



Treasury Financial Manual

Chapter 9500

Revised Federal Financial Management System Requirements for Fiscal Reporting

This chapter notifies agencies of the revised Federal Financial Management System Requirements.

Section 9510—Scope and Applicability

One purpose of the Federal Financial Management Improvement Act of 1996 (FFMIA) was to provide for the establishment of uniform financial systems, standards, and reporting. In support of this purpose, the Financial Systems Integration Office (FSIO), previously the Joint Financial Management Improvement Program (JFMIP), developed and issued core financial system requirements and administered a software certification program to evaluate financial system software for compliance with the requirements. Activities to implement FFMIA became increasingly burdensome over time and offered limited flexibility to reduce the cost, risk, and complexity of financial system modernizations. To remedy these issues, the Office of Management and Budget (OMB) assigned the Department of the Treasury (Treasury) the responsibility of developing and maintaining a revised set of financial management system requirements.

Section 9515—Authority

For agencies subject to the Chief Financial Officers Act of 1990 (CFO Act), this Treasury Financial Manual (TFM) chapter provides guidance for using these requirements when determining compliance with the FFMIA.

Section 9520—Terms and Definitions

For terms and definitions related to this chapter, please view the [TFM Glossary](#).

Section 9525—Requirements

Appendix 1 below contains the revised Federal Financial Management System Requirements that Treasury updated, in consultation with federal departments and agencies and other financial management stakeholders. The updated requirements are revised to:

- focus on business outcomes rather than technology,
- be neutral to how an agency achieves the financial management business outcomes (e.g., software, shared services),
- emphasize financial management outcomes unique to the federal government (e.g., funds control), and
- apply to both administrative systems and programmatic systems that support financial management business outcomes (that is, “mixed systems”).

Agencies should use the Federal Financial Management System Requirements in the pre-acquisition, acquisition, and implementation of new financial management solutions (manual or automated). In addition, agencies should use the Federal Financial Management System Requirements in accordance with Appendix D (Compliance with the Federal Financial Management Improvement Act of 1996) to OMB Circular A-123 (Management’s Responsibility for Enterprise Risk Management and Internal Control). Appendix D is a new appendix to Circular A-123 and contains an outcome-based approach to assess FFMIA compliance through a series of financial management goals that are common to all agencies.

Supplemental Information: As managing partner for the Financial Management Line of Business (FMLoB), Treasury’s Office of Financial Innovation and Transformation has developed a set of FM Standard References, which include the Federal Financial Management System Requirements and other documents, to guide agencies in improving the cost, quality, and performance of federal financial activities and solutions (Financial Management Standards).

Contacts

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Appendices Listing

Appendix No.	Title
1	Federal Financial Management System Requirements

Summary of Updates in this Release

Section Number	Section Title	Summary of Changes
		Updated authoritative reference by removing

Appendix 1	1.1.3.1, 1.1.3.3	SFFAS 8: Supplementary Stewardship Reporting, and adding SFFAS 57: Omnibus Amendments 2019.
Appendix 1	1.1.3.2, 1.1.3.3, 1.1.4.1, 1.1.4.2	Updated authoritative reference by adding SFFAS 54- Leases: An Amendment of SFFAS 5, Accounting for Liabilities of the Federal Government, and SFFAS 6, Accounting for Property, Plant, and Equipment (Effective for reporting periods beginning after September 30, 2023. Early adoption is not permitted). Removed an example requirement related to capital leases from the business capability statement.
Appendix 1	2.2.1.1	Updated authoritative reference by removing references to the DUNS number.
Appendix 1	2.2.2.3	Updated authoritative reference by removing references to TFM guidance and adding reference to OMB Circular A-123 Appendix B, A Risk Management Framework for Government Charge Card Programs in its place.