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# Systems and Controls

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## FINANCIAL SYSTEMS

The Bureau's systems modernization efforts are designed to improve the effectiveness and efficiency of financial data processing and reporting capabilities. Planned improvements to the Bureau's financial systems address integrating all financial-related systems and establish direct links between program costs and performance measures.

The following were financial management system accomplishments in:

**FY 2002:**

- ◆ Met Treasury goal of submitting monthly financial data within three workdays, well in advance of the implementation date, and met that goal each month during the fiscal year.
- ◆ Streamlined bulk correction of payroll data in the core system.
- ◆ Implemented executive-level reporting mechanism that delivers integrated financial and performance data with desktop convenience.
- ◆ Created and implemented an integrated training package that integrates financial management, business processes, and financial system procedures.

**FY 2003 Plans:**

- ◆ Complete the upgrade of financial system software.
- ◆ Begin daily imports of integrated charge card data from the vendor bank.
- ◆ Continue focus on executive-level and management financial reporting.
- ◆ Implement web-based ad-hoc reporting functionality for all financial system users.
- ◆ Begin implementation of a bureau-wide integrated travel solution.
- ◆ Continue integration efforts between the property system and the core financial system.

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## FEDERAL MANAGERS' FINANCIAL INTEGRITY ACT (FMFIA) SUMMARY

### Annual Assurance Statement for FY 2002

ATF has evaluated its management controls and financial management system for the fiscal year ending September 30, 2002, as required by the Federal Managers' Financial Integrity Act (FMFIA) of 1982 and the Federal Financial Management Improvement Act (FFMIA) of 1996. ATF provides a "reasonable assurance" that the objectives of FMFIA (both Sections 2 and 4) have been achieved and believes that it is in "substantial compliance" with the FFMIA. As a result, there is a reasonable assurance that (1) obligations and costs are in compliance with applicable laws and assets are safeguarded; (2) operational revenues and expenditures are properly recorded and accounted for; (3) accounting systems conform to the Comptroller General's accounting principles and standards; and (4) sound business practices are used to manage Bureau resources. In addition, ATF maintains financial systems that comply substantially with Federal financial management systems requirements, applicable Federal accounting standards, and the United States Government Standard General Ledger at the transaction level.

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## FMFIA Highlights

The Bureau centrally manages the Federal Managers' Financial Integrity Act (FMFIA) program, with oversight responsibilities assigned to the CFO. However, each executive office maintains responsibility for a cost-effective system of controls to provide reasonable assurance that Government resources are protected against fraud, waste, abuse, mismanagement, or misappropriation. The Bureau's Executive Staff's responsibilities include ensuring that new and existing programs and administrative support activities are managed efficiently and effectively. All Executive Staff members and managers are accountable for safeguarding resources and are also evaluated as financial managers. Increased emphasis on management controls has had a positive impact on programs achieving the intended results. This process also ensures that the utilization of resources is consistent with mission priorities and that programs and resources are being used without waste, fraud or mismanagement. There is a strong oversight of ATF operations through the Headquarters and field divisions review process. In addition, the CFO Steering Committee, chaired by the Deputy CFO, is comprised of deputies of each major Bureau component. This committee provides a forum for monitoring progress, resolving problems, providing coordination, and developing consensus recommendations regarding issues that arise from the Bureau's audit and its management and internal control environment.

ATF maintains compliance with all applicable laws and regulations. In accordance with OMB Circular A-11, we ensure that performance information and data are reliable. The reliability of the performance data is measured by periodic data sampling, benchmarking, and audits; and is monitored by Bureau staff to ensure its integrity and that standard reporting instructions are followed.

ATF has also strengthened the continuity of operations planning in critical areas to reduce risks and address requirements of the Homeland Security Presidential Directive 3.

ATF maintains close liaison with the OIG, and continues to make significant progress on implementing and completing corrective actions identified through program audits conducted by the OIG and others. ATF remains focused on the Government Performance and Results Act, the President's Management Agenda, and other requirements regarding performance measurement, monitoring, and reporting of program accomplishments.

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