



BUREAU OF THE
Fiscal Service
U.S. DEPARTMENT OF THE TREASURY

Intragovernmental Transactions Working Group (ITWG)

May 12, 2020

Today's Agenda

- Implementation Date
- Program Updates
- Survey Results
- Refunds
- Seller Facilitated Orders (SFO)
- Accrual Reporting
- GT&C Data Access Controls
- Survey Questions

Tentative ITWG Schedule

- ✓ Mar 10 – Seller Facilitated Orders (SFO)
 - ✓ Apr 14 – SFO, Accruals, Refunds
 - ❑ May 12 – Implementation Date, SFO, Accruals, Access Controls
-

Planned Dates: Jun 9, July 14, Aug 11

Future Topics:

- Low Dollar Purchases
- Loading Active Documents
 - Requirements in CY 2020



2-3:30 pm ET

Agencies Identify Implementation Challenges

TFM Bulletin No 2018-10 Published September 2018:

Established the implementation date of **June 30, 2021** for all Orders with a period of Performance extending beyond that date.

Background:

Original implementation date was vetted through the Financial Management Standards Committee in Summer of 2018.

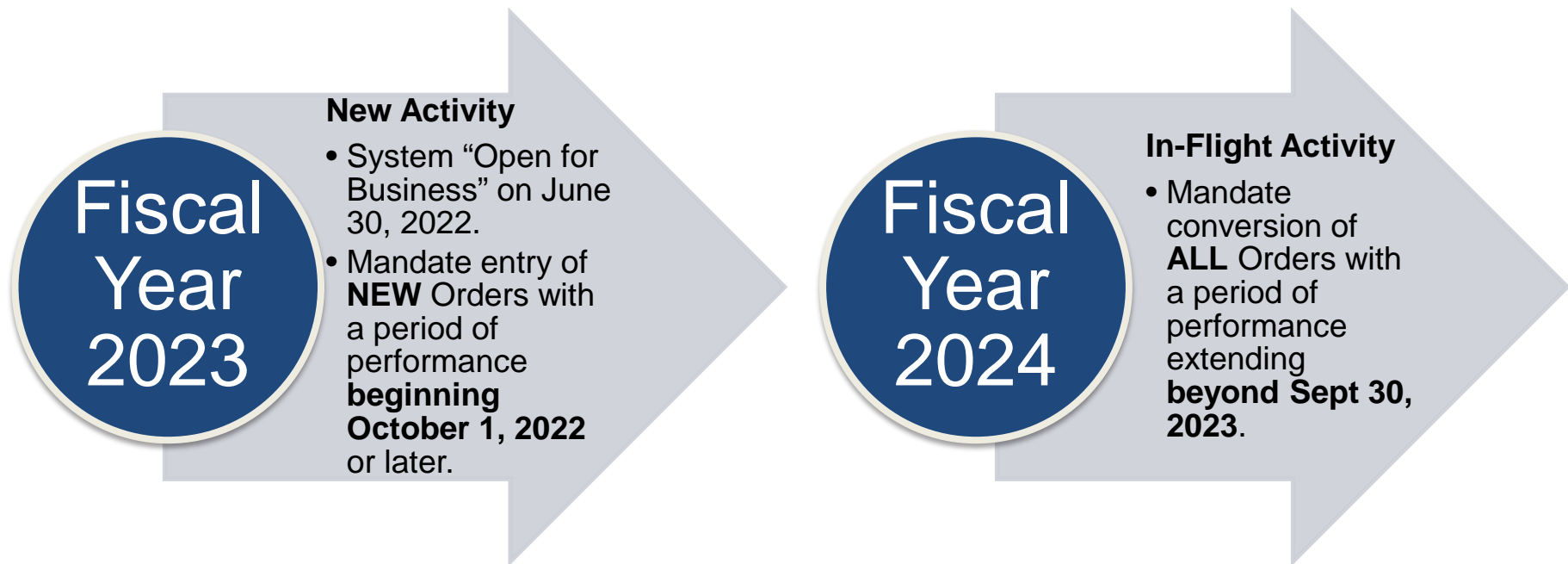
Agency Implementation Plan feedback identified the following concerns:

- **Readiness.** Target survey showed only five agencies could meet current mandate for new Orders; and only three could meet it for in-flight Orders.
- **Conversion.** Assistance is needed with converting in-flight activity.
- **Enhancements.** Additional agency requested system enhancements could ease Agency onboarding and change management activities.
- **Prioritization.** Agencies need to align G-Invoicing with implementation of other governmentwide initiatives (e.g., COVID-19, UEI, FM QSMO).

Solution: Readiness | New Phased Approach

New phased approach to implementation will help facilitate successful governmentwide implementation of G-Invoicing.

