



Federal Financial Management Business Use Case Library: Overview

January 12, 2018

TABLE OF CONTENTS

PURPOSE.....	1
FRAMEWORK FOR FEDERAL FINANCIAL MANAGEMENT USE CASES	1
Service Area, Function, and Activity.....	1
End-to-End Business Processes	2
Business Scenarios.....	3
Business Use Cases.....	3
Inventory of Federal Financial Management Business Use Cases and Scenarios.....	6
FEDERAL FINANCIAL MANAGEMENT BUSINESS USE CASE DEMONSTRATION	
THREADS	12
Use Case Demonstration Threads.....	14
Building Use Case Demonstration Threads.....	31
APPENDIX A: DESCRIPTION OF TERMS	32

LIST OF FIGURES

Figure 1: Examples of Service Area, Functions, and Activities	2
Figure 2: Business Use Case Identifier Notation	3
Figure 3: End-to-End Business Process Use Case Documents	5
Figure 4: Use Case Demonstration Threads and End-to-End Business Processes	13
Figure 5: 1. Purchase and Management of Equipment Summary	14
Figure 6: 2. Bulk Purchase of Office Equipment Summary	15
Figure 7: 3. Complex Systems Including Software and Hardware Summary	16
Figure 8: 4. Combined Procurement Requests Summary	17
Figure 9: 5. Purchase Card Summary	17
Figure 10: 6. Grant Disbursement and Close Out Summary	18
Figure 11: 7. Temporary Duty (TDY) Travel Summary	18
Figure 12: 8. Relocation Summary	19
Figure 13: 9. Payroll Summary	19
Figure 14: 10. Direct Loan Summary	20
Figure 15: 11. Guaranteed Loan Summary	20
Figure 16: 12. Federal-to-Federal Reimbursable Agreement Summary	21
Figure 17: 13. Government Sale of Post-paid Goods Summary	21
Figure 18: 14. Government Sale of Prepaid Goods Summary	22
Figure 19: 15. Budget Authority Transfers Summary	22
Figure 20: 16. Financial Accruals and Reporting Summary	23
Figure 21: 17. Procurement During a Continuing Resolution (CR) Summary	23
Figure 22: 18. Bulk Purchases Immediately Distributed Summary	24
Figure 23: 19. Leasehold Improvements Summary	24
Figure 24: 20. Travel Sponsored by Non-Government Source Summary	25
Figure 25: 21. Reimbursable Agreement with Private Sector Entity Summary	25
Figure 26: 22. Aggregated Receivables for Custodial Revenues Summary	26
Figure 27: 23. Novation Summary	27
Figure 28: 24. Construction on Real Property Summary	28
Figure 29: 25. Supplementary Stewardship Reporting Summary	29
Figure 30: 26. AR/AP Netting Summary	29
Figure 31: 27. Billing Third-Party Debtors Summary	30
Figure 32: 28. Procuring Against a Federal-to-Federal Reimbursable Agreement Summary	30

LIST OF TABLES

Table 1: FFM Business Use Case List	6
---	---

PURPOSE

Treasury's Office of Financial Innovation and Transformation (FIT) is designated as the managing partner for the Federal Financial Management (FFM) Line of Business. With the assistance of a working group consisting of most of the CFO Act agencies and shared service providers, FIT has developed a library of FFM business use cases which reflect the business needs, or requirements that an agency must follow, in the financial management community.

The FFM Business Use Case Library provides agencies with a resource for:

- Improving federal financial management workflow and process efficiency
- Evaluating impacts to federal financial management business processes due to changes in legislation, regulation, guidance, and procedures
- Evaluating federal financial management services/solutions during acquisition and implementation
- Training and development of the federal financial management workforce
- Evaluating the impact of sequential steps, or events, needed to perform a process where the responsibility for a successful outcome is shared with another Service Area
- Refining roles and responsibilities among agency finance, program, and other supporting function offices

The FFM Business Use Case Library consists of this overview document and a series of documents containing the business use cases. Each business use case document contains the use cases for one end-to-end business process. This overview and the related use case documents also contain links to each other for ease of use together and transition from one to another.

This overview document provides the framework for understanding and using the business use cases. It contains an introduction to the key components of the business use cases, an inventory of the available FFM business use cases, and examples of how the FFM business use cases may be combined and sequenced in typical agency operations. Reference information on the terminology used in this library, which is applicable to cross-Line of Business communications, is provided in Appendix A: Description of Terms of this document.

FRAMEWORK FOR FEDERAL FINANCIAL MANAGEMENT USE CASES

This section describes the framework used for constructing the use cases. Use cases are constructed of scenarios and organized by end-to-end process. They show activities performed by other service areas. They are cross-referenced to other documents in the FM Standard References, the Federal Financial Management System Requirements (FFMSR) and the list of Functions and Activities. This section will help you understand these terms as well as the relationships between business use cases.

Service Area, Function, and Activity

Program offices in an agency need various administrative and support systems, procedures, and personnel to deliver on their program missions. The term "service area" is used to describe the systems, procedures, and personnel that accomplish the necessary end-to-end business processes.

Financial Management (FM) is a service area. Other service areas include Budget Formulation, Acquisition, Property Management, Human Resource Management, Grants Management, Loans Management, Travel and Relocation Management, and Sales Order and Fulfillment Management.

A service function is a further breakdown of a service area into categories of services provided to service customers. Examples of FM service functions are Budget Execution, Payable Management, and General Ledger Management.

Within a service function, service activities are the processes that provide identifiable outputs or outcomes to service customers. Examples in the area of Payable Management are Payee Set-up and Maintenance, Payment Processing, and Payment Disbursement.

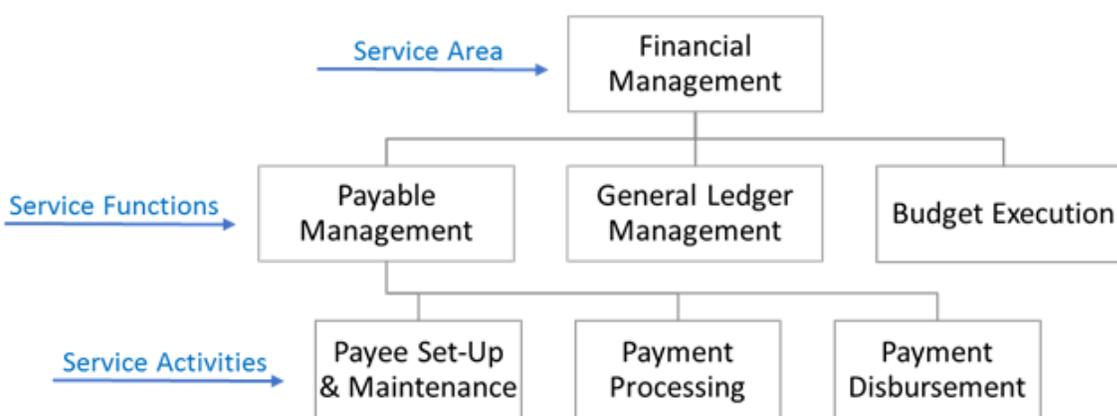


Figure 1: Examples of Service Area, Functions, and Activities

A complete listing of the FFM service area functions and activities may be found on [FIT's public web page](#). Look for the document named FM Functions & Activities List under Treasury FM Standard References.

Most of the end-to-end business processes require integration across multiple service areas with their functions and activities to achieve the business outcome. In addition to Financial Management, the other service areas contributing to the completion of each end-to-end business process are identified in Table 1: FFM Business Use Case List.

End-to-End Business Processes

Eleven end-to-end business processes with an FFM impact have been identified and agreed upon for government-wide use. An end-to-end business process identifies a start-to-finish outcome for operational transactions and financial reporting. The end-to-end business process provides the context for executing financial management services. Examples of end-to-end processes are Procure-to-Pay and Agree-to-Reimburse. The full list of end-to-end processes is shown in Figure 2 below.

Business Scenarios

Business scenarios identify differing situations or conditions that occur when executing an end-to-end business process and reflect the scope and complexity of federal government agency missions. Business scenarios also define various business conditions that would cause the FFM solution functionality to be exercised in a different order or with different business information. For example, the Procure-to-Pay business scenario for a complex software system is different than for a purchase card.

Business scenarios are categorized into levels of commonality across federal agencies as follows:

- **Level 1 (L1):** Affects most federal agencies and/or impacts a large transaction volume and/or dollar value within the federal government
- **Level 2 (L2):** Affects multiple federal agencies and/or requires some specialized processing from the service consumer or auditor perspective
- **Level 3 (L3):** Affects a few federal agencies and requires unique processing, mandated by legislation or regulation.

Business Use Cases

Business use cases represent typical processing that occurs in federal business operations. Business use cases are formed by combining business scenarios that could occur together within an end-to-end business process. For example, use case 040.FFM.L2.02 Four-Way Match includes scenarios for four-way matching of accounts payable invoices and Prompt Payment Act calculations.

Each business use case is assigned an identifier that tells information about the use case. The business use case identifier includes information about the key underlying components. The notation for a business use case identifier is shown in Figure 1:



Figure 2: Business Use Case Identifier Notation

In a business use case, you can expect to see the following:

- interactions between FFM and other service areas
- business events to be accomplished by both FFM and other service areas
- business information expected to be received, processed, and/or provided

You will also see that the use cases are agnostic as to whether the events in the business use case are automated, semi-automated, or manually accomplished. This allows an agency using the use cases to make the best decisions about where automation is most beneficial.

End-to-End Business Process

Linked Document Name

010 Budget Formulation-to-Execution	FFM Use Cases 010 Budget Formulation-to-Execution
020 Acquire-to-Dispose	FFM Use Cases 020 Acquire-to-Dispose
030 Request-to-Procure	FFM Use Cases 030 Request-to-Procure
040 Procure-to-Pay	FFM Use Cases 040 Procure-to-Pay
050 Bill-to-Collect	FFM Use Cases 050 Bill-to-Collect
060 Record-to-Report	FFM Use Cases 060 Record-to-Report
070 Agree-to-Reimburse	FFM Use Cases 070 Agree-to-Reimburse
080 Apply-to-Perform	FFM Use Cases 080 Apply-to-Perform
090 Hire-to-Retire	FFM Use Cases 090 Hire-to-Retire
100 Book-to-Reimburse	FFM Use Cases 100 Book-to-Reimburse
110 Apply-to- Repay	FFM Use Cases 110 Apply-to-Repay

Figure 3: End-to-End Business Process Use Case Documents

Inventory of Federal Financial Management Business Use Cases and Scenarios

Table 1 presents an inventory of the FFM Business Use Cases, their associated Business Scenarios, and contributing Service Areas.

