

1 FAM 220

BUREAU OF RESOURCE MANAGEMENT (RM)

(TL:ORG-110; 04-23-2002)

1 FAM 221 ASSISTANT SECRETARY FOR RESOURCE MANAGEMENT AND CHIEF FINANCIAL OFFICER (RM/CFO)

1 FAM 221.1 Overall Responsibilities

(TL:ORG-110; 04-23-2002)

a. The Assistant Secretary for Resource Management and Chief Financial Officer (RM/CFO) has two primary sets of responsibilities:

(1) As Assistant Secretary, to coordinate resource requirements to enable the Secretary of State to present integrated international affairs resource submissions to the Office of Management and Budget (OMB) and to the Congress; to assist foreign affairs agency heads in developing policies, plans, and programs to achieve foreign policy goals; to support the Department's strategic and performance planning; and to procure and distribute the funds necessary for the State Department's operations to achieve foreign policy objectives.

(2) As Chief Financial Officer, to report directly to the Secretary of State regarding financial management matters; to oversee all financial management activities relating to the programs and operations of the Department; to develop and maintain an integrated agency accounting and financial management system; to direct and manage the Department's financial management personnel, activities and operations; to monitor the financial execution of the budget in relation to actual expenditures; and to perform other functions in accordance with 31 U.S.C. 901 et seq.

b. The Bureau of Resource Management is aimed at achieving organizational unity among the Department's financial management, strategic planning, and budget activities. It consists of the following major components:

- (1) Office of the Executive Director;
- (2) Office of the Coordinator for Intelligence Resources and Planning and Critical Infrastructure Protection;
- (3) Office of Strategic and Performance Planning;

- (4) Office of Foreign Assistance Programs and Budget;
- (5) Office of Programs, Operations, and Budget; and
- (6) Office of Global Financial Services and Deputy CFO.

1 FAM 221.2 Policy Responsibilities

(TL:ORG-110; 04-23-2002)

The RM/CFO's policy responsibilities are to:

(1) Establish effective financial management policies and management controls, including integrating budget execution and accounting functions, and leveraging the use of electronic technologies (e-government);

(2) Support the Department's strategic and performance planning activities in coordination with the Under Secretary for Management;

(3) Direct the development of strategic planning and policy formulation processes linked to resource acquisition and management;

(4) Assist international affairs (Function 150) agency heads in developing policies, plans, and programs to achieve U.S. foreign policy goals;

(5) Provide advice on current and prospective intelligence resource and critical infrastructure protection matters, including developing strategies and initiatives for managing related issues for the Department;

(6) Direct, manage, and provide policy guidance and oversight of Departmental financial management personnel, activities, and operations including:

(a) Prepare and revise, annually, the Department's five-year financial management plans;

(b) Develop Departmental financial management budgets;

(c) Direct and guide recruitment, selection and training of personnel to carry out agency financial management;

(d) Approve and manage agency financial management systems design or enhancement projects; and

(e) Provide overall direction and guidance of implementation of agency asset management systems;

(7) Mandate Department-wide data and reporting format requirements for financial management systems;

(8) Represent the Department on the government-wide CFO Council. Serves as a member of the Department's Executive Resources Board;

(9) Direct the Department's General Accounting Office (GAO) liaison activities;

(10) Manage the Department's advisory committee program. Ensure that the Department is in compliance with the requirements of the Federal Advisory Committee Act, related implementing Executive orders, and OMB circulars;

(11) Make determinations whether to close advisory committee meetings to the public and to approve the notification of less than 15 days public notice of advisory committee meetings;

(12) Review all major legislative and other programmatic proposals and provide advice to the Secretary on Federal cost and program benefit estimates (major procurements and changes in credit programs); and

(13) Manage the emergencies in the Diplomatic and Consular Service Appropriation (K Fund). The three major uses of the K Fund are to pay for evacuations, certain representational expenditures, and rewards in connection with terrorism, narcotics-related offenses and war crimes. Oversee and coordinate the Department's gift funds program including the acceptance, solicitation and usage of such gifts.

1 FAM 221.3 Program Responsibilities

(TL:ORG-110; 04-23-2002)

The RM/CFO's program responsibilities are to:

(1) Ensure the establishment of effective general and financial management practices in accordance with the Chief Financial Officer's Act of 1990;

(2) Monitor the financial execution of the Department's budget submission and prepare and submit timely performance reports to the Secretary and advise the Secretary on the annual Federal Managers Financial Integrity Act (FMFIA) Report;

(3) Prepare and transmit annually an accountability report to the Secretary and the Director of the OMB in accordance with 31 U.S.C. 902 (a)(6);

(4) Ensure timely and accurate information on contract disbursements in relation to projected costs and actual commitments and test results, including cost estimates for major procurements;

(5) Manage directly and/or monitor, evaluate, and approve the design, budget development, implementation, operation, and enhancement of Departmental accounting, financial, and asset management systems;

(6) Ensure that program information systems provide financial and programmatic data on a reliable, consistent, and timely basis to Departmental financial management systems;

(7) Ensure adequate systems to produce useful, reliable, and timely financial and related programmatic information;

(8) Evaluate the installation and operation of accounting, financial and asset management systems and other information systems that provide financial and/or program performance data;

(9) Develop financial and programmatic performance indicators for inclusion in financial systems and financial reports and statements;

(10) Clear the design of other information systems that provide financial and/or program performance data used in financial statements to ensure his or her needs as CFO are met; and

(11) Has overall responsibility for the following Department regulatory publications:

(a) Foreign Affairs Manual Volume 1, Subchapter 220, *Bureau of Resource Management (RM)*;

(b) Foreign Affairs Manual Volume 2, Subchapter 020, *Systems of Management Control*;

(c) Foreign Affairs Manual Volume 4 (*Financial Affairs*), and its related Foreign Affairs Handbooks in their entirety:

- 4 FAH-1, *Account Structure and Classification Codes*;
- 4 FAH-2, *Disbursing Officer Handbook*; and
- 4 FAH-3, *Financial Management Procedures Handbook*.

(d) 6 FAH-5, *International Cooperative Administrative Support Services Handbook*.

1 FAM 221.4 Principal Budget Officer Responsibilities

(TL:ORG-110; 04-23-2002)

The RM/CFO also serves as the Principal Budget Officer for the Department of State. As Principal Budget Officer, he or she is responsible for:

(1) Projecting, acquiring and allocating the appropriated and reimbursed resources necessary for the Department to conduct diplomatic and consular relations and achieve U.S. Foreign Policy objectives;

(2) Directing the planning, development and conduct of the Department's budget process, the preparation of budget requests for consideration by OMB and the Congress, and issuance of the financial allotments which provide actual resources to the various bureaus and offices of the Department;

(3) Making resource allocation determinations and monitor resource utilization to assure consistency with Presidential priorities and legislative mandates;

(4) Proposing and reviewing legislative strategies for acquiring and maintaining an appropriate level of resources for the Department; and

(5) Serving as a principal or supporting witness at OMB and Congressional hearings on Department budget and management matters.

1 FAM 221.5 Management Control Officer Responsibilities

(TL:ORG-110; 04-23-2002)

The RM/CFO also serves as the Management Control Officer for the Department of State. As Management Control Officer, he or she:

(1) Directs implementation of, and the Secretary's compliance with, the Federal Managers Financial Integrity Act (FMFIA) and OMB Circulars A-123 and A-127 and monitors and requires corrective actions on reported material weaknesses;

(2) Establishes, reviews and enforces throughout the Department management control policies, standards, and compliance guidelines, including training activities and maintenance of management control systems;

(3) Chairs the Department's Management Control Steering Committee;

(4) Ensures compliance throughout the Department with applicable accounting standards issued by the Federal Accounting Standards Advisory Board and financial information and systems functional standards (including the Standard General Ledger and the Core Financial Systems Requirements);

(5) Reviews and approves financial reports and statements prepared by Department components for transmittal to the Secretary, OMB, the President, the Congress, or external groups. Ensures that data are auditable, and works with the OIG to improve the audibility of such reports and statements;

(6) Ensures adequate controls over cash management, credit management, and debt collection operations with respect to real property, equipment, and inventories; and

(7) Acts as reviewing official for proposals to prosecute false claims or statements under the Program Fraud Civil Remedies Act (31 U.S.C. 3801-3812).

1 FAM 221.6 Organization

(TL:ORG-110; 04-23-2002)

An organization chart of RM is found at FAM 1 Exhibit 221.6.

