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Fiscal Service
U.S. DEPARTMENT OF THE TREASURY

FFM Business Use Case Library: Overview

Release FY 2024

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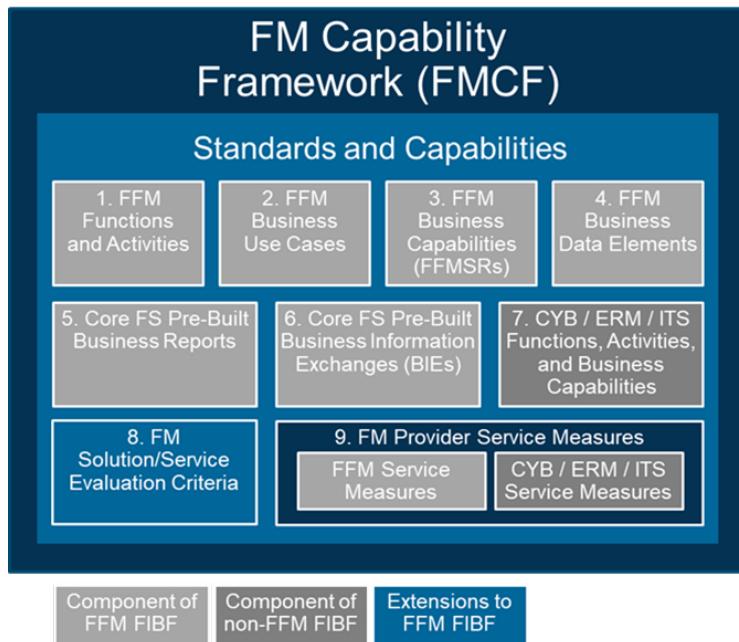
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Introduction

The Federal Financial Management (FFM) Business Use Cases are part of the Federal Integrated Business Framework (FIBF). The FIBF documents common business needs across agencies. The FIBF can be used to guide performance and investment discussions as well as for acquiring and implementing government-wide solutions. To that end, FFM FIBF components are included in the Financial Management Capability Framework (FMCF). This framework is the foundation for all offerings in the Financial Management (FM) Quality Service Management Office (QSMO) Marketplace.



Refer to the Guide to the FM QSMO Marketplace for a description of each FMCF component and how the components relate to each other.

<https://fiscal.treasury.gov/files/fmqsmo/guide-to-fm-qsmo-marketplace.pdf>

Purpose

FFM business use cases reflect the business processes that an agency should follow in the financial management community.

The FFM Business Use Case Library provides agencies with a resource for:

- Improving federal financial management workflow and process efficiency
- Evaluating impacts to federal financial management business processes due to changes in legislation, regulation, guidance, and procedures
- Evaluating federal financial management services/solutions during acquisition and implementation.

- Training and development of the federal financial management workforce
- Evaluating the sequential steps, or events, needed to perform a process where the responsibility for a successful outcome is shared with another Functional Area
- Refining roles and responsibilities among agency finance, program, and other supporting function offices.

The FFM Business Use Case Library consists of this overview document and a series of documents containing the business use cases. Each business use case document contains the use cases for one end-to-end business process.

This overview document provides the framework for understanding and using the business use cases. It contains an introduction to the key components of the business use cases, an inventory of the available FFM business use cases, and examples of how the FFM business use cases may be combined and sequenced in typical agency operations. Reference information on the terminology used in this library, which is applicable to cross-Functional Area (a.k.a. Line of Business) communications, is provided in Appendix A: Description of Terms.

Framework for Federal Financial Management Use Cases

This section describes the framework used for constructing the use cases. Use cases are constructed of scenarios and organized by end-to-end process. They show activities performed by other Functional Areas. They are cross-referenced to the FFM Business Capabilities (Federal Financial Management System Requirements [FFMSRs]) and the FFM Functions and Activities.

Functional Area, Function, and Activity

Program offices in an agency need various administrative and support systems, procedures, and personnel to deliver on their program missions. The term “Functional Area” is used to describe the systems, procedures, and personnel that accomplish the necessary end-to-end business processes.

Federal Financial Management (FFM) is a Functional Area. Other functional areas include Budget Formulation (BFM), Acquisition (ACQ), Personal Property Management (PPM), Personal Property Management (PPM), Real Property Management (RPM), Human Capital Management (HCM), Grants Management (GRM), Loans Management (LNM), Travel, Relocation, and Transportation Management (TRT), and Sales Order and Fulfillment Management (SFM).

A “Function” is a further breakdown of a Functional Area into categories of services provided to service customers. Examples of FFM Functions are Budget Execution, Payable Management, and General Ledger Management.

Within a Function, “Activities” are the processes that provide identifiable outputs or outcomes to service customers. Examples in the area of Payable Management are Payee Set-up and Maintenance, Payment Processing, and Payment Disbursement. Figure 1 provides an example of the Functional Area, Functions, and Activities concept.

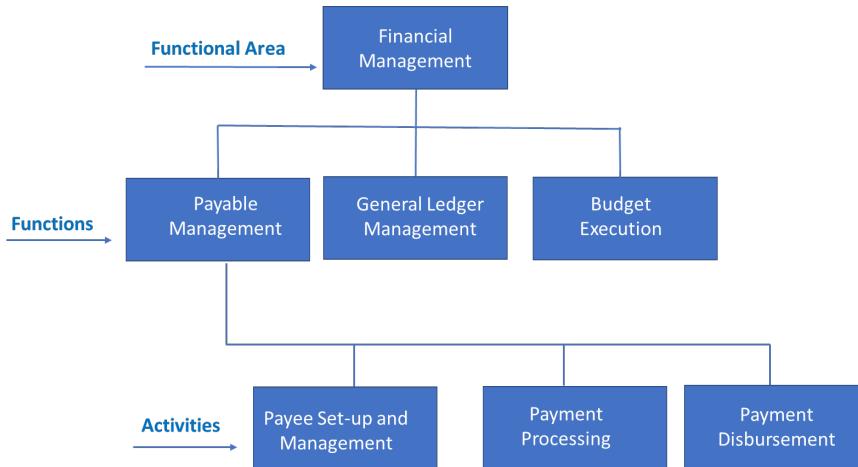


Figure 1: Example Functional Area, Functions, and Activities

A complete list of the FFM Functions and Activities is provided in the document “Federal Financial Management (FFM) Functions and Activities”.

Most of the end-to-end business processes require integration across multiple Functional Areas with their Functions and Activities to achieve the business outcome. In addition to Federal Financial Management, the other Functional Areas contributing to the completion of each end-to-end business process are identified in Table 1: FFM Business Use Case List.

End-to-End Business Processes

Eleven end-to-end business processes with an FFM intersection have been identified and agreed upon for government-wide use. An end-to-end business process identifies a start-to-finish outcome for operational transactions and financial reporting. The end-to-end business process provides the context for executing financial management services. Examples of end-to-end processes are Procure-to-Pay and Agree-to-Reimburse. The full list of end-to-end processes is shown in Figure 3 below.

Business Scenarios

Business scenarios identify differing situations or conditions that occur when executing an end- to-end business process and reflect the scope and complexity of federal government agency missions.

Business scenarios also define various business conditions that would cause the FFM solution functionality to be exercised in a different order or with different business information. For example, the Procure-to-Pay business scenario for a complex software system is different than for a purchase card.

Business scenarios are categorized into levels of commonality across federal agencies as follows:

- **Level 1 (L1):** Affects most federal agencies and/or impacts a large transaction volume and/or dollar value within the federal government
- **Level 2 (L2):** Affects multiple federal agencies and/or requires some specialized processing from the service customer or auditor perspective
- **Level 3 (L3):** Affects a few federal agencies and requires unique processing, mandated by legislation or regulation.

Business Use Cases

Business use cases represent typical processing that occurs in federal business operations. Business use cases are formed by combining business scenarios that could occur together within an end-to-end

business process. For example, use case 040.FFM.L2.02 Four-Way Match includes scenarios for four-way matching of accounts payable invoices and Prompt Payment Act calculations.

Each business use case is assigned an identifier that provides information about the use case. The business use case identifier includes information about the key underlying components. The notation for a business use case identifier is shown in Figure 2 below:



Figure 2: Business Use Case Identifier Notation

Each business use case provides detail on the following:

- interactions between FFM and other Functional Areas
- business events to be accomplished by both FFM and other Functional Areas
- business information expected to be received, processed, and/or provided.

Business use cases are agnostic as to whether the events in the business use case are automated, semi-automated, or manually accomplished. This allows an agency using the use cases to make the best decisions about where automation is most beneficial.

End-to-End Business Process

FFM Business Use Case Library

010 Budget Formulation-to-Execution

020 Acquire-to-Dispose

030 Request-to-Procure

040 Procure-to-Pay

050 Bill-to-Collect

060 Record-to-Report

070 Agree-to-Reimburse

080 Apply-to-Perform

090 Hire-to-Retire

100 Book-to-Reimburse

110 Apply-to-Repay

Business Use Case Document Name

FFM Business Use Case Library Overview

FFM Use Cases 010 Budget Formulation-to-Execution

FFM Use Cases 020 Acquire-to-Dispose

FFM Use Cases 030 Request-to-Procure

FFM Use Cases 040 Procure-to-Pay

FFM Use Cases 050 Bill-to-Collect

FFM Use Cases 060 Record-to-Report

FFM Use Cases 070 Agree-to-Reimburse

FFM Use Cases 080 Apply-to-Perform

FFM Use Cases 090 Hire-to-Retire

FFM Use Cases 100 Book-to-Reimburse

FFM Use Cases 110 Apply-to-Repay

Figure 3: End-to-End Business Process Use Case Documents

Summary of Changes in This Update

Below is a summary of the changes to the Business Use Cases with this update.

Business Process	Business Use Cases	Change	Rationale
All Processes	All Business Use Cases	Updated to identify creation of Federal Records	Feedback from the Electronic Records Management Functional Area
010 Budget Formulation to Execution	010.FFM.L1.03 Budget Authority Transfers	Updated to clarify assumptions and event sequence for requesting and approving nonexpenditure appropriation funds transfers	Feedback received on FY2024 Release
020 Acquire to Dispose	020.FFM.L1.01 Property, Plant, and Equipment (PP&E) Assets 020.FFM.L1.02 Bulk Purchases 020.FFM.L1.03 Bulk Purchases Immediately Distributed 020.FFM.L2.01 Complex Systems 020.FFM.L2.02 Leasehold Improvements 020.FFM.L3.01 Real Property: Stewardship Land, Heritage Assets, Construction, and Impairment	Updated Activity references	Feedback from RPM Functional Area
040 Procure-to-Pay	040.FFM.L1.01 Expenditures Within a Single Fiscal Year 040.FFM.L1.02 Leased Property 040.FFM.L1.03 Acquiring Services 040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options	Updated to clarify payment processing Updated to clarify prompt pay processing	Align with Treasury Fiscal Service guidance

Business Process	Business Use Cases	Change	Rationale
	040.FFM.L2.02 Four-Way Match		
040 Procure-to-Pay	040.FFM.L2.03 Purchase Card	Updated to clarify events for FFM and non-FFM activities	Feedback from ACQ Functional Area
	040.FFM.L2.04 Novation		
060 Record-to-Report	060 FFM L1.01 Period End Adjustments and Reporting	Updated terminology and processes for intragovernmental buy/sell activity	Align with Treasury Fiscal Service G-Invoicing functionality
	060. FFM.L2.01 Consolidated Financial Statements		
070 Agree to Reimburse	070.FFM.L1.01 Federal to Federal Reimbursable Agreement	Revised business use cases to reflect intragovernmental buy/sell activity from the seller's perspective and the buyer's perspective	Align with Treasury Fiscal Service G-Invoicing functionality
	070.FFM.L1.02 Reimbursable Agreement from the Buyer's Perspective		
070 Agree to Reimburse	070.FFM.L3.02 Reimbursable Services for a Non-Federal Government Entity	Revised business use case to reflect reimbursable services provided to a Foreign Government Agency	Feedback received on FY2024 Release
		Added an assumption to clarify why the advance payment was not refunded	
090 Hire-to-Retire	090.FFM.L1.01 Post Payroll	Updated Activity references	Feedback from HCM Functional Area
100 Book-to-Reimburse	100.FFM.L1.01 Temporary Duty Travel	Updated terminology, business process interactions, and information exchanges defined in the TRT Business Capabilities, Business Use Cases, and TRT-FFM Business Information Exchange (BIE)	Feedback from TRT Functional Area
	100.FFM.L2.01 Permanent Change of Station		
	100.FFM.L3.01 Travel Sponsored by Non-Federal Source		

Inventory of Federal Financial Management Business Use Cases and Scenarios
Table 1 presents an inventory of the FFM Business Use Cases, their associated Business Scenarios, and contributing Functional Areas.

