

Financial Analytics

About Booz Allen

Booz Allen Hamilton has been at the forefront of strategy, technology, and engineering for more than 100 years. Booz Allen partners with private and public sector clients to solve their most difficult challenges.

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Better Spending Data

The role of the public sector Chief Financial Officer (CFO) is changing, making financial management a focal point for public sector innovation. Enabled by partnerships with other executive officers—notably the Chief Information Officer (CIO) and the Chief Technology Officer (CTO)—the traditional functions of budgetary accounting and internal controls are opening up to a broader mandate for the CFO | CIO | CTO to support strategic decision-making by developing performance measurement and analytics solutions that drive the efficient allocation of budgetary resources.

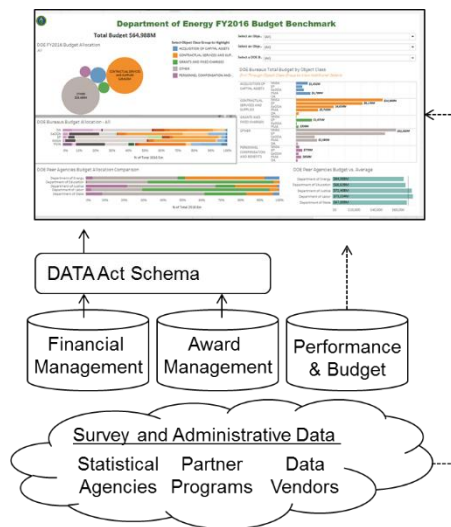
This expanded role, supported by the impending implementation of the Digital Accountability and Transparency Act (DATA Act), emphasizes transparency and greater use of spending data. However, informed allocation and management of federal resources is hampered by the complexity, inaccessibility, and heterogeneity of federal spending data and financial systems. Without a holistic and standardized view of government spending, it is difficult for CFOs to understand the scope, cost, and performance of programs, identify and consolidate redundant efforts, and detect and prevent improper payments.

Quality spending data enables program managers to make data-driven decisions about how they allocate resources

Better Spending Decisions

According to the US Government Accountability Office's (GAO) report on Federal Data Transparency, "expanding the quality and availability of federal spending data will better enable federal program managers to make data-driven decisions about how they use government resources to meet agency goals." Financial Analytics uses data visualization and statistical techniques to deliver actionable insights about program spending and program performance. Built on the foundational data standards established by the DATA Act and supplemented with detailed extracts from accounting and performance management systems, Financial Analytics give public-sector CFOs the tools they need to make more effective use of data.

This includes transformational improvements to three long-standing management challenges:



UNDERSTANDING PROGRAM SCOPE AND COST

The GAO has reported that "a greater focus on expenditures and outcomes are essential to improving the efficiency and effectiveness of federal efforts." However, Executives and Program Managers do not currently have reliable program budget and performance information with which to make informed decisions. With financial analytics, Booz Allen seeks to support agencies' ability to address these challenges by focusing on the scope, cost and performance of federal programs and explore how program funds are allocated and used in order to tackle fragmentation, overlap and duplication.

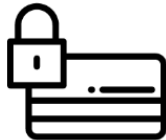


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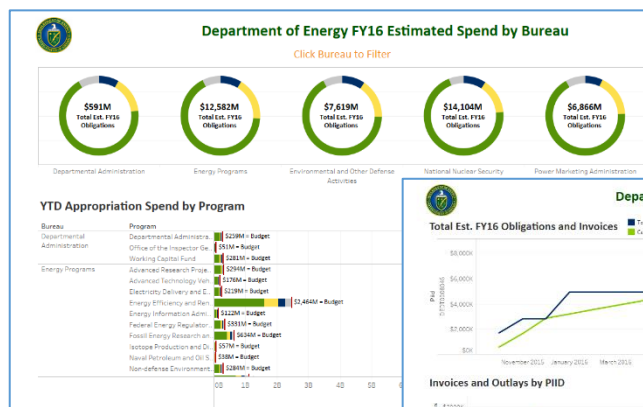
INCREASING RETURNS ON INVESTMENTS

The GAO states that “the lack of program comparability hampers decision makers’ ability to identify duplicative programs and accurately measure the cost and magnitude of federal investments.” With common data standards and taxonomies, federal agencies will have far greater access to spending data. This allows CFOs and Program Managers to visualize the allocation of budgetary funds at varying levels (e.g. program, object class) across their agency and bureaus, as well as spending at other agencies, which also enables comparison and benchmarking against peer agencies which may identify waste and duplication.

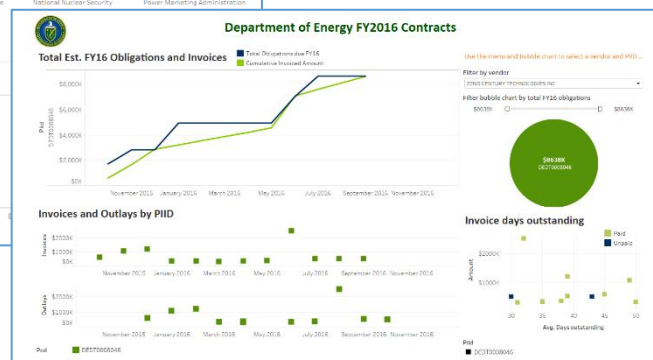


DETECTING AND PREVENTING IMPROPER PAYMENTS

According to the GAO report, in Fiscal Year 2013, federal agencies estimated \$105.8 billion in improper payments attributable to 84 programs spread among 18 agencies. Booz Allen’s analytics solution is designed to identify the origin of late and improper payments, and unusual spending patterns to support the prompt recovery of tax payer funds and combat waste and abuse.



Management Dashboards provide program manager overall views of program spending and performance



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