United States Department of the Interior

FISH AND WILDLIFE SERVICE
Washington, D.C. 20240

FEB 27 2013

In Reply Refer To:
FWS/DFM/053603

Memorandum

To: Service Directorate

Acting
From: Assistant Director and Chief Financial Officer – Business Management and Operations

Subject: Obligations, Payments, or Redistributions Using Expired Accounts

The purpose of this memorandum is to provide updated procedures for requesting and approving the use of funds from an expired account. Attachment 1 sets forth the specific roles, responsibilities and documentation requirements for expired account requests.

An expired account is a one year or multiple year appropriation that is closed to new obligations after its period of availability has ended. After the end of its period of availability, the account maintains its fiscal year identity and remains available in an "expired" status for another 5 years. During that period, funds may be obligated from the appropriation only under conditions that meet specific established appropriation law criteria, such as replacement contracts or previously undisclosed obligations (see Attachment 2).

For example, the Service's main FY 2013 appropriation, Resource Management, is available for new obligations until September 30, 2014. Starting in FY 2015, the account may be used only for the allowable conditions listed in Attachment 2. On September 30, 2019, the Resource Management FY 2013 appropriation will be cancelled and any funds remaining returned to Treasury.

The new procedures are effective immediately. If you have any questions regarding the new procedures, please contact, George Keller, Chief, Division of Financial Management, at (703) 358-1742.

Attachments

Procedures on the Expired Funds Request

Following are the procedures to process an expired funds request,

A. Once an office determines a need to use expired funds that meets the criteria identified in Attachment 2, **the requesting office** must complete a *Use of Expired Funds Request* Form, FWS Form 3-2242, accompanied by documentation supporting the request. The form is accessible on the FWS Form website: http://www.fws.gov/forms/display.cfm?number1=2200.

   1. To the extent possible, the documentation should consist of copies of existing materials and justifications.

   2. For a request to record an obligation incurred but not previously recorded, a copy of the original obligation document or notice must be provided.

B. The form must be signed by the following personnel prior to submitting the form to Division of Financial Management (DFM) for the final approval.

   1. Requestor

   2. Requestor's Supervisor

   3. Program Manager (ARD or WO-DAD)

   4. Regional Budget and Finance Officer

C. **DFM staff** reviews the request for use of expired funds, including documentation supporting the existence of a valid obligation and available funds. The Chief, DFM will either:

   1. Approve the request and forward the request to the appropriate office for completion of the steps required to obligate/redistribute the funds (see Attachment 2); or

   2. Disapproves the request and returns the request with suggested alternative methods of funding the obligation adjustments, such as the use of funds from a current account.

D. **Approved request** will be forwarded to the Headquarter Contracting and General Services (CGS), WSFR or DFM for commitment/redistribution. See Attachment 2 for a complete list of actions.

E. **<u>Regional Contracting and General Services (CGS)</u>** will perform the final obligation in PRISM. In some cases, this step may require the Grant Specialist from the Program to create the award and the Agreements Officer to release.

ALLOWABLE CONDITIONS FOR REINSTATING RESOURCE MANAGEMENT EXPIRED FUNDS

Allowable Conditions	Description	Required Documentation	If Request is Approved, Office Authorized to Perform Obligation Action in FBMS
Undisclosed Obligation-Contracts Only **Applicable Type of Document on FWS Form 3-2242**: Undisclosed Obligation	Invoices due and payable by the Service that were never booked as obligations or inadvertently de-obligated in the Financial and Business Management System (FBMS) but the supporting documentation clearly shows that a legitimate obligation was incurred during the original period of availability of appropriation.	1. Original contract; and 2. FBMS report showing transaction inadvertently de-obligated.	**<u>Standard Contract</u>** After receiving a signed FWS 3-2242 form from Division of Financial Management (DFM) with the detailed instructions on your subsequent actions. Region/Program creates PR in FBMS and notifies Headquarters Contracting and General Services (CGS) Branch to review and approve the PR. Region/Program will create a modification and release the modification in PRISM. **<u>Miscellaneous Obligation (MO)</u>** Region/Program contacts DFM to create a Miscellaneous Obligation (MO) with the approved expired fund. **<u>Payment</u>** *IPP Invoice*: Notify Interior Business Center (IBC) the payment can be released. *Hard Copy Invoice*: Prepare the payment package for IBC for payment.