- Revising the implementation date of G-Invoicing
- Phasing the implementation of G-Invoicing



Solution: Why we think this timeframe will work

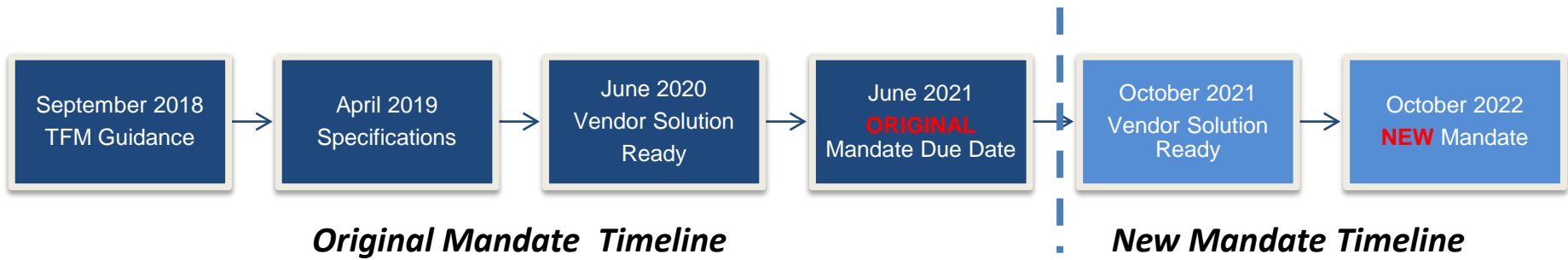
Provides a more complete and customer centric solution to agencies

Current: June 30, 2021 (All)

- Considered the entire system lifecycle (large scope).
- Allotted vendors 18 months to develop solution.
- Allotted agencies 12 months to consume solution.
- Final Specifications were delivered in April 2019.
- Major Vendors were able to meet that timeline, developing solutions ranging from 12 to 18 months in length.

Proposed: October 1, 2022 (Phased)

- Scope of work for new agency requested enhancements is much smaller than initial development effort. There are some core functionality enhancements and roughly a 5% increase in the # of FIDS collected.
- Allots additional 15 months for vendors to incorporate enhancements.
- Allots agencies additional 12 months for consume solution.
- Final specifications for major enhancements will be delivered by June 2020.



Implementation Approach Considerations

Advantages

- Gives additional time to ensure readiness of G-Invoicing application, software providers, and governmentwide community during their change management processes.
- Gives additional time to Software Providers to develop agency identified enhancements and for agencies to prepare for consumption.
- Reduces burden of converting existing Orders to the G-Invoicing application.
- Allows Treasury to explore potential conversion tools to assist agencies' conversion of "in-flight" Orders.
- Allows agencies to prioritize competing initiatives and resource adequately (e.g., new COVID-19 requirements).

Risks

- Full impact to Software Provider schedules will not be known until new enhancement requirements defined and specifications evaluated.
- Delay in determining requirements for new enhancements could delay development timelines (low likelihood).
- Agencies may be required to gather new data for existing Orders therefore potentially being more labor intensive.
- Some agencies have legacy Orders that extend beyond one year.

New Implementation Date(s)

- Whether or not an Order will need initiated or converted to the G-Invoicing application can be determined by using two rules, if the answer is Yes to either, then the Order will need initiated or converted to G-Invoicing:
 - Implementation Deadline Rule for New Orders: Is the beginning Period of Performance on the Order on or after October 1, 2022?
 - Implementation Deadline Rule for “In-Flight” Orders: Is the ending Period of Performance extending beyond September 30, 2023?

Order Period of Performance		Rule 1	Rule 2	Needs Implemented?	Implementation Deadline
Beginning POP	Ending POP				
Before 10/01/2022	Before 09/30/2023	No	No	No	N/A
On/After 10/01/2022	Before 09/30/2023	Yes	No	Yes	October 2022
Before 10/01/2022	After 9/30/2023	No	Yes	Yes	October 2023

Program Updates

- Release 3.3 planned for June 4 (in Production)
 - QA scheduled for June 12
 - Organizational Administrators may point SDAGs at organizational Groups
 - Improvements to user experience for organizational maintenance
 - Contains the 12 Order data standard changes announced recently
- Quarterly Implementation Plan Update Reminder
 - 3rd Quarter Implementation Plan Updates are due to Treasury by June 30, 2020
- TFM Update in June
 - G-Invoicing is currently included in TFM Chapter 4700 Appendix 6 but we have moved IGT Buy/Sell and G-Invoicing information to its own Appendix 8
 - Plans to include:
 - New Implementation Date
 - Quarterly Implementation Plan Update information
 - Performance and Accrual information

April Survey Results

Refunds:

- Received numerous examples and scenarios from many agencies in which refunds are issued to a trading partner
 - Many of these scenarios would be handled through adjustments to the performance transaction by submitting a negative performance transaction
- A very small percentage of Orders involve refunds
- An extremely small percentage of refunds are declined by the Buyer and returned to the Seller

Value Based Orders

- Unit Price = \$'1'
- Unit of Measure = 'DL'
- Quantity = *value*
- Refund by adjusting Performance

Quantity Based Orders

- Unit Price = *price*
- Unit of Measure = *UOM*
- Quantity = *number of units*
- Continue to refund through IPAC

