



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

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FINANCIAL MANAGEMENT MEMORANDA 2014- 014 (Vol. II.A)

To: Bureau Assistant Directors for Administration
Bureau Chief Financial Officers

From: Douglas A. Glenn *D. A. Glenn*
Deputy Chief Financial Officer and Director
Office of Financial Management

Subject: FY 2014 Requirements for the Consolidated Audit

As required by the Chief Financial Officer's Act of 1990, all Bureaus must maintain sufficient documentation to support the compilation and successful audit of the Department of the Interior's Agency Financial Report (AFR) and Government-wide Financial Report System (GFRS) submissions. This includes the documentation, review, approval, and submission of Bureau specific internal control, performance, financial reporting, and stewardship data. Fiscal Year (FY) 2014 Bureau submission requirements are outlined in this memorandum. Please feel free to contact Diane Washington at (202) 208-6225 or via e-mail at Diane_Washington@ios.doi.gov; or Paul McEnrue at (202) 208-3425 or via e-mail at Paul_McEnrue@ios.doi.gov, if you have any questions regarding these requirements.

The Office of Planning and Performance Management provides Bureau performance information that is included in the Management Discussion and Analysis (MD&A) of the AFR. Bureaus should work with this office to ensure the MD&A is timely, detailed, accurate, and fully supported.

All Bureaus must prepare and maintain individual internal control documentation including the annual assessment of internal controls over financial reporting, annual reviews of information technology and operational controls, and the annual assurance statement per the Federal Manager's Financial Integrity Act.

Bureaus must record financial transactions in accordance with generally accepted accounting principles as defined by the pronouncements of the Federal Accounting Standards Advisory Board. The Bureaus are responsible for creating, reconciling, supporting, and reviewing individual Bureau Business Planning and Consolidation (BPC) data. The Bureaus must verify that transactional financial data is accurate, supported, and any BPC errors or warnings are addressed as appropriate. Documentation of the review, approval, and submission of Bureau specific data shall be accomplished via the submission of a financial reporting package. The components of the required financial reporting package vary depending on the period of submission. Please see specifics provided below. All submissions are to be provided in the prescribed financial reporting templates. Template formats are provided to the Bureaus for comment via the Financial Statement Guidance Team (FSGT). Concerns or questions specific to

As a reminder, please run the report template at the Bureau level to check for accuracy when the supporting data is purely Standard General Ledger driven. The majority of note disclosures will require completion of data entry to the input form and Bureau level report validation. See the attached table for specific requirements relative to each disclosure.

Also, attached is the *Program Managers Guide to Financial Audits*. The financial statement audit process is not just the responsibility of finance office staff; it requires staff throughout the Department of the Interior (DOI) to work together. One critical group's participation necessary for the process to be successful is Bureau program managers. The *Program Managers Guide to Financial Audits* is beneficial in communicating to program managers their responsibilities in completing the financial statement audit process on a timely basis.

Each Bureau shall provide the following deliverables, as applicable:

Monthly Requirements

- Review BPC Staging Detail Query and address errors and cleanup items noted on the report;
- Run Controls Monitor and address failed controls;
- Elimination Entries, detail files, and unbilled/advance reports;
- Child trial balance report to non-DOI parents, as applicable; and
- Trial Balance Relationship Analysis Template.

Quarterly Requirements

Quarterly Requirements include the Monthly Requirements listed above in addition to the items listed below. Please see the attached table for detailed information.

- Applicable accruals and/or adjusting entries to include those provided by the Department of Labor and the Office of Personnel Management;
- Financial Statement Variance Analysis Template (Current FY quarter to Prior FY quarter);
- Financial Manager's Checklist Template (see attached);
- Designated Footnote Templates, (required 3rd and 4th quarters. The Stewardship Assets Note is required in the 3rd and 4th quarter packages);
- Designated narrative text, when specific or unique information is disclosed related to the specific Bureau in the consolidated AFR (required 3rd and 4th quarters);
- Required Supplementary Information and Required Supplemental Stewardship Information, when specific or unique information is disclosed related to the specific Bureau in the consolidated AFR, (e.g., deferred maintenance; stewardship/heritage asset condition information (required 3rd and 4th quarters);
- Other accompanying information when specific or unique information is disclosed related to the specific Bureau in the consolidated AFR (required 3rd and 4th quarters);
- Non-Generally Accepted Accounting Principles Analysis;
- Statement of Budgetary Resources to Standard Form 133 Reconciliation - as requested by the Office of Financial Management; and
- Distributed Offsetting Receipts Reconciliation Template as applicable.

Year-End Requirements

Year-End Requirements include the Monthly and Quarterly Requirements listed above in addition to the items listed below.

- Trial Balance Verification Letter following the required format;
- Management Representation Letter following the required format; and
- GFRS Templates following the required format.

Refer to the 2014 Bureau Financial Statement Folder in BPC Team Template Library for the required templates.

Attachments

cc: Financial Statement Guidance Team
Finance Officers Partnership

Cancelled FMMS: n/a

Additional FMMS on the Subject: 2011 – 014