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Homeland Security

September 11, 2009

MEMORANDUM FOR: Distribution
FROM: 
Peggy Sherry
Acting Chief Financial Officer
SUBJECT: Accounting Guidance for FEMA Mission Assignments

This is a reminder that agencies incurring costs under mission assignments (MAs) issued by the Federal Emergency Management Agency (FEMA) to support disaster relief must follow the accounting guidance for Disaster Relief Fund (DRF) transactions and provide timely, accurate year-end responses by due dates defined in the attached guidance.

FEMA may use an MA document to direct federal agencies to provide goods and/or services pursuant to a declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. FEMA may reimburse agencies receiving MA's from the DRF for costs incurred responding to declared emergencies. The Financial Management Support Annex of the National Response Framework provides basic financial management guidance for all agencies responding to major disasters or emergencies declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

Upon accepting an MA from FEMA, agencies should have blanket reimbursable authority or should submit an annual estimate of the amount of reimbursable authority required to carry out its responsibilities under an MA to the Office of Management and Budget on the SF-132. Agencies must use management controls, policies, and procedures to ensure the following: 1) programs achieve their intended results; 2) the tasks undertaken are consistent with agency missions; 3) programs and resources are protected from waste, fraud, and mismanagement; 4) laws and regulations are followed; and 5) reliable and timely information is obtained, maintained, reported, and used for making decisions.

If you have any questions concerning this guidance please contact Michael Ralph, Assistant Director, Office of Financial Management, at (202) 447-5796 or at Michael.Ralph@dhs.gov.

Attachment
Accounting Guidance for Disaster Relief Fund Transactions

Distribution:
Chief Financial Officer, Department of Agriculture
Chief Financial Officer, Department of Commerce
Chief Financial Officer, Department of Defense
Chief Financial Officer, Department of Education

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Accounting Guidance for Disaster Relief Fund (DRF) Transactions

Reimbursable Transactions

Reimbursements are processed against the FEMA agency location code (ALC) using the Treasury Intra-governmental Payment and Collection (IPAC) system. The FEMA DRF ALC is 70-07-0002.

Complying agencies must maintain proper supporting documentation for all obligations, outlays, and costs incurred carrying out the terms of the assignment. All reimbursements and advances processed via IPAC must have adequate documentation that expenditures are reimbursable. All documentation must be maintained to accommodate independent audit and review.

Additional details on the mission assignment (MA) process, including reimbursement and billing information, can be found at www.fema.gov/government/business.shtm.

All existing accounting, budgetary rules, and scenarios for inter- and intra-agency agreements and reimbursable agreements (e.g., receivables/payables and undelivered/unfilled orders) apply to accounting for MA obligations and expenditures. For additional guidance, agencies should refer to:

- OMB Circular A-11, *Preparation, Submission and Execution of the Budget Report on Budgetary Execution and Budgetary Resources (Revised Section 130)* at: (http://www.whitehouse.gov/omb/circulars/all/current_year/all_toc.html).
- U.S. Standard General Ledger (USSGL) general accounting transactions and scenarios (<http://www.fms.treas.gov/ussgl/>).
- USSGL accounting scenarios for reimbursable activity (http://www.fms.treas.gov/ussgl/approved_scenarios/index.html#reimbursable).
- Intragovernmental Business Rules (www.fms.treas.gov/TFM/vol1/07-03.pdf).
- Federal Intragovernmental Transactions Accounting Policies Guide (APG) Fiscal Year 2009 (<http://www.fms.treas.gov/factsi/regulations.html>).

Year-end Accruals and Coordination with FEMA

Complying agencies should process reimbursements through IPAC by **no later than September 23** for costs incurred during the fiscal year. Complying agencies must provide FEMA with a year-end estimate of the agency's unbilled receivables for costs to be billed against its FEMA MA assignment(s), if any, as of September 30. Such notification should be provided to the FEMA Finance Center **no later than October 2** to afford time for adjustment and recording to the FEMA DRF. When the MA is complete, complying agencies should submit a final bill that states the MA is complete and there will not be any additional bills and that requests the MA be closed.

Accrual information should be sent to Betty Whitehead (Betty.Whitehead@dhs.gov) with a copy to FEMA-Disaster-Federal-Agencies-Payment@fema.gov. All notification and communication involving MAs should be directed to Tracey Oyler at the FEMA Finance Center, (540) 542-7406, or via e-mail to FEMA-Disaster-Federal-Agencies-Payment@fema.gov.

Active financial-sector involvement in disaster response activities is essential to communication and recordkeeping across all participating Federal agencies. The CFO of each NRF agency should provide a primary contact for financial management matters and an additional contact for MA matters by September 29, 2009, to Mike Ralph, Department of Homeland Security, at (202) 447-5796 or via e-mail to: Michael.Ralph@dhs.gov.

Advances

In general, advances are not authorized by FEMA, but they may be necessary if complying agencies do not have sufficient cash reserves to sustain MA disbursements prior to September 30. Agencies should follow the guidance contained in OMB Circular A-11, Section 20.11 (http://www.whitehouse.gov/omb/circulars/a11/current_year/s20.pdf). Additional guidance contained in the Stafford Act can be found at <http://www.fema.gov/about/stafact.shtm>.

FEMA will work closely with complying agencies to provide advances where necessary. When FEMA has authorized an advance, the complying agency must provide an accounting of the amount of the balance of the advance each month or as required by the agreement using FEMA's MA Progress Report at <http://www.fema.gov/government/business.shtm>. Please provide the information as of September 30 to the FEMA Finance Center **no later than October 2** to allow time for adjustment and recording to the DRF.