FMBT
Financial Management
Business Transformation

Financial Management Business Transformation (FMBT) Update to the Shared Services Forum

April 11, 2024

ChooseVA

VA | U.S. Department of Veterans Affairs

Agenda

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- The Need for FMBT
- Current Program Status
- High-Level Implementation Timeline
- iFAMS by the Numbers
- FMBT Product Delivery Framework
- Guide to an iFAMS Wave
- FMBT Change Management Approach
- Preparations for VHA Implementation
- Continuous Improvement and Lessons Learned
- Key Program Risks

The Need for FMBT

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VA currently uses an over-35-year-old COBOL-based legacy Financial Management System (FMS), resulting in:

- Failure to meet the federal financial regulations and mandates, including the intent of the DATA Act
- Long-standing audit findings due to inherent security vulnerabilities

VA made two previous unsuccessful attempts to replace its legacy financial system, leading to:

- System workarounds and the development of add-on systems
- A fragmented financial and procurement system environment

Implementing a modern integrated financial and acquisition system will bring VA operations into the 21st century and improve services to those who serve Veterans, allowing VA to:

- Execute its budget, pay vendors and Veterans, and produce accurate financial statements
- Access accurate and robust data in real time, improving business intelligence reporting capabilities

Current Program Status

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Waves Completed

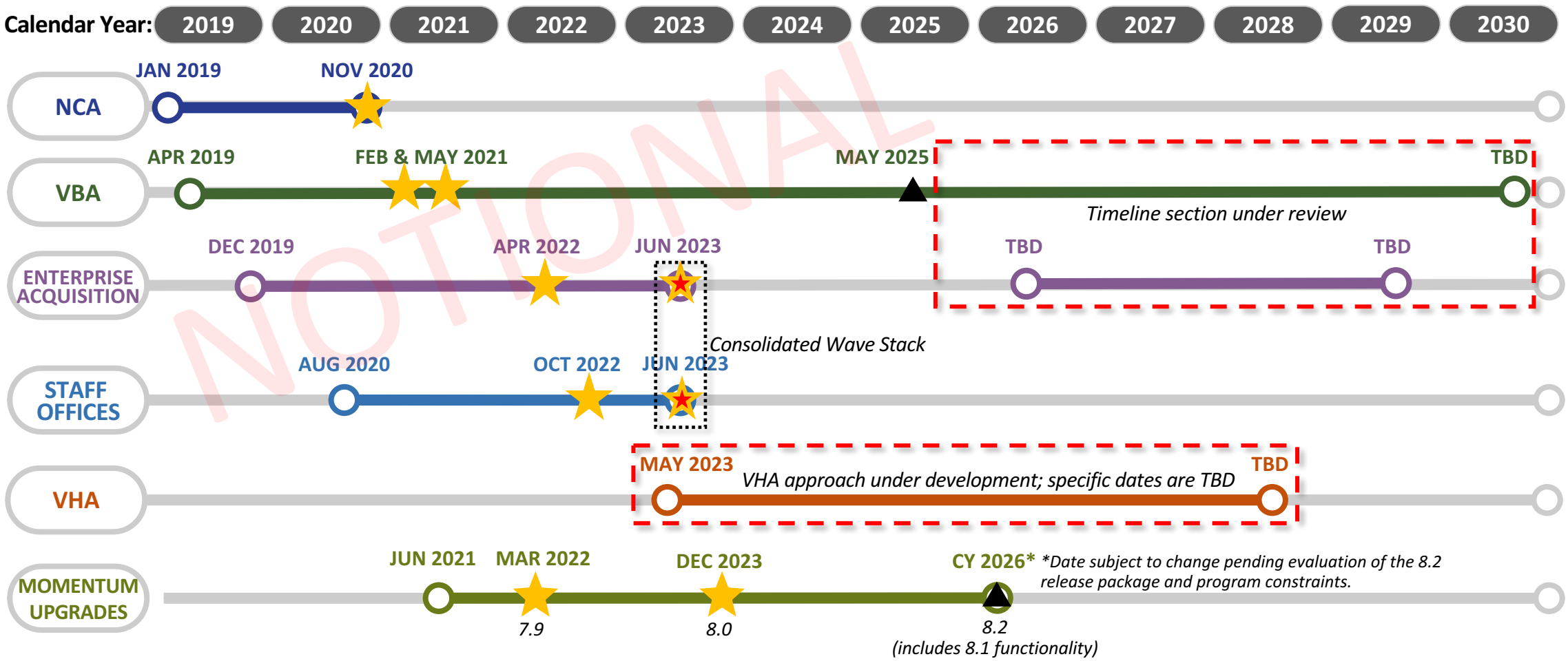
- NCA Finance go-live in November 2020
- VBA General Operating Expenses (GOE) Phase 1 go-live in February 2021
- VBA GOE Phase 2 go-live in May 2021
- Momentum 7.9 upgrade in March 2022
- NCA Enterprise Acquisition go-live in April 2022
- Office of Management Plus (OM+) go-live in October 2022
- Office of Acquisition, Logistics, and Construction (OALC), Office of Construction & Facilities Management (CFM) go-live in June 2023
- Office of Inspector General (OIG) go-live in June 2023
- Office of Information and Technology (OIT) go-live in June 2023
- Momentum 8.0 upgrade in December 2023

