

Department of the Interior Departmental Manual

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Series: Financial Management

Part 330: General

Chapter 3: DOI Financial Management/Accounting Organization

Originating Office: Office of Financial Management

330 DM 3

3.1 **DOI Financial Management/Accounting Organization.** Within DOI, two general financial management/accounting groups of positions are described: positions in the Office of the Secretary and positions in the bureaus. Positions in the Office of the Secretary are responsible for activities throughout DOI. Positions in the bureaus are responsible for the activities of a specific bureau-level office. The general organization of the Department is at www.doi.gov/org.htm. The **Chief Financial Officer Organization (CFO)** is at www.doi.gov/pfm/staff.html. The presentation of positions reflects interaction only for accounting cycle activities; it does not imply organizational relationships. The bureaus may assign the positions described to staff who also hold another position, and may assign more than one position to an individual, unless dual assignment is specifically prohibited. Each position may have a staff to whom activities and authorities are delegated. However, final responsibility for the activities described in this section remains with the position specified regardless of delegations. Financial management encompasses accounting policy for the following bureaus and offices:

A. Bureaus.

- (1) Bureau of Land Management
- (2) Bureau of Indian Affairs
- (3) Bureau of Reclamation
- (4) U.S. Fish and Wildlife Service
- (5) Minerals Management Service
- (6) National Park Service
- (7) Office of Surface Mining Reclamation and Enforcement
- (8) U.S. Geological Survey

B. Offices.

- (1) Office of the Secretary
- (2) Office of the Inspector General
- (3) Office of the Solicitor
- (4) National Business Center
- (5) Finance Officers Partnership
- (6) Office of the Special Trustee for American Indians

3.2 Office of the Secretary. The Departmental offices function as independent entities for financial statement purposes and have special circumstances and requirements that are different from the bureaus. Within the Office of the Secretary, the following officials have responsibility for accounting cycle activities: the Secretary, the Deputy Secretary, the Solicitor, the Inspector General (IG), the Assistant Secretaries, the Chief Financial Officer (CFO), and the Deputy CFO. For financial management policy, the Office of the Secretary is comprised of the immediate Office of the Secretary, the offices of the Assistant Secretaries, and all organizations reporting to the Assistant Secretary - Policy, Management, and Budget. Financial management responsibilities for the Office of the Secretary are delegated to the Director, Office of Financial Management (PFM).

A. Inspector General (IG). The IG is responsible for periodic review and inspection of the accounting system and program operation to determine whether the accounting system is operating as designed and to evaluate program performance. The IG is also responsible for auditing financial statements of the bureaus. Based on the various review, inspection, and audit activities, the IG develops recommendations to correct any weaknesses found in the accounting system or operations, and communicates the findings of reviews and inspections to the appropriate managers for follow-up action.

B. Assistant Secretaries. Assistant Secretaries are responsible for the tasks delegated to them by the Secretary. This includes line authority over one or more bureaus.

C. The Departmental CFO is the Assistant Secretary - Policy, Management and Budget. The Departmental CFO does not have line authority over bureaus, but does have oversight responsibilities as specified in the Chief Financial Officers Act of 1990 (CFO Act). The Departmental CFO exercises oversight guidance by providing technical rather than line authority. The authorities delegated to the Departmental CFO are provided in 207 DM 5. Figure 1 shows the organization structure for the Department's Chief Financial Officers.

(1) The Secretary of DOI has delegated to the CFO responsibility for a variety of duties authorized or required by the CFO Act and many other laws or regulations. The CFO Act

in particular provided for the establishment of a Departmental CFO whose primary mission is to bring more effective financial management to the Department.

