



Treasury Board of Canada
Secrétariat

Secrétariat du Conseil du Trésor
du Canada

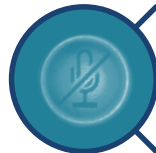
Canada



Engagement Week Digital Comptrollership Program

Assistant Comptroller General – Vision for Transformation
November 17, 2020

MS Teams Meeting Protocols



Please mute your audio when you are not speaking



When you have a question, please use the raise hand button or add a comment



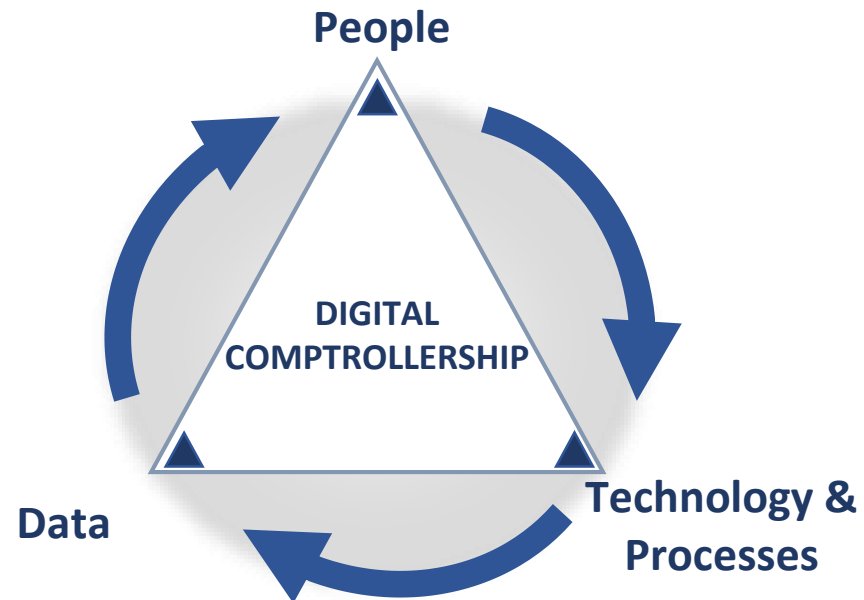
When asking a question, please say your name, role and agency or department

The Journey to Digital Comptrollership

The Office of the Comptroller General, in partnership with key stakeholders, is forging a new path toward Digital Comptrollership to position itself for the next level of innovation.

Digital Comptrollership harnesses innovation and technology by re-imagining its workforce, business processes and policies to:

- ensure government is an efficient steward of its financial resources;
- be effective in its operations⁽¹⁾; and
- become a data-driven government.



(1) In the Financial Management Transformation (FMT) context, “operations” are limited to internal services (IS) activities only.

Background

- Policy decision was made in 2012 regarding Standard on ERP where SAP became the system of choice for Financial & Materiel Management.
- Currently, the GC operates 54 financial systems supported by 5 different platforms: SAP*, Oracle, FreeBalance, CDFS and G/X. Number above includes 18 SAP (ECC) instances or clusters, representing 55 departments and 85% of transactions process every year at the GC level.
- SAP clients were notified that the current version of SAP (ECC) maintenance would cease by the end of 2030 (was 2027 before October 2020 announcement).
- Current contract with SAP (ECC version) will expire in March 2021; TB submission to be presented in December 2020 seeking contract authority.
- Over the last 12 months, the Financial Management Transformation (FMT) strategy, in partnership with OGDs, was refreshed to better position GC toward its migration to S/4 HANA. The revised strategy was endorsed by the Government of Canada Enterprise Architecture Review Board (GCEARB) in April 2020.