Consolidated Wave Stack (CWS)

In Progress

- VBA Loan Guaranty (LGY)
  - Go-live: May 2025
- VHA Wave 1 (Station 134)
  - Go-Live: TBD

High-Level Implementation Timeline



NOTIONAL

Last Revised April 9, 2024

iFAMS by the Numbers

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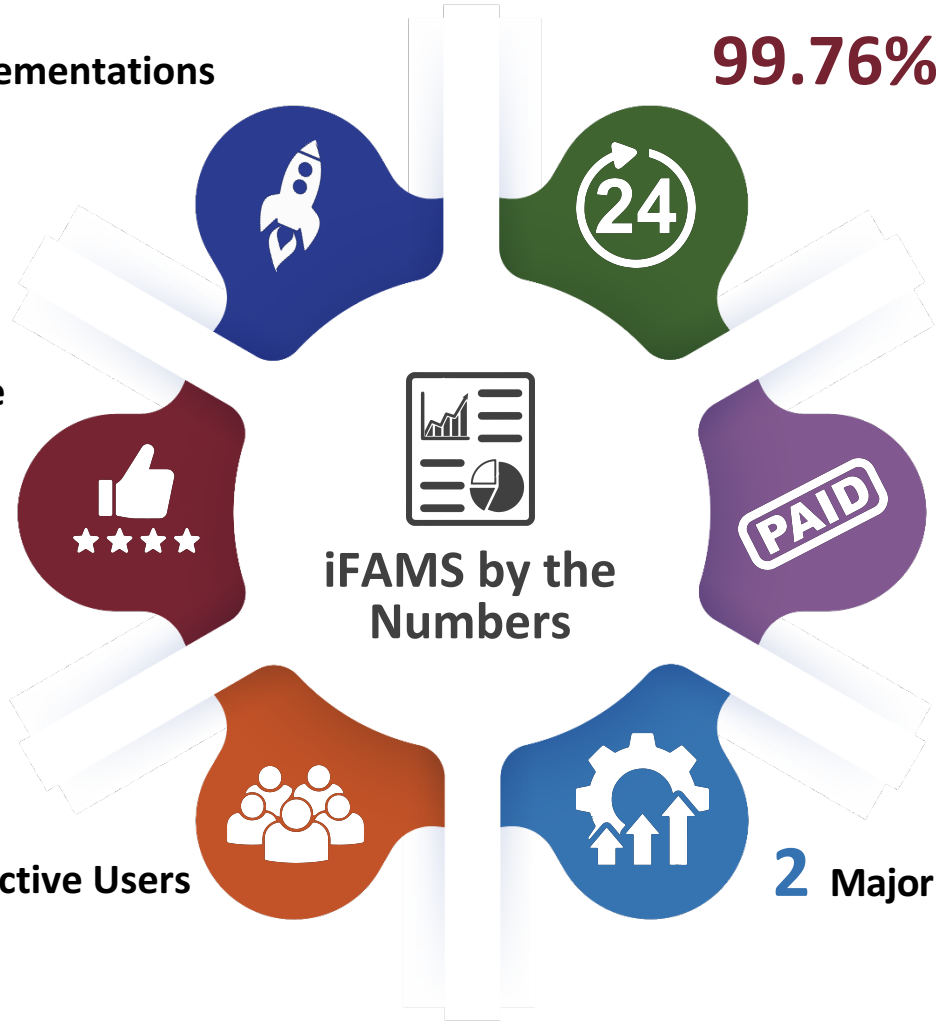
6 Implementations

