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MARINE CORPS ORDER 7300.21A

From: Commandant of the Marine Corps
To: Distribution List

Subj: MARINE CORPS FINANCIAL MANAGEMENT STANDARD OPERATING
PROCEDURE MANUAL

Ref: (a) 31 U.S.C. 1517
(b) DOD 7000.14-R, "Department of Defense Financial
Management Regulations (FMRs), Volumes 1-15,"
dates vary per volume
(c) NAVMC 2664
(d) SECNAV M-5210.1
(e) NAVMC DIR 5210.11E
(f) Statement of Federal Financial Accounting Standards
Number 4, "Managerial Cost Accounting Concepts and
Standards for the Federal Government," July 31,

1995

- (g) MARADMIN 320-03
- (h) NAVPUBINST 5605.20 (NOTAL)
- (i) DODI 4000.19, "Interservice and Intragovernment
Support," August 9, 1995
- (j) 41 U.S.C. 23
- (k) Marine Corps Acquisition Procedures Supplement
- (l) Federal Acquisition Regulation
- (m) Defense Federal Acquisition Regulation Supplement
- (n) NAVSO P-2471 (NOTAL)
- (o) P.L. 103-335
- (p) P.L. 97-177
- (q) P.L. 100-496
- (r) MCO P5090.2A
- (s) DODI 7310.1, "Disposition of Proceeds from DOD
Sales of Surplus Personal Property," July 10, 1989
- (t) 5 U.S.C. 5515

Encl: (1) Financial Management Standard Operating Procedures,
Guidance and References

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1. Situation. To publish policy which provides comptrollers and fund managers with standard operating procedures pertaining to the preparation, recording, reconciling, reporting and maintenance of financial records through all stages of funds management.

2. Cancellation. MCO P7300.21.

3. Mission. To direct the adoption and exercise of financial management principles and procedures in striving towards effective and efficient financial operations which support organizational objectives.

4. Execution

a. Commander's Intent. Demonstrate financial excellence via improved policy and guidance in order to develop and sustain workforce competence, comply with applicable laws and regulations, and employ best practices that more effectively and efficiently support the Marine Corps in meeting its mission objectives.

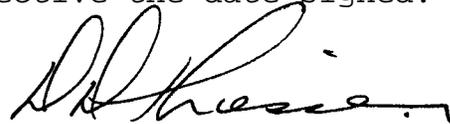
b. Concept of Operations. This Order is directive in nature and encompasses the principles and procedures for funds management as contained in the Department of Defense financial management directives.

5. Administration and Logistics. Recommendations concerning the contents of this Order may be forwarded to CMC (RFA) via the appropriate chain-of-command.

6. Command and Signal

a. Command. This Order is effective to the Marine Corps Total Force.

b. Signal. This Order is effective the date signed.



D. D. THIESSEN
Deputy Commandant for
Programs and Resources

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Chapter 1
Responsibilities

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Chapter 1

Responsibilities

1000. GENERAL. The legal and administrative responsibilities of funds are inherent at all levels of command. This chapter outlines the financial accounting duties and responsibilities of comptrollers and fund managers. This chapter also addresses the role and general responsibilities of the Defense Finance and Accounting Service (DFAS).

1001. LEGAL AND ADMINISTRATIVE RESPONSIBILITIES. U.S. Marine Corps philosophy is based upon the principle that financial management is inseparable from command. Funding and its availability are essential for commanders to perform their assigned missions. Commanders or others designated have legal and/or administrative responsibility for funds granted. (See Appendix D for an accounting network and fund holder organization chart.)

1. Legal responsibility over appropriated funds is cited in Section 1517 of reference (a). Violations of this code are incurred for over-obligating or over-expending funds granted. Volume 12 of reference (b) contains guidance on administrative and legal control over funds and should be requisite reading for all personnel with fund management responsibilities.

2. Reference (c) contains legal and administrative responsibilities of commanders concerning financial management.

1002. COMPTROLLER FUNCTIONS AND RESPONSIBILITIES. Financial information is monitored and coordinated by the comptroller and his/her staff in order to provide the Commanding General or Officer with factual data essential for effective management control of the Command. Financial Management Resource Offices (FMRO) have been established within the comptroller's office to assist with the duties associated with fund manager oversight. Resource Evaluation and Analysis (REA) has been established to provide commanders with a valuable resource management tool to effectively and efficiently ensure adequate internal management controls are in place. Responsibilities of the comptroller include:

1. Providing technical guidance and direction of financial matters throughout the organization as a staff service to the Commanding General or Officer.

2. Maintaining classification of programs administered and their objectives and a current inventory of budget plans and program schedules.
3. Performing applicable budget formulation, execution, and review functions for future, current, and expired fiscal years.
4. Providing guidance to fund managers responsible for the administration of travel payments (i.e., advances and settlements).
5. Maintaining customer service representative support for the Defense Civilian Pay System (DCPS).
6. Promoting economy and efficiency in the performance of assigned programs.
7. Ensuring budget authorizations and allotments are passed to subordinate commands in a timely manner.
8. Maintaining oversight of transactions posted in the accounting system to ensure validity and accuracy of postings. These evaluations should include proper usage of funds, coding structures used, validity of obligations, and timely posting of financial information.
9. Conducting evaluations and analyses of fund manager areas to assist in the prompt detection and correction of problems and the resolution of unsatisfactory conditions arising in connection with established financial procedures, practices, records and accounting system problems and deficiencies.
10. Ensuring proper records and source documents supporting fund execution are maintained by appropriate activities such as fund managers, in accordance with references (d) and (e).
11. Ensuring proper use of appropriations by purpose, time, and amount to include meeting the criteria of bona-fide need.
12. Training fund managers in the proper utilization of the accounting system.
13. Acting as a liaison with the DFAS on all accounting issues.

1003. FUND MANAGER DUTIES AND RESPONSIBILITIES. Fund managers are defined as those departments, battalions, regiments, staff sections, etc. that receive a funding authorization from Commanders.

Responsibility for oversight of financial management belongs to the comptroller. Fund managers must be appointed, in writing, by the Commander as recommended by the comptroller. Appointment letters will include the responsibilities and duties of fund management. Fund managers or their designee(s) are responsible for, but not limited to, the following duties and responsibilities:

1. Compiling and executing the budget in accordance with the financial plan for the current fiscal year.
2. Monitoring the execution of the financial plan for all fiscal years available for obligation and five additional years thereafter.
3. Preparing source documents.
4. Recording accounting transactions into the accounting system.
5. Reconciling the accounting system with source documents on a cyclic basis.
6. Maintaining financial records and source documents in accordance with references (d) and (e).
7. Identifying and providing information to the comptroller on Unmatched Disbursements (UMDs) and Negative Unliquidated Obligation (NULOs) on error and exception listings.
8. Conducting Unliquidated Orders (ULO) and Outstanding Travel Orders validations.

1004. DEFENSE FINANCE AND ACCOUNTING SERVICE (DFAS)

1. DFAS is the official accounting firm for the Department of Defense (DOD). DFAS has functional responsibility for DOD finance and accounting policies, procedures, standards, systems, and operations. Each service is provided finance and accounting support through a primary service center of DFAS. The U.S. Marine Corps' primary service center is Cleveland, Ohio.

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2. DFAS is responsible for the official reporting of accounting information affecting the U.S. Marine Corps. DFAS is tasked with: the processing and posting of liquidations or payments that affect the U.S. Marine Corps appropriations and granted allotments, scheduling and running cycles, correcting system problems, and assisting U.S. Marine Corps commands in resolving financial problems and issues.

3. The information compiled, processed, maintained and reported by DFAS through their official accounting records and reports belongs to the Marine Corps, and the Marine Corps is responsible for ensuring the accuracy and reliability of the data therein contained.

4. The Standard Accounting, Budgeting and Reporting System (SABRS) is the official accounting system for the U.S. Marine Corps and was designed to meet fiduciary standards established by the General Accounting Office, Office of Management and Budget (OMB), United States Treasury Department, and DOD. SABRS accounts for and reports on all U.S. Marine Corps funds throughout the life of the appropriation. Normally, this will include the year authorized to incur new obligations and five prior years to complete receipt and expenditures on established undelivered orders.

Chapter 2

Planning, Programming, Budgeting, and Execution, Authorizations, and
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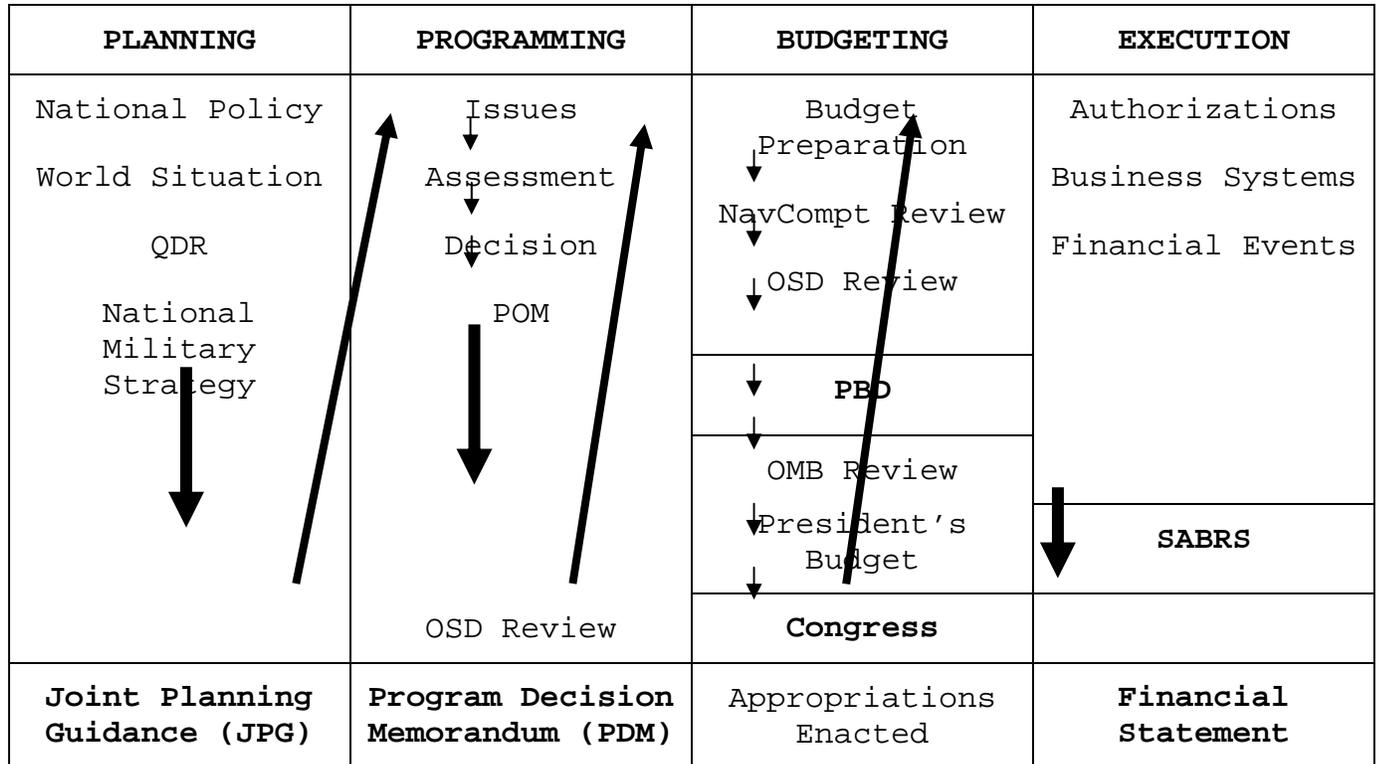
Chapter 2

Planning, Programming, Budgeting, and Execution, Authorizations and Flow of Funds

2000. GENERAL. This chapter outlines the Planning, Programming, Budgeting, and Execution (PPBE) process that is the basis for requesting, justifying, and receiving appropriated funds to support Marine Corps mission requirements.

2001. PPBE PROCESS OVERVIEW. PPBE is the process by which military services and program sponsors within the DOD obtain and execute resources. PPBE defines the missions that support the National Military Strategy (NMS), identifies capabilities required to meet mission requirements, and allocates resources to meet mission needs. PPBE is characterized as a centralized planning and program development process with decentralized budget development and execution for the DOD.

For the Marine Corps, PPBE is a dynamic and competitive process for resources. PPBE produces a realistic and responsible department-wide resource plan that extends to six years into the future. From approved programming amounts, a viable budget in context of supporting assigned missions is created. PPBE is a continuous process, where two or more phases are occurring in any given fiscal year. The following chart illustrates the phases and major actions within each phase of the PPBE process.



1. Planning Phase

a. The planning phase focuses on the development of the NMS and creating an integrated and balanced military force necessary to accomplish that strategy. Planning takes place at the highest levels of the Marine Corps in support of the Secretary of Defense and the Combatant Commanders.

b. The Quadrennial Defense Review (QDR) is developed every four years (by law it is submitted with the President's Budget in the second year of a Presidential term). The Secretary of Defense develops the QDR to serve as the Departments major statement of defense strategy and business policy. The QDR is developed using the NMS, National Security Strategy, and other factors.

c. The final document of the Defense planning process is the Joint Programming Guidance (JPG). The JPG will contain fiscal controls and programmatic guidance for use by the Marine Corps in developing the Program Objectives Memorandum (POM) and Budget Estimates (BES). The JPG will contain specific guidance on major issues or capabilities the Marine Corps must provide to meet NMS goals.

2. Programming Phase

a. The programming phase is the period when planning decisions, programming guidance, and congressional guidance are converted into a detailed allocation of resources. The Marine Corps takes the overall resource amounts/limits outlined in the JPG and matches those resources against mission and capability requirements in terms of manpower, procurement, operations, etc. and submits a program proposal.

b. The program proposal is called the POM. The POM includes an analysis of missions, objectives, alternative methods to accomplish objectives, and allocation of resources. Full POM development occurs in the even-numbered years (i.e., 2008, 2010, 2012, etc.). In odd-numbered years, a Program Review (PR) is conducted which updates the previous full year POM for fact of life changes. The result of an approved POM is the Program Decision Memorandum (PDM). The PDM becomes the Future Years Defense Program (FYDP) and provides the initial amounts for preparing the BES.

c. The FYDP contains all required funding (i.e., manpower, operations and maintenance, procurement, etc.) required to execute a specific program. Each program in the FYDP is identified by a Program Element Number (PEN). PENS are assigned by the Office of the Secretary of Defense (OSD). The PEN is defined in chapter 4 of this order.

d. Deputy Commandant, Programs & Resources (DC P&R) will publish guidance to field commands on POM preparation and initiative submission. Initiatives submitted from the field form the basis for consideration for additional funding to commands. The only means to obtain sustained program increases to commands funding is through approved POM initiatives.

e. The Marine Corps POM is developed through the Program Budget Development Database (PBDD). The key to PBDD is the Marine Corps Programming Code (MCPC). All initiatives and funding tracks for Major Allotment Recipients are associated with an MCPC. MCPC is defined in chapter 4 of this order with a complete list of MCPCs located in the standalone Financial Code Manual referenced in Appendix B.

f. Once the Marine Corps POM is developed and approved as the PDM, the programmed amounts form the basis for budget preparation.

3. Budgeting Phase

a. The BES is created using the PDM amounts and any "fact of life" adjustments that have occurred since the PDM approval. Fiscal Division prepares the required exhibits and supporting documentation required by OSD and Volume 2A and 2B of reference (b).

b. The BES is reviewed by Navy and submitted to OSD. Any changes to the BES from OSD are done through Program Budget Decisions (PBDs). PBDs can affect just the budget year amounts or can change amounts for programs across the FYDP. Once adjustments for PBDs are accomplished, the Marine Corps Budget submission becomes part of the OSD submission to the Office of Management and Budget (OMB).

c. OMB reviews the budget submission from OSD. Required adjustments are made with the result becoming the President's Budget submission to Congress for DOD.

d. Congress takes appropriate actions with the President's Budget through committees, conferences, and ultimately passage by both houses. Once passed by both houses and signed by the President, the budget submission becomes an enacted Appropriations Act and provides the resources to DOD and the Marine Corps to operate.

4. Execution Phase

a. Once funding is provided through an Appropriation Act, funds are apportioned (i.e., annual amount is broken into quarterly amounts) by OMB and sent to OSD. OSD will pass Marine Corps funds via the Department of the Navy (DON). Once funds are received, authority is loaded into SABRS and distributed. Once commands receive funds, they commit, obligate, expense, and liquidate funding based on each source document created and processed to obtain required goods and services.

b. All financial transactions are recorded and accumulated in SABRS into general ledger accounts. These accounts form the basis for the preparation of each executed fiscal year Financial Statements. These statements reflect the position and use of resources by the Marine Corps.

2002. APPROPRIATIONS PROCESS

1. All U.S. Marine Corps funds are provided by Congress, principally by means of annual legislation known as the DOD Appropriation Act. Before an Appropriation Act is passed, it must be preceded by an

Authorization Act. An Authorization Act estimates the maximum amount of money that may be appropriated for such things as military and civilian end strengths (i.e., the number of Marines and civilians the U.S. Marine Corps is allowed to have), equipment purchase quantities, training student loads, and other similar limitations. An Authorization Act does not convey authority to obligate or expend funds but is a precursor to the Appropriations Act.

2. An appropriation constitutes the authority for the government to incur liabilities (i.e., make obligations to obtain goods or services and to make payments for ordered and received goods and services) out of the United States Treasury. The Constitution of the United States requires that, "No money shall be drawn from the Treasury, but on consequence of Appropriation made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time."

3. Appropriations are made from the Treasury's general fund by the Congress for specified purposes and cannot be used for other than the purpose stipulated by law. Some of the different purposes for which an appropriation is approved are to: pay for day-to-day operating costs (i.e., operations and maintenance appropriations); purchase weapon systems and ammunition (i.e., procurement appropriations); pay for military labor costs (i.e., military personnel appropriations); pay for the construction of buildings and facilities (i.e., military construction appropriations); etc. A simple way of looking at an appropriation is to think of it as a bank account at the Treasury that the U.S. Marine Corps can use to buy various goods and services. The "bank account number," therefore, is referred to as the treasury symbol. The use of treasury symbols ensures that all charges and credits to the appropriations are reported to Headquarters Marine Corps (HQMC) so that the status of each appropriation may be determined at any time. The treasury symbol is a four-digit designator.

4. It is illegal to spend funds from one appropriation to accomplish a purpose for which that appropriation is not available. For example, funds that have been authorized and appropriated for buying ammunition cannot be used for Temporary Duty (TDY), except as specifically authorized by law.

2003. CONTINUING RESOLUTION AUTHORITY. The Continuing Resolution Authority (CRA) is a congressional action that provides budget authority for specific ongoing activities prior to passage of the Annual Appropriation Act. The continuing resolution usually specifies a maximum rate at which the agency may incur obligations and is based either on the rate of spending of the prior year or a set percentage.

The CRA allows U.S. Marine Corps commands to continue daily operations before authorizations have been passed down by HQMC, Programs and Resources (P&R) Department. HQMC, P&R will provide specific guidance upon approval of the CRA and on the limits commands are authorized.

2004. FUND FLOW PROCESS. After funds are appropriated by Congress, they are apportioned to the DOD by the OMB. DOD, in turn subapportions funds to the Assistant Secretary of the Navy (Financial Management and Comptroller) (ASN (FM&C)). ASN (FM&C) passes an allocation to the applicable Responsible Office (RO) within the DON. ROs are defined as the Headquarters Command that is responsible for budgeting, accounting, and reporting the totality of an appropriation. Examples of ROs are Chief Naval Operations and Commandant of the Marine Corps (CMC). The RO passes money down to an administering office. The administering office is assigned the responsibility of performing the budgeting, accounting, reporting, and issuing of operating budgets and allotments to commanders responsible for carrying out the missions of the U.S. Marine Corps. Since the U.S. Marine Corps is a small organization compared to the other services, HQMC assumes the role of both RO and administering office. Although funds are passed to the commanders, administration of these operating budgets/allotments is accomplished by the comptrollers.

2005. U.S. MARINE CORPS APPROPRIATIONS. The U.S. Marine Corps is funded through many appropriations. The primary appropriations are classified into three types: annual (i.e., one year), multiple (i.e., more than one year), and no-year (i.e., continuing). The classification is determined by the period of time that the appropriation is available for obligations. Appendix B references a complete list of appropriations by treasury symbol under which the U.S. Marine Corps receives funds.

1. Annual Appropriations. These appropriations are generally used for current administrative, maintenance, and operational programs. Annual appropriations are available for incurring new obligations for only one fiscal year. The term "new obligation" means the initial order, requisition, or contract to another command, government agency, or private business to obtain a good or service needed by the command for mission support or mission accomplishment. New obligations can only be created during the period of 1 October through 30 September for an annual appropriation. However, annual appropriations can have payments made against them for an additional five years beyond the authorized fiscal year. As identified in Chapter 10, Volume 3 of reference (b), both the obligated and unobligated balances of an annual appropriation shall be available for adjusting and liquidating obligations properly

chargeable to that account for 5 years after the time the appropriation expires for incurring new obligations. In other words, both the obligated and unobligated balances of such appropriations shall be cancelled and will no longer be available for obligation and expenditure for any purpose on 30 September of the fifth fiscal year after the expiration of the appropriation's period of availability for incurring new obligations. For instance, this occurs when goods or services are received and accepted following the close of the fiscal year in which the appropriation was authorized. Examples of annual appropriations and their associated treasury symbols are as follows:

a. Military Personnel, Marine Corps (MPMC) (1105). The MPMC appropriation provides funds for: the pay and allowances of all active duty Marines; the cost of subsistence for enlisted personnel; costs related to permanent change of station travel; and for a variety of other miscellaneous military personnel costs.

b. Reserve Personnel, Marine Corps (RPMC) (1108). The RPMC appropriation provides funds for such expenses as: pay and allowances for Reserve personnel on active duty for training; drill pay; uniform clothing and alterations; subsistence; travel; disability and hospital benefits; and group life insurance related to Reserve personnel, Reserve officer candidates, and U.S. Marine Corps Junior Reserve Officer's Training Corps.

c. Operation and Maintenance, Marine Corps (O&M,MC) (1106). The O&M,MC appropriation provides funds for: officer and troop training; recruiting; administration; operation of the supply system; maintenance of equipment; TDY travel and miscellaneous costs; and medical and dental care. It also provides funds for personnel support activities such as dining facilities, barracks, and bachelor officers' quarters; Civilian Marine Pay; maintenance and repair of property; operation and purchase of utilities; minor construction; engineering support; and other base services, such as motor transport, communications, security, etc.

d. Operation and Maintenance, Marine Corps Reserve (O&M,MCR) (1107). The O&M,MCR appropriation provides funds for U.S. Marine Corps Reserve units to support: equipment operating costs; consumable supplies; maintenance of HQMC-furnished augmentation equipment; and TDY costs in support of reserve training conferences; the operation and maintenance of reserve training centers; maintenance and replacement of station property; reserve recruiting operations; and hire of commercial transportation for field training of reservists.

2. Multiple-Year Appropriations. These appropriations are available for incurring obligations for a definite period in excess of one fiscal

year. Multiple-year appropriations provide funds for weapons, ammunition, and other major items required by the Operating Forces and finance the research into advanced combat weaponry and equipment. Examples of multi-year appropriations and their associated treasury symbols are:

a. Procurement, Marine Corps (PMC) (1109). The PMC appropriation provides funds for the procurement of major items of equipment (i.e., investment items), including such things as tanks, trucks, radios, and guided missile equipment. It also provides for major items of commercial equipment and support of initial outfitting of spares/major parts for newly fielded weapon systems. This appropriation is administered by Marine Corps Systems Command.

b. Research, Development, Test, and Evaluation, Navy (RDT&E,N) (1319). The RDT&E,N appropriation finances the research into advanced combat weaponry and equipment. The U.S. Marine Corps receives funding from the Navy in support of development projects. This appropriation is administered by Marine Corps Systems Command.

c. Procurement, Ammunition Navy & Marine Corps (PANMC) (1508). The PANMC appropriation funds ammunitions (e.g., small arms, artillery, land based missiles) in support of Marine Corps training and operations. This appropriation is administered by Marine Corps Systems Command.

3. No-Year Appropriations. These appropriations are more accurately described as revolving funds. Revolving funds finance a cycle of operations in which the original no-year funds are used and then replenished through reimbursements and collections from other appropriations. This process allows the revolving fund to be self-sufficient once it is established by Congress. Examples of no-year appropriations include:

a. Defense Working Capital Stock Fund (4930.NC2A). This revolving fund was initially established by Congress. The Defense Working Capital Stock Fund finances the procurement and inventories of those standard supply and equipment parts of a consumable nature for which there is a recurring demand. The cost of these items is normally chargeable to the O&M,MC funds of the commander who requests and receives the items from supply stock. In other words, the commander who buys the parts from the warehouse pays for the item with normal operating funds (i.e., O&M,MC). The money received is then used by the warehouse to replenish the inventory.

b. Defense Working Capital Industrial Fund (4930.NC1A). This revolving fund is established in accordance with requirements of the

Secretary of Defense. The Defense Working Capital Industrial Fund provides the working capital to finance the operations of the overhaul and repair facilities at the U.S. Marine Corps Logistic bases in Albany, GA and Barstow, CA. The capital is replenished by the funds received as a result of periodic billings to customer activities for work or services the depots have performed.

c. Wildlife Conservation on Military Reservations, Navy (WCMR,N) (5095). These funds are derived from fees collected from the sale of fishing and hunting permits pursuant to approved wildlife conservation programs established in accordance with instructions issued by HQMC.

2006. FUNDS DISTRIBUTION AND U.S. MARINE CORPS FUNDS FLOW ORGANIZATIONAL ELEMENTS. Funds flow is accomplished using the funds distribution process within the accounting system and begins with HQMC, P&R recording the allocated amount for all treasury symbols and issuing operating budgets or allotments to commanders. The funds flow hierarchy is as follows:

1. Headquarters Marine Corps (HQMC). HQMC issues operating budgets (OPBUD's) and allotments which provide funding authority from a specific appropriation to a command to accomplish its mission. OPBUD/allotment authority is expressed in terms of a specific amount granted to incur obligations and payments in support of assigned missions and functions.
2. Major Command Recipients (MRI). A Major Command Recipient is a command that receives its funds directly from HQMC. Major Command Recipients may pass funds to Allotment Recipients within their command if applicable. Commander, U.S. Marine Corps Pacific; Commander, U.S. Marine Corps Forces Command; Commander, Marine Corps Logistics Command; and Commander, Marine Corps Combat Development Command are examples of Major Command Recipients.
3. Allotment Recipients (ARI). An Allotment Recipient is a command that receives an allotment or OPBUD from a Major Command Recipient. Commander, Marine Corps Installations East and Commander, Marine Corps Installations West are examples of Allotment Recipients. Major Command Recipients are also Allotment Recipients when they pass funds to themselves. An example of a Major Command Recipient who passes funds to themselves as an Allotment Recipient is Commander, Marine Forces Pacific.
4. Suballotment Recipients (SRI). A Suballotment Recipient is a subordinate command that receives a portion of an allotment or operating budget (OPBUD) from an Allotment Recipient. Examples of

Suballotment Recipients are Marine Corps Air Station Miramar, Marine Corps Base Camp Pendleton, and I Marine Expeditionary Force (MEF). Major Command Recipients are also Allotment/Suballotment Recipients when they pass funds to themselves. SRI is the lowest level at which 1517 (legal) responsibility can be passed.

5. Work Center (WCI). A Work Center is a subdivision of a Suballotment Recipient. These activities are held administratively responsible as subordinate to superior.

6. Budget Execution Activities (BEA). Budget Execution Activities (BEA's) are subdivisions of Work Centers. Legal responsibility for the proper management of the funds is retained by the SRI or WCI holder. An example of a BEA is the facilities department within a base.

7. Budget Execution Sub-Activity (BESA). Budget Execution Sub-Activities (BESA's) are subdivisions of BEAs. BESAs are established to capture detailed identification of costs below the BEA and are the lowest organizational level to which funding is broken down in the U.S. Marine Corps. BESAs for all O&M,MC funded activities have been standardized and are listed by applicable WCI in the standalone Financial Code Manual referenced in Appendix B of this Order.

Chapter 3

Accounting Principles

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Chapter 3

Accounting Principles

3000. GENERAL. Accounting is the process of recording financial events, posting the event amounts to appropriate general ledgers, and producing financial reports that provide internal and external users relevant and useful information on the financial position of an entity. This chapter will discuss the basics of accounting, general ledger posting, and the basic financial statements produced and reported by the U.S. Marine Corps.

3001. TYPES OF ACCOUNTING. The Marine Corps performs three types of accounting: proprietary, budgetary, and managerial cost accounting.

1. Proprietary Accounting. Proprietary accounting is similar to financial accounting in the private sector. Proprietary accounting is concerned with 1) reporting the assets of the organization and their use in mission accomplishment; 2) reporting the liabilities, both current and contingent, incurred for mission accomplishment and 3) reflecting the resulting net position of the organization. Proprietary general ledger accounts form the basis for preparing the "Balance Sheet."

2. Budgetary Accounting. Budgetary accounting provides for stewardship and reporting of appropriations. Budgetary accounting does not have an equivalent in the private sector. Budgetary accounting is the collection and reporting of apportionments, allocations, obligations, and expenditures of funds granted in a Congressional appropriation. Budgetary general ledger accounts form the basis for preparing the "Statement of Budgetary Resources."

3. Managerial Cost Accounting. Managerial cost accounting provides the "meaning" of why resources were executed. Reference (f) defines managerial cost accounting as:

"The process of accumulating, measuring, analyzing, interpreting, and reporting cost information useful to both internal and external groups concerned with the way in which the organization uses, accounts for, safeguards, and controls its resources to meet its objectives."

Managerial Cost Accounting will be covered in depth in chapter 5.

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3002. GENERAL LEDGER. The United States Government Standard General Ledger (USSGL) establishes the account structure (sometimes referred to as the "chart of accounts") that is used to record proprietary, budgetary, and managerial cost accounting transactions for classification and financial report creation. The basic account categories are:

<u>USSGL ACCOUNT</u>	<u>CATEGORIES</u>
1000 Series	Assets
2000 Series	Liabilities
3000 Series	Net Position
4000 Series	Budgetary
5000 Series	Revenues and Financing Sources
6000 Series	Expenses

1. Permanent General Ledger Accounts. The permanent general ledger accounts are: assets (1000 series), liabilities (2000 series), and net position (3000 series). These accounts will exist as long as the entity exists. The amounts recorded in these accounts form the basis of the balance sheet and the basic accounting equation:

$$\text{ASSETS} = \text{LIABILITIES} + \text{NET POSITION}$$

a. Assets. Assets are tangible or intangible items owned by the Federal Government that have probable economic value or benefit. Assets include: the amount of funds held at Treasury (called "Fund Balance with Treasury"), accounts receivable for reimbursable work performed, operating material and supply inventories, land, buildings, equipment, internal use software, etc.

b. Liabilities. A liability is a probable future outflow or other sacrifice of resources as a result of past transactions or events. Liabilities are recognized when they are incurred regardless of whether they are covered by available budgetary resources. Liabilities include: accounts payable (received service under a contract that is awaiting payment), capital leases, environmental restoration, claims, etc.

c. Net Position. Net position is the residual amount when total liabilities are subtracted from total assets. Financial accounting in the private sector refers to net position as owner's equity, stockholder's equity, or net assets.

2. Budgetary General Ledger Accounts. Budgetary general ledger accounts (4000 series) classify and record an enacted appropriation and track the use of that appropriation through the stages of:

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unapportioned, apportionments, allotments, commitments, obligations, expended authority, and expired and canceled authority. Budgetary accounts remain for the life of the appropriation. The basic accounting equation for budgetary accounts is:

NET RESOURCES = STATUS OF RESOURCES

3. Temporary General Ledger Accounts. Temporary general ledger accounts are revenue and financing sources (5000 series) and expenses (6000 series). These accounts are closed at the end of the accounting period to the net position accounts (3000 series) and become the basis for required information in the following financial reports: Statement of Net Cost and Statement of Changes in Net Position.

3003. DEBITS, CREDITS, AND NORMAL GENERAL LEDGER ACCOUNT BALANCES

1. All general ledger accounts can be increased or decreased depending on the purpose of the financial transaction. A general ledger account in its simplest form could be represented by:

ACCOUNT NUMBER (ACCOUNT NAME)	
Left Side	Right Side

Because of the representation's shape, this simple form is called a "T-account."

2. In accounting terms, the left side of a T-account is called a debit and the right side is called a credit. These terms do not mean plus and minus, but simply refer to which side of the T-account a transaction is recorded. Whether a debit is an increase or a decrease to an account is based on what type of account is being affected by the financial transaction. Normal balances for general ledger accounts are:

USSGL SERIES	CATEGORY	NORMAL BALANCE	INCREASE	DECREASE
1000	Assets	Debit	Debit	Credit
2000	Liabilities	Credit	Credit	Debit
3000	Net Position	Credit	Credit	Debit
4000	Budgetary	Both		
5000	Revenues	Credit	Credit	Debit
6000	Expenses	Debit	Debit	Credit

3. Another way to look at this is in terms of T-accounts and the basic accounting equation for proprietary accounts:

ASSETS		=	LIABILITIES		+	NET POSITION	
Debit (Increase)	Credit (Decrease)		Debit (Decrease)	Credit (Increase)		Debit (Decrease)	Credit (Increase)

3004. GENERAL LEDGER ACCOUNT POSTINGS. All postings to general ledger accounts are done through a process known as double-entry accounting. All accounting transactions have a debit entry and a credit entry, thus the term "double-entry" accounting. For every transaction, the total debit amount must equal the total credit amount. All transactions require both T-account and journal entry postings.

1. T-Account Postings. An example of a general ledger account posting using T-accounts is recording authority when an appropriation is enacted. Two postings are done to record authority. The first involves proprietary accounts that are affected. The second is budgetary accounts. In this example, an appropriation of \$1,000,000 is recorded:

PROPRIETARY ACCOUNT ENTRIES

1010 (Funds Balance Treasury)	3101 (Unexpended Appropriations)
\$1,000,000	\$1,000,000

BUDGETARY ACCOUNT ENTRIES

4119 (Other Appropriation Realized)	4450 (Unapportioned Authority)
\$1,000,000	\$1,000,000

2. Journal Entry Postings. Normally, recording of account transactions is done in journal entry form, followed by a brief explanation of the transaction. This recording form is:

Debit Account (Account Name)	Debit Amount	
		Credit Account (Account Name)
		Credit Amount
Brief explanation of the transaction.		

Using the above T-account example of recording a \$1,000,000 enacted appropriation, the journal entry would be:

a. Proprietary Account Entries

1010 Funds Balance with Treasury	\$1,000,000	
3101 Unexpended Appropriations		\$1,000,000
To record enacted appropriation and receipt of Treasury Warrant.		

b. Budgetary Account Entries

4119 Other Appropriations Realized	\$1,000,000	
4450 Unapportioned Authority		\$1,000,000
To record enacted appropriation and receipt of Treasury Warrant.		

3005. SABRS TRANSACTIONS AND GENERAL LEDGER POSTING. General ledger account changes are driven by the Document Identifier Code (DIC) used in SABRS to record the financial transaction. DICs will drive proprietary account transactions (impacts the balance sheet), budgetary accounts (impacts the statement of budgetary resources), or both. SABRS Central Table 300 (Spending General Ledger Accounting Table) is used to interpret the transaction being posted and the affected general ledger accounts.

3006. BALANCE SHEET AND PROPRIETARY GENERAL LEDGER ACCOUNTS. There are four formats for posting financial transactions: general ledger entries (and the SABRS DIC used within the transaction cycle), T-account format, trial balance, and balance sheet. The following examples illustrate each of these formats.

1. General Ledger Postings

a. Funds are passed to the WCI under DIC AL5.

1010 Funds Balance with Treasury	\$1,000,000	
3100 Unexpended Appropriations - Cumulative		\$1,000,000
To record enacted appropriation and receipt of Treasury Warrant.		

b. Create, approve, and authenticate temporary assigned duty (TAD) orders DIC COB for \$2,500. No Proprietary Accounts are affected. This transaction will affect budgetary accounts covered in 3007.

c. TAD order executed and an expense recorded DIC EXP. Two entries are required. These could be combined, but are shown as separate entries:

6100 Operating Expenses/Program Costs	\$2,500	
2100 Accounts Payable		\$2,500
Record TAD expense and create accounts payable.		

3100 Unexpended Appropriations - Cumulative	\$2,500	
5700 Expended Appropriations		\$2,500
Record expense to appropriation.		

d. TAD is settled and payment made to traveler DIC DX0.

2100 Accounts Payable	\$2,500	
1010 Funds Balance With Treasury		\$2,500
Record liquidation of TAD orders and reduction of accounts payable		

e. Contract for supplies requirement entered into PR Builder. Commitment DIC is CMT. No proprietary entry is made.

f. Contract is issued via the Standard Procurement System (SPS). DIC of OBL records obligation. No proprietary entry made.

g. Supplies received from vendor. DIC INV reflects the 1511 and 2100 accounting entries until the supplies are actually used. Supplies are placed in inventory for future use and will not expense until the material is consumed. When consumed, DIC INX is recorded and the 6100 and 5700 account entries are posted.

1511 Operating Materials/Supplies Held for Use	\$8,500	
2100 Accounts Payable		\$8,500
Record receipt of supplies put into inventory and creation of Accounts Payable.		

6100 Operating Expenses/Program Cost	\$8,500	
5700 Expended Appropriations		\$8,500
To record the operating expense for materials received.		

h. Vendor is paid for supplies. DIC DX0.

2100 Accounts Payable	\$8,500	
1010 Funds Balance With Treasury		\$8,500
Record payment to vendor for supplies.		

2. T-Account Format. The general ledger postings can be presented in T-account format, as follows. Note that the letter by each amount corresponds to the above journal entries.

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ASSET AND EXPENSE1010 Funds Balance With
Treasury

a. 1,000,000	
	d. 2,500
	h. 8,500

Bal = 989,0001511 Operating Materials
and Supplies Held for Use

g. 8,500	
----------	--

Bal = 8,5006100 Operating
Expenses/Program Cost

c. 2,500	
g. 8,500	

Bal = 11,000**LIABILITY AND NET POSITION**

2100 Accounts Payable

	c. 2,500
d. 2,500	g. 8,500
h. 8,500	

Bal = 03100 Unexpended
Appropriations - Cumulative

c. 2,500	a. 1,000,000
----------	--------------

Bal = 997,500

5700 Expended Appropriations

	c. 2,500
	g. 8,500

Bal = 11,000

3. Trial Balance. Prior to closing the temporary operating accounts in the 5000 and 6000 series, a trial balance is created. This is done to ensure all debits and credits balance and that the accounting equation is also in balance.

TRIAL BALANCE

		DEBITS	CREDITS
1010	Funds Balance With Treasury	\$989,000	
1511	Operating Material Held for Use	8,500	
6100	Operating Expenses	11,000	
2100	Accounts Payable		\$0
3100	Unexpended Appropriation (Cumulative)		997,500
5700	Expended Appropriation		11,000
		\$1,008,500	\$1,008,500

a. Closing Temporary Accounts. The next step in this example is to close temporary accounts in the 5000 and 6000 accounts to the Net Position accounts, in this case the 3100 (Unexpended Appropriation - Cumulative) account. These closing entries form the basis for the report of "Changes in Net Position."

(1) Close 5000 series account for end of month:

5700 Expended Appropriations	\$11,000	
3100 Unexpended Appropriations - Cumulative		\$11,000
Entry to close temporary 5000 series for balance sheet reporting.		

(2) Close 6000 series account for end of month:

3100 Unexpended Appropriations - Cumulative	\$11,000	
6100 Operating Expenses/Program		\$11,000
Entry to close expenses to net position for balance sheet reporting.		

ASSET AND EXPENSE

1010 Funds Balance With
Treasury

989,000

Bal = 989,000

LIABILITY AND NET POSITION

3100 Unexpended
Appropriations - Cumulative

997,500
i. 11,000
j. 11,000

Bal = 997,500

1511 Operating Materials and Supplies Held for Use <hr/> 8,500 Bal = 8,500	2100 Accounts Payable <hr/> 0 Bal = 0
6100 Operating Expenses/Program Cost <hr/> 11,000 Bal = 0	5700 Expended Appropriations <hr/> 11,000 Bal = 0

4. Balance Sheet. After the closing entries are posted, the balance sheet can be prepared. When the balance sheet is prepared the debits must equal the credit amounts in total and the accounting equation (i.e., Assets = Liabilities + Net Position) must balance. An example of the balance sheet is:

BALANCE SHEET

ASSETS

1010 Funds Balance With Treasury	\$989,000	
1511 Operating Material Held for Use	8,500	
TOTAL ASSETS		<u>\$997,500</u>

LIABILITIES

0

NET POSITION

3100 Unexpended Appropriation - Cumulative	997,500
TOTAL NET POSITION	<u>997,500</u>

TOTAL LIABILITIES AND NET POSITION **\$997,500**

3007. STATEMENT OF BUDGETARY RESOURCES AND BUDGETARY GENERAL LEDGER ACCOUNTS

1. Budgetary accounts are the 4000 series and are self balancing with the series. The budgetary balancing equation is:

RESOURCES = STATUS OF RESOURCES

Budgetary accounting closely follows the funding process and the transaction cycle process for general ledger account updates. Basically, there are budgetary accounts affected from the actual appropriation being enacted, through the cancellation of the appropriation. These events are:

- Appropriation enacted
- Apportionment of the appropriation by OMB occurs
- Apportionment amounts allotted to Marine Corps Commands
- Funds are executed through source transactions
- Committed
- Obligated
- Expended (expensed)
- Payment
- Appropriation expires for new obligations
- Appropriation is cancelled at Treasury

2. General Ledger Postings. Using the same transactions cited in Section 3006, the budgetary general ledger transactions are as follows.

a. Funds are passed to the WCI under DIC AL5.

4510 Apportionment	\$1,000,000	
4610 Allotments		\$1,000,000
Record allotments passed from higher headquarters		

b. Create, approve, and authenticate TAD orders DIC COB for \$2,500.

4610 Allotments	\$2,500	
4801 Undelivered Orders - Obligations Unpaid		\$2,500
Record simultaneous commitment and obligation for TAD orders.		

c. TAD order executed and an expense recorded DIC EXP.

4801 Undelivered Orders - Obligations Unpaid	\$2,500	
4901 Delivered Orders - Unpaid		\$2,500
Record expense for execution of TAD orders.		

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d. TAD is settled and payment made to traveler DIC DX0.

4901 Delivered Orders - Unpaid	\$2,500	
4902 Delivered Orders - Paid		\$2,500
Record payment for completed TAD orders.		

e. Contract for supplies requirement entered into PR Builder.
Commitment DIC is CMT.

4610 Allotments	\$8,500	
4700 Commitments		\$8,500
Record commitment for request for contract for materials.		

f. Contract is issued via SPS. DIC of OBL records obligation.

4700 Commitments	\$8,500	
4801 Undelivered Orders - Obligations Unpaid		\$8,500
Record obligation for awarded contract for materials.		

g. Supplies received from vendor. DIC EXP recorded.

4801 Undelivered Orders - Obligations Unpaid	\$8,500	
4901 Delivered Orders - Unpaid		\$8,500
Record receipt of materials ordered through contract.		

h. Vendor is paid for supplies. DIC DX0.

4901 Delivered Orders - Unpaid	\$8,500	
4902 Delivered Orders - Paid		\$8,500
Record payment to vendor for materials delivered via contract.		

3. T-Account Format. These transactions presented in T-account format are as follows. Note the letter by each amount corresponds to the previous journal entries.

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RESOURCES

4510 Apportionment

a. 1,000,000	
<hr/>	
Bal = 1,000,000	

STATUS OF RESOURCES

4610 Allotments

	a. 1,000,000
b. 2,500	
e. 8,500	
<hr/>	
	Bal = 989,000

4700 Commitments

	e. 8,500
f. 8,500	
<hr/>	
	Bal = 0

4801 Undelivered Orders -
Obligations Unpaid

	b. 2,500
c. 2,500	
	f. 8,500
g. 8,500	
<hr/>	
	Bal = 0

4901 Delivered Orders -
Unpaid

	c. 2,500
d. 2,500	
	g. 8,500
h. 8,500	
<hr/>	
	Bal = 0

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4902 Delivered Orders - Paid

	d. 2,500
	h. 8,500

Bal = 11,000

4. Statement of Budgetary Resources. Using the above general ledger and T-account entries, the Statement of Budgetary Resources is:

STATEMENT OF BUDGETARY RESOURCES**BUDGETARY RESOURCES**

Budget Authority	<u>\$1,000,000</u>
------------------	--------------------

TOTAL BUDGETARY RESOURCES	<u>\$1,000,000</u>
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STATUS OF BUDGETARY RESOURCES

Obligations Incurred	\$11,000
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Unobligated Balances - Available	<u>989,000</u>
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TOTAL STATUS OF BUDGETARY RESOURCES	<u>\$1,000,000</u>
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OUTLAYS

Obligations Incurred	\$11,000
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Less: Obligated Balance, Net - End of Period	<u>0</u>
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TOTAL OUTLAYS	<u>\$11,000</u>
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Chapter 4
Coding Structure

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Chapter 4

Coding Structure

4000. GENERAL. Financial codes serve two major purposes. First, they are used to uniquely identify a specific order or requisition. Second, they provide meaning to the execution amounts recorded in SABRS that identify what type of funds were used, which command executed funds, and what purpose or program fund execution supported. For cost and execution information to have any relevance to leadership and program managers, the same codes that identify purpose must be used consistently by all commands supporting a specific program. This chapter will provide a basic understanding of the various codes necessary to initiate and track execution of transactions within SABRS.

4001. DOCUMENT NUMBERS. Document numbers are the unique identifier created and used to track a specific source document (e.g., travel order, purchase request, mechanized supply purchase) for recording, tracking, and management purposes through the transaction cycle. Fund managers are responsible for properly assigning non-system generated document numbers to source documents. Comptrollers are ultimately responsible for document number management. The three types of document numbers used are: Standard Document Numbers (SDN), the Military Standard Requisitioning and Issue Procedures (MILSTRIP) document number, and the Procurement Instrument Identification Number (PIIN).

1. Standard Document Number. The SDN is a 15-position, alphanumeric code used for all transactions that are non-mechanized supply purchases (i.e., not governed by MILSTRIP procedures). The SDN is constructed as follows:

POSITION	CONTENT
1-6	Activity Address Code (AAC) of requesting/issuing activity preceded by service designator "M" for Marine Corps
7-8	Last two digits of the fiscal year in which the document was created
9-10	Document Type Code (DTC) (For a complete list, see the standalone Financial Code Manual referenced in Appendix B.)
11-15	5-digit Serial Number (See note below.)

An example of an SDN is M0002706RC00001, where M00027 is the AAC that identifies HQMC, the 06 identifies FY 2006, RC is the DTC that identifies a request for contractual action, and the 00001 represents the serial number.

NOTE: The serial number is locally assigned to distinguish individual source documents. The serial number may be created using both alpha and numeric characters. Serial numbers assigned when creating SDNs cannot be repeated during the fiscal year for the same AAC and DTC. Comptrollers will provide guidance to fund managers on assigning SDNs, to include specific guidance on serial number assignments. Further, comptrollers will provide guidance to fund managers on creating document number logs (i.e., spreadsheet, database, log book) to assist in maintaining control over assignment of SDNs to source documents during the fiscal year. The purpose of these controls is to ensure that SDNs are unique and not assigned to more than one source document during the fiscal year. Under the Standard Financial Information Structure (SFIS), the unique SDN becomes the Demand Unique Identifier (DUID) for the source document. Refer to Section 4005 for a detailed description of the SFIS and its unique identifiers.

2. MILSTRIP Document Number. The MILSTRIP document number is a 14-position alphanumeric code used for all requisitions processed through a government source of supply. The MILSTRIP document number is constructed as follows:

POSITION	CONTENT
1-6	AAC of requisitioning activity preceded by a service designator "M" for Marine Corps
7-10	Julian Date
11-14	4-digit Serial Number, locally assigned to distinguish individual source documents (See 5001.1.)