Allowable Conditions	Description	Required Documentation	If Request is Approved, Office Authorized to Perform Obligation Action in FBMS
Underpayment of Grant and Cooperative Agreement Awards-Financial Assistance Awards Only **Applicable Type of Document on FWS Form 3-2242**: Undisclosed Obligation	Service staff closed a grant or cooperative agreement in FBMS without checking whether the final Federal payments in the final Federal Financial Report, SF-425, equaled the posted payments in FBMS. The final SF-425 shows a Federal share of expenses in excess of the posted payments in FBMS.	1. Final SF-425; and 2. FBMS payments report	After receiving a signed FWS 3-2242 form from Division of Financial Management (DFM) with the detailed instructions on your subsequent actions. Region/Program creates PR in FBMS and notifies WSFR – Financial Assistance Systems (FAS) Branch to review and save the PR. Region/Program will be notified to approve the PR, create modification and release modification.
Obligation of Grant or Cooperative Agreement to the Wrong Recipient (Vendor Record) in FBMS-Financial Assistance Awards Only **Applicable Type of Document on FWS Form 3-2242**: Incorrect Recipient/Vendor	1. The award was posted to an incorrect vendor record during conversion from the Federal Financial System to FBMS in Fiscal Year 2012; or 2. Post-Fiscal Year 2012: The original grant or cooperative agreement was obligated to an incorrect vendor in FBMS.	1. Original Application for Federal Assistance, SF-424 that shows the correct recipient/vendor; and 2. FBMS report that shows zero payments to the wrong recipient/vendor. If there were payments made to the wrong vendor, the Requestor must have those funds returned to the Service. The Requestor must not submit a request until the incorrect payments have been returned to the Service.	After receiving a signed FWS 3-2242 form from Division of Financial Management (DFM) with the detailed instructions on your subsequent actions. Region/Program de-obligates and closes the incorrect award. Region/Program creates PR in FBMS and notifies WSFR – Financial Assistance Systems (FAS) Branch to review and save the PR. Region/Program will be notified to approve the PR and create a new award to the correct recipient in PRISM.

Allowable Conditions	**Description**	**Required Documentation**	**If Request is Approved, Office Authorized to Perform Obligation Action in FBMS**
Replacement Contract-Contracts Only **Applicable Type of Document on FWS Form 3-2242**: Replacement Contract	When a contract is terminated for default, the funds maybe used for a replacement contract/award as long as the scope of work remains the same. Please note that a contract terminated for convenience does not meet GAO's definition to use expired funding.	1. Contract terminated for default; and 2. Proposed new contract with replacement contractor	After receiving a signed FWS 3-2242 form from Division of Financial Management (DFM) with the detailed instructions on your subsequent actions. Region/Program de-obligates and closes the original award. Region/Program creates PR in FBMS and notifies Headquarters Contracting and General Services (CGS) Branch to review and approve the PR. Region/Program will be notified to create a new award to the correct vendor in PRISM.
Replacement Grant or Cooperative Agreement Award-Financial Assistance Only **Applicable Type of Document on FWS Form 3-2242**: Replacement Contract	The replacement award is on the same property and has the same project scope, objective, and cost. In addition, the award to be replaced must still be open. For example, if a landowner sells his/her land that has an open cooperative agreement and the new owner agrees to continue the cooperative agreement on that particular property.	1. Original award's complete application package including SF-424 and narratives; and 2. Replacement award's complete application package including SF-424 and narratives.	After receiving a signed FWS 3-2242 form from Division of Financial Management (DFM) with the detailed instructions on your subsequent actions. Region/Program de-obligates and closes the original award. Region/Program creates PR in FBMS and notifies WSFR – Financial Assistance Systems (FAS) Branch to review and save the PR. Region/Program will be notified to approve the PR and create a new award to the correct recipient in PRISM.

Allowable Conditions	Description	Required Documentation	If Request is Approved, Office Authorized to Perform Obligation Action in FBMS
Contingent Liability-Contracts Only **Applicable Type of Document on FWS Form 3-2242**: Contingent Liability	This type of liability usually constitutes the form of a settlement or claim against the Federal government.	1. Court Ordered Settlement	<u>**Standard Contract**</u> See Allowable Conditions - **"Undisclosed Obligation – Contracts Only"** <u>**Miscellaneous Obligation (MO)**</u> See Allowable Conditions - **"Undisclosed Obligation – Contracts Only"** <u>**Financial Assistance**</u> See Allowable Conditions - **"Underpayment of Grant and Cooperative Agreement Awards-Financial Assistance Awards Only"**
Redistribution-Contracts Only **Applicable Type of Document on FWS Form 3-2242**: Redistribution	When legitimate charges are either incorrectly coded or can feasibly be moved to a different funding source, or if the final amount of the product purchased or completed service is adjusted, necessary accounting actions should be implemented to reflect the true cost or charge of the product or service.	*Requestor* – Prepares the JV VA entries in FBMS with supporting documentation attached in system.	After receiving a signed FWS 3-2242 form from Division of Financial Management (DFM) with the detailed instructions on your subsequent actions. Region/Program creates and parks the Journal Voucher (JV VA) document in FBMS and contacts DFM to review and approve the redistribution the expired fund.