Refunds

- G-Invoicing will not include a new Performance Type for refunds.
- Current functionality does not allow the Servicing Agency to adjust Delivered/Performed Performance transactions below what the Requesting Agency has Received/Accepted.
 - Example:
 - Servicing Agency Delivered/Performed 10 units
 - Requesting Agency Received/Accepted 10 units
 - Servicing Agency must wait until the Requesting Agency adjusts their Received/Accepted Performance transaction before the Servicing Agency can submit an adjusting entry.
- New proposed rule:
 - Servicing Agency would be able to submit an adjusting Performance transaction reducing their Delivered/Performed balance below what was Received/Accepted by the Requesting Agency
 - Order cannot close until both trading partner's Performance transactions align and match

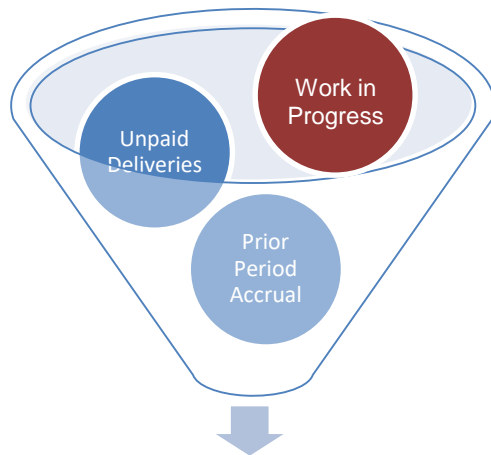
Seller Facilitated Orders

- How to enforce/encourage timely update/approval (or rejection) by the Buyer?
 - Reporting metrics that would not only impact Seller Facilitated Orders (SFO) but also Buyer Initiated Orders (BIO)
- Which status should new SFO land on?
 - Shared with Partner 2 to allow the Buyer the ability to provide Buyer specific data before supplying their approval
- Who is allowed to modify an Order? SFO? BIO?
 - Originating Partner Indicator determines who can modify an Order
 - A partner cannot modify data that was originally submitted by their trading partner
- Who can close an Order?
 - Buyers can close the Order once the quantity balance is zero. A modification is required to reduce the open quantity balance which requires approval by both trading partners.

Accrual Reporting – Deferred Payments

What is a Deferred Payment transaction?

- A **Deferred Payment** transaction in G-Invoicing is considered a work-in-progress transaction type that is submitted by the Seller to a specific Schedule communicating work that has been performed, but has not been billed and is not ready for settlement.



Accrual Report(s)

Rules for Deferred Payment Transactions

1. Deferred Payments cannot exceed the undelivered balance on the order schedule.
2. Deferred Payment reduces the amount of the undelivered balance for that accounting period.
3. G-Invoicing will not transmit Deferred Payment Transactions to IPAC for settlement
4. Deferred Payment transactions should be transmitted as a life-to-date balance
5. A new Deferred Payment transaction will override the previous for the specified accounting period
6. Deferred Payment transactions only apply to the Accounting Period referenced on the performance transaction
 - Must be an open accounting period

Accrual Reporting – Deferred Payments

Assumption:

- Schedule with Quantity 100, Price \$1, no advance

	Transaction Amount	Total Transaction Type Balance			Accrual Amount Resulting from Deferred Payments
		Deferred Payment	Delivered/ Performed	Undelivered Balance	
October Transactions - Accounting Period 2020-01					
1. Schedule Established in the amount of \$100	N/A	N/A	N/A	100.00	-
2. Deferred Payment	25.00	25.00	-	75.00	25.00
November Transactions - Accounting Period 2020-02					
<i>New Accounting Period</i>	N/A	-	-	100.00	-
1. Delivered/Performed	40.00	-	40.00	60.00	-
2. Deferred Payment	30.00	30.00	40.00	30.00	30.00
December Transactions - Accounting Period 2020-03					
<i>New Accounting Period</i>	N/A	-	40.00	60.00	-
1. Delivered/Performed	30.00	-	70.00	30.00	-
2. Deferred Payment	25.00	25.00	70.00	5.00	25.00
3. Deferred Payment	40.00	40.00	70.00	(10.00)	N/A
4. Deferred Payment	30.00	30.00	70.00	-	30.00

* Deferred Payments cannot exceed the undelivered balance on the order schedule.

