

**Forest Service Handbook  
National Headquarters - Washington Office  
Washington, DC**

**Forest Service Handbook 1409.11 – Fiscal Review And Analysis Handbook**

**Chapter 600 - Management Services**

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## 610 - Personal Services

Appraise fiscal and accounting performance and personnel activities as they relate to each other and determine whether prescribed policies and procedures are being followed in both instances. Determinations to be made include the following:

1. Determining that the administrative officer and section chiefs cooperate and correlate in obtaining, training, and developing qualified personnel for business management work. Are trainee and individual training plans adequately prepared and followed?
2. Determining that the administrative officer and section chiefs, particularly budget and finance and resource, are aware of the importance of cross-training of personnel in their respective areas, to avoid the "typing" of an individual, and to develop employees for promotion within the unit and for transfer to other units. Checking on the knowledge and use of cross-series agreement.
3. Determining what steps are taken to identify professional accounting work and needs in the budget and finance and resource sections and what recruitment measures are taken to ensure a steady flow of trainees to and from the unit in this field; the extent of participation of the administrative officer and section chiefs in recruiting and informational visits to universities and colleges; the efforts made to interest potential accountants in Forest Service work through summer employment; and, the efforts to get employees to qualify for GS-510 accounting classification.
4. Determining whether position descriptions of employees handling fiscal and accounting work are up to date, emphasize the major assignments and responsibilities, adequately identify professional accounting duties, and otherwise reflect current requirements.
5. Determining whether plans are made and training given to ensure understudies for incumbents of key clerical positions during extended sick leave or other absences, or as replacements for impending vacancies.
6. Observing whether business management supervisory employees are aware of the incentive awards program and whether accomplishment by members of the business management organization is thus recognized.
7. Determining that safety plans and programs include measures protecting office as well as field employees; and that offices and supply rooms are equipped with necessary safety signing, warnings, and devices.
8. Observing, recording, and reporting any safety hazards affecting any type of employee, but with particular emphasis upon office, desk, and file cabinet arrangements; lighting facilities; and office machine installation and use, which constitute actual or potential safety hazards.

9. Determining whether headquarters office safety meetings are held and whether business management personnel participate in them.

10. Determining that compensation-for-injury cases are reported and processed promptly, and that cases involving fatalities and serious injuries are coordinated by one individual and given special and continuing attention by all sections concerned, until completion. Are compensation-for-injury cases, accident reports, and claims receiving independent review and evaluation by the unit safety officer?

11. Determining whether, in the organization of work by positions, and in the recruitment of employees for the business management group, consideration is given to members of the minority groups; and in structuring or adapting certain positions to the skills of handicapped persons.

Sources of information include:

1. General recruitment plans and specific plans for recruitment and development of trainees with professional accounting qualifications and potential.
2. Individual training plans and position performance standards.
3. File of compensation-for-injury cases.
4. Incentive awards file; payment vouchers related to award.
5. Comparison of actual office conditions and operations with items in 8.4 of Forest Service Health and Safety Code (FSH).
6. Written safety plans.
7. Minutes of safety meetings; attendance at such meetings if occurring during an inspection.
8. Reports of safety officers, particularly items pertaining to office safety.
9. Records covering, and reasons for, lost time of business management employees due to accidents both on and off the job.
10. General observations and discussions with employees.

## 620 - Office Management

Appraise the overall efficiency of the business management organization, the adequacy of the service to management, and the independence of their actions to relieve staffmen for resource management. Review actions include:

