

FDA STAFF MANUAL GUIDES, VOLUME III - GENERAL ADMINISTRATION

FINANCIAL MANAGEMENT

BUDGET

SUSPENSE ACCOUNTS - MANUAL DISBURSEMENTS, COLLECTIONS AND PAYMENTS

Effective Date: November 4, 2014

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Attachment A - [Department of Treasury Bulletin No. 2007-07 Volume 1](#)

Attachment B - [SMG 2310.3: Emergency Salary Advances](#)

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1. PURPOSE

The purpose of this staff manual guide is to outline FDA's policy on Suspense Accounts F3875 and F3885; and manual payments.

2. REFERENCES

This guide supplements policy and procedures set forth in the following directives:

1. Department of Treasury Bulletin No. 2007-07 Volume 1, "Suspense 'F' Account Discontinuance and Waiver Policy"
2. General Administration Staff Manual Guide FDA 2310.3, Emergency Salary Advances
3. General Administration Staff Manual Guide FDA 2310.8, Suspense Account Management

4. Payroll Disbursement Business Process, sub-process 2.16 Emergency Salary Advance Process

3. DEFINITION

A manual payment, as defined in this policy, is a payment that is not initiated from the FDA's financial system, Unified Financial Management System (UFMS). Instead, payments are entered and processed using Treasury's Secure Payment System (SPS) prior to an invoice being created in UFMS. This payment should be recorded in UFMS as a clearing payment.

A clearing payment, as defined in this policy, is referred to as the action of recording a manual payment in UFMS after the payment has been made to the vendor.

4. POLICY

A. Cash Collections (Non-Federal): FDA received a waiver from the Department of Treasury to continue to use the Budget Clearing Account – Suspense (F3875) for non-federal cash collections (refer to Department of Treasury Bulletin No. 2007-07 Volume 1). However, FDA personnel who utilize account F3875 to temporarily hold unidentifiable collections must re-classify these collections to the proper receipt account in UFMS within 30 days or before the close of the current accounting period, whichever comes first.

B. Manual Disbursements (Non-Federal): The FDA should no longer process manual payments without prior approval from the Office of Financial Management (OFM) Director, or OFM Deputy Director, or their designee. The practice of processing manual payments has resulted in an increase in suspense balances. Further, concerns have been raised due to a manual payment's ability to bypass UFMS funds check and vendor validation through the System of Award Management (SAM).

- Approvals for processing manual payments at FDA will be provided on an exception basis only. The following reasons may warrant the processing of a manual payment:
- Emergency Salary Advances (only issued in the case of non-receipt of regularly scheduled salary payments);
- To avoid delays in travel payments made using the government travel charge card, including Central Billing Account (CBA) and Travel Authorizations and Voucher (TAV) Fees;
- Government Purchase Card (PCard)
- System issues that would lead to:

- Prompt Pay Act noncompliance
- Delays in FDA travel related expense reimbursement to non-FDA employees

To request approval for a reason that warrants processing of a manual payment, an email should be sent to the OFM Director and the OFM Deputy Director, or their designee, explaining why a manual payment needs to be processed. This email should list any actions taken prior to requesting approval for processing the manual payment, along with attached copies of all related documents.

A clearing payment should be processed for all manual payments within five (5) business days of processing a manual payment. If the close of the month is less than five (5) business days from the date the manual payment was processed, the clearing payment should be entered prior to the close of the month.

C. Undistributed Intra-governmental Payments: FDA received a waiver from the Department of Treasury to continue to use the Undistributed Intra-governmental Payments (F3885) for Inter/Intra-governmental Payments and Collections (IPAC) (refer to [Attachment A](#)). However, the following rules apply for FDA personnel who utilize account F3885:

1. Unidentifiable IPAC collections temporarily held in account F3885 must be re-classified to the proper receipt account in UFMS within 30 days and/or before the close of the next accounting period.
2. Unidentifiable IPAC payments temporarily posted to account F3885 must be classified to the proper expenditure account in UFMS within 30 days. If the FDA personnel is unable to identify the payment within 30 days, they must issue a chargeback to the originating agency.

5. RESPONSIBILITIES

A. Cash Collections (Non-Federal): The FDA personnel who utilize account F3875 to temporarily hold unidentifiable collections must classify these collections to the proper receipt account, in UFMS, within 30 days or before the close of the current accounting period, whichever comes first.

B. Manual Disbursements (Non-Federal):

1. The FDA personnel who intend to process manual payments outside of UFMS must obtain approval from the OFM Director, or the OFM Deputy Director, or their designee via an email, prior to processing the manual payment.

2. The OFM Director, or the OFM Deputy Director, or their designee should review the explanation and all supporting documents to determine if a manual payment is necessary. If it is determined that a manual payment is necessary, the OFM Director, or the OFM Deputy Director, or their designee should respond to the email with their approval. Or else, the OFM Director, or the OFM Deputy Director, or their designee should respond to the email with a rejection.
3. The Data Entry Operator should verify that approval for manual payment was received from the OFM Director, or the OFM Deputy Director, or their designee is received, before entering the manual payment in the Department of Treasury's Secure Payment System (SPS).
4. Prior to approving/certifying the manual payment in SPS, the Certifier should verify that this manual payment was approved by the OFM Director, or the OFM Deputy Director, or their designee.
5. The FDA personnel should process a corresponding clearing payment within five (5) business days of processing a manual payment. If the close of the month is less than five (5) business days from the date the manual payment was processed, the clearing payment should be entered prior to the close of the month.

C. Undistributed Intra-governmental Payments:

1. The FDA personnel who utilize account F3885 to temporarily hold unidentifiable IPAC collections must classify these collections to the proper receipt account, in FDA's accounting system, within 30 days.
2. The FDA personnel who utilize account F3885 to temporarily post unidentifiable IPAC payments must classify these payments to the proper expenditure account, in FDA's accounting system, within 30 days. If they are unable to do so, they must chargeback the originating agency for that charge.

D. The FDA CFO (or CFO designee) is required by the Department of Treasury to annually certify that the subject Suspense Account's balance for the preceding fiscal year contain transactions no older than 60 days as part of the Department of Health and Human Services year-end financial statement reporting process. Any exceptions to the 60-day limit must include an explanation.

6. APPROVAL AUTHORITY

Only the OFM Director, or the OFM Deputy Director, or their designee, have the authority to approve manual payments.

7. EFFECTIVE DATE

This effective date of this guide is November 4, 2014.

8. DOCUMENT HISTORY -- SMG 2310.13, Suspense Accounts - Manual Disbursements, Collections and Payments

STATUS (I, R, C)	DATE APPROVED	LOCATION OF CHANGE HISTORY	CONTACT	APPROVING OFFICIAL
Initial	07/03/2014	N/a	OFBA/OFO/ OFM	William Collinson, Director, Office of Financial Management