

Department of Energy



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Office of Financial Control and Reporting
Financial Control Division

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TABLE OF CONTENTS

Introduction.....	4
Purpose.....	4
Definitions	4
Accrual Overview	5
Automated Accruals	9
1.0 Generating Automated Accruals.....	9
2.0 Roles and Responsibilities	10
3.0 Key Risks and Controls Identified in A-123 Sub-process.....	10
4.0 Key Reports	10
5.0 Future Enhancements.....	11
6.0 Reimbursable Work	11
7.0 Travel, Permanent Change of Duty Station (PCS), Foreign Travel and Training.....	11
8.0 Inter-Office Work Orders and Suspense Items.....	11
9.0 Property, Plant and Equipment (PPE).....	11
10.0 PO Exclusions Mailbox	12
11.0 Other Exclusions.....	12
Accrual Adjustments Using Vendor Invoice Approval System (VIAS).....	13
12.0 Vendor Invoice Approval System (VIAS) Adjustments	13
13.0 VIAS Roles and Responsibilities.....	13
14.0 Key VIAS Risks and Controls as Identified Through A-123	13
15.0 Key Reports	14
16.0 Future Enhancements.....	14
17.0 Non-Integrated Contractor (NIC) Interface.....	15
18.0 The Automated Standard Application for Payment Mechanism.....	15
References	16



Acronyms 17

Appendix 1 - Automated Accrual Transactions..... 18

Appendix 2 – Key Points of Contact..... 19

Appendix 3 – DOE STARS and STRIPES Award Types..... 20

Appendix 4 – Sample - NETL Accrual Adjustment Form 22



Introduction

Purpose

The purpose of this guidance is to provide Field accountants, auditors, and other stakeholders with an overview of various DOE cost accrual processes and detailed procedures related to the automated accrual and associated VIAS adjustment processes. This guide is not intended to describe other accrual processes associated with revenues, depreciation, or liability estimates for environmental, contractor pension and post-retirement benefits, legal contingencies, loan guarantees etc. Finally, it was developed in consultation with Field CFO representatives (Appendix 2).

Definitions

Accrual is an accounting term for an estimate of the un-invoiced, projected dollar value cost of goods and services received by DOE. Generally Accepted Accounting Principles and DOE financial policies require DOE's liabilities, costs and budgetary expenditures to be maintained in an accrual basis. Accrual accounting estimates are typically posted monthly and reversed in the subsequent month in anticipation of actual invoice receipt and/or payment for goods and services received.

Accounting Flex Field (AFF) is the DOE line of accounting against a particular financial instrument. This includes values for Fund, Appropriation Year, Allottee, Reporting Entity, Standard General Ledger account, Object Class, Program, Project, Work for Others, Local, and Future.

Award Type is a STARS Descriptive Flex Field code that indicates the type of financial instrument. For example, "DEAC" is an Award Type code that represents a contract and "DEFG" represents a grant. A current listing of award types can be found on the I-Manage web-site <http://www.cfo.doe.gov/corpsyst/i-manage/starsinterfacedocs.htm>. In 2008, the STRIPES procurement introduced a new series of award type codes for Procurement instruments. Appendix 3 of this document contains STARS and STRIPES award types and their associated billing cycle as estimated by OFCR.

Billing Cycle Factor is a component of the Automated Accrual formula that represents the number of days between actual payment and cost incurred. Each award type has a unique Billing Cycle Factor derived based on an annual analysis done by OFCR. Billing Cycles are maintained on the DOE_AWARD_TYPE Values Table maintained by EFASC via the STARS_Values Mailbox. OFCR is responsible for providing updates to this table to ensure that billing cycles for STARS and STRIPES award types are synchronized. The Billing Cycle Factor is multiplied by the "daily payment rate" to obtain the automated accrual amount subject to funds availability.

Budgetary Expenditure is often used synonymously with the term cost. Cost accruals impact both budgetary and proprietary Standard General Ledger (SGL) accounts. Cost accruals are recorded as credits to budgetary SGL 49XX accounts (Delivered Orders) and result in increases to the amounts reflected as costs on DOE Status of Obligation based budget execution reports. Cost accruals are also recorded as debits in proprietary SGL 6XXX (Expenses) accounts, unless the costs meet capitalization requirements in which case the memorandum SGL 8802 (Purchases of Capitalized Assets) accounts are debited.



Cost is the dollar value of goods and services provided to DOE.

Daily Payment Rate is a component of the automated accrual program that is calculated at the accounting flex-field level. This calculation is equal to a financial instrument's last 12-months of payments divided by the number of elapsed days since the first payment. It relies on SGL 49020000.

Descriptive Flex Field (DFF) is a STARS value that provides more detail about a given Accounting Flex Field string. There are 10 DFF fields which include CID, Asset Type, Asset Status, Award Value, Other Party Index code, Environmental Liability Type, Public Law Code, Advance Type, Transfer Department ID, Trading Partner, and Transfer Main Account.

Financial Assistance Award is a term used to collectively describe grants and cooperative agreements. It encompasses award types DEFG, DEFG-ASAP, DEFC, and DEFC-ASAP. Any new financial assistance awards flowing through STRIPES will be assigned more descriptive award types codes such as "Grant" or "Cooperative Agreement"

Financial Instrument is any DOE award or other miscellaneous obligation. This includes contracts with vendors, financial assistance awards (grants & cooperative agreements), interagency agreements, miscellaneous obligations (employee reimbursements, inter-office work orders, etc), travel authorizations, training authorizations, etc.

Integrated Contractor (IC) 1) manages and operates a DOE facility or facilities and 2) interfaces a discreet accounting system to STARS after a conversion to SGL.

