templates, migration risk areas, etc.

Business Processes

Develop a standard set of business practices for core financial management functions (funds, payments, receipts, reporting) to be adopted by all federal agencies.

Common Accounting Code

Develop a common accounting code structure, including an applicable set of definitions, which all federal agencies' new financial management systems must adhere.



Performance Measures Exposure Draft



- The Service Assessment Guide Exposure Draft was published on January 4, 2007
 - Identifies initial set of Phase I Performance Metrics for IT Hosting and Administration and Application Management service categories (does not include any cost related metrics)
 - Metrics were identified based on Agencies' responses to the Value and Burden Survey
 - Agency comments were received January 19, 2007
 - Convening work group sessions with Agencies to resolve comments and further refine Phase I metrics
 - Expect to Publish Final Service Assessment Guide at the end of February 2007
 - Expect to begin collecting Metrics from agencies by the end of May 2007





SAG: Phase I Performance Metric Activity	Date
Agency comments due	1/19/2007
Analyze comments and set agenda for Agency working group sessions	1/15-23/2007
Conduct Agency working group sessions (details are on next slide)	1/24/2007
Make refinements to Phase I Metrics*	1/25-29/2007
Internal review – FSIO and OFFM Analyst*	1/29-2/2/2007
Management review - FSIO, OFFM, and Danny Harris*	2/5-2/7/2007
Publish Final SAG*	2/28/2007

^{* -} Dates for these activities may change based on the complexity of Agency comments on SAG Exposure Draft



Shared Service Providers



OMB Policy on Migration '

- May 22, 2006 Competition
 Framework memo
- With limited exception, when an agency reaches the appropriate time in its current system life cycle to discuss migration and upgrade plans with OMB, it must either migrate to a Federal or commercial SSP or be designated a Federal SSP.

Services Offered:

- Technology Hosting and Administration
- Application Management Services or Software Management
- System Implementation Services
- Business Process Services (use not mandatory)





The FMLoB has been working to update the Frequently Asked Questions section of the Migration Planning Guidance to provide clearer direction for Agencies with the following policy changes:

- No additional Federal SSPs were identified and must justify that there is an unmet need
- Commercial SSPs will be designated through an acquisition process; revised Due Diligence checklist applies to both Federal and Commercial SSPs, firms with established qualifications will be selected
- Streamlined Competition Process for Small Agencies under development



Business Process Standardization



Near Term Activities in Four Areas: Funds Control, Payments, Receipts, and Reporting

Funds Control Update

 The Exposure Draft will be published once the document is approved by OMB

Payments Update

- Focus Group Refining Process Flows and Developing Narratives and Business Rules
 - Full Working Group Convened: 2/15
- Focus Group Developing Data Objects and Elements:
 - Full Working Group Convened: 3/15
- Planned Release of Exposure Draft: 4/06

Receivables Update

 Focus Group Refining Process Flows and Developing Narratives and Business Rules in April and Data Objects and Elements in May

Overview of Focus Group and Working Group Sessions for Payments



- Process Flows, Narratives and Business Rules:
 - Focus Group Sessions Held: 1/23, 1/30, 2/06
 - Focus Group Sessions Planned: 2/13, 2/20
 - Working Group Session Planned: 2/15
- Data Objects and Elements:
 - Focus Group Sessions Planned: 2/22, 2/27, 3/01
 - Working Group Session Planned: 3/15
- Release of Exposure Draft Target Date: 4/06

Overview of Focus Group and Working Group Sessions for Receivables



- Process Flows, Narratives and Business Rules:
 - Focus Group Sessions Planned:
 - Weeks of 4/9, 4/16, 4/23, 4/30, 5/7, 5/14
 - Working Group Session Planned: Week of 5/7
- Data Objects and Elements:
 - Focus Group Sessions Planned:
 - Weeks of 5/14, 5/21
 - Working Group Session Planned: Week of 5/21
- Release of Exposure Draft Target Date: Late June





Common Governmentwide Accounting Classification (CGAC) Structure: Transition Planning



Common Governmentwide Accounting Classification (CGAC) Structure



Objective:

- Develop a common government-wide accounting classification structure, including an applicable set of definitions, which all executive branch agencies will adopt
- Accommodate government-wide and agencymission-specific accounting data





Short term outcomes:

- Promote a universal understanding of data elements
- Help agencies standardize accounting codes internally

Longer range outcomes:

- Help standardize financial management Government-wide
- Ease an agency's transition to a new system or an SSP
- Aid in the aggregation and comparison of data across the government
- Facilitate data exchange among an agency's financial systems

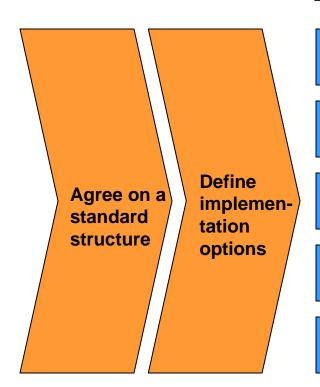




- Explains why a common structure is needed
- Establishes the universe of CGAC elements
 - Definitions for each element
 - Defined sources for maintaining valid values for each element (e.g., Treasury, OMB, agency-specific)
 - Relationships among elements
 - External reports that use each element
- Summarizes changes needed in central agency systems to reflect CGAC structure



Possible implementation options



Refine standard after early adoption at one agency for proof of concept?

Modify some central agency systems, then agency systems, then remaining central agency systems?

Implement in agencies using current software products?

Update core requirements and test product compliance prior to agency implementation?

Require adoption by some or all feeder systems?



Scope of the CGAC Structure on Treasury and other Agencies



- External Reports
 - Financial Statements
 - FACTS I, FACTS II
 - Government-wide Accounting (GWA) system, FMS 224, 1219/1220
 - Program and Financing (P&F) Schedule
- Internal Reports
 - Status of Funds
- Funds Control and Cost Accounting



CGAC Structure Exposure Draft Release



- The CGAC Structure Exposure Draft was published on 11/17/06
- Document is posted at FSIO.gov

Activity		Date
Publish Limited Exposure Draft		9/29/2006
Publish Exposure Draft		11/17/2006
Work on further data alignment possibilities and transition issues		11/17-3/31/2007
Comment period ends	✓	1/17/2007
Facilitated review sessions		2/7-2/22/2007
Publish Final CGAC Structure		4/24/2007
Finalize transition sequence and review draft Transition Plan		8/2007



CGAC Structure Transition Planning



- The FMLoB needs to develop a strategy for implementing the CGAC Structure across the Federal Government.
- Kicked off this discussion at the December CFOC FSIO Transformation Team Meeting and focused sessions will commence after Exposure Draft comments are addressed.





Questions & Answers



Point of Contact Information



Migration Planning Guide was published September 2006

Available at FSIO.gov

Exposure Drafts are posted at FSIO.gov which include:

- Performance Measures Service Assessment Guide
- Common Government-wide Accounting Code
- Anticipate the release of the Funds Control Business Process in Feb

Questions: fsio@gsa.gov

Dianne E. Copeland FSIO Director

General Services Administration

Office: 202-219-0550 Fax: 202 219-0549

E-Mail: dianne.copeland@gsa.gov