Budget and Treasury Management System (BTMS)
A Tool for the Philippine Public Financial Management (PFM) Reform Roadmap
In the Next Normal

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11 May 2021
Philippine IFMIS Target State

Source: DBM
BTMS Functional Configuration

Source: 2019/20 KSP Policy Consultation Report
Philippines: IFMIS Overview

System name: Budget and Treasury Management System (BTMS)

System modules:
Budget Management Module, Budget Utilization Module, Treasury Management Module, Accounting and Fiscal Reporting, Administration Module

Interfaces:
Modernized Philippine Government Electronic Procurement System (mPhilGEPS); Electronic Fund Transfer (Payments); Electronic Document Management System (DICT-PNPKI)

Application SW:

Use of open source:
Open Database Support; MS SQL Server 2016 Enterprise Edition
Philippines: IFMIS Overview

Scope: National Government

# of system users: 9,396 registered users

# of concurrent users: 10,000 concurrent users

# of National Government Agencies connected: 17 go-live agencies

# Operational since: 2018

Hosting environment: DBM Data Center (Primary); DICT MK2 Center (Secondary / BCP)

Gov service bus & APIs: E-Government Master Plan (DICT); Developed System APIs

Other platform info:

Computer servers, Storage and Network Components: Dell Technologies

Security Components: Juniper, HP Tipping Point and Dell Sonic Wall

User Interface: Apache MyFaces Trinidad

Object Management and Orchestration: Spring Framework

Data Persistence and Modeling: Hibernate and JPA

Servlet-based Java Enterprise Edition

Backbone Code: Unified Accounts Code Structure (UACS)
Philippines: IFMIS Results Achieved

- BTMS Pilot implementation (2018) – Department of Budget and Management, Bureau of the Treasury, Department of Public Works and Highways and Department of Trade and Industry
- BTMS Go-live implementation (2019-2020) of thirteen (13) more agencies including top spending agencies (Department of Social Welfare and Development, Department of Education, Department of National Defense)
- Efficient generation of Financial Accountability Reports and Financial Statements (government-wide level and agency level)
- Cementing of linkage of budgeting, procurement and utilization with mPhilGEPS interface
- Near real-time capture of estimated 54% of total expenditures based on 2020 General Appropriations Act (GAA)
- Peso values of total payments processed through BTMS as of 2020 amount to PhP 512 Million
- BTMS has facilitated remote working arrangements during pandemic.
The accelerated rollout of the BTMS to the top ten (10) spending agencies made the rollout more focused on capturing a bigger percentage of budget utilization. This was also reinforced with the use of the E-Learning platform (Learning Management System) to widen the reach of capacity building and change management for all PFM practitioners.

The envisioned linkages for the IFMIS have been initially identified, thus, providing direction for the updating of the PFM Reform Roadmap for the Philippine IFMIS.
Philippines: IFMIS Challenges

- Reform fatigue leading to initial resistance of adoption by national government agencies
- Change management for the integration of BTMS in existing processes and in re-engineering user tasks
- Complexities and limitations due to implementation of COTS
- Operational issues in workflow and user management and data migration
- Development and contract management delays
- Need for more effective and responsive process monitoring and controls
Philippines: Selected key challenges

Innovation Challenge / Question:

► How might we mitigate issues related to the implementation of a COTS for the core of the IFMIS?

► What change management strategy should be employed in moving forward with the IFMIS in the Philippines?

► How might we implement a more effective system for process monitoring and controls (e.g. process mining)?
Philippines: IFMIS Modernization Plans & Future Directions

Planned / Ongoing IFMIS improvements:

- Full development of target interfaces
- Business Process Management (BPM) and Business Process Re-engineering (BPR)
- Benchmarking with development partners (Knowledge Sharing Program under auspices of South Korea; BPM Capacity Building assisted by Australia Awards Program)
- Use of Data Analytics tools for data mining (World Bank)
- Institutionalization of the BTMS and IFMIS-related reforms through governance mechanisms and legislation of the Budget Modernization Bill
- Updating by the PFM Committee of the PFM Reform Roadmap as basis for strategic direction and maturity framework for IFMIS
- Continued accelerated BTMS rollout to spending agencies
- Explore applicability of process mining for process monitoring and control
- Development of system linkages to achieve IFMIS target state