1 FAM 221.7 Definitions

(TL:ORG-110; 04-23-2002)

a. **Accounting Functions**—The methods and procedures used by the Department to record, classify, and report information on its financial position and operations. Encompassed are the various operations related to financing sources and gains, expenses, losses and transfers out, costs, assets, liabilities, and net position activities. This includes the manual and automated procedures and processes from the point a transaction is authorized (initiated) to issuance of financial statements and management information reports containing the data in detail or in summary form.

b. **Annual Accountability Report**—An annual report submitted by the CFO to the Secretary and the Director of OMB as required by the Chief Financial Officer Act (31 U.S.C. 902(a)(6) and the Reports Consolidation Act (Pub. L. 106-531)). The report includes:

(1) The status of financial and performance information in the Department;

(2) Annual financial statements and related audit reports; and

(3) A summary of reports submitted under the Federal Managers Financial Integrity Act (FMFIA).

c. **Authority to Update**—The authority of a new payrolling center to acquire an employee's records from the old payrolling center when the employee transfers from one center to another under the Consolidated American Payroll Processing System (CAPPS).

d. **Budget and Cost Distribution Software**—A software system that facilitates budget formulation and execution of shared administrative service costs by center (function code) and agency share using either workload statistics or a form of capitation. Included are selected non-post funded costs as well as post costs. A complete description of each application and more technical guidance are included in the 6 FAH-5, *The ICASS Handbook*.

e. **Budget Execution**—All funds control activities designed to ensure that resources are used only for authorized purposes and in the most efficient manner and that obligations and expenditures do not exceed amounts authorized or allocated.

f. **Financial Management Offices**—The offices at posts that manage the full-range of post-level financial management activities.

g. **Disaster Recovery Plan**—The detailed plan for restoring operations in the event a financial service center (FSC) is rendered inoperable because of fire, natural disaster, acts of war, or other violence.

h. **Financial Analysis and Performance Reports**—The processes whereby financial data are transformed into meaningful information for both Department and external users responsible for making resource allocation decisions, assessing management's performance and stewardship, managing activities, or determining legal compliance.

i. **Financial Management Matters**—Those activities that relate to the fiscal affairs of the Department and the translation of actions into meaningful and relevant information for use in the management process. They cover a broad spectrum of activities including planning, programming, budgeting, accounting, cash and credit management, reporting, and audit and review, among other things.

j. **Financial Management Personnel**—Employees of the Department who directly or indirectly perform functions described under financial management matters (item i above). These personnel may or may not be within the chain of command of the Chief Financial Officer but will, in all cases, be subject to his or her general oversight.

k. **Grants Financial Management**—Those activities that relate to policy development, oversight, procedures and training pertaining to the financial management of grants.

l. **Help Desk**—A specific group in RM established to address system and accounting problems in a timely manner.

m. **International Cooperative Administrative Support Services (ICASS)**—A customer-driven, voluntary interagency mechanism for managing and funding administrative support services abroad. It gives posts the authority to determine how services are delivered, at what cost and by whom; ensures that service providers are formally accountable to the customer; and incorporates a full cost recovery system through a no-year working capital fund (WCF).

n. **ICASS Executive Board**—ICASS policy-making body, chaired by the Assistant Secretary for Administration. Members are generally assistant secretary-level officers from participating agencies. The Board meets on an ad hoc basis at least quarterly.

o. **ICASS Service Center**—An inter-agency staffed office located in the Bureau of Resource Management (RM) that reports to the ICASS Executive Board and ICASS Working Group and provides staff for worldwide ICASS implementation.

p. **ICASS Interagency Working Group**—An inter-agency working group open to all agencies represented on post ICASS councils and is headed by a chairperson elected annually by members of the Interagency Working Group.

q. **Intragovernmental Payment and Collection (IPAC)**—A system that allows agencies to issue payments and provide collecting capabilities by going through the Department of Treasury via the Internet.

r. **Joint Financial Management Improvement Program (JFMIP) Financial System Requirements**—Documents that set forth minimum standard requirements for Federal financial systems. These documents include but are not limited to the following (dates of issuances are in parentheses):

- (1) Inventory System Requirements (06/1995);
- (2) Framework for Federal Financial Management Systems Requirements (01/1995);
- (3) Managerial Cost Accounting Systems Requirements (02/1998);
- (4) Human Resource and Payroll Systems Requirements (04/1998);
- (5) Travel Systems Requirements (07/1999);
- (6) Seized Property and Forfeited Assets (12/1999);
- (7) Direct Loan Systems Requirements (06/1999);
- (8) Guaranteed Loan Systems Requirements (03/2000);
- (9) Property Management Systems Requirements (10/2000);

- (10) Grant Financial System Requirements (06/2000);
- (11) Benefit System Requirements (09/2001); and
- (12) Core Financial System Requirements (09/2001).

s. **Management Control**—The steps taken to provide reasonable assurance that obligations and costs are in compliance with applicable law; funds, property, and other assets are safeguarded; revenues and expenditures applicable to Departmental operations are properly recorded and accounted for; and programs are efficiently and effectively carried out in accordance with law and management policy.

t. **Standard General Ledger**—A uniform chart of accounts and technical guidance to be used in standardizing Federal agency accounting and to support the preparation of standard external reports required by central agencies.

u. **Warrant**—An official document issued by the Secretary of the Treasury which reflects an amount of money authorized and appropriated by public law to be withdrawn from the Department of Treasury. Warranted amounts are established in Treasury Department accounts and subsequent fiscal activity reported by administering departments and agencies is reflected against those amounts for consolidated federal accounting.

v. **Working Capital Fund (WCF)**—A no-year fund that permits unobligated money to be carried over from one fiscal year to the next, providing fiscal flexibility. Funds may be authorized for expenses and equipment necessary for maintenance and operation in Washington, DC and elsewhere. These include centralized services for reproduction, editorial, data processing, audiovisual, library, and administrative support services; supplies and equipment; and other administrative services the Secretary determines may be performed more advantageously and more economically as central services (with OMB approval).

1 FAM 221.8 Authorities

(TL:ORG-110; 04-22-2002)

Legal authorities pertaining to the work of the Bureau of Resource Management include :

(1) **Budget and Accounting Procedures Act of 1950 (Pub. L. 81-784)**—Authorizes the Comptroller General to audit the financial transactions of U.S. Government agencies and to prescribe, in consultation with the President and the Department of the Treasury, accounting standards and requirements for executive agencies;

(2) **Cash Management Improvement Acts of 1990 and 1992 (31 U.S.C. Secs. 3335 and 6503) (Pub. L. 101-453, 102-589)**—This Act ensures greater efficiency, effectiveness, and equity in the exchange of funds between the Federal government and the States. It calls for timely disbursement of Federal funds and Treasury penalty against agencies for non-compliance;

(3) **Chief Financial Officer's Act (Pub. Law 101-576, November 15, 1990; 31 U.S.C. 901 et seq.)**—This Act requires the designation of a CFO for the Department of State to be appointed by the President, by and with advice and consent of the Senate, for the express purpose of bringing more effective general and financial management practices to the Department. The Act also provides specific statutory authority and functions of the CFO. It also supports integration and modernization of the government's financial systems and provides for cost information development and reporting;

(4) **Clinger-Cohen Act (Information Technology Management Reform Act) (Division E of Pub. L. 104-106)**—This Act requires agencies to establish a planning process for capital investments in information technology, encourages interagency and government-wide acquisitions of systems and, when advantageous, the use of commercial off-the-shelf software. It also authorizes chief information officers at the agencies and stresses integrated information systems;

(5) **Debt Collection Improvement Act (DCIA) of 1996 (31 U.S.C. Secs. 3701, 3711, 3716) (Pub. L. 104-134)**—This Act authorizes and requires actions to maximize collections of delinquent debts, minimize costs of collection, reduce losses, and inform the public of these procedures;

(6) **Debt Collection Act of 1982 (Pub. L. 97-365)**—Amends the Privacy Act of 1974 requiring disclosure of individual records to a consumer reporting agency, increasing the efficiency of Government-wide efforts to collect debts as well as provide additional procedures for collection of debts owed to the United States;

(7) **Annual Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act**—This annual appropriation provides funds to be spent, and fees to be collected, for Department operations, assessed contributions for international organizations, and other purposes;

(8) **Department of State Appropriations Bill, FY 1997 (Pub. L. 104-208)**—This Act contained a proviso under "Diplomatic and Consular Programs" that required that in FY 1998, "a system shall be in place that allocates to each department and agency the full cost of its presence outside the United States." This led to the establishment of the ICASS;

(9) **Federal Activities Inventory Reform Act of 1998 (Pub. L. 105-270)**—Directs each Executive agency to submit to OMB a list of activities performed by the Federal government source for the agency, which are not inherently governmental functions;

(10) **The Federal Advisory Committee Act (Pub. L. 92-463, 5 U.S.C. App. 2)**—This Act provides for the establishment and management of advisory committees, including procedures for closed meetings or meetings held without the normally prescribed public notice;

(11) **Federal Credit Reform Act of 1990 (2 U.S.C. Sec. 661)**—The Act seeks to measure more accurately the costs of Federal credit programs and to place the cost of credit programs on a budget basis equivalent to other Federal spending;

(12) **Federal Financial Management Act of 1994 (31 U.S.C. Sec. 3332)**—This Act requires Federal payments to be made electronically;

(13) **Federal Financial Management Improvement Act (FFMIA) of 1996 (31 U.S.C. Sec. 3512) (Pub. L. 104-208, Secs. 801-808)**—This Act requires U.S. Government agencies to use the standard general ledger, prepare financial statements in accordance with generally accepted accounting principles, and to ensure financial management systems meet specified standards;

(14) **Federal Managers' Financial Integrity Act (FMFIA) of 1982, as amended (31 U.S.C. Sec. 3512)**—This Act requires ongoing evaluations of the management control and accounting systems that protect federal programs against fraud, waste, abuse and mismanagement. It further requires the Secretary to submit a report annually to the President and the Congress on the conditions of these systems and actions taken to correct identified weaknesses;

