

Four Shared Service Providers Announced for Federal Financial Management

Posted At : May 13, 2014 10:19 AM | Posted By : Angie Petty

Related Categories: Department of the Interior, Department of Agriculture, Financial Management, Shared Services, Treasury, Department of Transportation

One of the administration's initiatives to streamline operations has been to implement shared services for core administrative functions. On May 2nd, OMB in conjunction with the Department of Treasury, announced the designation of USDA, Treasury, Interior and Transportation as approved shared service providers for financial management across the federal government.

In March of 2013, the administration issued a memo, [Improving Financial Systems through Shared Services](#), to promote the use of shared services for federal financial management across agencies. The designation of the four agencies moves this initiative forward.

Shifting financial services management to other providers will allow agencies to focus more on mission-based programs. Agencies will also gain efficiencies and economies of scale for system implementations, maintenance, and enhancements while reducing costs.

The four providers were required to undergo an extensive application process and evaluation. Other service providers may be designated in the future as agencies migrate to these four providers and demand increases.

USDA replaces GSA as an approved shared service provider for financial management services. USDA offers SAP as their back-end software, as opposed to Oracle which is offered by the other three providers.

According to Federal News Radio, GSA getting out of the financial management business is "no real surprise." They announced last summer that they would be shedding their human resources management offerings. GSA offered CGI's Momentum software for financial management.

USDA's financial solution is based on a commercial, off-the-shelf resource planning product which is web-based and provides funds management, financial reporting, and general accounting capabilities. The solution has been deployed in 28 of USDA's administrative organizations.

The designation of these providers is just one step in the process to implementing financial management shared services across the federal government. Treasury's Office of Financial Innovation and Transformation (OFIT) will be working with the providers to address any of their needs and concerns, and resolve any identified issues.