Table 1: FFM Business Use Case List

Business Process	Business Use Case	Associated Business Scenario
010 Budget Formulation-to-Execution <u>Service Areas:</u> - Budget Formulation (BFM) - Financial Mgmt (FFM)	010.FFM.L1.01 Budget Authority Set-Up	<ul style="list-style-type: none"> Funds Control at Appropriation, Apportionment, Allotment, Allocation, Suballocation 1, and Suballocation 2 Levels Accounting Segments of Treasury Account Symbol/Fund, Organization, Program, Project, and Activity Discretionary Appropriated Funds Single Year, Multi-Year, and No-Year Appropriations Program Allocation Exceeding Organization Allotment
	010.FFM.L1.02 Spending Authority from Offsetting Collections (Reimbursables)	<ul style="list-style-type: none"> Reimbursable Authority Revolving Funds
	010.FFM.L1.03 Budget Authority Transfers	<ul style="list-style-type: none"> Appropriation Transfers Non-Expenditure Transfers
	010.FFM.L1.04 Continuing Resolution	<ul style="list-style-type: none"> Continuing Resolution
	010.FFM.L3.01 Special Authorities	<ul style="list-style-type: none"> Spending Authority from Offsetting Collections (e.g., Donation Revenues, Reimbursable Revenues) Special Limitations from Budget Formulation Direct and Guaranteed Loan Authority Contract Authority

Renav

Business Process	Business Use Case	Associated Business Scenario
<p>020 Acquire-to-Dispose</p> <p><u>Service Areas:</u></p> <ul style="list-style-type: none"> - Acquisition (ACQ) - Financial Mgmt (FFM) - Property Mgmt (PRM) 	<p>020.FFM.L1.01 Property, Plant, and Equipment (PP&E) Assets</p>	<ul style="list-style-type: none"> • Acquiring a PP&E Asset • Leasing a PP&E Asset • Depreciation of a PP&E Asset • Disposing of a PP&E Asset • Replacing an Asset
	<p>020.FFM.L1.02 Bulk Purchases</p>	<ul style="list-style-type: none"> • Bulk Purchases • Transfers between Department Components
	<p>020.FFM.L1.03 Bulk Purchase Immediately Distributed</p>	<ul style="list-style-type: none"> • Bulk Purchase Immediately Distributed
	<p>020.FFM.L2.01 Complex Systems</p>	<ul style="list-style-type: none"> • Complex Systems • Internal Use Software • Work in Progress • Increase Life and Value of Asset • Enhancing an Asset • General PP&E
	<p>020.FFM.L2.02 Leasehold Improvements</p>	<ul style="list-style-type: none"> • Leasehold Improvement
	<p>020.FFM.L3.01 Real Property: Stewardship Land, Heritage Assets, Construction, and Impairment</p>	<ul style="list-style-type: none"> • Heritage Assets • Stewardship Land • Construction in Progress • Capitalization of Labor Costs • Environmental Hazardous Substances on/in Property • Impairment • Construction in Abeyance

Business Process	Business Use Case	Associated Business Scenario
030 Request-to-Procure <u>Service Areas:</u> - Budget Formulation (BFM) - Financial Mgmt (FFM)	030.FFM.L1.01 Procurement Within a Single Fiscal Year	<ul style="list-style-type: none"> • Single Year Funds
	030.FFM.L1.02 Procurement During Continuing Resolution	<ul style="list-style-type: none"> • Procurement During a Continuing Resolution on Procurement
	030.FFM.L2.01 Procurement Across Fiscal Years Using Multi-Year Funds	<ul style="list-style-type: none"> • Multi-Year Funds • Multiple Funding Sources • Multiple Vendors on a Procurement Request
	030.FFM.L2.02 Single Award from Multiple Procurement Requests	<ul style="list-style-type: none"> • Single Award from Multiple Procurement Requests
040 Procure-to-Pay <u>Service Areas:</u> - Acquisition (ACQ) - Financial Mgmt (FFM)	040.FFM.L1.01 Expenditures Within a Single Fiscal Year	<ul style="list-style-type: none"> • Invoice into FM Solution • Three-Way Match
	040.FFM.L1.02 Leased Property	<ul style="list-style-type: none"> • Operating Lease • Capital Lease
	040.FFM.L1.03 Acquiring Services	<ul style="list-style-type: none"> • Acquiring Services
	040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options	<ul style="list-style-type: none"> • Multi-Year Funds Expenditure • Multiple Funding Sources • Receiving Report Accrual • Credit Memo • Vendor Submits Paper Invoice • Vendor Submits to Program Office • Two-Way Matching • Progress Payment • Final Payment
	040.FFM.L2.02 Four-Way Match	<ul style="list-style-type: none"> • Four-Way Matching • Prompt Payment
	040.FFM.L2.03 Purchase Card	<ul style="list-style-type: none"> • Purchase Card • PCard Purchase of Operating Materials and Supplies • Non-Matching
	040.FFM.L2.04 Novation	<ul style="list-style-type: none"> • Novation

Business Process	Business Use Case	Associated Business Scenario
<p>050 Bill-to-Collect</p> <p><u>Service Areas:</u> - Financial Mgmt (FFM) - Sales Order and Fulfillment Mgmt (SFM)</p>	<p>050.FFM.L1.01 Penalties, Interest, and Collections</p>	<ul style="list-style-type: none"> • Individual Receivables • Disputes • Collectable by Agency • Credit Memo • Penalties, Interest, and Administrative Fees • Non-Treasury Deposits
	<p>050.FFM.L1.02 Delinquent Debt Processing</p>	<ul style="list-style-type: none"> • Insufficient Funds on Debtor's Payment • Referral to Treasury • Delinquent Collection and Write-off
	<p>050.FFM.L2.01 AR/AP Netting</p>	<ul style="list-style-type: none"> • AR/AP Netting
	<p>050.FFM.L3.01 Aggregated Receivables for Custodial Revenues</p>	<ul style="list-style-type: none"> • Unbilled Collections • Aggregated Receivables • Custodial Revenues
	<p>050.FFM.L3.02 Receivable Collection from Third Party Debtor</p>	<ul style="list-style-type: none"> • Receivables Allocated Among Multiple Payers • Third Party Payers as Responsible Debtors • Installment Agreement
	<p>050.FFM.L3.03 Miscellaneous Receipts</p>	<ul style="list-style-type: none"> • Miscellaneous Receipts
<p>060 Record-to-Report</p> <p><u>Service Areas:</u> - Financial Mgmt (FFM) - Property Mgmt (PRM)</p>	<p>060.FFM.L1.01 Period End Adjustments and Reporting</p>	<ul style="list-style-type: none"> • Audit Adjustments • Allowance for Uncollectable Amounts • Financial Statements
	<p>060.FFM.L2.01 Consolidated Financial Statements</p>	<ul style="list-style-type: none"> • Liabilities Not Covered by Budgetary Resources • Liabilities Arising from Non-Routine Events • Actuarial Liabilities • Eliminations • Consolidated Financial Statements • Statement of Net Costs
	<p>060.FFM.L3.01 Supplementary Stewardship Reporting</p>	<ul style="list-style-type: none"> • Supplementary Stewardship Reporting

Business Process	Business Use Case	Associated Business Scenario
070 Agree-to-Reimburse (Reimbursable Mgmt) Service Area: - Financial Mgmt (FFM)	070.FFM.L1.01 Federal to Federal Reimbursable Agreement	<ul style="list-style-type: none"> Federal to Federal Reimbursable Agreement Modification Commercial Third-Party Service Provider Adjustment to Agreement Balance
	070.FFM.L1.02 Reimbursable Agreement from the Buyer's Perspective	<ul style="list-style-type: none"> Reimbursable Agreement from the Buyer's Perspective IPAC Chargeback
	070.FFM.L3.02 Reimbursable Agreement with Private Sector with Payments-in-Advance	<ul style="list-style-type: none"> Reimbursable Agreement with Private Sector Payment in Advance Non-Government Source Funds Collection Government Property Leased to Public
080 Apply-to-Perform (Grants Mgmt) Service Areas: - Financial Mgmt (FFM) - Grants Mgmt (GRM)	080.FFM.L2.01 Grant with Accrual and Offset	<ul style="list-style-type: none"> Accruals for Grants Grant Disbursement Offsets
	080.FFM.L2.02 Administrative Grant Closeout	<ul style="list-style-type: none"> Administrative Grant Closeout
090 Hire-to-Retire Service Areas: - Financial Mgmt (FFM) - Human Resource Mgmt (HRM)	090.FFM.L1.01 Post Payroll	<ul style="list-style-type: none"> Domestic Payroll Provider Payroll Accrual Employee Receivable Originating Outside of HR
100 Book-to-Reimburse (Travel) Service Areas: - Financial Mgmt (FFM) - Human Resource Mgmt (HRM) -Travel and Relocation Management (TRF)	100.FFM.L1.01 Temporary Duty (TDY) Travel	<ul style="list-style-type: none"> TDY Travel Travel Card Split Disbursement
	100.FFM.L2.01 Permanent Change of Station (PCS)	<ul style="list-style-type: none"> Relocation Advance on Account Supplemental PCS Voucher
	100.FFM.L3.01 Travel Sponsored by Non-Government Source	<ul style="list-style-type: none"> Travel Sponsored by Non-Government Source Non-Government Source Payment In-Kind

Federal Financial Management Business Use Case Library Overview

Business Process	Business Use Case	Associated Business Scenario
110 Apply-to-Repay (Loan Mgmt) <u>Service Areas:</u> - Financial Mgmt (FFM) - Loans Mgmt (LNM)	110.FFM.L2.01 Federal Government Direct Loans Subject to Credit Reform	<ul style="list-style-type: none"> • Disbursement of a Loan • Establishment of Principal Receivable • Interest Accrual • Collection of Interest and Principal
	110.FFM.L2.02 Federal Government Guaranteed Loans Subject to Credit Reform	<ul style="list-style-type: none"> • Aggregated Loan Portfolio • Default on Government Guaranteed Loan

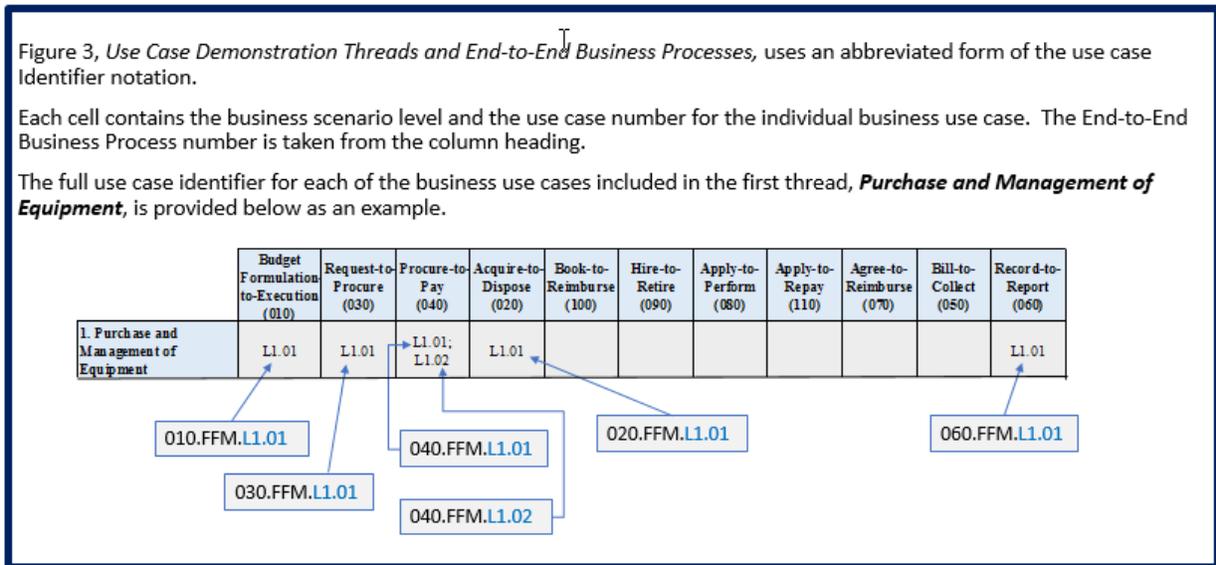
FEDERAL FINANCIAL MANAGEMENT BUSINESS USE CASE DEMONSTRATION THREADS

The business use cases can be organized into demonstration threads, or story lines, which reflect the sequence of events involved in typical FM operations. Each business use case contains a synopsis and assumptions that imply dependencies among the business use cases. Based on these dependencies, business use cases can be organized into a use case demonstration thread.

