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AUG 4 2005

MEMORANDUM FOR: SEE DISTRIBUTION

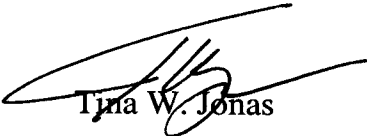
SUBJECT: Standard Financial Information Structure (SFIS) Implementation Policy

This memorandum establishes policy directing implementation of the Standard Financial Information Structure (SFIS). The SFIS is a comprehensive data structure that supports requirements for budgeting, financial accounting, cost/performance, and external reporting across the DoD enterprise. Current SFIS data elements are focused on information needed to support the generation of the DoD financial statements. SFIS is a key initiative that supports DoD Business Enterprise Priorities (BEP).

The SFIS is a requirement for all systems supporting financial transactions as it provides an enterprise-wide standard for categorizing financial information along several dimensions to support financial management and reporting functions. The SFIS enables decision makers to efficiently compare similar programs and activities across DoD and provides the level of detail they require for information retrieval and auditability.

This policy requires systems containing financial information to provide the ability to capture and transmit the SFIS data or demonstrate a cross-walking capability to the SFIS format. This ability must be demonstrated as part of a certification process. Three SFIS implementation approaches and associated timelines are defined in Attachment A.

This memorandum is effective for planning and coordination upon receipt. SFIS and BEP information is at <http://www.dod.mil/comptroller/bmmp/pages/index.html>. If you have any questions, please contact Ms. Christine Wenrich or Mr. Raymond Bombac by e-mail at (Christine.Wenrich@osd.mil or Raymond.Bombac@osd.mil) or by telephone at 703-602-6988.



Tina W. Jonas

Attachment:
As stated

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Attachment A.

The three SFIS implementation approaches are:

- 1) The Legacy Accounting System approach will utilize a centralized SFIS cross walk capability which is being developed as part of the Business Enterprise Information Services (BEIS). This approach focuses primarily on legacy accounting systems in use throughout DoD today, but also encompasses cash and funding systems whose information is required to facilitate calculation of undistributed amounts within BEIS. These systems will be required to submit detail level accounting transactions to BEIS for conversion to SFIS equivalent data elements and subsequent posting to a USSGL compliant DoD corporate general ledger.

This portion of the SFIS implementation initiative will commence in July 2005, with a scheduled completion date of January 2007.

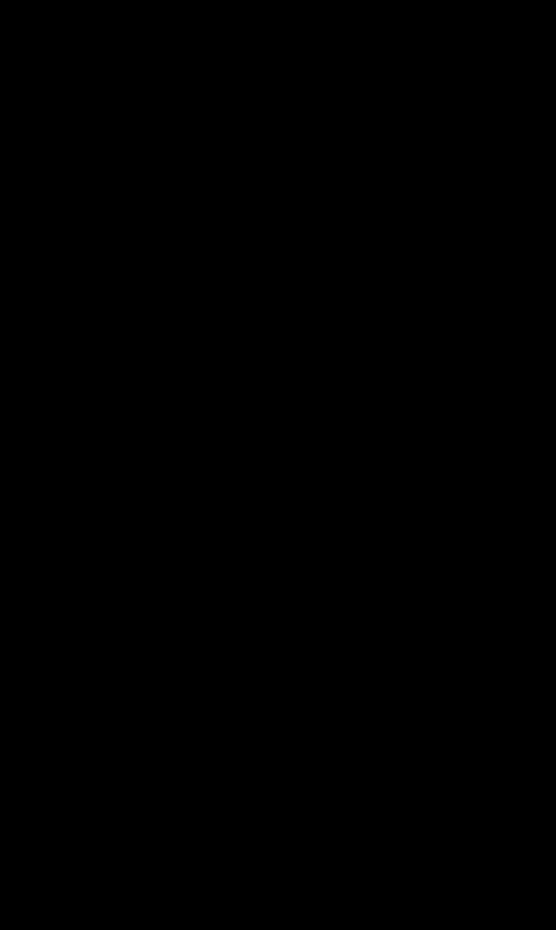
- 2) The Business Feeder System approach will require incorporation of SFIS elements within business systems which source create business transactions within DoD. This approach applies to systems which create transactions such as travel orders, contracts, contract modifications and certain types of invoices. This approach may also encompass certain entitlement and disbursing systems in use throughout the department today which receive source transaction data from the previously mentioned feeder systems, perform entitlement matching functionality and generate associated payments.

Certification of this approach will be varied. Systems in a development cycle, must submit a plan for SFIS compliance by September 30, 2005. Systems in sustainment must submit compliance mappings by August 31, 2005. Major Acquisition Information Systems (MAIS) systems must incorporate SFIS requirements in their Test and Evaluation Master Plan (TEMP) and complete successful testing prior to approval of Full Operational Capability (FOC).

- 3) The Target Accounting System approach encompasses emerging environments, including new Enterprise Resource Planning (ERP) systems. These systems are Federal Financial Management Improvement Act (FFMIA) compliant and configured to post transactions to an internal USSGL compliant general ledger.

This approach requires certification of the ability to receive SFIS data as part of source transactions and derive the appropriate budgetary and/or proprietary general ledger entries in accordance with the USSGL transaction library. The USSGL transaction library will be included in their testing documentation (i.e., TEMP) and successfully tested prior to Milestone C. In those cases where the system has entered Limited Deployment, successful testing will be completed prior to approval for FOC.

Phase 1 SFIS Elements

Appropriation Account Information	Transaccional Information	Trading Partner Information	
		Budget Program Information	
		Cost Accounting Information	
		Organizational Information	
		Organization Unique Identifier	
		Agency Disbursing Identifier	
		Agency Accounting Identifier	