

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

**Forest Service Handbook 6509.11k – Service-Wide Finance and Accounting Handbook
Zero Code**

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Approved by: Karren Alexander for Jesse King, Chief Financial Officer (CFO)

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Responsible Staff:

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Superseded Document(s): 6509.11k, Zero Code Contents, Amendment 6509.11k-91-2, September 3, 1991; 6509.11k, Zero Code, Amendment 6509.11k-91-2, September 3, 1991

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

Zero Code: Makes editorial and technical changes throughout this chapter to incorporate changes required by new financial controls, and implementation of the Foundation Financial Information System (FFIS).

Throughout the chapter replaces the term “United States General Accounting Office” with “United States General Accountability Office.”

01: Adds the following authority, The Chief Financial Officers Act of 1990 at enumerated paragraph #2.

Adds the following authority, The Government Performance and Results Act (GPRA) of 1993 (Pub. L. 103-62) at enumerated paragraph #3.

Adds the following authority, The Government Reform Act of 1997 (Pub. L. 103-356) at enumerated paragraph #4.

Adds the following authority, The Federal Financial Management Improvement Act (FFMIA) of 1996 (Pub. L. 104-208) at enumerated paragraph #5.

02: Throughout the section, replaces the term “Central Accounting System (CAS)” with “Foundation Financial Information System (FFIS).” Throughout the section, replaces the term “management code” with “job code.” Adds additional information requiring FFIS to provide financial information in a timely, accurate, useful, reliable, and consistent fashion.

04.11: Replaces the caption “Deputy Chief, Administration (FSM 6504)” with “Chief Financial Officer (CFO).”

04.12: Replaces the caption “Director of Fiscal and Public Safety” with “Deputy Chiefs” and establishes new responsibilities.

04.13: Establishes new code and caption, “Director of Financial Management.”

04.14: Establishes new code and caption, “Director of Budget, Washington Office (WO)”, and establishes responsibilities.

04.15: Establishes new code and caption, “Director of Budget and Finance, Albuquerque Service Center - B&F (ASC-B&F)”, and establishes responsibilities.

04.16: Establishes new code and caption, “Washington Office Budget Coordinators”, and establishes responsibilities.

04.2: Replaces the caption “Regional Office or Station” with “Regional Offices, Units, Stations, Area, International Institute of Tropical Forestry (IITF), Forest Products Laboratory and Job Corps Centers.”

04.21: Replaces the caption “Director, Fiscal and Public Safety and Assistant Director for Administration, Research (FSM 6504.2)” with “Regional Foresters, Forest Supervisors, Station Directors, Area Director, International Institute of Tropical Forestry (IITF) Director, Forest Products Laboratory Director, and Center Directors” and establishes responsibilities.

04.22: Establishes new code and caption, “Region, Unit, Station, Area, International Institute of Tropical Forestry (IITF), and Forest Products Laboratory Budget Officers”, and establishes responsibilities.

04.32: Removes code and caption, “Budget and Finance Officers, Certifying Officers, Collection Officers, Accounting Technicians, and Voucher Examiners,” and corresponding responsibilities.

05: Removes the following definitions: “National Finance Center (NFC),” “Central Accounting System (CAS),” “Management Code,” “Accounting Center/Station”.

Adds the following definitions: “Albuquerque Service Center - B&F (ASC-B&F),” “Appropriation,” “Budget,” “Feeder Systems,” and “Foundation Financial Information System (FFIS)”.

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The purpose of this handbook is to consolidate accounting system, operational, and procedural instructions and guidance. Within the Federal Government there are several central agencies of the Government structure impacting accounting systems and how an agency handles financial management. The central agencies establishing accounting principles and standards are General Accountability Office (GAO), Treasury, and Office of Management and Budget (OMB). Those providing leadership, guidelines, and reporting requirements are General Services Administration (GSA), OMB, GAO, and Department of Treasury. Approval of budgets and management improvements is assigned to OMB. Establishment of tax requirements are the responsibility of the Internal Revenue Service. Personnel management is assigned to Office of Personnel Management. The Department of State is responsible for regulations concerning interaction with foreign countries. In addition, the Department of Agriculture has general oversight and provides specific direction on how its agency, the Forest Service, will operate our financial management affairs.

In one way or another, each of these central agencies and the Congress define, or impact our financial management systems and procedures. Therefore, in addition to providing accounting systems and procedures to meet the internal needs of the Forest Service, the finance and accounting system operational and procedural instructions contained herein are also designed to meet external needs and controls.

