

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

**Forest Service Manual 6500 – Finance and Accounting  
Chapter 6530 - Billings and Collections**

**Amendment:** 6500-2023-1

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**Duration:** This amendment is effective until superseded or removed.

**Approved by:** Robert Velasco, Chief Financial Officer

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**Responsible Staff:** Chief Financial Officer, Financial Policy

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**Superseded Document(s):** Amendment 6500-2020-2, August 18, 2020

**Digest:** Following is an explanation of the changes throughout the directive by section.

**6530:** Revises the entire chapter by removing obsolete direction, authorities, forms, and processes throughout chapter. Adds new authorities and guidance for billings, collections, debt management and employee debt waiver process.

**6530.1:** Updates authorities by removing obsolete Treasury citation and adds new authorities for debt management and internal controls. Expands authorities from 17 to 36.

**6530.3:** Adds guidance on internal control system per Office of Management and Budget Circular A-123.

**6530.4:** Adds billing and collection responsibilities for Chief Financial Officer (CFO) and staffs, Deputy Chief of Business Operations and staff, and Director of Human Resources Management (BusOps-HRM) and Director of Property and Procurement Services from related handbooks. Adds guidance which authorizes waiver of debts and update threshold based on new departmental regulations.

**6531:** Removes obsolete reference to Treasury Manual and handbooks. Updates organization names.

**6531.1:** Renames section title from “Bill Issuing, Text Content, and Due Dates” to “Bill Issuing” and sets forth direction. Includes current terminology “core accounting system” and “interfaced

systems.” Adds reference to federal accounting standards and USDA employee debt management system.

**6531.3:** Establishes code, caption, and sets forth direction for “Employee Indebtedness” based on requirements of Debt Improvement Act of 1996, related requirements in 7 Code of Federal Regulations 3.74, USDA directives and labor contracts.

**6531.31:** Establishes code, caption, and sets forth direction for “Notification of Employee Debt.”

**6531.32:** Establishes code, caption, and sets forth direction for “Hearing.”

**6531.33:** Establishes code, caption, and sets forth direction on “When Payroll Deductions Begin.”

**6531.4:** Establishes code, caption, and sets forth direction for “Non-Employee Indebtedness,” per Debt Collection Improvement Act of 1996, related Treasury and Departmental regulations.

**6531.5:** Establishes code, caption, and sets forth direction for “Termination of Collection Actions,” per Debt Collection Improvement Act of 1996, related Treasury and Departmental regulations.

**6532:** Renames section title from “Point of Sale System (POSS)” to “Electronic Collection System.” The POSS has been replaced and retired.

**6533.1:** Updates existing sources of collections and adds guidance for previously omitted sources of collections: agreements, contracts, donations, sustainable operations programs, and commercial vendor sales. The donations include instructions for donated funds and citations for donated personal property and donated real property.

**6533.2:** Updates remittance methods and move details to collection officer handbook.

**6533.3:** Moves procedural instructions for designating collection officers and undesignated/incidental collection officers and minimum standards to collection officer handbook.

**6533.10:** Renames section title from “Over-the-Counter Collections” to “Over-the-Counter Collections Efficiencies” to better address suggested process efficiencies for over-the-counter collection activities at field units. Updates exhibit and clarifies efficiencies for low volume collection sites.

**6534.1:** Provides updated manual and electronic deposit methods. Adds electronic deposit methods. Updates processes for resolving unidentified collections.

**6534.2:** Consolidates information about deposit frequency and moves process details to collection officer handbook. Adds instruction for researching unidentified collections.

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**6535:** Adds requirements for requesting waiver of indebtedness, investigating and recordkeeping of decision by designated officials

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### 6530.1 – Authority

Forest Service has legislative authority to charge and collect fees for various activities. Proper stewardship over Federal funds requires aggressive, efficient, and prudent management of collections and debts.

1. **Statement of Federal Financial Accounting Standard (SFFAS) Number 1, “Accounting for Selected Assets and Liabilities.”** These are standards for administering collections and accounts receivable.
2. **Statement of Federal Financial Accounting Standard (SFFAS) Number 7, “Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting.”** These are standards for classifying, recognizing, and measuring resource inflows.
3. **Treasury Financial Manual, Volume I, Part 5, Deposit Regulations (I, TFM, part 5).** This Manual prescribes the forms and procedures to be observed by all Government departments, agencies, corporations, and others concerned with respect to deposits for credit to the account of the U.S. Treasury and other related matters.
4. **Title 12, United States Code, sections 265, 266, 1464(k), and 1789(a) (12 U.S.C. 265, 266, 1464(k), and 1789(a)).** This regulation set out the Secretary of Treasury’s exclusive authority to designate financial institutions to be depositories and financial agents of the U.S. Government.
5. **Title 15, United States Code, section 1692(g) (15 U.S.C. 1692(g)).** This regulation sets out the required wording and content for a bill (“the notice of debt”) issued to a debtor.
6. **Title 16, United States Code, section 557 (16 U.S.C. 557).** This regulation provides the authority for making deductions from employees’ salary payments for the cost of subsistence, personal equipment, supplies, and medical attention that Forest Service furnishes to employees.
7. **Title 16, United States Code, section 460 1 through 6a, as amended (16 U.S.C. 460 1-6a).** This regulation authorizes the collection of admission and special recreation use fees for the use of recreation facilities.
8. **Title 18, United States Code, section 643 (18 U.S.C. 643).** This regulation establishes the penalty for custodians’ failure to furnish account records for information or approval.
9. **Title 18, United States Code, section 648 (18 U.S.C. 648).** This regulation outlines the actions and penalties associated with Custodians’ embezzlement, theft, and generally misusing public funds.

10. **Title 18, United States Code, section 649 (18 U.S.C. 649).** This regulation provides authority to fine or imprison custodians failing to deposit monies when required to do so by the Secretary of the Treasury or the head of any other proper department or agency.
11. **Title 31, United States Code, section 3302(c) (31 U.S.C. 3302(c)).** This authority sets forth a provision for a person to deposit public money without delay into a depository designated by Treasury unless the public money is for current expenditure.
12. **Title 31, United States Code, section 3711- 3719 (31 U.S.C. 3711-3719).** This regulation provides authority for an agency head to compromise a claim of the Government of not more than \$100,000 excluding interest; and other delinquent debt management provisions.
13. **Title 31, United States Code, sections 3527 through 3528 (31 U.S.C. 3527-3528).** Government Accountability Office, through the Comptroller General, has authority to grant relief to accountable officials and agents responsible for the physical loss or deficiency of public money, vouchers, checks, securities, or records, depending on the findings of the official investigation of the loss or deficiency.
14. **Title 31, United States Code, section 3701 (31 U.S.C. 3701), et seq., and Title 31 Code of Federal Regulations, Parts 900 through 904, Federal Claims Collection Standards as amended. (31 CFR, 900-904).** This regulation sets out the requirements for administering collection activities.
15. **Title 31, United States Code, section 5325 (31 U.S.C. 5325), Identification required to purchase certain monetary instruments.** This regulation authorizes that no financial institution may issue or sell a bank check, cashier's check, traveler's check, or money order to any individual in connection with a transaction involving United States coins or currency in amounts or denominations of \$3,000 or more; unless the individual has a transaction account with such financial institution, and the financial institution verifies that through a signature card or other information maintained by such institution.
16. **The E-Government Act of 2002: Federal Management and Promotion of Electronic Government Services.** The purpose of this Act is to improve the methods by which Government information including information on the internet is organized, preserved, and made accessible to the public.
17. **The Check Clearing for the 21st Century Act, October 28, 2003, Public Law 108-100.** This Act authorizes the use of paper check scanners to convert paper checks to electronic substitutes.
18. **The Debt Collection Act of 1982, (Pub. L. 97-365).** This Act provides for a minimum annual rate of interest to be charged on overdue debts owed the Federal Government; and provides avenues for salary and administrative offsets.

