



Treasury Board of Canada
Secrétariat

Secrétariat du Conseil du Trésor
du Canada

Canada

GCFM Planning, budgeting and forecasting Prototype

DRAFT

Presentation to:
Performance Planning and Exchange community
Presentation by: **Ghislain Cardinal January 24th, 2017**

SAP Business Planning and Consolidation (BPC) for the GoC

Vision to aim for a centralised infrastructure to support planning and analytics solutions for the GoC.

Objectives;

1. Provide the Management community with a management centric tool to Plan and Forecast Expenditures that will enable the community to adopt common practices, terminology, tools and streamline the needs information requests by capturing the information once and leveraging it for multiple purposes.
2. Provide GCFM and non GCFM departments with a robust planning and reporting tool and solution that aligns with TBS Policy and common departmental requirements.
3. Reduce overall government of Canada spend and implementation risks on Technology projects related to financial Management (reducing duplication in efforts for both infrastructure and software).
4. Leverage lessons learned from departmental implementation experiences

What is SAP BPC

SAP BPC is a component of **SAP** Enterprise Performance Management (EPM) portfolio, an application dedicated to financial processes on a unified platform. Owned by the business and designed for the end user, it is the target environment to support planning, consolidation and financial reporting.

Tool features;

- Automated production of input templates
- Workflow approvals with email notifications
- Data Locking based on status
- Data retraction to transactional system
- Drill down/ drill through functionality
- Ability to record comments
- Audit functionality
- Web or Excel based templates and reports

BW/BPC Scope

Strategic Financial Planning

The planning and budgeting process begins with the Annual Reference Level Update as an input to the development of notional budget allocations to responsibility centres and other planning dimensions, including authorities, objects of expenditure, program activities and projects. Notional budget allocations are envelopes within which responsibility centre managers develop their detailed annual budgets.

Operational Financial Planning and Forecasting

Based on the notional budget allocations and the integrated planning package, operational plans are developed at the business-unit level. These plans outline the activities that business units will undertake to help the department achieve its strategic objectives. Operational plans include key performance indicators and may include requirements for human resources, information management and information technology, office accommodations and communications.

Financial Reporting and Analytics

Forecasting information will be automatically summarised and a portion of the financial Situation report automated. Trends analysis on Budget, Expenditures, Commitments and Forecasts. Some mandatory financial reporting requirements will be addressed.

