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Joint Forces Headquarter Utah National Guard
Office of the Adjutant General
Draper, Utah 84020-1776**

**Utah Army National Guard Regulation
Number 37-1-4
13 April 2006**

UTAH ARMY NATIONAL GUARD FUND CONTROL

This Regulation supersedes UTNG Circular 37-1-4.

This regulation provides guidance in the execution and control of funds within the Utah Army National Guard.

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CHAPTER 1 FUND CONTROL

1-1. PURPOSE

This regulation standardizes responsibility for the management of the State Operating Budget (SOB).

1-2. REFERENCES

Required and related publications and prescribed and referenced forms are listed in appendix A.

1-3. SCOPE

This regulation applies to all Program Managers, Activity Managers and any other agent that expends federal funds.

1-4. POLICIES

Federal funds support the mission priorities established by the Adjutant General. The DPFO has the statutory and regulatory responsibility for financial management of federal funds. This responsibility cannot be delegated; however, for flexibility the DPFO is authorized to appoint Program Managers and give them authority to certify and obligate funds.

1-5. DEFINITIONS

- a. **ANNUAL FUNDING PROGRAM (AFP):** The total amount of available funds within a MAMSCO for the FY concerned. AFP is the determinant for the capacity of the account.
- b. **ALLOTMENT:** Funds issued quarterly by NGB against the AFP for each appropriation. Allotment funds are available for obligation purposes as soon as they are issued to Program Managers by the DPFO. Allotment is what is what can actually be spent in an account.
- c. **CERTIFICATION AUTHORITY:** Authority given to each Program Manager in writing to make a formal certification those funds are available.
- d. **COMMITMENT (RESERVATION) OF FUNDS:** The action taken by a Program Manager (in AFCOS) to reserve funds that will become obligations at a later date.
- e. **OBLIGATION OF FUNDS:** The action taken based upon firm procurement directives, orders, requisitions, or requests. The DPFO Fiscal Accounting Section obligates funds by moving current month AFCOS reservations into STANFINS.
- f. **STATE AUTOMATED BUDGET SYSTEM (SABS):** A system used by the DPFO Budget Officer to process all AFP and allotment transactions for the Program Managers and generate Funding Allowance Targets (FATs).
- g. **AMSCO:** Army Management Structure Code. An AMSCO is a budget account which funds are expended against.
- h. **MAMSCO:** Modified Army Management Structure Code is a "roll-up" budget account that has several AMSOs under it. NGB issues money to states by MAMSCO.
- i. **STANDARD FINANCE SYSTEM (STANFINS):** The system used by DPFO Fiscal Accounting to record and process transactions and reports.
- j. **TARGET:** AFP/Allotment funds delegated to a Program Manager in a specific MAMSCO. A Funding Allowance Target (FAT) (UTNG Form 4003) forwards funds to the Program Manager (Figure 3-2).

k. AFCOS: Automated Fund Control Orders System-provides fund control data in the form of reservations generated by manually entering miscellaneous reservations or through the orders process. AFCOS has two modules, resident either on the Hewlett-Packard (HP) operating system in the Manager of Property and Fiscal (DPFO) or on a personal computer with network access to the HP. The HP module publishes and distributes orders, reserves funds and generates reports. It also has direct interface with other NGB systems resident on the HP.

l. PROGRAM MANAGER (PM): A federal employee at the directorate level to whom funds are delegated by the USPFO on a letter of delegation. A PM will attend PBAC Level I meetings.

m. ACTIVITY MANAGER (AM): A federal employee to whom a program manager delegates authority to budget, execute and represent a specific account. Delegation from the program manager must be in writing and on file at the DPFO. AMs will attend PBAC Level II meetings.

1-6. RESPONSIBILITIES

a. The Director of Property and Fiscal (DPFO) must receive and ensure funds are available before an obligation is incurred and only valid obligations are recorded.

b. Program Managers are responsible for the accuracy of the funds they obligate and to ensure that funding targets are not exceeded. Additional responsibilities are outlined in Appendix B.

c. All managers are responsible for implementing, controlling, and supervising the procedures outlined in this regulation.

1-7. DESIGNATION OF PROGRAM MANAGERS

a. Incumbents in the following positions are designated as Program Managers:

Chief of Staff	UT-COS
Deputy Chief of Staff for Personnel	UT-J1
Deputy Chief of Staff for Intelligence	UT-J2
Deputy Chief of Staff for Operations	UT-J3
Deputy Chief of Staff for Logistics	UT-J4
Deputy Chief of Staff for Military Support	UT-J5/7
Deputy Chief of Staff for Information Management	UT-J6
Human Resources Officer	UT-HRO
Camp Williams Training Site Manager	UT-AGCW
Director of Aviation and Safety	UT-DAS
Chief, Facilities Maintenance	UT-CFMO
Director of Military Support Office	UT-AAG-MSO
Director of Counter Drug	UT-CD
Director of Civilian and Military Operations	UT-GS-JCMR
Administrative Officer for Troop Command	UT-TC
Administrative Officer for Special Forces	UT-SF
Supervisor, Data Processing Information	UT-DPFO-DPI

1-8. PROGRAM BUDGET ADVISORY COMMITTEE (PBAC)

The PBAC committee is the primary advisory council to the Adjutant General (TAG) in financial management. Chapter 2 identifies the committee and functions.

1-9. AUTHORITY TO CERTIFY FUNDS

The DPFO must issue written authority to each Program Manager to certify funds. The authority will be in memorandum form (Appendix D). The original memorandum must be signed by the Program Manager and returned to DPFO, ATTN: UT-DPFO-CB.

