



## More Than Just An Accounting System: An Enterprise Business System for the General Fund

KINGSTOWNE, Va. — GFEBs is an enterprise system integrating financial, real property, cost management and performance data into one system. The system is a decision support tool providing visibility of transactions across the Army, enabling well-informed business decisions at every organizational level for all three Components. Enhanced decision making information allows Army leaders and managers to better leverage current resources and plan for future needs.

In these trying economic times it is essential for all organizations to be the best possible stewards of resources provided by taxpayers. The Army's many stakeholders (soldiers, civilian employees, Congress and United States taxpayers) expect nothing less. GFEBs tracks how public funds are being used across the enterprise, down to the processing of each transaction. This detail enhances accountability and improves Armywide stewardship of taxpayer dollars.

A common misconception is GFEBs deployment and operation only affects the Army's Resource Management (RM) community, the primary users of the current legacy financial systems. The truth is that Army employees from nearly all organizations will benefit from the integrated nature of data in GFEBs. Organizations managing resources, or plan, develop, justify and defend budgets will find GFEBs beneficial.

An example of the interrelationships in GFEBs involves the Department of Public Works (DPW). The DPW develops, monitors and tracks its project spending plan. GFEBs facilitates information exchange and coordination with the RM Directorate, which monitors project funding. The RM Office works jointly with the DPW to budget and fund projects, as well as track budget execution. GFEBs simultaneously allows project managers to view project cost and milestone progress.

Previously, users would experience a lag from when transactions were recorded to when data were reported back to managers in the Standard Financial System (STANFINS). This delay can result in a significant handicap to efficient execution of a project, especially if that project is short in duration. GFEBs provides this visibility of operations without the need

for end-of-day cycles and interfaces to the legacy financial systems.

Real time data availability in GFEBs provides managers access to the information needed to make more effective decisions. When a work requirement is identified for large maintenance and repair, or minor construction efforts, a project can be established in GFEBs to track all costs associated with project activities. Establishing a project allows the DPW and RM Offices to build the project schedule and include estimated or planned costs. Once the project begins, managers capture and control all applicable costs to

prevent over-obligation of the project.

GFEBs integrates and standardizes Army business processes in one system, improving visibility of financial and asset management activities across the Army enterprise. The Army is moving to a culture of cost management, focusing on operational outcomes rather than budgetary inputs, and attaining the highest level of warfighting capability per dollar spent. GFEBs enables well-informed, transparent, business decisions which will result in the Army optimizing its application of resources. ■



## Funds Distribution: Path to Go-live

KINGSTOWNE, Va. — On 1 April 2009, GFEBs went live to more than 1,500 Wave 1 end users in the United States. The funds distribution process for Wave 1 went smoothly — which is a good sign for all future gaining organizations.

Every GFEBs gaining organization participates in the funds distribution process as the first activity in going live with the system. Funds distribution refers to the flow of funds from Headquarters, Department of the Army (HQDA) to the ultimate end user. GFEBs integrates and provides visibility of the activities associated with accepting, dividing and distributing funds to other organizations (e.g., subordinate or staff organizations).

Gaining organizations in the funds distribution process are identified as Funds Centers for formal distribution and transition to Cost Centers for informal distribution below the Funds Center level. Funds Centers manage the distributions between different levels of the Army, and include statutory controls or 'hard stops' for execution.

In March 2009, in preparation for the 1 April go-live, end users from Army Budget Office (ABO) used GFEBs to distribute third and fourth quarter funds allotment

to Level 2 Operating Agencies (OAs) of Headquarters Installation Management Command (HQ IMCOM), Headquarters Training and Doctrine Command (HQ TRADOC), and Headquarters Forces Command (HQ FORSCOM). The end users at these OAs used GFEBs to distribute funds allotment to Level 3 intermediate HQ in the case of IMCOM, or directly to Level 4 executing organizations in the case of FORSCOM and TRADOC. GFEBs and Army Subject Matter Experts (SMEs) supported funds distribution activities at each level and will continue to help new users in future deployments. These activities ensured end users at Fort Benning, Fort Stewart, and Fort Jackson had funds to operate when GFEBs went live on 1 April 2009.