Purchase Order (PO) Exclusions Table houses all PO numbers that are to be excluded from the automated accrual process. These items could include items that are in contract close-out, items that are managed closely using contractor cost reports, and items at year-end that are expected to be adjusted after the 6th workday and before module closing routines.

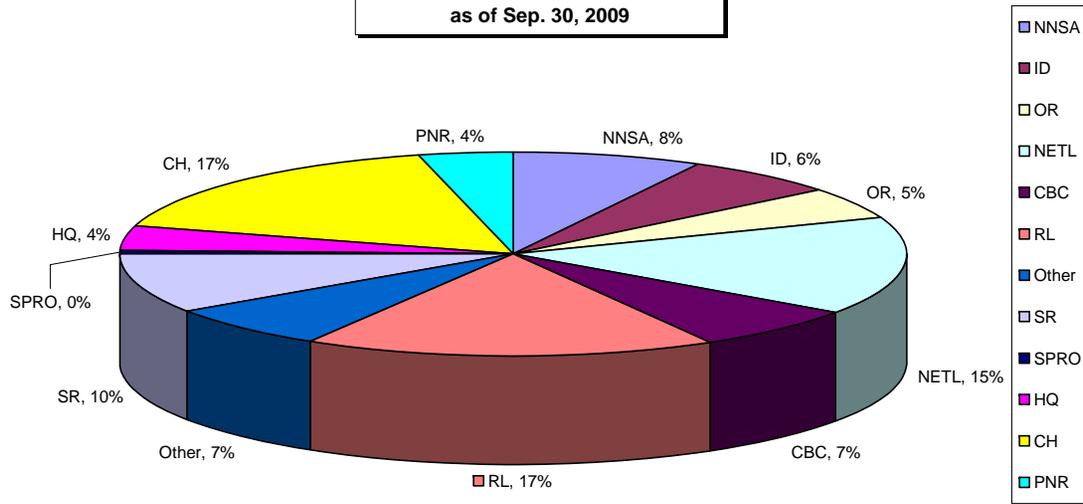
Accrual Overview

DOE has a comprehensive set of cost accrual processes that includes both Federal and contractor activity across the complex (See Figure 1). Accrued cost estimates are recorded on a monthly basis for the majority of financial instruments with certain limited exceptions. An accrued cost is an un-invoiced, projected dollar value of cost incurred (for goods and services received) on a financial instrument. It's very important to understand the difference between accrued cost and "regular cost." "Regular costing" typically refers to costs that are recorded based on receipt of an invoice or a cost management report provided by a vendor.

Figure 1



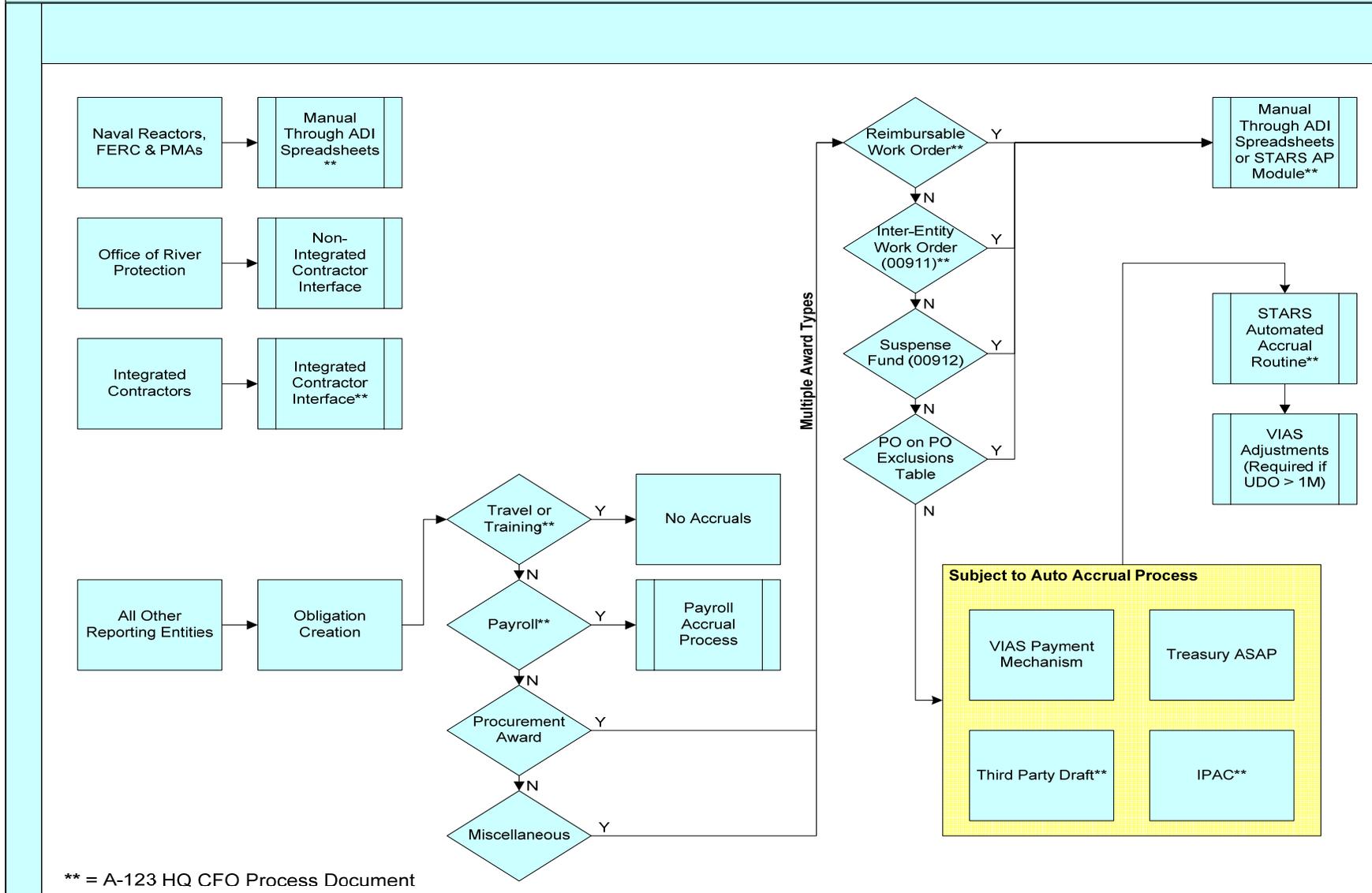
DOE Accruals By Office
based on SGL 2190 balances of \$2.4B
as of Sep. 30, 2009