(15) **Foreign Affairs Reform and Restructuring Act of 1998**—This Act abolished the Arms Control and Disarmament Agency and the U.S. Information Agency (USIA, with the exception of the broadcasting entities) and transferred their functions to the Department of State. The Department assumed ownership of the relevant assets and responsibility for the liabilities and obligations of USIA and ACDA;

(16) **Annual Foreign Operations, Export Financing, and Related Programs Appropriations Acts**—The Act appropriates funds to the Executive Office of the President (EOP), Peace Corps, the Department of Treasury, and other agencies conducting international programs for foreign assistance and related purposes;

(17) **Biennial Foreign Relations Authorizations Acts**—This legislation, which is usually enacted every two years, authorizes appropriations for Department accounts and in general contains certain statutory authorities related to administration of the Department and foreign policy matters;

(18) **Foreign Service Act of 1980, as amended (Pub. L. 96-465; 22 U.S.C. Secs. 3901 et seq.)**—This Act provides for the Foreign Service personnel system and the administration of the Foreign Service Retirement and Disability System;

(19) **Government Management Reform Act (GMRA) of 1994 (Pub. L. 103-356)**—This Act requires electronic payments, establishment of franchise fund pilot programs, and simplification of the management reporting process. This requires the Secretary to submit to the Director of OMB an annotated financial statement of the agency each year beginning in 1997 for the preceding fiscal year. Title IV of this Act is also cited as the Federal Financial Management Act of 1994;

(20) **Government Performance and Results Act (GPRA) of 1993 (31 U.S.C. Secs. 1115 and 1116, Pub. L. 103-62)**—This Act requires U.S. Government agencies to provide for the establishment of strategic planning and performance measurement in the budgeting process;

(21) **Inspector General Act of 1978, as amended (5 U.S.C. App. 3)**—Section 5 of the Act requires the Secretary to transmit to Congress semiannual reports of the activities of the Office of the Inspector General (OIG), and the Secretary's comments on the report. The report discusses major problems in the Department, the most significant findings, and statistical data;

(22) **Paperwork Reduction Act of 1995 (Pub. L. 104-13)**—This Act requires Federal agencies to manage information collection to reduce the burden of Federal paperwork on the public;

(23) **Prompt Payment Act of 1982 and Amendments of 1996 (31 U.S.C. Secs. 3901 et seq.)**—This Act requires executive departments and agencies to make payments to private parties on time, to pay interest penalties when payments are late, and to take discounts only when payments are made on or before the discount date;

(24) **Program Fraud Civil Remedies Act of 1986 (31 U.S.C. Secs. 3801-3812)**—This Act establishes the requirements for pursuing a program of fraud civil complaints against persons who have defrauded the Department, filing complaints with administrative law judges, and compromising or settling cases prior to the date of the administrative judge's decision;

(25) **Reports Consolidation Act of 2000 (Pub. L. 106-531)**—The Act authorizes the consolidation of financial and performance management reports into a single report. This action will provide financial and performance management information in a more meaningful and useful format for the President, Congress, and the public;

(26) **State Department Basic Authorities Act (BAA) of 1956, as amended (22 U.S.C. Secs. 2651a et. seq.)**—Establishes the organizational structure of the Department and provides many of its management authorities. These authorities include establishing a working capital fund (WCF), collecting certain fees, employing personal services contractors abroad, making expenditures arising out of unforeseen emergencies in the diplomatic and consular service, collecting debts, providing consolidated administrative support services, establishing a buying power maintenance account, and reprogramming funds appropriated to the Department of State;

(27) **Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Pub. L. 104-193), 42 U.S.C. Sec. 659**—This Act amended the statutory authority (42 U.S.C. Sec. 659) for the federal government to garnish wages for enforcement of child support and alimony obligations, and enhanced the priority of these obligations over certain other garnishments; and

(28) **Hatch Act Reform Amendments of 1993 (Pub. L. 103-94), 5 U.S.C. Sec. 5520(a)**—This Act provides for the Federal government to garnish the wages of Federal employees for debts to commercial establishments pursuant to legal process.

1 FAM 221.8-1 Office of Management and Budget (OMB) Guidance

(TL:ORG-110; 04-23-2002)

a. The following OMB bulletins provide OMB guidance:

(1) **OMB Bulletin 92-04**, *Termination of Federal Benefits to Deceased Beneficiaries*;

(2) **OMB Bulletin 01-02**, *Audit Requirements for Federal Financial Statements*; and

(3) **OMB Bulletin 01-09**, *Form and Content of Agency Financial Statements, as amended, 09/01*—Provides guidance for the preparation of financial statements, including minimum disclosure requirements.

b. The following OMB circulars provide OMB guidance (the dates of issuance or revision are in parenthesis):

(1) **OMB Circular No. A-11, Part 1, *Preparation and Submission of Budget Estimates*** (11/01)—Establishes policies and procedures for preparation and submission of agency budget estimates to OMB. It also describes object classifications that are used to report obligations for past year/budget year for each account according to the nature of the services procured;

(2) **OMB Circular No. A-11, Part 2, *Preparation and Submission of Strategic Plans, Annual Performance Plans, and Annual Program Performance Reports***—Provides OMB guidance on implementing the Government Performance and results Act of 1993 (GPRA);

(3) **OMB Circular No. A-11, Part 3, *Planning, Budgeting, and Acquisition of Capital Assets, Supplement to Part 3, Capital Programming Guide*** (11/01)—Provides a basic reference on principles and techniques for planning, budgeting, procurement, and management of capital assets;

(4) **OMB Circular No. A-21, *Cost Principles for Educational Institutions*** (08/00)—Establishes principles for determining costs applicable to grants, contracts, and other agreements with educational institutions;

(5) **OMB Circular No. A-25, *User Charges*** (07/93)—Establishes Federal policy regarding fees assessed for government services and for sale or use of government goods or resources;

(6) **OMB Circular No. A-34, *Instructions on Budget Execution*** (12/01)—Sets forth the requirement for apportionment, reports on budget execution, and addresses applied costs for business-type activities;

(7) **OMB Circular No. A-50, *Audit Followup*** (Revised 09/29/82)—Provides the policies and procedures for use by Executive agencies when considering reports issued by the Inspector General (OIG), other Executive branch audit organizations, the GAO, and non-Federal auditors where follow-up is necessary;

(8) **OMB Circular No. A-76, *Performance of Commercial Activities, as amended*** (08/00)—Establishes Federal policy regarding the performance of commercial activities and implements the statutory requirements of the Federal Activities Inventory Reform Act of 1998, Pub. L. 105-270. The Supplement sets the procedures for determining whether commercial activities should be performed under contract with commercial sources or in-house using U.S. Government facilities and personnel;

(9) **OMB Circular No. A-110, *Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other nonprofit Organizations, as amended*** (09/99)—Sets standards for obtaining consistency and uniformity among Federal agencies in the administration of grants to and agreements with institutions of higher education, hospitals, and other non-profit organizations;

(10) **OMB Circular No. A-122**, *Cost Principles for Non-Profit Organizations* (06/98)—Revised by amending the definition for equipment, requiring the breakout of indirect costs into facilities and administration for certain non-profit organizations, modifying the multiple allocation basis, and clarifying the treatment of certain cost items;

(11) **OMB Circular No. A-123**, *Management Accountability and Control* (06/95)—Provides guidance to Federal managers on improving the accountability and effectiveness of Federal programs and operations by establishing, assessing, correcting, and reporting on management controls;

(12) **OMB Circular No. A-127**, *Financial Management Systems, Revised* (07/93)—Prescribes policies and procedures to be followed by Executive departments and agencies in developing, operating, evaluating, and reporting on financial management systems;

(13) **OMB Circular No. A-129**, *Managing Federal Credit Programs*, (11/00)—Prescribes policies and procedures for justifying, designing, and managing Federal credit programs and for collecting non-tax receivables;

(14) **OMB Circular No. A-130**, *Management of Federal Information Resources* (12/00)—Establishes policies and procedures for Executive departments and agencies in managing information, information systems, and information technology;

(15) **OMB Circular No. A-133**, *Audits of States, Local Governments and Non-Profit Organizations* (06/97)—Sets standards for obtaining consistency and uniformity among Federal agencies for the audit of States, local governments, and non-profit organizations expending Federal awards;

(16) **OMB Circular No. A-134**, *Financial Accounting Principles and Standards* (05/93)—Establishes policies and procedures for approving and publishing financial accounting principles and standards. It also establishes the policies to be followed by the Executive Branch agencies and OMB in seeking and providing interpretations and other advice related to the standards; and

(17) **OMB Circular No. A-135**, *Management of Federal Advisory Committee* (10/94)—Provides guidance and instructions on the management of Federal advisory committees and requires Executive departments and agencies to establish a committee planning and review process.

c. For additional authorities and regulations, please contact the Financial Policy, Reporting, and Analysis Directorate (RM/F/FPRA).