Table 1: FFM Business Use Case List

Business Process	Business Use Case	Associated Business Scenario
010 Budget Formulation-to-Execution <u>Functional Areas:</u> Budget Formulation (BFM) Financial Mgmt (FFM)	010.FFM.L1.01 Budget Authority Set-Up	<ul style="list-style-type: none"> • Funds Control at Appropriation, Apportionment, Allotment, Allocation, Suballocation 1, and Suballocation 2 Levels • Accounting Segments of Treasury Account Symbol/Fund, Organization, Program, Project, and Activity • Discretionary Appropriated Funds • Single Year, Multi-Year, and No-Year Appropriations • Program Allocation Exceeding Organization Allotment
	010.FFM.L1.02 Spending Authority from Offsetting Collections (Reimbursables)	<ul style="list-style-type: none"> • Reimbursable Authority • Revolving Funds
	010.FFM.L1.03 Budget Authority Transfers	<ul style="list-style-type: none"> • Non-Expenditure Appropriation Transfers
	010.FFM.L1.04 Continuing Resolution	<ul style="list-style-type: none"> • Continuing Resolution
	010.FFM.L3.01 Special Authorities	<ul style="list-style-type: none"> • Spending Authority from Offsetting Collections (e.g., Donation Revenues, Reimbursable Revenues) • Special Limitations from Budget Formulation • Direct and Guaranteed Loan Authority • Contract Authority
020 Acquire-to-Dispose <u>Functional Areas:</u> Acquisition (ACQ) Financial Mgmt (FFM) Personal Property Management (PPM) Real Property Mgmt (RPM)	020.FFM.L1.01 Property, Plant, and Equipment (PP&E) Assets	<ul style="list-style-type: none"> • Acquiring a PP&E Asset • Leasing a PP&E Asset • Depreciation of a PP&E Asset • Disposing of a PP&E Asset • Replacing an Asset
	020.FFM.L1.02 Bulk Purchases	<ul style="list-style-type: none"> • Bulk Purchases • Transfers between Department Components
	020.FFM.L1.03 Bulk Purchase Immediately Distributed	<ul style="list-style-type: none"> • Bulk Purchase Immediately Distributed

Business Process	Business Use Case	Associated Business Scenario
	020.FFM.L2.01 Complex Systems	<ul style="list-style-type: none"> • Complex Systems • Internal Use Software • Work in Progress • Increase Life and Value of Asset • Enhancing an Asset • General PP&E
	020.FFM.L2.02 Leasehold Improvements	<ul style="list-style-type: none"> • Leasehold Improvement
	020.FFM.L3.01 Real Property: Stewardship Land, Heritage Assets, Construction, and Impairment	<ul style="list-style-type: none"> • Heritage Assets • Stewardship Land • Construction in Progress • Capitalization of Labor Costs • Environmental Hazardous Substances on/in Property • Impairment • Construction in Abeyance
030 Request-to-Procure	030.FFM.L1.01 Procurement Within a Single Fiscal Year	<ul style="list-style-type: none"> • Single Year Funds
<u>Functional Areas:</u> Budget Formulation (BFM)	030.FFM.L1.02 Procurement During Continuing Resolution	<ul style="list-style-type: none"> • Procurement During a Continuing Resolution on Procurement
Financial Mgmt (FFM)	030.FFM.L2.01 Procurement Across Fiscal Years Using Multi-Year Funds	<ul style="list-style-type: none"> • Multi-Year Funds • Multiple Funding Sources • Multiple Vendors on a Procurement Request
	030.FFM.L2.02 Single Award from Multiple Procurement Requests	<ul style="list-style-type: none"> • Single Award from Multiple Procurement Requests
040 Procure-to-Pay	040.FFM.L1.01 Expenditures Within a Single Fiscal Year	<ul style="list-style-type: none"> • Invoice into FM Solution • Three-Way Match
<u>Functional Areas:</u> Acquisition (ACQ)	040.FFM.L1.02 Leased Property	<ul style="list-style-type: none"> • Operating Lease • Capital Lease
Financial Mgmt (FFM)	040.FFM.L1.03 Acquiring Services	<ul style="list-style-type: none"> • Acquiring Services

Business Process	Business Use Case	Associated Business Scenario
	040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options	<ul style="list-style-type: none"> • Multi-Year Funds Expenditure • Multiple Funding Sources • Receiving Report Accrual • Credit Memo • Vendor Submits to Program Office • Two-Way Matching • Progress Payment • Final Payment
	040.FFM.L2.02 Four-Way Match	<ul style="list-style-type: none"> • Four-Way Matching • Late Payment of Invoice
	040.FFM.L2.03 Purchase Card	<ul style="list-style-type: none"> • Purchase Card Purchase of Operating Materials and Supplies • Two-way Match • No-way Match
	040.FFM.L2.04 Novation	<ul style="list-style-type: none"> • Novation
050 Bill-to-Collect <u>Functional Areas:</u> Financial Mgmt (FFM) Sales Order and Fulfillment Mgmt (SFM)	050.FFM.L1.01 Penalties, Interest, and Collections	<ul style="list-style-type: none"> • Individual Receivables • Disputes • Collectable by Agency • Credit Memo • Penalties, Interest, and Administrative Fees • Non-Treasury Deposits
	050.FFM.L1.02 Delinquent Debt Processing	<ul style="list-style-type: none"> • Insufficient Funds on Debtor's Payment • Referral to Treasury • Delinquent Collection and Write-off
	050.FFM.L2.01 AR/AP Netting	<ul style="list-style-type: none"> • AR/AP Netting
	050.FFM.L3.01 Aggregated Receivables for Custodial Revenues	<ul style="list-style-type: none"> • Unbilled Collections • Aggregated Receivables • Custodial Revenues
	050.FFM.L3.02 Receivable Collection from Third Party Debtor	<ul style="list-style-type: none"> • Receivables Allocated Among Multiple Payers • Third Party Payers as Responsible Debtors • Installment Agreement
	050.FFM.L3.03 Miscellaneous Receipts	<ul style="list-style-type: none"> • Miscellaneous Receipts

Business Process	Business Use Case	Associated Business Scenario
060 Record-to- Report <u>Functional Areas:</u> Financial Mgmt (FFM) Real Property Mgmt (RPM)	060.FFM.L1.01 Period End Adjustments and Reporting	<ul style="list-style-type: none"> Audit Adjustments Allowance for Uncollectable Amounts Financial Statements
070 Agree-to- Reimburse (Reimbursable Mgmt) <u>Functional Area:</u> Financial Mgmt (FFM)	060.FFM.L2.01 Consolidated Financial Statements	<ul style="list-style-type: none"> Liabilities Not Covered by Budgetary Resources Liabilities Arising from Non-Routine Events Actuarial Liabilities Intra-departmental Activity Eliminations Consolidated Financial Statements Statement of Net Costs
070 Agree-to- Reimburse (Reimbursable Mgmt) <u>Functional Area:</u> Financial Mgmt (FFM)	070.FFM.L1.01 Intragovernmental Buy/Sell Activity – Seller's Perspective	<ul style="list-style-type: none"> Federal Agency On-Going Reimbursable Services Commercial Third-Party Service Vendor Federal Agency Incurred Costs Not Fully Recovered
070 Agree-to- Reimburse (Reimbursable Mgmt) <u>Functional Area:</u> Financial Mgmt (FFM)	070.FFM.L1.02 Intragovernmental Buy/Sell Activity – Buyer's Perspective	<ul style="list-style-type: none"> Federal Agency One-Time Reimbursable Services Intragovernmental Advance on Performance Intragovernmental Performance Adjustment
070 Agree-to- Reimburse (Reimbursable Mgmt) <u>Functional Area:</u> Financial Mgmt (FFM)	070.FFM.L3.02 Reimbursable Services for a Non-Federal Government Entity	<ul style="list-style-type: none"> Payment in Advance Excess Advance Payment
080 Apply-to- Perform (Grants Mgmt) <u>Functional Areas:</u> Financial Mgmt (FFM) Grants Mgmt (GRM)	080.FFM.L2.01 Grant with Accrual and Offset	<ul style="list-style-type: none"> Accruals for Grants Grant Disbursement Offsets
080 Apply-to- Perform (Grants Mgmt) <u>Functional Areas:</u> Financial Mgmt (FFM) Grants Mgmt (GRM)	080.FFM.L2.02 Administrative Grant Closeout	<ul style="list-style-type: none"> Administrative Grant Closeout
090 Hire-to-Retire <u>Functional Areas:</u> Financial Mgmt (FFM) Human Capital Mgmt (HCM)	090.FFM.L1.01 Post Payroll	<ul style="list-style-type: none"> Domestic Payroll Provider Payroll Accrual Employee Receivable Originating Outside of HR
100 Book-to- Reimburse (Travel) <u>Functional Areas:</u>	100.FFM.L1.01 Temporary Duty (TDY) Travel	<ul style="list-style-type: none"> TDY Travel Individually Billed Account (IBA) Government-Issued Travel Card Split Disbursement

Business Process	Business Use Case	Associated Business Scenario
Financial Mgmt (FFM) Human Capital Mgmt (HCM) Travel, Relocation, and Transportation Management (TRT)	100.FFM.L2.01 Permanent Change of Station 100.FFM.L3.01 Travel Sponsored by Non-Federal Source	<ul style="list-style-type: none"> Relocation Advance on Account Supplemental PCS Voucher <ul style="list-style-type: none"> Travel Sponsored by Non-Federal Source Non-Federal Source Payment In-Kind
110 Apply-to- Repay (Loan Mgmt)	110.FFM.L2.01 Federal Government Direct Loans Subject to Credit Reform	<ul style="list-style-type: none"> Disbursement of a Loan Establishment of Principal Receivable Interest Accrual Collection of Interest and Principal
Functional Areas: Financial Mgmt (FFM) Loans Mgmt (LNM)	110.FFM.L2.02 Federal Government Guaranteed Loans Subject to Credit Reform	<ul style="list-style-type: none"> Aggregated Loan Portfolio Default on Government Guaranteed Loan

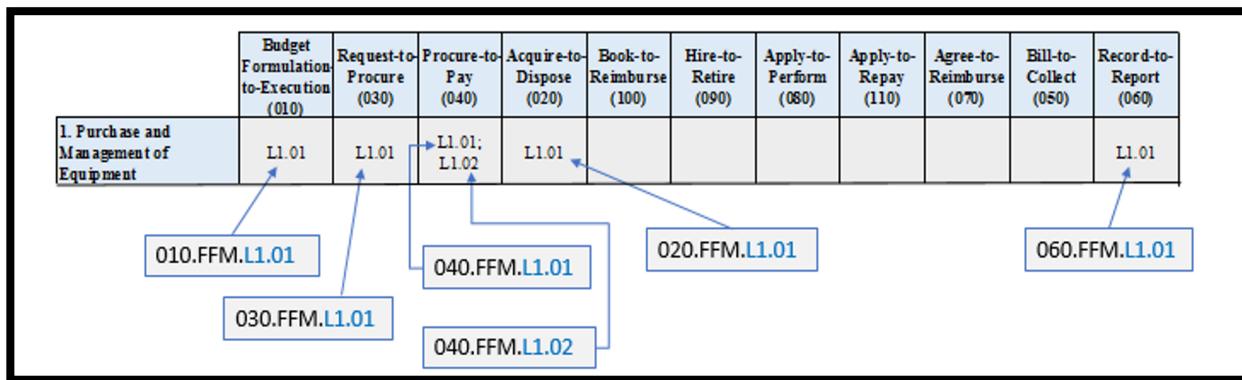
Federal Financial Management Business Use Case Demonstration Threads

The business use cases can be organized into demonstration threads, or story lines, which reflect the sequence of events involved in typical FFM operations. Each business use case contains a synopsis and assumptions that imply dependencies among the business use cases. Based on these dependencies, business use cases can be organized into a use case demonstration thread.