1-10. DELEGATION OF AUTHORITY

a. At the beginning of each FY, the USPFO issues written delegation authority to Program Managers to manage and execute funds. Program Managers are not authorized to execute funds prior to acknowledging in writing receipt of authority.

b. Program Managers are authorized to sub delegate the authority to certify funds to Activity Managers. Program Managers cannot delegate the responsibility or accountability of committing or obligating federal funds to State employees.

c. Program Managers will delegate the authority in writing to Activity managers and return the signed original sub-delegation memorandum to the DPFO ATTN: UT-DPFO-CB. A sample letter of delegation is available in Appendix D of this regulation. This delegation must include at a minimum:

- (1) Authority for appointment
- (2) Specific titles and descriptions of programs
- (3) Manager responsibility and authority
- (4) Acceptance of appointment in writing

d. Program Managers (PM) and Activity Managers (AM) who certify funds are required to read DFAS-IN 37-1, Chapter 8. If a PM or AM are ever unsure of the legality or possible negative ramifications of funding decisions they are called on to make; they are encouraged to research the issue with their NGB PM counterpart and to come to the Comptroller Division to ask questions of the DPFO prior to committing funds.

e. Changes of Program or Activity Managers require a new delegation memorandum and certification.

1-11. ANTI-DEFICIENCY ACT (ADA) (Title 31 USC 1517)

Once Program Managers receive funds they are subject to Title 31, USC Section 1517, which prohibits obligations, disbursements, or further distribution in excess of the funds available. Anti-deficiency violations are described in detail in the DoDFMR, Volume 14. Chapter 4 of DFAS-IN 37-1 also explains ADAs and PMs Responsibilities in easily understood terms.

1-12. MANAGEMENT REPORTS

Several management reports are available to assist Program Managers in managing their funds. Chapter 3 of this pamphlet describes various reports.

1-13. OBLIGATION PLANS

Program/Activity Managers must update their obligation plans in AFCOS every time they receive additional AFP or Allotment. In addition, they must update obligation plans no later than (NLT) the 5th of the last month of each quarter. This ensures NGB has accurate and current information on our state budgetary needs.

1-14. ISSUANCE OF TARGETS BY THE DPFO

Fund Authorization Targets (FATs), UTNG FORM 4003, will be issued to Program Managers or their delegates whenever changes in AFP or allotment occur. Allotment distribution is based on the Program Manager's obligation plans if funding from NGB is adequate. If allotment funding is not adequate to meet all Program Managers' needs, targets will be by direction of the PBAC or Chief of Staff (COS).

1-15. THE COMMITMENT OF FUNDS

Program Managers certify that funds are available via a reservation input or orders input through AFCOS.

1-16. ELEMENTS OF A FUND CITE

All documentation supporting the certification, commitment, obligation and expenditure of federal funds must contain the appropriate fund cite. Chapter 4 of this pamphlet provides instructions on how to construct a fund cite. Program Managers must ensure correct fund cites are used.

1-17. ADJUSTMENT ACTIONS

The following rules apply to the movement of AFP and allotment:

- a. All movement requests will be made to the Budget Officer or Comptroller in writing.
- b. AFP can be moved within the same sub activity group (SAG) only to an account with the same Management Decision Package (MDEP). Reallocation of AFP outside of these parameters, also known as a SAG transfer, requires NGB approval.
- c. Allotment can be moved anywhere within the same appropriation. The Comptroller, under the direction of the COS, makes moves as needed. Generally, the Comptroller is aware of the needs in each area due to discussion at PBAC meetings.

1-18. REIMBURSEMENTS

Reimbursements are collections for commodities, work or services furnished to other agencies or individuals. Reimbursements are only authorized in the OMNG (2065) appropriation.

1-19. Manual DD Form 1610 Obligations

Build a MOD in AFCOS for the corresponding amount of the DD Form 1610.

1-20. FISCAL YEAR END CLOSING ACTIONS

In order to properly close out the FY using STANFINS, the DPFO must cease input of new obligations NLT 31 August. Managers must ensure all orders and reservations are entered into AFCOS NLT 31 August. The Comptroller will take control of all accounts 01 September. The remaining month in the FY will be used to balance the accounts. All Program and Activity Managers must pay close attention to de-obligating unnecessary obligations in the last two months of the FY.

1-21. DPFO COMPTROLLER ASSISTANCE

The following DPFO offices are available for assistance:

- a. Finance Manager (Comptroller) (UT-DPFO-C): Overall management of funds and implementation of decentralized fund control, to include policy matters.
- b. Deputy Finance Manager (Budget Officer) (UT-DPFO-CB): Issuance of funding targets and primary contact on requested adjustments to targets. Actual distribution of funding targets is a primary responsibility. Explanations or questions on Fund Authorization Targets, Financial Plan Status Reports, Funds Available Listings and Statistical Analysis to include deviations.
- c. Supervisory Accountant (Fiscal) (UT-DPFO-CF): Quarterly reconciliations, MIPRs, journal vouchers etc.

**CHAPTER 2
PROGRAM BUDGET ADVISORY COMMITTEE (PBAC)**

2-1. PURPOSE

The PBAC is responsible for the interpretation, development and execution of a sound financial program. It assists in determining the priorities in management of funds as expressed by the Adjutant General. PBACs are executive information sessions with the focus being on overall Program Manager execution rate, shortfall, excesses and problems associated with funding issues. Committees will meet at least monthly (towards the end of the fiscal year or during midyear reviews it may meet more frequently).

2-2. MEETINGS

There are two PBAC meetings:

- a. Level I. Chaired by the Chief of Staff, attended by the USPFO, Comptroller, Budget Officer and the Program Managers. PBAC Level I meets each month. The schedule is adjusted at the discretion of the Army Chief of Staff.
- b. Level II. Chaired by the Comptroller, attended by the Budget Officer and Activity Managers. PBAC Level II meets monthly.
- c. Come prepared to discuss your overall account status, execution rates, decrement list, UFR list, and MOD list.
- d. Prioritize your decrement list and any UFR you submit to PBAC according to the following Chief of Staff guidance:

FUNDING PRIORITIES

1 = Statutory Requirements	2 = Support of Mobilizing/Demobilizing Units	3 = Readiness-Critical	4 = Readiness-Essential	5 = Readiness-Enhancing
Annual Training Payroll Annual Training Meals & Transportation IDT Payroll IDT Meals & Transportation	Training, Support, Maintenance, etc for Mobilizing or Demobilizing units Family Programs for Mobilizing or Demobilizing units	MOSQ schools INCAP / LOD Pacing items maintenance Technician/state employee payroll Facility upkeep/maintenance IT support (basic needs) phones, computer network upkeep Recruiting and Retention Force Protection Purchase of MTOE Equipment	NCOES/OES TASS sustainment ERC A maintenance Mob augmentee salaries Joint Operations/Domestic Security Operations Counter Drug programs AGR Travel Tech Travel Medical Readiness for non-deploying units Purchase of CTA Equipment Tuition Assistance	Sustainment schools Conferences Non-reportable maintenance Supplies G1 Boards (M/MRB)

CHAPTER 3

MANAGEMENT REPORTS AND FORMS AND HOW TO USE THEM

3-1. MANAGEMENT REPORTS

Reports can be acquired either from AFCOS, the Program Manager Tools web page or if need be the DPFO Fiscal Accounting Section to assist Program/Activity Managers in managing their accounts.

a. **FINANCIAL PLAN STATUS REPORT (FINMAN)--FIS 91P.** This listing contains all accounts and their status (see Figure 3-1). Program Managers should keep each end-of-month report as a historical record and for preparing future Fiscal Year's obligation plans. Detailed descriptions of the headings are as follows:

(1) **ACCOUNT.** This is a MAMSCO ("Roll-Up Account") created by the NGB Budget Branch. These are not valid detailed account numbers; they represent groups of valid accounts (e.g. 51000030 is the Roll-Up Account for detailed AMSCOs 51281330, 51282430, 51989130, etc.).

(2) **ACCOUNT TITLE.** This is the title of the MAMSCO. The account title is to be as descriptive as possible.

(3) **ANNUAL FUNDING PROGRAM (AFP).** This is the amount allocated to an account (MAMSCO). It represents the entire amount an account has received-to-date for the Fiscal Year. AFP is not the amount that can be obligated, but rather the amount of funds available to obligate by the end of the FY.

(4) **QUARTERLY ALLOTMENT.** Allotment is funds available to obligate. Allotment is issued against the AFP and will never exceed the AFP. At the beginning of each quarter, allotment is normally issued. The Program Managers' obligation plan determines when and the amount of allotment received.

(5) **TOTAL RESERVATIONS.** This is the amount of reservations that have not become obligations. As reservations become obligations the total reservations figure will decrease.

(6) **CURRENT QUARTER RESERVATIONS.** This is the portion of the total reservations that will become obligations in the current quarter.

(7) **INCEPTION-TO-DATE OBLIGATION.** This column represents all the obligations incurred against the account for the entire fiscal year.

(8) **CURRENT MONTH OBLIGATIONS.** The obligations incurred in the current month. This figure is included in the year-to-date obligations amount.

(9) **ALLOTMENT REMAINING.** This is the allotment available to the program manager to obligate in the current quarter. Allotment remaining is equal to the quarterly allotment minus the current quarter reservations minus the year-to-date obligations. The allotment remaining figure should **never** be a negative number.

(10) **PERCENTAGE AFP USED.** This figure is total obligations plus total reservations divided by Annual Program (AFP).

(11) **PERCENTAGE ALLOTMENT USED.** This figure is total obligations plus Current Quarter Reservations divided by Quarterly Allotment.

(12) **EXECUTION RATE.** This percentage is simply the YTD Obligations (Incep To Date Obligation) divided by the YTD Allotment (Quarterly Allotment).

b. **RESERVATION MASTER FIS 83P--**The reservation master lists all transactions input by program manager. Review the reservation master daily for all transaction processed on the

previous day. Validate all reservations that remain on the reservation master more than 60 days to determine the status of the purchase order. Reservation master titles are as follows:

- (1) PM (Program Manager) - Program manager code.
- (2) FY (Fiscal Year) - Reservation can only be made for the current FY.
- (3) APPN (Appropriation) - Should be 2060 or 2065 normally.
- (4) Ref No (Reference Number) –
 - (a) The reference number for automated orders will be:

First three letters of members name (fill 0): (i.e., "COX"=COX0)

Last four digits of members SSAN: (i.e., "521-34-9632"=9632)

Order number 6 digit (fill 0).

Last digit is 0 if under 30 days (fill 0) if over 30 days A thru M for each month (Oct-Sep) omitting I.

(b) If an order amendment is cut and the dollar amount increases that the member is entitled to, the reservation must be input for the increase.

(c) A revocation deletes funds through the automated orders system.

(d) MODs: See paragraph 3-2, b.

(e) Local purchase: The requisition number will be the reference number.

(5) AMSCO (Army Management Structure Code) - Accounting classification charged.

(6) EOR (Element of Resource) - EOR charged.

(7) TDC (Type Duty Code) - TDC if applicable.

(8) Amount - Amount reserved for this AMSCO and EOR.

(9) WIG (Within Government Code) - This code describes how money is being disbursed. If the transaction results in Intergovernmental Billing (e.g. UTARNG is paying Tooele Army Depot for service) the code would be "Y", yes. If the UTARNG will be paying Ace Printing shop, the code will be "N", no.

(10) Date Entered - the date this transaction was reserved.

(11) UIC (Unit Identification Code)

(12) MILSTRIP - "N" for most, "Y" for Recruit Clothing

(13) YYMM OBLG - The date YYMM the reservation should be obligated. If this is, a request that will be going through P&C put an "E" in the event blank. Putting an "E" in the event space will cause the system to leave it on reservations until otherwise specified; if you want it to come over in a specific month please put the YYMM and leave the event code blank.

(14) No DOC – Blank

(15) Cross-ref Number- This will be the request number for local purchases after a purchase order number has been assigned. You may also fill this with any information that may help you to locate or recognize it.

(16) Payroll number - Unit payroll number is assigned automatically to the member.