19. **Debt Collection Improvement Act (DCIA) of 1996, (Pub. L. 104-134).** This Act requires agencies to refer non-tax debts to U.S. Treasury for payment offset and to Treasury or a Treasury-designated debt collection center for cross-servicing.
20. **Federal Lands Recreation Enhancement Act of 2004.** This Act authorizes an interagency pass, establishment, and collection of fees for users of recreation sites and services.
21. **Digital Accountability and Transparency Act of 2014.** This Act creates Government-wide standards for reporting spending data associated with Federal awards. Amends the DCIA to require agencies to notify the Bureau of the Fiscal Service (Treasury) of all debts delinquent over 120 days for purposes of administrative offset.
22. **Section 4c of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1641-1646).** This Act authorizes the acceptance and use of donated funds to conduct research activities authorized by the Act (see FSM 1580).
23. **Title 7, United States Code Section 2269).** This Act authorizes agencies to accept donations and the proceeds from the liquidation of donated real and personal property for official purposes (see FSM 1580 and FSH 5409.20).
24. **Title 5, United States Code Section 5584.** This regulation authorizes an appropriate official to grant a waiver of indebtedness after investigating a claim.
25. **Federal Claims Collection Standards (FCCS 31 CFR Parts 900-904).** This regulation provides general rules on debt collection for Federal agencies.
26. **Title 5 CFR, Part 550.1107.** This regulation requires obtaining the services of a hearing official. Provides a prompt and appropriate hearing before an administrative law judge or before a hearing official for debtors.
27. **Title 5, Code of Federal Regulations, Part 2635 (5 CFR part 2635).** This regulation provides guidance in soliciting and/or accepting donations from interested parties.
28. **Treasury Financial Manual, Volume I, Part 5, Chapter 2000, Depositing Domestic Checks and Cash Received in Over the Counter (OTC) Collections.** This Manual provides instructions to deposit domestic checks and cash received in over the counter (OTC) collections.
29. **Treasury Financial Manual, Volume I, Part 4, Chapter 4000, Debt Management Services of Collection of Delinquent Nontax Debt.** This Manual provides guidance on Federal agencies' responsibilities to transfer eligible delinquent debts to Fiscal Service (Treasury) for collection action.



30. **Federal Reserve Bank Operating Circular No.3 Collection of Cash Items and Returned Checks.** This circular provides procedures for electronic submission of checks and processing of mutilated checks.
31. **Office of Management and Budget (OMB) Circular A-129.** This circular prescribes policies and procedures for justifying, designing, and managing Federal credit programs and for collecting non-tax receivables.
32. **Office of Management and Budget (OMB) Circular A-123.** This circular provides guidance on management responsibilities for internal controls in Federal agencies.
33. **Departmental Regulation (DR) 5200-003, Gift Acceptance Policy, January 4, 2018.** This DR provides guidance on prohibited donations, prudential considerations for evaluating donations, and rejecting gifts.
34. **DR 2200-004, Fiscal Liability for Improper Acts.** This regulation provides policy regarding non-accountable officer's loss of Government funds, supplies and property.
35. **DR 2270-001, Irregularities Affecting the Accounts of Accountable Officers.** This DR authorizes the Chief, or designee, the delegated authority to waive collection of physical loss and overpayment by accountable officers.
36. **DR 2570-002, Waiver of Employee Claims from Erroneous Payments of Pay and Allowances.** This DR authorizes the Chief, or designee, the delegated authority to waive erroneous overpayments of pay and allowances.
37. **Government Accountability Office, Principles of Appropriations Law, Volume II, Chapter 6, Section 3, Chapter 9, Section 3.** These sections and the Comptroller General Decisions cited therein, provides guidance on the use of donated funds for entertainment expenses and the use of non-appropriated funds for alcoholic beverages.
38. **Government Accountability Office, Principles of Appropriations Law, Volume III, Chapter 14.** This chapter and the Comptroller General Decisions cited therein, provides guidance on debt collection.
39. **Government Accountability Office, Principles of Federal Appropriations Law, Volume II, Chapter 9.** This chapter provides guidance regarding liability and relief of Accountable Officers for loss of cash and cash equivalents.
40. **Title 7 CFR, Subtitle A, Part 3, Debt Management.** This regulation provides U.S. Department of Agriculture (USDA) standards for the administrative collection and compromise of claims.

## **6530.2 – Objectives**

1. Utilize electronic methods of collection to accept and deposit remittances.
2. Provide a comprehensive billing and collection program that include best practice guidelines for timely actions in pursuit of all collections and debts due from a legally liable individual or entity.
3. Implement internal controls to safeguard collections and deposits.

## **6530.3 – Policy**

Accurately record all billings and collections in the core accounting system or related interfaced systems within timeframes prescribed; and to utilize electronic methods of collection such as plastic card and paper check conversion to accept and deposit payments from customers.

Implement a system of internal controls in accordance with the GAO Green Book ([GAO Greenbook](#)) and OMB Circular A-123 to insure timely deposit and minimum risk of loss to the Government.

## **6530.4 – Responsibility**

### **6530.41 – Chief Financial Officer**

It is the responsibility of the CFO to ensure the integrity and completeness of all financial information in the core accounting system. The CFO has delegated the authority to:

1. Waive erroneous overpayments of debts related to pay and allowances to the Director of Human Resources Management (BusOps-HRM);
2. Waive debts other than those related to pay and allowances to the Director, CFO-Budget and Finance (CFO-B&F) (see section 6535.3), including debts such as:
  - a. Collection shortages.
  - b. Reimbursements.
  - c. Other debt issues, such as immaterial interests on special use permits and penalties due to late deposit of payments received.

### **6530.41a – Director of Budget and Finance (CFO-B&F)**

The Director of Budget and Finance (CFO-B&F) has the responsibility to:

1. In accordance with DR 2130-006, 2200-004, 2270-001 and 2570-002, receive and process employee waiver requests for indebtedness from improper or erroneous payments made by programs and processes.

2. Serve as the appropriate official to review and approve waiver claims for overpayment or debts resulting from programs and processes administered by CFO-B&F staffs, up to \$10,000 and for accountable officer debts, up to \$3,000. This authority may be re-delegated to an Assistant Director of Financial Services for debts with a gross value of \$1,500 or less. The re-delegated review and approvals by the Assistant Directors will follow the same business process as completed during the Director's review and approval.
3. Designate the CFO-B&F staff manager who is responsible to conduct the review of claims, prepare a recommendation (ROI), and forward the ROI to the appropriate official for adjudication. This includes routing to the CFO and USDA CFO when the waiver request exceeds delegated authority.
4. Designate the CFO-B&F staff manager who is responsible to notify the employee in writing of the decision and their rights. If the claim is approved for waiver, coordinate with appropriate staff to correct automated records as needed, such as corporate property management and automated collection systems and create the official record. If debt payment occurred during the waiver request process, refund any funds, as needed.
5. Create bills for financial irregularities such as non-image checks, fraud, theft and so forth, through CFO-B&F/ Billings branch.
6. Provide oversight and assistance to Regional Foresters for unidentified deposits, unclaimed monies, and deposit accounts. (See FSH 6509.11k, Ch. 30).
7. Performs debt management for CFO-B&F/Reimbursable and Advanced Collection Agreements (RACA) Branch. (See FSH 6509.11k, Ch. 50, sec. 53)
8. Interacting with Office of CFO – Financial Management System (OCFO-FMS) to facilitate Intra-governmental Payment and Collection System (IPAC) transfer of receipts to and from government agencies. (See FSH 6509.11k, Ch. 30)
9. Ensure that funds due to the US as a result of Forest Service operations are properly recorded in the Agency core financial system and related subsystems.

#### **6530.41b – Director of Financial Policy**

The Director of Financial Policy has the responsibility to:

1. Developing agency-wide financial management policies and accounting standards for programs designed to promote effective and timely financial management operations, including providing interpretations of this directive and other policy related questions.

2. Process requests for access to a Treasury General Account (TGA) and reporting for imprest funds.
3. Provide guidance on billings, collections, debt management, and waiver relief requests.
4. Serves as agency liaison to U.S. Department of the Treasury, as it relates to collections policy and procedures.

#### **6530.41c – Director of Financial Management Systems**

The Director of the Financial Management Systems is responsible for:

1. Monitoring service-wide core accounting system and interfaced systems to ensure performance standards are met and controls are established to conform to standards and laws.
2. Managing service-wide financial system implementation and development.
3. Serving as the electronic collection system's System Owner and Program Manager, who schedules and monitors computer programs and interfaces between the electronic collection system, the Forest Service interfaced systems, the USDA core accounting system and other Federal financial systems.
4. Serving as Information System Security Officer and appoints staff to serve as the security administrator responsible for granting user access to the applicable role in the core accounting system as requested by field offices (Financial Information Security Request Form, FS-6500-214).