(2) The CFO's authority and functions under the CFO Act requires the following:

(a) overseeing all financial management activities relating to the programs and operations of the Department;

(b) developing and maintaining an integrated Departmental accounting and financial management system, including financial reporting and internal controls which:

(i) complying with applicable accounting principles, standards, and requirements and internal control standards established under the CFO Act, Office of Management and Budget regulations, Department of Treasury requirements, or any other law or regulation;

(ii) providing complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of the Department and its component entities;

(iii) providing for the development and reporting of cost information;

(iv) providing for the integration of accounting and budgeting information; and

(v) providing for the systematic measurement of performance.

(c) preparing and annually revising the Departmental plan to implement a 5-year financial management systems plan;

(d) developing Departmental financial management budgets;

(e) developing core financial management competencies in Departmental financial management personnel;

(f) approving and managing Departmental financial management systems design or enhancement projects;

(g) implementing entity asset management systems, including systems for cash management, credit management, debt collection, and property and the management and control of inventory;

(h) monitoring the financial execution of the agency budget in relation to actual expenditures.

(3) In addition, the CFO chairs the DOI CFO Council. The purpose of the CFO Council is to advise and assist the Department CFO in establishing and carrying out effective Department-wide financial management policies and management controls, and in efficiently and effectively implementing the CFO Act. The Council will assist in identifying bureau and Departmental financial management issues for consideration by the CFO, including areas requiring uniformity and consistency, initiatives crossing bureau lines, criteria for selecting and promoting financial management personnel, financial management training, the development of financial statements and integrated systems, the importance of internal controls, maximization of cost recovery, selecting program performance measures, and the generation of necessary financial management plans and reports. The Council is composed of the following permanent members:

(a) Assistant Secretary - Policy, Management and Budget (PMB) and Departmental Chief Financial Officer (Chair).

(b) Deputy Assistant Secretary - Business Management and Wildland Fire.

(c) Deputy Chief Financial Officers.

(d) Bureau Chief Financial Officers.

(e) Directors for the Offices of Budget, Acquisition and Property Management, and Planning and Performance Management.

(f) Chair of Finance Officers Partnership.

(g) Ex-officio: The Inspector General, Chief Information Officer and one representative from each Program Assistant Secretary's Office.

(h) Other members may be added from time to time as the need arises, upon the decision of the Chair.

(4) The CFO also monitors the financial execution of the Department's budget in relation to actual expenditures; prepares and submits timely performance reports to the Secretary; and reviews, on a biennial basis, the fees, royalties, and other charges imposed by the Department for services and things of value it provides and makes recommendations for revising these charges to reflect costs incurred in providing the services and things of value.

G. The Deputy CFO for the Department is the Director, PFM. The Deputy CFO is charged with the day-to-day development and implementation of the areas of CFO responsibility. In that capacity, the Deputy CFO is the principal spokesperson for the CFO regarding financial management matters Department-wide. The Deputy CFO is the personal representative of the CFO in interaction with bureau heads, bureau CFOs, and other program and financial management leaders and managers. Specific duties of the Deputy CFO are defined in the CFO Act.

3.3 Bureau Positions. Each bureau may establish its own titles for the positions described in this section. When the titles of bureau positions differ from the titles described, the bureau must specify the equivalent titles in position descriptions and in the bureau issuance system. Within the bureaus, the bureau head and bureau CFO have overall financial management responsibility. Other responsibilities are divided into three groups for effective internal controls through the separation of duties related to authorization, recording, and initiation. Budget activities provide obligation authority and monitor the execution of that authority. Accounting activities record financial events. Operations groups receive obligation authority to execute the budget and initiate all execution events.

A. The bureau head is the allottee for the bureau. The bureau head authorizes suballotments and monitors execution of the bureau's budget.

