


Office of Inspector General
U.S. House of Representatives
Washington, DC 20515-9990

MEMORANDUM

TO: Scot M. Faulkner
Chief Administrative Officer

FROM: John W. Lainhart IV 
Inspector General

DATE: May 12, 1995

SUBJECT: Audit Report - Proposed New Financial Management System Will Not Meet The House's Needs And Should Be Terminated (Report No. 95-CAO-02)

This is our final report on the proposed new Financial Management System (FMS). The ultimate objectives of this audit were to evaluate the ability of the new FMS to satisfy the House's needs and to evaluate the adequacy and effectiveness of the management practices that were followed for this project. In this report we identified problems and recommended needed corrective actions.

Your office's comments from numerous meetings and the March 30, 1995 memorandum from the Director, Internal Controls and Continuous Improvement were considered in preparing this report. We appreciate your positive response and concurrence with the recommendations. Your decision to terminate the new FMS and planned actions for a long-term solution are laudable. We are also in full agreement with your plan of action for an interim solution to enter into cross-servicing agreements with other Federal agencies by October 1, 1995, using commercially available software packages which are Joint Financial Management Improvement Program compliant.

My staff and I appreciate the courtesies and cooperation extended by your staff. If you have any questions or require additional information regarding this report, please call Craig W. Silverthorne or me at (202) 226-1250.

cc: Speaker of the House
Majority Leader of the House
Minority Leader of the House
Chairman, Committee on House Oversight
Ranking Minority Member, Committee on House Oversight
Members, Committee on House Oversight

**PROPOSED NEW FINANCIAL MANAGEMENT SYSTEM WILL NOT MEET
THE HOUSE'S NEEDS AND SHOULD BE TERMINATED**

*Report No. 95-CAO-02
May 12, 1995*

RESULTS IN BRIEF

CONCLUSIONS

The new Financial Management System (FMS) project was planned to last less than two years and although no formal budget was prepared, we estimate, based on available documentation, that the budgeted cost would have been \$1-2 million. The scope of the project was limited to upgrading to more reliable technology (ADABAS¹), completing the backlog of requested enhancements to the existing FMS, and adding recommended audit and control improvements. Today, after nine years and a minimum of \$5 million, the new FMS is still not finished and even if it were complete, it would not meet current House needs.

There are three main reasons for this conclusion:

- The system does not satisfy financial management standards followed by private industry or other government agencies.
- The project lacked top management involvement and oversight.
- The system was not developed following generally accepted management practices.

While the existing FMS supports the House's preparation of its monthly financial status report, the Clerk's Report, it does not conform to sound financial management principles and reporting requirements. (See Figure 1 for a graphical representation of the new FMS' functionality as compared to industry's perception of functional value.) For example, the system does not permit the House to determine what each of its activities cost, where its funds went, and whether or not spending on an activity exceeded appropriations. Since the goal of the new FMS was limited in scope to primarily replacing the existing FMS, a significant amount of time and effort would be needed to upgrade this system to satisfy current standards.

¹ ADABAS is a software product used for storing and retrieving information. During the course of this project, the new FMS was often called the "ADABAS FMS".

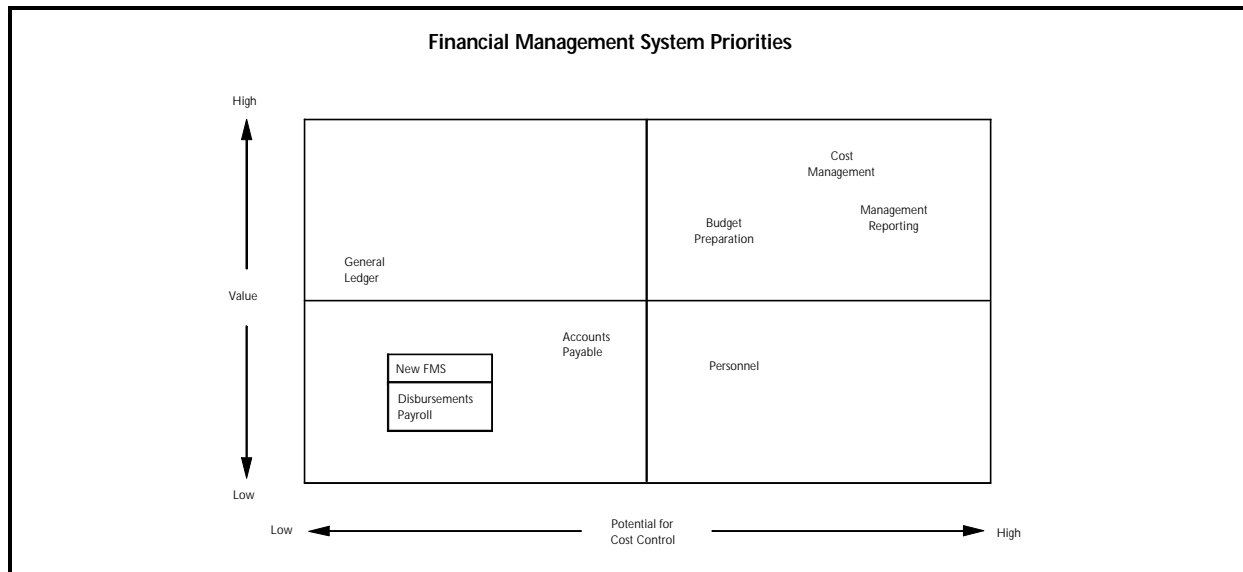


Figure 1 - The new FMS provides limited functionality when compared to industry's perception of functional value.

The time and expense overruns are a direct result of weaknesses in the management of the project and the procedures followed in building the system. Specifically, the following occurred:

- Inconsistent attention was paid to the preparation of detailed project plans and tracking progress against these plans.
- Commercially available software packages were not given the proper consideration as an alternative to an in-house system, in part because the Office of Finance and House Information Systems (HIS²) staff did not jointly perform such an analysis.
- Improvements in user workflows and procedures were not properly considered during the design of the system, which could cause the Office of Finance to work less effectively than would otherwise be expected (e.g., duplicative entry, requiring one person to enter the data and a second person to re-enter the data, was being expanded in the new system).
- Changes to the design were requested well after the original system design was approved by the Chief of Finance, creating a moving target.

² HIS is currently known as Congressional Information Resources (CIR).

- Testing was inefficient and often inconclusive, carried out more by trial and error than by a methodical process designed to ensure that no feature went untested.
- Management did not resolve obstacles to progress in a timeframe consistent with scheduled commitments (e.g., resource assignment conflicts).

RECOMMENDATIONS

The Chief Administrative Officer should stop the current project since it will not meet the current requirements and is riskier to continue than to use available, proven packages or service bureaus.

The Office of Finance should review and confirm the House's financial management needs and prioritize them, including those needs arising from Member offices. As a result of this analysis, it should develop a comprehensive set of functional requirements for a new system.

Since currently available packages and service bureaus can satisfy the high level financial management needs, the Office of Finance and HIS should jointly conduct a thorough analysis of the commercially available package features and service bureau offerings to determine which is the best fit.

HIS and the Office of Finance should adopt and follow the formal management practices commonly used by private industry and other government agencies when building a new system. Specifically it should adopt and follow a formal System Development Life Cycle (SDLC) methodology.