#### **6530.41d – Director of Audit and Assurance**

The Director of Audit and Assurance is responsible for:

1. Performing an annual analysis of processes to improve methodologies and strengthen controls. Use the analysis to recommend changes to policy and processes.
2. Conducting review of collection officer's operations using risk assessments and sampling techniques to assess effective implementation of key internal controls and to assess the accuracy of collection balances. See FSH 6509.14 and FSH 6509.11k, chapter 30 for key internal controls.

#### **6530.42 – Deputy Chief for Business Operations**

It is the responsibility of the Deputy Chief for Business Operations to ensure that Human Resources Management and all other functions under its purview related to billings and collections are conducted according to Federal law and regulation as well as applicable Departmental and Agency policies.

##### **6530.42a – Director of Human Resources Management (BusOPS-HRM)**

The Director of Human Resources Management (BusOps-HRM), has the responsibility to:

1. In accordance with DR 2130-006 and 2570-002, receive and process employee waiver requests for indebtedness from improper or erroneous payments made by programs and processes administered by HRM.
2. Serve as the appropriate official to review and approve waiver claims for overpayment of debts resulting from programs and processes administered by HRM, up to \$10,000.00. This authority may be re-delegated to an Assistant Director for debts with a gross value of \$1,500 or less. The re-delegated review and approvals by the Assistant Directors will follow the same business process as done for the Director's review and approval.
3. Designate the HRM Staff Manager who is responsible to conduct the investigation of claim, prepare a recommendation upon investigation, and forward the investigation of claim to the appropriate official for adjudication. This includes routing to the CFO and USDA CFO when the waiver request exceeds delegated authority.
4. Designate the HRM Staff Manager who is responsible to notify the employee in writing of the decision and their rights, and if the claim is approved for waiver, notify the NFC to waive the payment and repay any funds, as needed and create the official record.

##### **6530.42b – Director of Property and Procurement Services**

The Director of Property and Procurement Services (PPS), has the responsibility to:

1. Provide guidance on transfer and disposal of personal property and make liability determinations for lost, missing or damaged personal property. (See FSM 6410)
2. Coordinate follow-on to gross negligence determinations regarding lost, missing or damaged personal property with CFO-B&F Claims Branch for employee billing, and with Regional Forester, supervisor and HRM Employee Relations staff for possible disciplinary action. (See FSH 6509.11h)

### 6530.43 – Line Officers

Line Officers have the responsibility to:

1. Provide safekeeping of receipts, collections and controlled property during the daytime, overnight and during transport from remote self-service fee stations. Line Officers may be held liable for failure to provide adequate, required safekeeping which may result in losses or thefts. Compensating controls (such as documentation and more frequent activity reviews) must be implemented in situations where resource constraints exist to ensure continued safekeeping of government funds.
2. Train and designate collection officers.
3. Designate who is authorized to have access to safekeeping equipment and revoke collection authority.
4. Perform necessary collection duties or assign an Incidental collection officer; see definition above.
5. Ensure all collections are deposited in accordance with U.S. Treasury requirements. Refer to FSH 6509.1, chapter 10.
6. When eCollection Retail System inventory module is implemented on a forest, grassland, and recreation area, designate an employee (and a backup employee) to perform the Inventory Manager role. The Unit Inventory Manager will receive passes and maps from outside the unit (generally Department of Interior or government printer), initiate pass and map inventories in electronic system and transfer passes and maps to collection officers on the unit. Refer to FSH 6509.14, chapter 10.
7. Ensure compliance with internal controls by conducting cash verifications, internal reviews (audits) of collection operations and inventories. Reconcile controlled property (including forest product load tags that are consigned to local vendors) to the count of inventory, amount of sales and permits. Implement process changes to correct negative findings from verifications and internal reviews (audits) and incorporate compensating controls to reduce the risk of loss. Refer to FSH 6509.14, chapter 10.
8. Review unidentified deposit balances quarterly and take necessary action to adjust or refund invalid or improper balances. See FSH 6509.11k, chapter 30.
9. Delegate specific authority as needed to implement this Forest Service Manual.
10. Coordinate with HRM Employee Relations to determine follow-on actions after a gross negligence determination regarding lost, missing, or damaged personal property. See FSM 6410 and FSM 6170.

11. Coordinate with CFO B&F's debt collection activities to determine follow-on actions after a gross negligence determination regarding lost, missing, or damaged personal property. FSM 6410 and FSH 6509.11k, chapter 30.

#### **6530.44 – National Technology & Development Program and Geospatial Technology & Applications Center Directors**

The National Technology & Development Program (NTDP) and Geospatial Technology & Applications Center (GTAC) Directors have the responsibility and authority to designate Collections Officers, make collections, and provide safekeeping of receipts, as Line Officers above. The NTDP and GTAC Directors may be held liable for failure to provide adequate, required safekeeping which may result in losses or thefts. They shall implement compensating controls (such as documentation and more frequent activity reviews) in situations where resource constraints exist to ensure continued safekeeping of Government funds. This authority may be re-delegated to NTDP and GTAC programs or staff assigned to collection functions.

The NTDP and GTAC Directors shall delegate this authority as supplements to this code and delegate specific authorities or reservations of authority as supplements to the pertinent titles, chapters, and sections of the Forest Service Manual.

#### **6530.45 – Employees**

Employees have the responsibility to:

1. Safeguard and properly manage and use all funds, collections, and controlled property.
2. Ensure individuals do not receive collections into their personal account to facilitate a deposit.
3. Process collections timely, as needed, in compliance with U.S. Treasury requirements. (See FSH 6509.14).
4. Collect receipts within the scope of collection officer designation and create and retain collection officer records in accordance with FSH 6509.14 and FSH 6209.11, chapter 40.

#### **6530.5 – Definitions**

**ABCO.** The acronym for USDA's Administrative Billing and Collection System, an accounts receivable system. It provides a method for billing and collecting debts from Federal employees (current, separated, or retired) with outstanding debts owed to the Government.

**Accountable officers.** An authorized collecting officer or any Government employee who is responsible for or has custody of public funds. Includes designated collection officers, incidental collection officers, imprest fund cashiers and government purchase card check writers.

**Collection officer.** An employee specifically designated in writing to accept cash and remittances on behalf of the Forest Service. In view of a change in OMB Circular A-76, collection of established fees must not be considered an inherent governmental function. Collection of established fees need not be performed by only Government employees (Comptroller General Decision, March 25, 1985).

**Controlled property.** Personal property having a lower or negligible cost, but requiring accountability, including authorization for destruction on form AD-112, Report of Unserviceable, Lost, Stolen, or Damaged Property, as determined by the Washington Office, Property Branch. For this manual, controlled property is limited to material held for sale to the public: Recreation passes and tags, maps and forest product load tickets (FSM 6410).

**Core accounting system.** A term which describes the USDA integrated system which combines appropriation-level budget authority information and spending and accounting codes to process budgetary and proprietary transactions and to create information files for interfaced financial and operational automated systems within Forest Service, USDA and the Federal Government. An example of a current core accounting system is the Financial Management Modernization Initiative (FMMI).

**Electronic collection system.** A term which describes the Forest Services automated cash register, receipt deposit and reporting systems. The systems desktop software (register), web-based software (settlement and reporting) and desktop peripherals: check scanner, plastic card reader and receipt printer. An example of an electronic collection system is the eCollection Retail System.

**Imprest Cashier.** A designated collection officer who receives an advance from Treasury for change-making purposes and remains personally responsible until funds are either returned to Treasury or transferred in the core accounting system to another imprest cashier. Funds may be advanced to an alternate cashier and to sub-cashiers.

**Incidental Collection Officers.** Employees, especially where resource constraints require, may act as Incidental Collection Officers when assisting in collection activities outside their normal scope of duty/responsibility. All employees are liable for any public funds in their custody (31 U.S.C 3302). Incidental collections must be immediately transferred to a designated Collection Officer for deposit.

