

# Department of the Interior Departmental Manual

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**Effective Date:** 8/2/04

**Series:** Financial Management

**Part 330:** General

**Chapter 1:** Issuance of Instructions

**Originating Office:** Office of Financial Management

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## 330 DM 1

1.1 **Purpose.** The Chief Financial Officers Act of 1990 requires that the Departmental Chief Financial Officer (CFO) issue financial policies and accounting standards for the Department of Interior (DOI). This chapter describes the objectives of the financial policies and accounting standards, provides references to the handbooks and documents that contain these guidelines, and establishes the responsibility for maintenance of this series.

### 1.2 Objectives of Financial Policies and Accounting Standards.

- A. Standardize DOI financial data and provide for intra-bureau and office data interchange.
- B. Streamline processes for recording financial events and reporting financial information.
- C. Enable bureaus and offices to apply common standards while providing flexibility to satisfy unique needs.
- D. Promote uniform accounting processes to aid entities in implementing the Department's accounting systems.
- E. Increase the reliability and consistency of financial information in DOI.

1.3 **DOI Financial Policies and Accounting Standards.** DOI financial policies and accounting standards are contained in the following documents and can be accessed at [www.doi.gov/pfm/policy.html](http://www.doi.gov/pfm/policy.html).

- A. Department of Interior Accounting Handbook is the official presentation and interpretation of the financial management-related laws, regulations, and policies issued by authoritative bodies to ensure their consistent application both in recording and reporting transactions throughout the Department. This Handbook provides bureaus and offices with a single, definitive source for Department-wide standards for financial policies and accounting standards.

B. Cash Management Handbook describes the regulations governing the administration of cash held outside the U.S. Treasury, i.e., cash under the direct control and custody of DOI employees. The objectives provide for uniformity in the administration and accountability of funds; lessen the vulnerability of loss or misuse of cash funds; and promote good cash management practices.

C. Credit and Debt Management Handbook provides guidance to bureaus and offices to ensure that consistent credit and debt management practices are established and followed throughout the Department.

D. Department of Interior Interagency Acquisitions Handbook applies to agreements between governmental departments (agencies) and between bureaus and offices within DOI. It assigns responsibilities and establishes general policies and procedures for the preparation, review, clearance, approval, monitoring, and closing of these agreements. This is issued in coordination with the Office of Acquisition and Property Management.

E. Department of Interior Guidance on Preparing Financial Statements provides Departmental guidance for preparing and publishing the bureau and offices and the Departmental Annual Reports on Performance and Accountability.

F. Travel Policy guidance is contained in 347 DM 1.

G. Department of Interior Real Property Financial Management Policy Guide provides the DOI real property accounting policies and procedures developed in accordance with Federal Property Management Regulations (FPMR) and Statements of Federal Financial Accounting Standards (SFFAS). These policies are provided to ensure effective financial control over DOI owned and leased real property. This is issued in coordination with the Office of Acquisition and Property Management.

H. Management Control and Audit Follow-up Handbook provides a reference tool to assist Department managers, management control coordinators, and audit liaison officers who are responsible for or carry out responsibilities in the Management Control Program and/or the Audit Follow-up Program.

I. Financial Administration Memoranda (FAM) are issued by the Department and implement regulatory agency directives of a routine or technical nature.

**1.4 Policy Development and Maintenance.** The Office of Financial Management (PFM) directs and leads a policy development and maintenance process. The process is inclusive of PFM; the Budget Office; and all bureau CFOs; and Finance, Budget and Program officers. It provides for regularly scheduled as well as unscheduled quick response policy decisions and maintenance. The process also allows for maintenance of a list of unresolved issues. The policy process is described below:

A. Policy Development Process. A collaborative team approach will be used to prioritize, research, and develop financial and accounting policy. Representatives from the bureaus and offices will comprise the teams. When the subject matter is program related, bureau and office program representatives will be consulted or incorporated into the policy development effort. Annually, in January, the Finance Officers Partnership (FOP) will identify policy issues, prioritize the issues, assign duties, and set due dates for development. PFM may identify additional policy issues throughout the year. The level of bureau and office involvement will depend upon the complexity, scope, and urgency of an issue and may require PFM to issue policy without using the collaborative team approach. When the circumstances and subject matter warrant, a formal team may be established to write the draft policy.

B. Review. The bureaus and offices will review the draft policy and comment within 30 days. At the end of the review period, a collaborative meeting of the FOP, if required, will be set to discuss the recommended changes and to finalize the policy document.

C. Issuance of Handbooks. The Director, PFM issues financial management handbooks as appropriate to supplement policy in the DM. The DOI financial management handbooks are on line on the Office of Financial Management website at [www.doi.gov/pfm/policy.html](http://www.doi.gov/pfm/policy.html). Amendments to the handbooks will be transmitted by email using a sequential transmittal number and current date and incorporated into the handbook. The last transmittal number will be referenced with the handbook.

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