

May 1998

Framework for Federal Financial Management System Checklist

Systems Reviewed Under
the Federal Financial
Management
Improvement Act of 1996



PREFACE

B-278190

The Federal Financial Management Improvement Act (FFMIA) of 1996 requires, among other things, that agencies implement and maintain management systems that substantially comply with federal financial management systems requirements. These requirements are detailed in the Financial Management Systems Requirements series issued by the Joint Financial Management Improvement Program (JFMIP) and in Office of Management and Budget (OMB) guidance (Circular A-127 and September 9, 1997 implementation guidance).

To assist in reviews of financial management systems under the requirements of FFMIA, we are issuing three checklists concurrently as practice aids. Two of the checklists reflect the system requirements defined by JFMIP, while the third checklist is based on the JFMIP framework document. The third checklist describes a single, integrated financial management system and, as set forth in the JFMIP framework document, is primarily a reference source rather than a standard-setting document.

This checklist reflects JFMIP's Framework for Federal Financial Management System Requirements. Although the framework document is primarily a reference tool rather than a standard-setting document, it is intended to promote understanding of key financial management systems concepts and requirements, especially as they relate to system integration.¹ This checklist is not required to be used in assessing system integration. It is provided as a practice aid available for use as a tool by experienced staff. When used, this checklist, the JFMIP source document, and the two previously mentioned OMB documents (Circular A-127 and the September 9, 1997, implementation guidance) should be referred to concurrently.

Experienced judgment must be applied in the interpretation and application of this guide to enable the user to consider the impact of the completed checklist on the entire financial management systems framework and whether that system as a whole is substantially and appropriately integrated.

As technology progresses, new applications emerge replacing older, less efficient and less effective ones. Policies and procedures in effect under older technologies give way to new and different processes. Judgment must be used when assessing an agency's systems

¹The JFMIP documents and OMB Circular A-127, Financial Management Systems, require each agency to establish and maintain a single integrated financial management system.

framework against the JFMIP guidance in order to recognize when new and different technologies, although not specified in the framework, achieve the objectives of the JFMIP systems requirements.

The JFMIP systems requirements series supersedes the standards previously issued in appendix III, "Systems Standards," Title 2, "Accounting," of the GAO Policy and Procedures Manual for Guidance of Federal Agencies.

Additional copies of this checklist can be obtained from Room 1100, 700 4th St. NW, U.S. General Accounting Office, Washington, D.C. 20548, or by calling (202) 512-6000, or TDD (202) 512-2537. It is also available on the Internet on GAO's Home Page (www.gao.gov) under "Special Publications."

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Abbreviations

CASE	computer aided software engineering
FFMIA	Federal Financial Management Improvement Act of 1996
FTE	full time equivalent
GSA	General Services Administration
JFMIP	Joint Financial Management Improvement Program
OMB	Office of Management and Budget
OPM	Office of Personnel Management
SGL	standard general ledger

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OVERVIEW

The Federal Financial Management Improvement Act (FFMIA) of 1996 requires, among other things, that agencies implement and maintain financial management systems that substantially comply with federal financial management systems requirements. These system requirements are detailed in the Financial Management Systems Requirements series issued by the Joint Financial Management Improvement Program (JFMIP) and Office of Management and Budget (OMB) Circular A-127, Financial Management Systems. JFMIP requirements series identify (1) a framework for financial management systems, (2) core financial systems requirements, and (3) 16 other systems supporting agency operations. Figure 1 illustrates how these elements fit together in an agency systems architecture.

Figure 1: Agency Systems Architecture

Source: JFMIP Federal Financial Management System Requirements documents.

To date, JFMIP has issued the framework and core documents and 7 of the 16 systems identified in the architecture (See figure 1.).² The framework is unique in that it is the only document in the requirement series intended primarily as a reference tool rather than a standard-setting document. It summarizes the relationship between the other documents in the series. Specifically, the framework

"describes what is meant by a single, integrated financial management system at a federal agency and how the financial management systems throughout the government can work together to support consistent, accurate information flows to all information users. It demonstrates how financial management systems support the management and operation of the federal government. Further, it summarizes the relationship between the other documents issued in the Federal Financial Management System Requirements series published by the JFMIP."³

In December 1997, GAO issued eight exposure drafts proposing checklists for the then eight documents in the JFMIP series. In early 1998, JFMIP decided to initiate projects to update two of those documents (systems related to employee travel and payroll) and to assess three others (systems related to seized/forfeited assets, direct loans, and loan guarantees) to determine the extent updates may be needed, and if needed, to initiate revisions. When the two documents are updated and the three are either updated or determined not to need revision, GAO will issue related final checklists.

Until the revisions are completed, the exposure drafts reflecting the existing five system requirements documents will be available for use to the extent agencies wish to apply them. Also, in February 1998, JFMIP issued Managerial Cost Accounting Systems Requirements. GAO will develop a checklist of those requirements.

Authoritative Guidance

OMB Circular A-127 and OMB's Implementation Guidance for the Federal Financial Management Improvement Act (FFMIA) of 1996, issued September 9, 1997, provide the basis for assessing compliance with the FFMIA requirement for agencies to implement and maintain financial management systems that comply substantially with federal requirements. OMB's September 1997 implementation guidance identifies various criteria that an agency must meet to be in substantial compliance with these requirements. One of the criteria listed in the OMB guidance is the JFMIP systems requirements series.

²Thus far, the series includes the (1) Framework for Federal Financial Management Systems, (2) Core Financial System Requirements, (3) Inventory System Requirements, (4) Seized/Forfeited Asset System Requirements, (5) Direct Loan System Requirements, (6) Guaranteed Loan System Requirements, (7) Travel System Requirements, (8) Personnel-Payroll System Requirements, and (9) Managerial Cost Accounting System Requirements.

³Framework for Federal Financial Management Systems, January 1995, JFMIP, p. 3.

The source of all the questions in this checklist is the Joint Financial Management Improvement Program Federal Financial Management System Requirements Framework for Federal Financial Management Systems (FFMSR-0, January 1995).

How to Use This Guide

OMB's 1997 implementation guidance provides indicators for chief financial officers and inspectors general to assist them in determining whether agency's financial management systems substantially comply with federal financial management systems requirements. The annual assurance statement required pursuant to section 4 of the Federal Managers' Financial Integrity Act is one of those indicators. Agencies can use GAO's checklists to help determine annual compliance with section 4 of the act.

Filling out this checklist will allow agencies to systematically determine whether the appropriate level of integration is achieved. In determining the extent of integration, agencies should assess the results of the completed checklist on the systems framework taken as a whole. "No" answers should not be viewed by themselves or taken out of context. Rather, "no" answers should be assessed as to the impact on the overall system and the extent to which the "no" answers inhibit the entire system from meeting necessary integration.

