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**National Weather Service
Office of the Chief Financial Officer
FY 2000 Operating Plan**

1.0 Budget/Resource Information

	<u>(\$K)</u>	<u>(FTE)</u>
FY 1999 Allocation	\$7,675	46.39
FY 2000 Allocation	\$7,907	47.50
Changes	\$ 232	1.11

2.0 Milestones/Performance Measures in Support of Strategic Plan

Through leadership and partnership, the Office of the Chief Financial Officer (CFO) will obtain and effectively and efficiently manage financial, human, physical and information resources to enable the NWS to fulfill its mission and vision of the Strategic Plan. Activities of the CFO's Office will contribute toward meeting all goals of the NWS Strategic Plan; the CFO's Office leads and/or participates directly in two NWS Strategic Planning Goals: Change the NWS Organizational Culture and Manage NWS Resources. Functions of the CFO's Office are described below:

Budget and Policy Analysis Division

The Budget and Policy Analysis Division serves as the focal point within the NWS for budget formulation (including five-year planning) and justification of specific budget line items and funding sources, e.g., base funds, construction account, systems funding, and reimbursable funding. The Division develops all documentation supporting the NWS annual budget submission, and coordinates NWS activities related to the congressional budget process, e.g., preparation of testimony, budget briefings, and formal responses to congressional inquiries related to NWS programs and initiatives. The Division coordinates the annual NWS budget planning process with all Financial Management Centers, and facilitates the NWS Corporate Board budget decision process. The Division prepares and reports on the

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Five-Year Implementation Plan and NWS annual Operating Plan, and participates in the NWS Strategic Planning process. The Division conducts a program of capital and investment analysis for proposed programs and budget initiatives, and evaluates and tracks the performance of various program efforts and initiatives to meet overall Operating Plan goals, objectives, and schedules.

Comptroller Division

The Comptroller Division serves as the focal point within the NWS for the distribution of all fiscal resources to Financial Management Centers. The Division is responsible for all aspects of NWS budget execution, including the development of Financial Operating Plans, allowance advices, reimbursable task planning, and financial management for National Logistics Supply Center accounts. The Division is responsible for financial accounting, reporting, and analysis, including the development and implementation of cost accounting methodologies, development of financial statements, conducting liaison for financial audits, and for analyzing and developing financial systems (including CAMS) requirements. The Division also tracks and reports financial commitments to assure an accurate status of available funds.

Management and Organization Division

The Management and Organization Division manages all NWS human resource policy activities, controls and allocates NWS staffing and FTE resources, manages organizational design and position management activities, and provides organizational development support. The Division conducts and/or coordinates organizational and/or staffing studies and cost analyses designed to meet current and future mission needs in the most efficient and cost-effective manner. The Division coordinates national level labor-management relations and labor partnership matters within the NWS. The Division provides a liaison with the General Accounting Office, Office of the Inspector General, and other investigative agencies, coordinates activities to provide reasonable assurance that NWS programs are free from waste, fraud or abuse, and assures compliance with Federal contracting out initiatives. The Division also provides general executive and administrative support to include: management of the NWS directives systems; headquarters

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facilities and space management; purchasing, travel, and relocation support; Freedom of Information Act and Privacy Act implementation; and, time and attendance system and property management support. The Division manages and supports the NWS Headquarters LAN/WAN and nationwide e-mail systems, and also provides computer system support to NWS components in the functional areas of office automation, workstation repair and maintenance, management and executive information systems, human resources and financial management systems. The Division coordinates Information Technology Strategic and Operating Plans.

Specific FY 2000 activities and milestones are outlined below:

2.1 Change the NWS Organizational Culture

2.1.a Implement NWS Headquarters Reorganization

In order to function effectively and efficiently in the new millennium, the NWS has developed a restructuring of NWS Headquarters. During FY 2000, the CFO's Office will lead implementation of the NWS Headquarters reorganization.

Milestones:

- Prepare, and, upon approval, submit reprogramming and reorganization of NWS Headquarters to NOAA (2nd Qtr)
- Manage revision of position descriptions and office/division function descriptions (3rd Qtr)
- Develop budget, finance, and personnel processes for operations under new Headquarters reorganization (3rd Qtr)

Performance Measures:

- Restructuring reprogramming and reorganization plan proposals submitted to NOAA
- Budget and finance processes execute under reorganization in FY 2001 and formulate FY 2002 budget under restructuring

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2.1.b Design a System to Support Budget Decisions at the Most Effective Levels

The Strategic Plan, Non-Labor Study, and Grant Thornton Cost Study all recommended budget delegations at lower levels (e.g. Weather Forecast Offices and Weather Service Headquarters Division and Branch Chiefs). Placing decision and budget authority at the lowest and most effective levels will improve operational efficiencies and cost effectiveness. Implementation will require that each region and headquarter s office operating plan show their plans to accomplish this.