Alternative sequences for demonstrating the FFM business use cases can be created by combining the business use cases in a different order and/or using a subset of the business use cases.

FFM business use case demonstration threads usually begin with the Budget Formulation-to-Execution Business Process and end with the Record-to-Report Business Process. The other business processes may or may not be represented in a demonstration thread, depending on the specific circumstances of the thread.

Figure 3 provides an inventory of the FFM business use case demonstration threads and shows the use cases that are involved in each thread. Figure 3 also shows a suggested order for executing the demonstration threads, although there are other possible orders. An abbreviated notation for each business use case is included in the figure as illustrated in the box below.



Federal Financial Management Business Use Case Library Overview

		End-to-End Business Process										
		Budget Formulation-to-Execution (010)	Request-to-Procure (030)	Procure-to-Pay (040)	Acquire-to-Dispose (020)	Book-to-Reimburse (100)	Hire-to-Retire (090)	Apply-to-Perform (080)	Apply-to-Repay (110)	Agree-to-Reimburse (070)	Bill-to-Collect (050)	Record-to-Report (060)
Use Case Demonstration Thread	1. Purchase and Management of Equipment	L1.01	L1.01	L1.01; L1.02	L1.01							L1.01
	2. Bulk Purchase of Office Equipment	L1.01	L1.01	L1.01	L1.02							L1.01
	3. Complex Systems Incl Software and Hardware	L1.01	L2.01	L2.01	L2.01							L1.01
	4. Combined Procurement Requests	L1.01	L2.02	L2.02								L1.01
	5. Purchase Card	L1.01		L2.03								L1.01
	6. Grant Disbursement and Closeout	L1.01						L2.01; L2.02				L1.01
	7. Temporary Duty (TDY) Travel	L1.01				L1.01						L1.01
	8. Relocation	L1.01				L2.01						L1.01
	9. Payroll	L1.01					L1.01					L1.01
	10. Direct Loan	L1.01; L3.01							L2.01			L1.01
	11. Federal Government Guaranteed Loans	L1.01; L3.01							L2.02			L1.01
	12. Federal-to-Federal Reimbursable Agreement	L1.02		L1.03			L1.01			L1.01		L1.01
	13. Government Sale of Post-paid Goods	L1.02									L1.01	L1.01
	14. Government Sale of Pre-paid Goods	L1.02									L1.02	L1.01
	15. Budget Authority Transfers	L1.01; L1.03										L1.01
	16. Financial Accruals and Reporting											L1.01; L2.01
	17. Procurement During a Continuing Resolution (CR)	L1.04	L1.02									L1.01
	18. Bulk Purchases Immediately Distributed	L1.01	L1.01	L1.01	L1.03							L1.01
	19. Leasehold Improvements	L1.01	L1.01	L1.03	L2.02							L1.01
	20. Travel Sponsored by Non-Government Source	L1.01					L3.01					L1.01
	21. Reimbursable Agreement with Private Sector Entity	L1.02								L3.02		L1.01
	22. Aggregated Receivables for Custodial Revenues	L1.02									L3.01	L1.01
	23. Novation	L1.01	L2.01	L2.01; L2.04								L1.01
	24. Construction on Real Property	L1.01	L2.01	L2.01	L3.01							L1.01
	25. Supplementary Stewardship Reporting	L1.01	L1.01	L1.03				L2.01				L1.01; L3.01
	26. AR/AP Netting	L1.01									L2.01	L1.01
	27. Billing Third-Party Debtors	L1.02									L3.02	L1.01
	28. Procuring Against a Federal-to-Federal Reimbursable Agreement	L1.02								L1.01; L1.02		L1.01

Figure 4: Use Case Demonstration Threads and End-to-End Business Processes

Use Case Demonstration Threads

A summary of each FFM use case demonstration thread is provided below along with the list of relevant business scenarios included in each business use case.

1. Purchase and Management of Equipment – An agency purchases equipment for a program and later replaces it with leased equipment. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), acquires the equipment (030.FFM.L1.01), receives and pays for the equipment (040.FFM.L1.01), then places the items into service; subsequently, the agency retires the equipment (020.FFM.L1.01) and leases replacement equipment for the remainder of the program (040.FFM.L1.02).

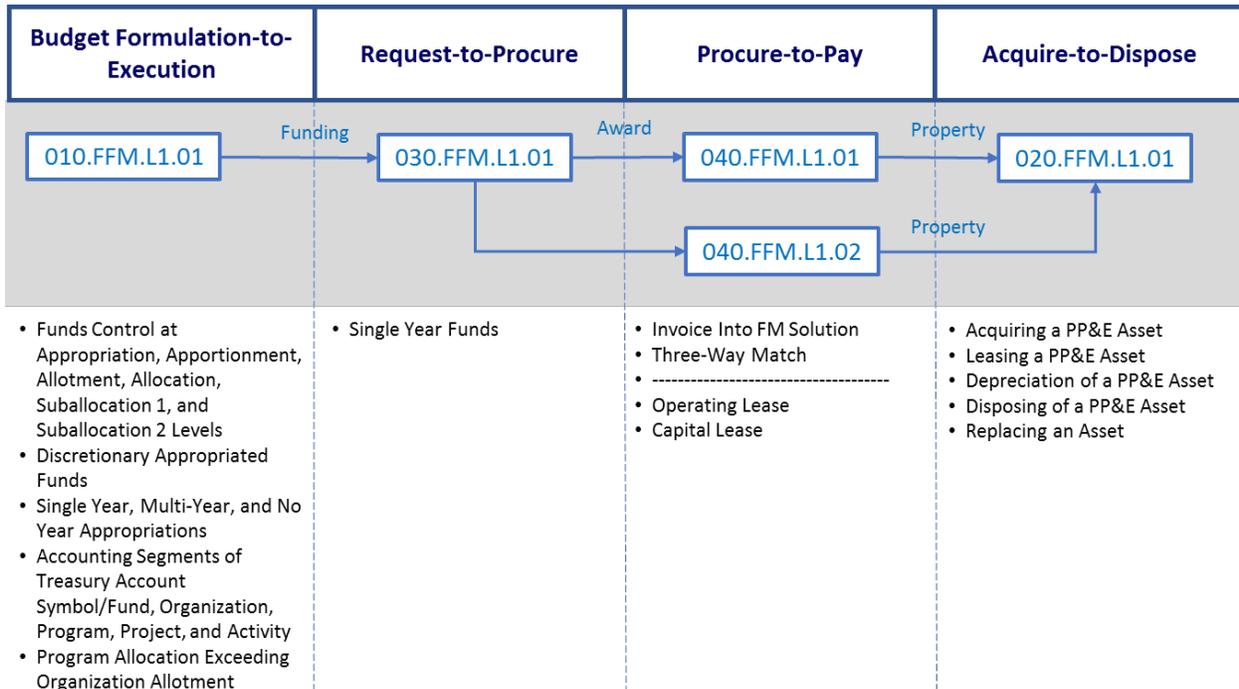


Figure 5: 1. Purchase and Management of Equipment Summary

2. Bulk Purchase of Office Equipment – An agency purchases office equipment in bulk and distributes it to offices as needed. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), acquires the equipment (030.FFM.L1.01), receives and pays for the equipment (040.FFM.L1.01), and manages the warehousing and distribution of the equipment (020.FFM.L1.02).

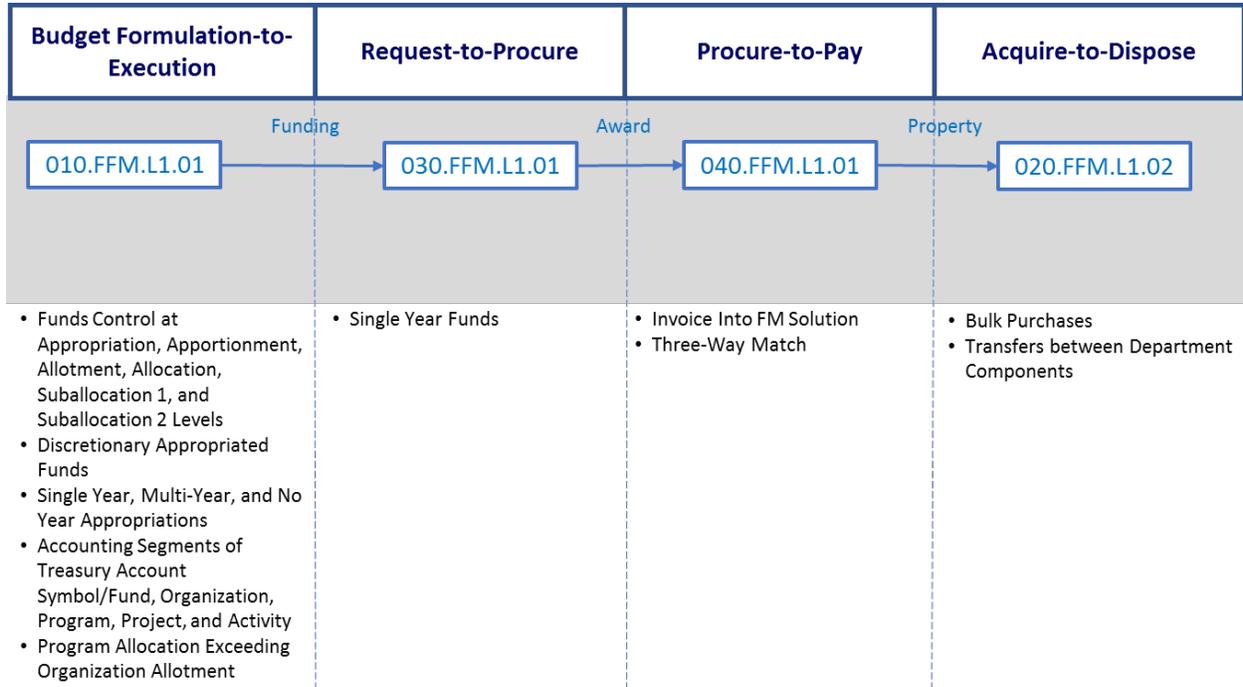


Figure 6: 2. Bulk Purchase of Office Equipment Summary

3. Complex Systems Including Software and Hardware – An agency is managing the construction of a complex system including hardware and software components using multiple vendors over two fiscal years. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), begins the acquisition of the system using multi-year funds from multiple vendors (030.FFM.L2.01), receives, accepts and pays for the system components (040.FFM.L2.01), and enhances the property and manages the lifecycle of the in-progress system (020.FFM.L2.01).

