THE TOP 5 PFM Challenges and the GIFMIS System Solutions

Government financial executives, managers and staff identified challenges in the current PFM environment and the anticipated system solutions that GIFMIS can provide. Participants of the PFM Workshop (Tagaytay 5) on 12-14 September 2012 comprise of representatives from COA, DBM, DOF, Bureau of Treasury, DOH, DepEd, DSWD and DPWH. Here are the top 5 challenges:

Challenge #1

Getting info real time, more analysis now

More than 50 financial reports are prepared manually by implementing agencies and submitted to oversight agencies resulting in a "messy traffic of documents." Considerable data is collected but not enough information that allow for sound analysis for policy decision making. Financial managers and staff are "stifled" by the "bulky" report preparation tasks, leaving little or no time for the stuff that matters – Analysis, right now!

Challenge #2

Integrating multiple IT enabled systems, processes and simplifying tasks

There are multiple stand-alone IT-enabled and manual FM systems operating in parallel across government. Transactions are posted several times in multiple systems that are unlinked, requiring re-keying of data. The result is data duplication and associated errors. GIFMIS is envisioned to help Government integrate financial planning and operational data to provide consistent and accurate reporting across government. Reporting only becomes an asset when the underlying data is accurate.

Challenge #3

Getting people ready for GIFMIS – now and beyond

GIFMIS will require us to change the way we do our work. The "machine" will not drive and sustain the change, people will. Thus there is a strong need for capacity building for FM staff in all agencies - from 'back to the basics' FM training, and developing the mindset for results and integrity, to strategic PFM and leadership skills. Before we can get to this stage, there is need to create a full time, dedicated team with the right skill set to define the functional requirements, train and mentor agency staff, and get GIFMIS up and running smoothly on a daily basis.

Challenge #4

Getting the work environment ready for GIFMIS

Getting the right skill set developed is great, but will the staff have the tools or "machines" to allow them to apply those skills? The IT and communications infrastructure will need to be in place. Staff must have computers and reliable internet connection ready, always available, and efficient.

Challenge #5

Establishing a simple, consistent and auditable environment

At the heart of GIFMIS is a harmonized chart of accounts. There is urgent need for a harmonized classification system for budgeting, accounting, auditing and cash management. Parallel to this is the need to simplify the complex regulatory environment and business processes and procedures for PFM. The deployment of a single, GIFMIS will provide stronger financial controls and greater visibility into underlying processes, patterns and data, thus promoting greater transparency and accountability.

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PFM: Bringing Data to Life

13 September 2012

IN ACTION

Commission on Audit (COA)

Bureau of Treasury (BTR)

Department of Budget and Management (DBM)

Department of Finance (DOF)

DepEd, DOH, DSWD, DPWH