

For: All FSA and FAS National Office Employees

**Using NFC's Online Travel System to
Reimburse Employees for Local Out-of-Pocket Expenses Incurred**

Approved by: Deputy Administrator, Management



1 Overview

**A
Background**

Notice FI-2385 provided FSA and FAS National Office employees with the option of receiving reimbursements for out-of-pocket expenses for local travel by direct deposit. This direct deposit payment would be initiated through NFC's Online Travel System currently used by all FSA and FAS headquarters offices.

**B
Purpose**

This notice informs FSA and FAS Division and Office Approving Authorities on how to process local out-of-pocket expense reimbursements through NFC's Online Travel System.

**C
Contact**

If there are questions about this notice, contact:

- division or office contact person for local out-of-pocket expenses reimbursements using the NFC Online Travel System
- Robert Conrad, FMD, at 703-305-1315 or William Davis, FMD, at 703-305-1424.

Disposal Date	Distribution
December 1, 2000	All FSA and FAS National Office Employees

Notice FI-2421

2 Employee Selects Direct Deposit for Local Out-of-Pocket Expenses Reimbursement

A

**Action for
National
Divisions and
Offices**

When National Office employees select direct deposit as their preferred method of receiving a local out-of-pocket expense reimbursement, each division or office within the Agency will process their own employee's SF-1164's using NFC's Online Travel System. This change in procedure will move the approval process for local out-of-pocket expenses to the same level that all travel expenses are approved. A description of this process is in paragraph 3.

3 Processing Reimbursements for Local Out-of-Pocket Expenses Within the Division

A

**Establishing
Division Type L
Authorization
and Related
Controls**

Each FSA and FAS division or office will do the following to establish controls and begin to pay local out-of-pocket expenses reimbursements themselves according to the following table.

Step	Action
1	Identify 1 person within the division or office who has access and is familiar with the NFC Online Travel System to serve as the division's or office's contact person for out-of-pocket expenses reimbursements.
2	The contact person shall establish a type L multiple authorization in the NFC Online Travel System. A type L multiple authorization is a single authorization that covers multiple employees. Instructions for completing the division-wide or office-wide local multiple authorization are in Exhibit 1. Note: The names and Social Security numbers of those employees most likely to incur local out-of-pocket expenses shall be listed on the authorization. Only 50 employees can be listed on each authorization. The authorization may be amended to add more employees up to the 50-employee limit. If more than 50 employees need to be authorized, a second authorization shall be established.
3	Estimate the value of local out-of-pocket expenses to be reimbursed in FY 2000, and establish a local multiple authorization for that amount. Reminder: The multiple authorization uses part of the division's or office's available travel funds.
4	The contact person shall establish a control log according to the sample in Exhibit 2. As vouchers are processed against the division or office local multiple authorization, record the vouchers on the control log and keep a running total to ensure that no employee's reimbursement is delayed because the voucher exceeded the obligation limit for the authorization.

Continued on the next page

Notice FI-2421

**3 Processing Reimbursements for Local Out-of-Pocket Expenses Within the Division
(Continued)**

**B
Timing for
Requesting
Reimbursements**

To reduce the cost of processing reimbursements for local out-of-pocket expenses, employees are encouraged to submit SF-1164's summarizing out-of-pocket expenses incurred no more than once per month and no less than once per quarter. This will reduce the amount of paperwork produced for reimbursements and produce larger dollar reimbursements deposited directly to the employee's salary checking account. It will also help reduce the Agency's costs related to processing these reimbursements.

**C
Authorizing
Payment of
Local Out-of-
Pocket Expenses**

To request a reimbursement, complete the actions in the following table.

Step	Action
1	Employees shall prepare SF-1164 and provide the required documentation to support the request for reimbursement according to 97-FI for FSA or FAS's Coding Manual for FAS.
2	Employee shall give SF-1164 to the division or office out-of-pocket expenses contact person for processing.
3	The contact person shall enter the reimbursement data into the NFC Online Travel System, according to Exhibit 3, using the division's or office's local multiple AD-202 number and print an automated AD-616.
4	The contact person shall attach SF-1164 to the automated AD-616 and provide it to the division director or office approval official for signature.
5	The division director or office approval official approves the automated AD-616 and returns it to the contact person.
6	The contact person shall release the voucher record to be processed by NFC and distribute the approved automated AD-616 according to Exhibit 3.
7	The employee will receive the reimbursement in his or her salary checking account within 3 workdays.

Continued on the next page

Notice FI-2421

3 Processing Reimbursements for Local Out-of-Pocket Expenses Within the Division (Continued)

D Processing Reimbursements When the Employee is Not on the Original Multiple AD-202

Employees who were **not** on the original multiple authorization must be added to the authorization before their reimbursement can be processed. This is accomplished as follows:

- amend AD-202 and add the additional employee (up to 50 employee limit)
- have the authorizing official approve the amended AD-202
- release the amended record to NFC.

The reimbursement can be processed the workday following the workday the amended multiple authorization is released.