1. Determining that the business management organization operates in a physical and supervisory environment, permitting individual initiative and efficiency, and maximum service to line and staff officers at unit and subunit level, and to Forest users and the general public.
2. Determining specifically, as to the business management organization, that desk and filing space is adequate, with pending or working files readily available to clerical and other personnel; that employees required to do large amounts of mathematical computations, typing, or other work requiring mechanical aids, are provided with modern, efficient office machines.
3. Determining that the actual physical facilities and custodial services (where applicable) for which rental payments are being made are covered under and required by the lease.
4. If office is provided with "Muzak" or similar recorded music, determining details of the arrangement under which it is provided and how it is paid for.
5. If commercial vending machines are in operation in Government-owned or space-leased premises, determining that the installation is proper under the preemptive rights of blind organizations, etc., that the Government is reimbursed for the actual or estimated costs of electric current used, and what disposition is made of the proceeds from the machines.
6. Determining that good work habits are observed by supervisory and clerical personnel in the business management organizations; appraising adherence to established opening, luncheon, and closing hours and prior clearance of absences, including telephonic or other notice to the immediate supervisor of unanticipated absences.
7. Determining whether the administrative officer and section chiefs arrange for handling special nonrecurrent jobs on a project basis, to meet deadlines, equate workload, and to avoid backup of recurrent work.
8. Adhering to Department and Forest Service specifications in the style and format of correspondence: Review those signed by personnel below administrative officer or section chief level, and determine if authorized; observe extent of informal note traffic between unit and subunit personnel, and unit and Regional Office personnel.
9. Determining that receipt, internal flow, and dispatch of mail to section and to individuals ensures prompt attention by those having initial action responsibility and adequate safekeeping and restricted access for mail including remittances.

10. Observing and appraising adherence to Department and Forest Service record-maintenance standards and instructions; and adequacy of case foldering in such areas as periodic reports, compensation for injury, claims, timber sales, special-use permits, and instructions on new systems and procedures.

11. Observing whether specialized accounting data and reports, particularly automatic data processing printouts, are bound and labeled for ready access, current use, and ultimate disposition.

12. Observing physical facilities available for filing administratively confidential and other restricted material.

13. Determining whether records are reviewed periodically, on a scheduled basis, to determine retention and disposition action. Observing whether special noncorrespondence file material, such as accounting reports in special binders, and card records on desks or in special drawer files, are included in disposition surveys and transfers.

14. Determining that incoming and outgoing telephone calls are handled promptly and courteously.

15. Observing any extravagant or unofficial use of office duplicating facilities.

16. Determining extent of good housekeeping at desks and in all areas devoted to business management operations, including supply, duplicating, and mailrooms or mail areas.

Sources of information include:

1. Observance of reception of visitors and handling of incoming and outgoing telephone calls.

2. Observance of intraoffice employee relationships.

3. Visits to and observance of mail receipt, distribution, and dispatching operations, and of duplicating and copying services.

4. Examination and use of case folder, periodic report, and other file material, and of accounting reports and box file card record.

5. Agreements with employee social and welfare organizations; audits of the funds of such organizations.

6. Inactive files; records disposition listings and reports.

7. Visual observance of offices, approaches to and grounds surrounding offices, physical arrangement of desks, files and office machines, and work habits of employees.

8. General observations and discussions with employees.

### **630 - Procurement**

The review and analysis of the fiscal and accounting aspects of procurement activities is covered in 654.2.

### **640 - Property Management**

Fiscal review and analysis responsibilities pertaining to personal and real property are discussed in 655.5 and to space and facilities, in 620.

### **650 - Finance and Accounting**

This code provides guidelines for the review and analysis of finance and accounting work covered by FSM 6500.

#### **650.1 - Authority and Responsibility**

Determine whether the general authorities and responsibilities outlined in FSM 6501 are understood and followed.

#### **650.2 - Objectives**

Ascertain whether the primary objectives of finance and accounting are being attained.

#### **650.3 - Policy**

Are Forest personnel familiar with the ground policies applicable to finance and accounting work? Ascertain degree of compliance.

#### **650.4 - Regulations and Directives**

Determine whether personnel handling fiscal and accounting work are adequately informed on the regulations and directives controlling such work.

#### **650.5 - Inspections**

(144)

## **650.6 - Surety Bonds**

Review areas include, but are not limited to, the following:

1. Employee Bonding. Were employees properly bonded before functioning in those positions for which bonding is required? Were employees bonded when made responsible for the safekeeping of valuable property? Were other bonding requirements met?

2. Notice of Assignment to Position Covered by Position Schedule Bond. If authority has been delegated to the Forest to issue forms AD-219, determine whether such issuances were properly handled. If such authority has not been delegated to the Forest, determine whether it is needed.

3. Bonding of Nonemployees. Determine whether bonding requirements have been met in the handling of bids, contracts, permits, and agreements. Are employees responsible for examination and approval of surety bond documents aware of the reason for prescribed forms of signature, etc.?

