ENTERPRISE SERVICES CENTER

Statement of Capabilities

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"Without accurate and timely financial information, it is not possible to accomplish the President's agenda to secure the best performance and highest measure of accountability for the American people."

President George W. Bush

President's Management Agenda 2002

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Introduction

Many federal agencies are struggling to find comprehensive accounting services that meet all their needs from on-time reports to compliance to assistance with clean audits.

Piecing together financial information from different sources can lead to incomplete or inaccurate reports, and implementing a complex integrated financial management system is beyond the budget and time constraints of many agencies.

ESC, and OMB-approved Federal Financial Management Center of Excellence, provides a cost-effective way to integrate and manage all of your accounting needs, from financial statements to budgeting and procurement and more.

Who We Are

The Enterprise Services Center (ESC), a cross-servicing division of DOT, provides complete financial management systems backed by over 30 years of experience in cross-servicing. We are an OMB-approved Federal Financial Management Center of Excellence , with experience in:

- financial management systems (Delphi)
- accounting services
- information technology and services
- consulting
- human resources
- payroll
- procurement services

ESC is a clear leader in its ability to achieve clean audits for its customers. ESC has achieved clean audits for 100% of its customers, one of the critical components to achieving success for the PMA.

Beyond the proven success of providing clean audits, ESC has grown because it continues to attract customers due to cutting-edge solutions, professional services, competitive costs and excellence in customer service.

ESC is able to demonstrate particular success in the critical areas of lowering costs, scalability, customer service and partnering.

Why ESC?

Experience

Since 1998, ESC has successfully configured and set-up over 15 sets of books in our Delphi Federal Financial Management System, which is based on Oracle Federal Financials.

In November 2003, DOT became the first cabinet-level agency to successfully implement Oracle Federal Financials for all bureaus (Operating Administrations) within the Department on a single instance of the software.

From April 2000 to November 2003, ESC converted data, trained and supported users, and implemented 14 DOT bureaus (Operating Administrations) on Oracle Federal Financials. During this time, ESC also created a set of books for the new Transportation Security Administration.

ESC has also successfully upgraded Oracle Federal Financials four times. We are currently operating release 11.5.9 of the Oracle Federal Financials application software using the Oracle 9i database with major upgrades scheduled every 12 to 18 months. We currently have 3,500+ users on our production Delphi system – more Oracle Federal Financials users than any other Center of Excellence.

Competitive Costs

ESC has invested over $125 million to develop the software, hardware and systems to meet the various business requirements of our different bureaus, so that we can stay current with all Federal accounting requirements.

The use of the Delphi COTS system has resulted in less cost and more flexibility. It reduces or eliminates customization, which saves significant dollars in implementation, maintenance, upgrades and support resources.

The benefit to customers is the cost savings that they realize due to economies of scale achieved by spreading fixed costs over a large customer base. If appropriate, we can also run all sets of books for a large agency on a single instance of Oracle Federal Financials software. This practice keeps conversion and operating costs as low as possible.

In addition, ESC is able to recruit and retain high quality staff in Oklahoma City at very competitive wages, which further lowers our cost base.

Cross-Servicing

Since the 1960s, ESC has provided fee-for-service cross-servicing to numerous federal agencies.

ESC currently services approximately 3,500+ Delphi users. ESC's management of Delphi and related value-added services demonstrate its ability to deliver large-scale bundles of cross-servicing products.

Some examples:

- the FAA chose ESC to consolidate its eight geographically dispersed accounting operations,
- DOT chose ESC to begin consolidation of their accounting operations
- and the Department of Education chose ESC to manage their Permanent Change of Station (PCS) operations.

Technological Innovation

In our partnership with Oracle, ESC has proposed, helped to develop and driven to implementation significant enhancements to the "out of the box" Oracle Federal Financials version that was introduced 6 years ago.

For example, DOT worked closely with Oracle Consulting to develop an entirely new obligations interface. It enables feeder systems to interface large volumes of both upward and downward adjustments to obligations – an automated process not common.