1 FAM 222 OFFICES REPORTING DIRECTLY TO THE RM/CFO

1 FAM 222.1 Office of the Executive Director (RM/EX)

(TL:ORG-110; 04-23-2002)

The Executive Director operates under the authority of the Assistant Secretary for Resource Management and Chief Financial Officer (RM/CFO). The Executive Director:

(1) Provides executive direction and support to the Bureau for all administrative, management, planning and resource allocation activities, including budget, human resources, internal systems, and general services. Designs, develops, implements, enhances and maintains Bureau administrative systems. Provides administrative support to the Financial Service Centers in Bangkok, Paris, and Charleston, South Carolina; and

(2) On behalf of the RM/CFO, exercises (with authority to re-delegate) all appropriate Bureau administrative authorities except those required by law, regulation, or otherwise to be performed by the RM/CFO or higher authority, or by others specifically designated in writing.

1 FAM 222.2 Office of the Coordinator for Intelligence Resources and Planning and Critical Infrastructure Protection (IRP/CIP)

(TL:ORG-110; 04-23-2002)

The Coordinator for Intelligence Resources and Planning and Critical Infrastructure Protection operates under the authority of the RM/CFO. He or she:

(1) Advises the Under Secretary for Management and the RM/CFO on intelligence issues affecting the broad financial and management interests of the Department;

(2) Coordinates the Department's and RM's initiatives to address cyber and physical infrastructure vulnerabilities and works to mitigate its exposure to these threats;

(3) Coordinates with the intelligence community and provides an independent, integrated capacity for analysis of, and advice on, current and prospective intelligence resource matters;

(4) Represents the Department's platform interests on planning committees and interagency policy-making groups;

(5) Ensures that the Department's information priorities are adequately reflected in other agencies' budget plans and supplementals;

(6) Coordinates RM's e-Gov initiatives with the interagency community by advancing information technologies that improve collaboration among the foreign affairs and national security communities. Works in close coordination with F/FMS and EX/ISO to facilitate RM's core business practices; and

(7) Identifies and evaluates emerging technologies that enhance RM's ability to provide on-line services to its customers within the Department and in other government agencies. Stays current with e-Gov initiatives and directions in government and the private sector.

1 FAM 223 DEPUTY ASSISTANT SECRETARY FOR STRATEGIC AND PERFORMANCE PLANNING (RM/SPP)

(TL:ORG-110; 04-23-2002)

The Office of Strategic and Performance Planning is headed by a Deputy Assistant Secretary and operates under the authority of the RM/CFO. The Deputy Assistant Secretary for RM/SPP:

(1) Is responsible for the Department's full range of strategic and performance planning activities by providing dedicated policy, planning and analytical support on a wide range of issues;

(2) Is responsible for the Department's Mission Program Plan (MPP) and Bureau Program Plan (BPP) processes, annual Performance Plan and Performance Report, Strategic Plan, and coordination of the International Affairs Strategic Plan;

(3) Has principal responsibility for the Department's compliance with the GPRA;

(4) Coordinates closely with the Office of State Programs, Operations, and Budget (RM/BP) to fully integrate the Department's planning, budgeting and performance activities; and

(5) Coordinates annual senior reviews of bureaus' planning and budget requirements for the Deputy Secretary and other senior officials.

1 FAM 224 DEPUTY ASSISTANT SECRETARY FOR FOREIGN ASSISTANCE PROGRAMS AND BUDGET (RM/FA)

(TL:ORG-110; 04-23-2002)

The Office of Foreign Assistance Programs and Budget is headed by a Deputy Assistant Secretary and operates under the authority of the RM/CFO. The Deputy Assistant Secretary for RM/FA:

- (1) Recommends to the Secretary and Deputy Secretary resource allocations to fulfill foreign policy priorities and maximize effective use of resources;
- (2) Assists international affairs (Function 150) agency heads in developing policies, plans, and programs to achieve U.S. foreign policy goals;
- (3) Coordinates resource requirements to enable the Secretary of State to present an integrated international affairs resource request to the Office of Management and Budget and to the Congress;
- (4) Conducts policy reviews to ensure clear definition of goals and continuity between policies, programs, resources, and goals; and
- (5) Works closely with the Assistant Secretary for Resource Management/Chief Financial Officer and the Assistant Secretary for Legislative Affairs to coordinate the Function 150 legislative strategy.

1 FAM 225 DEPUTY ASSISTANT SECRETARY FOR STATE PROGRAMS, OPERATIONS AND BUDGET (RM/BP)

(TL:ORG-110; 04-23-2002)

The Office of State Programs, Operations, and Budget is headed by a Deputy Assistant Secretary and operates under the authority of the RM/CFO. The Deputy Assistant Secretary for RM/BP:

- (1) Plans, develops, presents, justifies, and defends the legislative proposals of the Department of State relating to all Department appropriations, trust funds, and other accounts;
- (2) Participates in the Department of State program planning to facilitate estimation of resource needs commensurate with policy goals and objectives;

(3) Develops and implements strategies for the most effective and persuasive presentation of the Department's budget proposals for consideration by OMB, the President, and the Congress;

(4) Allocates Department resources consistent with Department policies and objectives, and applicable laws and regulations;

(5) Manages the review and evaluation of all Department legislation to determine resource implications and effect on execution of program objectives;

(6) Ensures efficient and effective use of Department resources and analyzes and evaluates their use in accomplishing Department program objectives;

(7) Analyzes fund budget requirements and expenditure trends in relation to overall Department mission and specific bureau and office functions;

(8) Develops and negotiates reimbursement agreements with U.S. Government agencies receiving Department of State support; and

(9) Oversees the development of internal Department budgetary systems and ensures interoperability.

1 FAM 225.1 International Cooperative Administrative Support Services (RM/BP/ICASS)

(TL:ORG-110; 04-23-2002)

The Director of the International Cooperative Administrative Support Services (RM/BP/ICASS):

(1) Reports directly to the Deputy Assistant Secretary for State Programs, Operations, and Budget;

(2) Ensures the transparency and integrity of the International Cooperative Administrative Support Services (ICASS) system through an interagency-staffed office;

(3) Manages the ICASS program, including:

(a) Maintaining and upgrading the ICASS budget and cost distribution software; and

(b) Maintaining and updating 6 FAM 910 (*International Cooperative Administrative Support Services (ICASS)*), and 6 FAH-5, *ICASS Handbook*.

(4) Implements and oversees the ICASS system and provides a broad range of financial and customer assistance services that support ICASS operations at posts abroad. Ensures that well-trained, motivated, and informed personnel at posts administer ICASS. This includes:

(a) Serving as the primary ICASS help desk for posts abroad, Department bureaus, and other agencies on ICASS policy matters; and

(b) Providing guidance and training support to posts in using the cost distribution software to prepare budgets, allocate costs to cost centers, distribute costs to agencies and invoicing agencies.

(5) Supports the activities of the ICASS Executive Board and ICASS Interagency Work Group, including preparation of issue papers and required research;

(6) Coordinates with other RM offices to ensure compatibility of ICASS software with other Department financial systems, including the WCF and accounting systems;

(7) Develops and issues instructions to Department bureaus and posts abroad on the preparation and timing of the ICASS budget submissions, both the initial and the mid-year budget submissions. Ensures that Department bureaus and post budgets are submitted in a timely manner;

(8) Performs technical review of budget submissions to ensure that ICASS budget and cost distribution methodology is being followed. Analyzes each submission to ensure accuracy and reasonableness and that it falls within the acceptable thresholds established by the interagency working group and RM. Follows up with Department bureaus and posts, as well as other agencies, for required corrections;

(9) Performs management analyses of ICASS cost data on a macro and post level to derive more efficient and cost-effective management and delivery of shared administrative services;

(10) Serves as the principal liaison between the Department and the supported agencies regarding the ICASS billing and budget review process. Develops ICASS invoices for all supported agencies at the beginning of the fiscal year and after the mid-year review. Ensures the integrity of the information in the ICASS database and the actual invoices; and

(11) Develops responses to inquiries on ICASS issues from Congress and other agencies.

1 FAM 225.2 Office of Resource Planning and Budget Information (RM/BP/RPBI)

(TL:ORG-110; 04-23-2002)

The Office of Resource Planning and Budget Information (RM/BP/RPBI):

(1) Manages the day-to-day affairs of the Office of Resource Planning and Budget Information;

(2) Plans, develops, justifies, presents, and defends the legislative proposals of the Department for all appropriations, trust funds, and other accounts;

(3) Develops, integrates, and manages the overall Department planning and budget processes;

(4) Establishes long range and integrated Department resource planning strategies that reflect interagency coordination, within the context of the Department's overall planning and budgeting functions;

(5) Creates and articulates the Department's overall budget strategy for incorporation in the Budget-In-Brief, Congressional Presentation Document, principals' speeches on resource issues, and public outreach strategy papers on Department resources;

(6) Develops and manages the budgetary content of Department of State strategic plans, performance plans, Bureau performance plans, and mission performance plans;

(7) Tracks and tasks the preparation of responses to Congressional mandates and inquiries, as well as distributing this information as appropriate;

(8) Ensures that RM/BP systems produce relevant, timely, and coherent information and reports that enhance analysis and understanding of Department of State funding requirements and budget execution;

(9) Establishes policies and performance measures that ensure Department plans, budget requests, and actual appropriation and execution results meet the requirements of the GPRA, CFO's Act and FMFIA, as well as annual appropriations legislation;

(10) Directs operational funds control activities that ensure that the Department is exercising its fiduciary responsibilities in compliance with law and regulation. Activities include:

(a) Obtains spending warrant authorities from the Treasury Department (including GAO and OMB clearance when required); and

(b) Coordinates and controls transactions concerning movement of funds at the appropriation level to and from other U.S. Government agencies through the Treasury Department.