Milestones:

- Continue development of cost accounting pilot projects (2nd - 4th Qtr)
- Conduct cost accounting training for management and financial staff (2nd - 4th Qtr)
- Implement financial management systems and reporting processes necessary to enable FMCs to place decision and budget authority at most effective levels (4th Qtr) (Contingent on available resources)
- Examine Performance Based Budgeting and recommend appropriate next steps (3rd Qtr)

Performance Measures:

- Implemented systems enable delegation to lower levels of responsibility in FY 2001 budget
- Cost accounting pilot projects are completed and training provided
- Performance Based Budgeting Report completed and next steps agreed to

2.1.c Enhance Professional Development/Training

The CFO's Office will continue to enhance the professional development of its workforce through targeted training. In addition to skills enhancement for current positions, areas of focus will include

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leadership, teamwork, EEO, and Managing Diversity. This objective will be sought through a structured approach, increasing both the likelihood of full success and the level of achievement.

Milestones:

- Provide Individual Development Plan (IDP) training to ensure all employees understand the value of IDPs and how IDPs are developed (3rd Qtr)
- Each CFO employee develops an IDP (4th Qtr)
- Distribute NOAA and NWS Diversity Plans to all CFO employees (1st Qtr)
- Provide professional and EEO training to all CFO employees (ongoing)
- Develop a diversity education strategy for CFO employees to encourage and foster a diverse workforce (2nd Qtr)
- Sponsor two diversity events (2nd Qtr/4th Qtr)
- Ensure 1.5% of CFO salary budget is dedicated to training/professional development (Ongoing)
- Implement recruiting program(s) to develop diverse, quality hiring pool for CFO/CAO vacancies (4th Qtr)
- Initiate Team Building training (4th Qtr)

Performance Measures:

- Each employee, in consultation with their supervisor, develops an IDP
- Each employee participates in at least one (1) professional development and one (1) career skills enhancement program (class, presentation, course, etc.)
- CFO attendance at Managing Diversity events increases
- 1.5% of CFO Human Resources budget directed to training/professional development (through an audit

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trail) and minimum of 40 hours training/professional development are taken by each employee. Training includes formal classes, seminar, lectures, travel, conferences and other qualifying activities

- At least two HBCUs, Hispanic servicing or other MSI institutions have been visited for CFO/CAO recruitment programs by CFO/CAO staff

2.1.d Improve Customer Satisfaction

Customers of the CFO's Office range from the FMCs to NOAA, DOC, OMB, and Congress. We are committed to providing the best possible service to our customers. We will strive to improve the working relationship with our customers, respond to their needs in a timely manner, and make relevant information on services and products accessible to all involved.

Milestones:

- Meet all targets and deadlines for information (Ongoing)
- Develop customer service values (1st Qtr)
- Identify customer needs (2nd Qtr)
- Develop customer service plan (3rd Qtr)
- Develop a web page for easy access to relevant CFO information (4th Qtr)
- Provide one-stop shopping in CFO's area through crosscutting teams (2nd Qtr)
- Support integrated work teams (IWTs), when formed

Performance Measure:

- Targets and deadlines (dates) from customers are met
- Customer service plan is completed and tracked against
- Web page is implemented

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- CFO crosscutting teams in place
- CFO staff represented on IWTs

2.1.e Increase Representation of Women and Minorities on CFO Staff

The CFO staff currently represents diverse backgrounds. We will strive to maintain the current workforce demographics and enhance the representation of women and minorities on the CFO staff. Below is the current workforce demographics (as of September 1, 1999) and goals for FY 2000.

	% of CFO Staff	
	FY 1999 (as of 9/1/99)	FY 2000 Goal
Male	34	33
Female	66	67
White	68	67
Minority	32	33
Targeted Disabilities	11	6

Milestones:

- Identify and directly distribute NWS vacancy announcements to additional sources of minority and women applicants (Ongoing)
- Implement recruiting efforts to include visits to HBCUs (Ongoing)
- Participate in government-wide efforts to bring minorities into the financial management community (Ongoing)

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- Establish NWS-wide tracking system for MSI contributions and Small, Minority and Women business contracts (4th Qtr)
- Increase female and minority representation by 1% (4th Qtr)

Performance Measures:

- Female and minority representation increased by 1% in CFO's Office
- MSI and SMW tracking systems in place

2.1.f Capitalize on Diversity of CFO Staff

The CFO's Office respects and appreciates individual differences and fosters an environment in which contributions from every employee are valued.