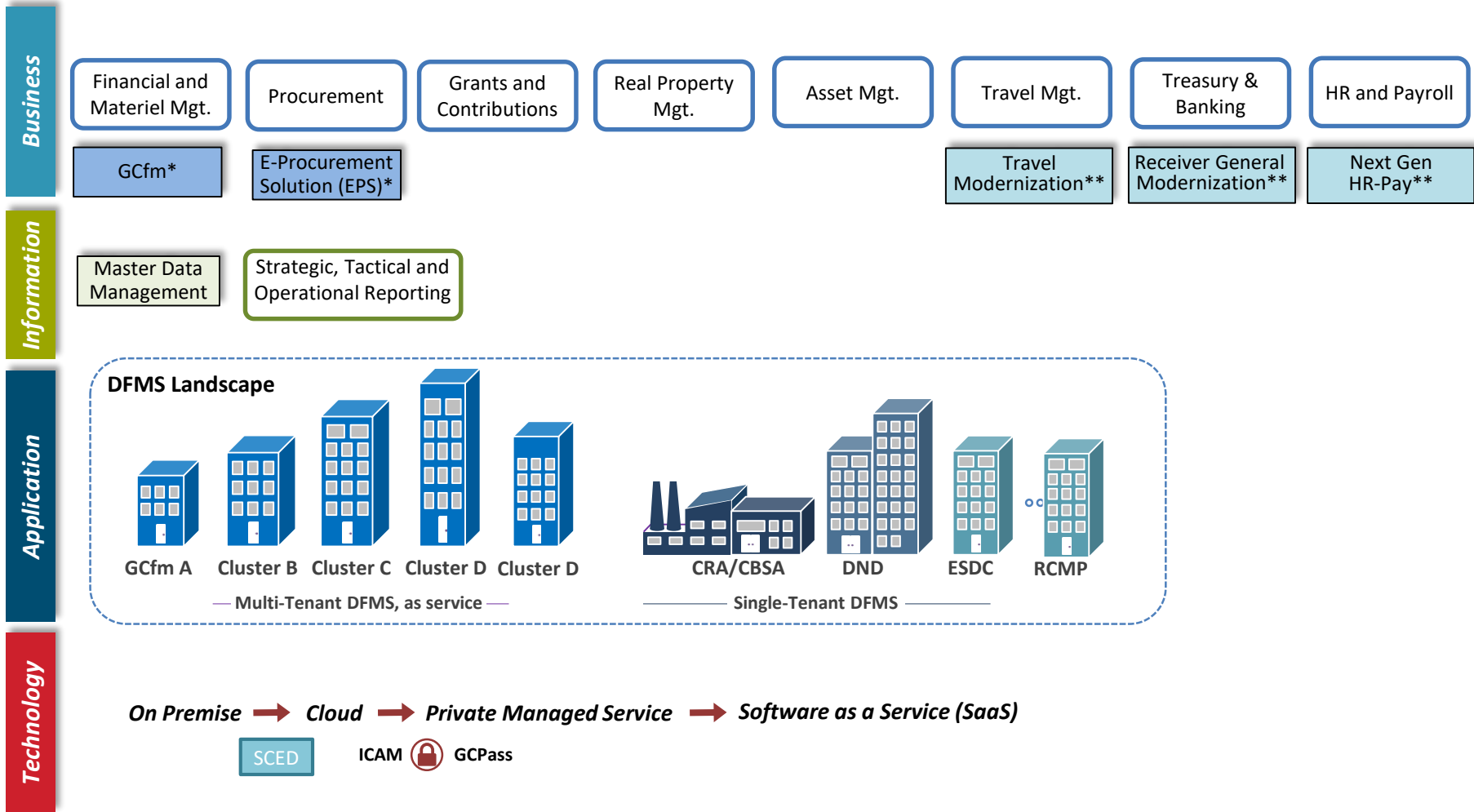
Migration to SAP S4/HANA

Collective challenges ahead

- Preliminary assessment indicates that there will not be enough resources (public servants and/or consultants) to deliver 18 projects by 2030, should GC maintain status quo.
- Although GC established a centralized group at PSPC, the Integrated Financial Management Systems (IFMS), to manage the SAP (ECC) evolution of a common footprint, the reality is that the 18 instances had been “highly customized” over the last 23 years, which will make the migration to S/4 HANA costly and inefficient.
- GC will miss an opportunity to implement common data structure and implement standardized processes (when applicable), should we collectively decide not to implement GCEARB decision.
- In addition to migrating to S/4 HANA, OGDs will also be potentially involved in other significant initiatives such as Next-Gen HR to Pay, Electronic Procurement Solution (EPS), Travel modernization, which will integrate with departmental financial systems.
- As this point , there is no plan to go to TBS/Finance seeking financial support for the migration to S/4 HANA; departments will present a TB submission one at the time which may prevent getting horizontal perspective across the GC.

