



Bulletin: OCFO 19-01

Date: March 14, 2019

To: USDA Agencies

Subject: Intragovernmental Transactions (IGT) Reconciliation

PURPOSE

The purpose of this bulletin is to provide guidance for USDA Agencies in the accounting, reporting and reconciling of intragovernmental transactions in the USDA Consolidated Financial Statements and in accordance with the Treasury Financial Manual (TFM) Volume I, Part 2, Chapter 4700 Agency Reporting Requirements for the *Financial Report of the United States Government* (FR).

DEFINITIONS

Adjusted Trial Balance (ATB): This is a list of USSGL accounts with attributes and pre-closing adjusted balances prepared at a specified date.

Agency: A reporting entity for inclusion in the FR. “Agency,” “department,” and “entity” are used interchangeably.

AID: Agency Identifier

APCRD: Accounting Policy & Consolidated Reporting Division

Authoritative Source: A single agency performs a centralized function on behalf of all other federal agencies, e.g., DOL for FECA Benefits and OPM for Employee Benefits.

Bulk File: The budgetary and proprietary trial balance sent to Treasury Bureau of the Fiscal Service via GTAS, sometimes referred to as the GTAS file or GTAS Bulk File.

Closing Package: This methodology links agencies’ comparative, audited consolidated, department-level financial statements to the FR. The Closing Package is the data submitted by each Significant Entity for inclusion in the FR.

FMMI: Financial Management Modernization Initiative

FPAs: Federal Program Agencies

FSDW: Financial Statement Data Warehouse

G-Invoicing: A web-based pathway to facilitate the exchange of information and to complete all information needed for Buy/Sell IGT processing. G-Invoicing will manage the processing and approvals of Buy/Sell IGTs and activity between FPAs throughout the three stages of the transaction lifecycle.

Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS): GTAS is used to submit a pre-closing ATB for proprietary and budgetary data simultaneously in one bulk file submission.

INTR: A type of Sales Order used in FMMI for USDA intradepartmental agreements.

Intradepartmental: Transactions occurring between USDA Agencies. Intradepartmental is a subset of intragovernmental.

Intradepartmental Transaction Reconciliation System (ITRS): A web based application that compares pre-closing trial balances by reciprocal category and identifies reciprocal categories that are out of balance. Agencies can make manual entries to adjust USSGL balances for reconciliation of reciprocal categories. ITRS also generates elimination entries for unreconciled reciprocal categories that do not meet a material threshold. The ITRS website is https://www.nfc.usda.gov/ocfoitr/nfc_warning.asp.

Intragovernmental (IGT): Transactions and/or balances resulting from business activities conducted by two different Federal Government entities included in the Financial Report of the United States Government (FR).

Intragovernmental Payment and Collection (IPAC): An internet-based collection and payment system that facilitates IGT transactions between FPAs. It facilitates these transactions by transferring funds, with related descriptive data and Treasury Account Symbol/Business Event Type Code (TAS/BETC), from one FPA to another and posts the transaction data from both FPAs to their respective CARS Account Statements.

Nongovernmental: Transactions occurring between USDA organizations and other entities, such as states, localities, counties, sovereign governments, businesses, and individuals.

Providing Agency (PA): the Federal agency providing services, products, goods, transfer funds, investments, debt, and/or incurring the reimbursable costs. The providing agency is considered the seller for exchange transactions and the transferring-out entity when appropriations are transferred.

Receiving Agency (RA): The Federal agency receiving services, products, goods, transfer funds, purchasing investments and/or borrowing from Treasury (or other agency). The receiving agency is the purchaser for exchange transactions and the transferring-in entity when appropriations are transferred.

Reciprocal Category (RC): Pairings of related USSGL accounts that should be used by the providing and receiving agencies to reconcile like intragovernmental transactions and balances. It is also a pair of Closing Package financial statement Federal line items that will be used to perform elimination at the Governmentwide level.

Trading Partner (TP): An FR agency, department, bureau, or other Federal entity that is party to intragovernmental transactions with another FR agency. The PA and the RA that are party to the same transaction are trading partners.

BACKGROUND

Significant progress has been made over the past few years; however, the federal government continues to be unable to adequately account for and reconcile intragovernmental activity and balances between federal entities. Federal entities are responsible for properly accounting for and reporting their intragovernmental activity and balances in their consolidated financial statements. When preparing the consolidated financial statements, intragovernmental activity and balances between federal entities should be in agreement and must be subtracted out, or eliminated, from the financial statements. If the two federal entities engaged in an intragovernmental transaction do not both record the same intragovernmental transaction in the same year and for the same amount, the intragovernmental transactions will not be in agreement, resulting in errors (i.e., differences or unmatched amounts) in the consolidated financial statements. The Office of Management and Budget (OMB) and Treasury require the chief financial officers (CFO) of the significant component entities to reconcile, on a quarterly basis, selected intragovernmental activity and balances with their trading partners and resolve identified differences.

Although intradepartmental activity has not been identified as a material weakness or resulted in material misstatements for the USDA consolidated financial statements in the past several years, oversight of eliminating intradepartmental transactions continues to be identified as a key component in preparing the USDA consolidated financial statements. USDA Agencies will continue to utilize FMMI, FSDW and ITRS in the reconciliation of intragovernmental and intradepartmental transactions. FMMI contains the unique INTR feature to aid in the reconciliation of intradepartmental transactions.