In the checklist, two columns follow each question. Use the first column to answer each question "yes," "no," or "na." Use the second column to explain your answer. A "yes" answer should indicate that the agency's system or systems provide for the capability described in the question. For each "yes" answer, the second column should contain a brief description of how the system(s) contain the capability and should also refer to a source that explains or shows the capability.

A "no" answer indicates that the capability does not exist. For a "no" answer, the second column should provide an explanation and, where applicable, a reference to any related supporting documentation. Such explanations could include the following examples: (1) the agency is working on modifying or implementing its system(s) to have the capability available in subsequent years or (2) management believes the capability is not cost effective and will not enhance the systems' ability to manage operations. Cost-benefit studies that support each explanation should be identified in the explanation column. If there are no cost-benefit studies or other support, a full explanation should be provided.

Not every guide may apply to each agency. Further, while a guide may be applicable to an agency, certain questions within the guide may not be applicable. Answer such nonapplicable question(s) with "na" and provide an appropriate explanation in the second column.

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FRAMEWORK FOR FEDERAL FINANCIAL MANAGEMENT SYSTEMS

JFMIP's framework document presents an integrated financial management system that supports budget, accounting, and cost needs essential for complying with laws and policies.

The six elements of the framework for federal financial management systems are discussed below. The first five comprise an integrated model whose individual parts must work together to create an effective integrated information system. Changing any part of the model will affect the other parts. The sixth element is the implementation of the model.

1. The scope of the functions to be supported: the processes in program execution to support program delivery/financing and financial event processing necessary to carry out programmatic objectives. (The checklist questions for this area are drawn from pp. 14-24 of the source document.)
2. How data quality will be assured: data stewardship to manage the data within the financial management systems. Data stewardship provides the link between program execution processes, information, and systems architecture to ensure that appropriate information is collected, classified, maintained accurately, and reported in a timely manner. (The checklist questions for this area are drawn from pp. 25-34 of the source document.)
3. The information to be processed: management information for program execution to capture and classify information on the status and use of financial resources at federal agencies, the efficiency of government operations, the effectiveness of program delivery, and individual financial events occurring during program execution. The information architecture includes both event level and reporting level architectures. (The checklist questions for this area are drawn from pp. 35-46 of the source document.)
4. How systems fit together to support the functions: system architecture for program execution to support program execution processes and the effective and efficient collection, maintenance, and reporting of management information. (The checklist questions for this area are drawn from pp. 47-56 of the source document.)
5. Safeguards needed to ensure the integrity of operations and data: internal control to provide reasonable assurance of the effectiveness and efficiency of

FRAMEWORK FOR FEDERAL FINANCIAL MANAGEMENT SYSTEMS

operations in meeting basic business objectives, the reliability of financial reporting, and compliance with applicable laws and regulations. (The checklist questions for this area are drawn from pp. 57-64 of the source document.)

6. Implementing the integrated model for financial management systems: the important areas for consideration in planning, designing, implementing, operating, and maintaining an integrated financial management system.⁴ (The checklist questions for this area are drawn from pp. 65-77 of the source document.)

The checklist questions follow the JFMIP source document. It should be noted that not all questions will apply in all situations and, as with the use of any checklist, professional judgment should be exercised. Using the JFMIP source document and its glossary along with the two previously mentioned OMB documents will help ensure that the user is cognizant of the background information necessary to fully understand the questions.

⁴GAO has developed a standardized methodology for evaluating critical issues associated with automated systems development and operations--the System Assessment Framework (SAF). The methodology is also available to agencies on request.

Framework for Federal Financial Management Systems

Processes	Yes/no NA	Explanation
Integration of Program Delivery/Financing with Transaction Tracking (See illustration III-7, page 22 of source document.)		
1. Is the agency's transfer payments function integrated with the following transaction tracking functions: -- receivables/collections? -- payables/disbursements?		
2. Is the agency's grants and subsidies function integrated with the following transaction tracking functions: -- receivables/collections? -- payables/disbursements? -- property accounting?		
3. Is the agency's loans function integrated with the following transaction tracking functions: -- receivables/collections? -- payables/disbursements? -- property accounting?		

Framework for Federal Financial Management Systems

Processes	Yes/no NA	Explanation
<p>4. Is the agency's insurance function integrated with the following transaction tracking functions:</p> <ul style="list-style-type: none"> -- receivables/collections? -- payables/disbursements? 		
<p>5. Is the agency's personnel function integrated with the following transaction tracking functions:</p> <ul style="list-style-type: none"> -- payroll? -- travel? 		
<p>6. Is the agency's acquisition function integrated with the following transaction tracking functions:</p> <ul style="list-style-type: none"> -- payables/disbursements? -- property accounting? -- inventory accounting? 		
<p>7. Is the agency's property management function integrated with the property accounting?</p>		

Framework for Federal Financial Management Systems

Processes	Yes/no NA	Explanation
8. Is the agency's inventory management function integrated with the inventory accounting?		
9. Is the agency's taxation function integrated with the following transaction tracking functions: -- receivables/collections? -- payables/disbursements?		
10. Is the agency's fee and other revenue generation functions integrated with the following transaction tracking functions: -- receivables/collections? -- payables/disbursements?		
11. Is the agency's public debt function integrated with the following transaction tracking functions: -- receivables/collections? -- payables/disbursements?		

Framework for Federal Financial Management Systems

Processes	Yes/no NA	Explanation
<p>12. Is the agency's deposit funds function integrated with the following transaction tracking functions:</p> <ul style="list-style-type: none"> -- receivables/collections? -- payables/disbursements? 		
<p>13. Is the agency's intragovernmental collections function integrated with the following transaction tracking functions:</p> <ul style="list-style-type: none"> -- receivables/collections? -- payables/disbursements? 		
<p>Integration of Budget Formulation and Transaction Tracking with Financial Accountability (See illustration III-8, page 23 of source document.)</p>		
<p>14. Is the agency's budget formulation function integrated with the following financial accountability functions:</p> <ul style="list-style-type: none"> -- budget execution? -- financial accounting? -- cost accounting? 		

Framework for Federal Financial Management Systems

Processes	Yes/no NA	Explanation
<p>15. Is the agency's receivables/ collections function integrated with the following financial accountability functions:</p> <ul style="list-style-type: none"> -- budget execution? -- financial accounting? -- cash management? 		
<p>16. Is the agency's payables/ disbursements function integrated with the following financial accountability functions:</p> <ul style="list-style-type: none"> -- budget execution? -- financial accounting? -- cash management? -- cost accounting? 		
<p>17. Is the agency's payroll function integrated with the following financial accountability functions:</p> <ul style="list-style-type: none"> -- budget execution? -- financial accounting? -- cost accounting? 		

Framework for Federal Financial Management Systems

Processes	Yes/no NA	Explanation
<p>18. Is the agency's travel function integrated with the following financial accountability functions:</p> <ul style="list-style-type: none"> -- budget execution? -- financial accounting? -- cost accounting? 		
<p>19. Is the agency's property accounting function integrated with the following financial accountability functions:</p> <ul style="list-style-type: none"> -- financial accounting? -- cost accounting? 		
<p>20. Is the agency's inventory accounting function integrated with the following financial accountability functions:</p> <ul style="list-style-type: none"> -- financial accounting? -- cost accounting? 		

