UNIFIED FINANCIAL MANAGEMENT SYSTEM

UFMS Connection

Harnessing technology. Empowering management. Building success in HHS.

Volume 1 Issue 2
December 2002

UFMS Takes to the Road!

Were UFMS a musical, the chorus would sing this refrain: "The ultimate success of UFMS depends on your input about your data and reporting needs."

Broadway can rest easy, but when it comes to making UFMS work, Janet Hale, Assistant Secretary for Budget, Technology and Finance, knows how important it is to have everyone hear that tune – over and over again. Together with senior officials from HHS operating divisions and UFMS staff, she conducted a series of on-site "road shows" designed to increase awareness of UFMS and facilitate information exchange and commentary about the emerging, department-wide financial management and accounting system.

Janet Hale, ASBTF, speaks at a joint AoA, ACF, AHRQ road show on Nov. 22, 2002

This Issue

UFMS Takes to the Road 1
Next Steps for Success 2
Case for Change 2
Q & A 2
News items in Brief 3
Global Design 4

The primary UFMS benefits explored at the road shows include:

- **Lower administrative costs, freeing up resources that can be used for programs;**
- **A more secure systems environment; and**
- **The capability to provide more timely and accurate information for management purposes.**

At the first UFMS road show, held October 17 at the Centers for Disease Control in Atlanta, GA, CDC Director Dr. Julie Gerberding joined Hale in addressing the need for UFMS. "All of us need more information on an ongoing basis of how our dollars are being spent," Gerberding said. "UFMS has the potential to be a definite and distinct advantage over what we are used to."

> *"All of us need more information on an ongoing basis of how our dollars are being spent."*
>
> *Dr. Julie Gerberding, CDC Director*

Hale drove home what was needed to turn the "potential" benefits into real ones. "Feed in early! Feed in often!" Hale exhorted participants. "UFMS will benefit not only financial managers, but also program managers," she added, "but only if we know what tools and information are needed by programs to help them manage themselves better. To that end, Hale said, "we need you all at the table," giving input into system design.

The UFMS Implementation Team, headquartered in ASBTF with site teams at each operating division, has anticipated and is planning for the management of several UFMS implementation risks. Chief among these are the lack of involvement and feedback of HHS program managers across the department. Failing to get that involvement is "our number one risk," Hale has said.

An estimated 500 individuals have participated in these critical sessions aimed at encouraging involvement and participation in UFMS implementation.

Other challenges include ensuring proper interfaces between UFMS and the legacy systems now in place and dealing with the complexity and cost of data clean up and data conversion.

"There's no question that we are cutting-edge here," Hale

continued on pg 2

continued from pg 1

said at the road show held for officials in the Office of the Secretary on November 14. "There are things that can go wrong, but I believe we have a great team of people who can implement this system effectively."

2002 UFMS Road Show Calendar	
CDC	Oct. 17
FDA	Oct. 23
ASBTF	Nov. 1
PSC	Nov. 12
OS	Nov. 14
SAMHSA	Nov. 15
AoA/ACF/AHRQ	Nov. 22
HRSA	Nov. 25

*NIH, CMS and IHS events to follow in 2003

Accompanying Hale on the road shows are: Kathy Heuer, Deputy Assistant Secretary for Performance and Planning; George Strader, Deputy Assistant Secretary for Finance; and Gerald Thomas, UFMS Program Director. The team will visit with leaders and staff at the Centers for Medicare & Medicaid Services, the National Institutes of Health, and the Indian Health Service, in 2003.

