

089265

# What IS JFMIP?

---

The Joint Financial Management Improvement Program

# JOINT FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM

## INTRODUCTION

The Joint Financial Management Improvement Program (JFMIP) is a joint and cooperative undertaking of the Office of Management and Budget, the General Accounting Office, the Department of the Treasury, and the Office of Personnel Management, working in cooperation with each other and with operating agencies to improve financial management policies and practices.

## ORIGIN AND HISTORY

In 1948, the General Accounting Office, the Department of the Treasury and the Bureau of the Budget (now the Office of Management and Budget) initiated a cooperative financial management effort to seek improved means of carrying out the interrelated activities and responsibilities of these central agencies and of coordinating these efforts with the financial management activities of all Federal operating agencies.

The Comptroller General, the Secretary of the Treasury and the Director of the Bureau of the Budget signed a formal agreement on January 6, 1949, that set forth the policies, objectives and work areas for this program. The agreement concluded by stating that:

"The successful prosecution of this Joint Program will give the President better management in the Executive Branch, the Congress better information and bases for acting upon appropriations and other legislation, and the public a clearer picture of the financial condition and operations of the Federal Government."

The principles and objectives of the Program were subsequently embodied in the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 65). The Act specifically identified responsibilities for budgeting, accounting, auditing and financial reporting in the Federal Government.

The Program, known originally as the Joint Program for Improving Accounting in the Federal Government, had concentrated its early efforts in the improvement of accounting operations. Prior to that time, financial systems in the Federal Government were inadequate for management purposes, were unduly complex, and generated a mass of red tape. Part of the problem was that inadequate communications among the central financial agencies resulted in the issuance of conflicting requirements in numerous instructions to the operating agencies. The need to develop more timely and useful financial information systems was also recognized. The Joint Program concentrated its efforts initially to resolve these basic problems and to realign some of the accounting responsibilities among the central agencies.

Subsequently, the central and operating agencies recognized that if maximum benefits were to be obtained by the joint effort, the area of involvement must be broadened to cover the full spectrum of financial management. Thus, the scope of the Program was expanded to include budgeting, reporting, auditing and related financial management practices that would assist agency managers in their program planning, execution, and control. Consequently, the Program was redesignated as the Joint Financial Management Improvement Program (JFMIP) in December 1959.

In 1966, the Civil Service Commission (now the Office of Personnel Management) was invited to join the JFMIP to provide leadership in personnel matters, such as recruiting and training of financial management personnel and in improving job classification standards.

After thirty years of existence, the Program is continually promoting the development, modernization and use of improved financial management practices in planning, executing and controlling agency operations.

### OBJECTIVE

The overall objective of JFMIP is to improve and coordinate financial management policies and practices throughout the Government so that they will contribute significantly to the effective and efficient planning and operation of governmental programs. Activities aimed at achieving this objective include:

- Reviewing and coordinating central agencies' activities and policy promulgations to avoid possible conflict, inconsistency, duplication and confusion.
- Acting as a clearinghouse for sharing and disseminating financial management information about good financial management techniques and technologies.
- Reviewing the financial management efforts of the operating agencies and serving as a catalyst for further improvements.
- Undertaking special projects of a Government-wide nature to resolve specific problems.
- Providing advisory services in dealing with specific financial management problems.

### ORGANIZATION AND OPERATIONS

Leadership and program guidance are provided by the four Principals of the Program--the Comptroller General of the United States, the Secretary of the Treasury, the Director of the Office of Management and Budget, and the Director of the Office of Personnel Management. The chairmanship is rotated among the Principals every other fiscal year.

Each Principal designates a representative to serve on a Steering Committee that is responsible for the general direction of the Program. In addition, the Executive Director of JFMIP is a member of the Steering Committee. The Chairmanship of the Steering Committee also rotates every other fiscal year among the representatives of the central agencies.

The Executive Director is responsible for developing and directing multiple interagency programs and projects relating to the improvement of financial management in the Federal Government. The day-to-day operations are carried on by the Executive Director and a small permanent staff. Beginning in 1977, the central agencies assigned professionals to the JFMIP staff on a rotating basis for a period of 12 to 18 months.

The staff members assist the Executive Director in coordinating, monitoring and providing support for special projects; reviewing agency financial management improvement programs and progress; analyzing financial management problems and studying areas for potential projects; reviewing regulations and instructions on financial management policies and practices; and responding to agency requests for information and advice.

The head of each operating agency has designated a liaison representative who serves as a key communication link between the agency and JFMIP.

A number of projects are carried out through interagency as well as intergovernmental project teams organized by JFMIP. Such teams may include staff members from central and operating agencies as well as State and local governments. Some financial management problems may be dealt with by referral to a source of expertise, some by assignment to one of the central agencies and some by informal consultation.

JFMIP carries out a variety of activities aimed at achieving its established objective. It sponsors conferences, workshops, and seminars. It publishes a periodic news bulletin and various other documents to disseminate information on progressive financial management practices and promotes their widespread application. It reviews the management improvement efforts of the operating agencies and coordinates financial activities of the central agencies. JFMIP sponsors and conducts studies on financial management matters and assists operating agencies in dealing with financial management problems, particularly those that have relevance to other programs and agencies.

JFMIP serves as a catalyst to stimulate action by whatever approach suits the circumstances. Achievement of financial management improvements depends heavily on the interest and active participation of personnel from the central agencies and operating agencies. In some cases, there also is need for close working relationships

with State and local Governments. JFMIP plays a key role in mobilizing resources and coordinating cooperative efforts.

### Recurring Activities of JFMIP

Annual Conference  
Annual Financial Management Improvement Awards  
Agency visitations  
Periodic workshops on various topics, i.e., productivity, internal controls and cash management

### Recurring Publications

Annual Reports  
Quarterly News Bulletins  
Financial Management Directory

### Publications from Special Projects

Assuring Accurate and Legal Payments--Roles and Responsibilities of Certifying Officers in the Federal Government.

A Checklist: For New Agencies Designing and Implementing Financial Management Systems.

Financial Handbook for Nonfinancial Executives in the Federal Government.

Do It Yourself--Compare and Improve Your Payroll System.

Financial Management Functions in the Federal Government.

Managers: Are You Looking for More Meaningful Financial Reports.

Where and How to Obtain JFMIP Services

By letter:

JFMIP  
666 11th Street, N.W.  
Suite 705  
Washington, DC 20001

By phone:

General information - call 313 or 202  
376-5415

Publication request - call 313 or 202  
376-5433

September 1981

**END**