At the highest level of government, the funds distribution process begins after the President signs an appropriation bill into law. An appropriation bill provides funds for broad functions such as Operation and Maintenance, Military Pay and Military Construction, as well as specific programs, projects and activities.

After the President signs the bill, the U.S. Treasury issues a warrant to support

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# Processing a Purchase Requisition in GFEBs

KINGSTOWNE, Va. — Organizations across the Army purchase goods and services everyday to support their operations. Whether it is bunks for the barracks or lawn mowing services, nearly all areas of operation will need to understand how to process a Purchase Requisition (PR). A PR begins the process for organizations to notify the contracting office to acquire what they need to accomplish their mission.

The following example shows the lifecycle of a PR in GFEBs. If an organization is planning an outdoor event they may need to rent tables and chairs. In this case, someone at the organization will create a PR to request the rental of these items. A trained PR Processor, who is properly provisioned within GFEBs can create this PR. The PR Processor enters what he or she is requesting, the quantity requested, and the estimated dollar amount of what is required into GFEBs. The PR processor also enters numerous other data in the appropriate fields to allow for proper tracking and reporting on goods and services to be acquired. By entering the cost center requesting the

goods or services, GFEBs enables the PR Processor to capture the full Line of Accounting (LoA) for a PR. The LoA details what specific budget address will be used to purchase the requested items. The PR Processor can attach documents to the PR (e.g., the Statement of Work, engineering documentation, etc.) to support the request for goods or services. GFEBs allows organizations to track the cost of purchases to reliably reflect the cost of doing business.

Once the PR Processor enters all necessary information and submits the PR in GFEBs, it is automatically forwarded to one or more PR Approvers, depending on what is to be acquired, via workflow. Due to the segregation of duties in GFEBs, the PR Approver role will normally be filled by someone who is not a PR Processor. It is the PR Approver's responsibility to review the PR and confirm the need for the requested items. Some PRs will require multiple approvers because all PRs are routed for approval based on the types of goods or services being procured.

Following the consent of the PR Approver(s), the PR is routed to the PR

Funds Certifier. This role, typically performed in the Resource Management Office, confirms that there is enough money in the budget to complete the purchase. To ensure that no funds are over-committed, GFEBs places a "hard stop" on a PR if sufficient funds are not available. Once it is confirmed that there are adequate funds, the PR is automatically routed to the contract office via an interface.

The contract office procures the goods or services from a vendor at the most advantageous price and routes the financial information back to GFEBs via an interface. GFEBs then creates a Purchase Order (PO) to record the obligation of funds and pay the vendor upon receipt of the goods or services.

Many items are purchased or scheduled for purchase through the PR/PO process every day across the Army. Individuals initiate PRs in all areas of an organization; therefore, it is vital to have users with GFEBs PR roles in every organization. To obtain PR roles, users must complete all necessary training and be provisioned by the GFEBs User Provisioning Team. ■

## Funds Distribution: The Path to Go-live

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the appropriation and the Office of Management and Budget (OMB) apportions funds to the various Departments and Agencies of the government. The graphic below illustrates the funds distribution process that occurs in GFEBs once the Army receives its funds.

Army Funds Distribution:

- ◆ Level 1: HQDA
- ◆ Level 2: Operating Agencies (OAs): e.g., Army Command/Army Service Component Command (ASCC)/Direct Reporting Unit (DRU)
- ◆ Level 3: Intermediate Agencies: e.g., Major Subordinate Command/Subordinate Command Activity
- ◆ Level 4: Executing Agencies: e.g., Subordinate Organizations

Army National Guard Funds Distribution:

- ◆ Level 1: HQDA/National Guard Bureau
- ◆ Level 2: National Guard Bureau (also has Level 1 role for funds distribution)
- ◆ Level 4: United States Property and Fiscal Office (USPFO)

