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Fiscal Service

U.S. DEPARTMENT OF THE TREASURY

Federal Financial Management Business Use Case Library: Overview

Release FY2025

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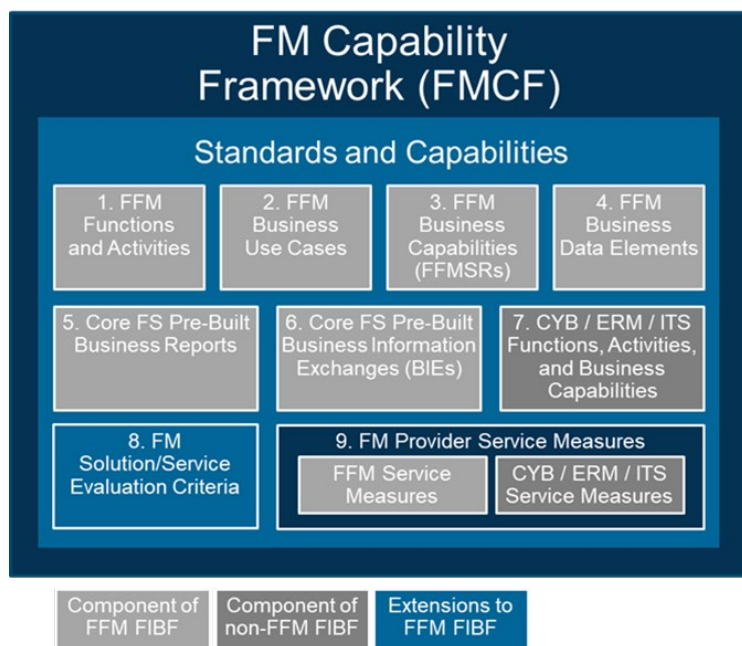
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Introduction

The Federal Financial Management (FFM) Business Use Cases are part of the Federal Integrated Business Framework (FIBF). The FIBF documents common business needs across agencies. The FIBF can be used to guide performance and investment discussions as well as for acquiring and implementing government-wide solutions. To that end, FFM FIBF components are included in the Financial Management Capability Framework (FMCf). This framework is the foundation for all offerings in the Financial Management (FM) Quality Service Management Office (QSMO) Marketplace.



Refer to the Guide to the FM QSMO Marketplace for a description of each FMCf component and how the components relate to each other.

<https://fiscal.treasury.gov/files/fmqsmo/guide-to-fm-qsmo-marketplace.pdf>

Purpose

FFM business use cases reflect the business processes that an agency should follow in the financial management community.

The FFM Business Use Case Library provides agencies with a resource for:

- Improving federal financial management workflow and process efficiency
- Evaluating impacts to federal financial management business processes due to changes in legislation, regulation, guidance, and procedures
- Evaluating federal financial management services/solutions during acquisition and implementation.
- Training and development of the federal financial management workforce
- Evaluating the sequential steps, or events, needed to perform a process where the responsibility for a successful outcome is shared with another Functional Area
- Refining roles and responsibilities among agency finance, program, and other supporting function offices.

The FFM Business Use Case Library consists of this overview document and a series of documents containing the business use cases. Each business use case document contains the use cases for one end-to-end business process.

This overview document provides the framework for understanding and using the business use cases. It contains an introduction to the key components of the business use cases, an inventory of the available FFM business use cases, and examples of how the FFM business use cases may be combined and sequenced in typical agency operations. Reference information on the terminology used in this library, which is applicable to cross-Functional Area (a.k.a. Line of Business) communications, is provided in Appendix A: Description of Terms.

Framework for Federal Financial Management Use Cases

This section describes the framework used for constructing the use cases. Use cases are constructed of scenarios and organized by end-to-end process. They show activities performed by other Functional Areas. They are cross-referenced to the FFM Business Capabilities (Federal Financial Management System Requirements [FFMSRs]) and the FFM Functions and Activities.

Functional Area, Function, and Activity

Program offices in an agency need various administrative and support systems, procedures, and personnel to deliver on their program missions. The term “Functional Area” is used to describe the systems, procedures, and personnel that accomplish the necessary end-to-end business processes.

Federal Financial Management (FFM) is a Functional Area. Other functional areas include Budget Formulation (BFM), Acquisition (ACQ), Personal Property Management (PPM), Personal Property Management (PPM), Real Property Management (RPM), Human Capital Management (HCM), Grants Management (GRM), Loans Management (LNM), Travel, Relocation, and Transportation Management (TRT), and Sales Order and Fulfillment Management (SFM).

A “Function” is a further breakdown of a Functional Area into categories of services provided to service customers. Examples of FFM Functions are Budget Execution, Payable Management, and General Ledger Management.

Within a Function, “Activities” are the processes that provide identifiable outputs or outcomes to service customers. Examples in the area of Payable Management are Payee Setup and Maintenance,

Payment Processing, and Payment Disbursement. Figure 1 provides an example of the Functional Area, Functions, and Activities concept.

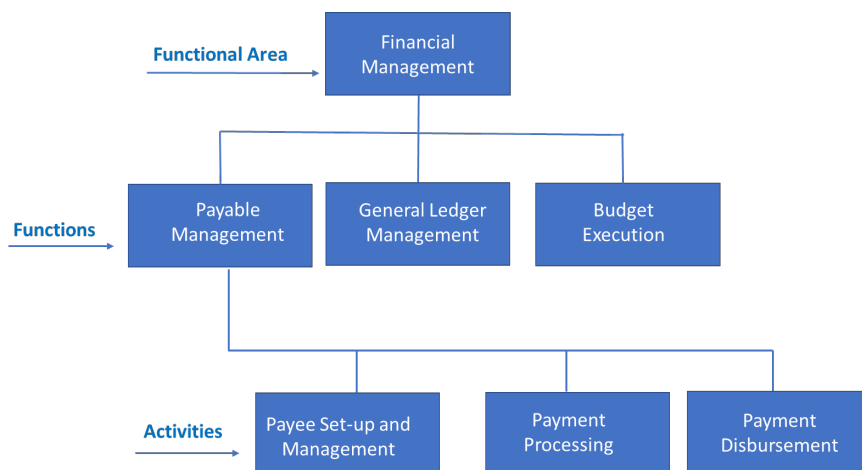


Figure 1: Example Functional Area, Functions, and Activities

A complete list of the FFM Functions and Activities is provided in the document “Federal Financial Management (FFM) Functions and Activities”.

Most of the end-to-end business processes require integration across multiple Functional Areas with their Functions and Activities to achieve the business outcome. In addition to Federal Financial Management, the other Functional Areas contributing to the completion of each end-to-end business process are identified in Table 1: FFM Business Use Case List.

End-to-End Business Processes

Eleven end-to-end business processes with an FFM intersection have been identified and agreed upon for government-wide use. An end-to-end business process identifies a start-to-finish outcome for operational transactions and financial reporting. The end-to-end business process provides the context for executing financial management services. Examples of end-to-end processes are Procure-to-Pay and Agree-to-Reimburse. The full list of end-to-end processes is shown in Figure 3 below.

Business Scenarios

Business scenarios identify differing situations or conditions that occur when executing an end-to-end business process and reflect the scope and complexity of federal government agency missions. Business scenarios also define various business conditions that would cause the FFM solution functionality to be exercised in a different order or with different business information. For example, the Procure-to-Pay business scenario for a complex software system is different than for a purchase card.

Business scenarios are categorized into levels of commonality across federal agencies as follows:

- **Level 1 (L1):** Affects most federal agencies and/or impacts a large transaction volume and/or dollar value within the federal government
- **Level 2 (L2):** Affects multiple federal agencies and/or requires some specialized processing from the service customer or auditor perspective
- **Level 3 (L3):** Affects a few federal agencies and requires unique processing, mandated by legislation or regulation.

Business Use Cases

Business use cases represent typical processing that occurs in federal business operations. Business use cases are formed by combining business scenarios that could occur together within an end-to-end business process. For example, use case 040.FFM.L2.02 Four-Way Match includes scenarios for four-way matching of accounts payable invoices and Prompt Payment Act calculations.

Each business use case is assigned an identifier that provides information about the use case. The business use case identifier includes information about the key underlying components. The notation for a business use case identifier is shown in Figure 2 below:



Figure 2: Business Use Case Identifier Notation

Each business use case provides detail on the following:

- interactions between FFM and other Functional Areas
- business events to be accomplished by both FFM and other Functional Areas
- business information expected to be received, processed, and/or provided.

Business use cases are agnostic as to whether the events in the business use case are automated, semi-automated, or manually accomplished. This allows an agency using the use cases to make the best decisions about where automation is most beneficial.

Inventory of Federal Financial Management Business Use Cases and Scenarios

Table 1 presents an inventory of the FFM Business Use Cases, their associated Business Scenarios, and contributing Functional Areas.

Table 1: FFM Business Use Case List

End-to-End Business Process	Business Use Case	Associated Business Scenario
010 Budget Formulation-to-Execution <u>Functional Areas:</u> Budget Formulation (BFM) Financial Mgmt (FFM)	010.FFM.L1.01 Budget Authority Set-Up	<ul style="list-style-type: none"> Funds Controlled at the Appropriation, Apportionment, Allotment, Suballotment, Allocation, and Suballocation Levels Funds Control Structure Based on Organization, Program, Project, Activity, and/or Object Class Discretionary Appropriated Funds Single Year, Multi-Year, and No-Year Appropriations Project Allocation Exceeding Program Allotment
	010.FFM.L1.02 Spending Authority from Offsetting Collections (Reimbursables)	<ul style="list-style-type: none"> Spending Authority from Offsetting Collections Revolving Fund
	010.FFM.L1.03 Budget Authority Transfers	<ul style="list-style-type: none"> Non-Expenditure Appropriation Transfers
	010.FFM.L1.04 Continuing Resolution	<ul style="list-style-type: none"> Continuing Resolution
	010.FFM.L3.01 Special Authorities	<ul style="list-style-type: none"> Borrowing Authority Direct and Guaranteed Loan Programs Contract Authority
020 Acquire-to-Dispose <u>Functional Areas:</u> Acquisition (ACQ) Financial Mgmt (FFM) Personal Property Mgmt (PPM)	020.FFM.L1.01 Property, Plant, and Equipment (PP&E) Assets	<ul style="list-style-type: none"> Acquiring a PP&E Asset Leasing a PP&E Asset Depreciation of a PP&E Asset Disposing of a PP&E Asset Replacing a PP&E Asset
	020.FFM.L1.02 Bulk Purchases	<ul style="list-style-type: none"> Bulk Purchases Transfers between Department Components

End-to-End Business Process	Business Use Case	Associated Business Scenario
Real Property Mgmt (RPM)	020.FFM.L1.03 Bulk Purchase Immediately Distributed	<ul style="list-style-type: none"> • Bulk Purchase Immediately Distributed
	020.FFM.L2.01 Complex Systems	<ul style="list-style-type: none"> • Complex Systems • Work in Progress • General PP&E • Internal Use Software • Increase Life and Value of Asset • Enhancing an Asset
	020.FFM.L2.02 Leasehold Improvements	<ul style="list-style-type: none"> • Leasehold Improvement
	020.FFM.L3.01 Real Property: Stewardship Land, Heritage Assets, Construction, and Impairment	<ul style="list-style-type: none"> • Heritage Assets • Stewardship Land • Construction in Progress • Capitalization of Labor Costs • Environmental Hazardous Substances on/in Property • Impairment • Construction in Abeyance
030 Request-to-Procure	030.FFM.L1.01 Procurement Within a Single Fiscal Year	<ul style="list-style-type: none"> • Single Year Funds
Functional Areas: Acquisition (ACQ) Financial Mgmt (FFM)	030.FFM.L1.02 Procurement During Continuing Resolution	<ul style="list-style-type: none"> • Procurement During a Continuing Resolution
	030.FFM.L2.01 Procurement Across Fiscal Years Using Multi-Year Funds	<ul style="list-style-type: none"> • Multi-Year Funds • Multiple Funding Sources • Multiple Vendors on a Procurement Request
	030.FFM.L2.02 Single Award from Multiple Procurement Requests	<ul style="list-style-type: none"> • Single Award from Multiple Procurement Requests
040 Procure-to-Pay	040.FFM.L1.01 Expenditures Within a Single Fiscal Year	<ul style="list-style-type: none"> • Invoice into FM Solution • Three-Way Match

End-to-End Business Process	Business Use Case	Associated Business Scenario
Functional Areas: Acquisition (ACQ) Financial Mgmt (FFM) Personal Property Mgmt (PPM)	040.FFM.L1.02 Leased Property	<ul style="list-style-type: none"> Operating Lease Capital Lease
	040.FFM.L1.03 Acquiring Services	<ul style="list-style-type: none"> Acquiring Services Discounted Early Payment
	040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options	<ul style="list-style-type: none"> Multi-Year Funds Expenditure Multiple Funding Sources Receiving Report Accrual Credit Memo Due Agency Netted with Accounts Payable Vendor Submits Paper Invoice to Program Office Two-Way Matching Progress Payment Final Payment
	040.FFM.L2.02 Four-Way Match	<ul style="list-style-type: none"> Four-Way Matching Late Payment of Invoice with Prompt Payment Interest and Penalties
	040.FFM.L2.03 Purchase Card	<ul style="list-style-type: none"> Purchase Card Purchase of Operating Materials and Supplies No-way Match
	040.FFM.L2.04 Novation	<ul style="list-style-type: none"> Novation
050 Bill-to-Collect Functional Areas: Financial Mgmt (FFM) Acquisition (ACQ) Travel, Relocation, and Transportation Management (TRT)	050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties and Administrative Fees	<ul style="list-style-type: none"> Individual Receivables Disputes Collectable by Agency Interest, Penalties, and Administrative Fees Repayment Plan
	050.FFM.L1.02 Travel Advance Overpayment Receivable	<ul style="list-style-type: none"> Overpayment of Travel Advance
	050.FFM.L2.01 Delinquent Debt Processing	<ul style="list-style-type: none"> Check Returned for Insufficient Funds Delinquent Debt Referral to Treasury Delinquent Debt Write-off

