

CBS Reimbursable Agreements Overview

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Chapter 1 Reimbursable Agreements

Federal government agencies are authorized by legislation to undertake reimbursable activities related to the mission of the agency. The requesting party provides the main source of funding for the work to be performed. Other federal agencies or private sector businesses request goods or services from the servicing agency via a reimbursable agreement document. The customers are then billed as the work is performed or advance funding is provided.

1.1 Reimbursable Overview

Processing reimbursable transactions within the Commerce Business Systems (CBS) is an integrated process involving many of the CBS modules and various user communities. Prior to fiscal year 2005, CBS was previously known as the Commerce Administrative Management System (CBS). Reimbursable funding, including apportionments, allotments, and budget operating plans, is recorded in the Budget Execution module. Expenses are recorded in the Accounts Payable module. Recording reimbursable agreements and customer orders, and allocating reimbursable costs is handled in the Reimbursable Agreements module. Transactions related to billing and collecting are processed in the Accounts Receivable Module.

The CBS Reimbursable User Guide focuses primarily on the functions being performed in the CBS Reimbursable Agreements module, however, where necessary and appropriate, documentation of screens or processes involving other modules has been included. The CBS Reimbursable Agreements module allows users to record, monitor and control activities related to reimbursable agreements, customer orders, and related billing activities. Various maintenance, transaction, process, and report screens are utilized as part of this process. Reimbursable functionality encompasses both on-line transactions and batch processing.

1.1.1 Benefits of the Reimbursable Agreements Module

Benefits of the CBS Reimbursable Agreements module include:

- ◆ On-line reimbursable agreement tracking
- ◆ Ability to view all modification to an agreement
- ◆ Automatically links TWAs with resulting formal reimbursable agreements
- ◆ Automated CFS notification to Los when an unfilled customer order is established
- ◆ Standard Acceptance Notification for reimbursable agreements
- ◆ Automated WIP billing process
- ◆ Billing statement of costs incurred by object class
- ◆ On-line summary of all agreement, order, billed and unbilled amounts
- ◆ Real-time reimbursable agreement reports
- ◆ Use of Oracle Discoverer capabilities will support ad-hoc querying by agreement, customer, etc.

1.1.2 Introduction to Reimbursable Agreements in the Core Financial System

The primary components of the reimbursable agreements process within CBS are maintenance, transactions, batch processes, lookups, and reports.

1.1.2.1 Reimbursable Agreements Maintenance

Maintenance screen set-up is required prior to processing transactions in the CBS Reimbursable Agreements Module. Maintenance screens contain bureau-defined values and/or system maintained values with associated processing logic. Some maintenance screens require one-time setup, while others are used on an occasional basis to establish new values or modify existing maintenance data.

Values established in the maintenance process are used throughout the system on transaction screens to create reimbursable agreement records, unfilled customer orders, receivable records, apply adjustments, and record collections. The maintenance screen functionality is also used to create templates with standard text to be cited on the Reimbursable Acceptance Notification. In addition, maintenance values are also used for batch processing and report generation.

Reimbursable maintenance screens are used to record and maintain reimbursable project codes, establish reimbursable customers and contacts, define standard text for reimbursable agreement Acceptance Notification Reports, and maintain various general ledger accounts and accounts receivable types and codes. Documentation related to maintenance screens is included in Section 4 of this document.

1.1.2.2 Reimbursable Transactions

Transaction screens are used for processing individual transactions or documents within the CBS Reimbursable Agreements module. Transaction screens rely on the information contained in the maintenance screens for system defined and bureau defined values. Reimbursable transactions are used to record reimbursable agreements and customer orders, to generate customer bills, and record collections. Additional tasks required to support processing and query data may also be performed on various transaction screens. Procedures pertaining to the transaction screens are documented in Section 5.

1.1.2.3 Reimbursable Batch Processes

Batch processes automate those processes which are performed on regular basis and would require multiple manual steps to complete. The Reimbursable Agreements Module batch processes include the WIP (Work in Process) Cost Allocation Process and the WIP Billing Compilation Process. The WIP Cost Allocation Process was developed to facilitate the current manual process of accurately determining the costs for reimbursable work. The process extracts costs from Trial and allocates these costs to the associated reimbursable projects, agreements, and orders. The process can be run multiple times throughout the month, but should be run at least once at the end of each month. At month end, after review of the WIP cost allocation transactions, the WIP Billing Compilation Process is run to automatically generate bills for costs

that were allocated as part of the WIP cost allocation process. Documentation related to maintenance screens is included in Section 6 of this document.