Framework for Federal Financial Management Systems

Processes	Yes/no NA	Explanation
Integration Among Functions in the Same Category (See illustration III-9, page 24 of source document.)		
21. Is the agency's receivables/ collections function integrated with the payables/disbursements transaction tracking function?		
22. Is the agency's payables/ disbursements function integrated with the receivables/collections transaction tracking function?		
23. Is the agency's payroll function integrated with the following other transaction tracking functions: -- receivables/collections? -- payables/disbursements?		
24. Is the agency's travel function integrated with the following other transaction tracking functions: -- receivables/collections? -- payables/disbursements? -- payroll?		

Framework for Federal Financial Management Systems

Processes	Yes/no NA	Explanation
25. Is the agency's property accounting function integrated with the receivables/collections transaction tracking function?		
26. Is the agency's inventory accounting function integrated with the receivables/collections transaction tracking function?		
27. Is the agency's grants and subsidies function integrated with the property management program function?		
28. Is the agency's loans function integrated with the property management program function?		
29. Is the agency's acquisition function integrated with the following other program function: -- property management? -- inventory management?		

Framework for Federal Financial Management Systems

Processes	Yes/no NA	Explanation
30. Is the agency's property management function integrated with the acquisition program function?		
31. Is the agency's inventory management function integrated with the acquisition program function?		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
1. Has the agency received from the central agencies responsible for collecting governmentwide data clear communication of the governmentwide data requirements and clear instructions for the collection of such data?		
2. Is the agency data provided to central agencies verified by the central agencies to ensure that data collected are in compliance with reporting requirements?		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>3. Is the Office of Management and Budget (OMB)</p> <ul style="list-style-type: none"> -- establishing government policies for collection and reporting of governmentwide information? -- ensuring integrity and consistency in governmentwide definitions, including maintaining a master governmentwide data dictionary? -- coordinating among OMB, Treasury, and the program agencies the determination of acceptable parameters for collecting governmentwide data? 		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>4. Are the Department of the Treasury and other central agencies (such as General Services Administration (GSA) and Office of Personnel Management (OPM))</p> <ul style="list-style-type: none"> -- maintaining the governmentwide financial information systems infrastructure? -- collecting the program agency financial data necessary to meet the central agencies' information requirements? -- supporting government-wide data integrity by validating (a) compliance with reporting requirements and (b) the reasonableness of the data provided within predefined parameters? 		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>5. Are program agencies and their program managers, as operational data stewards for agency data necessary to carry out the program mission(s) of the agency, recording and reporting on agency financial events in conformance with government policies and agency needs, and maintaining the integrity of the agency data created by</p> <ul style="list-style-type: none"> -- processing the financial transactions? -- collecting and recording the agency information? -- maintaining data dictionaries supporting the agencywide data classification structure that complies with governmentwide policy and agency information requirements? -- providing timely, complete, accurate and consistent financial information on agency resources and operations? 		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>6. Does the agency ensure the integrity of</p> <ul style="list-style-type: none"> -- data provided to the central agencies, the Congress, and external organizations? -- data available to internal management for decision-making? 		
<p>7. Does the agency provide assurance that agency data collection and reporting processes are in compliance with governmentwide policies and regulations and meet the agency's unique mission and management objectives?</p>		
<p>8. Does the agency ensure that a logical data architecture is contained within the financial management system and is consistent with critical information requirements, such as the Standard General Ledger? (This includes the migration to new standards and approval and implementation of changes.)</p>		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
9. Has the agency obtained data requirements from various sources and converted the requirements into coding and journal entry standards for operational users of the system?		
10. Has the agency obtained functional data requirements and assured that consistent naming conventions are maintained within the programming and tables for each element defined?		
11. Has the agency assured that the system is able to accept and process the data coming to it from its many different sources?		
12. Has the agency ensured that (a) data have been prepared under sufficient general ledger controls and (b) the system transaction validation edits are performed prior to updating the system? (This includes maintenance of local databases and data feeds when necessary.)		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
13. Does the agency provide user access to the system through the use of predefined reports, ad hoc reports, or raw data queries?		
14. Are independent auditors able to review and verify whether (a) agency reports fairly present the financial position and results of operations, (b) internal controls are adequate, and (c) laws and regulations have been complied with?		
15. Are agency certifying officials able to ensure the availability of funds and propriety of payments?		
16. Are agency managers acting as certifying officials able to attest to the accuracy of reports?		
17. Are inspectors general able to report on program operations?		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>18. Does the agency's control over financial data integrity require</p> <ul style="list-style-type: none"> -- the application of balancing rules to maintain control equations that support the accounting principles and standards for the entity? -- identification of transaction sources to allow tracing of general ledger balances to original transactions? -- recognition of the period to which a transaction applies consistent with normal business and transaction cycles? -- sufficient detail captured from events to support proper classifications and summarizations of financial information? 		
<p>19. Does the agency's data architecture provide classifications to support budgetary control?</p>		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
20. Does the agency's chart of accounts include a complete listing of the account numbers used to support the control needed to ensure that resources used do not exceed resources authorized?		
21. Does the posting of financial events to the agency's financial management systems create balances in the agency's general ledger that reflect the status of budget execution?		
22. Are the agency's account numbers--which are established to manage budgetary resources at levels more detailed than those established by appropriation legislation--consistent with the appropriation requirements?		
23. Does the agency collect data consistent with the basic accounting equation?		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>24. Does the agency's chart of accounts include a complete listing of the account numbers used to support</p> <ul style="list-style-type: none"> -- the basic accounting equation? -- reporting to central agencies? -- preparation of financial statements? -- specific agency management reporting needs? 		
<p>25. Are the agency's account numbers--which are established to track financial events at levels more detailed than those established for central agency reporting purposes--consistent with the governmentwide financial classifications?</p>		
<p>26. Does the agency's posting of financial events to its financial management systems create balances in the general ledger that reflect the financial position of the entity based on the accounting equation?</p>		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
27. Does the agency's data architecture provide classifications to support management of the cash of the federal government and reporting of cash activity?		
28. Does the agency's chart of accounts, at a minimum, have codes to provide control totals to track cash activity by receiving or disbursing location? (This function links the budget execution and financial accounting functions by examining the impact of obtaining and using resources on the cash position of the agency.)		
29. Does the agency's data architecture provide classifications to capture cost data to support managerial cost accounting? (This function must link to budget execution and financial accounting functions to ensure proper control over cost information.)		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>30. Does the agency's chart of accounts have codes to provide control totals to maintain control over costs and to reconcile with other feeder systems that may be used to accumulate costs?</p>		
<p>31. Does the agency ensure that data provided to central agencies are consistent with the requirements for governmentwide information and that such information is comparable with other agencies?</p>		
<p>32. Does the agency apply the <u>U.S. Government Standard General Ledger (SGL)</u> at the transaction level? (The primary purpose of the SGL (as defined by the SGL Board and maintained by the Department of the Treasury) is to standardize federal agency accounting, to support the external reports and financial statements required by OMB and Treasury, and to provide comparable information among agencies.)</p>		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>33. Does the agency maintain an agency level SGL as prescribed by the central agencies? The basic types of accounts are</p> <ul style="list-style-type: none"> -- Budgetary -- Proprietary -- Memorandum 		
<p>34. Are additional detailed accounts that may be required by the agency consistent with the conceptual framework prescribed in the SGL?</p>		
<p>35. Is information accessible from the agency's general ledger using the SGL accounts?</p>		
<p>36. Is detailed information maintained in systems other than the agency's general ledger, at a minimum, accessible based on the SGL classification with assurance that the summarized data are maintained in the general ledger?</p>		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>37. Is the agency able to provide assurance that data collected and reported are accurate and follow government policies? (One level of assurance of the accuracy and integrity of data is provided by the attainment of an unqualified opinion on the audited annual financial statements and internal controls.)</p>		
<p>38. Is there assurance of the integrity of the agency's budget execution data, cost data, performance measures, and data that are immaterial or not within the scope of a financial statement audit for other reasons?</p>		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>39. Is the program agency providing further internal assurance over the quality, integrity, and usability of data at all levels? (Such assurances can be provided through good procedures to ensure that (a) data are accurately recorded and processed through the financial management systems, (b) periodic reviews are conducted to ensure procedures are being followed, and (c) procedures are continually being improved.)</p>		
<p>40. Do the agency's procedures include</p> <ul style="list-style-type: none"> -- work tasks and application systems supporting the work tasks? -- training of personnel? -- participation of users at all levels in developing and implementing changes to processes? -- timely assistance when environmental changes require adjustments to processes? 		