(17) Order number - If applicable.

c. **UNLIQUIDATED MASTER LISTING FIS 85P--** Program Managers should run this by the 15th of each month. It outlines all transactions recorded as current obligations and not yet disbursed. Program Managers should review obligations recorded and ensure that all transactions are current and estimates correct. This should be returned to the USPFO by the 20th of the month.

(1) Annotate the Unliquidated Master Listing with any identified increases in estimates not properly posted, and send it to fiscal with available supporting documentation.

(2) Forward a copy of the revocation with the Unliquidated Master Listing to Fiscal of orders still recorded as obligations.

(a) DCN (Document Control Number) - DCN which obligated, adjusted or paid the transaction (Internal to Fiscal). Listed below are the most common transaction DCNs for card column one:

B - ADAPS payroll was run to pay member

C - Obligation came through the reservation system

D - Obligation was revoked.

F - Obligation was paid, the amount was then adjusted to cover the actual amount paid.

M - MILSTRIP obligation

O - Original obligation was adjusted by fiscal. Example: A plane ticket came through for more/less than what was obligated or a bill from a vendor was for less than the original purchase order price.

X - MILSTRIP adjustment.

Z - MILSTRIP billing.

(b) REFERENCE NUMBER: Request number, Purchase order number, etc

(c) YYMM OBLG - Year and month the item was obligated.

(d) PM - Program manager code.

(e) FY-APN-RCS/AMSCO/EOR - See appendix C for explanation.

(f) SOF (Source of Funding) - D= Direct, A= Reimbursable.

(g) UIC - Unit Identification Code.

(h) WIG-MILSTRP-WRT/O - Within Government-coded if the transaction will be processed within government.

(i) \$ Amount Obligated.

(j) B-DODAC ETC: If the transaction processed for disbursement in the current month, the Document number etc, is posted.

(k) Order number & Type duty code - TDC if applicable.

d. **MONTHLY TRANSACTION REGISTER BY PROGRAM MANAGER *****

FIS74P--The monthly transaction register will be run as part of the end of month processing by Fiscal Accounting and includes all transactions obligated and disbursed for the prior month. This listing provides the Program managers with information of all transactions for the previous month. It can be used as a management tool to assist the manager in estimating costs.

(1) FY/APPN/AMSCO/REFERENCE NUMBER - this list will be sorted by FY (Fiscal Year), APPN (Appropriation), AMSCO (Army Management Source Code), REFERENCE NUMBER.

(2) TRANSACTION CODE

C: Obligation

E: Disbursement

M: Milstrip

D: De-obligation

G: Receipt of item does not affect any money

(3) ENTRY DATE: Processing date of the obligation/disbursement.

(4) CURRENT OBLIGATIONS - Obligation processed during the prior month. See Incep To Date Obligation (column 7) of the Financial Plan Status Report (FINPLAN).

(5) CURRENT DISBURSEMENT - The actual dollar amount paid, by the reference number under the EOR. This total added to the unliquidated obligation total will reflect your year to date obligations.

(6) UNLIQUIDATED OBLIGATION - Will be totaled for each AMSCO. These obligations are detailed on the Unliquidated Master Listing, FIS85P1.

3-2. MANAGEMENT FORMS

Used by Program Managers or the DPFO Budget Officer to assist in the management of funds:

a. **UTNG Form 4003, FUNDING AUTHORIZATION TARGET (FATS)** --The DPFO for Utah receives funds (AFP and allotment) from NGB on a Funding Authorization Document (FAD). Funds are then issued by the DPFO to Program Managers using UTNG Form 4003 (Figure 3-2). UTNG Form 4003 provides Program Managers the funds necessary to execute their budget accounts. The form is explained as follows:

(1) **HEADING.** Contains various administrative data identifying the account.

(2) **SECTION I.** Reflects the increase or decrease, if any, of Annual Funding Program (AFP) dollars. The Revised AFP figure is the cumulative AFP received-to-date for this account.

(3) **SECTION II.** Reflects the cumulative quarterly distribution of allotment. It also shows the plus or minus changes, if any, of available Allotment dollars. The remarks section indicates the reason for the change in AFP and/or Allotment.

b. **MISCELLANEOUS OBLIGATION DOCUMENTS (MOD) (DD 2406)**--When used as an obligating document, it serves as a posting medium for recording an obligation for which no Purchase Order, Contract or other specific obligating document exists.

(1) Ensure that MODs are input as reservations using a peculiar 14-digit document number

(a) Cooperative Agreement MOD reference numbers:

REF#=1005A7VISINF97

1 2 3 4

1005 A 7 VISINF98

1. The first four characters of the reference number will be the last four characters of the DAHA for the applicable appendix.

2. The fifth character of the reference number will be "A" unless more than one directorate or location will be utilizing the funds for the appendix (e.g., 1001A for DEH and 1001B for AGCW).

3. The sixth character of the reference number will be the last character of the fiscal year.

4. The seventh through fourteenth characters as assigned by the Program Manager. They may be whatever characters the Program Manager wishes to use to identify services or projects uniquely.

(b) For any other type of miscellaneous obligation document reference numbers please refer to Chapter 6, MOD Naming Convention.

(2) If you determine that the estimate provided on the MOD was incorrect, increase/decrease the dollar amount on the Reservation system and forward a copy of the corrected MOD by TL to the Fiscal Accounting Section, DPFO.

CHAPTER 4

ELEMENTS OF A FUND CITE/BUDGET ACTIVITIES

4-1. PURPOSE

To more accurately account for funds and avoid the need for descriptive titles or abbreviations on each document. A series of numbers and letters are constructed into a formal accounting

classification. The accounting classification is commonly known as a "fund citation" or "fund cite".