E FY End Actions for National Divisions and Offices

At the end of each FY, divisions and offices should review the balance of the obligation to ensure that it is not excessive. The obligated amount can be changed, either up or down, by amending the original authorization.

A new authorization shall be established for FY 2000 expenses, effective January 1, 2000, and then annually thereafter at the beginning of the FY. These authorizations may be amended, as needed, to increase or decrease the obligation.

F Reviewing Division or Office Local Out- of-Pocket Expenses Files

FMD may periodically review any division's or offices's control log and supporting documentation for local out-of-pocket reimbursements. This review is similar to those conducted when imprest funds were involved and ensures that reimbursements comply with Agency policies.

Preparing a Local Multiple Out-of-Pocket Expenses Authorization

The division or office contact person shall establish a local multiple out-of-pocket expenses authorization according to this table. These instructions assume that the employee is already in the NFC Online Travel System on Menu TV00001.

Step	Action	Result	
1	ENTER "10" and PRESS "Enter" to select "create an authorization".	Screen TV01001 will be displayed	
2	Complete Screen TV01001 according to the following.		
	Block	Instruction	Screen TV01008 will be displayed.
	1	ENTER "E" to establish a new authorization.	
	3	ENTER "XLMAA0BBB0001" where: <ul style="list-style-type: none"> • "X" is the last digit of the FY • "LM" represents local out-of-pocket expenses including travel for multiple travelers • "AA" is the 2-digit Agency code, ENTER: <ul style="list-style-type: none"> • "FA" for FSA • "10" for FAS. • "BBB" is office's budget organization code. • 0001 is the sequential authorization number assigned each FY. 	
	4-5	Leave blank.	
	6	Enter either "FA" for FSA or "10" for FAS.	
	9	Enter the from date as "10/01/99" and the through date as "09/30/00. For subsequent FY's, ENTER "10/01/XX" as the from date and "9/30/XX" as the to date. Replace "XX" with the last 2-digits appropriate for the FY. For example, for FY 2000, it is 10/01/99 and 09/30/00.	
	10	ENTER "DM" for type of travel.	
	13	Enter office location.	
	15-19	ENTER "Y" in block 15 only, since local out-of-pocket expenses reimbursements are for employees only.	
PRESS "Enter".			

Continued on the next page

Preparing a Local Multiple Out-of-Pocket Expenses Authorization (Continued)

Step	Action		Result
3	Complete Screen TV01008 according to the following.		Screen TV01002 will be displayed
	a	Enter SSN and name of each office employee that is expected to incur local costs. Repeat this process until all employees are entered individually. There is a 50-person limit per authorization. People can be added or deleted at a later date by amending the authorization.	
	b	Enter the total number of employees listed in the last step. Because this is a 2-digit field, counts that are less than 10 should have "0" entered as the first digit.	
	c	PRESS "Enter".	
4	On Screen TV01002, PRESS "Enter" to display the next screen.		Screen TV01003 will be displayed.
5	Complete Screen TV01003 according to the following.		Screen TV01004 will be displayed.
	Block	Instruction	
	22	Enter an explanation that this authorization is to cover local out-of-pocket expenses incurred by employees in the (division or office name).	
	23	On the: <ul style="list-style-type: none"> • POV line, ENTER "Y" after the IND: • OTHER line, enter: <ul style="list-style-type: none"> • "Y" after the IND: • "MISC" after the DESC: • estimated dollar value expected to be spent for all local out-of-pocket reimbursements in the "Amounts" column. Enter the amount without the decimal point. <p>Example: \$100.00 would be entered as 10000</p>	
PRESS "Enter" to update the record and display the next screen.			

Continued on the next page

Preparing a Local Multiple Out-of-Pocket Expenses Authorization (Continued)

Step	Action	Result	
6	Complete the data elements requested on Screen TV01004 as follows. Instructions are only provided for those blocks that are not self evident:	Screen TV01005 will be displayed.	
	Block		Instruction
	24		Enter the amount entered in step 5. This is the total amount being obligated for local out-of-pocket expenses by the division or office. The system will validate this amount.
	25		Under the: <ul style="list-style-type: none"> • “Purpose Code” column, ENTER “01” • “Accounting Classification” column, enter your division’s or office’s code according to 98-FI or the FAS Coding Manual • “Claim Percentage” column, ENTER “100”.
PRESS “Enter” to update the record and display the next screen.			
7	Complete Screen TV01005, blocks 35 through 41, as appropriate for your approving official and contact point. Then PRESS “Enter” to update the record and display the next screen.	Screen TV01006 will be displayed.	
8	ENTER “For Local Out-of-Pocket Expenses” and PRESS “Enter” to update the record and display the next screen.	A new Screen TV01001 will be displayed.	
9	PRESS “F1” to return to Menu TV00001.		
10	Process the authorization as normal.		

The contact person shall:

- print the authorization (a computer-generated AD-202) and have the authorizing official identified in step 7 sign AD-202
- make 1 copy of the approved AD-202 and send to FMD, FARB, NRS, at STOP-0581, for accounting purposes
- keep the signed approved AD-202 in the file with the Local Out-of-Pocket Expense Control Log.