The Chief Administrative Officer should establish a top management steering committee to regularly monitor progress and remove obstacles in a timeframe consistent with project deadlines.

MANAGEMENT RESPONSE

The office of the Chief Administrative Officer has stopped development of the new FMS. In addition, it decided to eliminate the new FMS as an option for supporting House financial management. The office is currently considering commercially available off-the-shelf software packages and the processing facilities of other government agencies. The office also plans to adopt and implement a formal SDLC methodology for future FMS development efforts. In addition, the office is establishing a top management group to determine the House's financial management needs, select an alternative system, and monitor the implementation of the new system.

OFFICE OF INSPECTOR GENERAL COMMENTS

We fully concur with the initial and planned future actions of the office of the Chief Administrative Officer and commend them on their prompt action with respect to the issues raised in this report.

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I. INTRODUCTION

Background

Preliminary planning for building a new FMS began in 1984. However, the project did not formally begin until 1986. The project involved the payroll, voucher, audit, and accounting units of the Office of Finance and the Administrative Systems unit of HIS. Beginning mid-1986, these groups met to review the details of the proposed system. The Chief of Finance, responsible for overall House financial management, approved these details in June 1987 allowing the system programming to begin, approximately one year later than originally planned. A portion of this system was ready for testing in 1989, two years later than originally planned. This delay was the result of re-directing Administration Systems staff and Office of Finance staff to other activities, a delayed upgrade to the ADABAS software, and Office of Finance requests for additional features (e.g., method for adding general ledger and office ledger records). The testing from 1989 to the present was neither planned nor carried out in an orderly manner. (The history with both the actual and projected time is shown in Figure 2, New FMS Time Line.)

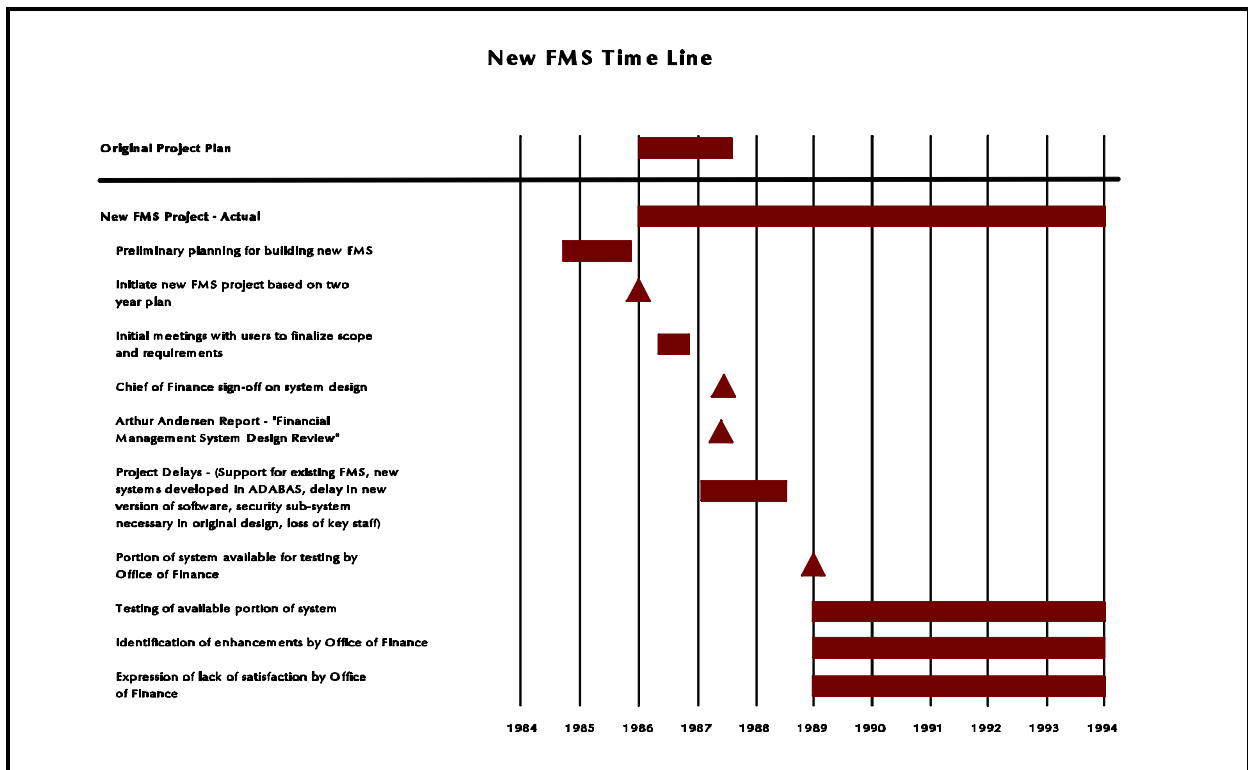


Figure 2 - The new FMS project has taken more than seven years longer than planned.

The costs related to the new FMS project are made up of the following items:

Project Related

- Labor (with overhead)
- Hardware (for testing)
- Software License (ADABAS)

Opportunity Costs

- Costs of supporting the existing FMS after the new FMS should have been in use
- Work deferred by the Office of Finance due to extended project demands
- Control deficiencies in the existing FMS (e.g., lack of audit trails)
- Office of Finance inefficiencies resulting from the existing FMS (e.g., manual ledgers)
- Support costs for Member accounting systems (excluded from FMS scope)

Due to limited cost tracking data, not all of the costs attributable to the new FMS can be easily identified. However, the HIS Budget Office was able to provide documentation that supports an estimated actual cost in excess of \$5 million (see Figure 3, New FMS Cost Comparison). This estimate represents only the project related costs and the cost of continuing to support the existing system.

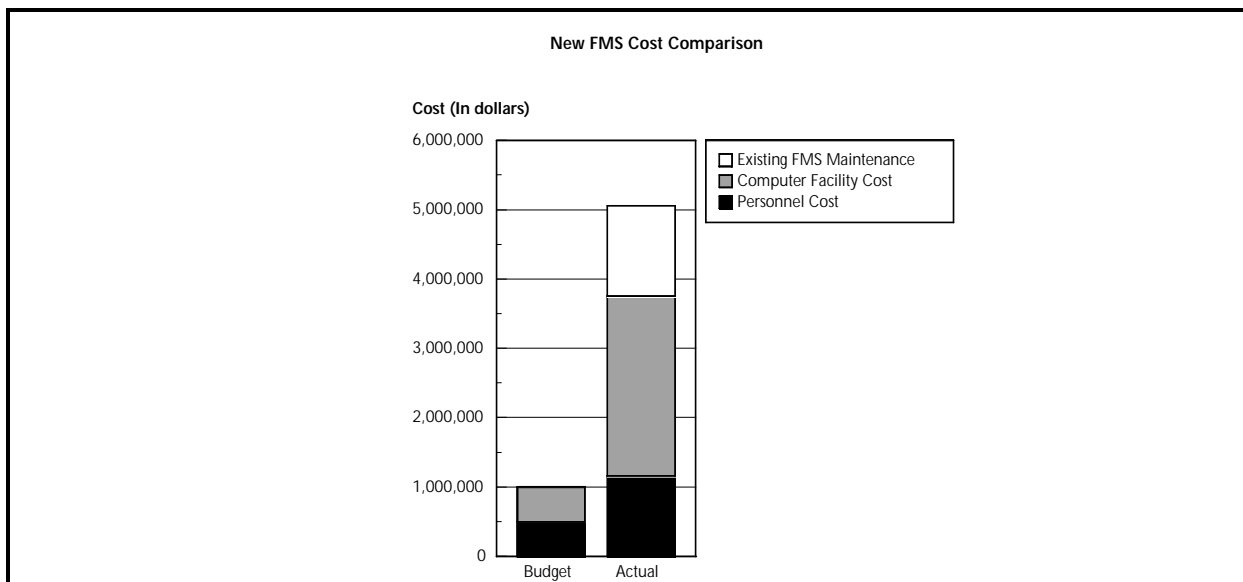


Figure 3 - The new FMS project exceeded the budget by at least five times.