End-to-End Business Process	Business Use Case	Associated Business Scenario
	050.FFM.L2.02 Aggregated Custodial Revenues	<ul style="list-style-type: none"> • Unbilled Collections • Aggregated Custodial Revenue • Interest, Penalties, and Administrative Fees
060 Record-to-Report Functional Areas: Financial Mgmt (FFM) Real Property Mgmt (RPM) Personal Property Mgmt (PPM)	060.FFM.L1.01 Period End Adjustments and Reporting	<ul style="list-style-type: none"> • Audit Adjustments • Allowance for Uncollectable Amounts • Reclassification of Miscellaneous Receipts • Financial Statements
	060.FFM.L2.01 Consolidated Financial Statements	<ul style="list-style-type: none"> • Liabilities Not Covered by Budgetary Resources • Liabilities Arising from Non-Routine Events • Actuarial Liabilities • Intra-departmental Activity Eliminations • Consolidated Financial Statements
070 Agree-to-Reimburse Functional Area: Financial Mgmt (FFM)	070.FFM.L1.01 Intragovernmental Buy/Sell Activity – Seller’s Perspective	<ul style="list-style-type: none"> • Federal Agency Reimbursable Services • Commercial Third-Party Service Vendor • Federal Agency Incurred Costs Not Fully Recovered
	070.FFM.L1.02 Intragovernmental Buy/Sell Activity – Buyer’s Perspective	<ul style="list-style-type: none"> • Federal Agency One-Time Reimbursable Services • Intragovernmental Advance on Performance • Intragovernmental Performance Adjustment
	070.FFM.L3.01 Reimbursable Services for a Non-Federal Government Entity	<ul style="list-style-type: none"> • Payment in Advance • Excess Advance Payment
080 Apply-to-Perform (Grants Mgmt) Functional Areas: Financial Mgmt (FFM) Grants Mgmt (GRM)	080.FFM.L2.01 Grant with Accrual and Offset	<ul style="list-style-type: none"> • Accruals for Grants • Grant Disbursement Offsets
	080.FFM.L2.02 Administrative Grant Closeout	<ul style="list-style-type: none"> • Administrative Grant Closeout

End-to-End Business Process	Business Use Case	Associated Business Scenario
090 Hire-to-Retire <u>Functional Areas:</u> Financial Mgmt (FFM) Human Capital Mgmt (HCM)	090.FFM.L1.01 Post Payroll	<ul style="list-style-type: none"> Domestic Payroll Provider Payroll Accrual Employee Receivable Originating Outside of HR
100 Book-to-Reimburse (Travel) <u>Functional Areas:</u> Financial Mgmt (FFM) Human Capital Mgmt (HCM) Travel, Relocation, and Transportation Management (TRT)	100.FFM.L1.01 Temporary Duty (TDY) Travel 100.FFM.L2.01 Permanent Change of Station 100.FFM.L3.01 Travel Sponsored by Non-Federal Source	<ul style="list-style-type: none"> TDY Travel Individually Billed Account (IBA) Government-Issued Travel Card Split Disbursement Relocation Advance on Account Supplemental PCS Voucher Travel Sponsored by Non-Federal Source Non-Federal Source Payment In-Kind
110 Apply-to-Repay (Loan Mgmt) <u>Functional Areas:</u> Financial Mgmt (FFM) Loans Mgmt (LNM)	110.FFM.L2.01 Federal Government Direct Loans Subject to Credit Reform 110.FFM.L2.02 Federal Government Guaranteed Loans Subject to Credit Reform	<ul style="list-style-type: none"> Disbursement of a Loan Establishment of Principal Receivable Interest Accrual Collection of Interest and Principal Aggregated Loan Portfolio Default on Government Guaranteed Loan

Change Log

The table below lists the FFM Business Use Cases that have changes. Refer to the individual FFM Business Use Case documents for a summary of the changes and rationale.

Table 2: Change Log

End-to-End Business Process	Business Use Case(s)
General – All Business Use Cases	<ul style="list-style-type: none"> Added a Change Log to each Business Use Case document Removed Appendix A (duplicate information) Modified Assumptions and Dependencies to align to ERM FY2025 FIBF Business Standards Modified Assumptions and Dependencies to align with public feedback on Federal record designations Modified Input(s) and/or Output(s)/Outcome(s) to align with public feedback on Federal record designations
Business Use Case Overview	<ul style="list-style-type: none"> Removed Figure 3: End-to-End Business Process Use Case Documents (duplicate information) Modified Table 1, FFM Business Use Case list to align with Business Use Case Updates Modified Demonstration Threads to align with Business Use Case Updates
010 Budget Formulation-to-Execution	<p>Modified</p> <ul style="list-style-type: none"> 010.FFM.L1.01 Budget Authority Set-up 010.FFM.L1.02 Spending Authority from Offsetting Collections (Reimbursables) 010.FFM.L1.03 Budget Authority Transfers 010.FFM.L1.04 Continuing Resolution 010.FFM.L3.01 Special Authorities
020 Acquire-to-Dispose	<p>Modified</p> <ul style="list-style-type: none"> 020.FFM.L1.01 Property, Plant, and Equipment (PP&E) Assets 020.FFM.L1.02 Bulk Purchases 020.FFM.L1.03 Bulk Purchases Immediately Distributed 020.FFM.L2.01 Complex Systems 020.FFM.L2.02 Leasehold Improvements 020.FFM.L3.01 Real Property: Stewardship Land, Heritage Assets, Construction, and Impairment

End-to-End Business Process	Business Use Case(s)
030 Request-to-Procure	<p>Modified</p> <ul style="list-style-type: none"> 030.FFM.L1.01 Procurement Within a Single Fiscal Year No 030.FFM.L1.02 Procurement During Continuing Resolution 030.FFM.L2.01 Procurement Across Fiscal Years Using Multi-Year Funds 030.FFM.L2.02 Single Award from Multiple Procurement Requests
040 Procure-to-Pay	<p>Modified</p> <ul style="list-style-type: none"> 040.FFM.L1.01 Expenditures Within a Single Fiscal Year 040.FFM.L1.02 Leased Property 040.FFM.L1.03 Acquiring Services 040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options 040.FFM.L2.02 Four-Way Match 040.FFM.L2.03 Purchase Card 040.FFM.L2.04 Novation
050 Bill-to-Collect	<p>Modified</p> <ul style="list-style-type: none"> 050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties and Administrative Fees (previous name 050.FFM.L1.01 Penalties, Interest and Collections) 050.FFM.L1.02 Travel Advance Overpayment Receivable 050.FFM.L2.01 Delinquent Debt Processing (previous identifier 050.FFM.L1.02) 050.FFM.L2.02 Aggregated Custodial Revenues (previous identifier and name 050.FFM.L3.01 Aggregated Receivables for Custodial Revenues) <p>Removed Business Use Cases</p> <ul style="list-style-type: none"> 050.FFM.L2.01 AR/AP Netting 050.FFM.L3.02 Receivable Collection from Third Party Debtor 050.FFM.L3.03 Miscellaneous Receipts

End-to-End Business Process	Business Use Case(s)
060 Record-to-Report	Modified <ul style="list-style-type: none"> 060.FFM.L1.01 Period End Adjustments and Reporting 060.FFM.L2.01 Consolidated Financial Statements
070 Agree-to-Reimburse	Modified <ul style="list-style-type: none"> 070.FFM.L1.01 Intragovernmental Buy/Sell Activity – Seller’s Perspective 070.FFM.L1.02 Intragovernmental Buy/Sell Activity – Buyer’s Perspective 070.FFM.L3.01 Reimbursable Services for a Non-Federal Government Entity
080 Apply-to-Perform	Modified <ul style="list-style-type: none"> 080.FFM.L2.01 Grant with Accrual and Offset 080.FFM.L2.02 Administrative Grant Closeout
090 Hire-to-Retire	Modified <ul style="list-style-type: none"> 090.FFM.L1.01 Post Payroll
100 Book-to-Reimburse	Modified <ul style="list-style-type: none"> 100.FFM.L1.01 Temporary Duty (TDY) Travel 100.FFM.L2.01 Permanent Changes of Station 100.FFM.L3.01 Travel Sponsored by Non-Federal Source
110 Apply-to-Repay	Modified <ul style="list-style-type: none"> 110.FFM.L2.01 Federal Government Direct Loans Subject to Credit Reform 110.FFM.L2.02 Federal Government Guaranteed Loans Subject to Credit Reform

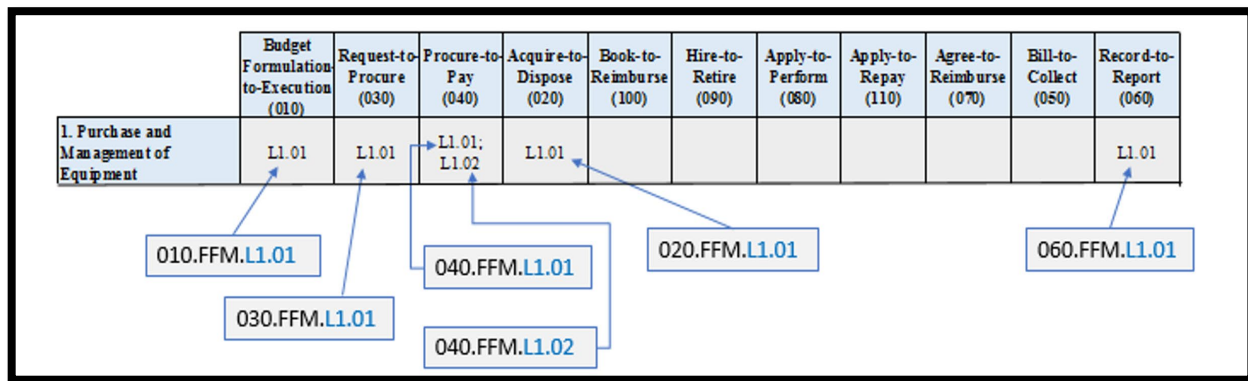
Federal Financial Management Business Use Case Demonstration Threads

The business use cases can be organized into demonstration threads, or story lines, which reflect the sequence of events involved in typical FFM operations. Each business use case contains a synopsis and assumptions that imply dependencies among the business use cases. Based on these dependencies, business use cases can be organized into a use case demonstration thread.

Alternative sequences for demonstrating the FFM business use cases can be created by combining the business use cases in a different order and/or using a subset of the business use cases.

FFM business use case demonstration threads usually begin with the Budget Formulation-to-Execution Business Process and end with the Record-to-Report Business Process. The other business processes may or may not be represented in a demonstration thread, depending on the specific circumstances of the thread.

Figure 3 provides an inventory of the FFM business use case demonstration threads and shows the use cases that are involved in each thread. Figure 3 also provides a suggested order for executing the demonstration threads, although there are other possible orders. An abbreviated notation for each business use case is included in the figure as illustrated in the box below. Each cell contains the business scenario level and the use case number for the individual use case. The End-to-End Business Process number is taken from the column heading.



		End-to-End Business Process										
		Budget Formulation - to- Execution (010)	Request-to- Procure (030)	Procure-to- Pay (040)	Acquire-to- Dispose (020)	Book-to-Reimburs e (100)	Hire-to- Retire (090)	Apply-to- Perform (080)	Apply-to- Repay (110)	Agree-to- Reimburs e (070)	Bill-to- Collec t (050)	Record-to- Report (060)
Use Case Demonstration Thread	1. Purchase and Management of Equipment	L1.01	L1.01	L1.01; L1.02	L1.01							L1.01
	2. Bulk Purchase of Office Equipment	L1.01	L1.01	L1.01	L1.02							L1.01
	3. Complex Systems Incl Software and Hardware	L1.01	L2.01	L2.01	L2.01							L1.01
	4. Combined Procurement Requests	L1.01	L2.02	L2.02								L1.01
	5. Purchase Card	L1.01		L2.03								L1.01
	6. Grant Disbursement and Closeout	L1.01						L2.01; L2.02				L1.01
	7. Temporary Duty (TDY) Travel	L1.01				L1.01						L1.01
	8. Relocation	L1.01				L2.01					L1.02	L1.01
	9. Payroll	L1.01					L1.01					L1.01
	10. Direct Loan	L1.01; L3.01							L2.01			L1.01
	11. Guaranteed Loan	L1.01; L3.01							L2.02			L1.01
	12. Intragovernmental Buy/Sell Activity	L1.02		L1.03			L1.01			L1.01, L1.02		L1.01
	13. Vendor Refund Receivable	L1.01	L1.01	L1.01							L1.01	L1.01
	14. Government Sale of Pre-paid Goods										L2.01	L1.01
	15. Budget Authority Transfers	L1.01; L1.03										L1.01
	16. Financial Accruals and Reporting											L1.01; L2.01
	17. Procurement During a Continuing Resolution (CR)	L1.04	L1.02									L1.01
	18. Bulk Purchases Immediately Distributed	L1.01	L1.01	L1.01	L1.03							L1.01
	19. Leasehold Improvements	L1.01	L1.01	L1.03	L2.02							L1.01
	20. Travel Sponsored by Non-Federal Source	L1.01				L3.01						L1.01
	21. Reimbursable Services for Non-Federal Government Entity	L1.02								L3.01		L1.01
	22. Aggregated Custodial Revenues										L2.02	L1.01
	23. Novation	L1.01	L2.01	L2.01 L2.04								L1.01
	24. Construction on Real Property	L1.01	L2.01	L2.01	L3.01							L1.01
	25 Intragovernmental Agreement for Services with Advance Payment	L1.02								L1.02		L1.01

Figure 3: Use Case Demonstration Threads and End-to-End Business Processes

Use Case Demonstration Threads

A summary of each FFM use case demonstration thread is provided below along with the list of relevant business scenarios included in each business use case.