1.1.2.4 Lookup Screens & Reports

Lookup Screens provide users the ability to view information generated from other screens that they cannot access. These screens do not allow the user to modify the data in any way. The type of information that is available to reimbursable users to view includes messages that inform the user that an unfilled customer order has been approved, customer and contact information, a history of results from WIP batch processes, and the ability to view and print customer bills. Details pertaining to the individual lookup screens are covered in Section 7 of this document.

Report screens provide pre-defined templates used to query data and create output. Report output is based upon user-defined parameters applicable to each report. Reports may be viewed on-line or printed. Upon generation of a report, a header page details the parameters applicable to the current report. Within the CBS Reimbursable Agreement module, reports are provided to produce a form summarizing information for accepted reimbursable agreements, list reimbursable agreements which fall under the Economy Act, list agreements by acceptance date, provide the history of agreements, provide information related to the period of performance of customer orders, list unmatched costs by project, and provide information related to the WIP cost allocation and billing processes. Detailed documentation related to CBS reimbursable reports is included in Section 8 of this document.

Data Warehouse Reports also provide pre-defined templates used to query data and create output. Some of these reports require retrieval of records from Trial and numerous calculations that would slow down the activities being conducted in the Production environment. To prevent this problem, these reports are run in the data warehouse which contains a copy of Trial and production table data from the previous workday. Report output is based upon user-defined parameters applicable to each report. Reports may be viewed on-line or printed. Upon generation of a report, a header page details the parameters applicable to the current report.

Within the NOAA Data Warehouse, reports applicable to reimbursable activity include:

- RA500D - Reimbursable Project Status Billing Report
- AR530D - Accounts Receivable Activity by Project Report
- AR540D - Collection Amount by Project Report
- AR550D - Outstanding Reimbursable Bills for Advances Report

Documentation related to NOAA Data Warehouse reports relevant to reimbursable users is included in Section 9 of this document.

1.1.3 Reimbursable Business Processes

The Reimbursable Agreements module is used by several different user groups at NOAA, including Line Offices, Budget, and Finance, and the processes performed by each will differ. An overall process flow has been defined for each type of office. In addition, steps have been documented for distinct functions such as processing reimbursable sales/fixed fee projects,

requesting and recording carryover, processing agreements with multiple customers, handling reimbursable cost waivers, and reconciling unmatched costs. Procedures for performing the various reimbursable business processes are included in Section 10 of this document.

1.2 Reimbursable Business Rules

Business rules have been defined to ensure that all users are establishing reimbursable projects and recording and processing reimbursable transactions in a correct and consistent manner. They are grouped into six categories relating to project set-up and maintenance, temporary work authority, reimbursable agreements, reimbursable sales/fixed fee projects, allotments and unfilled customer orders, and WIP and Billing. The following business rules were agreed to by Line Office, Budget, and Finance representatives.

1.2.1 Reimbursable Projects

- ◆ New projects will continue to be established by the Budget Office based on requests from the Line Offices via CBS Project Code Request Forms.
- ◆ Non-Federal projects require a waiver from the Budget Office to be on a non-advance basis (Fund Code 7)
- ◆ Other non-Federal projects require an advance (Fund Code 5 or 6)
- ◆ Projects should not mix advance and non-advance funding
- ◆ For existing projects with cost overruns at the end of the fiscal year, new projects must be established for any new agreements and customer orders in the next fiscal year. Agreements and orders will not be established in the RA Module if they relate to projects with unresolved cost overruns at year end.
- ◆ The Accounts Receivable Branch in Germantown is responsible for setting project task flags on the CM004 Project Code Maintenance Screen to stop accepting costs when agreements expire or projects have cost overruns.

1.2.2 Temporary Work Authority

TWAs (Temporary Work Authority) should be converted to formal agreements within 6 months. Unfilled Customer Orders for TWAs remaining at the end of the fiscal year will not be carried forward to the new fiscal year. If any TWAs remain active in the system prior to year end, the Line Offices must move any allocated costs to a related direct project, and the Budget Office will reduce the unfilled customer order to 0.

1.2.3 Reimbursable Agreements

- ◆ The Line Offices will route reimbursable agreements through their Finance Office billing contact prior to formal acceptance for verification of fund code, project type, and billing terms. The Finance Office will identify any required changes and provide the customer and contact numbers required for the Line Office to record the agreement in CBS.