UFMS communications also include a website at http://www.hhs.gov/ufms, email "newsflashes," and meetings between operating divisions' managers and the HHS global implementation team. ■

Q: ***What is the scope of UFMS?***

A: The following elements are included in the UFMS initiative:

- General Ledger
- Accounts Payable
- Accounts Receivable
- Cost Management
- Budget Execution
- Commitment and Obligations

The following elements **are not** part of the scope of the UFMS initiative:

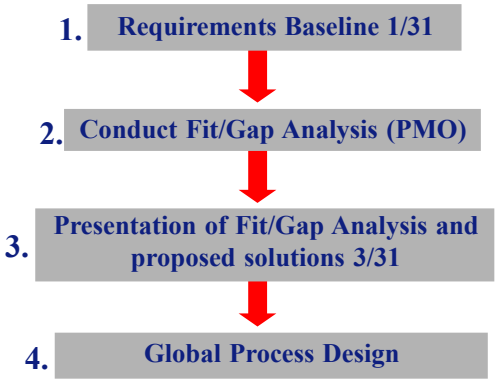
- Travel
- Grants
- Budget Formulation
- Cost Accounting
- Procurement / Acquisition
- Property Systems

Important Note: The Financial Transactions component of the feeder systems, including the associated interfaces to record them within UFMS, are part of the scope of this initiative.

For more frequently asked questions visit:
www.hhs.gov/ufms/FAQs

Next Steps for Success

The beginning of 2003 holds several key milestones for UFMS. Each of these events is critical to the success of the intiative.



The Requirements Baseline will be submitted to the Planning and Development and Steering Committees for approval at the end of January. Upon approval, the Program Management Office will perform a Fit/Gap Analysis to determine what system enhancements may be needed. The PMO will present the analysis and potential solutions to the PDC/Steering Committees for approval in late March or early April, followed by configuration workshops with the OPDIVs.

√ **OPDIV Success in UFMS**: While the requirements review sessions in January and some later events are aimed at your UFMS "experts," your **program managers, business managers and GPRA** people need to attend these meetings as well. We want to make sure that their needs for information are understood and factored into the requirements review process. ■

Why UFMS?

Enhanced Data, Compliance and Efficiency

UFMS represents considerable change that will be costly, complicated, and perhaps often frustrating to design and implement. So why bother? To help HHS operating divisions answer this question for themselves, the UFMS project conducted a lively and intense brainstorming session, called a "Case for Change" workshop, with representatives from across the department.

An initial assessment by these future UFMS users suggests the system will deliver important benefits through the efficient use of management resources, greater ac-

continued on pg 3

continued from pg 2

cess to information and ability to analyze data, and stronger controls in financial management.

The forum engaged more than 25 representatives from all HHS Operating Divisions in a spirited exchange hosted by the UFMS Global Business Transformation Team.

Kathy Heuer, HHS Deputy Assistant Secretary for Performance and Planning, convened the session, saying, "We all must have a better understanding of how UFMS will benefit our agencies and a better idea of how we can maximize these benefits through participation in the UFMS implementation process."

After receiving a brief overview of the UFMS project, participating financial, budget and program managers were asked to develop a comprehensive list of all the possible benefits of having a single HHS financial management system, including the opportunity to build new tools that enable better data analysis and reporting. The workshop participants talked about the potential advantages to UFMS from their perspectives in administration and program management and the challenges that come with implementing change.

Among the potential benefits identified by participants, the following were seen as particularly important:

- Elimination of redundant systems, processes and databases;
- Production of compliant financial statements in a more resource-efficient manner;
- Ability to develop and implement standard operating procedures across all agencies, with an improved ability to audit transactions;
- Ability to access and report real-time data on an *ad hoc* basis; and
- Improved ability to track program costs for management and performance reports.

Representatives from the agencies also brainstormed in small work groups about the specific, measurable improvements of how UFMS can help them do business and action steps to take to help implement change in their agencies.

In Brief

UFMS Business Case: UFMS received approval from the Information Technology Investment Review Board (ITIRB) on the formal draft of the UFMS Business Case for Decision Pt. #2. On November 20, 2002, subsequent to the ITIRB approval, UFMS executives gave a successful briefing to OMB. With these milestones met, the UFMS team continues to move forward with implementation . . . .

• • • • • • • • • •

OTAT: An **O**pDiv **T**echnical **A**nalysis **T**eam will meet periodically to discuss Global UFMS technical issues and review deliverables. OTAT will be made up of technical reps from each OpDiv. See the UFMS website for more details or email Jennifer.Greger@hhs.gov . . . .

