MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

JULY 13, 2023

EFFECTIVE DATE

(07-13-2023)

PURPOSE

(1) This transmits revised IRM 1.33.3, Strategic Planning, Budgeting and Performance Management Process; Reimbursable Operating Guidelines.

MATERIAL CHANGES

(1) IRM 1.33.3.1, Program Scope and Objectives, updated to comply with IRM Style Guide requirements.

(2) IRM 1.33.3.1.1, Background, updated to include the FY 2023 Fiscal Service government-wide mandate and implementation of Government Invoicing (G-Invoicing).

(3) IRM 1.33.3.1.2, Authorities, added Treasury Financial Manual Federal Entity Reporting Requirements and G-Invoicing authority.

(4) IRM 1.33.3.1.3, Responsibilities, updated to reflect organizational name changes and IRM Style Guide formats.

(5) IRM 1.33.3.1.3.1, CFO and Deputy CFO, updated to reflect current responsibilities.

(6) IRM 1.33.3.1.3.2, Associate CFO for Corporate Budget, added section.

(7) IRM 1.33.3.1.3.2.1, Budget Execution office, updated to reflect existing processes.

(8) IRM 1.33.3.1.3.2.2, Cost and User Fees office, underwent recent CFO reorganization. This office now reports to the Associate CFO for Corporate Budget. The organizational name was revised from Cost Accounting and User Fees to Cost and User Fees (CUF).

(9) IRM 1.33.3.1.3.3, Senior Associate CFO for Financial Management, underwent a recent CFO reorganization and the office name changed and personnel reassignments occurred.

(10) IRM 1.33.3.1.3.3.1, Associate CFO for Revenue Accounting, underwent a recent CFO reorganization causing office name changes, and some office reporting adjustments.

(11) IRM 1.33.3.1.3.3.1.1, Financial Management Systems office, underwent a recent CFO reorganization causing office name changes, and some office reporting adjustments.

(12) IRM 1.33.3.1.3.2, Associate CFO for Corporate Accounting, underwent a recent CFO reorganization causing office name change, and some office reporting adjustments.

(13) IRM 1.33.3.1.3.3.2.1, Financial Reporting and Analysis office, underwent a recent CFO reorganization and now reports to the Associate CFO for Corporate Accounting.

(14) IRM 1.33.3.1.4, Program Management and Review, updated to reinforce reimbursables program accounting and reporting responsibilities during the Corporate Budget mid-year and uncommitted balance review processes.

(15) IRM 1.33.3.1.5, Program Controls, revised to emphasize the reimbursable accounting and reporting responsibilities of business unit finance offices.

(16) IRM 1.33.3.1.6, Terms/Definitions, revised to incorporate more recent G-Invoicing related definitions and to refer reader to those definitions in common with the Financial Operating Guidelines (FOG) to reduce duplicative definitions.

(17) IRM 1.33.3.1.7, Acronyms, minor updates included.

(18) IRM 1.33.3.1.8, Related Resources, updated to include relevant Fiscal Service G-Invoicing references among others.

(19) IRM 1.33.3.2, Apportionment, updated to reflect current processes.

(20) IRM 1.33.3.2.1, Reimbursable Plan Management, new section to clarify administrative requirements.

(21) IRM 1.33.3.2.2, Agreement Budget Authority Alignment, updated to clarify requirements.

(22) IRM 1.33.3.3, Financial Policies, new section reorganizing the ROG by grouping financial policies under four main stages that impact the execution of each agreement during the course of the fiscal year.

(23) IRM 1.33.3.3.1, Execution and Funds Control of Reimbursable Services, new section grouping these financial policies.

(24) IRM 1.33.3.3.2, Operational Policies and Procedures, new section grouping these policies and procedures.

(25) IRM 1.33.3.3.2.1, Agreements, updated to detail G-Invoicing implications and treatment of agreements either transitioning or using pre-existing procedures.

(26) IRM 1.33.3.3.2.2, Agreement Statutory Authority, updated to emphasize using more specific statutory authorities to suit reimbursable work.

(27) IRM 1.33.3.3.2.3, Federal G-Invoicing Program Mandate, updated to provide general transition points and Fiscal Service references.

(28) IRM 1.33.3.3.2.4, Federal Agreements, updated to include G-Invoicing transition and references.

(29) IRM 1.33.3.3.2.5, Non-Federal Entity Agreements, updated to reference website for agreement form.

(30) IRM 1.33.3.3.2.6, Agreement Approval Process, revised to include G-Invoicing.

(31) IRM 1.33.3.3.2.6.1, Agreement Authorizing Officials and Delegation Orders, updated text to reflect Delegation Order 1-62, Signing Agreements with Federal Program Agencies for Intragovernmental Buy/Sell Reimbursable Transactions and Non-Federal Reimbursable Agreements.

(32) IRM 1.33.3.3.2.7, Agreement Modifications, new section to clarify modifications and closing requirements.

(33) IRM 1.33.3.3.2.8, Cost Estimate Standards and Procedures, renumbered hierarchy and added references.

(34) IRM 1.33.3.3.2.8.1, Direct Costs, renumbered and added related IRM references for direct costs.

(35) IRM 1.33.3.3.2.8.2, Indirect and Overhead Costs, renumbered and added IRM 1.33.5, Managerial Costing reference.

(36) IRM 1.33.3.3.2.8.3, Full Cost Estimating, updated IRM and forms references.

(37) IRM 1.33.3.3.2.8.4, Approval of Direct, Indirect, and Overhead Costs, new section to clarify requirements.

(38) IRM 1.33.3.3.3, IFS Budget and Accounting Procedures, updated to reflect new processes.

(39) IRM 1.33.3.3.3.1, Forecast and Sales Order Processing, updated to reflect new processes.

(40) IRM 1.33.3.3.3.2, Billing and Payment Processing, updated to reflect current processes.

(41) IRM 1.33.3.3.3.3, Monthly Reporting Schedules and Compliance, updated to emphasize the critical importance of meeting the Monthly Treasury Statements reporting deadlines and collaboration.

(42) IRM 1.33.3.3.3.4, IFS Transactions, updated and revised titles.

(43) IRM 1.33.3.3.3.5, IFS Financial Codes, updated for new transactions and G-Invoicing.

(44) IRM 1.33.3.3.3.5.1, Funded Program Codes, updated with general G-Invoicing statements.

(45) IRM 1.33.3.3.3.5.2, Work Breakdown Structure Codes, added new G-Invoicing related coding and general statement.

(46) IRM 1.33.3.3.3.6, Government Payables and Funds Management Office Mailing Addresses and Contacts, updated to reflect current addresses and federal wire transfer option.

(47) IRM 1.33.3.4, Closeout of Reimbursable Agreements, updated with current references.

(48) IRM 1.33.3.5, Prior Year Settlements and Refunds, updated OMB Circular A-11 website reference.

(49) Minor editorial changes made throughout the IRM.

(50) Prior IRM 1.33.3.5.3, Performance/Cash Awards, was deleted since there was only one incidence of this occurring.

EFFECT ON OTHER DOCUMENTS

IRM 1.33.3, dated April 02, 2020, is superseded. This IRM incorporates Interim Guidance Memorandum CFO-01-0321-0001, Interim Guidance: Use of G-Invoicing for Intragovernmental Transactions, dated July 19, 2021.

AUDIENCE

The IRS business unit budget community involved in establishing and processing federal Intragovernmental and non-federal transactions.

Teresa R. Hunter
Chief Financial Officer

1.33.3

Reimbursable Operating Guidelines

Table of Contents

1.33.3.1 (07-13-2023) Program Scope and Objectives

(1) Purpose: The Reimbursable Operating Guidelines (ROG) are internal funds control guidance developed to assist division finance officers (DFOs), financial plan managers (FPMs) and related staffs with establishing, costing, and approving agreements. The ROG also assists with the accounting, billing, and collection of reimbursable funds owed to the IRS.

(2) Audience: The RS business units, particularly finance offices and program offices which provide reimbursable services to federal and non-federal entities.

(3) Policy Owner: The CFO, Corporate Budget (CB) office is responsible for policy decisions reflected in the ROG.

(4) Program Owner: The ROG is published by CB. Comments and change requests may be submitted to the CB Director, Budget Execution Office. Future revisions, including interim guidance, will be posted to the *CFO website*.

(5) Primary Stakeholders: All IRS management and all CFO and business unit budget and finance staff.

(6) Program Goals: To ensure the IRS reimbursable agreements meet statutory and regulatory requirements, the costing methods employed are thorough, negotiations are sound, accounting procedures are properly applied and trading partner differences are resolved timely.

Note: In the event of a Continuing Resolution (CR), related guidance specific to the CR and CR period will be posted on the *CFO website* and will supersede this IRM, where applicable.

1.33.3.1.1 (07-13-2023) Background

(1) This IRM addresses Seller reimbursable activity where the IRS functions as the provider of reimbursable goods and/or services. These guidelines do not apply to Buyer agreements where the IRS procures services from other governmental and non-governmental entities.

(2) The Office of Management and Budget (OMB) requires that agencies develop and implement funds control regulations and operational guidance for reimbursable agreements. This requirement is set out in OMB Circular A-11, Part 4 Section 150, Administrative Control of Funds.

