



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

EXECUTIVE OFFICE

OCT 26 2011

In reply refer to: A-7

MEMORANDUM FOR ELLIOT E. MAINZER, ADMINISTRATOR and CHIEF EXECUTIVE OFFICER,
BONNEVILLE POWER ADMINISTRATION

THROUGH:

CLAUDIA R. ANDREWS *Claudia R. Andrews*
CHIEF OPERATING OFFICER, BONNEVILLE POWER ADMINISTRATION

THOMAS A. MCDONALD *Tom McDonald*
CHIEF COMPLIANCE OFFICER, COMPLIANCE AND GOVERNANCE (ACTING)
BONNEVILLE POWER ADMINISTRATION

FROM:

NANCY MITMAN *Nancy Mitman*
CHIEF FINANCIAL OFFICER, BONNEVILLE POWER ADMINISTRATION

SUBJECT:

BPA EXEMPTIONS AND EQUIVALENCIES FOR DEPARTMENT OF ENERGY
ORDER 520.1A, CHIEF FINANCIAL OFFICER RESPONSIBILITIES

PURPOSE: To document BPA's exemptions and equivalencies for DOE Order 520.1A, Chief Financial Officer Responsibilities. The Department of Energy CFO and BPA have identified BPA exemptions and equivalencies to the order and this memorandum documents those exemptions and equivalencies until they are incorporated in the next revised order.

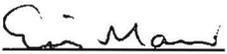
BACKGROUND: BPA is exempt from this order where it conflicts with the Uniform System of Accounts prescribed for electric utilities by the Federal Energy Regulatory Commission. BPA is also exempt from the order where it conflicts with policies and procedures as required by specific legislation governing BPA's activities such as purchasing, transmitting, marketing power, financing, and reporting for the Federal Columbia River Power System. In addition, BPA's permanent and indefinite appropriation is not considered an appropriation or apportionment for the purposes of this order. Where BPA is not exempt from this order, BPA will continue to comply with those responsibilities as identified in the BPA Addendum to this memorandum. BPA will continue to collaborate with the Department and support the Department's Chief Financial Officer responsibilities as permitted. This includes the Department's annual financial statements audit process. BPA conforms to the Departmental accounting and reporting guidance as provided by the Department's Office of the Chief

Financial Officer to support the Department’s audit and the Department’s US Treasury financial reporting obligations.

JUSTIFICATION: BPA’s exemption from certain sections of DOE Order 520.1A are based on BPA’s independent financial management obligations under its organic statutes and other Congressional legislation. Most notably, the Transmission System Act states that BPA is subject to the Government Corporations Control Act (GCCA). The GCCA subjects BPA to robust financial management requirements including independent audits and separate FMFIA attestations. BPA will continue to support the Department in its annual financial statement audit cycle by following Departmental accounting and reporting guidance and following guidance regarding financial reporting to the US Treasury.

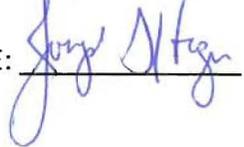
RECOMMENDATION: Recommend that you approve this equivalency document.

Elliot E. Mainzer, Administrator and Chief Executive Officer, Bonneville Power Administration

APPROVE:  DISAPPROVE: _____ DATE: 10/24/15

CONCURRENCES/ CONSULTATIONS:

Joseph S. Hezir, Chief Financial Officer, Department of Energy

APPROVE:  DISAPPROVE: _____ DATE: 11/3/2015

cc:

Skila Harris

Senior Advisor, Power Marketing Administration, Department of Energy

**Addendum to Directives Equivalency Approval Memorandum
Department of Energy Order 520.1A, Chief Financial Officer Responsibilities**

While BPA is not a “field element” as defined in DOE Order 520.1A, the BPA Administrator or designee shall assure that BPA employees and contractors comply with certain field element responsibilities as described in this Order. These responsibilities are described below. Responsibilities in the Order that are not described below are not considered to be applicable to BPA.

The BPA Administrator or designee:

- (1) Establishes a BPA CFO or equivalent position for BPA.
- (2) Ensures that BPA CFO or equivalent’s offices are organized and staffed adequately to support BPA finance and accounting, budget and planning, financial review, and other financial management functions.
- (3) Assists and supports the Department’s CFO in resolving financial management issues.
- (4) Acts or delegates a principal point of contact to work with the Department CFO on budgetary, accounting, and financial matters.
- (5) Reports the potential for or actual instances of inappropriate financial management practices to the attention of the Department’s CFO.
- (6) Consults the CFO, as necessary, on BPA budget, financial reports, and correspondence before transmittal to the Secretary, OMB, the President, Congress, or external entities.
- (7) Supports the Department’s CFO in executing responsibilities reserved for or assigned to the Department’s CFO by statute, regulation, or Departmental policy, including the Chief Financial Officer Act.
- (8) Provides to the Department CFO input for the Secretary’s annual plan for implementation of the five-year financial management plan prepared by the Director of OMB.
- (9) Oversees the design, implementation, and maintenance of BPA financial management and accounting information systems, which must—

1 include effective internal controls; and

- 2 support the collection and reporting of accurate financial information.
- (10) Approves the acquisition, development, and implementation of management information systems, and works with the Department CFO to ensure financial systems properly support DOE reporting requirements.
 - (11) Prepares and/or submits BPA input to the following DOE reports [as required by P.L. 101-576, section 902(a)(6) and P.L. 106-531, the Reports Consolidation Act of 2000 (31 U.S.C. 3516)]:
 - 1 the Department's annual financial statements (31 U.S.C. 3515) with accompanying management discussion and analysis and the audit report as required by P.L. 103-356 [31 U.S.C. 3521(e)];
 - 2 the Department's report on management controls and financial systems as required by P.L. 97-255 [31 U.S.C. 3512(d)];
 - 3 The Department's submission of financial data as required by the Digital Accountability and Transparency Act of 2014 (DATA ACT) P. L. 113-101;
 - 4 the Department's performance report as required by P.L. 103-62 (31 U.S.C. 1116); and
 - 5 other Department CFO reports to fully inform the President, Congress, and OMB concerning the status of DOE finances, performance, management controls, and financial systems as required by 31 U.S.C. 902(a)(6)(E).
 - (12) Works with the CFO and OMB to ensure BPA compliance with OMB budgetary and financial management policies.
 - (13) Ensures financial management clauses in solicitations and contracts are in accordance with the Bonneville Purchasing Instructions.
 - (14) Reviews BPA rates and submits an attestation, to include repayment studies, as requested, on BPA rates biennially to the Department CFO.

- (15) Certifies the costs incurred for fish and wildlife mitigation, and ensures the proper fish credits submitted to the U.S. Treasury were earned.