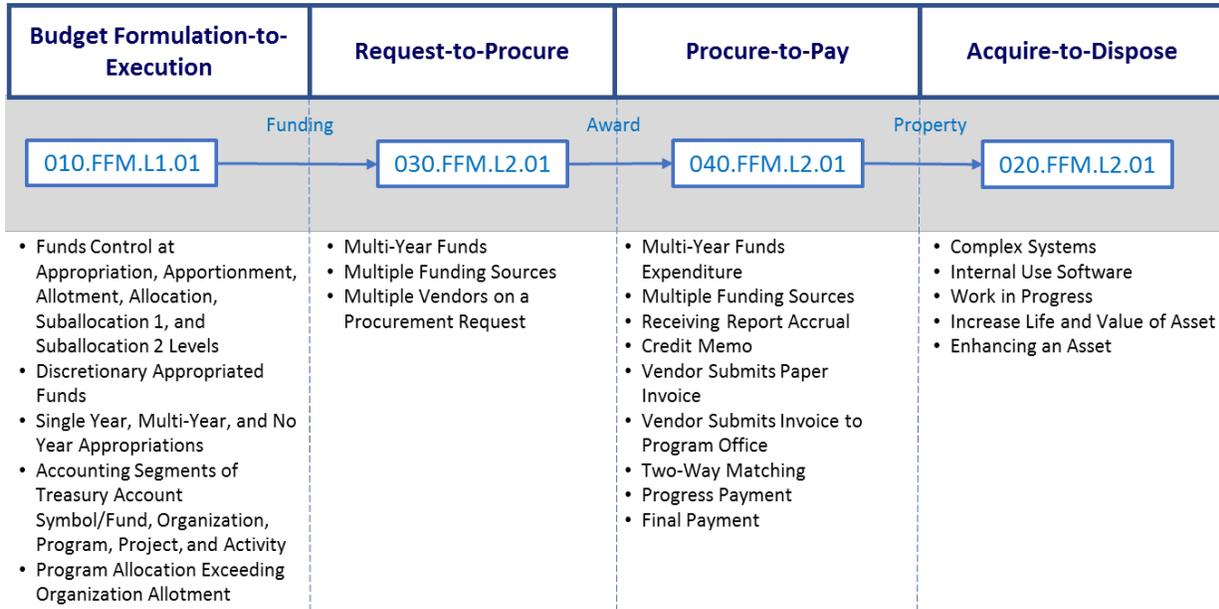


Figure 7: 3. Complex Systems Including Software and Hardware Summary

4. **Combined Procurement Requests** – Multiple offices within an agency are acquiring substantially similar items (e.g., computer servers). In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), consolidates and executes the procurement requests (030.FFM.L2.02), and then receives, accepts, and pays for the items (040.FFM.L2.02).

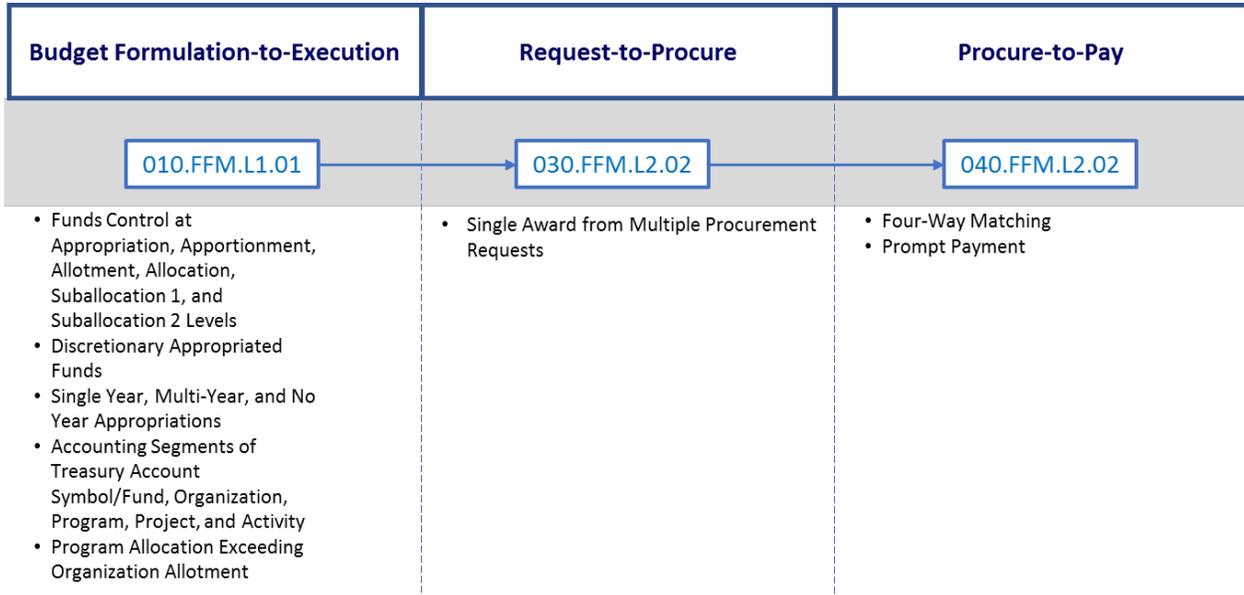


Figure 8: 4. Combined Procurement Requests Summary

5. **Purchase Card** – An agency uses a purchase card for qualified expenses. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), then purchases an item with the purchase card and pays the purchase card bill on arrival (040.FFM.L2.03).

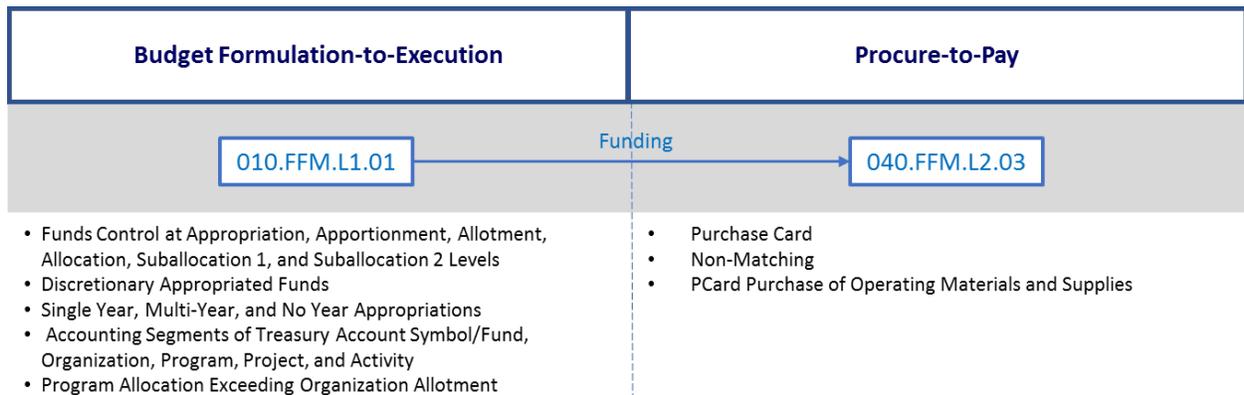


Figure 9: 5. Purchase Card Summary

6. **Grant Disbursement and Closeout** – An agency manages a program which issues and manages grants. This thread comprises the agency recording its budget into the FM solution (010.FFM.L1.01), awarding and distributing grant proceeds (080.FFM.L2.01), and administratively closing out a grant with the award recipient (080.FFM.L2.02).

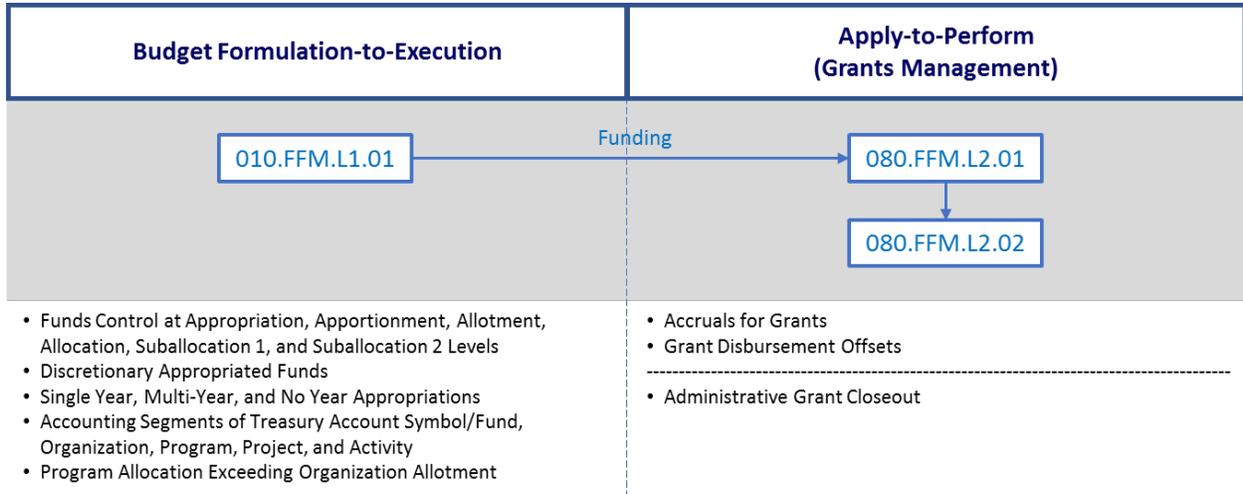


Figure 10: 6. Grant Disbursement and Close Out Summary

7. **Temporary Duty (TDY) Travel** – An agency employee travels to a customer site to complete an assignment. This thread comprises the agency recording its budget into the FM solution (010.FFM.L1.01), the employee completing the travel and then submitting a voucher. The agency pays both the employee and the travel card issuer (100.FFM.L1.01).

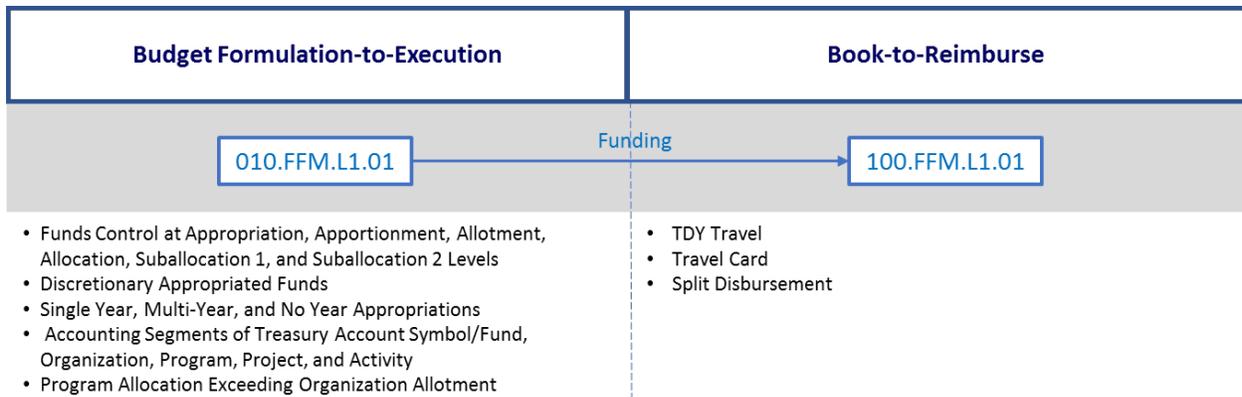


Figure 11: 7. Temporary Duty (TDY) Travel Summary

8. Relocation – An agency employee is permanently transferred to a different work location. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01) and the employee arranges the travel, receives a travel advance, submits multiple vouchers and receives payment from the agency (100.FFM.L2.01).