## **650.7 - Irregularities in Accounts**

Determine whether (1) Forest personnel are adequately informed to recognize fiscal irregularities and understand reporting requirements and (2) any such cases were properly handled. See also 145.

Sources of information include:

1. Discussions and observations.
2. Training plans for fiscal personnel.
3. Cashier, assistant disbursing officer, certifying officer, and collection officer files.
4. Bid contract, permit, and agreement files.
5. Reports of suspected or actual fiscal irregularities.

## **651 - Appropriations and Funds**

Determine whether the proper appropriations were used in the development of financial plans. Test representative payments for proper appropriation charge. Give particular attention to (1) multiappropriation financing of maintenance and construction programs, (2) other project programs, and (3) suspense and facilitating accounts.

Review use of FFF funds. Follow guidelines in 510.



Sources of information include:

1. Project and financial plans.
2. Paid voucher file.
3. Observations and discussions with employees.

## **652 - Financial Management**

Appraise the fiscal and accounting aspects of financial management activities. Examination areas include, but are not limited to, the following:

1. Whether financial plans are current and correlated to work plans.
2. Whether financial control records are in proper format and in agreement with appropriate financial statements from the Regional Office.
3. Evaluating use of financial statements forms 6500-84 and 6500-84a. Determining whether Forest headquarters office properly completes and promptly submits 6500-84a's to Ranger Districts and comparable units at prescribed intervals.
4. Whether periodic financial reviews are made? Whether adjustments in Ranger District managerial account (RDMA), suspense and facilitating accounts are made promptly, when required.
5. Whether yearend and special fund control records are adequate and efficient.

Sources of information include:

1. Financial plans (Forms 1300-5, 1300-6, and 6500-10).
2. Work plans (Forms 1300-3 and 1300-4).
3. Financial statements (Forms 6500-84 and 6500-84a).
4. Fund adjustments (Forms 6500-23 and comparable documents for suspense, RDMA, and facilitating accounts).
5. Financial control, yearend and special control records.
6. Allocation notices.

## **653 - Collections**

Appraise collection activities. Ascertain the degree of compliance with regulations in establishing responsibilities, meeting objectives and operating within existing policies. Review areas include, but are not limited to, the following:

1. Whether work assignments provide a segregation of duties that ensures adequate internal controls in processing remittances, collection documents, and reports.
2. Evaluating safekeeping facilities.
3. Appraising operating practices (for example, are remittances left on desks or cashbox keys in desk drawers or otherwise accessible to other than the designated employee?), including:
  - a. Timely submission of remittances by designated field officers to unit collection officer.
  - b. Periodic verification, including weekly audit of undeposited remittances and unannounced audits of fixed price permits.
  - c. Records of cash receipt forms.
4. Ascertaining whether employees receiving and processing remittances have been properly bonded and designated as collection officers, clerks, or alternates, or are otherwise authorized to handle, such as first payments on timber sales.

Sources of information include:

1. Designation files for collection officers, clerks, and alternates.
2. Undeposited remittance records.
3. Records of cash receipt forms.
4. Discussions and observations.

### **653.1 - General Collection Guidelines**

Appraise compliance with general collection guidelines. Areas to be examined include, but are not limited to, the following:

1. Determining whether collection data are promptly and accurately posted to customer's accounts.

2. Reviewing the handling of any remittances received as compromise settlement offers. Were such remittances properly and promptly recorded on the unit collection register?

3. Reviewing the handling of funds for change-making purposes.

4. Appraising the handling of trespass cases using the standards provided in 530.

Sources of information include:

1. Automatic data processing collection summary and accounting register.

2. Billing file.

3. Customer accounts (permits, sales, and trespass).

4. Compromise settlement offers and related case files.

5. Financial statements for cooperative work, Forest Service (CWFS); refunds; and reimbursements.

#### **653.11 - Receipts Classification**

Review and analyze classification of receipts. Areas to be examined include, but are not limited to, the following:

1. Determining whether the initial classification of collections is accurate. Are there doubtful areas in which further guidance is needed?

2. Reviewing any adjustments due to erroneous initial classification.

3. Analyzing representative cases in which the proceeds from the sale of personal property were treated as an appropriation reimbursement.

