



G-Invoicing implementation framework for federal agencies

October 2022



What does G-Invoicing deliver?

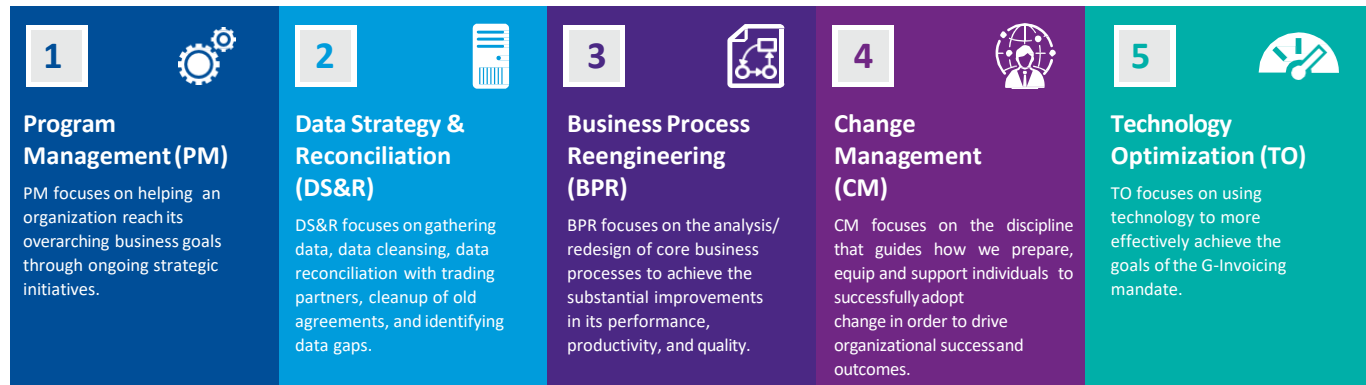
Treasury’s Government Invoicing (denoted by “G-Invoicing”) is a sweeping government mandate to improve the intragovernmental transaction process among federal agencies and support the resolution of long-standing material weaknesses linked to lack of timely reconciliation, proper invoicing, and performance of receipt and acceptance. Agencies must comply with the Treasury mandate by **October 1, 2022**. The G-Invoicing solution will be leveraged to improve transparency and communications between trading partners, standardize forms and data elements, and act as a document repository for interagency agreements and purchase orders. In addition to Treasury platform integration requirements, there are critical elements and expectations that require end-to-end process assessment and reengineering.

Successful G-Invoicing implementation will require information system changes, tools to support interfaces and workflows, and business process reengineering within each agency’s own environment that will allow the interfacing of data with the G-Invoicing Platform. KPMG can deploy the G-Invoicing Implementation Framework (GIIF) to guide clients through successful implementation.

Key Factors of Successful Implementation

- **Partnerships are key:** Agencies must consider the impacts to internal and external stakeholders, leverage strong partnerships within your organization and trading partners, and avoid operating in silos.
- **Understanding G-Invoicing is more than a system change:** At a minimum, agencies will have to conduct an inventory of their systems and interface with the G-Invoicing platform by aligning data elements within their own system environments. Successful implementations will encompass a strategy that focuses on enablers such as people, process, data, and technology.
- **A phased approach is necessary:** The implementation will require a phased approach for each scenario and roll out schedules that consider trading partner progress, internal complexities, and change management initiatives. Considering all of the moving parts, robust program management practices must be leveraged to achieve success.
- **Defining what success looks like up front:** Leadership and stakeholders must be in agreement on the definition of success at each phase of the implementation process to manage expectations of all participants.

G-Invoicing Implementation Framework



G-Invoicing Implementation Framework

What is the G-Invoicing Implementation Framework?

KPMG will deploy the G-Invoicing Implementation Framework (GIIF) to guide our clients to a successful implementation. The GIIF Framework is comprised of five components: 1) Program Management, 2) Data Strategy and Reconciliation, 3) Business Process Reengineering, 4) Change Management, and 5) Technology Optimization. Focusing on these

components will help assist our federal partners in aligning their goals and strategies, developing a governance structure, and designing an IT infrastructures based on Treasury’s requirements.

What does implementation entail?

The GIIF “Issue-to-Impact” approach will assist federal agencies to address the issues and expected challenges and deliver comprehensive and sustainable solutions.

