

FINANCE OFFICERS' PARTNERSHIP

The Finance Officers Partnership (FOP) is a professional accounting and finance organization whose membership includes bureau finance officers and other departmental and bureau finance personnel. The goal of the FOP is to develop, coordinate, and implement short- and long-term improvements in the Department's financial management program while promoting efficiencies that reduce costs and improve services. The partnership, which was created in 1994, recognizes the interdependence of Interior's finance offices and strives to leverage the expertise and synergy that exists in bureau finance offices.

Mission

The FOP's mission is to:

- Provide leadership in developing financial management strategic direction.
- Plan, implement, and manage financial management initiatives.
- Ensure linkages across administrative support functions.
- Advance sound financial policies and practices.
- Champion the establishment of a partnership relationship with program managers.
- Encourage collaborative efforts across the Interior financial community.
- Promote consensus within the Interior finance arena and establish priorities.
- Foster information sharing within the Department both to and from the Chief Financial Officers Council and the Office of Financial Management.
- Provide a structure for communicating the accomplishments of the Interior financial management community.
- Establish operating structures to manage data stewardship, support systems, and implement initiatives.

The FOP recognizes that financial management encompasses the full range of administrative disciplines: Accounting, Budget, Personnel/Payroll, Acquisition, Property, and Information Resources Technology. To effectively accomplish its goal, the Partnership reaches out to these disciplines by forming expanded Partnership teams that address the complex financial management challenges.

Organization

The FOP accomplishes its goals and objectives primarily through the efforts of workgroups. The established workgroups of the FOP and their significant plans and accomplishments include:

Software Advisory Board Team (SAB): The primary functions of the SAB are to provide analytical and technical support to the FOP in the areas of FFS software design, development, and implementation.

- Significant FY 2001 accomplishments include making necessary changes to FFS to ensure compliance with standards and install enhancements.
- Plans for FY 2002 will concentrate on high priority fixes; no major releases are planned for 2002.

Standard Accounting Classification Advisory Team (SACAT): The SACAT establishes and maintains a common approach among Interior bureaus for addressing accounting classification issues including standard general ledger maintenance, accounting policy and procedures, internal controls, and reporting requirements.

- Significant FY 2001 accomplishments include updating and revising the Chart of Accounts to comply with U.S. Treasury requirements, including posting models, research on Treasury voting ballots, and support for Financial Statement Guidance Team efforts. The Budget Object Class subteam has prepared a handbook to be issued in FY 2002.
- Plans for FY 2002 include resolving revenue accounting model issues, continuing to implement 2002 Chart of Account changes, ensuring consistency, sharing best practices, and addressing accounting issues.

Operations Advisory Group (OAG): The OAG promotes a common approach throughout the Department of Interior for addressing accounting operations issues including accounting procedures, reporting requirements, and internal controls in financial management processes.

- Significant FY 2001 accomplishments include the issuance of guidance to improve the accuracy of financial data and funds availability and the identifying of acceptable methods to record fiscal year end accruals.
- Plans for FY 2002 include the establishment of a reporting tool to measure improvement in the management of undelivered orders, streamlining of tariff payments, and strengthening charge card internal controls.

Financial Statement Guidance Team (FSGT): The FSGT coordinates financial statement issues among the bureaus and the Department. The FSGT implements new Financial Accounting Standard Advisory Board, Office of Management and Budget, and U.S. Treasury guidance, as well as correcting audit findings for the Department.

- Significant FY 2001 accomplishments include holding a joint budget-finance conference, which included 12 workshops to address common accounting and reporting issues;

providing formal financial statement preparation guidance; and using regular FSGT meetings to address emerging issues.

- Plans for FY 2002 include supporting the bureaus with the new KPMG auditors and in meeting the more aggressive time frames.

Cost Accounting Work Group (CAWG): The CAWG facilitates implementation of FASAB Standard No. 4, "Managerial Cost Accounting," within Interior. In addition to implementing FASAB No. 4, the CAWG coordinates issues and shares alternative approaches related to cost accounting, cost management, and performance management across the Department.

- Significant FY 2001 accomplishments include integrating performance information with cost data at the responsibility segment level in the Department's FY 2000 Annual Accountability Report and Bureaus' FY 2000 Annual Financial Statements, performing a review of all cost recovery activities, updating the departmentwide user fee database, and completing a summary report of cost recovery activities based on FY 2000 results.
- Plans for FY 2002 include conducting the biennial review of all user charge activities required by the CFO Act. The Department will continue collaborative efforts, both inter- and intra-departmental, regarding implementation of FASAB No.4. The CAWG will also continue to address ways to improve tracking and reporting of cost information to support program manager's needs, improving cost accounting practices in areas where fees are charged for services to achieve full cost recovery, reviewing the alignment of budget, cost accounting, and GPRA requirements to further improve both planning and reporting of cost and performance data, and fulfilling the annual reporting of Interior's costs to the Federal Energy Regulatory Commission for work performed under the Federal Power Act.

Budget Execution Reporting Working Group: The purpose of this group is to establish and maintain a common approach and open communication among the Department and bureau budget and finance offices. The team works to strengthen the relationships between budget and finance offices and provides a forum for discussion of issues concerning the reporting of budget execution data.

- Significant FY 2001 accomplishments include establishment of the Working Group, initiation of regular Working Group meetings, and holding a joint budget and finance conference attended by Department Budget and Finance personnel as well as representatives from OMB and Treasury.
- Plans for FY 2002 include establishment of the Budget/Finance Conference as an annual event, continuation of regular Working Group meetings planned around the FACTSII reporting window, identification and resolution of budget/finance issues, and communication of Department issues to OMB.

Accounting for Eliminations Team: This is the newest team established by the FOP to address the issues associated with financial statement treatment of interbureau transactions.

- Significant FY 2001 accomplishments include inventorying issues related to interbureau transactions and identifying and addressing the primary issues surrounding the differ-

ences in reconciling intra-departmental transactions. The team has appointed a lead on each issue. The team members will be monitoring the progress and issues encountered during the FY 2001 elimination process.

- FY 2002 plans include researching all issues related to reconciling intra-departmental eliminations, automating the reconciliation process, and developing alternatives or recommendations to resolve the issues or refer them to appropriate teams as necessary.

FY 2001 Accomplishments

During FY 2001, the FOP identified a number of priorities that represent the greatest needs and challenges of bureau central finance functions and expressed those challenges in terms of action statements. From these priorities three overarching goals were identified collectively by the FOP. These goals were to (1) assist the management of the Department to retain an unqualified audit opinion on the consolidated financial statements; (2) improve existing financial systems and processes while continuing to support departmental efforts to acquire improved financial management systems; and (3) strengthen the financial management function through improved processes to recruit, retain, and train financial management professionals. The short-term goals and objectives of the FOP are summarized below.

- **Goal: Recruit and retain qualified and diverse staff.**
Objectives:
 - Resolve classification and grading issues.
 - Develop and implement a long-range recruitment plan.
 - Develop and implement a staff retention plan.
- **Goal: Train and develop staff.**
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 - Develop a long-range training plan based on JFMIP core competencies.
 - Conduct a financial forum to address immediate training needs.
 - Prepare for outsourcing of financial audits.
- **Goal: Improve processes and systems.**
Objectives: Improve external reporting, particularly for:
 - FACTS II
 - Interbureau eliminations
 - Undelivered orders/accruals/accounts payable
 - Security and general controls over financial management systems
 - Hyperion consolidated financial statement application