Alternative sequences for demonstrating the FFM business use cases can be created by combining the business use cases in a different order and/or using a subset of the business use cases.

FFM business use case demonstration threads usually begin with the Budget Formulation-to-Execution Business Process and end with the Record-to-Report Business Process. The other business processes may or may not be represented in a demonstration thread, depending on the specific circumstances of the thread.

Figure 4 provides an inventory of the FFM business use case demonstration threads and shows the use cases that are involved in each thread. Figure 4 also provides a suggested order for executing the demonstration threads, although there are other possible orders. An abbreviated notation for each business use case is included in the figure as illustrated in the box below. Each cell contains the business scenario level and the use case number for the individual use case. The End-to-End Business Process number is taken from the column heading.



	End-to-End Business Process										
	Budget Formulation - to- Execution (010)	Request- to- Procure (030)	Procure- to- Pay (040)	Acquire- to- Dispose (020)	Book-to- Reimburse (100)	Hire-to- Retire (090)	Apply-to- Perform (080)	Apply- to- Repay (110)	Agree- to- Reimburse (070)	Bill- to- Collect (050)	Record- to- Report (060)
Use Case Demonstration Thread	1. Purchase and Management of Equipment	L1.01	L1.01	L1.01; L1.02	L1.01						L1.01
	2. Bulk Purchase of Office Equipment	L1.01	L1.01	L1.01	L1.02						L1.01
	3. Complex Systems Incl Software and Hardware	L1.01	L2.01	L2.01	L2.01						L1.01
	4. Combined Procurement Requests	L1.01	L2.02	L2.02							L1.01
	5. Purchase Card	L1.01		L2.03							L1.01
	6. Grant Disbursement and Closeout	L1.01					L2.01; L2.02				L1.01
	7. Temporary Duty (TDY) Travel	L1.01			L1.01						L1.01
	8. Relocation	L1.01			L2.01						L1.01
	9. Payroll	L1.01				L1.01					L1.01
	10. Direct Loan	L1.01; L3.01						L2.01			L1.01
	11. Guaranteed Loan	L1.01; L3.01						L2.02			L1.01
	12. Intragovernmental Buy/Sell Activity	L1.02		L1.03		L1.01			L1.01		L1.01
	13. Government Sale of Post-paid Goods	L1.02								L1.01	L1.01
	14. Government Sale of Pre-paid Goods	L1.02								L1.02	L1.01
	15. Budget Authority Transfers	L1.01; L1.03									L1.01
	16. Financial Accruals and Reporting										L1.01; L2.01
	17. Procurement During a Continuing Resolution (CR)	L1.04	L1.02								L1.01
	18. Bulk Purchases Immediately Distributed	L1.01	L1.01	L1.01	L1.03						L1.01
	19. Leasehold Improvements	L1.01	L1.01	L1.03	L2.02						L1.01
	20. Travel Sponsored by Non-Federal Source	L1.01				L3.01					L1.01
	21. Reimbursable Services for Non-Federal Government Entity	L1.02							L3.02		L1.01
	22. Aggregated Receivables for Custodial Revenues	L1.02								L3.01	L1.01
	23. Novation	L1.01	L2.01	L2.01; L2.04							L1.01
	24. Construction on Real Property	L1.01	L2.01	L2.01	L3.01						L1.01
	25. AR/AP Netting	L1.01							L2.01	L1.01	
	26. Billing Third-Party Debtors	L1.02							L3.02	L1.01	

End-to-End Business Process											
	Budget Formulation - to- Execution (010)	Request- to- Procure (030)	Procure- to- Pay (040)	Acquire- to- Dispose (020)	Book-to- Reimburse (100)	Hire-to- Retire (090)	Apply-to- Perform (080)	Apply- to- Repay (110)	Agree- to- Reimburse (070)	Bill- to- Collect (050)	Record- to- Report (060)
27. Intragovernmental Agreement for Services with Advance Payment	L1.02								L1.02		L1.01

Figure 4: Use Case Demonstration Threads and End-to-End Business Processes

Use Case Demonstration Threads

A summary of each FFM use case demonstration thread is provided below along with the list of relevant business scenarios included in each business use case.

1. Purchase and Management of Equipment – An agency purchases equipment for a program and later replaces it with leased equipment. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), acquires the equipment (030.FFM.L1.01), receives and pays for the equipment (040.FFM.L1.01), then places the items into service; subsequently, the agency retires the equipment (020.FFM.L1.01) and leases replacement equipment for the remainder of the program (040.FFM.L1.02).

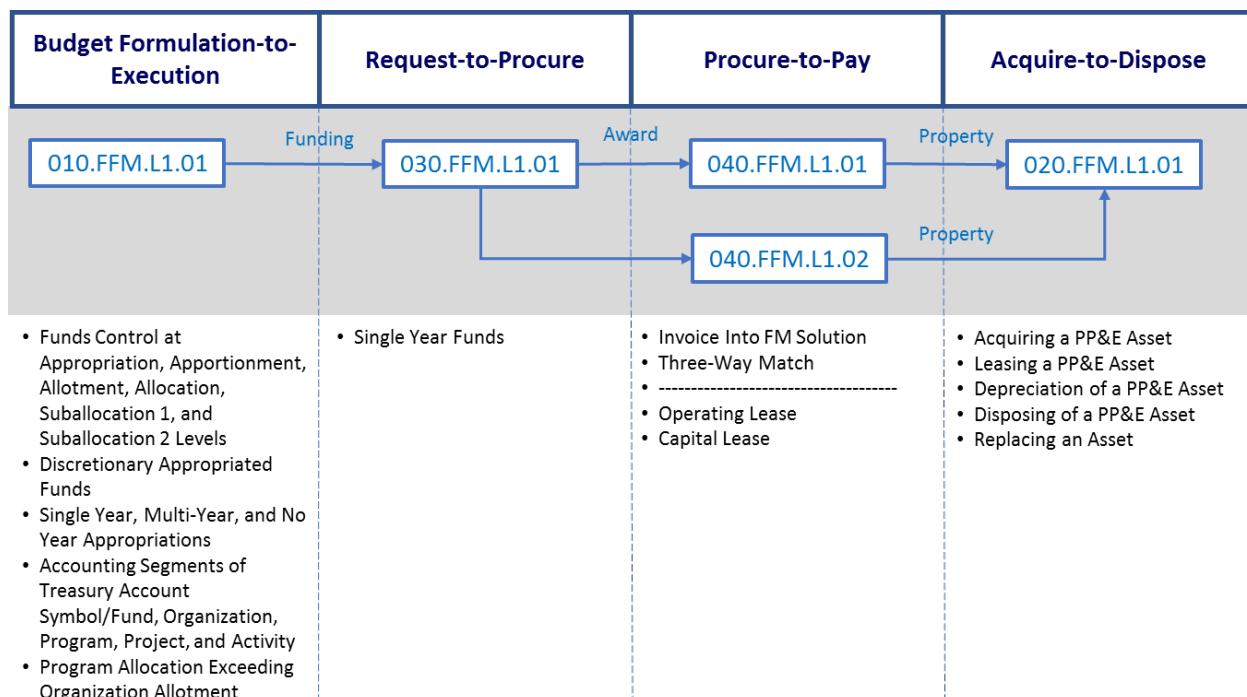


Figure 5: 1. Purchase and Management of Equipment Summary

2. Bulk Purchase of Office Equipment – An agency purchases office equipment in bulk and distributes it to offices as needed. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), acquires the equipment (030.FFM.L1.01), receives and pays for the

equipment (040.FFM.L1.01), and manages the warehousing and distribution of the equipment (020.FFM.L1.02).

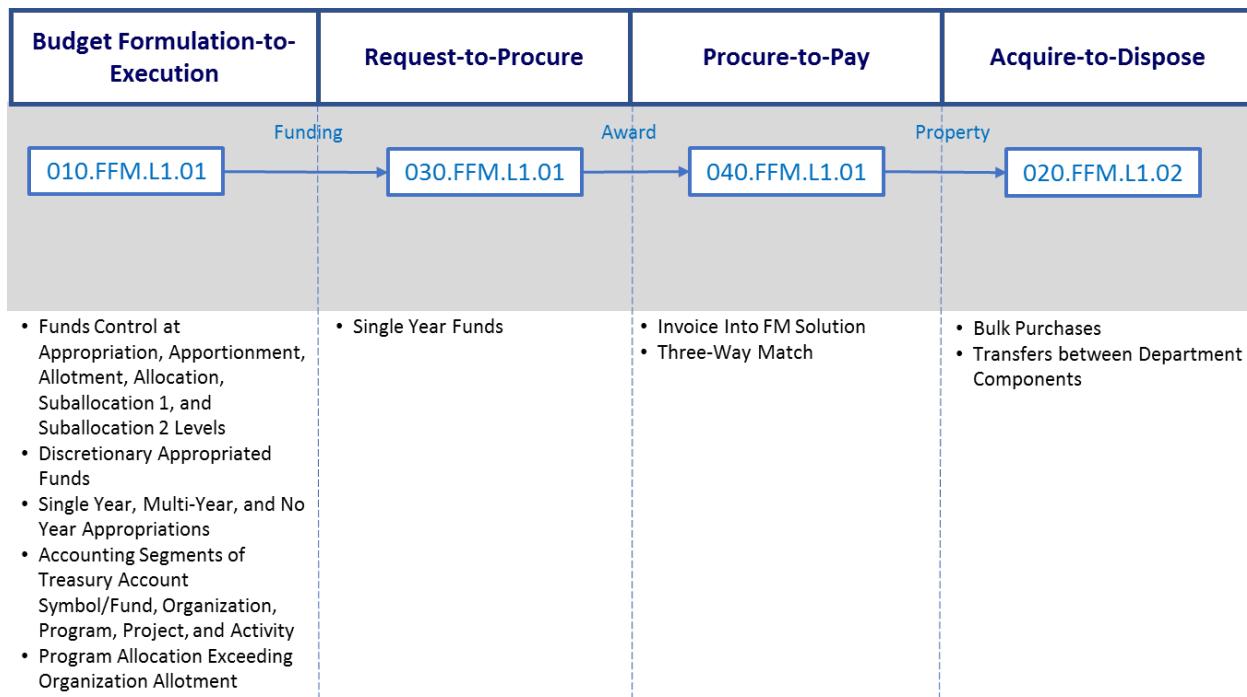


Figure 6: 2. Bulk Purchase of Office Equipment Summary

3. Complex Systems Including Software and Hardware – An agency is managing the construction of a complex system including hardware and software components using multiple vendors over two fiscal years. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), begins the acquisition of the system using multi-year funds from multiple vendors (030.FFM.L2.01), receives, accepts, and pays for the system components (040.FFM.L2.01), and enhances the property and manages the lifecycle of the in-progress

system (020.FFM.L2.01).