Technology as an Enabler for Transformation

GC Landscape : More than a IT migration to S4/ HANA



*Active Projects

**Projects in planning phase

Coordinated Model & GC Digital Core Template Strategy

Proposed approach

On April 9th, 2020, the GC Coordinated model & GC Digital Core template strategy was endorsed by GCEARB which included the following components:

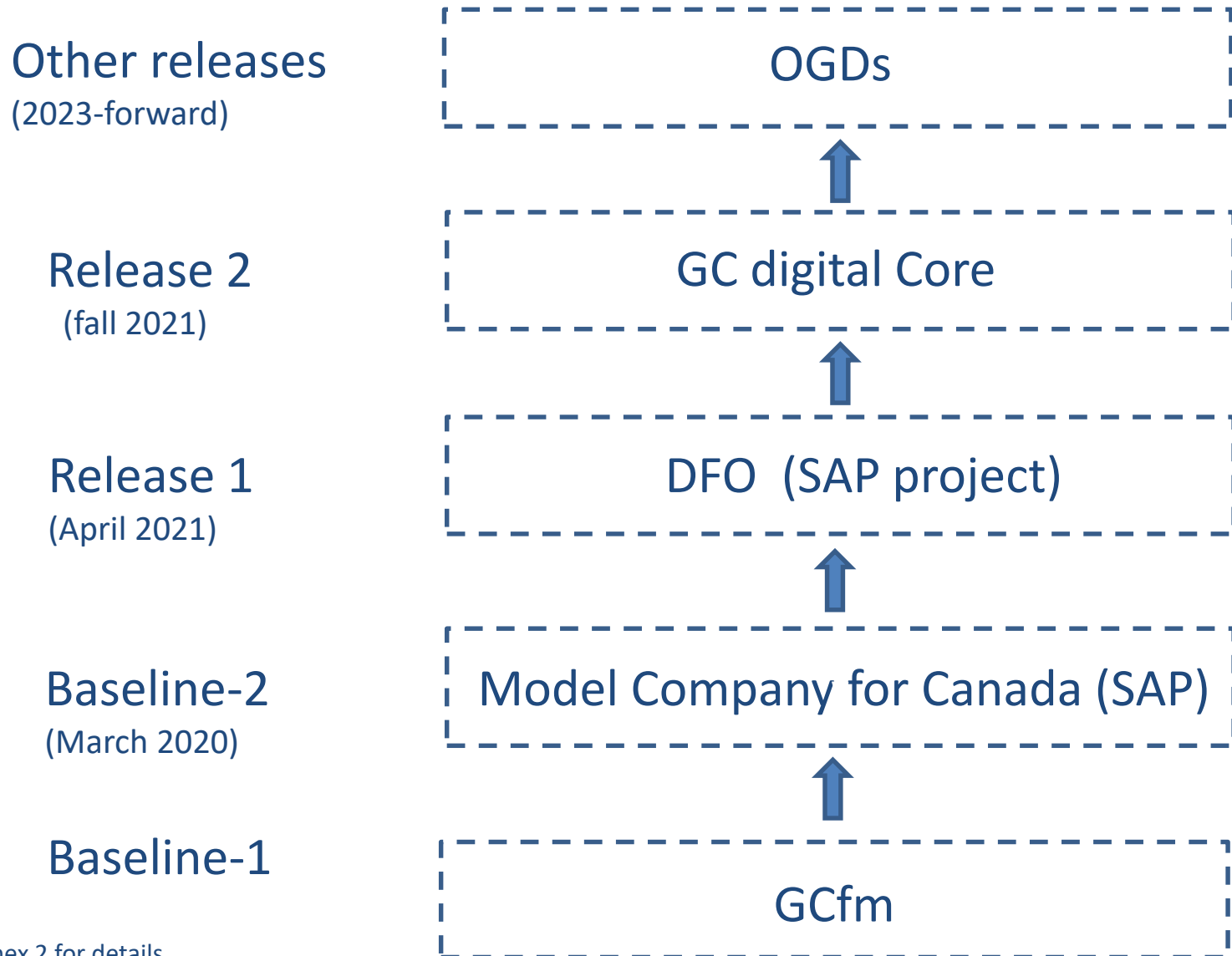
- Implementation of a “GC Coordinated Model” to enable the GC-wide transition to S/4 HANA and to deliver financial management transformation, utilizing a new operating and governance model.
- Implementation of a “GC Digital Core” to support the transformation, which would have functionality built once, and used everywhere. This will accelerate implementations, avoid duplicative costs, and reduce the risk in transition to S/4 HANA.
- Maximize technical architecture.
- Maximize deployment options / clustering by reducing the number of SAP instances within the GC. This approach should significantly reduce the investments and the on-going operating costs, moving forward.