- ◆ The Line Office with primary responsibility for an agreement is responsible for recording that agreement in CBS and monitoring the status of that agreement.
- ◆ Agreements can only be recorded to one fund code. A single agreement should not mix advance and non-advance funding.
- ◆ If a new customer and/or contact record must be established in CBS to process an agreement, the Line Office is responsible for completing and submitting a Customer Profile Form to the Finance Office. The Finance Office is responsible for establishing new customers and contacts and notifying the Line Office that the customer record is available.

1.2.4 Reimbursable Sales/Fixed Fee Projects

Reimbursable Agreements will not be recorded in CBS for Reimbursable Sales/Fixed Fee projects. These projects may be advance or non-advance, and may or may not have formal contracts or agreements. Reimbursable Sales/Fixed Fee projects can be identified by the following criteria:

- ◆ In fund 06 they have a project type of 'SALEB6', 'AOTHER', or 'GSARNT'
- ◆ In fund 07 they have a project type 'SALER7' or 'ROTHER'
- ◆ Customers are billed based on a fixed price for a product or service, not based on actual accrued costs

1.2.5 Allotments and Unfilled Customer Orders

- ◆ The Budget Office is responsible for recording both allotments (FM063) and unfilled customer orders (RADG003) in CBS.
- ◆ Funds control for reimbursable funds is based on allotments and will continue to be set at the project and Line Office level.
- ◆ The Line Office with primary responsibility for an agreement or project is responsible for requesting the allotment and the unfilled customer order.
- ◆ For fund 06 (multi-year advances), allotments and unfilled customer orders for carryover is established based on cash balances at the end of the fiscal year.
- ◆ For fund 07 (non-advance), allotments and unfilled customer orders for carryover are established based on the funding authority balance remaining at the end of the fiscal year.
- ◆ New allotments for projects with non-advance agreements are based on the new Reimbursable Allotment/UCO Request Form and require a copy of the Reimbursable Agreement Acceptance Notification Form (printed from CBS).
- ◆ New allotments for projects with advance agreements also require the new Reimbursable Allotment/UCO Request Form and a copy of the Reimbursable Agreement Acceptance Notification Form (printed from CBS). This differs from the non-advance as allotments are not recorded until after the advance is collected.
- ◆ New allotments for all reimbursable sales/fixed fee projects, regardless of fund, are based on anticipated reimbursements and only require the new Reimbursable Allotment/UCO Request Form.

- ◆ Line Offices will use the BOP process to transfer funding to participating Line Offices.
- ◆ Unfilled Customer Orders are recorded based on the new Reimbursable Allotment/UCO Request Form, using the first level (LO) of the organization code only.
- ◆ Unfilled Customer Orders for reimbursable sales/fixed fee projects are entered using generic customers established by the Finance Office.

1.2.6 WIP and Billing

- ◆ The Accounts Receivable Branch in Germantown is responsible for executing the WIP Cost Allocation Process and the WIP Billing Compilation Process.
- ◆ Bills and collections are recorded by the Finance Office using the first level (LO) of the organization code only.
- ◆ Line Office users are responsible for researching and resolving unmatched costs.

1.3 CBS Support

Various methods of CBS support are available following deployment of all CBS modules. In addition to the materials distributed during the training of all new users, initial support is available on the CBS web site and from Client Services, functional teams, and servicing ASCs.

1.3.1 CBS Web Site

The NOAA CBS Program Division web site address is: www.rdc.noaa.gov/~cams. Information is available for the CBS modules that have been implemented, ACCS conversion, payment lookups, forms, contacts, etc. Links are also provided to the Finance and ASC web sites.

1.3.2 CBS Team Support

During the initial deployment of CBS modules, support is provided by the functional team(s) responsible for a particular module, or application. Training materials and user guides are developed for each module prior to deployment.

1.3.3 CBS Client Services

CBS Client Services provides help desk support for users. Client Services can be reached at 301-427-1023 or via e-mail at clientservices@noaa.gov. The following identifies some of the tasks which the Client Services staff is responsible for:

- ◆ Responding to help desk emails and calls
- ◆ Responding to all systems performance help desk emails and calls
- ◆ Reporting systems performance problems to the appropriate contact (e.g., ITC, etc.) and provide assistance, as needed

- ◆ Alerting the CBS community via email of systems and/or network down times
- ◆ Creating Oracle IDs in the GL029, Employee Information Maintenance Screen, (GL029)
- ◆ Maintaining the Employee Interface file from NFC
- ◆ Recording all SIRS and Enhancements into the tracking system and forward them to the CSC, as appropriate
- ◆ Referring all client comments, requests for enhancements, etc. to the appropriate teams

1.3.4 Servicing ASC Assistance

ASCs will continue to provide support for their clients. The servicing ASC office is the first level of support available to users.