Milestones:

- CFO staff to participate on NWS teams in implementing the Strategic Plan (Ongoing)
- Increase CFO staff analysis and input on management, budget, planning, finance and evaluation issues (4th Qtr)

Performance Measures:

- CFO staff participation on Strategic Planning teams
- CFO participate on IWTs
- CFO input routinely sought on key issues

2.2 Manage NWS Resources

2.2.a Implement Chief Information Officer (CIO) Planning

The Clinger Cohen Act identifies a requirement for agencies to establish a Chief Information Officer who

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will have information resources management duties as their primary duty. The purpose of this position is to monitor the performance of information technology programs of the agency, evaluate the performance of those programs on the basis of the applicable performance measurements, and advise the head of the agency regarding whether to continue, modify, or terminate a program or project. The CFO will provide and/or coordinate functions until the CIO function is established in the NWS.

Milestones:

- Initiate key CIO activities (IT Architecture, Security Plans & Policy, Critical Infrastructure Activities, and Internet Policy) (1st Qtr)
- Develop IT Strategic and Operational Plans (2nd Qtr)
- Support hiring CIO staff (1st Qtr)
- Create a CIO Office (2nd Qtr)

Performance Measures:

- Meet Departmental and NOAA due dates for CIO/IT related activities
- CIO/IT Work Teams established for key efforts
- CIO staff hired

2.2.b Foster Integration of Policy, Planning, Budgeting, Assessment, and Accountability

The CFO's Office will ensure that the agency has an integrated planning, budgeting, operating, quarterly progress, and performance evaluation process that promotes the organization's overall goals, objectives, and priorities. Strategic planning and Information Technology (IT) planning will be integrated and incorporated into the NOAA and NWS budget formulation process. Processes will be in place that link all aspects of planning, cascading from strategic to operational plans.

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Milestones:

- Integrate IT planning with FY 2002 NWS planning and budget formulation process (1st Qtr)
- Establish quarterly reporting and tracking process on Regional/Office Operating Plans (1st Qtr)
- Ensure NWS Strategic Planning Goals, Objectives, and Performance Measures are integrated in NOAA's Strategic Planning and Budget Process (2nd Qtr)
- Develop improved process for the development of Regional/Office Operating Plans (3rd Qtr)
- Increase CFO staff analysis and input on management, budget, planning, finance and evaluation issues (4th Qtr)

Performance Measure:

- NWS Vision and goals successfully reflected in NOAA's Strategic Planning and Budget process
- All Regions/Offices develop Operating Plans with direct linkage to NWS Strategic Plan

2.2.c Implement Information Technology (IT) Planning

The NOAA Strategic Information Technology Plan establishes a vision for how information technology contributes to NOAA's ability to accomplish the seven strategic goals identified in the NOAA Strategic plan. This information supports the NOAA, DOC, and OMB budget development process by showing how specific IT initiatives are part of an overall strategy for attaining NOAA's programmatic goals. The Operational IT Plan complements the strategic plan by providing a level of detail that allows NOAA Management, DOC, and oversight agencies to track NOAA's progress in meeting its IT goals and plans for the future. During FY 2000, the CFO's Office will establish a process to integrate IT planning with the budget formulation process.

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Milestones:

- Establish NWS Corporate definition of IT (1st Qtr) based on Tiger Team results
- Incorporate IT into Budget Formulation Process (1st Qtr)
- Develop Telecommunications Strategic Plan (3rd Qtr)
- Conduct in-depth training sessions for developing IT operational plan (2nd Qtr)
- Prioritize IT initiatives through Corporate Board Review (2nd Qtr)

Performance Measures:

- NOAA/DOC endorse NWS IT definition
- IT planning/training sessions conducted
- Scores for IT Operational Plans improve 20% overall
- Requested IT budget initiatives adopted by DOC/NOAA
- Telecommunications Strategic Plan completed

2.2.d Implement Cost Management/Accounting

The NWS does not have a cost management/accounting system in place or know the full/relevant cost of providing its services and products, operating its organizations, or performing its functions. Due to external requirements and internal necessity, the NWS intends to establish a cost management/ accounting system and structure to facilitate NWS resource decision making by providing full/relevant cost information.