Sources of information include:

1. Billing file.

2. Personal property sales.

3. General observations and discussions with employees.

### **653.12 - Collection Contracts**

Appraise the handling of collection contracts and agreements. Recommended determinations include, but are not limited to, the following:

1. Do such contracts and agreements meet legal and fiscal requirements?
2. Were the activities covered by such contracts and agreements adequately controlled and properly administered?
3. Were collection contracts examined, numbered, and otherwise processed in accordance with current requirements?

Sources of information include collection contracts and agreements.

### **653.13 - Billings**

Appraise the handling of billings and related documents. Recommended determinations include, but are not limited to, the following:

1. Was the preparation and processing of the following documents timely, proper, and accurate?
  - a. Billings.
  - b. Sight drafts.
  - c. Reports of billings.
  - d. Yearend reports of unpaid billed and unbilled repayments.
  - e. Debit voucher, Treasury Department form 5504.
2. Are collection followup procedures and records adequate and appropriate?
3. Are billing files (alphabetical, numerical, SF-1097, SF-1081, and elated documents) properly established and maintained?
4. Are paid billings, ADP printouts, and accomplished billing reports processed promptly and routed to appropriate organization units, as needed?
5. Are billing adjustments and cancellations based on acceptable reasons? Are these actions properly documented and approved? Is there any evidence of issuance and cancellation within a month without proper documentation?

Sources of information include:

1. Alphabetical and numerical billing files, sight drafts, debit vouchers, reports of billings, and yearend reports of unpaid billed and unbilled repayments.
2. Contacts with Forest personnel handling collections.
3. Permit files.

#### **653.14 - Receipt, Safekeeping, and Disposition of Collections**

Appraise receipt, safekeeping, and disposition of collections. Areas for review include, but are not limited to, the following:

1. Determining whether all remittances received are placed under accounting control promptly.
2. Determining whether (1) collection registers are properly set up and (2) entries are timely and accurate.
3. Determining adequacy of controls over Land and Water Conservation Fund and other permits and cash receipt forms, including accountability records, inventory verifications, and disposition of unused permits.
4. Determining if journal vouchers and forms 6500-101 are appropriate as properly used in connection with the receipt and transfer of collections.

Sources of information include:

1. Unit and subunit collection records.
2. Journal vouchers and form 6500-101.
3. General observations and discussions with employees.

#### **653.15 - Depositing Remittances**

Determine whether remittances are deposited daily or within established frequency standards. Are certificates of deposit properly prepared?

Sources of information include:

1. Copies of certificate of deposit.
2. Unit collection register.

### **653.16 - Records**

Determine whether records maintained by field collection officers provide adequate controls of funds collected and accountable collection documents. Sources of information include:

1. Users' records.
2. Accountability records covering stickers and other collection forms.

### **653.17 - Replacement of Remittances Lost or Destroyed**

Determine whether prompt and proper action was taken in obtaining replacement remittances for any checks, drafts, or other negotiable instruments representing a collection lost, mutilated, or destroyed after receipt. If not handled properly, determine the cause and the adequacy of corrective actions taken. Review the handling of any cases involving subsequent recovery of initial remittances.

Sources of information include:

1. Correspondence files.
2. Agreements of indemnity.

### **653.18 - Uncollectible Remittances**

Review the handling of any uncollectible remittances, including the preparation and processing of Treasury Department form 5504, entries on collection register, credit form 6500-89, and request for payment.

Sources of information include:

1. Copies of Treasury Department form 5504.
2. Credit forms 6500-89.
3. Case folder.

### **653.19 - Other General Collection Requirements**

Review and analyze other general collection requirements, including:

1. Preparing and processing of reports of billings.
2. Transfers between funds and accounts of a permittee.
3. Correction of errors.

4. Establishing and maintaining collection transaction files.

Sources of information include:

1. Reports of billing.
2. Transfers.
3. SF-1097 or other correction documents.
4. 6530 files.
5. Permittee case records.

**653.2 - (Reserved)**

**653.3 - (Reserved)**

**653.4 - (Reserved)**

**653.5 - (Reserved)**

**653.6 - Inter-Agency and Intra-Agency Collections**

Examine the handling of such collections. Examination areas include, but are not limited to, the following:

1. Determining whether inter-and intra-agency adjustments are adequately supported.
2. Determining whether billings issued to other agencies are in accordance with current regulations, accurate, and adequately supported.
3. Determining whether actions are completed promptly.

