The Chief Financial Officers Act of 1990—20 Years Later

Report to the Congress and the Comptroller General

Prepared by
The Chief Financial Officers Council
and
The Council of the Inspectors General on Integrity and Efficiency

July 2011
I think it an object of great importance...to simplify our system of finance, and to bring it within the comprehension of every member of Congress...the whole system [has been] involved in impenetrable fog. [T]here is a point...on which I should wish to keep my eye...a simplification of the form of accounts...so as to bring everything to a single centre[;] we might hope to see the finances of the Union as clear and intelligible as a merchant’s books, so that every member of Congress, and every man of any mind in the Union, should be able to comprehend them to investigate abuses, and consequently to control them.

Thomas Jefferson
April 1802
July 22, 2011

Jeffrey Zients, Executive Chair
Chief Financial Officers Council
Phyllis K. Fong, Chair
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Danny I. Werfel, Chair
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The Improper Payments Elimination and Recovery Act of 2010 requires the Chief Financial Officers (CFO) Council and Council of the Inspectors General on Integrity and Efficiency to issue a joint report focusing on the CFO Act of 1990. The purpose of this report is to present lessons learned from the Act and any legislative and regulatory compliance framework changes needed to Federal financial management—all in the interest of optimizing Federal agency efforts in financial reporting and internal controls. We are providing this final report to you for transmittal to the Senate Committee on Homeland Security and Governmental Affairs, House Committee on Oversight and Government Reform, and Comptroller General of the United States.

In examining the 20-year history of the Act, it is fitting to reflect on the successes of the past but also to look ahead at challenges facing us all. While there has been improvement in the reliability of financial data, no one involved in Federal financial management can be complacent. Instead, we need to build on past successes, monitor ongoing efforts, and keep pace with economic and financial changes, new technologies and operating environments across government, new legislative requirements, and ever-changing information needs. The requirement calling for a joint review of the Act provides an excellent opportunity for closer scrutiny and assessment of various aspects of the Act and the interplay of other important related financial management legislation.

Recent transparency initiatives and the needs of interested stakeholders have underscored the importance of sound financial management throughout the Federal government. Tight budgets and a rising Federal deficit call for the CFOs created by the Act to play a critical leadership role in all aspects of financial management activities, and for accountability and auditing professionals to continue to bring their independent oversight expertise to the financial management arena as we all seek cost efficiencies and enhanced cost effectiveness.

We consider this report to be an important first step in what we hope will be a continuing dialogue with stakeholders in the months ahead and a project that will yield additional valuable insights from readers in the Congress, Executive Branch, and the public. We thank the Congress for the opportunity to present the results of this important review and appreciate the efforts of the working group formed to undertake this project.

Sincerely,

James L. Taylor
Chief Financial Officer
Department of Labor

Jon T. Rymer
Inspector General
Federal Deposit Insurance Corporation
Executive Summary

WHY AND HOW WE CONDUCTED THE REVIEW

Section 3(e) of the Improper Payments Elimination and Recovery Act of 2010 calls for the Chief Financial Officers (CFO) Council and Council of the Inspectors General on Integrity and Efficiency (CIGIE) to jointly examine the CFO Act of 1990, 20 years after its enactment. The purpose of this study is to present lessons learned from the Act and any legislative and regulatory compliance framework changes needed to Federal financial management to optimize Federal agency efforts in financial reporting and internal controls. The joint report is to be sent to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform as well as the Comptroller General of the United States.

To accomplish this mandate, the CFO Council and CIGIE formed a working group of senior leaders from the government financial management and Inspector General (IG) communities, and included a senior official from the Government Accountability Office (GAO) to serve as an observer. The working group considered other relevant Federal financial management legislation and conducted various meetings and “listening sessions” to gather broad input from more than 250 current and past financial and audit community leaders as well as private-sector leaders and members of academia.

RESULTS

Overall, many benefits have been derived from the Act. These benefits are far-reaching and have impacted a number of programs, activities, entities, individuals, and Executive Branch and Congressional decision-makers. Implementation of the Act over the years has increased transparency, fostered accountability, established a government-wide financial management leadership structure and agency CFOs, promoted new accounting and reporting standards, generated auditable financial statements, strengthened internal control, improved financial management systems, and enhanced performance information.

Still, however, work must continue in a number of areas to fully optimize the impact of the CFO function. Our review advocates a continued focus on (1) enhancing the CFO’s role and organizational effectiveness; (2) evolving the financial reporting model for increased accountability; (3) strengthening internal control and risk management activities; and (4) continuing to improve financial management...
systems. Attention to these matters is a shared responsibility of many—the Office of Management and Budget (OMB), CFOs, agency management, the IG community, the GAO, and the private sector. Importantly, Congressional attention to two broad areas is specifically warranted, and we make two recommendations to that effect.

**RECOMMENDATIONS**

1. The Congress should consider enhancing the role of the CFO by standardizing the CFO’s portfolio to include leadership responsibility for budget formulation and execution, planning and performance, risk management and internal controls, financial systems, and accounting. To provide continuity during the often lengthy period between appointments of agency CFOs, the Congress should also consider providing Deputy CFOs with the same breadth of responsibilities as their respective CFOs.

2. The Congress should consider directing OMB, GAO, and the Federal Accounting Standards Advisory Board (FASAB), in consultation with CIGIE, to evolve the financial reporting model by examining the entire process with an eye toward how to further improve and streamline current reporting requirements and to better meet the needs of all stakeholders.
Overview

The CFO and IG communities are pleased to report the results of our joint review of the CFO Act of 1990. To provide meaningful context for the perspectives presented in this report, we first examine the historical background of the Act itself and then explain the legislative requirement and approach for this unprecedented review.

As we look back over the 20 years since passage of the Act and to the financial management challenges going forward, we present our discussion of the CFO Act in four main sections: Federal Financial Management, Financial Accountability and Reporting, Internal Controls, and Financial Systems. Each section includes a discussion of past successes and lessons learned as well as ongoing challenges and needed improvements. We make two recommendations to the Congress related to (1) enhancing the CFO and Deputy CFO roles, and (2) directing responsible entities to evolve the current financial reporting model. Appendix I presents the report objective and approach in more detail, along with a listing of the working group participants responsible for this project. Appendix II outlines key Federal financial management legislation and notes other references for readers seeking additional information.