99.76% iFAMS Availability

96.6% iFAMS Service Desk Satisfaction

Case Resolution Rates:
- 97.5% First Call
- 97.6% All Cases



7,308,165 Transactions Successfully Processed, Including: $18.48 billion in disbursements through Treasury

4,185 Active Users

2 Major Upgrades

Information as of April 2, 2024

FMBT Product Delivery Framework

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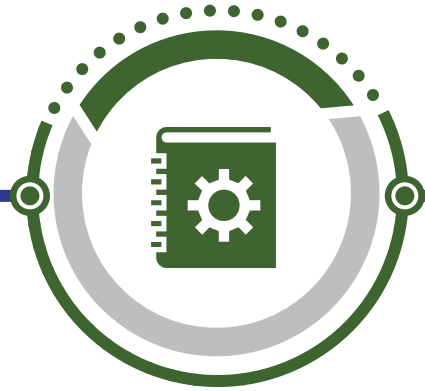
Phase 0: Pre-Initiation

- Establish internal activities to prepare for wave implementation
- Develop draft timeline, prepare for customer and program engagement

Phase 1: Initiation & Planning



- Establish relationship between FMBT and the customer
- Complete detailed planning of tasks and resources for the wave
- Finalize scope and schedule

Phase 2: Product & Testing

- Conduct customer sessions to define and review user requirements for system configuration
- Perform iterative User Acceptance Testing (UAT) with the customer to configure and validate the system

Phase 3: Deployment & Transition

- Conduct final UAT and confirm readiness
- Execute deployment and cutover; begin Initial Go-Live Customer Support period
- Resolve outstanding Risks & Issues and document Lessons Learned

Wave Identification

0 **Wave Kickoff**

1 **Checkpoint 1: Ready to begin program increments and sprints**

2 **Checkpoint 2: Product and UAT approved**

3 **Checkpoint 3: Go-Live**

Guide to an iFAMS Wave

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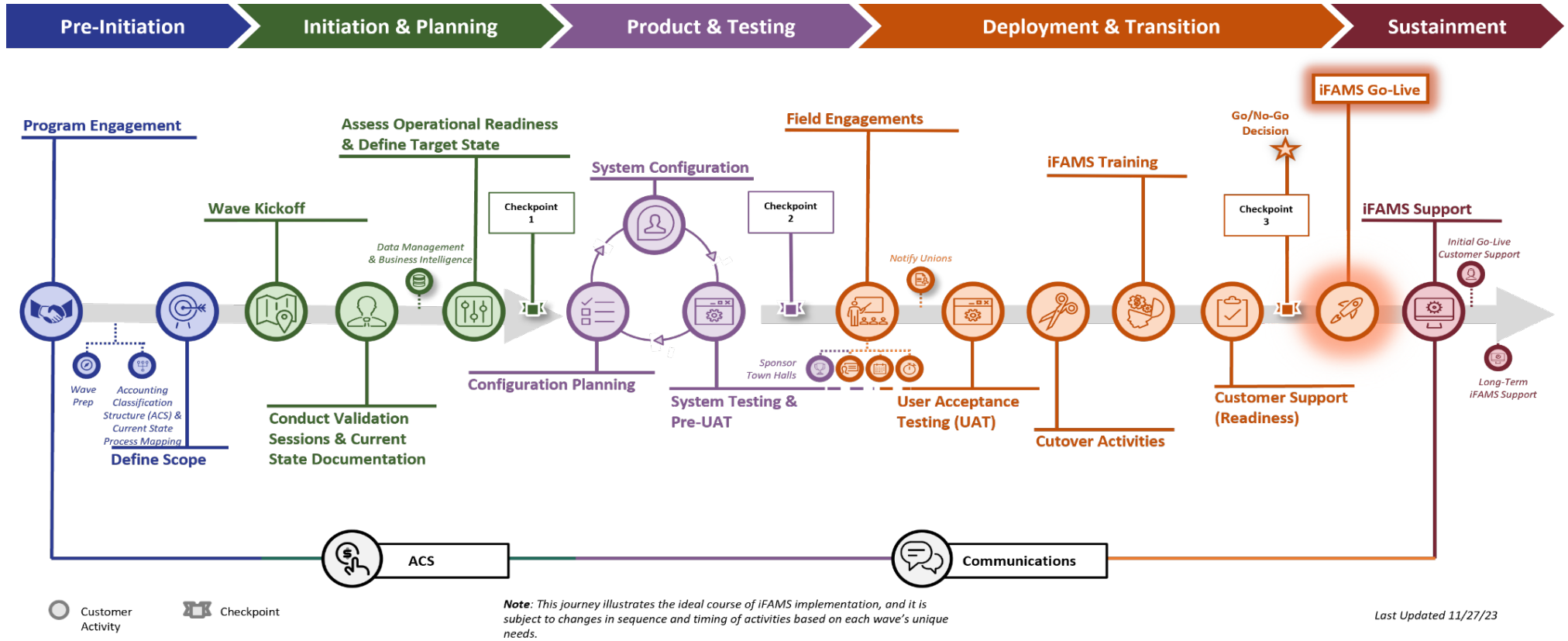
FMBT Change Management & Readiness