Shown below is a flowchart depicting a high-level overview of the DOE corporate accrual process.



DOE Corporate Accrual Process Map



** = A-123 HQ CFO Process Document



DOE captures “cost for payment” through three primary payment mechanisms: 1) the Vendor Invoice Approval System (VIAS) used primarily for competitively-procured financial instruments; 2) the Automated Standard Application for Payment System (ASAP) used primarily for financial assistance awards; and 3) the Intergovernmental Payment and Collection System (IPAC) used for transactions with other Federal agencies. Other payment systems exist, such as GOVTRIP (for travel), Third Party Draft (for emergencies), Purchase Cards (for small purchases not subject to competition), etc. but these are not material to this discussion. Although there are a myriad of payment mechanisms, VIAS is the only application being used to electronically solicit accrual adjustments from program office contracting officer representatives and invoice approving officials regardless of the payment mechanism assigned to the financial instrument.

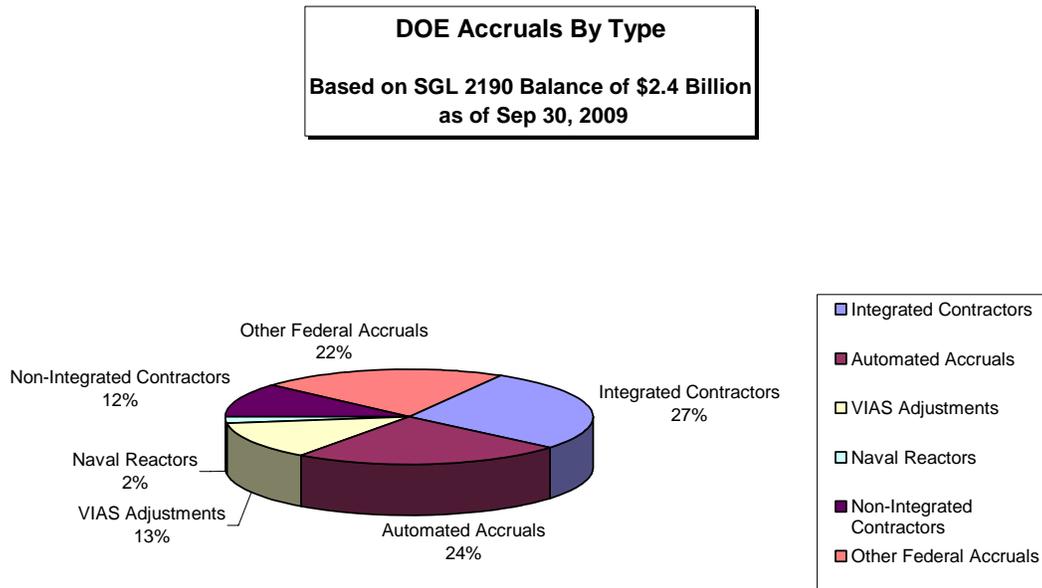
DOE processes various types of accruals (see Figure 2) on a monthly basis:

- Integrated contractors (ICs), power marketing administrations (PMAs), and the Federal Energy Regulatory Commission (FERC) maintain their own cost accrual processes and their accrued costs are captured through monthly SGL-based data feeds into STARS. Detailed procedures for these accruals are outside the scope of this accounting guide.
- Manual accruals are entered into STARS through the Purchasing (PO) module using cost reports, SF-269s, SF-271s, or other cost information provided by vendors. Entries are typically recorded by EFASC, but some field offices such as Naval Reactors, have the ability to record their own costs. Detailed procedures for recording manual accruals are outside the scope of this accounting guide.
- Automated accruals are posted directly to the STARS General Ledger (GL) Module on the 4th workday following the end of an accounting period. On a typical month, over 10,000 financial instruments are subjected to the automated accrual process.
- VIAS Accrual adjustments are entered into VIAS on the 4th and 5th workdays following the end of an accounting period. These adjustments are made by either invoice-approving officials, contracting officials, program officials or other proxies close to the actual work to allow for pinpoint accuracy. VIAS consolidates the adjustments and creates a file for direct entry into STARS GL on the 6th workday.
- The Naval Reactors Office (NRLFO) makes all of its accrual entries using Oracle ADI (Direct GL) entries. Accruals are based on cost reports, input from program officials and contracting officers, and historical analysis by the NRLFO accountants.
- Power Marketing Administrations and Federal Energy Regulatory Commission are currently excluded from the automated accrual and VIAS adjustment processes. Their accruals are entered directly into STARS GL using the ORACLE ADI function.
- The Office of River Protection (ORP) (Allottee 34), which is part of the Richland Operations Office, uses the Non-Integrated Contractor (NIC) Interface to report costs and accruals for its large prime contractors. The NIC Interface is described in more detail in section 17.0 below.
- Payroll accruals are based on DOEINFO (Payroll Labor Distribution System module) salary, benefits, and over-time information. All Federal payroll accruals with the exception of the PMAs are recorded to SGL 2210 Accrued Funded Payroll Benefits and SGL 2213 Employer Contributions & Payroll Taxes Payable (PO# PAYACCR). On a bi-weekly basis, these accruals are processed within an interface and posted to STARS GL. Employee awards are not accrued. Detailed procedures for payroll accruals are outside the scope of this accounting guide. However, any questions regarding Payroll accruals can be addressed to payrollcsrhelpdesk@hq.doe.gov or by calling 301-903-2500.

