

FINANCE TASK FORCE

Mission

The mission of the OMG's Finance Domain Task Force (DTF) is to promote the use of Financial Services and Accounting software that incorporate OMG standards; to provide an internationally recognized forum for industry focus on Financial Services and Accounting Facilities; to identify relevant standards, business architectures, research and technologies in this area of computing; and to assist and advise the OMG regarding its relationship with related Standards Organizations and Consortia. More on the mission statement can be found [here](#). The most recent version of the Finance DTF roadmap will give you more information about our planned activities.

OMG is leading an ongoing public-private sector partnership with other standards organizations and regulatory agencies working to develop technology neutral standards-a critical success factor for organizations facing the challenges of being compliant with new financial regulations.

OMG is already working with organizations such as XBRL US and the Enterprise Data Management Council (EDM Council) to identify areas where standards can help organizations comply with these new regulations. Together the members of these groups are identifying existing standards that are applicable to challenges faced by financial services organizations, and determining where there are gaps in the current standards toolbox.

Agenda for next meeting

DRAFT AGENDA FOR FLORIDA MEETING TO FOLLOW HERE

Presentations from Previous Meeting

Full notes from the Cambridge, MA FDTF sessions have been posted as OMG documents.

The following presentations are a record of the discussions of the group at these sessions:

- Document [finance/12-06-06 FIBO Usage Scenarios](#)
- Document [finance/12-06-07 FIBO Release Planning](#)

Existing Standards & Work in Progress

Dodd Frank Act

In response to the 2007-09 financial crisis, the U.S. congress passed the Dodd Frank Act with global implications. Financial institutions across the globe will need to implement data standards such as financial instrument and business entity identifiers, associated reference data and hierarchies to support the reporting requirements in a manner that facilitates analytics and supports systemic oversight.

Language

OMG and its liaison partners have determined that it's going to be crucial to focus on developing a sustainable data strategy backed by common language and symbology for financial reform. OMG's standards for Management of Regulatory Compliance (MRC), "Semantics of Business Vocabulary & Rules,"- SBVR) and information modeling are key enablers of the proposed common language and symbology.

Semantic Models (Ontology)

EDM Council's semantic repository and roadmap are moving through OMG's standardization process as the series of "Financial Industry Business Ontology" (FIBO) standards. Work on this project includes:

- Vocabulary and model for: Legal Entity Identifier and Hierarchy, Product Identifier Hierarchy and supporting reference data
- Enhancements required to OMG modeling standards used in the development of Semantics Repository content

Work on this joint standards initiative may be followed on the dedicated OMG/EDM Council Joint Working Group wiki [<http://www.omgwiki.org/OMG-FDTF/doku.php?id=start>].

Reporting

FDTF is in the process of developing a Trade Transaction Traceability RFP and XBL based reporting for Dodd-Frank Act (in partnership with XBRL and ISO20022). This standard will enable financial services organizations not only comply with the reporting requirements of Dodd-Frank Act but also help improve the efficiency and risk assessment of the Trading processes and operations. Use of XBRL for reporting of financial services Events (such as Corporate Actions) and ISO20022's transaction codes taxonomy is relevant to this effort. OMG has formal liaison relationship with these organizations to ensure the standards developed are complementary not competitive.

Future-Proofing Financial Reform

Members of OMG's FDTF, EDM Council and PEW Trusts are working on developing a white paper outlining key ingredients of the strategy including data requirements and applicable standards being jointly developed by OMG and EDM Council. This white paper will also communicate how 'makers' and 'consumers' of regulations can benefit from an industry framework for financial reform and avoid multi-agency ruling, scope and time line conflicts.

Model Driven Message Interoperability

MDMI's focus on message conversion allows continued use of legacy messages while simultaneously creating a process for smoothly introducing new message formats. It also means that financial information may be more easily moved from any format to any another. This new approach has the support of the largest and most important global financial networks. An important additional objective of MDMI is support for ISO20022 (UNIFI). This initiative creates a common data dictionary of reusable elements. Proof of concept projects for OMG's Model Driven Messaging Interoperability standard in the Insurance and Healthcare industries are underway.

Data Quality

Data quality is of great importance in response to regulations such as the Dodd-Frank Act. OMG's

existing records management standards and enhancement of information modeling standard with data quality metrics was discussed.

