

INDIAN AFFAIRS MANUAL

Part 27

Financial Management
Charge Card Reallocations

Chapter 12

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- 1.1 Purpose.** This policy establishes Indian Affairs' (IA) requirements for reallocating charge card transactions. This policy includes reallocations for the following charge card types: purchase, travel, fleet, student activity, corporate, and fire cards.
- 1.2 Scope.** This policy applies to all programs and offices under the authority of the Assistant Secretary - Indian Affairs (AS-IA), including the AS-IA offices, the Bureau of Indian Affairs (BIA), and the Bureau of Indian Education (BIE).
- 1.3 Policy.** It is the policy of IA to comply with federal regulations and policy, as well as with direction from the Department of the Interior (DOI), the Office of Management and Budget (OMB), and the Government Accountability Office (GAO) to ensure adequate internal controls and reviews are established and implemented when processing charge card reallocations.
- 1.4 Authority.**
- A. Statutes and Regulations.**
- 1) 48 CFR Chapter 1, Federal Acquisition Regulation (FAR)
 - 2) 31 U.S.C. § 1502(a), Balances available (commonly known as the Bona Fide Needs Rule)
- B. Guidance.**
- 1) OMB Circular No. A-123, Management's Responsibility for Enterprise Risk Management and Internal Control
 - 2) Appendix B, OMB Circular No. A-123, A Risk Management Framework for Government Charge Card Programs
 - 3) GAO, Principles of Federal Appropriations Law (Red Book)
 - 4) U.S Department of Treasury, Treasury Financial Manual - Volume I, Part 4, Chapter 4500, Government Purchase Cards
 - 5) DOI Office of Acquisition and Property Management's Acquisition, Assistance and Asset Portal (AAAP)-0156, Purchase Charge Card Program Policy
 - 6) DOI Office of Acquisition and Property Management's AAAP-0157, General Services Administration (GSA) Travel Card Program Policy

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- 7) DOI Office of Acquisition and Property Management's AAAP-0158, Fleet Card Program Policy
- 8) IA Government Charge Card SharePoint site also provides additional guidance: <https://doimssp.sharepoint.com/sites/doi-asia-ocfo-dam/bia-faract/DivAcqMgmt/SitePages/Government-Charge-Cards.aspx?Mode=Edit>

1.5 Responsibilities.

- A. Deputy Assistance Secretary – Management (DAS-M)** is responsible for the development and coordination of related policies and procedures, compliance with government regulations, oversight, monitoring, and program reviews within IA.
- B. Office of the Chief Financial Officer (OCFO)** is responsible for:
 - 1) ensuring financial management is consistent with the requirements of the Chief Financial Officers (CFO) Act, OMB, Treasury, GAO, and Federal Accounting Standards Advisory Board (FASAB) guidance; and
 - 2) providing senior leadership, policy, and oversight of all financial and acquisition management functions.
- C. Division of Accounting Operations, OCFO** is responsible for developing and implementing IA policies and procedures for charge card reallocations.
- D. Division of Acquisitions, OCFO** is responsible for:
 - 1) overseeing IA's Charge Card Program;
 - 2) approving and maintaining a list of Charge Card Agency/Organization Program Coordinators (A/OPCs); and
 - 3) establishing an internal control review and approval process for charge card account transaction reconciliations.
- E. Division of Financial Systems, OCFO** is responsible for:
 - 1) providing reports from the Financial and Business Management System (FBMS) that list charge card accounts requiring Master Accounting Codes (MAC) updates;
 - 2) providing reports from FBMS that list charge card transactions that have posted to a default account, and reallocating transactions in a default account that are older than 30 days;
 - 3) maintaining a list of primary Charge Card Reallocators for each regional and Central Office; and

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4) facilitating the annual update of MACs each fiscal year.

F. Regional and Central Offices are responsible for ensuring all training requirements are met, and appropriate individuals are assigned to the Charge Card A/OPC and Charge Card Reallocation roles in the financial system.

G. Charge Card A/OPCs are responsible for:

- 1) updating MACs in the financial system for each assigned Charge Card Holder account within 30 days of account creation and during annual accounting updates each fiscal year; and
- 2) ensuring monthly reconciliations are approved by Charge Card Holders and Approving Officials within 30 days of the end of the charge card billing cycle.

H. Charge Card Holders are responsible for:

- 1) reviewing the charges on their charge card statements for accuracy; and
- 2) identifying any transactions that require accounting changes.

I. Charge Card Approving Officials are responsible for:

- 1) completing a transaction reconciliation for each assigned Charge Card Holder by reviewing and approving monthly statements; and
- 2) ensuring that all requests for accounting changes are sent to the appropriate office for posting as part of the transaction reconciliation process within 30 days of the end of the charge card billing cycle.

J. Charge Card Reallocators are FBMS users assigned to the Reallocation role, and are responsible for completing accounting changes within 15 days of receiving the request.

1.6 Definitions.

A. MACs are the account assignment elements (Fund Center, Fund, Functional Area, and Work Breakdown Structure) assigned to a Charge Card Holder's account, and which are used to post transactions when the charge card invoice file is interfaced and posted. MACs for fleet accounts are the Standing Work Order assigned to the fleet vehicle or heavy equipment.

B. Charge Card Reallocations are financial transactions within the financial system. Reallocations are used to a change the accounting information of a previously posted transaction (Account Assignment Elements or Budget Object Classification) or to apply the transaction to another referencing object (Purchase Order or Fleet Work Order).