**Public Funds.** Includes appropriated funds, receipts or collections, and funds held in trust by a Federal agency. (DR 2270-001)

**Relief from Liability.** An Administrative decision by an authorized official absolving an accountable official, or certifying and disbursing officer of personal liability for an irregularity.



## 6531 – Billings

Bill and record all monies owed to the Forest Service in the core accounting system within five business days after goods have been shipped or released, services rendered, or payment is otherwise due. For applicable programs, advance billings and advance collections must be accomplished, whenever possible.

All collections are either receipts or appropriation repayments. See FSM 6512.12 for direction on appropriation repayments (refunds and reimbursements). See Accounting Structure Guide for shorthand codes. If none of the accounts listed appear to be the proper classification, request advice from the CFO-B&F/ Billings branch.

1. **Over-the-Counter Collections.** Conduct informal business transactions when collection officers meet customers face-to-face to sell recreation passes, maps, small forest products, and collect recreation fees. Collection officers also process receipts from unstaffed drop boxes such as fee tubes (iron rangers) at campgrounds, trailheads, or boat launches, and donation boxes. FSH 6509.14, Collection Officer's Handbook, contains detailed procedures for local collection officer activities.
2. **Collection Instruments.** Formal business arrangements with individuals and a variety of organizations are documented in several ways, as follows:
  - a. **Collection Agreements.** Requirements and procedural instructions covering the processing, numbering, and filing of collection agreements are in FSM 1580 and FSH 1509.11, chapter 70.
  - b. **Resource Contracts.** Base all billings and collections on the terms of the original or properly modified contract. The Comptroller General approves any contract modifications made for the sole purpose of reducing the consideration passing to the Government below the original contract terms. Other agents and officers of the United States have no authority to surrender or waive contract rights that have vested in the Government without compensation. See FSM 2230 for Grazing and Livestock Use Permit System, FSM 2430 for Commercial Timber Sales, FSM 2710 for Special-Use Authorizations, and FSM 2820 for Mineral Leases, Permits and Licenses.
  - c. **Interagency Agreements.** Document business arrangements with other Federal agencies with an interagency agreement. FSM 1580 and FSH 1509.11, chapter 50 provide direction on interagency agreements.

### 6531.1 – Bill Issuing

In accordance with legal authorities, accurate and prompt issuance and recording of billings provide timely and reliable financial status on all debts owed the Forest Service. Units must maintain appropriate documentation to fully support all transaction recorded in the core accounting system and interfaced systems. Units and CFO's Budget and Finance directorate

(CFO-B&F) must ensure that all accounting entries adhere to the Federal Accounting Standards Advisory Board (FASAB) and the U.S. Treasury Standard General Ledger (USSGL) standards and are recorded in the Agency's core accounting system for each reporting period, as required by the Agency, USDA, and U.S. Treasury. The Forest Service must issue and record a bill when it:

1. Has expended resources to do work for Government and non-Government entities.
2. Anticipates spending the resources and issues a bill for collection agreements.
3. Sells products such as timber and mineral materials.
4. Rents the use of Forest Service land or other property such as building.
5. Sustains damages to land, property, or facilities which have been property adjudicated, or assesses fines and penalties.
6. Recovers overpayments disbursed to vendors in error.
7. Becomes aware of employee indebtedness. Accounts receivable for overpayment of pay and leave are recorded in the core accounting system by USDA.

After determining the amount due, the accounting code and the customer's name, the bill for collection is requested and mailed in a timely fashion. See FSH 6509.11k, chapter 30.

### **6531.2 – Billing Methods**

Forest Service has five ways to issue billings.

1. Employees prepare bills electronically using an interfaced subsystem, such as Natural Resource Manager (NRM) (for grazing permits, special use permits, mineral materials permits and land rent bills) and Forest Product Financial System (FPFS) (for forest product bills).
2. The CFO-B&F/ Billings branch issues bills based on unit requests entered into the Forest System Billing module of the core accounting system.
3. The National Finance Center, on behalf of the Forest Service, generates bills for employee indebtedness using the integrated feeder system ABCO.
4. The Forest Service bills other Federal agencies using U.S. Treasury's Intra-Governmental Payment and Collections System (IPAC).
5. The CFO-B&F, Billings staff and CFO-B&F/RACA branch manually create bills in the core accounting system based on faxed and emailed requests from employees. These bills are infrequent or non-recurring business transactions.

Collection transactions processed by the electronic collection system do not require a bill. The electronic collection system electronically processes the collection which includes accounting code information, transaction by transaction, through the Agency computer network in near real time. Transaction data for collections is stored in the ERS until it is reconciled, then it is recorded in the core accounting system.

### **6531.3 – Employee Indebtedness**

#### **6531.31 – Notification of Employee Debt**

Bargaining Unit Employees refer to the appropriate Collective Bargaining Agreement. Salary offset will not be made unless the employee is provided with a minimum of 30-day notice. The notice must comply with Federal and State debt management laws and, at a minimum, include:

1. When a debt is owed, the amount of the debt, and the facts giving rise to the debt.
2. The contact to whom communications must be directed.
3. The intention to collect the debt by means of deduction from the employee's current disposable pay until the debt and all accumulated interest are paid in full, including assessment and waiver of interest, penalties, and administrative costs.
4. The approximate beginning date, frequency, and amount of the intended deduction (not to exceed 15 percent of disposable pay), and the intention to continue the deductions until the debt is paid in full or otherwise resolved.
5. The individual's right to inspect and copy records relating to the debt.
6. The individual's right to enter into an agreement for a repayment schedule differing from that proposed, so long as the terms of the repayment schedule proposed by the employee are agreeable to the issuing staff.
7. The individual's right to a hearing on the determination of the debt, the amount of the debt, or percentage of disposable pay to be deducted each pay period, including the method and time period for requesting a hearing.
8. The timely filing of a hearing petition will pause further collection activities until the hearing and the individual will receive a written decision of the hearing within 60 days.
9. Any other rights and remedies available to the individual under statutes and regulations governing the program for which the collection is being made.
10. The amounts paid on or deducted for the debt which are later waived or found not owed to the United States must be promptly refunded to the individual unless there are applicable contractual or statutory provisions to the contrary.

11. Any knowingly false or frivolous statement, representations, or evidence may subject the individual to:
  - a. Disciplinary procedures appropriate under 5 U.S.C. chapter 75, 5 CFR part 752.
  - b. Penalties under the False Claims Act, 31 U.S.C. 3729-3731.
  - c. Criminal penalties under 18 U.S.C. 286, 287, 1001, and 1002; or
  - d. Any other applicable statutory authority.

### **6531.32 – Hearing**

1. A hearing request may be requested by an individual for a review of the:
  - a. Existence of the debt; and
  - b. Amount of the debt; or
  - c. The amount or percentage of disposable pay to be deducted each pay period for overpayment of salary and leave.
2. Individuals who request a hearing shall file a petition for a hearing and the petition must be received by the issuing unit no later than 30 days following the individual's receipt of the notice of indebtedness, to be considered.
3. An individual shall request a hearing in writing.
  - a. The petition must be signed by the individual and must identify and explain the facts, evidence, and witnesses which the individual believes support their position.
  - b. If the individual objects to the percentage of disposable pay to be deducted from each check, the petition must state the objection and the reasons for it.
  - c. Hearings shall be conducted by a hearing official in accordance with 5 CFR 550.1107.
4. If an employee timely files a petition for a hearing under CFR Title 7, section 3.75, USDA shall select the time, date, and location for the hearing.
5. The respective issuing unit must have the burden of going forward to prove the existence of the debt. The individual requesting the hearing shall bear the ultimate burden of proof.
6. When an individual files a timely petition for a hearing, the issuing unit must notify NFC to stop the collection process until there has been a decision on the issue.

7. An individual shall not be granted a hearing and shall have their disposable pay offset in accordance with the repayment schedule if the individual:
  - a. Fails to file a petition for a hearing; or
  - b. Is scheduled to appear and fails to appear at the hearing.
8. A final decision on the hearing must be issued at the earliest practical date, but not later than 60 days after the filing of the petition requesting the hearing unless the individual requests and the hearing official grants a delay in the proceedings.

