DESIGN COMPONENTS FOR INTEGRATED GOVERNMENT FINANCIAL MANAGEMENT INFORMATION SYSTEM

ICGFM Winter Conference
Washington, DC

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December 3, 2007
Integrated Government Financial Management Information Systems

• The objective of implementing a computerized IGFMIS system:
  – Increase the effectiveness and efficiency of state financial management and facilitate the adoption of modern public expenditure management practices in keeping with international standards and benchmarks.
Integrated Government Financial Management Information Systems

- Financial Management Arrangements
  - Financial Systems
  - Internal Control Structure
  - Financial Accounting and Reporting
  - Management Accounting and Reporting
  - Audit Arrangements
Integrated Government Financial Management Information Systems

• Government institutions are restructuring to:
  – Improve service to citizens
  – Improve strategic and day-to-day decision making
  – Reduce bureaucracy and improve efficiency
  – Reduce cost of operations
  – Increase public accountability
  – Ensure adequate controls to minimize fraud and corruption
  – Provide citizens better access to information
The transformation mandate in Government

Past

Policy & Strategy
Project & Service Mgt.
Baseline Transactional Services

Focus on Non-Core Business Areas
Red Tape and Bureaucracy
Inefficient Govt. Institutions
Isolated “SILOS” Operating Inside Out
Deficit Financing

Future

Towards More Focused & Cohesive Govt. Institutions

Policy & Strategy
Project & Service Mgt.
Baseline Transactional Services

Focus on Core Business
Quality Service Delivery
Efficient Institutions Clear Accountability
Integrated Operations
Balanced Budget

With a Common Vision

Cabinet Policies And Decisions
Business Plans
Integrated Government Financial Management Information Systems

Global Trends

- Changing technology is having profound impact on how information is captured, summarized, and communicated.
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Global Trends

• Real breakthrough is not just technology – it is the changes required in management and organizational structure.
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Global Trends

• Change must work across the entire organization and integrate four major levers:
  – People and culture
  – Process and information systems
  – Structure and facilities
  – Technology
• Inefficient processes were saturated with automation, resulting in sophisticated hardware carrying out tasks that should have not been done in the first place.
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Information Technology – a critical enabler

• An appropriate information technology infrastructure is a critical component of the facilities and services required for a viable and modern management environment.
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Why Do It At All?
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The implementation approach should be compatible with the Government environment

- The implementation should:
  - Be aligned to the priorities of the Government and the management of MoF
  - Be undertaken in manageable phases to minimize risks
  - Start with the implementation of foundation infrastructure
  - Be undertaken at a pace that will ensure that users effectively cope with new technologies, methods and processes
  - Be aligned to available resources
Integrated Government Financial Management Information Systems

Core Financial Mgt System
- General Ledger
- Accounts Payable
- Accounts Receivable
- Budget Execution/Funds Mgt
- Fixed Assets
- Procurement
- Inventory
- Management Reporting

Human Resources Mgt. Information System
- Recruitment and Selection
- Personnel Management
- Position Management
- Salary Administration
- Training and Development
- Compensation and Benefits
- Payroll
- Staff Retirement
- Management Reporting

Revenue System (Inputs Revenue Data)
- Corporate & Personal Income Tax
- Sales & VAT Tax
- Customs
- Excise
- Road transport…etc.

Debt Management
- Bond
- Purchases/Redemptions
- Currency/Interest Rate
- Accruals/Amortizations
- Expense Processing
- Management Reporting

Financial Analysis
- Risk Analysis
- Financial Forecasting
- Management Reporting

Investments Management
- Portfolio Management
- Currency Trading
- Risk Management
- Management Reporting

Project Management
- Project Management
- Management Reporting

Treasury Management
- Electronic Funds Transfer
- Check Printing
- Bank Account Mgt.
- Cash Mgt.
- Mgt. Reporting

Integrated Database
Integrated Government Financial Management Information Systems

Are you building a mechanical horse?
Integrated Government Financial Management Information Systems

Word of Wisdom

“There is nothing more difficult to carry out, nor more dangerous to manage, than to initiate a new order of things. For the initiator has enemies in all those who profit by the old order, and only lukewarm defenders in those who would profit from the new.”

Niccolo Machiavelli
The Prince