



BUREAU OF THE
Fiscal Service
U.S. DEPARTMENT OF THE TREASURY

Federal Financial Management Shared Services Update

Matt Miller
September 2015

Agenda

- Background
- Progress Report
- Focus Moving Forward

Background

Challenge

- Traditional approach to financial systems modernization resulted in:
 - cost over-runs,
 - poor return on investment,
 - underperforming systems



U.S. Response

- New Policy in March 2013
 - Executive agencies should use a shared service solution for financial systems
 - Treasury (Financial Innovation and Transformation (FIT)), in partnership with the Office of Management and Budget (OMB), were assigned responsibility for leading financial management shared services
 - Designate Federal providers
 - Evaluate agency proposals for policy alignment, as well as provide feedback and recommendations
 - Guiding principle for provider selection
 - Support plan that provides the best value
 - Federal providers are considered first

What is a FSSP?

- **Federal Shared Service Provider (FSSP)**
 - A federal agency designated by Treasury and OMB to provide financial management shared services to other federal agencies external to itself.

- **Goal**
 - Implement fewer, more standardized solutions
 - reduce system implementation risks
 - increase focus on agency core mission

Who are the FSSPs?



Administrative Resource Center (ARC)
U.S. Department of the Treasury



Enterprise Service Center (ESC)
U.S. Department of Transportation

Interior Business Center (IBC)
U.S. Department of the Interior

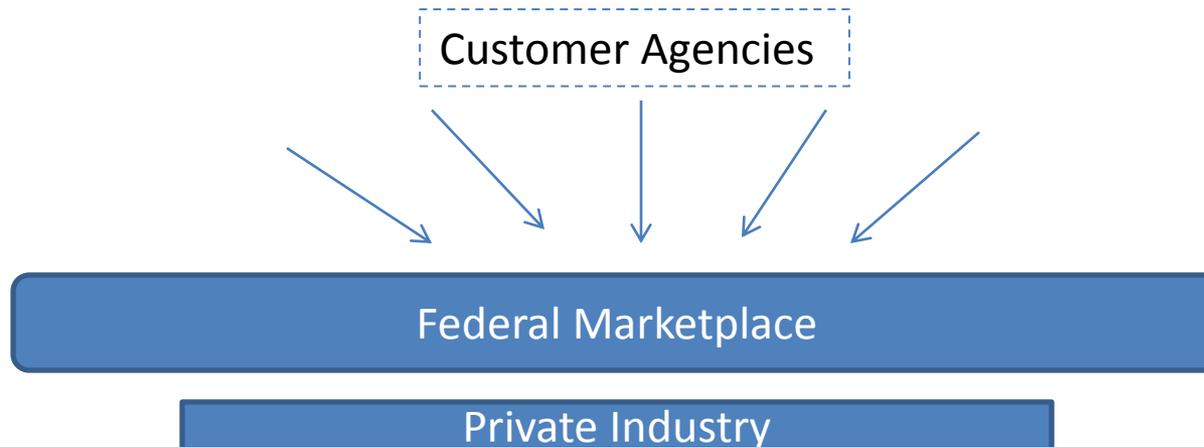


National Finance Center (NFC)
U.S. Department of Agriculture



Why Federal SSPs?

- Benefits of a Federal Marketplace:
 - Provides greater control over the process
 - Helps reduce the amount of customization
 - Inherent subject matter expertise with Federal SSPs
 - Federal environment
 - System, reporting and audit requirements
 - Structure allows for private industry support



Progress Report

Becoming “FAMEous”

- Instituted the ***Federal Agency Migration Evaluation (FAME) Process***
 - Framework to guide agencies through a shared service migration
 - Every migration is assigned a liaison from FIT
 - FIT is the neutral party that helps facilitate the process



