

NATIONAL WEATHER SERVICE POLICY DIRECTIVE 70-3

May 28, 2009

Financial Management

COST MANAGEMENT POLICY

NOTICE: This publication is available at: <http://www.nws.noaa.gov/directives/>.

OPR: CFO2 (S. Bracey)

Certified by: CFO/CAO (Robert J. Byrd)

Type of Issuance: Routine

SUMMARY OF REVISIONS: This policy directive supersedes National Weather Service Policy Directive (NWSPD) 70-30, "Cost Management Policy," dated April 24, 2005. OPR changes from V. Foster to S. Bracey; Certified by: changes from M. Jadacki to Robert J. Byrd; Section 1, a)the Labor Survey is no longer relevant therefore the Cost Management Program Guide is changed to Cost Management Master Spreadsheet; b)the website is changed from http://www.nws.noaa.gov/cfo/comptroller/cost_management.htm to http://www.weather.gov/cfo/budget_execution_accountability/cost_mangment.htm; Section 4, changes from (e.g., through NWS Cost Management Labor Survey); to (e.g. through NWS Cost Management Work Breakdown Structure).

1. This directive provides policy for the implementation of the National Weather Service (NWS) Cost Management Program. This Program collects and provides information regarding the NWS' costs along programmatic dimensions. All NWS Financial Management Centers (FMCs) will follow the procedures documented in the Cost Management Master Spreadsheet which can be found on the NWS CFO web site: http://www.weather.gov/cfo/budget_execution_accountability/cost_management.htm. Managers throughout the NWS use this information, along with other management information, to effectively and efficiently achieve the mission of the NWS.

2. The NWS Chief Financial Officer/Chief Administrative Officer (CFO/CAO) will:
- a. prescribe policy, guidance and operational procedures to ensure costs are reported accurately;
 - b. develop and implement the NWS cost/performance management system;
 - c. conduct cost/performance analyses to support management decision-making;
 - d. provide assistance to managers throughout the NWS in using the cost/performance management system and conducting analyses to support management decision-making;

- e. ensure compliance with all laws, regulations, standards and guidelines regarding cost accounting, including the Federal Accounting Standards Advisory Board's Statement 4, the Chief Financial Officer's Act, the Government Performance and Results Act, the Government Management Reform Act, and Office of Management and Budget Circulars;
 - f. ensure responsible staff throughout the NWS are trained to report and analyze costs; and
 - g. promote the effective and efficient use of NWS resources.
3. Budget and administrative staff throughout the NWS will:
- a. ensure compliance with policy guidance and operational procedures provided by the NWS CFO/CAO, including accurately classifying and reporting costs;
 - b. participate in training to report and analyze costs;
 - c. conduct analyses of NWS cost/performance management issues and assist NWS managers in analyzing costs and performance;
 - d. provide data and assistance, including programmatic expertise, to support analyses conducted by the CFO/CAO; and
 - e. promote the effective and efficient use of NWS resources.
4. Managers throughout the NWS will:
- a. ensure compliance with policy guidance and operational procedures provided by the NWS CFO/CAO, including accurately classifying and reporting costs (e.g., through the NWS Cost Management Work Breakdown Structure);
 - b. participate in training to report and analyze costs;
 - c. provide data and assistance, including programmatic expertise, to support analyses conducted by the CFO/CAO;
 - d. conduct reviews and analyses of their organization's and/or program's costs; and
 - e. promote the effective and efficient use of NWS resources.

Signed by John L. Hayes May 14, 2009
John L. Hayes Date
Assistant Administrator for Weather Services