An individual who intends to inspect records relating to the debt must send a letter to the issuing unit stating their intention. The letter must be received by the issuing unit within 30 days of the date of the Notice of Indebtedness.

### **6531.33 – When Payroll Deductions Begin**

The NFC generates a notice and deductions to liquidate an individual's debt for pay and allowances. Deductions will begin in the pay period stated in the notice.

1. A debt will be collected in a lump-sum or in installments. Collection will be by lump-sum collection unless the employee is financially unable to pay in one lump-sum, or if the amount of the debt exceeds 15 percent of disposable pay for an ordinary pay period. In these cases, deduction will be by installments, as set forth in Title 7, CFR Subtitle A, Part 3, Debt Management, § 3.83.
2. Installment deductions will be made over a period not greater than the anticipated period of employment. The size and frequency of installment deductions will bear a reasonable relation to the size of the debt and the employee's ability to pay. However, the amount deducted for any period will not exceed 15 percent of the disposable pay from which the deduction is made, unless the employee has agreed in writing to the deduction of a greater amount. If possible, the installment payment will be sufficient in size and frequency to liquidate the debt in no more than three years. Installment payments of less than \$25 per pay period or \$50 a month will be accepted only in the most unusual circumstances.
3. The employee may propose a written agreement to repay the debt as an alternative to the Notice of Indebtedness. Any employee who wishes to do this must submit a proposed written agreement to repay the debt as an alternative to the notice that is received by the issuing unit within 30 days of the date of the Notice of Indebtedness or 15 days after the date of a hearing decision. An individual may request a different repayment schedule than indicated in the notice. The Repayment Agreement provides alternative options for the individual to repay the debt.

- a. The Repayment Agreement must be signed by the individual and forwarded to the issuing unit for processing.
  - b. The issuing unit shall notify the individual within 30 days whether the proposed Repayment Agreement for repayment is acceptable. In making this determination, the unit will balance the Agency's interest in collecting the debt against hardship to the employee. If the debt is delinquent and the employee has not disputed its existence or amount, the Agency will accept a repayment agreement, for good cause such as, if the employee is able to establish that salary deduction would result in undue financial hardship or would be against equity and good conscience.
4. If an individual separates before collection of the amount of the indebtedness is completed, the remaining amount must be collected from the individual's final salary or lump-sum payment. If the full amount of the debt cannot be collected from the final salary or lump-sum payment, the Forest Service, CFO-B&F staff, via NFC, shall undertake collection as follows:
- a. Contact the former employee and request payment.
  - b. Arrange with OPM to flag the employee individual's retirement record if collection cannot be made by direct contact with the former employee; or
  - c. Report the debt to Treasury for collection action to collect from other federal amounts due the former employee.
5. Deductions are made from basic pay, special pay, incentive pay, retired pay, retainer pay, or in the case of an individual not entitled to basic pay, other authorized pay.

#### **6531.4 – Non-Employee Debts**

Bills for collection are issued to customers for goods and services sold. When an adequate receipt has not been received from the customer by the bill due date, a debt to the Government occurs. Generally, customer debts are subject to late payment penalties, interest, and administrative fees. Permit administrators and contracting officers code the permits and bills to indicate whether penalties, interest and administrative fees are applicable. These charges are calculated by the core accounting system or calculated manually and updated in the core accounting system and interfaced system modules.

Designated management official shall monitor the Aged Billing report monthly and coordinate with the originator of each aged bill to ensure that timely, accurate dunning notices have been issued. Unit resource specialists, timber contracting officers, budget officers and collection officers ensure that bills are paid in compliance with the terms of permits and contracts.

For special uses, mineral and range permits, the permit administrator shall calculate interest, administrative fees and penalties and submit to CFO-B&F/ Billings branch before issuing

dunning notices. Once CFO-B&F/ Billings branch update the bill, the permit administrator will issue the dunning notice from NRM module. Timber contracting officials issue dunning notices using NRM Timber Information Manager (TIM). The B&F Debt Management staff issues dunning notices for miscellaneous bills and non-pay and leave employee debt from core accounting system.

B&F Debt Management staff coordinates with the originator of a debt once bills are at least 91 days past due and refers eligible debts that are unpaid after 120 days past due to Treasury. Debt Management staff also writes off invalid debts, low balance debts, and debts considered Currently Not Collectable (CNC), as necessary.

The HRM Pay branch issues dunning notices for employee pay and leave debts via ABCO. Employees pay and leave debts are not displayed on the Aged Billing report.

See FSH 6509.14, chapter 10 for instructions to monitor aged bills.

### **6531.5 – Terminate Debt Collection Action**

Debt collection actions may be terminated as a result of the hearing or waiver process, or for a valid reason with justification. When an unpaid advance bill result in postponement of a permit issuance, the advance bill is no longer applicable. HRM and B&F Debt Management follows establish procedures to remove the accounts receivable from the core accounting system. Form FS-6500-236, Authorization to Terminate Collection Action provides justification to remove the debt balance, incorrectly assessed charges, and terminate collection of valid debts from the core accounting system.

### **6532 – Electronic Collection Activities**

The sale of Forest Service products, permits and maps occur at or near all forest service offices. Collection officers also process receipts from unstaffed drop boxes (fee tubes). To minimize the overall cost of providing this public service, electronic collection processes have been adopted.

An electronic collections system (such as eCollection Retail System) is a corporate business solution to modernize collection methods, deposits and accounting. See FSH 6509.14 and FSH 6509.11k, chapter 30 for procedural information. Transaction data for collections is stored in the electronic collections system until it is reconciled with confirmed U.S. Treasury deposit tickets, then it is recorded in the core accounting system.

An electronic collections system includes:

1. Register software and equipment. At each over the counter sale location, a computer contains cash register application and is linked to a paper check scanner, a plastic card chip reader, a bar code scanner and a receipt printer.

Headquarters software and equipment. The Agency has a series of computers which are designated as the ERS Settlement server, database, and on-line application. It receives settled check and plastic card transactions from Treasury and interfaces with the agency's core accounting system. This interface functionality is also used to deposit collections via other automated services, such as Pay.gov. ERS Settlement application manages the inventory of controlled property by automating forms AD-107 and AD-112 which simplifies inventory controls and internal reviews.

## 6533 – Collections

All collections are either revenues or appropriation repayments. See FSM 6510 for direction on appropriation repayments (refunds and reimbursements). Advance collections when applicable must be accomplished, whenever possible. Collections include currency, coin, money orders, checks, travelers' checks, electronic wire transfers, plastic card collections, and other negotiable instruments.

### 6533.1 – Sources of Collections

The Forest Service receives receipts from many types of business transactions such as the following:

1. **Agreements.** Collections may originate from individuals, businesses, corporations, cooperator organizations, State or local Governments, or other Federal agencies. Requirements and procedural instructions covering the use, processing, numbering, and filing of collection agreements are in FSM 1580 and FSH 1509.11, chapter 70. Use an interagency agreement with other Federal agencies.
2. **Contracts.** Base all billings and collections on the terms of the original or properly modified contract.
3. **Sale of Federal Recreation Area Permits.** The Federal Lands Recreation Enhancement Act of 2004 authorizes an interagency pass and establishment and collection of fees for users of recreation areas and facilities. See FSH 2309.13, chapter 30 and FSH 6509.14 for procedural instructions regarding the sale of permits.
4. **Sale of Other Permits.** Legislative authority is required to use or extract resources from Federal Lands.
5. **Sale of Maps.** See FSM 7100, Section 7140, Geometronics and FSH 6509.14 for more information.
6. **Donated Funds, Personal Property or Real Property.** As a supplement to appropriated funds, monetary donations may be used to further the Forest Service mission. Line Officers and collection officers should be sensitive to the perceptions of both the donor and the public by avoiding any appearance of conflict of interest. For accepting or



declining gifts, a Line Officer shall refer to FSM 1580.42, FSH 5409.20, FSM 6410 section 12.11 and DR 5200-003. For donation of personal property, Regional Foresters and Station Directors will refer to FSM 6410 section 12.11. For donations of real property, see FSM 6440 and Federal Management Regulation 110-75.990.