The authoritative guidance for both intragovernmental and intradepartmental transactions is the TFM Volume I, Part 2, Chapter 4700.

RESPONSIBILITIES

The Chief Financial Officer (CFO) of each USDA Agency is responsible for reporting intragovernmental transactions according to policy.

It is the responsibility of each USDA Agency to record intragovernmental transactions and reconcile intragovernmental balances with their TPs in accordance with TFM Volume I, Part 2, Chapter 4700.

The CFO of each USDA Agency is responsible not only for the financial statements of their respective agency but also for reporting intradepartmental transactions according to policy for elimination in the USDA consolidated financial statements.

POLICY

USDA's policy is to use Generally Accepted Accounting Principles for the Federal Government; OMB Circular No. A-136 Financial Reporting Requirements; OMB No. A-11 Preparation, Submission, and Execution Of The Budget; and TFM Volume I, Part 2, Chapter 4700 Agency Reporting Requirements for the *Financial Report of the United States Government*, to record, process, summarize, reconcile, and report intragovernmental and intradepartmental transactions and balances by TP.

A \$250,000 minimum reconciliation threshold remains in effect for intradepartmental transactions. No difference greater than \$250,000 per reciprocal category may exist prior to quarter end close. The threshold for transactions within agency is \$0.

PROCEDURES

Intragovernmental

GTAS

Each month, the USDA Agencies prepare an ATB Bulk File for submission to Treasury Bureau of Fiscal Service via GTAS. The ATB Bulk File is verified by GTAS edits and validations. Once GTAS processes the ATB Bulk File, the status is provided on the 'My ATB Status' as 'Failed Validations', 'Failed Edits' or 'Passed Required Edits'. If the ATB Bulk File has failed edits and/or validations, the Agency will make the needed corrections and resubmit the ATB Bulk File in GTAS until all TAS have 'Passed Required Edits'. Corrections and adjustments are allowed daily during the GTAS Reporting Window.

Treasury Bureau Fiscal Service then compares the data from the USDA ATB Bulk Files with other Federal Government Entities ATB Bulk Files and identifies Material Differences by RC, USSGL and TAS on the GTAS IGT Module between USDA and its trading partners. Treasury also provides an IGT Raw Data File Report made available on the GTAS IGT Module for export in Excel.

Authoritative Sources

The USDA Agencies should reconcile authoritative source balances quarterly. Authoritative sources submit fiduciary balances each quarter to Treasury Bureau of Fiscal Service. The Investments and Borrowings (Fiscal Service and FFB) reports are made available beginning of each quarter. DOL FECA and OPM Benefits reports are made available around the 5th business day after the quarter ends. The USDA Agencies should reconcile authoritative source balances within \$100,000 or less. If authoritative source balances are not less than \$100,000, then USDA is considered non-compliant.

For more information on Authoritative Sources, go to TFM Volume I, Part 2, Chapter 4700 Appendix 10 Section 4.

Material Difference Reports

On a quarterly basis, Treasury requires the Material Differences to be explained and certified for Material Differences Reports Part I, II, III (G – General Fund) and III (Z- RC 29 Non-Reciprocating Federal Activity). USDA APCRCD also requires the USDA Agencies to provide additional explanations for material differences with Federal Trading Partners. The Material Differences Reports are identified as:

- Part I, Material Differences with Federal Trading Partners over \$100,000,000
- Part II, Material Differences with Federal Trading Partners over \$10,000,000 and less than \$100,000,000
- Part III (G), Material Differences with General Fund
- Part III (Z), RC 29 balances with no federal Agency Identifier (AID) or FR Entity
- Other, Material Differences with Federal Trading Partners \$1,000,000

USDA APCRCD will provide, via an email, to the USDA Agencies (1) an Excel pivot table (see Exhibit 1) using data from the IGT Raw Data File Report and (2) the GTAS Material Differences Explanation Reports (see Exhibit 2) for each Material Difference identified by the GTAS IGT Module. The pivot table includes the IGT Raw Data fields FR Entity, RC, USDA Main Account and Material Difference Amount. The explanation reports include the FR Entity Name, RC Name and Material Difference Amount. In the pivot table, the main accounts having a material contributing amount to the overall material difference or balance for the Department per RC is highlighted. USDA APCRCD will provide the pivot table and explanation reports within 2-3 business days after Treasury provides the IGT Raw Data File Report. USDA APCRCD will ensure the Agencies have a minimum of 3 business days to research material differences and balances for submission of explanations.