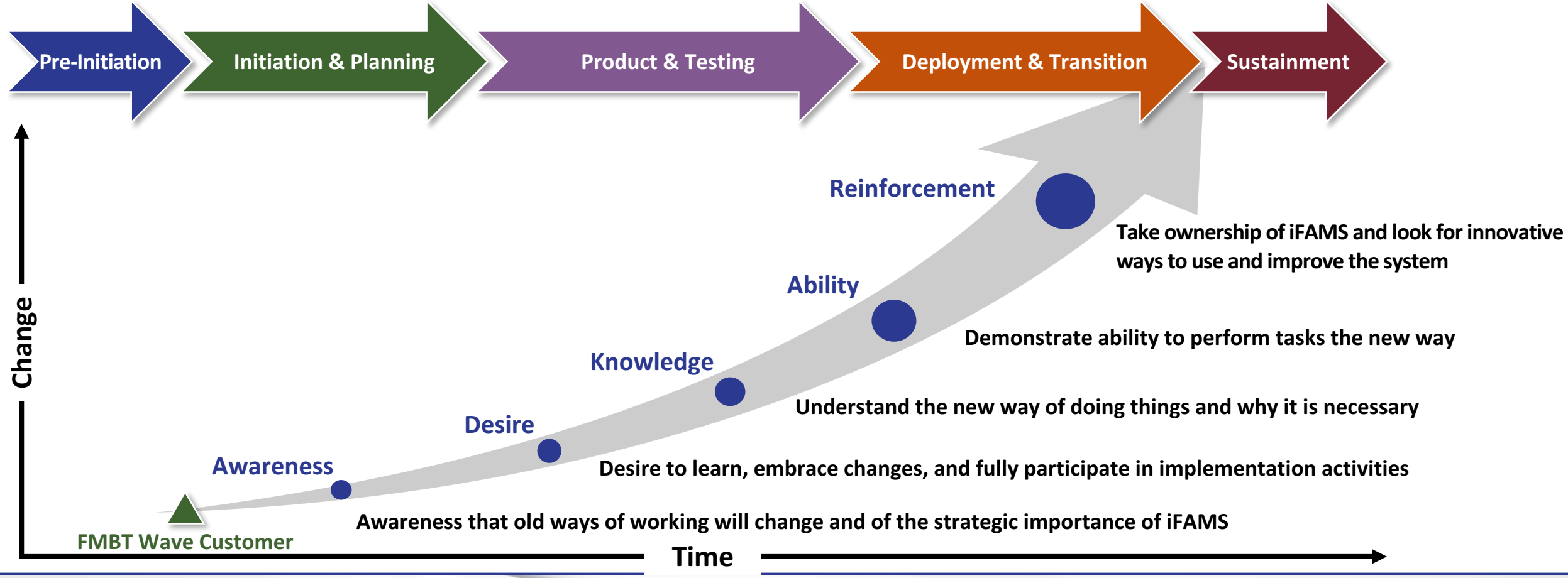
Focus on People and Process, not just systems



