

February 14, 2001

Ms. Doris Chew
JFMIP
1990 K Street NW, Suite 430
Washington, DC 20006

Dear Ms. Chew:

On behalf of the Association of Government Accountants (AGA), the Financial Management Standards Board (Board) appreciates the opportunity to provide comments on the Exposure Draft (ED), entitled *Core Competencies for Project Managers Implementing Financial Systems in the Federal Government*. This ED was a joint project of the Chief Financial Officers (CFO) Council and the Joint Financial Management Improvement Program (JFMIP).

The Board, comprised of twenty-one members with accounting and auditing backgrounds in federal, state, and local government, academia, and public accounting, reviews and responds to proposed standards and regulations of interest to Association members. Local AGA chapters and individual members are also encouraged to comment separately.

Overall, the Board believes that the CFO Council and JFMIP have developed an excellent framework of core competencies, and that the final document will be extremely useful to those involved in implementing government financial systems. The Board does, however, offer the following seven suggestions that we believe will enhance the final document:

1. In the Financial Management Control section, on Page 3 of the ED, we suggest changing the first bullet to more appropriately read “.....recording of transactions and the REPORTING of results.”
2. The Business Process Analysis and Redesign section, on Page 4 of the ED, is currently presented under the broad title of Financial Management Competencies. Although we fully concur with the proposed guidance, we believe that the Business Process Analysis and Redesign section should more appropriately be presented under the broad title of Technical Competencies, beginning on Page 6 of the ED, as it is a skill that would be necessary for any systems project involving operations, and is not unique to financial management.
3. In the Leadership section, on Page 4 of the ED, we suggest deleting the phrase “technical knowledge” from the second paragraph. We believe that this quality is appropriately covered under the broad title of Technical Competencies later in the document.

4. In the Change Management section, on Page 5 of the ED, we suggest adding the following paragraph at the end of this section: “The project manager should also ensure that a training plan is developed and implemented, so that both users and those charged with maintaining the system have the necessary skills and knowledge of the new system to use it effectively.”
5. In the Communication Skills section, on Page 5 of the ED, we suggest expanding the last sentence slightly to read “Finally, the project manager must be able to prepare reports documenting achievements, AND PROVIDING OPTIONS TO ALLEVIATE ANY PROBLEMS, for presentation to management,” because management needs to be kept aware of potential glitches and how they are being handled.
6. In the Cost Management section, on Page 8 of the ED, we suggest adding the following sentence before the current last sentence in this section, to indicate that the project manager may have to deal with a series of individual year budget appropriations, which complicates his/her ability to obtain the necessary long-term financing to complete the project: “The manager must also have a strategy to deal with the need to ensure adequate funding over a series of years if the project is to be funded from more than one appropriation.”
7. In the Risk Management section, on Page 9 of the ED, the last sentence of the first paragraph presents “market shifts or government action” as examples of external risks. In a government setting, government action may not be an *external* risk. Therefore, we suggest that “market shifts or FAILURE TO PERFORM BY OUTSIDE VENDORS” might be better examples of external risks in the final document.

Again the Board appreciates the opportunity to provide comments on the Exposure Draft. Should you have any questions or desire further details on the Board’s position, please contact me at (517) 334-8060, Ext. 500, or Mitch Laine, the Board’s facilitator for this project, at (703) 620-1126.

Sincerely,

Jon A. Wise, C.P.A., C.G.F.M., Chair
AGA Financial Mgt. Standards Board

c: W. A. Broadus, Jr.
AGA National President