In addition to the direction in this handbook, refer to other Forest Service financial management direction in the following Forest Service Manuals and Handbooks:

1. FSM 6500, Finance and Accounting.
2. FSM 6510, Appropriation and Funds.
3. FSM 6520, Financial Management.
4. FSM 6530, Billings and Collections.
5. FSM 6540, Payments.
6. FSM 6550, Accounting.
7. FSM 6590, Property, Plant, and Equipment.
8. FSH 1909.13, Program Development and Budgeting Handbook.
9. FSH 6509, 11f, Working Capital Fund Accounting Operations Handbook.
10. FSH 6509.11g, Servicewide Appropriation Use Handbook.

01 - Authority

1. As authorized by 31 United States Code (U.S.C.) 3512, Executive Agency Accounting Systems Act of September 12, 1950, as amended by Public Law 97-452, the head of each agency must establish and maintain an adequate system of accounting and internal

controls and such system must conform to accounting principles, standards and related requirements and internal control standards prescribed by the Comptroller General. These standards are contained in Title 2 of the United States General Accountability Office's Policy and Procedures Manual for Guidance of Federal Agencies.

2. The Chief Financial Officers Act of 1990 (Public Law (Pub. L.) 101-575 and 31 United States Code (U.S.C.) sec. 501, et. Seq.), established a Chief Financial Officer (CFO) of the United States within the Office of Management and Budget (OMB) and a CFO in each agency Department. The legislation requires the CFO to develop and maintain an integrated agency accounting and financial management system, including financial reporting and internal controls that provide:

- a. complete, reliable, consistent, and timely information prepared on a uniform basis and responds to the financial information needs of agency management;
- b. the development and reporting of cost information;
- c. the integration of accounting and budgeting information; and
- d. the systematic measurement of performance.

The legislation also requires that agencies submit audited financial statements on each revolving fund, trust fund, and substantial commercial function.

3. The Government Performance and Results Act (GPRA) of 1993 (Pub. L. 103-62), reflects the focus of Federal financial management and decision making away from all activities that are undertaken by an agency to focus on the results of those activities reflected in citizens' lives. To do this, the Act directs Agencies to establish a system to set goals for program performance and to measure results. In addition, the Act requires the preparation of multi-year strategic plans and annual performance plans.

4. The Government Management Reform Act of 1997 (Pub. L. 103-356), amends the requirements of the CFO Act of 1990 by expanding the requirement for yearly audited financial statements to the 24 largest executive agencies and adds the requirement for the preparation and audit of a Government-wide financial statement.

5. Federal Financial Management Improvement Act (FFMIA) of 1996 (Pub. L. 104-208), ensures that all agencies' financial management systems comply with Federal financial management system requirements, Statements of Federal Financial Accounting Standards (SFFAS), and U.S. Government Standard General Ledger in order to provide uniform, reliable and more useful financial information.

02 - Objective

To conform to the principles, standards, and related requirements prescribed by the Comptroller General, it is the objective of the Forest Service to account for and provide full disclosure of costs and financial results of operations through the Department of Agriculture's Foundation

Financial Information System (FFIS). Further, it is an objective of the Forest Service to assure that FFIS processes and procedures are established to:

1. Provide, to all levels of the organization (National, Regional, Unit, and Subunit), financial information in a timely, accurate, useful, reliable and consistent fashion to:
 - a. support management's fiduciary role;
 - b. support the legal, regulatory, and other special management requirements of the agency;
 - c. support budget formulation and execution functions;
 - d. support fiscal management of program delivery and program decisionmaking;
 - e. comply with internal and external reporting requirements, including as necessary, the reporting requirements prescribed by Treasury;
 - f. monitor the financial management system to ensure the integrity of financial data; and
 - g. properly monitor reporting units for compliance with policies and procedures.
2. Provide for computerized preparation of most upward and external reports.
3. Utilize distributive processing mechanisms, wherever possible, for input and output of accounting information.
4. Provide full accountability of all agency funds through effective use of job codes.
5. Maintain a multiyear data base with appropriate software that will facilitate the analysis of multiyear accounting information.

03 - Policy

See FSM 6503.

04 - Responsibility

04.1 - Washington Office

04.11 - Chief Financial Officer (CFO)

See FSM 6520.41a.

04.12 - Deputy Chiefs

Deputy Chiefs are responsible for developing internal controls to comply with this directive.

04.13 - Director of Financial Management

The Director of Financial Management is responsible for:

1. Developing national financial management policies and procedures, as well as plans, accounting standards, and procedures for programs designed to promote effective and timely financial management operations.
2. Implementing and using the agency core accounting system, Foundation Financial Information System (FFIS), and plan, develop, improve, implement, and support all Forest Service financial management and budget sub-systems.
3. Ensuring that the financial systems track financial events and summarize information to support the mission of the Forest Service, providing for adequate management reporting, supporting senior management policy decisions necessary to carry out fiduciary responsibilities, and supporting the preparation of auditable financial statements.
4. Ensuring application controls are designed so that transactions are properly authorized and processed accurately and that the data is valid and complete.
5. Ensuring that controls are established at an application's interfaces to verify inputs and outputs, such as edit checks.
6. Monitoring the effectiveness of systems internal controls.