Prosci® ADKAR Model	Awareness	Desire	Knowledge	Ability	Reinforcement

FMBT Change Management Approach

The FMBT Organizational Change Management (OCM) approach is used to **deploy change management activities program-wide and within each iFAMS implementation wave** and is rooted in the Prosci® Awareness-Desire-Knowledge-Ability-Reinforcement (ADKAR) model and the FMBT Product Delivery Framework



Preparations for VHA Implementation

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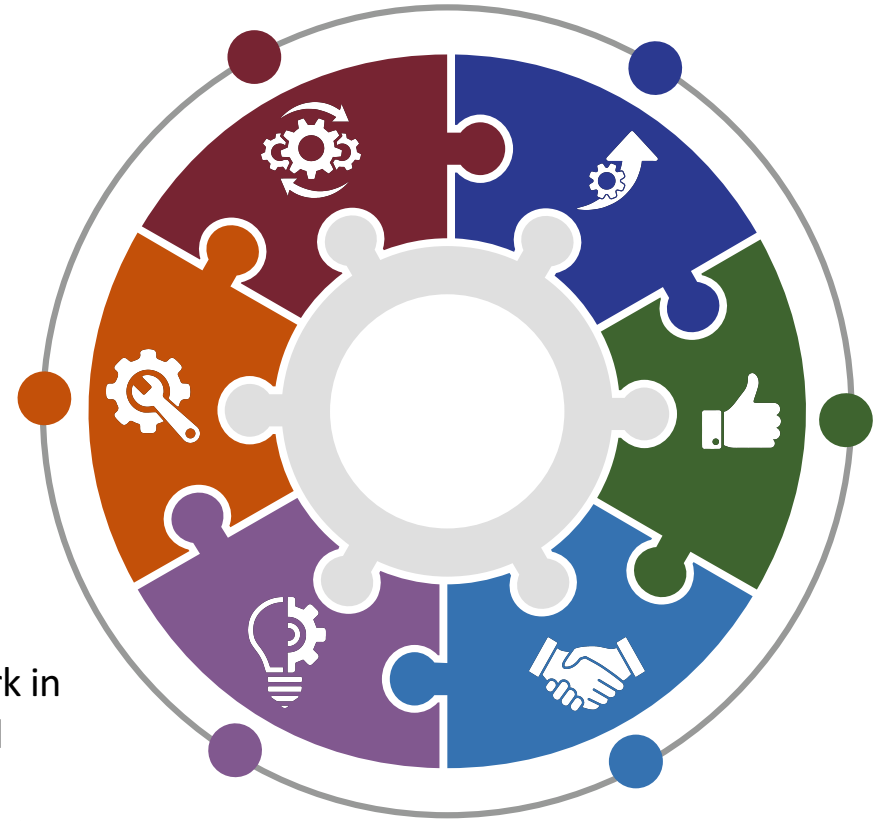
To achieve a successful implementation of iFAMS at VHA, FMBT is:

CONFIGURING
- iFAMS to process obligate and pay transactions through IPPS
- Payroll interface process to reduce legacy elements

AUTOMATING
- Transaction reconciliation
- Annual close processing tasks

DEVELOPING
- Functionality for Acquisition users to work in iFAMS during the financial system annual close process
- New dashboards and details on unreconciled transactions



ENHANCING
- iFAMS error handling and override processes
- Processing of intragovernmental transactions interfaced to iFAMS
- iFAMS service order accrual estimation process

ENSURING
- Reports will meet financial statement audit requirements
- Tools are in place to handle large data extraction needs for VHA

ESTABLISHING
- Full flexible posting logic for iFAMS transactions
- Processes to ensure control over split funding when VHA is partially in both FMS and iFAMS

