De-obligation Training

FY 2021 – June
V 1.0
NOAA Client Services Help Desk

- Functional/Technical Support for CBS Applications
  - Budget Operating Plans (BOP)
  - Reimbursable Agreements
  - Summary Level Transfers (SLTs) & Document Level Adjustments (DLAs)
  - Data Warehouse/Discoverer
  - E2 Travel
  - C.Request/C.Award (C.Suite)

- User Account requests

- FSD/CBS Web Site
  - Click on Help Desk link for additional info, phone numbers, etc.
  - Email: ClientServices@noaa.gov
  - Website: http://www.corporateservices.noaa.gov/Finance/FOFSD_Home.html
Budgetary glossary

- **Appropriation**
  - A law of Congress that provides an agency with budget authority.
  - Appropriations are definite (a specific sum of money) or indefinite (an amount for "such sums as may be necessary").

- **Budget Authority**
  - Budget Authority is the federal government's legal authority to spend a given amount of money for a certain purpose, according to laws passed by Congress and signed by the president. *(The legal right to spend)*

- **Continuing Resolution (CR)**
  - A type of appropriations legislations that gives the federal agencies and programs to continue to operate until regular appropriations are enacted.

- **Expenditure**
  - Funds used by a business, organization, or corporation to attain new assets, improve existing ones, or reduce a liability. In other words, it's the use of a resource in the operations of a business. *(Purchase of Goods/Services)*

- **Fiscal Year**
  - Runs from October 1<sup>st</sup> of a given year through September 30<sup>th</sup> of the following year

- **Obligations**
  - Binding financial agreements entered into by the federal government. Examples of obligations include contracts and the hiring of federal workers. Obligations are part of the process of federal spending. The federal budget creates budget authority to spend money for certain programs; then those programs enter into obligations to spend that money; and finally the Treasury spends the money, which is known as outlays. *(Legal agreement to purchase)*

- **Program Activity**
  - A specific activity or project as listed in the program and financing schedules of the annual budget of the United States Government.

- **Undelivered Order (UDO)**
  - Money still being held on the obligation.
Basics of Budget

- Congress has to pass a budget by October 1\textsuperscript{st}.
  - Gives us the appropriation to spend for the Fiscal Year
  - If not:
    - A continuing resolution is given OR
    - Furlough happens until CR or Appropriation
Funds Definition

• **Direct Funds**
  – Any funding that is not reimbursable
  – Given to us in the appropriation to spend immediately once set up

• **Reimbursable Funds**
  – Financed from offsetting collections received in return for goods or services provided or are received from offsetting collections from other Federal government accounts
  – Two different types
    • Incoming
      – Others asking for us to do work for them and paying us
    • Outgoing
      – Us asking others to do work for us and paying them
Types of Appropriations

- Annual or Single Year Appropriation
- Multi-Year Appropriation
- Revolving Fund
- No Year Appropriations
- Expired Appropriation
- Closed Appropriation (Canceled)
Annual or Single Year

- Annual Appropriations (also called fiscal year or 1-year appropriations) are for a specified fiscal year and are available for obligation only during that specified fiscal year.
  - Funds expire after one year and are no longer available to incur new obligations.

- Annual Appropriations retain the fiscal year identity and remain available for recording, adjusting and liquidating existing obligations and liabilities previously incurred.

- Funds cancel two years after expiration and are no longer available for obligation or expenditure for any purpose and are returned to the U.S. Treasury.
Multi-Year

• Multiple Year Appropriations are available for obligation for a definite period in excess of one fiscal year.
  
  – The House alternates each fiscal year between 15-month and 27-month multi-year funding.
  – Funds expire based on the extended period of availability and are no longer available to incur new obligations

• Multiple Appropriations retain the fiscal year identity for the extended period and remain available for recording, adjusting and liquidating existing obligations and liabilities previously incurred

• Funds cancel two years after expiration and are no longer available for obligation or expenditure for any purpose and are returned to the U.S. Treasury
Other Types of Appropriations

• **Revolving Fund**: Funds authorized by specific provisions of law to finance a continuing cycle of business-type operations.
  - Receipts are credited directly to the revolving fund as offsetting collections and are available for expenditure without further action by Congress.

• **No Year Appropriations**: Appropriations available for obligations for an indefinite period of time without fiscal year limitation.
  - They are available until they are used up.

• **Expired Appropriation**: Appropriation or fund account in which the balance is no longer available for incurring new obligations because the time available for incurring such obligations has expired.
  - Funds may still be available for the recording and/or payment (liquidation) of obligations properly incurred.