1. Purchase and Management of Equipment – An agency purchases equipment for a program and later replaces it with leased equipment. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), acquires the equipment (030.FFM.L1.01), receives and pays for the equipment (040.FFM.L1.01), then places the items into service; subsequently, the agency retires the equipment (020.FFM.L1.01) and leases replacement equipment for the remainder of the program (040.FFM.L1.02).

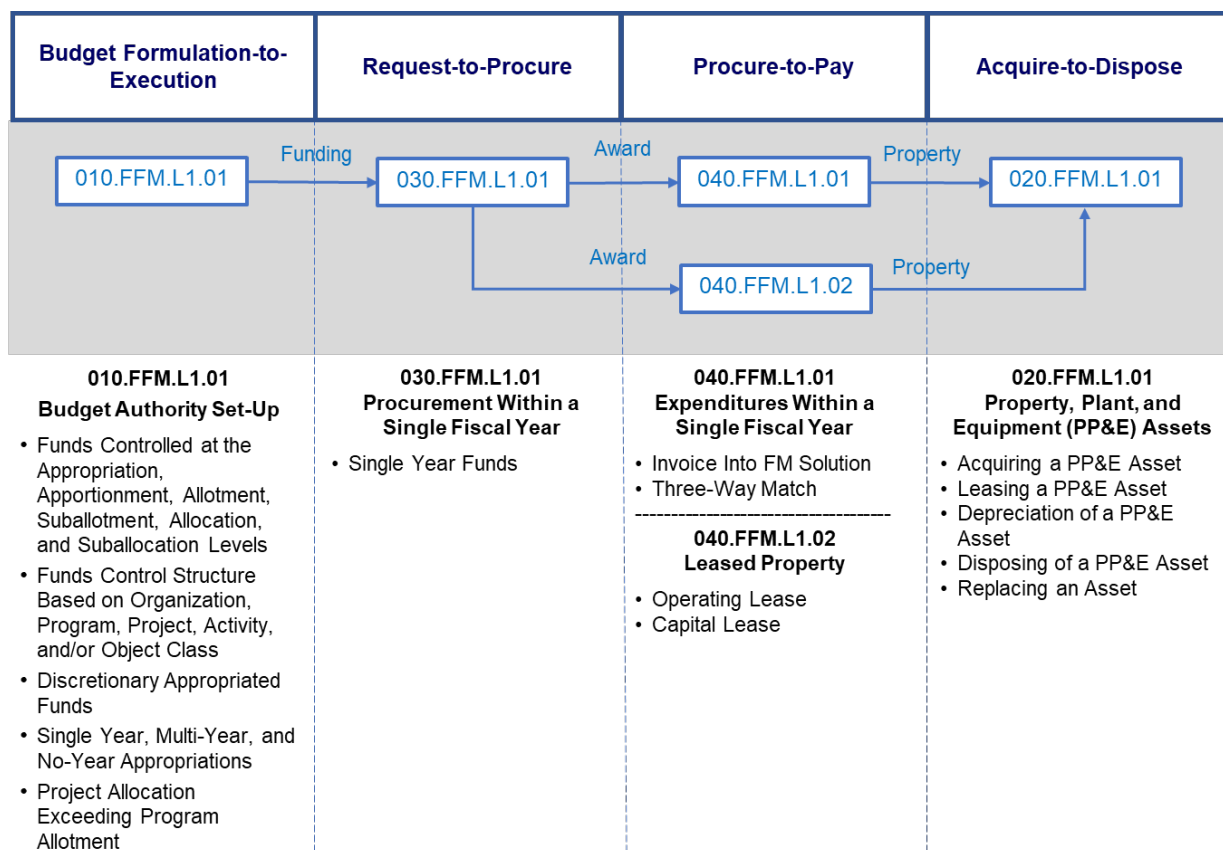


Figure 4: 1. Purchase and Management of Equipment Summary

2. Bulk Purchase of Office Equipment – An agency purchases office equipment in bulk and distributes it to offices as needed. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), acquires the equipment (030.FFM.L1.01), receives and pays for the equipment (040.FFM.L1.01), and manages the warehousing and distribution of the equipment (020.FFM.L1.02).

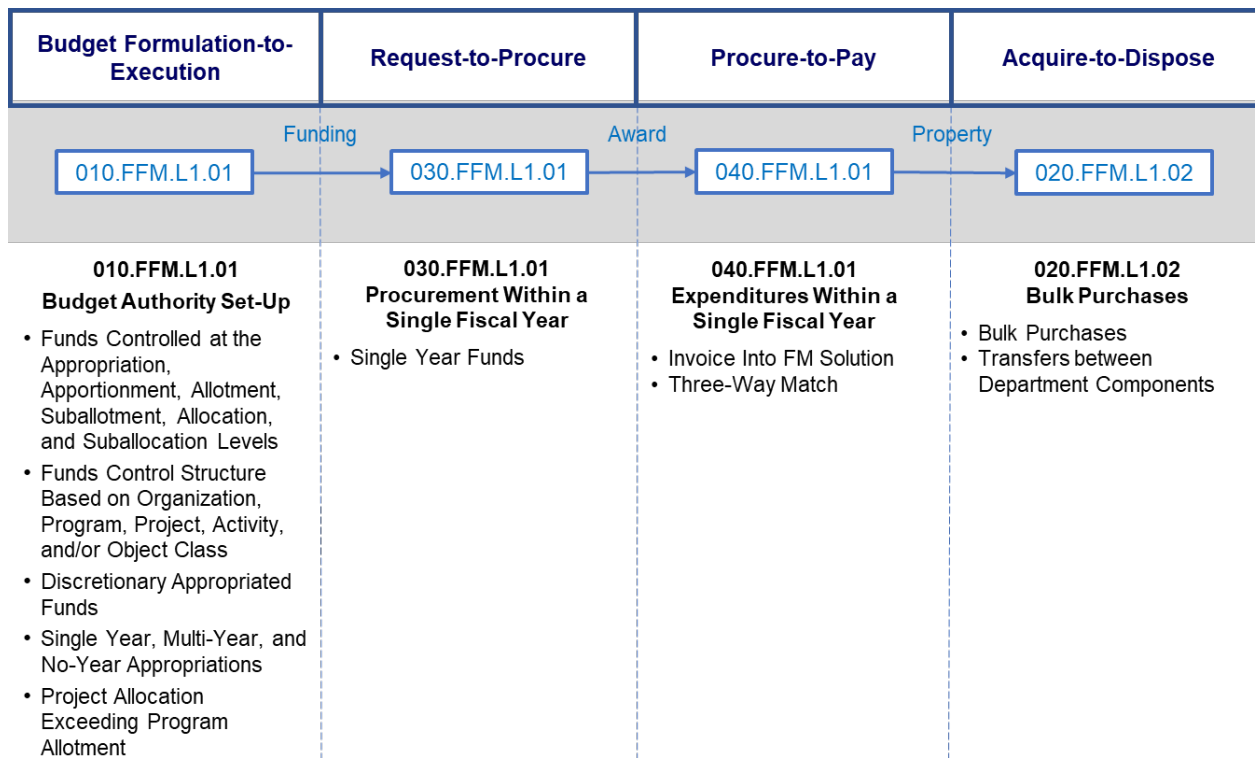


Figure 5: 2. Bulk Purchase of Office Equipment Summary

3. **Complex Systems Including Software and Hardware** – An agency is managing the construction of a complex system including hardware and software components using multiple vendors over two fiscal years. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), begins the acquisition of the system using multi-year funds from multiple vendors (030.FFM.L2.01), receives, accepts, and pays for the system components (040.FFM.L2.01), and enhances the property and manages the lifecycle of the in-progress system (020.FFM.L2.01).

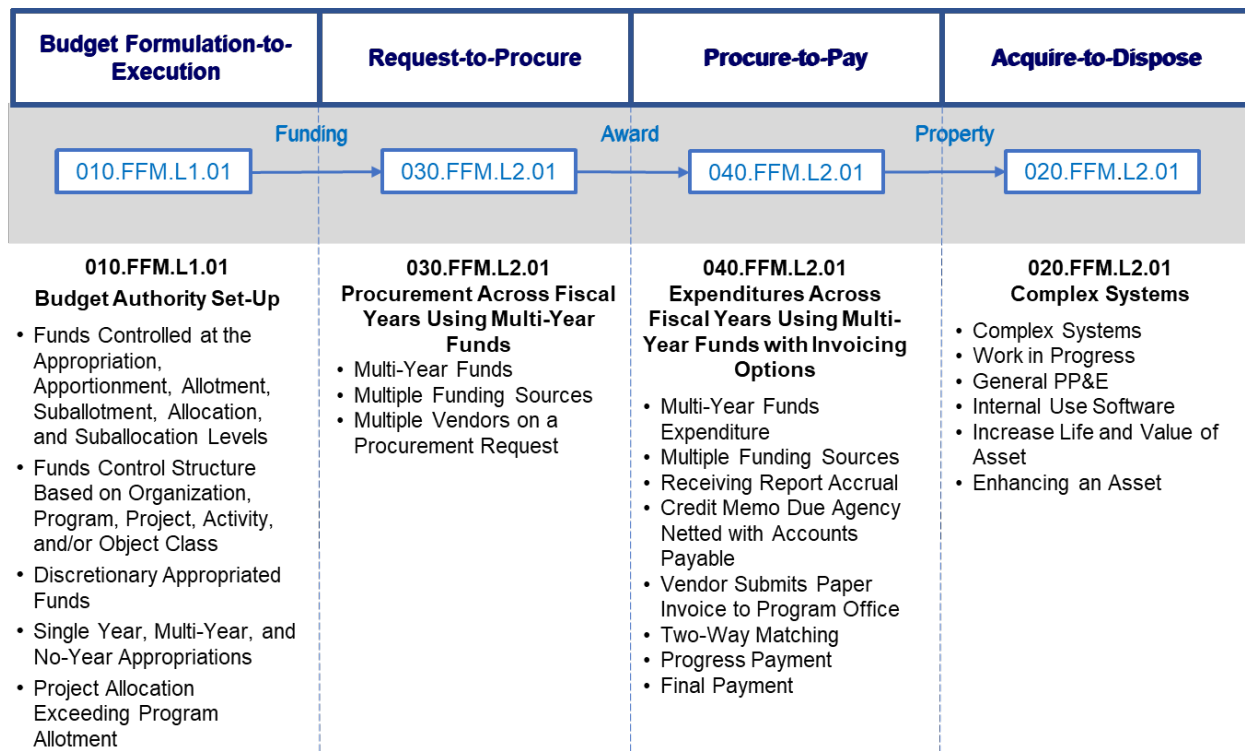


Figure 6: 3. Complex Systems Including Software and Hardware Summary

4. **Combined Procurement Requests** – Multiple offices within an agency are acquiring substantially similar items (e.g., computer servers). In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), consolidates and executes the procurement requests (030.FFM.L2.02), and then receives, accepts, and pays for the items (040.FFM.L2.02).