4-2. ELEMENTS OF A FUND CITE

This annex provides a sample fund cite, broken down by all its elements. Those elements are:

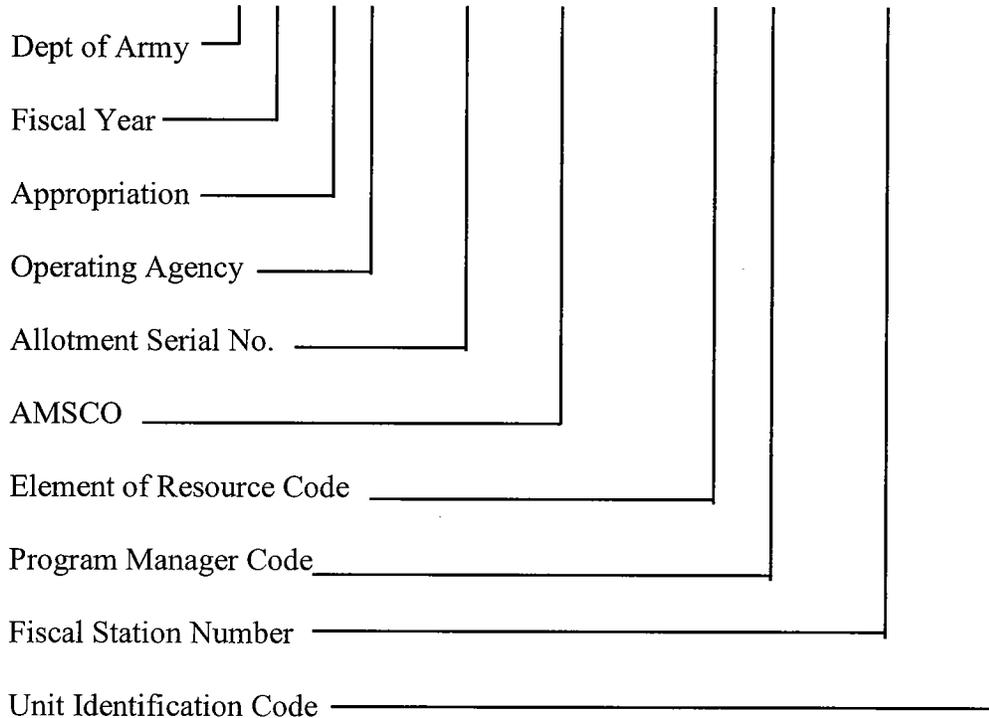
- a. DEPARTMENT. This two-digit code identifies the Department of Defense agency. Department of Army is "21".
- b. FISCAL YEAR. The last digit of the FY (i.e., FY97 is "7").
- c. APPROPRIATION. This four-digit code identifies the Congressional Appropriation (i.e., 2060 (NGPA) or 2065 (OMNG)).
- d. OPERATING AGENCY. This code will always be "18", which identifies the National Guard Bureau. ***NOTE:** SOF funds will now use "50" for U.S. Army Special Operations Command.
- e. ALLOTMENT. This code will always be "1042", which identifies the Utah Army National Guard. ***NOTE:** SOF funds will now use "5059" for U.S. Army Special Operations Command
- f. AMSCO. The Program Manager from those used and shown in DFAS-IN Manual 37-100-selects the Army Management Structure Code**. It is an eight digit code preceded by the letter P.
- g. EOR. The Element of Resource code is an important part of the fund cite, since it is used to identify the kind of proposed expenditure. It identifies the type of service, goods, etc. according to its kind rather than purpose. DFAS-IN Manual 37-100-** lists the EOR codes. Questions concerning the proper EOR to cite should be directed to the DPFO Budget Officer or Fiscal Accounting Supervisor.
- h. PM CODE. Program Manager Code is the three digit alpha-characters that identify an account as belonging to a particular Program Manager.
- i. FISCAL STATION NUMBER. This identifies a specific fiscal station. S42056 always denotes the DPFO for Utah.
- j. UNIT IDENTIFICATION CODE. This identifies the specific unit.

k. EXAMPLE OF A COMPLETE FUND CITE OR ACCOUNTING CLASSIFICATION:

NGPA: 2182060 18-1042 P1A50.1000-211C/T2H S42056 W8ANAA

OMNG: 2182065 18-1042 P519892.30-26EB/LLH S42056 W8ANAA

21 8 2065 18 - 1042 P519892.30 26EB/LLH S42056 W8ANAA



4-3. BUDGET ACTIVITIES

a. NGPA (National Guard Personnel Army) or APPN 2060. The NGPA appropriation consists of two Budget Activities (BA). Budget Activity 1 (BA1) consists of those accounts whose AMSCOs begin with a 1; e.g., 1A101000. Budget Activity 2 (BA2) consists of those accounts whose AMSCOs begin with a 2; e.g., 2G111000.

b. OMNG (Operations and Maintenance Army National Guard) or APPN 2065. The OMNG appropriation consists of three Budget Activities (BA). BA1 consists of those accounts whose second digit of the AMSCO begin with a 1; e.g., 512814.30. BA2 consists of those accounts whose second digit of the AMSCO begin with a 4; e.g., 547891.11.

**CHAPTER 5
BONA FIDE NEED RULE**

5-1. GENERAL

This chapter explains the Bona Fide Need Rule, 31 U.S. Code 1502(a).

5-2. BONA FIDE NEED RULE

The basic rule states that appropriated funds (both single year and multiyear) are available for obligation only during a specific fiscal period (1 year, 3 year, etc.) and the obligations of the funds for orders and acquisition of supplies and services must be limited to the bona fide needs of the period of fund availability. For example, single year funds such as the OMNG (2065) and

NGPA (2060) appropriations cannot be obligated for bona fide needs of later fiscal years. The rules for measuring bona fide needs for supplies differ from those measuring bona fide needs for services, as detailed below:

a. Supplies. Orders and acquisitions for supplies are valid bona fide needs at the time they are needed. Bona fide needs for supplies occur at the time the requirement exists. Examples of those requirements are:

- (1) Satisfying an emergency.
- (2) Filling authorized stockage (operating levels, safety levels, mobilization requirements, authorized backup stocks, etc.).
- (3) Replacement of stocked items consumed.
- (4) The rule further states that supplies ordered in one fiscal period but not delivered until a subsequent period can be bona fide needs of the first period. If the need for supplies to meet operational/stockage/replacement is identified in one fiscal year but the time required ordering, producing, fabricating, and delivering extends into the following fiscal year. This makes the supplies a bona fide need of the first fiscal period.