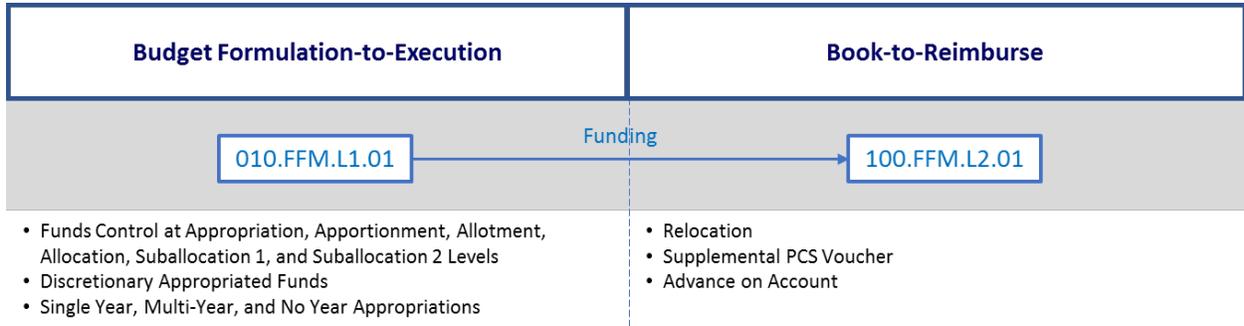


Figure 12: 8. Relocation Summary

9. Payroll – An agency which pays its domestic civilian staff on a bi-weekly basis is processing payroll for a pay period that will cross an accounting period threshold. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), then accrues payroll and benefit expenses in the closing period before receiving and posting actual payroll and benefit expense information in the next accounting period (090.FFM.L1.01).

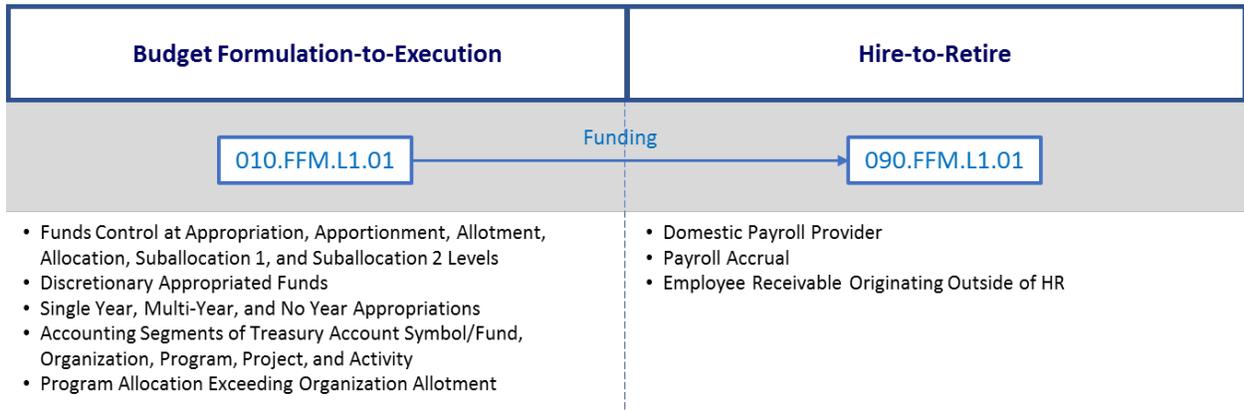


Figure 13: 9. Payroll Summary

10. Direct Loan – An agency manages a program which makes direct loans to the public. In this thread, the agency records its budget and its borrowing authority into the FM solution (010.FFM.L1.01, 010.FFM.L3.01), then closes, disburses and collects payments on the direct loan (110.FFM.L2.01).

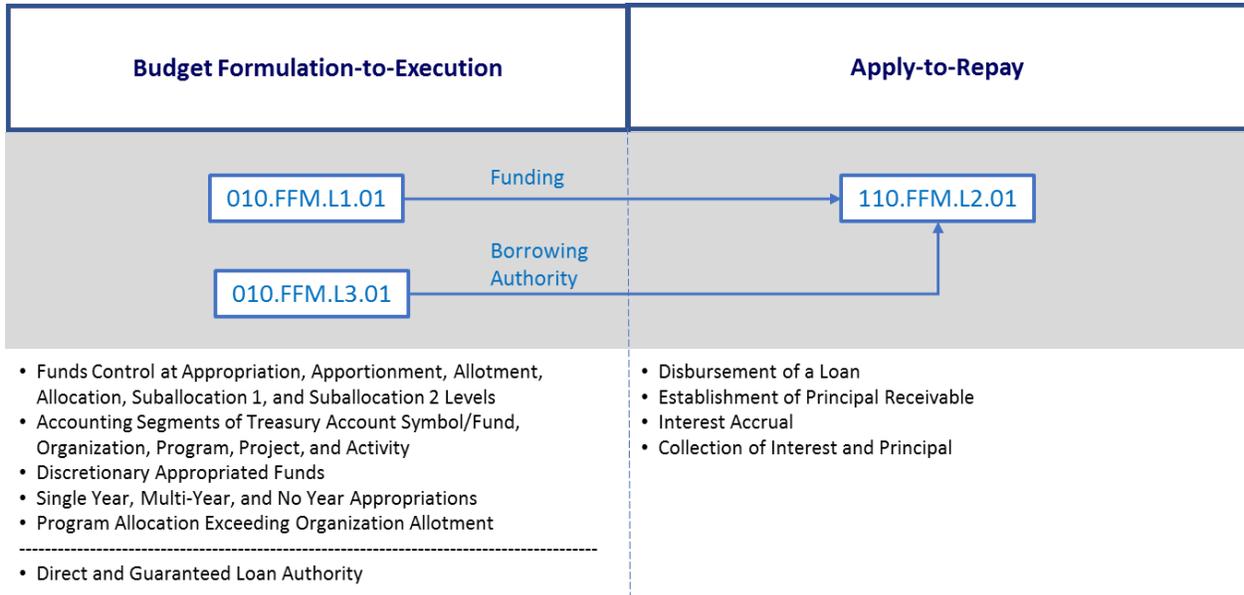


Figure 14: 10. Direct Loan Summary

11. Guaranteed Loan – An agency manages a program which guarantees third party loans to the public. In this thread, the agency records its budget and its borrowing authority into the FM solution (010.FFM.L1.01, 010.FFM.L3.01). The agency guarantees a loan which eventually defaults, is referred to Treasury for collection, and requires payment of the guarantee and collection from the borrower (110.FFM.L2.02).

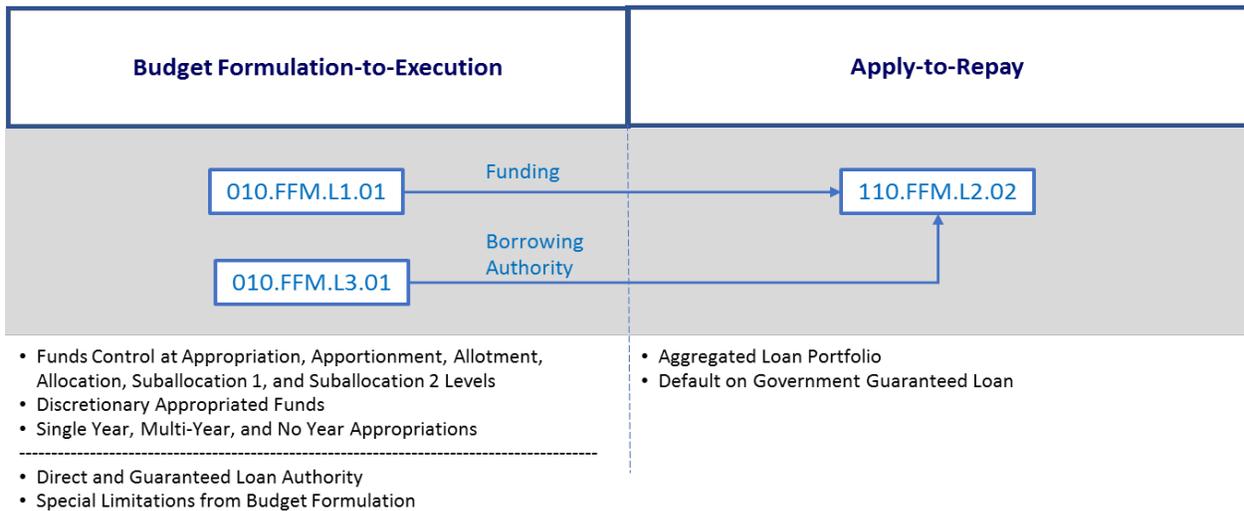


Figure 15: 11. Guaranteed Loan Summary

12. **Federal-to-Federal Reimbursable Agreement** – An agency performs a service for another agency using a reimbursable agreement under the Economy Act. In this thread, the agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02), then performs the service for the federal agency customer. The providing agency accumulates costs from payroll (090.FFM.L1.01) and contractor resources (040.FFM.L1.03), and then invoices and receives payment for the accumulated costs (070.FFM.L1.01).

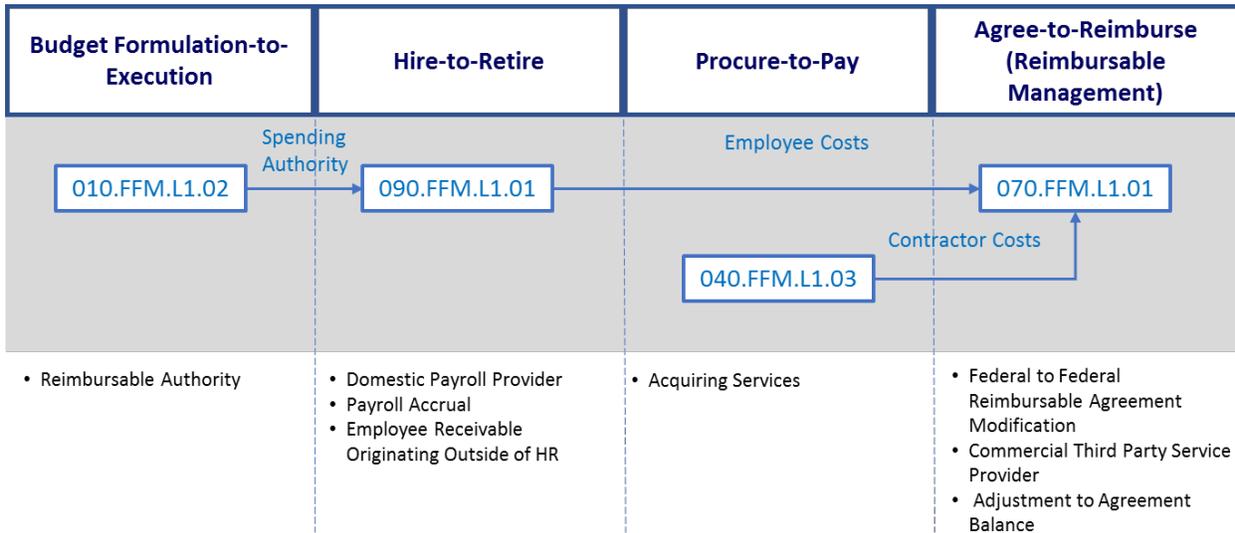


Figure 16: 12. Federal-to-Federal Reimbursable Agreement Summary

13. **Government Sale of Post-paid Goods** – An agency sells goods on a post-paid basis to the general public. In this thread, the agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02), then performs a sale of a good to a customer who disputes the quality of the delivered goods (050.FFM.L1.01).