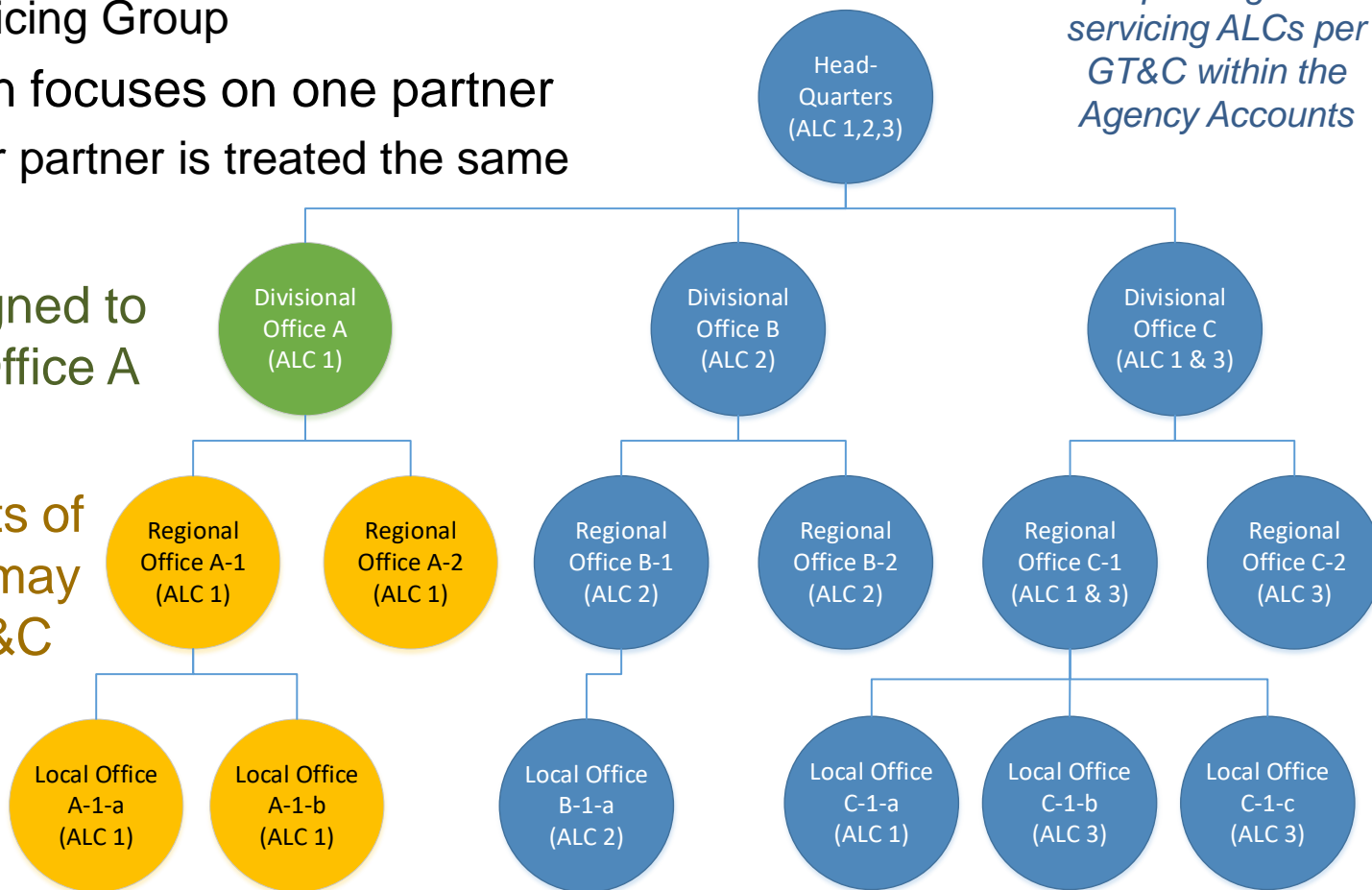
GT&C Data Access Controls

- Each GT&C is assigned to two org Groups:
 - one Requesting Group
 - one Servicing Group
- Presentation focuses on one partner
 - The other partner is treated the same

Note: Release 4.0 will allow multiple requesting and servicing ALCs per GT&C within the Agency Accounts

