

## SECTION 52—INFORMATION ON FINANCIAL MANAGEMENT

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Ex-52	Report on Resources for Financial Management Activities

**52.1 What are the general reporting requirements?**

Agencies are required to provide two reports on financial management:

- All agencies should prepare financial management systems initiatives and plans as described further in section 52.4 and [OMB Circular A-127](#). This information should be summarized in each agency's annual Performance and Accountability Report (PAR) or Agency Financial Report (AFR); and
- Agencies covered by the [Chief Financial Officers \(CFO\) Act of 1990](#) are to provide an annual resource allocation report on financial management activities (exhibit 52) as described in sections 52.5–52.7.

**52.2 What policies are addressed by these reports?**

For the 24 agencies covered by the Chief Financial Officers (CFO) Act of 1990, the materials required in this section address the following requirements:

- [OMB Circular A-127](#), Financial Management Systems: Requires each agency to prepare and maintain financial management system plans.
- [The Federal Financial Management Improvement Act of 1996](#) (FFMIA): Requires each agency head to determine substantial compliance with the Act. When the agency head determines that the agency's financial management systems do not comply with FFMIA, the Act requires the agency to submit a remediation plan to bring the agency's financial management systems into substantial compliance with FFMIA. Guidance in this section outlines the information that must be provided regarding the remediation plan.
- CFO Act: Requires each agency CFO to prepare a financial management plan.

**52.3 Who must report?**

*CFO Act agencies.* All CFO Act agencies must report as prescribed in sections 52.4–52.7. The CFO Act assigns to the CFO the responsibility for preparing and revising the agency's financial management plans and developing the agency's financial management budget. Additionally, the information is used in reviewing the budget submissions of agencies.

*Non-CFO Act agencies.* Non-CFO Act agencies must report as prescribed in section 52.4; however do not report materials described in sections 52.5–52.7. Non-CFO Act agencies must include in their budget submission a brief summary of their financial management plans to ensure sound financial management practices. An agency should include this information in its PAR or AFR.

#### **52.4 What is the report on financial management systems?**

The following information, derived from more specific plans held by the agency, should be synopsised in each agency's annual PAR or AFR (PARs and AFRs are discussed in [OMB Circular A–136](#) and financial systems are addressed in OMB Circular A–127). If any of the information requested in this section is also required by OMB Circular A–136 or A–127, agencies should streamline responses to avoid duplication of effort.

A discussion of an agency's financial management strategy should unite into a coherent and purposeful theme covering all aspects of financial and budget management, including material weaknesses, information systems, and performance measurement. This description should align with the agency's mission and programs, and include, at a minimum:

Goals and the supporting financial system strategies

- Briefly discuss the agency's financial management systems strategy and how it will achieve the goals of improving financial and budget management agency-wide. Include information on the status of financial management activities and systems (see below) to provide a context for the agency's plans and resources request.
- Financial management systems framework
- Present an overview of the agency's current and future financial management systems framework and describe financial management systems critical to effective agency-wide financial management, financial reporting, or financial control.
- Include in the overview a synopsis of critical projects currently underway, or planned to achieve the target framework. Identify FFMIA remediation activities planned and underway, describing target dates and offices responsible for bringing systems into substantial compliance with FFMIA.
- Compile an inventory of baseline financial management and mixed systems, including an assessment of major problems.

#### **52.5 What is the report on resources for financial management activities (exhibit 52)?**

Exhibit 52 captures information on obligations for financial management activities; specifically, resource levels for functions overseen by the CFO, including financial statement audit, budget formulation and execution, regardless of whether these three activities are directly under the purview of the CFO. It also collects the full-time equivalent (FTE) employment data and contractor information for the same activities. For each category, agencies will report their prior year (PY) obligations. This information is used for agency oversight and budget review.