Sources of information include:

1. Billing file (SF-1080 and SF-1081).
2. Agreement with other agencies.
3. Reimbursable accounts on unit financial statement.

### **653.7 - Claims of United States Against Debtors**

Appraise the handling of such claims. Areas to be examined include, but are not limited to, the following:

1. Was the essential information obtained promptly?
2. Was an adequate review made by a responsible Forest officer?
3. Was a complete and accurate submission made without delay to the Fiscal Agent?

Sources of information include the file of claims of United States against debtors.

### **653.8 - Uncollectible Billings**

Appraise the handling of such billings. Areas to be examined include, but are not limited to, the following:

1. Determining whether the collection effort was commensurate with the circumstances and costs involved.
2. Determining whether the classification of billings as uncollectible are made within the prescribed period and are adequately supported.
3. Determining whether the reports and controls were adequate.
4. Determining whether the uncollectible billing register is currently maintained.
5. Determining whether collections of billings previously reported as uncollectible are properly included in the accounting records.
6. Determining whether uncollectible billings were removed from current accounts in the proper manner and at the proper time.

Sources of information include:

1. Uncollectible determinations and case files.
2. Uncollectible billings register.
3. Past due billings.
4. Notices of collections by GAO of billings reported as uncollectible.



## **653.9 - Bankruptcy Proceedings Involving Debtors**

Appraise the handling of bankruptcy cases involving debtors.

Sources of information include:

1. Case files.
2. Discussions with employees.

## **654 - Payments**

Evaluate payment activities. Ascertain the degree of compliance with regulations in establishing responsibilities, meeting objectives, and operating within existing policies. Review areas include, but are not limited to, the following:

1. Determining whether work assignments provide adequate internal controls by the segregation of vouchering, auditing, and certifying responsibilities.
2. Determining whether individuals functioning in the following positions are properly designated and bonded:
  - a. Assistant disbursing officers.
  - b. Cashiers and alternate cashiers.
  - c. Certifying officers.
3. Determining adequacy of safekeeping facilities and safeguarding procedures for handling (1) imprest funds, (2) Government checks (ADO, employee, or other), and (3) other.
4. Determining if proper and prompt action is taken in connection with the delivery of checks, locating or replacing lost checks, and reporting and disposing of undelivered checks. Be alert to the possibility that an undelivered check may indicate a padded payroll, a false invoice, or other forms of improper handling.
5. Evaluating (1) timeliness of submission by subunits of all documents related to payments and (2) promptness in processing payables by unit.
6. Ascertaining whether payment files, such as authorizations, unliquidated obligations, and paid vouchers, are properly established and currently maintained.
7. Appraising the understanding and application of authorities, regulations, and policies regarding cooperative work and appropriation reimbursement agreements, negotiation, execution, and administration.

8. Evaluating controls used to ensure appropriation and functional integrity.
9. Determining adequacy of assistant disbursing officer controls and records. Are all Treasury checks charged to the unit properly accounted for? Were all unit ADO payments proper and adequately supported?
10. Determining adequacy of controls of imprest funds. Are funds advanced to unit properly accounted for? Were cash verification and audit requirements met? Were payments proper and adequately supported? Examining reimbursement vouchers (SF-1129) for (1) proper preparation, (2) timely submission, and (3) adequate accounting.

Sources of information include:

1. Organization chart.
2. 6540 files.
3. Designation folders for ADO's, cashiers, and certifying officers.
4. Cooperative agreements.
5. ADO records.
6. Imprest fund vouchers.

#### **654.1 - Personal Service Payments**

Appraise the handling of such payments. Review areas include, but are not limited to, the following:

1. Determining that timekeeping controls and practices at the unit and subunit offices result in current and accurate recording of worktime, and of all charges for annual, sick, and other types of leave, or approved or excused absences, which affect duty time and pay status.
2. Determining that supervisory controls are in effect for accurate predetermination, ordering, and recording of overtime and holiday work, recording and reporting of unscheduled overtime, night differential, scheduling of and adherence to part-time tours, and any other actions which vary from or affect each employee's normal pay status.
3. Ascertaining that rate determination for use in making meals, quarters, utility, and other payroll deductions were fiscally sound.
4. Evaluating the controls used to avoid duplicate payments for personal services. Give particular attention to fire time reports of regular and cooperator employees.