b. Services. Acquisitions of services are bona fide needs at the time they must be rendered or delivered to the Army by contractors. Those acquisitions should be obligated by using appropriated funds made available for the period in which the bona fide need occurs. Contracts for the current fiscal year should be obligated with current fiscal year funds. Service type contracts can usually be divided into requirements for each month and each fiscal year. The needs for each fiscal year must be separately obligated and must cite the funds appropriated for each fiscal year. However, there are exceptions to this rule:

(1) The first exception allows real and personal property leased and contracts for maintenance of tools and facilities to be obligated by using funds in effect at the time the leases/contracts are awarded. For example, a 12-month office lease awarded midway through the current fiscal year can obligate the total amount of the lease in the current fiscal year using current fiscal year funds even though the lease does not expire until the next fiscal year. The same would apply for the maintenance (e.g. painting) of a building, even though the actual maintenance would not occur until the next fiscal year.

(2) The second exception is when a bona fide need for a service which is a single undertaking can be treated the same as a bona fide need for supplies. For example, a contract to repair a piece of equipment can be awarded and obligated with funds of the current fiscal year although actual repair may not occur until the next fiscal year. The repair is a measurable single unit and is therefore a single undertaking.

(3) The last exception is for service contracts for periods that cross fiscal years. A service contract may be entered into for procurement of severable services for a period that begins in one fiscal year and ends in the next fiscal year if the contract period does not exceed one year. For example, a contract to provide copy services can be awarded and obligated with funds of the current fiscal year although the contract will cover into the next fiscal year (contract period must not exceed one year).

5-3. FUNDING VIOLATIONS

Examples of funding violations are:

a. The ordering of equipment or clothing at the end of the current fiscal year, citing current fiscal year funds, that is in excess of authorized stockage levels and can not be used until the next

fiscal year. The excesses were not bona fide needs for the current fiscal year and should therefore cite the next fiscal year's funds.

b. Another example of a violation is the contracting and total obligation of current fiscal year funds for repairs of any items of equipment in anticipation of future needed repairs (next fiscal year) if only a certain quantity actually needed repair in the current fiscal year. The future repairs were a bona fide need for the next fiscal year and should have cited the next fiscal year funds; however, if the obligation of the next fiscal year's funds occurs prior to the availability of the next fiscal year appropriations, a funding violation will have occurred.

CHAPTER 6 MOD NAMING CONVENTION

6-1. PURPOSE

This chapter standardizes and establishes procedures pertaining to creating MOD reference numbers.

6-2. SCOPE

The provisions of this chapter apply to all Program Managers and all managers and supervisors who create or modify MODs. ***NOTE:** If creating a MOD for a Cooperative Agreement, please reference Chapter 3, Management Forms.

6-3. POLICIES

Maintenance of the MOD list has created some problems in the past. To ensure proper tracking and use of funding, PMs can monitor their MODs online. DPI has created automation to extract MODs directly from STANFINS/AFCOS. The only manual input requirement from AMs or PMs is the proper naming and description of each MOD. Each AM / PM will ensure his or her MOD is named properly when entering it in the system; exceptions to this naming convention will be implemented on a case by case basis.

6-4. RESPONSIBILITIES

a. Start the Reference Number for each MOD with the letters 'XX'. The MOD reference number would look something like: XXGSAMODJAN060.

b. A MOD is a "reservation" of funds for a specific purchase/expense/exercise for which the exact cost is not yet known.

c. Examples of MODs are:

(1) Estimates reserved for your monthly credit card payments.

(2) Estimates reserved for your monthly GSA payments.

(3) Estimates reserved for your contracts which have not yet been bid and for which the final cost has not been determined.

(4) Estimates reserved for the cost of orders (for an approved exercise) which have yet to be published.

(5) Estimates reserved for aviation or ground fuel payments.

d. The following items are **not** MODs in this sense:

(1) Reservations created by AFCOS for orders.

(2) Reservations created by you for a specific 1610, reflecting the name of a specific traveler, and the dollar amount set aside for the trip.

- (3) Contracts which have already been bid and for which a specific cost is known.
- (4) Specific purchases made via IMAP.

CHAPTER 7

BUDGET ACCOUNT RECONCILIATIONS

7-1. GENERAL

Critical to the success of fund control and accountability is the account reconciliation process.

7-2. RESPONSIBILITIES

Quarterly, each Program Manager will conduct reconciliation with the Fiscal Branch of the Resource Management Division on all budget accounts for which they are responsible. The purpose of this reconciliation is to identify differences between the Program Manager's internal budget management records and those at the USPFO and to rectify these differences. The account figures shown on the FIS 91P report (FINMAN) generated by the STANFINS accounting system at DPFO reflects the official account status. It is incumbent on the Program Managers to ensure these figures are accurate. The reconciliation process is the means to this end.

7-3. REPORTS

a. The reconciliation process is significantly simplified if the Budget Analyst for the Program Manager reviews the FIS 83P Report (Reservation Master Listing) each day and the FIS 85P Report (Unliquidated Master Listing) each month and makes corrections to these reports, as errors/corrections are detected/needed.

b. At the beginning of each fiscal year, the Fiscal Branch at the DPFO will distribute a quarterly reconciliation schedule to each Program Manager.

7-4. EXECUTION

Conscientious effort by Program Managers to ensure account reconciliation's are completed timely and accurately will help limited funds stretch as far as possible.