An example of a MILSTRIP document number is M0002760420001, where M00027 is the AAC that identifies HQMC, the 6042 identifies a 2006 calendar year and the Julian date of 042 (11 February), and the 0001 represents the serial number.

3. Procurement Instrument Identification Number. The PIIN is a 13-position alphanumeric code used by the contract-issuing activity to identify the specific procurement action. The PIIN is assigned to the original SDN record used to request the procurement action when obligated in SABRS. Also the PIIN is added as an additional element of the DUID under SFIS. An additional element associated with the PIIN is the Supplementary Procurement Instrument Identification Number (SPIIN). The SPIIN is a four-position code used to identify the call or order number for Blanket Purchase Agreements (BPAs), Indefinite Delivery Contracts, and Basic Ordering Agreements. The construction of the PIIN and SPIIN is as follows:

POSITION	CONTENT
1-6	Agency and contracting office issuing the contract/procurement instrument
7-8	Last two digits of the fiscal year in which the document was created
9	Type of procurement instrument (See note below.)
10-13	Serial number assigned by the contracting office
14-17	A SPIIN will be used if position 9 is coded with an "A", "G", "H", or, in some cases a "D".

An example of a PIIN is M00027-06-A-2580/0001, where the M00027 identifies HQMC contracting office, the 06 identifies FY 2006, the "A" identifies a BPA, the 2580 identifies the contract serial number,

and the 0001 represents the SPIIN which is the first order against this BPA.

NOTE: Position 9 identifies the type of instrument issued. These are:

POSITION 9 INDICATOR	TYPE OF PROCUREMENT INSTRUMENT
A	Blanket Purchase Agreement (BPA)
B	Invitation for bids
C	Contracts of all types except: indefinite delivery contracts, facilities contracts, sales contracts, and contracts placed with or through other government departments or agencies or against contracts placed by such departments or agencies outside the DOD
D	Indefinite delivery contracts
E	Facilities contracts
F	Contracting actions placed with or through other government departments or agencies or against contracts placed by such departments or agencies outside the DOD, e.g., National Industries of the Blind, National Industries for the Severely Handicapped, and Federal Prison Industries.
G	Basic Ordering Agreements
H	Agreements, including basic agreements and loan agreement, but excluding basic purchasing agreements, basic ordering agreements, and leases.
K	Short form research contract
L	Lease Agreement
M	Purchase order - manual (W is assigned if the numbering capacity of M is exhausted during the fiscal year)
N	Notice of intent to purchase
P	Purchase order - automated (V is assigned if the numbering capacity of P is exhausted during the fiscal year)
Q	Request for quotation, manual

POSITION 9 INDICATOR	TYPE OF PROCUREMENT INSTRUMENT
R	Request for proposal
S	Sales contract
T	Request for quotation, automated (U is assigned if the numbering capacity of T is exhausted during the fiscal year)

4002. ACCOUNTING CLASSIFICATION CODE. The accounting classification code, commonly referred to as the Line of Accounting (LOA), identifies which command is executing funds, what appropriation is being executed, what entity performs the accounting function, and other special interest information. This code will be eventually replaced under SFIS with a combination of the Allocation Unique Identifier (AUID), Organization Unique Identifier (OUID), and Demand Unique Identifier (DUID). The accounting classification code is comprised of ten elements as provided in the following example:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
ACRN	APPN	SH	OC	BCN	SA	AAA	TT	PAA	CC
AA	1761106	27A0	250	67026	_	067443	2D	000000	02706RC00001

1. Accounting Classification Reference Number (ACRN). The ACRN is a two-position alphanumeric code (excluding alpha characters I, O, and FR (reserved for freight or transportation charges)) used by some financial and disbursing systems as a short key to identify the remaining elements of the accounting classification code. The first LOA classification information reflected on a source document will normally cite an ACRN of AA. If more than one accounting classification is cited on the source document, these lines will be identified with additional ACRNs of AB, AC, etc.

2. Appropriation Symbol. The appropriation symbol is a seven-position alphanumeric code assigned by the Department of the Treasury to uniquely identify a congressional approved appropriation that is being charged by the source transaction. The appropriation symbol is comprised of a two-digit department code (e.g., 17 represents Department of the Navy), a one-digit fiscal year (e.g., 6 represents fiscal year 2006), and a four-digit treasury symbol (e.g., 1106 represents Operations and Maintenance, Marine Corps).

3. Subhead. The subhead is a four-position alphanumeric code that represents the administering office and the budget program that

executed the funds. The subhead identifies charges and credits made to the first level of an appropriation. The first two characters of the subhead designate the administering office and are derived from the last two digits of the major command Unit Identification Code (UIC) (e.g., 27 is the administering office code for the Marine Corps derived from headquarters UIC of 00027). The third digit of the subhead relates to the budget activity specific to the appropriation under which the subhead is associated. For O&M appropriations, the last position is zero. Examples of O&M subheads are 27A0 (Operating Forces, Expeditionary Forces) and 27B0 (Operating Forces, Prepositioning).

4. Object Class (OC). The OC is a three-position code that defines the nature of the services or materials purchased. Examples are 210 (i.e., travel), 250 (i.e., contract services), and 260 (i.e., supplies). For collection transactions, the Reimbursable Source Code (RSC) preceded by two zeros will be used. The Financial Code Manual referenced in Appendix B of this order contains a complete list of OCs.

5. Bureau Control Number (BCN). The BCN is a five-position numeric field used to identify the holder of the funds or OPBUD. The BCN for O&M will be the UIC assigned to the allotment authorization (formerly OPBUD or SUBOPBUD) provided to commands. For example, III MEFs UIC 67438 appears as the BCN for subordinate commands of 3d Marine Division, 3d Marine Logistics Group, and 1st Marine Aircraft Wing because III MEF is the SUBOPBUD holder for all three commands. For allotment holders, the first two digits of the BCN will be the appropriate budget project code followed by the three-digit allotment holder number.

6. Suballotment Number (SA). The SA is a one-position code used to identify a Centrally Managed Allotment (CMA) administered at HQMC. CMA's are established to account for items or functions where one office managing funding and costs is more appropriate from a control and administrative perspective than distributing funds to each command. CMAs are established for foreign currency fluctuations, second destination transportation, etc. Reference (g) contains SA codes applicable to CMA's. If funds are not chargeable to a CMA (e.g., field commands using their own funding) this field will be left blank. A zero will not be used in this field.

7. Authorized Accounting Activity (AAA). The AAA is a six-position code used to identify the activity responsible and authorized to perform the accounting function for the fund holder. The current code is 067443, which represents DFAS-CL, responsible for the Marine Corps accounting.

8. Transaction Type Code (TTC). The TTC is a two-position code used to classify the type of payment or receipt. Common TTC codes are: 2D (i.e. general payment), 1K (i.e. travel advance), and 3C (i.e. reimbursable collection). Appendix E contains a complete list of valid TTC codes.

9. Property Accounting Activity (PAA). The PAA is a six-position field used to identify the responsible plant property accounting activity (usually the command UIC) for equipment purchases classified as plant property. For TDY documents, this field is used to reflect the Travel Order Number (TON). For all other transactions, field will be zero filled.

10. Cost Code. The cost code is a 12-position code used for local identification of transactions. For TDY transactions, this field will be automatically generated from the order writing system. For Government Purchase Card transactions this field will contain the BEA, BESA, and FC. For all other transactions this field should contain the last 12 digits of the SDN assigned to the source document.

4003. OTHER CODES REQUIRED TO TRACK FINANCIAL EXECUTION

1. Organizational Code Hierarchy. Organization codes are used to pass authorizations and to identify the specific command that executed funds. The hierarchy, from highest to lowest, for organizational codes is:

a. Basic Symbol Sponsor. The basic symbol sponsor is a six-position alphanumeric code that identifies the command that will become responsible for the total budget authority delegated to them from HQMC. Marine Corps Systems Command is the delegated Basic symbol sponsor for the procurement and research, development, and testing appropriations.

b. Major Command Recipient Identifier (MRI). The MRI is a six-position alphanumeric code that identifies the first command level, below HQMC, that receives funds. Examples are M00264 (Commander, Marine Corps Combat Development Center) and M67025 (Commander, U.S. Marine Corps, Pacific).

c. Allotment Recipient Identifier (ARI). The ARI is a six-position alphanumeric code that identifies the first command level that receives funding from the MRI. The ARI can be the same code as the MRI.

d. Suballotment Recipient Identifier (SRI). The SRI is a six-position alphanumeric code that identifies the command or activity that receives funding from the Allotment Recipient Command. For example, MARFORPAC (ARI M67025) passes funding to III MEF (SRI M67438).

e. Work Center Identifier (WCI). The WCI is a six-position alphanumeric code that identifies the lowest command element that is distributed funds from the SRI. For example, III MEF (SRI M67438) passes funds to 3d Marine Division (WCI M13000).

f. Budget Execution Activity (BEA). The BEA is a two-position code that represents a major organizational breakdown within a WCI. Examples are: FT (Utilities), LM (Motor Transport), and LP (Contracting Office).

g. Budget Execution Sub-Activity (BESA). The BESA is a two-position code that represents a functional or business process cost category. The BESA can be the same code as used for the BEA. For all O&M,MC funded activities, the BESA codes have been standardized. The Financial Code Manual referenced in Appendix B of this order contains the valid BESA codes by command WCI.

2. Purpose Codes. The following codes are used to identify what funds were executed and the purpose for fund execution. The codes used to identify costs in SABRS by purpose are:

a. Fund Code (FC). The FC is a two-position code used as a short key to identify the appropriation, subhead, budget activity, budget sub-activity group, budget line item number, and program element number. Valid FCs can be found in SABRS table 020.

(1) Appropriation. Previously described in Section 4002.2.

(2) Subhead. Previously described in Section 4002.3.

(3) Budget Activity (BA). The BA is a two-position code that identifies the first sub-division of the Treasury account (Appropriation Basic Symbol) from a budget perspective. This code is required to meet OMB and OSD reporting requirements of the President's Budget. It also defines subtotal requirements of other recurring budget execution reports such as the "Appropriation Status by Fiscal Year and Sub-accounts" (RCS ACCTG-RPT-(M)-1002).

(4) Budget Sub-Activity (BSA). The BSA is a two-position code that identifies additional subdivisions below the BA from OSD and Defense Security Assistance Agency budget perspectives. This is

required for budget submissions for the Military Pay, Operations and Maintenance, and Research, Development, Testing, and Evaluation appropriations.

(5) Budget Line Item (BLI). The BLI identifies additional sub-divisions below the BA and BSA levels for budget purposes. The information required at this budget subdivision level is the same for the same type of account regardless of Service Component.

(6) Program Element Number (PEN). PENs provide a linkage between budget execution and the FYDP. PENs aggregate resources (appropriations and manpower) used to accomplish missions of the organization. The FYDP is the official document that summarizes forces and resources associated with programs approved by the Secretary of Defense. A link between BA, BSA, and PEN exists in SABRS. When selecting FC's, first look at the BA and BSA to ensure that is the funding source being executed (e.g., BSS1, 1A1A), then review the PENs for the appropriate code to program being executed. The first two digits of the PEN will reflect one of the 11 major defense programs. For O&M users, the key PENs are:

PEN	DESCRIPTION
02	General purpose forces, operating forces, and bases that support forces (e.g., Camp Lejuene)
05	Guard and Reserve forces (i.e., Marine Forces Reserve)
07	Central supply and maintenance (i.e., LOGCOM and bases of Albany, Barstow, and Blount Island)
08	Training, medical, and other general personnel activities (i.e., Parris Island, San Diego, Quantico)
09	Administrative and associated activities (i.e., HQMC)

b. Object Class and Sub-Object Class Codes (OC/SOC). The OC is described in Section 4002.4. The SOC is a further breakdown of the OC to details of source of supply (e.g., Defense Logistics Agency (DLA), Army Stock Fund) or other further breakdowns of expense type required for budget exhibit OP-32 reporting. Detailed OC/SOC combinations and purposes can be found in SABRS Table 049.

c. Cost Account Code (CAC). The CAC is a four-position code used to classify financial transactions according to their purpose and uniformly identify the cost for management reporting requirements. There are CACs specific for contingency operations, garrison force operations, installations, etc. The Financial Code Manual referenced in Appendix B of this order contains a listing of valid CACs for use in SABRS.

d. Special Interest Code (SIC). The SIC is a three-position code used to collect and track all costs associated with a specific high-interest program or contingency operation regardless of command, BEA, FC, or appropriation. All HQMC assigned SICs will be alpha codes. By use of the standard SIC throughout the Marine Corps, all costs for contingencies (e.g., Iraqi Freedom) or special exercises (e.g., Team Spirit) can be captured and quickly identified at the headquarters level for reporting purposes.

e. Job Order Number/Local Use (JNLU). The JNLU is a four-position code locally assigned by commands to collect information for local classification. This field is also used to place the appropriate Marine Corps Community Services (MCCS), environmental, etc. CAC for labor default transactions passed to SABRS from the Defense Civilian Payroll System (DCPS).

e. Reimbursable Order Number (RON). The RON is a 15-position alphanumeric code that is locally assigned to identify a specific request for reimbursable work that the command has accepted. A RON must be cited within the fiscal codes entered into SABRS for each source document that is chargeable against the accepted customer order. This field is not required for non-reimbursable transactions (direct chargeable transactions against the commands operating funds).

f. Reimbursable Billing Code (RBC). The RBC is a one-position code that is locally assigned in association with a RON to identify one specific LOA cited in the customer order. RBCs will be sequentially assigned, beginning with "A", if the customer order contains more than one LOA.

4004. SUPPORTED INITIATIVES. Standardized financial codes used for recording transactions are required to support the President's Management Agenda (PMA) and reference (f).

1. The PMA, published by the OMB for FY 2002, required that all federal financial systems produce accurate and timely information to support operating, budget, and policy decisions. PMA goals include:

- a. Enhance financial information usefulness by requiring comparative financial reporting.
- b. Report specific financial performance measurements.
- c. Integrate financial and performance information.
- d. Provide better control over resources used and accountability for results by program managers.

2. Reference (f) outlines that cost information is essential in managing federal government programs to support:

- a. Budgeting and cost control.
- b. Performance measurement.
- c. Determining reimbursements and setting fees and prices.
- d. Program evaluations.
- e. Making economic choice decisions.

3. The above requires consistency and accuracy in classification of execution to provide for comparability and measurement of program results. Basically, programs must be identified in the same manner and execution recorded in a consistent means by all fund holders to ensure program costs provide meaningful information to leadership for decision making.

4005. STANDARD FINANCIAL INFORMATION STRUCTURE. The SFIS is DOD's common business language that includes data elements that support budgeting, accounting, financial reporting, and performance-based management efforts. SFIS elements are grouped around unique identifiers that capture standard data at each financial or business process phase. These phases run from appropriation enactment, allocation distribution, and the transaction cycle of commitment, obligation, expense, and liquidation. Key unique identifiers are:

1. Allocation Unique Identifier. The AUID is the primary budgeting data key that links Department, Appropriation Basic Symbol, period of appropriations availability for new obligations, BA, BSA, and BLI to each source transaction to identify what type of funds are being executed.

2. Organization Unique Identifier. The OUID is the primary data key to identify what command or "who" is executing funds. The OUID is comprised of the UIC, Agency Disbursing Identifier, and Accounting Support Identifier Code (e.g., M00027 (HQMC) 067443 (DFAS-CL for accounting) 06102 (Disbursing Office Symbol)). For Marine Corps, the OUID will also link the BEA and BESA.

3. Demand Unique Identifier. The DUID is the primary key to identify a specific requirement through the transaction cycle. For the Marine Corps the DUID will be the SDN or MILSTRIP number assigned to the source transaction at the commitment phase. Associated with the DUID will be the PIN, CLIN, and SPIN for contracts.

SABRS data elements are being modified to accommodate all of SFIS elements, primarily through tables and source feeder system data exchange. Further information concerning SFIS can be found at the OSD website http://www.dod.mil/dbt/sfis_home.html.

4006. ACTIVITY BASED COSTING AND ACTIVITY BASED RESOURCE MANAGEMENT. Activity Based Costing (ABC) is a cost accounting technique that allows an organization to determine actual cost associated with each service provided by an organization. It is based on measuring resources consumed by activities or processes and determining the outputs and measures produced by the activity. Activity Based Resource Management (ABRM) is the analytical process of transforming the ABC data into resource allocation distributions.

1. High-level activities were determined and published in reference (h). The published activities became known as the Installation Business Model (IBM). The 37 business processes contained in the IBM are grouped into major function categories for grouping and higher level reporting. The major functions and associated business processes can be found in Appendix F.

2. The Under Secretary of Defense, Acquisition, Technology, and Logistics (AT&L) is pursuing a DOD Installation Support Function model similar to the IBM. The IBM business processes will become a DOD standard for cost collection for installations in the near future. Installation cost must be collected through financial codes that reflect these processes. The Marine Corps will accomplish this through the use of FCs and BESAs described later in this chapter.

4007. MARINE CORPS PROGRAMMING CODES. The Marine Corps uses the PBDD as the source system for POM development and ultimate translation of the approved POM into the budget submission. The key

to the system for resource categorization and tracking is the MCPC. The MCPC groups like functions, regardless of appropriation, into a total resource prospective for funding decisions. The MCPC is not contained in SABRS. This code for linkage of execution back to the program amounts will be done through the use of FC, BESA, BLI, and select CACs. These linkages for bases, forces, and other support elements are contained in the standalone Financial Code Manual referenced in Appendix B.

4008. FISCAL CODE HIERARCHY. All transactions entered into the accounting system contain financial codes that directly or through table linkages provide data for execution identification that reflects the type of funds executed, what command executed the funds, and the purpose or process supported by the executed funds.

1. The hierarchy of purpose codes, from highest level to lowest, is:

LEVEL	PURPOSE CODES
1	Appropriation Symbol (APPN)
2	Budget Activity (BA) (Subhead link O&M appropriation)
3	Budget Sub-Activity (BSA)
4	Budget Line Item (BLI) (Subhead link Procurement, Marine Corps (PMC) appropriation)
5	Special Interest Code (SIC)
6	Marine Corps Programming Code (MCPC)
7	Program Element Number (PEN)
8	Business Process
9	Object Class (OC)
10	Sub-Object Class (SOC)
11	Cost Account Code (CAC)

2. The hierarchy of organizational codes, from highest level to lowest, is:

LEVEL	ORGANIZATIONAL CODES
1	Major Command Recipient Identifier (MRI)
2	Allotment Recipient Identifier (ARI)
3	Sub-Allotment Recipient Identifier (SRI)

LEVEL	ORGANIZATIONAL CODES
4	Work Center Identifier (WCI)
5	Budget Execution Activity (BEA)
6	Budget Execution Sub-Activity (BESA)

3. The above codes form the basis for cost collection and categorization of all financial transactions in SABRS. They identify what funds were executed (i.e., APPN, BA, BSA, BLI, and PEN), what command and element executed funds (i.e., MRI, ARI, SRI, WCI, BEA, and BESA), and what purpose funds were executed (i.e., SIC, MCPC, Business Process, OC, SOC, and CAC).

4. These codes are either directly entered with each source transaction or associated through various tables. For example, when the FC cited on a source transaction is entered into SABRS, the appropriate APPN, BEA, BESA, BLI, and PEN are associated in SABRS with the transaction.

Chapter 5

Managerial Cost Accounting Concepts and Principles

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Chapter 5

Managerial Accounting Principles

5000. GENERAL. Managerial cost accounting is the process of accumulating, measuring, analyzing, interpreting, and reporting cost information useful to both internal organization managers and higher headquarters. It is concerned with the way the organization uses, accounts for, safeguards, and controls its resources to meet mission and program requirements. This chapter will cover cost principles, Marine Corps standardization of cost collection, and adherence with reference (f).

5001. COST DEFINED. In its simplest definition, cost is the amount paid or required in future payment for the purchase of goods, services, equipment, etc. Cost can also be described as the amount initially sacrificed to purchase an asset or service. Cost also approximates the market value of the asset or service when it is acquired.

5002. COST PRINCIPLE. The principle of cost requires that financial statement information be based on costs incurred in business transactions. Business transactions include payrolls, authorized travel, material purchases, service contracts, etc. and are initiated into the accounting system through the transaction cycle (i.e., commitment, obligation, expense, and liquidation). The cost principle is the accepted standard because it puts relevant and measurable information in the financial statements based on actual costs and values versus estimates.

5003. COST ACCOUNTING TERMS. The standalone Financial Code Manual referenced in Appendix B of this order contains a glossary of terms pertaining to cost accounting. Refer to this source on any terms used in this chapter that are not familiar to the reader.

5004. SUPPORTED INITIATIVES. Cost accounting standards used for recording transactions are required to support the PMA and SFFAS 4.

1. The PMA, published by the OMB for fiscal year 2002, required federal financial systems produce accurate and timely information to support operating, budget, and policy decisions. PMA goals include:

a. Enhancing financial information usefulness by requiring comparative financial reporting.

b. Reporting specific financial performance measurements.

c. Integrating financial and performance information.

d. Providing better control over resources used and accountability for results by program managers.

2. Reference (f) outlines that cost information is essential in managing federal government programs to support:

a. Budgeting and cost control;

b. Performance measurement;

c. Determining reimbursements and setting fees and prices;

d. Program evaluations; and

e. Making economic choice decisions.

3. The above requires consistency and accuracy in classification of execution costs to provide for comparability and measurement of program results. Basically, programs must be identified in the same manner and execution recorded in a consistent means by all fund holders to ensure program costs provide meaningful information to leadership for decision making. Identification of program costs and categorization of costs is performed through fiscal codes.

5005. MANAGERIAL COST ACCOUNTING OBJECTIVES. The objectives for Managerial Cost Accounting in the Marine Corps are:

1. Link resources to programs and business processes;

2. Link execution information back to original program and budget request amounts;

3. Link execution, through supported programs and business processes, with activities and the outputs produced by those activities;

4. Provide collection of total cost, i.e., military labor, civilian labor, procurement, and other operations costs, to a program for determining "true cost" of outputs; and

5. Analyze and compare output costs for the same functions across the Marine Corps and establish benchmark standards.

5006. DEFINING ACTIVITIES

1. The first step to cost collection for meaningful analysis is defining what the organization does or simply what activities are performed. At a high level, these have been defined at OSD through PENs. The Marine Corps has taken this a step further by refining activities for internal resource programming through the MCPC and through the establishment of installation business processes. The below chart reflects a direct PEN to MCPC and Business Process relationship. Bases supporting the operating forces are used for this example:

FC AND PEN TO MCPC AND BUSINESS PROCESS FOR FORCES BASES

FC	PEN	PEN TITLE	MCPC	MCPC TITLE	BUSINESS PROCESS
AC	0202176M	FAC Restore & Modern Forces	640104	FAC Restore/Modern	FSRM
AE	0202178M	FAC Sustain Forces	640204	FAC Sustainment	FSRM
AI	0208093M	Demo/Disposal Excess FAC	640502	FAC Demolition	Provide Real Property SVC
BL	0808789M	Drug Demand Reduction	690502	Marine & Family SVC	Provide Personnel SVC Program
DY	0808751M	Civilian Education Program	660698	Training Support	Provide Civilian Training
HR	0208853M	Environmental Conservation Forces	630298	Environmental SVC	Provide Environment SVC
HS	0208854M	Pollution Prevention Forces	630298	Environmental SVC	Provide Environment SVC
KP	0202056M	Environmental Compliance Forces	630298	Environmental SVC	Provide Environment SVC

FC	PEN	PEN TITLE	MCPC	MCPC TITLE	BUSINESS PROCESS
HK	0206495M	Base Communications Forces	630404	Information Management	Provide Voice SVC
HP	0208719M	Child Development	690702	Child & Youth Program	Provide Child & Youth Program
HQ	0208720M	Family Services	690502	Marine & Family SVC	Provide Personnel SVC Program
JD	0202057M	Safety Forces	630604	Safety	Manage Safety Program
HL	0206496M	Base Operations Forces	Various MCPCs		Various Business Process
HJ	0206479M	Real Property SVC Forces	Various MCPCs		Various Business Process

2. PENs for Base Operations and Real Property Service apply to several MCPCs and installation business processes. An example of this is the Base Operations PEN for bases supporting the operating forces. The below table illustrates applicable MCPCs and installation business process for the Forces Base Operations PEN:

**PEN RELATIONSHIP TO MCPC AND BUSINESS PROCESS -
BASE OPERATIONS FORCES**

PEN	PEN TITLE	MCPC	MCPC TITLE	BUSINESS PROCESS
0206496M	Base Operations Forces	630104	Security	Provide Security
0206496M	Base Operations Forces	630204	Command & Staff	Provide Command Support
0206496M	Base Operations Forces	630204	Command & Staff	Manage Community Relations

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PEN	PEN TITLE	MCPC	MCPC TITLE	BUSINESS PROCESS
0206496M	Base Operations Forces	630204	Command & Staff	Provide Legal Support
0206496M	Base Operations Forces	630204	Command & Staff	Provide Religious Support
0206496M	Base Operations Forces	630304	Financial & Personnel Management	Manage Financial Resources
0206496M	Base Operations Forces	630304	Financial & Personnel Management	Provide Personnel Support
0206496M	Base Operations Forces	630404	Information Management	Provide Data Services
0206496M	Base Operations Forces	630404	Information Management	Provide Ground Elect Maint
0206496M	Base Operations Forces	630504	Training & Operations Support	Provide Military Training
0206496M	Base Operations Forces	630504	Training & Operations Support	Provide Civilian Training
0206496M	Base Operations Forces	630504	Training & Operations Support	Provide Range Management
0206496M	Base Operations Forces	630504	Training & Operations Support	Provide Simulation Support
0206496M	Base Operations Forces	630504	Training & Operations Support	Provide Visual Information
0206496M	Base Operations Forces	631198	Procurement & Supply	Provide Supply Services

PEN	PEN TITLE	MCPC	MCPC TITLE	BUSINESS PROCESS
0206496M	Base Operations Forces	631198	Procurement & Supply	Provide Procurement Services
0206496M	Base Operations Forces	631398	Garrison Transportation	Provide Transportation
0206496M	Base Operations Forces	631498	Aviation Operations Support	Provide Aviation Operations Support
0206496M	Base Operations Forces	631902	Installation Reform Cost	Manage Business Practices
0206496M	Base Operations Forces	690102	MC Family Team Building	Provide MCFTB Activities
0206496M	Base Operations Forces	690202	Semper Fit Programs	Provide Physical Wellness/Sport
0206496M	Base Operations Forces	690302	Life Long Learning Program	Provide Life Long Learn Program
0206496M	Base Operations Forces	690802	MCCS Business Operations	Provide MCCS Business Operations Support
0206496M	Base Operations Forces	690902	MCSS General Support	Provide MCCS General Support

3. SABRS does not contain an MCPC or Business Process field. Fiscal codes, entered into SABRS with each source document, are used to create the linkage with MCPC and business process for execution classification. This is primarily accomplished through the FC (links the APPN, Subhead, Activity Group (AG), Sub-Activity Group (SAG), BLI, and PEN to the transaction) and the BESA code. BESA codes have been standardized for all O&M,MC funded commands and activities. The table below provides an example of BESA codes and their associated MCPCs and business processes. Note that there is an increase in BESAs associated with MCPC and business processes

reflected in the previous table. The reason for this is to provide further breakdown and classify activities for cost collection and reporting purposes.

BESA CODES USED FOR EXECUTION UNDER FC HL (BASE OPERATIONS FORCES)

BESA	BESA TITLE	MCPC	MCPC TITLE	BUSINESS PROCESS
SS	Security	630104	Security	Provide Security
CG	Command & Staff	630204	Command & Staff	Provide Command Support
CI	Inspector	630204	Command & Staff	Provide Command Support
CS	Adjutant	630204	Command & Staff	Provide Command Support
CC	Public Affairs	630204	Command & Staff	Manage Community Relations
CL	SJA	630204	Command & Staff	Provide Legal Support
CH	Chaplain	630204	Command & Staff	Provide Religious Support
CF	Comptroller	630304	Financial & Personnel Management	Manage Financial Resources
CE	Business Performance	631902	Installation Reform Cost	Manage Business Practices
CM	Manpower Management	630304	Financial & Personnel Management	Provide Personnel Support
CR	Human Resources	630304	Financial & Personnel Management	Provide Personnel Support
DD	Data Services	630404	Information Management	Provide Data Services
DE	IT Electronics	630404	Information Management	Provide Data Services
TM	Training & Operations	630504	Training & Operations Support	Provide Military Training

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BESA	BESA TITLE	MCPC	MCPC TITLE	BUSINESS PROCESS
TC	CCCT/CLD Civilian Training	630504	Training & Operations Support	Provide Civilian Training
TH	Range Control	630504	Training & Operations Support	Provide Range Management
TJ	Explosive Ordnance EOD	630504	Training & Operations Support	Provide Range Management
TR	Range Operations	630504	Training & Operations Support	Provide Range Management
TS	Simulator Support	630504	Training & Operations Support	Provide Simulation Support
TV	Audio Visual	630504	Training & Operations Support	Provide Visual Information
LL	Logistics Management	631198	Procurement & Supply	Provide Supply Services
LS	Supply Operations	631198	Procurement & Supply	Provide Supply Services
LP	Contracting Office	631198	Procurement & Supply	Provide Procurement Services
LM	Motor Transport	631398	Garrison Transportation	Provide Transportation
LT	Traffic Management Office	631398	Garrison Transportation	Provide Transportation
TA	Airfield Operations	631498	Aviation Operations Support	Provide Aviation Operations Support
TE	Air Ground Elec Maintenance	631498	Aviation Operations Support	Provide Aviation Operations Support
TT	Air Traffic Control	631498	Aviation Operations Support	Provide Aviation Operations Support

BESA	BESA TITLE	MCPC	MCPC TITLE	BUSINESS PROCESS
TF	Crash Fire Rescue	631498	Aviation Operations Support	Provide Aviation Operations Support
TG	Aircraft Recovery	631498	Aviation Operations Support	Provide Aviation Operations Support
MT	MCCS MCFTB	690102	MC Family Team Building	Provide MCFTB Activities
MW	MCCS Semper Fit	690202	Semper Fit Programs	Provide Physical Wellness/Sport
ML	MCCS Lifelong Learning	690302	Life Long Learning Program	Provide Life Long Learning Program
MB	MCCS Business Operations	690802	MCCS Business Operations	Provide MCCS Business Operations Support
MG	MCCS General Support	690902	MCSS General Support	Provide MCCS General Support

4. Our activities are described through the MCPC and business process. For supporting establishment, the link is made through the FC, FC and BEA, FC and BESA, or FC and BEA/BESA combination. These linkages can be found in the standalone Financial Code Manual referenced in Appendix B of this order. Structures are identified in the Financial Code Manual by WCI code.

5007. OTHER COST IDENTIFICATION ELEMENTS. The activity matrix provides macro level execution information, but does not provide enough detail for execution analysis. Additional breakdowns are required to identify expense categories and further identify sub-activities within the MCPC and business processes. This is accomplished through the following codes:

1. Object Class. The OC identifies the expense purpose incurred with the source transaction. These codes are listed in the Financial Code Manual referenced in Appendix B of this order. Common OCs are:

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OC	DESCRIPTION
110	Civilian Labor
120	Labor Fringe Benefits
210	Travel/Transport of Personnel
220	Transportation of Things
230	Rents, Utilities, and Communications
240	Printing and Reproduction
250	Contracts and Other Services
260	Supplies and Materials
310	Equipment

2. Cost Account Code (CAC). The CAC identifies the purpose or sub-activity being executed with the source transaction. CACs provide managers with greater detail on execution to the key sub-activities within an MCPC or business process. For example, under the activity of provide security, CACs have been established to identify the major sub-activities that are undertaken to provide the overall security function. These are:

CAC	"PROVIDE SECURITY" MAJOR SUB-ACTIVITIES
6B00	Security Operations and Management
6B21	Military Working Dogs
6B80	Brig Operations and Management
6B90	Investigation Operations
ATFP	Anti Terrorism and Force Protection Operations
HBAR	Harbor Security Operations

The Financial Code Manual referenced in Appendix B of this order contains a listing of valid CACs and associated business processes for use in recording financial transactions in the accounting system.

5008. EXECUTION INFORMATION PROVIDED THROUGH THE FISCAL CODES

1. Each source transaction entered into the accounting system for O&M appropriations contains the following fiscal codes:

- Work Center Identification (WCI)
- Budget Execution Activity (BEA)
- Budget Execution Sub-Activity (BESA)
- Fund Code (FC)
- Object Class (OC)
- Cost Account Code (CAC)

2. From these elements the following data can be retrieved from the accounting system for any source document or a roll up of information by the following:

- Department Code (link through FC)
- Appropriation Symbol (link through FC)
- Fiscal Year
- Budget Activity (link through FC)
- Budget AG and SAG (link through FC)
- Program Element Number (link through FC)
- Executing Command (WCI code)
- Executing Command Activity (BEA and BESA codes)
- MCPC (link through FC, BEA, and BESA)
- Business Process (link through FC, BEA, and BESA)
- Object Class
- Cost Account Code

3. These codes provide the needed financial information to link the budget and program with execution to meet the requirements of the PMA and SFFAS 4. For example, the following fiscal codes were entered into the accounting system with an obligation transaction:

(WCI)	(BEA)	(BESA)	(FC)	(OC)	(CAC)
M00263	LM	LM	EU	260	6310

4. From these fiscal codes, the following information is obtained:

DATA OBTAINED FROM FISCAL CODES	
Department Code	= 17 (Department of the Navy)
Appropriation Symbol	= 1106 (Operations & Maintenance, MC)
Budget Activity	= 3 (Training and Recruiting)
FUND-FUNC	= BSS3 (Base Operations Support)
PEN	= 0805796M (Base Operations - Training)

DATA OBTAINED FROM FISCAL CODES	
Executing Command	= M00263 (MCRD, Parris Island)
BEA	= LM (Motor Transport)
BESA	= LM (Motor Transport)
MCPC	= 631398 (Garrison Transportation & Management)
Business Process	= Provide Transportation
OC 260	= Supplies and Materials
CAC 6310	= Vehicle Maintenance

In summary, Parris Island executed O&M funds in support of the training mission for base operations to purchase materials for vehicle maintenance in the garrison motor transport process.

5009. NON-FINANCIAL DATA REQUIRED FOR COMPLIANCE

1. The previous paragraphs addressed collecting execution data through a standard structure that ensures data integrity across the Marine Corps and is comparable with the original program and budget. However, this does not fully meet the requirements of the PMA and reference (f).

2. Reference (f) requires non-financial measures to identify the quantity and quality of program outputs. Outputs are any product or service generated through the consumption of resources (e.g., labor efforts, material) used in support of that business process.

3. Output measures for business processes will be developed and published in separate orders/correspondence by the Center for Business Excellence Deputy Commandant, Installations and Logistics (Logistics and Resources) (DC I&L (LR)). Methods for collecting and reporting required process measures will be provided through DC I&L (LR) in separate guidance or orders.

5010. EFFICIENCY AND EFFECTIVENESS. These terms apply to the program results. Effectiveness is the degree, when compared to a standard, that the program meets mission objectives of providing required goods and services. Efficiency is the measure, when compared to a standard, of the cost of providing the program and its outputs. A program can be effective (i.e., meets mission requirements), but may not be efficient (i.e., cost per output greater than the program standard). On the other hand, a program can

be efficient in terms of resources consumed, but not effective in providing the level of outputs required for full mission accomplishment. One of the goals of managerial accounting is program analysis to determine those value added activities that support mission accomplishment, while providing the required level of activity at the least cost.

5011. PROGRAM OUTCOME

1. The results of a program activity compared to its intended purpose. Program results may be evaluated in terms of service or product quantity and quality, customer satisfaction, or program effectiveness. Program outcomes should be comparable to a benchmark standard for the program to determine the command's variance to standard and efficiency in providing the program.
2. Program outcomes should be based on the full cost of the program. Full cost includes the direct O&M cost expended in the program operations, plus the cost and full-time equivalent military labor assigned to and supporting the program, plus other appropriations such as procurement or OSD funding required for program accomplishment.
3. Program outcomes are one of the key indicators in determining the effectiveness and efficiency of a program.

5012. DISCRETIONARY AND NON-DISCRETIONARY COSTS

1. Discretionary costs are those that can be influenced by the action of the responsible manager. Examples are the cost of sending an employee to a conference, hiring a new employee, or purchasing new furniture. The decision to incur the additional cost is controlled by a responsible manager.
2. Non-discretionary or fixed costs are those that, in the short term, cannot be influenced by a responsible manager. Examples are the monthly telephone and utility bill.
3. Time influences the conditions of cost in determining if the cost is discretionary or fixed. In the short term, certain costs are relatively fixed and must be paid. The entitlements paid to the civilian work force are fixed and essentially uncontrollable in the short term. However, portions of this cost become controllable when an employee retires or leaves the command for other reasons. The cost of replacing the employee is controllable because leadership

must approve a replacement hiring. If the billet is not filled, there is a cost savings. If the billet is filled, the employee cost, in the short term, becomes an additional non-discretionary cost to the command.

5013. DIRECT AND INDIRECT COSTS. The costs of a program are considered either direct or indirect cost:

1. Direct costs are resources consumed by the activity that can easily be traced to the program outputs. For example, the maintenance activity of the motor pool where the direct costs are the labor costs of the mechanics maintaining the vehicles and the parts used during maintenance.

2. Indirect cost are resources consumed that support an activity, but cannot be directly associated with the outputs. For example the dispatching function of the motor pool is an indirect cost of vehicle operations. It is not directly attributable to any one vehicle's operating cost but is necessary to assign and administratively track vehicles and their usage. Indirect costs can be categorized as:

a. Overhead. Management, administrative, and non-productive time of personnel and resources required to maintain the program and activities.

b. Organizational Sustaining. Support costs from other activities that are required to support the personnel and operations of another activity. Examples are the cost of Human Resources is an organizational sustaining cost to the motor transport function, specifically they support the civilian workforce within the motor transport function.

5014. COST DEPENDENCY

1. The decision to expand an activity can have cost dependency or "tails" that increase operating costs in another activity or business process. An example of this is a Military Construction (MILCON) project to build two new barracks at a command. Costs of this project would include more than the MILCON funding such as:

- O&M funding for design of the barracks
- O&M funding for an environmental impact study
- Procurement funding for IT and Communication switches
- O&M and possible Procurement for collateral equipment
- O&M for initial furniture purchase

2. The above are examples of costs required to plan, build, and initially outfit the new barracks for occupancy. Once occupied, other costs to the commands annual operating budget will increase for barracks consumable supplies and utilities for water, sewage, electricity, etc. to operate the building. All these costs must be considered and programmed to cover the baseline operating increase(s) at the command.

3. In most cases, the expansion of one activity will add workload or additional costs in other activities. For example, if a command determines a new civilian position is required to meet workload demands within an activity, not only would the salary and fringe benefits be considered in the decision, but other factors such as an additional seat cost for Navy/Marine Corps Intranet, the consumables required by the new employee, furniture, training costs, etc. must be considered. Additionally, for each employee added, work load in areas such as the Human Resources Office, time and attendance recording, etc. will increase. At a certain point, the increases in personnel to a command will require an increase of supporting personnel due to workload.

4. When preparing estimates on the funding impacts of any mission increase or activity expansion, consideration of other cost impacts and workload increases should be included to provide leadership with the full funding impact prior to a final decision.

5015. BASICS OF COST ANALYSIS

1. Analysis of cost data is performed to determine the effectiveness and efficiency of a program or activity. Analysis should answer:

a. Is the activity efficient in resource use in providing goods and services?

b. Is funding sufficient for the activity to be effective in meeting mission goals?

c. Is the program on track compared to funding plans, prior year's execution, and output levels within resources allocated?

2. The first key to performing a cost analysis is ensuring that proper categorization and collection of execution information is being performed by the activity. Correct assignment of FC, BEA, BESA, OCs, CACs, and SICs on each source document is essential to ensure that the data being analyzed is not misrepresented. For example, if the default fiscal codes assigned to an employee in DCPS is not correct, one activity in the command will be overstated in respect to operating expenses, while another activity will be understated. Further, costs in support of a contingency could be charged in the accounting system against the commands baseline funding. Each of these examples will provide inaccurate execution information when determining the true cost of an activity.

3. The second key is identifying the activity's baseline funding (i.e., the original approved four-quarter funding plan provided to the activity manager by the Commanding General/Officer at the start of the fiscal year) and isolating the amount of increases or decreases and the reason for the funding changes to the activity's baseline amount during the year. This is important for several reasons:

a. Determining if an increase was required for a "one time" requirement or if the increase will be required in subsequent years (i.e. mission scope increase that is not currently funded via the program and will require an initiative submission in the next POM cycle).

b. Determining why a decrease was required and if the reduction was only for this year (e.g., under execution of the program or a higher command priority that required funding reduction to this program to help pay for the higher priority) or if the reduction is applicable to subsequent years (i.e., improved processes that resulted in tangible cost reductions in the operation of the activity).

4. The third key is performing a mission review of the activity. What products or services is the activity responsible for? Who is the customer(s) of these services? How is the output level of service measured to determine if the activity is effective in their performance? Bottom line, you need a basic understanding of why the activity exists and whom they support to determine if their execution information makes sense to their mission tasks.

5. Once an understanding is gained of the mission and funding of an activity, the actual execution data can be examined. Several factors should be considered as execution data is reviewed:

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a. How does the current execution data compare to previous years execution for the same time frame (e.g., same month, quarter)?

b. Has there been an increase in mission scope compared to prior years?

c. Are the services provided by the activity fairly constant or cyclical? An example of this is the increased workload of Transportation Management Office (TMO) in the spring and summer for household goods shipments compared with the fall and winter months.

d. Does the activity have one predominant expense type (e.g., civilian labor) that consistently executes throughout the year or is the activity's mission accomplishment heavily dependant on support contracts? Are these contracts predictive in nature (e.g., annual recurring requirement) or are they project or situational driven?

e. Is the command remote with limited external vendors available for support? This can have a significant impact on the cost of contractual services due to limited competition.

f. Are the employee's skills (i.e., series or Military Occupational Specialty) compatible or make sense for the activities missions (e.g., is the employee an electrical engineer by series working in the safety department)?

6. An understanding of activity missions, past execution, funding levels, and outputs are essential in performing analysis of cost information. Numbers alone will not provide enough information to determine a program's efficiency and effectiveness. All cost must be looked at in context of mission requirements and should be comparable to output and benchmark standards to determine the overall program efficiency.

Chapter 6

Transaction Cycle, Source Documents, Business Feeder Systems and
Financial Record Maintenance

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Chapter 6

Transaction Cycle and Source Documents

6000. GENERAL. This chapter provides the fund manager with the information necessary to record transactions in the accounting system, monitor source documents, reconcile source documents with the official accounting records, maintain current fund balances available for spending, and to establish and maintain source document files. This chapter also explains the procurement cycle and the current business feeder systems used to obtain the required goods and services necessary to support the unit's mission requirements.

6001. AVAILABILITY OF BUDGETARY RESOURCES

1. Prior to the creation of a requisition to obtain goods and services the fund manager must review the requirement to ensure it passes some basic fiscal law conditions. These conditions are:

- a. Purpose.
- b. Time.
- c. Amount.

2. Purpose. Funds may be obligated and expended only for the purposes authorized in appropriations acts or other laws. What this basically means is you use the correct appropriation to fund your requirements. The key element of satisfying the purpose condition is the "Necessary Expense Doctrine." The necessary expense doctrine comprises three basic tests to ensure the correct appropriation is being used to fund your requirement. These are:

a. Logical Relationship. What you are ordering makes sense under the funding type you're using. For example the Operations and Maintenance appropriation is used to fund normal training, fuel, consumable supplies, etc. You use Procurement Appropriation to purchase Tanks and other major military equipment.

b. Not Prohibited by Law. The purchase you are about to make is allowed under the appropriation act, authorization act, or other laws.

c. Not Funded for Elsewhere. This means you review your purchase request to ensure that the item is not funded for specifically in another appropriation. For examples the Military Personnel appropriation is used to fund the wages of Marines, not O&M. This condition is normally a key factor in distinguishing using O&M for a purchase or PMC. The current procurement threshold for funding is \$250K. However, many items that cost below this amount are still funded with procurement funds and not O&M. Check with the comptroller office on questions about the correct appropriation prior to submitting the requisition.

3. Time. This condition is satisfied by:

a. The appropriation cited on the request is still available to incur new obligations.

b. Bona Fide Need. A fiscal year appropriation may be obligated only to meet a legitimate, or bona fide, need arising in, or in some cases arising prior to but continuing to exist in, the fiscal year for which the appropriation was made. Basically, you use current funds for current requirements and needs and not to fund next year or out year requirements.

4. Amount. You have sufficient un-obligated and available funds to cover the amount of the request.

6002. INTRODUCTION TO THE FINANCIAL TRANSACTION CYCLE

1. All fund managers receive funding to support their organization and mission needs. This ranges from obtaining supplies, fuel, service support contracts, training, and sending personnel on temporary duty to attend conferences, working groups, etc. The steps for obtaining all this support is basically the same. These steps are:

a. Requirements Generation. Managers and users determine the need for materials, services, training, conference attendance, etc. to support their functions and overall mission accomplishment.

b. Requirements are approved and authorized by management within the organization.

c. Once the requirement is approved, a request for travel, training, contracting action, supply order, etc. is placed.

d. The order placed is accepted by the providing organization or activity.

e. The materials and contract services are received, the travel is accomplished, or the training occurs.

f. The goods, services, travel, or training is paid for.

2. The basic steps that occur to obtain goods and services are closely followed by financial transaction actions and follow a five step process called the Transaction Cycle. All individual requests for goods, services, training, and travel pass through the transaction cycle.

6003. FINANCIAL TRANSACTION CYCLE

1. All source documents that are processed into the accounting system enter through a five-phase process called the transaction cycle. These five steps are referred to as: initiation (procurement and RDT&E appropriations only), commitment, obligation, expense and liquidation and are initiated as each step in the procurement cycle is completed.

a. Initiation. An initiation is the administrative reservation of funds based upon procurement directives or equivalent instruments, which authorizes preliminary negotiations looking toward the creation of obligations, but providing for recourse to the official responsible for administrative control of funds prior to incurrence of the obligations. Transactions are initiated using PRBuilder.

b. Commitment. A commitment is a firm administrative reservation of funds, based upon firm procurement directives, orders, requisitions, authorizations to issue travel orders, or requests which authorize the recipient to create obligations without further recourse to the official responsible for certifying the availability of funds. The act of entering into a commitment is usually the first step in the process of spending available funds. The effect of entering into a commitment and the recording of that commitment on the records of the allotment is to reserve funds for future obligations. A commitment is subject to cancellation by the approving authority to the extent that it is not already obligated.

c. Obligation. An obligation is a firm, legally binding agreement between parties for the acquisition of goods or services. This phase is important in that when an official document describing a financial transaction exists, the government is legally and

contractually liable for the amount shown on the source document. Once funds are obligated, the official unobligated available balance of the fund manager's account is decreased. Commands creating obligations in excess of authorizations could cause a violation of Section 1517 of reference (a) at the level where the funding limitation is held. An obligation may be de-obligated when both parties agree and supporting documentation is provided to update the accounting system.

d. Expense. An expense occurs when material and services ordered are received and accepted by a designated authorized receiving point. The expense amount creates the accounts payable amount in the accounting system and controls the amount billed for reimbursable transactions.

e. Liquidation. A liquidation is the payment for goods or services that were ordered and received. Liquidations or payments are made after the finance officer receives an invoice from a vendor or government agency requesting payment.

2. The transaction cycle is directly related to the procurement process. In all cases, the purchase of goods and services follows the same process: order, receipt and payment. Once a requisition form is generated and approved, an official accounting record is established in the accounting system citing the document number of the requisitioner and other pertinent information. As the procurement process continues, additional government forms are generated. These forms represent the movement along the procurement process. The initial accounting record is then amended to reflect the current status of the order.

3. All transactions are processed through the same phases; however, some transactions can be processed through combined phases. For example, when a local procurement is made via credit card and the items are receipted for at the time of purchase, the transaction will be recorded into the accounting system as a simultaneous commitment, obligation and expense.

