

CHANGE REQUEST COVER SHEET

Change Request Number: 11-12

Date Received: 11/3/2010

Title: CFO Approval Requirements

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Policy OR Guidance: Policy

Section/Text Location Affected: 3.2.1.4

Summary of Change: Revision of section to add CFO approval language along with administrative changes

Reason for Change: Need to add language in policy consistent with AMS Guidance T3.2.1.4 on CFO approval requirements

Development, Review, and/or Concurrence: Chief Financial Officer (CFO); Acquisition Policy Division; Legal; and Contracting Organizations at FAA HQ, Center, and Regions (ARC)

Target Audience: Program Offices and Contracting workforce

Potential Links within FAST for the Change: None

Briefing Planned: No

ASAG Responsibilities: None

Potential Links within FAST for the Change: None

Links for New/Modified Forms (or) Documents (LINK 1) [null](#)

Links for New/Modified Forms (or) Documents (LINK 2) [null](#)

Links for New/Modified Forms (or) Documents (LINK 3) [null](#)

SECTIONS ADDED:

Acquisition Management Policy:

Section 3.2.1.4.2 : Chief Financial Officer Approval [\[New Content\]](#)

Acquisition Management Policy:

Section 3.2.1.4.1 : Contract Line Item Structure [\[New Content\]](#)

SECTIONS EDITED:

Acquisition Management Policy:

Section 3.2.1.4 : Chief Financial Officer Requirements [\[Old Content\]](#)[\[New Content\]](#)

[\[RedLine Content\]](#)

SECTIONS ADDED:

Acquisition Management Policy:

Section 3.2.1.4.2 : Chief Financial Officer Approval

The Chief Financial Officer has approval authority over all proposed procurement actions of \$10 million or more.

Acquisition Management Policy:

Section 3.2.1.4.1 : Contract Line Item Structure

The Chief Financial Officer Act of 1990 requires FAA to furnish annual financial statements reflecting the assets of the agency to the Office of Management and Budget. To generate information needed for accurate financial statements, service organizations must establish appropriate contract line item structure and billing mechanisms for contracts so the agency can accurately state the value of its assets, and assure related accounting classifications are included on financial documents.

SECTIONS EDITED:

Section 3.2.1.4 : Chief Financial Officer Act Requirements

Old Content: Acquisition Management Policy:

Section 3.2.1.4 : Chief Financial Officer Act Requirements

The Chief Financial Officer Act of 1990 (CFOA) includes a requirement for the FAA to furnish annual financial statements reflecting the assets of the agency to the Director of the Office of Management and Budget (DOMB) annually by March 31. The financial statements are subjected to annual independent audits to validate the conclusions of the agency regarding its financial position. DOMB then reports the audit results to Congress. In implementation of the CFOA, the service organization shall put in place appropriate contract line item structure and billing mechanisms for FAA contracts that enables the agency to accurately reflect the value of its assets, and assure that related accounting classifications are included on financial documents to generate the information needed for an accurate financial statement.

New Content: Acquisition Management Policy:

Section 3.2.1.4 : Chief Financial Officer Requirements **Red Line Content:** Acquisition Management Policy:

FAST Version 01/2011

CR 11-12

p. 2

Section 3.2.1.4 : Chief Financial Officer ~~Act Requirements~~ Requirements ~~The Chief Financial Officer Act of 1990 (CFOA) includes a requirement for the FAA to furnish annual financial statements reflecting the assets of the agency to the Director of the Office of Management and Budget (OMB) annually by March 31. The financial statements are subjected to annual independent audits to validate the conclusions of the agency regarding its financial position. OMB then reports the audit results to Congress. In implementation of the CFOA, the service organization shall put in place appropriate contract line item structure and billing mechanisms for FAA contracts that enables the agency to accurately reflect the value of its assets, and assure that related accounting classifications are included on financial documents to generate the information needed for an accurate financial statement.~~
