Products Used:

- Commercial off-the-shelf (COTS) Web technology
- Commercial off-the-shelf (COTS) relational databases

Key Benefits:

- Improved internal controls through Web-based knowledge delivery
- Easy access to context-specific information for training and real-time information updates
- Instant reporting that facilitates new programs and change management

Profile:

Name – United States Air Force Accounting and Finance Office (AFAFO)

Web site – www.af.mil

The Air Force Accounting and Finance Office was established to improve compliance with all financial laws and regulations, as well as to improve internal controls within the Air Force.

Size – AFAFO is a 10-person organization located at the Defense Financial Accounting Service (DFAS) office in Denver. AFAFO acts as a liaison between the DFAS and Air Force financial services offices.

Knowledge Management Safeguards Financial Resources

Air Force Self-Inspection Program Requires Strengthening

The U.S. Air Force financial management community is responsible for the payment processing of billions of dollars annually for goods, services, and wages. The Self-Inspection Program, in which financial management organizations complete a comprehensive set of checklist questions twice annually, is an integral part of internal controls to ensure all payments are proper and legal. To establish more effective internal controls, the Air Force Accounting

and Finance Office (AFAFO) decided to implement a Web-based knowledge management system that provides access to knowledge specifically related to self-inspection procedures.
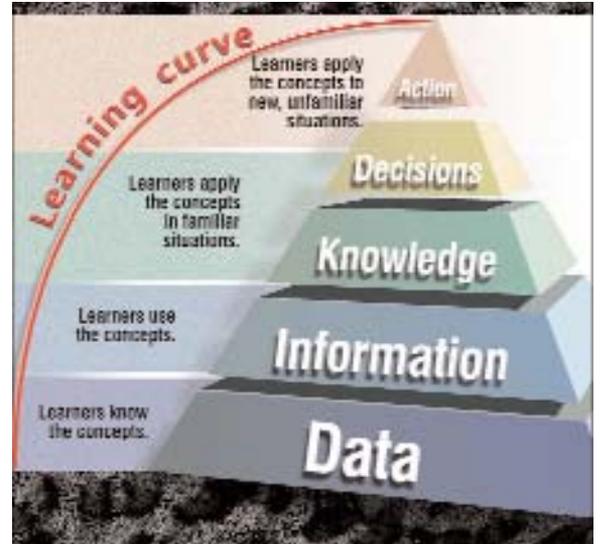
The Project Objectives:

- Strengthen the Air Force Self-Inspection Program within its financial management community
- Create always-on, worldwide access to process-based knowledge management system
- Reduce training time and compliance obstacles for easier data capture, interpretation, and use

The Solution:

After audit reports revealed inadequate internal controls as the primary cause of improper payments, AFAFO convened a task force to establish effective internal controls by strengthening the Self-Inspection Program. The task force combined their talents and experience to re-create the program as a Web-based multimedia product that uses flowcharting to identify internal control "chokepoints" and critical work processes. The AFAFO chose Intergraph Corporation to help develop and deploy the Web-based knowledge management system.

"Many financial managers viewed bi-annual self inspections as a necessary evil," said Major Joseph L. Garcia, quality assurance analyst at AFAFO. "It was an arduous task to give them the attention they required. Every major command had its own approach. We saw technology as the driver for streamlining and standardizing the process, developing better checklist questions, and ultimately setting better internal controls. With a Web-based system, we could exploit current technology and use our existing infrastructure."

Intergraph approached AFAFO's need for improved internal controls through a process-based knowledge management system. Instead of merely posting the hundreds of checklist questions on the Web, the system organizes the questions around the actual procedures the finance management organizations perform. The system architecture links the checklist questions to the related part of their workflow diagram and provides governing regulatory references, background data, and past internal control failures pertinent to that activity.

The system utilizes common Web and relational database management technologies. Technicians and supervisors answer checklist questions online, and the system transfers the results to a database, which subsequently compiles the data into reports for higher management such as AFAFO and Major Commands. The database also contains other references, which the Internet makes widely available. The database indexes, searches, and updates the data according to defined rules. All of the technologies are commercially available and low-cost. What makes the system unique is that it is process-based.

By organizing the system around internal control processes, AFAFO eliminates many problems related to knowledge management – the need to organize data to make searches more effective, present information in an easily applied format, use a common language, and stem organizational knowledge loss. In AFAFO's system, the process is the organizing principle and common language of the system, making it easier to locate specific data. Because the data relates to the process, it has immediate usability, allowing financial officers to apply the knowledge to their situation. Using the Web to access data allows users to train and retrain more easily, actually reducing knowledge loss by providing a continuous learning environ-ment.

Streamlined Internal Control Practices

The project yielded many positive results. Instead of multiple checklists, there is now one Air Force-wide checklist that is easily distributed and accessed by multiple users over the Web. Through defining the processes for the flow chart, AFAFO was able to identify internal control points, streamline the checklist questions from 1000 to around 250, and standardize the self-inspection program. The process-based system lets AFAFO more easily capture and use the data.

"With a manual system, we could do little with the foot high stack of paperwork that resulted from the checklist questions," Garcia says. "Now, the Web-based system acts as a continuity book and training tool, and we have used the data to stress fraud prevention. On an executive level, the system's roll-up capabilities and instant reporting finally make it possible for the Air Force to get a larger view of controls. They can easily focus on checklist responses to create new programs or change regulation to better suit field circumstances. Once we capture the data, it has many uses."

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Intergraph Security, Government & Infrastructure
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