(3) Treasury requires standardized, Treasury-wide policies and procedures for preparing, processing, executing, administering, and closing-out of reimbursable agreements. These guidelines reinforce standard processes and consistent treatment in the Servicewide administration of the reimbursable agreement program.

(4) The Antideficiency Act (ADA) also requires all government agencies to prescribe, by regulation, a funds control system. The funds control system is intended to:

a. Restrict obligations and expenditures from each appropriation or fund account to the lower of the amount apportioned by OMB or the amount available in the appropriation or fund account.
b. Enable the agency head to identify the person(s) responsible for exceeding appropriations, apportionments, allotments, statutory limitations or other administrative subdivisions of funds.

(5) Reimbursable obligations and expenditures must be recorded timely and accurately to ensure the IRS is compliant with U.S. fiscal law, including the ADA.

(6) This IRM includes high-level Treasury, Fiscal Service G-Invoicing implementation guidance and procedures. At the time of publishing, the IRS had not fully integrated its IFS accounting system with G-Invoicing to be capable of exchanging all of the Stage 1-4 transactions with other participating trading partners.

(7) This IRM includes accounting guidance for recording and transferring expenses between the IFS Direct Fund and Reimbursable Fund accounts.

(8) G-Invoicing implementation updates can be found in the Treasury Financial Manual (TFM), Volume 1, Bulletin No. 2022-03, G-Invoicing Implementation Updates. IRM 1.33.3.3.2.3, Federal G-Invoicing Program Mandate.

1.33.3.1.2
(07-13-2023)
Authorities

(1) The authorities for this IRM include:

a. *The Antideficiency Act, Pub. L. 97-258, 96 Stat. 923,31 USC 1341-1342*
b. *The Economy Act of 1933, (31 USC 1535-1536)*
c. *Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 100-707, 42 USC 5147)*
d. *The Intergovernmental Cooperation Act of 1968, (31 USC 6505)*
e. *TFM Chapter 4700, Federal Entity Reporting Requirements*

1.33.3.1.3
(07-13-2023)
Responsibilities

(1) This section provides funds control responsibilities for:

a. CFO and Deputy CFO
b. Associate CFO for Corporate Budget
c. Budget Execution Office
d. Cost and User Fees Office
e. Senior Associate CFO for Financial Management
f. Associate CFO for Revenue Accounting
g. Financial Management Systems Office
h. Associate CFO for Corporate Accounting
i. Financial Reporting and Analysis Office
j. Government Payables and Funds Management
k. Business Units

1.33.3.1.3.1
(07-13-2023)
CFO and Deputy CFO

(1) The CFO and Deputy CFO are responsible for:

a. Providing oversight and accountability for the IRS reimbursable program.
b. Establishing the guidelines, overseeing and approving the Reimbursable Operating Guidelines (ROG).
c. Approving and issuing the IRS financial management guidance governing the reimbursable program.

1.33.3.1.3.2
(07-13-2023)
Associate CFO for Corporate Budget

(1) The Associate CFO for Corporate Budget is responsible for:

a. Ensuring effective internal controls are in place to maintain the integrity of the reimbursable program.
b. Ensuring the IRS does not violate the ADA at the agency level.

1.33.3.1.3.2.1
(07-13-2023)
Budget Execution Office

(1) The Budget Execution office is responsible for:

a. Developing and implementing the Service's administrative policies and procedures governing the reimbursable program such as this IRM.
b. Providing oversight of the execution of the reimbursable program as a whole and of all reimbursable agreements.
c. Developing the reimbursable program fiscal year overhead rate memo and rate worksheet.
d. Reviewing and approving business unit reimbursable agreements, and supporting cost estimates.
e. Reviewing and posting the forecast of revenue and allocating budget in IFS for non-G-Invoicing agreements.
f. Reviewing and approving the IFS G-Invoicing sales orders developed by business units and then allocating respective budgets to business units.
g. Establishing the IFS apportionment level and then allocating the IFS budget and FTE to the agreement authorization level.
h. Assessing whether particular reimbursable agreements should be reviewed by the Financial Reporting and Analysis office to ensure budget reporting and analysis requirements are in compliance.
i. Responding to Treasury, OMB, Congress, GAO, TIGTA, the IRS Internal Controls Office, and other stakeholders on issues related to reimbursables.
j. Developing reimbursable budget projections for the next fiscal year to support the reimbursable budget formulation and apportionment processes.
k. Monitoring apportionment availability to ensure reimbursable earnings do not exceed apportionments. Requesting appropriate apportionment increases if warranted.
l. Establishing and maintaining financial codes to track reimbursable agreements.
m. Supporting reimbursable year-end close activities.

1.33.3.1.3.2.2
(07-13-2023)
Cost and User Fees Office

(1) The Cost and User Fees office is responsible for:

a. Developing the reimbursable overhead costing methodology and fiscal year overhead rate.
b. Establishing and maintaining appropriate IRS Cost and User Fees office policies and procedures.
c. Advising business units on standards for reimbursable agreement cost estimating and accounting methodologies and requirements.
d. Facilitating the establishment of new IFS reimbursable agreement internal order codes and G-Invoicing Sales Order tracking codes.

Note: The *Cost and User Fees office* was part of a recent CFO reorganization and now reports to the Associate CFO for Corporate Budget.

1.33.3.1.3.3
(07-13-2023)
Senior Associate CFO for Financial Management

(1) The Senior Associate CFO for Financial Management provides executive direction for the Financial Management organization, including administering, monitoring and reporting on federal and non-federal reimbursable resources and collections.

1.33.3.1.3.3.1
(07-13-2023)
Associate CFO for Revenue Accounting

(1) The ACFO for Revenue Accounting centrally manages and supports the IRS-wide Financial Management Systems that are a mainstay of the IGT and non-federal accounting and reporting processes referenced below.

1.33.3.1.3.3.1.1
(07-13-2023)
Financial Management Systems Office

(1) The Financial Management Systems office is responsible for:

a. Overseeing the IRS's data integrity, user security controls for IFS Operations and maintenance, and the fiscal year-end close.
b. Establishing and maintaining the IRS internal financial management systems policies and procedures.
c. Serving as the IRS G-Invoicing owner on systems integration necessary to conform to the Fiscal Service G-Invoicing Platform requirements and other systems requirements.
d. Issuing ongoing G-Invoicing implementation communications and status reporting to the business unit finance community.
e. Ensuring IFS G-Invoicing related system user guides and training materials are available to business unit financial management staffs to be able to effectively engage with G-Invoicing federal trading partners on executing IGTs.

1.33.3.1.3.3.2
(07-13-2023)
Associate CFO for Corporate Accounting

(1) Ensures proper accounting and timely reporting of the IRS appropriated funds and federal financial reporting requirements.

(2) Provides effective oversight and complies with accounting standards and internal controls per the CFO Act, the Federal Accounting Standards and Advisory Board (FASAB), Treasury, OMB, and federal financial system requirements. The reimbursables programs and collections processes are required to be in compliance with these accounting standards.

(3) Serves as the owner of the IRS's financial management systems.

1.33.3.1.3.3.2.1
(07-13-2023)
Financial Reporting and Analysis Office

(1) The Financial Reporting and Analysis office is responsible for:

a. Monitoring, reviewing and analyzing reimbursable activity for the IRS financial statement reports and Standard General Ledger (SGL) accounts.
b. Providing guidance on reimbursable financial reporting matters, as appropriate, through its CB and Government Payables and Funds Management (GPFM) office counterparts.
c. Reviewing and approving new agreements identified by CB that may require billing arrangements that are outside of the traditional monthly billing arrangements for federal agreements or advance payments for non-federal agreements. For example, some agreements may require more frequent, pre-determined cycle payments..

1.33.3.1.3.3.2.2
(07-13-2023)
Government Payables and Funds Management Office

(1) The Government Payables and Funds Management office is responsible for:

a. Verifying that an approved, fully signed agreement is received prior to processing any billing.
b. Monitoring individual project earnings statuses and following up with business units when earnings and billing frequency are noncompliant with agreement terms and conditions.

c. Processing project earnings in IFS by recognizing earnings, recording earnings, and billing and collecting earnings.
d. Validating the accuracy of submitted earnings documents (Form FV50).
e. Informing the Servicewide Reimbursables Team (SRT) and the business unit reimbursable coordinator when advance payments are received by the GPFM office.
f. Ensuring each agreement contains a valid master data customer number and obtaining a customer number when one has not yet been established.
g. Maintaining all submitted documents in respective project files.

