

Department of the Interior Departmental Manual

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Series: Financial Management
Part 330: General
Chapter 1: Issuance of Instructions

Originating Office: Office of Financial Management

330 DM 1

1.1 Purpose. The Chief Financial Officers Act of 1990 requires that the Department of the Interior (DOI) Chief Financial Officer (CFO) issue financial policies and accounting standards for the Department. 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's 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 DOI accounting systems.
- E. Increase the reliability and consistency of financial information in DOI.

1.3 DOI Financial Policies and Accounting Standards. The DOI financial policies and accounting standards are contained in the following documents and can be accessed at <http://www.doi.gov/pfm/policy.cfm>.

- A. Department of the Interior Accounting Handbook is the official presentation and interpretation of the financial management-related laws, regulations, and policies issued by authoritative bodies to ensure consistent application in recording and reporting transactions throughout the Department. The Accounting Handbook provides bureaus and offices 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 Cash Management Handbook provides uniformity in the administration and accountability of funds; lessens the vulnerability of loss or misuse of cash funds; and promotes 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. Interior Interagency Acquisitions (IAA) Handbook applies to agreements between government agencies and bureaus and offices and agreements within the Department. The IAA Handbook assigns responsibilities and establishes general policies and procedures for the preparation, review, clearance, approval, monitoring, and closing of the aforementioned agreements. The Handbook is issued in coordination with the Office of Acquisition and Property Management (PAM).

E. Interior Financial Statement Preparation Guidance provides Departmental guidance for preparing and publishing DOI's annual Agency Financial Report.

F. Travel Policy guidance is available on the Office of Financial Management (PFM) website and referenced in 347 DM 1.

G. Interior Real Property Financial Management Policy Guide provides real property accounting policies and procedures developed in accordance with Federal Property Management Regulations and Statements of Federal Financial Accounting Standards. The policies are provided to ensure effective financial control over DOI-owned and leased real property. The policy guide is issued in coordination with PAM.

H. Policy on Deferred Maintenance, Current Replacement Value and Facility Condition Index in Life-Cycle Cost Management. The policy supports previous guidance and tools issued to implement the Asset Management Plan and Executive Order 13327 on Federal Real Property Asset Management. It focuses on standardizing the basic elements used to value assets and completing deferred maintenance work that was not performed on time or when scheduled. Deferred Maintenance is reported in the Agency Financial Report. The policy guide is issued by PAM and can be accessed at:

http://www.doi.gov/pam/programs/asset_management/upload/PolicyDMCRV53008.pdf

I. Internal Control and Audit Follow-Up Handbook provides a reference tool to assist DOI managers, internal control coordinators, and audit liaison officers who are responsible for or carry out responsibilities in the Internal Control Program and/or Audit Follow-Up Program.

J. Financial Management Memoranda (FMM) are issued by the Department to implement regulatory agency directives of a routine or technical nature.

1.4 Policy Development and Maintenance. The PFM directs and leads a policy development and maintenance process. The process is inclusive of PFM; the Office of Budget; 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 is used to prioritize, research, and develop financial and accounting policy. Representatives from the bureaus and offices comprise the teams. When the subject matter is program related, the program representatives are consulted or incorporated into the policy development effort. The Finance Officers Partnership (FOP) identifies policy issues, prioritizes the issues, assigns duties, and sets due dates for development. The PFM may identify additional policy issues throughout the year. The level of bureau and office involvement depends upon the complexity, scope, and urgency of an issue and may require the 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 are provided an opportunity to review the draft policy and provide comments within a reasonable timeframe. At the end of the review period, a collaborative meeting of the FOP, if required, is scheduled to discuss the recommended changes and finalize the policy document.

C. Issuance of Handbooks. The Assistant Secretary – Policy, Management and Budget/CFO issues financial management handbooks, as appropriate, to supplement policy in the Departmental Manual. See 011 DM 5. The Department's financial management handbooks are available on the PFM website at: <http://www.doi.gov/pfm/policy.cfm>. All handbooks issued after the effective date of this chapter will also be available at: <http://elips.doi.gov>.