

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 8340
OFFERED BY MR. COMER OF KENTUCKY**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Taxpayer Funds Over-
3 sight and Accountability Act”.

**4 SEC. 2. CHIEF FINANCIAL OFFICERS; GOVERNMENTWIDE
5 FINANCIAL MANAGEMENT PLAN.**

6 (a) CHIEF FINANCIAL OFFICER AND DEPUTY CHIEF
7 FINANCIAL OFFICER.—Chapter 9 of title 31, United
8 States Code, is amended—

9 (1) in section 902(a)—

10 (A) in the matter preceding paragraph (1),
11 by striking “An” and inserting “It shall be the
12 duty and responsibility of each agency Chief Fi-
13 nancial Officer to oversee and, unless specified
14 otherwise in law, provide leadership in the areas
15 of budget formulation and execution, planning
16 and performance, risk management, internal
17 controls, financial systems, accounting, and
18 other areas as designated by the Deputy Direc-

1 tor of Management under their authorities de-
2 scribed in section 503 of this title. In carrying
3 out the preceding sentence, each”;

4 (B) in paragraph (3)—

5 (i) in subparagraph (C), by inserting
6 “areas and” before “systems”; and

7 (ii) in subparagraph (D)—

8 (I) in clause (iii), by striking
9 “and” at the end;

10 (II) in clause (iv), by striking
11 “performance;” and inserting “per-
12 formance and integration of perform-
13 ance and cost information; and”;

14 (III) by adding at the end the
15 following:

16 “(v) annual agency financial state-
17 ments prepared in accordance with applica-
18 ble accounting standards.”;

19 (C) by redesignating paragraphs (5), (6),
20 (7), and (8) as paragraphs (7), (8), (9), and
21 (11) respectively;

22 (D) by inserting after paragraph (4) the
23 following:

24 “(5) oversee and provide leadership over the de-
25 sign, implementation, and operation of the internal

1 controls of the agency over financial reporting and
2 key financial management information identified
3 under section 3512(e)(1);

4 “(6) prepare, in consultation with financial
5 management and other appropriate experts, an
6 agency plan to implement the 4-year financial man-
7 agement plan prepared by the Director of the Office
8 of Management and Budget under section
9 3512(a)(2) of this title and to achieve and sustain
10 effective financial management in the agency, which
11 shall—

12 “(A) be completed within 120 days after
13 the issuance of a governmentwide plan under
14 such section 3512(a)(2);

15 “(B) be revised as determined necessary by
16 the Chief Financial Officer and the Director of
17 the Office of Management and Budget;

18 “(C) include financial management metrics
19 against which the financial management per-
20 formance of the agency shall be assessed; and

21 “(D) be submitted upon completion or re-
22 vision to the head of the agency, the Director
23 of the Office of Management and Budget, the
24 Comptroller General, and appropriate commit-

1 tees of Congress, and be made publicly avail-
2 able;”;

3 (E) in paragraph (7), as so redesignated—

4 (i) by striking subparagraph (A);

5 (ii) by redesignating subparagraphs

6 (B) through (E) as subparagraphs (A)

7 through (D), respectively; and

8 (iii) in subparagraph (C), as so redesi-

9 gnated, by adding “and” at the end;

10 (F) in paragraph (8), as so redesignated—

11 (i) in the matter preceding subpara-

12 graph (A), by striking “and the Director of

13 the Office of Management and Budget,”

14 and inserting “, the Director of the Office

15 of Management and Budget, the Comp-

16 troller General, and appropriate commit-

17 tees of Congress, which shall be made pub-

18 licly available and”;

19 (ii) in subparagraph (A), by striking

20 “agency;” and inserting “agency, includ-

21 ing—

22 “(i) the progress of the agency in im-

23 plementing the agency plan described in

24 paragraph (5);

1 “(ii) the progress of the agency in im-
2 plementing the governmentwide 4-year fi-
3 nancial management plan prepared by the
4 Director of the Office of Management and
5 Budget under section 3512(a)(2) of this
6 title; and

7 “(iii) the performance of the agency
8 against financial management metrics es-
9 tablished by the Director of the Office of
10 Management and Budget;” and

11 (iii) in subparagraph (D)—

12 (I) by striking “of the reports”
13 and inserting “of—

14 “(i) the reports”;

15 (II) in clause (i), as so des-
16 ignated, by striking “the amendments
17 made by the Federal Managers’ Fi-
18 nancial Integrity Act of 1982 (Public
19 law 97–255); and” and inserting “sec-
20 tion 3512(d) of this title;” and

21 (III) by adding at the end the
22 following:

23 “(ii) the reporting of the agency
24 under the Federal Financial Management

1 Improvement Act of 1996 (31 U.S.C. 3512
2 note); and”;

3 (G) in paragraph (9), as so redesignated—

4 (i) by striking “monitor the” and in-
5 sert “manage the formulation and”; and

6 (ii) by striking “, and prepare and
7 submit to the head of the agency timely
8 performance reports; and” and inserting a
9 semicolon;

10 (H) by inserting after paragraph (9), as so
11 redesignated, the following:

12 “(10) coordinating with the responsible agency
13 official to ensure performance and cost information
14 are linked, including in the preparation and submis-
15 sion to the head of the agency of timely performance
16 reports that incorporate cost information;”;

17 (I) in paragraph (11), as so redesi-
18 gnated—

19 (i) by inserting “inflation and” before
20 “costs”; and

21 (ii) by striking the period at the end
22 and inserting “; and”; and

23 (J) by adding at the end the following:

24 “(12) coordinate with senior agency personnel,
25 including but not limited to, those with statutory,

1 regulatory, and related policy responsibility which
2 may include the Chief Data Officer, Chief Informa-
3 tion Officer, Chief Performance Officer, Chief Acqui-
4 sition Officer, Chief Risk Officer, and Chief Evalua-
5 tion Officer of the agency on—

6 “(A) the exercise of authorities under this
7 subsection; and

8 “(B) the strategic planning, performance
9 measurement and reporting, and risk manage-
10 ment functions of the agency.”; and

11 (2) in section 903—

12 (A) in subsection (a), by inserting “and
13 who shall assist the agency Chief Financial Of-
14 ficer in the performance of each of the duties
15 of the agency Chief Financial Officer under this
16 chapter” after “matters”; and

17 (B) by adding at the end the following:

18 “(c) Notwithstanding subchapter III of chapter 33 of
19 title 5, in the event of a vacancy in the position of Chief
20 Financial Officer of an agency, the Deputy Chief Finan-
21 cial Officer of the agency shall serve as the acting Chief
22 Financial Officer.”.

23 (b) GOVERNMENTWIDE FINANCIAL MANAGEMENT
24 PLAN.—Section 3512 of title 31, United States Code, is
25 amended—

1 (1) in subsection (a)—

2 (A) in paragraph (1), by striking “a finan-
3 cial management status report and a govern-
4 mentwide 5-year financial management plan”
5 and inserting “a governmentwide 4-year finan-
6 cial management plan, to be included within the
7 Federal Government performance plan de-
8 scribed in section 1115, and a financial man-
9 agement status report”;

10 (B) by striking paragraph (2);

11 (C) by redesignating paragraph (3) as
12 paragraph (2);

13 (D) in paragraph (2), as so redesignated—

14 (i) in subparagraph (A)—

15 (I) by striking “5-year” and in-
16 sserting “4-year”;

17 (II) by striking “shall describe”
18 and inserting the following: “shall—
19 “(i) describe”;

20 (III) in clause (i), as so redesign-
21 nated, by striking “5 fiscal years to
22 improve the financial management of
23 the Federal Government.” and insert-
24 ing “4 fiscal years to improve the fi-
25 nancial management of the Federal

1 Government in a manner that is stra-
2 tegic, comprehensive, and cost-effec-
3 tive, and shall also include strategies
4 for enabling data sharing in accord-
5 ance with applicable law and joint
6 fraud prevention initiatives with State
7 (meaning a State of the United
8 States, the District of Columbia, a
9 territory or possession of the United
10 States, or a federally recognized In-
11 dian tribe) and local governments that
12 administer federally funded programs
13 or disburse Federal funds on behalf of
14 the Federal Government; and”;

15 (IV) by adding at the end the fol-
16 lowing:

17 “(ii) be developed in consultation with
18 the Chief Financial Officers Council and,
19 as appropriate, other councils and financial
20 management experts, including the Chief
21 Information Officers Council, the Chief
22 Data Officer Council, the Chief Acquisition
23 Officers Council, and the Government Ac-
24 countability Office, as determined by the
25 Director of the Office of Management and

1 Budget in consultation with the Chief Fi-
2 nancial Officers Council.”; and
3 (ii) in subparagraph (B)—
4 (I) in the matter preceding clause
5 (i), by striking “5-year” and inserting
6 “4-year”;
7 (II) in clause (iii)—
8 (aa) by striking “for devel-
9 oping” and inserting “for im-
10 proving financial management
11 systems, including—
12 “(I) developing”; and
13 (bb) by adding at the end
14 the following:
15 “(II) describe how performance
16 and cost information are linked in
17 order to facilitate effective and effi-
18 cient decision making;
19 “(III) eliminating duplicative and
20 unnecessary systems and activities;
21 and
22 “(IV) identifying opportunities
23 for agencies to share systems and
24 services and encouraging agencies to
25 do so where practicable;”;

1 (III) by striking clause (iv);

2 (IV) by redesignating clause (v)

3 as clause (iv);

4 (V) by inserting after clause (iv),

5 as so redesignated, the following:

6 “(v) provide a strategy for reporting

7 performance and cost information;”;

8 (VI) in clause (vi), by striking

9 “5-year” and inserting “4-year”;

10 (VII) in clause (vii), by striking

11 “identify” and inserting “provide a

12 strategy for strengthening the Federal

13 financial management workforce, in-

14 cluding identification of”;

15 (VIII) in clause (viii), by striking

16 “and” at the end;

17 (IX) by redesignating clause (ix)

18 as clause (x);

19 (X) by inserting after clause

20 (viii) the following:

21 “(ix) include financial management

22 metrics against which the performance of

23 executive agencies can be assessed; and”;