(11) Transmits budgetary and resource availability data to the Treasury Department via proprietary online systems;

(12) Develops and obtains apportionment of funds from OMB;

(13) Maintains and enhances the Department's centralized budget execution and funds control system through the establishment of appropriation and other internal controls and issuance of legally binding allotment documents to bureau principals for all Department appropriations;

(14) Develops and negotiates reimbursement agreements with U.S. Government agencies receiving support from the Department of State to achieve full recovery of the value of services provided; and

(15) Provides data documentation and other support regarding reimbursable earnings to accommodate accounts receivable to ensure collection of earned income.

1 FAM 225.3 Office of Budget Operations (RM/BP/BO)

(TL:ORG-110; 04-23-2002)

The Office of Budget Operations (RM/BP/BO):

(1) Seeks ways to improve overall financial management to ensure maximization of Department resources;

(2) Develops and implements processes for strategic planning and policy development relating to resource management and acquisition for the Department's operating accounts;

(3) With the objective of rational and optimal resource management and use, develops and implements special studies on resource issues, addressing short and long-term strategic factors, resource utilization, policy and operating requirements, and other factors. Develops solutions or approaches to these issues;

(4) Recommends presentation strategies for all operating account appropriations. Reviews Bureau and program requirements in light of foreign policy objectives, economic factors and administration policies, and makes recommendations to RM and other Department principals on resource levels;

(5) Provides guidance in developing, reviewing, and presenting to OMB and the Congress, appropriation language concerning those resources requested for each serviced bureau and appropriation included in the Department's budget request;

(6) Assists bureaus in the development of annual financial plans. Analyzes financial plans submitted by bureaus and offices, develops a financial plan for the entire Department, monitors the execution of approved financial plans, and recommends the reprogramming of resource reallocations;

(7) Conducts quarterly reviews on the status of all operating accounts, highlighting findings and making mid-course recommendations. This includes monitoring financial and program performance against Bureau objectives;

(8) Maintains a central financial database of all historical execution data for operating accounts;

(9) In conjunction with the Department of Treasury, prepares and justifies budget requests for the centrally managed Foreign Service Retirement and Disability Fund and the Foreign Service Pension System Fund;

(10) Performs analysis of the effect of foreign currency fluctuations with particular emphasis on the effect on the Buying Power Maintenance Account;

(11) Manages and controls the funds allotted for the Department's centralized U.S. salaries account. The Division prepares and justifies budget requests for full-time permanent U.S. citizen salaries for consideration by OMB and the Congress. Develops special analyses relating to the effect of alternative staff and benefit levels on U.S. citizen salary requirements;

(12) Plans, develops, and implements cross-cutting analyses including domestic and international Department salaries, prices, and base operations; and

(13) Develops and presents special analyses relating to resource use and projected needs requested by senior Department management, Congress, and the Congressional Budget Office.

1 FAM 226 DEPUTY ASSISTANT SECRETARY FOR GLOBAL FINANCIAL SERVICES AND DEPUTY CHIEF FINANCIAL OFFICER (RM/F/DCFO)

(TL:ORG-110; 04-23-2002)

The Office of Global Financial Services is headed by a Deputy Assistant Secretary, who also serves as the Deputy Chief Financial Officer. This position is under the authority of the RM/CFO. The Deputy Assistant Secretary for RM/F/DCFO:

(1) Manages the Domestic Financial Services Directorate; the Financial Policy, Reporting and Analysis Directorate; the Financial Management Systems Directorate; and the Charleston Financial Services Complex;

(2) Serves as the primary technical and policy advisor to the RM/CFO on all matters relating to financial management and provides guidance and coordination to the Department's financial management program for all operations;

(3) Advises the RM/CFO, and provides technical guidance on all matters relating to financial management systems in the Department's worldwide activities, including, but not limited to strategic planning for financial management, policy, procedures, and management controls;

(4) Represents and acts as the RM/CFO's principal officer in recommending, approving, advising, acting upon, and/or coordinating efforts aimed at resolving problems having financial management implications. Acts as the Chief Financial Officer's principal consulting resource for solving high priority financial management problems within the Department;

(5) Provides technical and policy advice on all issues related to the CFO's Act and other key financial management legislation;

(6) Identifies, evaluates, prioritizes, and acts on Department-wide financial management issues requiring both short-term and long-term planning and coordination. Develops, implements, and oversees short-term and strategic financial management plans for financial operations, financial policy, and management controls;

(7) In consultation with the Chief Financial Officer, manages and oversees the development of policies for the Department's implementation and coordination of the CFO's Act and other financial management legislation with key officials in bureaus, offices, and posts. Establishes the process for obtaining the involvement of Department organizations in identifying and coordinating implementation requirements and in developing implementation plans;

(8) Directs the preparation of documentation, regulations, instructions, and procedures and provides guidance on the solution of problems and issues encountered in carrying out the CFO's Act and other legislative requirements; and

(9) Directs the Management Controls Program for the Department.

1 FAM 226.1 Domestic Financial Services Directorate (RM/F/DFS)

(TL:ORG-110; 04-23-2002)

The Managing Director for Domestic Financial Services reports directly to the DCFO and Deputy Assistant Secretary for Global Financial Services. He or she:

(1) Directs the Department's domestic and consolidated financial accounting operational program in compliance with applicable U.S. Government statutes, policies, and regulations and the accounting principles and standards, as recommended by the Federal Accounting Standards Advisory Board (FASAB), and, as endorsed by GAO, OMB, Department of Treasury, and JFMIP;

(2) Advises the CFO and DCFO on all matters relating to the domestic and consolidated accounting and fiscal programs of the Department and other agencies that receive fiscal services from the Department;

(3) Monitors the quality of centralized accounting, compensation and fiscal records of the Department and the fiscal data submitted from the bureaus and offices within the Department and from Foreign Service posts;

(4) Monitors the financial data flowing into the central financial accounting system from external systems;

(5) Performs reconciliation of the financial data;

(6) Audits domestic financial activity;

(7) Identifies Anti-Deficiency Act violations;

(8) Prepares management information reports;

(9) Maintains a close working relationship with GAO, Treasury and other regulatory U.S. Government agencies concerning the financial accounting and central reporting activities of the Department;

(10) Assists RM/F/FPRA in the development of policy, procedures, and criteria for recording and reporting the financial effects of the activities for all bureaus, programs, and other agencies receiving fiscal services from the Department domestically;

(11) Provides fiscal services for the Department domestically including the review, audit, and certification of travel, transportation and other payments;

(12) Performs financial accounting and fiscal services for the Department's WCF and participates in the planning and management of the fund; and

(13) Performs the Department's central cashier function including the receipt, recording, safeguarding and deposit of negotiable instruments.

1 FAM 226.1-1 Financial Oversight and Coordination Unit (RM/F/DFS/FOC)

(TL:ORG-110; 04-23-2002)

RM/F/DFS/FOC:

(1) Provides technical assistance and guidance on fiscal operations and procedures to the Department and to representatives of Federal agencies, which are furnished administrative support by the Department. Serves as consultant and administrative backstop to all missions abroad in accounting and related matters;

(2) Prepares management information reports;

(3) Reviews for adequacy from the operational standpoint proposed statutes, policies, and regulatory issuances affecting the Department's worldwide financial management plans and makes necessary recommendations;

(4) Plans and conducts the periodic financial and quality assurance review of all segments of the domestic financial activity to ensure that DFS components are adhering to sound financial procedures and practices;

(5) Coordinates responses to OIG recommendations for all offices within Domestic Financial Services (DFS) to ensure the comments to the recommendations are responsive;

(6) Reviews financial system changes and enhancements to ensure proper management controls are maintained;

- (7) Oversees and monitors all domestic cashiers' performance;
- (8) Maintains a close working relationship with the OIG concerning audit, regulatory compliance, and oversight matters for DFS;
- (9) Monitors DFS performance against prescribed goals and assists managers in establishing performance measurement standards, where necessary;
- (10) Establishes and monitors DFS-wide management control program to:
 - (a) Ensures a review of management controls is included in each audit or review; and
 - (b) Performs periodic vulnerability assessments to assist DFS managers in redefining units, where necessary.
- (11) Plans and conducts corrective action reviews to validate that all milestones reported as complete for DFS activities in the Department's annual FMFIA report were actually completed and that adequate management controls are in place;
- (12) Administers the Department's Travel Card Program; and
- (13) Provides senior management with an independent assessment of the adequacy of internal controls, and the consistency of operations and regulatory requirements for payroll and pension operations.