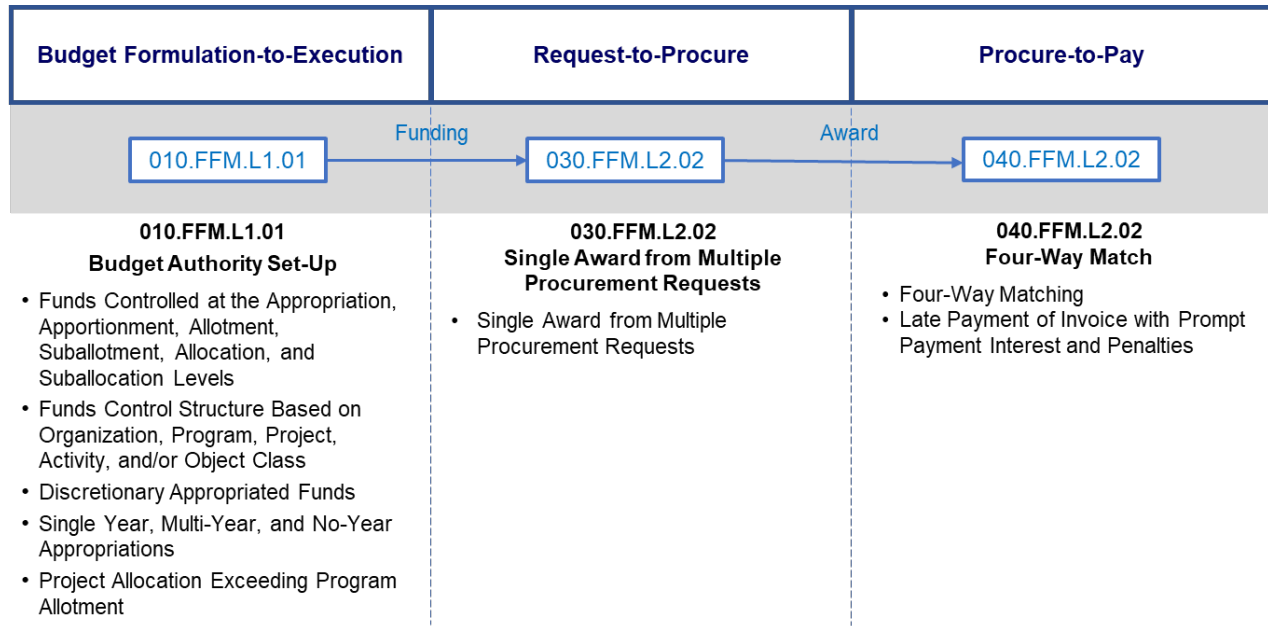


Figure 7: 4. Combined Procurement Requests Summary

5. Purchase Card – An agency uses a purchase card for qualified expenses. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01). Two requests for items within the threshold of the purchase card are submitted and approved. The items are ordered by the Purchase Card Account Holder and delivered. The charge card account statement invoice is received and approved, and payment is made using default accounting information. Charge card charge information is reconciled with purchase card receipts and payment accounting information is updated (040.FFM.L2.03).

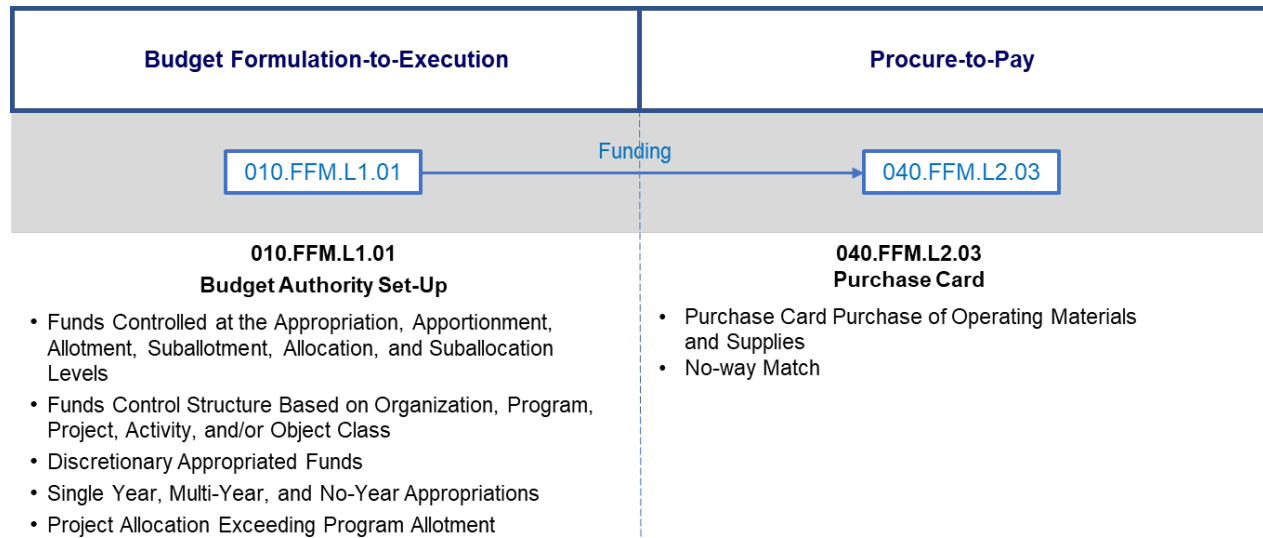


Figure 8: 5. Purchase Card Summary

6. Grant Disbursement and Closeout – An agency manages a program which issues and manages grants. This thread comprises the agency recording its budget into the FM solution (010.FFM.L1.01), awarding and distributing grant proceeds (080.FFM.L2.01), and administratively closing out a grant with the award recipient (080.FFM.L2.02).

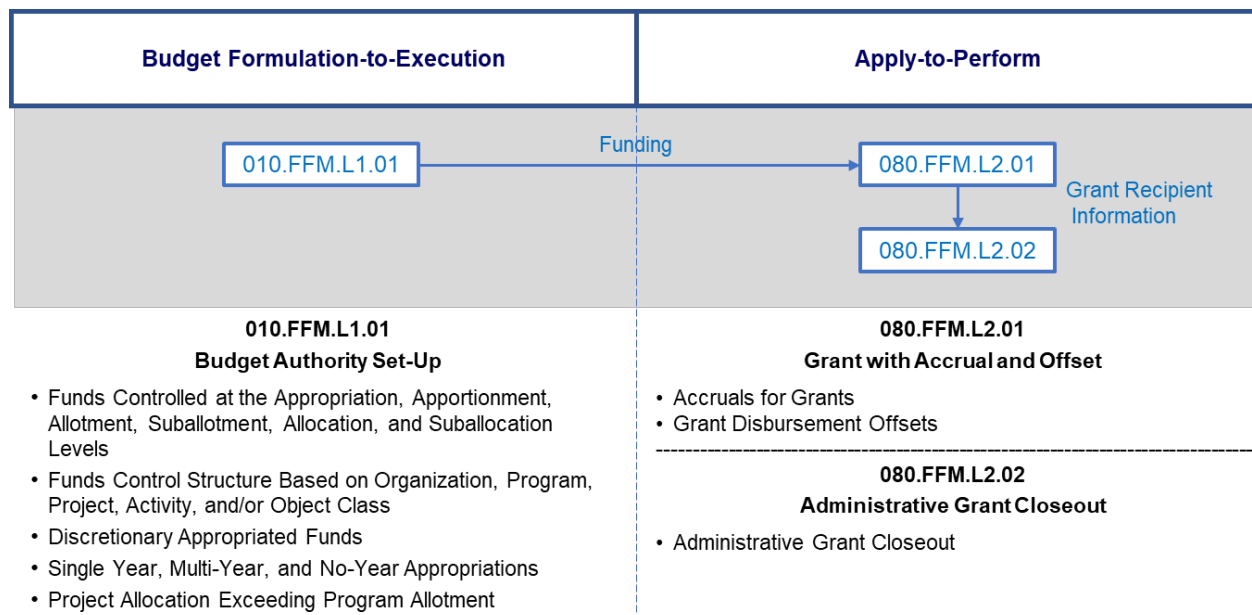


Figure 9: 6. Grant Disbursement and Closeout Summary

7. Temporary Duty (TDY) Travel – An agency employee travels to a customer site to complete an assignment. This thread comprises the agency recording its budget into the FM solution (010.FFM.L1.01), the employee completing the travel and then submitting a voucher. The agency pays both the employee and the charge card issuer company (100.FFM.L1.01).

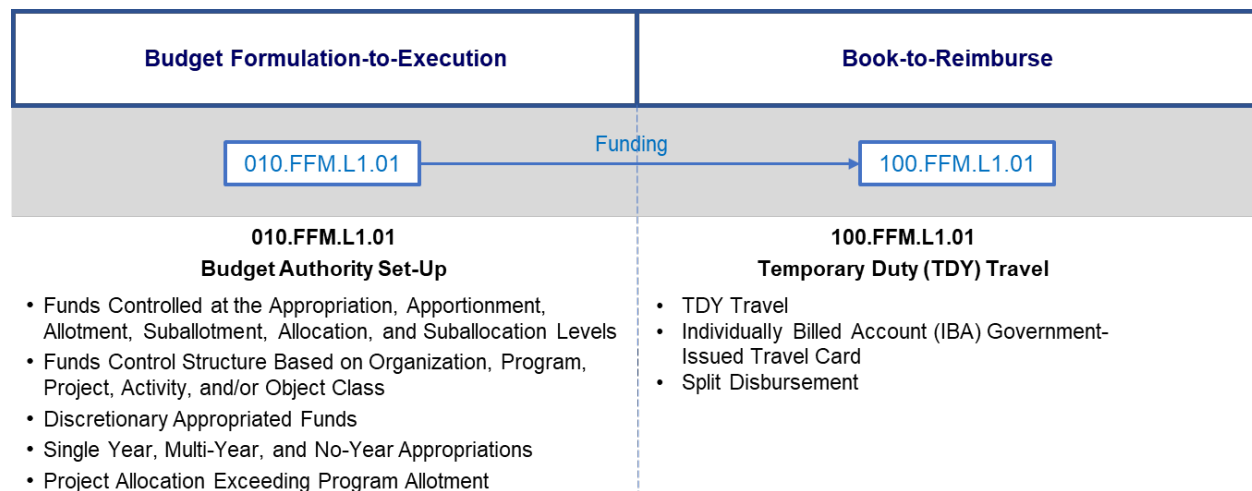


Figure 10: 7. Temporary Duty (TDY) Travel Summary

8. Relocation – An agency employee is permanently transferred to a different work location. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01) and the employee arranges the travel, receives a travel advance, submits a travel voucher, and receives payment from the agency (100.FFM.L2.01). The travel advance was in excess of incurred travel expenses resulting in a travel advance overpayment receivable (050.FFM.L1.02).

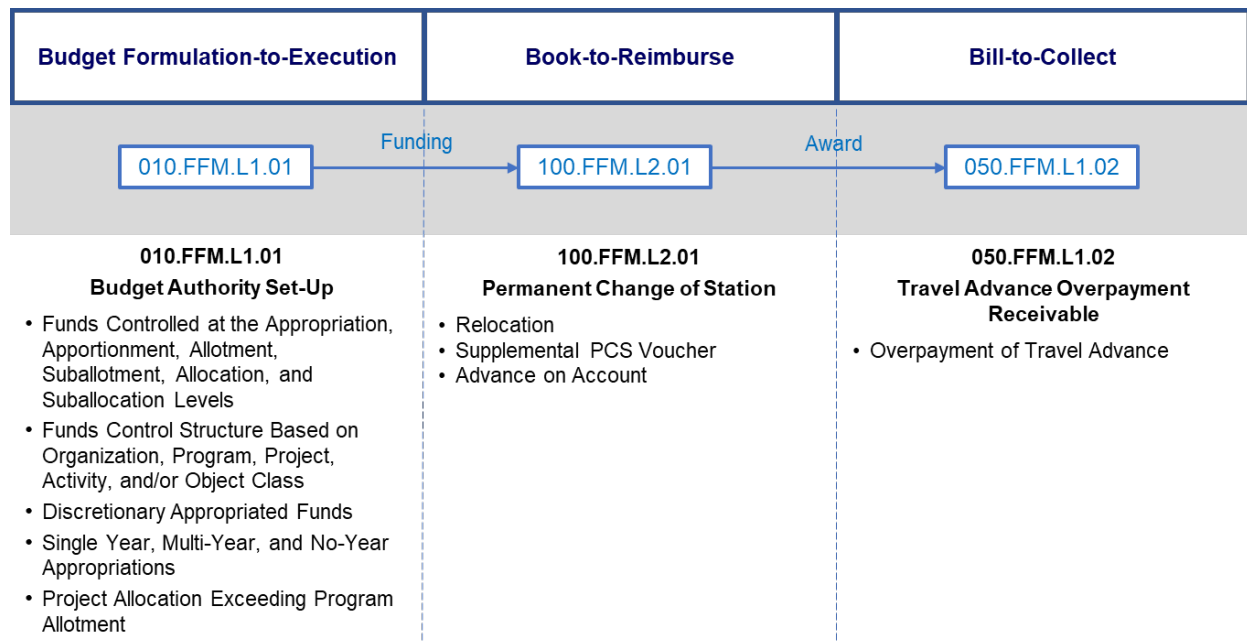


Figure 11: 8. Relocation Summary

9. **Payroll** – An agency which pays its domestic civilian staff on a bi-weekly basis is processing payroll for a pay period that will cross an accounting period threshold. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), then accrues payroll and benefit expenses in the closing period before receiving and posting actual payroll and benefit expense information in the next accounting period (090.FFM.L1.01).