Upcoming Projects

- A draft RFP of the Trade Transaction Traceability Map standard leveraging OMG's event and software agent modeling standards will be presented at the Salt Lake City meeting in June 2011. A ½ day working session will be dedicated to a financial services reporting architecture and standards will be part of the Salt Lake City meeting agenda. Goal of this session is to develop use cases where OMG, XBRL and EDMC-OMG standards can be applied to support Straight Through Processing (STP) requirements of regulatory reporting.
- OMG's Property and Casualty (P&C) Insurance group have requested a final submission of the P&C Information Model for June 2011. This standard will enable Insurers to leverage the OMG information model and vocabulary standard for their Claim and related business processes.
- Semantic models for Legal Entity and Financial Instruments: follow-up work streams have been identified including enhancements required to OMG's ontology modeling standard. OMG's Time and Date ontology work can be re-used. OMG and EDMC members will present the roadmap, work streams, deliverables and time lines at the June 2011 OMG meeting in Salt Lake City.
- A process to define a Unified Modeling Language™ (UML®) Profile for Extensible Business Reporting Language - General Ledger (XBRL-GL) is underway. The proposed specification would allow rapid development of XBRL-GL-conforming Global Ledgers using widely available UML tools, certification and expertise.

Next Steps

1. Development of a white paper on sustainable data strategy for financial reform
1. OMG-EDMC members to start developing the standards for financial reform including Trade Transaction Traceability Map for systemic risk assessment and reporting
1. Engagement with the regulatory agencies' leadership on an ongoing basis for development of the financial reform standards. Dr. Richard Soley, OMG's CEO and Michael Atkin, EDMC's Managing Director debriefed the leadership of the US OFR, SEC, Federal Reserve in Washington DC (May 2011) to engage additional stakeholders into the development of financial reform standards and emerging standards compliant technologies.

Liaisons

OMG has a Category "D" liaison with ISO TC 68 in regard to defining financial services and aligning OMG specifications with ISO 20022.

Finance DTF works closely with ACORD to identify insurance industry requirements and coordinate the development of industry standards.

OMG has a collaborative agreement with FIX Protocol Ltd (FPL) to begin work both strategically in the overall area of architecture and modeling, and tactically in providing an industry standard approach for automated conversion between disparate financial messaging syntaxes.

Mailing list

The finance TF mailing list archive is here (scroll to bottom for most recent posting): <http://www.omg.org/archives/finance/> [<http://www.omg.org/archives/finance/>].

Send email to the mailing list via finance@omg.org [<https://mail.google.com/mail/?view=cm&fs=1&tf=1&to=finance@omg.org>] (OMG member representatives only).

To join the mailing list, contact: request@omg.org [<https://mail.google.com/mail/?view=cm&fs=1&tf=1&to=request@omg.org>]

Adopted specifications

All OMG's adopted specifications, including all those sponsored by ADTF, are available at: <http://www.omg.org/spec> [<http://www.omg.org/spec>]

Model Driven Message Interoperability (MDMI) Specification Middleware for Messaging™

The MDMI specification specifies mechanisms to provide conversions between message standards – particularly the IST harmonization payment kernel and the existing SWIFT, TWIST and IFX payment standards. Providing these formalized and standardized conversions should ease the acceptance of new standards as they will remove the need to update the large base of legacy applications using the older standards. The specification has attracted a lot of attention in the industry. It is available here [<http://www.omg.org/spec/MDMI>].

Work in progress

See the “finance TF” section of OMG's Work in Progress page: <http://www.omg.org/schedule/#FINANCE> [<http://www.omg.org/schedule/#FINANCE>]

Co-chairs

Dr. Harsh Sharma, SVP, Data Standards, Citi

Mr. Mike Bennett, Head of Semantics and Standards, EDM Council

Send email to all the chairs via finance-chair@omg.org [<https://mail.google.com/mail/?view=cm&fs=1&tf=1&to=finance-chair@omg.org>].

How to get involved

If you are interested in getting involved with this group, want more information or would like to come as a guest to an upcoming meeting and obtain temporary access to the group's mailing list, please contact one of our Account Representatives [<http://www.omg.org/memberservices/accountreps.htm>] or contact one of the Chairs.

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