1.33.3.1.3.4
(07-13-2023)
Business Units

(1) Business units are responsible for the financial oversight, management, and funds control of their respective reimbursable agreements. General responsibilities include:

a. Ensuring a binding agreement is authorized between the IRS, as the Seller, and the customer, as the Buyer, before reimbursable work begins.
b. Ensuring agreement terms and conditions comply with appropriations law principles and are negotiated, finalized and signed by the buyer and seller delegated signing officials and reviewed and approved by Corporate Budget.
c. Notifying CB when revisions to the agreement cost estimate become necessary and then following up with the agreement modification package and revised cost estimates for review and approval by the SRT.
d. Maintaining agreement related documentation on receipt of reimbursable apportionment, statutory authorities, legal opinions, among other types of justification.
e. Applying basic accounting principles and practices to establish the agreement budget cost estimates, which may include the direct, indirect, overhead, forecast of revenue or sales order cost estimates, and the Full-Time Equivalents (FTEs) personnel estimate.
f. Monitoring and maintaining IFS reimbursable cost estimates and FTEs and making prompt corrections to accounting errors and misalignments on a monthly basis.
g. Promptly parking accurate earnings in IFS according to the agreement billing frequency and addressing errors and misalignments on a monthly basis.
h. Maintaining an official, audit-worthy, record-keeping version, and final copy of the signed reimbursable agreement. This should include cost calculations, supporting documentation, and/or the basis for amendments to the agreement.
i. Ensuring a reimbursable earnings and collections are received in accordance with the billing and payment frequency set in the agreement and comply with the balances owed.
j. Coordinating with and providing support to CFO on the year-end closeout of reimbursable projects.

1.33.3.1.4
(07-13-2023)
Program Management and Review

(1) **Program reports:** CB monitors financial plans periodically and through more comprehensive reviews of reports using IFS reports and queries, such as the status of available funds report and the reimbursables reports provided by the Financial Reporting and Analysis office. FPM responsibilities include using IFS to identify surpluses or deficits early, so that the IRS can optimize resource use.

(2) **Program effectiveness:** To monitor and manage the IRS reimbursable resources, business units participate in several CB financial reviews that take place after the close of the second quarter. These include the midyear review and the uncommitted balances reviews. CB provides specialized guidance and procedures to follow on these types of review processes. See *CFO Analysis of IRS Spending* The purpose of these reviews is to:

a. Evaluate the timely obligation of reimbursable project services' costs and report progress on reimbursable collection activities, whether on a monthly basis or other billing and payment frequency.
b. Assess increase/decrease modification plans based on budget to collections standings and trends.
c. Finalize reimbursable spend plans and agreement closing projections.

(3) **Program planning:** In Q4, CB requests reimbursable estimates for the following fiscal year from the business unit finance offices to develop initial apportionment estimates.

1.33.3.1.5
(07-13-2023)
Program Controls

(1) Business unit DFOs and FPMs have funds control responsibility for their reimbursable program financial plans. During the execution phase of the budget cycle, DFOs and FPMs must maintain monthly financial oversight of agreement budget allocations compared to expenditures for services. Conducting monthly, quarterly, and pre-yearend close status reviews of plans is recommended to ensure expenditures do not exceed budget availability. See: IRM 1.33.3.2.1, Reimbursable Plan Management.

(2) IFS is the system of record for CB, DFOs and FPMs for managing budgetary resources effectively. Availability controls are integrated into system rules to prevent the IRS from exceeding its budget authority at the fund level.

1.33.3.1.6
(07-13-2023)
Terms/Definitions

(1) The following terms and definitions apply to the ROG.

a. **Acceptance** - The official signing of an agreement by a cognizant federal official with delegated authority to commit and/or their contractors to perform reimbursable work.
b. **Account Symbol (also known as the Treasury Account Symbol)** - A Treasury Account Symbol (TAS) is an identification code assigned by the Department of the Treasury (Treasury), in collaboration with the OMB and the owner agency, to an individual appropriation, receipt, or other fund account. For more information on account symbols and titles, Fiscal Service issues a Treasury Financial Manual supplement known as the *Federal Account Symbols and Titles: The FAST Book.*
c. **Advance payment** - A pre-payment by the Buyer for the later receipt of reimbursable goods and/or services to be provided by the IRS as the Seller. Advance payments are required for non-federal Buyers or entities.
d. **Agency Location Code (ALC)** - The agreement ALC code and description identifies the accounting reports and documents prepared by or for agency accounting stations and the Treasury financial centers.
e. **Agreement** - An agreement is a written arrangement between two or more federal agencies to document the parties' understanding of their respective roles and responsibilities in connection with a federal program or project. The agreement may take the form of an Agency Participation

Agreement, Interagency Agreement, Memorandum of Agreement, Memorandum of Understanding or other similar document.

f. **Agreement period (period of performance)** - The total amount of time during which the federal Buyer authorizes the Seller to complete the approved work of the project described in the agreement.

g. **Apportionment** - A funds allocation plan, approved by OMB, to spend resources provided by one of the annual appropriations acts, a supplemental appropriations act, a continuing resolution, or a permanent law (mandatory appropriations). Resources are apportioned by Treasury Appropriation Fund Symbol (TAFS), also known as Treasury Account Symbol (TAS). The apportionment identifies amounts available for obligation and expenditure. It specifies and limits the obligations that may be incurred and expenditures made (or makes other limitations, as appropriate) for specified time periods, programs, activities, projects, objects or any combination thereof. An apportionment may be further subdivided by an agency into allotments, sub-allotments and allocations.

h. **Appropriation** - A provision of law (not necessarily in an appropriations act) authorizing the **obligation and** expenditure of funds for a given purpose. Usually, but not always, an appropriations act provides budget authority and funds to operate for the full fiscal year. The IRS funding might come in its regular annual appropriation act, an omnibus act, a supplemental appropriation, a continuing resolution, or pursuant to a permanent appropriation. In IFS, an appropriation is represented by the ″Application of Funds″ code and may be a single fund or a combination of many IFS funds (see sub-appropriation).

i. **Binding agreement** - A binding agreement is defined as an agreement on both General Terms & Conditions and an Order, signed by all parties.

j. **Bona-fide needs rule** - The principle that a fiscal year appropriation may be used only for a legitimate, or bona fide, need arising in, or in some cases arising prior to but continuing to exist in, the fiscal year for which the appropriation was made. Title 31 U.S. Code Section 1502(a) (the bona fide needs statute) provides: ″The balance of an appropriation or fund limited for obligation to a definite period is available only for payment of expenses properly incurred during the period of availability or to complete contracts properly made within that period of availability and obligated consistent with section 1501 of this title. However, the appropriation or fund is not available for expenditure for a period beyond the period otherwise authorized by law.″

k. **Budget authority** - The authority provided by law to incur financial obligations that will result in outlays. Specific forms of budget authority include appropriations, borrowing authority, contract authority and spending authority from offsetting receipts and collections.

l. **Budgetary resources** - For federal customers, the reimbursable agreement provides the budgetary resource. For non-federal customers, the reimbursable agreement and the advance payment(s) received for unfilled orders provide the budgetary resource.

m. **Buyer** - The general term used for the Federal Program Agency (FPA) trading partner or customer that is purchasing goods and/or services for all types of intra-governmental activity. The Buyer is the requesting agency.

n. **Collection** - Money collected by the Federal Government and recorded as a receipt, an offsetting collection or an offsetting receipt.

o. **Commitment** - An administrative reservation of funds prior to obligation of funds. Typically, commitments are created by a purchase requisition.

p. **Continuing resolution (CR)** - An appropriation act that provides budget authority for federal agencies, specific activities, or both to continue operations, usually for a specific duration when Congress and the President have not completed action on the regular appropriation acts by the beginning of the fiscal year. A continuing resolution usually specifies a maximum rate at which the obligations may be incurred based on levels specified in the resolution. When the IRS is under a CR, Corporate Budget publishes special CR operating procedures on the *CFO Website for Continuing Resolutions*.

q. **Corporate overhead rate** - The rate calculated annually by the Cost and User Fees office and applied to directly identified labor and benefits to determine the full cost of providing goods or services.

r. **Direct support** - Support costs that can be reasonably identified and charged to a specific activity.

s. **Division finance officer (DFO)** - The person who has been delegated by their division commissioner or chief with full responsibility for its financial plan, including overseeing funds control and managing all phases of the budget cycle. See also financial plan manager.

t. **Expenditure** - The actual spending of money; an outlay. The definition does not mention receipt of goods or services.

u. **Federal Intragovernmental Data Standards (FIDS)** - Data elements that form the foundation of the intragovernmental Buy/Sell process.

v. **Federal Program Agency (FPA)** - A permanent or semi-permanent organization of government that is responsible for the oversight and administration of specific functions.

w. **Financial plan** - A subdivision of funds in IFS, which may be further subdivided into fund centers. Typically, there is a one-to-one relationship of financial plan to business unit, but a few business units manage multiple financial plans. See the financial plans table in the Financial Management Codes Handbook found on the **CFO website**.

x. **Financial plan manager** - The person responsible for day-to-day operations of monitoring and controlling a financial plan's funds in the execution phase of the budget cycle.

y. **Fiscal Service (FS) Form 7600A** - General Terms & Conditions (GT&C), Agreement Between Federal Program Agencies for Intragovernmental Reimbursable, Buy/Sell Activity. The GT&C defines statements of fact, intentions, responsibilities, support, services, procedures, matters of coordination, and estimates agreed to by the signatories. Fiscal Service developed the form and instructions for use government-wide by Buy/Sell FPAs. This form is the first section and the 7600B, described below is the second. Standard data elements are required to be completed for the exchange between FPAs to result in a binding agreement.