In summary and in practical terms, the proposed strategy suggests that we:

- **In partnership with OGDs, standardize approximately 70% of our financial processes (paying a bill is paying a bill...) across the GC and let Departments “localize” 30% to meet their specific needs.**
- **Encourage / enable the “clustering” concept across GC; preliminary assessments suggest going from 18 instances to 11.**

Coordinated model & GC Digital Core template strategy

High level release strategy

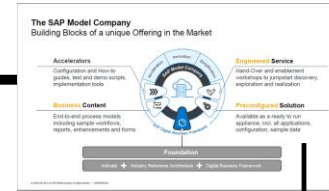


Note: See Annex 2 for details

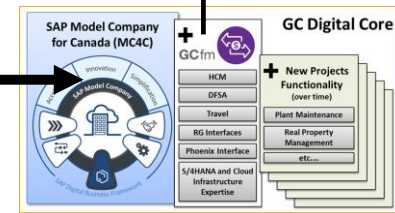
Evolution of the GC Digital Core template

Digital Comptrollership Program Coordinated Model & GC Digital Core Template

Baseline#1 GCFM

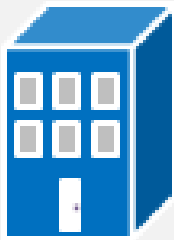


Baseline #2 MC4C



Release #2
GC Digital Core Template

GCfm Design and Technical Documentation February 2020



GCfm

Analytics and Reporting
Accounts Payable
Manage Budgets and Forecasts
Manage Costs
Manage Digital Signing Authority
Manage Financial Close
Manage Fixed Assets
Manage Inventory
Human Capital Management
Manage Personnel Areas and Organizational Management
Manage Payroll and Salary Forecasting
Manage Projects and Investment Management
Manage Travel
Procure to Pay
Receiver General Interfaces
Sales to Settlement

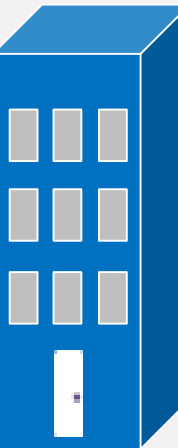
Fit-to-Solution list:

- Business Process Diagrams and associated Gaps / User Stories
- Configuration Guides
Settings used for objects, integration, Infotypes, organization structure, ... for the building blocks in scenario scope
- Functional Specifications (WRICEF)
Identification of scope and specification for custom development (workflows, reports, interfaces, conversions, enhancements, and forms)