Framework for Federal Financial Management Systems

Data stewardship	Yes/no NA	Explanation
<p>41. Has the agency considered the following factors in managing financial management system data:</p> <ul style="list-style-type: none"> -- data storage medium used? -- degree of data distribution? -- security requirements? 		
<p>42. Are agency financial management system data that are considered to be federal government records managed in accordance with procedures pursuant to the Federal Records Act?</p>		
<p>43. Are agency data maintained at distributed locations controlled to ensure consistency with data maintained in other parts of the system?</p>		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
1. Does the agency use consistent definitions for data classification throughout the financial event collection and reporting processes?		
2. Are data element names, definitions, formats, domains, uses, and attributes specified when establishing data requirements used by the agency's financial management systems?		
3. Has the agency incorporated OMB and Treasury information requirements into its financial management systems?		
4. Does the agency's event level architecture provide for the proper classification of data at the point of original entry to support all the elements of the reporting level architecture?		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
<p>5. Does the agency's event level architecture</p> <ul style="list-style-type: none"> -- provide for appropriate transaction identification and control? -- eliminate the need for redundant data collection processes for multiple reporting level architecture requirements? -- support the collection of complete transaction data when a financial event occurs? 		
<p>6. Do the agency's transaction data about an individual financial event include</p> <ul style="list-style-type: none"> -- transaction control data for tracking the event? -- financial data for classifying the type of financial activity? -- program activity data for capturing related nonfinancial characteristics? 		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
7. Does the agency's reporting provide information of value to users in terms of -- scope? -- level of detail? -- timing? -- content? -- presentation format?		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
<p>8. Does the agency's reporting level architecture summarize transaction data and provide the financial, operations, and program information necessary for internal and external reporting? (Examples of financial information, which includes budget information, are funds appropriated, obligations, tax revenue received, and resources invested in real property. Examples of operations information are full-time equivalent (FTE) information, aging of accounts receivables, prompt pay statistics, and timely payment of travel reimbursement. Examples of program information are types of beneficiaries, loans issued, and property purchased.)</p>		
<p>9. Does the reporting component of the agency's reporting level architecture provide users access to understandable information about what the government is doing and how well it is doing it?</p>		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
10. Does the agency's financial reporting provide information on the financial condition of the federal government at either a point in time or over a period of time?		
11. Does the agency's performance reporting answer the question; How effective and efficient are operations and programs? (Performance reporting may use data from sources other than the financial management systems (e.g., economic indicators, crime rates) to measure how well a program is doing.)		
12. Is the agency's information architecture supported by a series of structures that organize the data contained in the event level architecture and the reporting level architecture so that meaningful and useful information can be obtained (see illustration V-3 on page 40 of the source document)?		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
<p>13. Do the agency's financial and related information classification structures collect information on</p> <ul style="list-style-type: none"> -- the financial status of government operations and the use of financial resources (financial information)? -- the efficiency of operations (operations information)? -- the effectiveness of delivery (program information)? -- individual financial events (transaction)? <p>(Collectively, this information is used to support financial and performance reporting requirements.)</p>		
<p>14. Does the agency's reporting structure provide the necessary access to information captured by the financial management systems using the financial and related information classification structures?</p>		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
15. Does the agency have standardized and consistently defined data elements in the transaction classification structure which are linked by appropriate encoding relationships with the summary information classification structure to provide the bridge between the event level data requirements and the summary level information requirements?		
16. Does the agency's summary information classification structure which supports the summary level information requirements, assemble the data into meaningful categories that can be made accessible for a variety of reporting purposes?		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
17. Do the agency transaction classification structure of the event level architecture and the summary information classification structure and reporting structure of the reporting level architecture work together to provide the necessary description of financial events to ensure the integrity of financial and related information collected and reported?		
18. Are the data elements to properly track and classify a financial event contained in the agency's transaction classification structure and are they categorized as financial, program activity, or transaction control data?		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
<p>19. Does the agency's transaction classification structure track individual transactions and relate them to financial events? (The elements of financial data (e.g., fund, object class, dollar amount) and program activity data (e.g., activity type, program unit) within the transaction classification structure provide the minimum data needed to derive the full classification for financial, operations, and program information.)</p>		
<p>20. Does the transaction control data within the agency's transaction classification structure provide the audit trail for financial events and may it also be used to assess performance? (Transaction control data include such elements as transaction source, document/reference number, transaction ID or control number, transaction type, effective date, and posting date.)</p>		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
<p>21. Does the agency's summary information classification structure consist of three separate but related classification structures, i.e., financial, operations, and program information classification structures? (These three classification structures are used to categorize summary level financial, operations, and program information necessary for users to understand the financial implications of decisions made and to track performance of operations and programs.)</p>		
<p>22. Does the agency's financial information classification structure provide for collecting budget and financial information for</p> <ul style="list-style-type: none"> -- reporting? -- ensuring financial accountability? -- linking budget formulation and budget execution? 		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
<p>23. Does the agency's financial information classification structure contain the</p> <ul style="list-style-type: none"> -- organization unit? -- funding identification? -- accounting categorization? -- program? -- cash tracking? -- special descriptors? -- accumulators? 		
<p>24. Is the organization unit the level at which financial information is consolidated and reported within the agency or externally to central agencies? (An organization unit may also represent a level at which financial information is further consolidated by central agencies after it is reported by program agencies.)</p>		
<p>25. Is the agency's funding identification used to control the formulation and execution of the budget? (These elements are usually assigned during the budget formulation process.)</p>		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
26. Are accounting categorization elements used to track the agency's assets, liabilities, equity, and the sources and uses of funds?		
27. Does the agency use program elements to support the aggregation of financial information related to specific activities or purposes?		
28. Does the agency use cash tracking elements to control the cash flow processes associated with payments and deposits at Treasury or other authorized depository arrangements?		
29. Does the agency use special descriptors (additional descriptive elements at a level below those required for controlling or tracking funds) to further aggregate and describe data streams?		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
30. Does the agency use financial accumulators (i.e., financial amounts and related information (e.g., units or labor hours) aggregated from financial events reflecting time periods (e.g., daily, monthly, prior year or current year), anticipated activity (e.g., budgets or obligations), or analytic scenarios (e.g., percentage reduction in spending or changing inflation factor)?		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
<p>31. Does the agency's operations information structure capture the following types of information:</p> <ul style="list-style-type: none"> -- operations unit, that is the identification of an operation to be monitored? -- activity type, that identifies the activity to be measured within an operations unit to accurately diagnose problem areas or areas needing improvements in efficiency? -- efficiency measures, that reflect the volume, frequency, or timing associated with an activity type? -- standards, that set the targets for performance measurement? -- accumulators (operations), that track event occurrences according to the efficiency measures reflecting time periods (e.g., daily, monthly, prior year, or current year) to support trend analysis? 		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
<p>32. Do the data elements for the agency's program information classification include</p> <ul style="list-style-type: none"> -- the nonfinancial data necessary to support the Government Performance and Results Act of 1993? -- the program unit, that is the program level where the activity is to be measured? -- effectiveness measures, that reflect resources applied and the outputs and outcomes achieved by a program unit? -- goals and objectives, that describe management's projected outputs, outcomes, and results? -- program accumulators that enable quantifiable measures used to determine the effectiveness of program activities? 		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
<p>33. Does the agency's reporting structure support requirements for reporting and providing information on</p> <ul style="list-style-type: none"> -- the financial status of government operations and the use of financial resources (financial reporting)? -- the effectiveness and efficiency of delivery (performance reporting)? 		
<p>34. Does the agency's reporting structure facilitate analysis of financial, operations, and program information by identifying and reporting variances between actual results and plans?</p>		