z. **Fiscal Service (FS) Form 7600B** - Order, Agreement Between Federal Program Agencies for Intragovernmental Reimbursable, Buy/Sell Activity. The Order contains more detailed accounting exchange data, allows the servicing agency to report on the total cost estimate in relation to orders completed and balances remaining to accomplish services and redress costs. See also: IRM 1.33.3.1.8, Related Resources.

aa. **Fiscal year** - The federal government's accounting period, which begins on October 1 and ends on September 30, and is designated by the calendar year in which it ends.

ab. **Forecast of revenue** - The forecast of revenue is the business unit determination of the line-by-line accounting breakout of the agreement direct, indirect, and overhead cost estimate. CB provides a standard template for use by business units. This definition applies to non-G-Invoicing agreements.

ac. **Form 14417, Reimbursable Agreement – Non-Federal Entities** - Non-federal entities include state, local, foreign governments and non-governmental entities. This form is the standard template and communication tool between the Buyer and Seller and enables the two to agree on data elements and terms of the reimbursable transaction before business begins. Form 14417, Reimbursable Agreement - Non-Federal Entities can be accessed at: *Debt Collection - Form 14417*

ad. **Full-time equivalent (FTE)** - The basic measure of the employment levels used in the budget. It is the total number of regular, straight-time hours (that is, not including overtime or holiday hours) worked by employees divided by the number of compensable hours applicable to each fiscal year. Annual leave, sick leave, compensatory time off and other approved leave categories are considered hours worked for purposes of defining full-time equivalent employment.

ae. **Funded program code** - Each reimbursable agreement is assigned a unique funded program code. These codes continue to be assigned to non-federal agreements, the IRS agreements with exemptions from G-Invoicing, and agreements where one or both FPAs have not interfaced with G-Invoicing and cannot execute transactions. The funded program coding process is documented under the IOC Structure section of the *Financial Management Codes Handbook*. See also IRM 1.33.3.1.8, Related Resources.

af. **General Terms and Conditions (GT&C)** - The section of an IAA that identifies the Buyer and the Seller involved, the authority for the agreement, required actions, the period of performance, and type (i.e., single order or multiple order IAA.

ag. **G-Invoicing** - An online platform for all entity staff involved with IGT reimbursable activity (including funding officials, program officials, and payment approvers) to originate and settle Buy/Sell IAAs electronically. Entities use G-Invoicing to establish and maintain their agreement on the funding terms and the accounting treatment of their reimbursable activity, and to exchange that data with one another for consistent financial reporting.

ah. **G-Invoicing Trading Partner Directory** - A directory established and maintained by Fiscal Service to reflect the status of Agency Location Codes (ALC) targeted to be used in G-Invoicing. The Directory covers inter-departmental and intragovernmental readiness and provides target dates for G-Invoicing implementation stages such as GT&C, Order, Performance Transaction and Fund Settlement. The directory is at: *G-Invoicing Trading Partner Directory*.

ai. **Indirect Costs or Indirect Support** - Costs that cannot be attributed directly to one business unit or cost center. The costs are incurred jointly across multiple business units or cost centers. For purposes of reimbursables, these costs are separate and distinct from overhead costs. For example, there may be management oversight costs specific to a business unit performing reimbursable work that are captured as an indirect cost.

aj. **Integrated Financial System (IFS)** - The administrative accounting system used by the IRS. IFS is composed of four modules: Budget Control System (BCS), Materials Management (MM), Financial Accounting (FIA) and Controlling (CO). Key features of IFS include integrated modules covering many business functions, real-time data entry, online information, drill-down capability, enhanced reporting capability and simplified research. All reimbursable transactions, such as forecast of revenue and reimbursable earnings must be recorded in IFS.

ak. **Internal Controls** - The steps the IRS takes to provide reasonable assurance that, among other things, obligations and costs are in compliance with applicable regulations and laws; funds and property, and other assets, are safeguarded against waste, loss, unauthorized use, or misappropriation; and revenues and expenditures applicable to agency operations are properly accounted for and recorded.

al. **Intragovernmental Payment and Collection (IPAC)** - The Bureau of the Fiscal Service's system that provides a standardized mechanism for Federal Program Agencies to transfer funds electronically from one agency to another.

am. **Intragovernmental Reimbursable, Buy/Sell Activity Agreement** - An agreement between two FPAs or major organizational units within an agency that specifies the terms and conditions and order process under which the Seller will provide goods or services to the Buyer. This is usually accomplished through the negotiation and approval of a binding reimbursable agreement between the two federal entities. These interagency agreements are also known as Intragovernmental Transactions (IGT) for Buy/Sell Activity. The Buy/Sell transactions are subsumed within the agreements. See also the definitions for Fiscal Service (FS) Form 7600A and Fiscal Service (FS) Form 7600B.

an. **Memorandum of Agreement (MOA)/Memorandum of Understanding (MOU)** - An MOA/MOU is an agreement between two or more parties that sets out terms and conditions but is not legally enforceable, binding or obligating. It outlines the responsibilities of each party in the agreement but does not address payment or transfer of funding. If the agreement requires an exchange of funding, then an IGT must be executed. This type of agreement serves as an important specialized attachment to a federal or non-federal agreement and is most often used for personnel details.

ao. **Non-Federal entity agreements** - Non-federal entities are self-sustaining organizations, incorporated or unincorporated, that are not an agency or instrumentality of the federal government. These may include states, local governments, Indian tribal governments, institutions of higher education, foreign governments, and private organizations. Form 14417- Reimbursable Agreement - Non-Federal Entities is the standard form completed between the two parties.

ap. **Obligation** - A definite commitment that creates a legal liability of the government for the payment of goods and services ordered or received, or a legal duty on the part of the United States that could mature into a legal liability by virtue of actions on the part of the other party beyond the control of the United States. Budgetary resources must be available before obligations can legally be incurred.

aq. **Order** - A fiscal obligation between Federal Program Agencies that delineates the specific product and/or service requirements, trading partner funding information, and authorizing signatures necessary to obligate the funding.

ar. **Parked document** - The transaction used by the business unit to park an initial direct fund cost transfer to the reimbursable fund (FV50-BZ/BG) for later posting by the GPFM office. This type of tandem transaction requires each of two separate offices to complete its respective side of the transaction. The business unit parks the transaction making it available for the GPFM office to act upon. The GPFM office accesses the transaction, reviews it for accuracy, and approves the transaction by posting the document.

as. **Recurring agreement** - An agreement that will be renewed on a fiscal year basis unless a notice to discontinue is received. These agreements still undergo the same agreement processing procedures.

at. **Reimbursable authority** - The IRS reimbursable authority is acquired by obtaining an approved OMB apportionment for each appropriation. In turn, CFO steps down the reimbursable authority levels in the IFS accounting system and sub-allocates to the specific agreement budget authority negotiated and approved for each federal or non-federal agreement. This authority allows the business unit to incur obligations in accomplishing reimbursable work when a valid budgetary resource is available.

au. **Reimbursable earnings** - Reimbursable earnings are recorded in IFS after reimbursable work has been performed and are based on the actual cost of the work performed. The FV50-BZ transaction is used to record these costs.

av. **Reimbursable obligation** - An obligation financed by offsetting collections credited to an expenditure account in payment for goods and services provided by that account.

aw. **Reimbursable work** - Work or services performed for another federal or non-federal customer, with the cost of performing the work reimbursed by the Buyer. The IRS, as the Seller, is compensated by an offsetting collection known as a reimbursement, which may be credited as authorized by law to the appropriation or the IRS fund account. Reimbursable work performed by the IRS for Buyers is considered to be part of the Buyer's direct mission responsibility and not the IRS's.

ax. **Sales Order (SO)** - A document that is generated by the Seller to authorize the sale of products or services on receipt of the Buyer's order. Business units use the SO to forecast or track sales and the specifics of the agreement such as period of performance, description and other details of the order. It is considered parallel to the Forecast of Revenue and aligns with the G-Invoicing Platform for uploads.

ay. **Seller** - The general term used for a trading partner that is providing goods and/or services. The Seller is also the servicing agency. For all reimbursable agreements discussed in this guidance, the IRS is the Seller.

az. **Servicewide Reimbursables Team (SRT)** - The individual(s) designated by CB, Budget Execution to ensure at the staff level that the reimbursable responsibilities of the Associate CFO, CB, are carried out.

ba. **Taxpayer Identification Number (TIN)** - An identification number used by the IRS in the administration of tax laws. It is either a Social Security Number (SSN) or a unique nine-digit number issued by the IRS. The TIN number for the IRS is 52-1782822.

bb. **Trading partner** - A federal entity that is party to Intragovernmental Transactions (IGT) with another federal entity. Trading partners are two federal entities engaged in IGT activity, and are known as the Buyer and Seller.

bc. **Treasury Financial Manual (TFM)** - The manual issued by Fiscal Service containing procedures to be observed by all agencies, Federal Reserve Banks, and financial institutions with respect to payments, collections, central accounting, financial reporting, and other government-wide fiscal responsibilities of the Department of the Treasury.