24 and

1 (XI) in clause (x), as so redesign-
2 nated, by striking “5-year” and in-
3 sserting “4-year”;

4 (E) by inserting after paragraph (2) the
5 following:

6 “(3) A financial management status report
7 under this subsection shall include—

8 “(A) a description and analysis of the sta-
9 tus of financial management in the executive
10 branch, including the progress made towards
11 implementing the governmentwide 4-year finan-
12 cial management plan, and the status of re-
13 maining challenges to implementing the govern-
14 mentwide 4-year financial management plan;

15 “(B) a summary of the performance of
16 agencies against the metrics developed and
17 identified by the Director of the Office of Man-
18 agement and Budget in the governmentwide 4-
19 year financial management plan;

20 “(C) a summary of the most recently com-
21 pleted financial statements—

22 “(i) of Federal agencies under section
23 3515 of this title; and

24 “(ii) of Government corporations;

1 “(D) a summary of the most recently com-
2 pleted financial statement audits and reports—

3 “(i) of Federal agencies under sub-
4 sections (e) and (f) of section 3521 of this
5 title; and

6 “(ii) of Government corporations;

7 “(E) a summary of reports on internal ac-
8 counting and administrative control systems
9 submitted to the President and Congress under
10 subsection (d);

11 “(F) a listing of agencies whose financial
12 management systems do not comply substan-
13 tially with the requirements of section 803(a) of
14 the Federal Financial Management Improve-
15 ment Act of 1996 (31 U.S.C. 3512 note), and
16 a summary statement of the efforts underway
17 to remedy the noncompliance; and

18 “(G) any other information the Director
19 considers appropriate to fully inform Congress
20 regarding the financial management of the Fed-
21 eral Government.”;

22 (F) in paragraph (4)—

23 (i) in subparagraph (A)—

24 (I) by striking “15 months after
25 the date of the enactment of this sub-

1 section” and inserting “12 months
2 after the date of the enactment of the
3 Taxpayer Funds Oversight and Ac-
4 countability Act”; and

5 (II) by striking “5-year” and in-
6 serting “4-year”;

7 (ii) in subparagraph (B)—

8 (I) in clause (i)—

9 (aa) by striking “Not later
10 than January 31 of each year
11 thereafter” and inserting “At a
12 minimum, concurrently with the
13 submission of the budget of the
14 United States Government under
15 section 1105(a) of this title made
16 in the first full fiscal year fol-
17 lowing any year in which the
18 term of the President commences
19 under section 101 of title 3”;

20 (bb) by striking “financial
21 management status report and a
22 revised governmentwide 5-year”
23 and inserting “governmentwide
24 4-year”; and

1 (cc) by striking “5 fiscal
2 years” and all that follows
3 through the period at the end
4 and inserting “4 fiscal years.”;
5 and

6 (II) in clause (ii)—

7 (aa) by striking “revised
8 governmentwide 5-year” and in-
9 serting “governmentwide 4-year”;
10 and

11 (bb) by striking “paragraph
12 (3)(B)(viii)” and inserting “para-
13 graph (2)(B)(viii)”;

14 (iii) by adding at the end the fol-
15 lowing:

16 “(C) Each year, concurrently with the sub-
17 mission of the budget of the United States Gov-
18 ernment under section 1105(a) of this title, the
19 Director of the Office of Management and
20 Budget shall submit to the appropriate commit-
21 tees of Congress and the Comptroller General a
22 financial management status report.”; and

23 (G) by striking paragraph (5);

24 (2) in subsection (d)(2)—

1 (A) in subparagraph (A), by striking
2 “and” at the end;

3 (B) in subparagraph (B), by striking the
4 period at the end and inserting “; and”; and

5 (C) by adding at the end the following:

6 “(C) a separate report on the results of the
7 assessment and conclusion required under sub-
8 section (e)(2).”;

9 (3) by redesignating subsections (e), (f), and
10 (g) as subsections (f), (g), and (h), respectively; and

11 (4) by inserting after subsection (d) the fol-
12 lowing:

13 “(e) The head of each executive agency shall—

14 “(1) in establishing the internal accounting and
15 administrative controls under subsection (e), identify
16 the key financial management information needed
17 for effective financial management and decision
18 making, which shall include a consideration of—

19 “(A) the agency spending data required to
20 be published under the Federal Funding Ac-
21 countability and Transparency Act of 2006 (31
22 U.S.C. 6101 note); and

23 “(B) the information used by the agency to
24 report on improper payments under section
25 3352 of this title; and

1 “(2) annually assess and make a conclusion on
2 the effectiveness of the internal controls of the execu-
3 tive agency over financial reporting and key finan-
4 cial management information identified under para-
5 graph (1) consistent with guidance provided by the
6 Director of the Office of Management and Budget.”.

7 (c) TECHNICAL AND CONFORMING AMENDMENT.—
8 Section 3348(e) of title 5, United States Code, is amend-
9 ed—

10 (1) in paragraph (3), by adding “or” at the
11 end;

12 (2) by striking paragraph (4); and

13 (3) by redesignating paragraph (5) as para-
14 graph (4).