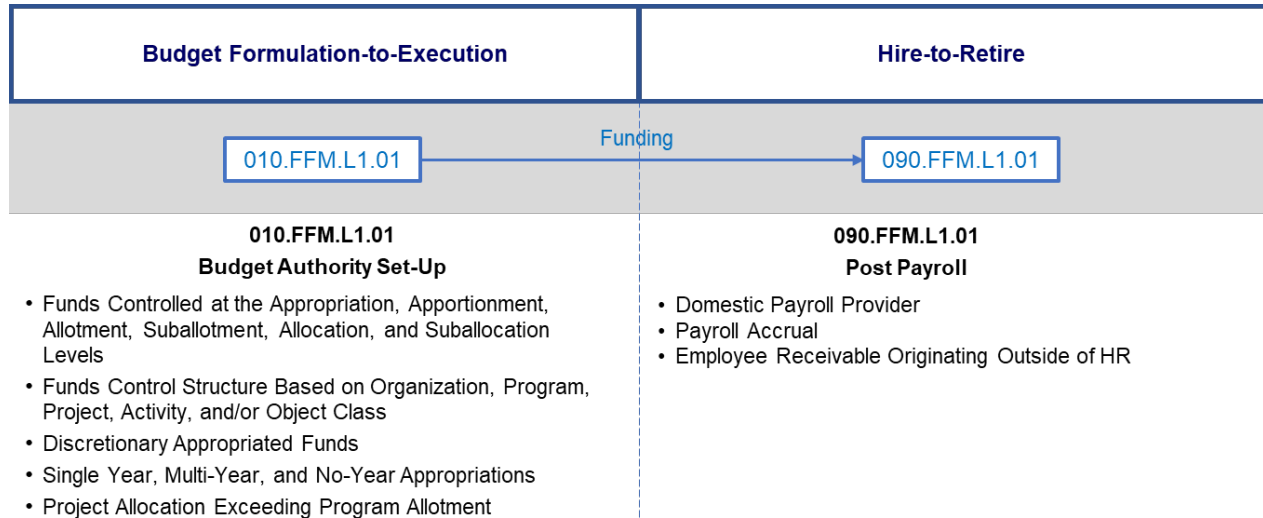


Figure 12: 9. Payroll Summary

10. **Direct Loan** – An agency manages a program which makes direct loans to the public. In this thread, the agency records its budget and its borrowing authority into the FM solution (010.FFM.L1.01, 010.FFM.L3.01), then closes, disburses, and collects payments on the direct loan (110.FFM.L2.01).

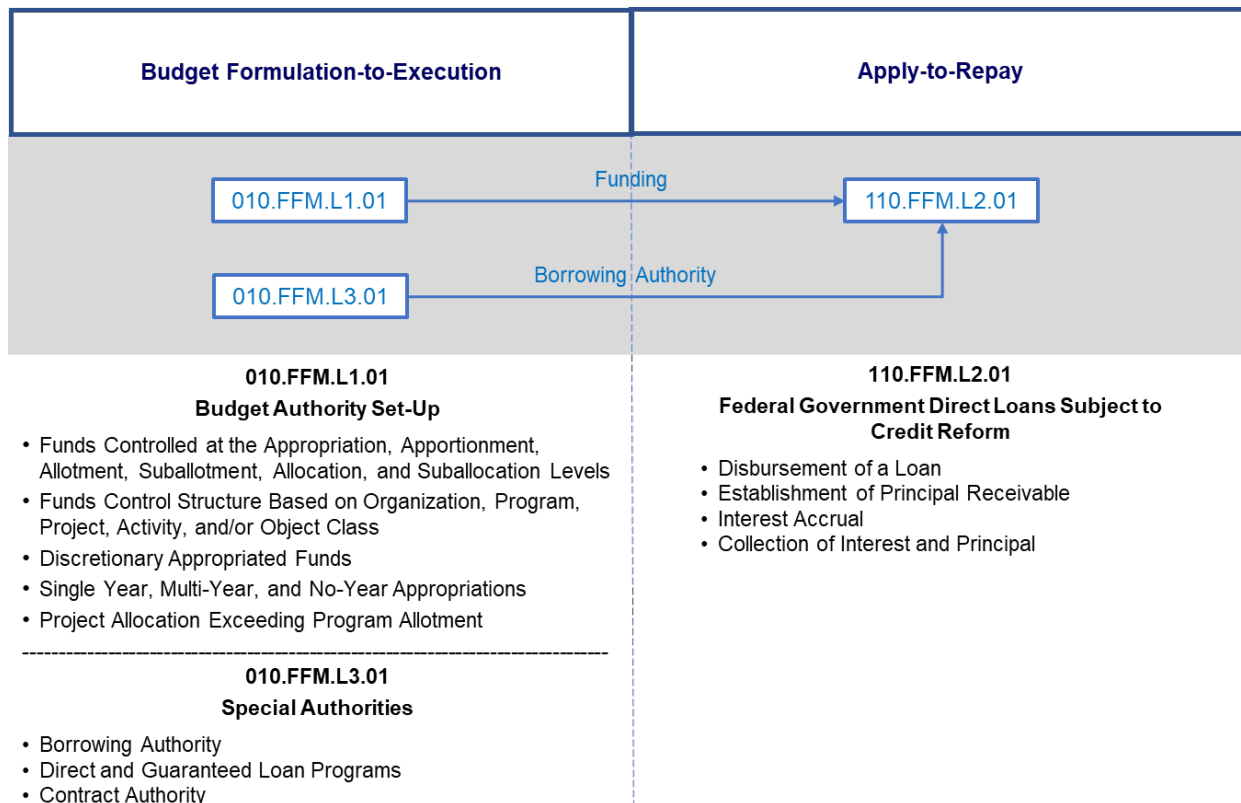


Figure 13: 10. Direct Loan Summary

11. **Guaranteed Loan** – An agency manages a program which guarantees third party loans to the public. In this thread, the agency records its budget and its borrowing authority into the FM solution (010.FFM.L1.01, 010.FFM.L3.01). The agency guarantees a loan which eventually defaults, is referred to Treasury for collection, and requires payment of the guarantee and collection from the borrower (110.FFM.L2.02).

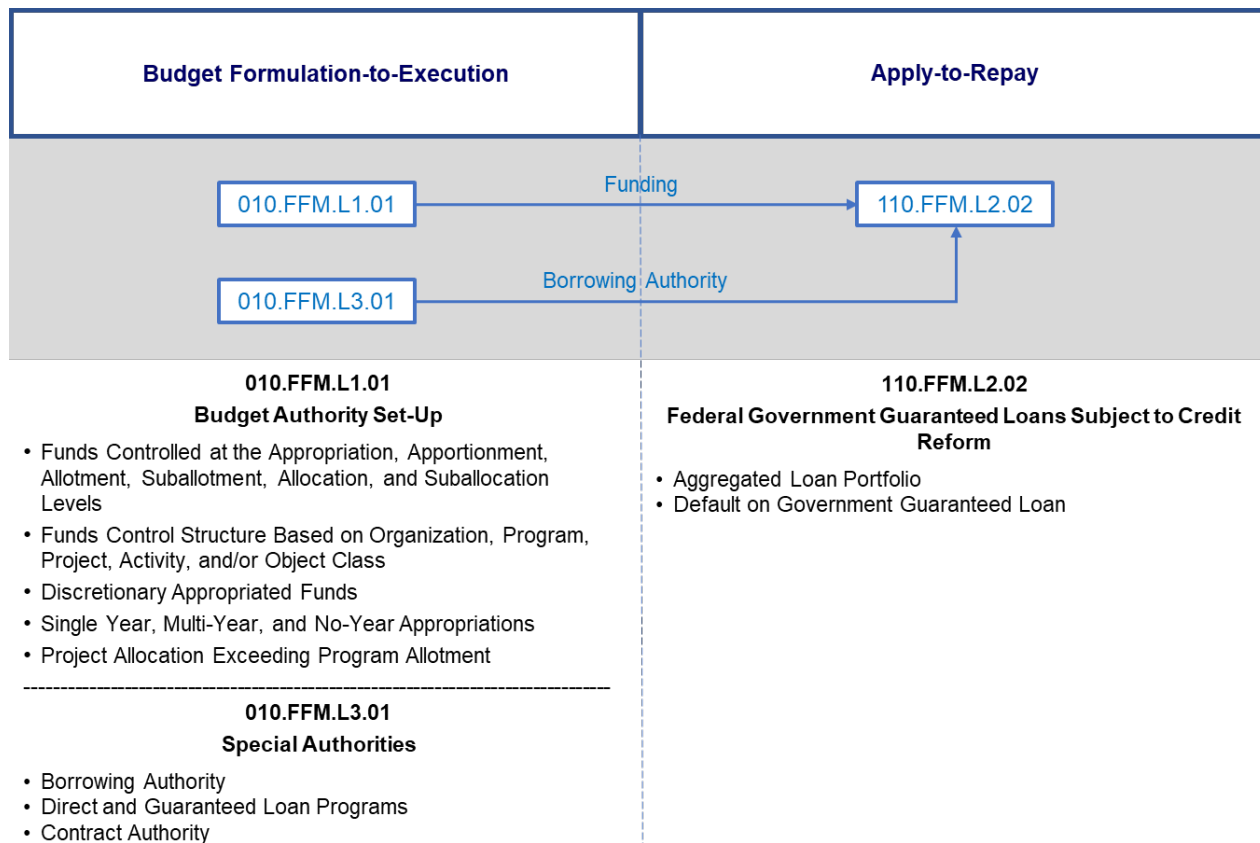


Figure 14: 11. Guaranteed Loan Summary

12. Intragovernmental Buy/Sell Activity – An agency performs reimbursable services for another agency under the Economy Act. In this thread, the agency records its spending authority from offsetting collections into the FM solution (010.FFM.L1.02) then performs the services for the federal requesting agency. The servicing agency accumulates costs from payroll (090.FFM.L1.01) and contractor resources (040.FFM.L1.03) and provides intragovernmental performance information. After acceptance of the services, an intragovernmental settlement is executed (070.FFM.L1.01 and 070.FFM.L1.02).

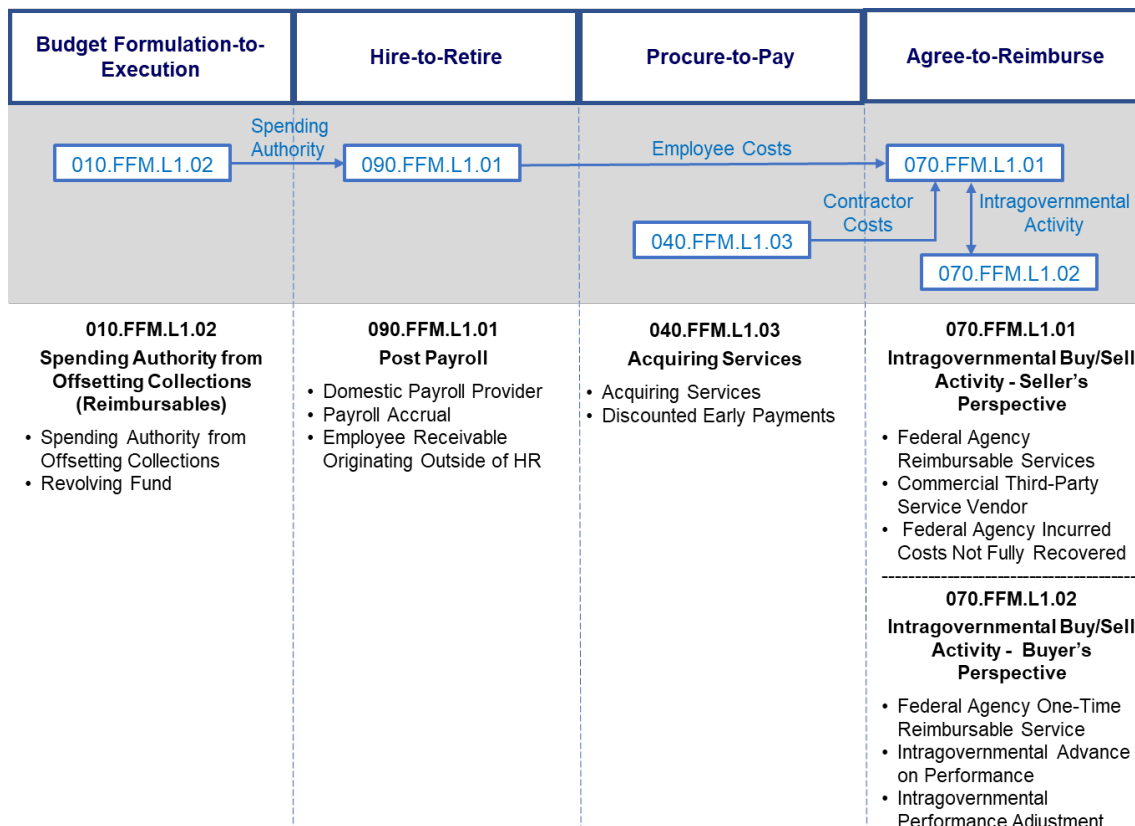


Figure 15: 12. Intragovernmental Buy/Sell Activity Summary

13. Vendor Refund Receivable – In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), orders goods from a vendor (030.FFM.L1.01), and receives a delivery of goods (040.FFM.L1.01). The goods are later found to be defective. The vendor does not issue a refund timely and the agency establishes a receivable and assesses interest, penalties, and administrative fees (050.FFM.L1.01).