1.33.3.1.7
(07-13-2023)
Acronyms

(1) A select list of acronyms and abbreviations are referenced for budget execution. To search a comprehensive list of the IRS acronyms, see *ReferenceNet Acronym Database*

Acronyms	
ADA	Antideficiency Act
BETC	Business Event Type Code
DFO	Division Finance Officer
FPM	Financial Plan Manager
FTE	Full-Time Equivalent
G-Invoicing	Government Invoicing
IAA	Interagency Agreement
IFS	Integrated Financial System
IGT	Intragovernmental Transaction
IPAC	Intragovernmental Payment and Collection System
IRM	Internal Revenue Manual
MOU	Memorandum of Understanding
OMB	Office of Management and Budget
ROG	Reimbursable Operating Guidelines
SRT	Servicewide Reimbursables Team
TAS	Treasury Account Symbol
USC	U.S. Code
WBS	Work Breakdown Structure

1.33.3.1.8
(07-13-2023)
Related Resources

(1) Related resources for this IRM include:

a. *Federal Entity Reporting Requirements for the Financial Report of the U.S. Government*
b. *Bureau of the Fiscal Service-Forms*
c. *Bureau of the Fiscal Service-TFM Bulletins*
d. *Bureau of the Fiscal Service-Federal Account System and Titles (FAST) Book I*
e. *Bureau of the Fiscal Service-Financial Management and Budget Standardization*
f. *Bureau of the Fiscal Service - G-Invoicing Program Guide*
g. *Treasury Financial Manual Chapter 4700, Appendix 8, Intragovernmental Transactions (IGT) Buy/Sell*
h. *Bureau of the Fiscal Services Automatic Email Updates and Notifications*
i. *FASAB, SFFAS No. 4, Managerial Cost Accounting Concepts and Standards for the Federal Government,*

j. *IPAC, TAS, BETC, and TAS Components*
k. *Federal Accounting Standards Advisory Board, Statement of Federal Financial Accounting Standards*
l. *Financial Management Code Handbook*
m. *Continuing Resolution operations and guidance*
n. *GAO's Principles of Federal Appropriations Law (The Red Book)*
o. IRM 1.1.21, Chief Financial Officer
p. IRM 1.33.4, Financial Operating Guidelines
q. *OPM-Standard Forms (SF)*

1.33.3.2
(07-13-2023)
Apportionments

(1) To support the development of the initial apportionment request for the next fiscal year, CB requires business units to provide reimbursable plan estimates based on a defined costing methodology. The estimate factors in new starts, cancellations and renewals. These estimates are due at the beginning of fourth quarter (Q4) of the current fiscal year.

(2) CB submits the Apportionment and Reapportionment Schedule (SF-132) to OMB for an initial apportionment for the new year.

(3) After OMB approval, CB completes a step-down allocation from the appropriation to apportionment levels. Once each agreement has been approved and final signed by both FPAs (Buyer/Seller), then the budget is sub-allocated to the authority level by accounting string and becomes ready for obligation activity.

(4) Reapportionments may be requested for unexpected cost increases such as increases to FEMA agreements for disaster assistance. Significant increases that may result in the need for an increased apportionment should be identified as far in advance as possible. It may take several weeks to secure OMB approval for reapportionments.

(5) Business unit plan managers should review reimbursable funding projections and identify potential shortfalls projections and then report to the SRT analyst. The SRT will review available apportionment balances and determine whether funds are available to cover the shortfall.

1.33.3.2.1
(07-13-2023)
Reimbursable Plan Management

(1) Business units must ensure agreements are developed, negotiated properly, and cleared in accordance with guidelines. When approved, the unit manages plan performance based on budget authority, services provided, billing and payment, and other requirements.

(2) The business unit should monitor earnings on an ongoing basis to ensure the full cost of reimbursable work is collected.

(3) When a business unit reimbursable plan manager serves as a lead project coordinator for several BUs involved in the project and costing, there should be coordination with each participating business unit finance office. An advance plan should be considered to review monthly collections compared to the budget and forecast line-by-line amounts as each month unfolds. Each finance office is responsible for maintaining their monthly, quarterly, and projected yearend close line-by-line accounting and reconciliation.

(4) FPMs and reimbursable plan managers must maintain financial oversight of these areas:

a. **Reimbursables Knowledge Base and Training:** To effectively manage the plan, analysts should develop a knowledge base of applicable TFMs, Fiscal Service G-Invoicing resources and training opportunities, the IRS IRMs, CB guidance, handbooks, standard operating procedures, work-step instructions, among other supplemental materials.
b. **Effective Communications:** Facilitate frequent communications with federal and non-federal entities, business unit program and finance offices, CFO reimbursables subject matter experts, and the proper Buy/Sell signing officials on approving agreement packages.
c. **Pre-Yearend Closing Requirements:** Initiate pre-yearend closing requirements by contacting federal and non-federal entity Buyers on monthly, quarterly, and projected yearend close results and trending. Coordinate final September reimbursable work and estimates. Plan requirements for accounting adjustments, increase modifications or notifications to decrease or de-obligate funds.

(5) Each fiscal year, business units must report to CB on the following budget cycle components involving reimbursable budgets, collections status, agreement signing officials, reimbursable tracking and coding, and yearend closing estimates:

a. Reimbursable apportionment estimates by business unit.
b. Congressional Justification cost estimates for reimbursables by business unit.
c. Annual updates for business unit delegated signing officials.
d. New fiscal year updates on funded program codes and work breakdown structure codes.
e. Business unit midyear review of reimbursable projects.
f. Business unit uncommitted reviews of reimbursables.
g. Yearend review estimates and closing activities for reimbursables.

1.33.3.2.2
(07-13-2023)
Agreement Budget Authority Alignment

(1) Business units must maintain a monthly and quarterly status on the agreement budget authority and monitor earnings based on the billing and payment status. The status confirms collections results and progress toward meeting 100% of earnings.

(2) If monthly and or quarterly earnings fall short of projections or billing cycle estimates, the business unit finance office will coordinate on any actionable requirements to stay within the budget authority assigned.

(3) Any administrative modification, such as accounting code changes or deobligations, should be addressed promptly to ensure accurate earnings are posted in IFS.

(4) The GPFM office anticipates billing and payments will be received according to the agreement billing frequency specified. If monthly schedules are missed and earnings are delayed, the GPFM office will directly contact the finance office subject matter expert(s) to follow-up on an action plan to catch up past due billings.

(5) Year-end earnings must reach 100% by the date established in the year-end close guidelines and the forecast of revenue must be adjusted to match the

final earnings. If year-end earnings will not reach 100%, the reimbursables budget and forecast of revenue must be adjusted to match the final earnings.

1.33.3.3 (07-13-2023) Financial Policies

(1) Business units must ensure reimbursable services are accomplished in accordance with established laws, regulations, and provisions of the respective reimbursable agreement(s). There are four main financial policy categories for reimbursables:

a. Execution and funds control of reimbursable services
b. Operational policies and procedures.
c. IFS budget and accounting procedures.
d. Closeout of reimbursable agreements.

1.33.3.3.1 (07-13-2023) Execution and Funds Control of Reimbursable Services

(1) See IRM 1.33.4.2.1.1, Overview of Critical Funds Control Concepts. For reimbursable agreements, these funds control requirements must be met before an agreement is approved and accepted:

a. Budget resources have been received from an OMB apportionment and reimbursable authority is available within the allotment.
b. Expenditures against reimbursable budget authority or availability are limited to the lesser of the approved apportionment or the budgetary resources made available. Expenditures cannot exceed the agreement limitations and are managed and accounted for according to the provisions of the agreement.
c. Federal agreements are subject to the provisions of 31 U.S.C. 1501, Documentary Evidence Requirements for Government Obligations and Procurement Guidance. Documents authorizing the performance of services must identify funding sources and comply with document retention standards.
d. Appropriation funding cited in the agreement is restricted to the purposes specified in the agreement. 31 U.S.C. 1301 states an appropriation may only be used for the purposes contained in the appropriation. Unless provided for by law, the IRS cannot finance reimbursable services from its own appropriations and it cannot finance reimbursable work from a Buyer or another entity's fund. If funding and reimbursement requirements are prescribed by law but are inconsistent with the IRS guidance, then legal requirements take precedence.
e. The agreement must specify that the Buyer or customer is responsible and accountable for any financial consequences associated with the termination of services.
f. The Buyer is responsible for making a determination on whether the work agreement and the specific period of performance in the agreement meets the ***bona fide*** needs of the period of availability of the Buyer's appropriation. This includes a determination by the ordering agency of whether the requested work is severable or non-severable as required.