As of December 2008, the cumulative DOE SGL 2190 balance was \$1.96 billion. Of this balance, 45% was related to Integrated Contractor activity in the field. ***This guide is not intended to address IC accrual methods. IC methods for deriving accruals are dictated by local contractual requirements which are overseen by Federal contracting officers and their designated representatives.***



Figure 2



Automated Accruals

1.0 Generating Automated Accruals

The STARS automated accrual routine is a monthly-scheduled job, initiated by the EFASC Financial Systems Team, which begins after midnight on the 3rd workday of each month. Entries for the prior month and their reversals for the current month are posted concurrently at approximately 7:00am on the 4th workday by EFASC Financial Systems Team personnel. At that time, an e-mail is sent notifying OFCR that auto accruals have been imported and posted.

The automated accrual program calculates a default accrual value based on the following formula:

$$\text{Automated Accrual} = \text{Daily Pmt Rate for Last 12 months} * \text{Award Type Billing Cycle Factor}^1$$

The automated accrual is limited to cumulative uncosted balance for each line of funding (AFF) for a given financial instrument. The default accrual is a projection of the dollar value of goods/services received by DOE, but not supported by invoice or cost report. Approving officials have access to these default accrual amounts through VIAS and can adjust them as required on the 4th and 5th workday of each month. Once accrual amounts are updated or validated, DOE posts the accrual adjustments to the

¹ See Appendix 3



General Ledger. Certain instruments are exempted from the automated process and are processed manually. These instruments include those financed with Inter-Office Work funds 00911 and 00912, Reimbursable Work type funds, and other special funds. Other exclusions include specific reporting entities, specific Purchase Orders (via the PO-Exclusions table), and specific Award Types (PCS, TDY, I, etc).

The debits and credits that are assigned to each AFF are programmed by Fund. The transactions codes used with the automated accrual program and accrual adjustments are summarized in Appendix 1 “Automated Accrual Transactions.”

Note: The automated accrual program uses the **Trading Partner Code Function** to populate the DFF field in the journal lines DFF of the resulting automated accrual journal. In March 2009, the automated accrual process was modified to use the PO Supplier Record trading partner in the Supplier DFF field. This modification was necessary to fix a bug in the program that was causing persistent Trading Partner variances.

2.0 Roles and Responsibilities

Responsibilities for executing and maintaining the automated accrual and accrual adjustment processes are split between EFASC (CF-11) and OFCR (CF-12). In general, EFASC is responsible for scheduling and running the automated accrual routine, maintaining the PO-Exclusions table, performing basic quality assurance steps, and posting entries. OFCR is primarily responsible for managing the integrity of the accrual program parameters, monitoring trends and researching abnormalities, training VIAS users, assisting in reconciliations, supporting policy decisions and designing, testing and maintaining accrual-related reports. In addition, the Oak Ridge Financial Service Center (ORFSC) is responsible for delivering default accruals to VIAS users, sending out e-mail notifications, ensuring VIAS accrual adjustments are aligned to the proper transaction (T) code, and providing on-line VIAS accrual tool training. Finally, Field CFOs are responsible for monitoring VIAS accrual adjustment activity, ensuring their users have access to training, and reporting technical issues to HQ.

3.0 Key Risks and Controls Identified in A-123 Sub-process

The primary risks related to automated accruals are 1) overstatements or understatements of accruals due to faulty parameters and 2) processing errors that could lead to either duplicate costing or inaccurate default accruals upon which VIAS adjustments would be made. The basic parameters of the automated accrual program have withstood intense scrutiny from both auditors and DOE accountants. There are a number of controls in place to help maintain the integrity of these parameters. OFCR does its best to ensure that these parameters are institutionalized by periodically conducting webinars and hosting workspaces via i-Portal, providing class-room training, issuing guidance, and providing formal presentations. Changes to Billing Cycle Parameters are made by a senior accountant and coordinated with Field CFOs. [Note: A high priority SCR was submitted Dec-09 to provide PO-specific billing cycle parameters.]

The automated accruals are monitored on a monthly basis for any significant balance changes. Changes exceeding 25% are researched and documented. Processing errors are prevented by implementing detailed desk procedures, relying on experienced EFASC accountants, maintaining accounting checklists, managerial oversight, and accrual report monitoring.

4.0 Key Reports

DOE Accrual Detail Report found in GL Inquiry under STARS Standard Reports option. This report was originally derived from the automated accrual output .txt file and provides all of the information necessary to demonstrate the inner workings of the automated accrual program. It includes all AFF lines that were subject to the auto accrual process, the pre-accrual uncosted balances, award types, billing cycle factors,



daily payment rates used by the process, and the default accrual results. This report is used by EFASC to verify the accuracy of the GL Journal that is created from the automated accrual process before it is sent to ORFSC for distribution through VIAS. The GL Journal total of SGLs 17209300, 61000000, and 6500F000 should match the sum default accruals in the DOE Accrual Detail Report. If they don't match, EFASC will bring it to the attention of both ORFSC and OFCR to ensure VIAS users do not receive inaccurate default accrual information. This report is also useful in identifying the pre-accrual un-costed balance to determine which Purchase Orders required VIAS User review and adjustment.

