



HOUSE COMMITTEE ON
OVERSIGHT AND REFORM
CHAIRWOMAN **CAROLYN B. MALONEY**

CFO Vision Act of 2022

The Chief Financial Officers (CFO) Act of 1990 envisioned a future where a governmentwide integrated system could provide decision makers with financial and performance data that was complete, reliable, timely, and consistent. Since the law was passed more than 30 years ago, the government has made substantial progress, but enhancements are needed to ensure sustained improvement.

The CFO Vision Act of 2022 would update and improve the CFO Act as follows:

- **Standardize CFO responsibilities across government.** The original CFO Act provides broad responsibilities for CFOs, but in practice their specific responsibilities vary across agencies. To help ensure uniform responsibility, enhance strategic decision-making, and resolve inconsistencies, the CFO Vision Act amends agency CFOs' responsibilities to ensure that they include all of the responsibilities necessary to carry out financial management activities.
- **Provide deputy CFOs with sufficient authority.** Major financial management improvement initiatives can take years to implement, outlasting a CFO's tenure. The CFO Vision Act establishes appropriate statutory responsibilities for deputy CFOs in order to ensure continuity in financial management operations when CFO vacancies occur and to minimize the effects of CFO turnover.
- **Revise financial management planning requirements.** A complete and integrated governmentwide plan and supporting agency plans help to ensure continuity in direction and to gauge progress in addressing financial management challenges. Current law requires the Office of Management and Budget (OMB) to issue a five-year financial management plan annually; however, OMB has not released such a plan since 2009. The bill replaces the five-year plan with a requirement for governmentwide and agency-level plans issued at least every four years along with other performance reporting requirements.
- **Develop a broader set of financial management performance-based metrics.** Currently, only limited financial management performance-based metrics exist (e.g., the financial statement audit opinion, and reporting of identified material weaknesses in internal control over financial reporting). The bill requires OMB to develop performance-based metrics to determine the status and progress agencies are making towards achieving cost-effective and efficient operations.
- **Rectify internal control issues in certain areas.** Since fiscal year 2018, OMB no longer requires agencies to have in place a rigorous process for separately assessing internal control over financial reporting. The bill requires agencies to (1) identify key financial management information needed for effective financial management and decision making, and (2) annually assess and determine the effectiveness of internal control over financial reporting and other key financial management information.