(2) Before obligational authority to start reimbursable services can be acted on, these organizational funds control planning requirements must be in place.

a. IFS is the system of record that CB, DFOs and FPMs must use to manage budgetary resources effectively. IFS includes availability controls to help prevent the IRS from exceeding its budget authority. Servicewide availability controls keep the IRS from over-obligating at the fund level.

b. IFS user roles, systems access, and security measures applicable to business unit reimbursables are detailed in IRM 1.35.24, Financial Accounting, Establishing IRS Commitments and Obligations.
c. CB has certified and approved the agreement cost estimates, and allocated budget authority.
d. The authorizing officials (Buyer, Seller, or non-federal entity) have approved the GT&C and Order agreement forms or the Form 14417, Reimbursable Agreement - Non-Federal Entities. See also IRM 1.33.3.1.8, Related Resources.
e. The billing and frequency timetable agrees with the agreement terms and conditions.
f. There has been a validation that reimbursable work costs, obligations, and expenditures for each agreement will not exceed the amount and limitations specified in the signed reimbursable agreement.
g. No costs can be incurred for performance of reimbursable work beyond the period of performance specified in the agreement.
h. Contractors cannot begin reimbursable work for non-IRS customers until they have obtained authorization from the responsible IRS contracting officer.
i. Business units must review funds availability before posting reimbursable expenses to be sure obligated balances will not result in negative availability.
j. Business units must establish cutoff dates prior to the end of the fiscal year to provide ample time to review, accept, obligate, distribute, and record reimbursable account coordination and closing with Buyers.
k. The lead business unit and sub-units must coordinate on monthly costing to ensure the approved terms and conditions and orders are administered effectively.
l. Business units and FPMs managing reimbursable work must maintain an appropriate management control environment to provide sufficient advance notification of potential funding shortfalls to obtain additional funds to continue or determine when to end project services.

1.33.3.3.2
(07-13-2023)
Operational Policies and Procedures

(1) This section provides guidance on federal and non-federal agreement developmental stages, the agreement clearance process, the Fiscal Service G-Invoicing mandate, resources, and guidance. It also provides guidance on building cost estimates.

1.33.3.3.2.1
(07-13-2023)
Agreements

(1) *General assumptions:* There are two types of agreements under the SGL Accounts: federal and non-federal. Both intragovernmental, inter/intradepartmental agreements are encompassed in federal to federal agreements. Within federal agreements, as explained below, the trading partner status on interfacing with G-Invoicing will drive the type of processing used. The specific agreement GT&C negotiated and approved can influence the processing circumstances between one agreement and another. Listed below are the federal and non-federal types of agreements, with consideration of G-Invoicing implementation stage.

a. **Federal to Federal Inter-agency Reimbursable Agreements (G-Invoicing Active)** - An agreement to provide a service for another FPA in exchange for reimbursement. Both FPAs are systemically capable of successfully uploading and exchanging transactions under all G-Invoicing

Processing Stages. Costs are accumulated by the Seller and included in the performance of services costs sent to the Buyer. After the monthly funds transfer(s) occur, modifications to the agreement may occur, and then final funds settlement, IPAC and closeout of the G-Invoicing agreement if the period of performance has expired.

Note: G-Invoicing Active means both FPAs execute reimbursable buy/sell activities using the G-Invoicing system, have access to all pertinent information to execute these activities, and follow G-Invoicing business rules. G-Invoicing provides and retrieves funds transfer information with the IPAC system.

b. **Federal to Federal Reimbursable Agreement (G-Invoicing Inactive)** - A reimbursable agreement to provide a service for another FPA but either one or both FPAs have accounting systems that are systemically incapable of interfacing and exchanging transactions under one or more of the G-Invoicing Processing Stages. Instead, the FPAs use pre-existing procedures to complete PDF reimbursable clearance packages and exchange IAA agreements electronically versus seeking approvals using the platform. After the monthly funds transfers occur, there could be modifications to the agreement negotiated between the Seller and Buyer that may be modifications prior to the period of performance expiration and closeout.

Note: G-Invoicing Inactive means one or more FPAs are unable from a systems standpoint to execute reimbursable buy/sell activities using the G-Invoicing system. As FPAs move toward active state, the G-Invoicing Trading Partners Directory will be revised by FPAs for readiness to transition to processing exchange transactions within a fiscal year and the reconciliation of accounts between systems.

c. **Federal to Non-Federal Agreement (G-Invoicing Does Not Apply)** - A reimbursable agreement to provide services to a non-federal state, local, foreign government, or non-governmental entity. The non-federal agreement is processed using the Standard Form 14417 - Reimbursable Agreement - Non-Federal Entities. See: *Non-Federal Reimbursable Agreement (Form 14417)*

(2) The IRS requires, to the extent practicable, the use of *Fiscal Service Forms 7600A and 7600B* and companion instructions for agreements not processed in G-Invoicing.

(3) The *G-Invoicing Trading Partner Directory* provides biweekly updates on the status of trading partners completing their integration with G-Invoicing.

1.33.3.3.2.2
(07-13-2023)
Agreement Statutory Authority

(1) The Economy Act provides general authority for reimbursable agreements, but where a more specific authority exists, it supersedes the Economy Act. The following statements further substantiate this premise:

a. The Economy Act provides general authority to federal agencies to request and perform reimbursable work with other federal agencies. While the Economy Act provides broad authority to the IRS, it applies to the IRS reimbursable services agreements only when more specific authorities are not relevant. The Federal Acquisition Regulations (48 C.F.R. 17.502-2(b)) notes that ″The Economy Act applies when more specific statutory authority does not exist.″ This principle is consistent with the guidance of the Department of Justice, Office of Legal Counsel (6 Op.

Off. Legal Counsel 464 [1982]) and the Comptroller General (e.g., 44 Comp. Gen. 683 [1965]; B-301561, June 14, 2004.

b. The IRS has numerous specific legal authorities to perform reimbursable work for other federal entities. Consistent with past Comptroller General decisions (e.g., B-285451.3/B-285451.4), the most specific legal authority applies to an agreement even if the authority is not specified in the agreement itself or by the federal agencies that are party to the agreement.

(2) The IRS statutory authorities used to authorize services for non-federal entities are also very specialized legal authorities in most cases.

1.33.3.3.2.3
(07-13-2023)
Federal G-Invoicing Program Mandate

(1) The use of G-Invoicing has been mandated across the federal government and at the time of publication, the IRS had only partially implemented G-Invoicing. Other federal agencies are at different stages of implementation. G-Invoicing is the comprehensive government-wide solution to enhance federal financial management and improve the quality of buy/sell reporting by:

a. Providing a common platform to broker IGT Buy/Sell activity
b. Establishing a Federal IGT Buy/Sell Data Standard, also known as the FIDS.
c. Giving users transparent access to a common data repository of brokered transactions
d. Working to reduce the number of IPAC adjustments in the Central Accounting and Reporting System (CARS)
e. Building a system that drives the reconciliation and elimination of IGT Buy/Sell activity from the Financial Report of the U.S. Government.

(2) Fiscal Service is responsible for centrally administering the government-wide implementation of the G-Invoicing Program mandate. It maintains the G-Invoicing website to inform government-wide trading partners of TFM and Fiscal Service guidance, operational procedures, standard agreement forms and instructions, and G-Invoicing training opportunities. In addition to its own G-Invoicing website, it is directly involved in the G-Invoicing OMB.MAX website where the Trading Partner Directory is housed. Refer to *G-Invoicing: Resources (treasury.gov)*

(3) Trading partners must have accounting systems that meet the interface specifications for integrating with G-Invoicing to process federal agreements. The IRS is moving toward full compliance with the G-Invoicing mandate and Fiscal Service requirements. Refer to *Fiscal Service G-Invoicing Interface Specifications*

(4) The *Fiscal Service G-Invoicing Rules of Engagement* provides detailed guidance to assist trading partners in initiating and completing each of the four stages of the agreement processing events listed below.

a. Stage 1: GT&Cs
b. Stage 2: Orders
c. Stage 3: Performance Transactions
d. Stage 4: Fund Settlement

(5) The *Fiscal Service G-Invoicing Program Guide for Basic Accounting and Reporting* provides comprehensive operational guidance.

(6) Trading partners use the OMB MAX Trading Partner Directory to gain updates on their partner’s status on full transition to G-Invoicing and ability to exchange via the platform.

(7) Trading partners unable, from a systems integration standpoint, to transition to G-Invoicing are using pre-existing agreement policy and procedures until fully integrated with G-Invoicing.

(8) The IFS accounting system continues to be the IRS’s system of record for the IRS accounting, with G-Invoicing being the web-based platform for active intra-governmental exchanges.

(9) For record-keeping and audit purposes, the IRS requires business units to retain documentary evidence and a final signed copy of the final IAA agreement. The G-Invoicing platform retains an electronic copy of the final version but does not account or track reasoning for adjustments or modifications to the forms. Documentation substantiating the nature and reason for adjustments and changes must be retained by the business unit owner of the agreement to support future audit activity.

(10) The Fiscal Service schedule requires implementation of In-Flight Orders by October 2023. ″In-Flight″ Orders includes the conversion of Orders with an open balance and a Period of Performance extending beyond September 30, 2023.

1.33.3.3.2.4
(07-13-2023)
Federal Agreements

(1) The IRS relies on the TFM, Appendix 8 standard guidance and Fiscal Service guidance, forms, and instructions on initiating federal IAA agreements. See IRM 1.33.3.1.8, Related Resources. Other related topics are also listed.

(2) Federal to Federal IAAs that are not integrated with G-Invoicing can be processed using pre-existing procedures and forms while moving toward compliance with the mandate.

(3) The IRS also has certain IGT agreements that are recognized as being exempt from the G-Invoicing mandate due to the IRS systems interface conversion cost outweighing benefit.

(4) Federal Buyers are usually billed monthly after the work has been completed, with some exceptions.

