**Department of the Interior**

**Departmental Manual**

**Effective Date**: 09/20/2013

**Series**: Organization

**Part 112**: Policy, Management and Budget

**Chapter 8**: Office of Financial Management

**Originating Office**: Office of Financial Management

**112 DM 8**

8.1 **Office of Financial Management**. The Office of Financial Management is responsible for all aspects of Department-wide functions related to financial and accounting policy and procedures, financial data and data integrity, financial management strategic planning, fiscal and financial reporting; including, Department-wide coordination of financial statements, financial management systems, risk-based internal control program, coordination of audits, audit follow-up, the Travel and Relocation Program, and the Integrated Charge Card Program. The office provides executive level leadership and direction, coordinates policy development, program evaluation and guidance, and advocates and supports program and bureau operations in all financial and related functional areas.

8.2 **Functions**. The office performs the following functions:

A. Provides technical advice to the Assistant Secretary – Policy, Management and Budget/Chief Financial Officer (CFO) on financial management and related issues.

B. Provides technical guidance and assistance to bureaus and offices to facilitate accomplishment of financial management objectives.

C. Provides technical advice on streamlining financial management systems and operations, including finance systems and process re-engineering.

D. Prepares policies and procedures for systems development and facilitates implementation of integrated automated financial management systems.

E. Prepares for publication and maintains appropriate Department-wide financial management regulations, policies, procedures, and data requirements.

F. Represents the Department and/or coordinates bureau participation on all functionally-related interagency committees and taskforces/working groups, as well as steering and advisory committees, such as the Financial Systems Advisory Board (FSAB) and the Federal Accounting Standards Advisory Board (FASAB) that work on the development and modification of Government-wide financial management policies.

G. Serves as principal focal point and liaison for the Department in dealing with external organizations, such as the Government Accountability Office (GAO), Office of Management and Budget (OMB), Department of the Treasury (Treasury), and other executive agencies on financial management and audit issues.

H. Reviews regulations, policy, and operational matters relative to assigned duties that require Departmental approval, and advises and makes appropriate recommendations.

I. Directs or supports the activities of bureau and office committees that are established to develop Department-wide policy, exchange information, standardize procedures, and automate systems in order to improve financial management service to customers.

J. Promotes career development, professional training, and reassignments between bureau and office staff engaged in financial or related functions administered by the office, and participates in interagency activities related to these initiatives.

K. Prepares the Agency Financial Report (AFR) for the Department, including the consolidated audited financial statements.

L. Develops policy and procedures to implement the risk-based internal control program for the Department and coordinates Department-wide compliance with the Federal Managers Financial Integrity Act (FMFIA).

M. Coordinates audit tracking and audit follow-up for all internal audits, Office of Inspector General (OIG) and GAO audit activity, and single audits through oversight of bureau and office actions to implement referred audit recommendations.

N. Promotes new initiatives that will streamline travel and related processes, provides leadership on the Department’s Government-wide e-Travel initiatives, and provides relocation services information to employees.

O. Provides advisory support to bureaus and offices on financial policies and implementing initiatives related to the Integrated Charge Card Program, including exercising responsibilities relative to the corporate charge card and three primary business lines of the program: travel, purchase, and fleet.

P. Provides guidance and oversight to the Office of Natural Resources Revenue (ONRR) on royalty and financial statement reporting.

8.3 **Organization**. The Director, Office of Financial Management, provides leadership and oversight for the Office of Financial Management and serves as the Department's Deputy CFO. The authority of the Director is set forth in 212 DM 1. The Director is a co-owner of the Financial and Business Management System (FBMS) project. The Director is assisted by a Deputy Director, a senior advisor, a chief of staff who oversees the administrative support staff, and a staff of accountants and financial specialists. The Deputy Director provides daily oversight of the staff of accountants and financial specialists who are organized as follows (see attached organization chart):

A. Financial Reporting Division (FRD). The Division is responsible for preparing the Department’s AFR, quarterly financial statements, and annual financial statement closing package; and participating on Treasury’s Government-wide financial management committees to ensure that Interior’s interests are considered and that innovative solutions are explored. The FRD is also responsible for providing guidance, direction and feedback on the preparation of clear, timely, and meaningful financial reports. The division also provides Department-wide guidance and coordination to ensure implementation of new accounting standards related to the U.S. Standard General Ledger (for example, accounting for asbestos liabilities).

B. Internal Control and Audit Follow-Up Division. The Division is responsible for ensuring compliance with the full scope of the FMFIA and OMB Circulars A-50, A-123, A-133, and Appendix A regarding Internal Control over Financial Reporting to include performance, coordination, and oversight of compliance testing. Ongoing expansion of the A-123 requirements has significantly increased participation and involvement of staff members in various bureau internal control assessments to ensure that programs have developed a comprehensive, integrated risk-based system of review. The Division is also responsible for making determinations regarding closing audit recommendations, monitoring the Department’s audit follow-up, and resolving disputed audit findings and recommendations among bureaus, the Office of the Secretary (O/S), and the OIG.

C. Departmental Offices Finance Division. The Division is responsible for the following O/S functions: financial reporting; developing and implementing corrective action plans resulting from Interior’s consolidated financial statement audit; providing guidance and oversight on accounting and financial management matters; and developing accounting and financial management policies. The Division also oversees the Integrated Charge Card Program for the O/S.

D. Policy Collaboration and Operations Division. The Division is responsible for coordinating and maintaining a master set of critical definitions of financial data and related codes necessary for reporting to OMB and Treasury and for use in Department-wide decision-making and management; providing Department-wide guidance and coordination to ensure implementation of new accounting standards related to matters beyond the U.S. Standard General Ledger (for example, the treatment of deferred maintenance); and participating in various workgroups to ensure that the interests of the Department are addressed. The Division is also responsible for asset and debt management functions; maximizing the use of electronic media for communicating policies, processing receipts and disbursements; collecting financial performance data; developing, and prescribing financial policies and procedures related to cash management and accountability, pay administration, and Treasury collections; and developing cost accounting structures to support program performance and cost recovery goals of Activity Based Costing. The Division also manages and coordinates the Travel and Relocation Program for O/S.

E. Financial Systems Division (FSD). The Office of Financial Management is a

co-owner of the FBMS project and manages the existing Federal Financial System. The Division engages each bureau in effectively utilizing financial information systems and leveraging financial information for management decision making. The FSD provides in-depth data analysis and comprehensive reports through scorecards and special request reporting. The Division identifies and deploys initiatives to realize value from FBMS and leads in the development of the financial management roadmap. The FSD represents DOI for OMB reviews of financial systems and other external financial systems issues.

F. Custodial Reporting Division (CRD). The Division is responsible for providing subject matter expertise, oversight, and quality control to ONRR to help insure that ONRR royalty and related financial data and subsequent financial statement reporting are accurate, timely, and in compliance with applicable FASAB, OMB, Treasury, and GAO standards. The Division performs financial statement reporting functions for royalty and related activities; oversees implementation of FASAB Standards; performs data validations, reviews and analysis; provides CFO audit support; and participates in support of the Department’s consolidated internal control and financial reporting processes.