• **Closed Appropriation (Canceled)**: Appropriation or fund account in which the balance has been closed or canceled and is no longer available for obligation or expenditure for any purpose.
Accounting Classification Code Structure (ACCS)
CBS Accounting Classification Code Structure (ACCS)

<table>
<thead>
<tr>
<th>Bureau</th>
<th>Fiscal Year</th>
<th>Fund</th>
<th>Program</th>
<th>Organization</th>
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<td>ORF (21/22)</td>
<td>ORF</td>
<td>NOAA</td>
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<table>
<thead>
<tr>
<th>Project - Task</th>
<th>Object Class</th>
<th>User Defined</th>
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<tr>
<td>V 8KSBSC - P00</td>
<td>25 - 27 - 25 - 17</td>
<td>000000</td>
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<tr>
<td>FY/LO Beaufort Science No Task</td>
<td>Misc Contractual Services-Not Classified AGO FFS</td>
<td>AGO Non-Simplified Acquisitions FFS</td>
</tr>
</tbody>
</table>

{Identifies line, program or staff office for No-Year funds Or Fiscal Year for Multi-Year funds}
ACCS Broken out – Bureau

- Bureau
  - Main “offices” under the Department of Commerce
  - Defined in the ACCS by a number
    - National Oceanic and Atmospheric Administration (NOAA)
    - Bureau of Industry and Security (BIS)
    - Economic Development Agency (EDA)
ACCS Broken out – Fiscal Year

• The year of the actual intent to purchase.
  – Date here must fall within the appropriation timelines
    • i.e. FY2021 Appropriation Dates (01-Oct-2020 through 30-Sep-2021)
ACCS Broken out – Fund Code

• Various Types
  – Single Year
    • Only good for that time frame
      – 1 Year
  – Multi-Year
    • Above and Beyond Single Year
      – Operations, Research and Facilities (ORF) = 2 years
      – Procurement Acquisitions and Contracts (PAC) = 3 years
  – No Year
    • Good until the money is used up
ACCS Broken out – Program Code

- Four positions
- Three of Four positions part of the appropriations
  - Activity
  - Sub-activity
  - Line Item
- Position 4 is Bureau unique
  - Program, Project and Activity (PPA)
- Tied to Fund Code and Project Codes in Budgeting
ACCS Broken out – Organization

- Ties to the National Finance Center (NFC)
  Organization Code Structure
- NOAA designated
  - Org1 as Line Office (LO)
  - Org 2 as Financial Management Center (FMC)
- Each position representative to an office, division, branch etc.
  - Any position that doesn’t have a number must be zero filled

```
Organization
10 - 13 - 0002 - 00 - 00 - 00 - 00
```

```
NOS
Natl Centers
Marine Spatial
```

```
Organization
20 - 01 - 0000 - 00 - 00 - 00 - 00
```

```
NWS
Office of Assistant Admin
```
Organization Code Structure
Level 1 -- Line Office

**NOAA (14)**
- 01 Office of the Under Secretary
- 05 Office of Administration
- 06 NOAA Finance & Administration
- 08 NOAA Marine & Aviation Operations
- 09 Systems Acquisition Office
- 10 National Ocean Service
- 20 National Weather Service
- 30 National Marine Fisheries Service
- 40 National Environmental Satellite, Data & Information Service
- 50 Office of Oceanic & Atmospheric Research

**BIS (13)**
- 40 Office of the Under Secretary
- 41 Director of Administration
- 42 Export Administration
- 43 Office of Assistant Secretary for Export Enforcement
- 44 Office of Assistant Secretary for Export Administration

**EDA (20)**
- 01 Philadelphia
- 04 Atlanta
- 05 Denver
- 06 Chicago
- 07 Seattle
- 08 Austin
- 99 HQs
ACCS Broken out – Project Code

- Seven positions
  - First position
    - Tells you at a glance
      - Multi-year (Alpha Character)
      - No-Year (Number)
  - Other positions are based upon finding type
    - [https://www.corporateservices.noaa.gov/finance/projtaskdwnld.html](https://www.corporateservices.noaa.gov/finance/projtaskdwnld.html)

- Most Reports only go to this level
ACCS Broken out – Task Code

- Three digit code
  - Combo of:
    - Numbers
    - Alpha
    - Alpha Numeric
- Tied to the Project Code
  - Can have many tasks to project code
- Used by Budget people in the LO/FMC to keep track of money
- Default one is usually P00

Diagram:

```
  Task
   ↓          ↓
P00          P96
  ↓          ↓
No Task     Geo Tools
```
ACCS Broken out – Object Class Code