6004. TRANSACTION RECORDING PROCESS. The transaction recording process is the process whereby official accounting records are created and recorded in the accounting system. All entries should be recorded in the accounting system as soon as possible and no later than 10 calendar days from receipt of the source document that accurately reflects the proper transaction cycle stage of each unique document number (i.e. commitment, obligation, expense, liquidation or a combination thereof). The basis of the transaction recording

process is supported by various common source documents discussed in section 6005.

6005. COMMON SOURCE DOCUMENTS

1. In the process of obtaining the required goods and services, an order is placed. When placing an order a source document is created. Source documents contain all the required financial and order data required to obtain the needed goods or services.

2. Source documents can be created in two ways; manually (physically typing in the required information in a pre-established or standard form) or electronically (entering into a computer or business feeder system the required elements to make the order). In either case, the transaction information must get into SABRS by either manual update (user enters transaction information into SABRS) or by electronic interface with a source business feeder system into SABRS.

3. In today's environment, rarely is a manual source document created. We input our requirements for goods and services into various business feeder systems, such as PR Builder. However, the basic information contained on the forms is the same information entered into the business feeder system. The business feeder system basically duplicates the manual form and processes the entered information through the transaction cycle to obtain goods and services.

4. For material and service type transactions the common source documents are:

a. DD 1348 DOD Single Line Item Requisition System Document. The DD 1348 is used to requisition materials or services from federal sources. The DD 1348 can be used to commit and obligate funds. A Fund Code is used to identify the appropriation to be charged. The document uses a MILSTRIP document number.

b. DD 1149 Requisition and Invoice/Shipping Document. The DD 1149 is used to initiate the requisition of materials or services from federal and non-federal sources. The document will use both the MILSTRIP document number and the SDN. This form is used to request goods and services and when approved becomes a commitment. This form can also be used as a receipt/receiving report once goods and services are delivered and becomes your evidence for recording an expense in SABRS.

c. DD 1155 Order for Supplies or Services. The DD 1155 is a multi-purpose form used throughout the DOD to document the legal,

binding contract issued to a private business for providing goods or services to the government. The DD 1155 is an obligation document that can also be used as a receipt document if the receipt block has been signed. If the bottom left-hand blocks are complete, it is an expense document. If neither of these blocks is completed, the DD 1155 is always an obligation document. If additional space is required when completing the DD 1155, the SF 36 Continuation Sheet is used. The SF 1449 is phasing out the DD 1155.

d. SF 1449 Solicitation/Contract/Order for Commercial Items. The SF 1449 is replacing the DD 1155. The form contains identical information as the DD 1155 and serves the same purpose for contract award.

e. SF 30 Amendment of Solicitation/Modification of Contract. The SF 30 is used to amend or modify an existing DD 1155 or SF 1449 (i.e., obligating document). This form is commonly used to change price, quantity, color, etc. on the original contract. It is also used to cancel a contract in its entirety. Some changes, such as color or size, may not have a financial impact, while other modifications or even a cancellation, will impact SABRS and a fund manager's account.

f. DD 250 Material Inspection and Receiving Report. The DD 250 is used to record the receipt of goods shipped by a commercial vendor to a government receiving point. For example, when a vendor ships goods to the government, the receiving point will verify receipt, inspect the goods to ensure they conform to the specifics of the contract and complete the DD 250 when goods are determined acceptable. The purpose of this form is to document the receipt of material and is therefore considered an expense document.

g. DD 448 Military Interdepartmental Purchase Request (MIPR). The DD 448 authorizes funds for an external command, outside the Department of the Navy, to perform work or services for the requesting command. For example, if a Marine unit is training at an Army base, the Marine unit will send funds to the Army Base comptroller with the DD 448 to fund work or services required by the Marine unit. An SDN with a DTC of MP is required on the document. DD 448 is always a commitment document because it documents the request to the external command to perform the services required. The external command has the option of accepting or declining the work request.

h. DD 448-2 Acceptance of MIPR. The DD 448-2 is the formal acceptance to the DD 448 used with other government agencies outside the DON. If the external agency determines they can perform the

requested work or services, the external agency will complete the DD 448-2 and forward the document to the requesting activity. Receipt of this document from the performing activity constitutes an obligation of funds from the requesting unit's accounts. The performing activity can choose whether to accept the funds on a direct cite or reimbursable basis by checking Block 6a or 6b on the DD 448-2.

i. NAVCOMPT 2275 Order for Work and Services. The NAVCOMPT 2275 is used to request reimbursable work or services from any organization element within the Department of the Navy. The form authorizes funds for an external command to perform work or services for the requesting command. For example, a Marine unit is training at a Navy base. The training unit will send funds to the external fiscal office or comptroller to perform work or services for the unit that is conducting the training. The NAVCOMPT 2275 requires an SDN with a DTC of WR. Prior to the acceptance by the performing activity, the NAVCOMPT 2275 is considered a commitment document to the requestor. Once signed and accepted by the performing activity the form becomes an obligation document.

j. NAVCOMPT 2276 Request for Contractual Procurement. The NAVCOMPT 2276 is used to request contracting action for work or services from a Navy contracting office or office in support of the command such as a facility maintenance contract (2276 is used to request contracting support from Navy Public Works). This form is a commitment when accepted. The obligation is created once the actual contract (DD 1155 or SF1449) is issued. This form requires an SDN with a DTC of RC.

k. DD 282 DOD Printing Requisition/Order. The DD 282 is used to request printing/publication orders from the Navy or other DOD components. This form requires an SDN with a DTC of PT. Instructions for completing the DD 282 are contained in reference (j). This form is considered a commitment when it has been created but not approved. After the document has been approved and subsequently delivered to the printing office, it becomes an obligation document. This document can also be used as an expense document if the total amount of the order (i.e., actual cost) is written on the form after it has been returned with the order from the printing office.

l. SF 182 Authorization, Agreement, and Certification of Training. The SF 182 is used to request and authorize payment or reimbursement for training classes for both civilians and military personnel. (Note: DOD memorandum of 25 September 1998 directs that the purchase card be used as the method of payment for all training

requests valued at or below \$25,000.) This form is considered a commitment form when it has been created but not approved. After the document has been approved, it becomes an obligation document.

m. SF 1164 Claim for Reimbursement for Expenditures on Official Business. The Standard Form 1164 is used to reimburse government employees for expenses they have incurred during the conduct of official government business. This form is usually used to reimburse employees for mileage when authorized to use a Privately Owned Vehicle (POV) for official government business. Since this form authorizes reimbursement, it is classified as a commitment, obligation and expense in one transaction. This form requires an SDN with a DTC of RV.

6006. DOCUMENT TYPE CODES (DTC) FOR STANDARD DOCUMENT NUMBERS

1. The two-digit document type code used to construct the standard document number is critical within SABRS. SABRS keys off the DTC for additional elements required to process the transaction or to allow the document number to be associated with multiple lines on a contract.

2. Proper assignment of a DTC by the fund manager is critical to the type of request being created to obtain goods and services. All valid DTCs are listed in Appendix B of this order (published as a separate document).

3. Some of the key DTCs, their purpose, business feeder systems and the forms they are used with are:

<u>DTC</u>	<u>DTC TITLE</u>	<u>FORM/SYSTEM</u>
AM	Spending Allocations	On-Line Allocation Process
CB	Commercial Bill of Lading	Power Track
CC	Credit Card	CitiDirect
DC	Direct Cite	MC to MC reimbursement
MP	Military Interdepartmental Purchase Request	DD-448 WAWF-MP
PT	Printing Request	DD-282 (DAPS order) WAWF-MP
RC	Request for Contractual Services	DD-1149, NAVCOMPT 2276

RV	Claims for Reimbursement	PR Builder - SPS SF-1164 DTS/WAWF-MP
TG	Request Training Reimbursement	DD-1556 WAWF-MP
TO	Travel Orders	DTS
WR	Funded Reimb Work Request	NAVCOMPT 2275 WAWF-MP

6007. BUSINESS PRACTICES PAST AND PRESENT

1. In past years, fund manager's primary way of obtaining required goods and services involved:

- a. Physical creation of an appropriate form (source document) containing all the financial data (i.e. document number, LOA, FIP) and the requirement for the needed goods or service.
- b. Obtaining a signature from the appropriate approving official for the request and manually entering a commitment into SABRS.
- c. Forwarding the request (guard mail or physically delivering the source document) to the next organization required to take action to obtain the goods or services. This could have been the supply office, contracting office, administration office, etc.
- d. Obtaining a physical copy of the next required source document or approving signature that placed the requirement in an obligation status. Fund manager manually entered an obligation into SABRS.
- e. The good is received or the service delivered and a physical form for receipt and acceptance was created, signed, and forwarded as part of a payment package to disbursing or DFAS for payment. Fund managers manually entered an expense into SABRS.
- f. The payment package is processed by disbursing or DFAS and payment made to the activity that provided the good or service. Liquidation is posted in SABRS.
- g. Fund managers were physically updating their source document files through this whole process until completed and, if necessary, manually adjusted amounts in SABRS for obligation and expense to complete the transaction (in SABRS a completed transaction has all amount fields equal for commitment, obligation, expense, and liquidation).

2. The "old" way of doing business required manual effort to create, track and deliver documentation. This method was prone to errors and mistakes that required a great deal of additional work for fund managers to research and correct.

3. Currently, we maximize the use of approved business feeder systems to create our requirements for goods and services. These systems are interfaced with SABRS and allows for an electronic transfer of information. Basically data is entered once by the originator of the requirement and each successive step of the transaction cycle only requires additional information to allow the transaction to process. This not only saves time but is more accurate for posting of financial information and obtaining the requested goods and services.

6008. KEY BUSINESS FEEDER SYSTEMS

1. The major business feeder systems we use today are:

- a. Procurement Requirements Builder (PR Builder).
- b. Standard Procurement System (SPS).
- c. Wide Area Work Flow (WAWF).
- d. Wide Area Work Flow Miscellaneous Payment (WAWF-MP).
- e. Fuels Automated System (FAS).
- f. Supported Activities Supply System (SASSY).
- g. Direct Supply Support Center (DSSC).
- h. CitiDirect (GCPC).
- i. DOD EMall.
- j. Defense Travel System (DTS).
- k. Power Track.

2. Each system will be discussed in the follow-on paragraphs of this chapter. Details on the purpose of the system, required tables, files, or other data elements that are used to edit and process transactions through the system and SABRS will be discussed.

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Further, the key financial process and internal control check points involved in the correct processing and approval of source transactions through each business feeder system will be addressed.

6009. MARINE CORPS STANDARD FINANCIAL PROCESSES

1. HQMC, P&R (RFA) and Major Commands developed Standard Financial Business Processes to be used throughout the Marine Corps for obtaining required goods and services. These processes cover all financial functions of:

- Authorizations
- Commitments
- Obligations
- Expenses
- Liquidations
- Reimbursable work orders
- Billings
- Collections
- Un-liquidated obligations
- Out standing travel orders
- Problem disbursements
- Travel card reconciliation
- Reconciliation
- Miscellaneous

2. Commands were required to have these processes implemented at the Command level by 1 Oct 2006. The Standard Financial Business Processes are available on the HQMC, P&R (RFA) website.

3. Key to each of these established processes are the required internal control or process control points that require monitoring by fund managers, comptroller officer personnel, and business process owners to ensure adherence with established requirements and source transaction processing mandated by the DOD FMR, OMB, OSD, DON and Marine Corps orders and regulations.

4. Each business feeder system, when implemented and used properly, will have built-in internal controls through separation of duties in the workflow. These include separation of duties for:

a. Requirements Generator. This individual initiates the process by identifying required goods, services, travel, training etc. required to be obtained for mission accomplishment.

b. Funds Control and Verification. Fund Manager and/or SABRS fund availability check.

c. Approving Official. This individual is in a supervisory or management position within the organization with responsibility of review requirements and determining their validity or need for mission accomplishment. This individual must be above the requirements generator in the organizations chain-of-command.

d. Contract Oversight Technical Representative (COTR). This individual is assigned in writing with responsibility for oversight of vendor performance and government acceptance of that performance for contracts issued.

e. Certifying Official. For some processes, the Marine Corps is responsible for certification of transactions for payment by DFAS. Certifying Officials are assigned in writing and have personal liability for payments made based on their certification of the transaction. Certifying Officials should be separate individuals than approving officials when practical based on the size of the organization.

5. HQMC, P&R (RFA) will convene a Financial Business Process Review Workshop consisting of subject matter experts provided by Commands, during even-number years to analyze changes that have occurred within business and financial processes and apply those changes to the Standard Financial Business Process Flows (SFBPF's). In addition, an analysis will be performed to ensure accuracy, completeness and efficiency of the SFBPF's. HQMC, P&R (RFA) is responsible for the maintenance of the SFBPF's.

6010. PROCUREMENT CYCLE BUSINESS FEEDER SYSTEMS

1. Our current procurement process can be broken into six major functions. Each part utilizes a mechanized business process. The functions are:

a. Requirements Generation. This function is determining that a good or service is required for mission accomplishment and that the source provider will be a private concern requiring contracting action. We process our requirements via the Purchase Request Builder (PR Builder).

b. Requirements Approval. Approving official reviews requirements in PR Builder. Once they approve the requirement, this information is electronically passed to SABRS for a funds control

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check. If funds are available the transaction is passed to the contracting system for action.

c. Contract Generation. Contracting officials take the information provided in from the approved PR Builder request and complete their actions of source determination, cost, bid reviews, etc. and approve and issue a contract. The contracting office processes contracting actions via SPS.

d. Vender Invoice Generation. The vendor awarded the contract will provide an invoice for payment once delivery of the contracted goods or services is performed. The vendor will process the invoice via the Wide Area Work Flow (WAWF) system. WAWF gets information from SPS that will contain information from the issued contract to include PIIN, SPIN, CLIN and ACRN data required by the vendor to process the invoice.

e. Government Acceptance. Once the vendor has delivered the contracted goods and services and invoiced the government via WAWF, designated government officials will provide the acceptance for delivered goods or services via WAWF. This completes the required electronic evidence of entitlement, delivery and acceptance to payment.

f. DFAS process the payment for the completed payment package via several automated disbursing systems.

2. Our current procurement process is business system dependant to properly request and ultimately pay for required goods and services. SABRS is provided electronic transactions to update the accounting records through the transaction cycle.

3. Another benefit of "paperless acquisition process" provided by the use of PR Builder, SPS and WAWF is that there are no "manual" source document files to maintain for pending and posted transactions. All the requirements of transaction proof for audit purposes are maintained within the source business systems to support and justify the transaction recordings in SABRS. Fund Manager's should devise a means of tracking these transactions (i.e. log, spreadsheet, database, etc.) until they officially post in the accounting system.

6011. PR BUILDER

1. PR Builder automates the process by which a purchase request (PR) and reimbursable funding documents (NAVCOMPT 2275 and DD 448) will be generated and routed between the originator, approver, contracting communities and selling activities for reimbursables. Requirements are input into the PR Builder system and are routed to the approving official. Once a PR Builder requirement has been approved, the transaction is sent to the accounting system for a funds availability check. If funds are not available or the financial data is not correct, a negative response is sent back to PR Builder for correction and re-approval. If edit checks are passed a commitment is recorded in the accounting system. PR Builder sends the approved transaction to SPS for contracting action.

2. The key personnel involved in the system and process are:

a. Workflow Manager. Performs the system administration function for users, assigning workflow permissions, ensuring a proper DODAAC is associated with users, etc.

b. Requirements User. Creates and routes purchase request for approval.

c. Approver. Reviews the requirements and specifications. Modifies or adds information as required and approves requirements for continued processing.

d. Fiscal User. Adds the funding data to the request to include the required financial data elements and the correct Object Class and Sub-Object Class Codes. The LOA for the transaction is assigned by SABRS. This function and associated permissions in PR Builder can be granted to the requirements user and combined for processing steps with the initial purchase request.

e. Financial Approver. Ensures the FIP and LOA data assigned to the request is valid. Adds any missing financial data required to process the request. Their approval triggers the interface between PR Builder and SABRS passing a transaction for update in the next SABRS cycle. The financial approver may also serve as the approving official if assigned this function by the workflow manager with appropriate permissions.

3. If edit checks in SABRS - including a fund availability check at the BCN or SRI level - are met, the transaction passed from PR Builder will create a commitment record in SABRS. Once this occurs, an electronic request is passed from PR builder to the Contracting SPS system for further action. An email notification will be sent to the fiscal user informing them of the transaction's status.

4. If the edit checks are not passed to process the transaction in SABRS a notification or error message is sent to the Fiscal User to correct the transaction for further processing. If errors are not corrected the transaction is not processed in SABRS or passed to SPS for contracting action.
5. One of the keys for edits and processing of a transaction that will be accepted in SABRS is ensuring that the required financial data elements are contained within PR Builder tables and data linked to the user identification.
6. Key process and management control point checks are:
 - a. Segregation of duty assignments in the workflow. Specifically requestor and approver are different personnel.
 - b. Proper assignment of fiscal codes in SABRS and PR Builder tables.
 - c. Request for goods and services meets a bona fide need of the period and uncommitted and unobligated resources are available for the requested purchase.
 - d. Errors are corrected in a timely manner for reinduction of the transaction into the process.
7. The PR Builder user login screen can be accessed at <https://www.prbuilder.usmc.mil> System details may be obtained once registered or by contacting the support desk.

6012. STANDARD PROCUREMENT SYSTEM (SPS)

1. SPS is the standardized automated procurement system for use by the DOD procurement community. A warranted contracting official receives the PR Builder request and finalizes the contract in accordance with the rules and regulations of the FAR.
2. Upon contract award, SPS sends contractual data to SABRS for recording an obligation by PIIN/CLIIN/ACRN under the SDN of the commitment (SDN associated with the purchase request submitted via PR Builder). The financial data elements are originally derived from the PR Builder document. These elements are validated against the standard data element tables and post to the accounting system with a SYSID (source system identifier code) of SPS. Further, the contract information is transmitted from SPS to EDA to establish a record

which will be used by WAWF and the vendor to invoice the government for provided goods or services under the issued contract terms.

3. The same contractual information will be transmitted to the entitlement system (CAPS-W) that will be used for prevalidation of payment by DFAS. The contracting data for this transaction is electronically sent from EDA to WAWF for government receipt and acceptance of delivered goods and services and for the vendor to submit a valid invoice for payment. All the contract information can be found in electronic form in EDA (Electronic Document Access) which is discussed in section 6015 of this chapter.

4. Key process and management control point checks are:

a. Ensuring obligation is passed and posted in SABRS once contract is issued in SPS.

b. Validating that the contract is posted in EDA.

c. Validating that the contract information has posted in WAWF-RA for future vendor invoicing and government acceptance actions.

6013. WIDE AREA WORKFLOW

1. WAWF is a secure Web-based system for electronic invoicing, receipt, and acceptance. WAWF creates a virtual folder to combine two of the three documents required to pay a Vendor. Specifically the vendor invoice and the government acceptance/receiving report.

2. WAWF application enables electronic form submission of invoices, government inspection, and acceptance documents in order to support DOD's goal of moving to a paperless acquisition process. It provides the technology for government contractors and authorized DOD personnel to generate, capture, and process receipt and payment-related documentation, via interactive Web-based applications.

3. WAWF helps to mitigate interest penalty payments due to lost or misplaced documents and highlights Vendor offered discounts so that the DOD benefits on both fronts. Further, WAWF stream lines the whole invoice, receipt/acceptance and payment process from weeks to days.

4. We use two different WAWF process currently in the Marine Corps. These are WAWF - RA (receipt and acceptance) and WAWF - MP (miscellaneous payment).

5. The following websites contain additional information on WAWF:
<https://wawf.eb.mil/index.html> and
<http://www.marcorsyscom.usmc.mil/sites/pa/Default.htm>.

6014. WAWF - RA (RECEIPT AND ACCEPTANCE)

1. WAWF-RA is used for invoice processing from the vendor for delivery of goods and services under an awarded contract. The vendor invoice is their request for payment for satisfying all or part of the contract agreement. The Vendor creates an invoice in WAWF by PIIN/CLIIN and DODAAC and submits via WAWF-RA to the Contracting Officer's Representative (COR). A valid DODAAC must be cited as this is a key driver for WAWF.

2. The COR reviews the information submitted by the vendor and supplements the vendor invoice with the SDN (if not entered by the vendor).

3. The COR certifies that the goods and services received by the vendor are acceptable and valid for payment. The acceptance completes the requirements for a payment package and is submitted to DFAS to initiate vendor payment.

4. A complete payment package consists of a valid obligation/entitlement document (in this case a contract), the vendor invoice for delivered goods or services and the government's acceptance of the goods or services.

5. Once the acceptance is processed by the COR, WAWF sends a record of invoice acceptance to SABRS to record the expense transaction for the cited SDN, PIIN, ACRN, etc.

6. Key process and management control point checks are:

- a. Verification of vendor invoice.
- b. COR processing acceptance or receipt for invoiced services or items timely to complete payment package for liquidation by DFAS.
- c. Ensuring an expense transaction is processed and posted in SABRS.

6015. WAWF - MP (MISCELLANEOUS PAY)

1. WAWF-MP was developed as a means of automating the transaction cycle and payment process for miscellaneous transactions that were

not covered or processed in other business feeder systems or contracts that contain funded CLINs (an example of this is a contract for utilities). Miscellaneous transactions include utilities, UFM program reimbursement to MCCS, background investigations, billeting charges, etc.

2. Miscellaneous Pay is a non-contractual "3n1" transaction containing the required information to support entitlement, ensure government acceptance, and effect payment. The Miscellaneous Pay can be initiated in two forms: Vendor initiated for companies with a CAGE Code or Government Acceptor initiated on behalf of the vendor (ECP 491) or for personal reimbursements. Miscellaneous Payments represent 40% of all invoice transactions in the Marine Corps. The goal of WAWF - Miscellaneous Pay is to accelerate the payment process, reduce late fee payments and eliminate manual data entry fees.

3. For WAWF-MP to work and process miscellaneous transactions properly, an initial commitment record must be established for the expected future payment. To do this, fund managers will utilize PR Builder to create the requirement which will pass a financial record to SABRS for fund availability check and, if all edits are passed on the incoming record, establish a commitment record.

4. Once the commitment is created, either the vendor or a government employee (when the payment is a reimbursement to an individual) will initiate the "invoice" for the transaction. Once the invoice action is complete, the acceptance must be entered into WAWF-MP to accept the receipt of goods or services. Once the acceptance is entered the assigned local processing official (LPO) will validate the financial information for the transaction and process a voucher for payment. The voucher completes the transaction for payment preparation and the transaction is then electronically forwarded to DFAS to process. Further, at the time the LPO processes the voucher and obligation and expense record (OEX) is created and passed to SABRS to update the commitment record.

5. Key process and management control point checks are:

a. Ensuring separation of duties between officials for commitment action, approver, and certifier.

b. Ensuring a commitment is processed in SABRS prior to processing the transaction in WAWF-MP.

c. Ensuring an obligation and expense are posted in SABRS once the certifying official has performed the transaction approval in WAWF-MP.

6. A user's manual entitled "Marine Corps Standard Operating Procedures Wide Area Workflow Miscellaneous Payments" can be found in the RFA website under "systems - feeder systems - WAWF."

6016. ELECTRONIC DOCUMENT ACCESS (EDA)

1. EDA is a web based front end process to view images of source documents to include contracts, contract deficiency reports, freight GBLs, government transportation requests, and public vouchers.

2. All source documents used for commercial payments (public vouchers) are scanned by DFAS into their Electronic Document Management (EDM) System. These images are made available for access via EDA.

3. EDA is a key process for research of source documents that impact any public voucher processed by DFAS. The link to EDA for requesting a user account and for accessing the system is <https://eda.ogden.disa.mil>.

6017. ADDRESS CODES

1. For several of the automated or mechanized systems we use to obtain goods and services, they process transactions through the Military Standards Logistics System (MILS) process. The MILS process includes requisitions (Military Standard Requisitioning and Issue Procedures (MILSTRIP)) and a payment process (Military Standard Billing System (MILSBILLS)). The key to these systems are a Fund Code, which provides the appropriation data to be charged for obligation and liquidation purposes, and an address code which provides identification of the unit that placed the order.

2. The address code must be unique and must be registered in the Department of Defense Activity Address Directory (DODAAD). Once registered the identifying code is called a Department of Defense Activity Address Code (DODAAC). The DODAAC is registered with three key addresses that allow the mechanized supply systems to identify where to ship ordered items and where to process the bill for the goods ordered. These addresses are referred to as the TAC1, TAC2, and TAC3 addresses assigned to the specific DODAAC. The addresses signify:

- a. TAC 1. Unit's mailing address.
- b. TAC 2. Unit's address for large shipments.
- c. TAC 3. Billing address (for USMC this currently is DFAS-CL).

3. The DODAAC is loaded to SABRS table 208 and is used in the MILSTRIP process and the associated billings for delivered goods routed by item managers via the Defense Activity Addressing System Center (DAASC). Entries on the 208 table must match the data loaded for that DODAAC in DASSC. DAASC is the "hub" for electronic routing of all MILS type transactions. To find out additional information on DAASC users should go to <https://www.daas.dla.mil>.

6018. FUELS AUTOMATED SYSTEM (FAS)

1. Most of the fuel obtained by a unit to operate vehicles, generators, etc. is obtained from the Defense Energy Support Center (DESC), a subordinate command of the Defense Logistics Agency (DLA). DESC controls all fuel operations for all DOD agencies. Whether in garrison or deployed, the fuel farm or pumping stations are DESC owned.
2. A VOYAGER fuel card or Fuel Key is required by the unit to use the fuel farm. This will be based on the type of pumps used at the installation. The VOYAGER card should be accepted at commercial fuel stations. The VOYAGER card contains the units DODAAC (which will be used in the supplementary address field of the record and used as a key for table 030 to find the appropriate financial data elements to process the transaction in SABRS) and an appropriate Fund Code for billing purposes to charge the unit for the fuel they obtain. The Fuel Key is electronically coded with a unique serial number that will point to the units DODAAC and Fund Code. The fuel card or key information is entered into FAS and used for monthly billings to the unit in the form of an Interdepartmental Bill (IDB). The IDBs are processed in accordance with MILSBILLS standards and will have DIC beginning with "FJ."
3. Each time the card is used at the fuel farm, FAS creates an electronic record of the purchase and passes this transaction to SABRS. SABRS uses table 030 to obtain the required financial code information to post the obligation transaction.
4. If a match for the MAC and DODAAC in the supplementary address field are found, the incoming record picks up the fiscal data element information and a commitment, obligation and expense transaction

(COE) is posted in SABRS with a system identification code (SYSID) of BSME. Transactions may also process via a UDAPS interface with SABRS. The monthly IDB processed will "marry up" with the COE record in SABRS based on the transactions MILSTRIP document number.

5. FAS is a "purple" or DOD system. If a command's financial data is not entered in this system and associated with the fuel card or key, SABRS will not get a record to process the obligation for the fuel charges. However, the Marine Corps will still get a billing based on the DODAAC on the card or key.

6. Key process and management control point checks are:

a. Ensuring FAS is updated with correct data elements (i.e. DODAAC, Fund Code, etc.) to ensure an electronic transaction is passed to SABRS to commit, obligate, and expense the fuel purchase.

b. Ensure SABRS is receiving electronic records from FAS for processing. Ensure that SABRS is receiving IDBs (at least monthly) for previous FAS purchases.

c. Ensure VOYAGER card is only being used to purchase fuel for authorized vehicles and only authorized personnel are allowed to check the card out for use.

7. Further information about FAS can be obtained on the DESC website of: <http://www.desc.dla.mil/default.asp>.

6019. SUPPORTED ACTIVITIES SUPPLY SYSTEM (SASSY)

1. SASSY is the automated information system that supports the retail (intermediate and consumer) level of U.S. Marine Corps supply. SASSY provides the retail supply accounting functions (e.g., stock replenishment, requirements determination, receipts, inventory, stock control, and asset visibility for all U.S. Marine Corps units).

2. SASSY processes requisition and receipt using MILSTRIP transactions. Keys to all requisitions processed via SASSY into SABRS are the units DODAAC contained within the document number and the using unit's Job Order Number (JON) entered in the requisition. SASSY will process this transaction in one of two ways into SABRS:

a. Free Issue From Stock. Item is currently within the SMU inventory and is issued to the requesting unit. This transaction will not have an impact within SABRS on the units direct funding.

b. Not In-Stock, Passed to Source of Supply Item Manager. Item is not in inventory at SMU, they will order the item through the MILS process, citing SMU direct funds. This transaction creates an obligation against the SMUs direct funding and reduces their available balance for future purchases of goods and services. This transaction uses the 0F2 table to pick up required financial information for posting the commitment and obligation in SABRS.

3. Key process and management control point checks are:

a. Ensure required data elements identifying the unit are loaded to SABRS table 0F2.

b. Ensure transactions are passed and properly posting in SABRS after SASSY update cycles.

4. The reference for SASSY processes and procedures is UM 4400.124 CH4 FMF SASSY Using Unit Procedures Manual. Refer to the Defense Automated Addressing System website for additional information:
<https://www.daas.dla.mil/daashome/>.

6020. DIRECT SUPPORT STOCK CONTROL (DSSC)

1. A DSSC is established at installations to provide material support for low-cost, fast-moving commodity areas and general support items such as office type supplies, cleaning supplies, etc. Authorized customers are issued a "DSSC Card" that they use when purchasing items from the DSSC.

2. When units require items that are carried at the DSSC a "shopping list" is created. The shopping list contains a rough estimate of the items, quantities, and cost of goods to be obtained at the DSSC. The list is normally submitted to the fund manager for approval prior to shopping. The approval is basically an internal funds availability check prior to obtaining the goods.

3. Upon funding approval, a unit DSSC card is provided to the individual to go to the DSSC and obtain the required items. The DSSC card is the key for processing the financial transactions into SABRS. Each DSSC card contains key information used within the DSSC system and the record passed to SABRS to post the financial event. The information contained on the card includes:

a. Unit DODAAC code.

b. Fund Code.

c. Job Order Number.

4. The DSSC system will assign a document number to the purchase (either by individual item/quantity purchased or a "bulk" transaction that rolls the total of all the items into one document number for posting to SABRS. Once the DSSC system processes the purchases, a data set of transactions is provided to SABRS for inclusion in a cycle update. SABRS will use the 0F2 table below to append the required fiscal data elements to the transaction to post.

5. The transaction(s) post into SABRS as a commitment, obligation and expense with a DIC of B7A and a system identifier code of DSSC. The liquidation for the transaction(s) is an IDB processed by the DSSC system. The IDB will post based on the MILSTRIP document number of the B7A transaction previously posted in SABRS.

6. Key process and management control point checks are:

- a. Ensure DSSC cards are issued only to authorized personnel.
- b. Ensure that appropriate approval process occurs prior to making DSSC purchases.
- c. Ensure data elements for the DSSC card are properly updated in SABRS table 0F2.
- d. Ensure proper posting of DSSC B7A transactions occur in SABRS after purchases occur (should occur within 2 SABRS cycles).
- e. Ensure proper posting of IDB transaction to liquidate B7A commitment, obligation, and expense record in SABRS.

6021. GOVERNMENT WIDE COMMERCIAL PURCHASE CARD (GCPC)

1. The GCPC is a procurement method for official government use for "micro-purchases" and is mandatory for commercial purchases meeting the micro-purchase thresholds of \$3,000 for supplies and \$2,500 for services. The program is managed and administered through the unit's local Regional Contracting Office (RCO). Cards are requested and assigned to users once internal command authorization is granted by the command's agency program coordinator assigned within the contracting office. Only trained government employees with delegated contracting authority are issued GCPC cards to make micro-purchases.

2. The Navy and Marine Corps use Citibank's VISA Card as the contract vehicle for the government purchase card. Merchants who

accept the card are paid via a streamlined payment process with payment usually received within 24 to 48 hours.

3. The process and management control process for use of the GCPC is:

a. Card holder determines requirements and source for the materials and/or services required.

b. These requirements are forwarded to the assigned approving official of the card holder. Once the purchase is approved, the card holder makes the purchase.

c. The financial event is electronically recorded in SABRS via Citibank using Citi-Direct.

d. The purchase history of the card holder is annually or randomly audited and reviewed by the contracting office's GCPC program coordinator to ensure purchases meet the requirements of valid purchases as outlined in the program directives. The I&L website at HQMC under the contract branch (LB) portal contains detailed guidance concerning the use and management of the GCPC program.

4. There are two types of obligation capabilities built into the Citi-Direct system. The Agency Program Coordinator (APC) may request either the bulk funding option or the transaction obligation option when the account is established for a card holder.

5. Transaction obligation option:

a. Each credit card is assigned a default line of accounting (LOA) and FIP in the Citi-Direct Card Management System. Whenever the card is used and subsequently processed by the vendor, Citi-Direct submits an electronic obligation to SABRS for the amount of the purchase. The document number is assigned by Citi-Direct and will contain a document type code of "CC". All purchases made for a given billing cycle (ex. 21 March 2008 through 20 April 2008) will be assigned the same document number and default LOA/FIP.

b. In instances where credit card purchases are centralized and purchases need to be redistributed to charge different departments or divisions, the card holder has the ability to re-allocate each charge from the default FIP to an alternate FIP. When a transaction is re-allocated from the default FIP to an alternative FIP, Citi-Direct submits a credit obligation to the original document number and default FIP and submits a new obligation and document number

containing the alternate FIP (again, one document number per LOA/FIP combination per billing cycle). Re-allocations can be done anytime during the billing cycle, but must be completed prior to monthly certification.

c. Citi-Direct transactions are edited against SABRS Table 302 to validate the financial elements of the incoming record. If edits are passed, the transaction is posted in SABRS as a commitment, obligation and expense (COE). The record will appear on the daily update report with a system identification code (SYSID) of "CRC."

6. In the bulk funding option, Citi-Direct posts an obligation under a system generated SDN at the beginning of the month to the default card holder LOA for the entire monthly authorized credit limit assigned to the card holder. SABRS will utilize the 302 table to validate the financial elements of the incoming transaction and post a commitment, obligation and expense (COE) in SABRS. As the cardholder makes purchases, Citi-Direct will track these purchases, totals them at the end of the month and creates a credit transaction for SABRS to reverse any unused balance previously obligated for that card holder. A new bulk obligation is generated for the next month.

7. The cardholder/fund manager is responsible under the GCPC program to:

a. Ensure supporting documentation is maintained to support each GCPC purchase.

b. Track GCPC transaction via SABRS Daily Transaction Report.

c. Ensure funding types (e.g. bulk or transactional) are correct for each GCPC account.

d. Monitor available fund balances to ensure funds granted are not over-obligated by purchases made via the use of the GCPC card.

e. Ensure funds are executed for valid requirements authorized under the GCPC program.

f. Maintain and monitor supporting documentation files and records for the required retention per reference (d).

8. Monthly, the cardholder must reconcile the details of the purchases made prior to certifying the billing statement for payment. Citibank online statements provide all posted transactions within the designated billing cycle. Once the cardholder has validated all charges, credits, disputed transactions, etc. they alert the

approving official that the statement has been reconciled and ready for certification. The approving official certifies the cardholder statement. Certifications are done using Citibank direct.

9. For additional information refer to the I&L LB website, your contracting office program manager, or your comptroller office. Further information on the CitiDirect Card Management System can be found at the following website:
<http://www.cards.citidirect.com/welcome.asp>.

6022. DOD EMALL

1. DOD EMALL is an internet based electronic mall, which allows military and authorized government customers to search for and order items from government and commercial sources. DOD EMALL is a Department of Defense program operated by the Defense Logistics Information Service (DLIS). All users are required to register and be authenticated and authorized by a DLIS Access Administrator.

2. DOD EMALL contains access for ordering National Stock Number (NSN) items managed by DLA. Further, DOD EMALL contains commercial vendor catalogs for supplies and services which have been pre-negotiated and contracted by DLA. Customers may order these goods and services and pay for them through GCPC only. DOD EMALL has been instructed to disapprove any orders from USMC commands procured with a DODAAC and Fund Code at this time until a proper interface with SABRS can be established. Once an interface is established between DOD EMALL and SABRS, RFA will publish separate guidance on the use of DOD EMALL using the commands DODAAC and Fund Code as a means of funding the purchase transaction.

3. Further information on DOD EMALL can be found on the DLIS website at <http://www.dlis.dla.mil/emall.asp>.

6023. DEFENSE TRAVEL SYSTEM (DTS)

1. DTS was established to meet the requirements for a single, paperless Temporary Duty (TDY) travel management system to be used by all DOD travelers.

2. DTS is an electronic end-to-end process that allows traveler's to make automated transportation and lodging arrangements, estimate travel costs, authorize travel, obligate funds, issue tickets, process vouchers for reimbursement and reconciliation, and meet financial and management reporting requirements.

3. DTS is the official travel system for DOD and the Marine Corps. DTS is the replacement for the SABRS travel order writing module.
4. The key personnel involved in the DTS system and process are:
 - a. Lead Defense Travel Administrator (LDTA).
 - b. Organizational Defense Travel Administrator (ODTA).
 - c. Traveler.
 - d. Approving Official.
 - e. Certifying Official.
5. The LDTA is responsible for program management and sustained operation of DTS at the command level. The LDTA is essential to sound site management and ensures program compliance with all financial regulations and practices concerning temporary travel. The LDTA manages:
 - a. Roles and permission levels.
 - b. Maintenance of traveler profile information (mailing addresses, phone numbers, clearances, government travel card numbers, banking information, etc).
 - c. Adding, detaching, and deleting employees command wide.
 - d. Establishment and oversight of the organization routing, approving, and certifying officials.
 - e. Implementation of all DTS and regulatory changes impacting temporary duty travel.
 - f. Problem resolution, reporting, and follow up to Tier 3 Help Desk.
6. The ODTA is responsible for administration of DTS at the organizational level.
 - a. Establish the personal traveler information for their group members.
 - b. Assign group access, permission levels within the group and the default routing list or document flow from traveler to approver to certifier.

c. Establish budget amounts within DTS (this function can be performed by LDTA, ODTA, Finance Defense Travel Administrator (FDTA), or Budget Defense Travel Administrator (BDTA) depending on the commands DTS hierarchy).

7. Once user (travelers) profiles are established within a group by the ODTA, the traveler can access DTS to make their requests for travel. DTS allows the traveler to create reservations for air travel, rental car and hotels when creating the travel request. Once the traveler has completed all required information within DTS, the information is forwarded via the Commercial Travel Office (CTO) and Transportation Management Office (TMO) to the Approving Official for review.

8. CTO and TMO complete the airline booking then releases the record for routing in DTS culminating in approval. Approving officials established with the travel group will receive an email notification from DTS that a set of travel orders are ready for review and approval. Approving official enters DTS, reviews the travel request and estimated entitlements the traveler entered and makes changes if necessary and approves or disapproves request.

9. Once the Approving Official has completed their actions an electronic transaction is passed to SABRS from DTS to establish a commitment and obligation record for the TDY. DTS will generate the SDN assigned to the transaction and use the LOA, based on the accounting label assigned to the group and traveler profile to complete the SABRS record. Fund Managers will see this record on their SABRS daily update reports. When the transaction is processed to SABRS a funds availability check will be performed. If sufficient funds are available at the BCN or SRI level, the transaction will process. If not an error message will provided requiring the fund manager to obtain additional funding to process the transaction.

10. Once the TDY is completed, the traveler goes back into DTS and creates a voucher from the authorization for the travel. Part of the settlement voucher process will be adding a PDF file of the major receipts (Hotel, rental car, etc.) to the settlement (If scan capability is not available, the receipts can be faxed to DFAS). Once the settlement information is entered and the record completed, it is forwarded to the certifying official for review and approval of the claim.

11. Certifying officials are informed by email that a settlement claim is available for review and certification in DTS. The certifying official enters DTS, reviews the travelers claim and

supporting documentation, makes adjustments as required and approves and certifies the claim. This record is forwarded to the approving official to complete the final review of the record. Once they approve the record is forwarded to CDC-Air Force Disbursing to process the settlement voucher for the travel.

12. Once the claim is processed by the Air Force Disbursing Office, an electronic record of payment is sent to and processed in SABRS to complete the transaction cycle for that specific travel request.

13. An advantage of using DTS is there is no "manual" source document files to maintain. All the audit requirements are satisfied by an "electronic" document trail maintained on the individual travel orders within DTS.

14. Another major advantage of DTS is that the system will provide email notices to traveler and eventually the approving official if a settlement is not processed timely. This also occurs for travel advance notifications when the traveler has not completed the settlement process. This feature allows timely follow up and corrective action to avoid:

- a. Aged travel advances.
- b. Aged and uncompleted travel transactions in SABRS.
- c. Allows for timely adjustment of amounts and completion of financial transaction which reduces the number of transactions a fund manager must validate during tri-annual reviews.

15. One last advantage of using DTS is that Unmatched Disbursements (UMDs) are significantly reduced. All advances and settlements have to have an obligation record prior to processing in the system. Most UMDs that impact travel under DTS are based on the GTR payment. Reconcile these issues with your local TMO office.

16. The following web link to the DTS system contains information to answer questions on specific responsibilities, processes, etc. on how to use the system. Further, users will find training materials to assist them in the proper use of DTS. The website URL is:
<http://www.defensetravel.osd.mil/dts/site/index.jsp>.

6024. POWERTRACK

1. DOD implemented US Bank's commercial system PowerTrack to process transportation charges. PowerTrack is an Internet-based

transportation payment system that uses established Transportation Account Codes (TAC) as the key to process payment transactions.

2. PowerTrack provides a business system solution for Traffic Management Offices that improves their processes and provides:

a. Collaboratively store shipment, catalog, buyers, sellers, and pricing information.

b. Allows for Electronically submitted invoices by contracted carriers.

c. Provides access for automated review of each invoice before payment is made.

d. Allows for collaborative resolution of invoice transaction problems with the carrier.

e. Allows for electronic payment processing and electronic credit processing.

f. Provides financial link via internal chart of accounts and fiscal information assigned to each TAC code.

g. Provides TMO will real time visibility into operations, charges, and organizations that are citing their TAC code on transportation documents.

3. PowerTrack contains its own Chart of Accounts with the TAC being the key. Each TAC is loaded with a default SDN and appropriate Line of Accounting information. This table is maintained by HQMC I&L. This information is transmitted to SABRS and validates financial data elements against the SABRS 315 Table in order to post a commitment, obligation and expense (COE) transaction when shipments are made. The COB will appear on the daily update report with a system identification code of PWRTRACK.

4. In some cases the TMO will be required to load an obligation against the default SDN loaded against the TAC code to allow payments to process by activities that do not utilize PowerTrack.

5. Key process and management control point checks are:

a. Ensuring data elements assigned to the unit/command TAC loaded in the PowerTrack chart of accounts is correct.

b. Ensuring data elements are correctly loaded in SABRS Table 315.

c. Ensuring an appropriate obligation amount is posted in SABRS against the document number and data elements contained in the PowerTrack chart of accounts for transaction processing by TMO offices external to the Marine Corps.

6. Further information on PowerTrack can be found in the I&L website under the LP division page.

6025. PAYMENT PROCESSING

1. A disbursement is a payment out of the U.S. Treasury to an individual, government agency, or private vendor for the delivery of legally ordered goods and services. Disbursements reduce the amount of the appropriation available for future payments.

2. Fund managers will commonly deal with two types of payments. Interdepartmental Bills are the payments processed for all mechanized supply system purchases to include purchases made through SASSY, DSSC, FAS, and any MILS type transaction. Public vouchers are payments made to private vendors and individuals for goods and services provided. Public voucher payments are made for purchases processed through DTS, Citi-Bank, PowerTrack, SPS, and WAWF-MP.

3. Interdepartmental Bills or simply IDBs are processed by item managers once the requisitioned goods and services are provided or shipped to the customer to fulfill their orders. IDBs are processed in accordance with MILSBILLS procedures.

4. The IDB is processed via DAASC to the Marine Corps. SABRS will run the detail bills against the active file to find an associated obligation record. If a record is found, the LOA data is obtained from the obligation and sent with the bill to the United States Treasury. Treasury will register the bill and send the detail record back to SABRS to process the payment. The record from Treasury will marry up with the active file record and post the liquidation in SABRS.

5. If a match for the incoming DASSC detail bill is not found on the active file, SABRS will:

a. Use the information from the incoming detail IDB bill (i.e. fund code, DODAAC, supplementary address, etc.) and go to SABRS central table 302. If a match is found on the 302 table by the

incoming record keys, SABRS will create a commitment, obligation and expense (COE) transaction to post in SABRS. The LOA data will be obtained from the table for this record and sent to treasury for the detail billing transaction.

b. If no match is found on the 302 table, there is "bad data" on the incoming record. This could be a fund code pointing to an appropriation the unit is not authorized to use, an invalid DODAAC, etc. SABRS will assign a BCN of 55000 to the transaction and posts the basic symbol of the incoming records fund code to the summary bill for processing at Treasury. An unmatched record is posted in SABRS with an error code of E01 (unmatched, no active file record).

c. Once commands work the unmatched record and create an active file record in SABRS (COE), the unmatched 55000 record will "recycle" for posting. The posting will create a correction notice if the appropriation data of the COE is different than that contained in the unmatched IDB record with a message code of E02. This data will go to treasury and a resulting payment will process for posting in SABRS to complete the record.

6. Public voucher payments are processed via DFAS or authorized Disbursing Offices to complete the transaction cycle for goods and services received by parties outside of federal government agencies. For a public voucher to be processed, a completed payment package must be received by DFAS or the disbursing office. A completed payment package consists of:

a. A valid entitlement document. This is a contract, authorized travel order, approved GCPC purchase, etc.

b. An Invoice from the vendor that provided the goods and services.

c. A government acceptance of the delivered goods and services.

7. Once the completed payment package is received a payment voucher is created. The voucher will contain a unique identifier number (voucher number) and a code that identifies the DFAS or disbursing office that created and made the payment (this code is the DSSN or Disbursing Station Symbol Number).

8. The processed payment is registered with the United States Treasury and reduces the amount available within the appropriation being charged with the payment. The payment is processed to SABRS and posts to an established obligation based on combinations of SDN, ACRN, PIIN, SPIN, and CLIN.

9. When obligation matches are found the disbursement posts to the detailed transaction and will be reflected on the daily update report. When payments do not find a matching obligation record or a record that does not have sufficient obligation available amounts an abnormal condition is created that requires fund managers to correct. Our next lesson will deal with these abnormal conditions.

6026. SOURCE DOCUMENT FILES

1. The responsibility for maintaining valid source document files belongs to the fund managers. The purpose is to substantiate information processed into the accounting system, satisfy audit requirements, and comply with document retention regulations.

2. Source document files are also maintained to provide the user with information concerning all requisitions, orders, and miscellaneous adjustments affecting their funds that have been created and the status of those transactions in the accounting system.

3. At a minimum, the three types of source document files that will be maintained are pending, posted, and completed. The number of source document files and their labels might vary at local activities, but the files will contain the following:

a. Pending Files. Pending files consist of all source documents that have or have not been entered into the accounting system, but have not been verified as part of the cyclic reconciliation. Once a cycle runs and you verify that SABRS updated correctly against the source document, the document is moved to a posted file. If the source document and SABRS data do not agree, an adjustment to SABRS must be made and the transaction remains in the Pending File until the next cycle is run and the corrections validated in SABRS.

b. Posted Files. Posted files consist of all source documents that have had commitments, obligations, expenses, and/or partial liquidations processed and validated for accuracy in the accounting system. Under Posted Files you will maintain:

- (1) Posted Commitment File.
- (2) Posted Obligation File.
- (3) Posted Received and Expensed File.

c. Completed Files. Completed files consist of all source documents that have had commitments, obligations, expenses, and liquidations processed and validated for accuracy in the accounting system. The dollar values will all equal the liquidation amount and there are no other postings expected for the record.

6027. SABRS SYSTEM GENERATED CYCLE REPORTS

1. After each accounting cycle, the accounting system produces several key reports that are essential for funds control and source document reconciliation. INFOPAC is one tool used for viewing reports electronically and producing the reports on paper, as well as allowing the user to organize and manipulate report data based on their requirements.

2. The SABRS Management Analytical Retrieval Tools System (SMARTS) is the official reporting system for the U.S. Marine Corps. ReportNet is a zero-footprint browser-based software used for SMARTS. After the accounting cycles are completed the data is transmitted via a virtual private network and the databases are updated daily.