B. The bureau CFO reports to the DOI CFO on the bureau financial position as required by the DOI CFO. He/she is responsible for:

- (1) Formulating financial management policies consistent with Federal and Departmental policy and standards, and ensuring that such policies are implemented and followed;
- (2) Recording financial transactions in an accurate and timely fashion;
- (3) Preparing and certifying all required components of the annual financial statements;
- (4) Preparing and issuing all other external and internal accounting reports;
- (5) Maintaining the integrity of all financial data in all entity financial management systems, particularly those which produce general purpose financial reports which use data from or reconcile to entity general ledgers and which present financial information in accordance with federal financial accounting standards;
- (6) Preparing the bureau's financial management plan and its integration into the overall strategic plan;
- (7) Establishing and maintaining an effective cost management system; and
- (8) Establishing, maintaining, and evaluating financial management internal controls, including controls in program areas for which the CFO may not have direct line authority.

C. The bureau budget officer prepares the bureau's budget and reviews operating plans. The budget officer provides guidance and assistance to operations personnel in preparing operating plans. The budget officer monitors operating plan execution, makes recommendations on adjustments and reprogramming needed in the plans, and may report to the bureau CFO on

operating plan status. The bureau budget officer distributes and controls funds and resources for the purpose intended and within legal and management limitations.

D. The bureau finance officer establishes and manages the system for recording financial events in the accounting records, including procedures and practices necessary to implement the DOI accounting system for bureau operations. The bureau finance officer is responsible for assuring that the system for recording and posting transactions fully supports the administrative funds control system.

3.4 National Business Center (NBC). The National Business Center (NBC) is located within the Office of the Secretary (OS) of the Department of the Interior (DOI) and is responsible for providing financial and administrative services and support on a national level to the Office of the Secretary, bureaus and offices, and numerous other federal agencies.

3.5 Finance Officers Partnership. The Finance Officers Partnership (FOP) is a professional accounting organization made up of Departmental Financial Officials and bureau finance officers.

A. The primary purpose of the FOP is to provide: (1) a means of managing and rapidly implementing the financial recommendations of the Department's CFO Council; and (2) a structure through which finance officers develop agreements, consensus, and priorities on improvements in systems, operations, services, and information. The goal of the FOP is to coordinate, cooperate, and participate in the short- and long-term improvement of the Department's Financial Management Program while promoting efficiencies that reduce costs and improve service. The FOP's mission is to:

- (1) Provide leadership in developing financial management strategic direction.
- (2) Plan, implement and manage financial management initiatives.
- (3) Ensure linkages across administrative support functions.
- (4) Advance sound financial policies and practices.
- (5) Champion the establishment of a partnership relationship with program managers.
- (6) Encourage collaborative efforts across the DOI financial community.
- (7) Promote consensus within the DOI finance arena and establish priorities.
- (8) Foster information sharing within the Department of the Interior both to and from the CFO Council and PFM.
- (9) Provide a structure for communicating the accomplishments of the DOI financial management community.

(10) Establish operating structures to address data stewardship, management of systems and other initiatives.

B. The FOP recognizes that financial management encompasses the full range of administrative disciplines: Accounting, Budget, Personnel/Payroll, Acquisition, Property, and Information Resources Management. To effectively accomplish its goal, the Partnership will reach out to these disciplines to form expanded Partnership teams to address the overall complex financial management challenges. The recommendations of the FOP are made in conjunction with the Director of PFM to the CFO Council. The FOP organization consists of one representative from PFM (the Deputy Chief Financial Officer's representative) and one representative from each bureau (finance officer). The FOP accomplishes its goals and objectives primarily through the efforts of workgroups. The established workgroups of the FOP include:

(1) Software Advisory Board Team (SAB): The primary function of the SAB is to provide analytical and technical support to the FOP in the areas of Federal Financial System (FFS) software design, development, and implementation.

(2) 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.

(3) 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.

(4) 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.

3.6 Office of the Special Trustee for American Indians (OST). The American Indian Trust Fund Management Reform Act of 1994 affirmed the Secretary's trust responsibilities and established the OST. The OST provides oversight for all trust reform efforts and coordinates certain trust fund related projects within the Department. The Special Trustee is head of OST and reports directly to the Secretary.

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Figure 1

DOI CFO
ORGANIZATION STRUCTURE