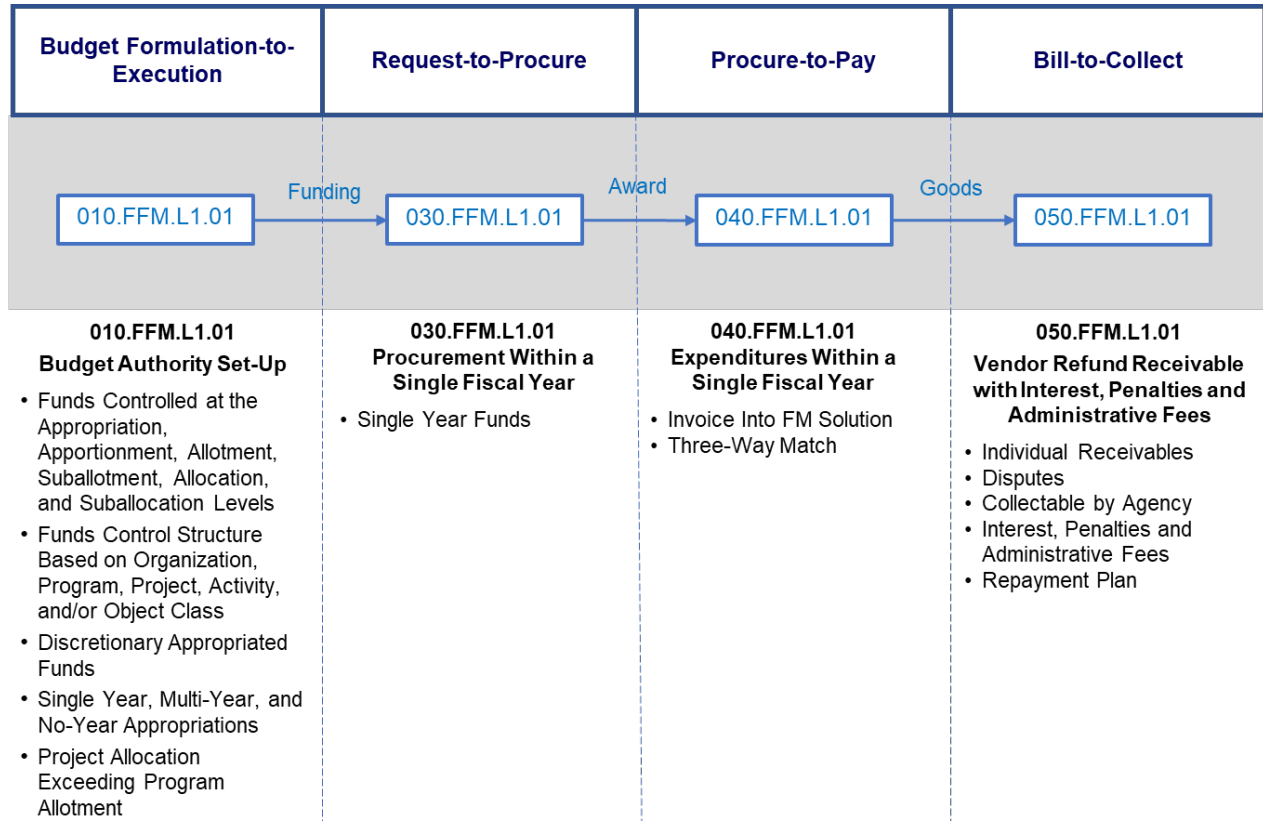


Figure 16: 13. Vendor Refund Receivable Summary

14. Government Sale of Pre-paid Goods – An agency sells goods on a pre-paid basis to the general public. In this thread, the agency performs the sale of a good to a customer. The customer's payment is returned for insufficient funds and a receivable is established. The delinquent debt is referred to Treasury (050.FFM.L2.01). The Treasury Report on Receivables (TROR) is generated and submitted to Treasury (060.FFM.L1.01).

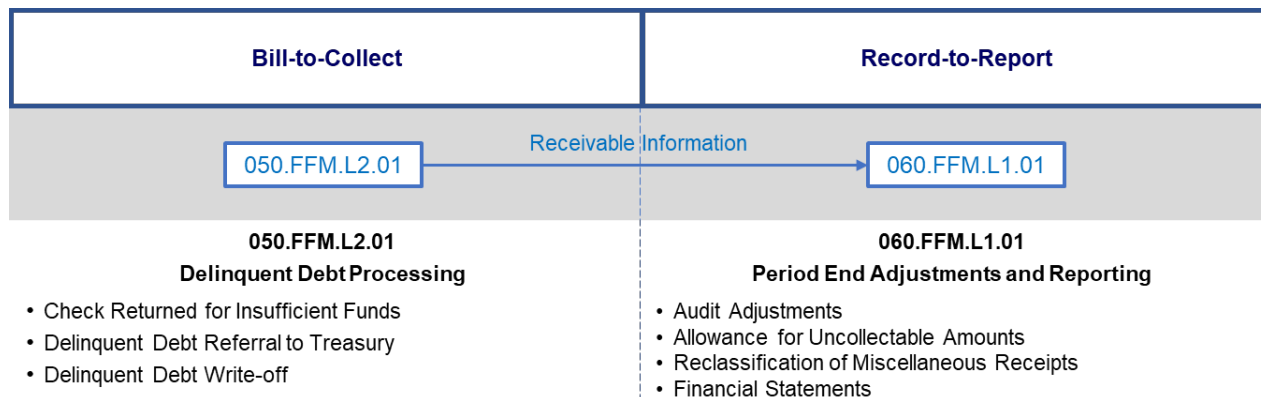


Figure 17: 14. Government Sale of Pre-paid Goods Summary

15. Budget Authority Transfers – An agency receives its budgetary authority and subsequently transfers authority to another agency and between agency programs. In this thread, the agency records its initial budget in the FM solution (010.FFM.L1.01). The agency then submits two non-expenditure appropriation transfer requests to Treasury Fiscal Service for review, certification, and approval to transfer authority to obligate. Both transfer requests are approved and recorded to adjust the agency's budget. (010.FFM.L1.03).

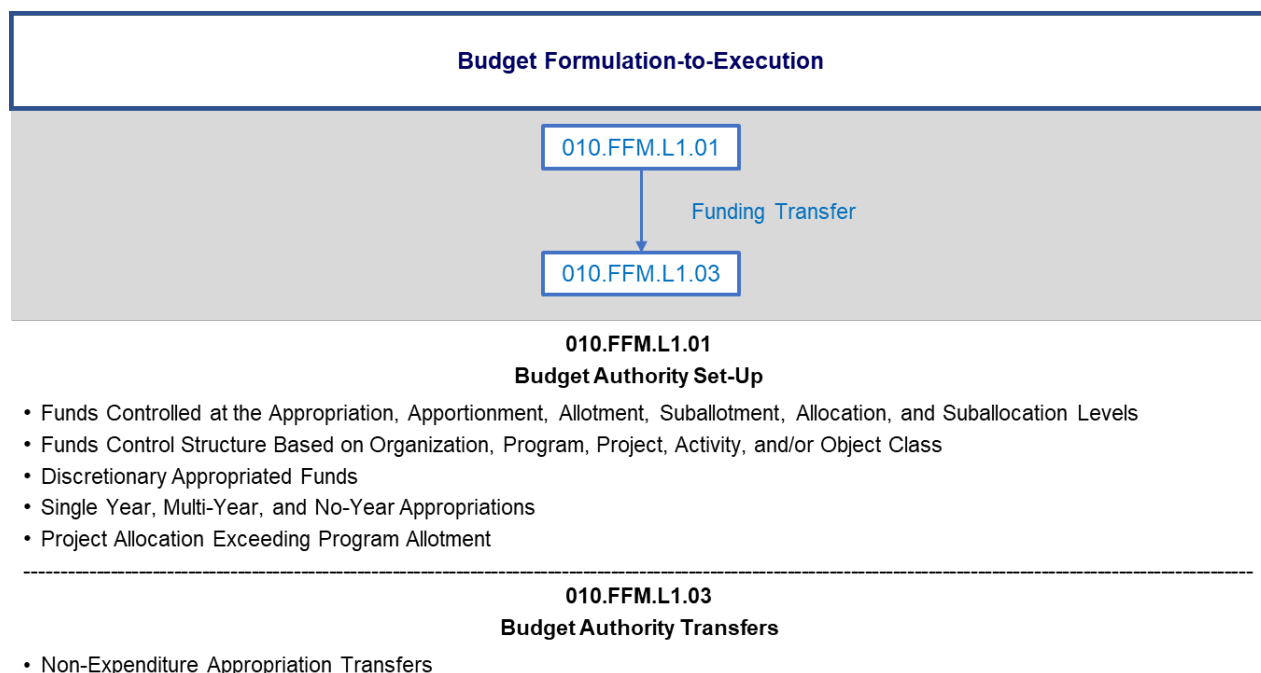


Figure 18: 15. Budget Authority Transfers Summary

16. Financial Accruals and Reporting – A Department with component agencies performs end-of-year adjustments and prepares its financial statements. This thread comprises the generation of financial statements for the constituent agencies, period end and other standard reports (060.FFM.L1.01), and the consolidation of financial statements for the Department (060.FFM.L2.01).

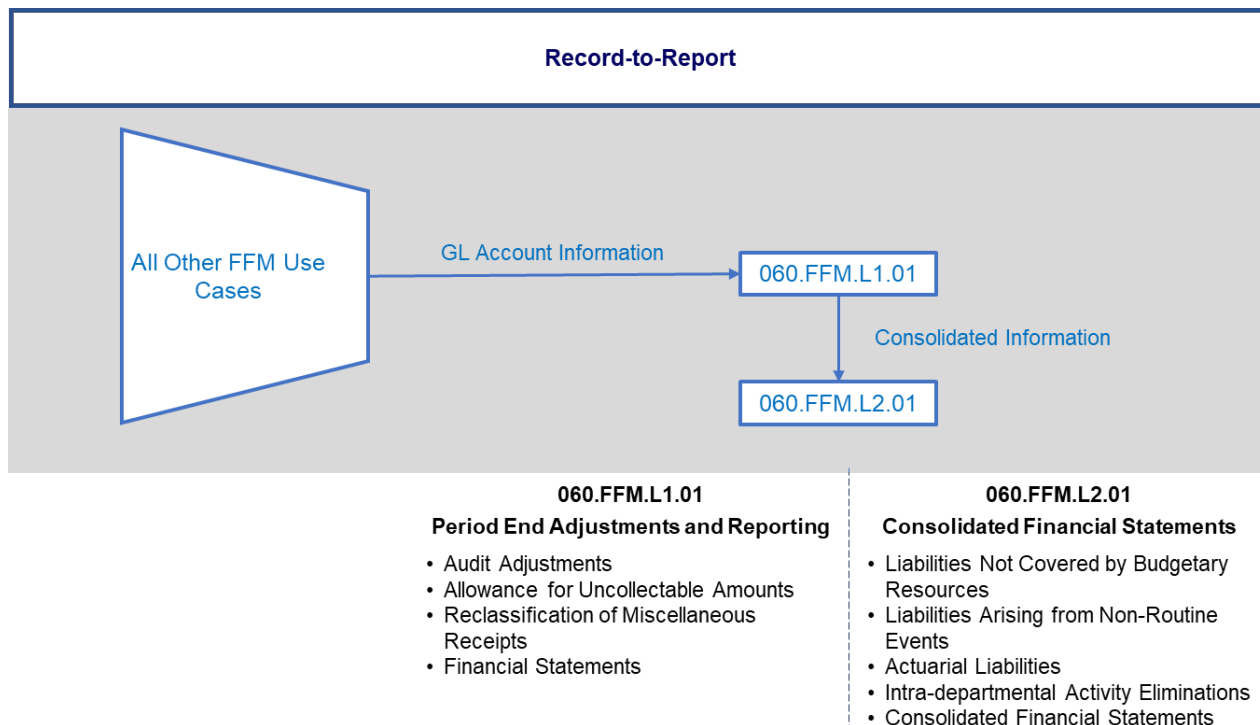


Figure 19: 16. Financial Accruals and Reporting Summary

17. Procurement During a Continuing Resolution (CR) – An agency requires procurement of critical services while operating during a continuing resolution. In this thread, an agency records its spending authorities from the Continuing Resolution (010.FFM.L1.04), procures the critical services (030.FFM.L1.02), and then records its approved appropriation.

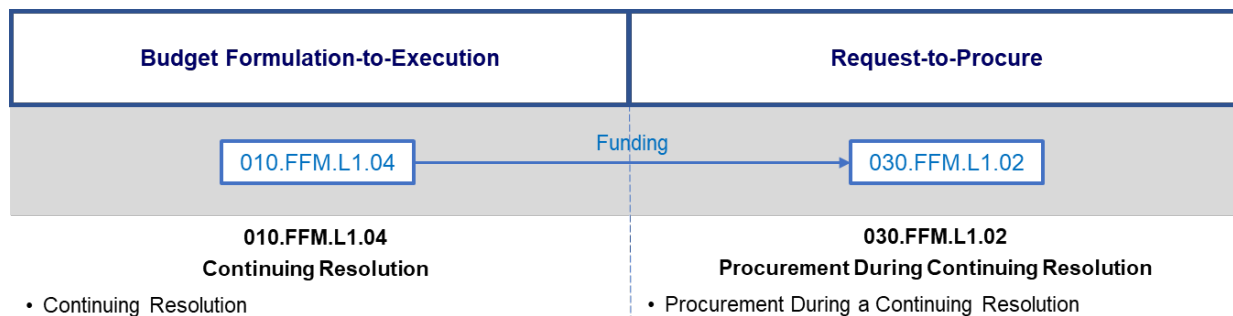


Figure 20: 17. Procurement During a Continuing Resolution (CR) Summary

18. Bulk Purchases Immediately Distributed – An agency purchases software for immediate distribution. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), acquires the software (030.FFM.L1.01), receives and pays for the software (040.FFM.L1.01), and manages the distribution of the software (020.FFM.L1.03).

