
FINANCIAL MANAGEMENT

1. Principles and Standards. The principles and standards for the Bureau's financial management organization and its financial management system are prescribed in accordance with the requirements of 2 GAO 27 and 28. See 42 BIAM Supplements 1 through 12 for detailed procedures.

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1.1 Organizational Functions. Organizational functions for the Bureau and its Financial Management activities are as described below:

1.1.1 Bureau Management. See 5 BIAM 2.1 for the overall Bureau organization and functional statements. Each Bureau manager, at every level, must consider financial management as an integral part of his managerial responsibilities. He must measure and evaluate where a program has been, where it is going, what it has accomplished, what is yet to be accomplished, and what are the resources used and available at each of these successive stages in relation to what was planned and what has actually happened.

1.1.2 Financial Management. The Central Office Division of Financial Management is a staff organization reporting to the Director of Management Services. The Division is located in Albuquerque, New Mexico, except for a Financial Liaison Officer located in Washington, D. C., for liaison purposes at the national level. An organization chart is attached as Illustration 1. Functional statements for the major segments of the organization are as follows:

1.1.3 Functions. Financial Management is that part of the total Bureau management which is concerned primarily with the financial affairs of the Bureau and the translation of actions both past and proposed, into meaningful and relevant financial terms, information, and reports for use by Bureau and other management officials. It includes such functions as accounting, reporting, cash management, financial control of resources, systems development, analysis, investing, research, claims, disbursing, payrolling, and the furnishing of information to other Bureau officials for use in programming, budgeting, cost reduction, internal auditing, and management analysis. A portion of the centralized financial management functions, namely disbursement voucher preparation and certification, and payroll voucher preparation and certification, made under Accounting Station No. 14-20-0699 (operating account), are within the Indian Affairs Data Center, a staff organization reporting to the Director of Operating Services. Disbursement voucher preparation and certification made under Accounting Station No. 14-20-0650 (holding account), are within the Division of Financial Management.

A. Financial Liaison Officer. The Financial Liaison Officer represents the Director of Management Services and the Chief, Division of Financial Management, at the national level in coordinating financial management activities with other Bureau and Departmental officials, the Department of the Treasury, the General Accounting Office, the Office of Management and Budget, and with other Federal agencies. He directs the operations of the servicing finance office which serves the Central Office and those agencies under the Central Office not served by an Area Finance Office.

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B. Branch of Accounting Systems and Reports Analysis. Coordinates the development, formulation, and manualization of new or revised financial management, accounting, and reporting systems and procedures within the framework of Federal financial management and accounting requirements. Analyzes financial management reports and computer schedules on a Bureau-wide basis, performs internal administrative audits of financial management information generated from the centralized computer system, researches accounting information, initiates adjustments where necessary, and prepares various special and periodic reports on a Bureau-wide basis.

C. Branch of Control and Trust Accounts. Maintains control accounts at the Bureau level for appropriations, appropriation warrants, apportionments, allotments, adjustments, and related transactions. Consolidates reports from the Bureau's various accounting stations and prepares various Bureau-wide financial management reports for submission to the Department, Treasury, and the Office of Management and Budget. Provides research and advisory service for tribal trust funds and prepares special reports and statements on financial matters for Indian tribes.

D. Branch of Investments and ISSDA. Coordinates the investment program on a Bureau-wide basis for tribal trust funds and individual Indian trust funds, negotiating with Federal Reserve Banks, commercial banks, the Department of the Treasury, Area Directors and tribal officials. Serves as the Bureau's Special Disbursing Agent for Indian Service Special Disbursing Agent's accounts, and coordinates the receipt, disbursement, accounting, and reporting for the 39 separate Deputy Disbursing Agents located throughout the Bureau.

E. Branch of Irrigation and Power Accounts. Coordinates the development, establishment, and maintenance of irrigation and power accounts and accounting methods and procedures for Bureau-wide irrigation and power activities. Prepares irrigation and power accounting and financial reports required for Bureau-wide use. Develops methods and procedures for improvements to the irrigation and power accounting systems and drafts manuals and directives pertaining to irrigation and power accounting. Performs special assignments at the project and Area level to assist in updating irrigation and power accounts and for the purpose of preparing special reports to the Congress.