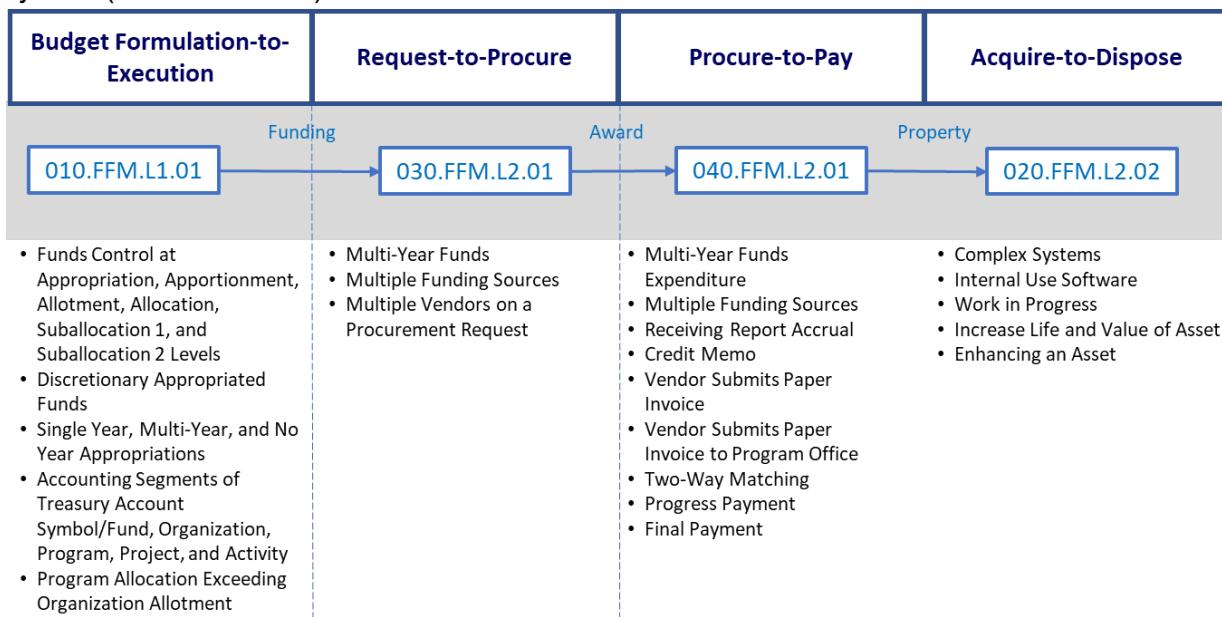


Figure 7: 3. Complex Systems Including Software and Hardware Summary

4. Combined Procurement Requests – Multiple offices within an agency are acquiring substantially similar items (e.g., computer servers). In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), consolidates and executes the procurement requests (030.FFM.L2.02), and then receives, accepts, and pays for the items (040.FFM.L2.02).

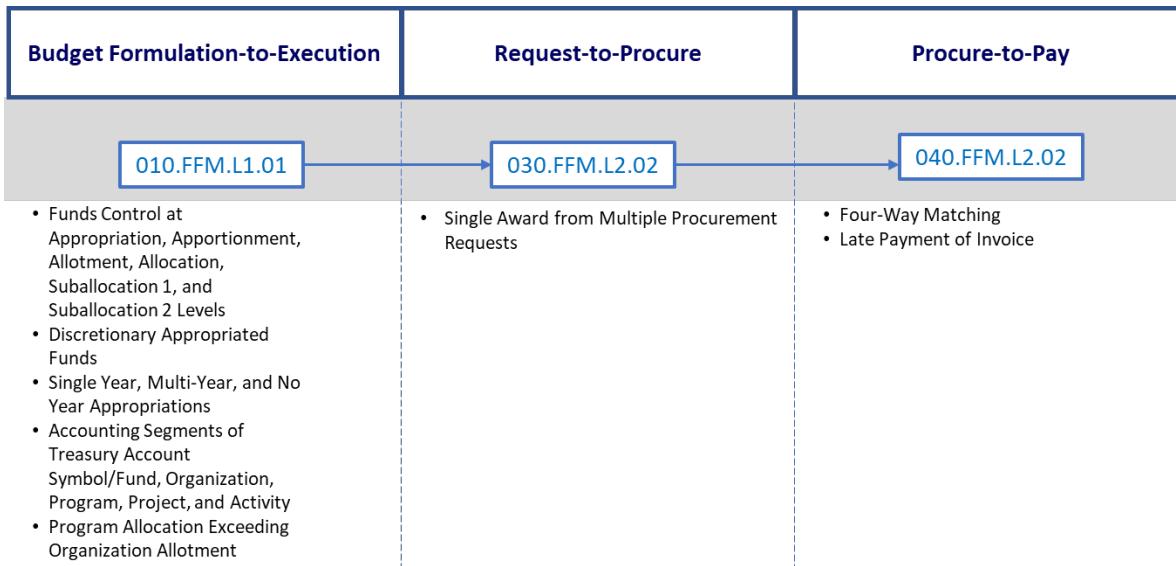


Figure 8: 4. Combined Procurement Requests Summary

5. Purchase Card – An agency uses a purchase card for qualified expenses. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01). Two requests for items within the threshold of the purchase card are submitted and approved. The items are ordered by the

Purchase Card Account Holder and delivered. The charge card account statement is reconciled with purchase card receipts after which the account statement is approved and payment is made to the charge card issuer company (040.FFM.L2.03).

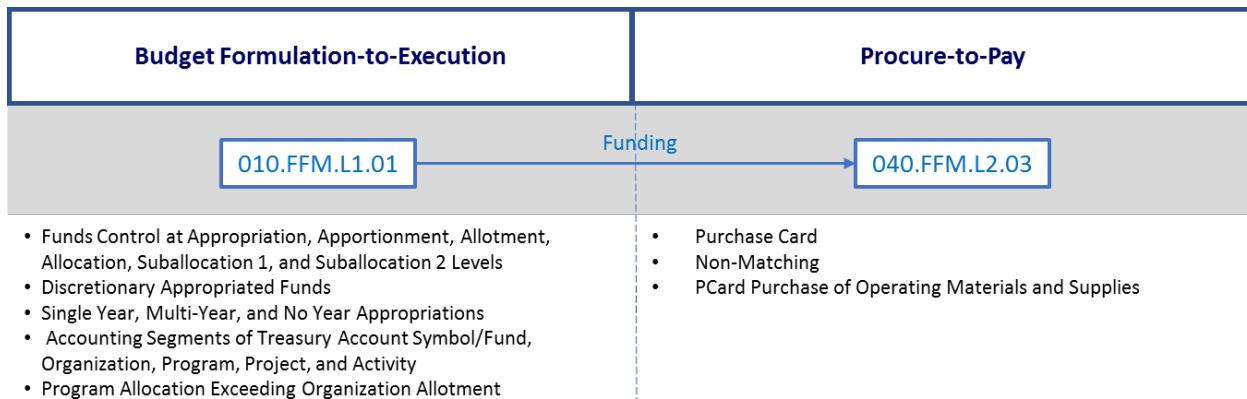


Figure 9: 5. Purchase Card Summary

6. Grant Disbursement and Closeout – An agency manages a program which issues and manages grants. This thread comprises the agency recording its budget into the FM solution (010.FFM.L1.01), awarding and distributing grant proceeds (080.FFM.L2.01), and administratively closing out a grant with the award recipient (080.FFM.L2.02).

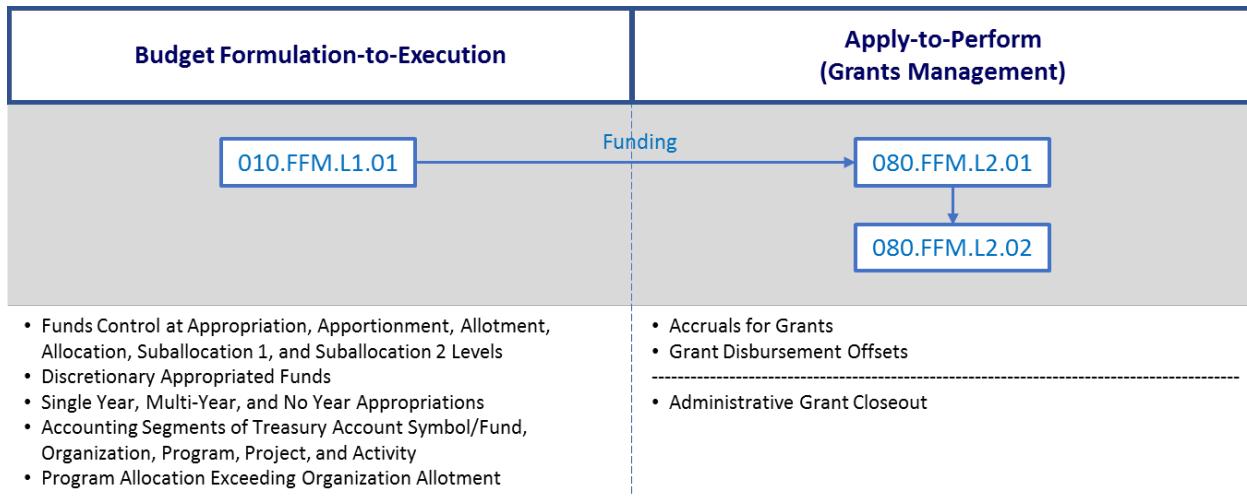


Figure 10: 6. Grant Disbursement and Closeout Summary

7. Temporary Duty (TDY) Travel – An agency employee travels to a customer site to complete an assignment. This thread comprises the agency recording its budget into the FM solution (010.FFM.L1.01), the employee completing the travel and then submitting a voucher. The agency pays both the employee and the charge card issuer company (100.FFM.L1.01).

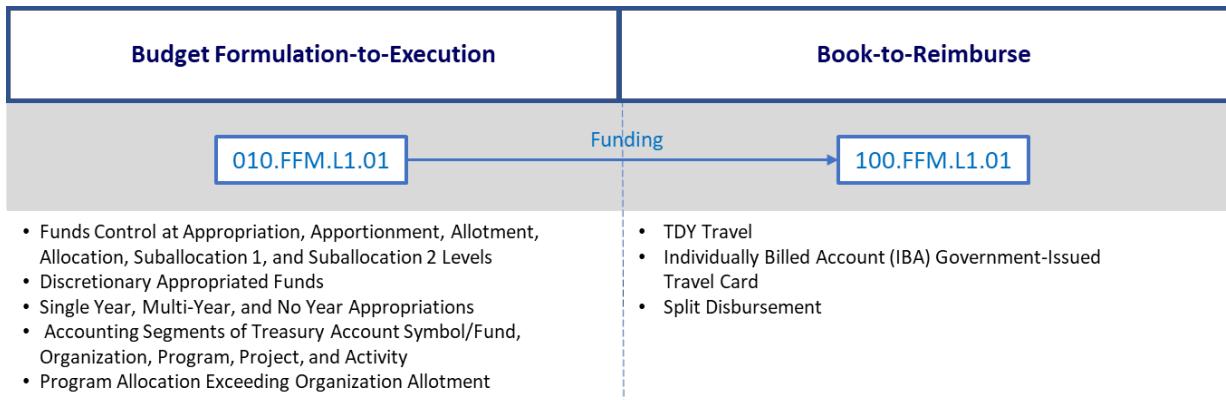


Figure 11: 7. Temporary Duty (TDY) Travel Summary

8. Relocation – An agency employee is permanently transferred to a different work location. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01) and the employee arranges the travel, receives a travel advance, submits a travel voucher, and receives payment from the agency (100.FFM.L2.01).