Other innovations have included:

- DOT's selection of the three e-Travel systems awarded by GSA
- Developments to enhance the value of the analysis required by the Improper Payments Information Act
- Developing our "Do It Yourself" (DIY) web site, which enables the public to pay DOT for services and fines on-line using a credit card. One user even wrote that using DIY is "as easy as ordering a pizza."
- Consolidated, single screen, web-enabled Time and Attendance and Labor Distribution entry system that supports and interfaces cost accounting data into Delphi.
- A new real-time, web-enabled "client-side validation" process that will enable both our travel credit card and procurement credit card feeder system to validate accounting strings and cross-validation rules before interfacing the data into Delphi. This new capability, currently being tested, will greatly reduce the number of errors that have to be manually corrected in the accounting system.

Scalability

ESC has numerous long-term contracts in place to meet the cyclical demands of customer workflow. For example, the hosting requirements are scaled using contracts to provide leased hardware and software licensing as needed, and to provide additional staffing to cover areas such as information technology support services, customer service center support, accounting contractors, and document imaging software and support. These services are written under various contract types, including Indefinite Delivery, Time and Material/Labor-Hour, and Firm Fixed-Price.

Partnerships

ESC's execution of public-private partnerships is cutting edge and requires tremendous coordination among all parties. Our innovative approach is already creating interest from other agencies as we all try to meet the President's Management Agenda.

ESC is actively seeking new partnership solutions to help support our Financial Management Center of Excellence, and will continue to examine ways to contain costs and provide value through partnerships.

Customer-Driven Enhancements

DOT has established a Delphi Management Committee *composed of customer representatives* who meet monthly to do the following:

- provide management oversight to ensure quality system operations
- review and prioritize system enhancement requests based on the customers' requirements
- reach consensus in scheduling major system upgrades
- provide budgetary oversight for the Delphi Team.

In addition, our Delphi Executive Steering Committee provides executive-level oversight for the program and approves the equitable sharing of costs among customers.

Proven Quality

ESC is known for its quality. More than 40 performance measurements are tracked for customer satisfaction, quality, efficiency, timeliness, responsiveness, and innovative processes. The following table shows just a few examples of the ESC quality metrics.

ESC Performance Metrics		
	Service	**Benchmark**
	System Performance	
1	Availability	99% availability during Monday - Saturday: 6:00 AM to 9:00 PM EST
2	Computer Performance - Response Time	95% of successful user log-ons complete in less than 3 seconds
3	Computer Performance - Report Processing	90% of web report complete in 10 seconds
	Customer Support	
4	Tier 1 Help Desk	95% within 1 minute
5	Tier 2 Help Desk	**Emergency** - priority until complete **Critical** - 2-3 days **High** - 30 days
6	Customer Satisfaction	> 90% favorable survey results < 5% unfavorable survey results
	Accounting Disbursements	
7	Prompt payment	98% of all payments made in accordance with prompt payment guidelines
8	Travel voucher disbursement	<= 6 business days following receipt of signed voucher
	Accounting Reports	
9	Financial reports	100% submitted on time
10	Accountability reporting	100% Clean audits
	Accounting Production	
11	Fund balance with Treasury	less than 2%
12	Suspense account items	90% cleared within 60 days
13	Delinquent debts owed	80% referred to Treasury within 60 days of final notification of debtor
14	Electronic payments	96% of vendor and employee travel payments
15	Interest penalties paid	less than 0.02%
16	Travel card delinquency rates (IBA)	less than 2%
17	Travel card delinquency rates (CBA)	less than 1%

ESC also focuses on gathering input from independent sources that provide the most objective data for quality performance analysis. For example, ESC recently

contracted with IBM to assess the optimal organization of ESC as a Financial Management Center of Excellence.

ESC has successfully undergone an SAS 70 audit, an internationally recognized auditing standard developed by the American Institute of Certified Public Accountants (AICPA). SAS 70 is widely recognized because it represents that a service organization has been through an in-depth audit of its control activities, which generally include controls over information technology and related processes.

All ESC departments have been ISO audited to help develop appropriate quality procedures and processes, and some have been ISO certified. And ESC continually conducts quality and competitive benchmarking to establish criteria for further improvements.

Customer Relations

ESC's Customer Service Center is the largest support center within the DOT.

The center provides PC and mainframe support for a wide range of applications, operating systems, and platforms. Approximately 21,500 DOT users are supported, including the 3,500+ users of Delphi. The service center logs about 7,000 calls a month. The average time to answer a call is less than 23 seconds, and customer needs are resolved in 3 out of 4 first calls.