GCFM Interfaces

SIT/UAT test scripts, test data files and test videos
Integration Test Scripts, Test scripting that crosses multiple functional areas, Step-by-step test script illustrating the scope of functionality identifying transactions / Fiori executables used

- RG Interface - [CIT2 RG Interface test scripts](#)
- CFMRS - [CIT2 Financial Close test scripts](#)
- Acquisition Cards - [CIT2 ACQ test scripts](#)
- HCM-FI interface - [CIT2 HCM-Payroll test scripts](#)
- PAYE - [CIT2 Financial Close test scripts](#)



DFO

Release #1
MC4C + GCFM +DFO

Delivery Approach
Preconfigured with SAP accelerators, configuration, and test scripts. In order to ensure the SAP Cloud portfolio, you prefer cloud platform or on-premise.

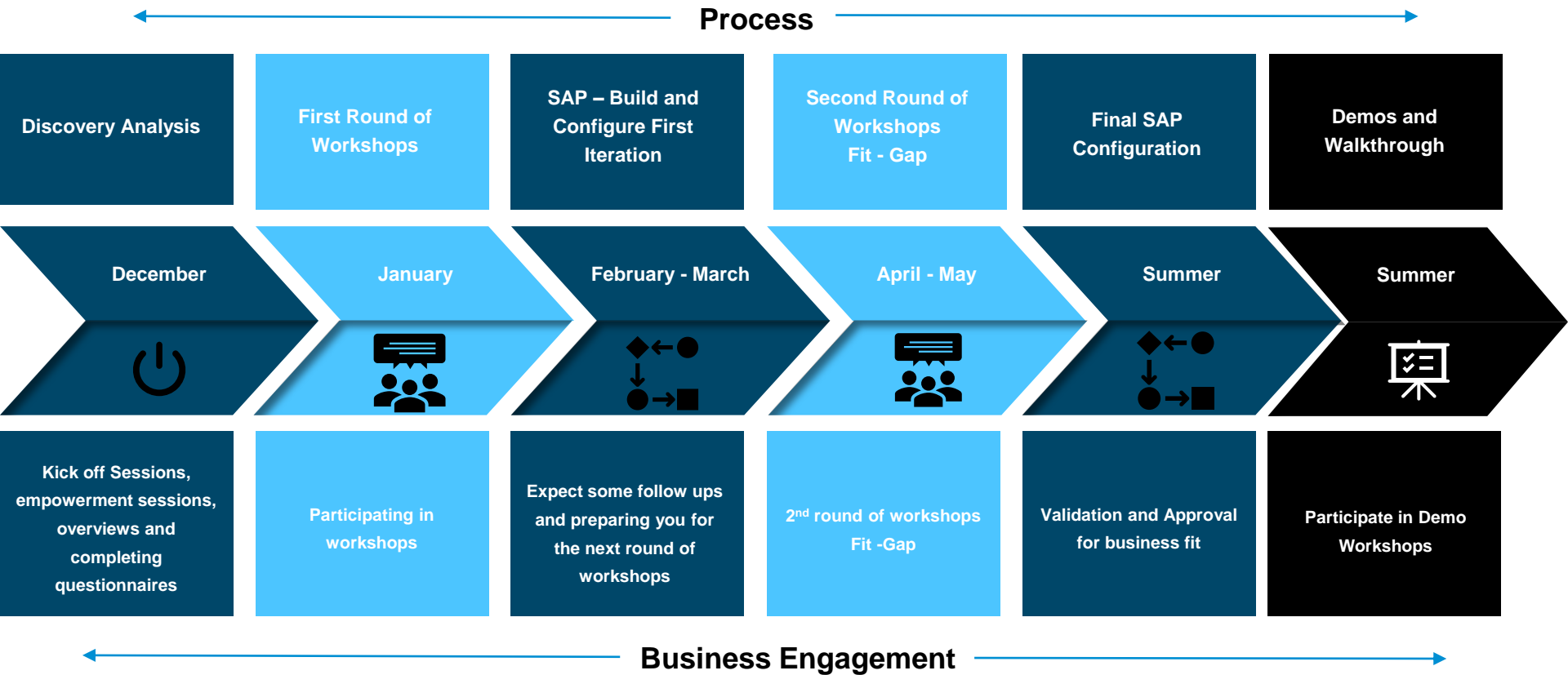
Business content and accelerators
• Business process documentation
• Configuration guides, test scripts
• Additional project enhancements through configuration and development