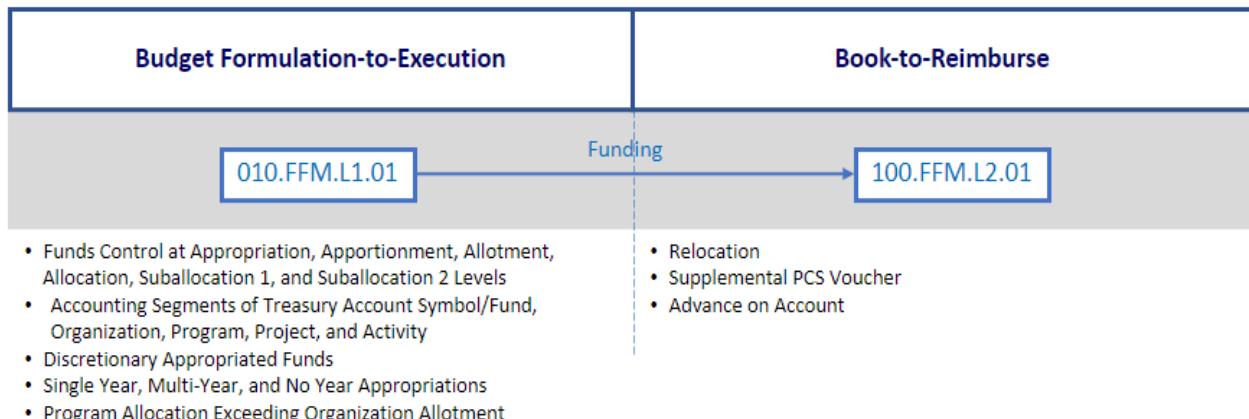


Figure 12: 8. Relocation Summary

9. Payroll – An agency which pays its domestic civilian staff on a bi-weekly basis is processing payroll for a pay period that will cross an accounting period threshold. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), then accrues payroll and benefit expenses in the closing period before receiving and posting actual payroll and benefit expense information in the next accounting period (090.FFM.L1.01).

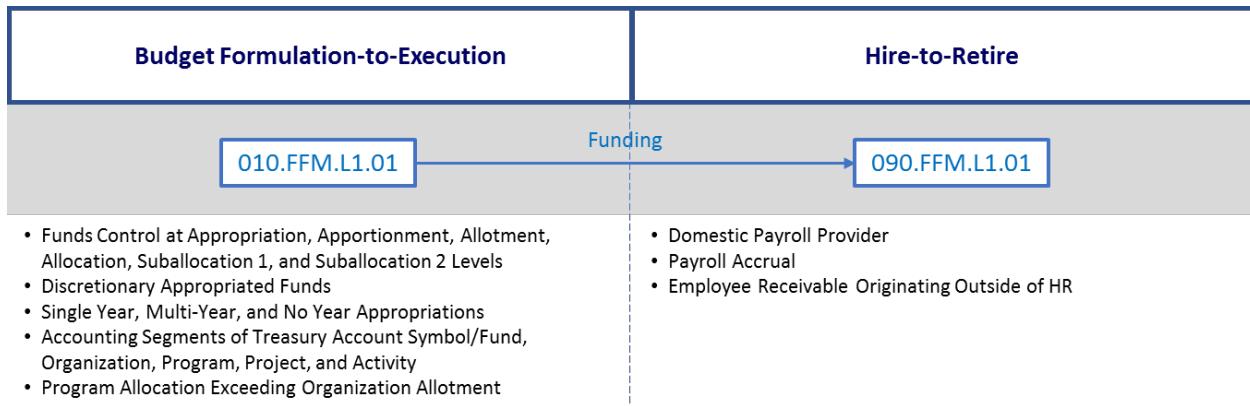


Figure 13: 9. Payroll Summary

10. Direct Loan – An agency manages a program which makes direct loans to the public. In this thread, the agency records its budget and its borrowing authority into the FM solution (010.FFM.L1.01, 010.FFM.L3.01), then closes, disburses, and collects payments on the direct loan (110.FFM.L2.01).

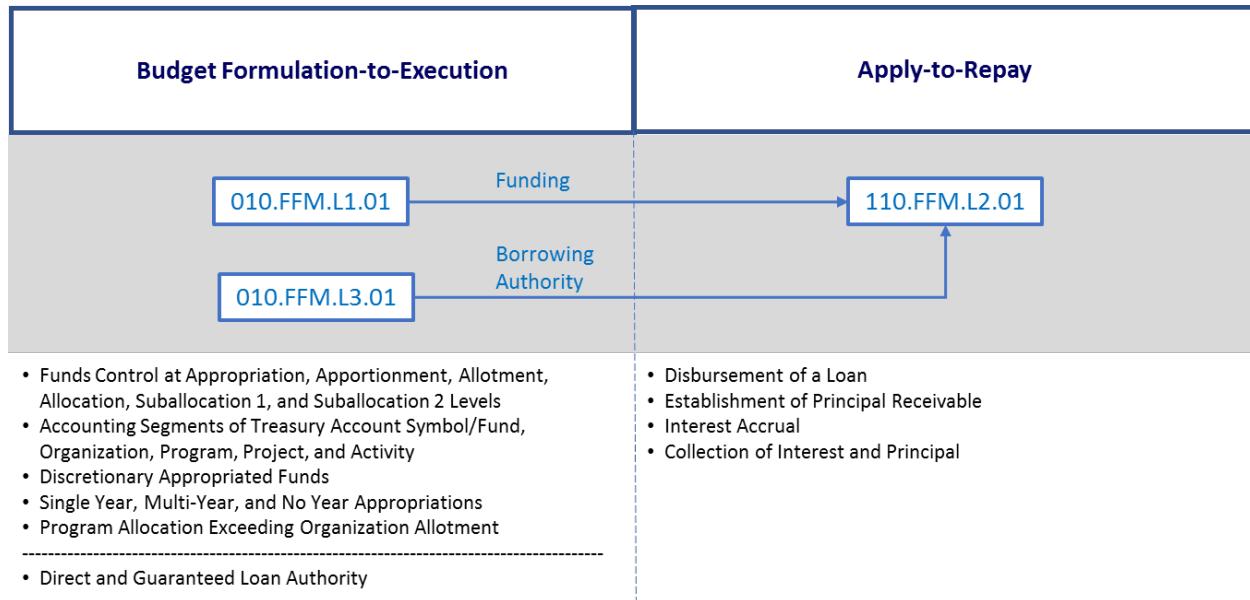


Figure 14: 10. Direct Loan Summary

11. Guaranteed Loan – An agency manages a program which guarantees third party loans to the public. In this thread, the agency records its budget and its borrowing authority into the FM solution (010.FFM.L1.01, 010.FFM.L3.01). The agency guarantees a loan which eventually defaults, is referred to Treasury for collection, and requires payment of the guarantee and collection from the borrower (110.FFM.L2.02).

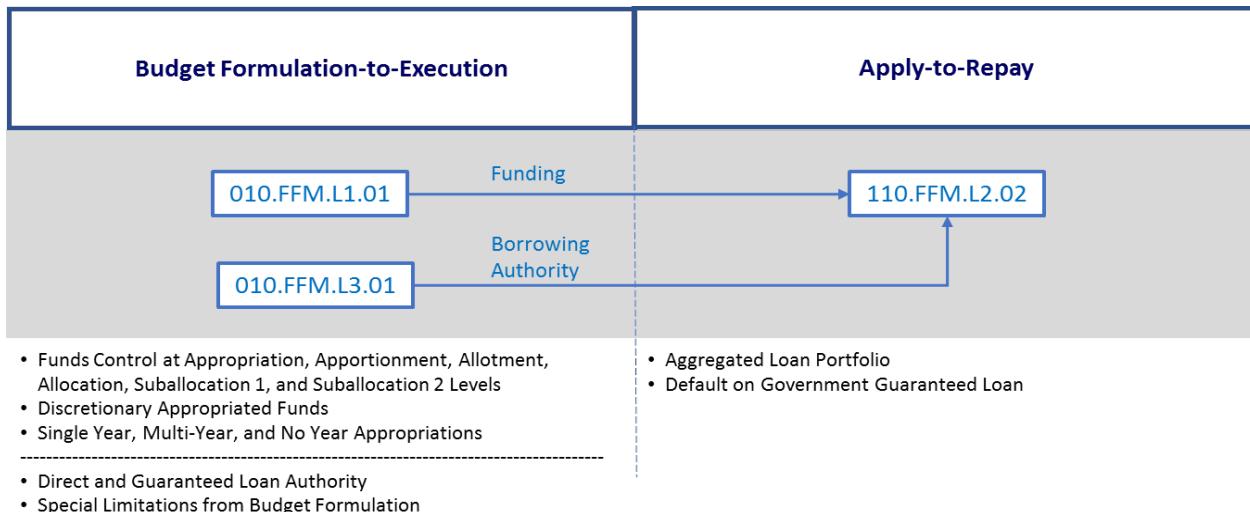


Figure 15: 11. Guaranteed Loan Summary

12. Intragovernmental Buy/Sell Activity – An agency performs reimbursable services for another agency under the Economy Act. In this thread, the agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02) then performs the services for the federal requesting agency. The servicing agency accumulates costs from payroll (090.FFM.L1.01) and contractor resources (040.FFM.L1.03) and provides intragovernmental performance information. After acceptance of the services, an intragovernmental settlement is executed (070.FFM.L1.01).

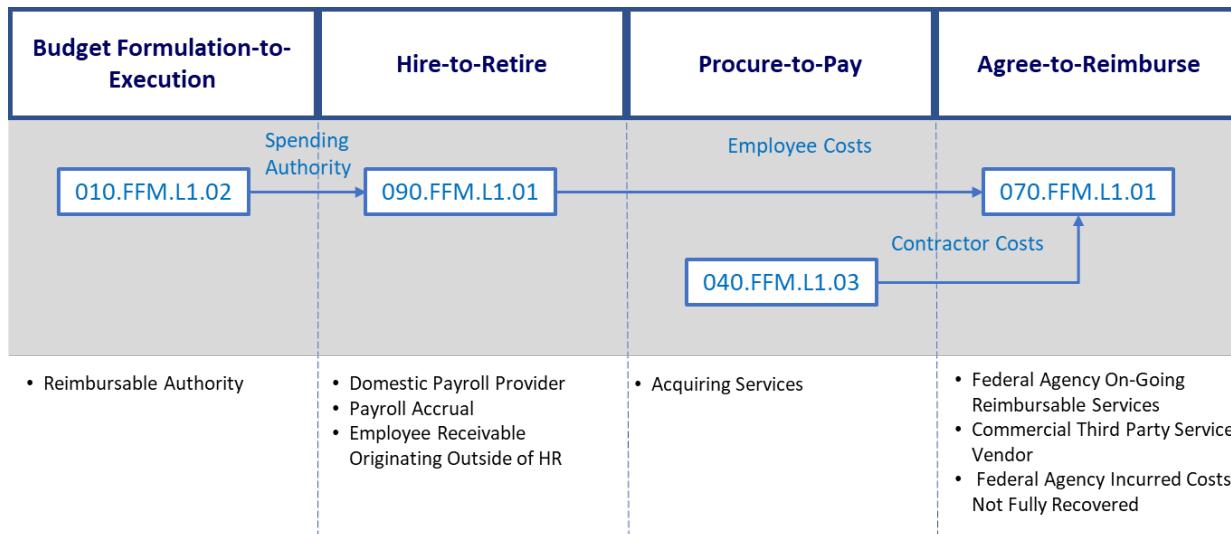


Figure 16: 12. Intragovernmental Buy/Sell Activity Summary

13. Government Sale of Post-paid Goods – An agency sells goods on a post-paid basis to the general public. In this thread, the agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02), then performs a sale of a good to a customer who disputes the quality of the delivered goods (050.FFM.L1.01).