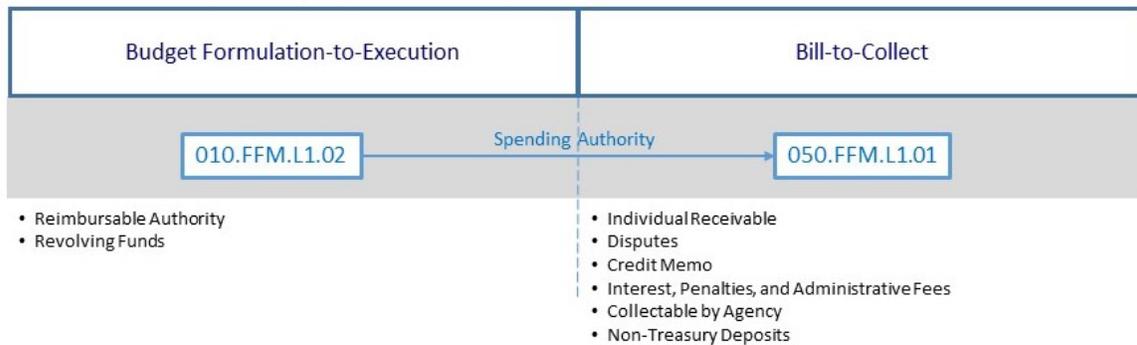


Figure 17: 13. Government Sale of Post-paid Goods Summary

14. Government Sale of Pre-paid Goods – An agency sells goods on a pre-paid basis to the general public. In this thread, the agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02), then performs the sale of a good to a customer that results in a failed payment and collection (050.FFM.L1.02).

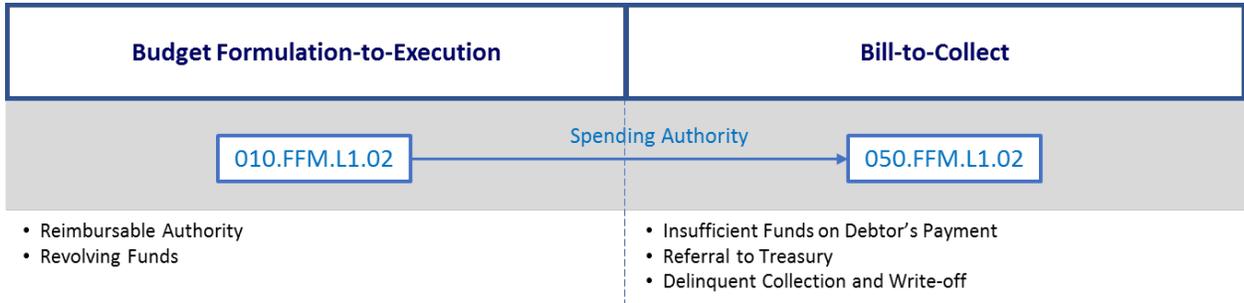


Figure 18: 14. Government Sale of Prepaid Goods Summary

15. Budget Authority Transfers – An agency transfers appropriations and expenditure authority. This thread includes the agency recording its budget into the FM solution (010.FFM.L1.01) then transferring an appropriation and performing a non-expenditure transfer (010.FFM.L1.03).

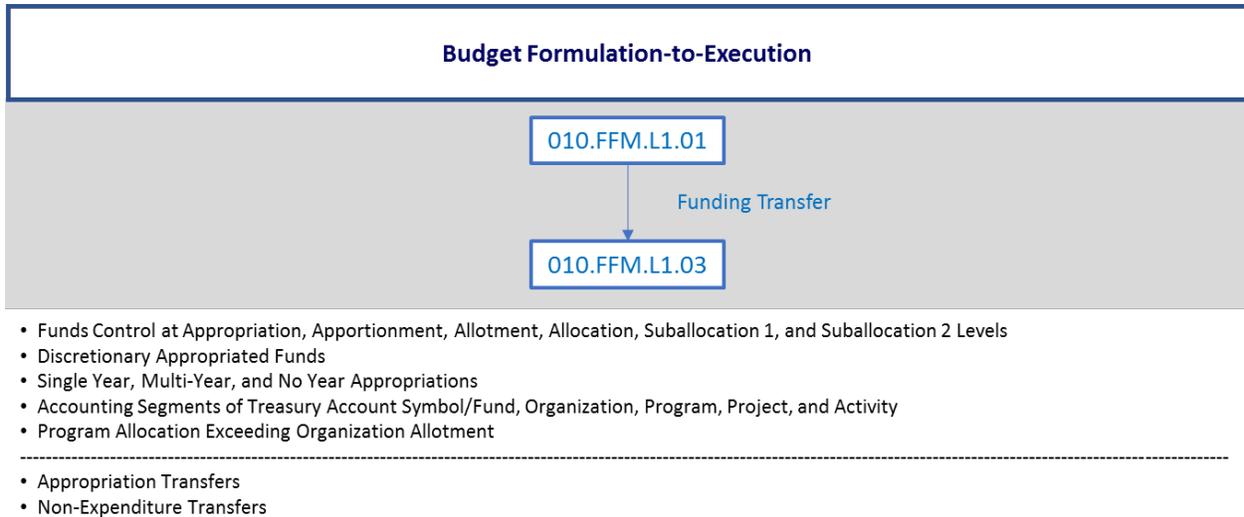


Figure 19: 15. Budget Authority Transfers Summary

16. Financial Accruals and Reporting – A Department with component agencies performs end-of-year adjustments and prepares its financial statements. This thread comprises the generation of financial statements for the constituent agencies, period end and other standard reports (060.FFM.L1.01), and the consolidation of financial statements for the Department (060.FFM.L2.01).

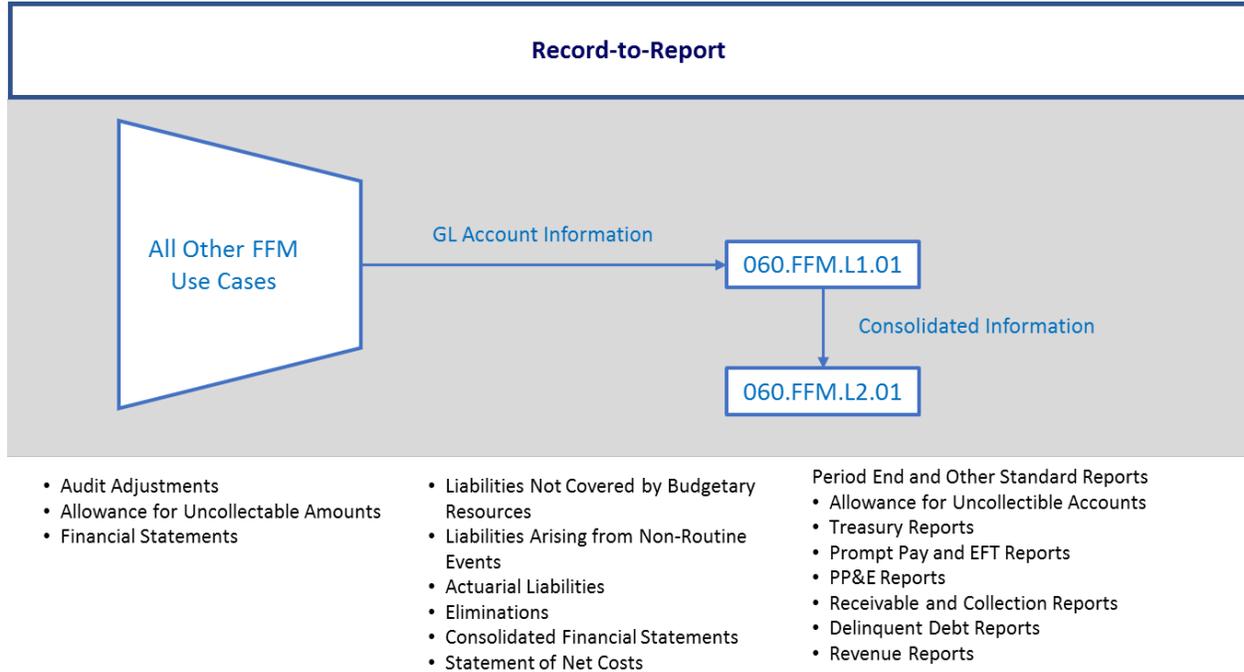


Figure 20: 16. Financial Accruals and Reporting Summary

17. Procurement During a Continuing Resolution (CR) – An agency requires procurement of critical services while operating during a continuing resolution. In this thread, an agency records its spending authorities from two Continuing Resolutions (010.FFM.L1.04), procures the critical services (030.FFM.L1.02), and then records its approved appropriation.

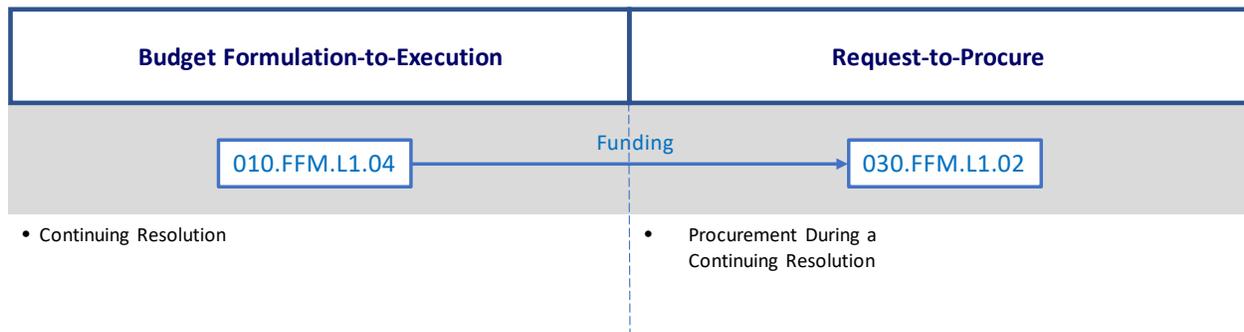


Figure 21: 17. Procurement During a Continuing Resolution (CR) Summary

18. Bulk Purchases Immediately Distributed – An agency purchases software for immediate distribution. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), acquires the software (030.FFM.L1.01), receives and pays for the software (040.FFM.L1.01), and manages the distribution of the software (020.FFM.L1.03).



Figure 22: 18. Bulk Purchases Immediately Distributed Summary

19. Leasehold Improvements – An agency makes improvements to a leased property. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), procures the necessary supplies, equipment, and services for the improvements (030.FFM.L1.01), receives and pays for the services (040.FFM.L1.03), and then vacates the property at the end of the lease (020.FFM.L2.02).

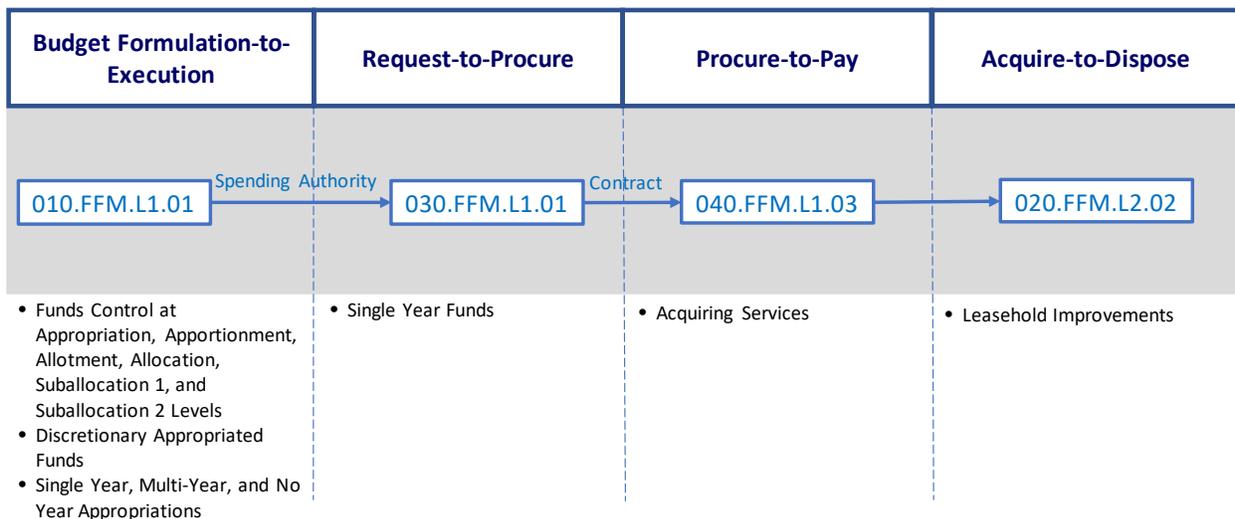


Figure 23: 19. Leasehold Improvements Summary

20. Travel Sponsored by Non-Government Source – A government employee travels with a portion of the costs sponsored by a non-government source. In this thread, an agency records its budget into the FM solution (010.FFM.L1.01), authorizes the employee travel, obligates the necessary funds not covered by the sponsor, and issues the payment to the traveler and the travel card company (100.FFM.L3.01).