5. Evaluating the controls to ensure that all time reports have been received and processed for the pay period.

6. Evaluating the quality and effectiveness of the review of personal service payment documents to ensure propriety of approval and payment, including the following determinations:

- a. All essential data are provided.
- b. Worktime is properly classified (base rate, overtime, holiday work, compensatory time worked, night differential, or differential in lieu).
- c. Time absent was properly authorized and classified.
- d. Deductions were correctly classified and adequately supported (Review controls for meals, quarters, and utility charges).
- e. Leave record entries and computations are correct.
- f. Required clearance is obtained prior to final salary payment.
- g. Lump-sum payments are accurate and properly financed.

7. Evaluating adequacy of (1) postpayment reviews of ADP printouts for erroneous payments and (2) corrections of such errors.

Sources of information include:

- 1. Time and attendance reports.
- 2. Time reports (firefighters or other casuals).
- 3. Approval authorities (time, leave, overtime, tours of duty, and related areas).
- 4. Control data for meals, quarters, and utility charges.
- 5. Payroll action requests, forms AD-343.
- 6. Final salary payment reports, form AD-139.
- 7. Records of leave data transferred, SF-1150.
- 8. Other pay computation documents.
- 9. General observations and discussions with employees.

## 654.2 - Non-Personal Service Payments

Appraise the handling of such payments. Review areas include, but are not limited to, the following:

### 1. General Requirements.

- a. Determining whether there is legal and administrative authority for payments made.
- b. Determining whether payments are based on receiving reports signed by responsible Forest officers.
- c. Determining that procurements are recorded promptly as obligations in accordance with section 1311, Public Law 663, August 26, 1954, and that the appropriation obligated is available--as to purpose--for the amount expended.
- d. Determining whether procurements made between May 16 and June 30 are in harmony with yearend buying policies covering the proper use of funds.
- e. Reviewing partial payments to determine whether such payments were (1) authorized by the procurement document and (2) supported by progress reports prepared by the contracting officer's representative or other responsible employee.
- f. Reviewing payments in advance of delivery. Determining whether authorized and proper.
- g. Determining that payments made for purchases outside of mandatory sources of supply, such as General Services Administration and Federal Prison Industries, Inc., are supported by clearance certificates or by acceptable justification statements.
- h. Determining that payments based on procurements made under delegated authority for negotiated purchases are supported by written quotations, when required, that the amount obligated represents the lowest or most favorable price available, and that the dollar value is within the issuing officer's delegated authority.
- i. Reviewing payments made to vendors who performed concurrently under a formal contract and a negotiated procurement.
- j. Where payments are based upon indeterminate quantities, final payment for which is based upon weight or other tickets or tallies, determining that receiving reports and partial and final payments, are supported by such tickets or tallies.
- k. Reviewing cases involving numerous payments to same vendor within a limited time. Determining whether payments could be more economically handled. Be alert for fragmental purchasing, or splitting to avoid competition.

- l. Determining that payments do not violate policy on distinctive purchases.
- m. Determining that payments for field printing are supported by certificate of necessity and advance clearances from higher levels, when applicable.
- n. Observing purchase of equipment and supplies related to printing and duplicating operations, and actual printing and duplicating operations, for (1) operations and output beyond the unit's authorities and (2) production of unofficial material.
- o. Evaluating the controls used to avoid duplicate payments for nonpersonal services.
- p. Evaluating the quality and effectiveness of the review of non-personal service payment documents to ensure propriety of certification and payment, including:
  - (1) Adequate description.
  - (2) Evidence of receipt of articles or services.
  - (3) Sufficiency of exigency or other statements when required.
- q. Evaluating adequacy of (1) postpayment reviews of ADP printouts for erroneous payments and (2) corrections of such errors.