Sample of Local Out-of-Pocket Expense Control Log

Count	Payee Name	Voucher Number	Processing Date	Total SF-1164 Amount Paid	Remaining Obligation Balance
Beginning Balance					\$300.00
1	Sly Barker	FMD-005	9/17/99	\$15.00	\$285.00
2	Shirley Compton	FMD-006	9/20/99	\$30.00	\$255.00
3	Don Dymes	FMD-007	9/22/99	\$62.00	\$193.00
4					\$193.00
5					\$193.00
6					\$193.00
7					\$193.00
8					\$193.00
9					\$193.00
10					\$193.00
11					\$193.00
12					\$193.00
13					\$193.00
14					\$193.00
15					\$193.00
16					\$193.00
17					\$193.00
18					\$193.00
19					\$193.00

This table can be recreated in WordPerfect using its math features.

The division or office contact person shall keep the original approved AD-616's in a file that supports this list. That file should maintain each original AD-616 in the same sequence order as shown on the list.

Processing Local Out-of-Pocket Expenses Reimbursements

The division or office contact person shall record a local out-of-pocket expense reimbursement according to this table. These instructions assume that the employee is already in the NFC Online Travel System on Menu TV00001.

Step	Action Taken	Result	
1	ENTER "11" and PRESS "Enter" to select "create an authorization".	Screen TV01101 will be displayed	
2	Complete Screen TV01101 according to the following.		
	Block	Instructions	Screen TV01102 will be displayed.
	1	Enter the authorization number established for the division or office.	
	2-3	Enter the name and SSN of the employee requesting reimbursement for local costs incurred. This information can be obtained from SF-1164. PRESS "Enter" to fill in the rest of the screens, based on the travel authorization.	
	7	Enter the action dates shown on SF-1164.	
	17	ENTER "Y" after "Salary Check:" for the mailing address. The reimbursement will be deposited into the employee's salary checking account using direct deposit.	
PRESS "Enter" to update the record and display the next screen.			
3	On Screen TV01102, PRESS "Enter" to display the next screen.	Screen TV01103 will be displayed.	
4	On Screen TV01103, PRESS "Enter" to display the next screen.	Screen TV01104 will be displayed.	

Continued on the next page

Processing Local Out-of-Pocket Expenses Reimbursements (Continued)

Step	Action	Result	
5	Complete Screen TV01104 according to the following. Enter all dollar amounts with no decimal point. Example: \$12.34 would be entered as 1234.	Screen TV01105 will be displayed.	
	Block		Instructions
	31		On the "Mileage" line, enter: <ul style="list-style-type: none"> • "0310" after the RATE: • the total number of miles claimed on SF-1164, column e. • the sum of the total number of miles claimed times .31 in the "Amounts" column. <p>Note: This should be equal to the amount claimed on SF-1164 column f, "Totals" line.</p>
	32-34		Leave blank.
	35		Enter the sum of any taxi, bus, subway, or other type fares in the "Amounts" column. Obtain the data from SF-1164, column g, "Totals" line.
	36		Enter any other miscellaneous expenses in SF-1164, column i, "Totals" line, on this line in the "Amounts" column.
	38		Enter the total amount of SF-1164, block 7, on this line in the "Amounts" column.
	PRESS "Enter" to update the record and display the next screen.		

Continued on the next page

Processing Local Out-of-Pocket Expenses Reimbursements (Continued)

Step	Action		Result
6	Complete Screen TV01105 according to the following.		Screen TV01106 will be displayed.
	Block	Instructions	
	46	ENTER “Y” after “DISTRIBUTED:” and under the: <ul style="list-style-type: none"> • “Purpose Code” column, ENTER “01” • “Accounting Classification” column, enter division’s or office’s code according to 98-FI or the FAS Coding Manual • “Claim Percentage” column, ENTER “100”. 	
	48-56	Complete blocks 48 through 56 as appropriate for approving official and contact point. Note: ENTER “N” in Block 49, “Final Voucher” field, unless this is the final voucher against the authorization at the end of the FY.	
PRESS “Enter” to update the record and display the next screen.			
7	ENTER “For Local Out-of-Pocket Expenses” and PRESS”Enter” to update the record and display the next screen.		A new Screen TV01101 will be displayed.
8	PRESS “F1” to return to Menu TV00001.		
9	Process the reimbursement as normal.		

The contact person shall:

- print the voucher (a computer-generated AD-616) and have the authorizing official in step 6 sign AD-616
- make 2 copies of the approved AD-616 and send 1 copy to:
 - FMD, FARB, NRS at STOP-0581, for accounting purposes
 - the employee requesting reimbursement, for information purposes

Note: The employee should receive the reimbursement in their salary checking account within 3 workdays of the voucher record being released.

- keep the original with SF-1164 attached in the file supporting the Local Out-of-Pocket Expense Control Log.