Army Reserve Funds Distribution:

- ◆ Level 1: HQDA/ Office of the Chief Army Reserve (OCAR)
- ◆ Level 2: Army Reserve Command or other Army Commands (ACOMS)

◆ Level 4: Regional Support Commands

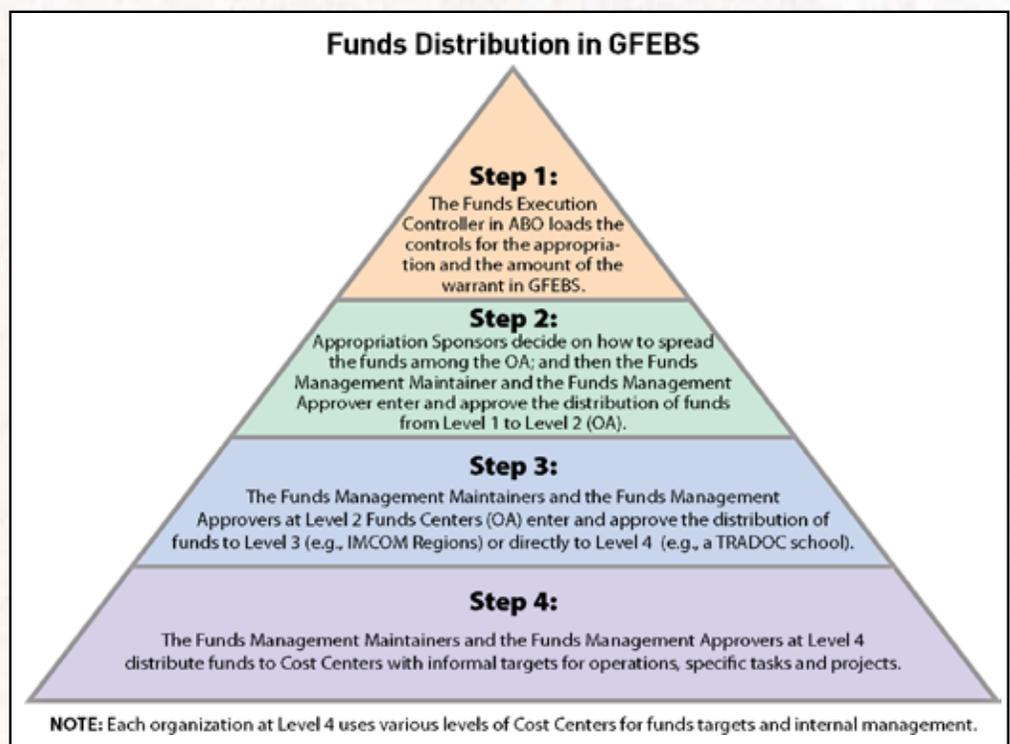
**Notes:**

1. Level 4 is the lowest level of formal budget control (hard stop); below Level 4, funds are informally distributed to Level 5 and other levels using Cost Centers
2. ARNG and USAR do not use Level 3, intermediate organizations.

The funds distribution capabilities in GFEBs are particularly well-suited for entering and tracking earmarked funds. For example, the Army will receive some economic stimulus funds, and some of the

funds will go to the organizations now using GFEBs. The economic stimulus funds are in Budget Sub-activity Group (SAG) 132 and are for the Sustainment, Restoration and Modernization of real property assets. These funds can be distributed in GFEBs to each Funds Center level and then identified to Cost Centers. Users can easily report and respond to questions about the specific use of the stimulus funds.

The bottom line – the integrated nature of GFEBs will make funds distribution easier for all users across the Army. ■



**FEEDBACK:** For questions, comments, or suggestions about articles, email us at [gfefs.info@us.army.mil](mailto:gfefs.info@us.army.mil).

General Fund Enterprise Business System (GFEBs) is a project office of the Program Executive Office Enterprise Information Systems (PEO EIS).