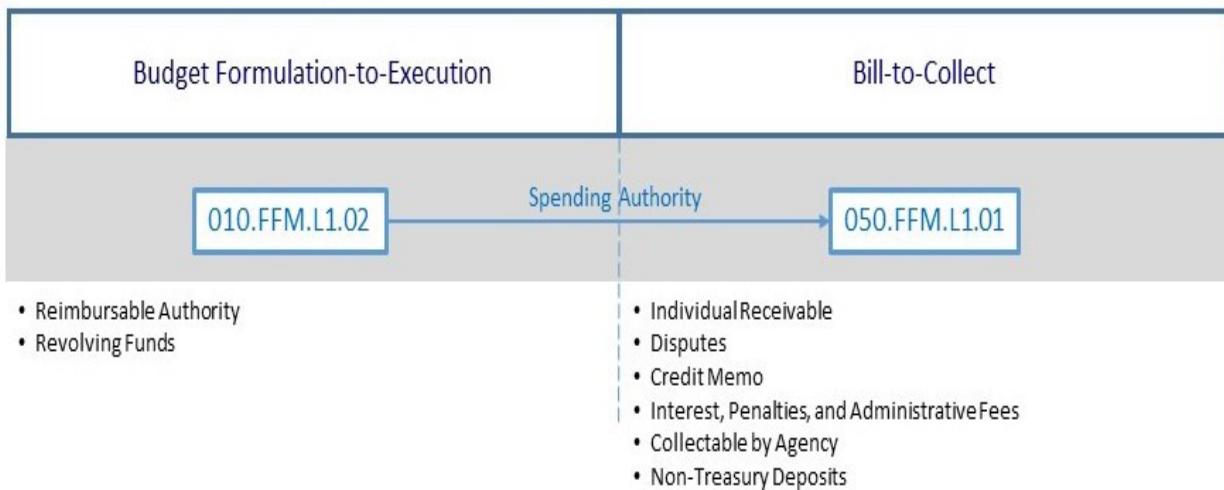


Figure 17: 13. Government Sale of Post-paid Goods Summary

14. Government Sale of Pre-paid Goods – An agency sells goods on a pre-paid basis to the general public. In this thread, the agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02), then performs the sale of a good to a customer that results in a failed payment and collection (050.FFM.L1.02).

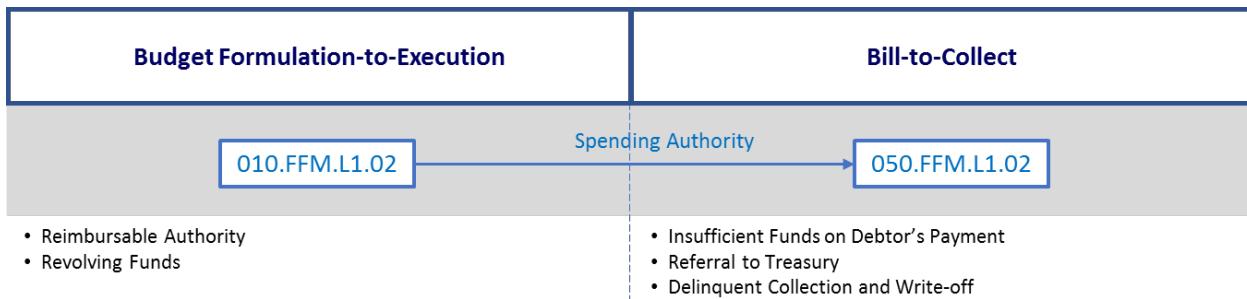
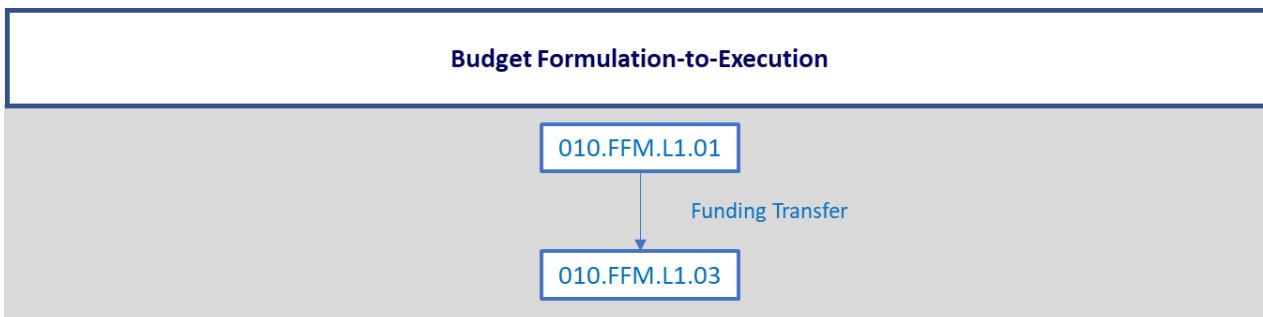


Figure 18: 14. Government Sale of Pre-paid Goods Summary

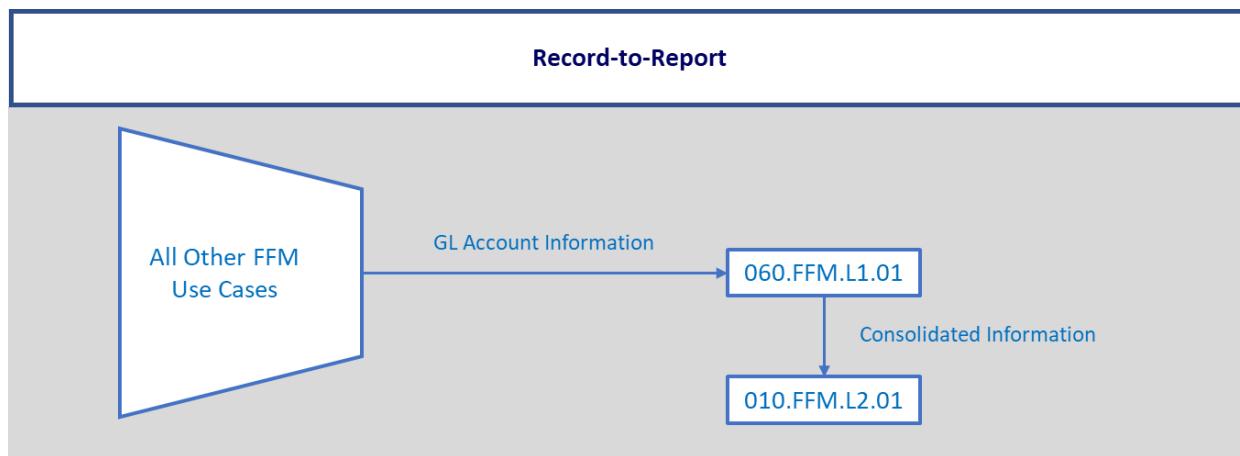
15. Budget Authority Transfers – An agency receives its budgetary authority and subsequently transfers authority to another agency and between agency programs. In this thread, the agency records its initial budget in the FM solution (010.FFM.L1.01). The agency then submits two nonexpenditure appropriation transfer requests to Treasury Fiscal Service for review, certification, and approval to transfer authority to obligate. Both transfer requests are approved and recorded to adjust the agency's budget. (010.FFM.L1.03).



- Funds Control at Appropriation, Apportionment, Allotment, Allocation, Suballocation 1, and Suballocation 2 Levels
- Discretionary Appropriated Funds
- Single Year, Multi-Year, and No Year Appropriations
- Accounting Segments of Treasury Account Symbol/Fund, Organization, Program, Project, and Activity
- Program Allocation Exceeding Organization Allotment
- Non-Expenditure Appropriation Transfers

Figure 19: 15. Budget Authority Transfers Summary

16. Financial Accruals and Reporting – A Department with component agencies performs end-of-year adjustments and prepares its financial statements. This thread comprises the generation of financial statements for the constituent agencies, period end and other standard reports (060.FFM.L1.01), and the consolidation of financial statements for the Department (060.FFM.L2.01).



- | | | |
|--|--|--|
| <ul style="list-style-type: none"> • Audit Adjustments • Allowance for Uncollectable Amounts • Financial Statements | <ul style="list-style-type: none"> • Liabilities Not Covered by Budgetary Resources • Liabilities Arising from Non-Routine Events • Actuarial Liabilities • Intra-departmental Eliminations • Consolidated Financial Statements • Statement of Net Costs | <ul style="list-style-type: none"> Period End and Other Standard Reports <ul style="list-style-type: none"> • Allowance for Uncollectible Accounts • Treasury Reports • Prompt Pay and EFT Reports • PP&E Reports • Receivable and Collection Reports • Delinquent Debt Reports • Revenue Reports |
|--|--|--|

Figure 20: 16. Financial Accruals and Reporting Summary

17. Procurement During a Continuing Resolution (CR) – An agency requires procurement of critical services while operating during a continuing resolution. In this thread, an agency records its spending authorities from two Continuing Resolutions (010.FFM.L1.04), procures the critical services (030.FFM.L1.02), and then records its approved appropriation.

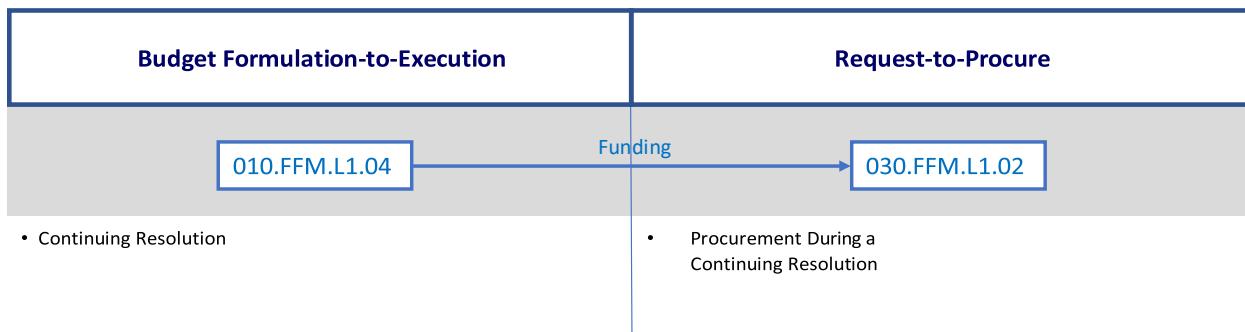


Figure 21: 17. Procurement During a Continuing Resolution (CR) Summary

18. Bulk Purchases Immediately Distributed – An agency purchases software for immediate distribution. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), acquires the software (030.FFM.L1.01), receives and pays for the software (040.FFM.L1.01), and manages the distribution of the software (020.FFM.L1.03).