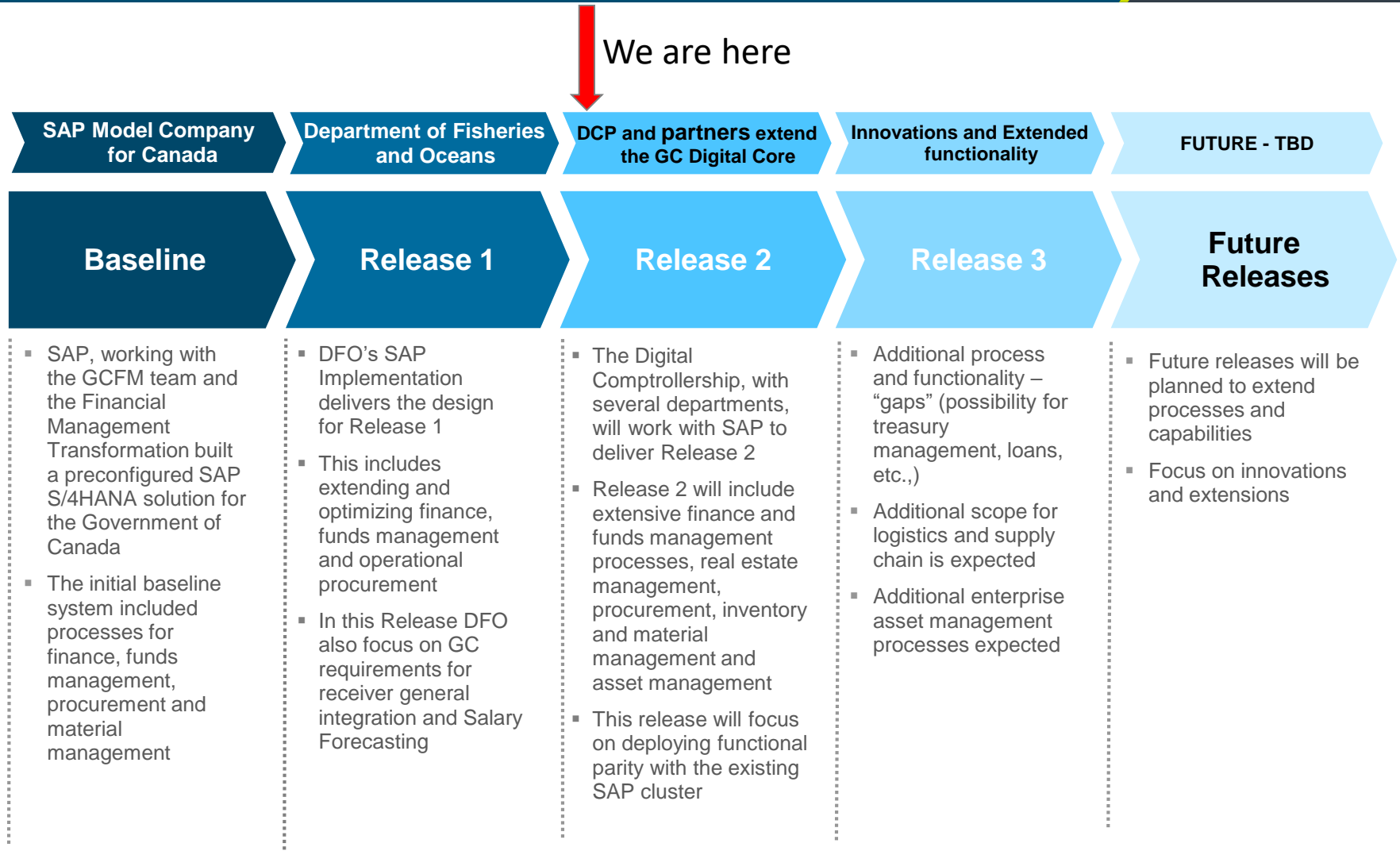
Digital Comptrollership Program GC Digital Core Template - Release 2