• • • • • • • • • •

IHS: ASBTF Janet Hale offered a UFMS status report on November 20 to the IHS Leadership Council/Council of Chief Medical Officers. The IHS implementation of UFMS will begin in earnest in October 2005 . . . .

• • • • • • • • • •

UFMS Website: The UFMS web site is now live at www.hhs.gov/ufms. Visit the site regularly for the latest project updates and information . . . .

• • • • • • • • • •

NIH Update: HHS will consider NIH's NBS-configured software as a "proof of concept" for the UFMS implementation. This "proof of concept" will allow the UFMS implementation team to capitalize on lessons learned at NIH while not interfering with the institutes' own progress. The NIH proof of concept software will include several core UFMS functions: General Ledger, Accounts Receivable, and Accounts Payable. For more information about NIH's progress visit http://nbs.nih.gov/news.html . . . .

• • • • • • • • • •

CMS: Centers for Medicare & Medicaid Services-HIGLAS is part of the goal of having a single financial management approach in HHS. For an update visit: www.cms.hhs.gov/higlas. . . .

In all, at least 25 UFMS attributes were identified and explored in the Case for Change process. UFMS Program Director Gerald ("GT") Thomas, responding to the outcome of the workshop, said: "It seems fairly clear that program managers and OpDiv heads are looking to UFMS for an improved ability to generate quality data that can be shared, sooner, more reliably and consistently, to better manage programs and to improve our accountability."

The UFMS program team will conduct another session focused on how UFMS can support planning and evaluation activities. This second "Case for Change" session will be conducted in February 2003. Visit www.hhs.gov/ufms/calendar for upcoming workshops and events. ■

Information Sharing: Global Process Design Workshops

UFMS must support an array of business operations that are performed across HHS agencies. To make sure it will help us do business more efficiently, the UFMS program team is learning about how we do business now and identifying opportunities for new business processes that will support the goals of the new system. Through workshops aimed at dissecting our existing business flows and seeing how they might work under UFMS, the Global Business Analysis Team will use information from participants to ensure that the system's design supports new business processes, and that the new processes will maximize the benefits of the new system.

Members of the UFMS Global Team participate in the Projects workshop

Comparing Business Needs to the UFMS Plan

The Global Business Analysis Team hosted a series of workshops in November and December in Rockville, MD, attended by subject-matter experts from across HHS' operating divisions. The topics included budget execution, general ledger, project management (including reimbursable activities, capital investment and cost accounting), accounts receivable, accounts payable and financial reporting. The discussions described current practices in those areas, identified ways in which existing processes can be improved, and compared these needs to the proposed UFMS business flows.

The gathering of this information will solidify the requirements for UFMS. The Global Team will use the information gathered in the workshops to ensure that the design of the financial management system will function efficiently for both the component agencies and the Department.

This first round of design workshops focused on the common systems and consolidations of the financial management information at the global level. In the future, each site team will perform further analysis on site-specific flows and processes.

Questions about UFMS?

Email us at

Mailbox.UFMS@hhs.gov

More Information Exchange Sessions to Come!

Opportunities to continue this valuable information exchange flow will occur in early 2003, among them a series of "requirement review" sessions planned for January. These sessions will review the various system requirements obtained last year in the UFMS process and consider how the information emanating from the global design workshops affects those requirements. The ultimate objective is to create, very early in the year, the "baseline" of requirements for UFMS so that fit gap analyses can begin. Participants in these sessions will represent their agencies in approving the baseline.

Also a brainstorm session will be held in February 2003 to consider the implications of UFMS for planning and evaluation activities.

Stay connected to the UFMS calendar at www.hhs.gov/ufms/calendar for upcoming opportunities to be involved. ■

Editor's Note

UFMS Connection welcomes submissions from HHS operating divisions about UFMS progress, issues and developments.

Contact Mailbox.UFMS@hhs.gov