3. Most of the reports found in INFOPAC can be found in SMARTS. These official reports are produced utilizing information from both the transaction and summary files of the accounting system and represent manual and interfaced input.

4. Users can find additional information about ReportNet and SMARTS on the the HQMC, P&R (RFA) website. The HQMC, P&R (RFA) website can be accessed via the HQMC (P&R) Department Data Portal located at <https://hqipom1.hqmc.usmc.mil/portal/servlet/GlobalLogin>.

5. The key accounting system reports are categorized as follows:

a. Budget Execution Reports. Budget execution reports are fund management reports that provide the status of a fund manager's account for each fiscal year. The reports contain authorization, commitment, obligation, expense, and liquidation information by various categories. These reports are cumulative-to-date by fiscal year. Key INFOPAC report is PRTFLWCI - Field Level Status of Funds by WCI and BEA.

b. Material and Services Reports. Transaction reports that consist of all transactions entered into the accounting system, whether manually updated or interfaced, for a given accounting cycle. Error reports will show transactions that failed to process for one reason or another. Transaction update reports will reflect new or

changed commitment, obligation, expense, and liquidation information affecting a specific source transaction. Key INFOPAC reports are:

- (1) PRTDTR1 - SABRS Daily Transaction Rpt by WCI and BEA.
- (2) PRTDTR2 - SABRS Daily Transaction Rpt by WCI, BEA & BESA.

c. Travel Reports. Travel reports are transaction reports that consist of both new or previously posted travel records as well as travel advances taken. A travel report can be cyclic or cumulative and contains both traveler information and the status of travel orders. Key INFOPAC reports are:

- (1) PRTDTR5 - SABRS Travel Daily Transaction Rpt by WCI & BEA.
- (2) PRTDTR6 - SABRS Travel Daily Transaction Rpt by WCI, BEA & BESA.

6028. TRANSACTION RECONCILIATION. A cyclic reconciliation of all transactions posted to the accounting system is performed to ensure the accuracy of fiscal codes, amounts, and the completeness of the data that should have processed. A cyclic reconciliation also reaffirms the fund manager's official status of funds by confirming the accounting system has properly processed the data. Fund managers will accomplish transaction reconciliation after each accounting cycle.

1. The accounting system produces accounting reports after each accounting cycle that fund managers, work centers and other financial managers use to validate transactions recorded in the accounting system. These reports are snapshots of balances, files, errors, records, etc. that must be reviewed and validated to ensure the accuracy of the official accounting records. Source documents are the key to validating the accounting system and they are reconciled against the accounting system's reports to ensure the information in the accounting system matches the information on the source documents. When there is an error, the fund manager must correct the accounting system to match the source document.

2. The reports generated by the accounting system are used to reconcile financial transactions processed into the system after each accounting cycle update. Even if the fund manager did not have manual input into the accounting system, the cycle reports need to be reviewed to reconcile financial transactions posted from external

system interfaces. The following general steps should be followed in the transaction reconciliation process:

a. Verify Commitments

(1) Compare document numbers, amounts, and other financial data in the accounting system against the source documents to verify that the commitment data in the accounting system has been posted correctly.

(2) Research discrepancies between source documents and accounting system entries.

(3) Adjust the accounting system entry as required to reflect correct financial data.

b. Verify Obligations

(1) Compare document numbers, amounts, and other financial data in the accounting system against the source documents to verify that the obligation data in the accounting system has been posted correctly.

(2) Research discrepancies between source documents and accounting entries.

(3) If errors on the obligation document are found, ensure corrective action is taken at the issuing activity.

(4) If an accounting transaction is in error when compared to the obligating document, adjust the effected entry accordingly.

(5) Adjust source documents as required to reflect corrected financial data or balances.

(6) Ensure that the obligation document (i.e. purchase order, contract, etc.) has been received, either manually or electronically, within 6 calendar days from the date the obligation was incurred.

(7) If the obligation document has not been received, determine the age of the request and contact the appropriate action office to determine the status of the official obligation action and source document.

(8) It is imperative that follow-up action is performed to ensure that obligation action has occurred.

(9) Once an obligation document is received, ensure that the obligation has been entered in the accounting system and that the update cycle has been reconciled. Obligations requiring manual input by fund managers into SABRS must be keyed within 3 calendar days from the receipt of the obligating source document(s). Obligation recording cannot exceed 10 calendar days from the date the obligation is incurred. Obligation of \$100,000 or more must be recorded in the same month as incurred.

c. Verify Expenses

(1) Compare document numbers, amounts, and other financial data in the accounting system against the source documents to verify that expense data in the accounting system has been posted correctly.

(2) Research discrepancies. Variances are usually caused by keypunch errors when expense information was entered.

(3) Take appropriate corrective action to the accounting system and/or source documents.

d. Verify Liquidations

(1) Compare document numbers, amounts, and other financial data in the accounting system against the receipt document invoice to verify that the liquidation data in the accounting system has been posted correctly.

(2) Ensure obligation amount in the accounting system is equal to liquidation if a final payment. Adjust the obligation as required.

(3) Ensure sufficient obligation is posted to process pending liquidations. Validate and adjust the obligation as required.

3. Special Considerations During Reconciliation. Several factors may change obligation amounts during the course of the year or life of the contract. Fund managers should be aware that prices can change, units of issue can change, ordered items can be substituted with other National Stock Numbers (NSNs), and purchase orders and contracts can have hidden fees (e.g., shipping costs, percentage ranges, etc.) that were not considered or known when the document was initially obligated. As a result, fund managers should be diligent when validating source documents to ensure transportation costs, price increases, late payment charges, and other miscellaneous adjustments to obligations are posted in the accounting system. These adjustments are normally increases to the obligation amount

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originally posted. Further, if a document has been cancelled by the source of supply, contracting office, or TDY order writing section, the fund manager must ensure that the corresponding document/obligation in the accounting system is cancelled.

6029. ERROR CORRECTION PROCESS. Transactions posted to the accounting system via an interface go through various internal edit checks prior to posting. Those transactions that do not meet the edit check criteria will process to various error reports (e.g., Spending Error Transaction Report, Common Interface File Errors). The accounting system will assign error codes to those transactions that fail the edit checks when processed. Comptroller Offices and Fund Holders should review the reports posted on the HQMC, P&R (RFA) website and take immediate and appropriate action to correct the errors and implement process improvements to address the root cause. Below are some of the most common errors that may be encountered, and how to properly correct them:

1. Invalid Fiscal Data Elements. This error occurs when fiscal data elements are not loaded or are incorrectly loaded to tables in the accounting system. The error codes assigned to the applicable transaction will determine the table(s) that requires updating or correction. Depending on the type of table (i.e., local or central), table loading and correction is a function of the comptroller, or HQMC, Accounting and Financial Systems Branch (RFA) and DFAS, respectively.
2. Incorrect Transaction Entry. When the transaction is entered incorrectly by the source of supply (e.g., contracting, SASSY). The error codes will identify which field in the error record needs correction.
3. Spending Errors. These transaction errors impact commitment, obligation, and expense amounts.
4. All Other Errors. In the case where an error has occurred and the code(s) assigned does not clearly identify the exact problem, or the fund manager cannot correct the error, the comptroller or DFAS should be contacted.

6030. DETERMINING FUND MANAGER AVAILABLE BALANCES

1. Fund managers are provided funding amounts from their respective comptroller offices. Funds are processed in SABRS to the fund

managers assigned Budget Execution Activity (BEA) and, for some commands, to associated Budget Execution Sub-Activity (BESA) levels.

2. During the fiscal year the amounts authorized to a fund manager's BEA and BESA are increased. These increases normally occur on at least a quarterly basis or when additional funds are required to meet critical mission requirements. Fund managers may also receive funding increases for specific programs and projects from program sponsors at HQMC.

3. The amounts authorized in SABRS can be considered as your "deposits" into your account. Like your personal bank account the amount of withdraws cannot exceed the amount of your deposits. Fund manager withdraws on their BEA/BESA accounts occur with each requisition, travel order, GCPC purchase, DSSC purchase, etc. they initiate to obtain goods and services.

4. Determining your available balance to initiate new orders for goods and services is:

a. Obtain from INFOPAC, SMARTS or SABRS on-line inquiry your authorization, commitment and obligation amounts for your BEA/BESA as of the current cycle. Compare these amounts to the previous day's balances to see the amount of changes between the two cycles. The amount of changes in authorizations, commitments and obligations should equal the amounts contained within all the transactions on the daily transaction report that posted for the last cycle.

b. Reconcile your pending transactions to the daily cycle update report to determine which of your pending documents has posted as a commitment, obligation or commitment and obligation during the last cycle. Transactions that are not reflected on the daily cycle update report should be considered still pending and the amounts of these transactions need to be included in your funds balance determinations. Further, total the amounts for posted commitments and obligations and compare these totals to the changes in fund balances between the last and current cycle updates. These amounts should equal what you determined in 4.a.

c. Check the error report to determine if some of your pending transactions are in error in SABRS. Take corrective action to "fix" these transactions for posting in the next cycle update. These transactions impacting commitments or obligations are still pending and must be included in your funds balance determination.

d. Subtract from your current and reconciled system available uncommitted balance any pending commitments not processed into SABRS.

This amount is your "true" uncommitted balance available for future transactions.

e. You do the same type of calculation to determine your unobligated balance by taking your current and reconciled system obligation and unobligated balances and adding/subtracting from these totals the amount of your pending obligation documents. Add/Subtract the amount of pending commitments to the obligation total and this will provide your "true" unobligated fund balance for future transactions.

5. It is critical that you consider all pending commitments and obligations when determining your funds available prior to generating any new requirements. Failure to perform reconciliations with execution reports and cycle funds availability validations after each SABRS cycle can be grounds for a rating of non-mission capable for fund managers during assistance visits and command and senior organization fiscal record inspections.

6031. DAILY FUND MANAGER DUTIES. Each day Fund Managers need to review and reconcile cycle changes and transaction processing that impact their financial records and available fund balance. Fund Managers need to review, at a minimum, these reports:

1. Daily Transaction Report. Review transactions that posted in the previous days cycle to ensure that amounts, financial codes, quantities, etc. are correct. If in error, a correction may be required in either the source business feeder system, a correction notice processing for a payment, or an adjustment in SABRS.

2. Error Transaction Report. Review transactions that apply to your BEA/BESA that have been placed in an error status by SABRS. These transactions did not pass one or more edits in SABRS, did not find a required matching transaction, or have some other issue that is keeping the transaction from processing. Review the error code assigned to the transaction and make the appropriate cited correction. Once you correct the transaction it will process in the next SABRS cycle. If the transaction appears again on the error report, either:

(a) The original error condition was not properly corrected, or

(b) A different error condition than previously corrected exists for this transaction. Correct this condition for reprocess into SABRS.

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Note: Error transactions should never be fixed by deleting the error record and re-keying the transaction manually into SABRS. Correct the error file record and let SABRS reprocess the transaction.

3. BEA/BESA Budget Execution Report. After reviewing and working the daily transaction report and the error report, you need this report to determine your new available balance amounts for today's or future purchases.

6032. DOCUMENT RETENTION REQUIREMENTS. In accordance with Chapter 9, Volume 1 of reference (b), all financial records, both paper and electronic, documenting the acquisition of DOD Property, Plant and Equipment (PP&E), materials and supplies, including cash, fixed and other assets, real and personal property, operating materials and supplies, stockpile materials, and National Defense PP&E, services, military and civilian pay, and other financial transactions shall be maintained per the applicable standard subject identity code (SSIC) per reference (d).

Chapter 7

Reimbursable Orders

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Chapter 7

Reimbursable Orders

7000. GENERAL. DOD activities may furnish the sale of material, work, and services to other DOD components, federal agencies, or public sources on a reimbursable basis pursuant to public laws and DOD policies. There are two basic types of reimbursable orders: Economy Act/Non-Economy Act Orders and Project Orders, which can further be broken down into automatic or specific reimbursables. This chapter provides the basics of reimbursable orders to include: the purpose of issuing these agreements, the role of the Buyer and Seller, the basic rules on Economy Act/Non-Economy Act Orders and Project Orders, the purpose of Inter-Agency Agreements (IA) and Inter-Service Support Agreements (ISSAs), and contracting officer determinations and findings in support of reimbursable orders. Further, this chapter outlines the procedures for Commands to release a work request to another activity for goods and services, as well as the requirements for accepting reimbursable work as the Seller. Lastly, execution of the order, to include recording obligations, expenses, billing, status reporting, and closing the reimbursable account in SABRS.

7001. REIMBURSABLES

1. Volume 11A of reference (b) contains regulation requirements for reimbursable orders. A reimbursable order is a written agreement between two federal agencies or one federal agency and a private party wherein goods or services are provided in exchange for payment.
2. A reimbursable is a lateral transfer of authority (funding) from one organization to another organization with the intended purpose of the receiving activity performing work or service for the requesting command in exchange for payment. This occurs when the requesting organization requires specific work or service that it cannot provide for internally and another component or agency can provide the required services more economically or timely than contracting with a private source to meet required mission support.
3. The two activities in a reimbursable order are termed the Buyer (this is the activity that requests the goods or services) and the Seller (this is the activity that provides the goods or services to the buyer and bills the buyer to recoup the cost of the provided goods or services).

7002. SUPPORT AGREEMENTS

1. For annual, recurring service support between the Buyer and Seller, a written agreement documented through an IA or ISSA executed in accordance with reference (k) should be established. These agreements are entered into based on:

a. Inter-Service Support. DOD activities shall provide requested support to other DOD activities when the head of the requesting activity determines it would be in the best interest of the United States Government, and the head of the supplying activity determines capabilities exist to provide support without jeopardizing assigned missions. These determinations must be approved in accordance with DODI 4000.19. If executed with the DD-1144, no other approvals are required to comply with the Economy Act.

b. Intra-Governmental Support. DOD activities may enter into support agreements with non-DOD Federal activities when funding is available to pay for the support, it is in the best interest of the United States Government, the supplying activity is able to provide the support, the support can not be provided as conveniently or cheaply by a commercial enterprise, and it does not conflict with any other agency's authority. These determinations must be approved in accordance with DODI 4000.19. If executed with the DD-1144, no other approvals are required to comply with the Economy Act or Non-Economy Act authorities.

2. Once the determination is made that support is required, coordination between the buying and selling activities is initiated and documented as an ISSA. An ISSA is a formal agreement that defines recurring services to be provided by one DOD Component to another DOD component that details the support to be provided and defines the basis for calculating reimbursement charges for the delivered services. ISSAs are normally prepared by an Inter-Service Support Coordinator in cooperation with functional and financial managers and the DD Form 1144 is typically used to document ISSAs. The DD Form 1144 identifies the parties to the agreement, terms of the agreement, support to be provided, basis for calculating reimbursements for each category of support, and an estimate of projected reimbursements. Some basic rules governing the use of ISSAs are:

a. The basis of reimbursement shall be determined by the seller's computation of all relevant costs, in accordance with DOD Comptroller policies and procedures promulgated by the DOD component's headquarters.

b. ISSAs must be reviewed when changing conditions or circumstances and may require substantial changes in scope. Minor changes may be made at any time by correcting the existing document or attaching a memorandum. ISSA costs should be reviewed annually to ensure continued accuracy of estimated reimbursement charges.

c. When possible, ISSA modifications and terminations should be made bilaterally and with sufficient advance notification to permit appropriate funding adjustments to be made during the budget formulation process.

d. If executed with the DD-1144, no other approvals are required to comply with the Economy Act or Non-Economy Act authorities.

7003. TYPES OF REIMBURSABLE ORDERS. There are two types of reimbursable orders: Automatic (previously termed funded) and Specific (previously termed unfunded).

1. Automatic Orders. Automatic orders take two forms, either Economy Act/Non-Economy Act orders or Project orders.

a. Economy Act/Non-Economy Act Orders. These orders are authorized to be entered into under Sections 1535 and 1536 of reference (a) or Acquisition Services Funds/Franchise fund authorities. These orders, normally referred to as "work requests," are used for work or services of a normal or recurring nature (e.g., utility support, range support, administrative support, janitorial and trash removal support). Funds are normally authorized on a quarterly basis for annual recurring service support. These authorized funds are available for new obligations only during the current fiscal year (e.g., routine services provided during fiscal year 2008 must be funded by a 2008 appropriation and not funded using a prior year or future year funding). These orders should be closed after the fiscal year ends and the final billing for services through September is prepared, issued, and paid. These orders should not remain in the system beyond the end of the first quarter of the next fiscal year.

b. Project Orders. Project Orders are authorized under Section 23 of reference (1). A Project Order is a definite and specific, non-severable order issued for the production of material or for repair, maintenance, or overhaul of equipment. A Project Order is never issued for normal, recurring, or common support services (these types of services fall under the economy act). Further, paragraph 020504, Volume 11A of reference (b) prohibits the issuance of project orders outside the DOD. Orders outside of DOD activities will be issued as Economy Act Orders or Non-Economy Act Orders. Project Orders normally

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contain a date or estimated time frame when the work will be completed. This work may require carry over to subsequent fiscal years. Other considerations concerning Project Orders are:

(1) Ability to Perform. Project Orders should only be issued to those DOD activities capable of substantially performing the work ordered. Substantially means that the Project Order recipient (seller) must have the capacity or capability to incur costs of not less than 51% of the total order with "in house" work force (cannot use these funds to go to a secondary party, such as a private contractor, to perform greater than 49% of the required work to complete the project).

(2) Ability to Begin Work. Work on the Project Order must begin within 90 days of the acceptance of the order. If the Seller is unable to meet this condition, the order cannot be accepted. Beginning work on the Project Order can include job scheduling, material ordering, etc.

2. Specific Orders. Specific reimbursable orders fall into three basic types: private party; specific funded through collections into suspense accounts with authority based on prior year(s) collections; and specific funded through current year collections where funds must be collected prior to execution. Specific orders are not supported by a specific "buyer" order. Authority for specific orders is based on collections made from sales, leases, permits, and charges to members under each category. Specific authority is granted based either on previous year(s) collections or current collections depending on the program. Details on collections and execution of specific orders are contained in Appendix J.

a. Private Party. "Private Parties" is a term that collectively covers many categories of individuals, corporations or companies, and certain state and local municipality entities that receive work, services, and materials from Marine Corps activities. A general feature of providing work and services for Private Parties is that prior to any support being provided the private party must provide funds in advance, termed an "advance deposit." Chapter 15, Volume 3 of reference (b) states that Customer Orders from public can only be accepted with advance payment unless specifically permitted by statute. To comply with the DOD FMR, SABRS was modified to accommodate the recording of advance payments from private parties.

b. Specific Authority Based on Prior Year Collections. The programs that are provided operating budgets, which are funded through last year(s) actual collections are: Agricultural Outlease Program, Recyclable Material Program, and Lumber and Timber Program.

c. Specific Authority Based on Current Year Collections. The programs that are funded by current year actual collections are: meal food costs and surcharges, family housing collections, and jury duty collections.

7004. ROLES AND RESPONSIBILITIES. Two parties, a Buyer and a Seller, are always involved with a reimbursable order. Both parties to the agreement have certain responsibilities as discussed below.

1. Seller. The Seller is the agency that accepts the reimbursable work order from the requesting activity. The Seller charges the reimbursable order for the required labor, material, travel, etc., necessary to fulfill the accepted agreement. The seller then bills the Buyer to recover the amount of funds they have expensed in support of the Buyer. This transfer is called a reimbursement of funds, hence reimbursable.

2. Buyer. The Buyer is the activity that requests the work or services. They will initiate the RWO and prepare the documentation. They will commit and obligate their funds, once the agreement is accepted, in anticipation of future billings from the Seller. The Buyer is ultimately responsible for reimbursing the Seller for the funds they have spent in support of the RWO.

7005. COMMON FORMS USED TO REQUEST REIMBURSABLES. There are three basic forms used to request reimbursable services. These forms can be issued either as an Economy Act Order, Non-Economy Act Order, or a Project Order.

1. NAVCOMPT Form 2275 (Order for Work and Services). When issuing a reimbursable order within the Department of the Navy, the NAVCOMPT Form 2275 will be used.

2. DD Form 448 (Military Interdepartmental Purchase Request). Used when issuing a reimbursable to another DOD component or Federal Agency.

3. Universal Order Format. Form is contained in Chapter 1, Volume 11A of reference (b) and can be used in place of the DD Form 448 to request reimbursable work or services to another DOD component or Federal Agency.

7006. REIMBURSABLE BUYER CONCEPTS AND PROCEDURES. The basic steps accomplished to issue a reimbursable funding document from a command

(acting as the Buyer) to another activity outside of the Marine Corps (acting as the Seller) for goods and services are as follows.

1. Program Manager Actions

a. Determine there is a need for a reimbursable for work or services to support mission requirements and makes initial contact with the component or federal agency that will perform the work. Determine if there is an existing IA or ISSA covering the support or if one needs to be created to support a recurring event.

b. Negotiate the details of the service/work to be provided and the cost.

c. Obtain the seller's trading partner information, mailing address, and point of contact to prepare the reimbursable order (either DD Form 448 or NAVCOMPT 2275 if Navy activity).

d. Trading partner information consists of:

(1) Trading Partner Number. For DOD activities it is "DOD" plus the six digit Department of Defense Activity Address Code (DODAAC) of the selling activity. For example, HQMC is "DODM00027". For non-DOD selling activities, the trading partner number is a registered D&B Data Universal Numbering System (DUNS) number assigned exclusively to the activity.

(2) Department Regular. Selling activity's Department Code. For example, Army is 021, DOD 097, DON 017.

(3) Main Account. Selling activity's appropriation that will be used to execute the order.

(4) Subhead. Selling activity's subhead that will be used to execute the order.

(5) Activity Location Code. For DOD activities this is the Disbursing Office Symbol that supports the selling activity. For example HQMC is "00006102".

(6) Appropriation. Selling activity's appropriation that will be used to execute the order.

e. Ensure funding is available (not committed) to cover the reimbursable request. Funding for Economy Act/Non-Economy Act Orders may be provided all up front or authorized on a quarterly basis (with each quarter an amendment authorizing the next quarters funding created

and forwarded to the selling activity). Project Orders must be fully funded and have funds available at the time the request is created and issued.

f. Create the NAVCOMPT Form 2275 Order for Work and Services.

(1) Document Number will be a 15 Digit SDN format with DTC of "WR" for reimbursable work request or "PO" for Project Order.

(2) Must mark box for either Project Order or Economy Act Order.

(3) Must mark box for either Fixed Price or Cost Reimbursement.

(4) Description of Work area (Economy Act/Non-Economy Act Order) must provide a statement of "This order is issued as an Economy Act Order (or Services Acquisition Fund/Franchise Fund Order) for the following work provided during FYXX".

(5) Description of work must have details.

(6) If the reimbursable is issued in support of an ISSA or MOA, cite the agreement number in the description field.

(7) Must have a statement "Funds are not to be exceeded without consent of issuing command and amendment to this order issued and accepted."

(8) Must reflect trading partner information in the description field.

g. Create the DD Form 448 Military Interdepartmental Purchase Request.

(1) Basically the same as covered for the 2275, except the DTC in the SDN will be "MP".

(2) Must specify if work is a Project Order, Economy Act Order, or a Non-Economy Act order. It must establish that there is a bona fide need for the current fiscal year with detailed work/services description in the remarks block (form section 13).

h. Forward completed NAVCOMPT Form 2275 or DD Form 448 to the Comptroller Office.

2. Comptroller Office Actions

- a. Review the reimbursable order request for completeness.
- b. Ensure fiscal data is correct and that a clear description of requested work or services being requested is cited.
- c. Review requested requirements to determine the appropriate authority (Economy Act, Non-Economy Act, or a Project Order). Ensure one of the following statements is added to the request form after the review and signed by the Comptroller.

(1) Economy Act/Non-Economy Act Order Statement. "These funds are available for services for a period not to exceed one year from the date of acceptance of this order. All unobligated funds shall be returned to the ordering activity no later than one year after the acceptance of the order or upon completion of the order, which ever is earlier."

(2) Project Order Statement. "I certify that the goods acquired under this agreement are legitimate, specific requirements representing a bona fide need of the fiscal year in which this order is placed."

d. If an ISSA has been executed in accordance with reference (k) using the required DD Form 1144, no further approvals are required. In the absence of an ISSA described above, forward the request to the command's Contracting Office for preparation of a Determinations and Findings (D&F) in accordance with Subpart 17.5 of reference of reference (m).

3. Contracting Officer Actions. (In lieu of ISSA executed in accordance with reference (k) with the required DD Form 1144)

a. Prior to a command issuing a reimbursable Economy Act/Non-Economy Act order, the Contracting Officer must evaluate the request to ensure it meets the requirements of Subpart 17.5 of reference (n), Subpart 217.5 of reference (o), and Appendix L and M, Subpart 17.5 of reference (m).

b. The Contracting Officer, working directly with the requirements generator, will create Determinations and Findings (D&F) based on the reimbursable work or services requested.

4. Program Manager Actions Once The Reimbursable Request Is Approved And Forwarded To The Selling Activity

a. Enter a commitment into SABRS for the approved request. Ensure trading partner information is entered with the commitment.

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b. Establish a source document file for the reimbursable request. This file must contain a copy of the approved contracting office D&F.

5. Seller Actions

a. Accept or deny the reimbursable request.

b. If accepted, complete and forward back to the buying command a Military Interdepartmental Purchase Request (MIPR) acceptance DD Form 448-2 if original request was submitted with DD form 448. If the original reimbursable request was done via a NAVCOMPT Form 2275, they sign the acceptance block and forward a copy back to the buyer.

c. If denied, cite the reasons for denial and return to the requesting buyer for action.

6. Program Manager Actions After Receiving Acceptance From The Seller For The Reimbursable Request

a. Once acceptance of the reimbursable order is received from the seller, enter an obligation into SABRS. Ensure that the Comptroller Office (or vice versa) gets a copy of the acceptance document.

b. Review output from SABRS cycles for liquidation posting. This will occur from billings against the order by the seller. Liquidations or payments are based on work or services performed and provided by the selling activity. NOTE: Unless specifically authorized by law, legislative action or Presidential authorization, advance payments to non-DOD federal entities is not authorized. Payments should only be made for delivered work or services.

c. Enter an expense into SABRS for the received work or services or equal the seller billed amount. The amount billed by the seller should be confirmed by the Program Manager to ensure the amount is valid and that no erroneous billing has occurred.

d. Monitor available balances and contact seller when funds are either:

(1) Executing higher than planned for recurring services.

(2) Execution is below planned costs for services.

e. Review status of funds when received from the seller for potential changes up or down on funding.

f. During September ensure contact is made with the seller to determine their estimate for that months billing. Increase funding if required or re-coup excess funding. This should be accomplished by the 10th of September.

g. Final liquidation should post during October. Close outstanding record in SABRS (Complete with expense and ensure all fields equal, i.e. commitment, obligation, expense, and liquidation.

7007. AREAS OF CONCERN WITH ISSUING REIMBURSABLE ORDERS

1. Scrutinize orders during the last quarter in terms of work to ensure command is not banking funds.
2. Ensure continuous contact with the seller is accomplished during the year.
3. Get September estimate as early as possible to either recoup funds or apply additional funds.
4. Do not "fire and forget" the orders. It is your command's funds that are obligated and your responsibility to monitor and manage.
5. Watch for significant scope increase in the work or services being performed. This may require going back through the original approval process depending on the dollar and increased work or services being requested.
6. Be very careful when issuing Project Orders or orders outside of DOD activities. These have a high chance of audit from external agencies to ensure compliance with appropriate use of reimbursable, adherence with regulations and appropriate approval process.
7. All reimbursable orders must be closed and archived in SABRS within three months of the previous fiscal year end.

7008. ACCEPTING REIMBURSABLE ORDERS

1. Prior to Commands accepting a reimbursable order as the Seller of services, they must determine if they can provide the requested work or services within the designated period. This requires the Comptroller Office (the only office that should be accepting reimbursable orders from Buyers) to contact those departments/sections that will have to perform the work to:

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- a. Inform them of the requested work or services and the unit/command requesting the services.
 - b. That department/section must determine if they can provide the support within current resources and that they can perform during the requested period of support outlined in the Buyer's order.
2. If the request is a Project Order commands must be able to:
 - a. Begin work within 90 days of acceptance.
 - b. Perform 51% or greater of the requested work with internal work force (No more than 49% of the accepted order can be contracted out to a private concern to provide the work).
 3. If it is determined that the work or services can be performed, the command accepts the reimbursable order:
 - a. Comptroller signs in the acceptance block of the NAVCOMPT Form 2275.
 - b. Comptroller creates and signs a DD Form 448-2 MIPR acceptance form.
 4. Returns original acceptance to the buyer and retains copy of the request and acceptance within the command (normally the Comptroller office) with copies to the activity aboard the command that will do the actual work or provide the requested service.
 5. Reimbursable requests between Marine Corps commands should not be accepted. Transfer of funding between Marine Corps commands for work or services should be done through the Direct Cite process in SABRS.

7009. RECORDING REIMBURSABLE AUTHORITY

1. Once the automatic reimbursable order is accepted, a reimbursable record or profile must be created in the accounting system before any work can begin. The designated accepting official is responsible for creating the reimbursable record in the accounting system. The record will contain the performers fiscal year, budget activity/sub-activity were reimbursements will post, a unique RON to identify the Buyer's order, Buyer's trading partner information and appropriation data. Further an RSC must be assigned to the customer order.
2. RSCs are used to identify sources of funding for both automatic and specific orders. The RSC serves the purpose of ensuring proper

recording of collections to the US Treasury and appropriate postings to the general ledger accounts in the accounting system. The following lists all valid RSCs:

RSC	DESCRIPTION
A	Automatic Off Budget Federal Agencies
B	Specific Off Budget Federal Agencies
E	Automatic Non Defense
F	Specific Non Defense
1	Automatic Intra Appropriation
2	Specific Intra Appropriation
3	Automatic Other Appropriation
5	Specific Other Appropriation
6	Automatic Non Federal Sources (Private Parties)
7	Specific Non Federal Sources
8	Automatic Foreign Military Sale
9	Specific Foreign Military Sale

3. The reimbursable billing code (RBC) is a one-digit alpha/numeric code assigned to customer profile to identify the authorized funding with a specific line of appropriation data cited the accepted reimbursable order. Further, the RBC can be used to segregate funding to different managers within a command that will be executing a segment of the order.

7010. REIMBURSABLE EXECUTION FISCAL CODES

1. The key fiscal codes that must be entered into the accounting system to identify charges as reimbursable and identify a specific customer order being executed are the RON and RBC. If these codes are not entered with source documents into the accounting system, the charges will be considered direct to the command's operating budget and no system generated reimbursable billing will be created.

2. For standardization of reimbursable order collection, the following BEA codes will be used for recording reimbursable execution:

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BEA	DESCRIPTION
WF	DOD Funded Work Request
WG	Other Government Funded Work Request
WM	Reimbursable From MCCS
WP	Private Party Reimbursable
WU	Unfunded Reimbursable Programs
WH	Family Housing

3. The BESA will be one of the standard BESAs assigned to the command for normal command funding execution.

4. The Cost Accounts used for executing reimbursable orders are identified in the Financial Code Manual as Reimbursable Cost Account Codes. The Financial Code Manual is referenced in Appendix B of this Order.

7011. EXECUTING ACCEPTED REIMBURSABLE ORDER

1. Based on the ISSA or specific requirements of support contained in the accepted reimbursable order, execution will be accomplished through either direct citing the reimbursable fiscal codes on a source document or through transferring costs to the customer order via the on-line allocation process.

2. Citing the Reimbursable Order Number (RON) assigned to the seller's accepted order is normally done on documents/systems used to purchase material, supply, and travel requirements that support the buyer's performance of the order. The RON should be cited for the following systems/processes in the fiscal data elements for:

- a. DSSC Cards.
- b. Government Commercial Purchase Card (GCPC).
- c. DTS (requires the administrator to create a different funding profile).
- d. Full time civilian labor support where all the employee time and cost are applicable to the reimbursable customer. The default Job Order Number (JON)/FIP in DCPS should cite the appropriate BEA, RON, and RBC assigned to the customer order.

3. On-line allocation process is normally used to process part time labor charges, utilities, telephone, and other services such as trash removal and janitorial services that are applicable for supporting the accepted Buyer's order.

4. The intent of a reimbursable is to re-coup the operating costs of the selling command in support of the buying command. It is not to inappropriately augment your obligational authority by overcharging the cost of provided goods and services. This concept will be applied when commands determine standard rates to bill for services such as utilities, vehicle support, and other services.

7012. REIMBURSABLE BILLING PROCESS

1. Commands initially use their own funds to execute requirements in support of a Buyer's order. The command's appropriation is initially charged for the goods and services consumed by the reimbursable customer with a "reimbursement" to your appropriation provided when the customer order is billed.

2. The billing process provides your appropriation with a credit to offset your initial outlay (basically it becomes a zero charge to your appropriation data) and transfers a charge to the Buyer's appropriation data provided on the reimbursable order.

3. The billing process in the accounting system is activated once an "Expense" against the RON assigned to the customer order is entered into SABRS (either through the on-line process, system interface, or manually recorded expense transaction).

4. Monthly, the accounting system produces a bill based on the amount of recorded and previously unbilled expenses associated with the customer order. The billing process is automatic as long as the amount to be billed is less than the authorized amount less previously processed bills against the customer order. If the amount exceeds this condition, the bill will require manual review and adjustment prior to release.

7013. DETERMINING SEPTEMBER REIMBURSABLE CHARGES

1. For normal monthly services charged to a Buyer's reimbursable order, determining how much will be included in their final September billing is critical. This amount will be determined by 3 September with notification to the Buyer of the September billing amount. This requirement is in place to:

a. Determine timely if additional resources are required from the buyer to cover service costs that are above current available funding.

b. Inform the Buyer of any amounts that are excess/not executed for their de-obligation and reuse prior to the fiscal year expiring.

c. Allow commands to determine what direct obligation estimate is required on their records for service costs of September for utilities, telephone, and other services. Command obligation estimates must take into account the amount they will recover from customers through reimbursable billings.

2. Estimating Services. To estimate the amount that will be billed for services in September, commands will use the amounts billed in July (or an executed month that from historical analysis best represents September costs) for: utilities; telephone; trash removal, janitorial, and other services; and garrison mobile equipment support.

3. Estimating Material Support. To estimate fuel, DSSC, and GCPC card support for September, average the actual cost of materials charged for the first 10 months of support.

4. Estimating Labor Support. Full time assigned civilians supporting the Buyer order will be calculated on hourly wage times remaining normal scheduled work hours remaining in September. This amount will be accelerated for leave/holiday/fringe benefits in accordance with Volume 11A of reference (b). Part time civilian support will be calculated based on the average hours worked for the first 10 months of support and accelerated in accordance with Volume 11A of reference (b).

5. Temporary Assigned Duty. TAD costs will be calculated based on orders processed into DTS or SABRS prior to 1 September that have not yet been executed (travel is during the month of September). Customers will be informed to cite their own appropriation data (direct cite) on any order requirements not entered into DTS or SABRS after the cut off date.

6. Total September Estimate. Commands will add the calculated amounts from Sections 7013.3 through 7013.6 above. This amount will be the amount that will be billed for September. Customers will be informed of this cost no later than 3 September. Once calculated and the customer informed of the cost, commands will not change the amount.

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7014. CLOSING REIMBURSABLE ACCOUNTS WHEN USMC IS SELLER

1. Reimbursable accounts for services should be closed by the end of November (second month of the new fiscal year). Closing the account is based on:

a. Final billing for September has posted.

b. All amounts for authorization, commitment, obligation, expense, and liquidation are equal.

2. Closing reimbursable accounts timely is critical for accurate financial statement reporting. Unequal and unclosed accounts can impact the balances reported in the accounts receivable and funds sources from other activities accounts. Further, as long as these accounts remain open in SABRS, commands are required to review outstanding balances and report completion actions during tri-annual reviews.

Chapter 8
Civilian Labor

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Chapter 8

Civilian Labor

8000. GENERAL. Civilian labor is normally the single, largest type of cost within initial funding levels for bases, stations, and other supporting establishment activities. The costs associated with labor are broken down into the two major categories of personal entitlement and employer fringe benefit costs. Personal pay entitlements include the employee's hourly salary, overtime, shift differential, etc. and are categorized as OC 11. Employer fringe benefits are the costs the government is legally obligated to provide, on the employee's behalf, for retirement or social security, health benefits, thrift savings, etc. and are categorized as OC 12. This chapter explains the requirements for processing civilian labor.

8001. CIVILIAN PAYROLL BASICS

1. Civilian employees are paid based on a two week or bi-weekly basis. The normal hours worked during the two weeks is 80 hours (standard work schedule is eight hours per day for five days (Monday through Friday) in each week (40 hours per week times two equals an 80 hour period).
2. The basic entitlement for the pay period is 80 hours worked times the hourly rate (hourly rate is based on the employees grade/schedule, step/band, and locality differential if applicable) equals an employee's gross wages (gross wage is the amount before taxes and other deductions are applied).
3. The basic entitlement can be changed during the pay period based on authorized work conditions. These include overtime, environmental work conditions, shift differential, etc. When these conditions occur, a labor exception is entered into the payroll system to process the hours the condition applies too, which results in a change to the gross wages for that period.
4. Other transactions, such as hours taken for annual or sick leave, are also entered into the payroll system. These types of transactions do not normally change the employee's basic entitlement, but are used to correctly maintain leave balances the employee has accrued.

8002. ESTABLISHING AN EMPLOYEE RECORD. The initial establishment of a civilian employee is a manpower/human resource function. Once

management determines the requirement for an employee position the human resource office proceeds with the hiring process. This includes position announcement, application screening, monitoring management's selection, and officially hiring the employee. An employee profile is created in the Defense Civilian Personnel Data System (DCPDS) which contains the employee name, series hired under, pay schedule, grade/band, etc. and the cost center for tracking purposes. The employee profile information is sent to the Defense Civilian Pay System (DCPS) to establish the employee record for pay purposes. The cost center in DCPDS populates the Organization Code field in DCPS for grouping employees.

8003. DEFENSE CIVILIAN PAY SYSTEM (DCPS). The DCPS is the DOD enterprise utilized for paying civilian employees. Once a record is established in DCPS via DCPDS the employing activity must go into DCPS and establish the default labor job order number for the employee.

1. Default Labor Job Order Number. This number is the FIP for the employee and is therefore commonly referred to as the "Employee Home FIP." The Employee Home FIP is used to collect labor information within SABRS for cost accounting purposes. The default labor job order number is comprised of:

ELEMENT	NOTES
Work Center ID	
Budget Execution Activity Code	
Budget Execution Sub-Activity Code	
Fund Code	
Object Class/Sub-Object Class	"11RG" for General Schedule employees and "11RF" for Federal Wage System employees
Cost Account Code	Series the employee was hired under (e.g., 0318 = Secretary, 2130 = Traffic Management, 5823 = Automotive Mechanic)
Special Interest Code	If applicable
Job Order Number/Local Use Code	If applicable
Reimbursable Order Number	If applicable

Reimbursable Billing Code	If applicable
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2. Valid financial codes can be found in appropriate SABRS data element tables and in Appendix B, Financial Codes Manual, published separately from this Order.

8004. LABOR FUNCTIONS. There are three separate operations performed to record and report civilian labor cost: time and attendance, labor distribution, and payroll reconciliation.

1. Time and Attendance. This function accounts for an employee's time and is required to ensure that the employee is properly paid for their work efforts. Transactions in a normal period include employee leave (annual or sick), overtime worked, compensatory time taken, and premium pay such as hours worked in sandblasting, dirty work, etc. Time and attendance transactions are entered into either DCPS or the Standard Labor Data Collection and Distribution Application (SLDCADA) system. Pay and leave exceptions are entered using valid DCPS codes (contained in SABRS Central Table 324) with the hours applicable to the exception code for the pay period. Pay entitlements are calculated using these exception codes and the employee's hourly rate. If the exception is leave, the employees accrued leave balances (annual or sick) are adjusted for the hours taken. Collection of time and exceptions is normally done by time sheets produced from DCPS or SLDCADA and distributed based on paying activity and organization code. These sheets are certified (i.e., signed) by the appropriate supervisor of the employee ensuring that all worked hours, leave hours, and pay exceptions are true and correct for payroll processing. Time and attendance sheets/records will be maintained per reference (d).

2. Labor Distribution. This function accounts for the cost of the employee's labor efforts, both direct compensation and employer fringe benefit costs, within SABRS. Cost distribution is accomplished by the following:

a. Employee Home FIP. Cost can be distributed automatically based on the Employee Home FIP contained in the DCPS file for the employee. This will happen if the Employee Home FIP contains valid fiscal codes (e.g., valid BEA, BESA, FC). The SOC will automatically populate based on pay type codes entered into DCPS or SLDCADA during the time and attendance function (the SOC will equal the two-digit exception code). Leave costs will post to the FIP loaded in SABRS Table 319 based on the employee's assigned organizational code.

b. Loaned Labor. Loaned labor is work performed for reimbursable customers or other base activities outside the employee's assigned activity. Loaned labor can also be distributing cost with a function, such as facilities maintenance, to identify hours and cost associated with building types that were maintained during the pay period. Loaned labor is recorded to fiscal codes that are different from the Employee Home FIP (e.g., cost distributed to a FIP that contains a RON and billing code to charge cost to a customer order that is not part of the employee's home FIP). Loaned labor distribution can be accomplished by:

(1) Entering a generic exception code (e.g., "RA" representing "regular") with associated hours and FIP when time and attendance information is recorded via DCPS or SLDCADA.

(2) Entering hours, cost, and fiscal data elements (i.e., data elements associated with cost moving from one FIP to another FIP) via the online allocation process. Instructions for the online allocation process are contained in Appendix K.

c. Default Tables. Cost can be distributed based on default tables, however, this is the least preferred method. If no exception is entered and the Employee Home FIP is not a valid combination of data elements in SABRS or an exception is entered with a JON that is not a valid combination of data elements in SABRS, labor will post via SABRS Local Table 318.

8005. SABRS LABOR TABLES. The following tables are used by SABRS to process labor. Detailed requirements for these tables are contained in Appendix K. The following is a short description of each table:

1. Table 322 - Accrual Default Table. A centrally managed table that contains the number of days, pay period accrual date, and accrual reversal dates to post estimated obligations prior to the actual payroll cycle.

2. Table 324 - Pay Type Code Table. A centrally managed table that contains the valid pay type codes used for input of labor exception in SLDCADA and DCPS.

3. Table 318 - Default Labor Table. Locally managed table that provides a default labor FIP for each employing activity to post labor if the incoming record from DCPS has an invalid FIP for SABRS processing.

4. Table 319 - Fringe Benefit Table. Locally managed table that assigns default FIPs for OC 12 fringe benefit costs by employing activity, organization code, and fringe benefit pay type.

5. Table 323 - Accrual Data Table. Locally managed table that contains the average labor cost for one day at the employing activity. This amount is multiplied by the number of days for accrual processing contained in Table 322 when posting accrual obligations for labor.

8006. SYSTEM GENERATED LABOR REPORTS. The following reports are generated for managing civilian labor postings and cycle reconciliation in INFOPAC or SMARTS. Detailed descriptions of these reports are contained in Appendix K.

1. INFOPAC Reports

a. DFB0206 Labor Default Posting Information Report. Reflects those employee's, hours, cost, etc. that posted in SABRS using Table 318 (Default Labor Table) due to Employee Home FIP not passing SABRS edits. The Employee Home FIP in DCPS must be reviewed and corrected or, if correct, other appropriate tables in SABRS updated to allow that FIP to process.

b. DFBLB07 Daily Labor Report by BESA/BEA/WCI. Reflects the amount of hours, obligations, and liquidations that have posted in SABRS for a specific BEA/BESA/WCI combination(s).

c. DFBLB07A Daily Labor Report by BEA/WCI. Reflects the amount of hours, obligations, and liquidations that have posted in SABRS for a specific BEA/WCI combination.

d. PRTLBRPT Labor Obligations. Reflects the actual, accrual, and total obligations for the WCI by PEN, Funding Function, OC, and SOC codes.

e. PRTLBRPP Labor Obligations by Pay Period Year to Date. Reflects the actual obligations and hours, accrued obligations, and total obligation amount.

f. PRTLBR1P Labor Obligations for Specific Pay Period. Pay period specific total obligations and hours.

g. PRTFLLBR Work Center by BEA/BESA Report for Labor. Reflects commitments, obligations, expenses, and liquidations by direct and reimbursable for BEA and BESA codes under a Work Center.

2. SMARTS Reports

a. GP_L150. Report by employing activity, organization code, and pay period and reflects hours, hours paid, and amount paid.

b. GP_L508_9. Report by employing activity, BEA, and pay period and reflects hours paid, regular pay, overtime pay, fringe paid and total paid for FIP elements and employee identifier.

c. GP_L140. Report by pay period and employing activity that reflects charges and credits by SDN r for basic appropriation symbol, subhead, allotment, and sub-allotment numbers.

d. GP-RECON-LOA. Report compares the line of accounting in the DCPS summary 3 Record (appropriation information used for the actual disbursement) to the DCPS detail 4 Record using the Fund Code (provides the appropriation information in SABRS that the funds are obligated against) to ensure that both the obligation and disbursement LOA data is the same. This report reflects those records where there is a difference in LOA data between the obligation and disbursement data.

8007. LABOR ACCRUAL PROCESS. Labor accrual is the process of recording obligations into the accounting system for days not covered by a paid payroll prior to the end of reporting cycle (primarily weekly and monthly) to report incurred labor obligations. An example of this is the end of a fiscal year where the last paid pay period (and associated obligations) is 27 September. An accrual is run to obligate the labor cost for three days to ensure an estimated obligation is charged to the correct period. The accrual process is driven by two major tables in SABRS: Central Table 322 and Local Table 323.

1. SABRS Central Table 322. Table 322 contains the dates and pay periods that accruals will be run and when the accrual will be reversed (i.e., accrual is reversed prior to the actual paid payroll posting with the exact obligations incurred for the pay period).

