What is IFMIS?
Integrated Financial Management Information System. It is an automated system that is used for public financial management. It interlinks planning, budgeting, expenditure management and control, accounting, audit and reporting.

What does the IFMIS System do?
The IFMIS is designed to improve systems for financial data recording, tracking and information management. This is in response to increasing demands for greater transparency and accountability in the management of the public’s finances. The IFMIS system ensures higher degree of data quality improves workforce performance for improved business results and links Planning, Policy objectives and Budget Allocations. The system also:

- Enhances reporting capabilities to support budget planning,
- Automates the procurement process: requisition, tendering, contract award and payment,
- Facilitates auto-reconciliation of revenue and payment with automatic file generation,
- Facilitates automated revenue collections for improved cash forecasting,
- Provides accurate and up to date information on the Government’s financial position.
IFMIS in Kenya

The Integrated Financial Management and Information System (IFMIS) system was first launched in 2003 in Kenya. This however introduced only limited modules, with other financial management processes remaining manual.

IFMIS Re-engineering was therefore deemed necessary to introduce a full cycle end-to-end integrated approach for efficient and effective public financial management and service delivery to citizens.

When was IFMIS Re-engineering Launched?

IFMIS Re-engineering is an initiative of the Ministry of Finance to enhance efficiency and effectiveness in Public Financial Management (PFM). In February 28th 2011, the Deputy Prime Minister and former Minister for Finance Hon. Uhuru Kenyatta launched the IFMIS Re-engineering Strategic Plan (2011-2013).

What is IFMIS Re-engineering “Full Cycle End-To-End Processes”?

IFMIS Re-engineering moved from the earlier adopted modular approach (modules loosely linked to the General Ledger (GL)), to a full cycle end-to-end integrated approach.

What are the Benefits of using the IFMIS system?

The IFMIS Re-engineering has promoted transparency, accountability and responsiveness of public financial resources. Other benefits include curtailing wasteful spending and corruption, enhancing controls and audit procedures as well as strengthening fiscal planning and reporting. The system also:

- Enables efficient resource allocation mechanisms;
- Improves management information for decision making;
- Establishes effective links between key players in accounting and financial management;
- Improves financial controls by availing reliable and timely financial information,
• Improves accounting, recording and reporting through timely, accurate financial data provision;
• Accelerates the pace / scope of economic growth;
• Enhances development partners’ confidence.

**IFMIS Re-engineering Components**

**Re-engineering for Business Results:** This component reviews the business processes for improved financial management.

**Plan to Budget:** A fully integrated process and system that links planning, policy objectives and budget allocation.

**Procure to Pay:** To develop a fully integrated and automated supply chain management system.

**Revenue to Cash:** Auto-reconciliation of revenue and payments with automatic file generation.

**Record to Report:** Secure two way interface with CBK for accurate, up to date information on the GOK financial position and the production of statutory reports real time.

**ICT to Support:** Dedicated IFMIS support functions for software, hardware and infrastructure.

**Communicate to Change:** IFMIS Academy for capacity building and continuous learning.
What are IFMIS Re-engineering Achievements to Date?

IFMIS Re-engineering has undertaken business process reviews of all public financial management processes and facilitated a review and removal of obsolete process steps. The programme has also activated three new financial modules of Cash Management, Fixed Assets, and Purchasing Order in ten pilot ministries. Other achievements include the automation of Approval processes in transaction processing and payments in the system, the digitization of payment vouchers, Local Service and Purchase Orders. Other achievements include:

- In line with the Public Financial Management Act 2012 (Article 12), the Integrated Financial Management Information System (IFMIS) has been implemented to connect all government ministries, agencies and departments to a core network for purposes of effecting a single public financial management system;
- Stabilization of three accounting modules - General Ledger, Purchasing Order and Accounts Payable and activation of additional modules - cash management, accounts receivables, and fixed assets;
- Developed a new Single Chart of Accounts (SCOA) and mapped it into the IFMIS system;
- 2012-2013 national budget developed using the new SCOA;
- District Vote book system updated with the new SCOA;
- Developed and implemented a Plan to Budget system that has enhanced the efficiency and effectiveness of budget making. This system was used to develop the revised budget in December 2012;
- A Procure to Pay system is under development. Once fully implemented, the full procurement process from planning, requisition, procurement of goods and services, and payment of suppliers will be automated;
- Established IFMIS Academy to build capacity of IFMIS end users in ministries, departments and agencies;
The IFMIS system is monitored weekly to assess system uptime. Users log encountered problems in the IFMIS Help Desk (an innovative solution) while using the IFMIS system.

**IFMIS Re-engineering Awards**

In 2011 IFMIS / Ministry of Finance won the **CIO 100 International Award for excellence in enterprise deployment** and was subsequently admitted as CIO 100 Honourees.

During the Public Service Recognition and Awards Scheme (PSR&AS) 2011 edition, held in June 2012 at the KICC in Nairobi, the IFMIS / Ministry of Finance won two Innovation Awards: **Overall 1st Runners-Up** in the Public Service Awards Scheme and **1st Runners-Up** in the category of Service Delivery Chain.

**Next Steps for IFMIS Re-engineering**

1. **IFMIS Upgrade**
   
The system has been upgraded from Oracle Release 11 to Release 12. IFMIS end users will be trained on the differences between R11 and R12 functionality, look and feel in readiness for deployment in respective stations.

2. **IFMIS Roll out to the Counties**
   
Plans have been finalized to connect the 47 County Government offices to the IFMIS. This will ensure that County transition treasuries play their role under Section 8 of the County Governments’ Public Finance Management Transition Act.

3. **Capacity Building on IFMIS**
   
Capacity building for IFMIS users in the National Government will be enhanced on the differences between Release 11 and Release 12. Additionally, curriculum has been prepared to train County Government users on the end to end processes.
4. IFMIS Strategic Plan (2013-2018)
The development of the Strategic Plan is in the final stages. The upcoming strategy moves IFMIS from the full roll out to sustainability of the end to end processes. It will also include implementation of a business intelligence solution for financial management analysis for ease in decision making.