G-Invoicing Implementation Framework (GIIF)					
	Program Management (PM)	Data Strategy and Reconciliation (DS&R)	Business Process Reengineering (BPR)	Change Management (CM)	Technology Optimization (TO)
The issue	Agencies will be tasked with creating a plan and methodology in order to successfully transition to Treasury’s G-Invoicing platform.	Agencies will need to transition a complete population, all open and new, Interagency Agreements (IAA) as of the implementation date.	Agency-specific Intragovernmental grantor/performer processes will require new additional steps and internal controls.	G-invoicing will impact how agencies conduct intragovernmental grantor/performer transactions and business practices.	System changes and technology enhancements will be required in order to comply with G-Invoicing platform requirements.
Our impact	KPMG will develop a robust G-invoicing project plan, timelines, executive dashboards, and status updates to monitor and manage the progress of the project.	KPMG will establish a data strategy to capture required data to perform internal controls, transact in G-Invoicing, and derive audit trails.	KPMG will document agencies’ current landscape, build the target state for interfacing with G-Invoicing process and collaborate with stakeholders impacted.	KPMG will develop trainings, and strategic communications and support governance bodies enabling the changes leadership seeks to achieve.	KPMG will assist clients with defining system requirements to comply and interface with G-Invoicing, as well as implementing technology accelerators.
GIIF Toolkit					
	PM	DS&R	BPR	CM	TO
Tools and Templates	<ul style="list-style-type: none"> Develop Charter and Scope Develop Project Plan and Roll Out Schedule Establish a Steering Committee Coordinate a Working Group Create Executive Dashboards, Scorecards, Risk Logs, and Timelines Document Lessons Learned 	<ul style="list-style-type: none"> Establish a Standardized Data Taxonomy with Trading Partners (TP) Assess TP data population and define improvements Perform Data Mining and Cleansing to Standardize Data Elements and Reporting Develop and Monitor Data Reconciliation Tracker 	<ul style="list-style-type: none"> Develop Current and Future State Process Flows and Narratives Perform Internal Controls Gap Analyses Design Internal Controls to Address Material Weaknesses Develop Tools and Templates for Process Standardization Conduct Policy Reviews 	<ul style="list-style-type: none"> Establish and Support Governance Bodies and Working Groups Define Roles and Responsibilities of Stakeholders Draft Memorandum of Understanding with TPs Develop Training Material and Facilitate Workshops Develop and Facilitate Agency G-Invoicing On-boarding Orientation 	<ul style="list-style-type: none"> Leverage ETL Tools such as Alteryx, Python, and/or SQL for Data Analytics Apply Artificial Intelligence and Automations for Efficiencies Create/Modify Existing Invoice File Develop Workflow to Enable Receipt and Acceptance Process Support System Change Requests for Required Compliance with G-Invoicing

G-Invoicing Challenges, Lessons Learned, and Accelerators



Program Management (PM)

PM focuses on helping an organization reach its overarching business goals through ongoing strategic initiatives

Challenges:

- Identifying TPs in a similar stage of onG-Invoicing implementation
- Coordinating and managing multiple G-Invoicing work streams in parallel with different TPs and scenarios
- Identifying all stakeholders to establish Steering Committee and Working Groups
- Defining the scope and population of agreements, purchase orders and transactions
- Gathering an inventory of G-Invoicing impacted systems and assessing gaps

Lessons Learned:

- Utilize a project management method to establish a plan and track the progress of the initiative
- Establish leadership expectations and set roles and responsibilities with stakeholders early
- Understand the data constraints and system limitations to develop mitigations

Accelerators:

- **People:** Identify engaged Champion and Sponsor who will actively remove barriers to improve success rates
- **Process:** Deploy a portfolio, program, and project management methodology to offer a consistent, structured approach to project management throughout its entire lifecycle



Data Strategy & Reconciliation (DS&R)

DS&R focuses on gathering data, data cleansing, data reconciliation with trading partners, cleanup of old agreements, and identifying data gaps.

Challenges:

- Identifying budget, acquisition, and system officers for TPs with intimate knowledge of transactions, data flows and repositories
- Gathering system requirements and leveraging data analysts with extensive knowledge of internal agency operations, finance, and systems capabilities
- Assessing completeness and accuracy of the data population
- Handling high volumes of agreements and purchase orders to reconcile, cleanse, and load to G-Invoicing
- Understanding the lifecycle of the transaction as it moves from one system to the next, including trading partner and service provider systems

Lessons Learned:

- Identify and leverage data populations provided to the external auditors to create efficiencies when possible
- Create strong partnerships with service providers and process and/or transaction officers, as they have insights and bring additional value and knowledge to the discussion
- Align forces with complementary transformation efforts, such as TP elimination efforts

Accelerators:

- **People:** Partnerships are key and forums must be created to engage cross-collaborative efforts
- **Process:** Conduct data analysis using KPMG-developed templates to support data cleansing efforts effectively and efficiently.
- **Technology:** Leverage pre-existing KPMG scripts, to create repeatable processes for analyzing data and joining disparate data sources