Objectives, Scope, and Methodology

The objectives of our review of the new FMS were to evaluate its ability to satisfy the House's needs and to evaluate the adequacy and effectiveness of the management practices (e.g., System Development Life Cycle (SDLC) methodology) that were followed for this project. An SDLC is a set of management practices that outlines roles, responsibilities, approvals, and processes governing the work effort/products needed to build or acquire a system from inception through implementation. When followed, this stepwise approach establishes quality standards, and provides review checkpoints that allow opportunities for early corrective action if needed.

The original scope of the FMS performance audit was to review application controls, the ADABAS technology, alternatives to the new FMS approach, and SDLC adequacy and effectiveness. Based on our preliminary findings that suggested limited new FMS capabilities, our scope was redefined to a review of these capabilities compared to industry and government standards for financial management, and the review of the SDLC.

Our review of the capabilities of the new FMS did not constitute an evaluation of the detailed design of the system, but was based on system demonstrations, walkthroughs provided by HIS management, and available documentation. Since the government accounting standards, cited in this report, were not considered in the design of the new FMS, we made professional judgements in determining whether such features exist in the system. In addition, the requirements identified are high level standards as identified by the Joint Financial Management Improvement Program (JFMIP) and are not intended to represent the detailed functional requirements for a new FMS.

Our review of the SDLC encompassed the entire period of the project. However, our review of the new FMS capabilities was based on the status of the system as of December 31, 1994. Our field work for this review was performed between February 25 and April 28, 1995 and included both Administrative Systems within HIS and the Office of Finance. Our primary techniques for gathering and verifying data were through interviews with key personnel and the evaluation of systems documentation and other memoranda provided to us by Administrative Systems and Office of Finance staff. Some of the documents that we requested were not provided to us and are believed to be non-existent (e.g., detailed project plans, user need statements, test cases and results).

The documentation that we requested for evaluation is consistent with standard work products that would normally be created during the course of a project of this nature. These standards are described in private industry and government publications, such as:

- Federal Information Processing Standards (FIPS) Publications

- National Institute of Standards and Technology Special Publication 500-153
- Institute of Internal Auditors - Systems Auditability and Control Report

Our evaluation of the capabilities of the new FMS used standards followed for financial management systems by other government agencies and/or private industry:

- U.S. Standard General Ledger (U.S. SGL)
- JFMIP's Federal Financial Management System Requirements
- Generally Accepted Accounting Principles
- Statement of Federal Financial Accounting Standards
- Office of Management and Budget (OMB) Circular A-127 (Financial Management Systems)
- OMB Circular A-134 (Financial Accounting Principles and Standards)

Although the House has not been mandated to comply with the standards used in our review, they represent sound practices that other government agencies and private industry follow.

We conducted our review using a methodology consistent with generally accepted government audit standards, *Government Auditing Standards*, issued by the Comptroller General of the United States. In conducting our review we performed the following tasks:

New FMS Adequacy Evaluation:

- Gathered documentation and conducted initial interviews.
- Identified business objectives and high level functional requirements for an FMS based on current industry standards.
- Gained an understanding of the new FMS capabilities through interviews, system walkthroughs, demonstrations, and review of documentation.
- Compared the new FMS capabilities to standards and identified deficiencies.
- Summarized results in the appendix, Functional Analysis Summary.

SDLC Evaluation:

- Gathered documentation and conducted initial interviews.

- Prepared an internal controls profile evaluating the effectiveness of SDLC control techniques employed for this project in order to determine whether overall SDLC control objectives were being met.
- Performed preliminary risk assessment and determined whether tests were required to verify the control techniques or analyze the impact of a control not being in place.
- Created a plan of conditions to test, and expected results of these tests.
- Compared provided project documents with the test plan and evaluated and recorded actual results.

Internal Controls

This review evaluated internal controls related to the SDLC followed for this project. We did not evaluate any other internal controls related to the application or general controls being incorporated in the new FMS.

Prior Audit Coverage

There have been no audits performed of the new FMS system. However, management advisory services reports have been issued on aspects of the existing and new FMS, as described below:

Coopers & Lybrand (C&L) Report - House Information Systems FMS Security Review November, 1982: This review evaluated the strengths and weaknesses of the existing FMS, including the technical components of the system and the procedures supporting the system. C&L recommended that improvements be made in personnel policies and procedures, system change control segregation of duties, audit trails, and management reporting.

Coopers & Lybrand (C&L) Report - A Review of Financial Audit Trails for HIS August, 1983: This review evaluated the information produced by the existing FMS from the perspective of its adequacy to support the system of internal controls in use by the Finance office. C&L recommended that outstanding functional enhancements be implemented in the existing FMS and a detailed posting report be created to support general ledger reconciliations. The recommendations from this report were included in the requirements for the new FMS.

Arthur Andersen & Co. (AA) Report - Technical Design of the new FMS May, 1987:

This review evaluated the design of the new FMS including file and software design, control and security procedures to guard against unauthorized access and system audit trails, accounting checkpoints, and recovery mechanisms. This report validated the technical approach, but did not include an evaluation of the functionality or the development process. AA recommended that file structure changes be implemented to improve performance. AA also recommended HIS document all known control requirements for the system.

II. FINDINGS AND RECOMMENDATIONS

Finding A: The New FMS is Functionally Inadequate and Should Be Terminated

The new FMS does not meet financial management system requirements as employed by other government agencies and private industry (see figure 4--Comparison of Financial Management Requirements). This makes it impossible for the system to support sound reporting practices and fiscal accountability. This inadequacy is due to standards, guidelines, and best practices not being addressed during the system design.

Financial Management System Requirements

According to the April 23, 1986 requirements memorandum (XAS-110), from the FMS Project Leader to the Chief of Finance, double entry bookkeeping was not required in the new system. The following is an excerpt from that memorandum.

"The current system method of posting to these accounting files will not be adopted by the new ADABAS FMS. Neither will the concept of performing a double-posting to a checking account (0111). The voucher or payroll disbursement record is in itself the posting to the account. The new ADABAS FMS will have a Journal File which has a complete audit trail of all transactions entered which affect the accounting structure. The double posting concept is required within manual accounting procedures to aid in the detection of erroneous postings. The new ADABAS FMS will effect the accounting structure correctly, as indicated on entered transactions, therefore erroneous postings are impossible."