For donations other than at donation boxes and real property, a Line Officer shall prepare a formal letter acknowledging the acceptance or decline of a donation. The acknowledgement letter serves as a formal trust instrument; see FSH 6509.14 Chapter 10 for additional instructions. The letter should include the following:

- a. Agency appreciation.
- b. Authority under which the funds are being accepted and used.
- c. Full name, address, and telephone number of the donor.
- d. Purpose of the donation. If the donor does not specify the purpose, state that the funds must be used in "support of USDA Forest Service activities" as determined by a Line Officer.
- e. Do not include estimated value of the property or an endorsement of the donor.
- f. Notation that a copy of the written acknowledgement will be retained on record.

When donations valued at \$5,000 or more are accepted, additional activities are required. The item must be recorded in the corporate personal property system (CPAIS-PP), see FSH 6509.19, sec 11.2 for additional instructions. An annual report must be submitted to Office of Property and Procurement Management and Office of Ethics; alternatively copy of each acknowledgement letter may be submitted to the above USDA offices. See FSM 1580.42 and FSH 5409.20 for instructions.

Retain documentation to support the amount and intent of the donated funds, personal and real property.

7. **Sustainable Operations Program Rebates.** The Green Purchasing aspect of the Sustainable Operations Program brings in revenues through energy and water conservation rebates from utility companies. Rebates are recorded to miscellaneous receipts when a unit does not have a Sustainable Operations Program. See FSH 6509.19, chapter 10, section 15.
8. **Commercial Vendor Sales.**

Line Officers can establish direct sale agreements with local vendors to sell recreation passes products to the public, when authorized. Local vendors shall pay for the recreation passes upon receipt; recreation passes may no longer be

consigned to local vendors. Refer to FSH 2309, chapter 30 for direct sale agreements for recreation fees and FSH 6509.14, chapter 10.

Line Officers, when authorized can establish agreements with local vendors to sell forest product permits to the public. Manual permit forms and load tags (controlled property) will be transferred to local vendors for sale to the public. Receipts and a log of forest product permits issued, or copies of the forest product permits issued to customers will be returned to the unit in accordance with the agreement. An annual reconciliation of consigned manual permit forms and load tags must be retained by the unit.

Line Officers are authorized to temporarily or permanently alter the range of products, permits and maps sold at each location, including forwarding phone orders to another location. Refer to section 6533.9.

### **6533.2 – Acceptance of Collections (Remittances)**

Only designated collection officers may accept remittances on a routine, on-going basis. However, where resource constraints are documented, ancillary or non-routine collection duties may be performed by staff without a formal Collection Officer designation (see sec. 6533.3).

If a collection officer is aware of an individual or entity that is the subject of extended collection action, the collection officer or unit collection officer shall not accept a check as payment, to avoid an uncollectible check. The collection officer or unit collection officer shall have readily available, in electronic or paper form; documentation that shows the Forest Service is seeking collection from this individual for an unpaid bill.

Collection officers and unit collection officers may accept only payments in U.S. dollars, when possible; and checks drawn on U.S. banks. Foreign funds that have been collected will be handled in accordance with procedures in FSH 6509.14, chapter 10.

Responsible forest staff officers may also accept remittances for immediate transmittal to the collection officer when it is in the interest of the Forest Service to do so, or as an accommodation to users whose remittances otherwise might be delayed. Such remittances may be drafts, money orders or checks payable to the USDA Forest Service.

### **6533.3 – Designation of Collection Officers/Unit Collection Officers**

See FSH 6509.14, section 11, for procedural instructions pertaining to the training of collection officer.

There are four ways for a person to become a Forest Service collection officer or a unit collection officer.

1. Local budget officers or administrative officers may prepare written collection officer designations for employees whose prescribed duties require handling of public funds. This includes unit collection officers and designated alternates. The unit Line Officer or designee shall sign the designation form.
2. Regional Foresters, Forest Supervisors and Directors may designate volunteers as collection officers when the volunteers are signed up in the Forest Service Volunteer Program. In addition, the provision of surety bond for volunteers engaged in the sale of permits or collection of fees is neither required nor prohibited (OGC 2008 opinion). Regional Foresters, Forest Supervisors and Directors shall determine the bonding needs of their volunteer collection officers.
3. Hosted participants, formerly Senior Community Service Employee Program (SCSEP) enrollees, may be designated by the Line Officer to serve as collection officers.

Upon cancellation of the designation, the collection officer will be informed, in writing, except when the designation is for a limited time. The office that made the designation must issue the cancellation and suspend access to the electronic collection system. Transfer all monies intact to the unit collection officer. The unit collection officer shall deposit the money intact, without deduction for any charge or claim (31 U.S.C. 3302). Transfer all change-making funds to the imprest cashier. See FSH 6509.14, for collection process procedures.

#### **6533.31 – Incidental Collection Officers**

Even though not formally designated, some individuals and other staff such as Line Officers and subunit Line Officers (District Rangers) may act as incidental collection officers when assisting in collecting agency funds outside their normal scope of duty/responsibility. However, they may be liable for public funds in their custody (31 U.S.C 3302). Therefore, any incidental collections made must be immediately transferred to a designated collection officer for deposit.

#### **6533.4 – Safekeeping of Collections, Equipment and Controlled Property**

Line Officers and collection officers shall maintain adequate measures to ensure collections, equipment and controlled property are secure at all times. Line Officers shall provide necessary equipment to employees responsible for the safekeeping of Government funds. The following minimum standards apply:

1. **Equipment.** If there is more than one collection officer at the same location, provide each individual with a separate locked drawer in the safe. Collection officers and unit collection officers shall store only cash or its equivalent (checks, money orders, and so forth) in these drawers. Provide safes with key, dial or digital combination lock for all locations where \$500 or more cash is stored before it is deposited. Acceptable equipment for storing cashboxes or less than \$500 is as follows:
  - a. Bar-locked and combination locked, bolted steel filing cabinets, or

- b. A fireproof (insulated) steel file cabinet with dial combination lock or a changeable combination safe with a lock meeting the Underwriter Laboratory class 5 requirements.

A locking drawer or a locking file cabinet can be used to secure controlled property. Storage of recreation passes, maps, and fuelwood and forest product load tags in a safe is no longer required. For a collection officer's convenience, a small quantity of recreation passes, maps, forest product load tickets may be stored in the safe.

2. **Access.** Only authorized employees shall have access to the safekeeping facilities. Government safes used for collections may not be used to store miscellaneous personal papers or property such as:
  - a. Checks drawn in favor of employees who are temporarily absent.
  - b. Funds pertaining to welfare activities unless enclosed in a properly identified sealed envelope and placed in a compartment separate from government funds.
3. **Cash Bags and Boxes.** Each collection officer shall use a cash bag or cash box to store their monies after hours when they are not on duty. In the electronic collection system, only one drawer can be used at a time.
4. **Desktop Sales Register, Paper Check Conversion (PCC) Scanner, and Desktop Plastic Card Reader.** The desktop sales register, PCC scanner, and desktop plastic card reader may remain on the desktop overnight. When disposing of electronic collection system peripherals follow instructions in FSM 6410, Personal Property Management Manual.

### 6533.5 – Interpretive Association Material

Interpretive Associations may use Forest Service installations and facilities for the sale and distribution of association material. See FSH 6509.14, chapter 10 for more information.

### 6533.6 – Collections Record Keeping and Accounting

Collection officers shall maintain collection records and transfer the collection records to a management official when no-longer responsible for collection activities. See FSH 6509.14, chapter 10, for detailed procedures on record keeping.

### 6533.7 – Reporting Loss or Theft of Collections

1. The collection officer shall immediately report a loss or theft of collections to the unit administrative officer and local Line Officer or Director of National Technology & Development Program and Geospatial Technology & Applications Center. Anyone who becomes aware of a loss or theft of collections shall immediately report the loss or theft

to a Line Officer or designee by phone, and follow up with written documentation, regardless of amount or circumstances.

The unit administrative officer shall immediately report by phone, and follow up with written documentation of the event, the loss, theft, or irregularity, regardless of amount or circumstances, to the Regional Budget Director or Assistant Director of Research Support Services or Associate Deputy Chief, National Forest System. Where initial evidence indicates apparent irregularity on the part of the collection officer, suspend collection officer duties pending further investigation.