DOE Accruals for Excluded PO Report found in GL Inquiry under Standard Reports option. This report provides information for managing cost activity on items excluded from the automated accrual routine. This is discussed in more detail below under PO Exclusions Mailbox.

5.0 Future Enhancements

Future planned enhancements to the automated accrual program include 1) the capability to fine-tune Billing Cycle Parameters by Allottee; 2) the development of a STARS report to compare actual cost with automated projections; 3) the capability to handle balances in SGL 4802 (Undelivered Orders, Obligations Prepaid/Advanced) which has been a long-standing problem that tends to create small and mostly immaterial abnormal balances; and 4) updating the DOE_AWARD_TYPE values table to reflect award types flowing from STRIPES.

6.0 Reimbursable Work

The Reimbursable Funds are currently excluded from the automated accrual program through hard-coding. During the stand-up of the automated accrual routine back in December 2005, there was great concern over the impact of automated accruals on Accounts Receivable billing. Offices were concerned of the possibility that bills would be generated based on automated accruals. Although there is common agreement accruals should be done on these types of funds, the current consensus is that any accruals needed for this type of activity should be handled through the manual process. This area should be revisited in the future. However, as of this writing, the area of reimbursable work is under remediation due to legacy system conversion issues.

7.0 Travel, Permanent Change of Duty Station (PCS), Foreign Travel and Training

DOE financial instruments designated with the award types TDY, PCS, FOR and TRNG are currently excluded from the automated accrual routine. These types of financial instruments tend to be high volume and low dollar in nature. An analysis conducted several years ago indicated that accruals on these items were immaterial to the financial statements while generating a large volume of questions from program offices regarding the accruals. From a cost-benefit perspective, we determined that it was practical to remove these items from the auto accrual process. *Note: Some "PCS instruments carrying a STRIPES award type of "BPA" may be subject to the automated accrual program. Further analysis to determine the full extent of instruments covered under the "BPA" award designation is required.*

8.0 Inter-Office Work Orders and Suspense Items

DOE Funds 00911 (Transfers); 00912 (Suspense Activity); and 00917 (Recovery Act Transfer Activity) are currently excluded from the automated accrual process. Although there is common agreement that automated accruals should be done on these types of funds, accruals for this type of activity are handled through the manual process.

9.0 Property, Plant and Equipment (PPE)

Object Class 310xx (capitalized equipment) is currently not subject to the automated accrual process. However, this series may be adjusted through the VIAS accrual adjustment process described in Section 11. Although rare, there have been cases where major items of equipment have been delivered late in the month and without invoice. The following entries would be generated by a VIAS accrual adjustment:



DR 3107 CR 5700
DR 480102 CR 490102
DR 880201 CR 880101

Object Class 311xx (non-capitalized equipment) is currently not subject to the automated accrual process. However, this series may also be adjusted through the VIAS accrual adjustment process described in Section 11. Although rare, there have been cases where major items of equipment have been delivered late in the month and without invoice. The following entries would be generated by a VIAS accrual adjustment:

DR 6100 CR 2190
DR 3107 CR 5700
DR 480102 CR 490102

Object Class 320xx (capitalized assets associate with on-going construction projects) is currently subject to the automated accrual program and may be adjusted through VIAS. The following entries would be generated by the automated accrual program:

DR 172093 CR 2190
DR 3107 CR 5700
DR 480102 CR 490102
DR 880201 CR 880101

10.0 PO Exclusions Mailbox

From time to time, it may be necessary to exclude specific Purchase Orders from the auto accrual process. For example, if a vendor routinely provides cost management reports to supplement invoices, the field office may choose to request manual cost entries based on figures in the cost management report, since these would be more accurate than a calculated default accrual value. The request should be sent to PO-exclusions@hq.doe.gov. *Note: It is permissible for Field Offices to place items on the PO Exclusions table and utilize VIAS to enter manual accruals. This practice avoids the need to calculate adjustments against a default accrual and can save significant data entry time.*

Important Note: Any items placed on the PO-Exclusions mailbox require period manual cost entries unless VIAS is being used to record the manual accruals. Field CFO accountants should monitor the **DOE Accruals For Excluded PO Report** on a monthly basis to ensure that manual cost entries (or VIAS adjustments) are being submitted for items on the PO Exclusions table. Any items that appear to lack period costs or VIAS adjustments should be researched and the causes documented in the event of an audit inspection.

11.0 Other Exclusions

DOE Integrated Contractors are responsible for recording their own cost accruals which are then submitted separately through the integrated contractor interface to STARS. Hence, DOE Integrated Contractors are not part of the automated accrual process. **ICPAR**, the STARS parent reporting entity for all DOE Ics, is hard-coded into the automated accrual program to specifically exclude these contracts. Therefore, it is not necessary to submit IC Purchase Orders to the PO-Exclusions Mailbox.

Other exclusions include Recovery-Act funded “grant” or “cooperative agreement” award types. These items were excluded from the automated accrual program based on site feedback and analysis which indicate that awardees are frequently drawing down funds as costs are incurred. Accruals may still be entered for these items through either VIAS or EFASC manual cost at costing@hq.doe.gov.



Accrual Adjustments Using Vendor Invoice Approval System (VIAS)

12.0 Vendor Invoice Approval System (VIAS) Adjustments

After the automated accruals are generated and journal entries created, EFASC compares the un-posted journal of automated accruals to the output file that will be down-loaded by the ORFSC VIAS administrator. EFASC will ensure that the totals on the output file match the total in the journal. EFASC will also do a reasonableness check to ensure figures are in line with prior months. Any discrepancies are to be reported to OFCR and the STARS Helpdesk as soon as possible so that appropriate evaluation and action can be taken. The above steps are imperative to ensure that there are no differences between the automated accrual posting and the figures being delivered to VIAS users for adjustment.