Agencies should explain in footnotes to the exhibit, any significant line item changes between the PY amounts and the exhibit 52 submission during the previous year. A significant change is defined as any increase that exceeds the percent increase determined by OMB guidance for the agency as a whole.

**52.6 What are the resource descriptions for exhibit 52?**

Report obligations for the prior year, in millions of dollars and FTE employment data for the categories described below. Information should represent the agency's salaries, contracts, or other major expenses; it includes systems costs reported on exhibit 53. Allocation of overhead expenses is not required. A footnote should indicate if overhead allocation has been included in the costs; and if so, a brief description of what consists of the overhead expenses.

**REPORT ON RESOURCES FOR FINANCIAL MANAGEMENT ACTIVITIES**

<b>Category</b>	<b>Description</b>
Agency contact	Include a point of contact for the information provided by the CFO organization of the agency.
Contact information	Include email and telephone number of agency contact.
Accounts Payable	Activities that lead up to disbursing payments due to the public, such as recording obligations, receiving and accepting goods and services, and establishing payables. (Exclude travel obligation activities.)
Accounts Receivable	Activities associated with establishing and collecting amounts due from the public for performance of services, delivery of goods sold, the passage of time (e.g., interest earned), overpayments, or other actions by the agency.
Disbursement	Activities associated with making payments that were warehoused, recording payments made by other systems, and transmitting payment files in the formats required by Treasury for the initiation of EFTs and check payments. It also includes payment activities of agencies that have delegated disbursing authority to print checks or to initiate electronic transfers. (Exclude travel payment activities.)
General ledger	Activities related to performing analysis, reconciling transactions posted, and recording adjustments to the general ledger.
Intra-governmental	Activities associated with identifying and posting entries that resulted from exchange and non-exchange transactions between Federal entities, e.g., reimbursable, fiduciary, transfers, and borrowing authorities.
Travel	Activities associated with establishing travel obligations, advances, and payments.
Financial Reporting	Activities associated with generating internal and external reports such as financial statements, trial balance, 133, 224, 1219/1220, fund status, transaction history, and ad hoc queries.
Accounting Policy	Activities associated with drafting and issuing financial management policies.
Internal Control	Activities associated with monitoring and improving internal control and reporting annual assessment of internal control as required by FMFIA.
Audit Support	Activities associated with supporting the annual financial statement audit, e.g., audit liaison.
Financial Systems	Activities associated with supporting the financial management system(s) maintained by OCFO. This should include both costs of the systems and salaries that are under the purview of the OCFO and are reported on the

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<b>Category</b>	<b>Description</b>
	Exhibit 53. While the Exhibit 53 may include costs beyond the OCFO, this category on the 52 should only capture the portion of systems costs that are under the OCFO.
Budget Formulation	Activities associated with determining priorities for future spending and to develop an itemized forecast of future funding and expenditures during a targeted period of time. This includes the collection and use of performance information to assess the effectiveness of programs and develop budget priorities.
Budget Execution	Activities pertaining to the legal and managerial uses of budgetary resources to achieve results that comply with the enacted budget and Administration policy. Budget execution activities include but are not limited to: apportionments, allotments, commitments, reprogramming actions, incurring obligations, and funds control.
OIG Financial Statements Audit	Activities associated with the annual financial statement audit by Inspector General staff and contractors (regardless of the source of funding by OCFO or OIG, for example).
Cost Accounting / Performance Management	Activities associated with accumulating, recognizing, and distributing organization and program costs for management information purposes. Include activities associated with Budget and Performance integration.
Grants management	Activities, directly under the CFO, relating to grants management functions. Grants management activities outside the OCFO should not be included.
Other	All activities directly under the CFO previously not defined, e.g. payroll, procurement, or loan activities.
No. of FTEs	Number of government employee FTEs supporting the activities described in each category. If an employee has performed a number of activities that would fall under more than one category, then report the employee's service under the category that the person had spent the most time. FTE should include Federal employees that are foreign nationals and working in locations outside the United States.
No. of Contractors	Number of contractors supporting the activities described in each category. If a contractor has performed a number of activities that would fall under more than one category, then report the contractor's service under the category that the person had spent the most time. If a fixed price contract is used, report the average number of FTE's in the fiscal year.
Cost of Contractors (\$ in millions)	Amount of actual costs incurred for contractors supporting the activities described in each category. This column should not include contract costs, just personnel costs related to the contract. Other non-personnel related contract costs that are associated with contracts should be distributed across the appropriate categories in the total cost column.
Total Cost (\$ in millions)	Amount of actual costs incurred for supporting the activities described in each category. Include contract personnel and other contract costs distributed across the appropriate categories.