1 FAM 226.1-2 Office of Domestic Financial Systems Support (RM/F/DFS/DFSS)

(TL:ORG-110; 04-23-2002)

The Office of Domestic Financial Systems Support (RM/F/DFS/DFSS):

- (1) Provides guidance on systemic implementation of new financial programs in the Department, especially as the programs relate to the Central Financial Management System (CFMS);
- (2) Develops and maintains day-to-day accounting, budgeting, and information reporting system procedures for the Department's CFMS in compliance with applicable laws and Department policies and regulations;
- (3) Identifies and assesses user needs; performs user support functions for the Department's domestic financial management systems, including a help desk service;

- (4) Coordinates and performs domestic financial management systems and accounting procedure training for Department employees employed in activities which account for the Department's actions;
- (5) Prescribes data entry procedures for maintenance of day-to-day operations of the CFMS and other domestic financial systems, coordinating necessary changes with the Office of Global Financial Management Services (RM/F/FMS) and the Office of Fiscal Operations (RM/F/DFS/FO);
- (6) Maintains and updates CFMS and other financial management system reference tables;
- (7) Reviews and analyzes the adequacy and practicality of proposed CFMS changes, methods, procedures, and forms; determines the impact on financial operations and reporting;
- (8) Supports designing, recommending, and prioritizing CFMS system enhancements;
- (9) Oversees daily transaction/fund balances in the domestic financial management system to ensure the integrity of data in the system;
- (10) Manages technical infrastructure of domestic central financial management application as well as reporting subsystems, assuring database integrity throughout the range of on-line and batch processing, to include nightly, monthly, and annual automated schedules;
- (11) Analyzes and resolves technical problems that arise during the course of on-line or batch processing, whether caused by data corruption, hardware malfunction, or program error;
- (12) Prepares and implements the nightly, monthly, and annual batch schedules of automated processing for CFMS and for reporting subsystems. Monitors return codes and delivers appropriate financial reports to management;
- (13) Tracks the processing of interfaces between the domestic CFMS and other systems within the Department as well as systems external to the Department;
- (14) Implements new interfaces to the domestic CFMS, preparing new program code and file structures, as necessary;
- (15) Prepares ad-hoc statistical and detailed financial reports as requested by system accountants or by other organizations;
- (16) Maintains and revises security procedures for the domestic CFMS. Maintains a list of authorized users and monitors security violations and other related issues;

(17) Performs configuration management duties for the domestic CFMS as well as reporting subsystems;

(18) Establishes automated data processing requirements in support of payroll and annuity processes and implements their execution in coordination with the RM policy office, Bureau for Information Resources Management (IRM), the Bureau of Human Resources (HR), the Office of the Legal Adviser (L), among others; and

(19) Maintains payroll customer service offices to assist headquarters personnel resolve routine payroll matters.

1 FAM 226.1-3 Office of Fiscal Operations (RM/F/DFS/FO)

(TL:ORG-110; 04-23-2002)

The Office of Fiscal Operations (RM/F/DFS/FO):

(1) Participates in the establishment of, and implements necessary policy and procedures for the complete range of fiscal activities including maintaining the general ledger and accounting services, processing vendor and employee claims, and debt management services consistent with standards, principles, and policies promulgated under statutory and regulatory authority and incorporating the effective use of sound management controls;

(2) Maintains the accounting records of the central financial accounting system consisting of:

(a) A standardized general ledger with control over obligations, expenditures, receivables, property, loans, other assets, income, expense and cost accounting in accordance with Financial Accounting Standard Board and other regulatory requirements;

(b) Allotment accounting for Washington-held domestic and worldwide accounts;

(c) Working Capital Fund (WCF);

(d) Collection of revenue and other receivables due the Department;

(e) Trust and gift accounts;

(f) Suspense accounts; and

(g) Accounting for and reporting on various ad hoc programs and activities under the purview of the Department.

(3) Maintains a close working relationship with appropriate offices in the General Accounting Office (GAO), the General Services Administration (GSA), and the Department of Treasury on technical matters relating to the fiscal operations and procedures of the Department of State;

(4) Maintains liaison with representatives of the offices of Supply, Transportation and Procurement (A/LM/ST), the OIG, IRM, Acquisitions (A/LM/ACQ), as well as regional and functional bureaus which are the clients of RM/F/DFS/FO and Office of Domestic Financial Systems Support (RM/F/DFS/DFSS) in matters relating to the statutes, regulations and procedures governing fiscal operations;

(5) Processes payments in the central financial accounting systems in accordance with the statutes, regulations and procedures, including the Prompt Payment Act;

(6) Performs the Department's central cashier function, including the receipt, recording, safeguarding, and deposit of negotiable instruments;

(7) Records in the central financial accounting system payments made to other Federal agencies;

(8) Records the data from Department of Treasury confirming disbursement of funds for payments;

(9) Processes collections and payments to the Department and deposits the collections with Treasury and ensures that transactions and fund balances are properly recorded and maintained;

(10) Processes financial information that is incorporated into the central financial accounting system from external systems;

(11) Provides allotment accounting services for functional and regional bureaus and the central allotments;

(12) Performs accounting for the sale of property, recognizing and recording properly the receipt of the proceeds;

(13) Provides travel advance accounting services;

(14) Prepares external reports;

(15) Ensures the accuracy and integrity of the General Ledger and subsidiary accounts;

(16) Performs reconciliation and system assurance analysis for the central financial accounting system and the interfaces from subsidiary systems;

(17) Processes account receivables due from the public employees;

(18) Processes reimbursements due to and from other Federal agencies;

(19) Manages the collection function for receivables; and

(20) Ensures compliance with the Federal Credit Reform Act and other statutes governing monies owed to the Federal Government.

1 FAM 226.2 Financial Policy, Reporting and Analysis Directorate (RM/F/FPRA)

(TL:ORG-110; 04-23-2002)

The Managing Director of the Financial Policy, Reporting and Analysis Directorate (RM/F/FPRA) reports directly to the DCFO and Deputy Assistant Secretary for Global Financial Services. He or she:

(1) Prepares annual Department-wide financial statements and the Department's annual Accountability Report that include all Department funds as required by the Chief Financial Officer's Act of 1990, the Government Management Reform Act of 1994, and the Reports Consolidation Act of 2000;

(2) Develops policies and provides guidance for the Departmental implementation and administration of the CFO's Act and other financial management legislation. Monitors and reports on execution of implementation plans by management, and provides assistance and guidance in identification and solution of implementation problems and issues;

(3) Develops and issues Department-wide financial policy in accordance with FASAB and other U.S. Government-wide standards and policies;

(4) Prepares and reports financial and related data to the Department of Treasury, OMB, and other regulatory agencies in accordance with applicable laws and regulations;

(5) Prepares the Department's five-year financial management plan;

(6) Administers requirements of FMFIA and FFMIA, including preparing annual status reports;

(7) Establishes Department-wide financial management data and reporting requirements;

(8) Develops and reports on financial performance indicators;

(9) Analyzes financial data; ensures that financial data and statements, including performance measures are auditable;

(10) Establishes cash and credit management policies and standards;

(11) Provides staff support for the Department's principal representative (RM/CFO or DCFO) to outside professional organizations or groups, including the CFO Council, Management Control Coordination Council, and the Federal Financial Managers Council; and

(12) Is responsible for oversight of the financial activities of the American Institute in Taiwan (AIT) and serves as the RM representative to the AIT Board. This includes coordination of the financial activities of AIT with all elements of RM, AIT/Washington, OIG, GAO and other interested parties, relative to the financial activities of AIT Taipei.

1 FAM 226.2-1 Office of Financial Policy and Management Control (RM/F/FPRA/FPMC)

(TL:ORG-110; 04-23-2002)

The Office of Financial Policy and Management Control (RM/F/FPRA/FPMC):

(1) Is responsible for Volume 4, *Financial Management*, of the Foreign Affairs Manual (FAM) and 4 FAH-3, *Financial Management Procedures Handbook*. This volume promulgates accounting and financial management policy, principles, and standards and the handbook promulgates the procedures for financial management;

(2) Determines and maintains the Department's account structure and classification codes currently published in 4 FAH-1, *Account Structure and Classification Codes Handbook*. This handbook governs the reference files and tables of all financial management systems operating within the Department and the serviced agencies;

(3) Develops, documents, publishes, interprets, and evaluates requests for exception to the policies, principles and standards governing financial management within the Department and serviced agencies, domestically and abroad;

(4) Develops the Department's management control policies, plans, and guidelines in accordance with the FMFIA and consistent with related guidance published by the General Accounting Office (GAO) (Standards for Internal Control in the Federal Government) and the Office of Management and Budget (OMB Circulars A-123 and A-127). Monitors and evaluates Department compliance with these guidelines;

(5) Schedules and provides staff support for all meetings of the Management Control Steering Committee, the production of the annual FMFIA report to the President and the Congress, the determination of material weaknesses and high risk areas in Department operations, and the administration of the Early Warning System to report new problems or concerns that demand the attention of higher level management;

(6) Serves as the Department's liaison for financial policy and management control issues with senior management officials in the Central Agencies (OMB, GAO, Treasury, IRS, OPM, GSA) and in other U.S. Government agencies. Represents the Department for the purpose of influencing statutory or regulatory promulgation or guidance being proposed by the Congress or the Central Agencies, as appropriate;

(7) Manages broad framework of policies, regulations, and procedures related to financial operations abroad and their oversight;

(8) Provides leadership and guidance for the development of specific policies, procedures and criteria for accounting, disbursing, and fiscal operations administered by the Department for its own activities and those of other Federal agencies abroad;

(9) Develops, documents, and interprets Department policy relating to:

(a) The worldwide purchase, administration, and use of foreign currencies;

(b) The collection, management, and deposit of foreign currencies resulting from transactions with foreign governments, vendors, and individuals;

(c) The disbursement of both U.S. and foreign currencies; and

(d) Relationships with commercial banking institutions domestically and abroad.