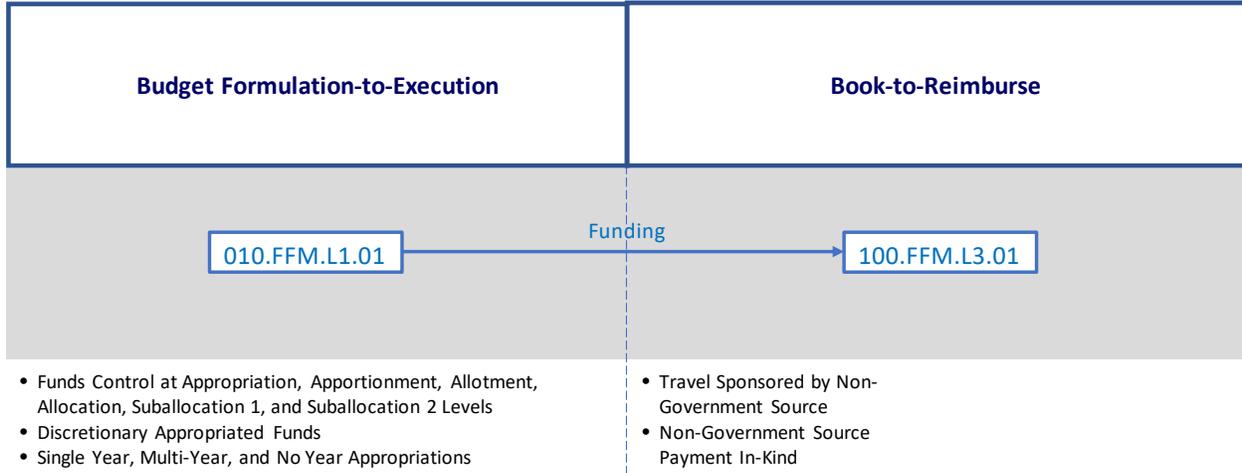


Figure 24: 20. Travel Sponsored by Non-Government Source Summary

21. Reimbursable Agreement with Private Sector Entity – An agency leases government property to a Private Sector Entity (PSE). In this thread, an agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02), leases government property to a PSE guaranteed by a security deposit, collects payments and issues a refund of the security deposit at lease end (070.FFM.L3.02).

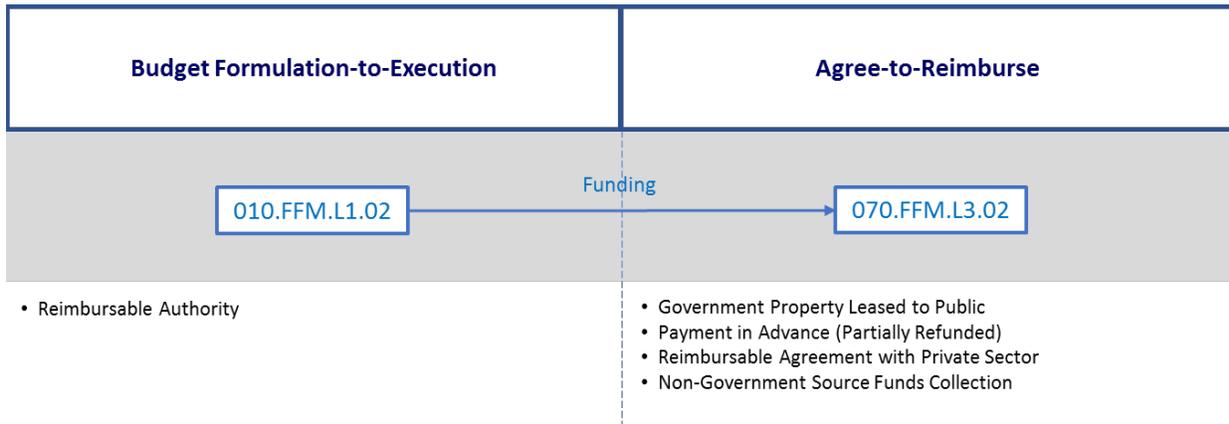


Figure 25: 21. Reimbursable Agreement with Private Sector Entity Summary

22. **Aggregated Receivables for Custodial Revenues** – An agency receives revenue due from activities of private sector entities on behalf of a custodial account. In this thread, an agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02) and receives and reports the aggregated receivables (050.FFM.L3.01).

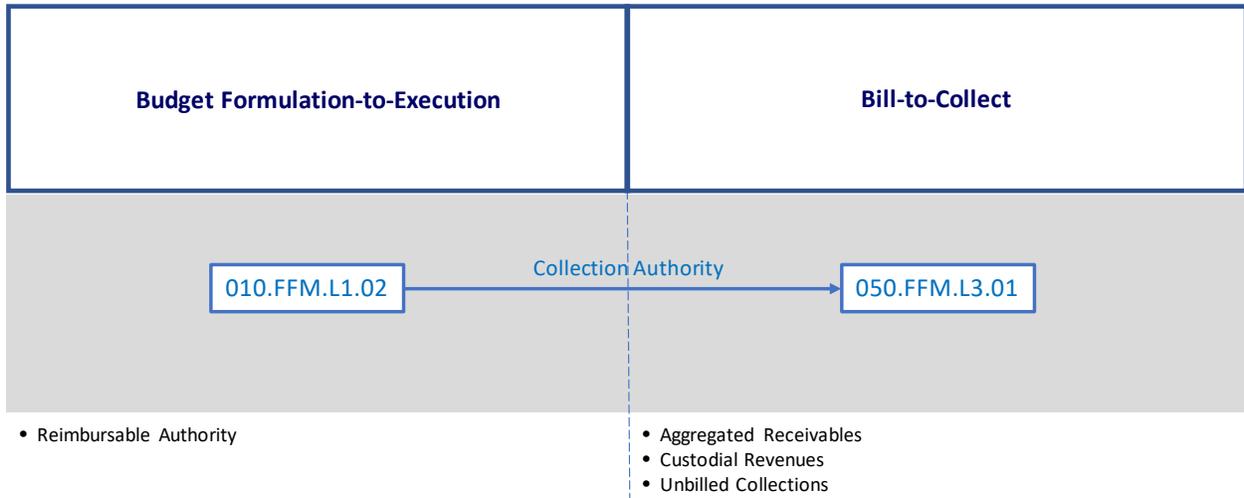


Figure 26: 22. Aggregated Receivables for Custodial Revenues Summary

23. Novation – An agency is managing a long-term initiative using multiple vendors over multiple fiscal years. During this time, one vendor is acquired in full by another entity. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), begins the acquisition process using multiple funds from multiple vendors, (030.FFM.L2.01), receives, accepts and pays for some of the assets acquired (040.FFM.L2.01), and then processes the vendor novation (040.FFM.L2.04).

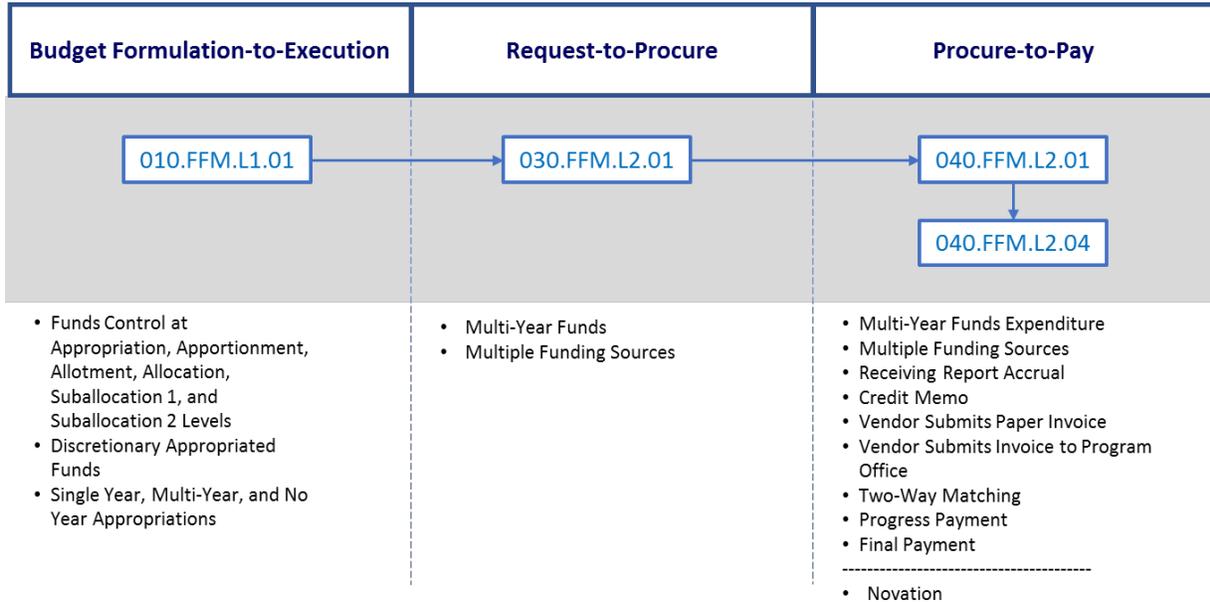


Figure 27: 23. Novation Summary

24. **Construction on Real Property** – An agency is managing the construction of a new building on heritage land. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), begins construction on the land (030.FFM.L2.01, 040.FFM.L2.01), then issues a stop work order and places the construction in abeyance after finding hazardous substances on the property (020.FFM.L3.01).

