

4 FAH-3 H-250 DEPARTMENT/RFSC/FMC PROCESSING AND REPORTING ON TRANSACTIONS

(TL:FMP-5; 06-30-1995)

4 FAH-3 H-251 METHODOLOGY

4 FAH-3 H-251.1 Issuance and Recording of Allotments

(TL:FMP-5; 06-30-1995)

FMP issues allotments and advises of allotment to bureaus, organizations, and offices. In addition, domestic and overseas personnel record allotment documents in the Department's financial management system.

4 FAH-3 H-251.2 Recording Transactions in Department/RFSC/FMC Financial System

(TL:FMP-5; 06-30-1995)

All allotment or operating allowance accounting transactions for bureaus, organizations and posts are recorded in a timely manner and maintained in a current condition in the financial management system. B&F officers throughout the Department are responsible for knowing the available funds in each allotment or operating allowance under the officer's responsibility and ensuring that deficiencies do not occur from untimely or inadequate record keeping. Similarly, FMOs or the designated individual are responsible for the allotment or operating allowance fund balances overseas. Adjustments and reconciliations are performed in accordance with FMP and/or RFSC/FMC procedures and the appropriate user documentation for the financial management system being utilized.

4 FAH-3 H-251.3 Types of Transactions in Department/RFSC/FMC Financial System

(TL:FMP-5; 06-30-1995)

The basic transactions that must be recorded in Department and RFSC/FMC financial accounting systems include:

- (1) Allotments and operating allowances documenting funds availability;
- (2) Obligations incurred and adjustments;
- (3) Liquidations, including voucher payments, refunds; and
- (4) Other expenditure transactions (e.g., Form FS-477 transactions for obligations or liquidations conducted at another location). In addition to these transactions, the Department maintains general ledger transactions and the RFSCs maintain records on transactions involving collections and disbursements.

4 FAH-3 H-251.4 Responsibility for Funds Available and Preparing/Approving Obligations

(TL:FMP-5; 06-30-1995)

The domestic B&F officer, overseas FMO, or individual responsible for the allotted or allowance funds determines if funds are available in a particular allotment or operating allowance and authorizes the obligation of funds (e.g., contracts, etc.). In most instances this is done by approving a commitment that reflects funds are available for the proposed obligation. Purchase orders, travel orders, or contracting documents are examples of the more common commitments that B&F officers, FMOs or responsible individuals must initially approve before the actual obligation documents are completed or executed.

4 FAH-3 H-251.5 Domestic Procedures for Authorizing Funds Available and Certifying Payments

(TL:FMP-5; 06-30-1995)

Department organizations utilize the allotment and operating allowance features of the financial management system and domestic FMP personnel support the budget and fiscal officers in maintaining records on the system. B&F officers in the bureaus and other organizations with allotted funds or operating allowances are responsible for authorizing transactions and ensuring that allotted or allowance funds are sufficient before obligations are created or payments certified. Contracting officers and those individuals

responsible for generating obligation documents must confirm that funds are available prior to executing a document and establishing an obligation. Finally, FMP personnel as certifying officers are responsible for reviewing the availability of funds and for informing bureau B&F officers of any potential obligation deficiencies that the B&F officer must rectify before FMP certifies a payment voucher.

4 FAH-3 H-251.6 Certified Vouchers Authorize RFSC Personnel to Record Disbursement Transactions in the Financial Management System

(TL:FMP-5; 06-30-1995)

Since a certified document processed by the designated certifying officer provides FMP personnel at the RFSC with the authority to schedule the payments, it is imperative that FMOs or the responsible individual at post has obligated sufficient funds. When an obligated amount is insufficient to certify payment, the certifying officer must inform the FMO or responsible individual to transmit to the RFSC/FMC the appropriate authorization to increase the obligation. Essentially, certified documents substantiate that the goods or services have been received and the certifying and proving officers reviewed the associated obligations for funds sufficiency. The legal liability for exceeding funds available rests with the certifying or approving officer and not with the official record keeping and/or disbursing organization. (See 4 FAH-3 H-432).

4 FAH-3 H-251.7 RFSC/FMC Personnel Primarily Record Transactions and Maintain Internal Controls on Payments

(TL:FMP-5; 06-30-1995)

RFSC/FMC personnel are responsible for maintaining official accounting records, recording allotment accounting transactions generated by serviced locations, and maintaining internal controls over the Department's financial operations. In carrying out these responsibilities, RFSC personnel are expected to support the FMO and/or the designated individual by ensuring that the serviced post allotments or allowances are properly recorded on RFSC records, errors are expeditiously resolved in accordance with established procedures, and accounting reports are forwarded to posts in a timely manner. Finally, RFSC personnel will monitor improperly certified vouchers that have been submitted for payment and will notify post allotment holders and affiliated FMCs when disciplinary or relief actions are

required.