The project team therefore concluded that unlike business and Federal agencies, double entry bookkeeping was not required. That is a fundamental flaw in the design of the system since double entry bookkeeping is required to support accrual based accounting, a general ledger, funds management, and standard financial and management reports. In essence, the existing FMS can be likened to a large personal checkbook which is limited to keeping a running balance of cash receipts/expenditures as opposed to a fully functional financial management system required by private industry and Federal agencies for the preparation of audited financial statements.

The JFMIP's Federal Financial Management System Requirements enable Federal agencies to select and implement systems that (1) provide adequate information to support sound financial decision making, and (2) meet appropriate regulations, policies, etc. The JFMIP financial system requirements were used to evaluate the following new FMS modules: General Ledger, Funds Control, Accounts Payable, and Payroll/Personnel.

New Financial Management System Comparison of Financial Management Requirements

Module	High-level House Financial Management Requirements	Gov't Std ³	New FMS
General Ledger	<ul style="list-style-type: none"> • Support the use of the U.S. Standard General Ledger • Accept/generate and process debit and credit transactions • Maintain balances on assets, liabilities, revenues, and expenditures • Process monthly and year end closing • Accumulate and allocate costs, such as overhead, as appropriate • Report information on an obligation basis, cost basis, accrual basis and/or a cash basis • Produce Report of the Clerk of the House • Produce Income Statement, Balance Sheet, Cash Flow, and Budgetary Resources and Actual Expenses reports 	<ul style="list-style-type: none"> x x x x x x x 	<ul style="list-style-type: none"> x
Funds Management	<ul style="list-style-type: none"> • Support single-year, multi-year and revolving funds • Establish, distribute, track, control, and report funds appropriated and authorized based on U.S. Standard General Ledger and account classification structure • Record the expiration and cancellation of appropriation authority in accordance with Office of Management and Budget Circular A-34 and the U.S. Standard General Ledger • Allow authorized personnel to reallocate funds at designated levels • Notification of funds availability prior to issuing an obligation or expenditure • Update available funds balances when disbursement are entered • Maintain obligation information for which there may or may not be commitments • Provide for authorized cancellations of posted obligations 	<ul style="list-style-type: none"> x x x x x x x x 	<ul style="list-style-type: none"> x x x
Accounts Payable	<ul style="list-style-type: none"> • Maintain information on vendors • Record, store, and schedule payments • Record an accrued liability upon receipt and acceptance of goods • Generate voucher transactions, postings, and payments for recurring expenses • Compute disbursement amounts and print checks per payment schedule • Compute amounts to be disbursed including discounts, withholdings, interest or penalties • Generate and print checks 	<ul style="list-style-type: none"> x x x x x x x 	<ul style="list-style-type: none"> x x x x
Payroll/ Personnel	<ul style="list-style-type: none"> • Maintain information on employees and process personnel actions • Maintain information on employee benefits • Maintain information on jobs and positions • Record time and attendance information for hourly employees • Calculate employee earnings and generate payrolls for a variety of pay cycles • Maintain historical data by pay period and transactions by effective date • Calculate mandatory, voluntary, and involuntary deductions per GAO Title 6 • Generate payroll with checks and/or electronic funds transfer • Update Federal, FICA, Medicare, and State computations • Generate Federal tax, FICA, and Medicare checks to US Treasury and state checks • Report total funds deducted and government contributions to Office of Personnel Management at month-end 	<ul style="list-style-type: none"> x x x x x x x x x x x 	<ul style="list-style-type: none"> x x x x x x x x

3 Government standard requirements taken from JFMIP's Federal Financial Management System Requirements.

Figure 4 - The new FMS does not meet standard government financial management requirements.

The new FMS provides only a limited subset of the required functionality for the General Ledger, Funds Control, and Accounts Payable modules. However, the Payroll/Personnel module appears to perform a larger subset of the required functions (see appendix, Functional Analysis Summary).

Basic financial management flaws exist in the new FMS

Our review of the new FMS indicated that it does not have certain basic accounting features. Specifically, it does not do the following:

- Perform double entry bookkeeping.
- Record assets and liabilities; it only records inflows and outflows of cash.
- Produce trial balance or financial statements (e.g., balance sheet, income statement).
- Support compliance with regulations such as the Anti-Deficiency Act, Chief Financial Officers (CFO) Act, and Prompt Pay Act.

The House will not have required financial management information

The new FMS will not provide the House with information to do the following:

- Make sound financial decisions.
- Enable the House to be financially accountable.
- Inform management when the House is at risk of being anti-deficient.
- Know if the House is in violation of other regulations.

Financial management standards, guidelines, and best practices were not followed

The system's design did not incorporate typical practices followed by other government agencies and private industry such as:

- U.S. Standard General Ledger.
- JFMIP's Federal Financial Management System Requirements.
- Generally Accepted Accounting Principles.
- Statement of Federal Financial Accounting Standards.

Recommendations

We recommend that the Chief Administrative Officer:

1. Terminate the new FMS and eliminate it as a viable option for a future FMS.

2. Develop a comprehensive set of functional requirements for a new FMS, taking into consideration the information and processing needs of the House, the U.S. Standard General Ledger, JFMIP's Federal Financial Management System Requirements, Generally Accepted Accounting Principles, Statement of Federal Financial Accounting Standards, and all applicable House regulations.
3. In the interim, explore options available for a new FMS, including commercial off-the-shelf software packages and cross-servicing arrangements with other Federal agencies.

Management Response

In a March 30, 1995 memorandum, the office of the Chief Administrative Officer terminated continued development of the new FMS and eliminated the new FMS as an option for future FMS consideration. The office is currently developing a comprehensive set of functional requirements for a new system, taking into consideration the House's needs and the U.S. Standard General Ledger, JFMIP's Federal Financial Management System Requirements, Generally Accepted Accounting Principles, and Statement of Federal Financial Accounting Standards. They are also initiating action to enter into cross-servicing agreements with other Federal agencies as an interim solution. These agencies use commercially available software packages that are JFMIP compliant. This interim solution is planned for implementation by October 1, 1995.

Office of Inspector General Comments

The office of the Chief Administrative Officer's actions are fully responsive to our recommendations and we commend them for their responsiveness, especially in addressing these recommendations with an interim solution. We recognize that to develop the complete set of functional requirements and implement a new system is a long-term endeavor (18-24 months) involving significant resources (i.e., user and technical personnel, hardware, and software) and strong commitment from top management.

Finding B: Top Management Involvement/Oversight and Adoption of a Formal SDLC Methodology are Needed to Guide Future FMS Development Efforts

Adequate management guidance and oversight was not in place in setting the goals of and building the new FMS. Work products, quality standards, and guidelines in building the new FMS were inadequate. As a result, the new FMS does not satisfy House financial management needs (see Figure 1), and it is still not complete, nine years after the project started. Furthermore, many needed improvements to the existing FMS, deferred to the new system, have not been implemented. The current technology has also grown older and more difficult to support. This condition was allowed to develop because top management was not involved and did not provide oversight, and a proven SDLC methodology was neither a matter of policy nor sufficiently followed informally during the project.

Large, important projects are typically monitored by a board or steering committee. This body is responsible for approving project purpose and investment, monitoring progress, and resolving issues such as resource availability and cost overruns. Furthermore, the larger and riskier the project, the more vital it is to follow a proven SDLC methodology. Using a free form approach to systems development in a large project will often result in serious deficiencies.