(10) Is responsible for policy development and issues at the Financial Service Centers (FSCs) related to disbursing, accounting and the foreign service national (FSN) payroll in coordination with RM/F/CFSC/IFS and the FSC Charleston Managing Director. This includes the development of new initiatives such as the FSN Defined Contribution Fund;

(11) The Managing Director of RM/F/FPRA chairs the Committee on Fiscal Irregularities and provides staff support for the analysis of fiscal irregularities, preparation of case files for adjudication by the Committee on Fiscal Irregularities, maintenance of case files, and guidance to posts on reporting of irregularities;

(12) Interprets, with the assistance of L, statutes, regulations, policies and international agreements relating to foreign currency and currency exchange; and

(13) Works with the Foreign Service Institute (FSI) to improve the content of financial courses and the availability of financial training for financial specialists, FSNs, and GS personnel involved in financial operations abroad

1 FAM 226.2-2 Office of Financial Reporting and Analysis (RM/F/FPRA/FRA)

(TL:ORG-110; 04-23-2002)

The Office of Financial Reporting and Analysis (RM/F/FPRA/FRA):

(1) Establishes, coordinates, and implements the policies, practices, and procedures for carrying out the financial statements and reporting requirements of the CFO's Act, the GPRA, the GMRA, and the Reports Consolidation Act;

(2) Ensures the accuracy, quality, and timeliness of the financial data presented in the Department's financial statements and reports;

(3) Formulates, reviews, and recommends Departmental policies, plans, and systems for fiscal and accounting procedures and reports as they pertain to Department of State appropriations and funds;

(4) Recommends changes to or new requirements in accounting systems, policies, procedures, and regulations to meet accounting and reporting standards;

(5) Provides expert advice for RM and FPRA on analysis and interpretation of laws, Federal Accounting Standards Advisory Board standards and guidelines, and on the regulations, decisions and directives of other governmental bodies;

(6) Develops accounting models to conform to accounting standards, the Government Standard General Ledger, legislation, and OMB circulars;

(7) Reviews and revises internal control processes and streamline financial management processes;

(8) Conducts special studies of financial reporting issues to identify and implement improvements in the way the Department administers and conducts financial reporting; designs, develops, installs, and evaluates demonstrations, experimentation and tests of innovative approaches to financial reporting;

(9) Serves as the Department's liaison and coordinates with senior management officials of OMB, Department of the Treasury, GAO, FASAB, OIG and other Federal state, local and private entities on fiscal policies, practices and procedures as they relate to the development and analysis of financial statements and reports, and the U.S. Standard General Ledger;

(10) Participates on task forces that develop recommendations concerning U.S. Government-wide financial reporting practices; and

(11) Performs special accounting and financial management projects that address the most significant financial interests and concerns of the Department.

1 FAM 226.2-3 Office of Grants Financial Management (RM/F/FPRA/OGFM)

(TL:ORG-110; 04-23-2002)

The Office of Grants Financial Management (RM/F/FPRA/OGFM):

(1) Provides oversight of the financial management activities related to grants and other forms of Federal financial assistance throughout the Department;

(2) Formulates Department-wide financial policies for grant and other financial assistance activities. Develops Departmental financial policies implementing laws relevant to the creation of financial instruments of Federal assistance, e.g., the Federal Financial Assistance Management Improvement Act of 1999 (Pub. L. 106-107). Publishes these policies in Department regulations and other directives;

(3) Monitors compliance with grant financial policies and procedures by the Department's offices to ensure consistent policy interpretation and application;

(4) Provides advice and technical assistance to the Department's offices and to the general public on matters relating to the financial management of Department grants and other forms of Federal financial assistance;

(5) Develops, participates in and evaluates grants financial management training programs for Department staff;

(6) With respect to grants, serves as the Department's financial management liaison with Government-wide financial organizations, e.g., CFO's Council, and maintains working relationships with OMB and other Federal agencies to coordinate and assist in the development of government-wide grant financial management policies;

(7) Conducts special studies of grants financial management issues to identify and implement improvements in the way the Department administers the financial aspects of grants and other forms of Federal financial assistance; designs and assists in the execution of demonstrations, experimentation and tests of innovative approaches to grants financial management;

(8) Develops, analyzes and tests innovative ideas, techniques and policies in grants financial management. Fosters creativity in the financial management of grants;

(9) Establishes standards and provides advice for improved grants financial management information and reporting systems; and

(10) Coordinates with the Department's Office of the Procurement Executive regarding the development and administration of grants financial management policies, initiatives, studies, oversight and training.

1 FAM 226.3 Global Financial Management Systems (RM/F/FMS)

(TL:ORG-110; 04-23-2002)

The Managing Director for Global Financial Management Systems reports directly to the DCFO and Deputy Assistant Secretary for Global Financial Services. He or she:

(1) Advises the RM/CFO and the DCFO on all financial management systems matters including hardware, software, technologies, policies, procedures, standards, methodologies, etc., working in coordination with the Chief Information Officer (CIO). Develops strategic vision and implementation strategies for meeting Department's goals regarding agency-wide financial management systems and customer service improvements. Provides expert advice on financial systems technology, planning methodologies and approaches, processes, and mechanisms. Coordinates Departmental policies with the CIO on financial systems; establishes relevant agency-wide guidance and instructions;

(2) Represents the Bureau on all Departmental information management planning committees;

(3) Represents the GAO, OMB, GSA, Treasury, all foreign affairs agencies, and other agencies on all matters related to financial management systems. Implements legislative mandates concerning improvement of financial management systems and ensures Department compliance with U.S. Government-wide financial management system regulations;

(4) Develops financial management systems programs which affect agency-wide and government activities (including, financial, personnel, payroll, logistics, procurement, asset management, etc.). Establishes goals and objectives for financial system development, which usually reflect redirection or expansion of Department financial functions. Directs financial systems improvement efforts that affect the basic operations within RM as well as each bureau and/or post, including private sector business clients and foreign affairs agencies served by the Department. Develops and implements procedures and policies to define and manage project resources, and report on project effectiveness and accomplishments;

(5) Develops and implements financial management system software based on state-of-the-art technologies. Executes the full systems development life cycle (e.g., functional requirements analysis, conceptual design, detailed design, system construction, testing, independent verification and validation, systems documentation) for the Department's worldwide financial management systems, and for the integration of related subsidiary systems, as necessary, to comply with Federal financial management legislation;

(6) Establishes and maintains the financial management data administration program in concert with the Department's information management data administration program;

(7) Is responsible for all financial systems abroad. Designs, establishes, administers, and maintains an integrated financial management system for all Department of State locations outside the United States, including fiscal services, resource utilization, accounting, pay management, financial reporting, and financial analyses;

(8) Designs, develops, and/or maintains computer applications software; identifies additional needs for computerized applications; maintains accounting and FSN payroll databases, including modifications to data elements, pay plans, and user libraries. Participates in the installation of new hardware and software, and provides programming and technical support to systems and telecommunication links;

(9) Develops and maintain a systems security program to safeguard the systems and data entrusted to the FSCs. Establishes and maintains an effective disaster recovery plan. Maintains user IDs and systems access. Conducts investigations of internal security breaches; and

(10) Coordinates financial systems development abroad and enhancement and maintenance among RM/F/CFSC/IFS, the FSCs, CFSC and RM/EX.

1 FAM 226.3-1 Core Systems Division (RM/F/FMS/CSM)

(TL:ORG-110; 04-23-2002)

The Core Systems Division (RM/F/FMS/CSM):

(1) Defines user requirements for the Department's core financial management system that forms the backbone of the Department's financial management operations. Provides common processing routines, supports common data for critical financial management functions affecting the entire agency and maintains the required financial data integrity control over financial transactions, resource balances and other financial-related systems. Supports general ledger management, funds management, payment management, receipt management, and cost management. Provides data for financial performance measurement and analysis and for financial statement preparation and operations such as accounting, funds control, payroll, pension, and reporting;

(2) Develops core financial management systems programs that affect agency-wide core financial processing activities such as funds management, payment management, receipt management, cost management, the general ledger and subsidiary ledgers, and accounts. Develops and implements financial management systems improvement efforts which affect basic operations within each bureau;

(3) Implements core financial management system software, including detailed functional requirements, testing, independent verification, and validation, for the Department's core financial management systems; and

(4) Ensures core financial management systems meet Department configuration management and data administration standards.