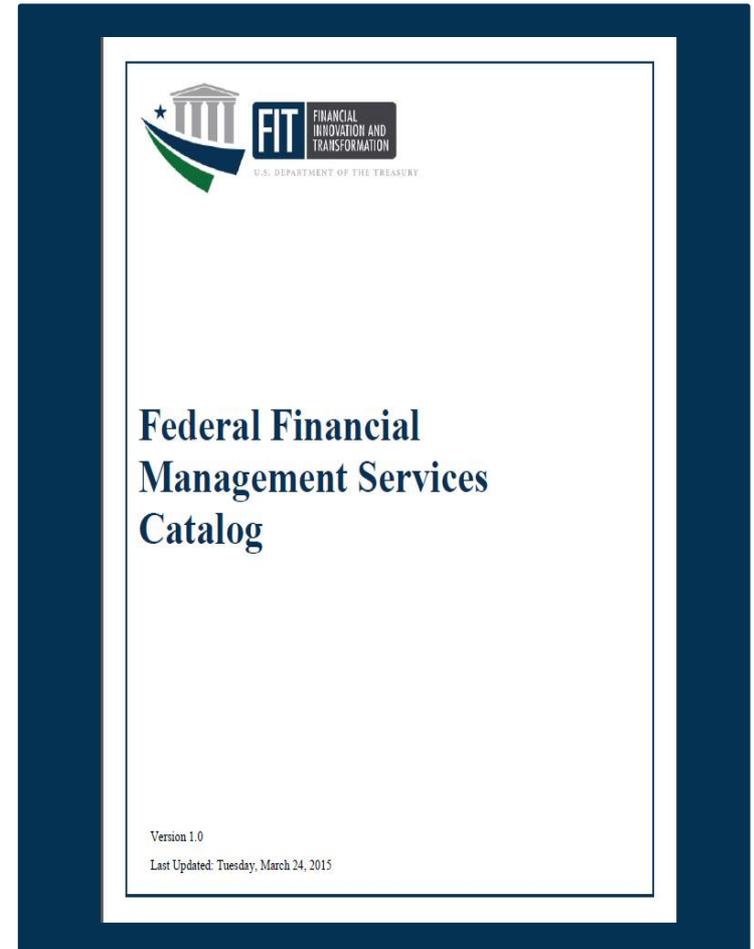
Governance Model

- Marketplace & Migration
 - FIT regulates the marketplace, facilitates the selection process, monitors migrations for risks and issues to be escalated, and mediates disputes
- Operations & Maintenance
 - FIT, agencies, and FSSPs collaborated to define model
 - ***Strive for customer involvement and consensus***

Catalog of Services

- Published a Federal Financial Management Services Catalog

- ✓ Identifies and defines the mandatory services FSSPs must offer
- ✓ Defines the common end products generated from these services
- ✓ Provides a summary on each FSSP
- ✓ Plan to add:
 - ✓ comparative FSSP unit costs
 - ✓ key FSSP performance measures and targets



FSSP Accomplishments

- 1st cabinet level agency has migrated to a FSSP
- All FSSPs are working with a cabinet level agency
- Collaborating to define creative solutions to resource challenges



Outreach

- Customer Satisfaction Survey
 - Issued to all FSSP customers
 - Provided valuable feedback
 - Will be conducted annually
- Shared Services Workshop
 - Industry provided feedback on ways to improve performance, governance, and marketplace growth in Federal financial management services
- Strategic Sourcing
 - Negotiating licensing Fees