System development work products, guidelines, and procedures were inadequate

Our evaluation of the systems development process for this project identified the following weaknesses:

- The new FMS does not provide automated support for full Funds Management and General Ledger reporting.
- Detailed project plans (e.g., tasks, staff assignments, resources, dates) were not tracked, updated, and reported on a consistent basis.
- There were numerous changes in project scope after initial sign-off.
- There was an inadequate evaluation of alternative software packages and cross service options.
- Improvements to user workflows and procedures were not properly considered during design.
- Testing lacked the structure needed to ensure thoroughness.
- Roles and responsibilities for HIS and Office of Finance staff were not clearly established.

The House has not achieved the desired result

The weakness in the system development process resulted in the following:

- The House does not have the information it needs to properly manage its finances.
- The House does not follow financial management practices that compare favorably with private industry or other government agencies.
- The new FMS is not operational.
- The proposed benefits of the new FMS have not been implemented.
- The project cost \$5 million to date--significantly more than expected.
- The project is seven years past due.
- The existing FMS is based on very old technology and is difficult to maintain.
- Needed improvements to the existing FMS were deferred (to the new system) for years and are only now getting attention.

Top management involvement and oversight was insufficient

A top management group was not in place to address the following:

- The Office of Finance did not request that the new system satisfy government standards in financial management.
- Little or no attention was paid to management checkpoints including time, cost, and project milestones.
- Obstacles that affected progress were not resolved in a timely manner (e.g., sufficient user resources for testing).

Systems development standards, guidelines, and best practices were not followed

The systems development process did not have sufficient structure:

- There was no requirement to follow a proven SDLC methodology consistent with either private industry or government standards.
- HIS and the Office of Finance did not voluntarily adopt a proven SDLC methodology, as a matter of best practices.

Recommendations

We recommend that the Chief Administrative Officer:

1. Establish a top management steering committee to approve overall FMS goals and funding, monitor progress, resolve issues in a timeframe consistent with schedule commitments, and ensure that best practices are followed in the development of the new FMS.

2. Adopt and implement a formal SDLC methodology to guide future FMS development efforts.

Management Response

The office of the Chief Administrative Officer has established a top management group to determine the House's financial management needs, select an alternative system, and monitor the implementation of a new system. In addition, the office plans to adopt and implement a formal SDLC methodology to guide future FMS development efforts.

Office of Inspector General Comments

The office of the Chief Administrative Officer's actions are fully responsive to our recommendations.

APPENDIX
FUNCTIONAL ANALYSIS SUMMARY

New Financial Management System Functional Analysis Summary

To determine the functional adequacy of the new Financial Management System (FMS), the following tasks were undertaken:

1. The review team identified appropriate standards for financial management systems against which to evaluate the new FMS. Although the House has not been mandated to comply with these standards, they represent sound practices that other government agencies and private industry follow. The following documents and standards were examined during the course of the analysis:

- U.S. Government Standard General Ledger
- JFMIP's Federal Financial Management System Requirements
- Generally Accepted Accounting Principles (GAAP)
- Statement of Federal Financial Accounting Standards
- OMB Circular A-134 (Financial Accounting Principles and Standards)
- OMB Circular A-127 (Financial Management Systems)

It was determined that JFMIP's Federal Financial Management System Requirements represent basic functionality required to meet Federal government financial system standards. Therefore, they have been used as a basis for evaluating the functionality of the new FMS in this analysis.

2. The review team gathered documentation and interviewed House Information Systems and Office of Finance staff.
3. The review team gained an understanding of new FMS functionality through interviews, system walkthroughs and demonstrations, and review of the following documentation:
 - Financial Management Programming Specifications - March 8, 1988
 - Financial Management File Design Specifications - March 20, 1987
 - Financial Management System User Manual - February 28, 1995
4. The review team compared new FMS functionality to JFMIP's Federal Financial Management System Requirements and identified gaps.
5. The results of the analysis were summarized, as depicted in the following pages.

New Financial Management System Functional Analysis Summary

1.0 GENERAL LEDGER

The General Ledger is the central module of a financial management system. The general ledger is the highest level of summarization and must maintain account balances by an established account structure. It is supported by subsidiary ledgers at various levels of detail that are maintained within the core financial management system (e.g., Accounts Payable, Accounts Receivable) or in other systems (e.g., Payroll, Procurement). All transactions that record financial events must be posted, either individually or in summary, to the general ledger, regardless of the origin of the transaction.

General Ledger requirements have been defined under the following sections:

- 1.1 Standard General Ledger:** This section establishes requirements for the general ledger account structure in accordance with the U.S. Government Standard General Ledger.
- 1.2 General Ledger Processing:** This section describes requirements related to posting transactions and performing period-end closings.
- 1.3 Cost Allocation:** This section describes requirements related to the allocation of costs incurred to assets or functions performed by an entity.
- 1.4 Reporting and Inquiry:** This section describes reports and on-line displays needed for management analysis and statutory reporting.

**New Financial Management System
Functional Analysis Summary**

Financial Management System Requirements General Ledger				
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions
1.0 General Ledger				
1.1 Standard General Ledger				
1.1.1	Provide the capability to support the use of the U.S. Government Standard General Ledger (SGL) which provides a uniform chart of accounts and related transactions.	High	No	The system does not comply with the U.S. SGL.
1.1.2	Provide the capability to support subsidiary (office) and cost center account levels for each SGL account with control accounts provided for reconciliation between office and general ledger accounts.	High	Partial	Provides 3-tier account structure with "general ledger" accounts, office ledger accounts and cost center accounts. However, this structure is not in compliance with the U.S. SGL.
1.1.3	Provide control accounts in the general ledger to maintain a balance between the general ledger and ancillary systems and functions and to accept information in standard transaction format from the following systems and functions: <ul style="list-style-type: none"> • Funds Management • Accounts Payable (Payment/Voucher Processing) • Payroll Processing • Purchase Order/Requisition • Fixed Assets (plant, property, and equipment) • Inventory • Accounts Receivable 	High	Partial	Balancing is performed between "general ledger", office, and cost center accounts for payroll and vouchers only. Does not comply with the U.S. SGL.
1.2 General Ledger Processing				
1.2.1	Provide the capability for generating all of the appropriate debit and credit entries to the general ledger from a single transaction.	High	No	Does not use double-entry bookkeeping method of accounting.
1.2.2	Provide the capability to create and process system generated transactions, such as automated accruals, closing entries, cost allocation transactions, etc.	High	No	Cash basis accounting system.

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

**New Financial Management System
Functional Analysis Summary**

Financial Management System Requirements				
General Ledger				
				Page 2
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions
1.2.3	Provide the capability to automatically update general ledger accounts through debits and credits based on transactions posted to subsidiary and office ledger accounts through journal vouchers and other entries, according to pre-defined posting rules.	High	No	Accounts are set up as a list of transactions and account balances. There are no debits and credits.
1.2.4	Provide for automatic month-end and year-end closings and rollover of both real (proprietary) and budgetary general ledger account balances, based on user-defined criteria.	High	No	
1.2.5	Provide for multiple preliminary closings (production of reports and statements) before final year-end closing.	Medium	No	
1.2.6	Provide the capability to post to multiple months concurrently within the same fiscal year. At year-end, provide for the capability to post to the current year by month, as well as to the prior year, regardless of when year-end closing occurs.	Medium	No	
1.2.7	Provide the capability to report information on an obligation basis, a cost basis, an accrual basis and/or a cash basis.	High	Partial	System processes expenditures on a cash basis only.
1.3 Cost Allocation				
1.3.1	Provide the capability to accumulate and allocate overhead costs on the basis of actual or standard costs or user-specified allocation basis and to allocate costs for reporting purposes without affecting general ledger balances.	Medium	No	
1.3.2	Provide the capability to define target cost centers to which costs will be allocated.	Medium	No	Cost center accounts may be defined to report expenses. However, expenditures cannot be allocated to multiple accounts. They are simply entered into one particular account.