Exhibit 1: APCRCD Excel Pivot Table

Accounting Relationship	Reciprocal Category	USDA Main Account	Fund Family Name	AID Trading Partner	TP Main Account	USSGL	Total
12009900	30	1908					(3,300,000.00)
		1955					(198,000.00)
		2073					(990,000.00)
		3314					0.00
	30 Total						(4,488,000.00)
	38	0013					0.00
		0014					0.00
		0115					0.00
		0117					0.00
		0120					0.00
		0123					0.00
		0124					0.00

Exhibit 2: GTAS Material Differences Explanation Report

U.S. Department of the Treasury	
Bureau of the Fiscal Service	
Material Difference Report - Department of Agriculture	
Material Differences Report - Part I	
All Differences equal to or greater than	\$100,000,000.00
Fiscal Year: 2018 Period: 03 - December	
Trading Partner Information	
Agency Code (FR Entity)/Name: 1200 - Department of Agriculture	
Trading Partner Code (FR Entity)/Name: 9900 - General Fund of the U.S. Government	
Difference Details	
Affected Reciprocal Category:	38 - Expended Appropriations/Appropriations - Expended
Amount of Difference:	\$1,045,228,200.35
Corrective Action(s) Made (Please attach back-up when returning this form):	
Expected Corrective Action(s) Completion Date:	
Agency (1200 - Department of Agriculture) Explanation:	
Proposed Solution(s) or Corrective Action(s):	

For the Material Differences Report Part I, II, and III (G), USDA Agencies will provide USDA APCRD with a detail explanation of the material difference amount for the main account highlighted in the pivot table using the GTAS Material Differences Explanation Report. The USDA Agency should include in the GTAS Material Differences Explanation Report the Agency Name, the Agency’s contributing amount to the overall material difference and the explanation.

For the Material Differences Report Part III (Z), USDA Agencies will provide USDA APCRD with a detail explanation of the balance of the main account highlighted in the pivot table using the GTAS Material Differences Explanation Report. The USDA Agency should include in the GTAS Material Differences Explanation Report the Agency Name, the Agency’s contributing amount to the overall material difference and the explanation.

For the Material Differences Report ‘Other’, USDA Agencies will provide USDA APCRD with a detailed explanation of the material difference amount for the main account highlighted in the pivot table by email.

The Agencies CFO or designee is required to review and certify the Material Differences Report Part I, II, III (G & Z), and Other, and e-mail them to USDA APCRD. No signature is required if the agencies state in the e-mail that the CFO or designee reviewed the report.

USDA APCRD will review and consolidate agency responses and prepare the USDA Material Differences Report Parts I, II, and III consolidated explanations for input in the GTAS IGT Module. The USDA CFO or designee will review the consolidated explanations in the GTAS IGT Module and certify the Material Differences Report Parts I, II, and III by the Treasury Bureau of Fiscal Service GTAS Reporting Window Schedule due date for Material Differences.

USDA Agencies will retain transaction detail schedules and reconciliations for audit purposes and provide them to the Office of the Inspector General (OIG) or USDA APCRD as requested.

At the end of the fiscal year, the USDA ATB Bulk Files submitted to GTAS are used to produce Material Differences Reports for the 4th quarter and 5th quarter. Material Differences explanations provided for the 4th quarter are based on fiscal year end balances reported as of September 30. Material Differences explanations provided for the 5th quarter are based on Closing Package balances. The process will be the same as the quarterly process described above with the following exception: in addition to GTAS, the Governmentwide Financial Report System (GFRS) will be used to determine the material differences and the associated TPs.

Root Cause/Corrective Action Plan (CAP) Process

USDA is required to provide Treasury Fiscal Service with an IGT Differences Corrective Action Plan (CAP) Form for recurring differences of two or more quarters. The IGT Differences CAP Form is illustrated below (Exhibit 3).

Exhibit 3: IGT Differences CAP Form

IGT Differences Root Cause/CAP Form						
To be completed by Fiscal Service	Part I: Contact Information					
	Agency One : Department of Agriculture			Agency Two: General Services Administration		
	Contact Name: Dion Carter			Contact Name: Angela Evans		
	Email Address: Dion.Carter@cfo.usda.gov			Email Address: angela.evans@gsa.gov		
	Phone Number: (202) 720-4039			Phone Number: (202) 501-4499		
	Part II: Difference Details (attach any additional information)					
	List all quarters the difference has existed: Q2FY16, Q1FY16, Q5FY15, Q3FY15					
	Reciprocal Category (RC) involved: 22					
	USSGLs involved: 13100, 131900, 211000, 219000, 299000					
	Difference Amounts:					
Q#FY#	RC	Amount	Q#FY#	RC	Amount	
Q2FY16	22	\$97,563,687.43	Q3FY15	22	\$55,886,625.89	
Q1FY16	22	\$79,248,086.12				
Q5FY15	22	\$67,000,000.00				

Treasury Fiscal Services will initiate this process by providing USDA APCRD, and the respective TP, with the IGT Differences CAP form which contains the difference details and a targeted date of completion to resolve the difference. The difference details is based on the IGT Material Differences explanation provided by USDA and the respective TP.

USDA APCRD will work with both the USDA Agencies and the respective TP to determine the root cause of the difference, steps to reconcile and resolve the difference and a targeted date of completion.

IGT CAPs are expected to be completed within 12 months. USDA Agencies are expected to provide details of communicating with their respective TPs and actions to reconcile the difference to USDA APCRD upon request for IAAs specific to one USDA Agency. For instances when the difference is department-wide such as goods and services received from GSA, USDA APCRD will facilitate communication and reconciliation with the TP. USDA is expected to provide quarterly IGT CAP Quarterly Status Updates when differences are not resolved by the subsequent reporting quarter. See IGT CAP Quarterly Status Update Form (Exhibit 4) shown below.