Once these quality checks are completed, the automated accrual journal is posted by EFASC early on the morning of the 4th workday. A file of the entries is immediately transmitted to the STARS IOPROD Server, and the VIAS System Administrator downloads this file for mid-morning delivery to VIAS approving officials (or their proxies) for adjustment. VIAS System administrators import the file and match it up with information from the STARS PO Module (to capture obligations, costs, payments and uncosted balances) and the STARS PO Header (to capture the officials responsible for making adjustments). VIAS E-mail notifications are sent out to those officials at approximately 9:00am on the morning of the 4th workday alerting these approving officials and proxies of the need to perform accrual adjustment evaluation and processing by the end of the 5th workday. Although E-mail notifications are only sent to those officials that are responsible for uncosted balances greater than \$1 million, all approving officials and proxies that own financial instruments subject to the automated accrual process have access to the default accrual adjustment feature in VIAS. After adjustments are completed, they are converted into debits and credits (using the pro forma entries described in Appendix 1) and the updated file is transmitted to EFASC. At approximately 7:00am on the 6th workday and after the accrual adjustments made by the approving officials or their proxies have been compiled, EFASC posts the adjustments and notifies OFCR.

13.0 VIAS Roles and Responsibilities

Invoice approving official authority is commonly delegated by procurement Contracting Officers through formal written delegations of authority. These approvers are typically program officials responsible for managing and monitoring awardees' cost and performance. ***[BEST PRACTICE: Field CFOs should work with local procurement shops to ensure that delegations include requirements related to cost accrual adjustments.]*** Current DOE financial policy requires owners of large financial instruments, those with uncosted balances of \$1M or above, to either accept or change the automated accrual using the VIAS accrual adjustment feature². During FY09, a feature will be installed in VIAS to require VIAS users to acknowledge their default accrual.

Field CFOs are generally responsible for educating and training their local VIAS user communities on the merits of performing financial instrument monthly accrual evaluations and adjustments. They are also responsible for monitoring VIAS accrual activity to ensure that 1) participation is timely and adequate; and 2) adjustments are adequately supported by documentation.

14.0 Key VIAS Risks and Controls as Identified Through A-123

The automated accrual process is a somewhat crude methodology for estimating accruals. VIAS approving officials in procurement/program offices have a critical role in ensuring the accruals for purchase orders with uncosted balances exceeding \$1 million are reasonable and supported in those instances where better accrual information is available. These officials may not have an accounting

² DOE Accounting Handbook, Chapter 11 Paragraph 2(b)(4)a



background nor do they report to the CFO. Training and oversight by the CFO community is required to ensure the VIAS approving officials understand and execute their responsibilities for making adjustments to the accrual estimates generated by the automated accrual program.

To prevent the risk of a material misstatement due to a VIAS user error, a number of internal controls have been established:

- Delegations of Invoice Approving Official authority have been modified to require accrual adjustments.
- An on-line VIAS cost accrual tutorial has been made available and promoted through the VIAS system.
- Periodic alerts and reminders are e-mailed directly to VIAS approving officials and proxies each month to ensure that participation is maximized.
- Sample testing of VIAS user adjustments is routinely performed as part of the A-123 process, the FMS 2108 procedures, and internal reviews.
- Classroom training and webinars have been made available to users and accountants responsible for monitoring use activity.
- Automated accrual validation routines prohibit cost accruals greater than the financial instrument uncosted obligation balance.
- Periodic analysis is done to check the actual costs versus projected accruals using STARS DOE Accrual Comparison Report. (Note: This report is currently being updated.)

15.0 Key Reports

The **DOE Accrual QA Report** is a CDR-based report available under STARS GL Inquiry Standard Reports. It can be executed at the AFF or summary level and contains the undelivered obligation balance (UDO), default accrual amount, accrual adjustment amount and approving officials. Field Office accountants should use this report on a monthly basis to track VIAS participation and to verify items that are on the PO-Exclusions Table. A parameter on the report allows the user to select a UDO range which cuts down on the size of the report. [*Important Note: the UDO balance in this report is not the "pre-accrual UDO" used to trigger a VIAS notification regarding accrual adjustment. To determine the pre-accrual UDO amount, create a column that adds the default accrual back to the ending uncosted balance.*] Finally, it is important to note that this report contains all Purchase Orders, even those not subject to auto accrual, so that the user can discern between those AFFs being excluded from the auto accrual and those that are being subjected to it.

16.0 Future Enhancements

- VIAS user training varies in quality from site to site. OFCR is currently teaming with NETL to develop standardized training options which could include more robust VIAS on-line training or use of the On-Line Learning Center. [Note: Enhanced Training materials were uploaded to VIAS during FY09]
- Improvements being considered to enhance the VIAS accrual tool include the capability to attach supporting documents to accrual adjustments and to create a drop down box to select an accrual adjustment reason code.
- VIAS uses UDO amounts from the Purchase Order (PO) Module which sometimes creates timing differences that may result in inaccurate UDOs being provided to users. ORFSC and the STARS Team are currently looking at the feasibility of pulling UDO balances directly from the General Ledger (GL) Module to eliminate these timing differences that are caused by entries during the first three workdays of the following month. [Note: This item was corrected in March 2010. VIAS now pulls balances directly from GL.]
- A front-end VIAS edit is being considered to prevent VIAS users from entering a downward accrual adjustment that brings the default accrual to a negative amount. This has been



attributed to some abnormal balances. [This item was corrected in March 2010. An edit was installed to prevent users from driving a negative accrual.]

