

Key Assumptions of CFO Teams
December 5, 2000

Accounting
<ul style="list-style-type: none"> - Adequate training funds will be allocated. - Adequate computing resources and tools will be allocated. - Treasury consultants will be available. - OCFO/SFA MOU's will be in place. - Opportunity to reduce FTE requirements in transaction processing by integration with FMS - Accounts receivable functions will be brought in house later - Accounts payable function critical to demonstrate adequate controls - Functions assumed which are currently performed outside of SFA will not be accompanied by transferred FTEs
Financial Reporting
<ul style="list-style-type: none"> - Financial Reporting will fully utilize FMS. - Financial Reporting is an integral part of being an effective CFO organization and has a high impact on CFO stakeholders. - Activity based management is a critical component of SFA becoming a performance based organization
Portfolio Management
<ul style="list-style-type: none"> - Use of existing ED, OMB or Vendor loan estimation models - Leveraged use of automated financial models thereby minimizing need for additional staff resources - Until CFO has access to all portfolio data sources, Channels/SFA/OPE will need to provide appropriate access to portfolio data - Establishment of a collaborative working relationship across all Channels/SFA/OPE and ED's OCFO
Budgeting Process and Consolidation
<ul style="list-style-type: none"> - Budgeting is an enabler for other functions - Buy in from upper management is needed to achieve effective budgeting. - Required staff will be available - The data warehouse will be operational and usable by March
Internal Review
<ul style="list-style-type: none"> - SFA offices will accept and participate in risk assessments and internal Reviews - The CFO will accept IRD's hiring strategy -- and we don't encounter a freeze on hiring. - SFA staff will buy into the concept of a "Hot Issues" Library and cooperate by providing us periodically with updates on selected topics. - Additional internal audit-related performance measures developed by and for IRD would be worthwhile. - We can get our customers to provide constructive feedback and suggestions.

SFA Administration

- SFA can achieve the necessary staffing levels in a timely manner.
- SFA will obtain the necessary autonomy /authority from Education to accomplish goals.
- SFA Administration receives the necessary resources to accomplish goals
- The impending move of SFA to a new facility requires a fully functioning Facilities and Property Management Team.
- Travel Management is a high visible function that needs to be improved to reduce cost and increase efficiency
- Policies and Procedures are integral to a successful CFO/Administration, but very few are in place right now.
- Functions assumed which are currently performed outside of SFA will not be accompanied by transferred FTEs

Financial Management System

- FMS will interface with Accounting to insure that functions are appropriately designed and integrated.
- FMS will interface with Financial Reporting to insure that functions are appropriately designed and integrated
- FMS design will move forward with the understanding that the functionality being built to support the business units has been defined and can clearly be articulated into requirements for system development.
- FMS training is based on the understanding that the functionality being built into the system can and will be executed /performed by SFA personnel, not ED CFO personnel.

Chief of Staff

- CFO Training function will be taken over by SFA Administration.
- Staffing and personnel issues transitioned to HR at appropriate date.
- Enhanced CFO outreach is an important component of achieving CFO strategy.