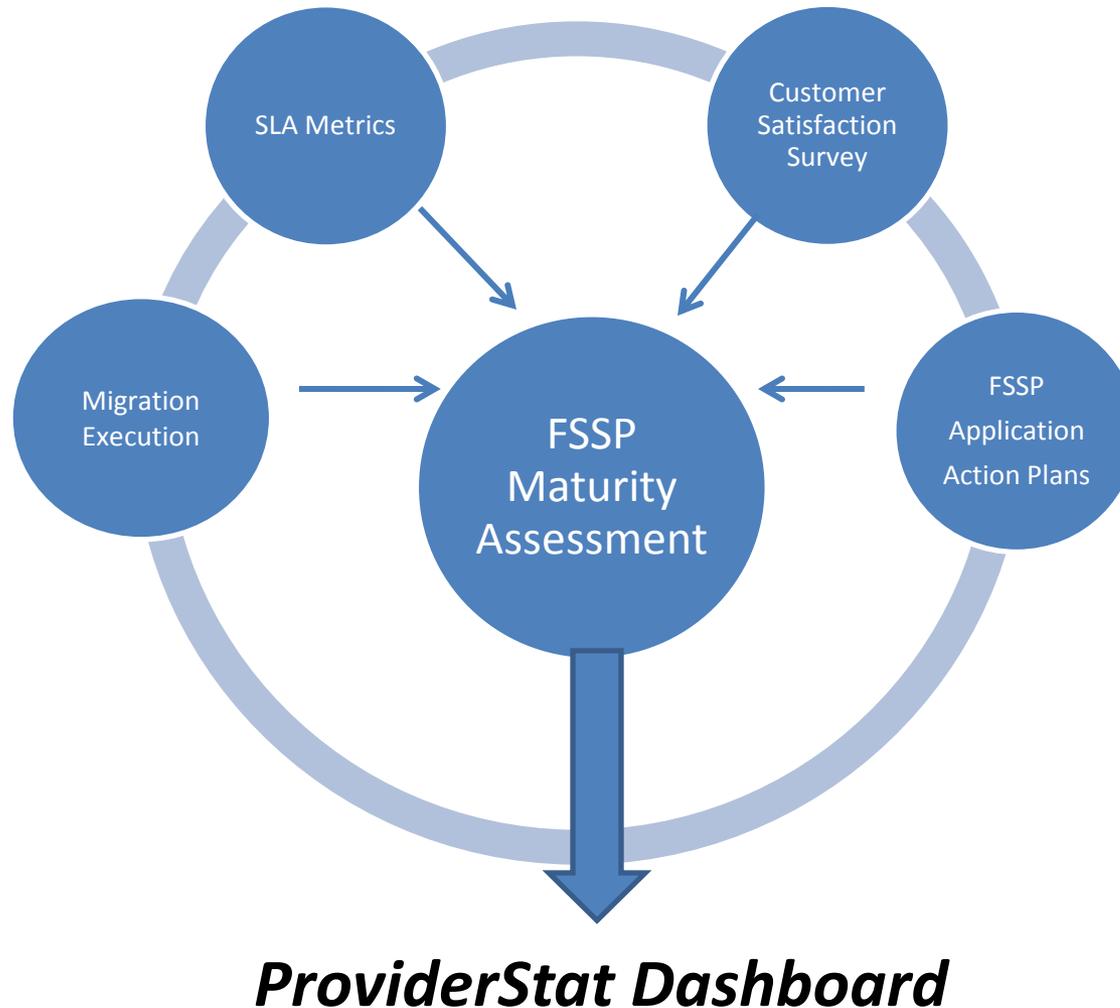


Focus Moving Forward

ProviderStat: Overview

- Develop a performance management framework
 - Will be used to assess, monitor, and mature providers' current capabilities, while ensuring customer needs are met
 - Annual process with quarterly progress reviews
- Goal
 - Highlight areas where FSSPs excel
 - Identify and prioritize opportunities for FSSPs to mature their capabilities

ProviderStat: Information Sources



Other Focus Areas

- **Cost Methodology Project**
 - Develop a consistent, repeatable methodology for collecting current agency financial management costs
 - Provide a framework for assessing the quantitative and qualitative benefits of migrating to a FSSP
- **Standard Configuration Project**
 - Assess the feasibility of developing a standard Oracle configuration
 - If feasible, define and begin using the standard
- **Shared Services Organizational Study**
 - Assessing opportunities to leverage best practices across all lines of business – not just financial management

Contact Information



Matt Miller

Assistant Commissioner, Fiscal Accounting

304-480-6681

matthew.miller@fiscal.treasury.gov

Beth Angerman
Executive Director, FIT
202-874-5704



elizabeth.angerman@fiscal.treasury.gov