Sources of information include:

- a. Numeric purchase order file, field purchase orders, supplements, and amended purchase orders.
- b. Receipt of reports, tickets, and tally sheets covering deliveries made on a weight or other measurable basis.
- c. Service or rental agreements for printing, duplicating, and copying equipment.
- d. File of unsubmitted obligations.
- e. File of paid vouchers.
- f. Budget object records.
- g. Authorizations for operating field printing facilities.

## 2. Formal Contracts

- a. Determining that awarded contracts constitute valid documents for the obligation of funds through inclusion of required clauses (Davis-Bacon Act, Walsh-

Healey Act, Miller Act, performance and payment bonds); that awarding officer acted within the limits of his delegated authority as to the dollar value of the award; and that where award was at a level other than the obligating level, the awarding officer had written evidence of fund availability.

b. Determining that appropriations charged for the original contract were available--as to purpose--for the obligation incurred; and that appropriations charged by any subsequent documents effecting an increase in contract price were likewise available--as to purpose--and were charged against the appropriate fiscal year, depending upon whether the changes or additions were within the scope of the original contract or outside of it.

c. Determining that any field-season contracts entered into prior to actual appropriation availability are in accordance with the authority (16 U.S.C. 557a), aliquot the costs by fiscal years, and contain a clause showing that the initial obligation and subsequent payments are contingent upon the passage of an applicable appropriation; and that the minimum guarantee and other payments under contracts spanning more than 1 year, such as 2-year aircraft contracts, are obligated against the proper fiscal year appropriations.

d. Determining that leeway or variance clauses are exercised on a timely basis, any change in contract costs occasioned thereby are reflected in changed obligations, and that the resulting total contract cost does not exceed the dollar value of the contracting officer's delegated authority.

e. Where contracts include liquidated damage clauses, determining that any assessments of liquidated damages were computed correctly and supported by proper notice and determination of delays; and that where damages are collected by other than deduction from contract price, they were deposited to the appropriate receipts account. In any instances of remission of liquidated damages, determining that the action was taken at the proper level of authority.

f. Determining reason for any other deductions from contract price and that appropriate disposition of the deduction was made.

Sources of information include:

- a. Formal contracts, including bid invitations; bid invitations which also constitute basic contracts.
- b. "Start work" and "stop work" orders; contract modifications, amendments, and change orders.
- c. Numeric purchase order file; purchase orders, supplemental or amended orders.

- d. Work progress reports, diaries of contracting officer's representatives, and correspondence with contractor.
- e. Tickets or tally sheets covering contract items computed on a quantitative basis.
- f. Records of partial and final payments; paid vouchers covering partial and final payments.
- g. Records of deduction from contract payments, appropriation repayments, and collections related to formal contracts.
- h. File of unsubmitted obligations.

### **654.3 - Travel Expenses**

Determine if expenditures for travel are controlled and processed as required by existing instructions. Review areas include the following:

1. Determining that, insofar as possible, uniform mileage and per diem rates have been established for like conditions of travel and such rates are based on required analysis of travel costs.
2. Determining if all travel has been authorized or approved within delegated authorities and is in accordance with existing laws, regulations, and policies.
3. Determining if controls and procedures for travel advances are as prescribed.

Evaluating the following:

- a. Authority for the advance.
- b. Preparation of SF-1039.
- c. Approval recommendation.
- d. Security for advance.
- e. Authority of and approval.
- f. Amount of advance.
- g. Accounting for advance payment and control of outstanding advance.
- h. Repayment time and method.

4. Determining if travel vouchers are prepared, submitted, approved, and paid in accordance with applicable laws, regulations, policies, and procedures. Checking the following on accounts selected for review:

- a. Prompt submission of accounts.
- b. Rates and computation for per diem, transfer of station expense, and mileage claims.
- c. Comparative statements where required.
- d. Receipts or other justifications where required.
- e. Propriety of claims for special reimbursement items.
- f. Application against advance.
- g. Application and computation of deductions.
- h. Transportation information.
- i. Required approvals and reviews.

5. Determining if SF-1169's are prepared, used, and paid in accordance with prescribed regulations, policies, and procedures. Areas for examination include the following:

- a. Proper completion of SF-1169.
- b. Marking and submission of spoiled or cancelled requests.
- c. Safeguarding of requests charged to and in the custody of the traveler.
- d. Reports of lost requests.
- e. Reports for unused transportation obtained on transportation requests.