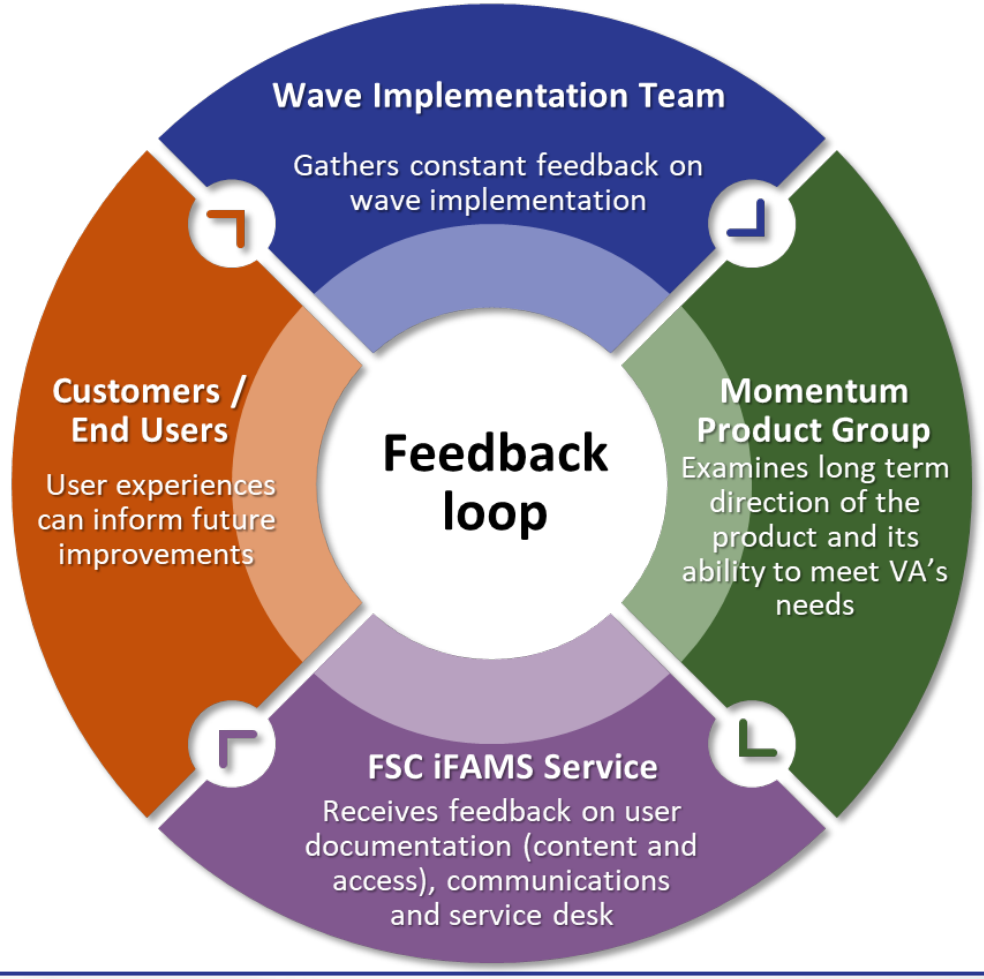
FMBT Continuous Improvement

Continuous Improvement in Production

To support continuous improvement of iFAMS and the user experience, FMBT endeavors to do the following for all user groups:

- **Frequent updates** to customer leadership
- **Ongoing assessment** of operations and end user experience
- **Site visits** for each new customer groups once 1+ year in production
- **Assess and measure** impact of improvements
- **Leverage technology** and system upgrades
- **Improve future waves** and experience **of all users in production**

