

Executive Overview

FMS' Modernization Projects that Impact Agencies

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The Financial Management Service (FMS) is the Federal government's financial manager. As the federal financial manager, FMS' major business segments are Central Fiscal Operations and Debt Management. FMS' mission is to provide central payment services to Federal program agencies, operate the government's collections and deposit systems, provide governmentwide accounting and reporting services, and manage the collection of delinquent debt owed to the Government (<http://www.fms.treas.gov/strategicplan/index.html>). The Constitution requires regular reporting and accounting for receipts and expenditures of all government funds, a role that FMS satisfies. In the course of our mission, the work we do every day touches millions of American citizens and virtually every Federal agency.

In our efforts to streamline and modernize our programs, FMS is undertaking a number of transformative business and Information Technology projects. These interlinked projects are aimed at facilitating FMS' ability to provide agencies with dependable, cost-effective, and richly featured financial services. Major initiatives such as the Governmentwide Accounting Modernization Project and the related Shared Accounting Module, the Financial Information and Reporting Standardization initiative, the Payment Application Modernization, and the systems of the Collections and Cash Management Modernization effort will dramatically change how FMS and our customer agencies interact, and improve the quality and timeliness of our shared financial information.

The FMS vision is to deliver world class financial services built on best-in-class processes with exceptional integrity, quality and responsiveness. FMS' business and system modernization efforts are directly related to three of its strategic goals. The purpose of this paper is to briefly describe the FMS major modernization efforts in relation the appropriate FMS strategic goal.

The FMS Project Summary spreadsheet found at <http://fms.treas.gov/projectsumm.html> includes a list of major FMS projects by Enterprise Architecture segment/subsegment that are expected to impact our agency customers. The document outlines the expected changes that agencies will experience, when the change will occur, the impact of the change on agencies, and the potential benefits that agencies can expect to derive from the FMS projects being undertaken. An accompanying document, available at http://fms.treas.gov/Project_Impacts.pdf, lays out a time line of FMS project impacts on agencies.

FMS' Strategic Goals and Related Modernization Efforts

Strategic Goal 1: Timely, accurate and efficient disbursement of Federal payments.

Payment Application Modernization (PAM)

The PAM Project (<http://www.fms.treas.gov/pam/>) is an effort to modernize the current mainframe-based software applications that are used to disburse approximately one billion federal payments annually. The existing payment system is a configuration of numerous software

applications that generate check, wire transfer, and ACH payments for federal program agencies (FPA's), including Social Security, IRS, VA and others. The vision for the PAM initiative involves replacing 30+ COBOL and Assembler applications that have evolved over the last several decades with a single standardized application. Because the basic functionality within all of the current applications is similar, a standardized system that is highly extensible and configurable is the desired end state. PAM will incorporate new and enhanced functionality to support improvements in the payment process. The new payment application will operate within the FMS computing infrastructure.

Strategic Goal 2: Timely, accurate and efficient collection of Federal Government receipts.

Collections and Cash Management Modernization (CCMM)

The CCMM (<http://www.fms.treas.gov/ccmm/>) initiative is a multi-year effort to simplify and modernize FMS' and Treasury's collections and cash management programs. CCMM involves a re-architecting of processes that have built up over decades. It impacts over two dozen programs that process collections for hundreds of agency cash flows (taxes, customs duties, coin sales, etc.), conduct over 400 million transactions a year, and collect over \$3.1 trillion a year. Ultimately, CCMM will allow FMS to become more efficient, minimize costs, and improve its ability to meet the needs of agencies in the years to come.

Strategic Goal 3: Maximize collection of delinquent debt owed to the Government.

The objective of Debt Management Services (<http://www.fms.treas.gov/debt/index.html>) is to improve the quality of the federal government's financial management by increasing the collection of delinquent debt owed to the government, by providing debt management services to all federal agencies, and by protecting the financial interests of the American taxpayer. DMS also develops and implements government wide debt management policies. There are no major modernization efforts in Debt Management Services at this time; however, information about their programs may be found on the FMS website.

Strategic Goal 4: Timely and accurate financial information that contributes to the improved quality of financial decision making.

Governmentwide Accounting Modernization Project (GWAMP)

GWAMP (<http://www.fms.treas.gov/gwa/>) addresses the central accounting and reporting functions and processes associated with budget execution, accountability, and cash/other asset management. This includes the collection and dissemination of financial management and accounting information from and to federal program agencies. It also includes the business processes in FMS that are related to ledger accounting for each appropriation, fund, and receipt account's Fund Balance with Treasury, General Ledger accounting for the cash and monetary assets of the Government, and the preparation of the Monthly Treasury Statement and the U.S. Government Combined Statement and Appendix. In addition, GWAMP will improve information timeliness and accuracy to support improved financial analysis and decision-making.

Shared Accounting Module (SAM)

SAM (<http://fms.treas.gov/sam/>) is a web-based software application that validates all Fund Balance with Treasury transactions and adjustments are classified to the appropriate Treasury Account Symbol (TAS) and Business Event Type code (BETC) at the time the transactions or adjustments are reported to the Treasury. SAM will use agency established rules to automatically classify accounting transactions on a daily basis and provide “real time” accounting classification information. SAM is an accurate single touch point to validate and/or derive TAS-BETC account codes for financial transactions. This process will facilitate the Governmentwide Accounting System in classifying work on a daily basis thereby eliminating the need to perform month-end classifications (SF-224) when the system is fully implemented. When the Governmentwide Accounting (GWA) System becomes the system of record, SAM will be the central solution to provide Organization and Treasury Account Symbol (TAS) and Business Event Type code (BETC) information from GWA.

Financial Information and Reporting Standardization (FIRST)

The Financial Information and Reporting Standardization initiative is a multi-project effort to consolidate reporting systems, standardize agency accounting data submissions, eliminate redundancies, and provide value-added information back to agencies. FIRST consists of three applications: U.S. Standard General Ledger (USSGL) Interactive Database (SID), Governmentwide Financial Report System (GFRS), and the Governmentwide Treasury Account Symbol Adjusted Trail Balance System (GTAS). GFRS and SID are already in production. GTAS (<http://www.fms.treas.gov/gtas/>) will replace the functionality of FACTS I, FACTS II, IFCS, and IRAS reporting systems as the primary means of reporting agency trial balance data. A single data collection system will pave the way for more consistent and complete financial data and will allow for better analytical reporting.

Intragovernmental Payments and Collections (IPAC)

The primary purpose of IPAC (<http://www.fms.treas.gov/GOALS/ipac/index.html>) is to provide a standardized interagency fund transfer mechanism for Federal Program Agencies (FPAs). IPAC facilitates the intra-governmental transfer of funds, with descriptive data from one FPA to another. It includes multiple components: the IPAC application, the Retirement and Insurance Transfer System (RITS), and the Treasury Receivable Accounting and Collection System (TRACS).