- NETL provides their program VIAS users with an “Accrual Adjustment Form” to assist in maintaining auditable supporting documentation. ORFSC, NETL, and OFCR are currently working to incorporate some of these items within the VIAS system. See Appendix 4.

17.0 Non-Integrated Contractor (NIC) Interface

The NIC interface was developed to accommodate certain offices, such as Office of River Protection, that have very large non-integrated (prime) contractors under their cognizance. The NIC Interface processing normally occurs during the last week of every month. Field Office users upload their NIC files from their local servers to STARS. Using parameters set by the STARS IT Team, the process is executed to create batches and journals. An execution report is available and displays the batches and journals that have been created. In addition, e-mail notifications are sent to appropriate users regarding any errors related to pre-processing edits that must be resolved. They use the NIC interface to record cost and accruals into the STARS GL.

18.0 The Automated Standard Application for Payment Mechanism

DOE uses three primary methods to record cost and to make payments to vendors: 1) the Vendor Invoice Approval System (VIAS); 2) Inter-governmental Payment and Collection System (IPAC); and 3) the Automated Standard Application for Payment. As indicated in the Corporate Accrual Map on page 4, only the VIAS system is used for compiling accrual adjustments. ***[Best Practice: Financial Instruments designated with Award Types DEFG-ASAP or DEFC-ASAP need to be changed to either DEFG or DEFC so that invoice approving officials can be properly set up in the PO Module. Designating a PO as DEFG-ASAP or DEFC-ASAP prevents the field accountant from assigning an invoice approving official to the instrument thus preventing automated accrual adjustments.]*** The DOE ASAP Cost Interface, which eliminates the need for invoice approvers, distributes costs against lines of accounting using a “first-in first-out” methodology. This appears to be an inherent limitation within the Treasury system. ***[Best Practice: For high profile funding such as Recovery Act monies, separate Purchase Order numbers should be established to ensure that costs and payments are aligned to the proper fund type.]***



References

- a. SFFAS #1 <http://www.fasab.gov/standards.html>
- b. DOE Accounting Handbook Chapter 11 <http://www.mbe.doe.gov/policy>
- c. VIAS Cost Accrual Tutorial (available only to registered VIAS Users)
<https://orfsc.oro.doe.gov/invoices/logon.asp>
- d. OFCR Accrual Management A-123 Sub-process documentation.
- e. Office of Financial Policy's Interim Guidance on DOE Financial Assistance Award Cost and Accruals effective January 1, 2009.



Acronyms

<i>Acronym</i>	<i>Definition</i>
AFF	Accounting Flex Field (DOE accounting string in STARS)
ASAP	Automated Standard Application for Payment (Treasury system)
CDR	Contract Data Report
DFF	Descriptive Flex Field in STARS (CID, Asset Type, OPI, etc)
DOE	Department of Energy
EFASC	Energy Finance & Accounting Service Center
GL	General Ledger
IC	Integrated Contractor
IPAC	Intergovernmental Payment and Collection System
JE	Journal Entry
NIC	Non-Integrated Contractor [interface]
OFRC	Office of Financial Control and Reporting
ORFSC	Oak Ridge Financial Service Center
PCS	Permanent Change of Duty Station
PO	Purchase Order (a DOE financial instrument in STARS)
PPE	Property Plant and Equipment
QA	Quality Assurance
SFFAS	Statement of Federal Financial Accounting Standards
SOP	Standard Operating Procedure
STARS	Standard Accounting and Reporting System
STRIPES	Strategic Integrated Procurement Enterprise System
T	Transaction (as in T Code)
UDO	Undelivered Order Balance (sometimes referred to as Uncosted Bal)
VIAS	Vendor Invoice Approval System (Oak Ridge Payment Center system)



Appendix 1 - Automated Accrual Transactions

SGL T Code	Debit	Credit
Cogs Cost Accrual	31070900	57000000
Cogs Cost Accrual	48010100	49010100
Cogs Cost Accrual	6500F000	21900000
Cost Accrual	31070900	57000000
Cost Accrual	48010000	49010000
Cost Accrual	61000000	21900000
Iso COGS Cost Accrual	48010100	49010100
Iso COGS Cost Accrual	6500F000	21900000
Iso Cost Accrual	48010100	49010100
Iso Cost Accrual	61000000	21900000
NWF Cost Accrual	48010100	49010100
NWF Cost Accrual	61000000	21900000
Reg Cost Accrual	31070900	57000000
Reg Cost Accrual	48010100	49010100
Reg Cost Accrual	61000000	21900000
Receipt – CWIP Auto Accrual	17209300	21900000
Receipt – CWIP Auto Accrual	31070900	49010100
Receipt – CWIP Auto Accrual	48010100	57000000
Receipt – CWIP Auto Accrual	88020100	88010100
Capitalized Equipment	17500000	21900000
Capitalized Equipment	31070000	57000000
Capitalized Equipment	48010100	49010100
Capitalized Equipment	88020100	88010100

Important Note: STARS T Codes are centrally managed by EFASC. Changes to any of these above T Codes must be coordinated with and approved by both EFASC and ORFSC. ORFSC is responsible for updating any T Code changes in the programming for VIAS approving official adjustments. If ORFSC is not notified of a T Code change, VIAS adjustments may not be treated the same as automated accruals and will rely on outdated T Code.