2. SABRS Local Table 323. Table 323 is locally updated by the command. This table is the basis for amounts, OC, FC, etc. being applied during the accrual process.

a. Table 323 Input Screen. The table input screen is as follows:

SABRS LOCAL TABLE 323	
TABLE KEY	TABLE DATA
BUR-CTROL-NO:	AMOUNT-PER-DAY: \$0

WORK-CTR-ID: _____
 BUD-EXEC-ACTY: _____
 BUD-EXEC-
 SUBACTY: _____
 FUND-CODE: _____
 SUBOBJ-CLASS-
 CODE: _____
 COST-ACCT-CODE: _____
 SPCL-INTRST-
 CODE: _____
 JOB-NO-LOCAL-
 USE: _____
 SABRS-RON: _____
 REIM-BILL-CODE: _____

b. Estimating Employee Entitlement and Fringe. Proper use of this table allows the command to estimate OC 11 (employee entitlement based on hourly wage) and OC 12 (employer portion of fringe benefit cost) by FC, BEA, BESA, and reimbursable order (if applicable). For example the command has the following hourly cost for employees assigned to the following programs:

BUSINESS PROCESS	NUMBER OF EMPLOYEES	TOTAL EMPLOYEE HOURLY COST
Facilities Sustainment	25	\$525.00
Base Communications	6	\$120.00
Resource Management	5	\$130.00

c. Table 323 Entries for Entitlement and Fringe Benefits. The Table 323 entries for entitlement (OC11) and fringe benefits (OC12) would be (examples reflect no SPI, JON/LU, RON, or RBC):

(1) Facilities Sustainment Process

TABLE KEY

BUR-CTROL-NO: 00681
 WORK-CTR-ID: M00681
 BUD-EXEC-ACTY: FL
 BUD-EXEC-
 SUBACTY: FS
 FUND-CODE: AE
 SUBOBJ-CLASS- 11 AC

TABLE DATA

AMOUNT-PER-DAY: \$4,200
 (Note: \$525 X 8 hours = daily cost)

CODE:	<u> </u>
COST-ACCT-CODE:	<u> S807 </u>

TABLE KEY

BUR-CTROL-NO:	<u> 00681 </u>
WORK-CTR-ID:	<u> M00681 </u>
BUD-EXEC-ACTY:	<u> FL </u>
BUD-EXEC-	
SUBACTY:	<u> FS </u>
FUND-CODE:	<u> AE </u>
SUBOBJ-CLASS-	
CODE:	<u> 12 AC </u>
COST-ACCT-CODE:	<u> S807 </u>

TABLE DATA

AMOUNT-PER-DAY:	<u> \$1,050 </u>
(Note: \$4,200 X .25 = est. fringe)	

(2) Base Communications Process

TABLE KEY

BUR-CTROL-NO:	<u> 00681 </u>
WORK-CTR-ID:	<u> M00681 </u>
BUD-EXEC-ACTY:	<u> BL </u>
BUD-EXEC-	
SUBACTY:	<u> DV </u>
FUND-CODE:	<u> HK </u>
SUBOBJ-CLASS-	
CODE:	<u> 11 AC </u>
COST-ACCT-CODE:	<u> 6A40 </u>

TABLE DATA

AMOUNT-PER-DAY:	<u> \$960 </u>
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TABLE KEY

BUR-CTROL-NO:	<u> 00681 </u>
WORK-CTR-ID:	<u> M00681 </u>
BUD-EXEC-ACTY:	<u> BL </u>
BUD-EXEC-	
SUBACTY:	<u> DV </u>
FUND-CODE:	<u> HK </u>
SUBOBJ-CLASS-	
CODE:	<u> 12 AC </u>
COST-ACCT-CODE:	<u> 6A40 </u>

TABLE DATA

AMOUNT-PER-DAY:	<u> \$240 </u>
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(3) Financial Accounting Process

TABLE KEY

BUR-CTROL-NO:	<u>00681</u>
WORK-CTR-ID:	<u>M00681</u>
BUD-EXEC-ACTY:	<u>BL</u>
BUD-EXEC-	
SUBACTY:	<u>CF</u>
FUND-CODE:	<u>HL</u>
SUBOBJ-CLASS-	
CODE:	<u>11 AC</u>
COST-ACCT-CODE:	<u>1C10</u>

TABLE DATA

AMOUNT-PER-DAY:	<u>\$1,040</u>
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TABLE KEY

BUR-CTROL-NO:	<u>00681</u>
WORK-CTR-ID:	<u>M00681</u>
BUD-EXEC-ACTY:	<u>BL</u>
BUD-EXEC-	
SUBACTY:	<u>CF</u>
FUND-CODE:	<u>HL</u>
SUBOBJ-CLASS-	
CODE:	<u>12 AC</u>
COST-ACCT-CODE:	<u>1C10</u>

TABLE DATA

AMOUNT-PER-DAY:	<u>\$260</u>
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d. Table 323 should be set up by appropriate FC, BEA, and BESA as reflected by the employee's Home FIP in DCPS. The CAC cited should be a CAC that generically best describes the business process (CAC's for each employee in the Home FIP in DCPS are equal to the employee series, for accrual purposes use a standard functional CAC). This table should be updated after the first full pay period in January has posted in SABRS. This pay period will reflect annual raises and increase the previous amounts reflected in the table did not contain.

e. Amounts for this table can be calculated using amounts in SMARTS report GP_L508_9 for a specific pay period. Add amounts by FC, BEA, and BESA for OC 11 and OC 12, divide this amount by 10 (work days per period). The result will be the average daily cost for entitlement and fringe for that FC, BEA, and BESA combination.

f. The level of detail in Table 323, specifically by FC, BEA, and BESA, is necessary to accurately record labor cost in the accrual process against business processes and MCPC codes for Managerial Cost Accounting purposes and process cost analysis. Further details on the accrual process can be found in Appendix K.

8008. KEY STEPS FOR PROPER LABOR PROCESSING. Labor processing in SABRS is designed to be an automated process. If all tables and DCPS are set up correctly, the only required task is processing loan labor via allocations. The key steps for labor processing are as follows. Additional details on labor processing and analysis can be found in Appendix K.

1. Ensure that the employee information (e.g., cost center (organization code field in DCPS and SABRS) and paying activity) is properly recorded in DCPDS. DCPDS information is used to create and update personnel information in DCPS.

2. Ensure that a valid and proper default home FIP for the employee is entered into the DCPS. It is important to have a proper and valid WCI, FC, BEA, BESA, CAC, and OCSOC of 11RG (i.e., General Schedule/NSPS employees) or 11RF (i.e., Federal Wage employees). If the employee is charged full time to a reimbursable, ensure the appropriate RON and RBC is cited. A valid RON and RBC must first be established when creating a reimbursable customer profile through the reimbursable process prior to citing this information in the home FIP. For Marine Corps Community Services (MCCS) personnel, ensure a valid MCCS CAC applicable to the function the employee supports is entered in the JNLU field. Failure to ensure non-standard FIP data results in basic errors. Review of civilian labor postings have identified several common errors which include:
 - a. Default CAC not equal to the Civilian Series.
 - b. Non-Standard BEA and BESA cited in default FIP.
 - c. CAC does not equal an established reimbursable CAC for reimbursable defaults.
 - d. Non-Standard Reimbursable BEA reflected in the default FIP.
 - e. Established MCCS CAC not cited in the JNLU field for employees working in MCCS activities.
 - f. Data elements are shifted when they were keyed.
 - g. Current organization codes and associated FIP information is not reflected in leave and fringe benefit tables 318 and 319.

Valid data codes and definitions can be found in Appendix B, Fiscal Codes Manual, published separately from this order, and in appropriate SABRS Tables.

3. Ensure all SABRS local labor tables are created and reflect the required detail (i.e., Table 323 is at the appropriate FC, BEA, and BESA level by OC11 and OC12). For commands that are currently using utility CACs as the Default CAC in the FIP, when changes are made to make the CAC equal either the Civilian Series or a valid reimbursable customer CAC, ensure that the utility CAC is identified in the JNLU field to assist in determining the full cost of utilities for yearly internal rate setting analysis.

4. After a paid payroll is processed from DCPS into SABRS, analyze the INFOPAC report DFB0206 (Labor Default Posting Information Report). This report reflects those employees, hours, and costs that failed to post through the normal process because the incoming record from DCPS did not contain the proper information to post and as a result required Table 318 to process. The root cause needs to be determined and corrected. Incorrect records are normally caused by an invalid DCPS home FIP or leave/fringe benefit default table entry not present in DCPS. SABRS posts the obligation for the employee to the appropriation and subhead associated with the FUND CODE in the employee home FIP. Common appropriation posting problems exist because of this. The following is the basic guidance to follow for analysis and correction of posting errors associated with appropriation/subhead and FUND CODE disconnects.
 - a. Ensure that the DCPS level three(3) record appropriation is correct for the employee.

 - b. Ensure that the organization code employees are assigned to points to only one appropriation and subhead (all employees in an organization code must point to the same appropriation and subhead; if they do not, ensure that new org codes are created).

 - c. Ensure that the FUND CODE used in the default FIP for each employee is linked to the same appropriation and subhead in the employee level three (3) record in DCPS for the employees assigned to that specific organization code.

5. When FIP cost allocations are done, ensure that hours are included in the entry. Further, ensure that the financial data elements used to identify where the cost and hours are being moved from are correct.

8009. FEDERAL EMPLOYEE'S COMPENSATION ACT

1. The Federal Employee's Compensation Act (FECA) provides workers compensation for employment-related injuries and occupational diseases. FECA adjudicates new claims for benefits and manages ongoing cases;

pays medical expenses and compensation benefits to injured workers and survivors; and helps injured employees return to work when they are medically able to do so.

2. The Department of Labor (DOL) determines the actuarial liability based on statistics and predictive modeling. The DOL distributes the applicable actuarial liability to each DOD agency, including the U.S. Marine Corps. This is known as the FECA bill.

3. The FECA bill identifies Marine Corps units and personnel numbers receiving compensation payments. The bill is for actual amounts incurred from payments two years prior.

4. HQMC informs commands of the amount of the bill that pertains to them and the number of personnel affected for review. Commands should carefully review the number of personnel for accuracy and report any identified changes for future bill adjustments via DOL. Further, the amount being charged to the command for FECA coverage must be assigned to appropriate funding function (FUND-FUNC) for fund withdrawal.

5. For example, the command's bill is \$500,000 covering 50 former employees. 40 of these employees worked and were injured while assigned to the Facilities Maintenance branch (FUND-FUNC BSM1), while the remaining 10 were in various base operations branches (FUND-FUNC BSS1). The amount for withdrawal reported back to HQMC would be approximately \$400,000 from BSM1 FUND-FUNC and \$100,000 from BSS1 FUND-FUNC.

6. The FECA bill is normally received during the August/September time frame. When received, HQMC will contact affected command's comptroller offices and send the supporting information. Commands are required to reply back on the cost distribution by FUND-FUNC to HQMC, which will reduce their operating budgets for the new year accordingly.

7. HQMC will post authorizations and obligations in SABRS for the amounts withdrawn from commands for FECA and prepare and submit the voucher to DFAS for payment/reimbursement to the DOL for the FECA charges.

8. Commands should consider this cost when programming and budgeting for personnel for future fiscal years. The FECA bill is a non-discretionary bill that must be paid to the DOL annually.

8010. WORK YEAR PERSONNEL COST REPORT

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1. The Work Year Personnel Cost (WYPC) report is a monthly labor report that details execution by direct employee cost, reimbursable cost, and fringe benefit cost. This report is used by higher headquarters to compare actual labor costs incurred against the original program and budget amounts. It is critical that this report be reviewed by commands for accuracy.

2. The objectives of the WYPC report are the same as the old Civilian Personnel Resource Reporting System (CPRRS). WYPC provides a collection of hours and dollars by categories, such as straight time, overtime, pay plan, and other data from DCPS. WYPC pulls payroll data directly from amounts processed and posted in DCPS.

Chapter 9
Temporary Duty

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Chapter 9

Temporary Duty

9000. GENERAL. This chapter covers managing the financial requirements associated with Temporary Duty (TDY) orders. The purpose of this chapter is to emphasize the fund manager's responsibilities to effectively manage the execution of TDY funds. Chapter 4, Volume 9 of reference (b) governs TDY policy and procedures. TDY occurs when an individual is ordered to accomplish a mission at a location outside their normal place of duty. Upon completion of the mission, the individual returns to their permanent place of duty. Government employees, military or civilian, can be directed to perform TDY throughout their careers. TDY orders are limited to periods of less than six months. This restriction does not apply to the following: unit deployments, TDY extended for unforeseen reasons, and TDY to more than one location when the total exceeds six months. The CMC must provide approval before allowances accruing after the six-month limitation are paid.

9001. RESPONSIBILITIES. The duties required to create TDY orders are divided among several individuals. This prevents the same individual from requesting and approving fraudulent orders. The duties and the personnel performing the tasks are provided below:

1. Traveler. The Traveler is the person responsible for the information contained on their TDY orders, and in most cases, responsible for the preparation of the TDY request. In some cases, the TDY orders are created by someone from the traveler's organization who has been tasked with the creation of TDY orders.
2. Command Approval. The Approver is the individual responsible for approving the requirement for the traveler to execute the orders.
3. Funds Certifying Official. Also known as Authenticator, this is the individual responsible for ensuring the availability of funds, assigning coding structures, and costing the TDY trip.

9002. TRAVEL PROCESS. A request is generated with the required information for the creation of orders. Once the request is approved, the orders are created. Commercial flight arrangements are coordinated through the Commercial Ticket Office at the TMO. While on TDY, it is the traveler's responsibility to retain all receipts in order to claim approved entitlements. Upon completion of TDY, the

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traveler has five calendar days to submit a TDY settlement claim to be paid for any expenses accrued during TDY. The Finance Office will process these claims and DFAS will make the payment via direct deposit. All government employees that travel more than twice a year are considered frequent travelers and will obtain a government travel card. Individuals responsible for preparing the TDY request and orders should be guided in their performance by the policies and procedures contained in Volume 9 of reference (b).

9003. TRAVEL ADVANCES. Travel advances are advances made to DOD military personnel, civilian employees, and appointees for per diem, transportation, and related expenses incident to travel on authorized official business or change of official duty station. Travel advances shall be minimal and allowed only when necessary. Generally, advances shall not exceed 80 percent of the estimated per diem. The use of government credit cards by DOD employees is to be encouraged in lieu of travel advances. Guidelines for issuing and processing travel advances are as follows.

1. Travel advances shall be charged to the appropriations or funds from which reimbursements of travel expenses are to be made. An authorized travel order shall serve as the basis for issuing a travel advance.
2. When authorized travel carries over from one fiscal year to the next, the total balance of all travel advances shall be transferred from the expiring appropriation accounts to the next year's appropriation accounts. Such transfers are to be made at the beginning of the new fiscal year.
3. Periodically, but at least semiannually, all outstanding advances shall be reviewed to determine if the original justifications for the advances are still valid. Advances determined to be in excess of the travelers' immediate needs shall be collected from the traveler.
4. Recovery of travel advances may occur in the following ways: submission of a travel voucher upon completion of official travel; repayment by the employee to whom the advance was made; or, when necessary, deductions from the employee's pay. If the traveler is in a continuous travel status and periodic travel vouchers are submitted, the full amount of allowable travel expenses may be reimbursed to the traveler without deductions of advances until such time as the final vouchers are submitted.
5. If travel advances are not fully recoverable by deductions from travel vouchers or refunded by the travelers, prompt action shall be

taken to recover the outstanding advances by deductions from any amounts due the traveler or by using any other legal means available.

6. Employees shall be provided a reasonable period of time to repay their travel advances upon completion of travel. As a general rule, 15 calendar days shall be considered sufficient unless evidence is available to indicate a longer or shorter period is justifiable.

9004. COSTING THE TDY REQUEST. The fund manager is responsible for approving and costing the TDY request. An approved copy of the TDY request will be maintained as part of the fund manager's pending document file until the obligation is recorded and validated in the accounting system. For orders created using systems that do not interface with the accounting system, an actual copy of the TDY order must be maintained in the pending or obligated document file.

1. Estimating TDY Cost. When estimating costs for TDY orders, it is important to be as close as possible to the actual cost. Over-estimating the cost of TDY ties up a unit's funds while under-estimating costs may cause fund managers to over-obligate their funds once TDY settlements are posted. The cost of Per Diem and transportation must be taken into consideration when estimating TDY costs.

2. Per Diem. For each day a traveler is TDY, the traveler rates per diem, which is money for food, lodging and incidental expenses. The amount a traveler receives is based on the per diem rate for the TDY location. Per diem rates are published in Appendix D, Part I of the Joint Federal Travel Regulation. Per diem rates may also be accessed online at <https://secureapp2.hqda.pentagon.mil/perdiem>.

3. Transportation Costs. Transportation costs are estimated based on the mode of transportation the traveler will use to reach the TDY location. If the traveler is flying via commercial or government air, either the government contracted travel office (i.e., Scheduled Air Transportation Office, OMEGA, American Express) or the Air Mobility Command can be contacted for price confirmations. If the individual is going by privately owned vehicle, the traveler will rate a set amount per mile. To find the estimated number of miles, refer to reference (p) or access <https://dtod.sddc.army.mil>, which will provide actual distance mileage throughout the world. The rule of thumb is that the Defense Table of Official Distances web site is the primary source of computing distance, not commercial maps.

9005. TDY FUNDING. There are three ways that TDY is funded:

1. Command Sponsored Orders. When TDY is funded by the parent command, the parent command's LOA will be cited.
2. Other Sponsor Orders. When TDY is funded by an outside command, that command's LOA will be cited. A copy of the message or correspondence from the requesting command should be attached to the TDY request.
3. Multi-Sponsor Orders. When TDY is funded by both the traveler's parent command and an outside command, then both LOAs must be cited on the orders. For example, a traveler attends a conference with the traveler's command paying for the per diem and the other sponsor paying for the travel. A copy of the message or correspondence from the outside command should be attached to the TDY request.

9006. PROCESSING TDY ORDERS. There are three authorized vehicles for processing TDY orders: DTS, SABRS On-Line Travel Order Writer (SAB1TRVL), and Reserve Order Writing System (ROWS). One of these systems must be used.

1. Defense Travel System. DTS is the DOD mandated TDY order writing and entitlement system. This system will be used for all routine TDY orders and settlements. DTS has automated this entire process. Once the traveler identifies the location and dates, DTS will automatically cost out the per diem. DTS can be found at:
<http://www.defensetravel.osd.mil/dts/site/index.jsp>.

a. DTS is maintained by the Defense Travel Administration (DTA). This body is comprised of:

- (1) Organizational DTA. Maintains DTS at the unit level.
- (2) Lead DTA (LDTA). LDTAs are an installation's main point of contact for DTS issues.
- (3) Service/Agency DTA. Oversees and appoints LDTA's.
- (4) Finance DTA. Maintains budgets and LOA's (i.e., fund cites) and tracks traveler debt.
- (5) Transportation Officer. Reconciles centrally billed accounts and manages group travel.

b. DTS may refer to TDY documents differently than other systems. Some of the common terms are listed below:

- (1) Authorization. Formerly DD Form 1610 or TDY Order.
- (2) Vouchers. Formerly DD Form 1351-2.
- (3) Local Vouchers. Formerly SF 1164.

c. Some of the advantages for using DTS over some of the other legacy methods are: electronic routing, systemic processing of orders and settlements, built-in policy checks for fewer audit failures, budget module to maintain funds control, voucher processing module for quick and timely settlements derived from information already entered into the authorization, split disbursements for faster payment to the GTCC vendor and traveler and an electronic computation module that significantly reduces document processing fees.

2. ROWS. ROWS automates the entire Reserve TDY orders process from the initial request for orders through the final settlement of those orders and includes the capability to track orders throughout the process. Tracking provides such information as: where the orders request is within the routing process, how long it has been in each step within the routing process, and who completed the action at each step within the routing process. Until DTS has been implemented for Reserve Travel, this system will continue to be authorized for use.

9007. RECORDING THE FINANCIAL EVENT. DTS interfaces directly with the accounting system and will create a Commitment and Obligation upon the approval of the TDY orders by a designated Approving Official. If ROWS or SABRS systems are used, a COB will also be created upon the approval of the TDY requirement. The accounting system automatically posts expenses based on the dates TDY commenced and the return date. The Liquidation will be recorded upon the entitlement being paid by DFAS.

9008. SETTLEMENT OF TDY ORDERS. The traveler must complete and submit a TDY settlement claim to the administrative section within three working days upon completion of the TDY and return to the parent command.

1. If the TDY settlement has not been submitted within five calendar days of return, action must be taken to recover the amount of all advances either by cash remittance, pay checkage or filing of the claim. In order to accomplish this responsibility, a written notification (i.e., delinquency letter) must be sent to the traveler within five days following the expiration of the deadline for filing

the claim. This notification will include a copy of the applicable TDY order, call the traveler's attention to the requirement for timely filing of a claim, note that the requirement has not been met, and advise that the traveler is liable for the amount of all advances. The notification will also state that the traveler has five days from the date of delivery of the notice to either file a TDY settlement or reimburse the government for any TDY advances taken.

2. If the traveler fails to submit a claim after notification, action will be taken to recoup the advance from the traveler's pay (i.e., "checking the Marine's pay"). The checkage should only be processed if the traveler has not questioned the debt, offered extenuating circumstances, filed the TDY claim, or made remittance. A request will be made to the Disbursing Officer to initiate the pay checkage process.

9009. MODIFICATION/CANCELLATION OF TDY ORDERS

1. Modification of TDY Orders. Whenever the scope of TDY changes, a modification is required. Some common occurrences are: misspelled name, incorrect social security number, changes to itineraries, authorization to use a rental car, changes in the mode of transportation, or change in entitlements. If the modification is necessary before the authentication process has occurred, the accounting system will allow fund managers to modify any elements of the TDY order. If the modification involves a change to the estimated costs after the authentication process has occurred, only the obligation will be modified. In either case the TDY order modified in the accounting system should match the purpose and scope of the TDY. Fund managers must verify that modifications to orders are properly posted in the accounting system.

2. Cancellation of TDY Orders. The accounting system has the ability to cancel TDY orders already created. Once cancelled, the obligation amount will be reduced and be available to the fund manager. If the traveler received a TDY advance and the advance has posted to the accounting system, the accounting system will not allow the TDY order to be cancelled until the traveler returns the TDY advance to the finance (disbursing) office. The accounting system will not allow the cancellation of a TDY order if any liquidation has posted to the TDY record. Fund managers must verify that the commitment and obligated amounts for all cancelled orders are backed out of the accounting system.

Chapter 10

Reconciling Abnormal Financial Transactions

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Chapter 10

Reconciling Abnormal Financial Transactions

10000. GENERAL. This chapter deals with those financial conditions that result in an abnormal accounting transaction or accounting balance and the procedures required by fund holders to correct and reconcile those conditions. Abnormal financial transactions and financial balances are key trend analysis indicators of process, procedure, and/or training shortfalls that require command attention. The analysis and corrective actions for these transactions and balances should be conducted by the command's Financial Management Resource Office (FMRO).

10001. COMMON ABNORMAL CONDITIONS. Abnormal financial conditions can occur for many reasons including missing or corrupted data files from source feeder systems, manual input errors, lack of timely follow up on one condition creating another abnormal condition, incorrect supporting agency business practices, etc. The following are common abnormal conditions that will require research, correction, or other follow up to be performed by fund managers:

1. Abnormal Accounts Payable.
2. Abnormal Undelivered Orders.
3. Negative Unliquidated Obligations.
4. Prevalidation Errors.
5. Unmatched Disbursements.
6. Aged Travel Advances.
7. Interest Penalties.
8. Abnormal Accounts Receivable.
9. Missing Trading Partner Information.
10. DCPS LOA/Fund Code Mismatch.
11. Spending Errors.
12. Invalid Transaction Recording Source.

Each of these conditions is addressed in subsequent paragraphs in this chapter. Example causes of these conditions listed in this chapter are not all inclusive, but cite the most common reasons that create the abnormal condition.

10002. COMMON CAUSES OF ERRORS AND ABNORMAL CONDITIONS. Errors and abnormal conditions are commonly the result of:

1. Local tables in SABRS required for processing a transaction being passed from a source or feeder system are not properly maintained. This includes missing or erroneous codes loaded to the tables used during transaction edits in SABRS. Bottom line, review all local tables and ensure they are properly updated.
2. Mismatch between financial codes cited on a source document, such as document number, accounting classification, and other fiscal codes and those entered into the source feeder system or SABRS. This can be caused by entering a zero when it should be an alpha 0, transposing figures, keying an extra zero in amount or quantity fields, etc.
3. Source system financial data elements not entered correctly. These include LOA errors with Citibank, LOA errors in DTS, etc.
4. Manually keying information into SABRS when the information should be processed from a business feeder system. This also is an abnormal condition addressed in paragraph 13014.
5. Not correcting errors timely.
6. Not reconciling each SABRS cycle and adjusting financial document files correctly based on changes posted from the cycle.
7. Short cutting document processes. Example entering a commitment, obligation, and expense when the transaction has not yet had delivery of goods and services and should not have had an expense recorded yet.

Attention to details when creating source documents, reviewing cycle updates, and local table validations will ensure that most transactions do not go into an abnormal condition.

10003. ABNORMAL ACCOUNTS PAYABLE. This condition arises when the total amount of liquidation(s) posted against a specific document exceeds the amount of expenses recorded. Normal causes of this condition that requires research and correction are:

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1. Mechanized supply order (MILSTRIP) can have the payment (Interdepartmental Billing) processed by the source of supply prior to the command receiving the ordered goods. The delay in receiving the order can range from days to several weeks. Fund managers should:

a. Check with the unit supply to confirm shipment status. If shipment status is still pending, continue weekly follow up until order is received.

b. If supply status indicates shipped, verify if order has been received or not. Further, validate the unit price and quantity of the shipping status. If received, did supply process a D6T DIC transaction? If they have, the expense should process in the next cycle. If not, have them process the D6T receipt transaction.

2. Obligating contract is from a source that does not utilize SPS or WAWF. A proper payment package is required by DFAS prior to making a disbursement. This package includes confirmation of a valid contract, invoice received from the vendor, and an acceptance of the goods or services by a government employee. If the payment was processed correctly against the correct contract and line number, an acceptance or receipt document had to be completed. This is the document you need to obtain to record the expense in SABRS. Contact the contract administration office for additional information.

a. Contract is a facilities maintenance contract issued by the commands supporting Navy Regional Officer in Charge of Construction (ROIC). Check with the ROIC to obtain a copy of their acceptance document to the vendors invoice and enter an expense in SABRS. If no acceptance document was created, verify that the disbursement posted to the correct contract and line number. If this is in error request DFAS redistribute the liquidation to the correct contract and line item. If an LOA change is required for the payment to accomplish this transfer, request a 1081 correction be processed by DFAS.

b. Contract was issued by another service/agency based on a direct cite authority Military Interdepartmental Purchase Request (MIPR) you issued to them. In this case, you should have received a copy of the contract (or access the contract via EDA) reflecting the line number(s) funded by your document and LOA. Review the contract and determine who in your command has responsibility for acceptance of goods or services ordered from receiving activity. Contact the POC to obtain a copy of the acceptance/receipt that supported the payment and enter an expense in SABRS. If the acceptance is being performed by another command, service, or agency, contact the contract representative to obtain a copy of the acceptance document. Once obtained, enter an expense in SABRS. If no acceptance document

was created, verify that the disbursement posted to the correct contract and line number. If this is in error request DFAS redistribute the liquidation to the correct contract and line item. If an LOA change is required for the payment to accomplish this transfer, request a 1081 correction be processed by DFAS.

3. Obligating document is a request for work or services (NavCompt 2275) or an economy act MIPR issued by your command (you are the buyer of goods/services) to another service or agency (they are the seller). Expenses for this transaction should be posted based on communication with the seller at the end of the month to determine the amount they are billing against your order. An email confirmation of this amount is acceptable documentation to enter an expense into SABRS. You should not wait until the bill (liquidation) posts in SABRS to create an expense, but should make the monthly contact prior to the bill processing to obtain the amount to post an expense. Further, an expense can be entered based on a status report received from the seller. In no circumstance should the transaction be expensed for more than one quarter estimate (do not expense the transaction one time for the entire fiscal year).

4. Obligating document is a training request (1556). Confirm that the employee attended the training. If they have, enter the expense in SABRS. If they did not, was there a clause in the training contract that required payment regardless if the employee attended or not. If so, enter the expense in SABRS. If this condition did not exist and prior notification of cancellation was provided, the payment is in error. Contact DFAS for their collection efforts to recoup the payment from the vendor. Do not post an expense but leave this transaction in an abnormal condition. An expense is only posted after the requested training has been received.

5. The amount of settlement for travel was greater than the estimated obligation. The expense for travel is generated based on the obligation and number of days of the TDY. If the estimate is low, the payment will be greater than the expense and obligation. In this case, both the obligation and expense must be adjusted. This condition will also cause another abnormal condition of Negative Unliquidated Order (NULO) which is discussed in paragraph 11003.

6. From time to time a data set from a feeder system may not process (i.e. WAWF, SASSY, etc.) which contains the expense transaction. This is normally discovered after a cycle and the data set recovered for processing with the next SABRS cycle. If this is the condition, wait until the next cycle posting prior to taking action on recording the expense record. Refer to chapter 6 of this Order for more information on cycle reconciliation and error correction.

10004. ABNORMAL UNDELIVERD ORDERS. This condition arises when the total amount of expenses recorded against a specific document exceeds the amount of the obligation recorded. This condition should very rarely occur due to the edit checks in SABRS that will put source feeder system expense transactions in error if the expense is greater than the obligation. However, this condition can occur with MILSTRIP bills that are final and less than the recorded obligation. The IDB will adjust the commitment and the obligation amount, but not the expense. If the obligation and expense were the same prior to the IDB credit or reduced price bill, the obligation will adjust in SABRS and the fund manager will have to manual reduce the expense to correct this abnormal condition in SABRS.

10005. NEGATIVE UNLIQUIDATED OBLIGATIONS. This condition arises when the total amount of liquidations (payments) are greater than the amount of obligation recorded in SABRS for that specific document number or in the case of a payment for a contract the combination of the document number, procurement instrument number, sub-procurement instrument number, and/or contract line number. Normal causes are:

1. Non SPS contract modifications that require manual obligation entry in SABRS.
2. National Stock Number (NSN) price change increase to original obligation price.
3. Payment made against an incorrect line number on the contract or an incorrect document number.
4. Travel entitlements at time of settlement greater than original estimated cost.
5. Duplicate payment posting.

For all the above conditions either an obligation needs to be recorded in SABRS, an obligation is required and a refund receivable posted for the payment error, a redistribution of the payment to another document citing the same basic LOA, or a 1081 correction is required. Chapter 11, paragraph 11003 and 11004 of this Order contains further information on NULOs and duplicate payments and the corrective actions resource managers need to undertake to correct these conditions.

10006. PREVALIDATION ERRORS. This condition arises when an available obligation check is performed against SABRS records prior

to the actual disbursement of a completed payment package. A completed payment package normally consists of a contract document, a vendor invoice submitted against that contract for goods or services delivered by the vendor, a valid obligation in SABRS and a government receiving/acceptance report that the vendor did in fact provide the invoiced goods or services. The prevalidation process checks the amount to be disbursed against SABRS to find a corresponding obligation that matches the document number, contract number, ACRN, contract line number or some combination of these that match the proposed payment. If no corresponding obligation is found, the payment fails the prevalidation check and cannot be paid until an obligation is established in SABRS. Transactions will also fail the prevalidation check when an obligation is present in SABRS, but the amount is less than the current proposed payment plus the total of any previously posted payment amounts. This condition normally occurs when dealing with partial shipments and contracts that require progress payments prior to the full completion of the contract requirements. Chapter 11, paragraph 11007 of this Order contains specific guidance on the conditions that cause prevalidation errors and actions resource managers are required to perform to correct the prevalidation error.

10007. UNMATCHED DISBURSEMENTS. This condition arises when a payment has been made and processed against Marine Corps funds that fail to find a matching obligation record to post against in SABRS. Matching the disbursement to SABRS is based on one or more combinations of document number, ACRN, contract number, sub-contract number, contract line number, or Line of Accounting (LOA) mismatch. Chapter 11, paragraph 11002 of this Order contains specific guidance on the conditions that cause unmatched disbursements and actions resource managers are required to perform to correct the unmatched error.

10008. AGED TRAVEL ADVANCES. This condition arises when a traveler has not been issued a government travel card and requires an advance on per diem entitlements to travel on authorized official business or change of official duty station and the advance is not reversed through disbursing action 60 days after the estimated completion date of the travel. The most common causes of an aged travel advance are:

1. Travel claim or settlement request has not been submitted by the traveler. Paragraph 080501, Volume 9 of reference (b) requires that all travelers submit a claim for travel within 5 working days of their return from the travel. Work with the office that authorized the travel to get the member to submit a claim for the completed

travel. Direct the traveler to proceed to their command administration section to process a settlement.

2. When traveler submitted their claim, they failed to annotate on the claim form previous advances (amount, date, voucher number, etc.) that were paid in support of the travel.

3. Document number, LOA mismatch, or transaction type code error between the SABRS record and the payment/advance reversal record. When this condition occurs you may also have an unmatched disbursement condition. If an LOA change is required for the payment, request a 1081 correction be processed by DFAS.

Enforcing the requirement for traveler's to submit a claim within 5 days of travel completion is the best way of ensuring advances taken are settled timely and do not become an aged issue. Chapter 9, paragraph 9008 of this Order addresses travel settlement and notification/collection efforts on outstanding travel advances.

10009. INTEREST PENALTIES. This condition arises when a vendor submits a valid invoice for payment for provided goods or services and payment of this claim is not accomplished within 30 days of the receipt date of the invoice. For a vendor to be paid, a complete payment package must be physically or electronically received by DFAS. A complete payment package consists of a valid obligating source document (i.e. contract, purchase order, approved training request, etc.), an invoice submitted by the vendor who provided the goods and services requested under the obligating document, a valid obligation in SABRS and an acceptance or receiving report from the activity that initiated the obligating document confirming the government received the ordered goods and services. Without all three documents, DFAS cannot make payment.

1. Interest penalties are a concern for several reasons. The additional cost increase for those goods and services purchased due to interest being paid in addition to the original invoice price is avoidable. You are paying more than required for goods and services and are reducing the amount of available funds that could have supported other purchases of required goods and services. Basically, you are incurring a lost opportunity cost due to paying a premium for ordered goods and services.

2. Consistently incurring interest penalties means there is a breakdown in established procedures and processes which indicate an internal control weakness(s) that requires command correction.

3. The most common cause of interest penalties is the receiving point or Contract Office Technical Representatives (COTR) not completing or submitting an acceptance/receiving report. For contracts issued by Marine Corps contracting offices a provision for vendor invoicing via WAWF is required. For these transactions, receipt and acceptance transactions are entered in WAWF by the receiving unit or assigned COTR for the contract. To ensure this is done timely, receiving units and COTRs should log into WAWF at least weekly to review pending invoices and confirm/accept that these services or goods were received. That confirmation will electronically complete the payment package for DFAS to make payment.

4. The second major cause of interest penalties is timely submission of manual payment packages to DFAS or lost packages at DFAS. This situation should become less of a problem in our current and future environment as the requirement to create manual source documents is reduced via new or improved mechanized feeder system solutions (WAWF-MP is an example of this where miscellaneous documents can be created in an automated manner vice manual and electronically pass obligation and receipt information to SABRS and DFAS for payment purposes).

5. The third major cause of interest penalties deals with Power Track and not having a sufficient amount obligated in SABRS for the document number assigned to the command's Transportation Account Code (TAC) or the Traffic Management Office (TMO) does not cite the correct TAC on the shipping document.

10010. ABNORMAL ACCOUNTS RECEIVABLE. This condition arises when the collections applicable to the reimbursable account exceed the amount of previous submitted and processed billings or when collections exceed the total amount expensed for the reimbursable order.

1. Reimbursable billings are created in SABRS based on the amount of expenses recorded against the Reimbursable Order Number (RON) and Reimbursable Billing Code(s) (RBC) assigned to the buyer's order. Expenses are recorded based on specific material or services order placed against the reimbursable being filled, by assigning civilian labor directly against the customer order (DCPS JON contains the assigned RON and RBC identifying the buyer's order), or through manual allocations of expenses being transferred within SABRS to the buyer's order.

2. An abnormal accounts receivable condition can occur if the billing for a specific RON and RBC posts against another reimbursable accounts RON and RBC due to some change in the collection LOA.

3. An abnormal accounts receivable condition can occur if the expense amount previously billed is reduced in SABRS and no corresponding credit billing is processed or posts to the reimbursable account in SABRS. Credit bills will process automatically if the 327 table is properly updated. If not, Credit Bills must be manually released in SABRS to process.

4. An abnormal accounts receivable can occur if more expense than authority is recorded against the reimbursable order and the SABRS generated billing is manually released and processed. SABRS will put billings on hold where the amount of the current bill plus amounts previously billed exceed the buyer's authority in the system. This billing condition can only be processed if manually released by a user authorizing the transaction.

5. An abnormal accounts receivable can occur for specific reimbursable accounts where the amount collected for the month is not used or only partially used to offset direct appropriation charges for the program. Users should closely monitor the amount collected and deposited each month for these accounts and ensure timely use of funds.

10011. MISSING TRADING PARTNER INFORMATION. This condition arises when the proper information is not input into the SABRS obligation. This information consists of: Trading Partner Number (TPN), Trading Partner Department Code, Trading Partner Basic Symbol, and Trading Partner Subhead of funding to be used to support your request. All agreements both outgoing funding documents and funding documents accepted must contain these data elements. For agreements where the USMC is the seller and at the time of establishing a reimbursable profile in SABRS for accepted buyer requests, commands must enter the required trading partner information. Trading partner information required to establish each accepted reimbursable order in SABRS is cited in chapter 7, paragraph 7006.1d of this Order.

10012. DCPS LOA/FUND CODE MISMATCH. This condition arises when the appropriation and subhead in the employee accounting classification (level 3 record) of the Defense Civilian Payroll System (DCPS) loaded for a specific employee is different from the appropriation and subhead associated with the obligation posting in SABRS. The appropriation and subhead cited in DCPS is used for the actual payroll voucher and subsequent payment register. The appropriation and subhead associated with obligation postings in SABRS is based on the Fund Code cited in the standing job order number (home FIP) in DCPS, the fund code cited for the employee's assigned organization

code in the leave and fringe benefit default tables in SABRS (SABRS local tables 318 and 319), or the default or keyed FIP on labor exceptions processed through the Standard Labor Data Collection and Distribution Application (SLDCADA) into DCPS for that pay period. This appropriation mismatch can be caused by:

1. The appropriation and subhead in DCPS is not correct for the employee. In this case update DCPS to the correct data.
2. SABRS default leave and fringe benefit tables for the specific organization code are citing a Fund Code that is linked to a different appropriation and subhead than the employee should be charged to. In this situation update the default tables with an appropriate fund code that is linked to the correct appropriation and subhead.
3. The Fund Code cited in the standing job order number in DCPS is not linked to the same appropriation and subhead in the employee's accounting classification record of DCPS. In this situation change the standing job order numbers fund code.
4. The default FIP in SLDCADA reflects a fund code that is associated with a different appropriation and subhead than the employee's accounting classification loaded in DCPS. In this situation change the fund code in the default FIP in SLDCADA.
5. A loaned labor exception is processed with a fund code that is not linked to an appropriation and subhead that is loaded in DCPS for the employee's accounting classification. Screen all manually entered loan labor transactions to ensure fund code integrity for cost transfers.
6. Additional information on civilian labor processing can be found in chapter 8 of this Order.

10013. SPENDING ERRORS. This condition arises when an incoming transaction from a source feeder system does not pass data element checks performed by SABRS prior to posting. Refer to chapter 6 of this Order for greater details on error corrections. Some of the basic error correction steps are:

1. Transactions in error are posted to the Error File in SABRS and are listed on INFOPAC report PRT-ERROR (Common Interface Error Report). Each transaction will have an error code assigned to guide users on the cause and corrective action required to process the transaction in SABRS. Error codes cited can be found in SABRS Table

215 (Error/Unmatched Code Table). Users need to move the screen to the right to get the full description of the error and required corrective action (PF11 key moves the screen to the right. PF10 key moves the screen to the left).

2. The common cause for transactions processing in error is a missing entry on a local or central edit table. Once a table change is made the impacted errors will recycle during the next SABRS cycle and post.

3. Error transactions in the error file should not be corrected by deleting the error transaction and manually entering the document into SABRS. Not only will this cause an abnormal condition of invalid transaction recording source, but will break the transaction cycle for feeder system interfacing of the transaction. For example, deleting an obligation record on the error file that originated in SPS and manually entering in SABRS will impact the ability to receipt for this transaction later in WAWF or any subsequent modification in SPS. This will add additional rework efforts on the command and increases the chance of other abnormal conditions occurring.

10014. INVALID TRANSACTION RECORDING SOURCE. This condition arises when users manually enter transactions into SABRS that should have been processed by an interface with a source feeder system. Chapter 6, paragraph 6004 lists those common source feeder systems that SABRS has an electronic interface for transaction posting. This abnormal balance is basically a "self-inflicted" rework effort that wastes employee time, can cause future rework due to keying errors, and potentially impacts other interfaces and data exchanges with source systems from working properly to complete different stages of the transaction cycle. Where a source system interface exists to post the transaction in SABRS, manual entry of that transaction into SABRS by users should not occur.

Chapter 11
Disbursements

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Chapter 11

Disbursements

11000. GENERAL. A disbursement is a payment out of the U.S. Treasury to an individual, government agency, or private vendor for the delivery of legally ordered goods and services. Disbursements reduce the amount of the appropriation available for future payments. This chapter covers abnormal and problematic conditions relating to disbursements and those actions required by fund holders to resolve such transactions.

11001. PROBLEM DISBURSEMENTS. A problem disbursement consists of Unmatched Disbursements (UMD), Negative Unliquidated Orders (NULO), and in-transit disbursements. A UMD is any payment that cannot be matched to a specific obligation. A NULO is a disbursement transaction that has been matched to the corresponding detail obligation, but the total disbursement exceeds the amount of the obligation. An in-transit disbursement is a disbursement for which complete payment information has not yet been received by the appropriate accounting office. Through trend analysis and continuous oversight, Marine Corps fund holders have a responsibility to adjust their business practices to minimize or totally eliminate problem disbursements. The ultimate goal is to influence any business practice or identify any system change in order to reduce or eliminate the inflow of all new problem disbursement transactions.

11002. UNMATCHED DISBURSEMENTS. UMDs are primarily the responsibility of DFAS, but since 1998 the U.S. Marine Corps has been given limited access to the expenditure and collection process. This gives the comptroller the capability to correct all UMD's except registers 07, 13, 14, and 36. In a HQMC and DFAS agreement, responsibility for correcting all problem disbursements less than 31 days old lies with the U.S. Marine Corps. Below is a list of main reasons liquidations go unmatched and the means to correct them:

1. The most common cause of UMDs is the failure of approving or certifying officials to ensure that:

- a. Lines of accounting are properly cited on supporting documentation.

b. A proper and sufficient obligation exists in the accounting system prior to submitting documents for payment.

2. No obligation exists for the UMD document number in the accounting system.

a. Identify the activity to which the charge belongs. Obtain and validate any documentation that supports the UMD transaction. The BCN of the LOA should be used to identify the chargeable activity.

b. If the UMD document number is supported with an obligation source document, post the obligation to the accounting system in accordance with DoD FMR Volume 3, Section 1105.

c. If a commitment exists with no obligation, obtain the obligation source documentation and post the obligation.

d. If the UMD transaction is not supported with an obligation source document, request the voucher/bill from DFAS via the comptroller. If the UMD supporting documentation does not contain an obligation source document, the Marine Corps comptroller shares the responsibility with DFAS to identify and avail the appropriate obligation source document for the UMD transaction.

3. The UMD document number is not properly constructed. Using the accounting system reports inquiry options or SMARTS reports (e.g., Unliquidated Orders Report) attempt to identify discrepancies in the construction of the UMD document number. Since many activities use the cost code field for the last 12 digits of the SDN, this may also be useful to construct the SDN.

4. A contract obligation is recorded in the accounting system with the SDN only. A proper contract obligation must also annotate the PIIN and corresponding ACRN for the appropriate contract line item.

a. Change the PIIN on the liquidation record via the redistribute DNR process.

b. Verify the ACRN on the source document is correct.

c. If a deliver order, task order, or call number is awarded, ensure that a corresponding SPIIN is also annotated in the PIIN field of the accounting system obligation.

5. The UMD document number is valid, but the obligation resident within the accounting system is inactive. Validate the obligation against source documentation. If valid, reactivate the document number within the accounting system and make the appropriate changes.

6. The UMD document number is valid, but the accounting classification does not match the data elements of the obligation by department, fiscal year, and basic symbol.

a. Corrective action will require that DFAS be notified so a Correction Notice can be processed to correct UMDs of this type.

b. If not readily available via electronic means (e.g., Electronic Document Access), Marine Corps comptrollers must provide an obligation source document that supports the change in appropriation data that differs from the disbursement.

7. System errors should be brought to DFAS's attention immediately so that corrective action can be taken.

11003. NEGATIVE UNLIQUIDATED OBLIGATIONS. All NULOs, regardless of age, are the responsibility of the U.S. Marine Corps. For all NULOs less than \$2,500, DFAS has been given the authority to increase the obligation after the first 30 days. Below is a list of main reasons NULOs are created and the means for correcting them:

1. Incorrect Obligations. Validate the obligation to ensure that all increases have been posted to the accounting system.

2. Interdepartmental Billings. Check the status records for a price variance or quantity change. Since price variances frequently occur, the price billed may differ from the price obligated. Comptrollers must increase the obligation to match the total amount disbursed. All interdepartmental billing transactions having a total dollar value less than \$250 must be increased.

3. Paid on Incorrect PIIN/ACRN on Contract. Research the contract payments and validate. The comptroller will redistribute the payments to the correct PIIN/ACRN.

4. Travel NULOs

a. Verification. Ensure the liquidation posted to the SDN applies to that traveler. For verification, check the settlement voucher. Verify the obligation amount. Estimates for obligations may be conservative based on initial requirements and must be increased to match the amount disbursed.

b. Supplemental Payment. Normally processed after the original settlement has been completed, supplemental payments include: incorrectly paid initial settlement, pending modification of orders not received prior to initial settlement, missing receipts for items over \$75, etc. Verify supplemental payments and adjust the obligation accordingly.

c. Modification of Orders. A modification to the orders may cause an increase to the liquidation amount. This is a manual process. Contact the travel order writer to obtain a copy of the modification and make appropriate changes to the obligation.

11004. DUPLICATE OR ERRONEOUS PAYMENTS

1. Duplicate Postings Versus Duplicate Payments. Verify that the payment was actually posted twice and not paid twice. Check the DSSN, voucher number, and amount; if they are the same, it is a duplicate posting. If any of the above fields are different, it is a duplicate payment. Duplicate or erroneous payments do not absolve the fund holder from properly and timely recording the obligation to match the disbursement in accordance with Section 1105, Volume 3 of reference (b).

2. Refund Receivables (RREs). Erroneous payments create RREs, which are any payment to which the payee is not entitled (e.g., salary overpayments or amounts due for items rejected/returned). The DIC "RRE" is used to record these receivables in SABRS. Field Accounting maintains the controls on this DIC, and only supervisors/leads with certifier access on SABRS table 316 (Correction Notification) will enter the transactions, once the "discovery period research" is complete. The discovery period is the time frame required to determine that a receivable is truly valid and a debt is owed. This period may be as little as a single day, or may last as much as two or three weeks, depending on the difficulty in obtaining supporting documentation.

a. Sources of RREs

(1) RREs will be recorded based on information provided by the source system/contact. Reconciliation between RREs recorded in SABRS and those reflected on source data reports will be reconciled on a monthly basis.

(2) RREs that result from a salary overpayment or a salary type adjustment (pay checkage) must be recorded in one of the pay or debt management systems. These types of RREs will not be recorded with an RRE. Instead, they will be recorded via DFAS-CL Departmental Accounting using a DIC of RRS, based on data provided from the source system.

b. Comptroller/Fund Holder/HQMC Responsibilities

(1) Notifies Field Accounting of suspected erroneous payments when discovered and requests research.

(2) Provides, upon request, any applicable documentation regarding the suspected debt, such as the MIPR or letter of agreement, invoices or statements, etc., to the appropriate DFAS-CL Field Accounting Supervisor to support entry of the RRE into SABRS.

(3) Each Comptroller/Fund Holder shall also maintain a control log of these overpayments.

(4) Record an obligation in SABRS to eliminate the NULO in accordance with Paragraph 110501, Volume 3 of reference (b).

c. Disbursing and Vendor Pay Responsibilities

(1) For overpayments identified and immediately resolved, notify Field Accounting of the occurrence. Disbursing and Vendor Pay maintain a control log for tracking purposes.

(2) For overpayments not immediately resolved, conduct "Discovery Period" research. When complete, Disbursing initiates recovery procedures and notification is provided to Field Accounting. (Vendor Pay forwards their research package to Disbursing for action.) Disbursing and Vendor Pay maintain a control log for tracking purposes.

(3) Provide, upon request, any applicable documentation regarding the suspected debt, such as contracts, receiving reports, or invoices or statements, etc., to the appropriate

DFAS-CL Field Accounting Supervisor to support entry of the RRE into SABRS.

d. DFAS-CL Field Accounting Responsibilities.
Supervisors/leads with certifier access to SABRS table 316 (Correction Notification) will perform the following:

(1) When notified of suspected erroneous payments, conduct the necessary research to validate and obtain supporting documentation.

(2) Review request packages prior to establishing a RRE into SABRS. Conduct initial review of each package to determine whether an overpayment needs to be handled by Field Accounting or must be forwarded to Disbursing for review/action. Field Accounting/Disbursing, as appropriate, shall check to ensure all required documentation is included. If not, the Vendor Pay/Disbursing or Comptroller/Fund Holder is contacted for missing documentation.

(3) Establish an RRE in SABRS for the specified SDN once the determination is made that an RRE is required. Additionally, the accounting office shall record a NULO, as applicable, and advise the fund holder that the NULO requires obligation within the timeframes specified in Paragraph 110501, Volume 3 of reference (b).

(4) Obtain copies of Monthly RRE Reports from sources identified above. Reconcile RREs currently recorded in SABRS to those identified on the monthly reports. As necessary, adjust SABRS or obtain supporting documentation from source for recording the RRE in SABRS.

