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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

Office of the Assistant Secretary for Financial Resources, Statement of Organization, Functions, and Delegations of Authority

Part A, Office of the Secretary, Statement of Organization, Functions and Delegations of Authority for the Department of Health and Human Services (HHS) is being amended at Chapter AM, Office of the Assistant Secretary for Financial Resources (ASFR), as last amended at 78 FR 52197-52199 dated August 22, 2013; 76 FR19774–19776 dated April 8, 2011; 75 FR 369–370, dated January 5, 2010; 74 FR57679–57682, dated November 9, 2009; and 71 FR38884–88, dated July 10, 2006, as follows:

I. B. Under Section AM.20 Functions, make the following changes:

1. Under paragraph D, “Office of Finance (AMS),” delete in its entirety and replace with the following:

D. Chapter AMS, Office of Finance (AMS)

Section AMS.00 Mission: The Office of Finance (OF) is headed by the Deputy Assistant Secretary for Finance (DASF), who is also the Deputy Chief Financial Officer and reports to the Assistant Secretary for Financial Resources and Chief Financial Officer (CFO). The mission of the Office of Finance is to provide financial accountability and enhance program integrity through leadership, oversight, collaboration, and innovation.

The office includes the following:

- Immediate Office (AMS)
- Office of Financial Policy and Reporting (AMS1)
- Office of Financial Systems Policy and Oversight (AMS2)
- Office of Program Audit Coordination (AMS3)

1. *Immediate Office (AMS)*. The Immediate Office (IO) is responsible for support and coordination to execute the mission of OF including implementation of HHS's Enterprise Risk Management (ERM) program. The Immediate Office includes:

- Division of Business Operations
- Division of Enterprise Risk Management

a. *Division of Business Operations*. The Division:

- (1) Provides leadership for the HHS CFO community;
- (2) Leads strategic planning for the HHS CFO community and the Office of Finance;
- (3) Serves as the liaison with internal and external stakeholders regarding financial management matters;
- (4) Provides operational support for the OF;
- (5) Leads workforce development initiatives for the OF;
- (6) Advises the ASFR/CFO regarding financial management matters affecting the Department;
and
- (7) Leads other activities that enhance OF's management and operations.

b. *Division of Enterprise Risk Management*. The Division:

- (1) Coordinates across HHS to establish and communicate HHS's ERM vision, culture, strategy, and framework;

- (2) Designs and implements an ERM infrastructure across HHS, including governance;
- (3) Develops and shares tools, guidance, and best practices regarding ERM;
- (4) Provides technical assistance and direction to HHS Operating Divisions (OPDIVs) and Staff Divisions (STAFFDIVs) on implementing ERM;
- (5) Facilitates enterprise-wide, integrated and comprehensive assessments across HHS's risk portfolio including leading the development of the agency's risk profile and guiding management's prioritization of risks across the agency;
- (6) Leads the Department's efforts to meet the ERM requirement in OMB Circular A-123, "Management's Responsibility for Enterprise Risk Management and Internal Control";
- (7) Prepares reports, briefings, and makes recommendations to senior HHS leadership, OPDIVs, STAFFDIVs and other stakeholders on ERM related activities; and
- (8) Leads other activities that enhance HHS implementation and integration of ERM into business operations.

2. *Office of Financial Policy and Reporting (AMS1)*. The Office of Financial Policy and Reporting (OFPR) is responsible for financial management policy and standards, internal controls over reporting, statutory financial reports and audits, and other managerial reports. OFPR includes:

- Division of Financial Management Policy
- Division of Financial Statements and Audit
- Division of Financial Reporting and Analysis
- Division of Accounting Standardization and Oversight (AMS14)

a. *Division of Financial Management Policy*. The Division:

- (1) Leads the Department's efforts to establish and maintain proper internal control over reporting and ensures that requirements are met under Appendix A, OMB Circular A-123, "Management's Responsibility for Enterprise Risk Management and Internal Control";
- (2) Coordinates with the OPDIVs in the preparation of the corrective action plan (CAP), which is submitted annually to OMB and reflects the material weaknesses, significant deficiencies, and other reportable conditions from the annual CFO Act audit;
- (3) Recommends, develops, and promulgates Department-wide policies, procedures, and standards for financial management areas including OMB, GAO, Treasury, Federal Accounting Standards Advisory Board (FASAB), and other agency guidance related to government-wide accounting policies and standards, cash management, credit management, debt management, payment and disbursement activities and functions, and budget execution accounting;
- (4) Provides support to the OPDIV CFOs for financial planning and improvement initiatives;
- (5) Serves as principal staff advisor on financial management policy matters to the DASF;
- (6) Manages the Departmental process for the development of the required annual report on HHS's audited financial statements; and
- (7) Maintains a system for tracking and improving cash and credit management and debt collection performance throughout the Department.

b. *Division of Financial Statements and Audit.* The Division:

- (1) Oversees the preparation and submission of consolidated financial statements for the Department in accordance with OMB and Treasury requirements;

- (2) Serves as the principal liaison with the Office of the Inspector General (OIG) in planning the annual financial statement audit strategy under the CFO Act, as amended. Coordinates with OPDIVs and STAFFDIVs to ensure timely audit deliverables;
- (3) Reviews and interprets OMB, GAO, Treasury, and FASAB guidance and requirements related to government-wide accounting policies and standards;
- (4) Assures that OPDIVs' reporting is in accordance with internal control and reporting standards from OMB, GAO, Treasury, FASAB, and the HHS Accounting Treatment Manual;
- (5) Provides advice and assistance to OPDIVs and STAFFDIVs on financial reporting and related fiscal matters;
- (6) Reviews and analyzes OPDIVs' financial statements and key reconciliations and consolidates Department financial statements as required by OMB and Treasury;
- (7) Collaborates with the Division of Financial Management Policy on the preparation of the Department's agency financial report, CAPs and financial policies;
- (8) Serves as the liaison with OMB, Treasury, intragovernmental groups and other agencies on accounting, financial policy and reporting issues; and
- (9) Serves as the principal advisor to the DASF regarding financial reporting standards.

c. *Division of Financial Reporting and Analysis.* The Division:

- (1) Oversees the design, preparation, and submission of financial management reports for the Department, as required by legislation, regulation, OMB, Treasury, GAO, and Congressional requests;
- (2) Provides review and analysis of financial management reports for senior management, OMB, Treasury, GAO, Congress, and other stakeholders;

- (3) Reviews and interprets OMB, GAO, Treasury, GAO, and FASAB guidance related to financial management reporting requirements or data requests that are in addition to the consolidated financial statements;
- (4) Provides guidance, advice and assistance to OPDIVs and STAFFDIVs on new reporting requirements and related fiscal matters; and
- (5) Serves as principal advisor to the DASF regarding new required financial management reports, and related OMB and Treasury transparency initiatives.

d. *Division of Accounting Standardization and Oversight.* The Division:

- (1) Oversees the strategic planning and maintenance of the Department-wide Accounting Treatment Manual (ATM) in accordance with Federal accounting concepts, standards, and HHS financial management policies;
- (2) Establishes developmental goals that promote improvement within the ATM framework and support the Department-wide standardization of accounting data elements and related attributes;
- (3) Monitors financial data for adherence to Department-wide accounting standards, and advises OPDIVs on proper accounting treatments in accordance with the Department's ATM;
- (4) Introduces uniform business rules and data standards required to support new financial reporting requirements;
- (5) Collaborates with system owners and financial management offices to facilitate standardized enterprise-wide solutions within the financial accounting and reporting systems;

- (6) Serves as liaison with OMB, Treasury, and other authoritative Federal agencies on standard general ledger compliance matters;
- (7) Collaborates with the Office of Financial Systems Policy and Oversight to ensure financial system conformity with the ATM and related data standards; and
- (8) Serves as principal staff advisor to the DASF as it relates to proper accounting treatment, accounting standardization, and financial performance monitoring.