4 FAH-3 H-251.8 USDOs at RFSCs Disburse Funds

(TL:FMP-5; 06-30-1995)

The USDO at an RFSC is primarily responsible for disbursing U.S. Government funds based on certified vouchers. The USDO is not responsible for the funds available in the allotment or operating allowance. This is a responsibility of the post Financial Management Officer (FMO), the designated individual if an FMO is not assigned to the post, and the certifying officer. In instances when a USDO receives a certified liquidation document that exceeds allotted funds and the internal controls in 4 FAH-3 H-430 and this subchapter have been followed, the USDO will process the payment.

4 FAH-3 H-251.9 Responsibility for Obligating Funds

(TL:FMP-5; 06-30-1995)

Overseas and domestic FMP personnel are not responsible for increasing obligated funds on the official books of the Department. In instances where the system of internal controls reflects an obligated amount which is insufficient to cover a certified payment voucher or other authority to pay, RFSC personnel will record the transaction and notify the responsible allotment holder of the increase in obligation required by the certified payment.

4 FAH-3 H-251.10 Disbursements From Locations Other Than the Servicing RFSC or Department

(TL:FMP-5; 06-30-1995)

All disbursements occurring at a location other than the servicing RFSC or Department, FS-477 notifications, are reviewed and recorded in a timely manner. RFSC and Department personnel shall establish written detailed procedures with B&F officers and FMOs to ensure rejected or disputed transactions are resolved in an expeditious manner. In addition, all budget clearing accounts (BCAs) at the RFSC and Department level are cleared by RFSC and FMP personnel in a timely manner. Rejected transactions in the BCAs affect the fund balance in the allotment and/or operating allowance and expeditious clearing of these accounts provides the allotment holder with an accurate balance of available funds.

4 FAH-3 H-251.11 Department/RFSC/FMC Accounting Reports

(TL:FMP-5; 06-30-1995)

Both the Department and RFSCs/FMCs produce accounting reports that provide the allotment or allowance holder with detailed information on the status of transactions. Department allotment or allowance holders have access to on-line information as well as reports reflecting the status of each allotment or allowance. Overseas, RFSCs/FMCs produce summary and detailed accounting reports (e.g., Status Of Funds FMC-60/RAMC-60 and Status of Obligation FMC-62/RAMC-62 reports) for the FMOs at the serviced posts. In addition, posts may produce other accounting reports in accordance with their needs and the capabilities of the financial management system available at the RFSC and serviced post. (See SPUM, RFSC Op Manual, etc.).

4 FAH-3 H-251.12 FMP/RFSC/FMC Personnel Support Resolution of Accounting Report Discrepancies

(TL:FMP-5; 06-30-1995)

FMP and RFSC/FMC personnel support allottees or allowance recipients in resolving discrepancies and errors in the accounting reports produced by the financial management system. Such support shall be timely and in accordance with written detailed procedures established between the allotment holders or allowance recipients and the servicing organization (RFSC, Department, etc.).

4 FAH-3 H-251.13 Accrual Accounting Requirements and Year-End Reports on Accruals

(TL:FMP-5; 06-30-1995)

All allottees or operating allowance recipients identify and report the status of accruals associated with Department funds. At a minimum, this information must be recorded in the Department's general ledger and reported to Treasury at least annually. Detailed instructions for identifying and maintaining accrual information are at 4 FAH-3 H-230 .

4 FAH-3 H-251.14 RFSC Reporting to Treasury

(TL:FMP-5; 06-30-1995)

USDOS at the RFSCs are Department of State employees with delegated authority from Treasury to disburse U.S. Government funds for State and other agencies. On a monthly basis, USDOS at RFSCs report their disbursement activity and other data to Treasury in accordance with the Treasury Financial Manual (e.g., SF-1218, SF-1221, SF-488 etc.). Additional information on the specific reporting requirements is identified in the Treasury Financial Manual and the financial management system user manuals for the RFSC system.

4 FAH-3 H-251.15 RFSC/FMC Reporting To Department

(TL:FMP-5; 06-30-1995)

In addition to reporting directly to Treasury for all serviced agencies including State, the USDOS report directly to the Department or serviced agency. In addition, RFSCs/FMCs prepare a status of each allotment or operating allowance (Status of Obligation report) and a summary of individual transactions conducted for each serviced agency or organization (FS-477, RF-477, etc.). RFSCs/FMCs submit the Status of Obligation (RAMC 62 or FMC 62) reports (in either hard copy or electronically) to FMP/DFS as well as FS-478 reports and hard copies of the OF-158 for proceeds of sale transactions. The financial management system user manuals provide additional information on where and how to submit these reports and related documentation.

4 FAH-3 H-251.16 Department Reporting to Treasury

(TL:FMP-5; 06-30-1995)

FMP reports Department transaction activity to Treasury on a quarterly and yearly basis. These reports combine both domestic and overseas transactions into consolidated Department reports as required by the Treasury Financial Manual.

4 FAH-3 H-252 THROUGH H-259 UNASSIGNED