Business Process Reengineering (BPR)

BPR focuses on the analysis/redesign of core business processes to achieve the substantial improvements in its performance, productivity, and quality

Challenges:

- Coordinating with policy and systems offices to assist with changes in agency guidance
- Capturing the process of day-to-day operations for varying stakeholders that may operate differently within their sub-organization
- Gathering Key Supporting Documents (KSD) needed to fulfill processing steps for the agency and its TP
- Impact assessment of changes to the process and the importance of business rules for interim and long-term solutions

Lessons Learned:

- Utilize and include the agency's policy and system offices early in the process to conduct a review of all policies and systems that will require updating after the future state is implemented
- Collaborate with auditors and subject matter resources to review redesigned process, validate internal control designs and KSD effectiveness and sustainability

Accelerators:

- **People:** Work with system developers to initiate system changes quickly to limit the use of interim manual processes and internal controls
- **Process:** Identify process steps and internal controls that are candidates for automation and tools to eliminate manual process steps
- **Data:** Leverage data mappings and system engineers to support knowledge gaps
- **Technology:** Identify tools and technology readily available to the agency that may be of use for process improvements



Change Management (CM)

CM focuses on the discipline that guides how we prepare, equip and support individuals to successfully adopt change in order to drive organizational success and outcomes.

Challenges:

- Lack of incentives to get all stakeholders to the table and willing to take on extreme changes necessary for compliance
- Training personnel to buy into not only the plan, but the full scope of the G-Invoicing platform, benefits and return on investment
- Engaging TPs to perform CM activities at the same pace to allow for timely rollout and transitions
- Breaking through the operational silos constructed within agencies and bureaucracy barriers

Lessons Learned:

- Create a vision and case for change, outlining and clarifying at each stage the changes and underlying behaviors required of staff for full scope implementation
- Develop and disseminate a Memorandum of Understanding with each trading partner to outline roles and responsibilities for each party to carry out
- Provide Guidance and Orientation Material to offices that will be impacted by the G-Invoicing implementation

Accelerators:

- **People:** Develop and execute a Strategic Communication Plan to provide key stakeholders a timeline and action plan of key milestones
- **Process:** Deploy a "Five Step" Behavioral Change Management approach to deliver change across agencies and its trading partner
- **Technology:** Leverage technology, such as video conferencing, screen-sharing capabilities and shared folders, to engage remote stakeholders timely and consistently, alleviating travel costs and improve timeliness of delivery



Technology Optimization (TO)

TO focuses on using technology to more effectively achieve the goals of the G-Invoicing mandate.

Challenges:

- Reviewing vendor system capabilities to access if system changes will be feasible and in the realm of possibility to successfully implement G-Invoicing
- Developing a centralized repository for all agency stakeholders to store KSD
- Receipt and Acceptance workflow and tool identification and selection process
- Implementation of new technology solutions in a classified data environments

Lessons Learned:

- Cross collaborate with industry, federal governments (including state and local) and technology vendors to identify successful technology solutions
- Identify solutions that can be leveraged by numerous agencies to create efficiencies

- Confirm processes are operating effectively prior to implementation of robotic process automations (RPA) or artificial intelligence (AI) solutions

Accelerators:

- Leverage Technology Business Management to enable collaboration between Finance and IT.
- Implement BPM-type tools similar to ServiceNow or Salesforce to address agency-specific requirements not captured within agency or Treasury systems
- Leverage technology like Alteryx or Python/R to wrangle, cleanse, and analyze data
- Implement the use of Tableau or PowerBI to visualize G-Invoicing metrics, such as progress on data cleansing



Embracing the Benefits of G-Invoicing Implementation Framework



Cost Reductions

- Successful G-Invoicing technology modernization efforts will result in streamlined system integration, reduction in maintenance costs for antiquated systems, decrease in idle time spent on low value activities and manual processes.
- Decrease in audit costs, as improved reliance on the new and improved internal controls could minimize substantive testing
- Enable a streamlined interagency agreement process, leading to strategic partnering across the government and procurement savings related to economies of scale.



Optimized Operations and Improved Program Management

- Provide additional transparency, by leveraging real-time data, to improve leadership visibility into operational successes and opportunities for improvement.
- Enable business functions such as Planning, Programming, Budgeting, and Execution (PPBE), procurement, and performance reporting in their support of high-impact mission-related activities
- Improve communications between trading partners, program managers and financial operations leading to collaborative and informed decisions



Improved Audit Posture

- Deliver capability to track intragovernmental transactions from initiation to payment with workflow functionality documenting approvals and activities
- Standardize key supporting documentation and derive agreement, purchase order, and transaction population completeness with minimal efforts
- Implementation of a robust control environment to sustain the future state.

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