BACKGROUND

The CFO Act of 1990, which called for major reforms in Federal financial management, is viewed by many as one of the most significant, comprehensive pieces of Federal financial management legislation. The CFO Act was the result of a strong partnership that formed between the Congress, OMB, and then-General Accounting Office in promoting sound Federal financial management and accountability. This partnership, as evidenced by this report, still exists.

In 1985, Comptroller General of the United States Charles Bowsher issued a two-volume report, entitled Managing the Cost of Government: Building an Effective Financial Management Structure, which set the stage for the development and ultimate passage of the CFO Act. OMB Director Richard Darman subsequently agreed with the Comptroller General and called for financial management reform

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1 The General Accounting Office was renamed the Government Accountability Office on July 7, 2004, by the GAO Human Capital Reform Act (Public Law 108-271).
legislation. Senators John Glenn and William Roth along with Congressmen John Conyers and Frank Horton recognized the importance of improved government accountability and called on the Congress to debate and deliberate such legislation. The result, nearly 5 years later, was the CFO Act, *Public Law 101-576*, which President George H.W. Bush signed on November 15, 1990.

### Purposes of the CFO Act of 1990

(as stated in Section 102 (b))

- **Bring more effective general and financial management practices to the Federal Government through statutory provisions which would establish in the Office of Management and Budget a Deputy Director for Management, establish an Office of Federal Financial Management headed by a Controller, and designate a Chief Financial Officer in each executive department and in each major executive agency in the Federal Government.**

- **Provide for improvement, in each agency of the Federal Government, of systems of accounting, financial management, and internal controls to assure the issuance of reliable financial information and to deter fraud, waste, and abuse of Government resources.**

- **Provide for the production of complete, reliable, timely and consistent financial information for use by the executive branch of the Government and the Congress in the financing, management, and evaluation of Federal programs.**

Through the years, the CFO Act served as one of the principal pieces of management reform legislation seeking to improve government accountability. The Federal Managers’ Financial Integrity Act of 1982 (FMFIA) addressed internal controls in the Federal government, including both program management and financial controls. The Government Management Reform Act of 1994 expanded on the CFO Act by requiring 24 agencies to have audited financial statements. The Federal Financial Management Improvement Act of 1996 added more specific financial system, financial management standardization, and internal control standard requirements to the previous acts. More recently, the Federal Funding Accountability and Transparency Act of 2006 added new transparency and accountability requirements to Federal financial management.

Tied to the CFO Act is the Government Performance and Results Act of 1993, which was recently updated and enhanced by the Government Performance and Results Modernization Act of 2010. These Acts focus

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on government results, service quality, and customer satisfaction; integrate budget, financial, and performance measurement; and call for a strategic planning process, annual performance plans, and annual performance reports.

On their own, these pieces of legislation, and in particular the CFO Act, have stood the test of time and significantly improved critical aspects of Federal financial management. Taken together, they have changed the landscape for managing government financial information, internal controls, and systems.

**LEGISLATIVE REQUIREMENT AND APPROACH FOR JOINT REVIEW**

As required by Section 3(e) of the Improper Payments Elimination and Recovery Act of 2010, the CFO Council and CIGIE jointly undertook a study to examine the CFO Act of 1990, 20 years after its enactment. The purpose of the study is to present lessons learned from the Act and any legislative and regulatory compliance framework changes needed to Federal financial management to optimize Federal agency efforts on financial reporting and internal controls. Section 3(e) called for this joint report to be sent to the Senate Committee on Homeland Security and Governmental Affairs, House Committee on Oversight and Government Reform, and Comptroller General of the United States.

The CFO Act review project brought together the CFO and CIGIE communities, and included representatives from academia, GAO, private-sector auditing and accounting groups, and others for information sharing, best practices exchanges, lessons learned discussions, and a look toward the future. Spearheaded by a working group comprised of CFO Council and CIGIE representatives and a GAO observer, the project’s overall approach included a number of guided “listening sessions” that provided participants an opportunity to share their perspectives. The views that were shared by many provide the basis for the observations in this report. These observations were supplemented, and in many cases supported, by an analysis of relevant documents and studies published over the past 20 years by the GAO, other Federal agencies, private-sector accounting and auditing organizations, and academicians. Insights from many such studies are referenced or reflected throughout this report.

Early on in the project, the working group decided to include laws, as noted above, related to Federal financial management to ensure that the review was all encompassing. As we looked to the future, we considered their combined impact as we examined the lessons learned from implementing the CFO Act and identified reforms and improvements to optimize relevant, timely, and reliable financial reporting and efforts to mitigate the risk of fraud, waste, and abuse in government programs.
The widespread input derived from the listening sessions and meetings along with the integration of insights from CFO-related publications over the years results in a report that reflects the views and opinions of many experts. The project allowed us to leverage the perspectives and experiences of knowledgeable individuals in compiling the benefits and lessons learned over the last 20 years, assessing where the CFO community stands today, articulating the many challenges going forward, and formulating two specific recommendations for the Congress to advance the role and effectiveness of the CFO function.
Overall, many benefits have been derived from the CFO Act and other associated financial management legislation. Some of these benefits are self-evident and others are less obvious but grounded in this monumental legislation. These benefits are far-reaching and have impacted programs, activities, entities, individuals, and Executive Branch and Congressional decision-makers. To date, the CFO Act has served the government, its programs, and its ultimate customer—the public—very well.

Simply stated, the CFO Act has gone a long way toward promoting sound financial management throughout the Federal government. Specifically, its implementation over the years has increased transparency, fostered accountability, established a government-wide financial management leadership structure and agency CFOs, promoted new accounting and reporting standards, generated auditable financial statements, strengthened internal controls, improved financial management systems, and enhanced performance information.

Today, with more robust financial management organization structures and a better integration of budget, performance, and financial data, stakeholders have a more thorough understanding of program effectiveness. Modern financial systems better deliver information to users and enable more effective governmental operations and decisions. Improved internal controls and consistent financial practices help reduce the potential for waste, fraud, and abuse.

Various initiatives and efforts are ongoing and further progress is being made to fully realize the intent of the CFO Act. For the most part, the authority exists through legislation to accomplish what needs to be done, but as noted in the recommendations below, Congressional consideration of two matters would assist in fully realizing the purposes set out in the CFO Act of 1990.

