

**Executive in Charge, Office of Management  
Action Item**

**SUBJECT:** Approval of three updated financial policy chapters.

| Vol. | Ch. | Title                              |
|------|-----|------------------------------------|
| I    | 4   | Financial Management Systems       |
| XIV  | 7   | Local Travel                       |
| VII  | 8   | Management's Discussion & Analysis |

**DISCUSSION:** The Financial Policy Steering Committee voted, approved, and recommended CFO approval of the following policy chapters:

- Volume I, Chapter 4, *Financial Management Systems*, establishes VA financial policy and procedures for maintaining and updating the recognized financial management system, to include but not limited to, the internal controls, the system functionality and integration of subsidiary systems, the accounting and finance standards, and the data standards.
- Volume XIV, Chapter 7, *Local Travel*, discusses VA policy for local travel. Local travel at the official station includes official travel within the vicinity of the official duty station; specifically within 50 miles of an employee's residence (known as the 50-Mile Rule) or the geographic boundaries as defined by the station.
- Volume VII, Chapter 8, *Management's Discussion & Analysis (MD&A)*, establishes VA financial policy and procedures regarding the preparation of the annual MD&A which must be included in its annual Performance and Accountability Report, in order to comply with generally accepted accounting principles for Federal entities.

**RECOMMENDATION:** Approve the three updated financial policy chapters by signing below.

Approved:

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/s/  
W. Todd Grams  
Executive in Charge, Office of Management  
and Chief Financial Officer

\_\_\_\_\_  
01/14/2013  
Date