1.33.3.3.2.5
(07-13-2023)
Non-Federal Entity Agreements

(1) To establish the IRS agreements with non-federal entities, use Form 14417, Reimbursable Agreement - Non-Federal Entities. This form includes certain basic data elements in common with the federal forms but facilitates the pre-payment of the entire cost estimate for the services to be provided. See: *Form 14417 - Reimbursable Agreement - Non-Federal Entities*

(2) Advance payments for the full cost estimate are required for agreements with state, local, and foreign governments, commercial organizations, and private businesses because their accounting systems do not interface with the federal government’s accounting system. Estimated costs are for planning purposes and can vary depending upon level of services. The final bills submitted to the customer will include actual costs. Depending upon the amount, either a refund is sent to the entity or a payment is sent to the IRS.

(3) The Financial Reporting and Analysis office may approve exceptions to the advance payment requirement.

1.33.3.3.2.6 (07-13-2023) Agreement Approval Process

(1) The agreement approval process guidance is also included in the Corporate Budget Reimbursables Handbook and can be found at the Corporate Budget, Budget Execution SharePoint site. This comprehensive guide contains standard reimbursable management guidance for administering reimbursables programs at the business unit level. Refer to:*Corporate Budget Reimbursables*

(2) Obligations for reimbursable work should not be incurred until there is a binding agreement between the IRS and the Buyer.

(3) Business units must send all reimbursable agreements and supporting documentation (including a direct and indirect cost estimate and an overhead cost worksheet) to the SRT prior to sending the agreement to the Buyer for signature.

(4) The method of exchanging agreement clearance and approval packages for federal agreements depends on whether both FPAs have transitioned to G-Invoicing or have not transitioned. The two methods are below.

a. For G-Invoicing agreements, the business unit develops the Form 7600A GT&C and uses G-Invoicing to request CB review and clear the form.

Note: As of the time of publication, the IRS has established approvals for the Form 7600A but Form 7600B Orders have not been transitioned.

b. For non-G-Invoicing agreements, the business unit uses pre-existing approval procedures. The business unit develops Form 7600A GT&C and the 7600B Order, the direct, indirect, overhead cost estimates worksheets and sends the PDF package for all components of the agreement to the SRT for review. Once approved by the team, the agreement PDF package is forwarded to the next level of clearance within the business unit before forwarding to the Buyer for approval. .

1.33.3.3.2.6.1 (07-13-2023) Agreement Authorizing Officials and Delegation Orders

(1) An agreement is considered to be accepted when both trading partners have signed and are cognizant federal officials with delegated authority to commit and/or their contractors to perform reimbursable work.

(2) All business units executing reimbursable agreements and Memoranda of Understanding (MOU) with federal agencies, states, and other external stakeholders must comply with 1.2.2, Servicewide Delegations of Authority, (Delegation of Authority 1-62), Signing Agreements with Federal Program Agencies Intragovernmental Buy/Sell Reimbursable Transactions and Non-Federal Reimbursable Agreements.

(3) If the MOU, implementing agreement, or other agreement allows for the exchange of a taxpayer return or taxpayer return information, the document must be coordinated with Privacy, Governmental Liaison and Disclosure before the delegated authority may execute the agreement.

1.33.3.3.2.7 (07-13-2023) Agreement Modifications

(1) Business units should renegotiate any projects that are expected to exceed agreement projections. If earnings are significantly lower than originally projected, IFS projections must be reduced but it is not necessary to renegotiate the agreement. Instead, the Buyer should be directly notified of the deobligations and the Seller's September estimates so that both parties can agree on a final close out amount.

(2) Any administrative modification, such as accounting code changes or deobligations, should be addressed promptly to ensure accurate earnings are posted in IFS.

(3) Year-end earnings must reach 100% by the dates established in the Corporate Budget Year-End Guidance.

1.33.3.3.2.8 (07-13-2023) Cost Estimate Standards and Procedures

(1) Cost assignment methods must be consistent with the Federal Accounting Standards Advisory Board (FASAB) accounting standards.

(2) One of the five standards for federal managerial cost accounting, as stated in the Statement of Federal Financial Accounting Standards (SFFAS), No. 4, Managerial Cost Accounting Standards and Concepts, is accumulating and reporting costs of activities on a regular basis to derive the full costs of government goods and/or services. The full cost of an output is the total amount of resources used to produce the output. This includes direct and indirect costs that contribute to the output, regardless of funding sources. The full cost of an output produced by a business unit is the sum of:

a. The cost of resources consumed by the business unit that directly or indirectly contribute to the output.
b. The cost of identifiable support services provided by sustaining the IRS business units.

(3) When reimbursable projects use the same types of goods and/or services as direct-funded projects, the reimbursable project costs will use the same rates and consumption basis as the direct-funded projects.

(4) Recognition of Earned Reimbursements: In accordance with the SFFAS No. 7, Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting, "earned" or "exchanged" revenues are created once the Seller provides goods and/or services to the Buyer for the amount negotiated in the agreement - meaning that the payment or revenue should not be recognized until costs are incurred from providing the goods and services.

1.33.3.3.2.8.1 (07-13-2023) Direct Costs

(1) Direct costs are expenses that can be directly traced to a program, activity, product or service. These costs generally result from the business unit execution of their reimbursable budgets, and may include these types of costs:

Note: IRM 1.35.16.2.3.1, Direct Costs is being revised and will be published soon under IRM 1.33.5, Managerial Costing.

a. Salaries, including overtime, holiday pay, premium pay and awards, and other benefits for employees that work directly on products, services, and activities being performed under the reimbursable agreement.
b. Accrued annual leave and compensatory time.
c. Materials and supplies used in outputs, including postage and printing.

d. Travel, relocation and training costs.
e. Consulting and contractual services.
f. Enforcement expenses.
g. Automated data processing (ADP) or IT expenses.
h. Equipment and facilities.
i. Imputed costs of goods and services received from other government agencies.
j. Rent and office space costs that are traceable to business units and are generally allocated as secondary costs.
k. Any other costs that are directly attributable to the work outlined in the reimbursable agreement.

(2) The costs for specific products and services are considered direct costs when the costs can be readily identified through accounting details.

(3) Direct costs must be recorded under appropriate SGL accounts and align with budget and commitment line items.

1.33.3.3.2.8.2
(07-13-2023)
Indirect and Overhead Costs

(1) Indirect costs are the costs of resources that are jointly or commonly consumed by two or more business unit's' activities but are not specifically identifiable to a single product or service. Indirect costs include sustaining business unit labor costs that support the IRS as a whole.

Note: IRM 1.35.16.2.3.2, Indirect Costs is being revised and will be published soon under IRM 1.33.5, Managerial Costing.

(2) Indirect costs can be incurred within a business unit as a result of its own activities or when the business unit receives products or services generated by other business units. The business unit's indirect costs are assigned internally in accordance with the Cost and User Fees cost allocation methodologies.

(3) Most indirect costs accumulate within identifiable business units. However, some costs such as depreciation and facilities costs cannot be linked to an identifiable business unit. In those instances, such costs are allocated based on cost allocation methodologies.

(4) Direct costs must be recorded to specific SGL accounts that align to budget and commitment line items.

1.33.3.3.2.8.3
(07-13-2023)
Full Cost Estimating

(1) Determining the cost estimate of a reimbursable agreement requires the identification of the projected full cost of the products and services that are to be provided to the Buyer. Each reimbursable project is unique and determining the cost estimate can vary based on the requirements of the project. See IRM 1.33.5 on further information on full cost recognition.

(2) The *SFFAS 4: Managerial Cost Accounting Standards and Concepts* establishes internal costing standards to accurately measure and manage the cost of federal programs. It provides an order of preference framework for cost assignment. The cost assignment process links accumulated costs with cost objects in specific reporting periods. There are three methods of cost assignment:

a. Trace costs directly wherever feasible and economically practicable.

b. Assign costs on a cause-and-effect basis.
c. Allocate costs on a reasonable and consistent basis.

(3) These methods should be used by business units to develop full-cost projections for the cost of the products and/or services provided by reimbursable project(s). This includes labor, non-labor, and indirect/overhead costs.

(4) The business unit must calculate direct labor and non-labor costs using a methodology that conforms to the guidance outlined above.

a. The business unit must provide the direct cost methodology to the SRT for review and signature.
b. If direct costs are based on a sound methodology, there is no required format for presenting the direct cost methodology. Refer to the CB, Budget Execution SharePoint Site at *Direct/Indirect Cost Worksheet* for an optional worksheet.
c. Rolling over cost estimates from the previous year is not an acceptable methodology. Cost estimates must be updated every time a new agreement is negotiated.

(5) To determine the appropriate overhead rate for each project annually, reimbursable project owners must use the overhead rate worksheet developed by CB.

a. The customized overhead rate is multiplied by direct labor cost to calculate overhead costs. Direct labor costs are defined as salary and benefit costs for the specific services provided through the reimbursable agreement.
b. Specific overhead line items may not be exempted.
c. A business unit may request a full or partial exemption from overhead costs for an agreement. Such exceptions will be granted rarely and will require strong justification. All full or partial exemptions from overhead costs must be approved by the Director, Budget Execution.