**Federal Financial Management**

Until 1990, financial management clearly was not a focal point in the Federal government. Financial operations were viewed as largely ineffective and inefficient, weak internal controls left resources at risk, personnel were not adequately trained, and financial systems could not communicate with each other and were often redundant. Fund balances with the Department of the Treasury were reconciled inconsistently,
and the government had difficulty managing its assets and costs. Centralized financial management leadership was also lacking prior to the Act’s passage.

Importantly, the CFO Act established a new governance structure for Federal financial management and outlined a clear approach to improving day-to-day Federal financial management, supporting better decision-making, and enhancing accountability. Still, opportunities exist to further evolve the roles and responsibilities of CFOs and strengthen the effectiveness and synergies of the Federal financial management workforce.

The CFO Plays a Key Financial Management Leadership Role

The lasting impact of the CFO Act is that it transformed Federal financial management from a “backroom” function, out of sight and out of mind to most Federal executives, to a “boardroom” function, a key component of planning and decision-making at the executive level. This cultural transformation over the last 20 years likely would not have happened without the Act’s passage.

Key to this transformation was the establishment of accountable financial management leadership and oversight, both at OMB and within Federal agencies. The Act established within OMB a Deputy Director for Management and the Office of Federal Financial Management, headed by the Controller, who is appointed by the President and confirmed by the Senate. OMB’s central leadership and guidance allowed for government-wide accountability and oversight and promoted improved financial management practices. In addition to standardizing guidance and ensuring consistency in operations across Federal agencies, OMB has over the years spearheaded a number of initiatives to improve the efficiency and effectiveness of financial operations.

An equally important mandate was the establishment of CFOs, with most being presidentially appointed and Senate-confirmed, as well as career Deputy CFOs in Departments and agencies to provide executive-level oversight and direction for agency financial operations. The Act charges the CFOs with improving financial management staff capabilities, and as a result, the government now has an improved cadre of professional financial management personnel who have been enriched through new training and educational opportunities and professional certifications for Federal financial management personnel.

A byproduct of the Act’s success is the enhanced collaboration between the financial management community and the government oversight communities. The Act has strengthened the relationships between these communities significantly over the last 20 years, as CFOs, IGs, and the GAO have shared responsibility for monitoring and safeguarding resources. The communities continue to work together closely to promote accountability and transparency while reducing the
incidences of waste, fraud, and abuse. The Congress recognized this shared mission and collaboration in directing the CFO Council and CIGIE to prepare this report on the CFO Act’s implementation and lessons learned, as both communities are intricately involved and affected.

**Challenges in Evolving the CFO’s Role and Organizational Effectiveness**

CFOs generally now have a seat at the “boardroom” table, advising executive leadership on financial management matters, and have overseen a cultural transformation within the government that has emphasized the importance of sound financial management. It was acknowledged during the listening sessions that a high-performing CFO organization can help drive performance through strategic and operational planning and performance measurement, support program management improvements, and promote the assessment and cost-effective mitigation of program risk.

Nonetheless, challenges do remain regarding the CFO’s role in many Federal agencies. These challenges relate to consistency among the CFOs’ portfolios, continuity between appointees, information sharing, and human capital.

**CFO Portfolio**

While the Act mandated the existence of CFOs with certain broad responsibilities at Federal agencies, the specifics of determining the CFO’s portfolio were largely left to the agencies, each of which had its own existing management structure to navigate. These circumstances led to CFOs at different agencies having vastly different day-to-day responsibilities. While some agencies created independent CFO organizations, others merged CFO functions with existing organizational components and seemed only to add the CFO title to the organizational chart to meet the Act’s requirements. These divergent approaches to implementation have contributed to differing visions of what a CFO should be, and what a CFO oversees, at each agency.

Listening session participants were of the opinion that to be most effective and achieve the envisioned goals of the Act, CFOs across the government should be responsible for a wider, standardized, and consistent range of activities than some have today—to include budget formulation and execution, planning and performance, risk management and internal controls, financial systems, and accounting. This would enable the person in the CFO role to be responsible for the funding lifecycle, allowing for better strategic decision-making and operational oversight. Consolidation of these functions into every CFO’s portfolio would provide the CFO information and insights akin to that of a chief risk officer, thereby positioning the CFO to better identify business risks across agency programs by having the full set of data and analysis this portfolio provides.
Standardizing the CFO’s portfolio across agencies would also enable financial management to have a similar look and feel across government, which would be beneficial in financial reporting and financial systems development. It would serve to promote standardized financial management training and education and consistent skill sets across agencies, both at the executive and staff levels. It was further suggested in our listening sessions that the CFO community might benefit greatly from a legislative mandate similar to that of the IG community, which is statutorily defined in the IG Act of 1978, as amended, and that clearly delineates required offices and respective responsibilities. The IG Act serves as an example of how a revision to the CFO’s responsibilities could be implemented.

**Continuity Between Appointees**

Turnover in the ranks of agency CFOs, even during the same Administration, was identified as a significant challenge as well. Major financial management improvement initiatives can take years to fully implement and realize, often outlasting the average tenure of the political appointee to the CFO position. Whether it is the implementation of a new financial management system, improper payment reduction efforts, or resolution of an audit finding, a CFO may not be in place to see an entire process through to its completion, and leadership turnover often leads to delays in implementing necessary reforms. With frequent CFO turnover and often lengthy intervals between official appointments, financial management organizations may lack long-term planning and leadership continuity because career Deputy CFOs often do not have the same breadth of responsibilities and broad oversight as their principals. To help ensure effective succession planning, Deputy CFOs should be sufficiently empowered, with a more standardized and consistent range of responsibilities, to continue financial management initiatives and improvements in the absence of political leadership, which could include broadening their statutory responsibilities to match those of the CFO.

**Information Sharing**

Challenges exist despite progress in sharing best practices and fostering a sense of community within the Federal financial management environment. Clearly within the Federal community, each agency’s core mission differs, but financial management principles and practices are largely standardized in law, and opportunities exist to better share lessons learned and best practices. OMB and the CFO Council have made strides to promote intragovernmental interests, such as standardized financial reporting, and to establish groups to collaborate and advise on the development, maintenance, implementation, and enhancement of commonly used commercial off-the-shelf financial management systems for the Federal government. However, opportunities exist to strengthen information sharing between and among CFOs and their agencies more directly. Agencies, through their CFOs, should be encouraged to leverage the lessons learned and
successes experienced at other entities in addressing issues, thus saving resources and enhancing communication across the Federal government. The challenges agencies face are not unique and have been experienced elsewhere.

