

**GENERAL SERVICES ADMINISTRATION
OFFICE OF INSPECTOR GENERAL**

**AUDIT OF THE GSA'S BILLING AND ACCOUNTS RECEIVABLE MODULE
IMPLEMENTATION
REPORT NUMBER A110116/B/F/F11010
SEPTEMBER 30, 2011**





Date: September 30, 2011

Reply to Attn of: Finance and Information Technology Audit Office (JA-F)

Subject: Audit of GSA's Billing and Accounts Receivable Module Implementation Report Number A110116/B/F/F11010

To: Alison L. Doone
Chief Financial Officer (B)

This letter report presents the results of our limited scope audit of the implementation of the Billing and Accounts Receivable module (BAAR).

Objectives, Scope and Methodology

The objectives of this audit were to assess how the General Services Administration (GSA) is managing BAAR implementation specifically as it relates to: 1) Project costs; 2) Project Management; and 3) Contract requirements and deliverables.

To accomplish these objectives we:

- Reviewed GSA's Statement of Work, CGI's (the contractor responsible for implementation) proposed prices and deliverables, GSA's contract modifications, and CGI's invoices billed to the government.
- Reviewed CGI's technical proposal, CGI's project management plan, CGI's progress reports, GSA's Earned Value Management reports.
- Reviewed the data conversion plan and test results, Integration (System) processes and testing results, and user acceptance testing.

Our audit was conducted between February 2011 and July 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives

Background

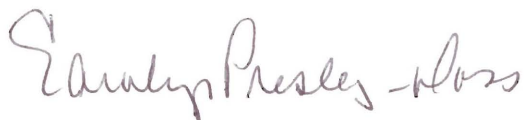
The Office of the Chief Financial Officer is currently replacing its legacy accounts receivable system with BAAR. BAAR will be part of Pegasys, GSA's financial system of record. The implementation is an enterprise-wide effort to consolidate and standardize GSA's billing and accounts receivable business processes and technologies.

On March 31, 2009, GSA awarded a contract to CGI to develop, operate and perform maintenance of a Billing and Accounts Receivable module. The contract has a base period of 3 years ending March 30, 2012 and an option for 2 additional years which, if exercised, will extend the contract to March 30, 2014. GSA requirements included a three-phase approach with implementation by organization or business line. CGI proposed a schedule that included implementing the fleet and rent business lines in phase one which was originally scheduled to “go live” on July 18, 2011.

Results of our Audit Survey

Our review of the project cost and contract requirements and deliverables did not identify any reportable deficiencies. Our review of the Earned Value Management reports did not indicate any significant project schedule delays. However, we had concerns about the testing phase. In particular, our review of the User Acceptance Testing¹ (UAT) process, which began in April 2011, indicated management would not have enough time to complete the UAT, analyze the results and make appropriate adjustments prior to July 18, 2011. The GSA implementation team also concluded that, based on the progress of the UAT, they should delay the “go live” date by one month. GSA was able to complete all testing activities, including UAT, by the revised date which enabled it to proceed with BAAR implementation on August 17, 2011.

This letter report does not contain any recommendations; therefore a written reply is not required nor is the report subject to the audit resolution process. If you have any questions or would like additional information regarding this report, please contact Donna Peterson-Jones, Audit Manager on 202-357-3620.



Carolyn Presley-Doss
Deputy Assistant Inspector General
for Finance and Information Technology Audits

¹ User Acceptance Testing is a scripted process that is performed to simulate production operations of Billing and Accounts Receivable. It includes hands-on testing by GSA staff to exercise Billing and Accounts Receivable and verify that it is ready for production.

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Appendix A: Report Distribution*

Chief Financial Officer, Office of the Chief Financial Officer (B)

Director, Office of Financial Management Systems (BD)

Acting Director, Internal Control Division (BCB)

Branch Chief, GAO and IG Audit Response Branch (BCBB)

Assistant Inspector General for Auditing (JA), Staff Audits Section

Deputy Assistant Inspector General for Investigations (JID), Staff Audits Section

Director, Audit Planning, Policy, and Operations Staff (JAO), Staff Audits Section

***Audit reports distributed electronically**