(5) Maintain a debt folder for each RRE recorded in SABRS and log the RREs in the Root Cause Database.

(6) Check SABRS weekly, to determine if the overpayment was refunded. If received, remove the RRE from the SABRS account.

(7) If refund has not been received prior to 90 days, coordinate the debt package with Departmental Accounting for transmission to the Debt Management Office or for recording a write-off transaction of a Field level debt.

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(8) On a monthly basis, provide reconciliation results and explanations for all debts residing at Field Level that are greater than 90 days old to Departmental Accounting.

e. DFAS-CL Departmental Accounting Responsibilities

(1) Assist with the reconciliation of monthly RRE Reports.

(2) As necessary, coordinate the transfer or write-off of uncollectible debt.

(3) Record journal voucher adjustments at month end for reconciliation differences between SABRS and source.

(4) Provide oversight to the RRE process and prepare monthly accounts receivable reports and metrics.

11005. OVER-AGED PROBLEM DISBURSEMENTS

1. While the DoD FMR provides discretion in determining appropriate times for recording obligations to match problem disbursements, it is Marine Corps policy to record obligations as soon as possible to ensure compliance with reference (a) and other fiscal statutes governing the requirement to obligate sufficient funds to cover all outlays chargeable to the Marine Corps.

2. Consistent with the Marine Corps policy of recording obligations, the following order of priority should apply when resolving over-aged problem disbursements:

a. Closing Fiscal Year. Obligations must be recorded in the accounting system no later than 30 June for problem disbursements chargeable to an appropriation that is about to be cancelled. The obligation must be recorded even though 120 days have not elapsed following the date of disbursement.

b. Critically Aged. Obligation is greater than 120 days old.

c. Over-Aged. Obligation is 91 to 120 days old.

d. Aged. Obligation is 61 to 90 days old.

e. Current. Obligation is zero to 60 days old.

3. Deferring the recording of an obligation to resolve a problem disbursement for the purpose of avoiding an overobligation of an appropriation will not be allowed as it is improper and contrary to the Marine Corps comptroller's responsibilities to investigate and report potential violations of the Antideficiency Act.

11006. REQUESTS TO DISCONTINUE RESEARCH. In absence of source documentation, which is required by law to substantiate all obligations in the accounting system, absolution of this requirement must be officially requested through the discontinued research process. Unresolved NULOs and UMDs that have been obligated under the over-age rules in Paragraph 12003 of this chapter must continue to be researched and corrected unless written approval to discontinue research has been obtained from HQMC.

1. The reasons for requesting approval to discontinue research are listed below:

a. Minimum Criteria. The minimum criteria for requesting approval to discontinue research are when there is no indication that an overpayment or duplicate payment has been made or not fully collected.

b. Closed Contracts. A pre-closing payment review has been completed. Obligating the UMDs or NULOs will not exceed the contract total.

c. Erroneous Document Numbers. Neither the disbursing office nor the obligating office can furnish information or support the disbursement.

d. Travel Orders. An unmatched transaction contains insufficient information for research and cannot be traced due to age.

e. Missing or Insufficient Documentation. In addition to the criteria listed above, research cannot be completed due to missing or insufficient documentation and steps taken to obtain missing documentation have not produced any results and further efforts appear fruitless and not cost-effective.

2. Supporting Documentation. Requests to discontinue research should be supported by a summary of research efforts and other steps taken to obtain missing documents or additional support

for insufficient documentation. State specific actions taken in trying to resolve the transaction and the results achieved.

a. When applicable, transaction histories of the respective accounting and payment systems were obtained, reviewed, and compared for omitted transactions and other differences.

b. For omitted documents or noted differences, a request was made to the appropriate funding or contracting office to obtain obligation documents and to the payment office to obtain documents supporting the payment.

c. Responses received from the office to which requests were made whereby documentation and supporting information could not be located due to invalid document number references, lost or misfiled documents, inadequate data for searching files, or other reasons.

d. Sufficient actions were taken during the research efforts to provide reasonable assurance that no duplicate payments or overpayments remain outstanding and that no fraud has occurred involving the disbursement transactions for which research efforts are requested to be discontinued.

3. Processing Requests to Discontinue Research Efforts

a. Requests will be prepared and processed in accordance with Section 1108, Volume 3 of reference (b). Requests will be submitted to HQMC, P&R (RFA) for review and concurrence. HQMC, P&R (RFA) will forward the request to DFAS for formal submission to the ASN (FM&C).

b. The comptroller will determine which problem disbursements meet the criteria for making the request to discontinue research efforts. If the criteria are the same for a number of transactions, these items may be summarized in one request.

11007. PREVALIDATION. Prevalidation is defined in Section 8137 of reference (q), which requires that disbursements be matched to specific obligations prior to liquidating the payment. Payments that are not prevalidated may result in improper payments and create UMDs or NULOs. While DOD recognizes that reasonable capability may not exist to prevalidate all payments and provides for exemption in specific cases, only payments specifically exempted by law, regulation or policy issued by

OUSD (Comptroller), DFAS Director or Deputy Director may be made without prevalidation.

1. Responsibilities

a. Prevalidation occurs between the entitlement activity preparing the payment and the accounting activity maintaining the official accounting record for the obligation to be liquidated.

b. The entitlement activity requesting the prevalidation requests detailed obligation information from the accounting office, and as needed, provides information to the accounting office.

c. The accounting office provides information to the fund holder as requested, and the accounting office or fund holder responds to the entitlement office on a timely basis. Marine Corps fund holders are required to complete all prevalidation actions within three business days of notification from the accounting office. Fund holders should also review the reports as they are posted on the HQMC, P&R (RFA) website in order to take immediate and appropriate action to correct abnormal conditions and implement process improvements to address the root cause. Access to the RFA website is available through the HQMC, P&R Department Data Portal located at <https://hqipom1.hqmc.usmc.mil/portal/servlet/GlobalLogin>. Once successfully logged on to the HQMC, P&R homepage, select the FII Application link. Upon reaching the FII homepage, select the RFA Home tab located on the top-right corner of the screen in order to navigate the RFA homepage.

d. Failure to record an obligation within three business days based on a prevalidation request allows DFAS to record the obligation based on the supporting documentation. If a Marine Corps fund holder does not respond within three business days, in accordance with DoD FMR, Volume 3, Chapter 8, DFAS will record an obligation against the SDN of the source transaction citing the WCI, Basic Symbol, Fiscal Year, Subhead, and a default BEA/BESA of 99/99 for the affected command.

2. Procedures. The type of payment determines whether it is exempt from DOD policy. Exemptions are based on the capability of performing prevalidation without unsupportable manpower requirements or on unacceptable delays in releasing payment.

a. Contract Pay. These are payments made through the Mechanization of Contract Administration Services (MOCAS) system. Effective October 1, 2004, the prevalidation threshold for MOCAS payments is \$0 for all contracts awarded during or after fiscal year 2005. The threshold will remain at \$10,000 for all MOCAS contracts awarded in fiscal year 2004 and earlier.

b. Vendor Pay. These are payments made through other commercial payment entitlement systems. They include miscellaneous entitlement payments. Within the vendor pay area; there are significant differences between billings for Purchase Card, Centrally Billed Travel Accounts, and other financial institution payments under the General Services Administration (GSA) Smart Pay family of contracts and other commercial invoices. The GSA Smart Pay billings represent multiple separate obligations billed on the same invoice. The other commercial invoices are typically only single obligations. All vendor payments must be prevalidated prior to release for payment. Note that Commercially Billed Account (CBA) payments processed through the DTS are considered to be automatically prevalidated because of the built in authorization process and funds control checks. DTS CBA transactions require no further prevalidation prior to payment.

c. Powertrack. The prevalidation procedures for Powertrack differ slightly from other bank card vendor payments. If the fund manager doesn't respond in three (3) calendar days, the accounting office advises the entitlement office to use the alternate line of accounting (ALOA) provided by each customer. Accounting posts the obligation to the ALOA as needed.

d. Transportation. These are payments for manually-submitted government bills of lading, meal tickets, government excess baggage tickets, and government transportation requests. These payments are exempt from prevalidation per DFAS Deputy Director memorandum dated March 3, 2000, Subject: Prevalidating Payments. However, payments to vendors for non-temporary storage of household goods are subject to prevalidation.

e. Travel. These payments are reimbursements made to individuals for government funded travel expenses. Marine Corps finance and disbursing offices are required to prevalidate all non-permanent change of station travel settlements.

f. Payroll. These are the military pay, military retiree pension, military pensioner survivor annuitant, and civilian compensation and related employer contributions for taxes,

insurance, allotments, etc. These payments are exempt from prevalidation. Though prevalidation is not required, where system capability exists to prevalidate, these transactions should be prevalidated.

g. Intra-Governmental Reimbursements. These are transactions made within DFAS that initiate transfers between Department of Treasury accounts. This includes transfers at the appropriation/subhead level. They typically are charges and off-setting reimbursements for services provided by one DOD activity for another or distribution of costs, such as overheads and indirect expenses incurred in one appropriation and distributed to others, and include interfund transactions. The transactions typically are documented on Standard Forms 1080 and 1081, but may originate from other sources.

(1) The most commonly used method for processing reimbursements is through the Intra-governmental Payment and Collection (IPAC) system. Under IPAC, the charged activity records the transaction as reported for the transfer after assuring that the obligation to be liquidated is posted in a sufficient amount for the charge.

(2) Reimbursable transactions, to include Interfund are currently exempt from prevalidation where automated prevalidation processes are not available. However, every effort should be made to prevalidate reimbursable transactions when possible.

11008. INTEREST PENALTIES. Reference (r), the Prompt Payment Act (PPA), as amended by reference (s) requires the U.S. Government to pay interest if proper payments are not made on time. It is imperative to be proactive in ensuring that both obligations and expenses have been recorded in the accounting system in an accurate and timely manner. In addition, ensure that the correct coding structures have been cited on the initial requests for procurement.

1. Policy

a. In accordance with Chapter 7, Volume 10 of reference (b), PPA interest must be paid from the funds available for the administration of the program for which interest was incurred.

b. PPA interest payments should be charged to the operating funds of the military department or defense agency from which

the invoice is associated. This is usually an operations and maintenance appropriation.

c. PPA interest should not be charged to an appropriation that does not fund operating costs, such as procurement or military pay. Interest will not be charged to the Working Capital Fund (WCF) unless the purchase is for the express use of the WCF and not for a customer. Only Defense Industrial Fund Management System and Supply Management Activity transactions incurring interest will be charged to the WCF.

d. It is Marine Corps policy to tax commands directly for PPA interest deemed attributable to the reasons not caused by DFAS. HQMC, P&R (RFA) will publish annually the SDN's and LOA's chargeable for PPA interest.

2. Procedures

a. In accordance with Chapter 7, Volume 10 of reference (b), all PPA interest must be paid from the fiscal year in which the interest accrues. For example, if interest began to accrue on 20 September 2008 and the interest penalty was not paid until 12 October 2008, 11 days of interest (20 through 30 September 2008) will be charged to FY 2008 and 12 days of interest (1 through 12 October 2008) will be charged to FY 2009.

b. The primary criteria to determine the Marine Corps command chargeable for PPA interest is the BCN of the LOA. If an invoice contains multi-funded lines of accounting, DFAS will charge the BCN deemed responsible for incurring the preponderance of the interest.

c. HQMC, P&R will centrally fund DFAS or other service-caused interest.

d. Erroneous or disputable PPA interest will be adjudicated by HQMC, P&R (RFA).

Chapter 12

Tri-Annual Reviews and year-End Processing

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Chapter 12

Tri-Annual Reviews and Year-End Processing

12000. GENERAL. To ensure that Commands address year-to-date changes, ascertain that all normal and special run streams, reports, and actions are scheduled and completed to provide the data necessary for the year-end reports due on October, and to bring closure to execution of their funds, the financial community performs a year-end process. The year-end process includes: preventing over-obligations and over-expenditures, minimizing or eliminating reverted balances, meeting obligation rates, resolving problem disbursements, performing Unliquidated/Unfilled Orders validations, and returning unused reimbursable authority as soon as practical. The following procedures and guidelines represent the minimal essential action necessary to ensure continued efficient and responsible use of financial resources.

12001. TRI-ANNUAL REVIEW. The purpose of the tri-annual review is to ensure valid commitments and obligations are properly recorded in the accounting records and ultimately result in receiving the goods and services commands ordered to meet mission requirements. Tri-annual reviews are conducted to assist in reducing prior year reverted balances which directly impact Marine Corps available funds during the current year.

1. Frequency. Tri-annual reviews of all commitments and obligations for funds currently available for obligation authority will be based on reports produced at the closeout of the following months: 31 January, 31 May, and 30 September.

2. Accounting Office Responsibilities. Accounting offices shall ensure the dissemination of listings or automated media identifying both outstanding commitments and unliquidated obligations recorded for the fund holder. The accounting office shall also provide or direct fund holders on how to obtain listing(s) or automated media identifying accounts payable and accounts receivable which enable the funds holder to verify proprietary accounts (as well as budgetary accounts) and, thus, ensure that proprietary and budgetary accounts are valid, accurate and reconciled. The funds holder must complete a review no later than 14 days following the end of January, May, and September of each fiscal year.

3. HQMC, P&R (RFA) Responsibilities. HQMC, P&R (RFA) will ensure the availability of reports via the HQMC, P&R Department Data Portal

located at <https://hqipom1.hqmc.usmc.mil/portal/servlet/GlobalLogin>. Once successfully logged on to the HQMC, P&R homepage, select the FII Application link and then select the RFA Home tab located on the top-right corner of the screen in order to navigate the RFA homepage. The web-based tri-annual review reporting process provides RFA the capability to maintain all confirmation statements electronically with all supporting documentation as provided by the Comptrollers and Fund Holders. This information will be used to provide documentary evidence to the Fiscal Director of the Marine Corps to provide assurance that financial reports reflect the true financial position of the Marine Corps. Comptrollers and Funds Holders are still required to maintain all documentation required to support the tri-annual review reports, confirmation statements and other documentary evidence deemed necessary for the prescribed time period of 24 months.

a. Tri-Annual Review Reports

(1) Report A, Dormant Transactions. Dormant transactions consists of contracts that have had no financial transactions recorded in 120 days or more, and all other documents (e.g., requisitions, travel orders) that have had no financial transactions for 90 to 179 days.

(2) Report B, Deobligation Report. The report consists of all outstanding supply requisitions, travel orders, and miscellaneous documents that are 180 days or older.

(3) Report C, Outstanding Accounts Receivable. This report consists of all RONS with an outstanding accounts receivable balance. Report C criterion only requires that an outstanding receivable balance for a document exist.

(4) Report D, Unmatched Disbursements. This is a report of all UMDs/collections identified as belonging to a Major Recipient.

b. Confirmation Statements. Required confirmation statements, un-qualified or qualified, with supporting attachments shall be completed by the 21st day after the close of the applicable tri-annual review month by the MRI level Comptroller. Required confirmation statements and supporting attachment templates can be downloaded from the tri-annual review area provided on the HQMC, P&R (RFA) portal website for completion and signature by the comptroller. Signed confirmation statements with supporting attachments should be uploaded as an Adobe Acrobat file (i.e., .pdf) to the HQMC, P&R (RFA) portal website in the tri-annual review area. All fundholder confirmation statements and backup validation documentation must be

retained for 24 months and made available, upon request, for audit purposes. The signed confirmation statements shall:

(1) Confirm that all outstanding commitments, recorded in SABRS and cited on the tri-annual review reports, have been validated to a paper or an electronic data interchange (EDI) source document (refer to section 12001.3.a(1)).

(2) Confirm that all outstanding obligations, recorded in SABRS and cited on the tri-annual review reports, have been validated to a paper or an EDI source document (refer to section 12001.3.a(1)).

(3) Confirm that all outstanding accrued expenditures unpaid, recorded in SABRS and cited on the tri-annual review reports, have been validated to an accounts payable record or an EDI source document (refer to section 12001.3.a(1) above).

(4) Confirm that all outstanding reimbursements and other income earned, recorded in SABRS and cited on the tri-annual review reports, have been validated to an accounts receivable record or an EDI source document (refer to section 12001.3.a(3)).

(5) Confirm that all outstanding obligations, cited on the tri-annual review reports, which could not be substantiated or validated after a thorough review by the funds holder (and/or the accounting office) have been de-obligated (refer to section 12001.3.a(1)).

(6) Confirm that adequate follow up was conducted on all dormant outstanding commitments, cited on the tri-annual review reports, to determine if the requirement is still valid, or if an obligation document has been issued but not received or properly recorded (refer to section 12001.3.a(1)).

(7) Confirm that adequate follow up has been conducted on all dormant outstanding obligations, cited on the tri-annual review reports, to determine if the obligation is still valid (refer to section 12001.3.a(1)).

(8) Confirm that adequate follow up was conducted on all dormant outstanding accrued expenditures and earned receivables, cited on the tri-annual review reports, to determine if a disbursement or collection requires recording or matching (refer to sections 12001.3.a(1) and 12001.3.a(3)).

(9) Confirm that reviews of dormant outstanding obligations, cited on the tri-annual review reports, included reviews of problem disbursements (refer to section 12001.3.a(4)).

(10) Confirm that all outstanding commitments, cited on the tri-annual review reports, which could not be substantiated or validated after a thorough review by the funds holder have been de-committed (refer to section 12001.3.a(1)).

(11) Confirm that all outstanding obligations, cited on the tri-annual review reports, which could not be substantiated or validated after a thorough review by the fund holder have been de-committed (refer to section 12001.3.a(1) above).

(12) Confirm that all miscellaneous obligation documents, travel orders and supply requisitions, recorded in SABRS for more than 180 days and cited on the tri-annual review reports, have been de-obligated, unless there is supporting documentation from the funds holder attesting to the purpose of the obligation (refer to section 12001.3.a(2)).

(13) Identify problems noted as a result of the review.

(14) Advise whether, and to the extent which, adjustments or corrections to remedy noted problems have been taken.

(15) Summarize, by type, the actions or corrections remaining to be taken, and when such actions/corrections are expected to be completed.

(16) Identify what actions have been taken to preclude identified problems from recurring in the future.

(17) Complete Attachment A, Management Control Analysis and Corrective Actions.

(18) An unqualified confirmation statement cannot be provided. Provide a full explanation of failure to provide an unqualified confirmation statement, as well as the corrective actions being taken, per Attachment B, Explanation for Failure to Provide Unqualified Confirmation Statement.

12002. PRE-CLOSE ACTIONS. In preparation for the close of the current fiscal year, comptrollers will ensure that all expenses match liquidations unless already identified for further research.

12003. YEAR-END PROCEDURES. Comptrollers must ensure that all transactions that affect obligations, collections, expenditures and expenses are recorded prior to 30 September (closing date) of the current fiscal year. Additionally, every effort should be made to validate accounts receivable/payable, commitments and undelivered orders/obligations prior to the closing date. In order to meet these goals, some vital processes must be completed:

1. Expiring Appropriations. Comptrollers and Fund Managers must emphasize the clearing unliquidated obligations, accounts receivable, accounts payable, etc. for accounts which will expire prior to the close of the current fiscal year.
2. Closed/Canceled Appropriations. Fixed appropriation accounts that exceed the five year expiration threshold shall be closed and any remaining balances (whether obligated or unobligated) in the account shall be cancelled and thereafter will not be available for obligation or expenditure for any purpose. Evidentiary documentation which supports the amounts as either unpaid obligations or uncollected accounts receivable must be accessible and available for review, if warranted.
3. Problem Disbursements. Special attention is required during fiscal year closeout because of the ramifications of unresolved problem disbursements in closed/canceled appropriations.
 - a. All UMDs, NULOs, and in-transits that are registered in appropriations that are to close on 30 September of the current fiscal year must be resolved, regardless of age.
 - b. Obligations must be established by 18 August of the current fiscal year, for all UMDs, NULOs, and in-transit transactions in appropriations scheduled to close (become canceled) at the end of the current fiscal year.
 - c. Pending corrections or accounting adjustments must be identified or made prior to the fiscal year close. Failure to correct NULOs and UMDs in the year of execution could result in a violation of Section 1517 of reference (a).
 - d. Reports will be monitored on a daily basis to ensure no new closing year problem disbursements are outstanding. Aggressive action will be taken on any closing fiscal year transaction(s) processed into SABRS during the last 45 days of the fiscal year.
 - e. RREs require special attention during year-end closeout. See Section 12003.5(c) for more information on RREs.

4. Outstanding Commitments. Outstanding commitments shall be canceled as of the end of the period that the appropriation is available for obligation. No commitments should be reported in expired appropriation accounts. Commands are responsible for ensuring that commitments are decommitted for all program years that will expire on 30 September of the current fiscal year.

5. Reimbursable Orders. All reimbursable orders must be closed-out before year-end. Activities performing work or services under reimbursable orders should ensure that the following year-end closing actions are completed:

a. Ensure all reimbursable order records are accurate and reflect the current status of valid obligations and accrued costs.

b. Notify the issuing activities (i.e., the customer) of any excess fund availability prior to 15 August. Performing activities should return all excess funds available to the issuing activity. The issuing activity should be notified by the performing activity of all unearned and/or unbilled outstanding obligations that will require current year funds during the upcoming fiscal year

c. By 15 August of the current fiscal year, record all pertinent expenses to reimbursable orders in the accounting system for appropriations that will expire on 30 September of the current fiscal year. This will ensure that these expenses are reflected on the August reimbursable customer billing and will be collected in September.

(1) Expenses recorded during the month of September against reimbursable orders citing closing/canceling fiscal year obligations will reflect on October reimbursable customer billings. The October billings will be paid out of the customer's current year funds, not the canceled fiscal year funds originally cited on the reimbursable order. Collections received after 30 September of the closing/canceling fiscal year RON will not be deposited to the appropriation listed on the RON.

(2) Establish a RON for another year if the reimbursable agreement is an Economy Act Order citing a multi-year appropriation so that the charges can be collected next year.

(3) For performing activities citing their own funds on procurement contracts as a replacement for reimbursable funds cited by an issuing activity, ensure that the older funds of the issuing activity are properly billed and collected before they are closed,

even though the performer's funds may have one or more year(s) before closure.

d. Archive all RONS where the authority, obligations, expenses, billed and collected, are equal after receiving confirmation from the BEA that all work is complete.

e. Activities performing work or services under reimbursable orders expiring on or prior to 30 September of the current fiscal year or citing appropriations that will expire for obligation purposes on 30 September of the current fiscal year, must ensure that the applicable reimbursable order records are accurate and reflect the most current status of valid obligations and accrued costs.

(1) Activities that performed work or services under reimbursable orders that cited appropriations that will expire and will close on 30 September of the current fiscal year, must ensure that all outstanding accounts receivable for work performed or items delivered are billed and collected prior to year-end.

(2) Performing activities cite their own funds on procurement contracts instead of citing reimbursable funds provided by the granting activity. In cases of Project Orders where the performing activity's funds are from a more recent fiscal year than the issuing activity's funds, performing activities should ensure that the older funds of the issuing activity are properly billed and collected before they close, even though their own funds have one or more years before closure. Likewise, issuing activities must alert performing activities of the status of their funds.

(3) Under no circumstances shall any reimbursable unobligated authority remain in an appropriation account at expiration. Valid (unexpired) unobligated balances of reimbursable orders will be moved to the ensuing fiscal year. In the event that subsequent upward obligation adjustments to the prior fiscal year of multiple year appropriations are required, unobligated authority in the amount necessary to cover the adjustment may be moved back to the prior fiscal year, if approved. Conversely, for downward adjustments of multiple year appropriations, the additional availability created by reducing the obligation will be forwarded to the current fiscal year.

6. Pending Commitments and Obligations (Non-Mechanized). Upon availability of the accounting system for input in the new fiscal year, BEAs will input all non-mechanized pending commitments and obligations.

7. Civilian Labor. Comptrollers and Fund Managers must ensure that accounting requirements for the DCPS are submitted prior to 30 September so that any appropriate fiscal year changes can be made to payroll related accounting records.

a. Job Order Numbers. For those customers whose accounting systems utilize job orders, DCPS can automatically update the fiscal year contained in the job orders if that fiscal year is consistently used in the same field of the job order. An alternative method for updating job orders is to have the job orders updated by the DCPS Customer Service Representatives assigned to each activity utilize on-line input to DCPS.

b. Lines of Accounting. The fiscal/program year in the accounting classification records at the employing activity level, organization level, and employee level will be automatically updated through DCPS.

c. Reports. An "Unpaid Accrued Leave Liability Report" is available prior to the end of the year in order to provide the dollar value of the contingent liability for unused leave, and the Medicare and Medicare/Old-Age, Survivors, and Disability Insurance fringe costs.

d. Awards Processing. The correct fiscal year accounting record will be automatically assigned when the award transaction (SF50) is processed by the payroll system. Awards received for processing after pay period ending October 1, but with an effective date prior to 1 October will be charged to the prior fiscal year.

8. Key Accounting Performance Indicators. As discussed in Section 6010, Fund Holders should review the ten key accounting performance indicator reports at <http://www.hqmc.usmc.mil/hqmcmain.nsf/frontpage> and take appropriate action to correct the outstanding abnormal conditions and implement process improvements.

12004. OPEN-UP ACTIONS. Open-up actions are those steps required to facilitate account roll-over and funding availability in the new fiscal year.

1. No later than 30 March of any fiscal year, the comptroller must ensure the TON table has been established to accept the upcoming fiscal year. This is essential to create travel orders that cross over into the new fiscal year (i.e., multi-year travel orders).

2. During the fourth quarter, all spending tables must be updated to establish the new year data elements. This will not only enable the input of commitments and obligations in the new fiscal year, but also it is necessary to post authorizations for the new fiscal year. Upon the first accounting cycle for the new year, all system-generated obligations will be processed. If the tables are not updated, the transactions will fail to the error reports. If pending transactions do not appear on the active file or an error file, contact the comptroller.

3. Establish specific RONS (e.g., FTP, RMD, AGR, SIS, FMS, IMT, etc.) for the upcoming fiscal year in the accounting system, if applicable. Ensure that specific RONS for closing/canceling fiscal years are closed by requesting adjustment of authority to what has been obligated, expensed, billed, and collected.

4. Establish all RONS that have civilian labor costs (e.g., family housing) for the upcoming fiscal year in the accounting system to ensure a smooth transition and posting of initial labor expenses. It is not necessary to have the customer's document number or an authorized amount to accomplish these pre-loads.

12005. YEAR-END CERTIFICATION OF AUTHORIZATIONS, OBLIGATIONS, AND UNOBLIGATED BALANCES. Allotment/OPBUD holders are required to submit an annual certification of authorizations, commitments, obligations, expenses, and unobligated balances for the period ending 30 September of the current fiscal year.

1. Commands are required certify down to the Funding Function level. Commands will utilize ReportNet to access the official execution certification cube for certification purposes.

2. Commands will review the obligation and expense amounts reflected on the Common Interface File (CIF) Error Report (PRTEROR) for transaction amounts that shall be added to the official execution certification cube, given the presumption that all obligation and expense transaction on the CIF Error Report are valid and therefore shall be included on the amounts certified and submitted as an enclosure reporting the discrepancies. If no enclosure is submitted, the spending error report must be blank for that Fund Holder.

3. Major Commands will consolidate and certify for subordinate commands by memo only.

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4. This year-end certification will not serve as your tri-annual review submission for the period ending 30 September, as that is a separate and distinct requirement.
5. The certification statement is to be signed and dated by the commander or a representative authorized to sign by direction of the commander and should read as "I hereby certify that the amounts in the official certification execution cube report for Fund Holder M##### are correct for the following appropriations with the exceptions, if any, footnoted on a copy of the report as an enclosure to the memo. All known transactions meeting the criteria of documentary evidence for government obligations have been obligated and are so reported."
6. Commands are required to be vigilant for Naval Message Traffic that communicates year-end certification procedures and reporting requirements. Commands will provide a signed copy of the certification letters as an e-mail attachment to the appropriate reporting section as identified through the respective naval messages.

Chapter 13

Financial Assessment Visits and Formal Inspections

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Chapter 13

Financial Assessment Visits and Formal Inspections

13000. GENERAL. This chapter reemphasizes command and comptroller responsibilities to ensure that financial transactions are properly recorded and continuously reviewed for accuracy. This responsibility is best overseen by conducting fund manager assessment visits and formal inspections of their financial records.

13001. PURPOSE OF ASSESSMENT AND INSPECTION PLANS

1. The goal of financial management is to ensure timely and accurate recording and reporting of financial information for leadership and command decision-making purposes. Financial execution information is also analyzed, monitored, and compared with the command's submitted financial funding plan with higher headquarters.

2. The purpose of performing financial assessments and inspections is to ensure the accuracy of financial information recorded and reported in the accounting system. To this end, the comptroller office needs to review the records of assigned financial managers to ensure compliance with standard processes and procedures. Compliance reviews are accomplished through scheduled and planned informal assessments and formal inspections.

13002. COMMAND ASSESSMENT AND INSPECTION PROGRAM. Comptrollers are responsible for establishing the procedures and schedules for conducting financial assessment visits and inspections for their fund holders. The procedures and directives established at each command for financial assessment visits and inspections will depend on the command's requirements and financial plan. However, the command procedures should address the following:

1. Formal inspections will be conducted at least annually on all assigned fund managers/holders records. Formal inspections should be preceded, when practical, with an informal assessment to identify areas requiring attention and correction prior to the formal inspection.

2. The inspection and assessment program should focus on:

- a. Ensuring the accuracy of accounting transactions. Information posted should be compared with source documents and/or financial information contained in source business feeder systems.
- b. Balancing all transactions of the fund execution process (authorization, commitment, obligation, expense, and liquidation) to budget execution and/or fund control files.
- c. Ensuring completion, corrective actions, and document retention by fund holders supporting tri-annual obligation reviews.
- d. Ensuring compliance with standard processes for the administration of source transactions.
- e. Ensuring compliance and use with implemented business feeder systems that process financial transactions.
- f. Assessing technical knowledge of fund managers to properly execute assigned duties and ensuring that proper training is provided to meet shortfalls.

13003. COMMAND INSPECTIONS PERFORMED BY MCFEAT. The Marine Corps Financial Evaluation and Assistance Team (MCFEAT) will perform informal assessments and formal inspections of command financial records periodically. Commands will be notified in writing prior to the start of an assessment or inspection by the MCFEAT. MCFEAT will follow a standard checklist during their assessments and inspections. The standard checklist can be found on the RFA website. MCFEAT and command responsibilities after an assessment or inspection are:

1. MCFEAT will provide an out brief to the command on findings and trends discovered during the assessment or inspection prior to departing the command.
2. MCFEAT will provide the command with a written report of the findings during the assessment or inspection and recommended corrective actions not later than four weeks after the completion of the assessment or inspection.
3. Commands will provide a response to the MCFEAT report within four weeks after receipt with corrective actions taken or planned on the reported discrepancies and recommended solutions.
4. Formal inspections will also note whether or not findings from previous assessments and inspections have been corrected.

APPENDIX A

LIST OF ACRONYMS

AAA	Authorized Accounting Activity
AAC	Activity Address Code
ABC	Activity Based Costing
ABRM	Activity Based Resource Management
ACC	Accounting Classification Code
ACRN	Accounting Classification Reference Number
AG	Activity Group
ALOA	Alternate Line of Accounting
APPN	Appropriation Symbol
ARI	Allotment Recipient Identifier
ARS	Automated Requisitioning System
ASN (FM&C)	Office of the Assistant Secretary of the Navy (Financial Management and Comptroller)
ATLASS	Asset Tracking Logistics and Supply System
AUID	Allocation Unique Identifier
BA	Budget Activity
BCN	Bureau Control Number
BEA	Budget Execution Activity
BES	Budget Estimates
BESA	Budget Execution Sub-Activity
BLI	Budget Line Item
BP	Budget Project
BPA	Blanket Purchase Agreement
BSA	Budget Sub-Activity
CAC	Cost Account Code
CBA	Commercially Billed Account
CHRIMP	Consolidated Hazardous Material Reutilization and Inventory Management Program
CIF	Common Interface File
CLIN	Contract Line Item Number
CLS	Contractor Logistics Support
CMA	Centrally Managed Allotment
CMC	Commandant of the Marine Corps
COE	Certificate of Eligibility
COR	Contracting Officers Representative
CPRRS	Civilian Personnel Resource Reporting System
CRA	Continuing Resolution Authority
D&F	Determinations and Findings
DC I&L	Deputy Commandant, Installations and Logistics
DC I&L (LB)	Deputy Commandant, Installations and Logistics (Contracts Division)

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DC I&L (LR)	Deputy Commandant, Installations and Logistics (Logistics and Resources)
DC P&R	Deputy Commandant, Programs & Resources
DCPDS	Defense Civilian Personnel Data System
DCPS	Defense Civilian Pay System
DFAS	Defense Finance and Accounting Service
DIC	Document Identifier Code
DLA	Defense Logistics Agency
DOD	Department of Defense
DOD FMR	Department of Defense Financial Management Regulation
DOL	Department of Labor
DON	Department of the Navy
DSSC	Direct Support Stock Control
DTA	Defense Travel Administrator
DTC	Document Type Code
DTS	Defense Travel System
DUID	Demand Unique Identifier
DUNS	Data Universal Numbering System
EDI	Electronic Data Interchange
FAR	Federal Acquisition Regulation
FAS	Fuel Automated System
FASC	Field Automated Service Center
FC	Fund Code
FDTA	Finance Defense Travel Administrator
FECA	Federal Employee's Compensation Act
FH	Family Housing
FII	Financial Improvement Initiative
FIP	Financial Information Pointer
FY	Fiscal Year
FYDP	Future Year Defense Program
GCPC	Government Commercial Purchase Card
GSA	General Services Administration
GTR	Government Transportation Request
HAZMAT	Hazardous Material
HAZMINCEN	Hazardous Materials Minimization Center
HQMC	Headquarters Marine Corps
IBM	Installation Business Model
ICOM	Inputs, Controls, Outputs, and Mechanisms
ICP	Inventory Control Point
IDB	Inter-Departmental Bill
IPAC	Intra-Governmental Payment and Collection
ISSA	Inter-Service Support Agreement
ITO	Installation Transportation Office
JEMMS	Joint Environmental Materiel Management Service
JON	Job Order Number
JPG	Joint Programming Guide
JV	Journal Voucher

LDTA Lead Defense Travel Administration
LOA Line of Accounting
LOGCOM Logistics Command
MCAS Marine Corps Air Station
MCB Marine Corps Base
MCCS Marine Corps Community Services
MCPC Marine Corps Programming Code
MCR Major Command Recipient
MEF Marine Expeditionary Force
MILCON Military Construction
MILSTRIP Military Standard Requisitioning and Issue Procedures
MIPR Military Interdepartmental Purchase Request
MOA Memorandum of Agreement
MOCAS Mechanization of Contract Administration Services
MP,MC Military Personnel, Marine Corps
MRI Major Command Recipient Identifier
MRP Material Returns Program
NMS National Military Strategy
NSN National Stock Number
NULO Negative Unliquidated Obligation
O&M, MCR Operation and Maintenance, Marine Corps Reserve
O&M,MC Operation and Maintenance, Marine Corps
OC Object Class
ODTA Organizational Defense Transportation Administrator
OMB Office of Management and Budget
OPBUD Operating Budget
OSD Office of the Secretary of Defense
OUID Organization Unique Identifier
P&R Programs and Resources
P,MC Procurement, Marine Corps
PAA Property Accounting Activity
PANMC Procurement, Ammunition Navy & Marine Corps
PBD Program Budget Decision
PBDD Program Budget Development Database
PDM Program Decision Memorandum
PEN Program Element Number
PIIN Procurement Instrument Identification Number
PMA President's Management Agenda
POM Program Objectives Memorandum
PP&E Property, Plant and Equipment
PPA Prompt Payment Act
PPBE Planning, Programming, Budgeting, and Execution
PR Purchase Request
QDR Quadrennial Defense Review
RBC Reimbursable Billing Code
RDT&E,N Research, Development, Test, and Evaluation, Navy
RFA Accounting and Financial Systems Branch

RHICS	Regional Hazardous Inventory Control System (RHICS)
RIC	Routing Identifier Code
RO	Responsible Office
RON	Reimbursable Order Number
ROWS	Reserve Order Writing System
RP,MC	Reserve Personnel, Marine Corps
RRE	Refund Receivable
RSC	Reimbursable Source Code
RWO	Reimbursable Work Order
S/ADTA	Service/Agency Defense Travel Administrator
SA	Suballotment Number
SAB1TRVL	SABRS On-Line Travel Order Writer
SABRS	Standard Accounting, Budget and Reporting System
SAG	Sub-Activity Group
SASSY	Supported Activities Supply System
SDN	Standard Document Number
SFBPF	Standard Financial Business Process Flows
SFFAS	Statement of Federal Financial Accounting Standard
SFIS	Standard Financial Information Structure
SIC	Special Interest Code
SLDCADA	Standard Labor Data Collection and Distribution Application
SLIN	Sub-Line Item Number
SMARTS	SABRS Management Analysis Retrieval System
SOC	Sub-Object Class Code
SOS	Source of Supply
SPIIN	Supplementary Procurement Instrument Identification Number
SPS	Standard Procurement System
SRI	Suballotment Recipient Identifier
SUBOPBUD	Suboperating Budget
TAD	Temporary Assigned Duty
TDY	Temporary Duty
TMO	Transportation Management Office
TMS	Transportation Management System
TO	Transportation Officer
TON	Travel Order Number
TT	Transaction Type Code
UIC	Unit Identification Code
ULO	Unliquidated Order
UMD	Unmatched Disbursement
USSGL	United States Government Standard General Ledger
WAWF	Wide Area Workflow
WAWF-RA	Wide Area Workflow - Receipt and Acceptance
WCF	Working Capital Fund
WCI	Work Center Identifier
WCMR, N	Wildlife Conservation on Military Reservations, Navy

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APPENDIX B

FINANCIAL CODE MANUAL

This appendix has been published as a separate, standalone manual. The manual may be viewed by visiting the HQMC, P&R website at URL <https://hqipom1.hqmc.usmc.mil> and selecting the RFA website option.

APPENDIX C

GLOSSARY OF FINANCIAL AND RELATED TERMS

ACCOUNTING CLASSIFICATION CODE (ACC). The ACC, commonly referred to as Line of Accounting (LOA), identifies who is spending the funds, who is performing the accounting, the appropriation to be charged, and the fiscal year. An ACC is comprised of ten elements: Accounting Classification Reference Number, Appropriation Symbol, Subhead, Object Class, Bureau Control Number, Suballotment Number, Authorized Accounting Activity, Transaction Type Code, Property Accounting Activity, and Cost Code.

ACCOUNTING CLASSIFICATION REFERENCE NUMBER (ACRN). A two-digit alphanumeric code (excluding alpha I's, O's, and "FR" reserved for freight or transportation charges) that uniquely identifies a LOA data code cited during all stages of processing accounting transactions. The combination of SDN and ACRN is used to capture unique accounting transactions to its proper accounting classification code.

ACCOUNTING REGISTERS. Records of expenditures, collections and adjustments normally maintained by disbursing offices. Also called allotment registers and disbursing registers.

ACCOUNTS PAYABLE CODE. A one-digit code used to identify the type of accounts payable. The codes are as follows:
G - Accounts Payable - Government
P - Accounts Payable - Public

ACCRUAL ACCOUNTING. The method of accounting whereby: (1) operating costs are accounted for in the fiscal period during which the benefits are received (cost of resources consumed or applied); (2) costs for which the benefits are applicable to future periods are deferred and considered as assets; (3) liabilities for unpaid costs are recorded in the accounts when goods or services are received; and (4) income for work or services performed in a reimbursable order is recorded in the accounts when reimbursable expenses are incurred.

ACTIVITY ADDRESS CODE (AAC). A six-position code assigned to identify specific units, activities or organizations authorized to direct, ship, or receive material, documentation, or billing. The first position of the code is the service assignment code (M for the Marine Corps); the other five positions identify the units, activities, or organizations within the service specified by the service assignment code.

ACTIVITY GROUP (AG). The AG is a two-digit code used to represent a major category within a command's budget. It classifies cost into broad areas that allow reporting of obligation and expense information required by DOD or to fulfill the management information requirements imposed by the Navy or HQMC.

ALLOTMENT. The authority, expressed in terms of a specific amount of funds granted to a commander by the Commandant, to obligate and expend funds for a particular purpose. Obligation and expenditure of the funds may not exceed the amount specified in the allotment, and the purpose for which the authorization is made must be adhered to. Within HQMC, allotments are issued by subhead administrators.

ALLOTMENT HOLDER. The commander or individual to whom an allotment is issued and who is responsible for the proper disposition of the allotment.

ALLOTMENT RECIPIENT. A command that receives an allotment or OPBUD from a Major Command Recipient. Marine Corps Installations East and Marine Corps Installations West are examples of Allotment Recipients. Major Command Recipients are also Allotment Recipients when they pass funds to themselves. An example of a Major Command Recipient who passes funds to themselves as an Allotment Recipient is Commander, Marine Forces Pacific.

ALLOTMENT RECIPIENT IDENTIFIER (ARI). A 6-digit alphanumeric code that identifies the installation/activity receiving funds from the Major Command Recipient. The ALLOT-RECIP-ID is the UIC of the activity receiving funds.

ANNUAL APPROPRIATION. These appropriations are generally used for current administrative, maintenance, and operational programs. Annual appropriations are available for incurring new obligations for only one fiscal year. The term "new obligation" means the initial order, requisition, or contract to another command, government agency, or private business to obtain a good or service needed by the command for mission support or mission accomplishment. New obligations can only be created during the period of 1 October through 30 September for an annual appropriation. However, annual appropriations can have payments made against them for an additional five years beyond the authorized fiscal year. This occurs when goods and services are received and accepted following the close of the fiscal year in which the appropriation was authorized.

APPORTIONMENT. A determination by the Office of Management and Budget as to the amount of obligations which may be incurred during a specified period under an appropriation, contract authorization, other

statutory authorizations, or a combination thereof. An apportionment may relate either to all obligations to be incurred during the specified period within an appropriation account or to obligations to be incurred for an activity, function, project, object or combination thereof.

APPROPRIATION SYMBOL. A seven-digit alphanumeric code assigned by the Department of the Treasury to uniquely identify a congressional approved appropriation that is being charged by the source transaction. The Appropriation Symbol is comprised of a two-digit numeric department code, a one-digit numeric fiscal year code (i.e., the last digit of the fiscal year), and the four-digit numeric treasury symbol.

AUDIT TRAIL. A term used in auditing that refers to the checking procedures involved in an actual audit. For example, an audit trail might go from a financial statement to a general ledger to a subsidiary ledger to a disbursing register and finally to a source document.

AUTHORIZED ACCOUNTING ACTIVITY (AAA). A six-digit code used to identify the activity responsible and authorized to perform accounting functions for the fund holder.

BASIC SYMBOL SPONSOR. A 6-digit alphanumeric field that identifies the unit that will become responsible for the total budget authority delegated to them from HQMC.

BUDGET. A plan of financial operations showing in dollars the estimates of funds needed to carry out the assigned mission, or missions, over a specified period of time.

BUDGET ACTIVITY (BA). This is a division of an appropriation that is identified by a symbol called a subhead.

BUDGET ACTIVITY CODE. A 2-digit alphanumeric field that identifies the functions or areas an appropriation is to fund.

BUDGET EXECUTION ACTIVITY (BEA). BEAs are subdivisions of Work Centers. Legal responsibility for the proper management of the funds is retained by the OPBUD or SUBOPBUD holder. An example of a BEA is a battalion within a division.

BUDGET EXECUTION SUB-ACTIVITY (BESA). BESAs are subdivisions of BEAs. BESAs are established whenever detailed identification of costs below the BEA is desired. BESAs are the lowest organizational level to which funding is broken down in the U.S. Marine Corps. An example would be assigning companies (i.e., the BESA) within a battalion (i.e., the BEA)

to collect detailed costs of operating each company so the battalion can manage funds more effectively.

BUDGET PROJECT. Budget activities are divided into one or more projects, called budget projects. Its purpose is to develop more detailed data essential to the administration and control of an appropriation.

BUDGET REPORTING CODE (BRC). This is a two-digit code that is used to track and collect all costs associated with a specific high-interest program regardless of command, BEA, or FC. If the BRC is assigned by HQMC, the code must be represented as alpha-alpha or alphanumeric. If the BRC is assigned by a local command, the BRC must be represented as numeric-numeric or numeric-alpha. By use of a standard BRC code throughout the U.S. Marine Corps, all costs and financial information pertaining to operations (e.g., Desert Storm) or specific exercises (e.g., Team Spirit) can be captured and quickly identified at the headquarters level. The BRC is an optional field in the FIP.

BUDGET YEAR. The year following the current fiscal year, and for which the budget estimate is prepared. For example, if the current fiscal year is 2007, the budget year would be fiscal year 2008.

BUREAU CONTROL NUMBER (BCN). A 5-digit numeric field used to identify the holder of the funds or OPBUD. For allotment holders, the first two alphanumeric digits of the BCN are the budget project and the last three numeric digits are the allotment holder.

COMMITMENT. A firm administrative reservation of funds, based upon firm procurement directives, orders, requisitions, authorizations to issue travel orders, or requests which authorize the recipient to create obligations without further recourse to the official responsible for certifying the availability of funds. The act of entering into a commitment is usually the first step in the process of spending available funds. The effect of entering into a commitment and the recording of that commitment on the records of the allotment is to reserve funds for future obligations. A commitment is subject to cancellation by the approving authority to the extent that it is not already obligated.

COMPLETED FILES. Completed files consist of all source documents that have had commitments, obligations, expenses, and liquidations processed and validated for accuracy in the accounting system. The dollar values will all equal the liquidation amount and there are no other postings expected for the record.

CONDITION CODES (MATERIAL). A code used to indicate the physical condition of material considered and reported as excess to requirements and allowances and/or to be disposed of or redistributed.

CONSTRUCTIVE BILLING. Intra-DOD the supplier (i.e., seller) may affect billing for items on the basis of drop from inventory provided that seven days have elapsed since drop from inventory without notification of warehouse denial or other advice of nonavailability.

CONSTRUCTIVE DELIVERY. Will be presumed at the time the issuing supply activity transfers goods to a carrier for delivery to the ordering agency. Used in special cases where a stock fund has not been extended overseas.

CONSUMABLE SUPPLIES. Material which, after issue, is chemically or physically altered with use to the extent that it cannot be economically reused for its original purposes and/or which is not normally returned to a storage or industrial activity for repair. Consumable supplies are either consumed in use or lose their identity in the process of work or in the rendering of service. They include such items as office supplies, lumber, etc. Consumable supplies are generally expended upon issue.

COST ACCOUNT CODE (CAC). CACs are four-digit codes used to classify financial transactions according to their "purpose" and are also used to uniformly identify the contents of management reporting requirements. CACs are the lowest required level of cost categorization and collection used within the accounting system for categorizing why funds were used. CACs also point to specific cost categories in the accounting system called Marine Corps Activity and Sub-Activity Group codes.

COST ACCOUNTING. A system of accounting, analyzing, and reporting the cost of operation of programs, activities, functions, and organizational units, or the cost of production of goods and services.

COST-BASED BUDGET. A budget formulated on the basis of the cost of goods and services actually to be received during a given period whether paid for before the end of the period or not. (Not to be confused with an expenditure-based budget, which is based upon the cost of goods and services received and actually paid for.)

COST CATEGORY. One of three types of costs into which the total cost of a program element is divided: (1) research and development, (2) investment, and (3) operations.

COST CODE. A 12-digit code used for local identification of transactions. For TDY documents, this field will be automatically assigned by the order writing system when the orders are created. For all other types of transactions, this field will be locally determined. It is recommended, however, that commands use the last 12 digits of the document number assigned to the source document in this field. When establishing cost codes for the Government Purchase Cards, they should identify the BEA, BESA, and FC.

CROSS-SERVICING. That function performed by one military service in support of another military service for which reimbursement is required from the service receiving support.

DEFENSE FINANCE AND ACCOUNTING SERVICE (DFAS). DFAS is the official accounting firm for DOD. DFAS has functional responsibility for DoD finance and accounting policies, procedures, standards, systems, and operations.