Exhibit 4: IGT CAP Quarterly Status Update Form

IGT Corrective Action Plan (CAP) Quarterly Status Update	
<i>Note: Only the agency responsible for completing the CAP needs to provide the status update and return to Fiscal Service. See complete form instructions for details.</i>	
Part I: Contact Information	
Agency One : Department of Agriculture (1200)	Agency Two: General Services Administration (4700)
Contact Name: Dion Carter	Contact Name: Felicia Ford Jones / Angela Evans
Email Address: Dion.Carter@cfo.usda.gov	Email Address: felicia.fordjones@gsa.gov & angela.evans@gsa.gov
Phone Number: (202) 720-4039	Phone Number: (202) 501-3004 & (202) 501-4499
Part II: CAP Details	
Original CAP Quarter and FY: Q2 FY16	
Original CAP Difference: RC 22: \$97,563,687.43 RC 24: \$86,309,740.42	
CAP Details (what should be corrected to resolve the difference): USDA needs a process in place to book estimated accruals on their side. GSA needs to develop an automated process to gather intragovernmental data to provide to Trading Partners in a timely manner.	
Targeted Completion Date (Must match original submitted CAP or approved Extension Request): 6/30/18	
Part III: Difference Details	
Quarter and FY of Current Difference Amount: Q2 FY18	
Reciprocal Category(s) involved: RC 22 and RC 24	
USSGLs involved: 131000, 199000, 211000, 219000, 299000, 510000, 510900, 520000, 520900, 590000, 590900, 610000, 650000, 679000, 880100, 880200	
Current Difference Amount: RC 22: \$20,038,911.49 RC 24: \$33,767,892.93	
Part IV: Status Update (Attach any additional details). Agency Completes	

Further details of the IGT Root Cause/Correction Action Plan (CAP) process, go to TFM Volume I, Part 2, Chapter 4700 Appendix 10 subsection 2.3.3.

Dispute Resolution Process

The expectation of USDA Agencies is to exhaust all measures to reconcile and resolve IGT differences. When USDA Agencies are unable to resolve IGT differences with respective TPs, the USDA Agency CFO or CFO designee should request assistance from USDA APCRD. The USDA Agency CFO or CFO designee requesting assistance from USDA APCRD should provide support to include, but not limited, IAAs, emails, USSGL posting models, legislative guidance and IPAC documents.

If USDA APCRD and the Agency are unable to reconcile and/or resolve an IGT difference with a

respective TP, then USDA APCRD and the USDA Agency will work together to complete an [IGT Dispute Resolution Request Form](#). The USDA Agency CFO or CFO designee will be responsible for providing the relevant documentation and justifying argument. USDA APCRD will be responsible for reviewing, approving and submission of the IGT Dispute Resolution Request Form. The Dispute Resolution Process with Treasury Fiscal Service may take up to a year or longer to be completed. The difference amount will be identified with the respective TP and excluded from the USDA overall IGT Material Differences on the IGT Scorecard until resolved.

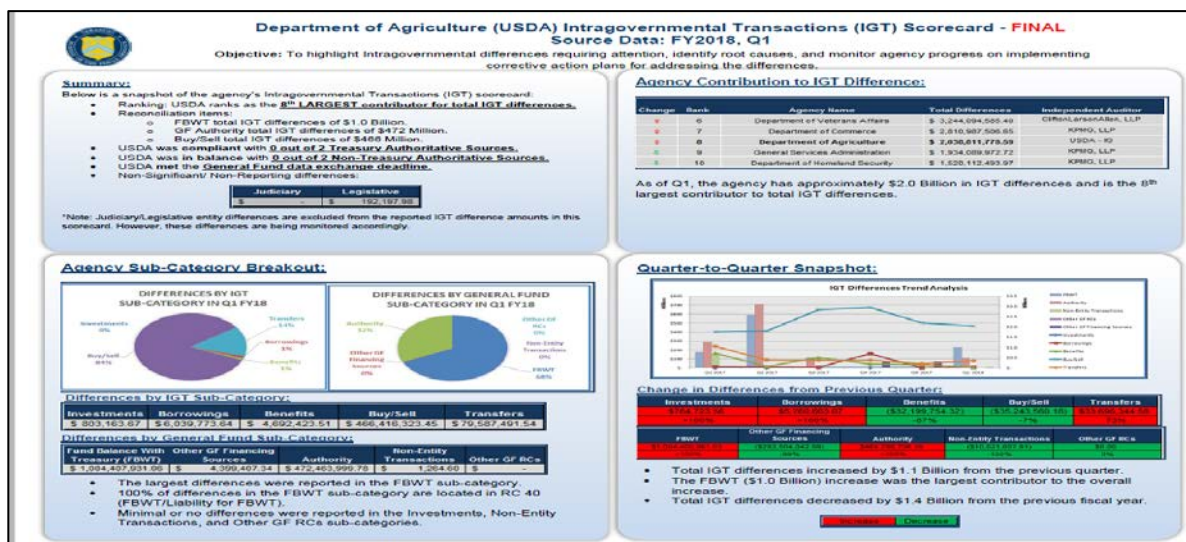
For more information of the IGT Dispute Resolution Process, go to TFM Volume I, Part 2, Chapter 4700 Appendix 10 subsection 2.3.4.