In case of an obvious robbery, immediately notify local police authorities and the Forest Service Law Enforcement and Investigations staff. In cases where an employee is suspected of theft or embezzlement, contact the USDA Office of the Inspector General (OIG) via their hotline number, located on the following website: [USDA-OIG Hotline Link](#). Obtain the investigation report made by local police authorities and a statement indicating whether their investigation disclosed any information implicating the collection officer, or other reasons why the collection officer should be held responsible for the loss.

Send an original and one copy of the report to the Regional Budget Director or the Assistant Director for Research Support Services, and Forest Service Law Enforcement and Investigations (LEI) staff. File one copy in the collection officer's file.

2. The Regional Budget Director, the Assistant Director for Research Support Services or the Associate Deputy Chief, National Forest Systems shall confirm that an immediate report of such losses or thefts have been made to Forest Service Law Enforcement officer and if appropriate, to the appropriate regional headquarters Office of the Inspector General. Review each report of loss or theft of collections to determine:
  - a. Remedial measures required to prevent similar losses in the future.
  - b. Whether irregularities, falsification, or discrepancies involving accountability exist that require special handling under the provisions of FSM 6507, and
  - c. Whether to initiate a request for relief under the provisions of 31 U.S.C. 3527.
3. As a result of the fact that collections are considered a Line Officer's accountability function, the Regional Budget Director, Assistant Director for Research Support Services or the Associate Deputy Chief, National Forest Systems shall ensure the senior organization Line Officer present is notified and must document the content and time of this notification.
4. After obtaining essential information, the Regional Budget Director, Assistant Director for Research Support Services or the Associate Deputy Chief, National Forest Systems, shall immediately inform the field unit of any action necessary to protect the

Government interests; additionally, they shall inform the field office of the OIG or Forest Service Law Enforcement Officer nearest to the cashier's office of the essential information.

5. When a fiscal liability determination must be made, the USDA, OIG conducts the investigation. Local Law Enforcement and Investigations staff become involved only if the USDA, OIG requests LEI participation.
6. When reports or investigations indicate that the circumstances warrant a request for relief under the provisions of 31 U.S.C. 3527, the Regional Budget Director, the Assistant Director for Research Support Services or the Associate Deputy Chief, National Forest Systems shall prepare a request for relief using the same address, letterhead, and format as illustrated in FSH 6509.14, chapter 20. Do not include the provision for routing the request through the Treasury Chief Disbursing Officer as provided for cashiers' relief requests. The request for relief must be routed to the Director, CFO-B&F for processing.
7. Generally, relief may be granted by the Director, CFO-B&F for losses under \$3,000, per FSM 6507.21b.

#### **6533.8 – Reporting Loss or Theft of Controlled Property**

The collection officer shall immediately report a loss or theft of controlled property (recreation passes, maps, fuelwood and forest product load tickets) to the unit accountable property officer. The accountable property officer and collection officer shall follow FSM 6410 to document any loss, theft or destruction of controlled property.

#### **6533.9 – Internal Reviews**

Internal reviews include verification of timely cash deposits, reviews/audits of collection operations and imprest fund activities. Refer to FSH 6509.14 and FSH 6509.13b. These reviews ensure that the Forest Service is complying with the policies, circulars and procedures established by Department of Treasury, Department of Agriculture and Office of Management and Budget. The following forms document internal reviews:

1. Use form FS-6500-279, Collection Officer Audit Check List, when performing the operational review of collection officers and imprest fund cashiers. See FSH 6509.14.
2. Use form FS-6500-269, Accountable Property Reconciliation Form, or similar format when performing an inventory of controlled property that are assigned to collection officer and property manager. See FSH 6509.14.
3. Use a note on form FS-6500-75, Collection Officer Register or similar format when performing quarterly cash verification and quarterly imprest cashier verifications. See FSH 6509.14.

### **6533.91 – Over-the-Counter Collection Efficiencies**

Units are encouraged to identify locations with low volume collections or limited staffing and develop processes to maximize efficiency while maintaining deposit frequency and supporting customer needs. For example:

1. Collection officers may consolidate the cash receipts of several collection officers or from several locations for conversion to a cashier check/money order. See FSH 6509.14, chapter 10, section 14.
2. Line Officers may enter into direct sale agreements with local vendors to sell recreation passes and offer bulk sale discounts to encourage local vendors to purchase forest visitor maps for resale. See FSH 2309.13, chapter 30 and FSM 7100, chapter 7140.
3. Line Officers may suspend over-the-counter sales at a location for a period and recommend other locations for customer purchase of various products. FSM 6533.91, Exhibit – 01, Sample Flyer with Sales information for Customers is a template that a Line Officer may post on a Website and display at the front door.

**Forest Service Manual 6500 – Finance and Accounting**  
**Chapter 6530 - Billings and Collections**  
**Amendment: 6500-2023-1**  
**Effective date: June 26, 2023**  
**6533.91 - Exhibit 01**

**Sample Flyer with Sales Information for Customers**

Effective October 1, 2021, the Woodsy Owl National Forest re-organized sales locations to provide more efficient and economical service to our customers. Because of the low sales volume in this office, the sales desk is closed, but other Forest Service offices are available to assist you.

You may purchase maps, recreation passes, and forest products permits (such as fuelwood, Christmas trees, and stone/rock) at the offices listed below:

- ABC Ranger District, phone xxx.xxx.xxxx, by email at **abcdefg@usda.gov**, or by mail addressed to 5678 Hwy 20 South, Coldtown, VA 23456
- PQR Ranger District, phone xxx.xxx.xxxx, by email at **hijklmn@usda.gov**, or by mail addressed to 9012 Pine Cone Trail, Freezerville, VA 78901

You must appear in person to purchase a forest product permit of any kind (such as fuelwood, Christmas tree, or rock).

You may also purchase forest visitor maps and recreation passes on-line from US Geologic Survey Store, <https://store.usgs.gov> or at the following local retail partners:

- Recreation Equipment Corporation, 2540 SW River Drive, Shiver, VA 23451 and
- Smithers Department Store, 6492 W North Branch Street, Coldtown, VA 23456

We apologize for any inconvenience this change may cause you.

Signed: District Ranger

DISTRICT RANGER



## 6534 – Deposits

Money that is being or has been presented for credit to the U.S. Treasury is considered a deposit. Deposits may be presented in several ways:

1. Mailing an envelope to a designated “Mail-In” Treasury General Account financial institution by surface mail or express mail. Also known as a lockbox bank.
2. Transmitting a batch of plastic card transactions to Treasury’s plastic card bank,
3. Submitting a batch of electronically scanned checks to Treasury’s e-check bank,
4. Delivering a deposit to the Treasury General Account financial institution, or
5. Making a deposit under special instructions from Treasury. In extraordinary circumstances such as weather emergency, extended power outage, or other critical local conditions, Treasury may provide other methods for affected units to make deposits during the local emergency period. Special deposit instructions are obtained in either of two ways, as follows:
  - a. Treasury may initiate the instructions, and CFO-B&F notifies the affected units, or
  - b. CFO-B&F notifies Treasury about the local emergency and obtains the needed instructions.
6. With specific approval, deposit foreign currency in TGA. See the FSH 6509.14, chapter 10 for procedures to deposit foreign checks, currency and coin and contact B&F for instructions.

### 6534.1 – Treasury-Designated Banks Accepting Federal Deposits

The U.S. Treasury regulates all matters pertaining to the collection and handling of monies due to the Federal Government, including the designation of banks and depositories for the processing and depositing of Federal receipts.

1. **Hardcopy Deposit Methods.** Forest Service has three paper-based (non-electronic) methods for depositing paper checks and currency for non-electronic collection system locations:
  - a. **Lockbox Bank.** Most Forest Service collections are processed by the Treasury-designated US Bank in Oregon. Permit holders and timber sale contractors are instructed to mail their remittances to the lockbox bank directly, accompanied by a copy of the related Bill for Collection. The lockbox provides an electronic record of each remittance information called Account Receivables File.