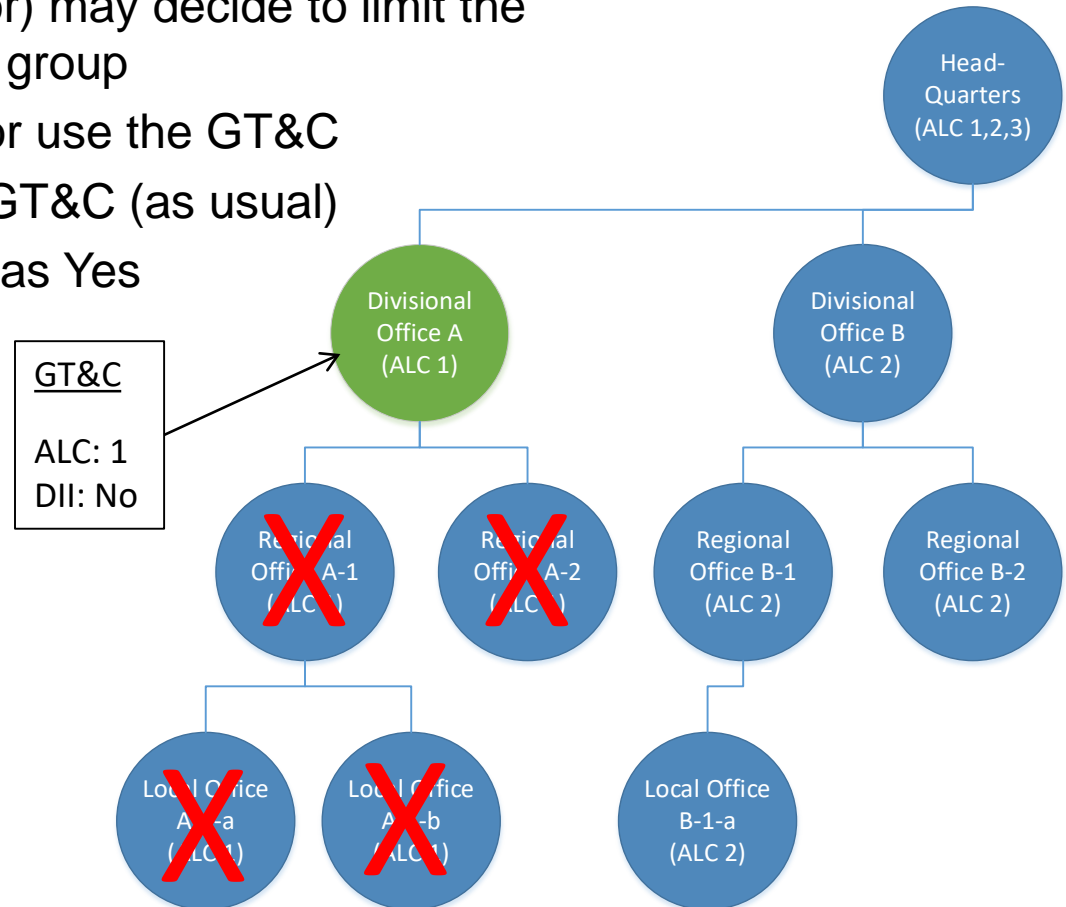
- GT&C assigned to Divisional Office A

- Descendants of that Group may see the GT&C and create Orders off that GT&C



Limiting GT&C Access Controls

- Document Inheritance Indicator (DII)
 - Two indicators, one on each side of the GT&C
 - GT&C Manager (or Creator) may decide to limit the GT&C to only its assigned group
 - Descendants cannot see or use the GT&C
 - Ascendants can view the GT&C (as usual)
 - Indicator is Y/N, defaulted as Yes
 - Indicator is eligible for Administrative Change
 - No approval required
- Many agencies asked for this feature
- Targeting release 4.0 or 4.1