**52.7 How do I submit exhibit 52 and when is it due?**

[Exhibit 52](#) is due annually on January 31. It should be approved by the agency CFO before submission to OMB. Use the formatted excel spreadsheet template provided on the MAX Federal Community page <https://max.omb.gov/community/x/3YHYEg>. Email the completed spreadsheet to [exhibit52@omb.eop.gov](mailto:exhibit52@omb.eop.gov). For additional information about this submission, use the same email address for questions.

**Department or Agency Name:** Department of Government  
**Agency Contact (prepared by):** Jane Doe  
**Contact Information (email/phone):** 202-555-5555 jane.doe@gov

Categories	No of Federal Employees	No of Contractors	Cost of Contractors	Total Cost
	(in Full Time Equivalents)		(\$ in millions)	
<b>Financial Operations</b>				
<i>Accounts Payable</i> .....	15.00	-	-	3.00
<i>Accounts Receivable</i> .....	20.00	-	-	4.00
<i>Disbursement</i> .....	3.00	-	-	0.40
<i>General Ledger</i> .....	8.00	-	-	1.00
<i>Intragovernmental</i> .....	3.00	-	-	0.30
<i>Travel</i> .....	1.00	1.50	0.01	0.20
Sub-total Financial Operations	<b>50.00</b>	<b>1.50</b>	<b>\$ 0.01</b>	<b>\$ 8.90</b>
<b>Financial Reports</b> .....	8.00	-	-	1.00
<b>Accounting Policy</b> .....	8.00	-	-	1.00
<b>Internal Control</b> .....	15.00	-	-	2.00
<b>Audit Support</b> .....	4.00	-	-	0.80
<b>Financial Systems</b> .....	5.00	5.00	1.00	2.50
<b>Budget</b>				
<i>Formulation</i> .....	5.00	-	-	1.00
<i>Execution</i> .....	5.00	-	-	1.00
Sub-total Budget	<b>10.00</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 2.00</b>
<b>OIG for Financial Statements Audit</b> .....	-	3.50	0.70	0.70
<b>Cost Accounting/Performance Management</b> .....	10.00	-	-	1.00
<b>Grants Management</b> .....	-	-	-	-
<b>Other (e.g. personnel, procurement, loan etc)</b> .....	2.00	-	-	0.30
<b>TOTAL</b>	<b>112.00</b>	<b>10.00</b>	<b>\$ 1.71</b>	<b>\$ 20.20</b>
Is the CFO responsible for handling the budget functions? (Yes/No) <span style="float: right;"><input checked="" type="checkbox"/> Yes</span>				
Comments:				

Auto sum of financial operations.

Auto sum of budget.

Budget formulation and execution are the only categories that should include resources that may be located outside the CFO organization.

Grants management and all non-budget categories should include only resources that are located directly in the CFO organization.

Auto sum of all categories above.

Agencies should explain any significant line item changes between the amount and the exhibit 52 submission during the previous year, in the comments section. A significant change is defined as any increase that exceeds the percent increase determined by OMB guidance for the agency as a whole.

Allocation of overhead expenses is not required. A footnote should indicate if overhead allocation has been included in the costs; and if so, a brief description of what consists of the overhead expenses (e.g. rent...).