Framework for Federal Financial Management Systems

Management information	Yes/no NA	Explanation
<p>35. Does the agency's reporting structure allow for the incorporation of data from sources other than the financial management systems and report information consistently and at the appropriate levels of detail for users throughout the government who need to understand the financial implications of program activity?</p>		
<p>36. Does the agency's reporting structure support reporting requirements of the CFO Act of 1990, the Government Performance and Results Act of 1993, the Government Management Reform Act of 1994, and related implementing guidance?</p>		

Framework for Federal Financial Management Systems

Systems architecture	Yes/no NA	Explanation
1. Do agency systems retain the transaction level detail needed to support central financial information?		
2. Does the agency receive information from the central financial information systems on the status of funds and differences between the central financial information systems and the agency's financial management systems?		
3. Is the agency's financial management system linked electronically to the central cash processing systems?		
4. Is the agency's financial management information reconciled periodically with the central financial information?		

Framework for Federal Financial Management Systems

Systems architecture	Yes/no NA	Explanation
<p>5. Do the agency's financial management systems track financial events and summarize information to</p> <ul style="list-style-type: none"> -- support the mission of the agency? -- provide for adequate management reporting? -- support agency level policy decisions necessary to carry out fiduciary responsibilities? -- support the preparation of auditable financial statements? 		
<p>6. Do the agency's financial management systems fall into these four categories?</p> <ul style="list-style-type: none"> -- Core financial systems -- Other financial and mixed systems -- Shared systems -- Departmental executive information systems 		
<p>7. Are the agency systems linked together electronically to be effective and efficient?</p>		

Framework for Federal Financial Management Systems

Systems architecture	Yes/no NA	Explanation
8. Does the agency provide summary data from its systems to central systems to permit summaries of management information and agency financial performance information on a governmentwide basis?		
9. Is the agency's systems architecture consistent with governmentwide standards and requirements?		

Framework for Federal Financial Management Systems

Systems architecture	Yes/no NA	Explanation
<p>10. Does the agency systems architecture have the following components of a single, integrated financial management system:</p> <ul style="list-style-type: none"> -- Core financial system? -- Personnel/payroll system? -- Travel system? -- Seized/forfeited asset system? -- Direct loan system? -- Guaranteed loan system? -- Benefit payment system? -- Insurance claim system? -- Grant system? -- Inventory system? -- Property management system? -- Acquisition system? -- Revenue system? -- Budget formulation system? -- Managerial cost accounting system? -- Financial reporting system? -- Departmental executive information system? <p>(Some types are not applicable to all agencies because their missions and programs do not require that type of support.)</p>		

Framework for Federal Financial Management Systems

Systems architecture	Yes/no NA	Explanation
<p>11. Has the agency identified how its financial management systems support the financial event processing and program delivery/mechanisms to form the single integrated financial management system, as demonstrated by examples in illustration VI-3 on page 55 of the source document?</p>		
<p>12. Do the agency's financial management systems have the following characteristics necessary for integration:</p> <ul style="list-style-type: none"> -- Common data elements? -- Common transaction processing? -- Consistent internal controls? -- Efficient transaction entry? 		

Framework for Federal Financial Management Systems

Systems architecture	Yes/no NA	Explanation
<p>13. Does the agency use standard data classifications (definitions and formats) established and used for recording financial events and common data elements to meet reporting requirements and, to the extent possible, used throughout the agency for the collection, storage, and retrieval of financial information?</p>		
<p>14. Has the agency incorporated governmentwide information standards (such as the <u>U.S. Government Standard General Ledger</u>) and other external reporting requirements into its standard data classification requirements?</p>		
<p>15. Does the agency use common processes for processing similar kinds of transactions throughout the system to enable these transactions to be reported in a consistent manner?</p>		

Framework for Federal Financial Management Systems

Systems architecture	Yes/no NA	Explanation
<p>16. Are the agency's internal controls over data entry, transaction processing, and reporting applied consistently throughout the system to ensure the validity of information and protection of federal government resources?</p>		
<p>17. Do the agency's financial system designs eliminate unnecessary duplication of transaction entry? (Wherever appropriate, data needed by the system to support the financial function shall be entered only once. Other parts of the system shall be updated through electronic means consistent with the timing requirements of normal business/transaction cycles.)</p>		
<p>18. Is the user able to have one view into the agency's systems so that at whatever level the individual is using the system, he or she can get to the information needed efficiently and effectively through electronic means?</p>		