Opportunities also exist to improve the linkage between the agency CFO, component CFOs, and program managers. Sound financial management has a direct impact on the success of agency programs, and all parties have a vested interest in fulfilling the agency’s mission through those programs. However, central CFO organizations may be insensitive or unaware of programmatic issues in instituting new directives, while program managers may be unreceptive to changes in existing practices and outside guidance on how to run their programs. Ultimately, it is in everyone’s best interest to work together more closely to ensure that financial resources are managed effectively and sound internal controls are in place to minimize waste, fraud, and abuse.

**Human Capital**

Lastly, many feel that there is an opportunity for continued growth in developing the expertise of financial management human capital. The nature of Federal financial management has changed significantly over the last 20 years; technology has automated many processes, and personnel previously responsible for transaction processing now need to provide value-added services, such as data analysis and decision support. These services are responsibilities for which financial management personnel may not have received adequate training and education. Further, core competencies for financial staff have not been evaluated on a government-wide basis, and do not necessarily align with the needs of today’s Federal financial management community.

It is important that the CFO Council work with the Office of Personnel Management to evaluate financial-related positions and strengthen educational and background requirements to serve in the financial management discipline. Agencies should make greater use of training and educational opportunities to develop staff competencies, and the government should study whether a professional certification or accreditation in Federal financial management should be a government-wide requirement for certain positions of responsibility. As stewards of Federal resources, those in the Federal financial management sector should be sufficiently qualified to conduct this important work.

**Recommendation:** The Congress should consider enhancing the role of the CFO by standardizing the CFO’s portfolio to include leadership responsibility for budget formulation and execution, planning and performance, risk management and internal controls, financial systems, and accounting. Some CFOs have broader portfolios and the intent of this recommendation is not to change or diminish the current CFO responsibilities. To provide continuity during the often lengthy period between appointments of agency CFOs, the Congress should also
consider providing Deputy CFOs with the same breadth of responsibilities as their respective CFOs, consistent with the Vacancies Act.

**FINANCIAL ACCOUNTABILITY AND REPORTING**

The CFO Act along with other Federal financial management statutes addressed in this report have significantly improved the quality of financial management information and prompted stakeholders to expect a higher level of financial stewardship and accountability. Given the heightened expectations, Federal financial managers and the auditing community acknowledge the challenges as they continue to seek ways to further evolve the financial reporting model and thereby make it even more useful to stakeholders and responsive to their ever-changing needs.

**Current Reporting Model Contributed to Increased Confidence, Consistent Reporting, and Enhanced Discipline**

The current financial statement reporting model and independent audit process provide credibility and confidence in financial operations and information, allow for consistent and timelier reporting, and foster discipline throughout the financial management arena.

**Increased Confidence in Financial Operations and Information**

The CFO Act consolidated financial management operations and systems under the newly formed CFO position and established guidelines to improve the quality of financial information and financial reporting. The Act, as expanded by the Government Management Reform Act of 1994, mandated agencies to prepare annual financial statements and have the IG or an independent external auditor, as determined by the IG, audit those statements. Those very provisions, annual preparation and audit of agency and government-wide financial statements, have contributed to the evolution of reliable, timely, and useful financial information in the Federal government. Such advancements have provided increasing levels of credibility and confidence in government finances and improved the processes that produce financial data. In addition, the preparation of audited financial statements assists CFOs and agency leadership in assessing and mitigating enterprise risk.

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The current financial reporting model includes statements reflecting the financial results and activity of the Federal government. The principal statements that agencies produce are the Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, and Statement of Budgetary Resources. Accompanying notes are an integral part of these statements. Also, certain agencies may produce the Statement of Custodial Activity or the Statement of Social Insurance, if applicable.
Twenty-one of the 24 CFO Act agencies obtained unqualified or “clean” independent audit opinions on their fiscal year 2010 financial statements. That is, an opinion stated by an independent auditor reflecting that the financial statements were fairly presented in all material respects, in accordance with the generally accepted accounting principles used to prepare and present the financial statements. While three agencies did not achieve clean audit opinions in fiscal year 2010, they made significant strides towards that end. Clean opinions on an organization’s financial statements are a worldwide benchmark for strong financial management in the private sector and in state, local, and foreign governments. Efforts to obtain a clean opinion on the U.S. government’s consolidated financial statements are ongoing, with specific focus on the proper reconciliation of intragovernmental transactions and preparation of the financial statements.

Over the past 20 years, not only have Federal agencies improved the processes used to develop financial statements, they are also doing so in a timelier fashion. Initially, agencies would take until March to produce financial statements from the prior fiscal year. Today, nearly every CFO Act agency issues audited financial statements by November 15, or just 45 days from the end of the fiscal year. By December 15, the Department of the Treasury and OMB release a consolidated financial report for the entire Federal government.

Further expanded by the Accountability of Tax Dollars Act of 2002, which requires Federal agencies that do not have an existing legislative requirement to prepare audited financial statements to do so, the requirement for audited financial statements essentially transcends the entire executive branch as do the general concepts underlying the CFO Act. Also, other government organizations voluntarily prepare audited financial statements. These organizations also strive to carry out the other expectations of the CFO Act, including analyzing financial data, seeking to improve the effectiveness of internal controls, and developing powerful, integrated financial management systems, all of which have contributed to more efficient and effective government financial management.

**Consistent Reporting Exists Across-the-Board**

The CFO Act called for complete, reliable, timely, and consistent financial information. To ensure consistent information, a Federal accounting standards-setting body was created subsequent to passage of the Act. The FASAB develops Federal accounting standards, which are essential for public accountability and consistent reporting. Agencies follow generally accepted accounting principles to provide fair representation of financial results. Similar standard-setting bodies
already exist in the private sector and for state and local governments. Like these other bodies, the American Institute of Certified Public Accountants has recognized FASAB as the body that sets generally accepted accounting principles for the Federal government.

Similarly, the approach to conduct the financial audits has been standardized and improved throughout the years. The joint GAO/CIGIE *Financial Audit Manual* lays out an approach for performing financial statement audits, describes how the methodology relates to relevant auditing standards and OMB guidance, and outlines key issues to be considered in using the methodology.

The demand by stakeholders for financial reporting beyond the principal financial statements has also evolved. Budgetary and programmatic information is now consistently reported along with financial performance. Most agencies present their financial statements and reports in Performance and Accountability Reports and Annual Financial Reports, providing readers a financial context in which they can learn about program accomplishments, budget information, and future plans.