F. Branch of Research and Claims. Coordinates reports concerning financial irregularities and claims against sureties. Consolidates for submission to Treasury Department monthly Statements of Accountability and Transactions of tribal funds deposited in commercial banks. Preparation and certification of disbursement vouchers made under Accounting Station No. 14-20-0650 which include, but not limited to, cost of Indian tribal fund investments, and

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General Accounting Office Certificates of Settlement issued in favor of tribal attorneys on Order of Indian Claims Commission. Processes to conclusion exceptions taken by the General Accounting Office and obtains advance decisions from the Comptroller General. Processes claims against the United States, and the return of unclaimed funds of individuals, and questionable claims referred by the field for Central Office action. Administers Government Bonding Act for the Bureau. Researches and prepares interpretation of various laws and regulations.

G. Branch of Disbursements. The Branch of Disbursements, under IADC, on a centralized basis, performs the administrative audit, examination, certification and scheduling of disbursement vouchers to the Treasury Department Regional Disbursing Office and enters the transactions into the Bureau's computerized financial management system.

H. Branch of Employee Data and Compensation. The Branch of Employee Data and Compensation, under IADC, on a centralized basis, performs the administrative audit, examination, certification and scheduling of payroll vouchers to the Treasury Department Regional Disbursing Office and enters the transactions into the Bureau's computerized financial management system. Administers employee retirement accounts, Federal and state tax withholding programs, employee insurance, payroll savings, and leave accounting program.

1.1.4 Operating Finance Offices. The Area Finance Officer, under the general direction of the Assistant Area Director, Administration, serves as the financial management authority for the installations served. He furnishes authoritative financial advice to his superiors and to program management officials. He prepares special financial reports and interprets periodic financial management reports; advises on the legality of proposed expenditures; suggests financial management methods to be used for emergency procurement; advises on the investment, retention or disbursement of tribal and individual trust funds; and advises tribal organizations on financial and accounting operations. More specifically, the representative duties of an Area Finance Officer include:

A. Counseling the Area Director and his staff on financial management matters.

B. Directing financial operations for controlling the receipt, deposit, apportionment, obligation, accrual, disbursement, and application of Federal and trust funds.

C. Directs the implementation and maintenance of prescribed financial management systems for the purpose of furnishing sound and reliable financial management information to Bureau program managers, and directs the entry of accounting data into the computerized financial management system.

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- D. Maintains liaison with operating officials and provides direction to agency staff on financial management matters. Furnishes instructions, procedures, and training within the framework of the Bureau's financial management system.
- E. Makes continuing studies of obligational controls and fiscal operations, and develops necessary improvements in internal controls and financial management practices. Recommends changes and improvements to the Central Office to meet local needs.
- F. In an advisory capacity develops and recommends accounting and reporting procedures for Indian enterprises and associations, and upon request provides technical assistance in the installation of accounting systems.
- G. Administratively examines financial management practices conducted at area and agency offices to assure their conformity with legal requirements, established policy, and prescribed standards and procedures.
- H. Directs the review, analysis, and interpretation of financial management reports and directs the reconciliation of general ledger accounts and reports such as undelivered orders, accounts payable, and accounts receivable with subsidiary records or documents. Assures the prompt liquidation of obligations and the prompt removal of obligations not supported with valid obligation documents.
- I. Directs the functions of the various Deputy Disbursing Agents as they pertain to the collection, deposit, disbursing, accounting, and reporting of individual Indian money received from trust resources.
- J. Orients and trains new financial management employees within the area, assists in developing instructional material for on-the-job training, informs employees of work requirements and evaluates performance against such requirements, approves leave, holds staff and training conferences, and arranges for training sessions at area and agency offices for the purpose of training administrative and program management officials in the coding of documents and interpretation and use of various financial management reports.
- K. In those areas where independent accounting stations exist (San Carlos Irrigation Project, Flathead Irrigation Project, and Red Lake Agency), it is expected that the applicable Area Finance Officer will furnish such technical guidance and assistance as may be necessary for proper operation

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of the accounting and reporting systems of such accounting stations, with overall technical advice and guidelines being furnished by the Central Office Division of Financial Management.