DCP Delivering – GC Digital Core Release 2

GC Working Together



GC Digital Core Release Plan



WHAT WE HEARD FROM YOU:

Financial Management Transformation Implications

Draft for discussion
with the community



Departmental Outcomes

A. Common Data Structures and Processes

- Provide single version of truth for all cash positions and streamlining cash and liquidity forecasting and management processes; enable monitoring of cash positions in real time at a more detailed level
- Provide a holistic view of the drivers of cost and the causes of underperformance; enable programs in their fiscal responsibility objectives
- Reduce potential incidents of error and fraud

B. Transform Operating Models and Processes

- Enable staff to work to full-scope of capability, what would you do with X FTEs more staff?
- Improve fiscal responsibility and program management principles across government
- Provide a single version of truth on customer accounts receivables
- Track chain of custody across all transactions (e.g., audit controls) -

C. Transform User Experience

- Enable simple and instant insight into budgets, anywhere and at any time. Allowing more effective cost control and agile budget allocations
- Perform reporting faster, on any device. Enable the future of mobility
- Support fast, peer-to-peer inter-department reconciliation; automating closing tasks; increasing user efficiency; enable soft closes

D. Digital Core and templated implementation

- Integrate native statutory reporting subledgers with our financial asset management software to avoid costly and potentially unstable interfaces to third-party solutions, use pre-delivered global reporting content
- Innovate on top of a stable and secure core, using APIs based on open standards and solutions

Proposed Departmental KPIs

- A1. Reduced errors due to manual reconciliation
- A2. Reduce time to generate reports
- A3. Increased time dedicated to generating reporting insights

- B1. Improved user experience
- B2. Reduction in time to provide insight into additional clarification requests on budgets
- B3. Reduce time required for audit