Measure IGT Activity/Scorecards

According to TFM Volume I, Part 2, Chapter 4700 Section 4706.30c, the Treasury Bureau of Fiscal Service implemented the IGT Scorecard (see Exhibit 5) and metrics to track reporting intragovernmental differences beginning in FY 2013. The purpose of the metrics is to monitor the progress on resolving or explaining material intragovernmental differences.

During the following quarter after a quarter end closing, USDA APCRD works with Treasury Bureau of Fiscal Service to identify root causes of material differences reported by USDA in the GTAS IGT Module. USDA APCRD also receives a quarterly draft IGT Scorecard and final IGT Scorecard based on the USDA GTAS ATB Bulk Files and Material Differences Explanations. Upon receipt of the draft IGT Scorecard, USDA APCRD coordinates with USDA Agencies to resolve challenges and reconcile balances with other federal trading partners. The results of USDA APCRD findings are reported to Treasury Bureau of Fiscal Service using Targeted Difference Forms (TDFs) and Corrective Action Plans (CAPs). The final version of the Treasury IGT Scorecard is posted on OMB MAX which includes all reporting federal entities in ranking order total material differences.

Exhibit 5: IGT Scorecard



For more information of the Measure of IGT Activity and Scorecard process, go to TFM Volume I, Part 2, Chapter 4700 Appendix 10 subsection 2.4.

General Fund

In 2011, the Treasury’s Deputy Secretary established General Fund as a component of the U.S. Government and the authority to manage the General Fund to Treasury Bureau of Fiscal Services. The General Fund is the central reporting entity for the U.S. Government. The General Fund AID is 099, the FR Entity is 9900 and the Fed/Non-fed attribute is G.

Note: The General Fund is not a trading partner for any Buy/Sell transactions.

USDA Agencies are responsible for reconciling all transactions with General Fund using Central Accounting Reporting System (CARS). If an USDA Agency has non-CARS transactions, USDA APCRD will report these balances, along with CARS balances, to General Fund by the eighth business day of each month using the General Fund Form. The USDA Agency is responsible for identifying the non-CARS transactions, then provide the balances per USSGL with GTAS attributes and supporting documentation to USDA APCRD via email using the General Fund Form.

During the Continuing Resolution (CR), USDA is responsible for providing General Fund with USSGL 109000 and USSGL 309000 balances which are not posted to CARS. USDA APCRD requests this data from the USDA Agencies using an Excel template or the General Fund Form during the end of a quarter. The data provided by the USDA Agencies should include the CR balances, USSGL, main account and supporting documentation such as calculations different from OMB Bulletin guidance.

Exhibit 6 illustrates the USSGL posting model for appropriations provided by a continuing resolution.

Exhibit 6: USSGL Continuing Resolution Scenario with General Fund

To record the Fund Balance With Treasury under a continuing resolution.

QTR 1	FPA (F 1XX)		The General Fund (G 099)		TC
	Debit	Credit	Debit	Credit	
<u>Budgetary Entry</u>					
411900 Other Appropriations Realized	100,000				A196
445000 Unapportioned Authority		100,000			
<u>Proprietary Entry</u>					
109000 ² G 099 Fund Balance With Treasury While Awaiting a Warrant	24,953				A197
309000 G 099 Unexpended Appropriations While Awaiting a Warrant		24,953			
309010 F 1XX Appropriations – Warrants to be Issued			24,953		HXX
209010 F 1XX Liability for Fund Balance While Awaiting a Warrant				24,953	

Advances

In accordance with TFM Volume I, Part 2, Chapter 4700 Section 9.4.2 – 4.3, USDA Agencies may permit the use of advance agreements for Buy/Sell transactions. If a request for an Advance Payment/Collection is exercised, the USDA Agency is responsible for the detailed accounting of the advance. The IAA 7600 Forms should be used as required for all Buy/Sell transactions. The IAA

7600A (GT&C) Form should cite the statutory authority allowing the advance and the IAA 7600B (Orders) Form should provide the proper USSGLs with GTAS attributes.

The specific USSGL identified in Advances is illustrated below in Exhibit 7.

Exhibit 7: USSGL Pairing of Eliminating Accounts for Buy/Sell

Reciprocal Category	Pairing of Eliminating Accounts for Buy/Sell Transactions			
	Agency 1–Receiving Agency		Agency 2–Providing Agency	
	USSGL Account	USSGL Account Title	USSGL Account	USSGL Account Title
23 Advances to Others and Prepayments/ Advances From Others and Deferred Credits	141000F(XXX)	Advances and Prepayments	231000F(XXX)	Liability for Advances and Prepayments
			232000F(XXX)	Other Deferred Revenue

G-Invoicing

In December 2016, Treasury Fiscal Service issued [TFM Bulletin No. 2017-03](#) which announced the G-Invoicing Initiative and Implementation. The bulletin requires all Federal Departments and Agencies to use G-Invoicing under the authority of 31 U.S.C. 3512(b) and 3513. The purpose of G-Invoicing is to offer an online portal to support the brokering of IGTs and facilitates the processing and approval of GT&Cs, Orders and Invoices, prior to IPAC settlement between federal trading partners.