Cycle of Feedback and Improvements



Lessons Learned from Completed Waves

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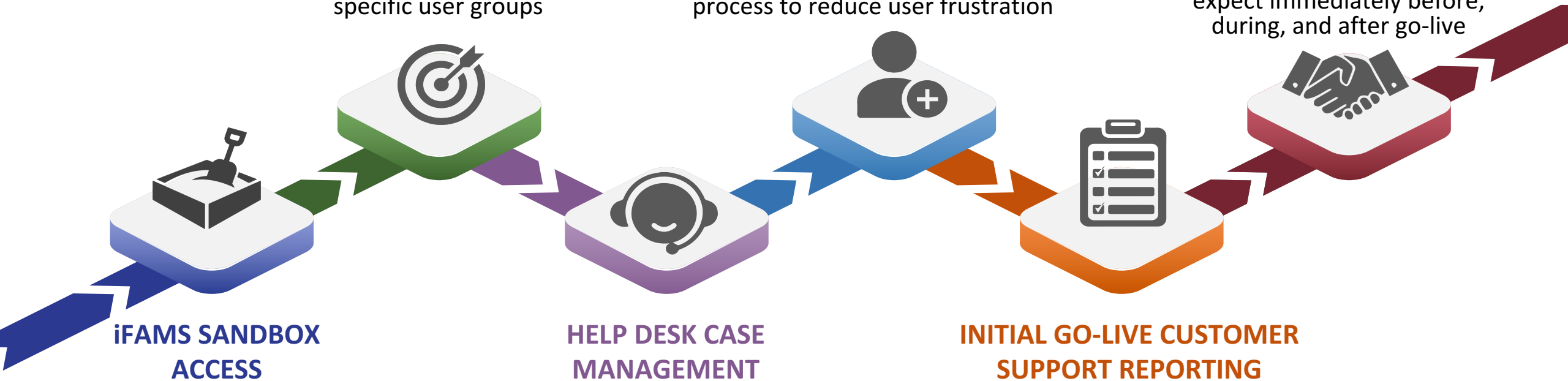
FMBT identifies and addresses lessons learned from each completed wave and incorporates those improvements into subsequent wave operations. Key lessons include:

TARGETED COMMUNICATIONS
Tailoring communications to specific user groups

USER ACCOUNT CREATION
Simplifying the user account creation process to reduce user frustration

USER EXPECTATIONS FOR GO-LIVE
Clearly informing users what to expect immediately before, during, and after go-live



iFAMS SANDBOX ACCESS
Early access to sandbox environment improves user knowledge and eases transition

HELP DESK CASE MANAGEMENT
Improving workflow efficiency and grouping similar customer support cases

INITIAL GO-LIVE CUSTOMER SUPPORT REPORTING
Streamlining the data reporting process during initial support period following go-live

Implementation of Lessons Learned

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Established standard approach and timing for **identification of customer Product Owners** and agreement of responsibilities during pre-wave activities

Designated **Acquisition Leads** now included as part of finance waves to ensure cross-dependent connections between finance and contracting communities

Started **technical discovery for interfaces and configuration** in pre-wave phase. Added an intake review and earlier engagement with product owners

Updated system-focused process flows to **Business-Focused Process Flows** to improve customer understanding and increase knowledge and participation during customer validation sessions

Added a **Pre-Wave "Phase Zero"** into the Product Delivery Framework establishing criteria for wave team organization and preparedness before wave kick-off begins

Revamped our approach for conducting **Program Increment Planning**, including in-person events, ensuring maximum collaboration with customer stakeholders

Established process to proactively identify **cross-dependencies** are incorporate them into acceptance criteria for work to be approved

Provided **earlier and more frequent customer engagement in iFAMS** through increased demonstrations, sandbox sessions and power hour learning events

Program Management **Technology** **Customer Engagement**

Key Program Risks

Risk	Impact	Probability/ Impact	Mitigation Strategy
Resistance to Change	If FMBT does not gain stakeholder engagement and buy-in, then end user adoption of iFAMS could be negatively affected	Medium/ Very high	Carry out robust stakeholder engagement at varying levels across Administrations and Staff Offices; implement post go-live customer support enterprise service desk operations.
Funding	If there are continued funding shortfalls, then the implementation schedule for deploying iFAMS could be jeopardized.	Medium/ High	Identify and communicate resource requirements by concurrent wave for FMBT, the Administrations and other support organizations as early as possible.
iFAMS Implementation	iFAMS implementation occurs across concurrent waves. If FMBT does not have the required funding, resources, and skillsets, then wave implementations may be delayed.	Medium/ High	Identify and communicate the resource and personnel requirements for each wave to the Administrations and other support organizations as early as possible.

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Questions