3. *Office of Financial Systems Policy and Oversight (AMS2)*. The Office of Financial Systems Policy and Oversight (OFSPPO) is responsible for overseeing the Department-wide financial systems. This includes developing and managing the Department-wide financial systems policy, governance, and program and systems management. OFSPPO is also responsible for maintaining the Department-wide systems including the Unified Financial Management System (UFMS), the Financial Business Intelligence System (FBIS), and the Consolidated Financial Reporting System (CFRS). OFSPPO includes:

- Division of Strategic Planning, Oversight and Coordination
- Division of Budget and Acquisition
- Division of Program Management and Governance
- Division of Systems Policy and Compliance
- Division of Systems Planning and Development
- Division of Systems Operations and Maintenance

a. *Division of Strategic Planning, Oversight and Coordination*. The Division:

- (1) Provides oversight of all aspects of the Department-wide financial systems and coordinates with executive-level stakeholders to execute the financial systems strategy;

- (2) Supports and coordinates the other OFSPO divisions in management of designated functions and responsibilities;
- (3) Develops strategic plans to manage, enhance and support the Department-wide financial systems environment;
- (4) Serves as the liaison with internal and external stakeholders regarding financial systems;
- (5) Advises the DASF regarding financial systems matters affecting the Department.

b. *Division of Budget and Acquisition.* The Division:

- (1) Prepares and manages the budget for OF-managed financial systems;
- (2) Manages the IT portfolio and investment functions throughout the Capital Planning & Investment Control Lifecycle (CPIC) for OF-managed financial systems;
- (3) Establishes and manages acquisition vehicles for Department-wide financial systems, including contract management and program monitoring; and,
- (4) Ensures that services are aligned with changing business needs and improvements are made to processes, IT services, and IT infrastructure.

c. *Division of Program Management and Governance.* The Division:

- (1) Oversees the Department-wide financial systems, including the three major core accounting systems (the Healthcare Integrated General Ledger Accounting System (HIGLAS) at the Centers for Medicare & Medicaid Services (CMS), National Institutes of Health Business System (NBS), and the Unified Financial Management System (UFMS) for the rest of the Department), the Consolidated Financial Reporting System (CFRS), and the Financial Business Intelligence System (FBIS);
- (2) Establishes, facilitates, and supports a governance framework for Department-wide financial management;

- (3) Provides project management and strategic communications support for financial systems and programs;
- (4) Reports financial system program and project performance (progress, milestones, risks, etc.) to HHS financial management leadership and customers on a periodic basis; and
- (5) Maintains and analyzes service level metrics for provided services.

d. *Division of Systems Policy and Compliance.* The Division:

- (1) Develops policies for Department-wide financial management systems including core financial systems and the financial portion of the mixed systems;
- (2) Oversees compliance with Federal and Departmental policies and procedures for financial systems, including compliance with the Federal Financial Management Improvement Act of 1996 (FFMIA) and Section 4 of the Federal Managers' Financial Integrity Act (FMFIA);
- (3) Oversees development, maintenance, and execution of corrective action plans for Department-wide financial systems to remediate security vulnerabilities and audit findings;
- (4) Collaborates with the HHS Office of the Chief Information Officer (OCIO) and ensures that financial systems security controls are comprehensive, effective, and efficient; and
- (5) Provides oversight of the security controls environment for OF-managed financial systems.

e. *Division of Systems Planning and Development.* The Division:

- (1) Performs the planning, design, development, and implementation of Department-wide financial systems, including UFMS, CFRS and FBIS;
- (2) Coordinates activities to enhance the Department-wide financial systems environment;
- (3) Collaborates with other business domains to integrate mixed financial systems;