In March 2018, Treasury deployed G-Invoicing Release 2.1 General Terms & Conditions (GT&C) as the first scheduled enhancement to the application which allows Agencies to broker and exchange IAA 7600A Form data. Treasury has provided a G-Invoicing Roadmap with the Release 2.2 Orders (IAA 7600B) in February 2019 and Release 2.3 Performance/IPAC Release 18.3 Invoices in August 2019. The scheduled G-Invoicing onboard for all FPAs is June 30, 2021. An Implementation Plan is due to Treasury Fiscal Service by May 31, 2019.

USDA APCRD began a phased-in approach of implementation to G-Invoicing in Q4 of FY 2018. The first phase included (1) completing GINV Enrollment forms, (2) Q&A testing, (3) GINV training, and (4) creating DAGs (Data Access Groups) driven by Agency Location Codes (ALCs). Each Agency will be contacted individually to establish a working group.

USDA APCRD will share details of G-Invoicing as they become available with the Agencies at the monthly Coordinating Committee meetings. Further G-Invoicing details are available at [TFM Part 6 Chapter 4000](#) and [G-Invoicing](#).

Intradepartmental

ITRS

ITRS is loaded monthly with USSGL proprietary balances from FSDW via FMMI on the Required Completion Date in the Financial Management Key Milestones and Due Dates as shown in Exhibit 8.

Exhibit 8: Financial Management Key Milestones and Due Dates

FY 2018 Financial Management Key Milestones and Due Dates						
Item No.	Task Description	Responsible Area	Frequency (Monthly, Quarterly, Annually)	Required Completion Date	Actual Completion Date	Comments
1-07	Import accounting period 03/FY2018 Intradepartmental balances as of 12/27/2017 from GTAS file to ITRS	ACFO-FO/ Agencies	M	12/28/2017	12/28/2017	
1-08	ITRS closes for 1st quarter	ACFO-FO	M	1/3/2018	1/11/2018	

In the 4th quarter of the fiscal year, ITRS is loaded twice for the month of September. The balances not loaded in ITRS from FSDW should be entered manually or through the auto-file (bulk file) load feature available through the ITRS website.

ITRS shows the differences between USSGL balances within the RC. It should be the Agencies' goal to reconcile and reduce differences to \$0, if possible, to decrease the amounts that ITRS automatically adjusts into TP 00.

Agencies are required to communicate with their trading partners by exchanging transactional detail data which supports their respective ITRS balances.

Any adjustments/accruals recorded in the general ledger (FSDW and/or FMMI) for TP 012 transactions after ITRS is loaded must be manually adjusted in ITRS. The Agencies' ITRS balances must match the Agencies' general ledger.

Agencies should review the ITRS Issues List to reconcile rejected TP 012 balances. The rejected imported records that require action will be highlighted in yellow. Agencies reporting abnormal balances must understand, explain, and/or adjust those balances.

OCFO APCRD will close ITRS as soon as possible after the end of the period. Any differences that remain after ITRS is closed will be automatically adjusted in ITRS. The lower of the two balances will be adjusted up to match the higher of the two values in ITRS. Since USDA uses double entry accounting, the other side of the entry will be to the same USSGL account using AID 999, the code for the unknown TP.

For example, if Agency OCFO is showing a balance of \$1,696.80 in USSGL 131000F(012) and Agency AMS is showing a balance of \$25,995.78 in USSGL 219000F(012), then Agency OCFO USSGL 131000F will be adjusted up from \$1,696.80 to \$25,995.78. The difference amount of \$27,692.58 will be a credited to USSGL 131000F(999). Exhibit 9 illustrates the balances before the adjustment.

Exhibit 9: ITRS OCFO Reciprocal Accounts Detail Report – August 2018

Reciprocal Account Detail Report : Office of the Chief Financial Officer							Go to Summary Report >>		
Elim. Type	Agency	OCFO SGL Account	OCFO Balance	Partner	Partner SGL Account	Partner Balance	Difference		
D	00	OCFO 1310	1,696.80	45 Agricultural Marketing Service	2190	25,995.78	27,692.58		
D	00	OCFO 1310	0.00	18 Agricultural Research Service	2190	0.00	0.00		
D	00	OCFO 1310	1,802,731.02	32 Animal and Plant Health Inspection Serv...	2190	0.00	1,802,731.02		
M	00	OCFO 1310	0.00	05 Departmental Administration	2190	-23,136.07	-23,136.07		
D	00	OCFO 1310	2.80	68 Foreign Agricultural Service	2190	0.00	2.80		
D	00	OCFO 1310	8,199,167.56	96 Forest Service	2190	0.00	8,199,167.56		

Note the balance for USSGL 219000F(012) did not change. The reciprocal accounts are now a balanced elimination pair, USSGL 131000F is \$25,995.78 and USSGL 219000F is \$25,995.78 as shown in Exhibit 10. After the elimination entries are calculated, there should be no other TP 012 activity because the activity will not be eliminated.