DEFENSE WORKING CAPITAL INDUSTRIAL FUND. This revolving fund is established in accordance with requirements of the Secretary of Defense. The Defense Working Capital Industrial Fund provides the working capital to finance the operations of the overhaul and repair facilities at the U.S. Marine Corps Logistic bases in Albany, GA and Barstow, CA. The capital is replenished by the funds received as a result of periodic billings to customer activities for work or services the depots have performed.

DEFENSE WORKING CAPITAL STOCK FUND. This revolving fund was initially established by Congress. The Defense Working Capital Stock Fund finances the procurement and inventories of those standard supply and equipment parts of a consumable nature for which there is a recurring demand. The cost of these items is normally chargeable to the O&M,MC funds of the commander who requests and receives the items from supply stock. In other words, the commander who buys the parts from the warehouse pays for the item with normal operating funds (i.e., O&M,MC). The money received is then used by the warehouse to replenish the inventory.

DIRECT APPROPRIATION. An Act of Congress authorizing a specified amount of funds to be used for designated purposes, and for payments to be made out of the Treasury of the United States. There are six direct U.S. Marine Corps appropriations:

- Military Personnel, Marine Corps (MPMC)
- Reserve Personnel, Marine Corps (RPMC)
- Operations and Maintenance, Marine Corps (O&M,MC)
- Operations and Maintenance, Marine Corps Reserve (O&M,MCR)

- Procurement, Marine Corps (PMC)
- Procurement, Ammunition, Navy/Marine Corps (PANMC)

DIRECT COST. Those labor, material, or other costs which are directly associated with a facility, piece of equipment, or other specific unit.

DISBURSEMENTS. Payments for goods or services received. Disbursements may be an actual payment in cash, or by government check to a public supplier, or by transfers between appropriations or funds whereby, the funds of a receiving governmental activity are charged and the funds of the performing activity are credited for the value of the goods or services received.

DOCUMENT IDENTIFIER CODE (DIC). A three-digit code on input transactions that specifies the type of transaction and which may also be coded to include further information.

EXPENDITURE. An amount of money actually paid out from an appropriation (e.g., checks drawn or cash expended in payment of bills, transfers from one appropriation to another as a result of obligations).

FEDERAL GROUP. The first two digits of the federal supply classification of the federal stock number which indicates a grouping of the FSN by category of material (e.g., group 10 applies to weapons and related weapons material).

FEDERAL STOCK NUMBER. Consists of an applicable four-digit class code number federal supply classification (FSC) plus the seven-digit federal item identification number. This number has been replaced by the NSN.

FEDERAL SUPPLY CLASS. A grouping of relatively homogeneous commodities, with respect to their physical or performance characteristics, the relationship of parts/attachments/accessories to the next higher assemblies for which they are specifically designed, or that the items therein are usually procured or issued together.

FEDERAL SUPPLY GROUP. The aggregation of several federal supply classes into a meaningful grouping for uniform management purposes. (See also Federal Group.)

FINANCIAL INFORMATION POINTER (FIP). The FIP is a collection of data elements that serves as a key to collect and classify funds by the type of funds used and the purpose for which they were executed. FIPs are only applicable to treasury symbols 1106 and 1107.

FUND CODE (FC). This is a two-digit code used to identify the appropriation, subhead, budget activity/sub-activity group, and program element number. FCs are a short key that allow collection of information using two digits vice 23 digits (which would be required if the user had to key appropriation, subhead, etc.). FCs are assigned by HQMC (RFA). Alpha-alpha codes are used to identify annual appropriations, alphanumeric codes are used to designate multiple year appropriations, and numeric-alpha codes are used to identify no-year appropriations.

FUNDED ACCOUNTS RECEIVABLE. Amounts reimbursable to the performing appropriation resulting from work on reimbursable orders.

FUNDED TRANSACTIONS. Those transactions applicable to reimbursable orders which result in accounts receivable to the performing appropriation.

FUNDING FUNCTION (FUND-FUNC). A 2 to 8-digit alphanumeric field that is used to identify the purpose for which funds are intended. Funding functions are constructed differently for different appropriations. For the 1106 appropriation, the FUND-FUNC is a 4-digit code derived from Navy AG and SAG. The first two digits are the AG and the last two digits are the SAG. For example, AG '1A' for Expeditionary Forces and SAG '4A' for Base Support is combined as funding function '1A4A' when dealing with funding for Expeditionary Forces Base Support.

HAZARDOUS DUTY PAY. Payments above the basic rate because of assignments involving hazardous duty.

HISTORICAL COST. The cost of any objective based upon actual dollar or equivalent outlay ascertained after the fact.

INDIRECT APPROPRIATION. This is an appropriation that is provided to an activity other than the U.S. Marine Corps (e.g., the Navy), but the U.S. Marine Corps receives support from the appropriation (e.g., Operation and Maintenance, Navy (O&MN)) goes to support naval dispensaries that are located at U.S. Marine Corps Bases.

INITIATIONS. Administrative reservations of funds based upon procurement directives or equivalent instruments, which authorize preliminary negotiations looking toward the creation of obligations but providing for recourse to the official responsible for administrative control of funds prior to incurrence of the obligations. The term refers also to the authorization action.

INTERDEPARTMENTAL BILLING TRANSACTIONS. Transactions involving credits to the stock fund/appropriation of a military department, the Defense

Logistics Agency or the General Services Administration with contra-charges to the appropriation or fund of another military department, the Defense Logistics Agency or the General Services Administration.

INTERNAL MANAGEMENT CONTROL. The organization, policies, and procedures used to reasonably ensure that programs achieve the intended results; resources are used consistent with Marine Corps' mission; programs and resources are protected from fraud and mismanagement; laws and regulations are followed; and reliable and timely information is obtained, recorded, maintained, reported and used for decision-making. Management Controls, in the broadest sense, include the plan of organization; methods and procedures adopted by management to ensure its goals are met. Management controls include processes for planning, organizing, directing and controlling program operations. Some subsets of management controls are the internal controls used to assure that there is prevention or timely detection of unauthorized acquisitions, use or disposal of the entity's assets.

INTERSERVICE SUPPLY SUPPORT. Action by one military service/agency or echelon thereof to obtain material from another military service/agency or echelon.

INTRASERVICE SUPPLY SUPPORT. Action by an echelon of a military service/agency to obtain material from another echelon of the same military service/agency.

INVENTORY CONTROL POINT (ICP). The organizational element within the distribution system that has been assigned the responsibility for system-wide direction and control of material. The U.S. Marine Corps ICP is located at the U.S. Marine Corps Logistics Base, Albany, Georgia.

INVOICE. An accounting document showing particulars of property transferred or services rendered, setting forth the date, quantity, description, price, and total amount, together with the terms of the transaction (including discount, if any, and reference to the applicable contract or other procuring instrument) and an accounting document used to transfer accountability for U.S. Marine Corps supplies and equipment from one accountable unit to another.

JOB ORDER NUMBER/LOCAL USE (JNLU) CODE. This is a four-digit alphanumeric code that serves the dual purpose of tracking work performed by facilities through the job number and tracking individual activities through the local use code. These codes are determined at the local command level. The JNLU code is an optional field in the FIP.

JOURNAL VOUCHER. The sole input device for posting of accounting transactions to the general ledger file. All entries placed on the journal voucher must be supported by source documents.

JULIAN DATE. The Julian Date is composed of a 1-digit calendar year (e.g., 1 represents calendar year 2001) followed by the current 3-digit Julian Date (e.g., 001 represents 01 January, 365 represents 31 December except for leap year).

LABOR ACCELERATION. The amount of money that a civilian is actually paid represents only a portion of the liability of the Government. For example, since civil servants may accrue up to 30 days of leave for which they must be paid if they retire or leave government service, then the Government must set aside funds to provide for this eventuality. Also the Government must provide for its share of fringe benefits (i.e., insurance, health benefits, social security, etc.). For these reasons labor charges must be increased and accelerated to provide for these liabilities.

LEADTIME (LT). A term used in organic supply accounting that means the same as either: (1) order and shipping time (i.e., the time elapsing between the initiation, on the supply system, of stock replenishment action for a specific activity and the receipt of the material by that activity); and (2) the time elapsing between the initiation, on a source outside the supply system, of stock replenishment action for a specific activity and the receipt of the material by that activity. The LT quantity is the computed quantity and is determined by relating the LT to ARMD quantity. If, for example, the LT is 15 days and the ARMD is 20, then the LT quantity is 10.

LEVEL OF MAINTENANCE CLASSIFICATION (LMC) CODE. A letter from A through E representing the level at which each facility at an activity is to be maintained based on the support it provides to the activity mission.

MAINTENANCE. The recurring day-to-day, periodic, or scheduled work required to preserve or restore a facility to such condition that it may effectively be used for its designated purpose. Includes work undertaken to prevent damage to a facility which otherwise would be more costly to restore.

MAINTENANCE FLOAT (SECONDARY REPARABLE ITEMS). A pool of reparable components, which includes serviceable items, used to replace like unserviceable items on an exchange or rapid turn around basis and the unserviceables that are awaiting repair.

MAJOR CLAIMANT. A Major Claimant is a command which is designated as an Administering Office. Since the U.S. Marine Corps is a small organization compared to the other services, HQMC assumes the role of Responsible Office, Administering Office, and Major Claimant. Major Claimants are allowed to issue operating budgets (OPBUD) and allotments which provide funding authority from a specific appropriation to a command to accomplish its mission. OPBUD/allotment authority is expressed in terms of a specific amount granted to incur obligations and payments in support of assigned missions and functions.

MAJOR COMMAND RECIPIENTS (MCR). An MCR is a command that receives its funds directly from HQMC. MCRs may pass funds to Allotment Recipients within their command if applicable. Examples of MCRs include: Commander, Marine Forces Pacific; Commander, Marine Forces Command; Commander, Marine Corps Material Command; Marine Corps Recruit Command; and Marine Corps Combat Development Command.

MAJOR COMMAND RECIPIENT ID (MRI). A 6-digit alphanumeric field that identifies the Major Command Recipient that receives its funds directly from HQMC. The MCC-RECIP-ID is the UIC of the command receiving funds.

MAJOR REIMBURSABLE SOURCE CODE (MAJ RSC). A single digit alphanumeric field that identifies the source(s), by general category, of the funds with which one activity is reimbursed for work, services, or goods furnished to another activity.

MANAGEMENT REPORT. A brief and condensed summary of pertinent data and information periodically prepared for the use of management personnel upon which action is initiated to achieve greater productivity and economy.

MATERIAL RELEASE CONFIRMATION (MRC). A notification from a storage site advising the originator of a material release order of the positive action taken on the order. It will also be used, with appropriate shipment status document identifier codes, as a reply to a follow up initiated by the ICP.

MATERIAL RELEASE ORDER (MRO). An order issued by an accountable supply system manager (usually ICP or accountable depot) directing a nonaccountable activity (usually a storage site) within the same distribution complex to release the ship material.

MILITARY STANDARD REQUISITIONING AND ISSUE PROCEDURES (MILSTRIP) DOCUMENT NUMBER. A 14-digit MILSTRIP document number is assigned to requisitions processed through a government source of supply and for open purchase requisitions.

MONEY VALUE ONLY. A term used in inventory valuation. It pertains to items that are not accounted for on an individual basis, usually because they are too numerous to count individually, e.g., nuts, bolts, nails, pins, etc.

MOUNT-OUT STOCKS. That quantity of equipment and supplies which is required to outfit and sustain an Operating Force in an amphibious assault or commitment to mount-out material to be held by Operating Forces is comprised of initial allowances and 30-day replenishment.

MILITARY PERSONNEL, MARINE CORPS (MPMC). MPMC is an annual appropriation that provides for the pay, allowances, clothing, subsistence, and permanent change of station movements.

MULTIPLE-YEAR APPROPRIATIONS. These appropriations are available for incurring obligations for a definite period in excess of one fiscal year. Multiple-year appropriations provide funds for weapons, ammunition, and other major items required by the Operating Forces and finance the research into advanced combat weaponry and equipment.

NEW OBLIGATIONAL AUTHORITY (NOA). Authority becoming newly available for a given year, provided by current and prior actions of the Congress, enabling federal agencies to obligate the Government to pay out money.

NO-YEAR APPROPRIATION. Also known as continuing appropriations. These appropriations are more accurately described as revolving funds. Revolving funds finance a cycle of operations in which the original no-year funds are used and then replenished through reimbursements and collections from other appropriations. This process allows the revolving fund to be self-sufficient once it is established by Congress. The theory of a revolving fund is that, once it is established, no future authorization of funds is required to supplement the original established fund principal to cover the cost of increasing prices (i.e., inflation), changes in requirements due to advanced technology and changes in the mission.

NONAPPROPRIATED FUNDS. Funds other than those appropriated by the Congress, which are established by competent authority for the welfare, comfort and/or recreation of military personnel or civilian employees. Examples are U.S. Marine Corps exchanges, clubs and messes, recreation, and civilian cafeterias.

OBJECT CLASS (OC). A three-digit code that defines the nature of the services or supplies and materials purchased (e.g., 210 is Travel). For collections, the Reimbursable Source Code (RSC) preceded by two zeros will be used.

OBJECT CLASS/SUBOBJECT CLASS (OCSOC). A four-digit code that classifies financial transactions in terms of the nature of the services or articles for which obligations are incurred. The first two digits identify the Object Class (i.e., the type of expense being incurred such as supplies, equipment, civilian labor, etc.) and the last two digits define the Subobject Class (i.e., the source or specific nature of the services ordered such as "supplies are ordered from Army Stock items", "fuel being purchased is diesel", etc.).

OBLIGATION. An obligation is a firm, legally binding agreement between parties for the acquisition of goods or services. This phase of the transaction cycle is important in that when an official document describing a financial transaction exists, the government is legally and contractually liable for the amount shown on the source document. Once funds are obligated, the official unobligated available balance of the fund manager's account is decreased. Commands with obligations in excess of authorizations will be subject to violations of Section 1517 of reference (a). An obligation may be de-obligated when both parties agree and supporting documentation is provided to update the accounting system.

OPERATIONS AND MAINTENANCE, MARINE CORPS (O&M,MC). This appropriation provides funds to finance the costs of operations and maintenance of each U.S. Marine Corps activity, exclusive of military personnel costs. It is used to buy from the stock fund, purchase utilities, make open market purchases, and finance temporary duty.

OPERATIONS AND MAINTENANCE, MARINE CORPS RESERVE (O&M,MCR). Used for the same kinds of things for Reserve units as the O&M,MC appropriation provides for Regular Marine Corps activity.

OPEN ALLOTMENT. An allotment administered by HQMC. Those commanders authorized to do so by the Commandant, charge the allotment for goods and services within the limits specified by the Commandant. While commanders are held responsible through the military chain of command for their use of these funds, they are not legally liable for overobligation as cited under Section 1517 of reference (a).

OPERATING BUDGET (OPBUD)/SUBOPERATING BUDGET (SUBOPBUD). An operating budget is the annual budget of an activity (responsibility center) stated in terms of functional/subfunctional categories and cost accounts. It contains estimates of the total value of all resources required for the performance of the mission of an activity, including reimbursable work and/or services for others. Operating budgets are issued by HQMC to all responsibility centers. SUBOPBUDS are issued by designated responsibility centers to certain subordinate commands

(e.g., FMFPAC may issue SUBOPBUDs to all Marine divisions, wings, and bases under its command).

OVERHEAD. Costs that are chargeable to the operation and maintenance of an activity's own plant and are not attributable to a specific job.

OVEROBLIGATION. Any action that results in raising the total of obligations so that it exceeds the amount of authorized funds. Prohibited by law and regulation under penalty of punitive action.

PENDING FILE. Pending files consist of all source documents that have or have not been entered into the accounting system, but have not been verified as part of the cyclic reconciliation.

PLANNING ESTIMATE/OPERATING TARGET (OPTAR). An amount of money subject to administrative control that is issued to a level below the cost center as determined by the OPBUD/SUBOPBUD holder or is issued to specific U.S. Marine Corps organizations not included in any responsibility center.

PLANNING ESTIMATE LETTER. An administrative means of subdividing an allotment. The grantor retains accounting and legal responsibility under the provision of 31 U.S. Code 1517.

PLANNING/PROGRAMMING/BUDGETING/EXECUTION SYSTEM (PPBES). An integrated system for the establishment, maintenance, and revision of the FYDP and the DOD budget.

PLANT PROPERTY CLASSES. For management, financial, and technical control purposes, plant property items and expenditures therefore are divided into the following four classes: (1) land - Plant Property Class 1; (2) buildings, structures, and utilities - Plant Property Class 2; (3) equipment (other than industrial plant equipment) - Plant Property Class 3; and (4) industrial plant equipment - Plant Property Class 4.

PROCUREMENT, MARINE CORPS (PMC). PMC is a multiyear appropriation that provides for the purchase of major items of equipment and ammunition. Major items are classed as investment items and include such things as rifles, tanks, trucks, radios and guided missile equipment. It should be noted that U.S. Marine Corps airplanes are provided by the appropriation Aircraft Procurement, Navy, and not PMC.

POSTED FILES. Posted files consist of all source documents that have had commitments, obligations, expenses, and/or partial liquidations processed and validated for accuracy in the accounting system.

PRIORITY CODE. A two-digit code designated to ensure that requirements are processed in accordance with the mission of the requiring activity and the urgency of the need.

PROPERTY ACCOUNTING ACTIVITY (PAA). A six-digit field that is used to identify the AAC of the document. For TDY documents, this field will contain the TON. For equipment purchases that are classified as plant property, place the activity designator code or UIC identifying the activity responsible for plant property accounting. This field may be zero filled.

RECORD. A collection of related data or words treated as a unit (e.g., in stock control). Each invoice could constitute a record.

RECURRING COSTS. Expenses for personnel, material consumed in use, operating overhead, support services, and other items incurred on an annual basis.

REIMBURSABLE BILLING CODE (RBC). This is a one-digit code that is locally assigned for billing purposes used to identify the category of work or services provided and the line of accounting data to a reimbursable customer based on the RON assigned. This field may reflect the last digit of the customer's ACRN (i.e., customer's ACRN = "AA" than RBC = "A").

REIMBURSABLE OBLIGATION. Obligations incurred in connection with reimbursable work.

REIMBURSABLE ORDER. A reimbursable order or authorization is normally a written agreement between two federal agencies or one federal agency and a private party (i.e., Memorandum of Understanding (MOU)/Memorandum of Agreement (MOA)) wherein goods or services are provided in exchange for payment. If an MOU/MOA has been negotiated between activities, the performer is bound by the agreement. Copies of current MOAs and MOUs are maintained within the Comptroller Department.

REIMBURSABLE ORDER NUMBER (RON). This is a three-digit alphanumeric code that is locally assigned to identify a specific request for reimbursable work that has been accepted. A RON must be cited in the FIP for funds that are executed under an accepted reimbursable order. This field is left blank for non-reimbursable FIPs. In the case of specific reimbursables, the RON found in the FIP must be the same as the last three-digits in the 15-digit field RON.

REIMBURSABLE SOURCE CODE (RSC). A single digit alphanumeric field that identifies the source(s), by general category, of the funds with which

one activity is reimbursed for work, services, or goods furnished to another activity.

REIMBURSEMENTS ANTICIPATED. The amount(s) of reimbursements expected to be earned and collected.

REPORTING UNIT CODE (RUC). In addition to employing UICs prescribed by the Department of the Navy, the U.S. Marine Corps also maintains a unique RUC that is also a five-character alphanumeric code. RUCs are primarily employed for internal U.S. Marine Corps applications such as the Manpower Management System (MMS).

REQUISITIONAL AUTHORITY (RA). The statistical dollar value authority provided Operating Forces using units as a budgetary guide to control and measure the drawdown of organic (SAC 1) material. Does not carry legal or administrative responsibilities.

RESERVATION. An administrative action, which identifies funds set aside for planning purposes, and prior to the establishment of a commitment or an obligation.

RESIDUAL VALUE. The scrap value of equipment at the end of the economic life of the system.

RESOURCES. Consists of military and civilian personnel, material on hand and on order, and the entitlement to procure or use material, utilities, and services as required for performance of the basic mission of the responsibility center and work performed for others.

ROUTING INDICATOR CODE (RIC). Three-position alphanumeric codes serving multiple purposes in that they are "source of supply" codes, intersystem routing codes, intrasystem routing codes, and shippers codes.

RESERVE PERSONNEL, MARINE CORPS (RPMC). An annual appropriation that provides for the pay, allowance, clothing, subsistence, per diem, travel and other related costs for Reserve Personnel of the U.S. Marine Corps.

SASSY GENERAL ACCOUNT. The function of the general account is to establish stockage criteria and requisition objectives for operating stocks required to support using units. Replenishment of assets (operating stock) is accomplished by submitting requisitions to various supply sources.

SERVICE UNIT. A term used to identify the FMF service element (e.g., force service support group, service battalion, or Marine wing support group) that provides support to using units.

SIGNAL CODE. A one-digit code that designates the intended consignee (ship to) and the activity that should receive and effect payment of bills.

SOURCE DOCUMENTS. Source documents are the evidence of initial input into the accounting process and serve as objective evidence of a transaction. They serve as part of the audit trail should an activity or organization need to prove that a transaction occurred. The source document describes the basic facts of the transaction such as who authorized it, what was the event, when did it occur (the date), where did it occur, why did the event occur (the purpose), and how much was spent (the amount). Source documents can be categorized as paper or electronic submissions used to accomplish a particular purpose. The electronic submissions are generated by the various mechanized supply systems within DOD and then interfaced with the accounting system to record the transaction. A Funds Manager/Supply Clerk will establish a requirement at the source of supply (e.g., SASSY) and as the source fills the requirement, their system will generate the source document that will later produce a commitment, obligation, expense, or a combination thereof in the accounting system.

SPECIAL INTEREST CODE (SIC). A 3-digit alphanumeric code that identifies specific functions within the budgetary sub-division field (i.e., MCCS, Health Care, etc.) or other unprogrammed, highly visible issues (i.e., Desert Shield/Desert Storm). The value for this field is the same as the BRC in the FIP.

SPECIFIC REIMBURSABLES. Reimbursable transactions not supported by a specific order are commonly called unfunded reimbursables. Automatic increases to operating budgets are not authorized for unfunded reimbursable work performed unless specifically provided in the fund authorization.

STANDARD DOCUMENT NUMBER (SDN). The SDN is a 15-digit document number used for all source documents not processed through the supply system.

STANDARD FINANCIAL INFORMATION STRUCTURE (SFIS). The SFIS is DOD's common business language that includes data elements that support budgeting, accounting, financial reporting, and performance-based management efforts. SFIS elements are grouped around unique identifiers that capture standard data at each financial or business process phase. These phases run from appropriation enactment, allocation distribution, and the transaction cycle of commitment,

obligation, expense, and liquidation. Key unique identifiers are: Allocation Unique Identifier (AUID), Organization Unique Identifier (OUID), and Demand Unique Identifier (DUID).

STANDARD PRICE. The unit price established by the ICP having inventory control of the item.

STANDING JOB ORDER. A work authorization issued to provide the performance of work or the furnishing of services during a specified period.

STATUS CODE. A two-position code originated by the supply source informing the requisitioner of supply action taken on requisitions.

SUB-ACTIVITY GROUP (SAG). A two-digit code that represents a finer functional breakdown within the Activity Group.

SUBALLOTMENT. An authorization to use funds from an allotment issued by the Commandant. The authorization is granted by the commander who receives the primary allotment from the Commandant. The recipient of the suballotment accounts for its funds to the holder of the primary allotment; however, when the Commandant authorizes a suballotment to be accounted for with a specific three-digit number to identify it, and this number is different from the one used to identify the primary allotment, the commander who receives the allotment is accountable directly to the commander holding the primary allotment from which the Commandant authorizes the suballotment to be made.

SUBALLOTMENT NUMBER (SA). A one-digit field used to identify a Centrally Managed Operating Budget (CMOB) administered at HQMC. CMOB's are established to account for items or functions where one office managing funding and costs is more appropriate from a control and administrative perspective than distributing funds to each command.

SUBALLOTMENT RECIPIENT. A Suballotment Recipient is a subordinate command that receives a portion of an allotment or OPBUD from an Allotment Recipient. Upon receipt of a suballotment, the holder assumes responsibility for the administration of the funds under the provisions of the Section 1517 of reference (a) (i.e., legal responsibility to stay in budget) and the primary allotment holder, who issued the suballotment, is relieved of this responsibility. This is the lowest level to which Section 1517 of reference (a) responsibility can be passed. Examples of Suballotment Recipients are MCAS Miramar, MCB Camp Pendleton, and I MEF. Major Command Recipients are also Allotment/Suballotment Recipients when they pass funds to themselves.

SUBALLOTMENT RECIPIENT ID (SRI). A 6-digit alphanumeric field that identifies the installation or activity receiving funds from the Allotment Recipient command.

SUBHEAD. A four-digit alphanumeric code that represents the administering office and the budget program that funds are executed under. The subhead identifies charges and credits made to the first level of an appropriation. The first two characters of the subhead designate the administering office and are derived from the last two characters of the major claimant's unit identification code. The third digit of the subhead relates to the budget activity that is specific to the appropriation under which the subhead falls. The last digit of the subhead is always zero for the O&M,MC appropriation.

SUPPLEMENTARY ADDRESS. A six-position field indicating "ship to" or "bill to" activity other than the requisitioner.

SUPPLEMENTARY JOB ORDER. A job order issued for any portion of the work under a basic job order that is to be charged to an accounting classification other than that shown on the basic job order.

TEMPORARY DUTY (TDY). TDY is when a traveler is ordered to accomplish a mission at a location that is outside their normal place of duty (i.e., outside 50 miles). Upon completion of the mission, the traveler returns to their permanent place of duty. Government employees, military or civilian, can be directed to perform TDY throughout their careers.

TOTAL OBLIGATIONAL AUTHORITY (TOA). TOA is the total amount of funds available for programming in a given year, regardless of the year the funds are appropriated, obligated or expended. TOA includes new obligational authority, unprogrammed or reprogrammed obligational authority from prior years, reimbursements not used for replacement on inventory in kinds advance funding for programs to be financed in the future, and unobligated balances transferred from other appropriations.

TRANSACTION. Any mutual agreement, contract, understanding or exchange or transfer of cash or property between an entity and an individual or group of individuals that affects the assets, liabilities or capital of the entity. Broadly, any event that affects the accounts of an entity in any way.

TRANSACTION TYPE CODE (TT). A two-digit code used to classify payments/receipts as to purpose or category (i.e., 2D represents a payment, 1K an advance, 3C a collection/reimbursement).

UNDISTRIBUTED DISBURSEMENTS. These are disbursements, which are not identified to a particular document.

UNDISTRIBUTED EXPENSES. These are expenses, which are not identified to a particular job order.

UNFILLED ORDER. Any document meeting the criteria of an obligation, issued for goods or services that have not yet been received.

UNFILLED REQUISITION. A requisition for material from inventory, which does not obligate the requester's funds until, dropped from inventory by the supplier.

UNFUNDED ACCOUNTS RECEIVABLE. Unfunded accounts receivable are amounts reimbursable to an appropriation and subhead resulting from unfunded transactions. (See Funded Accounts Receivable.)

UNFUNDED RESOURCES. Those resources that are acquired, used or consumed by an operating activity for the execution of its program(s) without expenditure by the activity from the appropriation financing the program(s). Unfunded resources may include: (1) personal services, such as the services of active forces military personnel applied in operating programs financed by appropriation and maintenance funds but paid for from military personnel appropriations; (2) material, such as centrally procured supplies acquired by an operating activity without reimbursement to the activity whose funds were used to procure the supplies; or (3) nonpersonal services and other resources, such as space rented by the General Services Administration and occupied without reimbursement by a defense activity.

UNFUNDED TRANSACTIONS. Unfunded transactions are those transactions that result in accounts receivable to an appropriation and subhead that did not result from reimbursable orders. (See Funded Transactions.)

UNIT IDENTIFICATION CODE (UIC). A five-character alphanumeric code used to identify organizational entities within the Department of the Navy (e.g., 00146 is Marine Corps Air Station, Cherry Point, North Carolina). The UIC of each operating budget holder is identified in the bureau control number block of the accounting classification code. UIC's are contained in Chapter 5, Volume 2 of the NAVCOMPT Manual.

UNIT OF ISSUE. A two-digit abbreviation of the standard item measurement as indicated in the applicable catalog or stock list (e.g., EA, LB, FT, etc).

UNOBLIGATED BALANCE. The difference between the amount authorized and the amount obligated.

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WORK CENTER. A Work Center is a subdivision of a Suballotment Recipient. Typically, Work Centers refer to Assistant Chiefs of Staff within a U.S. Marine Corps Base or Major Commands within a MEF. These activities are held financially responsible as subordinate to superior. Legal responsibility is retained at the Suballotment Recipient level. An example is the MEF commander passing funds to the Division, Wing, and FSSG commanders to operate their units.

WORK CENTER IDENTIFIER (WCI). A 6-digit alphanumeric field that identifies a subdivision of a Suballotment Recipient from which funds are received.

WORK MEASUREMENT. The process of establishing performance standards (in terms of man-hours per work unit), comparing actual performance with standard, and initiating remedial action as appropriate when the two are not compatible.

WORK UNIT. Measures of output that express volume of work; conversely, man-hours and dollars are measures of input required to produce work units or perform work.

APPENDIX D

ACCOUNTING NETWORK AND FUND HOLDER MATRIX

ACTIVITY NAME	ALLOTMENT NUMBER	MAJ-CMD RECIP-ID	ALLOT-RECIP-ID	SUBALLOT-RECIP-ID	WORK-CTR-ID	AAA
<u>HQMC</u>						
HQMC	630, 631, 632	M00027	M00027	M00027	M00027	067443
AR O&M (FY06)	665, 690, 691	M00027	M00027	M00027	M00080	067443
C4 O&M	701, 707	M00027	M00027	M00027	M00081	067443
INTEL O&M		M00027	M00027	M00027	M00083	067443
M&RA O&M		M00027	M00027	M00027	M00084	067443
DC P&R		M00027	M00027	M00027	M00085	067443
HQMC SPECIAL STAFF		M00027	M00027	M00027	M00086	067443
I&L O&M		M00027	M00027	M00027	M00088	067443
PP&O O&M		M00027	M00027	M00027	M00090	067443
MCRATS		M00027	M00027	M00027	M00091	067443
TSO		M00027	M00027	M00027	M00094	067443
HQMC LABOR (FY06)		M00027	M00027	M00027	M00092	067443
I&L (NON O&M)	605, 696, 702	M95490	M95490	M95490	M95490	067443
PP&O (NON O&M)	706	M95488	M95488	M95488	M95488	067443
MANPOWER (NON O&M)	705	M95520	M95520	M95520	M95520	067443
MARCOR, NCR (PRIOR TO FY05)	095	M67895	M67895	M67895	M67895	067443
HENDERSON HALL		M67895	M67895	M67895	M67353	067443
CCVI C		M67895	M67895	M67895	M98405	067443
<u>MARFORPAC (FY07)</u>						
MARFORPAC	014	M67025	M67025	M67025	M67025	067443
HSBN PAC		M67025	M67025	M67025	M20021	067443
1ST RADBN		M67025	M67025	M67025	M21589	067443
AMC SAAM		M67025	M67025	M67025	M20020	067443
I MEF	047	M67025	M67025	M68450	M68450	067443
I MEF CE		M67025	M67025	M68450	M20146	067443
3RDMAW		M67025	M67025	M68450	M57081	067443
1ST MLG		M67025	M67025	M68450	M67446	067443
1ST MARDIV		M67025	M67025	M68450	M67448	067443
I MHG		M67025	M67025	M68450	M20371	067443
13TH MEU		M67025	M67025	M68450	M20173	067443
11TH MEU		M67025	M67025	M68450	M20177	067443

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ACTIVITY NAME	ALLOTMENT NUMBER	MAJ-CMD RECIP-ID	ALLOT-RECIP-ID	SUBALLOT-RECIP-ID	WORK-CTR-ID	AAA
15TH MEU		M67025	M67025	M68450	M20310	067443
IIIMEF	048	M67025	M67025	M67438	M67438	067400
III MEF CE		M67025	M67025	M67438	M20128	067400
1ST MAW		M67025	M67025	M67438	M57079	067400
3RD MLG		M67025	M67025	M67438	M29000	067400
3D MARDIV		M67025	M67025	M67438	M13000	067400
31ST MEU		M67025	M67025	M67438	M20175	067400
III MHG		M67025	M67025	M67439	M20380	067400
MAGTFTC		M67025	M67025	M67884	M67884	067443
<u>MARCORINST PAC (FY07) (FORMERLY COMMARFORPAC)</u>						
MARCORINST PAC						
MCB HAWAII	198	M67025	M67385	M00318	M00318	067443
ANDERSON HALL		M67025	M67385	M00318	M00312	067443
<u>MARFORPAC (PRIOR TO FY07)</u>						
MCB HAWAII	198	M67025	M67025	M00318	M00318	067443
ANDERSON HALL		M67025	M67025	M00318	M00312	067443
HSBN PAC		M67025	M67025	M67025	M20021	067443
1ST RADBN		M67025	M67025	M67025	M21589	067443
AMC SAAM		M67025	M67025	M67025	M20020	067443
<u>MARCORINST WESTPAC (FORMERLY COMMARFORBASES JAPAN)</u>						
MARCORINST WESTPAC	041	M67025	M67436	M67436	M67436	067400
MCAS IWAKUNI	043	M67025	M67436	M62613	M62613	067400
MCB BUTLER	042	M67025	M67436	M67400	M67400	067400
<u>MARCORINST WEST (FY07)</u>						
MARCORINST WEST	018	M67025	M67428	M67428	M67428	067443
MCB PEN	007	M67025	M67428	M00681	M00681	067443
MCAS PEND	240	M67025	M67428	M67604	M67604	067443
MCAS YUMA	222	M67025	M67428	M62974	M62974	067443
MCAS MIRIMAR	118	M67025	M67428	M67865	M67865	067443
MCACGC 29P	085	M67025	M67428	M67399	M67399	067443
MCLB BARSTOW	009	M67025	M67428	M62204	M62204	067443
<u>MARCORINST WEST (PRIOR TO REGIONALIZATION IN FY07)</u>						
<u>FY06 & PRIOR</u>						
MCB PEN	007	M67025	M67025	M00681	M00681	067443
COMCABWEST	018	M67025	M67428	M67428	M67428	067443
MCAS PEND	240	M67025	M67428	M67604	M67604	067443
MCAS YUMA	222	M67025	M67428	M62974	M62974	067443
MCAS MIRIMAR	118	M67025	M67428	M67865	M67865	067443
MCACGC 29P	085	M67025	M67025	M67399	M67399	067443
MCLB BARSTOW	009	M67004	M67004	M62204	M62204	067004
EL TORO (BRAC)	116	M67025	M67428	M60050	M60050	067443
TUSTIN (BRAC)	117	M67025	M67428	M62535	M62535	067443

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ACTIVITY NAME	ALLOTMENT NUMBER	MAJ-CMD RECIPIENT-ID	ALLOT-RECIPIENT-ID	SUBALLOT-RECIPIENT-ID	WORK-CTR-ID	AAA
<u>MARFORCOM</u>						
MARFORCOM	012	M67026	M67026	M67026	M67026	067443
HSBN MFL		M67026	M67026	M67026	M20001	067443
CO ELMORE		M67026	M67026	M67026	M67391	067443
CAMP ALLEN		M67026	M67026	M67026	M20001	067443
II MEF	023	M67026	M67026	M20133	M20133	067443
2D MAW		M67026	M67026	M20133	M57080	067443
2ND MLG		M67026	M67026	M20133	M27100	067443
2D MARDIV		M67026	M67026	M20133	M12000	067443
22ND MEU		M67026	M67026	M20133	M20179	067443
24TH MEU		M67026	M67026	M20133	M20180	067443
26TH MEU		M67026	M67026	M20133	M20181	067443
MHG		M67026	M67026	M20133	M20360	067443
MCSFBn		M67026	M67026	M20133	M53530	067443
		M67026	M67026	M20133	M20364	067443
4TH MEB (FY06 & PRIOR)		M67026	M67026	M20133	M99400	067443
<u>MARCORINST EAST (FY06)</u>						
MARCORINST EAST	017	M67026	M67358	M67358	M67358	067443
MCB CLNC	002	M67026	M67358	M67001	M67001	067443
MCAS CHERRY POINT	104	M67026	M67358	M00146	M00146	067443
MCAS NEW RIVER	233	M67026	M67358	M62573	M62573	067443
MCAS BEAUFORT	199	M67026	M67358	M60169	M60169	067443
MCLB ALBANY	008	M67026	M67358	M67008	M67008	067443
MCAF QUANTICO	062	M67026	M67358	M00260	M00260	067443
BLOUNT ISLAND COMMAND		M67026	M67358	M67695	M67695	067443
<u>MARCORINST EAST (PRIOR TO REGIONALIZATION IN FY06)</u>						
<u>FY05 & PRIOR</u>						
MCB CLNC	002	M67026	M67026	M67001	M67001	067443
COMCABEAST	017	M67026	M67358	M67358	M67358	067443
MCAS CHERRY POINT	104	M67026	M67358	M00146	M00146	067443
MCAS NEW RIVER	233	M67026	M67358	M62573	M62573	067443
MCAS BEAUFORT	199	M67026	M67358	M60169	M60169	067443
MCAF QUANTICO	062	M67026	M67358	M00260	M00260	067443
CAMP ALLEN		M67026	M67026	M20001	M67391	067443
MCLB ALBANY	008	M67004	M67004	M67008	M67008	067443

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ACTIVITY NAME	ALLOTMENT NUMBER	MAJ-CMD RECIP-ID	ALLOT-RECIP-ID	SUBALLOT-RECIP-ID	WORK-CTR-ID	AAA
<u>MARCENT</u>						
MARCENT (FY06)	096	M67898	M67898	M67898	M67898	067443
SPMAGTF- KUWAIT (FY06)	098	M67898	M67898	M67898	M67898	067443
MARCENT-IRAQ (FY06)		M67898	M67898	M67898	M67899	067443
AFGANASTAN		M67898	M67898	M67898	M67900	067443
CJTF HOA (FY06)		M67025	M67025	M67901	M67901	067443
CAMP LEMONIER DJ		M67025	M67025	M67896	M67896	067443
<u>MARCENT (PRIOR TO FY05)</u>						
FY05 & PRIOR						
MARCENTCOM	096	M67025	M67025	M67896	M67896	067443
SPMAGTF- KUWAIT	098	M67025	M67025	M67898	M67898	067443
MARCENT-IRAQ		M67025	M67025	M67898	M67899	067443
CJTF HOA		M67025	M67025	M67901	M67901	067443
<u>LOGCOM</u>						
MC LOGISTICS CMD	004	M67004	M67004	M67004	M67004	067004
MATCOM (FY03 & PRIOR)	010	M67009	M67009	M67009	M67009	067443
<u>QUANTICO</u>						
MCCDC VA	005	M00264	M00264	M00264	M00264	067443
T&E		M00264	M00264	M00264	M00001	067443
WARFGTG		M00264	M00264	M00264	M00002	067443
MEO		M00264	M00264	M00264	M00003	067443
FAC DIV		M00264	M00264	M00264	M00004	067443
CMD SPT		M00264	M00264	M00264	M00005	067443
MC WARFIGHTING LAB		M00264	M00264	M00264	M00006	067443
FAMHSG		M00264	M00264	M00264	M00008	067443
HENDERSON HALL (FY06)		M00264	M00264	M00264	M67353	067443
CCVI C (FY06)		M00264	M00264	M00264	M67353	067443
MCCDC TEC		M67856	M67856	M67856	M67856	067443
<u>SYSCOM</u>						
MCSYCOM	703, 802	M67854	M67854	M67854	M67854	067443
MCTSSA	090	M67854	M67854	M68909	M68909	067443

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ACTIVITY NAME	ALLOTMENT NUMBER	MAJ-CMD RECIP-ID	ALLOT-RECIP-ID	SUBALLOT-RECIP-ID	WORK-CTR-ID	AAA
<u>MCRC</u>						
MCRC	878	M39878	M39878	M39878	M39878	067443
ERR	876	M39878	M67889	M67889	M67889	067443
1 MCD	235	M39878	M67889	M67011	M67011	067443
4 MCD	233	M39878	M67889	M67013	M67013	067443
6MCD	236	M39878	M67889	M67015	M67015	067443
WRR	877	M39878	M67890	M67890	M67890	067443
8 MCD	231	M39878	M67890	M67016	M67016	067443
9 MCD	234	M39878	M67890	M67017	M67017	067443
12 MCD	232	M39878	M67890	M67019	M67019	067443
<u>MARFORRES</u>						
MARFORRES	508	M67861	M67861	M67861	M67861	067443
4TH MAW		M67861	M67861	M67861	M67021	067443
4TH FSSG		M67861	M67861	M67861	M29050	067443
4TH MARDIV		M67861	M67861	M67861	M68479	067443
MOBCOM (FY05)	509, 239	M67861	M67861	M68522	M68522	067443
FY04 & PRIOR						
MOBILIZING MARINE RESERVIST - KC		M67861	M67861	M68522	M67386	067443
MOBILIZING MARINE RESERVIST - PAC		M67861	M67861	M67894	M67894	067443
MOBILIZING MARINE RESERVIST - LANT		M67861	M67861	M67892	M67892	067443
<u>OTHERS</u>						
DRPM	704	M48396	M48396	M48396	M48396	067443
MRBKS8&I	114	M67029	M67029	M67029	M67029	067443
MCRD SAN DIEGO	006	M00243	M00243	M00243	M00243	067443
MCRD PARRIS ISLAND	003	M00263	M00263	M00263	M00263	067443
MARFORNORTH		M67902	M67902	M67902	M67902	067443
MARFORSOUTH	020	M67024	M67024	M67024	M67024	067443
MARFOREUR	060	M67023	M67023	M67023	M67023	067443
MARSOC		M67906	M67906	M67906	M67906	067443

APPENDIX E

TRANSACTION TYPE CODES

Listed below are some of the more commonly used TTCs.

TTC	DESCRIPTION
1D	Appropriation Purchases Account, formal departmental obligation (functional account in 52000 series).
1E	Appropriation Purchases Account, contract administered by a designated Naval Plant Representative Office (functional account in 52000 series).
1F	Appropriation Purchases Account, obligation not formal or designated Naval Plant Representative Office (functional account in 52000 series).
1H	Plant property Account direct procurement, costing \$250,000 or more, formal departmental obligation (excluding plant property for delivery to a contractor's plant) (functional account in 41000 series except 41380 and 41480) (not applicable with the appropriation 17-1804 Operation and Maintenance, Navy, nor with the appropriation 17-1106, Operation and Maintenance, Marine Corps).
1I	Plant property Account direct procurement, costing \$250,000 or more, not formal departmental obligation (excluding plant property for delivery to a contractor's plant) (functional account in 41000 series except 41380 and 41480) (not applicable with the appropriation 17-1804 nor with the appropriation 17-1106).
1J	Subsistence end-purchases, Navy general messes (functional account 73110, 73160, or 73170), Marine Corps general messes (functional account 73111 or 73112).
2A	Payments charged to suspense series functional accounts in 48200 series for accumulating constructional costs.
2B	End-use purchases, formal departmental obligation (including plant property for delivery to a contractor's plant but excluding other plant property account items).
2C	End-use purchases, contract administered by designated naval plant representative office, not for plant property account.

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TTC	DESCRIPTION
2D	Transactions not included in another TTC, specifically: end-use charges which are not for subsistence for general messes nor for abstractable plant property account procurement (end-use charges for procurement of plant property under the appropriation 17-1804 or under the appropriation 17-1106 are nonabstractable); end-use not formal departmental obligation nor naval representative office administered; charges to allotments administered by the Naval Facilities Engineering Command activities under Air Force appropriations; charges to Navy Deposit Funds 17X6001; proceeds of sales of lost, abandoned, or unclaimed personal property, Navy(T), subhead 2790; 17X6002, Personal Funds of Deceased, Mentally Incompetent, or Missing Personnel, Navy, subhead 2790; and suspense, Navy; charges to clearing account 17F3875, Budget Clearing Account (Suspense), Navy; charges to appropriation 17-1405, Reserve Personnel, Navy; repair to materials in stores not charged to the Navy Stock Fund nor code 2T; Plant Property for delivery to a contractor's plant; all charges and credits to appropriation 17-11X8242, Advances, Foreign Military Sales, Executive (Transfers to Navy), except for progress payments and liquidations thereof; and charges and credits to Budget Clearing Account 17F3880, except for successor checks issued by disbursing officers code 1R.
2M	Advances to Contractors (Marine Corps)
2N	Advances to Grantees (Marine Corps)
2P	Prepayments (Marine Corps)
2T	Contract charges under other than local contracts for repair of Appropriation Purchases Account material including contractor inspection and testing.
1K	Travel advances for Navy and Marine Corps civilian employees and military members and the reversal (liquidation) of travel orders.
1L	Appropriation Purchases Account, formal departmental obligation under a successor appropriation (functional account in 52000 series).
1M	Plant Property Account direct procurement formal departmental obligation under a successor appropriation (functional account in 41000 series except 41380, 41480, and 41990) excluding plant property for delivery to a contractor's plant.

TTC	DESCRIPTION
1N	Appropriation Purchases Account, successor appropriation obligation other than formal departmental type and other than contracts administered by a designated naval plant representative office (functional account in 52000 series.
2E	Payments chargeable to DOD Working Capital Industrial Fund made on-site for other than travel advances.
2F	Payments chargeable to DOD Working Capital Industrial Fund made off-site for other than travel advances.
2I	Payment chargeable to an Army, Air Force (except allotments administered by the Naval Facilities Engineering Command), or Coast Guard appropriation; a Navy Deposit Fund (except 17X6001, Proceeds of Sales of Lost, Abandoned, or Unclaimed Personal Property, Navy(T), subhead 2790; 17X6002, Personal Funds of Deceased, Mentally Incompetent, or Missing Personnel, Navy, subhead 2790; and Suspense, Navy); a collection creditable to a receipt account; refund vouchers which cite appropriation 17-1453, Military Personnel, Navy, and authorization accounting activity 22 that pertain to items of pay and allowances credited or charged to the Master Military Pay Account (MPA); or military payroll vouchers which cite 17-1453 or 17-1105, Military Personnel, Marine Corps, 17X8723, Ships Stores, Profit.
2J	End-use purchases, successor appropriation (including plant property for delivery to a contractor's plant but excluding other plant property account items).
2K	End-use purchases, successor appropriation, not formal obligation and other than contracts administered by designated naval plant representative office (including plant property for delivery to a contractor's plant but excluding other plant property account items). Note: For all Army, Air Force, Coast Guard, and DD Code 3 successor appropriation transactions, code 2K will be used.
2R	End-use charges, successor appropriation obligation under contracts administered by a designated naval plant property representative office.

TTC	DESCRIPTION
2S	Purchase of material or services to be used in direct support of reimbursable work when the performer is funded by O&MN, O&MMC, or MILCON appropriations and the transaction is likely to be paid in one of the several foreign currencies subject to Foreign Currency Fluctuations, Defense (FCFD) and Foreign Currency Fluctuations, Construction, Defense (FCF,C,D) procedures.
2X	Foreign currency fluctuation gains or losses between the budget rate of exchange and rate of exchange paid for material or services ordered for use in the performance of certain categories of reimbursable work or services.
2Z	Payments under a successor appropriation for seasonal, retirement, and separation allowances for indirect and direct hire foreign nationals.
6W	Contract progress payments chargeable to Navy or Marine Corps appropriations.
7Y	Progress payments chargeable to Navy or Marine Corps appropriations for work performed by Navy or Marine Corps Industrial Fund Activities.
3A	Reimbursement to DOD Working Capital Fund, functional accounts: 98021, 98026, 98027, 98028, or 98029.
3B	Reimbursement to a successor appropriation.
3C	Reimbursements not covered by type code: 3A, 3B, 3D, 3E, or 3F.
3D	Reimbursements to DOD Working Capital Fund for sales of scrap, salvage, and surplus materials.
3E	Reimbursement to DOD Working Capital Industrial Fund made on-site for other than liquidation of travel advances.
3F	Reimbursements to DOD Working Capital Industrial Fund made off-site for other than liquidation of travel advances.
4A	Registers: 5, 6, 15, 22, 33, 36 (expenditure, and refund adjustments); Listing of Expenditures/Collections (NAVCOMPT Form 634); Public Vouchers; Interdepartmental stock fund charges; Military pay (training and aircraft ferrying); Cross-disbursing, settled; Refunds; Adjustments, expenditures, and refunds.