The CFO's Office will begin conducting two cost management/accounting pilot projects in FY 2000 and perform other steps to begin building a cost management/accounting system and structure. Specifically, the CFO's Office will:

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Milestones:

- Begin a pilot project (with OSO) to determine the full/relevant costs of the NOAA Weather Radio program (4th Qtr)
- Begin a pilot project (with Central Region) to determine the full/relevant costs of Central Region operations (2nd Qtr)
- Provide cost accounting/management training (2nd 4th Qtrs)
- Evaluate Central Region pilot project (3rd Qtr)
- Develop an action plan for implementing the next steps in the development of the NWS cost management/accounting system and structure for FY 2001 (3rd Qtr)

Performance Measures:

- Successful completion and evaluation of Central Regional pilot project
- Successful preparation of a FY 2001 cost accounting/management action plan

2.2.e Implement Financial Management Systems

The NWS strategic plan identifies the requirement for implementing an integrated policy, planning, budgeting, assessment, and accountability system that links decision making and goals to program implementation and evaluation. To effectively achieve this goal, current automated financial management systems need to be replaced or redesigned. There is a need for one system to handle budget formulation and execution, human resources information, and executive reporting needs. The Commerce Administrative Management System (CAMS) will address some of the requirements, however, a fully integrated system has yet to be developed. Once a system is in place there will be substantial savings in person years of effort now devoted to maintaining the many separate systems.

Milestones:

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- Develop a requirements document covering NWS budget formulation and execution (3rd Qtr)
- Identify features of current systems such as FACTS, RIMS, SPIDER and HRDS to be included in new systems
- Begin initial implementation of new systems (4th Qtr)
- Link to Grant Thornton Cost Accounting Study; Include cost accounting system features. Tie in Financial Statement audit issues (4th Qtr)
- Tie in standardized computer reports for all FMCs (4th Qtr)

Performance Measures:

- Plan for new system is accepted
- New internal NWS financial systems is in process of being implemented (subject to funds availability)

2.2.f Improve Budget Formulation/Structure

As part of an ongoing process improvement effort, the CFO's Office will implement significant adjustments to the budget formulation and planning process for the FY 2002 budget cycle. The CFO's Office will develop revised planning procedures to integrate technology planning into the annual budget formulation and Corporate Review process. In addition, as part of the overall NOAA budget restructuring activity, the CFO's Office will develop recommendations to revise and improve the NWS budget structure. The new structure will align with the NWS strategic plan to reflect NWS program activities and respond to Congressional concerns.

Milestones:

- Develop revised budget formulation planning process and guidance for FY 2002 planning cycle (1st Qtr)
- Conduct base operations budget reviews for all NWS FMCs as part of the FY 2002 Budget Planning Process (2nd Qtr)

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- Develop recommendations, as part of the overall NOAA study, to revise NWS budget structure (2nd Qtr)

Performance Measures:

- New budget formulation process successfully implemented; integrates budget, strategic plan, and IT requirements
- New NWS budget structure is aligned with NWS Strategic Plan

2.2.g Implement Execution Reform

Currently, there is very little in the way of standardized reporting formats. Regions and Headquarter s offices operate somewhat independently in determining their year-end projections and overall budget status. To improve execution, it is necessary to identify the needs of the users, headquarter s execution staff, and NOAA. Further, we must define the reporting requirements, and provide the users with the same level of expertise in this area.

Milestones:

- Provide fiscal information to FMC Directors on programs they manage (1st Qtr)
- Begin to focus role of the budget execution analyst on program and financial analyses (2nd Qtr)
- Identify routine reports to be provided to FMCs, CFO and/or AA (3rd Qtr)
- Provide input to support NOAA audit process (4th Qtr)
- Provide increased training on all levels to execution staff (3rd Qtr)
- Place partial budget authority at lowest practical levels in the four conterminous Regions (4th Qtr)

Performance Measures:

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- Customer focused budget execution reports are routinely provided
- NWS provide input in a timely manner for NOAA audit issues

3.0 Additional Management Information

3.1 *Modernization Service Transition:* N/A

3.2 *AWIPS Commissioning:* N/A

3.3 *Environmental Compliance:* N/A

3.4 *Implementation of NOAA Review:* None

3.5 *National Performance Review (NPR):* N/A

3.6 *Other Organizational Issues:* N/A

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Concur with plan:

Irwin T. David
Chief Financial Officer/
Chief Administrative Officer

Date

John J. Kelly, Jr.
Assistant Administrator
for Weather Services

Date