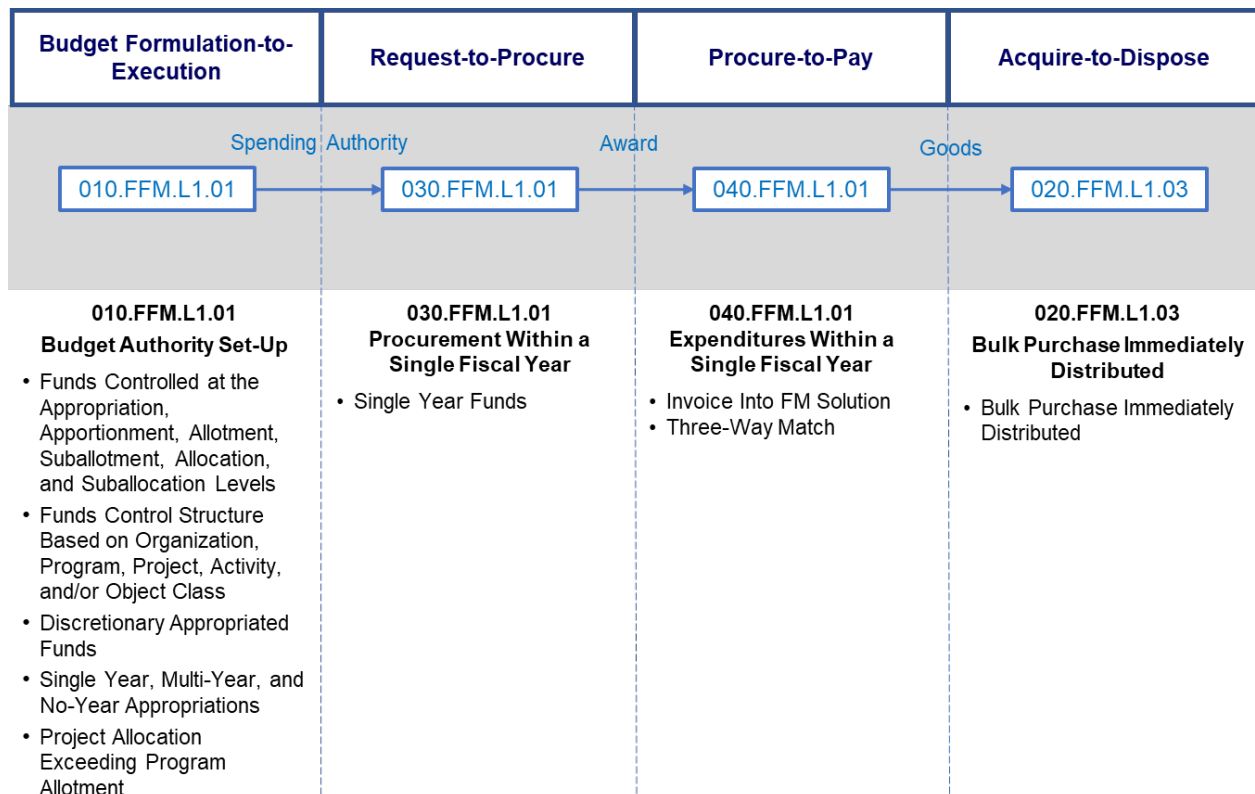


Figure 21: 18. Bulk Purchases Immediately Distributed Summary

19. Leasehold Improvements – An agency makes improvements to a leased property. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), procures the necessary supplies, equipment, and services for the improvements (030.FFM.L1.01), receives and pays for the services (040.FFM.L1.03), and then vacates the property at the end of the lease (020.FFM.L2.02).

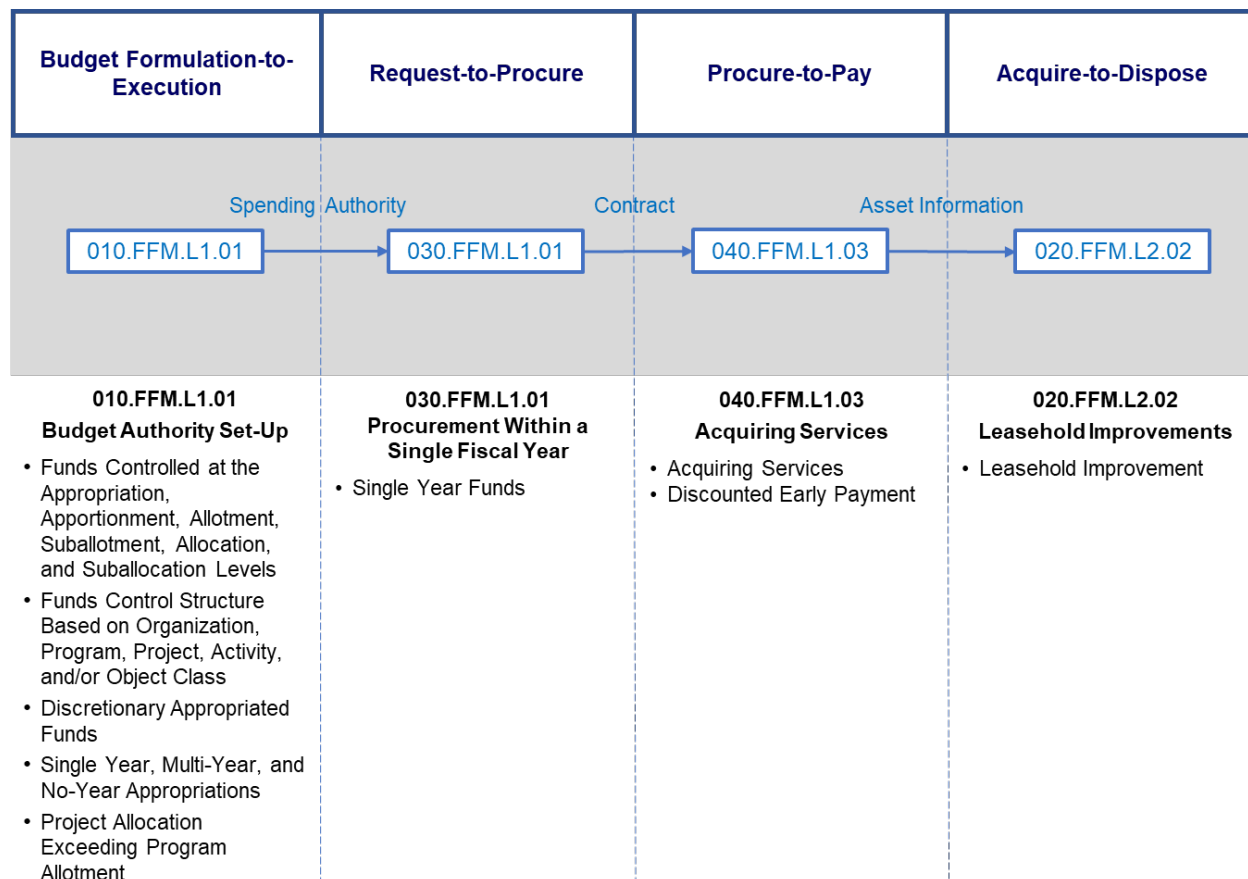


Figure 22: 19. Leasehold Improvements Summary

20. Travel Sponsored by Non-Federal Source – A government employee travels with a portion of the costs sponsored by a non-Federal source. In this thread, an agency records its budget into the FM solution (010.FFM.L1.01), authorizes the employee travel, obligates the necessary funds, and issues the payment to the traveler and the charge card issuer company (100.FFM.L3.01).

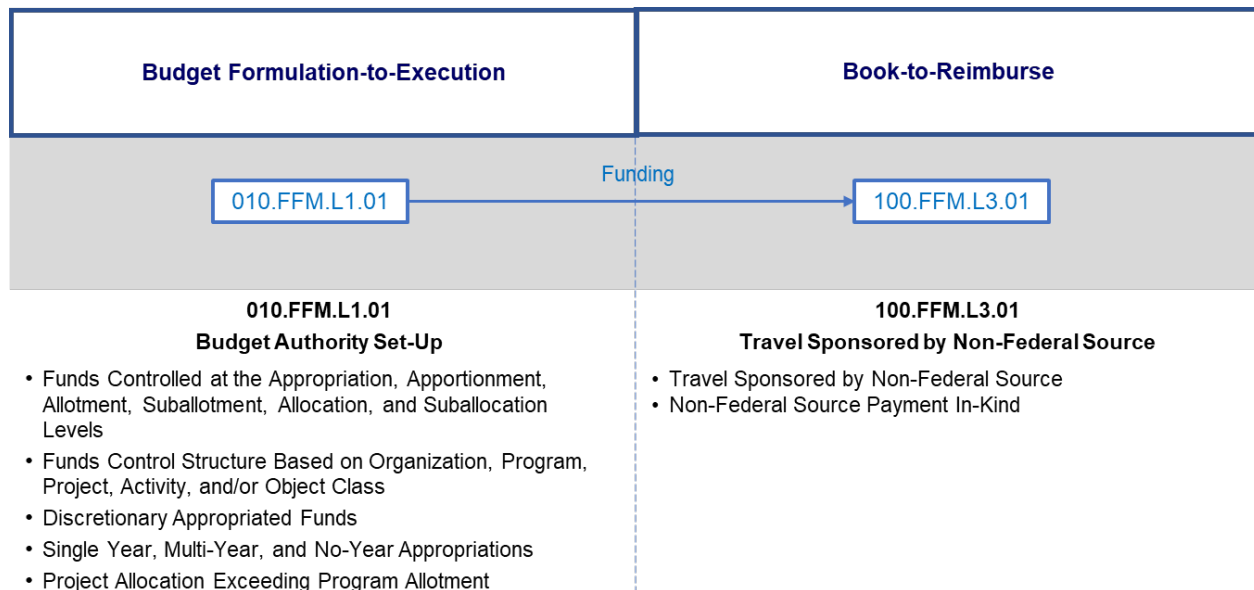


Figure 23: 20. Travel Sponsored by Non-Federal Source Summary

21. Reimbursable Services for a Non-Federal Government Entity – An agency provides technical assistance services to a Foreign Government Agency. In this thread, approval for a revolving fund and associated budget authority is received by the agency. The agency allots budgetary resources to organizations to provide services (010.FFM.L1.02). A reimbursable work agreement and order are established, and the agency receives payment in advance. The technical assistance services end and a cost analysis determines the advance payment exceeds costs. Because the agency does not have any special authorities specifically stating that payments may be made to a non-Federal foreign entity, the excess advance payment funds are transferred to the General Fund of the U.S. Government (070.FFM.L3.01).

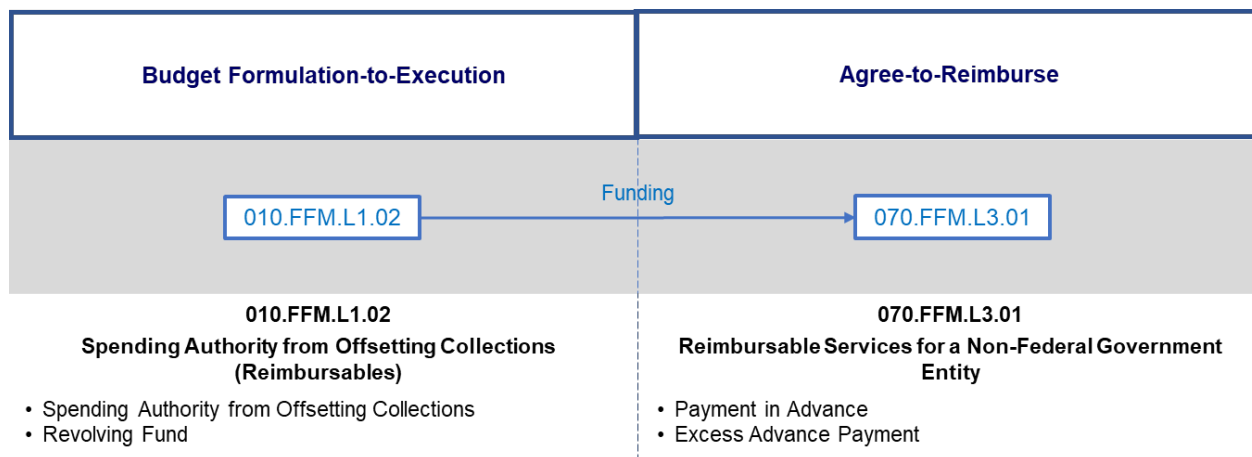


Figure 24: 21. Reimbursable Services for a Non-Federal Government Entity Summary

22. Aggregated Custodial Revenues – An agency receives revenue from activities of private sector entities on behalf of a custodial account. In this thread, an agency records aggregated revenue (050.FFM.L2.02). Custodial collections are reclassified to the Treasury General Fund during period end processing (060.FFM.L1.01).