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C. Fleet Work Orders (WO) are referencing objects used in the financial system to collect information and costs for fleet vehicles and heavy equipment. Standing Work Orders are created for each fleet vehicle and heavy equipment and are assigned as the MAC for the account. Maintenance and Fuel Work Orders are created on an as needed basis and are used in charge card reallocations to move charges off a Standing Work Order.

1.7 Standards, Requirements, and Procedures.

A. Standards and Requirements.

- 1) The FBMS is the system of record for the accounting of charge card transactions. When a new charge card account is created in CitiBank's payment system, it is interfaced to FBMS.
- 2) When the new account is created in FBMS, it is assigned a temporary MAC based on the account type and regional hierarchy associated with the account. It is the responsibility of the Charge Card A/OPC to update the temporary MAC to the appropriate MAC in FBMS within 30 days of account creation.
 - For purchase, travel, student activity, corporate, and fire cards, the assigned MAC should be the account assignment elements used for a majority of all charge card transactions.
 - For fleet cards, the assigned MAC should be the Standing Work Order assigned to the fleet vehicle or heavy equipment.
- 3) After an account is established in CitiBank and created in FBMS, transactions can be applied to it via an interface file from the bank to FBMS. The initial posting of a charge card transaction is against the MAC assigned to the individual charge card account. The initial Budget Object Class is assigned based on the merchant category associated with the vendor.
- 4) If any transactions post prior to the temporary MAC being updated, the transactions will post directly to the regional default account. Charge Card A/OPCs must review these defaulted transaction reports regularly and adjust the MAC to the proper account assignment elements as well as ensure all charge card transactions applied to a default account are reallocated to the proper account assignment within 30 days.
 - Transactions that have not been reallocated out of a default account may be moved by the OCFO's Financial Systems Division 30 days after posting.

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- For year-end operations, transactions in a default account will be reallocated based on the year-end calendar.
- 5) FBMS users with the Charge Card Reallocation Role must ensure that charges are reallocated to the correct account in FBMS.
 - 6) It is the responsibility of the Charge Card Holder, Approving Official, and/or A/OPC to provide sufficient information to ensure accuracy in financial reporting by associating charges to the appropriate General Ledger Account (Budget Object Class), account assignment (Fund Center, Fund, Functional Area, and Work Breakdown Structure), or relevant referencing object (Purchase Order or Fleet Work Order).
 - 7) Proper attention must be given to the purpose, time, and amount elements of Appropriation Law prior to any charge card reallocation; and it is recommended that Charge Card Holders, Approving Officials, and A/OPCs discuss these matters with their regional and Central Office Finance and Budget counterparts.
- Requested reallocations must be communicated on the statement, in an email, and on a spreadsheet that provides the necessary elements to complete a reallocation. The request must be approved by the Approving Official.

B. Procedures.

- 1) **Review** - Upon receipt of the charge card statement, Charge Card Holders must review the statement to verify the charges.

If the statement requires accounting corrections, Charge Card Holders must identify any items requiring accounting changes. The Charge Card Holder certifies the transactions on the statement, along with the required accounting changes, and the Approving Official reviews and approves.

- 2) **Reallocation** - All reallocation requests should include the total amount to be reallocated and the correct Budget Object Class.
 - For travel and corporate cards, the request should also include the updated Fund Center, Fund, Functional Area, and Work Breakdown Structure (if applicable).
 - For purchase, student activity, and fire cards, either a Purchase Order (PO) number or a full account assignment should be included.

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- For fleet cards, a Fleet Work Order Number should be provided.

The Approving Official must review and approve all accounting changes and ensure the request is submitted to a FBMS user with the Charge Card Reallocation Role within 30 days of the end of the charge card billing cycle.

If a reallocation is required outside of the normal charge card statement review cycle, it must still be reviewed and approved by the Approving Official, A/OPC, or other regional or central office finance or budget personnel.

- 3) **Make Corrections** - Charge Card Reallocators must complete accounting corrections in FBMS within 15 days of receiving the request, and notify the requestor when complete. If there are any errors in processing the requested reallocation, Charge Card Reallocators must notify the requestor and ask for updated information based on the error received.
- For purchase, student activity, and fire cards only, authorized accounts can be used to make payments against previously obligated awards. In these situations, any charge card transaction related to the award must be reallocated to the PO number associated with the award. Prior to completing the reallocation, a receiving document must be entered for the award that matches the amount of the reallocation.
 - For fleet transactions, most fuel charges will be applied to the Standing Work Order assigned as the MAC on the account. Maintenance related transactions must be reallocated to a Maintenance Work Order. Fuel transactions that should be applied to an account assignment different than the Standing Work Order, must be reallocated to a Fuel Work Order. Generally, the local Property Office oversees the creation of fleet work orders. When completing the reallocation, Charge Card Reallocators should reference the updated Work Order Number in FBMS.

In circumstances where the reallocation is to a different region or budget responsibility area, confirmation to reallocate must be obtained from all impacted regional or Central Office Finance or Budget personnel prior to the reallocation.

1.8 Reports and Forms.

The Division of Financial Systems provides reports from FBMS and updates a Tableau Dashboard to assist A/OPCs in completing their responsibilities under this policy.

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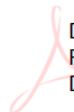
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A/OPCs must monitor the dashboard to ensure that all temporary MACs are updated within 30 days of account creation, and all defaulted transactions are reallocated within 30 days of default.

Approval

JASON
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 Digitally signed by JASON
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Date: 2023.12.18 08:25:48 -05'00'

Jason Freihage
Deputy Assistant Secretary - Management

Date