1 FAM 226.3-2 Program Systems and Integration Division (RM/F/FMS/PSI)

(TL:ORG-110; 04-23-2002)

The Program Systems and Integration Division (RM/F/FMS/PSI):

(1) Defines user requirements for the Department's program-oriented financial management systems, which interface with the core financial management system. Such systems include but are not limited to functions such as travel, asset management, receivables, revolving fund management, benefits, pensions, and cost accounting. Provides data to the core system, and provides data for financial performance measurement and analysis and for financial statement preparation;

(2) Defines financial management system user requirements for the Department's specialized and program related financial management systems. Oversees systems development and maintenance in coordination with the FMS Managing Director and the CFSC Managing Director;

(3) Develops specialized financial management systems programs, which may affect agency-wide and U.S. Government-wide activities (including personnel, payroll, logistics, procurement, and asset management). Implements financial systems improvement efforts, which affect the basic operations within RM as well as each bureau and/or post, including private sector business clients and foreign affairs agencies served by the Department. Develops and implements procedures and policies to define and manage project resources, and report on project effectiveness and accomplishments; and

(4) Ensures program-related and specialized financial management systems meet Department configuration management and data administration standards.

1 FAM 226.3-3 Office of Systems Development and Maintenance (RM/F/FMS/SDM)

(TL:ORG-110; 04-23-2002)

The Office of Systems Development and Maintenance (RM/F/FMS/SDM):

(1) Reports directly to the Managing Director for Global Financial Management Systems and indirectly to the CFSC Managing Director;

(2) Is responsible for ongoing development and maintenance of the following systems:

(a) Regional Financial Management System (RFMS);

(b) Local Area Network Serviced Post Financial Management System (LAN-SPFMS);

(c) Windows Automated Cashiering System (Win ACS);

(d) Time and Attendance Telegram System (TATEL);

(e) Overseas Accounts Receivable (A/R);

(f) Electronic Certification System (ECS);

(g) Foreign Service National Payroll System (FSN Pay); and,

(h) Overseas Cashier Accountability Report System/Disbursing Office Reconciliation System (OSCARS/DORS).

(3) Develops comprehensive project plans to obtain approval and funding for major software development projects;

(4) Manages the overall systems development life cycle process for all systems with respect to development and maintenance functions assigned to the CFSC;

(5) Establishes and manages contracts as required to support systems development functions; and

(6) Translates user requirements into functional and/or systems requirements, including cost-effective, software design, development, and testing, among other things.

1 FAM 226.4 Charleston Financial Service Center Complex (RM/F/CFSC)

(TL:ORG-110; 04-23-2002)

Charleston's Financial Service Center (FSC) Managing Director (RM/F/CFSC) reports directly to the DCFO and Deputy Assistant Secretary for financial services. He or she:

(1) Is responsible for the administration and management of financial services abroad covering accounting, disbursing, FSN payroll, and financial systems operations. This also includes certain U.S. payroll functions for U.S. personnel based abroad;

(2) Plans, implements, manages, coordinates, and oversees the financial operations of the Department to support the mission of the Department abroad and as may be necessitated by the exigencies of world events;

(3) Advises the RM/CFO and the DCFO on all matters related to financial operations and disbursing activities abroad. Interprets and implements OMB, the Department of Treasury, and GAO requirements for financial activities abroad;

(4) Manages disbursing activities abroad involving the appointment, monitoring, reporting and related activities of the Department's disbursing officers, cashiers, sub-cashiers, certifying officers, and banking institutions;

(5) Oversees all activities and functions at the FSCs and supervision of the FSC Directors;

(6) Oversees and reviews control and assignment of worldwide certifying officer designations, Department of Treasury coordination, accounts reconciliation issues and bank designations, including GOALS and PACER coordination, prime pay, EFT statistics collection, check forgery losses, Treasury stock management, budget clearing account reconciliation, SWIFT management, Disbursing Officer Guide maintenance, etc.;

(7) Coordinates the development and execution of the FSC budgets among the FSCs, RM/EX and the ICASS Service Center;

(8) Provides day-to-day guidance to U.S. embassies, U.S. disbursing officers, domestic offices of the Department, and other U.S. Government departments and agencies in the use and accountability of foreign currencies;

(9) Plans and conducts the systematic financial reviews and analyses of FSCs and post financial operations abroad: financial records, financial reporting practices, cash management operations, accounting operations, internal controls, computer support services, and other related financial processes and "products," with the view toward ensuring:

(a) Financial systems that completely and properly reflect the true status of all financial assets;

(b) Management controls are adequate to mandated needs for full accountability and absolute fiscal reliability at all times; and

(c) Entire financial services process abroad adheres to professional accounting standards, principles and requirements; to the particular needs of the Department and other agencies, and to accountability requirements of higher levels of U.S. Government financial management authority (e.g., OMB, GAO, Treasury, and the Congress). Identifies specific financial systems problems requiring procedural changes; financial management problems necessitating intervention; fiscal irregularities requiring intervention and resolution at the Department level; and systemic shortcomings in financial controls pointing to needs for operational changes with the goal of ensuring a high confidence level of financial accountability accuracy.

(10) Implements policies and procedures (see 4 FAM subchapter 510) for the complete range of payroll and retirement operations, consistent with standards, principles, and policies promulgated under statutory and regulatory authority, including the establishment and effective use of sound management controls;

(11) Administers the worldwide consolidated U.S. payroll operations which provides payrolling services for all Department U.S. citizen employees worldwide and U.S. citizen employees of various agencies assigned abroad. Ensures the accurate and timely payment of salaries, allowance-related entitlements, garnishments, and allotments, and certification of worldwide payroll payments. Administers the U.S. payroll operations;

(12) Administers the operations of the Foreign Service Retirement and Disability System (FSRDS) and the Foreign Service Pension System (FSPS) for active and retired personnel of the Department, Agency for International Development (AID), BBG, and other agency participants covered legislatively under the Foreign Service Act (as amended). Consults with and advises individual annuitants on retirement matters and entitlements;

(13) Maintains individual fiscal records for Departmental employees. Ensures the accurate and timely transfer of Civil Service Retirement Fund accountability reporting to the Office of Personnel Management (OPM);

(14) Reviews for adequacy, and from an operational standpoint, proposed statutes, policies, and regulatory issuances affecting the Department's administration of the worldwide payroll and retirement program and makes the necessary recommendations;

(15) Serves as the Department's technical advisor at meetings and conferences with other organizations within the Department, and with other U.S. Government agencies, on payroll and retirement policy and operating procedures;

(16) Serves as the chief advisor and consultant to the Director of RM/F/DFS, clarifying the statutes and regulations governing worldwide payroll and retirement operations and procedures; and

(17) Provides technical assistance and guidance on payroll and retirement operations and procedures to all levels of personnel in the Department and abroad and to representatives of Federal agencies that are furnished administrative support by the Department.

1 FAM 226.4-1 International Financial Services Office (RM/F/CFSC/IFS)

(TL:ORG-110; 04-23-2002)

The IFS Office serves as a liaison office in Washington, DC for worldwide FSC activities. The IFS Office Director reports to the FSC Charleston Managing Director. He or she:

(1) Provides advice on a variety of financial management issues abroad and operations at both the FSCs and posts. Coordinates financial management issues abroad closely between the Managing Director and senior RM management in Washington;

(2) Is responsible for the Washington-based liaison activities and ensures the FSC and the perspective abroad is represented in Washington, as appropriate. Coordinates with OIG, ICASS, CA, regional bureaus, and other sections of RM on FSC matters, as appropriate;

(3) Provides liaison with Washington entities, liaison with serviced agencies, headquarters, and interaction with other RM offices and directorates from a headquarters perspective;

(4) Coordinates new initiatives such as the purchase card program abroad, the logistics management initiative, and the post assignment travel task force; and

(5) Manages the resources allotted each FSC in accordance with RM policies. Prepares budgets, financial plans and other management reports accounting for the use of those resources.

1 FAM 226.4-2 Financial Service Centers (RM/F/CFSC/FSCs)

(TL:ORG-110; 04-23-2002)

FSC Paris and FSC Bangkok provide a variety of financial services to U.S. missions abroad, including accounting, disbursing and cashier monitoring, Foreign Service national payroll activities, financial systems development and implementation, and training. The Charleston Managing Director manages these centers. Financial Service Centers (RM/F/CFSC/FSCs):

(1) Provide financial guidance and services to the Department's operations as well as other agencies abroad that receive administrative services from the Department;

(2) Coordinate the resolution of accounting problems by identifying the problem and making recommendations to resolve current problems and prevent future ones from occurring;

(3) Provide support and help desk activities abroad by coordinating disbursing problems and resolutions, including interface with banks and financial accounts reconciliation;

(4) Provide payroll services, including time and attendance, for FSN pay;

(5) Provide training for relevant financial activities including input for courses on, accounting payroll, and disbursing;

(6) FSC Bangkok also assists with the design, development, installation, and maintenance of advanced financial systems used locally, regionally, and worldwide, and trains and supports users of these systems; and

(7) With respect to FSC Paris, a future Paris support and training office (FSTO) that will provide direct post support services. The Paris FSTO will be established in conjunction with the consolidation of most FSC Paris operations and production services to FSC Charleston.

**1 FAM 220 Exhibit 221.6
BUREAU OF RESOURCE MANAGEMENT (RM)**

(TL:ORG-110; 04-23-2002)