**Discipline Fostered by the CFO Act Continues**

The one observation the working group heard repeatedly was the discipline that the CFO Act, and in particular the requirement for audited financial statements, brought to the financial management arena. The old adage, “What gets audited gets attention,” is on point when describing a contributing factor to the success of the CFO Act and related financial management legislation. This discipline ensures that the focus remains on improving the framework for assessing and improving the effectiveness of internal controls over financial reporting; developing effective, integrated financial management systems that provide reliable, useful, and timely information for management decision-making; and demonstrating stewardship and accountability over Federal resources.

**Challenges to Further Evolve the Financial Reporting Model and Address Stakeholder Needs**

By implementing the CFO Act and other related financial management statutes, Federal financial managers have conquered many of the challenges they faced before 1990. By focusing on data assurance and auditing, the government has significantly improved financial

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reporting. Given the changes in government, technology, and stakeholder expectations, it is an ongoing challenge to explore new and innovative ways to improve reporting and thus empower and inform a broad range of stakeholders with relevant and timely financial and budgetary information.

**Evolving the Financial Reporting Model**

Financial and budget-related information needs to serve multiple stakeholders, including program managers; elected, appointed, and career officials in both the legislative and executive branches; the public; and other entities, such as the media, private companies, and public interest groups. Program managers demand real-time data to enable more efficient and informed decision making. Elected officials require information that they can use to effect public policy and assist their constituents. The public is taking a greater interest in the finances of the government and is increasingly concerned about how tax dollars are spent. Finally, other groups, such as the media, businesses, non-profit organizations, and special interest groups, can use Federal financial data to more meaningfully convey information to their constituents or improve their own operations.

In today’s increasingly digital-savvy society, there is an ever-increasing demand for enhanced financial information. Government has focused on past results for financial management; however, various stakeholders, given the current economic climate and future fiscal challenges, are now even more interested in both real-time and forward-looking financial information. Stakeholders have come to more fully appreciate the risks inherent in agency financial management and accountability, and want to understand the potential impact of these risks on future operations and programs.

The question, or challenge, remains—how do you balance the needs of all stakeholders? To evolve the financial reporting model to make it more useful for all concerned, many feel that agencies should explore how they report real-time information and future obligations, and even augment financial statements with additional financial information.

With an increasing interest in forward-looking information, many believe financial reporting needs to look to the future as well as the past. To improve financial management and achieve current and long-term goals, program managers need real-time data to allow their organizations to quickly respond to new management challenges and associated risks. Federal financial managers can improve current reporting on past information by linking strategic goals, performance information, and financial information. By doing so, stakeholders will see how agencies are managing their resources to achieve goals and how this practice informs the future direction of an agency.

Through this project’s listening sessions, we learned that several key qualities should be considered when evolving the current financial reporting model. Integrity, reliability, and utility of the data being
reported are paramount. As such, audit requirements that promote these qualities should be maintained. The financial reporting model should also consider more current stakeholder needs, such as developing a statement of spending, and include forward-looking information, such as future program costs. Such reporting would allow all involved to perform their duties as they relate to Federal spending and programs. Even more importantly, the reporting model should be mindful of the needs of external stakeholders and the focus on transparency, accuracy, and proper controls over Federal funds. Ongoing efforts within OMB, the CFO Council, and FASAB\(^7\) are making strides toward evolving financial reporting beyond the current model.

**Efforts to Build Reporting Beyond Financial Statements**

Although the information contained in financial statements and Annual Performance Reports for the CFO Act agencies is robust, many believe that there is limited demand for this information outside of government, perhaps due to its technical nature, seeming complexity, and granular characteristics. Analyzing financial statements requires an in-depth understanding of government accounting principles, and most financial and performance reports contain details that may only appeal to the financial management community. In the continuing quest to improve government financial reports and ensure data accuracy, the financial management community should increase efforts to make financial information more relevant to all of its stakeholders, including decision-makers, program managers, and the public.

In addition to meeting its current requirements, the CFO community should leverage the information that it produces and focus more proactively on managing risks, accomplishing goals, and devising strategies for managing data. Such an approach would allow the CFOs to add greater value across their Department or agency by supporting the leadership and program management with relevant and useful information. Further, CFOs could promote more meaningful communication to stakeholders and a more complete understanding of financial management information as it relates to the agency’s mission. For example, the CFO community should look to build on reports like the *Treasury’s Citizens Guide to the Financial Report of the United States Government*, published since 2007, which provides an overview of the government’s financial position and fiscal sustainability efforts.

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\(^7\) On December 22, 2010, the Financial Reporting Model Task Force issued a report to the FASAB. The Task Force’s objective was to identify ways to increase users’ access to, and understanding and use of, financial information contained in the consolidated financial report of the Federal government while avoiding costly requirements that do not add value.
As witnessed over the last few years, the Federal government has embraced the Internet, as seen by the extensive proliferation of the .GOV domains, to communicate with its stakeholders. In our sessions, CFOs acknowledged the challenges associated with the overabundance of these Web sites. In particular, a significant commitment of resources is being channeled to reconcile information available to the public and reported on these Web sites back to the financial statements to ensure that the information is accurate. CFOs recognize the social media environment that the government has evolved to and need to be ever-mindful of the primary role they play in ensuring that the information being communicated by their respective agencies is complete, accurate, reliable, and timely.

**Recommendation:** The Congress should consider directing OMB, GAO, and FASAB), in consultation with CIGIE, to evolve the financial reporting model by examining the entire process with an eye toward how to further improve and streamline current reporting requirements and to better meet the needs of all stakeholders.

**INTERNAL CONTROLS**

Improving internal controls was a key tenet of the CFO Act, and over the past 20 years, much progress has been made in this regard. Legislation and policy guidance have focused on internal controls and strengthened the Federal financial management internal control environment measurably. Continued efforts are necessary to improve controls in program management and to continue to coordinate and leverage the activities of agency management and auditing and accountability professionals seeking to mitigate risks through appropriate, cost-effective internal controls.