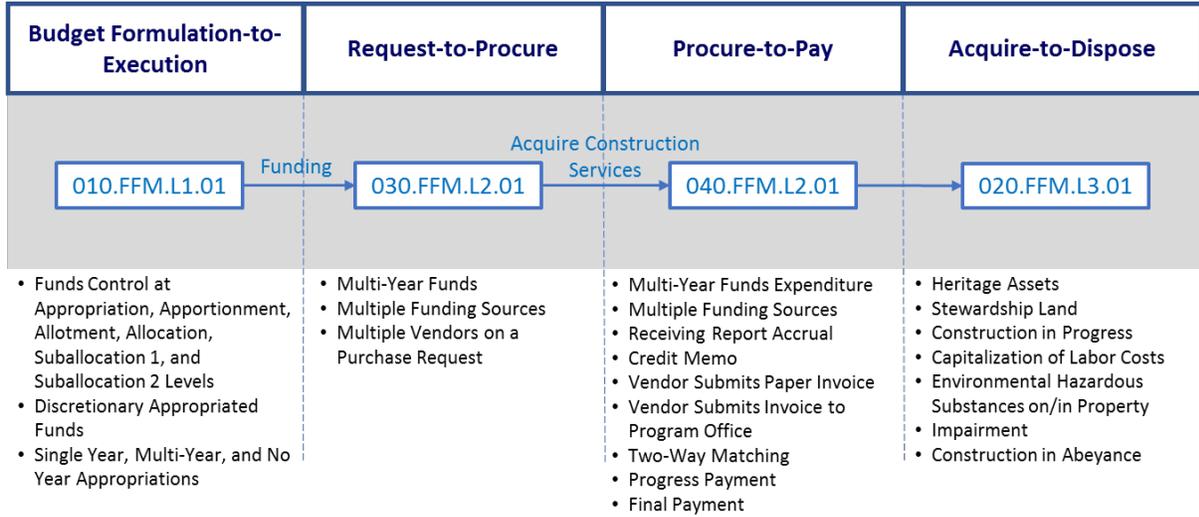


Figure 28: 24. Construction on Real Property Summary

25. Supplementary Stewardship Reporting – An agency invests in stewardship assets through the purchase of nonfederal physical property and/or educational, training and research activities and must produce a Supplementary Stewardship Report. In this thread, an agency records its budget into the FM solution (010.FFM.L1.01), awards and executes a grant (080.FFM.L2.01), acquires services (030.FFM.L1.01), receives and pays for the services (040.FFM.L1.03), and at the end of the year generates the Supplementary Stewardship Report (060.FFM.L3.01).

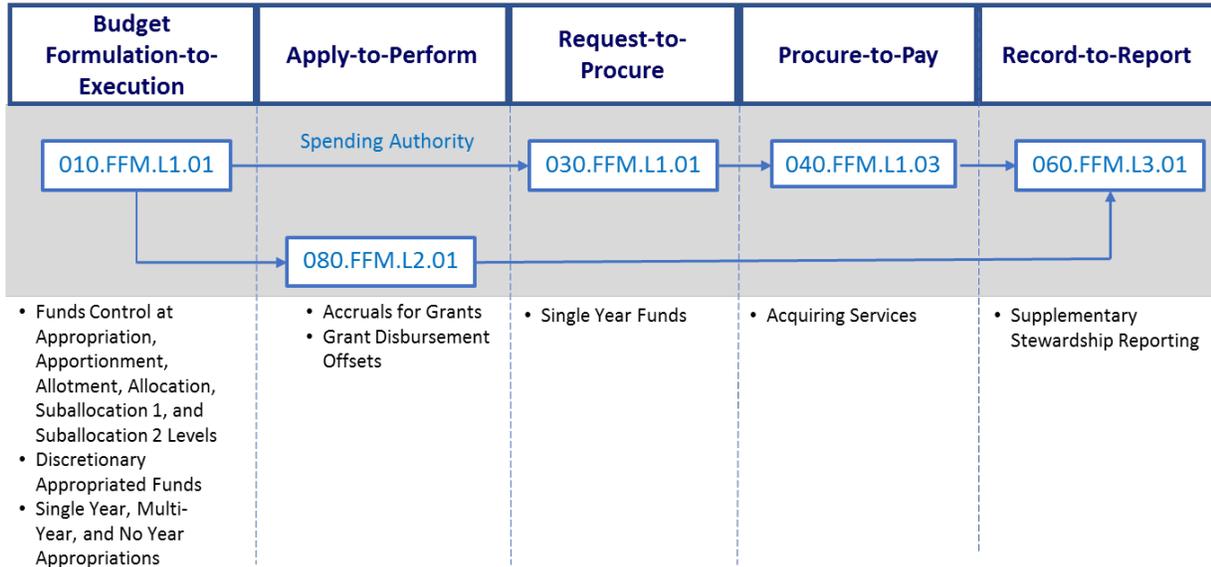


Figure 29: 25. Supplementary Stewardship Reporting Summary

26. AR/AP Netting – An agency receives an overpayment for ongoing activities that are periodically billed to a Private Sector Entity (PSE). In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), bills and receives an overpayment from the PSE, creates and holds a payable reflecting a refund due to the PSE, then the subsequent bill is reduced by the payable to cover the overpayment and a revised bill is prepared and sent by the Finance Office (050.FFM.L2.01).

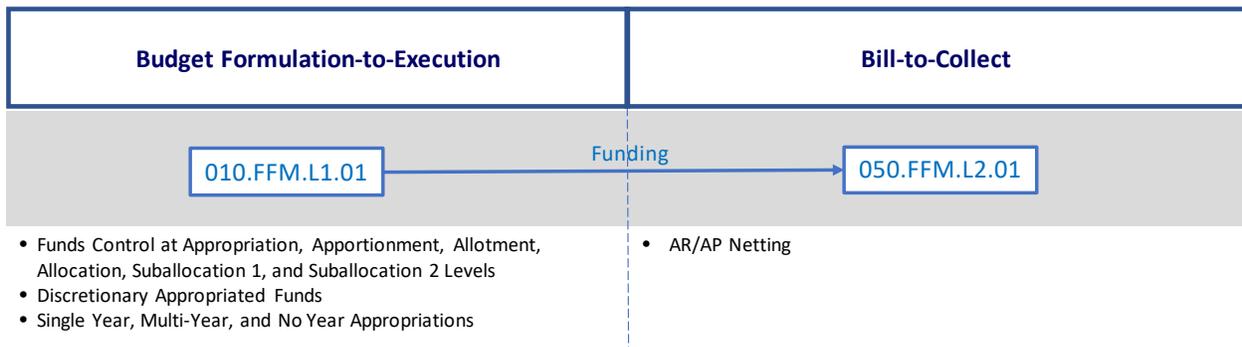


Figure 30: 26. AR/AP Netting Summary

27. **Billing Third-Party Debtors** – Amounts remaining due from an original debtor for services provided by the government are billed to a third-party guarantor. In this thread, the agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02), then performs a service that requires reimbursement and ultimately collects from the third party (050.FFM.L3.02).

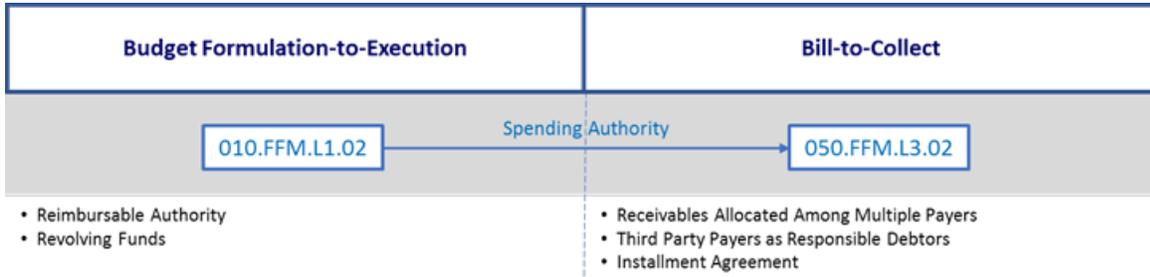


Figure 31: 27. Billing Third-Party Debtors Summary

28. **Procuring Against a Federal-to-Federal Reimbursable Agreement** – An agency acquires a service from another agency using a reimbursable agreement under the Economy Act. In this thread, the procuring agency records its budget into the FM solution (010.FFM.L1.02), then the providing agency establishes a reimbursable agreement with the procuring agency, performs the requested services and invoices the procuring agency (070.FFM.L1.01); finally the procuring agency approves an IPAC to reimburse the providing agency (070.FFM.L1.02).

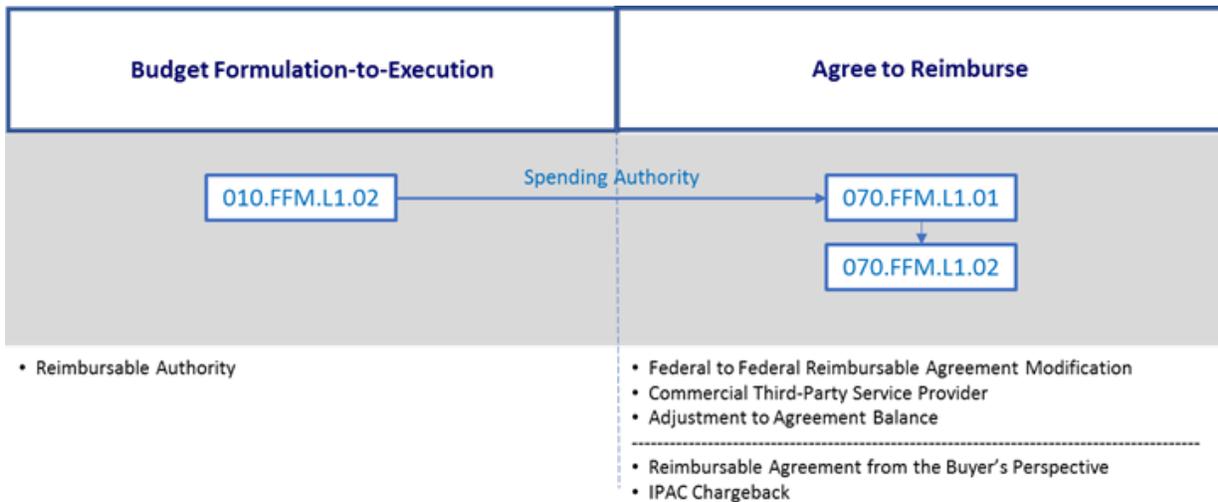


Figure 32: 28. Procuring Against a Federal-to-Federal Reimbursable Agreement Summary

Building Use Case Demonstration Threads

The inventory of use case demonstration threads included in this overview is not exhaustive. Agencies may wish to create other sequences of business use cases suitable for their environment or a particular need.

To create a use case demonstration thread, the following steps should be followed:

1. Identify the agency-specific process of interest to be addressed in the use case demonstration thread
2. Identify what budget authorities need to be in place
3. Determine what types of transactions are needed
4. Determine payment methods to be used
5. Determine how the results will be recorded and reported

Once these items have been identified, refer to Table 1: FFM Business Use Case List to select the appropriate business use cases to include in the thread. The business use cases should then be laid out in sequence based on the dependencies identified in the use cases.

Appendix A DESCRIPTION OF TERMS

Term	Description
End-to-End Business Process	An end-to-end business process identifies a start-to-finish outcome for operational transactions and financial reporting. The end-to-end business process provides the context for executing financial management services. Most of the End-to-End Business Processes require integration across multiple Service Areas/Functions/Activities to achieve the business outcome.
Service Area	Service areas are the administrative and support domains which provide services that enable service customers (e.g., program offices) to deliver on their missions and accomplish End-to-End Business Processes.
Service Function	A service function is a further breakdown of an administrative or mission-support Service Area into categories of services provided to service customers.
Service Activity	Within a service function, service activities are the processes that provide identifiable outputs/outcomes to service customers.
Business Scenario	<p>Business scenarios identify differing situations or conditions that occur when executing an end-to-end business process and reflect the scope and complexity of federal government agency missions.</p> <p>Business scenarios are categorized as follows:</p> <p>Level 1 (L1): Affects most federal agencies and/or impacts a large transaction volume and/or dollar value within the federal government</p> <p>Level 2 (L2): Affects multiple federal agencies and/or requires some specialized processing from the service consumer or auditor perspective</p> <p>Level 3 (L3): Affects a few federal agencies and requires unique processing, mandated by legislation or regulation.</p>
Business Use Case	Business use cases represent typical processing that occurs in federal business operations. They are based on business scenarios and are grouped by commonality levels across agencies (L1/L2/L3). The FFM business use cases include FFM events and non-FFM events to present the interaction between FFM and other service areas.