Framework for Federal Financial Management Systems

Systems architecture	Yes/no NA	Explanation
19. Are easy reconciliations between agency systems where interface linkages are appropriate maintained to ensure the accuracy of the data?		
20. Does the physical design of the agency's system consider <ul style="list-style-type: none"> -- the agency's organizational philosophy? -- the technical capabilities available? -- the most appropriate manner to achieve the necessary single, integrated financial management system for the agency? 		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
<p>1. Do the agency's financial management systems</p> <ul style="list-style-type: none"> -- contain a sufficient number of appropriate, cost-effective controls to safeguard assets? -- ensure accurate aggregation and reporting of information? -- support the accomplishment of organizational objectives? 		
<p>2. Are the agency's controls</p> <ul style="list-style-type: none"> -- built into systems design? -- periodically checked for effectiveness and relevancy? 		
<p>3. Does the agency balance safeguards necessary to ensure the integrity of operations and data with the need to make accessible, timely, and accurate data available to managers and others needing financial information?</p>		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
4. Do the agency's internal control procedures support its ability to prepare financial statements that are fairly presented in conformity with generally accepted or other relevant and appropriate accounting principles and regulatory requirements?		
5. Are all five interrelated components of internal control (control environment, risk assessment, control activities, information and communication, and monitoring) present and functioning effectively for the agency to conclude that internal control is effective?		
6. Does the agency use risk assessment to identify and analyze risks relevant to the achievement of the entity's objectives? (Risk assessment forms a basis for determining how the risks should be managed.)		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
7. Does the agency determine how much risk is to be prudently accepted and strive to maintain risk within these levels?		
8. Does the agency use objective setting as a precondition to risk assessment?		
9. Are the types of controls built into the agency's systems commensurate with <ul style="list-style-type: none"> -- the significance of risks? -- the likelihood or frequency of risks occurring? -- management's assessment of what actions need to be taken to manage risks? 		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
<p>10. Is the agency's choice of internal controls based on a number of risk factors including, but not limited to, the</p> <ul style="list-style-type: none"> -- inherent nature of the information? -- possible consequences of incorrect information? -- needed degree of reliability of the information? -- cost-effectiveness of using a particular control and the relative effectiveness and efficiency of alternative controls? -- vulnerability of assets to loss or misuse? 		
<p>11. Are control activities (the policies and procedures that help ensure that management directives are carried out) used to help ensure that necessary actions are taken to address risks to achieve the agency's objectives?</p>		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
12. Does the agency use control activities throughout the organization, at all levels, and in all functions?		
13. Does the agency use the following two broad groupings of information systems control activities: <ul style="list-style-type: none"> -- general controls, which apply to all financial management systems and help ensure their continued, proper operation? -- application controls, which include computerized capabilities within the application software and related manual procedures to control the processing of various types of transactions? 		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
<p>14. Do the agency's general controls include controls over</p> <ul style="list-style-type: none"> -- data center operations? -- system software acquisition and maintenance? -- access security? -- application system development and maintenance? <p>(These controls apply to all systems--mainframe, client/server, and end-user computing environments.)</p>		
<p>15. Do the agency's data center operations controls include</p> <ul style="list-style-type: none"> -- job setup and scheduling? -- operator actions? -- backup and recovery procedures? -- contingency or disaster recovery planning? 		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
<p>16. Do the agency's system software controls include effective controls over</p> <ul style="list-style-type: none"> -- acquisition? -- implementation and maintenance of system software--the operating system? -- database management systems? -- telecommunications software? -- security software? -- utilities that run the system and allow applications to function? 		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
<p>17. Do the agency's access security controls protect the system, including</p> <ul style="list-style-type: none"> -- prevention of unauthorized access to data, whether by entity employees or others? -- physical protection of assets (including building, rooms, machines, magnetic media) from all unauthorized persons? -- recording and review of all attempts at unauthorized access? -- prevention of disclosure of critical data during communications? 		
<p>18. Do the agency's application system development and maintenance controls provide the control structure for developing systems and appropriate control over changes to systems?</p>		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
19. Do the agency's application controls manage application processing and help to ensure the completeness and accuracy of transaction processing, authorization, and validity?		
20. Do the agency's authorization controls provide reasonable assurance that (a) transactions, (b) events from which they arise, and (c) procedures under which they are processed are authorized in accordance with laws, regulations, and management policy?		
21. Do the agency's approval controls provide reasonable assurance that appropriate individuals approve recorded transactions in accordance with management's general or specific criteria?		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
22. Do the agency's segregation of duties controls effectively reduce the opportunity for someone to perpetrate or conceal errors or irregularities in the normal course of duties?		
23. Do the agency's controls over the design and use of documents and records provide reasonable assurance that transactions and events are properly documented, recorded, and auditable?		
24. Does the agency have adequate safeguards over access to and use of assets and records to protect them against physical harm, theft, loss, misuse, or unauthorized alteration?		
25. Does the agency use independent check controls--including statistical sampling and post-event management reviews--to provide independent assurance of the validity, accuracy, and completeness of processed data?		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
26. Do the agency's computerized edit checks consist of format, existence, reasonableness, and other checks on the data which are built into each application during its development?		
27. Is pertinent information identified, captured and communicated in a form and time frame that enables agency staff to carry out their responsibilities?		
28. Do the agency's information systems produce reports containing operational, financial, and compliance related information that makes it possible to run and control the entity?		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
<p>29. Does the agency ensure quality of information with controls over</p> <ul style="list-style-type: none"> -- recognition and measurement of recorded amounts? -- summarization of accounting and budgetary data? -- rights and obligations of the entity? -- presentation and disclosure of information? 		
<p>30. Are the agency's internal control systems monitored to assess the quality of their performance over time?</p>		
<p>31. Is the agency's system quality assessment accomplished through ongoing monitoring activities, separate evaluations, or a combination of the two?</p>		
<p>32. Are the agency's chief financial officer and its other accounting officers central to the way management exercises control?</p>		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
33. Is it clear that all personnel are responsible for communicating upward the agency's operating problems and noncompliance with laws and regulations?		
34. Are the inspector general and external auditors contributing to the achievement of the agency's objectives and playing an important role in helping management evaluate the effectiveness of control structures?		
35. Do the agency's internal controls balance the risk assessment of the benefits of controls against their costs in determining the scope and depth of controls needed to ensure the integrity of data used in decision-making and in deterring fraud, waste, and abuse?		

