

**U.S. DEPARTMENT OF AGRICULTURE
FARM PRODUCTION AND CONSERVATION MISSION AREA
BUSINESS CENTER
WASHINGTON, DC 20250**

FPAC NOTICE	NUMBER: FPAC-N 2100-002
SUBJECT: FY 2019 NRCS Second Quarter Financial Management Cutoff Dates	DATE: March 28, 2019
APPROVING OFFICIAL: Thomas W. Christensen, Deputy Chief Operating Officer, Business Services	EXPIRATION DATE: April 30, 2019

1. PURPOSE

To provide guidance to NRCS to facilitate an orderly close for the second quarter of fiscal year (FY) 2019.

2. MESSAGE

a. Background

- (1) The Farm Production and Conservation (FPAC) Business Center (FPAC-BC) chief financial officer (CFO) prepared these closing instructions to facilitate an orderly close for the **second quarter of FY 2019 for NRCS**. Compliance with these instructions helps to ensure that financial reports are complete and valid with supporting documentary evidence as prescribed by fiscal law.
- (2) In accordance with USDA timelines, the FPAC-BC CFO requires all transactions to be processed in accordance with the deadlines established in this document. This will ensure that National Headquarters (NHQ) Policy, Accounting, and Reporting Branch (PARB) is provided adequate time to review and validate financial data for the compilation of quarter end NRCS financial reports, and coordinate with the proper POCs for any necessary corrections.

b. Explanation

(1) Payroll

The payroll accrual for March will run between the dates of March 18-22, 2019, and will be 100 percent of pay period 4. Guidance specific to monthly system payroll accrual estimates can be found in the “FMMI System Status” notes on this site: <https://www.nfc.usda.gov/FSS/ClientServices/FMS/index.php>

- (2) **Nonpayroll Feeder Systems:** Integrated Acquisition System (IAS), ETS2, SmartPay

Feeder systems are scheduled to run without interruption. Any activity that comes into FMMI before 2 a.m. EST, April 1, 2019, will be recorded in FMMI as of FY 2019, fiscal period 06.

(a) **Intragovernmental Payments and Collections (IPAC)**

Includes processing of both inbound and outbound IPAC transactions. Inbound IPAC transactions are those payments and collections that are downloaded from the Treasury originating from non-FMMI USDA agencies and other Government agencies. Outbound IPAC transactions are those payments and collections entered through FMMI as sales orders (AR) and/or forecast revenues. End-of-quarter cutoff dates for processing IPAC transactions are as follows:

Outbound IPAC – **5 p.m. EST, Thursday, March 21, 2019**

Inbound IPAC – **5 p.m. EST, Tuesday March 26, 2019**

(b) **INTR**

Intragovernmental payments and collections between USDA FMMI agencies are referred to by the acronym INTR. All sales orders (i.e., AR) for FMMI agencies must have a purchase order for the item to clear and be processed timely. End-of-quarter cutoff for processing INTR is 5 p.m. EST, Wednesday, March 27, 2019.

(c) **SMARTPAY3**

Guidance specific to the USDA Charge Card Service Center (CCSC) can be found at <http://www.dm.usda.gov/procurement/ccsc/index.htm>.

c. Payment Operations Section (POS) (previously named the Accounts Payable Service Branch (APSB))

(1) Obligations and Payments

- (a) All new obligations, modifications, and payment requests must be uploaded to the APSB SharePoint or ServiceNow by the cutoff dates listed below to ensure that all requests are processed in FMMI.
- (b) For payment request received from partners after the cutoff dates, prepare payment package and submit immediately. The Payment Operations Section (POS) will process accrual documents in FMMI for all payments received after the cutoff dates.

- (c) If an obligation or modification is signed after the POS deadline for the second quarter, please contact POS, Payment Management Team 2 immediately so that the amount of the modification or the agreement can be reflected in FMMI and the financial statements as of March 31, 2019.