**Financial Management Internal Control Structure Is Strong**

The legislative and policy foundation surrounding internal controls has been greatly enhanced over the years. FMFIA and the Federal Financial Management Improvement Act of 1996; OMB Circular A-123, Management’s Responsibility for Internal Controls; and GAO’s Standards for Internal Control in the Federal Government, or “Green Book,” set out strong policies, standards, and an overall framework for internal controls in the Federal government. The CFO Act accentuated the need for strong controls in Federal financial management. After much hard work and refinement, these standards, policies, and the overall framework now mirror the well-known standards established for private-sector and worldwide organizations by the Committee of Sponsoring Organizations of the Treadway Commission, commonly called COSO internal control standards.

In addition, three appendices addressing key areas of financial management concern have been added to OMB’s Internal Control Circular, A-123, to strengthen these standards and framework. Appendix A, *Internal Controls over Financial Reporting* was a
significant addition to the guidance for controls in the financial management and reporting area, and is similar to the Sarbanes-Oxley legislation for the private sector as well. The CFO Council also issued an Implementation Guide for this Appendix. Appendix B of the Circular addresses Improving the Management of Government Charge Card Programs, and Appendix C addresses Requirements for Effective Measurement and Remediation of Improper Payments. The Congress also enacted the Improper Payments Information Act of 2002 and subsequently the Improper Payments Elimination and Recovery Act of 2010, to emphasize controls over this critical area of program management.

Compared to 1990, we are now seeing a stronger internal control environment over financial reporting. A few examples of internal control improvements deserving mention follow:

❖ Financial and budget reporting today is more accurate. In 1990, financial reports, such as the Report on Budget Execution and the “actual” column of the President’s Budget did not agree. Today, because of the CFO Act and improved systems and controls, these do agree allowing for better budget decisions by both the Executive Branch and the Congress.

❖ Far better controls over government property exist today. Before the CFO Act, agencies could not validate the existence of their government property or provide a value for it. Today, support for much of the government’s property and its physical location is audited as part of financial statement audits.

❖ The cash balance reconciliation between the Department of the Treasury and other government organizations is markedly better, with far fewer “out of balance” situations today than in the past.

❖ “Material weaknesses” reflected on financial statement audits have been significantly reduced. A material weakness is cited when there are significant issues with one or more internal controls, which create the potential for a material misstatement of the financial statement.

Challenges Remain to Enhance Internal Control and Risk Management Activities

Despite such successes, there are still issues that need to be addressed to further strengthen internal controls and risk management activities. Such challenges need to be addressed by OMB, CFOs, agency program managers, and auditing and accounting professionals alike.

Moving Beyond Financial Management Controls

While the basic framework for internal control is very strong, misunderstandings exist today regarding internal controls that are not related to financial reporting, such as those related to program and
administrative activities and compliance. The terminology related to internal controls often uses accounting terms that at times are interpreted as applicable principally to internal controls over financial reporting. The FMFIA, however, stresses controls over the management of Federal programs.

While CFOs are not responsible for program management, they do play a role in ensuring that program managers are aware of their responsibilities for internal control, know what tools are available to implement effective controls over programs, and report on internal controls subject to FMFIA for the programs they administer. Thus, CFOs have significant responsibilities for internal controls that extend beyond controls over financial reporting to areas involving program administration and management. These extended responsibilities need to be better understood by CFOs, program managers, and audit and accountability professionals as well.

**Leveraging Management’s Testing of Internal Control**

Another challenge going forward is how an auditor can best leverage management’s internal control work during the financial statement audit process. OMB issued Appendix A to OMB Circular A-123 to further address internal controls over financial reporting. This appendix added significant internal control work and internal control testing as well as certifications to the management of agencies. Some participants at the listening sessions expressed strong concerns, indicating that in certain cases, auditors are reluctant to accept management’s internal control work and instead do additional work that is viewed as unnecessary.

Auditing standards require auditors to maintain independence from the entity and management when conducting their work. These standards also state that an entity’s monitoring of controls is one factor that auditors should consider in testing the operating effectiveness of the entity’s controls. To achieve maximum efficiency and cost-effectiveness in the audit process, many participants expressed the view that a better balance should be struck between the respective roles of auditors and agency management in the area of internal controls and the extent to which auditors leverage management’s internal control testing and assertions.

In a related vein, from an auditing perspective, and at a time of budget cuts and scarce resources, auditors would agree with the perspectives voiced by some management officials that the cost of ensuring effective controls is an issue of concern that warrants scrutiny. As part of a broader study, GAO is looking at the integration of management’s internal control work related to financial reporting and financial audits at selected agencies. The IG community as well as the CFO community may be well served to build on the results of this work and examine ways to better integrate management’s internal control work with financial audits.
Need for Collaborative Risk Assessment and Internal Control Efforts

A further challenge for CFOs is the assessment of risk relating to the CFO’s agency or organization as a whole and the establishment of internal controls to address such risk to key areas of mission accomplishment. Many Federal organizations have not yet integrated a risk assessment approach in examining the organization and assessing its programs for threats to success in achieving its mission. These organizations also have not integrated risk assessment in establishing effective overall internal control or as a key feedback loop to the budget process or work planning for the future.

Absent a robust and effective risk identification and assessment process, it will not be clear what types of controls should be established to best mitigate the risks. Without a clear understanding of risk, there is also a possibility of duplicative or unnecessary controls, which can increase organizational costs substantially. As part of its implementing guidelines for internal controls, OMB intends to address these points. Clearly, an inclusive, “harmonized” process that involves all parties—CFOs, agency management, and auditors—in a risk-based approach to identify internal controls warranting review is a course of action allowing for broad-based input and analysis and one that should yield optimum results.

Going forward, CFOs should continue to work with their IGs, the IG community as a whole, and GAO, as a part of their efforts to identify organizational and financial management risks. Financial management professionals and the audit community must seek opportunities for greater efficiencies and cost-effectiveness in carrying out internal control responsibilities as they serve the best interest of the public.

FINANCIAL SYSTEMS

Achieving success in the financial systems arena was a key goal of the CFO Act, and some of that success has been realized. The enactment of the CFO Act and Federal Financial Management Improvement Act of 1996, as well as the continued attention of GAO, the IG community, and the Congress has placed increased emphasis on improving accounting and financial management systems. As discussed below, while successes have been realized, much more remains to be done in the financial management systems arena.