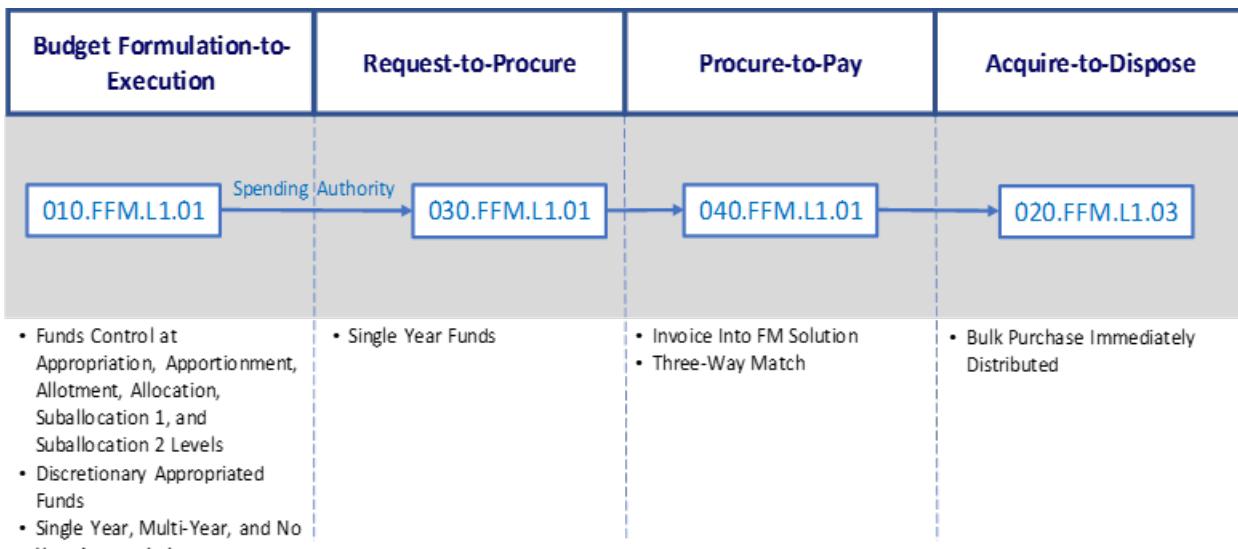


Figure 22: 18. Bulk Purchases Immediately Distributed Summary

19. Leasehold Improvements – An agency makes improvements to a leased property. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), procures the necessary supplies, equipment, and services for the improvements (030.FFM.L1.01), receives and pays for the services (040.FFM.L1.03), and then vacates the property at the end of the lease (020.FFM.L2.02).

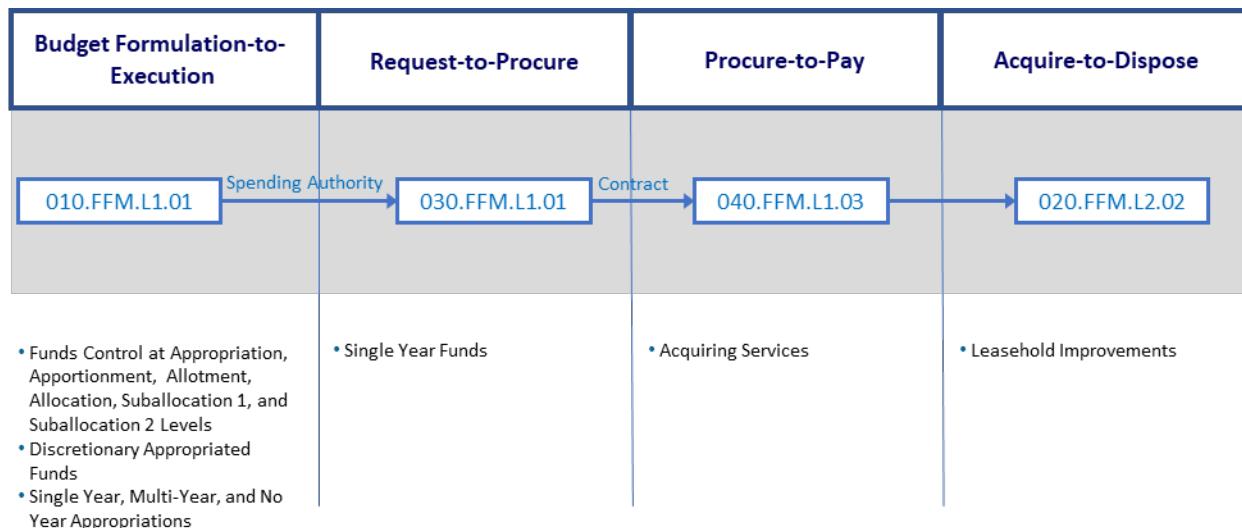


Figure 23: 19. Leasehold Improvements Summary

20. Travel Sponsored by Non-Federal Source – A government employee travels with a portion of the costs sponsored by a non-Federal source. In this thread, an agency records its budget into the FM solution (010.FFM.L1.01), authorizes the employee travel, obligates the necessary funds, and issues the payment to the traveler and the charge card issuer company (100.FFM.L3.01).

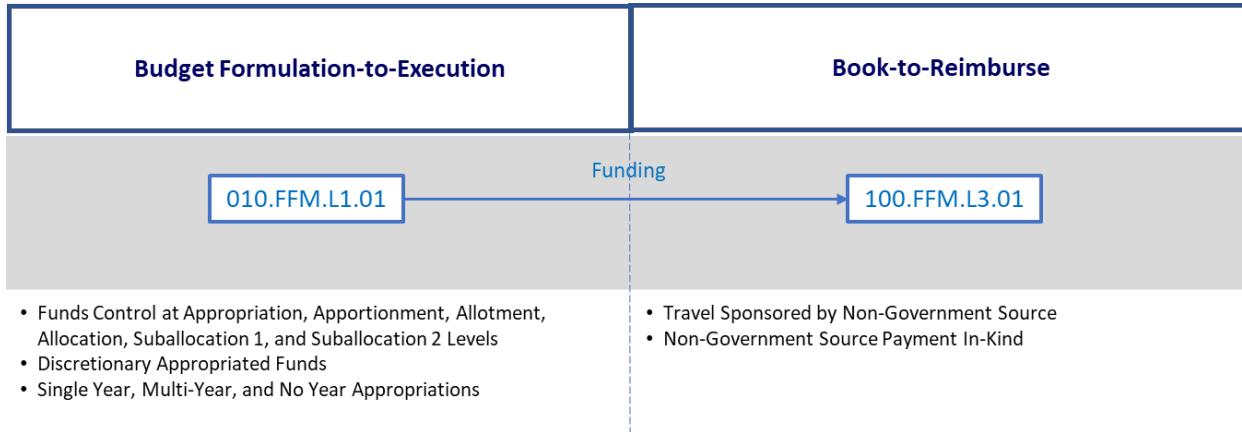


Figure 24: 20. Travel Sponsored by Non-Federal Source Summary

21. Reimbursable Services for a Non-Federal Government Entity – An agency provides technical assistance services to a Foreign Government Agency. In this thread, approval for a revolving fund and associated budget authority is received by the agency. The agency allot budgetary resources to organizations to provide services (010.FFM.L1.02). A reimbursable work agreement and order are established and the agency receives payment in advance. The technical assistance services end and a cost analysis determines the advance payment exceeds costs. Because the agency does not have any special authorities specifically stating that payments may be made to a non-Federal foreign entity, the excess advance payment funds are transferred to the General Fund of the U.S. Government (070.FFM.L3.02).

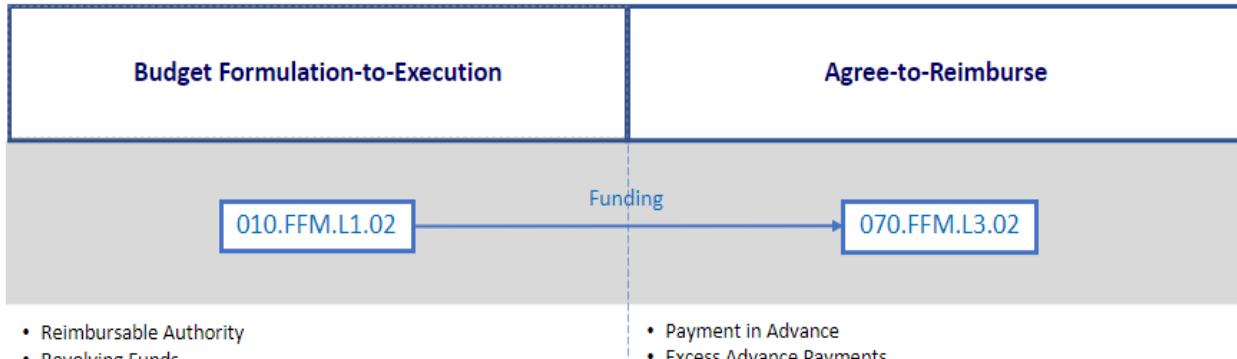


Figure 25: 21. Reimbursable Services for a Non-Federal Government Entity Summary

22. Aggregated Receivables for Custodial Revenues – An agency receives revenue due from activities of private sector entities on behalf of a custodial account. In this thread, an agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02) and receives and reports the aggregated receivables (050.FFM.L3.01).

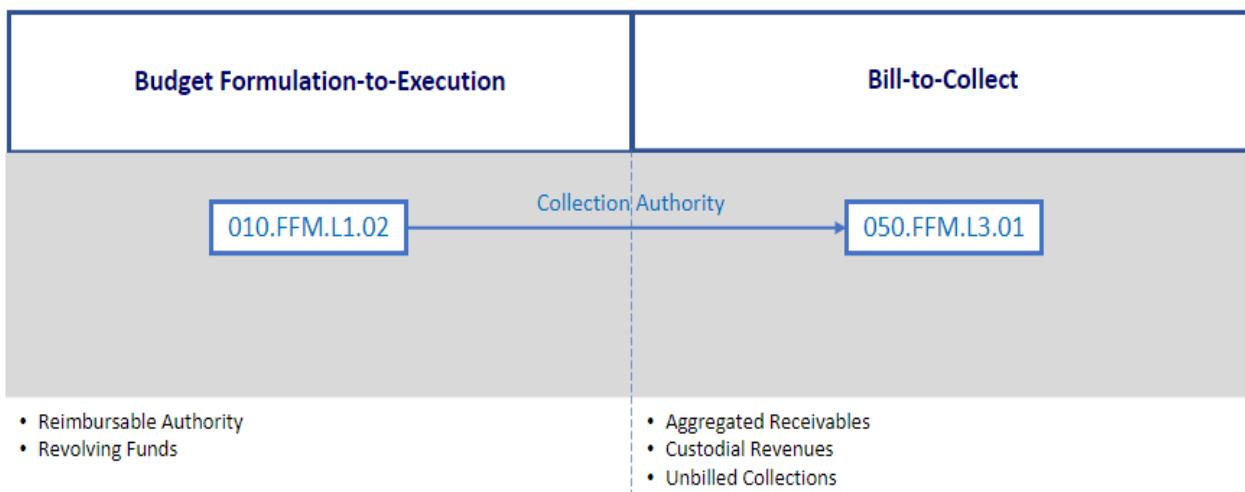


Figure 26: 22. Aggregated Receivables for Custodial Revenues Summary

23. Novation – An agency is managing a long-term initiative using multiple vendors over multiple fiscal years. During this time, one vendor is acquired in full by another entity. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), begins the acquisition process using multiple funds from multiple vendors (030.FFM.L2.01), receives, accepts, and pays for some of the assets acquired (040.FFM.L2.01), and then processes the vendor novation (040.FFM.L2.04).