(2) Expense Accruals

- (a) The corporate expense accrual process has been implemented that will decrease the number of obligations States and divisions will be required to review and submit accrual requests for. States and divisions will no longer need to submit accrual certification requests to POS for certain obligations with a 25XX or 41XX budget object code (BOC). This includes the following types of obligations:

- 1 Grants
- 2 Cooperative and contribution agreements
- 3 IAS contracts
- 4 GSA motor pool
- 5 Non-USDA interagency agreements

- (b) The following types of obligations are **excluded** from the corporate accrual process and States must submit accruals to POS if needed:

- 1 ACEP-ALE easements
- 2 FRPP easements

Note: This process applies to expense accruals for obligations only. It does **not** apply to expense accruals needed for items that have not been previously obligated in FMMI (e.g., SF-1164s, credit card purchases, etc.).

- (c) POS will provide an FMMI report listing the complete population of all direct-entry open obligations to all States and divisions that will include the following:

- 1 **Corporate Accrual Tab.**—This tab lists all obligations that are included in the corporate accrual process. States and divisions should review this tab to ensure that accruals are **not** submitted to POS for obligations that are included in the corporate accrual process. If an obligation has more than one BOC, States and divisions may need to submit an accrual for BOCs that are not covered. For example, if an obligation has a 25XX and a 32XX BOC, the 25XX portion will be included in the corporate accrual

process, but the 32XX will not. Therefore, an accrual request for the 32XX portion may be required to be submitted to POS.

2 All Other Obligations Tab.—This tab lists all obligations that are **not** included in the corporate accrual process. States and divisions must review this tab to determine if an expense accrual is needed. If an accrual is required, an accrual request package must be submitted following the detailed instructions sent out by the CFO and by the cutoff dates listed below.

- (d) POS will provide a similar FMMI report (as described in paragraph (c) above) for all open IAS obligations to the Contracting Services Branch (CSB). If an accrual is required, CSB is required to prepare the accrual request package and submit to the APSB SharePoint. Accrual request packages must be uploaded by 5 p.m. EST on Friday, March 22, 2019.
- (e) CSB must provide POS a listing of all valid contracts not entered in IAS by the cutoff dates. POS will use this report to create obligation accrual documents in FMMI to ensure that our obligation amounts in FMMI are complete as of the close of the quarter.
- (f) An accrual request package needs to be prepared and submitted to POS for any Government purchase card transaction that is not in AXOL on the morning of Wednesday, March 27, 2019. Complete the “Accrual Certification Checklist,” sign it, attach all supporting documentation, and upload to the APSB SharePoint by 5 p.m. EST, Wednesday, March 27, 2019. States may submit one summary checklist for all purchase card accruals.

Note: For charges that are accrued, final reconciliation in AXOL must use the shorthand code that was used for the accrual.

Obligation, Payment, Expense Accrual (includes contract and agreement modifications)	Cutoff Times and Dates
Grants and Agreements (all types)	5 p.m. EST, Friday, March 22, 2019
Easements	5 p.m. EST, Friday, March 22, 2019
Miscellaneous	5 p.m. EST, Friday, March 22, 2019
Leases	5 p.m. EST, Friday, March 22, 2019
IAS and Federal Vendor contracts	5 p.m. EST, Friday, March 22, 2019
Fleet Cards	States do not need to submit information for fleet card accruals. POS will calculate an estimate of the needed amount for the fleet card accrual and enter it on behalf of the State.
Government Purchase Cards	5 p.m. EST, Wednesday, March 27, 2019

ProTracts Accruals

1 State-Initiated Accruals

States will prepare and submit accrual request package to the Payment Operations Section for ProTracts practices where the paperwork is complete, but the certification of the completed practice **has not** been entered in **ProTracts by 5 p.m. EST, Thursday, March 28, 2019.**

2 NHQ Program and Information Management Division (PIMD) Initiated Accruals

NHQ will record an accrual for those practices certified in ProTracts but not approved for payment **by 2 p.m. EST, Friday, March 29, 2019.**

d. Payment Operations Section – Travel Relocation Team and Travel TDY Team (previously named the Financial Administrative Services Branch (FASB))

(1) Travel Relocation

The Travel Relocation Team will enter division and State accruals for relocation cases in the team's area of responsibility.

(2) Travel Temporary Duty Travel (TDY)

- (a) The Travel TDY Team will upload the mass accrual derived from the ULO report and the States input.
- (b) Travel authorizations for travel should be submitted and approved in Concur or ETS2 by **5 p.m. EST, Friday, March 29, 2019.** In unique situations where March travel is not able to be authorized in Concur or ETS2 (e.g., waiting on a pseudo), the State or division **must** report this to the Travel TDY Team through ServiceNow.