Priority: **High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable**

**New Financial Management System
Functional Analysis Summary**

Financial Management System Requirements General Ledger					Page 3
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions	
1.4 Reporting and Inquiry					
1.4.1	Retain general ledger, office ledger, and cost center account balances on-line for the current year and several prior years to facilitate comparative analysis.	Low	Partial	Maintains data for multiple appropriation years, but does not do comparative analysis across years.	
1.4.2	Provide the capability to produce detail and summary reports by transaction type or accounting event and consolidated reports across general ledger accounts.	Medium	Partial	Displays transactions by Social Security Number, vendor, ledger, office, or cost center. Does not produce consolidated reports across general ledger accounts.	
1.4.3	Automatically produce pre-defined internal reports or on-line displays related to the following types of data on a recurring or periodic basis: <ul style="list-style-type: none"> • Assets and Liabilities • Statistics • Available Balances • Key Financial Ratio Comparisons 	Low	Partial	Information on assets, liabilities, financial ratios and other statistics are not available. Available balances by office and cost center can be viewed.	
1.4.4	Automatically generate and accumulate the required information needed to produce the Report of the Clerk in the appropriate format (Note -- House specific requirement).	High	Yes	Produces information for the Clerk's Report.	
1.4.5	Provide the capability to support GOALS which allows for the electronic transfer of funds and reports to the U.S. Treasury.	Low	Yes		

Priority: **High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable**

**New Financial Management System
Functional Analysis Summary**

Financial Management System Requirements				
General Ledger				Page 4
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions
1.4.6	Produce the following reports in the prescribed format at the required intervals: <ul style="list-style-type: none"> • Trial Balance Produce external reports in the prescribed format at required intervals, including: <ul style="list-style-type: none"> • SF-225 Report on Obligations • SF-1219 Statement of Accountability • SF-1220 Statement of Transactions • TFS-2108 Year-End Closing Statement • Statement of Operations and Changes in Net Position (Income Statement) • Statement of Financial Position (Balance Sheet) • Statement of Cash Flows • Statement of Budgetary Resources and Actual Expenses 	High	Partial	System does not use double entry accounting, and therefore does not produce a trial balance or balance sheet. Only SF-1220 reports are produced.

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

New Financial Management System Functional Analysis Summary

2.0 FUNDS MANAGEMENT

The House is responsible for establishing a system that ensures that it does not obligate or disburse funds in excess of those appropriated and/or authorized. A Funds Management module supports tasks related to controlling funds.

Funds Management requirements have been defined under the following sections:

- 2.1 Funds Allocation:** This section describes requirements related to recording the House's budgetary resources and establishing and enforcing spending limitations at each level required within the House, such as general ledger account, office ledger account, and office cost center.
- 2.2 Funds Control:** This section describes requirements for processing transactions affecting the accounts established in the House ledger system, including providing warnings and controls to ensure that budgetary limitations are not exceeded.
- 2.3 Analysis/Financial Plan Processing:** This section describes requirements to support financial plan analysis, such as comparisons between projected and actual spending.
- 2.4 Reporting and Inquiry:** This section describes the reports and on-line displays needed to support the Funds Management function.

New Financial Management System Functional Analysis Summary

Financial Management System Requirements Funds Management					Page 1
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions	
2.0 Funds Management					
2.1 Funds Allocation					
2.1.1	Provide the capability to support single-year, multi-year and revolving funds.	High	Yes		
2.1.2	Establish, distribute, track, control, and report funds appropriated and authorized at the various funding levels based on the U.S. Government Standard General Ledger (SGL) and accounting classification structure.	High	Partial	<p>The sum of office authorizations is not required to equal total appropriations for the House, thus not meeting a requirement of the Anti-Deficiency Act.</p> <p>System does not comply with U.S. SGL or standard accounting classification structure.</p>	
2.1.3	Provide the capability to record and control funds received in addition to appropriations, and identify the type of fund.	Medium	Partial	<p>Can receive Barber and Beauty Shop funds and refunds from vendors.</p> <p>System does not handle funds received for cross-servicing, such as National Change of Address processing for GPO.</p>	
2.1.4	Record the expiration and cancellation of appropriation authority in accordance with OMB Circular A-34 and the SGL.	High	Partial	System does not comply with the U.S. SGL.	
2.1.5	Provide for maintaining operating plans at or below the funds control level of the classification structure.	Medium	Partial	Tracks funds by cost center within each office.	
2.1.6	Allow authorized personnel to reallocate funds at designated levels.	High	Yes		

Priority: **High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable**

**New Financial Management System
Functional Analysis Summary**

Financial Management System Requirements Funds Management					Page 2
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions	
2.2 Funds Control					
2.2.1	Provide for notification of funds availability prior to the issuance of an obligation or expenditure.	High	Partial	Obligations are not set up within the system -- only expenditures as vouchers are entered. System only checks expenditures against office and cost center limits, but does not check whether expenditures exceed total House appropriations.	
2.2.2	Automatically update available funds balances according to pre-defined liquidation logic when reimbursements and disbursements are entered.	High	Yes		
2.2.3	Record and maintain obligation information, including amendments, based on obligating documents (journal vouchers) entered on-line and from multiple locations for which there may or may not be commitments.	High	No	System does not set up obligations. Payments are processed as soon as vouchers are entered and released.	
2.2.4	Allow for transactions creating commitments or anticipated obligations to be entered early, stored, and posted at the appropriate date in order to aid in distributing workload. If the obligation does not occur, permit the user to delete the transaction without posting it.	Low	No		
2.2.5	Provide for authorized cancellations of posted obligations.	High	No	Even though vouchers can be cancelled before a payment is issued, this does not constitute cancellation of an obligation, as the system does not create true obligations.	

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

New Financial Management System Functional Analysis Summary

Financial Management System Requirements Funds Management					Page 3
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions	
2.3 Analysis/Financial Plan Processing					
2.3.1	Maintain current information on obligations according to the Account Classification Code Structure, on an account by account basis.	Medium	No		
2.3.2	Provide the capability to establish and maintain financial plans by month or quarter to any level of the accounting classification code structure as defined by the user and independent of budget execution and accounting processing.	Medium	No		
2.3.3	Track the actual use of funds against operating or financial plans.	Medium	No		
2.3.4	Maintain status information on all undelivered orders, payables, and payment transactions.	Low	Partial	No information on undelivered orders or payables, as system is not tied into a procurement subsystem.	
2.4 Reporting and Inquiry					
2.4.1	Provide an on-line Status of Funds at the summary or detail level by object class, organization and source showing the available funds balance, budget, year-to-date actual expenditures, and unliquidated obligations.	Medium	Partial	Does not provide information on obligations - obligations are not set up by the system. Does not provide total expenditures for the House in relation to total House appropriations.	
2.4.2	Produce the following reports in the prescribed format and at the required intervals: <ul style="list-style-type: none"> • Detail and summary reports showing appropriations, authorizations, obligations, expenditures, and available funds by general ledger, office, and cost center. Produce external reports in the prescribed format at required intervals, including: <ul style="list-style-type: none"> • SF-133 Report on Budget Execution • SF-225 Report on Obligations 	High	Partial	No external reports are produced.	