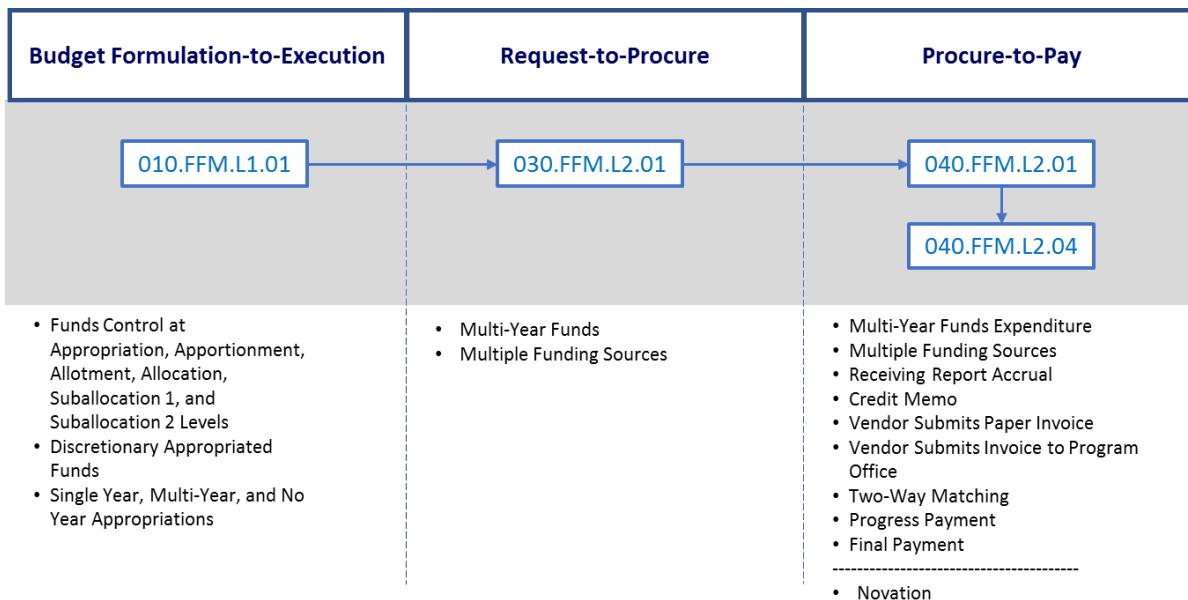


Figure 27: 23. Novation Summary

24. Construction on Real Property – An agency is managing the construction of a new building on heritage land. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), begins construction on the land (030.FFM.L2.01, 040.FFM.L2.01), then issues a stop work order and places the construction in abeyance after finding hazardous substances on the property (020.FFM.L3.01).

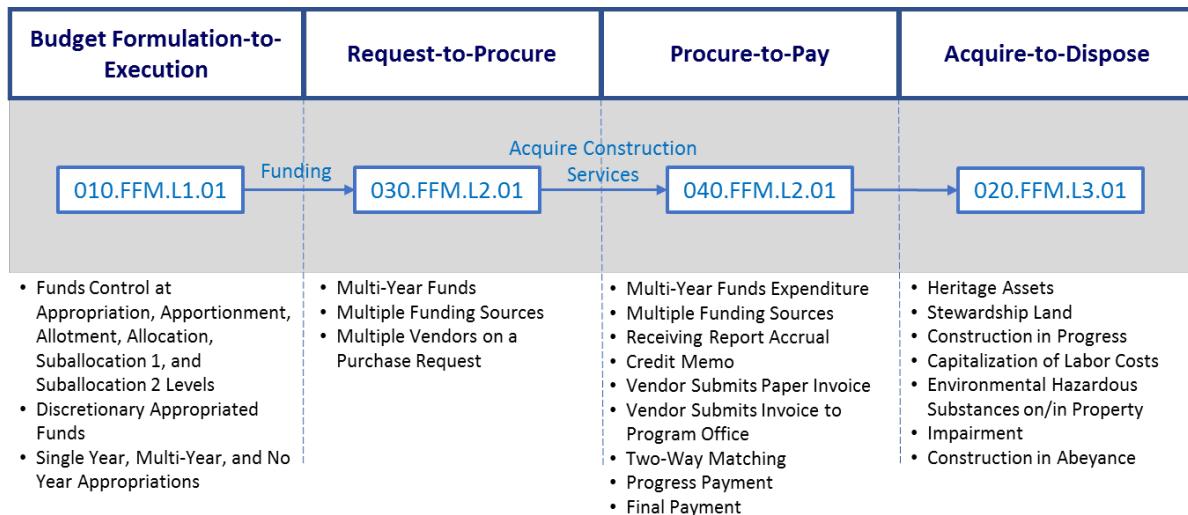


Figure 28: 24. Construction on Real Property Summary

25. AR/AP Netting – An agency receives an overpayment for ongoing activities that are periodically billed to a Private Sector Entity (PSE). In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), bills and receives an overpayment from the PSE, creates and holds a payable reflecting a refund due to the PSE. The subsequent bill is reduced by the payable to cover the overpayment and a revised bill is prepared and sent by the Finance Office (050.FFM.L2.01).

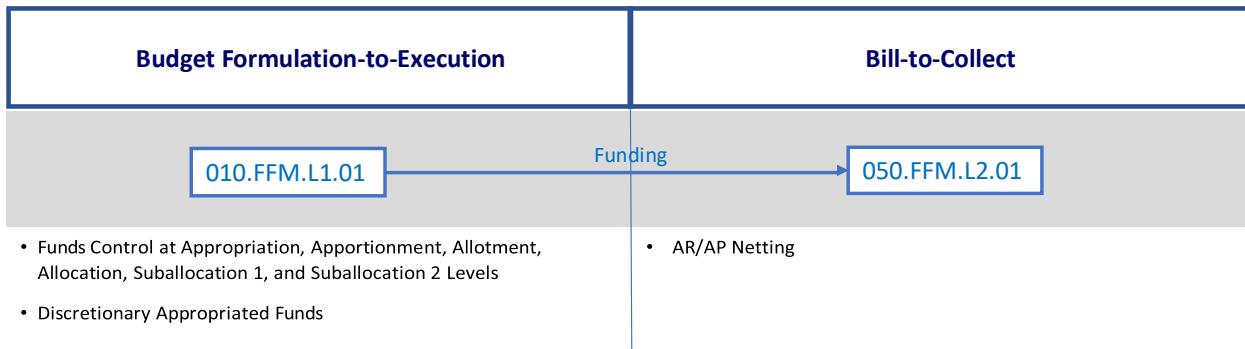


Figure 29. 25. AR/AP Netting Summary

26. Billing Third-Party Debtors – Amounts remaining due from an original debtor for services provided by the government are billed to a third-party guarantor. In this thread, the agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02), then performs a service that requires reimbursement and ultimately collects from the third party (050.FFM.L3.02).

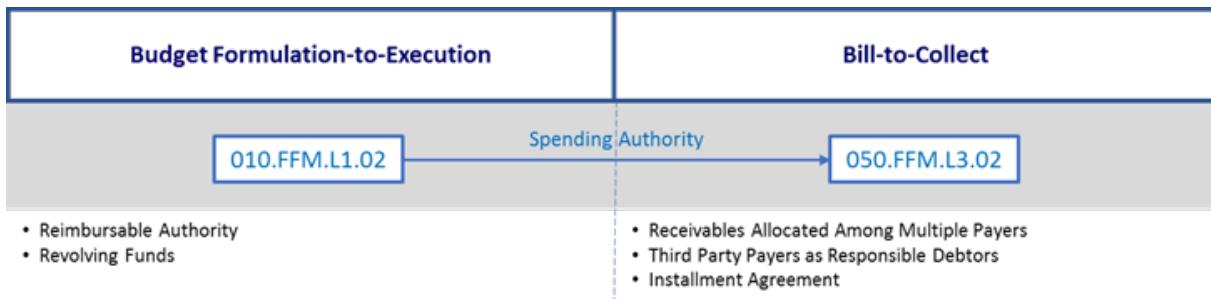


Figure 30. 26. Billing Third-Party Debtors Summary

27. Intragovernmental Agreement for Services with Advance Payment – An agency acquires a service from another agency under the Economy Act. In this thread, the requesting agency records its budget into the FM solution (010.FFM.L1.02). The requesting agency and servicing agency establish general terms and conditions and an intragovernmental agreement for reimbursable services; the requesting agency pays in advance. The requesting agency accepts a partial delivery of the services, after which an adjustment to performance completion and an advance payment reversal are executed (070.FFM.L1.02).

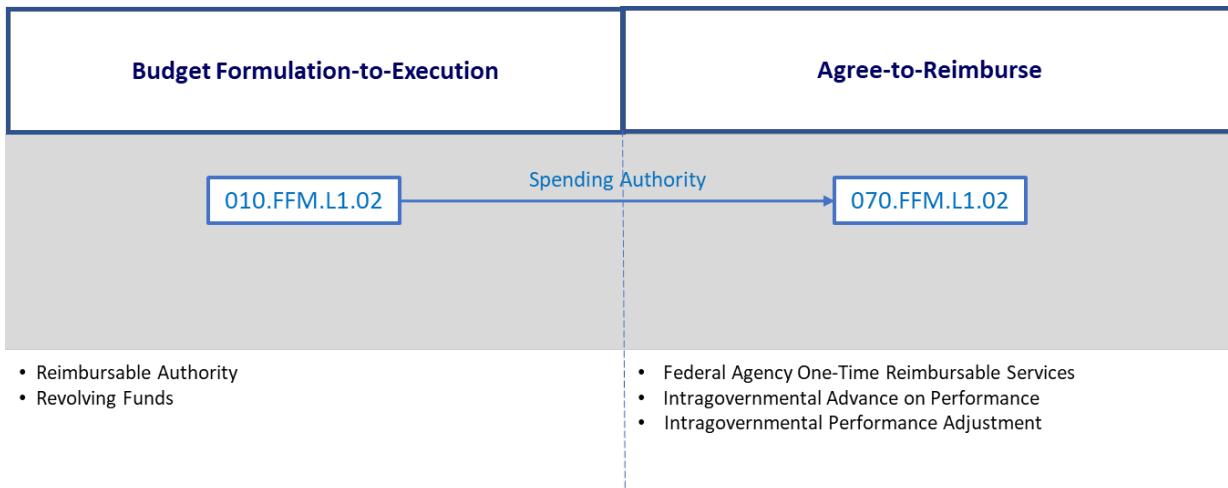


Figure 31. 27. Intragovernmental Agreement for Services with Advance Payment Summary

Building Use Case Demonstration Threads

The inventory of use case demonstration threads included in this overview is not exhaustive. Agencies may wish to create other sequences of business use cases suitable for their environment or a particular need.

To create a use case demonstration thread, the following steps should be followed:

1. Identify the agency-specific process of interest to be addressed in the use case demonstration thread
2. Identify what budget authorities need to be in place
3. Determine what types of transactions are needed
4. Determine payment methods to be used
5. Determine how the results will be recorded and reported

Once these items have been identified, refer to Table 1: FFM Business Use Case List to select the appropriate business use cases to include in the thread. The business use cases should then be laid out in sequence based on the dependencies identified in the use cases.

Appendix A: Description of Terms

Term	Description
End-to- End Business Process	An End-to-End Business Process identifies a start-to-finish outcome for operational transactions and financial reporting. The End-to-End Business Process provides the context for executing financial management services. Most of the End-to-End Business Processes require integration across multiple Functional Areas/Functions/Activities to achieve the business outcome.
Functional Area	Functional Areas are the administrative and support domains which provide services that enable service customers (e.g., program offices) to deliver on their missions and accomplish End-to-End Business Processes.
Function	A Function is a further breakdown of an administrative or mission-support Functional Area into categories of services provided to service customers.
Activity	Within a Function, Activities are the processes that provide identifiable outputs/outcomes to service customers.
Business Scenario	<p>Business Scenarios identify differing situations or conditions that occur when executing an end-to-end business process and reflect the scope and complexity of federal government agency missions.</p> <p>Business Scenarios are categorized as follows:</p> <ul style="list-style-type: none"> Level 1 (L1): Affects most federal agencies and/or impacts a large transaction volume and/or dollar value within the federal government Level 2 (L2): Affects multiple federal agencies and/or requires some specialized processing from the service customer or auditor perspective Level 3 (L3): Affects a few federal agencies and requires unique processing, mandated by legislation or regulation.
Business Use Case	Business Use Cases represent typical processing that occurs in federal business operations. They are based on business scenarios and are grouped by commonality levels across agencies (L1/L2/L3). The FFM business use cases include FFM events and non-FFM events to present the interaction between FFM and other Functional Areas.