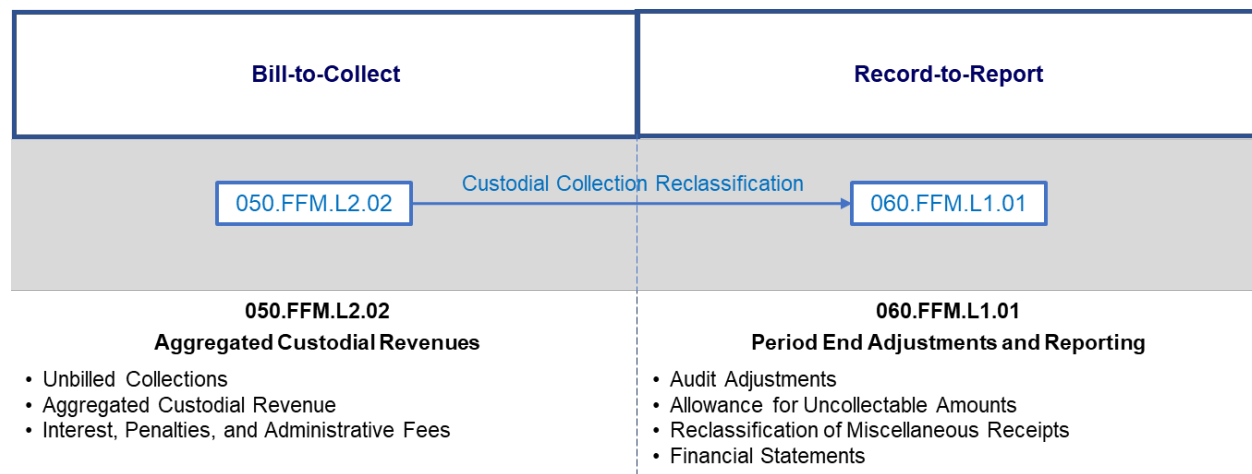


Figure 25: 22. Aggregated Custodial Revenues Summary

23. Novation – An agency is managing a long-term initiative using multiple vendors over multiple fiscal years. During this time, one vendor is acquired in full by another entity. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), begins the acquisition process using multiple funds from multiple vendors (030.FFM.L2.01), receives, accepts, and pays for some of the assets acquired (040.FFM.L2.01), and then processes the vendor novation (040.FFM.L2.04).

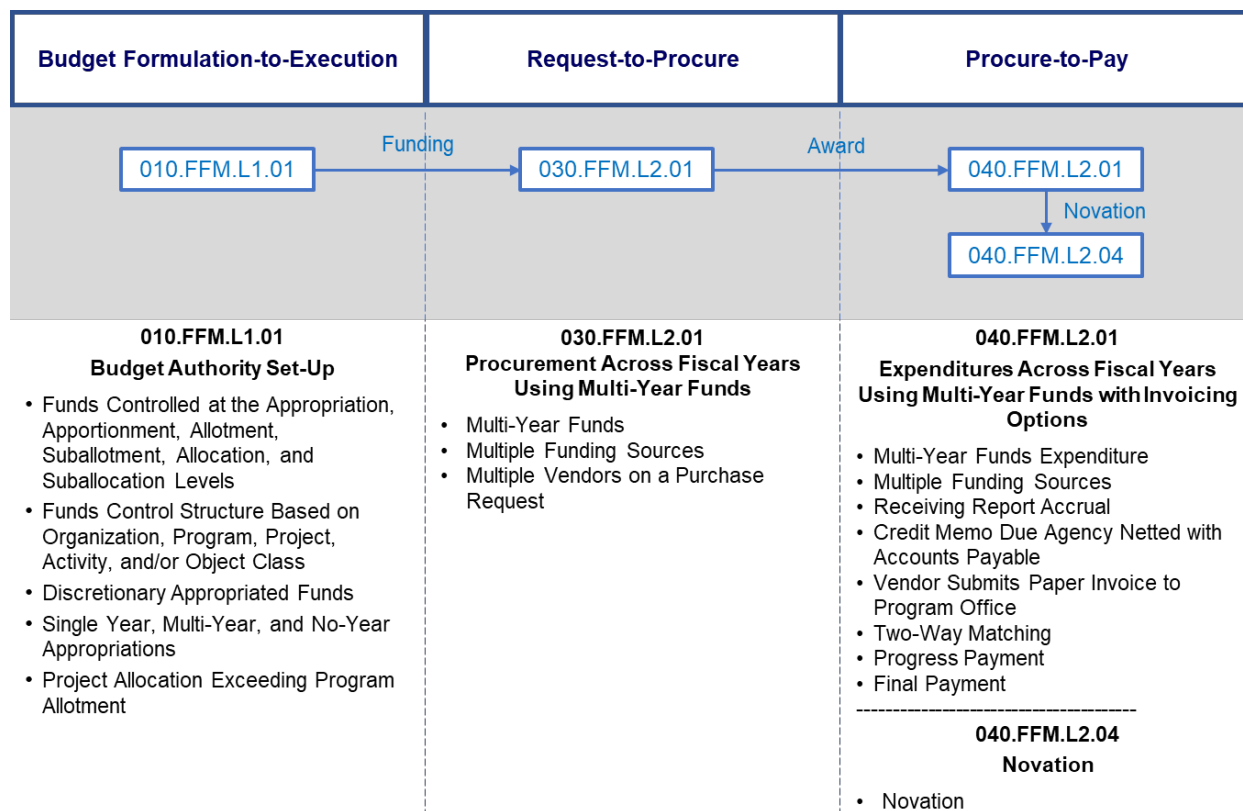


Figure 26: 23. Novation Summary

24. Construction on Real Property – An agency is managing the construction of a new building on heritage land. In this thread, the agency records its budget into the FM solution (010.FFM.L1.01), begins construction on the land (030.FFM.L2.01, 040.FFM.L2.01), then issues a stop work order and places the construction in abeyance after finding hazardous substances on the property (020.FFM.L3.01).

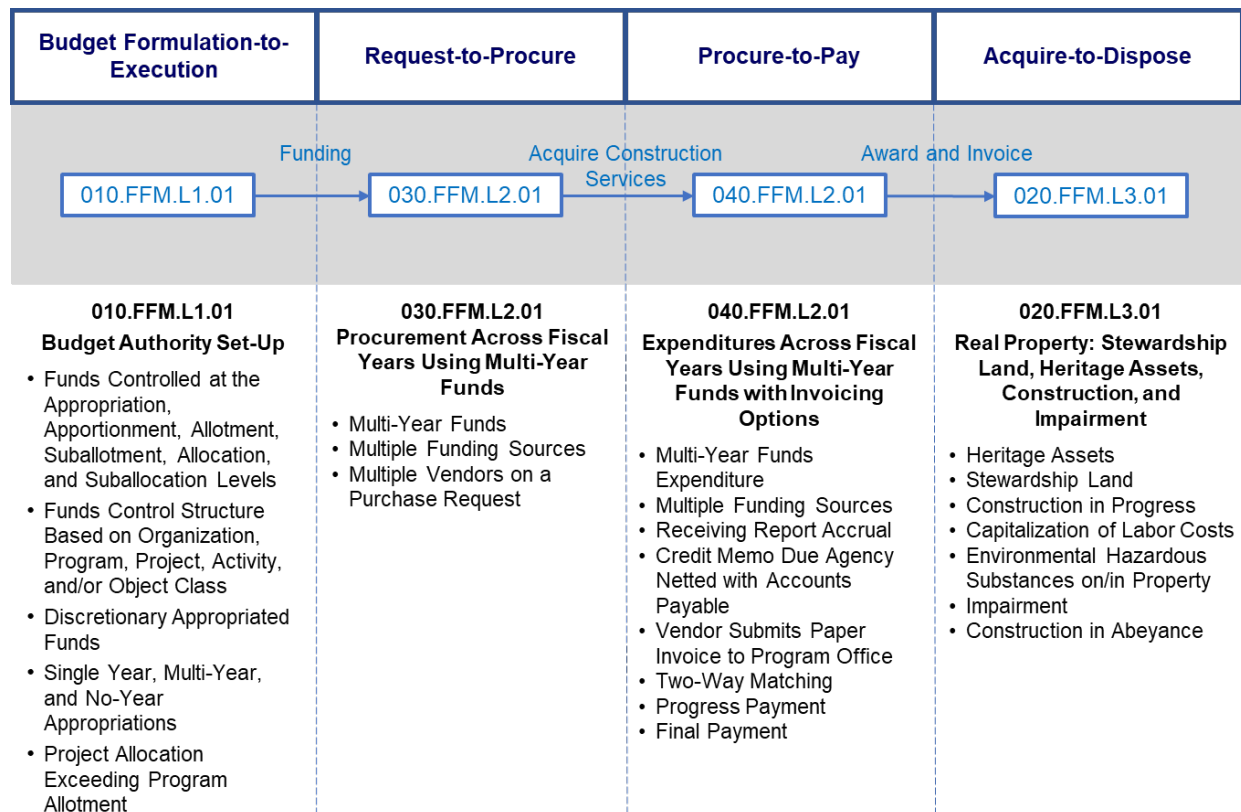


Figure 27: 24. Construction on Real Property Summary

25. Intragovernmental Agreement for Services with Advance Payment – An agency acquires a service from another agency under the Economy Act. In this thread, the requesting agency records its budget into the FM solution (010.FFM.L1.02). The requesting agency and servicing agency establish general terms and conditions and an intragovernmental agreement for reimbursable services; the requesting agency pays in advance. The requesting agency accepts a partial delivery of the services, after which an adjustment to performance completion and an advance payment reversal are executed (070.FFM.L1.02).

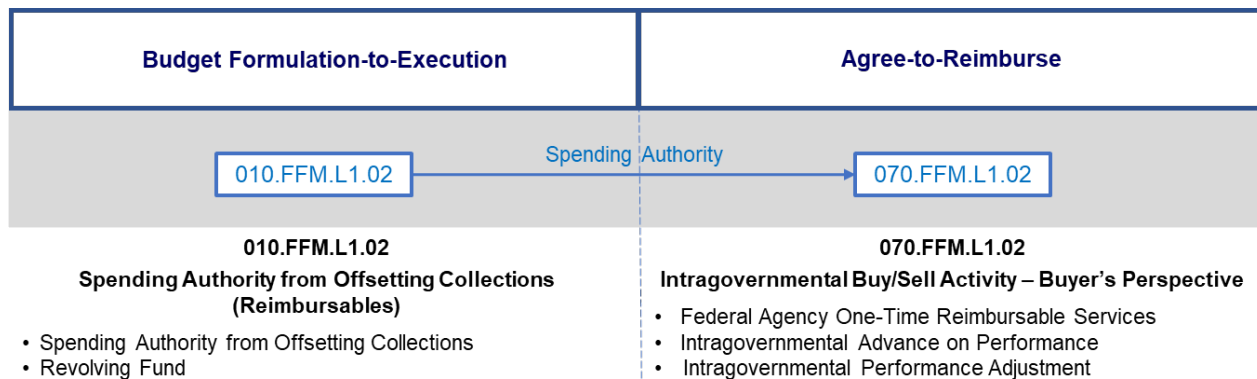


Figure 28: 25. Intragovernmental Agreement for Services with Advance Payment Summary

Building Use Case Demonstration Threads

The inventory of use case demonstration threads included in this overview is not exhaustive. Agencies may wish to create other sequences of business use cases suitable for their environment or a particular need.

To create a use case demonstration thread, the following steps should be followed:

1. Identify the agency-specific process of interest to be addressed in the use case demonstration thread
2. Identify what budget authorities need to be in place
3. Determine what types of transactions are needed
4. Determine payment methods to be used
5. Determine how the results will be recorded and reported

Once these items have been identified, refer to Table 1: FFM Business Use Case List to select the appropriate business use cases to include in the thread. The business use cases should then be laid out in sequence based on the dependencies identified in the use cases.

Appendix A: Description of Terms

Term	Description
End-to- End Business Process	An End-to-End Business Process identifies a start-to-finish outcome for operational transactions and financial reporting. The End-to-End Business Process provides the context for executing financial management services. Most of the End-to-End Business Processes require integration across multiple Functional Areas/Functions/Activities to achieve the business outcome.
Functional Area	Functional Areas are the administrative and support domains which provide services that enable service customers (e.g., program offices) to deliver on their missions and accomplish End-to-End Business Processes.
Function	A Function is a further breakdown of an administrative or mission-support Functional Area into categories of services provided to service customers.
Activity	Within a Function, Activities are the processes that provide identifiable outputs/outcomes to service customers.
Business Scenario	<p>Business Scenarios identify differing situations or conditions that occur when executing an end-to-end business process and reflect the scope and complexity of federal government agency missions.</p> <p>Business Scenarios are categorized as follows:</p> <p>Level 1 (L1): Affects most federal agencies and/or impacts a large transaction volume and/or dollar value within the federal government</p> <p>Level 2 (L2): Affects multiple federal agencies and/or requires some specialized processing from the service customer or auditor perspective</p> <p>Level 3 (L3): Affects a few federal agencies and requires unique processing, mandated by legislation or regulation.</p>
Business Use Case	Business Use Cases represent typical processing that occurs in federal business operations. They are based on business scenarios and are grouped by commonality levels across agencies (L1/L2/L3). The FFM business use cases include FFM events and non-FFM events to present the interaction between FFM and other Functional Areas.