6. Determining if payments related to the movement of household goods and personal effects in connection with transfers of station are properly authorized, and computed, and adequately substantiated.

Sources of information include the following:

- 1. Per diem and mileage rate determination documents.
- 2. Letters of authorization.
- 3. Travel advance records.



4. Paid reimbursement accounts.
5. Paid transportation vouchers.
6. Transportation request controls.
7. Collection records for unused transportation.
8. General observations and discussions with employees.

#### **654.4 - Refunds**

Determine if refund payments are made only after required considerations. These include:

1. Determining if supporting documents provide for refund.
2. Determining if the amount refunded is accurate and takes into account any damages sustained by the Government, or if offset is required.
3. Determining if consent of surety has been secured for refunds made before a contract is closed.
4. Determining if minimum amount (\$1) or maximum time limit (10 years) is met.

Sources of information include:

1. Refund vouchers.
2. Permit and contract files.

#### **654.5 - Inter-Agency and Intra-Agency Payments**

Appraise the handling of such payments. Review areas include, but are not limited to, the following:

1. Determining if there is proper authority for inter- and intra-agency payments and that there is adequate documentation of agreements prior to incurring obligations.
2. Determining if payments are properly charged in the accounting records and that billings are accurately determined and adequately supported.
3. Determining if appropriate billing procedures are followed (SF-1081, form GSA-789, SF-1166, SF-1017G, form 6500-63, or other).

Sources of information:

1. Form 6500-46.
2. Cooperative agreements.
3. Accounting records and financial statements.
4. Billing documents.
5. Observations and discussions with employees.

#### **654.6 - Adjustments in Payments**

Ascertain the degree of compliance with regulations in establishing responsibilities and operating within existing policies. Areas of examination include, but are not limited to, the following:

1. Determining whether corrective action was taken promptly after discovery of an error and the cause of the error eliminated.
2. Determining whether the adjustment was correct in all aspects and adequately supported.
3. Determining whether procedural instructions for preparing and processing adjustments are understood and followed.

Sources of information include:

1. Adjustment vouchers.
2. General observations and discussions.

#### **654.7 - Scheduling, Certifying, and Submitting Vouchers**

Determine if vouchers are prepared, audited, certified, and submitted in accordance with existing laws, regulations, and policies. Pertinent instructions are in the Unit Finance and Accounting Handbook (FSH). Review areas include:

1. Determining if documents submitted for payment are date stamped as required and promptly furnished to the employee responsible for initial action.
2. Determining that various types of documents are processed as prescribed in each case.
3. Determining if forms 6500-63 are properly and completely prepared.

4. Determining if required audit is performed and if auditor initials as required to indicate approval.

5. Determining if changes made in amounts claimed are authorized and adequately substantiated.

6. Determining if certification is by a properly designated officer and includes the required document reviews.

7. Determining if the vouchering process is efficient, provides for the utilization of discounts offered, and is businesslike as to timeliness, accuracy, check mailing address, and check identification.

8. Determining if unpaid, in-transit, and paid voucher files are properly maintained.

Sources of information include:

1. Payment documents before, during, and after processing.
2. Forms 6500-63.
3. Designation of certifying officers.
4. Office procedure guides.
5. General observations and discussions with employees.

#### **654.8 - Special Activities**

Appraise the fiscal and accounting aspects of the following:

1. Training. Review representative cases processed under the Government Employees Training Act.

Determine whether controls are adequate. Were proper authorizations issued? Were activities within the prescribed limitations, requirements, and payment procedures? Determine adequacy of procedures for determining that each agreement had been fulfilled? Were collections made promptly when required?

2. Expenses for Attendance at Meetings. Determine propriety of (1) payment of expenses to attend meetings and (2) acceptance of payments from non-Federal sources for travel, subsistence, and other expenses to attend meetings.

3. Interchange of Employees With State Agencies. Determine whether agreements for such interchanges meet fiscal requirements.

4. Employment With Public International Organizations. Determine that fiscal aspects of any such employment were properly handled.

5. Emergency Evacuations. Determine whether adequate attention had been given to emergency evacuations.

6. Fees and Expenses of Witnesses and Jurors. Determine that such fees and expenses were properly handled.