- b. **Treasury General Account (TGA) Bank.** Some Forest Service offices have unique local circumstances that prevent the office from using the lockbox bank for over-the-counter collections. If those circumstances satisfy Treasury's requirements, and the Forest Service CFO requests, the Treasury establishes TGA bank access for the unit. With a TGA bank, the unit makes deposits at a local bank instead of converting cash and coin to cashier check for scanning in the electronic collection system. Refer to FSH 6509.14 for instruction.
  - c. **Special Instructions from Treasury.** See FSM 6534.2.
2. **Electronic Deposit Methods.** Forest Service has three electronic deposit methods.
- a. **Plastic Cards – Treasury's Card Acquiring Services (CAS).** The Treasury contracts with major financial institution(s) to serve as its designated depository for CAS. Collection officers may accept plastic cards for over-the-counter sales as well as for bill payments.
  - b. **Electronic Check Processing (Paper Check Conversion).** Forest Service offices have electronic check processing capability for over-the-counter collections and bill payment, whether the customer is present or not. Treasury's designated bank for electronic check processing is the Federal Reserve Bank
  - c. **PAY.GOV.** Pay.gov is U.S. Treasury's internet portal through which customers may pay bills issued to them by Federal agencies who participate in the pay.gov program.
  - d. **FedWire.** FedWire is U.S. Treasury's electronic fund transfer process through which permittees, contractors and other debtors may pay bills issued to them by Federal Agencies. CFO-B&F/ Billings branch retrieves reports daily and posts the receipt transactions in the core accounting system. See FSH 6509.11k, chapter 30 for more information.
  - e. **Automated Fee Machines.** Under the direction of the Washington Office Recreation staff, units have installed automated fee machines to sell recreation fee products. Each automated fee machine is assigned a merchant identification number. Each merchant identification number is associated with a unit. Daily receipts from plastic card sale transactions are interfaced to the core accounting system with the appropriate accounting codes for recreation fee receipts.

#### 6534.2 – Timeliness and Frequency of Deposits

To improve availability of funds and reduce mail float, processing float, and collection float, Treasury established the following requirements for Federal agencies' deposits. Deposit receipts totaling \$5,000 or more on the same day received (a "same day deposit"). Monies received too late in the day may be deposited the following business day. Otherwise, all

deposits on hand, regardless of amount, must be deposited every Thursday. See Treasury Financial Manual, Part 5, Chapter 2000 - Section 2055.

Unidentified collections, incomplete refunds and unclaimed monies must be researched to determine the correct region/unit and shorthand code to record the receipt. If research has not identified the source after 12 months, deposit the funds in appropriate Miscellaneous Receipts accounting code. See the [Accounting Structure Guide \(pdf\)](#) on the B&F Budget Execution SharePoint site.

## **6535 – Waiver of Indebtedness**

The purpose of this section is to establish policy for waiver of indebtedness. Public Law 104-316, General Accounting Office Act of 1996, grants the authority to waive overpayments to U.S. Office of Management and Budget, which in turn delegated the authority to waive overpayments of any amount to agencies. It is the intention of the law that waivers should be the exception and not the rule.

### **6535.1 – Erroneous Payments and Losses**

#### **6535.11 – Individuals**

An individual may receive an erroneous payment when caused through an occasional administrative error or if an individual mishandled their official duties. See section 6531 regarding establishment of debts.

The Forest Service normally files a claim against the individual to recover these overpayments by having the NFC issue a written collection notice. Included in the notice are the terms of due process available to the individual. The individual may request a waiver of the erroneous payment, and if not granted, individuals shall pay their debt to the Government using one of the following methods:

1. Direct cash, check, credit, or debit payment to the Government.
2. Deductions from regular salary payment.
3. Deduction from final salary and lump sum payment.
4. Deductions from other amounts due to the individual, such as retirement payments or Federal income tax refunds.

#### **6535.12 – Accountable Officers**

Accountable officers who mishandle their official duties can cause a loss of a Government receipt. See FSH 6509.14 for instructions about oversight to reduce the risk of mishandling receipts and collection officer duties.

Waiver requests can also be accepted from accountable officers, such as designated collection officers and purchase cardholders.

### 6535.2 – Initiating the Waiver Request

1. The individual who received the erroneous payment and an accountable officer who cannot account for receipts are responsible for initiating a request for waiver and providing any supporting documentation. The waiver request must be submitted in writing to adjudicating staff:

- a. HRM for claims pertaining to pay and allowances.
- b. B&F for claims pertaining to travel, transportation, relocation, miscellaneous payments, collection shortages, reimbursements.

Requests for waiver of overpayments will not stay/stop the collection of the debt. Individuals must pay the debt in full or set-up a repayment agreement. If a waiver is approved in full or partially, if allowable, the individual will be refunded accordingly.

2. **Waiver Request.** There are no forms to complete. A waiver request is initiated by the individual, in writing, requesting the debt be waived, in whole or in part. The following should be included in the waiver request:
  - a. Contact information.
  - b. Background information.
  - c. Date of discovery.
  - d. Supporting information.
  - e. Sign and date and submit the completed package to the issuing unit.
3. Waiver requests must be sent to the Agency that made the erroneous payment. Waiver requests received for erroneous payments made by an agency other than the Forest Service should be forwarded promptly to that agency for handling.

### 6535.3 – Review of Claim Prior to Waiver

1. A complete review for each claim must be made by HRM or B&F before waiver action may be taken. (See 6530.41 for areas of responsibility) When the amount is \$1,500 or less, and there is no indication in the record of fraud, misrepresentation, fault, or lack of good faith on the part of the individual or any other person having an interest in obtaining a waiver of the claim, no investigation is required. The recommendation (ROI) must be in narrative format and should contain enough information upon which a waiver decision can be based. The report must include the following:

- a. The total amount of the debt. Address the circumstances, including: the date of discovery, details of personnel actions, dates, actions taken or not taken by any persons who processed documents, and any other relevant information.
  - b. Any other factual information, such as personnel actions, Earnings and Leave Statements, vouchers, or other documentation indicating knowledge on the part of the individual that they may have received an erroneous payment.
  - c. A statement from the individual as to their knowledge of the overpayment and if any effort was made by the individual to make reasonable inquiry concerning the validity of the payment.
  - d. State whether there is any indication of fraud, misrepresentation, fault, or lack of good faith on the part of the individual or any other person having an interest in obtaining a waiver of the claim.
  - e. Any other information in the possession of the Agency or other evidence indicating knowledge, or lack thereof, on the part of the individual that they may have received an erroneous payment.
  - f. Include a recommendation for approval or denial, in whole or in part, for the appropriate official who will review the claim. Provide relevant Comptroller General Rulings or other authorities necessary for the appropriate official to render a decision.
  - g. Submit waiver package to the appropriate official in the respective issuing unit for review and decision.
2. Refer all claims involving known, suspected, or alleged violations or irregularities to the HRM Employee Relations Branch.
  3. Notify the individual, in writing, within 30 days once a decision has been rendered.

#### **6535.4 – Conditions for Waiver of Indebtedness**

Claims against individuals arising may be waived whole or in part, when all the following conditions have been met:

1. A waiver may not be granted unless the claim is received within 3 years immediately following the date on which the erroneous payment was discovered (date of discovery).
2. Collection would be against equity and good conscience and not in the best interest of the United States. This criterion should be met by a determination that:
  - a. The erroneous payment of pay occurred through administrative error; and

- b. There is no indication of fraud, misrepresentation, fault, or lack of good faith on the part of the individual or any other person having an interest in obtaining a waiver of the claim.
3. The claim has not been referred to the Comptroller General for collection or the Attorney General for litigation.

### **6535.5 – Appeals**

An individual appeal of an agency determination to deny a waiver of pay or allowances may be submitted to the CFO and USDA, Office of the CFO, per DR 2570-002, Waiver of Employee Overpayments. The appeal should be received no later than 6 months after the date of denial. Generally, a decision will not be overturned unless it is arbitrary, capricious, or contrary to law or regulation.

### **6535.6 – Records**

1. Each adjudicating staff from HRM or B&F shall maintain a register showing the disposition of each claim considered for waiver.
2. A case file must be established for each claim. The case file must be maintained on file and include the report of investigation, a detailed account of the corrective action where a problem was identified, an account of the waiver action taken, and any other pertinent information.
3. The registers and case files must be available for review by USDA, Office of the CFO, Office of Inspector General, and OMB.
4. See FSH 6209.11, chapter 40, Records Retention Handbook for the appropriate record retention of records relating to billing and collection action.