Exhibit 10: ITRS OCFO Adjustment Worksheet – August 2018

Adjustment Worksheet : Office of the Chief Financial Officer												
Elim. Type	Agency	OCFO SGL Account	OCFO Balance	Adjustment	OCFO Adjusted Balance	Partner	Partner SGL Account	Partner Balance	Adjustment	Partner Adjusted Balance	Difference	
00	M	OCFO 1310	0.00	0.00	0.00	77 OCIO	2190	0.00	0.00	0.00	0.00	
00	M	OCFO 1310	0.00	23,136.07	23,136.07	05 DA	2190	-23,136.07	0.00	-23,136.07	0.00	
00	M	OCFO 1310	35,283.75	0.00	35,283.75	03 SEC	2190	0.00	-35,283.75	-35,283.75	0.00	
Intra-Mission Total			35,283.75	23,136.07	58,419.82			-23,136.07	-35,283.75	-58,419.82	0.00	
00	D	OCFO 1310	8,199,167.56	0.00	8,199,167.56	96 FS	2190	0.00	-8,199,167.56	-8,199,167.56	0.00	
00	D	OCFO 1310	-6,273.57	0.00	-6,273.57	53 NRCS	2190	0.00	6,273.57	6,273.57	0.00	
00	D	OCFO 1310	228,031.43	0.00	228,031.43	55 RD	2190	0.00	-228,031.43	-228,031.43	0.00	
00	D	OCFO 1310	2.80	0.00	2.80	68 FAS	2190	0.00	-2.80	-2.80	0.00	
00	D	OCFO 1310	162,603.24	0.00	162,603.24	37 GIPSA	2190	0.00	-162,603.24	-162,603.24	0.00	
00	D	OCFO 1310	0.00	0.00	0.00	18 ARS	2190	0.00	0.00	0.00	0.00	
00	D	OCFO 1310	1,802,731.02	0.00	1,802,731.02	32 APHIS	2190	0.00	-1,802,731.02	-1,802,731.02	0.00	
00	D	OCFO 1310	1,696.80	-27,692.58	-25,995.78	45 AMS	2190	25,995.78	0.00	25,995.78	0.00	
Intra-Departmental Total			10,387,959.28	-27,692.58	10,360,266.70			25,995.78	-10,386,262.48	-10,360,266.70	0.00	

Treasury Bureau of Fiscal Service monitors AID 999 balances. The smaller the TP differences in ITRS, the smaller the effect on GTAS AID 999 balances.

OCFO APCRD will notify the Agencies when they can download their adjusted balances from the ITRS website. These balances should be used to adjust the ATB Bulk File so the balances reconcile with the Agencies' financial statements. The ITRS Adjustment Worksheet may also be exported using Excel. OCFO APCRD then runs the Elimination Entries by Agency worksheet using Excel and sends to FSDW via email.

Correct reporting of the current period is the goal and ITRS is one of the tools used to achieve that goal. Errors should not be perpetuated from period to period. Missed or incorrectly recorded accruals from prior fiscal years should be analyzed so that the current year is stated correctly and a request for a potential prior period adjustment should be made to OCFO APCRD for evaluation in accordance with [OCFO Bulletin 18-02](#).

Each quarter, ITRS opens before the end of the period and the goal is to make adjustments in the system while the period is still open. Agencies are required to reconcile ITRS with FSDW for TP 012 to prevent differences between the ATB Bulk File and the financial statements. There is a \$0 threshold for TP 012 differences between the ATB Bulk File and the financial statements.

The Agencies should use the FSDW Trial Balance and the ITRS Adjustment Worksheet to reconcile TP 012 balances to \$0. The FSDW Trial Balance will include balances loaded from FMMI and FSDW. The ITRS Adjustment Worksheet will include balances loaded in ITRS from FSDW and ITRS adjustments, both manual and automated. The manual adjustments entered by the Agencies are included in the Agency Balance column and the automated adjustments are highlighted in **RED** on the ITRS Adjustment Worksheet in the Adjustment column. All manual and automated adjustments should be posted in FSDW.

After ITRS is closed at quarter end, APCRD will monitor and distribute daily the FSDW TP 012 vs ITRS Eliminations Report to the Agencies (see Exhibit 11). The report provides the differences between FSDW and ITRS. The report will also be distributed daily, or as needed, until all differences are \$0. The Agencies are required to submit adjustments for differences as follows:

Exhibit 11: FSDW TP 012 vs ITRS Eliminations Report – OCFO

Agency	GI Account	FSDW Ending Balance	ITRS Eliminations	Difference
CF00	131000	-\$23,236.80	-5,733.35	-28,970.15
CF00	134000	\$0.00		0.00
CF00	211000	\$0.00	0.00	0.00
CF00	219000	-\$516,187.48	543,720.89	27,533.41
CF00	310200	-\$1,132,324.63	1,132,324.63	0.00
CF00	310300	\$1,125,976.81	-1,125,976.81	0.00
CF00	520000	-\$138,651,839.21	138,841,132.18	189,292.97
CF00	572000	-\$140,469.00	140,469.00	0.00
CF00	573000	\$140,469.00	-140,469.00	0.00
CF00	575500	-\$38,633,416.60	38,633,416.60	0.00
CF00	576500	\$58,864,349.64	-58,864,349.64	0.00
CF00	610000	\$31,946,285.91	-31,756,821.72	189,464.19
CF00	640000	\$14,870.78		14,870.78

Difference Over \$250,000 (Manual Adjustments)

- Provide APCRD with an adjustment form for the manual adjustment to ITRS
- Enter the manual adjustment in FSDW

Difference Under \$250,000 (Automated Adjustments)

- Enter the automated adjustment in FSDW

All adjustments entered in FSDW should net to zero. The adjustments should be a double-entry (debits and credits equal) with one side posting to TP 012 and the offsetting side posting to TP AID 999 with TP Main Account Code 9999.