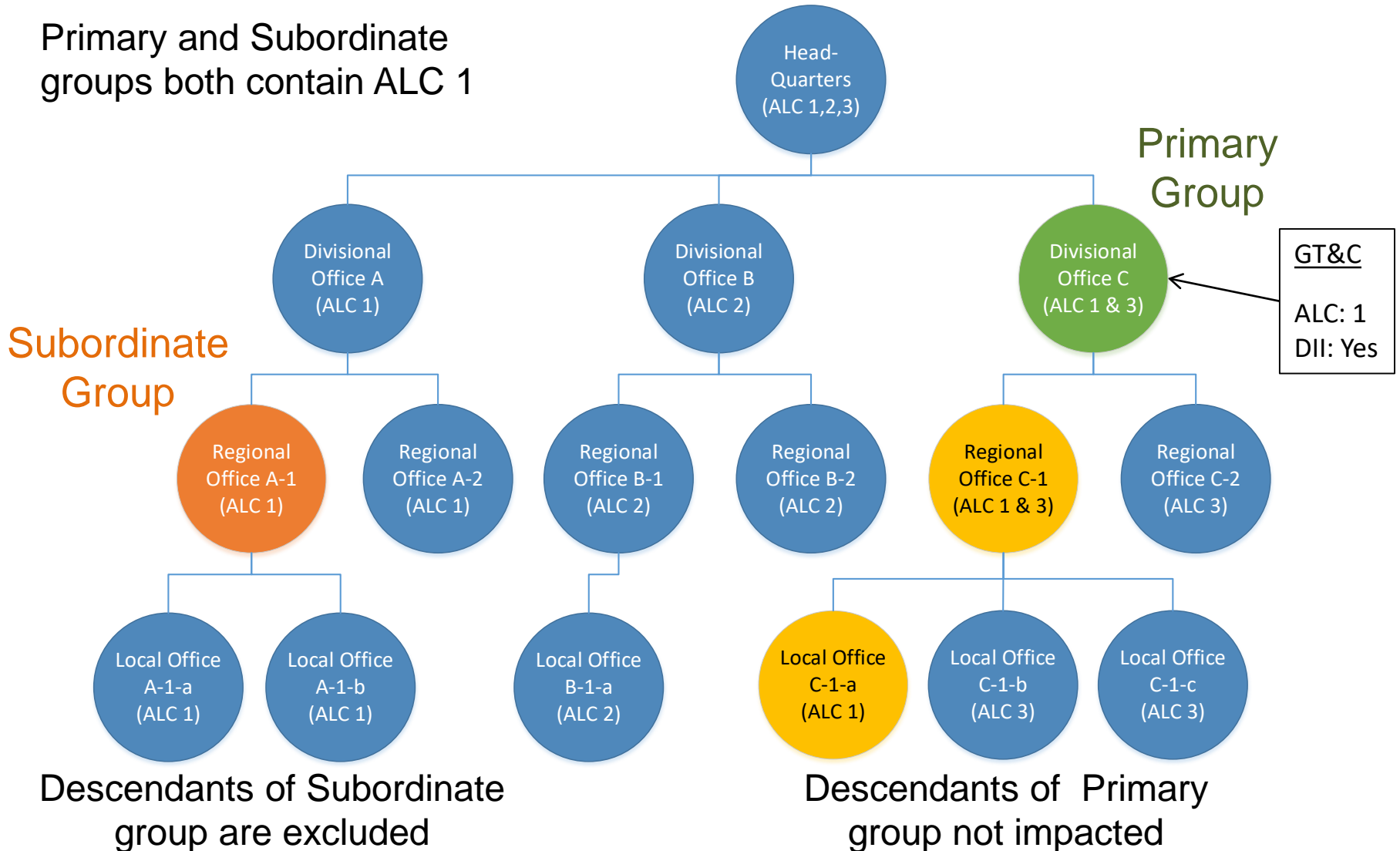


Extending GT&C Access Controls

- Sharing GT&C with Subordinate Group(s)
 - GT&C is still owned and maintained by a “primary” Group
 - Primary Group may share the agreement with Subordinate Group(s)
 - Subordinate Group(s) must reside in the same Agency Account as the Primary Group
 - GT&C Manager requires no access to Subordinate Group(s)
 - Sharing a GT&C requires approval by both partners
 - GT&C Manager may designate Subordinates when creating a GT&C
 - GT&C Manager may Modify a GT&C to add Subordinate(s)
 - Subordinates may be removed through a Modification
 - Subordinate(s) must contain one or more of the GT&C’s ALCs
 - Subordinate Group’s descendants do not have access to the GT&C through this primary/subordinate relationship

Sharing a GT&C with Subordinate Group

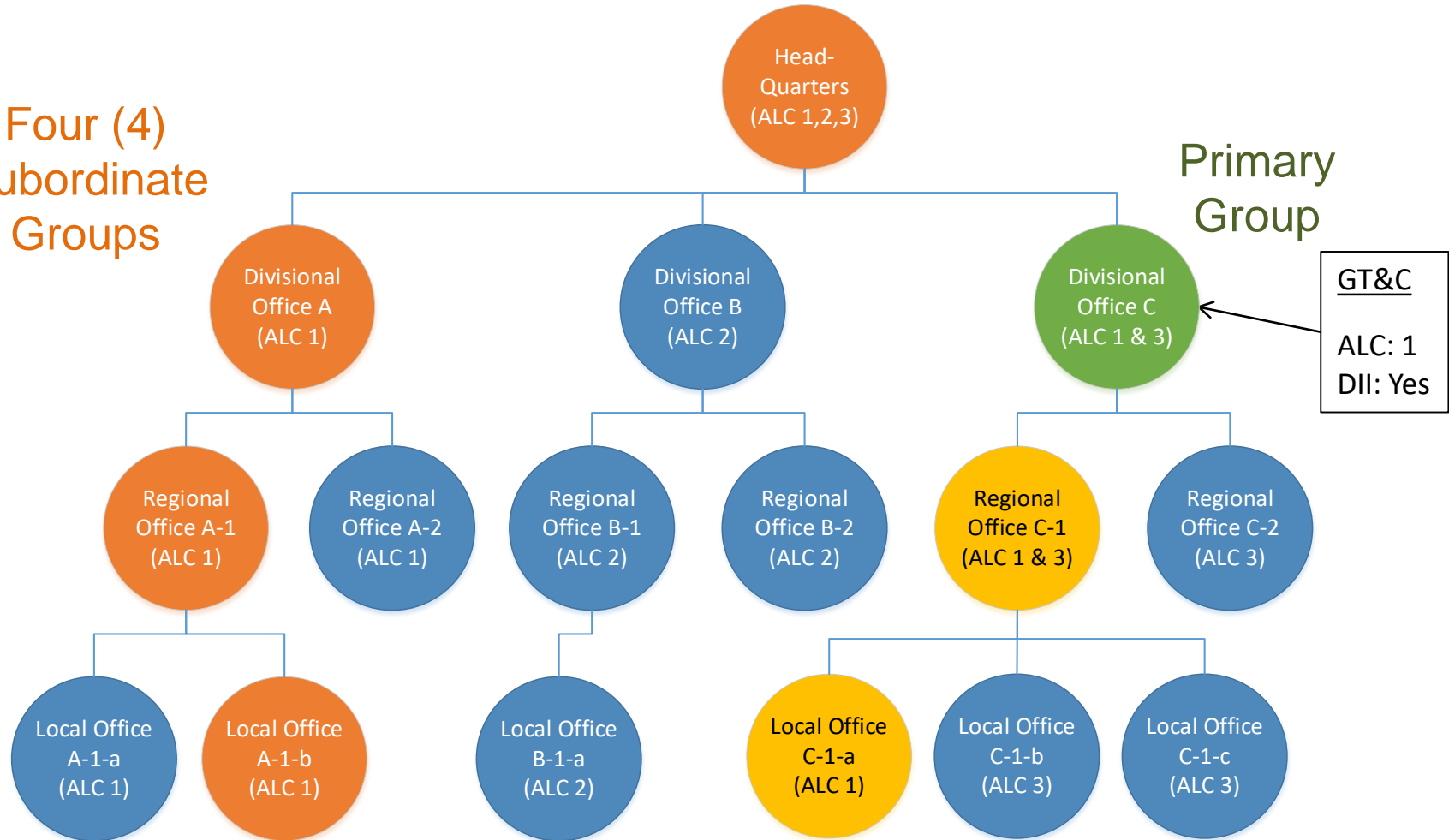
Primary and Subordinate groups both contain ALC 1