• Four positions
  – All four positions can be filled in
  – Just two positions can be filled in

• Representative by code on what’s being purchased

• Can look up codes:
  – Discoverer Reference Workbook
    – https://www.corporateservices.noaa.gov/finance/objectclasses.html

Object Class

25 - 27 - 25 - 17

Other Contractual Services

AGO FFS

Misc Contractual Services - Not Classified

AGO Non-Simplified Acquisitions FFS

Object Class

21 - 41 - 00 - 00

Travel

Car Rental Domestic
ACCS Broken out – User Defined Code

• For NOAA
  – This will always be zeroes

User Defined
000000
Funds Management
Basis of Funds Management

• Federal Principals of Appropriation Law
  
  – **Time**
    • The obligation/expenditure must occur within the time limits applicable to the appropriation
      – The purchase must fall within the timelines of the money
        » i.e. 01-October-2020 through 30-September-2021
  
  – **Purpose**
    • The purpose of the obligation/expenditure must be authorized – does it fall within what Congress intended the funds be used for?
      – The purchase has to fall within what the appropriation states on what to use the money on
  
  – **Amount**
    • The obligation/expenditure must be within the amounts Congress has established.
      – Can not go over the amount that was given to us
Funds Management Cont’d

• Budget Execution Governed by:

  – *Office of Management and Budget Circular A-11*
    • Provides specific instructions, guidelines, and regulations associated with preparing, submitting, and executing the budget.

  – *Anti-deficiency Act*
    • We cannot spend more money than we have; we cannot spend the money before we have it; and we cannot augment/increase our funding level without specific authorization.

    • The concept of augmentation also prohibits us from moving money from one budget line to help cover a shortfall in another budget line.
Funding Authority

• Accounting (fund) citation
  – Composed of Agency code, Fiscal Year & Treasury Account Symbol

• Citation 13X1450
  13      Dept of Commerce
  X       No-year funds
  1450    Treasury Symbol for NOAA ORF fund

• 1321/221450
  – “X” replaced by 21/22
  – Appropriated in FY 2021
  – Expire September 30, 2022
Funding Availability

• Funding
  – Subject to time period for obligations/expenditure purpose unless authorizing legislation provides otherwise

• NOAA can use funds for:
  – Activities performed during period of funds availability

• Important to track outstanding Undeliverable Orders (UDO$s$)
  – Following slides will go through an example of when things happen and when things need to be de-obligated.
Treasury Account Symbol (TAS) Example

• TAS 1321/231460
  – Available
    • This period goes from the date of inception of the TAS to it’s termination date. The period can be Fiscal Year to Fiscal Year, but some can be “during” the fiscal year as well. During Availability Period the TAS can obligate, disburse and/or collect funds.
      – Availability Period 10/1/20 – 9/30/23
  – Expired
    • This period goes from the available date of termination of the TAS to five years after the available termination date. During this time, the TAS can only disburse and/or collect funds, but no new obligations can be made.
      – Expired Period 10/1/23 – 9/30/28
• TAS 1321/231460
  – Cancelling
    • This period is the fifth year the TAS is in an expired status and therefore will be cancelling at the end of the fifth year
      – Cancelling Period 10/1/27 – 9/30/28
  – Cancelled
    • This period is any time after the end of the five year expiration period. The fund can have no activity of any kind once the fund is cancelled. Collections would have to be done to another TAS # (133200) for Miscellaneous Receipts. Disbursements (and their associated obligation) would need to be made from a currently available TAS.
      – Cancelled Period 10/1/28 – forever
Reports
Systems within CBS

- Quick Reports
- Look-up Screens
- Module Reports
- Functional Systems {C.Suite, Travel, etc}
- Data Warehouse
- Core Financial System {CFS}
- Oracle Discoverer
- Data Warehouse Reports
- B&E Query Applications
- LO Data Extract
- Oracle Discoverer
Discoverer

• Web-based
  – Analytical Tool
    • Standard Queries Established (Workbooks)
      – Non-technical users can execute
    • Additional Capabilities Beyond DW
      – Multiple “views” (worksheets) to workbooks
      – Manipulation of report
      – Exporting of report to Excel

• Various Business Areas
  – De-obligation Reports
    » FMC User
      • Automatically given if you have Data Warehouse
Document Numbering

- No single identifying number in CBS
  - To identify documents

- Data Warehouse Assigns
  - Number called Affected Document Number
    - Links all transactions through document’s life cycle
      - Document Chaining

- Document chain broken with Summary Level Transfers (SLTIs)
  - SLTIs done at summary level
  - Chaining is gone, but dollars should be correct
Helpful Discoverer Workbooks for De-obligations

