

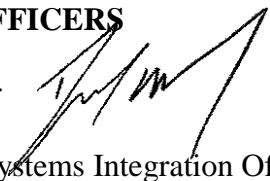


EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE CONTROLLER

March 16, 2010

MEMORANDUM FOR CHIEF FINANCIAL OFFICERS

FROM: Danny Werfel, Controller 
SUBJECT: Update on the Financial Systems Integration Office

Improving the cost, quality, and performance of financial management operations and systems is one of the Administration's management priorities. Over the past several years, efforts to achieve these objectives have been conducted under the Financial Management Line of Business (FMLoB) and managed by the Financial Systems Integration Office (FSIO) at the General Services Administration (GSA). The purpose of this memorandum is to provide a status of the objectives achieved and the role of FSIO.

FSIO Objectives

Over the last four years, the Office of Management and Budget (OMB) and FSIO have worked in collaboration with agencies and other stakeholders to achieve the following FMLoB goals:

1. Reduce costs by providing a competitive alternative for agencies to acquire, develop, implement, and operate financial management systems through shared service solutions;
2. Standardize systems, business processes, and data elements; and
3. Provide for seamless data exchange between and among Federal agencies by implementing a common language and structure for financial information and system interfaces.

Highlights of this collaborative effort's achievements include developing and issuing the following:

- Standard business processes for funds management, payments, receivables management, reimbursables, and reporting;
- The common government-wide accounting classification (CGAC) structure;
- Standard charge card data elements;
- The competition framework for FMLOB migrations; and
- The Financial Services Assessment Guide that includes information technology and hosting and application management performance.

By March 31, 2010, FSIO will issue an update to the Core Financial Systems Requirements as well as publish use cases for the standard business processes. The 2010 requirements will incorporate changes to align with the Federal standard business processes highlighted earlier and the use cases will provide related scripts that describe "who" can do "what" with the financial

system. With these updates, we believe that FSIO has finished developing the FMLoB business process and data standards as it related to its mission.

In addition, rapid advances in technology are requiring us to rethink how we implement financial systems. Given the long implementation timetable for these systems, by the time they are in full production, technology has changed. Once deployed, our financial systems are also not meeting agency programmatic needs or producing the right information to support decision-making. In response to these challenges, we have reassessed the need for the core financial systems testing and product certification program and will be discontinuing this function.

FSIO has played a critical role in developing and implementing the core financial systems requirements, testing and product certification program as well as in managing the FMLoB. Since FSIO has achieved its objectives in these areas, OMB and GSA have agreed that FSIO will cease operations effective March 31, 2010. I would like to thank FSIO and GSA for its leadership and for the strong foundation they have built in Federal financial management systems.

Over the ensuing weeks, we will be communicating with agencies, financial system providers, auditors, and others on the impact of these changes to compliance requirements (e.g., OMB Circular A-127). I look forward to working with each of you as we develop the new path for financial systems in the Federal government.