FINANCIAL PLAN/STATUS REPORT

APPROPRIATION: 2020

LIMIT: 0000

SOF: D

FY: 04

ACCOUNT	PM CODE	ANNUAL PROGRAM	QUARTERLY ALLOTMENT	TOTAL RESERVATIONS	CURRENT RESERVATIONS	QTR INCEP TO DATE OBLIGATION	CURR MONTH OBLIGATION	ALLOTMENT REMAINING	%AFP USED	%ALLOT USED
11000000	ABC MDEP Act Name	137,950	137,950	0	0	123,086	0	14,864	89.2	89.2
TOTAL	SAG	137,950	137,950	0	0	123,086	0	14,864	89.2	89.2
12000000	DEF MDEP Act Name	52,000	52,000	43,450	43,450	0	0	8,550	83.6	83.6
TOTAL	SAG	52,000	52,000	43,450	43,450	0	0	8,550	83.6	83.6
13000000	GHI MDEP Act Name	83,000	83,000	0	0	60,000	0	23,000	72.3	72.3
13000000	JKL MDEP Act Name	89,830	89,830	0	0	88,534	4,458	1,296	98.6	98.6
TOTAL	SAG	172,830	172,830	0	0	148,534	4,458	24,296	85.9	85.9
TOTAL	APPN	362,780	362,780	43,450	43,450	271,619	4,458	47,711	86.8	86.8

Figure 3-1

Sample FINMAN - FIS 91P (Financial Plan Status Report)

FUNDING ALLOWANCE TARGET

PRINTED: February 30, 2004

ADVICE NUMBER: 6

ISSUED TO: UT-G1

DATE ENTERED INTO SABS: 03/10/17

ISSUED FOR: UT-DPFO

PERIOD COVERED: FY - 03

BUDGET APPN	OA-SERIAL NBR	MAMSCO	MDEP	FISCAL STA NR	PMC
213202	18-1042		1351	9800 VFRE	S42056

PR2

MAMSCO DESCRIPTION: DENTAL CARE ONLY

* * * Section I * * *

AFP PREV AUTH	Increase	Decrease	Revised AFP
		85,120.00	85,120.00

* * * Section II * * *

Allotment Availability by Quarter
Quarterly Distribution (Cumulative)

	1 ST QTR	2 ND QTR	3 RD QTR	4 TH QTR
Prev Alt				
Chg + or -	85,120.00			
Rev Alt	85,120.00			

REMARKS:

ALT received from FAD #00001 DTD 17OCT04 from NGB

AUTHORIZATION OR INCURRING OBLIGATIONS IN EXCESS OF CUMULATIVE ALLOTMENT FOR THE PERIOD INDICATED MAY RESULT IN A VIOLATION OF SECTION 1517 (a) TITLE 31 USC AND IS REPORTABLE UNDER NG PAM (AR) 37-1 PARA 304f

/s/
MATTHEW T. BADELL
CPT, AV, UTARNG
BUDGET OFFICER

UTNG 4003

**Figure 3-2
Sample UTNG Form 4003 (Funding Authorization)**

APPENDIX A REFERENCES

Section I Required Publications

DFAS-IN Reg 37-1
Finance and Accounting Policy Implementation

DFAS-IN Manual 37-100-**
(** denotes fiscal year range)

NGR 37-108
Fiscal Accounting and Reporting, Army National Guard

NGB Pam 37-1, Financial Management Guide for National Guard Executives

Section II Related Publication/Sites

USPFO Program Manager Tools web page.

APPENDIX B Program Manager Code List

B-1 When the need arises, the Comptroller creates / assigns program manager codes (PMC) within the UTARNG structure to accounts for PMs and AMs to use.

B-2 For a complete and up-to-date list go to the USPFO web page to Program Manager Tools and click on Program Manager Code List.

B-3 This list is maintained and updated by the Budget Officer and is used by various sections in the USPFO to determine who has rights for utilizing / managing all accounts.

APPENDIX C AMSCOs

C-1 AMSCOs categorize and provide accounting data for units by type as in the example noted below:

APPROPRIATION 2065

EXAMPLE: 113G05.61

1	13	G	05	. 61
1 ST position	2 nd & 3 rd positions	4 th position	5 th & 6 th positions	7 th & 8 th positions
OP FORCE	SUB ACTIVITY GP	CONSTANT	UNIT TYPE	OBJECT CLASS
1 = Op Force	11 = Land Force		01 = Corps Avn	1* = Pers Comp
4 = Admin & Svc Support	12 = Corps Combat		05 = Corps Eng	2* = Tvl, PD, Trans
9 = Special Forces	13 = Corps Support		06 = Corps FA	5* = Misc. Spl & Svc
	31 = Administration		11 = Heavy Div	61 = Repair parts- surf
	32 = Inform Mgmt		18 = Other Units	62 = Repair parts- air
	33 = Manpower Mgmt		20 = Land Force	63 = DLR Spares-surf
	34 = Other Personnel Support		34 = Military Intel	64 = DLR Spares-air
			53 = Environmental	65 = POL - Surface
			76, 78, 79 = BASOPS	66 = POL - Air
			92 = Training Aids	67 = Stock Fund 2nd
			93 = RC Schoolhouse	Z0 = See BSSPT
			95 = Communications	
			96 = Installations	

C-2 UTARNG will use the common AMSCOs for accounting purposes. Program Managers should refer to DFAS-IN Manual 37-100-** for a complete list of specific AMSCOs with description and applicable use. You can access the base manual with updates through the USPFO web page.

APPENDIX D

Responsibilities of Program Managers

D-1 Maintain an accounting system to account for the receipt, expenditure and balance of funds issued by the DPFO.

D-2 Ensure the obligation of funds does not exceed funds available (Quarterly Allotment on FIS 91P).

D-3 Coordinate closely with DPFO to ensure AFCOS reflects all transactions processed properly. To ensure this, the following reviews and reconciliations will be conducted:

a. Daily or Monthly review the FIS 83P (Reservation Master Listing) to ensure reservations are timely, accurate and complete.

b. Monthly review the FIS 85P (Unliquidated Master Listing) to ensure all unliquidated (un-disbursed) obligations are listed and accurate.

c. Monthly review the FIS 74P (Allotment Ledger) to update internal accounting records with actual obligations and disbursements.

d. Quarterly conduct a joint reconciliation with the Fiscal Branch of the DPFO. The purpose of this reconciliation is to ensure transactions are complete, accurate and timely (see Chapter 7 of this Pamphlet).