04.14 - Director of Budget, Washington Office (WO)

The Director of Budget, Washington Office (WO) is responsible for:

1. Developing national program budget, direction, and targets.
2. Preparation of program proposals and development of annual budgets.
3. Allocation of targets, funds and employment ceilings.
4. Annual work planning and accomplishment reporting, ensuring realistic program and budget information is provided within the planning framework.
5. Scheduling and monitoring annual priorities to implement long range plans.
6. Ensuring adequate systems are in place to provide internal controls to comply with this directive.

04.15 - Director of Budget and Finance, Albuquerque Service Center - B&F (ASC-B&F)

The Director of Budget and Finance, Albuquerque Service Center (ASC-B&F) is responsible for:

1. Overseeing national and resource accounting operations;
2. Ensuring information is disseminated to support management's fiduciary role and that such information is timely, accurate, useful, reliable, and consistent;
3. Providing financial and accounting service for field units and Washington Office Staff Directors;
4. Providing accounting operations advice to field units to facilitate full compliance with this directive;
5. Monitoring reporting units for compliance with policies and procedures; and
6. Monitoring and reconciling financial transactions, ensuring adequate documentation is provided to substantiate items reported within the agency's financial statements.

04.16 - Washington Office Budget Coordinators

Washington Office Budget Coordinators are responsible for:

1. Producing and monitoring the budget for their respective Deputy Chief area in accordance with the program of work; and
2. Coordinating with Washington Office Budget Formulation and Budget Execution staffs and Albuquerque Service Center-B&F to ensure compliance with this directive.

04.2 - Regional Offices, Units, Stations, Area, International Institute of Tropical Forestry (IITF), Forest Products Laboratory, and Job Corps Centers

04.21 - Regional Foresters, Forest Supervisors, Station Directors, Area Director, International Institute of Tropical Forestry (IITF) Director, Forest Products Laboratory Director, and Center Directors

Regional Foresters, Forest Supervisors, Station Directors, Area Director, International Institute of Tropical Forestry (IITF) Director, Forest Products Laboratory Director, Deputy Chiefs, and Job Corps Conservation Center Directors are responsible for developing internal controls to ensure compliance with this directive.

04.22 - Region, Unit, Station, Area, International Institute of Tropical Forestry (IITF), and Forest Products Laboratory Budget Officers

Region, Unit, Station Area, International Institute of Tropical Forestry (IITF), and Forest Products Laboratory Budget Officers are responsible for:

1. Producing and monitoring their unit's budget in accordance with the program of work; and

2. Coordinating with Albuquerque Service Center–B&F (ASC-B&F) to ensure quality data and timely reporting and compliance with this directive and ASC-B&F procedures for budget execution.

04.3 - National Forest

04.31 - Administration Officer

The Administrative Officer is responsible for:

1. Initiating requests for accounting work to be completed by the Albuquerque Service Center - B&F (ASC-B&F), and providing necessary documentation required by ASC-B&F for the requested work;
2. Inputting accurate and timely information in FFIS feeder systems;
3. Tracking expenditures and monitoring accounts to ensure transactions have been completed by ASC-B&F, and where necessary follow-up with the ASC-B&F concerning inconsistencies discovered; and
4. Coordinating with regional, station or area, and ASC-B&F staff, as applicable, to assist in residual budget duties.

05 - Definitions

Albuquerque Service Center - B&F (ASC-B&F). Forest Service's consolidated budget, accounting, and operations organization.

Appropriation. The highest level in the budget hierarchy; the authorization of funding from Congress.

Budget. The order of funds authorization (appropriation, apportionment, allocation, suballocation, and allotment)

Feeder Systems. Authorized agency systems which feed data into the FFIS system.

Foundation Financial Information System (FFIS). The FFIS is the Forest Service's official accounting system. The FFIS is the central financial and management reporting system for the Department of Agriculture (USDA). The FFIS is a fully integrated financial package meeting stringent budget and funds control needs, as well as complex multi-fund accounting and reporting needs. FFIS is compliant with the U.S. Standard General Ledger (USSGL). Information is entered into FFIS through data entry screens called documents, or through interfaces with other automated systems such as CPAIS for real property and EMIS for personal property. The NFC maintains these feeder systems. Information on feeder systems may also be located at FSM 6520, exhibit 02.

Unit. Four digit FFIS Organization Code which generically identifies the Forest Service's organizational level below Region/Station/Area (level below FFIS Division).

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Subunit. Six digit FFIS Organization Code which generically identifies the Forest Service's organizational level below unit.