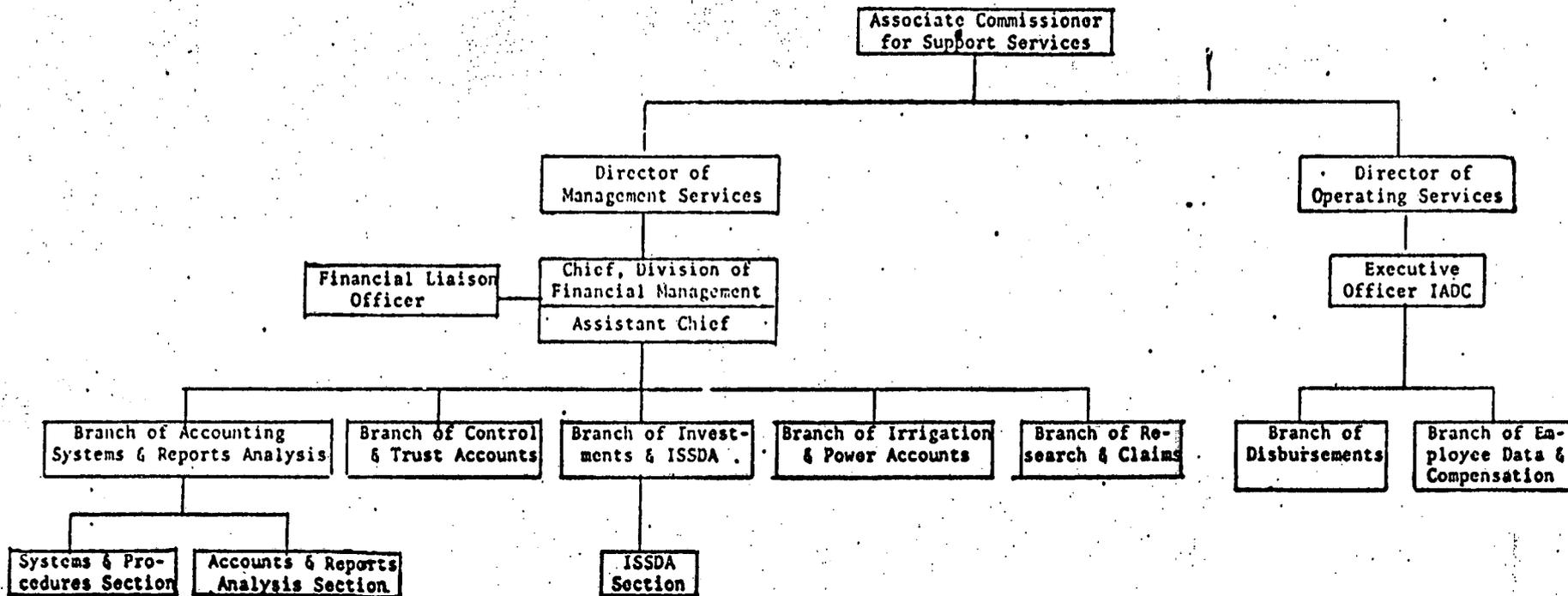
1.1.5 Other Finance Offices. The servicing Finance Office for the Central Office furnishes finance services to that portion of the Central Office located in Washington, D. C., and to the independent agencies reporting directly to the Central Office. The servicing Finance Office within the Indian Affairs Data Center furnishes finance services to IADC and to certain Central Office Divisions and other segments of the Central Office located in the field.

1.1.6 Accounting Station Responsibilities. The Chief, Division of Financial Management, is responsible for the overall activities of Accounting Stations 14-20-0650 and 14-20-0699 and their relationships with the several Treasury Department Regional Disbursing Offices. This includes overall technical responsibility for coordinating the processing of accounting documents and related transactions involving all RDO's with which the Central Office, IADC, and Area Offices do business as a part of the function of the Accounting Station. The technical and coordinating responsibilities of the Accounting Station should be distinguished from the organizational, administrative, and operating responsibilities of the various offices (Central Office, IADC, Area Offices) who perform financial management operating functions relating to Accounting Station 14-20-0699. Organizational, administrative, and operating responsibility rests with the office in charge of the particular organization concerned. In other words, the processing of accounting documents at the various offices must be recognized from a technical and financial management standpoint as being a part of the accounting station operations, but as being decentralized under the organizational, administrative, and operational direction of the officers in charge of the various organizations.

1.1.7 Agency and Local Facility Functions. The Administrative Manager or Administrative Officer, under the general direction of the Superintendent, is responsible for financial management matters and related training of local staff as may be delegated or assigned at this level of the Bureau organization.

Organization Chart
Division of Financial Management

42 BIAM 1.1
Illustration 1



Release 42-31, 11/27/70