Getting to an approved Initial Budget Allocation

**Strategic
Financial
Planning**
(Notional Budget)

Top to Bottom approach

**Approved
Initial Budget
Allocation**

**Operational
Financial
Planning**
(Budget Asks)

Bottom to top approach

Strategic Planning

Departmental Priorities

Program tagging

Corporate Risk register

Annual Reference Level Update

Investment Planning

Key Performance indicators

Operational Planning and Forecasting

Deliverables and Milestones

Salary

Goods and Services

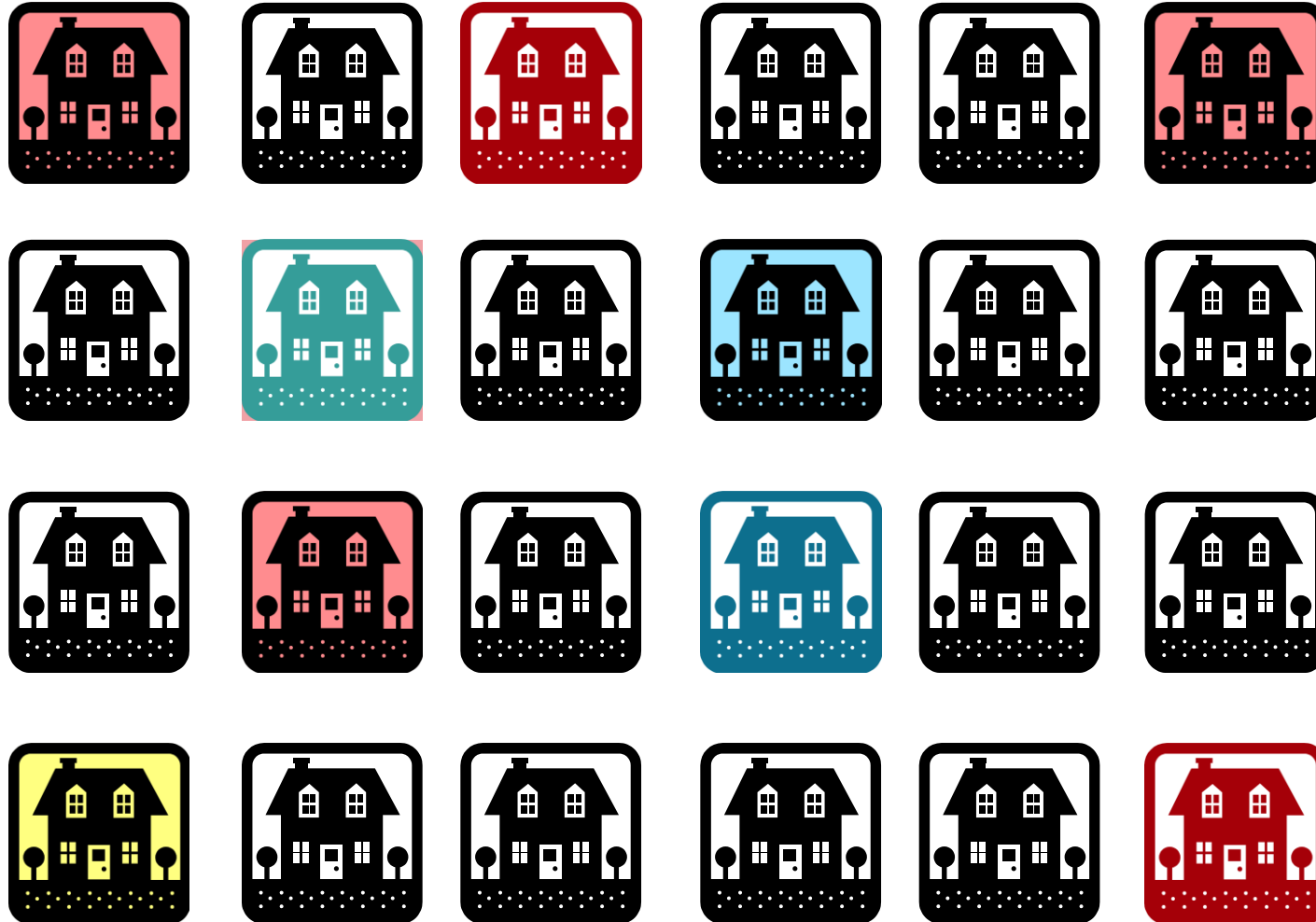
Travel Hospitality and Conferences

Projects

Grants and Contributions

Revenue

Infrastructure? Current situation...

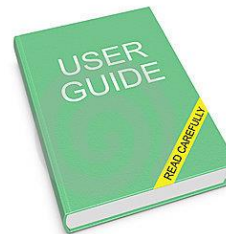


Vision: Progression Towards BW/BPC for the GoC



Risks? What risks?

Common Business process
Common terminology
Common templates
Common training
Common documentation



dreamstime.com



If all fails?

Current process is in excel...



Still good
Value!

Prototypes / Timelines

GCFM prototype 1 – March 31st

- Base Operational Planning Model Prototyping
 - Deliverables and Milestones
 - Salary Planning and Forecasting
 - Travel, Hospitality and Conference Planning and Forecasting
 - Goods and Services Planning and Forecasting

GCFM prototype 2 – June 30th

- Strategic Planning model Prototyping
 - Pre-planning, Master data maintenance, program tagging
 - Annual Reference Level Update
 - Strategic Investment plan (portfolio Management)
 - Notional Budget Allocation
 - Initial Budget Allocation

**Disclaimer;
This is only a draft
timeline.**

GCFM prototype 3 – August 30th

- Expanded Operational Planning Model Prototyping
 - Project Planning and Forecasting
 - Grants and contributions Planning and Forecasting
 - Investment Planning and Forecasting
 - Revenue Planning and Forecasting
 - Other Integrated Planning components (TBD)

Reporting and Analytics - due October 31st

- Strategic reporting and analytics
- Operational reporting and analytics
- Mandatory Corporate reporting
- Key performance indicators

What's Next?

Project Management Approach; SAP activate methodology /
Agile Development of products

Base prototypes are being developed feed discussions with subject matter experts around town

Client Engagement

1. Project will be divided in specific streams
2. Working groups will be setup to provide input on the various components (i.e. revenue forecasting)
3. Feed back will be collected and Feed the design of the prototypes

Key Benefits

- Uniform Planning process for multiple Federal Departments
- Common tools for stakeholders in the Expenditure Management cycle
- Manager Centric solutions
- Streamlined data requests from managers enabling them to focus on their deliverables. (ask for the data once and generate multiple outputs)
- Enabling the departments / the GoC to be more proactive due to better information in a timely fashion
- Enabling the analysts with rich data and flexible analytical tools.
- Opportunity to work collaboratively with peers across government on common tools (ease of identifying peers based on system roles)
- Positions the center to enable Departments with tools to address emerging policy changes
- Automatic compliance to some policies and MAF requirements
- Reduced risks for financial reporting IT projects and better return on investment overall for GoC

Overall tentative project Timelines

Preparation and Exploration – November 2016 to January 2017

Prototypes

- Base Operational Planning and Forecasting (1) – March 31st 2017
- Strategic Planning (2) - June 30th 2017
- Expanded Operational Planning and Forecasting (3) – August 30th 2017
- Reporting and Analytics – October 30th 2017

Development - November 1st 2017 to February 28th 2018

Quality Assurance – March 1st to May 30th 2018

Production ready* – September 1st 2018

* Production ready does not mean that departments will be using the tools, Onboarding on the tool will be gradual over a time period. Candidate departments will be identified and prioritized.

** Assuming that SSC delivers infrastructure on time and that the GCFM project and the non GCFM clients can actively participate in the stream working sessions.

Any Questions?