D-4 Prepare for and attend PBAC meetings. Program Managers should be prepared to discuss past obligation/execution performance and future obligation plans.

D-5 Receive AFP and quarterly allotment fund target distributions issued by the DPFO on UTNG Form 4003 based on requested targets received from NGB.

D-6 Transmit current fiscal year obligation documents to DPFO for prompt recording in the accounting records.

D-5 The applicable Program Managers will ensure that all personnel assigned the responsibility of establishing commitments is familiar with DFAS-IN Regulation 37-1, DFAS-IN 37-100 and this regulation.

D-6 Prepare Miscellaneous Obligation Documents (MODs), DD Form 2406/AFCOS automated reservation for all activities/transactions that will not result in an obligation within the accounting period, taking into consideration the amount of actual recorded obligation, if any.

D-7 Initiate, execute and finalize all reimbursable orders between departments, installations or activities (DD Form 448, Reimbursable Services or Letters of Authority).

D-8 Coordinate with DPFO upon completion of reconciliation (when fund use is extremely high or low) to ensure proper alignment of funds within their programs.

D-9 Ensure compliance with established cutoff dates as prescribed by the PBAC, BRC, DPFO and this regulation.

D-10 The following is an example of an Appointment Memorandum and Fund Responsibility Statements, which each Program Director receives and signs:

SAMPLE OF MEMORANDUM

UT-USPFO

1 October 20XX

MEMORANDUM FOR LTC JOHN DOE, JFHQ, Draper, UT 84020-1776

SUBJECT: Appointment as Program Manager for Federal Funds

1. Pursuant to Department of the Army and Army National Guard policy, the Utah National Guard manages resources through a Program Manger system. The purpose of this system is to permit execution of programs without cumbersome approval procedures while at the same time ensuring:

- a. Compliance with statutory and regulatory provisions governing fund control
- b. Mission accomplishment, within available resources

2. Effective 1 October 20XX, I appoint you as a Program Manager for the Federal funds within your area of responsibility in the following program(s):

MAMSCO

MAMSCO

MAMSCO

MAMSCO

MAMSCO

Listed above are the "Rollup AMSCOs" as established by NGB-ARC. Do not use the rollup AMSCO in the formal accounting process. Accounting classification AMSCOs are found in DFAS-IN Manual 37-100-**.

3. A "Funding Authorization Target" (UTNG Form 4003) is issued at the beginning of each fiscal year and throughout the fiscal year as funding changes. This form is your authority to incur commitments/obligations and certify fund availability against those accounts. It is your responsibility to maintain the necessary records to prevent exceeding the target as issued.

a. Annually read the stipulations and provisions of DFAS-IN Reg 37-1.

b. Prepare schedules and narrative justifications for your budget programs.

c. Establish priorities for fund management when available funds are insufficient to support all requirements.

d. Maintain informal internal ledgers.

e. When you make commitments/obligations Ensure substantiating documents are prepared and forwarded to DPFO, ATTN: Fiscal Accounting.

f. Reconcile accounts against formal accounting records maintained by Fiscal Accounting Branch, DPFO on a quarterly basis.

g. Supervise the execution of each transaction until it is completed and all records cleared.

4. Submit all requests for funding target actions to DPFO in writing.

5. As a Program Director, you are also an appointed member of the Program Budget Advisory Committed (PBAC) and will participate in the overall State budget formulation and execution.

6. The DPFO grants approval for you, if desired, to further delegate fund certification authority. Delegations must be in writing and on file with the Budget Officer, DPFO. As Program Director, you retain overall responsibility for monitoring and training any person so delegated.

7. To ensure compliance and your understanding, two copies of "Fund Responsibility Statement" are included as an enclosure. Sign and return one copy of the statement to the DPFO Budget Officer. The second copy is for your files. Also, sign and date this original letter and return it to the DPFO Budget Officer.

FOR THE CHIEF NATIONAL GUARD BUREAU:

Encl
as

TED H. FRANSEN
COL, NGB
USPFO for Utah

To: USPFO for Utah

I hereby acknowledge receipt of this appointment.

(Signature)

(Date)

UTAH ARMY NATIONAL GUARD

Fund Responsibility Statement

I have read DFAS-IN regulation 37-1 and understand that in accordance with Chapter 7, I must not certify fund availability, incur an obligation, authorized the incurrence of an obligation (formal commitment), or expend funds in excess of amounts actually available under any administrative subdivision of funds as defined in Table 8-1, Chapter 8 of DFAS-IN regulation 37-1. I must not expend funds in excess or advance of an appropriation or apportionment of funds for that purpose. Nor may I accept voluntary services in excess of that authorized by law, except in cases of emergency involving the safety of human life or the protection of property. I further certify that I understand the rules of obligation of funds as contained in Chapter 8 of DFAS-IN regulation 37-1.

(Signature)

(Typed or Printed Name)

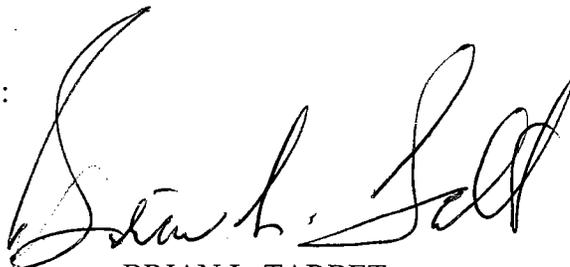
(Grade, Title, and Assignment)

(Date)

NOTE: The Budget Officer, DPFO (Comptroller Division) maintains the original. The signor will retain a copy. This action will be required on 1 October of each year. Program Managers who sub-delegate this authority should ensure that the sub-delegate signs a similar document.

The proponent of this regulation is UT-DPFO-CB
Users may make suggestions for improvements directly to proponent.

FOR THE COMMANDER-IN-CHIEF:



BRIAN L. TARBET
Major General, UTNG
The Adjutant General

OFFICIAL:



PAUL D. HARRELL
COL, GS, UTARNG
Chief of Staff

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