The Customer Service Center's Help Desk offers customers a three-tier support system ranging from 'how to' questions to high-level support of baseline programs. Emergencies are addressed immediately on a 24/7 basis.

Customer satisfaction surveys are sent periodically to customers to measure levels of satisfaction and to determine how services can be improved.

ESC also has implemented the Ambassador program, which provides on-site financial systems expertise for clients with especially complex situations who need an additional level of customer service.

Service Highlights

The Delphi financial management system

The Delphi financial management system is an Oracle COTS (Commercial Off-The-Shelf) solution. ESC partnered with Oracle to provide a streamlined, efficient 'global build', which provides all essential federal financial functions. Redundant data and processes are eliminated and upgrades are much less expensive to complete. Specific customer needs can be addressed without customization, which reinforces the global build advantages.

Delphi is aligned with the Federal Enterprise Architecture and is compliant with the Joint Financial Management Improvement Program (JFMIP) requirements. Delphi's financial statements meet OMB and Treasury requirements, and its online tutor function accurately reflects federal financial accounting processes.

Delphi provides efficient, integrated financial management for DOT's 60,000 employees and $58.6 billion annual budget.

Prior to Delphi, year-end processing time averaged three weeks. With the introduction of Delphi, year-end closing time was reduced to one day!

This experience, plus ESC's expertise in servicing large agencies, puts ESC years ahead of other Centers of Excellence.

Accounting Services

ESC provides complete accounting services to 15 federal agencies. Its customers include the Federal Aviation Administration, the Department of Education, the Federal Highway Administration, and the Transportation Security Administration, among others. Its services include general ledger, accounts payable, accounts receivable and asset and project (cost) accounting, as well as the full range of managerial and regulatory reporting.

ESC has submitted all financial statements on time 100 percent of the time. It currently processes about 250,000 accounts payable transactions per year, with an on-time rate of 99.96 percent. It is a key contributor to DOT's current high payment success rate of 99.9824 percent.

ESC's accounting services staff of more than 350 is comprised of accountants (including several CPAs and CGFMs), financial specialists and accounting technicians, all of whom are fully trained in the Delphi financial system.

Information Technology

ESC's Data Center has provided data automation solutions to the FAA for over 40 years and to DOT for over 20 years.

ESC provides everything from simple hosting to complex clustered systems with a variety of data storage requirements. The Data Center, with over 200 servers and more than 50 terabytes of storage, has the ability to quickly scale for even the largest of users.

SECURITY

ESC excels in all three areas of IT security:

- computer data safety
- physical plant safety
- personnel training and screening.

ESC's IT security package has successfully undergone all DOT/Inspector General audits. An independent systems security team is on site to ensure continued compliance.

Security features include redundant firewall-protected access, automated intrusion detection, protection for Internet accessible systems, limited key card access, armed security guards, and continual monitoring with closed circuit cameras. Its facility, located on the campus of the FAA Mike Monroney Aeronautical Center in Oklahoma City, is a DOT-certified secure facility and is among the safest anywhere.

Personnel are carefully screened and trained to support all applications, hardware, software and data management.

RELIABILITY

ESC's IT services are highly reliable. Emergency generators and distribution units provide continuous electrical service to all servers. Multiple cooling units can operate even if one unit or the building air conditioning fails. Each server has hot swap redundant hard drives and two network cards connected to redundant network switches.

DISASTER RECOVERY

ESC provides essential disaster recovery services from off-site storage to geographically separated hot site back-up systems. Its high-performance scalable platforms provide fault-resilient operations through the use of redundant power supplies, clustered servers and a Storage Area Network. Because of this, some customers use the facility as a mirror-site for critical applications or for a remote back-up site for critical data.

Conclusion

ESC's years of experience and proven track record makes it an ideal solution for clients seeking:

- expertise in cross-servicing of Federal government
- expertise with federal financial management systems and procedures
- expertise with all aspects of federal accounting
- 100% clean audits
- quick and versatile scalability of hardware, software and people
- top quality customer service
- competitive pricing abilities
- quality systems and metrics
- innovative partnerships