

4 FAM 270

FISCAL YEAR CLOSING AND OTHER FINANCIAL REPORTING

(CT:FIN-407; 08-23-2010)
(Office of Origin: RM/FPRA/FP)

4 FAM 271 AUTHORITY

(CT:FIN-407; 08-23-2010)

- a. In accordance with permanent legislation (31 U.S.C. 1551 -1 558) and annual instructions from the Department of Treasury, and prior to the end of the fiscal year, the Department will issue fiscal year-end closing instructions to domestic organizations and overseas locations maintaining official U.S. Government accounting records.
- b. The Department is required to close appropriations under 31 U.S.C. 1551 - 1557 and to report the status of its appropriations and financial operations to Treasury on a fiscal-year basis. The fiscal year for the Department of State and all Federal agencies begins on October 1 and ends on September 30 of each year.

4 FAM 272 YEAR-END NOTIFICATION INSTRUCTIONS

(CT:FIN-407; 08-23-2010)

- a. Closing instructions for overseas and domestic financial operations must be in accordance with:
 - (1) Permanent legislation;
 - (2) Annual year-end closing instructions published by Treasury; and
 - (3) Significant events that may be Department-specific (e.g., cancellation of an indefinite appropriation under 31 U.S.C. 1555).
- b. At a minimum, the instructions cover the treatment of single-year (expired), multiple-year, no-year, and canceled appropriations. The instructions must be compliant with the Treasury requirements and include information on transaction adjustments needed to validate obligation balances and accruals covered in 4 FAM 220 and 4 FAM 230, respectively.

- c. The Deputy Assistant Secretary for Global Financial Services (RM/GFS) prepares and distributes the year-end closing instructions to overseas locations. The Office of Global Financial Systems Support (RM/DCFO/GFSS) prepares and distributes closing instructions for domestic locations using the Global Financial Management System (GFMS). The Deputy Chief Financial Officer (DCFO) will coordinate year-end matters related to the annual financial statement reporting requirement.
- d. RM staffs in Global Financial Management Systems (RM/DCFO/GFMS), Financial Policy (RM/FPRA/FP), and the Office of the Deputy Assistant Secretary for Global Financial Services (RM/GFS) will provide supplemental instructions as needed and will support bureau and post operations during the year-end closing process.

4 FAM 273 APPLICABILITY OF YEAR-END NOTIFICATION INSTRUCTIONS

(CT:FIN-407; 08-23-2010)

- a. Year-end closing instructions apply to all Department organizations, RM/GFS, and posts with U.S. Government funds under Department control. The instructions must be consistently followed and implemented in a manner that complies with year-end closing deadlines. Certifications required by 4 FAM 278 and other reporting requirements must be completed in accordance with the year-end instructions.
- b. The domestic and post financial management officers (FMOs) are responsible for implementing the supplemental instructions for closing bureau/post books and reporting on managed account balances within the Department-specified reporting timeframes.

4 FAM 274 REQUIREMENTS TO SUPPORT OTHER AGENCIES IN CLOSING POST-HELD ALLOTMENTS

(CT:FIN-407; 08-23-2010)

At overseas locations where the Office of the Deputy Assistant Secretary for Global Financial Services (RM/GFS) and posts support U.S. Government allotments or operating allowances for other agencies and authorized organizations, the Department's year-end closing instructions must apply unless:

- (1) Other arrangements are made before the close of the fiscal year;

and

- (2) Alternative arrangements are agreed to and funded through the International Cooperative Administrative Support Services (ICASS) agreements.

4 FAM 275 OBLIGATIONS AND UNLIQUIDATED OBLIGATIONS AT YEAR END

(CT:FIN-407; 08-23-2010)

All allotment holders must comply with 4 FAM 225 at year end. Unresolved questions regarding the validity of an obligation prior to year-end closing must be forwarded to the Managing Director of Financial Policy, Reporting, and Analysis (RM/DCFO/FPRA).

4 FAM 276 REQUIRED RECORDS AT YEAR END FOR CANCELED APPROPRIATIONS

(CT:FIN-407; 08-23-2010)

- a. In order for the Department to pay a legal obligation from a canceled account, the allotment holder in a Department bureau, financial staff in RM/GFS, or the financial management staff at a post must confirm that:
 - (1) There was an unliquidated balance for the specific obligation in existence prior to the cancellation of the appropriation; and
 - (2) Whether an unobligated amount existed on the date the appropriation was canceled.
- b. To make the required payment from current funds, the Department must maintain sufficient records at the Department, RM/GFS, or post level to verify unliquidated balances for canceled appropriations on the last day of the fiscal year in which the appropriation expired. Because these records are permanent, the holder of these records must retain them for an indefinite period of time.

4 FAM 277 REPORTING ADVANCE ACCOUNTS AT YEAR END

(CT:FIN-407; 08-23-2010)

- a. Each allotment holder must review all advance accounts (see 4 FAH-1 H-321) at year end and adjust these accounts as needed. Generally, the Bureau of Resource Management (RM) issues specific instructions for the

required review in the annual closing instructions. However, should the annual closing instructions not include detailed instructions for advances, or these instructions are delayed, RM/GFS, posts, and Department organizations, at a minimum, should review the subsidiary ledgers independently to determine whether the outstanding advance amounts are valid and collectable.

- b. The allotment holder must conduct reviews no later than 30 days before year-end closing, and record adjustments to the records in accordance with financial management system user documentation before the start of the year-end closing process. If the advances are to be converted to an accounts receivable, the amount must be done in accordance with instructions in this subchapter, financial system user documentation, and 4 FAH-3 H-030.

4 FAM 278 YEAR-END REPORTS AND CERTIFICATIONS

(CT:FIN-407; 08-23-2010)

- a. For the year-end certification, each unliquidated obligation (ULO) balance must be valid and must be supported as specified in 31 U.S.C. 1501 and the Department requirements set forth in 4 FAM 082.7. The FMO, bureau budget officer, or responsible officer when there is no FMO, must certify ULO balances annually. Posts and bureaus must retain the lists of ULOs for 6 years and 3 months.
- b. The language of the ULO certification is as follows:

“I, _____, hereby certify that the amounts shown on the Report Status of Obligations as of September 30, _____, are correct. All known transactions meeting the criteria of 31 U.S.C. 1501 (4 FAM 082.7) have been obligated, confirmed as valid, and are so reported. I certify that this statement has been affixed to the appropriate report on file. This report covers the following appropriations and allotments for all open obligations and all obligation discrepancies have been clearly annotated.”

(Signature)

(Title of Officer)

(Post/Bureau)

4 FAM 279 UNASSIGNED