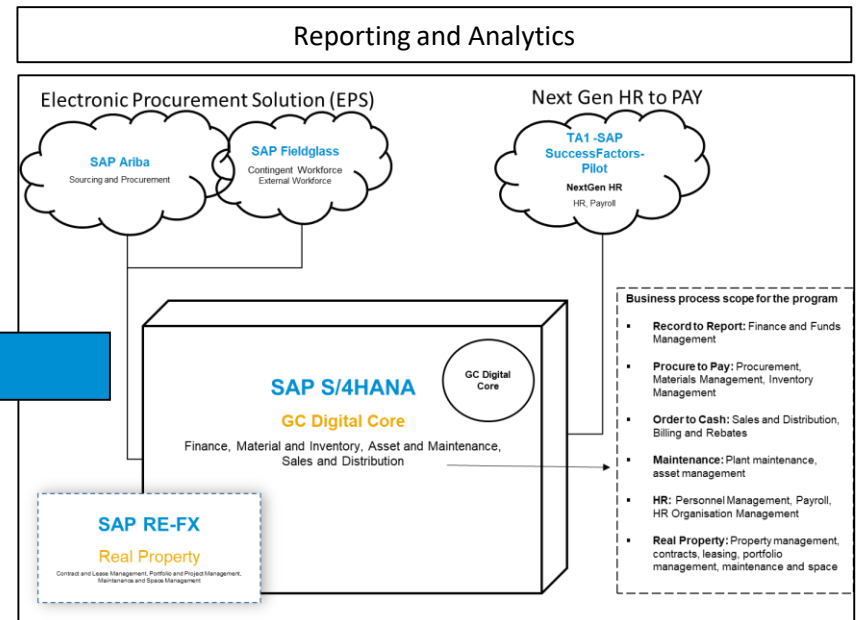
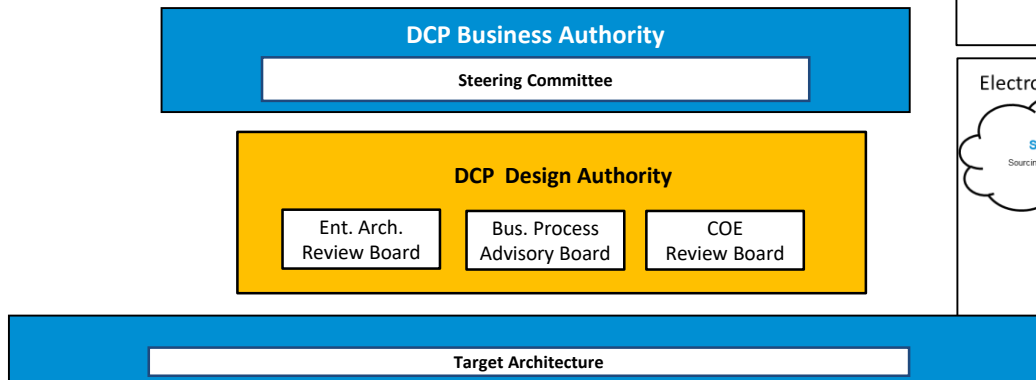
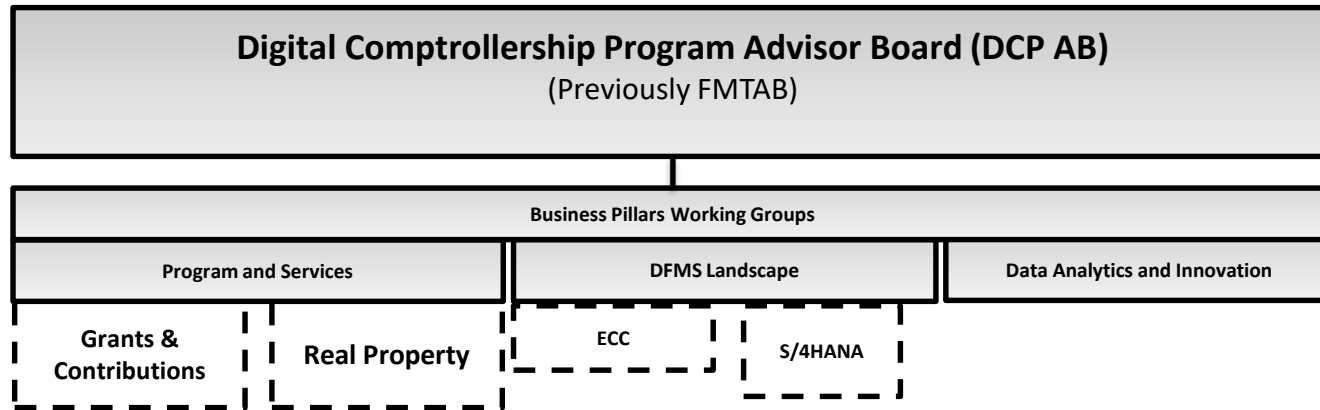
- C1. Increase invoice processing productivity (AP)
 - Reduced number of errors in three way matching of invoices
 - Reduced errors in payment to vendors
 - Reduced open items in AP
- C2. Faster time for Financial Close

- D1. Reduced number of transactions used (simplified system transactions)
- D2. More cost effective application management
- D3. Reduced number of integrations to be managed



Digital Comptrollership Program Governance & Structure

Digital Comptrollership Program Governance



Next Steps

- DCP GC Digital Core Release 2
 - Planning underway
 - Information to be shared with departments in December

- Business Authority – December 2, 2020
 - Setting the stage for Transformation and Change Management

- Business Process Owner Board – December 9, 2020

- Launch of Digital Comptrollership Program Website
 - December 2020



Digital Comptrollership Program DFO Presentation