Priority: **High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable**

**New Financial Management System
Functional Analysis Summary**

New Financial Management System Functional Analysis Summary

3.0 ACCOUNTS PAYABLE

The Accounts Payable module provides control over payments made by the House. Specific activities performed relating to payments may be supported by other systems which lead up to the payment stage, such as recording obligations and expenditures, and establishing payables. For example, a travel system may calculate the amount to be paid on a travel voucher and send the transaction to the Accounts Payable module, which would then schedule the payment for disbursement and confirm that it occurred.

Accounts Payable requirements have been defined under the following sections:

- 3.1 Vendor/Payee Information Maintenance:** This section describes requirements for the maintenance of vendor or payee information that is used to support the payment obligation and disbursement processes.
- 3.2 Payment Warehousing:** This section describes requirements for recording payments due to another entity in the near future. This includes entering vouchers and scheduling payments.
- 3.3 Payment Execution:** This section describes requirements for creating and disbursing payments.
- 3.4 Reporting and Inquiry:** This section describes the reports and on-line displays needed to support the Accounts Payable function.

Priority: High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

New Financial Management System Functional Analysis Summary

Financial Management System Requirements				
Accounts Payable				
Req #	Requirement Description	Priority	Requirement Met?	Comments / Exceptions
3.0 Accounts Payable				
3.1 Vendor/Payee Information Maintenance				
3.1.1	Maintain and provide access to vendor information to support obligation and disbursement processes including: <ul style="list-style-type: none"> • Vendor number • Vendor name, address(es), and bank(s) • Vendor type (small business, federal/non-federal, etc.) • Multiple EFT and Automated Clearing House (ACH) data • Method of payment, payment terms, etc. • Record and update dates 	High	Partial	Vendor code, name, payment type (federal, private, etc.), mailing address, entry date and update log maintained. Only one address and EFT account number maintained per vendor. No payment terms maintained.
3.1.2	Maintain information needed to support IRS 1099 reporting, including Taxpayer Identification Numbers (TIN) and vendor type (sole proprietorship, partnership, corporation, small business, etc.).	High	No	TIN numbers are not stored for vendors.
3.1.3	Provide search capability for vendor information.	High	Yes	
3.1.4	Provide the capability to utilize Electronic Data Interchange (EDI) for large vendors.	Medium	No	
3.2 Payment Warehousing				
3.2.1	Enter, store, and schedule payments in accordance with applicable regulations, such as OMB Circular A-125 (Prompt Pay Act) and travel regulations, as applicable to the House.	Medium	Partial	Payments are not scheduled or obligated. Once vouchers are entered, payments are made immediately.
3.2.2	Record an accrued liability upon receipt and acceptance of goods and services and properly identify them as capital asset, expense, prepaid expense, or construction.	Medium	No	System does not set up payables. All uses of funds are "classified" as expenses and simply tracked through a payment register.

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

**New Financial Management System
Functional Analysis Summary**

Financial Management System Requirements				
Accounts Payable				
Page 2				
Req #	Requirement Description	Priority	Requirement Met?	Comments / Exceptions
3.2.3	Automatically generate the appropriate voucher transactions, postings, and payments (electronic or check) for recurring expenses, such as office supplies, rent, utilities, Express mail charges.	High	Yes	
3.2.4	Provide capability to split an invoice into multiple payments on the appropriate due dates when items on the invoice have different due dates.	Medium	No	
3.2.5	Provide capability to handle credit memoranda for returned goods or other adjustments.	High	Partial	Only voucher refunds and cash deposits can be processed.
3.2.6	For voided checks, automatically re-establish obligations and payables, and allow for reversing the accounting transaction leading to the disbursement, as appropriate.	High	Partial	System cannot set up obligations or payables.
3.2.7	Provide the capability to make payments to one-time vendors.	Low	No	Vendor has to be set up in the system before a payment can be made.
3.3 Payment Execution				
3.3.1	Provide the capability to post expenses to current and prior months concurrently until month-end closing and to maintain and report balances separately for current and prior months.	High	Partial	Balances not maintained separately for each month.
3.3.2	Identify and select payments to be disbursed in a particular payment cycle based on their due dates, and allow for review and certification by an authorized officer.	High	No	System does not provide scheduling capability. Payments are issued as soon as vouchers are released.
3.3.3	Allow a payment to be removed from the automated scheduling stream and scheduled as a manual payment or held for later payment.	High	No	Voucher must be deleted from batch to hold payment.
3.3.4	Automatically compute amounts to be disbursed to include discounts, withholdings, interest, or penalties in accordance with applicable regulations. Generate the appropriate transactions to reflect the above deductions and additions.	High	No	

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

**New Financial Management System
Functional Analysis Summary**

Financial Management System Requirements				
Accounts Payable				
Page 3				
Req #	Requirement Description	Priority	Requirement Met?	Comments / Exceptions
3.3.5	Automatically generate and print checks and perform electronic funds transfers (EFT) based on a pre-defined, authorized payment schedule, and include with each payment the appropriate identification information.	High	Partial	System does not provide the capability to schedule payments. Payments are made as soon as the vouchers are entered.
3.3.6	Consolidate multiple payments to a single payee, up to the prescribed limitation, in order for the disbursing office to produce one check, and itemize all payments covered by the one check.	Low	Yes	
3.4 Reporting and Inquiry				
3.4.1	Maintain payment history of every voucher payment by the system for display or reporting, including authorizing document number, payment schedule number, payment date, invoice number, vendor number, account charged, and stage in scheduling process (scheduled, obligated, paid).	High	Partial	As payments are not scheduled, no information on scheduling status is available.
3.4.2	Provide on-line access to all vendor, voucher, and payment information at both the summary and detail levels organized by user-defined parameters, such as office and vendor.	High	Yes	
3.4.3	Provide the capability to automatically produce a tape of check issues and EFTs in the prescribed format for the Department of the Treasury.	High	Yes	
3.4.4	Produce external reports in the prescribed format at required intervals, including: <ul style="list-style-type: none"> • IRS 1099s • Supporting information for the Prompt Pay report (if appropriate) 	High	Partial	1099s are only produced for individual contractors using SSNs, and not for other vendors. No Prompt Pay report is produced.

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

New Financial Management System Functional Analysis Summary

4.0 PERSONNEL/PAYROLL

The Personnel system module is used to establish and maintain the compensation and professional history of employees. The main functions performed by this module are personnel activities, benefits, and position management. The activities in these three functions range from position requirements and classification to benefits and separation or retirement.

The Payroll system module is used to perform the actual calculation, reporting, and disbursement of compensation, benefit, and deduction information in a timely manner and link the information to the General Ledger. The main functions within this module are time and attendance and payroll processing.