• **Reference Data**
  – Data Warehouse Status Workbook
  – Reference Data Workbook

• **Obligation Queries**
  – FMC Obligation Queries Workbook
    • To review and validate open obligations
  – Certification of Obligations Workbook
    • To delve deeper into a specific obligation details
    • To see de-obligation candidates
    • To see items that have open obligations on cancelling and cancelled funds
First Steps

• Verify DW Status
• Run the Reference Workbook
  – Code Values Worksheet
    • CDITEM
  – Export to Excel
• Run the Certification of Obligations
  – High Level PO with CLIN Worksheet
High Level PO Worksheet w/CLIN - Parameters

- Parameters
  - Enter as of GL End Date
    - Oracle Date format
      - DD-MON-YYYY
  - Enter Organization Information
    - Use wildcard (%) to bring back all values
  - Enter Project (if you have)
  - Enter Fund Statuses
  - Leave default fields alone
All amounts include Upward and Downward Adjustments to accurately reflect document balances.

Note that document chaining updates have been applied to the data used by this workbook and may affect results received previously.
High Level PO w/CLIN Worksheet - Steps

- Filter worksheet
  - Aff Item Type
- Choose Type (GOODS2)
High Level PO Worksheet – Date Fields

• “Date Fields” to look at:
  – Fund Code Fiscal Year
    • The Fiscal Year the Fund Code was appropriated
  – Max Trans Date
    • The date of the last transaction for the document

<table>
<thead>
<tr>
<th>Fund Code Fiscal Year</th>
<th>Max Trans Date</th>
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</thead>
<tbody>
<tr>
<td>2019</td>
<td>23-MAY-2019</td>
</tr>
<tr>
<td>2019</td>
<td>30-AUG-2019</td>
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</table>
High Level PO Worksheet – Amount Fields Fields

- **Undelivered Order Balance**
  - Money that is still left on the obligation
- **Unpaid Expense Balance**
  - Money that was set to be paid, but was never paid to vendor
- **Paid Expenses**
  - Money that has been paid to the vendor
- **Total Obligation**
  - The total amount of money that is being held on the books in CBS

<table>
<thead>
<tr>
<th>Undelivered Order Balance</th>
<th>Unpaid Expense Balance</th>
<th>Paid Expenses</th>
<th>Total Obligations</th>
</tr>
</thead>
<tbody>
<tr>
<td>$150,000.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$150,000.00</td>
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<tr>
<td>$1,000.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$1,000.00</td>
</tr>
</tbody>
</table>
High Level PO Worksheet – Next Steps/Parameters

- Find the document/reference number
- Copy the number down

- Open up FMC Obligation Workbook
  - UDO Balance by PO Feeder Sys No Worksheet
  - Paste/Type Number
  - Enter Wildcard (%) at the end
This query lists the UDO Balance of a specific document.
The search parameter is by "Po Feeder Sys No" which generally equates to a Contract Task Order Number or Grant Number.

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<td>25-27-25-17</td>
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</table>

Total

$150,000.00
This worksheet shows:

- CLIN (Line Number)
- FMDL (ACCS)
  - 1 = 1\textsuperscript{ST} ACCS listed
- ACCS Information
Next Steps

- Open the system to validate the information
  - C.Suite (for this example)
  - Create new requisition to de-obligate the money
Travel and De-obligations

• E2 Travel System
  – Traveler Reimbursable Costs
    • Automatically de-obligated
      – Final Voucher
  – Cancel of Travel Authorizations
    • If fees are charged and TA cancelled
      – Leave open obligations
        » Require Manual De-obligations by Finance
          • Anything open for a year, automatically de-obligated by Finance
  – Prior Year
    • FY18 Prior Year Adjustments and Re-allowing Funds
      – https://www.corporateservices.noaa.gov/finance/FOFRD_Home.html
Other “Issues”

- Negative UDO Amount
  - Contact Finance Accounting Operations Division (AOD)

- $0 UDO w/ balance of UEXP
  - Contact Finance Accounting Operations Division (AOD)
De-obligations

• Use the following workbooks through out the year:
  – Certification of Obligations
  – FMC Obligations Query

• Any remaining money on obligations or funds expiring
  – Various reports will be sent to for LOs/SOs to do research
    • Documents with no activity
    • Canceling Funds
  – Research using the same reports we’ve already gone over
    • Including the new worksheets Cancelling and Cancelled Funds for clean-up purposes

• Use the following steps
De-obligation Training

FY 2021 – June
V 1.0