(4) Identifies and plans for the integration of new technologies and programs into the financial systems environment, based on analysis of industry trends, best practices, and current/future business requirements; and

(5) Administers a data governance program, including supporting the implementation of Department-wide financial definitions and data structures.

f. *Division of Systems Operations and Maintenance.* The Division:

(1) Provides comprehensive IT service management (operations and maintenance) for Department-wide financial systems, including UFMS, CFRS, FBIS, and other business systems, and ensures the applications are secure, reliable, and available;

(2) Coordinates and executes the activities and processes required to deliver and manage services at agreed levels to business users and customers;

(3) Manages the technology that is used to deliver and support services; and

(4) Manages activities to resolve security vulnerabilities and audit findings identified within the managed systems.

4. *Office of Program Audit Coordination (AMS3).* The Office of Program Audit Coordination (OPAC) serves as the central point of contact for coordinating program audit support through payment accuracy and audit resolution activities across the Department. The Office includes:

○ Division of Payment Integrity Improvement

○ Division of Audit Resolution

○ Division of Audit Tracking and Analysis

a. *Division of Payment Integrity Improvement.* The Division:

(1) Implements the Improper Payments Information Act of 2002, the Improper Payments Elimination and Recovery Act of 2010, the Improper Payments Elimination and Recovery

Improvement Act of 2012, and improper payment related Executive Orders and other regulatory requirements;

- (2) Provides analysis of high risk programs and coordinates error rate measurements and CAPs for high risk programs;
- (3) Coordinates efforts among OPDIVs to recapture improper payments;
- (4) Identifies and shares best practices on addressing improper payments with HHS leadership;
- (5) Coordinates implementation of the “Do Not Pay” initiative at HHS;
- (6) Prepares reports and briefings, and makes recommendations to senior HHS leadership, OPDIVs, OMB and other stakeholders on improper payment initiatives; and
- (7) Leads other activities that support improving payment accuracy.

b. *Division of Audit Resolution.* The Division:

- (1) Reviews, resolves, and coordinates, where necessary, the single audit findings of grantees affecting the programs of more than one OPDIV or other Federal agency;
- (2) Coordinates and provides technical assistance to grantees and HHS Divisions on all aspects of single audit resolution in an effort to reduce the number and significance of single audit findings;
- (3) Works with HHS’s Single Audit Coordinator to streamline and enhance the efficiency of the audit resolution process;
- (4) Interprets single audit guidance and establishes and monitors Department policies regarding audit resolution and associated metrics and analytics;
- (5) Prepares reports, briefings, and makes recommendations to senior HHS leadership, OPDIVs, and other stakeholders regarding single audit resolution activities;
- (6) Prepares the Management Report on Final Action;

- (7) Ensures HHS compliance with the Uniform Guidance (2 CFR Part 200); and
- (8) Leads other activities that support and advance audit resolution.

c. *Division of Audit Tracking and Analysis*. The Division:

- (1) Develops, implements, and manages an enterprise-wide audit tracking and analytics system that includes at a minimum: single audits, OIG audits, and GAO audits;
- (2) Oversees and coordinates Department-wide change management efforts to prepare OPDIVs for implementation and future changes to the enterprise-wide system;
- (3) Provides operations and maintenance support for the enterprise-wide system;
- (4) Assigns single audit findings to OPDIVs and STAFFDIVs for resolution;
- (5) Ensures HHS' single audit findings are resolved in accordance with the guidelines promulgated in the Uniform Guidance (2 CFR Part 200);
- (6) Performs analysis on audit data to assist in targeting corrective actions and reducing future findings; and
- (7) Leads other activities that support the implementation of the enterprise-wide system and usage of the data maintained in the system.

II. Delegations of Authority. All delegations and re-delegations of authority made to officials and employees of affected organizational components will continue in them or their successors pending further re-delegation, provided they are consistent with this reorganization.

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