Multiple Subordinate Groups

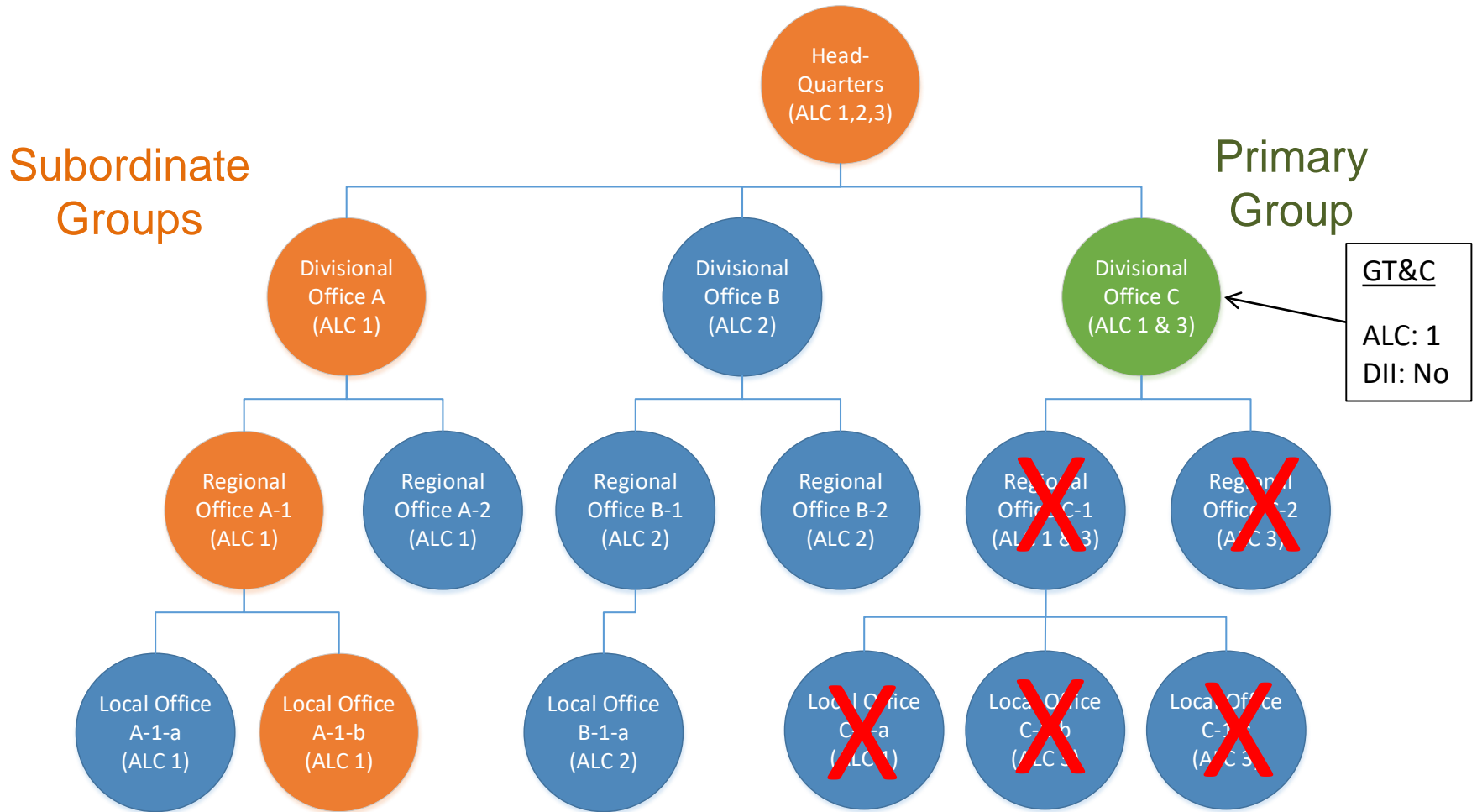
Four (4)
Subordinate
Groups

Primary
Group



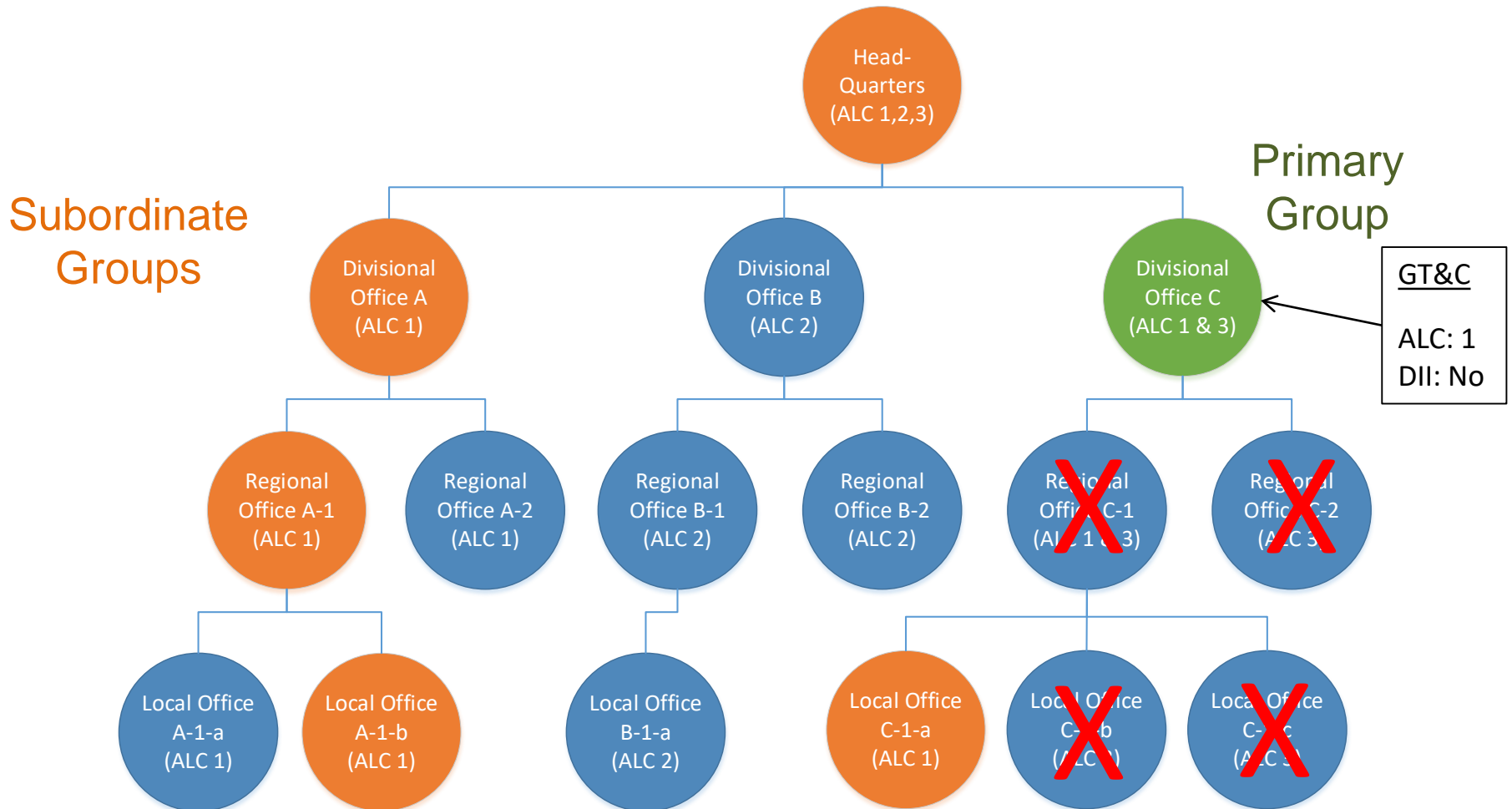
GT&C Manager in Divisional Office C does not require access to Subordinates

Combining the Two Access Controls #1



Document Inheritance Indicator used to block descendants of Primary Group

Combining the Two Access Controls #2



Subordinate Group assignment may override the Document Inheritance Indicator

Impact to System Interfaces

- G-Invoicing APIs
 - Pull GT&C service will include Subordinate Groups and Document Inheritance Indicator
 - Optional elements could be added to schema, if necessary
 - Pull Org service will support GT&C Number parameter
 - G-Invoicing will return all Groups eligible to create an Order under that GT&C
 - Including extensions and limitations covered on prior slides
- ERP vendors and interfacing agencies
 - Are encouraged to leverage G-Invoicing's Pull Org API
 - Need not be concerned with Subordinate Groups unless:
 - You plan to reconstruct G-Invoicing's organizations
 - You plan to duplicate G-Invoicing's rules used to determine which Groups are eligible to create an Order under a GT&C

Survey Questions

1. Do you understand the Implementation Date requirements? If not, what further information does your agency need?
2. Would your agency utilize the Inheritance Document Indicator described on slide 16?
3. Would your agency take advantage of the feature allowing agencies to share GT&Cs with other groups in your organization?
4. Does your agency have any concerns or questions related to the data access control features described on slides 15-22?

G-Invoicing Program Contacts

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