



# United States Department of the Interior

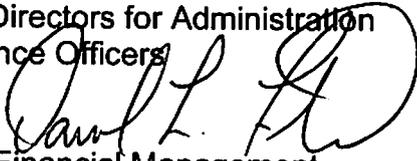
OFFICE OF THE SECRETARY  
Washington, DC 20240



JAN 14 2010

## FINANCIAL MANAGEMENT MEMORANDUM 2010 - 003 (Vol. II.E)

To: Bureau Assistant Directors for Administration  
Bureau Chief Finance Officers

From: Daniel L. Fletcher   
Director, Office of Financial Management

Subject: Biennial Review of User Charges and Supplemental Cost Recovery  
Requirements for FY 2009

All Chief Financial Officers (CFO) Act agencies are required to conduct biennial reviews of "user charge" programs. The CFO Act, Public Law 101-576, Section 205, Subsection 902 (a) (8), states that an Agency Chief Financial Officer shall:

"review, on a biennial basis, the fees, royalties, rents, and other charges imposed by the agency for services and things of value it provides, and make recommendations on revising those charges to reflect costs incurred by it in providing those services and things of value."

Office of Management and Budget (OMB) Circular A-25, *User Charges*, provides guidance to executive agencies. The Circular establishes Federal policy regarding fees assessed for Government services and for sale or use of Government goods or resources. It provides information on the scope and types of activities subject to user charges and on the basis upon which user charges are to be set.

Attached are the instructions and formats for providing the required data. Bureaus are requested to complete the required attachments and submit the reports to the Office of Financial Management (attention Michael Anthony) no later than **February 19, 2010**.

If you have any questions or need additional information regarding this request, please contact Michael Anthony ([Michael\\_Anthony@ios.doi.gov](mailto:Michael_Anthony@ios.doi.gov)) on (202) 208-6824.

cc: Financial Statement Guidance Team  
Financial Officers Partnership  
Bureau User Charge Contacts

### Attachments

- #1. Bureau User Charge Contact List
- #2. CFO Act Biennial Review Requirements for FY2009
- #3. Supplemental Cost Recovery Reporting Requirements
- #4. Supplemental Cost Recovery Reporting Format

**Cost Recovery/User Charge Contacts**

| <u>Bureau</u>              | <u>Point of Contact</u> | <u>Telephone #</u> |
|----------------------------|-------------------------|--------------------|
| Bureau of Indian Affairs   | Dana Stanley            | 703-969-7190       |
| Bureau of Land Management  | Michael Kluherz         | 303-236-6325       |
| Bureau of Reclamation      | Linda Griswold          | 303-445-3427       |
| Fish and Wildlife Service  | Tom Angus               | 703-358-1784       |
| Mineral Management Service | Darlene Olsen           | 202-208-5728       |
| National Park Service      | Larry Poe               | 202-208-7919       |
| Office of Surface Mining   | Towanna Thompson        | 202-208-2726       |
| U.S. Geological Survey     | Mary Sites Robic        | 703-648-4374       |
| Departmental Offices       | Gail Cunnington         | 303-969-7190       |

**CFO Act Biennial Review Requirements for FY2009**

- 1) Review your bureau's "Current Inventory of User Charge Activities" worksheet (current inventory worksheet) for accuracy and update them as necessary. Be sure to update the following columns:

Cost Method Used  
Charge/Fee Amount  
Year of Last Revision to Charge/Fee Amount  
Timing of Collection  
Revenues and Costs for FY 2009 and FY2008

- 2) For new activities since the last review, list the activity below the current worksheet under the heading, "New User Charge Activities". Please provide the requested information for the **new** activity.

**NOTE: PFM will provide the Bureau User Charge Contact and Bureau Finance Officer an electronic file of their bureau's current inventory worksheet via e-mail for the purpose of updating.**

**Supplemental Cost Recovery Reporting Requirements**

- 1) Complete the Supplemental Cost Recovery Report (**Attachment #4**) and submit the report electronically to michael\_anthony@ios.doi.gov by February 19, 2010.
- 2) **Column 6 of Attachment #4**, provide an explanation for each activity where the fees assessed are less than 95% or greater than 105% of the total cost for the activity. For activities beyond the aforementioned parameters and where the fees are not set by specific authority or limited by a properly documented cost recovery exemption, please include a corrective action plan on a separate page for each activity to adjust the prices to more closely match costs.
- 3) **Column 8 of Attachment #4**, for each activity reported, indicate the productivity (output) for the activity (e.g., number of maps sold, number park/refuge visitations, kilowatt hours of electricity sold, etc.). If the output is not measured for the activity, explain why no output is measured.
- 4) Attach a narrative to the report that describes improvements made to the bureau's cost recovery program during the past two fiscal years (FY2008 & FY2009) and any planned future improvements.
- 5) Provide an attachment to your submission that indicates the status of any pending cost recovery-related audit recommendations and those recommendations resolved during the past two fiscal years (FY 2008 and FY 2009).

