

# Systems and Controls

## Financial Systems

The Bureau's systems modernization efforts are designed to improve the effectiveness and efficiency of financial data processing and reporting capabilities. Planned improvement 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 2001:

- Implemented full disaster recovery capability for the financial system;
- Upgraded financial system hardware platform;
- Implemented Fleet Card Program with interface to the core financial system.

### FY 2002 Plans:

- Upgrade financial system software;
- Conduct post-implementation review of core financial system;
- Meet Treasury goal of submitting monthly financial data within 3 business days;
- Streamline processing of bulk data into core system for payroll and credit cards;
- Begin integration of financial and performance reports with desktop executive level reporting tool;
- Continue integration efforts of property and space system with the core financial system.

## Integrated Tax Collection System

The Integrated Tax Collection System (ICS) is a long-range project to integrate Bureau revenue management, including operational and financial processes. Areas specifically targeted for improvement are ATF business processes, revenue collection, management and accounting

practices, and system flexibility to respond to changing functional and information requirements.

This project integrates numerous stand-alone tax and fee databases to provide comprehensive revenue management information for Bureau program managers. Completion of the ICS will reduce the risk of revenue loss, eliminate duplication found in multiple databases, and increase ATF's tax return and claim verification efficiency.

## Federal Managers' Financial Integrity Act (FMFIA) Summary

Annual Assurance Statement  
for FY 2001

ATF has evaluated its management controls and financial management system for the fiscal year ending September 30, 2001, 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 has implemented and maintained 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.

### **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 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. 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.

### **Monthly Accountability Plan**

The Monthly Accountability Plan (MAP) continued in FY 2001 as a reporting mechanism used to monitor critical, key activities that must be accomplished in order to achieve an efficient and effective integrated financial management process. Included in the MAP are data on key operating duties and indicators, such as account reconciliations, system assurance, financial reporting, and workload statistics.