Appendix 2 – Key Points of Contact

I-Portal Workspace for Accruals

<https://vulcan.doe.gov:11776/portal/page/portal/iManage/PublicPage>

Key Contacts

Pat Goetz, NNSA
Bruce Grover, ID
Preston Arritt, ID
Shannon Schmidt, ID
Laurie Acosta, ID
Hughie Thomas, ORFSC
Chuck Kilgore, NETL
Sue Kulsic, NETL
Darryl McFarland, CBC
Erika French, CBC
Thomas Meyer, CBC
Kay Mamiya, RL
Debra Dove, RL
Linda Denoff, RL
Dorothy Smith, SRS
Gary Durel, SPRO
Geoff Smith, HQ
Juanita Delair, HQ
Rick Loyd, HQ
Lynne Baronoff, HQ
Mark Fiffles, CH
Shawna Weekley, CH
Marlys Kinsey, GO
Tammy Capani, NRFLO

Last Update: 3/17/09



Appendix 3 – DOE STARS and STRIPES Award Types

STARS Award Types:

Award Type	Description	FY09 Billing Cycle*
CARD	IMPAC Government Purchase Card	50
CRDN	Professional Credentials	50
DEAB	Blanket Purchase Agreement	50
DEAC	Contract, type unknown or not identified	24
DEACCNF	Cost No Fee Contract	50
DEACCNS	Construction Type Contract	50
DEACCPF	Cost Plus Fixed Fee Contract	24
DEACCPV	Cost Plus Variable Fee Contract	50
DEACCSC	Cost Sharing Contract	25
DEACFPF	Fixed Price Firm Contract	50
DEACLEA	Lease Contract	50
DEACTMC	Time and Materials Contract	50
DEAD	Delivery Order	15
DEAF	Small Purchases Over \$25,000	50
DEAI	Interagency Agreement - Other Than DOD	26
DEAK	Basic Ordering Agreement	50
DEAM	Master Contract	50
DEAP	Purchase Order	50
DEAT	Task Order	22
DEAX	Small Business Competitiveness Demo Program	50
DEFC	Cooperative Agreement	27
DEFC-ASAP	Cooperative Agreement with ASAP payments	27
DEFG	Grant	6
DEFG-ASAP	Grant with ASAP payments	6
DEGI	Contracts with foreign entities	50
DEGM	Memorandum of Understanding	50
DERE	Have a name?	50
DERL	Lease of Real Property	50
DERP	Purchase of Real Property	50
DESC	Sales Contract	50
DEUN	UNICOR (Federal Prison Industries)	50
DODI	Interagency Agreement - with DOD	50
DTLS	Detaillee	50
EMPM	Employee Reimbursements - Miscellaneous	50
FOR	Foreign Travel	50
GBLS	Government Bill of Lading	50
INTER-ENTITY	Inter-Entity Cash Work	50
IPAS	Intergovernmental Personnel Act Agreement	50
LEGL	Attorney's Fee/Court Costs/EEO Claim	50
LOCAL	Local Travel	50
LTRR	Letter Contract	50
MISC	Other Miscellaneous	27
PCS	Permanent Change of Station	50
PENS	Penalty Payments (DISCAS conversion)	50
PILT	Payment in Lieu of Taxes	50



Award Type	Description	FY09 Billing Cycle*
PRNT	Direct Charges for Printing	50
SECY	DOE Secretary's Travel	50
TDY	Travel	50
TORT	Tort Claim	50
TRNG	Training	50
UTIL	Utility Payments (miscellaneous CID)	50

* Subject to change based on annual billing cycle analysis performed by OFCR

STRIPES Award Types:

Award Type	Description	Billing Cycle**
BPA Call	BPA Call	50
BPA Setup	BPA Setup	50
Basic agreement	Basic agreement	50
Basic ordering agreement	Basic ordering agreement	50
Cooperative Agreement	Cooperative Agreement	24
Cost	Cost	30
Cost-plus-award-fee	Cost-plus-award-fee	23
Cost-plus-fixed-fee	Cost-plus-fixed-fee	25
Cost-plus-incentive-fee	Cost-plus-incentive-fee	13
Cost-sharing	Cost-sharing	30
Definite-quantity	Definite-quantity	30
Delivery / Task Order	Delivery / Task Order	19
Fixed-price	Fixed-price	30
Fixed-price incentive	Fixed-price incentive	30
Fixed-price-plus-award-fee	Fixed-price-plus-award-fee	30
Grant	Grant	6
Indefinite-quantity	Indefinite-quantity	50
Interagency Agreement	Interagency Agreement	55
Labor-hour	Labor-hour	50
Letter Contract	Letter Contract	50
MAS Award	MAS Award	50
MIPR Award	MIPR Award	50
Purchase Card Order	Purchase Card Order	30
Purchase Order	Purchase Order	50
Requirements	Requirements	50
Section 845 OT Delivery / Task Order	Section 845 OT Delivery / Task Order	50
Time-and-materials	Time-and-materials	30

** Effective March 2009



Appendix 4 – Sample - NETL Accrual Adjustment Form

ACCRUAL ADJUSTMENT FORM

Date: _____

Program/Approving Official Name: _____

Telephone Number: _____

PO Number/CID _____

Month of Adjustment: _____

Adjustment Amount: \$ _____

AFF Information (if necessary): _____

The Accrual adjustment amount was based upon the following (you must check one):

- Performance Report from the Contractor/Vendor is attached.
- Written cost estimate from the Contractor/Vendor stating costs through Month End is attached.
- It is a recurring monthly or quarterly bill. My calculations for the estimate for the accrual are based on previous activity. My calculations are attached.
- All** of the goods and services have been received, but I have not received an invoice, performance report, or written estimate from the Contractor/Vendor. The entire Undelivered Order for this document should be accrued.
- Some** of the goods and services have been received, but I have not received an invoice, performance report, or written estimate from the Contractor/Vendor. My calculations for determining the accrual amount are attached.
- Cost Plan is used to calculate Cost Accruals
- No Accrual Adjustment is Necessary.**
 - The Automated Accrual is satisfactory and I have no better information on hand
 - None of the goods and services have been received through month end
 - PO is already fully costed