TTC	DESCRIPTION
4I	Registers: 3 (reimbursements), 8 (reimbursements to Navy Stock Fund), 12 (reimbursements), 13, 14, 25 (reimbursements), and 36 (reimbursement adjustments); Listing of Expenditures/Collections (NAVCOMPT Form 634) reimbursement adjustments and reimbursements.
4J	Registers: 3 (issues, current or expired appropriation), 6 (summary credits to be billed or suspense appropriations (reversals of summary undistributed appropriation charges cited by billing office at time of billing, for use by Navy regional finance centers, Navy Accounting and Finance Center, and Marine Corps Finance Center only)), 7 (current or expired appropriation), 8 (issues current or expired appropriation), 9 (summary undistributed interdepartmental stock fund appropriation charges cited by other DOD components (Navy Accounting and Finance Center use only)), 12 (summary charges to all billed or suspense appropriations), 21 (cross-disbursing, unaudited), 25 (expenditures), 54 (MCASA issues); Listing of Expenditures/Collections (NAVCOMPT Form 634); MCASA issues, current or expired appropriation; Civilian payrolls, current or expired appropriation; NSA issues, current or expired appropriations.
5A	Travel vouchers for TDY travel advances.
5B	A final travel claim voucher on which TDY travel advance is liquidated; a final travel claim when no travel advance was made; Cash Collection Voucher (DD Form 1131) covering a collection from a traveler to complete liquidation of a TDY travel advance; Voucher for Disbursement and/or Collection (NAVCOMPT Form 2277) which liquidates TDY travel advances or adjusts checkage on member's pay record.
5C	Partial TDY travel claims (not final) that liquidate a travel advance.
5D	A final travel claim voucher that does not liquidate a TDY travel advance and NAVCOMPT Form 2277, which partially liquidates TDY travel advances.
5E	Partial TDY travel claims (not final) when no advance was made.

APPENDIX F

INSTALLATION BUSINESS MODEL
MAJOR FUNCTIONS AND ASSOCIATED BUSINESS PROCESSES

MAJOR FUNCTION	ASSOCIATED BUSINESS PROCESSES
Facilities and Land Management	Sustain, Restore, and Modernize Facilities
	Provide Facilities Management
	Provide Facilities Services
	Provide Utilities
	Provide Environmental Services
	Provide Housing and Bachelor Quarters
Community Services	Provide Marine Corps Family Team Building Programs
	Provide Child Care and Youth Programs
	Provide Personal Services
	Provide Semper Fit Programs
	Provide Lifelong Learning
	Provide Lifelong Learning - Tuition Assistance
	Provide M CCS Business Operations
	Provide M CCS General Support
Security and Safety	Manage Safety Programs
	Provide Security and Force Protection Programs
	Provide Fire Protection and Emergency Services

MAJOR FUNCTION	ASSOCIATED BUSINESS PROCESSES
Command and Staff Support	Provide Command Support
	Provide Legal Services
	Manage Community Relations
	Provide Religious Program Support
	Manage Financial Resources
	Manage Business Practices
	Provide Personnel Support
Information Technology	Provide Voice Communication Services
	Provide Data Services
	Provide Ground Electronic Equipment Maintenance
Logistics Support	Provide Transportation
	Provide Supply Services
	Provide Procurement Services
	Provide Food Services
Training Support	Provide Military Training
	Provide Civilian Training
	Provide Range Management
	Provide Simulator Support
	Provide Visual Information Support
	Provide Aviation Operations Support

APPENDIX G

INFOPAC

1. Introduction. INFOPAC was designed to facilitate electronic viewing of reports, as well as provide an instrument for producing the reports on paper. INFOPAC provides the user an opportunity to review and determine exactly what printed output, if any, is needed. By providing the opportunity to select exactly what report is required on paper, production costs decrease as unwanted reports are eliminated from print. INFOPAC also provides methods of manipulation that allows the user to organize the reports based on their requirements. The list of reports available to the user depends on the access profiles attached to the users ACID. INFOPAC can be accessed through the mainframe computer. Reports are loaded to INFOPAC after each cycle and can be requested by the customer between cycles.

2. INFOPAC On'Line Viewing Commands and PF Keys. The following describes the function keys and commands available to the user:

KEY	COMMAND	FUNCTION
PF1	H elp	Provides information on using INFOPAC. Press <ENTER> to view additional screens, or PF3 to exit.
PF2	P rint	Displays the printing menu for printing specified pages of a report.
PF3	E ND	Returns you to the previous viewing menu.
PF4	M enu	Returns you to the viewing menu.
-	F ind (text)	Searches forward for up to 28 characters of text. If you type F 'xyz' on the command line the program searches for the characters xyz. If you want to search for more than one word, enclose the text in single quotes: F 'Admin Ops' .
PF5	R Find	Repeats the find command and searches forward for text previously specified with a Find command.
-	L Ocate	Goes directly to a report section. (Report section must have hierarchy codes name defined.)

KEY	COMMAND	FUNCTION
-	SCROLL	You may change the vertical scroll unit field in the SCROLL field from SCREEN (default) to PAGE or LINE by placing the cursor in the field and typing P , L , or S .
PF7	Up (numbers)	Scrolls up in unit specified in the SCROLL field (page, line, screen) by the number specified on the command line. If the command line entry is omitted, scrolls up one scroll unit. Example: if the SCROLL field is set to PAGE (PF7) scrolls up a page; if the command line has a 3, (PF7) scrolls up three pages.
PF8	Down (numbers)	Works the same as Up (PF7) but scrolls down instead.
PF10	Left (numbers)	Scrolls the page horizontally to the left by the number of columns placed on the command line. If the command line is omitted, scrolls one half-screen width.
PF11	Right (numbers)	Scrolls the page horizontally to the right by one half-screen or by number specified on command line.
-	TOP	Takes you to the top of the report.
-	BOTtom	Takes you to the end of the report.
-	SCale	Displays a row and column grid on the report so you can identify row and column numbers for Freeze or View. Cancel Scale by typing SC OFF on the command line.
-	Freeze R (xx-yy) C (xx-yy)	Lets you specify rows or columns to remain displayed while scrolling. It allows you to keep column headers and row labels on the screen while you move around on the page. Examples: FR R3 freezes the third line on the screen; FR C1-20 freezes columns 1 through 20. You can specify both row and column ranges in the same command, for example FR R3-6 C1-30 . Display current FR eeze settings with FR and enter. Cancel FR eeze with FR OFF .

KEY	COMMAND	FUNCTION
-	View (column number)	Specifies columns to "cut and paste" to alter the display of a report. To view columns 1-10, 50-75, 20-35, enter V 1-10 50-75 20-35 . This moves columns 50-75 and displays them after columns 1-10 and before 20-35. Display current view settings with V and enter. Cancel View with V OFF on the command line. If you print with a view on, the report prints as formatted by the view.
PF12	Quit	Exits completely from INFOPAC.

3. INFOPAC Logon Procedures. The following steps are required to logon, retrieve reports, manipulate the selected reports, produce the reports on paper, and logoff (quit):

STEP	(a) ACTION
1	THE FIRST SCREEN IS THE MARINE CORPS DATA NETWORK SCREEN. CHOOSE THE DOMAIN WHERE YOUR REPORTS ARE LOCATED.
2	THE SECOND SCREEN IS THE CICS/VIS SIGNON SCREEN. TO ACCESS CICS, ENTER YOUR USER ID , PRESS <TAB> , ENTER YOUR PASSWORD AND PRESS <ENTER> .
3	THE FOURTH SCREEN IS THE MQG APPLICATIONS MENU. AT THIS SCREEN SELECT THE NUMERIC OPTION IDENTIFIED FOR INFOPAC RDS.
4	THE ***INFOPAC-RDS*** VIEWING MENU WILL APPEAR. IF THE REPORT ID, VERSION, AND SECTION ARE KNOWN, THE INFORMATION WILL BE INSERTED IN THE APPROPRIATE FIELDS. ELSE <TAB> DOWN TO DISPLAY LIST OF REPORTS AND TYPE A Y . REPEAT THE AFOREMENTIONED PROCESS AT THE DISPLAY LIST OF VERSIONS, AND DISPLAY SECTION INDEX FIELDS. PRESS <ENTER> .
5	A LIST OF *** ARCHIVED REPORTS *** WILL APPEAR. AT THIS SCREEN ARROW DOWN TO THE SELECTED REPORT NAME, TYPE ANY ALPHA CHARACTER AND PRESS <ENTER> .
6	THE *** ARCHIVED REPORT VERSIONS *** SCREEN WILL NOW APPEAR. IF THE REPORT THAT YOU REQUIRE HAS NOT BEEN RECENTLY REQUESTED, THE STATUS WILL REFLECT "MUST BE RECALLED" BECAUSE THE REPORT HAS BEEN ARCHIVED. IF THE REPORT GENERATION IS CURRENT OR IF THE REPORT HAS BEEN RECENTLY REQUESTED THE STATUS WILL REFLECT "AVAILABLE". DETERMINE THE REPORT DATE THAT IS DESIRED, ARROW DOWN TO

STEP	(a) ACTION
	THE SELECTED REPORT, TYPE AN X , AND PRESS <ENTER> . IF THE STATUS OF THE REPORT WAS "MUST BE RECALLED" A MESSAGE WILL APPEAR IN THE TOP RIGHT OF THE SCREEN. THE MESSAGE "RECALL REQUEST ISSUED. TRY LATER." WILL APPEAR INDICATING THAT THE PROGRAM IS IN THE PROCESS OF UN-ARCHIVING AND RETRIEVING THE REPORT. UPON RECEIPT OF THAT MESSAGE YOU WILL HAVE TO WAIT UNTIL THE RETRIEVAL PROCESS IS ACCOMPLISHED.
7	ONCE THE REPORT IS AVAILABLE, ARROW DOWN TO THE AVAILABLE REPORT, TYPE ANY ALPHA CHARACTER, AND PRESS <ENTER> .
8	THE *** REPORT SECTION INDEX *** WILL NOW APPEAR. THE REPORT SECTION IDENTIFICATION WILL BE SORTED AND DISPLAYED BY CATALOG NUMBER AND THE ESTABLISHED HIERARCHICAL CODE (I.E. MAC). ARROW DOWN TO THE SECTION OF THE REPORT YOU DESIRE, TYPE AN X , AND PRESS <ENTER> .
9	PERFORM THE REQUIRED MANIPULATION OPTIONS BY UTILIZING THE PF KEYS OR BY TYPING THE ASSOCIATED COMMANDS ON THE COMMAND LINE.
10	WHEN PRINTING THE REPORT, TYPE Q OR PRESS THE PF2 KEY. NEXT THE *** PRINTING MENU *** SCREEN WILL APPEAR. YOU MUST INDICATE THE PAGE NUMBERS YOU DESIRE, OR LEAVE THE PAGE RANGE "000001 TO PAGE: 999999" WHICH WILL PRINT THE ENTIRE REPORT FOR THE SECTIONS INDICATED ABOVE. CHANGE THE "B" IN THE PRINTER FIELD TO O (ONLINE), TYPE IN THE PRINTER ID NUMBER WHERE YOU WOULD LIKE THE PRINT TO BE ROUTED, AND PRESS <ENTER> .
11	LOGOFF INFOPAC BY TYPING Q OR BY PRESSING THE PF12 KEY.
12	TYPE EXIT AT THE CICS MENU SELECTION SCREEN.

4. INFOPAC Command and PF Key Template.

PF1	PF2	PF3	PF4	PF5	PF7	PF8	PF10	PF11	PF12
Help	Print	END	Menu	RFind	Up	Down	Left	Right	Quit

Find Find text: use single quotes if needed, example: F 'admin ops'

Locate Goes directly to a report section. Report must have hierarchy codes defined.

TOP Takes you to the top of the report.

BOTTOM Takes you to the bottom of the report.

Scale To display or hide the row/column grid.

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- Freeze** Freeze row labels (Rxx-yy) / columns (Cxx-yy) while moving around a page.
- View** To rearrange the columns in a report.

5. INFOPAC Reports. Numerous management reports are available through INFOPAC including the Data Dictionary GF71UAAA, which provides descriptions of appropriations, subheads, FCs, activity groups, subactivity groups, cost account codes, and other important fiscal codes.

APPENDIX H

COLLECTION AND EXECUTION OF SPECIFIC ORDERS

GUIDANCE FOR PRIVATE PARTY REIMBURSABLES

1. Funding. Funding is based on advance deposits provided by the private party or Marine Corps Community Services (MCCS) activity (primarily to cover the cost of utilities in category C activities where reimbursement is applicable). Funding from the private party must be provided prior to work or services.

2. Fund Usage. Funds are used to reimburse the command for the cost of utilities and other services provided to the private parties aboard the command. Amounts charged should be comparable to rates of utilities charged in the local community for business concerns.

3. Establishing the Reimbursable Profile in SABRS. The DIC of ADG will be used to generate a reimbursable profile for orders with advance payments. The RON will be a locally developed three digit code to identify a specific private party. The RSC will be "6". The trading partner number will be the DUNS number of the private party (except for MCCS which will be the commands TPN number). The advance payment should be deposited accordingly:
 - a. Create a SF 1080 Voucher or NavCompt Form 2277 Voucher. The LOA to accept the credit will be the command's LOA with a TTC of "3C" and an OC of "006." The PAA field of the LOA must equal the WCI code cited in the 15-digit reimbursable document number. Positions 9-11 of the cost code must contain the 3-digit RON assigned to the private party customer.

 - b. Create a Document Number. The example below shows the breakdown of a document number M0002707CV00001 where:

POSITION	CONTENT
1-6	Work Center Identifier
7-8	Last two digits of the fiscal year
9-10	Document Type Code
11-15	Document Serial Number generated by SABRS when the reimbursable profile using DIC "ADG" is processed

4. Execution and Billing. Execute the reimbursable up to the amount of the deposit using the reimbursable data elements (FIP data) that cites BEA/BESA of WP (for private party) or WM (for MCCS activities).

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Cite the RON that was entered in the profile with the executing FIP. Billings are not generated by SABRS as long as the expenses recorded are less than the remaining "unbilled" portion of the advance deposits. Most charges are applied via the on-line allocation process.

5. Other Key Points. The key monitoring point with private parties is to ensure enough deposit balance remains prior to allocating charges. Considering that most charges are utilities, having meters placed on the private party building is the better methodology for determining usage vice engineering estimates.

6. Closing the Reimbursable Account. For this account to close at the end of the fiscal year and the overall record to move to archive there can be no uncommitted/unobligated balance in the account. All fields must equal (i.e., the amount of authority equals the amount of commitments, obligations, expenses, liquidations, billed amount, and collected amount).

GUIDANCE FOR SPECIFIC AUTHORITY BASED ON PRIOR YEAR COLLECTIONS

1. Agricultural Outlease Program. Agricultural outleasing is the use of DOD lands under a lease to an agency, organization, or person for the purpose of growing crops or grazing domestic animals. Guidance for this program is contained in references (t) and (u).

a. Funding. Funding is based on previous year(s) collections. Command coordination with the program sponsor (LFL) is accomplished to determine amounts that will be authorized. Authorizations are provided via the operating budgets as specific (unfunded) reimbursable authority.

b. Fund Usage. Authorized funding levels are used to fund plans, projects, and administrative expenses of leasing U.S. Marine Corps installation lands.

c. Establishing the Reimbursable Profile in SABRS. The RON "AGR" will be used for creating the reimbursable profile in SABRS. The RSC will be "7" and the TPN number will be DOD plus the command's UIC (e.g., DODM00027). The customer LOA will be:

APPN/SH	OC	BCN	AAA	TTC	PAAN	COST CODE
17F3875.27AG	007	UIC of activity leasing land	067443	2D	000000	000000098004

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d. Execution and Billing. Execute the program up to the authority granted by LFL. The BEA/BESA used to execute will be WU/WU. Bills are generated based on the expenses recorded in SABRS attributed to RON AGR.

e. Closing the Reimbursable Account. For this account to close at the end of the fiscal year and the overall record to move to archive there can be no uncommitted/unobligated balance in the account. All fields must equal (i.e., the amount of authority equals the amount of commitments, obligations, expenses, liquidations, billed amount, and collected amount).

2. Recyclable Material Program. The purpose of recycling programs is to provide an economic incentive to encourage recycling of waste materials (non-hazardous) which have been previously discarded. The command must have a qualifying recycling program, meaning an organized operation exists to divert or recover scrap or waste, as well as efforts to identify, segregate, and maintain or enhance the marketability of waste materials. DC IL (LFF) has approved the commands program as meeting the criteria of references (u) and (v). Sales are made by the command for the waste materials or commands utilize the Defense Property Disposal Office for selling the waste (in this case the proceeds, less processing costs, are returned to the command).

a. Funding. Funding is based on previous year(s) unused collections and estimated current year collections deposited into a Navy Suspense Account. Command coordination with the program sponsor (LFF) is accomplished to determine amounts that will be authorized. Authorizations are provided via the operating budgets as specific (unfunded) reimbursable authority.

b. Fund Usage. Authorized funding is used first to covering the administration of the program. Up to 50% of the remaining proceeds may be spent on environmental compliance, pollution prevention, occupational safety, etc. The remaining proceeds may be transferred to NAFI accounts under MCCS for any approved program.

c. Establishing the Reimbursable Profile in SABRS. The RON "RMD" will be used for creating the reimbursable profile for authority relating to the recyclable and environmental program. RON "RMS" will be used to create the profile for funds executed in support of MCCS. The RSC will be "7" and the TPN number will be DOD plus the command's UIC (e.g., DODM00027). The customer LOA will be:

APPN/SH	OC	BCN	AAA	TTC	PAAN	COST CODE
17F3875.27RM	007	UIC of	067443	2D	000000	000000098004

		activity leasing land				
--	--	--------------------------	--	--	--	--

d. Execution and Billing. Execute the program up to the authority granted by LFF. The BEA/BESA used to execute will be WU/WU. Bills are generated based on the expenses recorded in SABRS attributed to RONS RMD and RMS.

e. Closing the Reimbursable Account. For this account to close at the end of the fiscal year and the overall record to move to archive there can be no uncommitted/unobligated balance in the account. All fields must equal (i.e., the amount of authority equals the amount of commitments, obligations, expenses, liquidations, billed amount, and collected amount).

3. Lumber and Timber Program. The lumber and timber program is an integrated process for managing forested areas for the commercial production and sale of forest products aboard installations. It includes timber management, forest administration, timber sales, reforestation, timber stand improvement, timber access road construction and maintenance, forest protection, and other directly related functions for maintaining the health and vigor of non-commercial forest ecosystems. Guidance on this program is contained in Chapter 16, Volume 11A of reference (b) and reference (u).

a. Funding. Funding is based on previous year(s) unused net sales proceeds and estimated current year anticipated sales revenue. Command coordination with the program sponsor (LFF) is accomplished to determine amounts that will be authorized. Authorizations are provided via the operating budgets as specific (unfunded) reimbursable authority.

b. Fund Usage. Funds generated from the sales of lumber and timber first go to covering the cost of the program. Of the remaining "net" proceeds, 40% is distributed to the state that the installation is located in. Authorized expenses that commands can use are in support of the program and required equipment purchases to manage the program.

c. Establishing the Reimbursable Profile in SABRS. The RON "FTP" will be used for creating the reimbursable profile in SABRS. The RSC will be "7" and the TPN number will be DOD plus the command's UIC (e.g., DODM00027). The customer LOA will be:

APPN/SH	OC	BCN	AAA	TTC	PAAN	COST CODE
17F3875.27**	007	UIC of	067443	2D	000000	000002798004

		activity leasing land				
--	--	--------------------------	--	--	--	--

** = Last two digits of the fiscal year of execution

d. Execution and Billing. Execute the program up to the authority granted by LFF. The BEA/BESA used to execute will be WU/WU. Bills are generated based on the expenses recorded in SABRS attributed to RON FTP.

e. Closing the Reimbursable Account. For this account to close at the end of the fiscal year and the overall record to move to archive there can be no uncommitted/unobligated balance in the account. All fields must equal (i.e., the amount of authority equals the amount of commitments, obligations, expenses, liquidations, billed amount, and collected amount).

GUIDANCE FOR SPECIFIC AUTHORITY BASED ON CURRENT YEAR COLLECTIONS

1. Meal Food Costs and Surcharges. Commands are authorized to retain a percentage of the total meal charges collected from patrons paying the "full" meal rate to defray mess operating costs. The costs and percentages allowed are published annual by LFS-4. The percentage retained locally will be collected as a reimbursable under the O&M,MC appropriation to be used by the mess halls. The current percentage retained by commands is 30%.

a. Funding. Funding is based on actual collections during the fiscal year. If a command does not collect, the command cannot spend. The funds are only good during the current fiscal year (i.e., there is no deposit or multi year account where these collections are posted). Command coordination with RFO and LFS-4 is accomplished to determine the estimate of collections anticipated for the current year. Authorizations are provided as a target under specific (unfunded) reimbursable authority. To reiterate, a command must have collections in the current year before it can execute the funds.

b. Fund Usage. Funds generated from the locally retained percentage of the full meal rate can be used to support mess hall operations (e.g., purchase of consumables, cleaning supplies).

c. Establishing the Reimbursable Profile in SABRS. The RON "SIS" will be used for creating the reimbursable profile in SABRS. The RSC will be 7 and the TPN number will reflect the command's TPN. The appropriation data loaded in the Customer LOA will be the command's normal LOA with an object class of 007.

d. Execution and Billing. Execute the program up to the amount of posted collections against RON SIS and BEA/BESA WU/WU.

e. Monthly Reporting. Commands are required to provide the amount of collections for each month (deposited or in-transit for deposit) to RFA by the 28th of each month. This information is required for journal voucher entries adjustments required in the monthly MC financial statements.

f. Additional Requirement. For all "non-billed" reimbursable orders (which the subsistence falls under), the command must contact SABRS help with the RON to ensure central table 219 is loaded to create the RBD file.

g. Closing the Reimbursable Account. For this account to close at the end of the fiscal year and the overall record to move to archive there can be no uncommitted/unobligated balance in the account. All fields must equal (i.e., the amount of authority equals the amount of commitments, obligations, expenses, liquidations, billed amount, and collected amount).

2. Family Housing Collections. Commands are authorized to collect and use funds received due to damage to housing units from occupying members. Funds are deposited against Budget Project (BP) 96. The amounts collected must be used during the current year. Furthermore, funds must be collected prior to use.

a. Funding. Funding is provided via a quarterly allotment to housing management activities as an unfunded reimbursable program under BP 96 of the housing appropriation (17*0735).

b. Execution. Housing management activities will establish local controls to ensure that obligations/expenses are not incurred against BP 96 until receipt of documentary evidence that collections of equal or greater amounts have been credited to the family housing appropriation. Activities are prohibited from incurring obligations in excess of the allotted amount for BP 96 without prior approval from HQMC. The BEA used to execute will be WU and the BESA used will be 96.

c. Additional Requirement. For all "non-billed" reimbursable orders (which the subsistence falls under), the command must contact SABRS help with the RON to ensure central table 219 is loaded to create the RBD file

d. Closing the Reimbursable Account. For this account to close at the end of the fiscal year and the overall record to move to

archive there can be no uncommitted/unobligated balance in the account. All fields must equal (i.e., the amount of authority equals the amount of commitments, obligations, expenses, liquidations, billed amount, and collected amount).

3. Jury Duty/Witness Service Fee Collections. Section 5515 of reference (w) provides that monies received by employees for services as a juror or witness during a period of entitled court leave, shall be collected and credited against the appropriation and accounting classification funding the employee's salary while on jury duty or witness service. Jury duty/witness service is when a court order, subpoena, or summons calls an employee for court service as either a witness or juror.

a. Funding. Funding is based on actual collections. The activity collecting the funds contacts RFO for specific (unfunded) reimbursable authority to execute the collections.

b. Fund Usage. Normally, these funds are used as an offset to the command's civilian labor cost.

c. Establishing the Reimbursable Profile in SABRS. The RON "MIS" will be used for creating the reimbursable profile in SABRS. The RSC will be "7" and the TPN number will be DOD plus the command's UIC (e.g., DODM00027). The customer LOA will be blank and the ACRN is required.

d. Execution and Billing. Allocate the amount of the collections in SABRS against RON MIS and BEA/BESA WU/WU.

e. Additional Requirement. For all "non-billed" reimbursable orders (which the subsistence falls under), the command must contact SABRS help with the RON to ensure central table 219 is loaded to create the RBD file.

f. Closing the Reimbursable Account. For this account to close at the end of the fiscal year and the overall record to move to archive there can be no uncommitted/unobligated balance in the account. All fields must equal (i.e., the amount of authority equals the amount of commitments, obligations, expenses, liquidations, billed amount, and collected amount).

APPENDIX I

SABRS LABOR PROCESSING AND SYSTEM-GENERATED REPORTS

SABRS TABLES

TABLE NUMBER/NAME:	Table 322 (ACCR-DEF)
TYPE:	CENTRAL
RESPONSIBILITY:	DFAS
DATA:	NUMBER OF DAYS TO POST, PAY PERIOD ACCRUAL DATE, and PAY PERIOD REVERSAL DATE.
PURPOSE:	Used to post the ESTIMATED Labor Obligations and again when those estimates are backed out. The NUMBER OF DAYS TO POST will control the overall accrual amount that is posted to the files for a pay period in a given run.

TABLE NUMBER/NAME:	Table 324 (PAY-TYPE-CODE)
TYPE:	CENTRAL
RESPONSIBILITY:	HQMC - RFL
DATA:	PAY-TYPE-CODE is the Key to this Table and there will be a single entry per PAY-TYPE-CODE. The Data on the table is the PAY-TYPE-CODE TITLE and FRINGE-FLAG.
PURPOSE:	The Fringe Flag will be set to 'Y' if that code is to be assigned data from SABRS Table 319 ignoring the JOB ORDER NO from DCPS and 'N' if the JOB ORDER NO from DCPS is to be used to post.

TABLE NUMBER/NAME:	Table 318 (DEF-LABOR)
TYPE:	LOCAL
RESPONSIBILITY:	Commands

DATA:	Enter a single table entry per Employing Activity. Employing Activity is validated against the ACTY - ADDR-CODE on Table 208. Table 502 is checked with WORK-CTR-ID from Table 208 to see if user is allowed to update. Table 251 is checked to see if a valid BCN was entered. ALLOT-RECIP-ID from Table 251 is compared with ALLOT-RECIP-ID from Table 208 to make sure they match. Other data fields are verified using Table 073 or Tables 020, 207, 218 (and 209 if required). SUBOBJ-CLASS-CODE must begin with either '11' or '13'.
PURPOSE:	This table is used in the Posting of ACTUAL Labor from DCPS, when a good JOB ORDER NO is not on the DCPS record. An entry will be on the table for EMPLOYING ACTIVITY = 'XXXXXX' to ensure the system is capturing all data from the DCPS GROSS PAY FILE.

TABLE NUMBER/NAME:	Table 319 (FRINGE)
TYPE:	LOCAL
RESPONSIBILITY:	Commands
DATA:	Enter a single table entry per EMPLOYING ACTIVITY/ORG CODE/PAY TYPE CODE combination. Employing Activity is validated against the ACTY-ADDR-CODE on Table 208. Table 502 is checked with WORK-CTR-ID from Table 208 to see if user is allowed to update. Table 324 (PAY-TYPE) is checked to determine if the PAY-TYPE-CODE entered is valid for FRINGE. Table 251 is checked to see if a valid BCN was entered. ALLOT-RECIP-ID from Table 251 is compared with ALLOT-RECIP-ID from Table 208 to make sure they match. Other data fields are verified using Table 073 or Tables 020, 049, 207, 218 (and 209 if required). SUBOBJ-CLASS-CODE must begin with either '11', '12' or '13'. The last two positions of the SUBOBJ-CLASS-CODE must be the same as the PAY-TYPE-CODE entered.
PURPOSE:	This table is used in the Posting of Pay Type Codes from DCPS with a 'Y' in FRINGE-FLAG on Table 324 PAY-TYPE-CODE.

TABLE NUMBER/NAME:	Table 323 (ACCR-DATA)
TYPE:	LOCAL
RESPONSIBILITY:	Commands are responsible for entering a single AMOUNT-PER-DAY per Table Key.
DATA:	Commands should use historical data to derive an AMOUNT-PER-DAY to enter per key. Process validates WORK-CENTER-ID is on the AAC-ID-TABLE (208) as the ACTY-ADDR-CODE. Table 502 is checked with WORK-CTR-ID from Table 208 to see if user is allowed to update. Table 251 is checked to see if a valid BCN was entered. ALLOT-RECIP-ID from Table 251 is compared with ALLOT-RECIP-ID from Table 208 to make sure they match. Other Key fields are verified using Table 073 or Tables 020, 207, 218 (and 209 if required). SUBOBJ-CLASS-CODE must begin with either '11', '12' or '13' and end with 'AC'.
PURPOSE:	The AMOUNT PER DAY entered will be multiplied by the NUMBER OF DAYS TO POST from Table 322 to determine the amount of the accrual that will post to the files for that given run. The estimated amount per day may be adjusted as necessary by the commands. Changing the estimate on this table will not change the estimates that have already been processed in SABRS, nor will it impact the process to back-out the estimates.

POSTING OF LABOR ESTIMATES

1. Accrual labor processing uses Table 322 (ACCR-DEF TABLE) and Table 323 (ACCR-DATA TABLE) to post estimates to the files for the Pay Period. For each entry on table 323 a record is posted to the files using:

DOC-ID-CODE = 'COE'
 ORIG-DOC-ID-CODE = 'ACR'
 Other Data Elements from Table 323

Accrual Amount = Amount per day from Table 323 multiplied by the # of Days from Table 322.

STD-DO-NO = ACTY-ADDR-CODE from table 323 + Last 2 pos of FY from Current Cycle FY-FULL (209) + 'LA' + 3 character Month Name converted from Cycle Date (209) + Number of Days to Post from Table 322.

2. A copy of all records posted is kept in a hold area to be used to back-out the estimates when the actual data for the pay period is available. Estimates are UNTOUCHABLE. Online Allocation Process will not work for Accrual Data.

LABOR PROCESSING

1. Prior to posting actual labor costs, commands must reverse the estimated labor positing. The data that was created and held when the ACCRUAL Posted for a specific Pay Period is backed out so that obligations will not be overstated when the actual labor amounts for that Pay Period are posted.

2. To post actual labor costs, commands must ensure that the standard LEAVE JOB ORDER table in DCPS is used correctly. For each record on the DCPS dataset SABRS Table 324 (PAY-TYPE-CODE) is read to determine how to process the record. No matter if the data elements used to post comes from the DCPS dataset or a SABRS TABLE, the 3rd and 4th positions of the SOCC are changed to the PAY-TYPE-CODE of the DCPS Record. If the entry on table 324 for the PAY TYPE Code from DCPS has FRINGE-FLAG = 'N' the record is identified as a PAY, LEAVE or COST TRANSACTION. PAY, LEAVE and COST TRANSACTIONS should come in from DCPS with a JOB ORDER NO to use when posting the dollars and hours for that record. When that is the case the following occurs:

a. The JOB ORDER NO from the DCPS dataset is used along with table data to check tables 020 (FUND-CODE), 206 (BASIC-SYM), 217 (SYM-SBHDBA), 014 (X-CAC), and 049 (S-OC-SOC), verifying the RON by making sure the REIM-ORDER-NO is on the Fund-Ctrl-Spend-File as well as checking to see if the BUD-TRANS-KEY is on the FUND-CTRL-SPEND-FILE. If the BUD-TRANS-KEY is not on the FUND-CTRL-SPEND-FILE the WORK-CTR-ID (207) and L-SPCL-INT or SPCLINT (234 or 228) Tables are checked to verify the data. If the data is valid a Table entry is added to the S-FIP (073) table. If no problem is found the data from DCPS along with other data from the Tables is used to post the record to the GEN LDGR, FUND-CTRL-SPEND, HIST-TRANS and RBC, RON and MARS Files as required.

b. If a problem is found when checking any of the tables an error message is written to the LABOR DEFUALT POSTING INFORMATION REPORT (DFB0206) identifying the key that was used to look at the table. Then Table 318 (DEF LABOR) is read to find pre-defined

default data. The Table 318 SUBOBJ-CLASS-CODE will have the first two positions changed to be '11'. This is done because the great majority of the records with a PAY-TYPE-CODE that has a FRINGE-FLAG = 'N' on Table 324 are not FRINGE. The last two positions of the SUBOBJ-CLASS-CODE are changed to equal the PAY-TYPE-CODE of the record on the Gross Pay File. This modified data is used to check tables 020 (FUND-CODE), 206 (BASIC-SYM), 217 (SYM-SBHDBA), 014 (X-CAC), and 049 (S-OC-SOC), as well as verifying the RON by making sure the REIM-ORDER-NO is on the Fund-Ctrl-Spend-File.

c. If the only edit that was not passed successfully is the REIM-ORDER-NO edit, the data is used to post (direct) without the REIM-ORDER-NO, SABRS-RON, MAJ-RSC and REIM-BILL-CODE. If the Table 049 (S-OC-SOC) edit was not passed, the first two positions of the SUBOBJ-CLASS-CODE are changed to be '12' and the edits are processed again. If the only edit not passed after this modification is the REIM-ORDER-NO edit, the modified data is used to post (direct) without the REIM-ORDER-NO, SABRS-RON, MAJ-RSC and REIM-BILL-CODE. If there is still any other edit not passed another look-up of Table 318 is performed using 'XXXXXX' as the EMPLOYING ACTIVITY. The WORK-CTR-ID found on the table is changed to the Employing Activity (with a leading 'M') from the record on the Gross Pay File, this field, along with the other fields found on the table, is used to post the DCPS Record.

d. When table 318 is read during the LABOR process a MESSAGE will be written to the LABOR DEFAULT POSTING INFORMATION REPORT with the Key Used to perform what ever edit did not pass, the EMPLOYEE NAME, the PAY-TYPE-CODE of the record being processed as well as the Hours and Amount of the record.

e. If the failed edit is due to data from DCPS not passing the edits, the SABRS tables should be checked to see if they are missing valid entries. If the SABRS tables are not the problem, the CSR should use the information on the report to identify the deficiencies to DCPS for correction.

f. If the entry on table 324 for the PAY TYPE Code from DCPS has FRINGE-FLAG = 'Y' the record is identified as one that is to use Table 319 to drive where to post the dollars and hours. It is expected that these records will not have a JOB-ORDER-NO on the DCPS record therefore, the following will occur:

g. Table 319 (FRINGE-LABOR) is checked for the EMPLOYING ACTIVITY, ORG CODE and PAY TYPE CODE. If a table entry is found for that key the pre-defined data is held with the 3rd and 4th positions of the SUBOBJ-CLASS-CODE changed to equal the PAY-TYPE-CODE of the

record on the Gross Pay File. This modified data is used to check tables 020 (FUND-CODE), 206 (BASIC-SYM), 217 (SYM-SBHDBA), 014 (X-CAC), and 049 (S-OC-SOC), as well as verifying the RON by making sure the REIM-ORDER-NO is on the Fund-Ctrl-Spend-File. If all the edits passed, the record posts to the GEN LDGR, FUND-CTRL-SPEND, HIST-TRANS and RBC, RON and MARS Files as required using the data elements verified.

h. If the only edit that was not passed successfully is the REIM-ORDER-NO edit, the data is used to post (direct) without the REIM-ORDER-NO, SABRS-RON, MAJ-RSC and REIM-BILL-CODE. If other edits were not passed or no entry was found on Table 319; Table 318 (DEF LABOR) is read to find pre-defined default data. The Table 318 SUBOBJ-CLASS-CODE will have the first two positions changed to be '12'. This is done because the great majority of the records with a PAY-TYPE-CODE that has a FRINGE-FLAG = 'Y' on Table 324 are truly FRINGE. The last two positions of the SUBOBJ-CLASS-CODE are changed to equal the PAY-TYPE-CODE of the record on the Gross Pay File. This modified data is used to check tables 020 (FUND-CODE), 206 (BASIC-SYM), 217 (SYM-SBHDBA), 014 (X-CAC), and 049 (S-OC-SOC), as well as verifying the RON by making sure the REIM-ORDER-NO is on the Fund-Ctrl-Spend-File.

i. Once again, if the only edit that was not passed successfully is the REIM-ORDER-NO edit, the data is used to post (direct) without the REIM-ORDER-NO, SABRS-RON, MAJ-RSC and REIM-BILL-CODE. If the Table 049 (S-OC-SOC) edit was not passed, the first two positions of the SUBOBJ-CLASS-CODE are changed to be '11' and the edits are processed again. If the only edit not passed after this modification is the REIM-ORDER-NO edit, the modified data is used to post (direct) without the REIM-ORDER-NO, SABRS-RON, MAJ-RSC and REIM-BILL-CODE. If there is still any other edit not passed another look-up of Table 318 is performed using 'XXXXXX' as the EMPLOYING ACTIVITY. The WORK-CTR-ID found on the table is changed to the Employing Activity (with a leading 'M') from the record on the Gross Pay File, this field, along with the other fields found on the table, is used to post the DCPS Record.

j. For each record on DCPS GROSS-PAY dataset a record is posted to the files using:

DOC-ID-CODE = 'ALL'
ORIG-DOC-ID-CODE = 'LBR'

STD-DO-NO = EMPLOYING ACTIVITY (First Position forced to 'M') + Last 2 pos of FY from Current Cycle FY-FULL (209) + 'LD' + 5 character Pay Period Ending Date from GROSS-PAY Dataset.

k. The data posted to the HIST TRANS FILE will contain the PAY PERIOD. There will be the capability to move the Dollars and Hours from the combination of posting data used to a different combination of posting data using the ONLINE ALLOCATION PROCESS (For ACTUAL LABOR only, LABOR ACCRUALS will not be able to be used in the ONLINE ALLOCATION PROCESS).

l. The entire GROSS PAY File (comprised of 4 individual record formats) will be combined and the data elements added to post the records in SABRS appended and written to SMARTS. Thus allowing the field full access to view what is on the GROSS PAY FILE as well as what data was used to post the specific record.

3. Labor can be processed and corrected on-line in SABRS. Conditions impacting the ability to process an on-line labor transaction are:

WILL NOT WORK FOR ACCRUALS with SOC = 'AC'
User must be loaded to Table 204 for DIC = 'ALA'
"FROM" Key must exist on the FUND-CTRL-SPEND-FILE
Redistribute Dollars and/or Hours

There is the ability to allocate to 2 different keys on the same screen. If the transaction processes without a problem the "Update Successful" message will appear, repainting the screen with the "FROM" key, the "FROM" Amounts and Hours will be adjusted to reflect the transaction(s) that just posted. The "TO" key is repainted onto the screen with the Amount and Hour fields blanked out. Crossing of SUBHEADS / BASIC SYMBOLS (within O&M) is allowed in this process for LABOR (OC = '11', '12' and '13') only. Each record posted to the HIST-TRANS-FILE will have:

DOC-ID-CODE = 'ALL'
ORIG-DOC-ID-CODE = 'ALA'

LABOR REPORTS

1. Reports Available on INFOPAC

a. DFB0206: Labor Default Posting Information Report. Created each time Labor Accruals or Actual Labor Posts. Reports by EMPLOYING ACTIVITY.

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(1) For the Accrual run: The report identifies the Key and Message identifying that something occurred other than what was likely expected.

(2) For the Actual run: The report identifies the Employee Name, Pay Type Code, ORG CODE, Amount and Hours associated with the records that did not post exactly as they existed on the Gross Pay File. Generally identifies that a Default Table was used to get posting data. Records with a Pay-Type-Code that has a 'Y' in the Fringe-Flag on Table 324 will not show on this report if they found an entry on Table 319 to use to post.

b. DFBLB07: Daily Labor Report by BESA/BEA/WCI. Run each day. Reports by WORK-CTR-ID, BUD-EXEC-ACTY, BUD-EXEC-SUBACTY. Identifies the Hours, Obl-Amt and Liq-Amt on the Fund-Ctrl-Spend-File for the: Fund-Code, Subobj-Class-Code, Cost-Acct-Code, Job-No-Local-Use-Code, Fund-Func, Reim-Order-No, Reim-Bill-Code, Maj-RSC, Sub-Allotment, Spcl-Intrst-Code and Obj-Class-Code before the cycle. Lists the Std-Doc-No, Doc-Id-Code, User-Id, Hours, Obl-Amt and Liq-Amt (from Hist-Trans-File) for the records processed in that Cycle and shows the Fund-Ctrl-Spend-File values as they look immediately after the Cycle completed.

(1) Doc-Id-Code = 'COB' identifies records associated with the Accrual Process.

(2) Doc-Id-Code = 'ALL' identifies records that posted as part of the Posting of the Labor Actuals or posted from the Online Allocation process.

c. DFBLB07A: Daily Labor Report by BEA/WCI. Run each day. Reports by WORK-CTR-ID, BUD-EXEC-ACTY. Identifies the Hours, Obl-Amt and Liq-Amt on the Fund-Ctrl-Spend-File for the: Bud-Exec-Subacty, Fund-Code, Subobj-Class-Code, Cost-Acct-Code, Job-No-Local-Use-Code, Fund-Func, Reim-Order-No, Reim-Bill-Code, Maj-RSC, Sub-Allotment, Spcl-Intrst-Code and Obj-Class-Code before the cycle.

(1) Lists the Std-Doc-No, Doc-Id-Code, User-Id, Hours, Obl-Amt and Liq-Amt (from Hist-Trans-File) for the records processed in that Cycle and shows the Fund-Ctrl-Spend-File values as they look immediately after the Cycle completed.

(2) Doc-Id-Code = 'COB' identifies records associated with the Accrual Process.

(3) Doc-Id-Code = 'ALL' identifies records that posted as part of the Posting of the Labor Actuals or posted from the Online Allocation process.

d. PRTLBRPT: Labor Obligations. Run once a week. Reports by SUBALLOT-RECIP-ID, FY-FULL, BASIC-SYM. Identifies the Actual, Accrual and Total Obligations on the Fund-Ctrl-Spend-File for the: Work-Ctr-Id, Prgm-Elem-No, Fund-Func, Subobj-Class-Code combinations.

e. PRTLBRPP: Labor Obligations by Pay Period - Year to Date. Run once a week. Reports by SUBALLOT-RECIP-ID, FY-FULL, BASIC-SYM. Identifies the Actual Obligations, Actual Hours, Accrual Obligations and Total Obligations from the Hist-Trans-File for the: Pay Period Ending, Work-Ctr-Id, Prgm-Elem-No, Fund-Func, Subobj-Class-Code combinations.

f. PRTLBR1P: LABOR OBLIGATONS FOR SPECIFIC PAY PERIOD. Run once a week. Reports by SUBALLOT-RECIP-ID, PAY-PERIOD-ENDING-DATE. Identifies the Actual Obligations, Actual Hours, Accrual Obligations and Total Obligations from the Hist-Trans-File for the: Basic-Sym, Fy-Full, Work-Ctr-Id, Prgm-Elem-No, Fund-Func, Subobj-Class-Code combinations. This report is likely the best report to use to compare to the SMARTS L150 report for the Pay Period Ending Date. The L150 identifying all of the records on the GROSS-PAY-FILE and the PRTLBR1P identifying all of the records that posted in SABRS for the Pay Period Ending Date.

g. PRTFLBR: Work Center - BEA/BESA Report for Labor. Run once a week. Reports by WORK-CTR-ID (Direct/Reimbursable), Basic-Sym. Identifies the Commitments, Obligations, Expenses and Liquidations from the Fund-Ctrl-Spend-File for the Fy-Full, Subhead, Fund-Func, Bud-Exec-Acty, Bud-Exec-Subacty combinations.

2. SMARTS LABOR REPORTS

a. GP_L150. This report is similar to the old GFSL150 Infopac report. Reports by Employing Activity, Organization Code (Leave Prompt blank for All) and Pay Period Ending Date. Identifies the Hours Extended, Hours Paid, Extended Amt and Earnings Amount for the Employing Activity, Organization, Gross Rec Code combinations.

b. GP_L508_9. This report is similar to the old GFBL508 and G715AC20 (L509) Infopac reports. Reports by Pay Period Ending Date, Employing Activity, and Bud Exec Acty (Leave Prompt blank for All). Identifies the Hours Paid, Regular Pay, Overtime, Other Pay, Fringe

Pay and Total Pay for the WCI, BEA, SSN, BESA, FC, OCC, SOC, CAC, SIC, JNLU, RON, RBC combinations.

c. GP_L140. This report is similar to the old G715BIL0 - L140 Labor Roll/Material Charges and Credits Infopac Report. Reports by Pay Period Ending Date and Employing Activity Identifies charges and credits by Std-Doc-No for the Basic Symbol / Subhead, Accounting Install (AAA), Allotment and SubAllotment combinations.

3. Labor Liquidations: REG 07. Any register 07 DNRs paid from pay period 03 FY2003 through pay period 12 FY2003, from the time Labor was put into production until the Labor DNR process was placed in production, should have gone unmatched. If anyone has redistributed these DNRs, using the prior Redistribute Labor DNR option, they would have increased the amount of Labor Liquidations on the books, and therefore exceeded the labor Obligations.

a. Any register 07 for FY2003 and greater will be posted against the new Labor-Reg-File that was created when the actual Labor from DCPS was processed. When DCPS posts, a Commitment, Obligation, Expense and Liquidation (COEL) is generated. Also created is a register 07 reversal record, which is loaded to the Labor Register File at the line of accounting summary level. When the Register 07 DNR is received, it will be posted against this same file to offset the LOA that the Labor system posted.

b. A report is generated, from the Labor Register File, which DFAS will have to maintain. This report will reflect the LOAs and amounts processed by the DCPS/LABOR interface, and the offset register 07 DNR received from Treasury. The net total of this report for each LOA should be zero. It must be kept in mind that there is a time lag between posting the DCPS records and the receipt of the register 07 DNRs from treasury. Close monitoring of the GROSSPAY SMARTS file for each pay period will enable DFAS to see any changes between how DCPS identified charges to a BSYM/SBHD/BCN and how SABRS posted it, based on the FIP, to possibly a different BSYM/SBHD/BCN.

c. The Marine Corps also will be monitoring this labor data, and using the Online Allocation option to move labor records from one BSYM/SBHD to another BSYM/SBHD, causing adjustments to the Labor Register File. The BCN will be a field that DFAS will end up generating correction notices to fix. This is why it is important that the Marine Corps commands ensure that DCPS contains the correct BSYM/SBHD/BCN information for each of their employees.

d. DFAS is able to redistribute any DNR that posted to this Register file (RD7) and if necessary post it as a Labor Liquidation (RDL) via an option on the Correction Menu.

e. There should no longer be a need for Systems Division AHS to change a DNR from a register 05/22/33/36 to a 07-4J so that someone can process the record as a Labor Register (not a liquidation (RD7)), or as a Labor Liquidation (RDL). The Redistribute Labor DNR option allows DFAS to redistribute any Labor Liquidations (RDL) to become a liquidation on the Active-File (RDR) or a Labor Register (RD7). The Redistribute DNR process allows any DNR that posted against the Active-File (DX0/RDR) to instead be treated as a Labor liquidation (RDL) or a labor Register (RD7). The Correction Notice Process now allows correction notices to be created for register 07's.

f. The new Correction Process menu options are #11 - Redistribute Labor DNR Process and #13 - Redistribute Labor Register Process.

g. If the DNR should be posted as a Labor Liquidation (RDL) then select option #11 and indicate what data elements the DNR should be posted to. If there are RDLs that were posted against the wrong Fund-Ctrl-Spend-File data elements, use the redistribute Labor DNR option to back out the RDL that is in History and post it against the correct data elements.

h. If the DNR should be posted as a register against the new Labor-Reg-File, not as a liquidation (because the DCPS interface with SABRS already posted it as a liquidation), then select option #13 and the record should automatically change to 07-4J backing out whatever the DNR was posted as in the process.

i. If the DNR should be posted against the Active-File, then select option #2 and again the 07-4J "RD7" or "RDL" or "DX0" will be backed out and the DNR will post as a liquidation to the Active-File.