Strides Acknowledged in the Financial Systems Arena

Over the past 20 years, the government has worked to reduce the number of financial systems, and systems that integrate or interface with the financial systems, with an eye toward minimizing internal control problems, reducing costs, and eliminating confusion for program manager users. Information technology has been a high priority within OMB and at the Department and agency level. GAO and the IG community have also played a role by identifying system problems and offering recommendations through individual and cross-
cutting audits and evaluations. In fact, information technology and specific information technology projects have been on GAO’s high-risk list and are routinely identified as a top management and performance challenge in CIGIE’s annual report, *A Progress Report to the President*.

Information systems today are more robust and easier to use, as well as better integrated with other administrative areas, such as procurement, grants management, and human resources. Financial information terminology and data standards exist today that help reduce systems costs and improve communication among financial systems users. Finally, the systems today are getting better at providing information to meet the needs of multiple users, with the goal of eliminating the user-specific systems of the past.

The notion of government-developed financial software has become almost a thing of the past. Today, the Federal government is almost exclusively using commercial software—adapting its processes to tried-and-true practices rather than creating unique software that would be unable to communicate with software in other systems. The opposite was the case 20 years ago prior to enactment of the CFO Act, with individual agencies most often developing their own financial information technology software.

**Agencies and OMB Continue to Focus on Systems Challenges with Support from IGs and GAO**

Despite the improvements witnessed over the last 20 years, there are still too many individual agency financial management systems, implementations that have not lived up to their promised cost effectiveness, and systems that do not interface with financial systems. Further, too many attempts to develop and install new systems are met with failure, schedule delays, or cost overruns. OMB has established an oversight council comprised of systems experts from across government to ensure government-wide oversight. OMB has required that projects be broken into manageable pieces (rather than total “big bang” projects) that have a better chance of overall success and meeting initial cost, schedule, and performance objectives. OMB’s action aligns with the current private-sector emphasis on successful information technology project development and implementation from a cost and schedule perspective. In addition, CFOs and their counterpart Chief Information Officers are working together to integrate and oversee systems effectively.

Improved efficiency is an expectation when introducing a new system and interfacing with an existing system. The entry of data is still all too often made by financial personnel rather than the real customers of these systems—program managers, agency management, and other administrative users. One of the goals of the CFO Act was the integration of systems, with a focus on the entry of data where it was
created rather than the movement of paper between offices. This is a goal that continues to be addressed today with increasing progress.

Finally, financial systems in the future should continue to look toward addressing users’ needs. During the listening sessions, we heard that cost and performance management information was in demand among stakeholders. “Transparency reporting,” as addressed in the Financial Funding Accountability and Transparency Act of 2006 and the American Recovery and Reinvestment Act of 2009, is another example of user needs that financial systems must support. While Recovery Act reporting (via Recovery.GOV) could not have been achieved without the improvements in financial systems over the last 20 years, more will need to be done to meet current and future mandates for transparency and accountability reporting. Accurate data contained in well-designed financial systems is critical to support the dashboards and other social media methods that the government employs to be better connected with the public.

OMB and the CFO Council are working closely together and have established goals to reduce redundant systems, reduce system problems in cost and schedule, improve cost accounting, provide better performance reporting, and provide transparency in reporting to the public and the Congress. These goals focus on business process improvement and technology enhancement.

Over the years, GAO and the IGs have examined financial systems, identified problem issues, and made recommendations to support their agencies’ efforts to achieve improved financial systems, as envisioned by the CFO Act. As noted throughout this report, the degree of collaboration and coordination between and among OMB, the CFO Council, agency CFOs, IGs, and GAO is promising and will continue to focus attention on this important area.
The CFO Act of 1990 served as the impetus for major improvements in Federal government financial management, including improved senior financial management leadership, published and independently audited financial statements, far better internal controls over financial management activities, better financial systems, greatly improved financial reporting, far better reporting to the public, and a more cooperative relationship between CFOs, IGs, and GAO.

This report highlights how far the CFO Act has come in the last 20 years and where it still needs to go. It details many of the ongoing efforts by OMB, the CFO Council, GAO, FASAB, and CIGIE to further improve Federal financial management. The good news is that the parties involved recognize the areas warranting increased attention and are committing time and talents to move forward. Various initiatives and efforts are ongoing and progress is being made to fully realize the intent of the CFO Act. For the most part, the authority exists to accomplish what needs to be done, but as noted in the two recommendations made in this report, additional Congressional consideration would assist in fully realizing the purposes set out in the CFO Act of 1990.

The CFO and IG communities appreciate the opportunity to have examined the impact of the CFO Act over the years and count on the continued support of the Executive Branch and the Congress in our continuing efforts to successfully carry out the lasting mandates of this landmark legislation.
APPENDIX I: Report Objective and Approach

The Improper Payments Elimination and Recovery Act of 2010, which was signed into law on July 22, 2010, directed the CFO Council and CIGIE to jointly examine the lessons learned during the first 20 years of implementing the CFO Act of 1990 and identify reforms or improvements, if any, to the legislative and regulatory framework for Federal financial management—all in the interest of optimizing Federal agency efforts on financial reporting and internal controls. In conducting this work, the CFO Council and CIGIE were to consult with a broad cross-section of experts and stakeholders in government accounting and financial management. The joint report was to be submitted to the Senate Committee on Homeland Security and Governmental Affairs, House Committee on Oversight and Governmental Reform, and Comptroller General, not later than 1 year after the enactment of the Improper Payments Act.

To begin the study, the CFO Council and CIGIE formed a working group of senior leaders from the Federal financial management community and the IG community, and included a senior official from the GAO to serve as an observer. Jim Taylor, the CFO of the Department of Labor, and CFO Council representative, and Jon Rymer, the IG of the Federal Deposit Insurance Corporation, and CIGIE Audit Committee Chair, were co-leaders of the working group. As noted below, a broad spectrum of political CFOs and career Deputy CFOs as well as IGs and Assistant IGs were either invited or volunteered to participate on this joint project.

Early on in the project, the working group decided that to be all-encompassing in its review, other Acts related to Federal financial management should also be examined. It was the consensus of the working group that these laws be considered when examining Federal financial management, and in particular, when considering efforts to optimize relevant, timely, and reliable reporting and efforts to mitigate the risk of fraud, waste, and error in government programs. Appendix II lists the related laws that were considered.

The working group employed several methods to gather input from a wide spectrum of current and past financial and audit community leaders as well as private-sector leaders and academia in financial
management and auditing. A high-level seminar on government financial management, held in conjunction with the 20th anniversary of the CFO Act of 1990, was the first such information-gathering effort. This seminar, which was held on November 19, 2010, included “thought leader” sessions to address key financial topics looking toward the future of Federal financial management. Preliminary discussions and group meetings on key financial management issues that were held prior to the seminar served as the basis of the information shared during the “thought leader” sessions.