Framework for Federal Financial Management Systems

Internal control	Yes/no NA	Explanation
<p>36. Do the internal controls provide reasonable assurance that the agency is making progress toward achieving its objectives, recognizing that (a) controls can be circumvented by collusion or management overrides of the system and (b) to the extent that losses may occur, effective financial reporting controls exist to properly reflect the loss information in the financial statements, thereby alerting users to consider the need for action?</p>		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
1. Are the agency's financial management system plans consistent with its strategic plan for the organization and does the strategic plan have top-level support and commitment?		
2. Is strategic information management a part of the agency's strategic planning efforts? (A good reference in addressing strategic information management is the <u>Executive Guide: Improving Mission Performance Through Strategic Information Management and Technology</u> issued by the General Accounting Office (May 1994).)		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>3. Does the agency's financial management system planning support the overall strategic direction of the organization's financial management activities and is it consistent in approach and timing with the plans for information resource management and technology?</p>		
<p>4. Do the agency's financial management system planning efforts consider the</p> <ul style="list-style-type: none"> -- possibilities and implications of improved communications across organizational boundaries? -- sharing of information between operating units and systems? -- ability to streamline processes throughout an organization? 		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>5. Are standard planning and control approaches, such as life cycle methodologies and screen design standards</p> <ul style="list-style-type: none"> -- adopted for design, development, implementation, and operation of the agency's financial management systems? -- consistent across all agency financial applications and in agreement with its technical architecture and overall system development approach? 		
<p>6. Does the agency's planning process consider data contained in and processes supported by existing systems? (Improvement plans must account for these existing systems by incorporating their processing requirements and replacing them or interfacing their data with newer applications.)</p>		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
7. Does the agency have long-range system planning that defines and prioritizes projects, identifies resources needed (time, staff, technology, skill, funding, etc.), and schedules projects to balance resource requirements and functional needs?		
Has the agency followed the minimum steps (outlined in questions 8 through 15) needed for the successful planning of financial management systems projects?		
8. For its financial management activity, has the agency (a) developed overall objectives that are consistent with the program and policy needs of the agency and (b) defined the supporting systems needed?		
9. Has the agency assessed existing financial management systems and obtained input from users about needed improvements?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>10. Has the agency determined how financial management systems are to (a) share data and processing with other information systems and (b) be supported by the information technology infrastructure? (This step may include comparing (benchmarking) operations both within and outside of the government.)</p>		
<p>11. Has the agency established clear roles and responsibilities for all the parties necessary to accomplish the overall objectives of ensuring that (a) senior executives support desired efforts, (b) project managers are given clear responsibilities, (c) project scopes are understood, and (d) issue resolution processes are in place to resolve conflicts (policy, procedural, resource, or organizational)?</p>		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
12. Has the agency identified projects that can meet specified objectives and achieve the envisioned target system environment?		
13. Has the agency set priorities and selected projects from alternatives? (This should involve getting direct input from top-level management, decisionmakers in the organization (including the CFO, chief information officer, and program managers) and other stakeholders.)		
14. Has the agency determined resources needed to complete the selected projects?		
15. Has the agency developed a project schedule and budgets, including milestones and deadlines?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
16. Does the agency, as part of carrying out its project plan, periodically report on progress to both senior management and the project team so that everyone is informed, issues are managed as they arise, and desired outcomes are achieved?		
17. Are agency planners and developers applying architectural design, synthesis, and coordination to achieve the goal of systems that will work together?		
18. Have agency planners and developers developed a top-down overview of the processes and the data to be used?		
19. Are the data employed by separately developed agency systems compatible and derived from the same overall data model?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
20. Has the agency coordinated the perspectives and views of teams and team members within individual projects, between the various stages of a development path (vertical integration), and among multiple projects occurring in parallel (horizontal integration)?		
21. Has the agency followed relevant federal government, commercial, or other approved standards for individual financial management systems, as applicable?		
22. Does the agency use standardized internal interfaces between modules, programs, and subsystems?		
23. Has the agency considered distributed computing, client/server, and cooperative processing methods that take advantage of new complex computing capabilities now available to support systems?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
24. Does the agency perform transaction edits close to the points of entry to facilitate research and corrections?		
25. Does the agency validate all components of the data classification structure when transactions are entered into the financial management system?		
26. Does the agency use common tables for account, program, vendor, and other codes that are accessed by all applications of the integrated financial management system and related systems?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>27. Has the agency considered the more complicated tasks of</p> <ul style="list-style-type: none"> -- managing telecommunications? -- maintaining version control over software and hardware? -- ensuring data integrity and consistency throughout the system? -- providing effective user training and documentation when moving from large, monolithic centralized systems to systems made up of many small components spread across a network? 		
<p>28. For its diverse hardware and software, has the agency formed a seamless, integrated solution that meets a variety of needs by integrating networks with standardized interfaces?</p>		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
29. Has the agency considered information accessibility and computer accommodation for the disabled?		
30. Does the agency's developmental approach support the overall vision for the target financial management systems environment, and is it consistent with applicable standards?		
31. Can an incremental development approach provide benefits to system customers relatively quickly while moving toward longer term objectives?		
32. Can new system capabilities be tested on a pilot basis to assure workability and acceptance before committing an organization's resources to an inadequate or inappropriate solution?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
33. Is the agency using business process reengineering (BPR) as an effective way to identify and accomplish needed changes that may be significant in nature?		
34. Has the agency addressed the issue of managing change when financial systems development projects are undertaken?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>35. Has the agency considered the following alternative strategies for development approaches:</p> <ul style="list-style-type: none"> -- upgrading or refurbishing existing systems? -- implementing off-the-shelf packaged software with or without modifications? -- entering into a cross-servicing or support arrangement with another federal organization? -- contracting out system functions? -- custom developing a new system or other possibilities identified during the planning process? 		
<p>36. Has the agency prepared an analysis of alternatives based on objective criteria and identified pros and cons?</p>		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
37. Has the agency determined the most advantageous approach based on comparing costs, benefits, and risks associated with all feasible alternatives?		
38. Is the agency's plan for the custom development of systems applications used as a last resort and only after consideration of all appropriate software options?		
39. Has the agency considered using Computer-Aided Software Engineering (CASE) tools to improve control over the design and development process, and/or Rapid Application Development techniques such as prototyping to improve user acceptance where custom development is required?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>40. Has the agency's system security been established and maintained following the computer security policies set forth in appendix III to OMB Circular A-130, <u>Security of Federal Automated Information Systems</u>?</p>		
<p>41. Does the agency's computer security program include</p> <ul style="list-style-type: none"> -- assignment of responsibility for security? -- environment security plans? -- review of security controls? -- training? -- personnel screening? -- incident response capability? 		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>42. Is the agency's user training program flexible enough to meet various levels of user needs (such as senior management, mid-management, and financial personnel), based on their roles and responsibilities within the organization?</p>		
<p>43. Does the agency's training program address these three groups of individuals:</p> <ul style="list-style-type: none"> -- systems personnel (computer specialists and analysts)? -- operations personnel (computer operators)? -- users (financial management and program personnel)? 		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