Note: You may continue to enter travel authorizations for travel that occurs after March 29, 2019.

- (c) The cutoff date for submitting and approving vouchers in Concur and ETS2 is **5 p.m. EST, March 29, 2019.** Vouchers not submitted or not started by the cutoff date should be held until April 2019. Authorizations for trips not valid (a voucher will not be submitted) should be cancelled in Concur and ETS2.
- (d) A copy of the posted travel accruals will be provided to each division and State for documentation and audit support.

Note: States, centers, and NHQ should communicate these cutoff dates to all travel preparers and approvers in your offices.

e. Billing and Collections Section – Invoicing and Receivables Processing Team (previously named the Account Receivable Service Branch (ARSB))

(1) Billings

The goal is to ensure that unfilled customer order balances are complete and accurate as of March 31, 2019. Achieving this goal is important to sustain and continue the progress we have made as an agency in the auditing of our financial statements.

(2) INTR

- (a) Intragovernmental payments and collections between USDA FMFI agencies are referred to by the acronym INTR. All sales orders for FMFI agencies must contain the customer's purchase order for the item to clear and be processed. The end-of-quarter cutoff for processing INTR billings is **5 p.m. EST, Wednesday, March 27, 2019.**
- (b) Program managers must approve all billing requests for INTR billing sent to the division by the Invoicing and Receivables Processing Team no later than **5 p.m. EST, Friday, March 15, 2019.**

(3) RONA

- (a) Reimbursable agreements between non-USDA governmental agencies are referred to by the acronym RONA. The end-of-quarter cutoff for processing RONA billings is **5 p.m. EST, Thursday, March 21, 2019.**
- (b) Program managers must approve all billing requests for RONA billing sent to the division by the Invoicing and Receivables Processing Team no later than **5 p.m. EST, Friday, March 8, 2019.**

(4) Revenue Accruals

- (a) Invoicing and Receivables Processing Team will process revenue accruals for all unbilled expenses on reimbursable agreements early on **Friday, March 29, 2019.**
- (b) New Agreements.—Agreements that are signed on or before **March 29, 2019,** must be submitted to the Invoicing and Receivables Processing Team for processing in FMFI. Submit all signed agreements by **5 p.m. EST, Friday, March 15, 2019.** If any agreements are anticipated to be fully signed after March 15 but prior to March 29, notify your Invoicing and Receivables

Processing Team customer liaison before signing and inform Cheryl Turbeville.

- (c) WBS Elements and Shorthand Codes.—Before a new agreement can be entered in FMMI, a WBS code must be established by the Invoicing and Receivables Processing Team in accordance with the FMMI Help Desk procedures.
- (d) Non-UCO Requests.—All non-UCO requests are to be uploaded to the Accounts Receivable Tracker (ART) by **5 p.m. EST, Friday, March 15, 2019**. If a demand letter is sent to a participant after December 15, contact your Invoicing and Receivables Processing Team customer liaison and upload the request package immediately.
- (e) Lockbox.—Any checks received by the divisions that need lockbox forms completed by the Invoicing and Receivables Processing Team should upload a non-UCO checklist with documentation to ART by **5 p.m. EST, Friday, March 15, 2019**. If a check is received after this date, upload the package immediately to ART and notify your Invoicing and Receivables Processing Team customer liaison.

f. Corrections and Unprocessed Transactions

- (a) Unprocessed FMMI transactions, including rejects, can appear in these document categories:
 - 1 Parked Documents
 - 2 ETS2 Reject Error Report
 - 3 IAS Error Report
 - 4 Smartpay Error Report for ZW, ZX, and ZS documents
 - 5 Utility Error Report
 - 6 FREL Payroll Error Report
- (b) It is imperative that responsible entities correct unprocessed transactions continually. The payment status report is posted weekly to the FM SharePoint Site under FMMI>Document Errors and shows payments being held with errors. These items are already included in the financial statements. **Do not accrue.**

3. CONTACT

Any questions regarding this bulletin should be submitted to the FPAC Business Center,
Financial Management Division via ServiceNow (FPAC Intake Portal)
<https://usdafpacbc.service-now.com/ServiceDesk/>.

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