Personnel/Payroll Requirements have been defined under the following sections:

- 4.1 Personnel:** This section describes requirements for maintaining records on employees and processing personnel actions.
- 4.2 Benefits:** This section describes requirements for recording and processing employee benefit entitlements.
- 4.3 Position Management:** This section describes requirements for employee-specific position data as well as higher level job data. Each employee must be matched to a specific position in the system.
- 4.4 Time and Attendance:** This section describes requirements for collecting time and attendance and labor-related data.
- 4.5 Payroll:** This section describes requirements for calculating earnings, gross pay, deductions, net pay, and employer contributions for each employee on an effective pay period basis, and make payments to employees.
- 4.6 Reporting and Inquiry:** This section describes the reports and on-line displays required to satisfy regulatory, managerial, and accounting information requirements to support the personnel/payroll module.

New Financial Management System Functional Analysis Summary

Financial Management System Requirements Personnel/Payroll				
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions
4.0 Personnel/Payroll				
4.1 Personnel				
4.1.1	Provide the ability to accept and edit employee biographical, employment status, and employment history information in accordance with governing regulations and guidelines.	High	Yes	
4.1.2	Provide the ability to enter multiple personnel actions for an employee in one pay period, and/or on the same day.	High	Yes	
4.1.3	Provide the ability to update all affected employee records to reflect across the board entitlement and/or deduction changes.	Medium	Yes	
4.1.4	Provide the ability to calculate and update retirement and termination data for each employee.	Medium	Yes	
4.1.5	Provide the ability to generate reemployment priority data and retained-grade program data.	Low	No	
4.1.6	Provide the ability to track Immigration and Naturalization service forms.	Low	No	
4.1.7	Allow for handling of Pre and Post '77 annuitants.	High	Yes	
4.2 Benefits				
4.2.1	Provide the ability to enroll and maintain an employee in the appropriate benefit plans with necessary supporting benefits data.	High	Yes	

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

New Financial Management System Functional Analysis Summary

Financial Management System Requirements				
Personnel/Payroll				
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions
4.2.2	Provide the ability to define various options and associated rates and to perform mass changes on options for health and group life benefit plans, Federal Employee Benefits Program, retirement plans, Thrift Savings Plan, Federal Employee Savings Bond Program, fringe benefits, and savings allotments.	High	Partial	Mass changes have to be performed at the benefit plan level.
4.2.3	Provide the ability to refund partial deductions to employees upon termination.	Medium	No	
4.2.4	Provide the ability to automatically update deduction information from OPM annually.	Medium	Yes	
4.2.5	Provide the ability to enroll non-employees in a health plan.	Medium	Yes	
4.2.6	Provide the ability to prorate insurance deductions for part-time, seasonal, and newly hired employees.	Medium	Yes	
4.3 Position Management				
4.3.1	Provide information needed to establish, maintain, and abolish positions, as appropriate for the House.	High	Partial	Some position information is maintained in tables, but is accessible only by entering the Social Security Number of the employee currently holding the position.
4.3.2	Provide the ability to store employee specific position data.	High	Yes	
4.3.3	Provide the ability to limit appointments to an office to a specific number depending on office type, and to prevent an office from exceeding its payroll authorization amount.	High	Yes	
4.3.4	Provide the ability for mass terminations and appointments by office.	Medium	Yes	

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

New Financial Management System Functional Analysis Summary

Financial Management System Requirements Personnel/Payroll					Page 3
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions	
4.4 Time and Attendance					
4.4.1	Provide the ability to support the collection and maintenance of time and attendance data for current and prior periods.	High	Partial	Only overtime hours can be captured. There is no provision for hourly employees.	
4.4.2	Provide the ability to support the collection of pay-related and labor distribution hours for allocation of hours to various accounts.	High	No		
4.4.3	Provide the ability to calculate and adjust hours based on Fair Labor Standards Act (FLSA) requirements.	Medium	No		
4.4.4	Provide the ability to track and edit leave and furlough information.	Medium	Yes		
4.4.5	Provide the ability to automatically post federal holiday hours for each pay period.	Low	No		
4.5 Payroll					
4.5.1	Provide the ability to compute and generate payroll for multiple and separate pay cycles and for different categories of employees, such as support staff and Members.	High	No	Can only generate payroll for one monthly pay cycle for one category of employee on a fixed date.	
4.5.2	Provide the ability to process supplemental payroll.	Medium	Yes		
4.5.3	Provide the ability to maintain historical data by pay period and transactions by effective date to facilitate prior-period adjustment processing.	High	Yes		
4.5.4	Provide the ability to compute gross and annuity payroll amounts for employees from multiple offices with multiple start and stop dates during a pay period or from office accounts other than the one to which they are appointed.	Medium	Yes		

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

**New Financial Management System
Functional Analysis Summary**

Financial Management System Requirements				
Personnel/Payroll				
				Page 4
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions
4.5.5	Provide the ability to automatically calculate all mandatory, voluntary, and involuntary deductions for each employee in the order of precedence provided for in GAO's Title 6, while ensuring that net pay is not negative.	High	Yes	
4.5.6	Provide the ability to support Unemployment Compensation for Federal Employees.	Medium	No	
4.5.7	Provide the ability to automatically calculate miscellaneous disbursements (death benefit, barber and beauty shop commissions, etc.).	Medium	Yes	
4.5.8	Provide the ability to generate payroll with checks and/or EFTs and split payments to multiple accounts.	High	Partial	Cannot generate EFT payments for supplemental payroll.
4.5.9	Provide the ability to automatically update Federal, FICA, Medicare, and State computations as necessary.	High	Yes	
4.5.10	Provide the ability to automatically generate Federal tax, FICA, and Medicare checks to the U.S. Treasury and state checks to the appropriate state.	High	Yes	
4.5.11	Provide the ability for payments to terminated employees.	Medium	Yes	
4.5.12	Provide the ability for cash deposits and refunds from an employee.	Medium	Yes	
4.5.13	Allow for all appropriate year-end processing as per governing regulations.	High	Yes	
4.6 Reporting and Inquiry				

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable

**New Financial Management System
Functional Analysis Summary**

Financial Management System Requirements				
Personnel/Payroll				
Req #	Requirement Description	Priority	Requirement Met?	Comments/Exceptions
4.6.1	Provide the ability to generate the following reports and have them adhere to appropriate House rules and regulations: <ul style="list-style-type: none"> • Payroll certification report • Earnings Statements • Annual employee detail file 	High	Yes	
4.6.2	Provide the ability to report the total funds deducted and government contributions to OPM at month-end close out.	High	Yes	
4.6.3	Provide the ability for on-line displays and functionality to view payroll, deduction, and benefit information.	Medium	Yes	
4.6.4	Provide capability to automatically generate W2s.	High	Yes	
4.6.5	Provide capability to automatically generate SF 50 - Notification of Personnel Action, or other form, as appropriate for the House.	High	No	
4.6.6	Produce external reports in the prescribed format at required intervals, including: <ul style="list-style-type: none"> • SF1150 - Record of Leave Data • SF113A - Monthly Employee Report • SF113G - Monthly Full Time Equivalent Report • SF2806 - Individual Retirement Record • SF2807 - Register of Separations and Transfers • SF3100 - FERS Individual Retirement • All required Federal and state tax forms 	High	Partial	Does not generate SF1150 and SF113G.

Priority:

High = Regulation or mandatory to do business, Medium = Highly desirable, Low = Desirable