The Agencies should use an adjustment form for all manual adjustments to ITRS. Each Agency should follow their respective internal policy for approval of adjustment entries. All manual adjustments submitted to APCRD for ITRS require a preparer name, approving official name and an approving official signature.

INTR

The INTR process is for transactions between two USDA FMMI Agencies. Only the vendor agency can initiate a transaction, therefore, INTR transactions are either collections or refunds from the vendor agency. The IPAC Control Section (ICS) normally runs INTR jobs on Mondays, Wednesdays, and Fridays, with the exception of the last-two-business days of the month. These INTR jobs retrieve all outstanding A/R documents, that were created either through the Sales Order process, by Resource Related Billing and Working Capital Funds, or by direct accounting (FI documents). And cash will be posted against these receivables only when all INTR FMMI edits are met. Such edits include validating the customer's Purchase Order (PO), which ensures the customer record and trading partner TAS referenced in the Sales Order (SO) or FI document are matching with the business area and fund in the PO.

Once cash is posted to the AR documents, ICS will then run the payable clearing job. Based on those cleared AR documents, the payable clearing job will create AP documents against the PO. If there is sufficient budget, cash will be posted to the AP documents. In the case of insufficient budget available on the PO, the INTR clearing job will automatically reverse the AP document and the cash associated with the receivable. The AR document will remain in "open" status and ICS will exclude the AR document from future INTR runs until the budget issue for the PO is resolved.

ICS will email the FMMI user who created the AR document or PO of any INTR FMMI rejects or exclusions via the INTR Rejects Report or the Exclusion List.

- If the reject relates to the AR document, it will be shown in the INTR Rejects Report. The report identifies the error preventing the A/R document from processing in the INTR payment run. Once the agency resolves the error in FMMI, the open A/R document will be processed in the next INTR payment run.
- If the reject is AP related, the Exclusion list will provide the accounting line with insufficient budget. The AR document will be included in the next INTR run only if the PO is corrected.

Transfers

In most cases, transfers are limited to non-exchange transfers (NET). All transfers must be authorized by law. Each Agency should maintain detailed supporting documentation specific to each transfer.

FMMI Agencies must contact their trading partner Agency by email to notify their trading partner of the transfer amount and the reciprocal category with USSGL where the entry will be recorded.

FMMI transfer documents are entered with key elements including trading partner numbers. The Agency sending the funds will enter the trading partner number of the RA. The RA enters the trading partner number of the sending Agency.

Agencies will check CARS daily to monitor warrant and transfer activity that is POSTED or PENDING. When an Agency notices a warrant or transfer has been posted, they can extract a copy of the audit log, the transfer detail screen, and the Warrant or Transfer Authorization.

Accruals

When an accrual is necessary to record or reconcile intradepartmental transactions, Agencies must contact their trading partner Agency by email to notify them of the accrual amount and the reciprocal category with USSGL of the journal entry to be recorded. The trading partner must acknowledge the notification by return email. No accruals should be entered into the accounting system (FMMI and FSDW) without a trading partner acknowledgement. Accruals should be entered before the bulk file is loaded into ITRS, explained above. The need for accruals should be minimized by sweeping the A/P accounts when INTR payments are made. Accruals should be made per agreement and not combined with other accruals.

An accrual should not be recorded for revenue when an INTR sales order document has been created for a reimbursable agreement. The INTR sales order billing process will record revenue and a receivable. The PA and RA will need to communicate when no collection has occurred for a billing to reconcile ITRS differences. The INTR sales order billing process eliminates the need to record a revenue accrual.

Cutoff Date

Agencies with different cutoff dates will make every effort to move their dates to conform to the rest of the Department. If they cannot, they should consider using estimates and not post the actual unless the difference is material.

Unprocessed IPAC bills should be cleared before the ITRS bulk file is loaded. FMMI billing rejects should be cleared by the date that ITRS is loaded.

All Greenbook and WCF transactions should be recorded by the date that ITRS is loaded.

INQUIRIES

Questions concerning this bulletin should be directed to Dion Carter at dion.carter@usda.gov or (202) 720-4039.

EFFECTIVE DATE

This bulletin supersedes OCFO Bulletin 13-01 Intradepartmental Transactions Reconciliation, dated March 6, 2013, and OCFO Bulletin 11-01 Intragovernmental Transactions Reconciliation, dated July 8, 2011, and is effective immediately.

/s/

Stanley McMichael
Associate Chief Financial Officer for Financial Operations