44. Does the agency's training program for systems personnel address the technical environment (hardware and software) used to develop the financial management system, as well as the policies and procedures for maintaining the system (fixes and enhancements)?		
45. Does agency's training program for operations personnel address the actual operation of the computer(s) supporting the financial management system, with specific attention directed toward how to operate the computer and what to do if certain problem situations, such as power or system failures, occur?		
46. Does agency's training for user personnel address the users entering the data (input) and the users who are using the data presented in management reports (output) for decision-making?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
47. Has the agency considered training selected individuals to serve as a core cadre of trainers and then having the core trainers train others in their organizational units?		
48. Do agency trainers possess a thorough working knowledge of the system (hardware, software, required inputs, and outputs) and the policies and procedures in place related to the system?		
49. Do the agency trainers understand not only the financial management system, but also the general operation of computers (mainframe and personal computers)?		
50. Are the agency trainers skilled communicators, capable of keeping the audience attentive, while clearly providing the necessary level of instruction?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
51. Do the agency trainers recognize what levels of detail are appropriate, depending on the skills of the students?		
52. In developing and implementing training programs, has the agency considered using electronic media and other technology to facilitate training for individuals in the most effective and efficient manner?		
53. Does the agency use and review on a regular basis carefully developed evaluations that allow the students to clearly identify strengths and deficiencies in the training program, including the effectiveness of the trainer?		
54. Is the agency's documentation geared to the levels of the end users and their roles and responsibilities within the organization?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
55. Is the agency's documentation user friendly and kept up-to-date, and does it include all of the information needed to operate the software effectively within the agency environment?		
56. Does the agency have, as a minimum, the following types of financial management systems documentation: -- systems documentation? -- operations documentation? -- user documentation?		
57. Does the agency test the deliverables of a financial system project to ensure the integrity of the system?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>58. Does the agency's testing process involve</p> <ul style="list-style-type: none"> -- software? -- training materials? -- documentation? -- changes to edit tables? -- inter- and intra-system module interfaces? -- screens? -- reports? -- operating procedures? -- equipment? 		
<p>59. Is the agency project leader ensuring that testing is performed and that the most appropriate testing program is applied to the situation?</p>		
<p>60. Is the agency conducting system testing at various stages of the implementation process, and is it adequate to ensure that the systems will meet agreed-to user needs?</p>		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>61. Does the agency testing verify the following:</p> <p><u>Software Functional Capabilities</u></p> <ul style="list-style-type: none"> -- screens and reports are working? -- software executes as required? -- documentation and training materials reflect the software capabilities? <p><u>User Acceptance</u></p> <ul style="list-style-type: none"> -- software functions meet user requirements? -- automated processes support desired work processes? <p><u>System Acceptance</u></p> <ul style="list-style-type: none"> -- system works with expected volumes? -- system interfaces work properly? -- automated conversion processes convert data properly? -- software works in the production environment? 		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
62. Has the agency established appropriate approval criteria for each type of testing since quality testing and review are critical to financial systems implementation success?		
63. Has the agency taken appropriate precautions to ensure that test and production environments are separated?		
64. Is the agency using the following three elements in transitioning to a new financial management system: <ul style="list-style-type: none"> -- using change management to assist in organizational adjustments necessary to take proper advantage of a new system? -- installing new software and procedures to support the new way work will be performed? -- eliminating the old systems, including software, procedures, and policies? 		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
65. Is the agency taking advantage of opportunities to streamline processes, produce more meaningful and accurate information, and automate tasks, thereby allowing better analysis and decision-making and improving service delivery?		
66. Does the agency's management recognize that risks need to be assumed if benefits are to be achieved and is it aware of the risk of continuing with the "status quo"?		
67. Have the agency's managers, employees, and others been prepared to use the newly implemented system?		
68. Has the agency considered whether the preparation of physical sites is required?		
69. Has the agency converted data from its old systems or created new data if required?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
70. Has the agency sought the opinions of all participants in the process (a) before finalizing a new system and (b) on implementation?		
71. Has the agency provided for training and documentation updates throughout the life of the system?		
72. Has the agency considered the three primary techniques for transitioning to a new system: <ul style="list-style-type: none"> -- Incremental implementation beginning with a pilot(s) and phasing in operations by organization or function? -- Stopping the operations of the old system and starting the new system at once? -- Running the new and existing systems in parallel? 		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
73. Does the agency's choice of transitioning method consider the benefits and risks of each method, resources available for implementation, and impact on the organization affected by the change?		
74. Is the agency fully using the capabilities of the new system and processes, and has it discontinued the operation of the old system?		
75. Is the agency's team of trained computer and financial systems analysts involved in the development of the system providing post-implementation support?		
76. Is the agency's post-implementation team, separate from the help desk role, assessing the implementation of the system and making improvement recommendations to project managers?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
77. Is the post-implementation team considering and providing feedback to the systems developers and analysts on adjustments suggested by the users?		
78. Are all parties associated with the maintenance and operations of the agency's financial management systems ensuring that design concepts are sustained throughout the life cycle of systems and that the systems operate to meet the changing needs of the users?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>79. Are agency support personnel available to</p> <ul style="list-style-type: none"> -- maintain user documentation? -- adjust security privileges? -- reconcile interfacing system feeds? -- maintain systems tables? -- conduct ongoing user training in system operations? -- assist in the testing of changes to the systems? -- enable year-end and special operations activities? 		
<p>80. Are the individuals responsible for monitoring and managing the production and operations of the agency's financial systems ensuring that any system problems are fully understood and that control breeches are corrected promptly?</p>		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
81. Are the initial standardized reports following implementation of the agency financial system sufficient to meet management needs?		
82. Does the agency constantly review its financial systems to determine adjustments necessary to meet the needs of the organizational and functional environments?		
83. Are the agency's change requests adequately coordinated and analyzed to ensure consistency with agency policy, user requirements, and implementation schedules?		
84. Does the agency's approval process reflect its appropriate priorities?		
85. Does the agency's change control process include a mechanism for setting priorities?		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
86. Does the agency have the ability to track and control these prioritized changes?		
87. Is the agency ensuring that changes are made in an orderly manner and that modification schedules are met?		
88. Do the agency's change control procedures clearly define, for all parties, the nature of the changes required and ensure <ul style="list-style-type: none"> -- adequate documentation of the specific changes and problems? -- appropriate approvals? -- timely resolution of change requests? 		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
<p>89. Have changes to the following been coordinated with the agency's financial systems manager:</p> <ul style="list-style-type: none"> -- the operating system? -- database software? -- telecommunication services? -- hardware platforms? -- applications software? 		
<p>90. Does the agency have a structured methodology for managing the configuration of software, hardware, data, telecommunications, and procedures?</p>		
<p>91. Does the agency track, control, and coordinate software versions used by multiple organizations ("common version control over software" as used in OMB Circular A-127)?</p>		

Framework for Federal Financial Management Systems

Implementing the integrated model for financial management systems	Yes/no NA	Explanation
92. Are agency changes to software identified and grouped into identifiable software releases and sub-releases under version control?		
93. Does the agency's version control also coordinate changes to other components of the system?		

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