

Government Resource Planning (GRP) and Interoperability

Situation

- Governments implement custom and Commercial-Off-The-Shelf (COTS) Financial Management Information Systems (FMIS) and subsystem software to support Public Financial Management (PFM) objectives.
- Financial software portfolios managed by governments include core commitment accounting, and treasury management functionality extended with subsystems such as asset, customs, debt, human resources, procurement, and tax administration management.
- Public sector decision-makers benefit from rich, comprehensive, and timely data generated by software portfolios. Fiscal transparency is also enhanced through financial management systems.

Complication

Governments rarely fully benefit from financial management portfolios because of a lack of **interoperability** among systems. Common issues include:

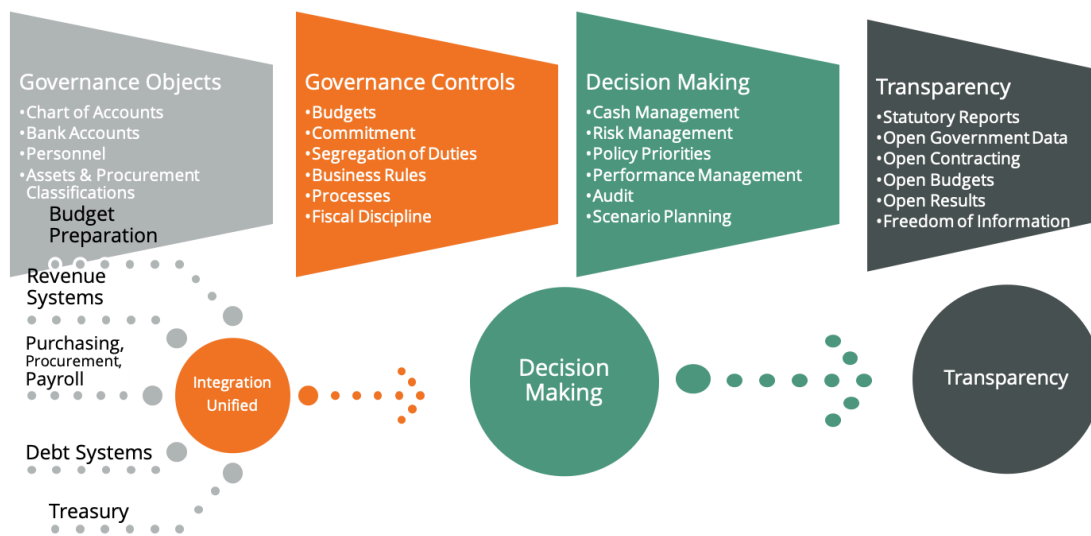
- Data quality problems, with delays, inconsistencies, and varied definitions (metadata) among systems impairs decision-making and compromises transparency portals, statutory reports, and audits.
- Lack of consistent and integrated budget and commitment controls across all financial functions leads to non-compliant spending and increased arrears that compromises fiscal stewardship.
- Limited integration capabilities within COTS suites and custom software, often due to outdated technology and disparate platforms results in many “versions of the truth”.

Question

- How can governments achieve better interoperability using COTS software, facilitating integration with other financial systems?

Solution

Modern enterprise-class software, like the FreeBalance Accountability Suite™, leverages a “unified” design for seamless interoperability.



The FreeBalance Accountability Suite™ seamless supports interoperability across all modules, while facilitated interoperability with other financial systems in use by governments through:

- **Governance Objects:** Reusable components across applications ensure system-wide semantic metadata consistency.
- **Integrated Information:** Employs these components as metadata targets for other systems, supported by open integration standards.
- **Governance Controls:** Implements budget and commitment controls across all integrated applications for consistent compliance.
- **Decision Making:** Provides timely, accurate, and integrated data for enhanced dashboards, analytics, and reporting functionalities.
- **Transparency:** Facilitates automated fiscal transparency portals through seamless system integration.

Appendix: Supporting Material

FreeBalance blog entries

- [Interoperability in Public Financial Management Systems](#)
- [The Importance of Interoperability in Government eProcurement](#)