

# Federal Register Notice



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON D.C. 20503

## OFFICE OF MANAGEMENT AND BUDGET

OMB Circular A-127, "Financial Management Systems"

**AGENCY:** Office of Management and Budget, Executive Office of the President

**ACTION:** Final Revision

**SUMMARY:** The Office of Management and Budget (OMB) is adopting the interim final revision to OMB Circular A-127, "Financial Management Systems," that changes the process for acquiring software to meet core financial system requirements by eliminating the restriction to only acquire the software and related services from the FMSS Schedule, and to provide for software testing that is independent of the procurement process. These changes will result in the revision of Sections 8d and 9b, as well as adding a new Section 9a(3) and 9c. These changes are shown below.

**DATE:** Effective September 12, 1999.

**FOR FURTHER INFORMATION CONTACT:** Jean Holcombe, Federal Financial Systems Branch, Office of Federal Financial Management, Office of Management and Budget, (202) 395-3993. The revisions to the Circular are available on the OMB Home Page at /OMB.

**SUPPLEMENTARY INFORMATION:** On July 1, 1999 (64 FR 35701), the Office of Management and Budget (OMB) issued an interim final revision to OMB Circular A-127, "Financial Management Systems." The interim final revision made changes to Sections 8d and 9b, as well as adding a new Section 9a(3) and 9c to Circular A-127, in order to eliminate the restriction to only acquire the software and related services from the FMSS Schedule, and to provide for software testing that is independent of the procurement process. No comments were received in response to the interim final revision. Accordingly, OMB is adopting in final form, without change, the interim final revision to Circular A-127 which was published at 64 FR 35701 on July 1, 1999.

Issued in Washington, DC, August 9, 1999

/S/

**Norwood J. Jackson, Jr.**

*Acting Controller*

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**OMB revises Circular A-127 as follows.**

**1. Section 8d of the current Circular should be deleted in its entirety and replaced with the following:**

8d(1). *Use of "Off-the-Shelf" Software.* Agencies replacing software to meet core financial system requirements are required to use the GSA FMSS Multiple Award Schedule until its expiration on September 30, 1999. As of October 1, 1999 agencies replacing software to meet core financial system requirements are no longer required to use the GSA FMSS Multiple Award Schedule; they must use "off-the-shelf" software that has been tested and certified through the JFMIP software certification process as meeting JFMIP Core Financial Management System Requirements. Agencies may purchase this software using the strategy and procurement vehicle they believe will best enable them to meet their needs in a timely and effective manner following the competition requirements associated with the procurement vehicle being used to conduct the acquisition.

In addition, agencies will notify JFMIP that a core financial management software procurement is planned -- preferably prior to, or in the early phases of, acquisition planning. JFMIP will electronically post a public message to permit interested certified system vendors to market agencies. The sole purpose of this message is to facilitate agency market research. This message is not intended to, and shall not, serve as an invitation for offerors to submit bids , proposals, or quotes.

OMB policy pertaining to using "off-the-shelf" software is contained in OMB Circular A-130 and must be followed when replacing financial management systems.

8d(2). *Software Certification Testing.* "Off-the-shelf" software will be tested to ensure that it meets core financial system requirements as defined in the *Core Financial System Requirements* document published by JFMIP. JFMIP will coordinate the testing process and issue software certifications. Information on the details of the certification testing process and its results will be available to any interested Federal agency for any certified software package.

**2. A new section 9a(3) is being added to the current Circular as follows:**

9a.(3). *Notify JFMIP on Plans to Acquire Core Financial System Software.* Agencies shall notify JFMIP on plans to acquire software supporting core financial system functions.

**3. Section 9b of the current Circular is revised to read as follows:**

2. 9b. *GSA Responsibilities.* GSA is responsible for continuing to support existing contracts under the FMSS Schedule until their completion. GSA also will make procurement vehicles available to agencies for acquiring software which has been certified according to the processes in Section 8d(2).

**4. A new Section 9c is being added and will read as follows:**

9c. *JFMIP Responsibilities.* JFMIP will establish processes for testing "off-the-shelf" software supporting core financial system requirements which include:

- developing and administering the certification test.
- notifying GSA when a software package successfully completes the certification test.
- providing interested parties with information on the core financial system requirements and their related testing scenarios.
- providing interested parties with details on the results of the certification tests for certified software packages.
- posting a public notice on planned core financial system procurements.