Over the next several months, the working group received briefings and held small-group meetings with selected experts and “listening sessions” to collect input and perspectives on the CFO’s role and organization, financial reporting and accountability, internal controls, and financial systems. In total, more than 250 individuals participated in at least one of the gatherings, as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>January 21, 2011</td>
<td>Briefing: History of the CFO Act</td>
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<tr>
<td>January 21, 2011</td>
<td>Briefing: Federal Accounting Standards Advisory Board</td>
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<tr>
<td>January 21, 2011</td>
<td>Briefing: Results of the Association of Government Accountants’ CFO Survey</td>
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<tr>
<td>March 2, 2011</td>
<td>Small-Group Meeting: Current and Former OMB Officials</td>
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<td>March 17, 2011</td>
<td>Listening Session: Commercial Sector and Academia</td>
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<td>March 21, 2011</td>
<td>Listening Session: CFO Community</td>
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<tr>
<td>March 23, 2011</td>
<td>Listening Session: IG Community</td>
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The views that were shared through the working group’s information collection efforts and follow-on meetings provide the basis for the observations in this report. These observations were supplemented, and in many cases supported, by an analysis of relevant documents published over the past 20 years by the GAO, other Federal agencies, private-sector accounting and auditing organizations, and academicians. Insights from many such publications are reflected throughout this report, and the documents themselves are referenced in Appendix II.

Several members of the working group were tasked with drafting the report. The draft report was first shared with the entire working group for review and comment, and those comments were incorporated, as appropriate. The draft was then shared concurrently with CFO Council and CIGIE members as well as OMB officials for review, comment, and clearance. Those comments were also incorporated, as appropriate.
WORKING GROUP MEMBERS

Co-Leaders
Jim Taylor, CFO, Department of Labor
Jon Rymer, IG, FDIC, and CIGIE Audit Committee Chair

CFO Council Representatives
Lisa Casias, Deputy CFO, Department of Commerce
Doug Criscitello, CFO, Department of Housing and Urban Development
Mark Easton, Deputy CFO, Department of Defense
David Gabel, Deputy Director, Financial Policy & Travel, Department of Labor
W. Todd Grams, CFO, Department of Veterans Affairs
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Elliot Lewis, Assistant IG for Audit, Department of Labor
Sharon Tushin, Communications Director, FDIC OIG

GAO (Observer)
Bob Dacey, Chief Accountant
### Key Federal Financial Management Legislation

<table>
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<tr>
<th>Year</th>
<th>Legislation</th>
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<tr>
<td>1921</td>
<td>Budget and Accounting Act</td>
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<tr>
<td>1950</td>
<td>Accounting and Auditing Act</td>
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<tr>
<td>1974</td>
<td>Budget Impoundment and Control Act</td>
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<tr>
<td>1978</td>
<td>Inspector General Act, as amended</td>
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<tr>
<td>1982</td>
<td>Federal Managers’ Financial Integrity Act of 1982</td>
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<tr>
<td>1982</td>
<td>Debt Collection Act (Debt Collection Improvement Act of 1996)</td>
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<tr>
<td>1982</td>
<td>Prompt Payment Act</td>
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<tr>
<td>1984</td>
<td>Single Audit Act (Single Audit Act Amendments of 1996)</td>
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<tr>
<td>1990</td>
<td>CFO Act</td>
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<tr>
<td>1990</td>
<td>Federal Credit Reform Act</td>
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<tr>
<td>1990</td>
<td>Cash Management Improvement Act</td>
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<tr>
<td>1993</td>
<td>Government Performance and Results Act (Amended in 2010)</td>
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<tr>
<td>1994</td>
<td>Government Management Reform Act</td>
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<tr>
<td>1996</td>
<td>Federal Financial Management Improvement Act</td>
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<td>1996</td>
<td>Clinger-Cohen Act</td>
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<td>2000</td>
<td>Government Information Security Reform Act</td>
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<td>2002</td>
<td>Federal Information Security Management Act</td>
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<td>2002</td>
<td>Accountability of Tax Dollars Act</td>
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<td>2002</td>
<td>E-Government Act</td>
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<td>2003</td>
<td>Improper Payments Information Act</td>
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<td>2004</td>
<td>Homeland Security Financial Accountability Act</td>
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<tr>
<td>2006</td>
<td>Federal Funding Accountability and Transparency Act</td>
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<tr>
<td>2009</td>
<td>American Recovery and Reinvestment Act</td>
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<tr>
<td>2010</td>
<td>Patient Protection and Affordable Care Act (Title VI)</td>
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<tr>
<td>2010</td>
<td>Improper Payments Elimination and Recovery Act</td>
</tr>
<tr>
<td>2010</td>
<td>Government Performance and Results Modernization Act</td>
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</table>
OTHER REFERENCES

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Wendy M. Payne, CGFM, CPA

Exploring the Value of Financial Statement Audits
Douglas A. Brooks, Ph.D.

The CFO Act Turns 20 Years Old: As We Blow Out the Candles
Jeffrey C. Steinhoff, CGFM, CPA, CFE, and John R. Cherbin, MBA, CGFM, CPA

1990-2010: Perspectives from the First Controller
Edward Mazur, MBA, CPA

Current Systems Considerations, Modernization and Achieving Compliance
Robert Maitner, Jr., CGFM, PMP

2010 CFO Survey: Increasing ROI with Streamlined Communications and a Reduced Financial Footprint
Clifton A. Williams, CGFM, CPA


## Abbreviations and Acronyms

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>CFO</td>
<td>Chief Financial Officer</td>
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<tr>
<td>CIGIE</td>
<td>Council of the Inspectors General on Integrity and Efficiency</td>
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<tr>
<td>FASAB</td>
<td>Federal Accounting Standards Advisory Board</td>
</tr>
<tr>
<td>FMFIA</td>
<td>Federal Managers Financial Integrity Act of 1982</td>
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<td>GAO</td>
<td>Government Accountability Office</td>
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<tr>
<td>IG</td>
<td>Inspector General</td>
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<td>OIG</td>
<td>Office of Inspector General</td>
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<td>OMB</td>
<td>Office of Management and Budget</td>
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