(6) All overhead earnings will be posted to a specific accounting string determined by CB and disseminated by the SRT.

(7) Cost increases that occur during the performance of the agreement must also be recovered, unless the SRT determines them to be immaterial, meaning that the administrative cost of collecting the increase is more than the amount of the increase.

(8) Cost estimates for annually recurring reimbursable projects should be recalculated each year.

1.33.3.3.2.8.4
(07-13-2023)
Approval of Direct, Indirect, and Overhead Costs

(1) The SRT maintains a very basic direct and indirect cost template that can be reviewed, converted to PDF, signed and returned to the business unit. CB recognizes that the business unit program and finance offices oftentimes require more specialized costing templates to effectively substantiate costs estimates. For this reason, it is recommended that business units provide cost estimates using Excel table templates that can be converted to PDF, signed and dated for audit purposes.

(2) Business units must make Buyers aware of the requirement to include overhead costs in their agreements and should work with them to develop initial cost estimates. In many cases, negotiation of overhead costs adds time

to the process. Business units should begin this process months in advance of when the work will be performed, when possible.

(3) Before collecting signatures for a reimbursable agreement, business units must submit the following cost documentation to the SRT for approval and signature:

a. Table template and methodology used to calculate direct and indirect costs.
b. Overhead worksheet specified by the SRT.

1.33.3.3.3
(07-13-2023)
IFS Budget and Accounting Procedures

(1) This section provides accounting guidance for recording and transferring expenses between the IFS Direct Fund and the Reimbursable Fund accounts.

(2) Reimbursable earnings may be collected under a federal agreement with a billing frequency agreed to or an advance payment non-federal agreement where the full cost is due before work begins. Processing steps related to federal agreements would not necessarily apply to non-federal advance payment agreements and may have more specialized processing steps.

(3) When the IRS's IFS accounting system fully integrates with G-Invoicing, the recording and transferring of expenditures will include new methods of electronically clearing and processing agreements under the G-Invoicing Stages 1-4.

(4) At the time of publication, the IRS was continuing to maintain its mainstream reimbursable accounting processes and procedures for recording and transferring expenditures and had not yet completed its accounting system integration with G-Invoicing.

(5) To support the proper recording and transferring of expenditures, this section also reviews key transaction codes, status reports, coding references and other useful tools to support effective reimbursable recording and transferring requirements.

1.33.3.3.3.1
(07-13-2023)
Forecast and Sales Order Processing

(1) All reimbursable agreements require the development of a budget estimate and either a Forecast of Revenue (FOR) budget breakout of the estimate or a G-Invoicing Sales Order with breakout of the estimate. This is followed by the monthly processing of certain IFS billing and payment transactions.

(2) If one or both trading partners have not interfaced their accounting systems with G- Invoicing, then the IRS allows the alternate option of processing the reimbursable using pre-existing procedures to facilitate the processing of the agreement. This means until both the IRS and the trading partner have transitioned to G-Invoicing (and registered on the OMB.MAX Trading Partner Directory), the IRS and the trading partner will use the pre-existing agreement clearance process, FOR process, and IPAC process during monthly processing.

Note: Non-federal entities and certain federal trading partners with recognized exemptions would also use pre-existing procedures and not the G-Invoicing reimbursable processing requirements.

(3) Below is a review of when to apply the Forecast of Revenue procedures versus Sales Order procedures, guidance, and forms.

a. The FOR procedures will be used for federal FS Form 7600A and FS Form 7600B agreements where one or both trading partners have not transitioned their accounting systems to G-Invoicing and are using manually created PDF forms for exchanging and clearing via email. For additional guidance see *Department of Treasury Interagency Agreement Process*, which applies to Interagency Agreements (IAAs) that are created manually or through G-Invoicing. The process documents and addresses preparation, processing, execution, administration, and closeout of interagency agreements. Fiscal Service guidance also applies to trading partners that are moving toward compliance with G-Invoicing and forms are adaptable for use by these entities.

b. The Forecast of Revenue procedures will also be used for Form 14417, Reimbursable Agreements - Non-Federal Entities agreements since these entities are ineligible for G-Invoicing. Obtain a copy of the Corporate Budget Reimbursables Internal Procedures from your SRT. The Department of Treasury Interagency Agreement Process also provides specialized guidance on non-federal agreements.

c. The IFS Sales Order procedures will be used for FS Form 7600A and FS Form 7600B agreements where both trading partners have successfully transitioned their accounting systems to G-Invoicing and can upload to the platform and exchange forms electronically and attach documentation for the eventual clearance, and process transactions in Stages 1-4 of the processing cycle. Work-Step-Instructions are continuously being updated and added to the Procurement in the Public Sector Resource Page under the Interagency Agreements section at the following location: *Work-Step Instructions and Job Aids for Interagency Agreements.*

1.33.3.3.3.2
(07-13-2023)
Billing and Payment Processing

(1) From the initial budget cost estimates to the final earnings transaction and closeout of the reimbursable project, the budget and accounting transactions should conform to one of two collections methods: the Intragovernmental Payment and Collection (IPAC) billing and payment process or the non-federal agreement advance payment process.

a. Except for non-federal entity agreements, which are paid in advance based on a lumpsum estimate, , all other agreements are billed monthly unless otherwise specified in the agreement. The monthly bill normally represents the prior month's actual costs for services and is billed at the beginning of the next month. Since the actual costs of the final month of the fiscal year are not known until after the year closes, a September estimated amount is accounted for prior to the fiscal yearend closing procedures. It is not appropriate to simply divide the annual cost into equal monthly payments unless the cost of the work performed is consistent from month-to-month.

b. Advance payment billings are adjusted upwards/downwards as necessary as the project nears completion.

c. Federal agreements, whether interfaced with G-Invoicing or not, are processed using the IPAC network. However, G-Invoicing processed agreements follow a different work stream before reaching the IPAC fund settlement.

d. Non-G-Invoicing integrated agreements and advance payment agreements continue to follow pre-existing billing and payment procedures. These were processed through the GPFM office and will continue to be maintained outside of G-Invoicing until further notice on the IRS G-Invoicing final implementation and effective date on startup. A few agreements have received G-Invoicing exemptions and would not be subject to conversion to G-Invoicing operational procedures.

1.33.3.3.3.3
(07-13-2023)
Monthly Reporting Schedules and Compliance

(1) The validity of reimbursable collections data reported in the central accounts and published in the Federal Government's Monthly Treasury Statement (MTS) at:*Monthly Treasury Statement* depends upon the accuracy of the monthly statements of transactions submitted by all departments and agencies. The timeliness of reports depends on strict compliance with Fiscal Service assigned deadlines, and the IRS monthly billing and collection deadlines.

(2) Business unit compliance with the monthly reporting cycle is a critical to maintaining the IRS internal accounting controls. The IRS processes transactions according to formal IFS posting models. The posting models require certain transactions related to the monthly processing cycle be completed within the same month.

(3) Late entries or those posted outside of the monthly cycle cause accounting relationships to become out-of-balance. Correcting an account misalignment requires the Financial Reporting and Analysis office to reconcile and complete adjustments before the IRS financial statements can be forwarded to Fiscal Service.

1.33.3.3.3.4
(07-13-2023)
IFS Transactions

(1) IFS reimbursable accounting transactions include:

a. Forecast of Revenue (FMV1, FMV2, & FMV3) and Transfer Budget (FMBB)
b. Recognize Reimbursable Earnings (FV50 and FBV0 – BZ) - These transfer cost from the Direct Fund to the Reimbursable Fund.
c. Record Unbilled Revenue (FV50-BW)
d. Advance Payment Receipts (FB50 or F-29-DZ)
e. Establish Billing Document and Clear Payments (FB05-AD or DR and F-28-DZ)
f. Record and Clear Credit Memo (FB75-DG and F110-IP)

Note: These accounting transactions are still active for agreements where at least one trading partner has not completed its system interface with G-Invoicing and must rely on pre-existing processing procedures. At the time of publication, IFS transactions and financial coding to support G-Invoicing transactional exchanges was not available.

1.33.3.3.3.4.1
(07-13-2023)
IFS Schedule of Reimbursable Earnings (FV50)

(1) Most reimbursable earnings are considered offsetting collections that should be identified with the IRS apportioned reimbursable authority. Reimbursable expenses are initially recorded against the direct fund appropriation codes ending with a "D." These expenses must be transferred to the reimbursable fund accounting string ending with an "R." The purpose of the schedule of reimbursable earnings (FV50) is to transfer expenses from the direct fund to the reimbursable fund. When the expenses are moved under this transaction, it indicates or triggers a billing to be issued to the Buyer.

(2) IFS earnings posted against an erroneous Buyer number must be reversed. Line items with an erroneous Buyer number must be deleted on the forecast of

revenue document (FMV1). This involves closing or “setting to complete” the erroneous accounting line and creating a new accounting line for processing future transactions.

(3) The instructions for completing an FV50 can be found at: *GPFM - Debt Collection Contact(sharepoint.com)*

1.33.3.3.3.4.2
(07-13-2023)
IFS Reimbursable Status Reports

(1) The following status reports support reimbursables monitoring and analysis:

a. Treasury Account Symbol (TAS) Search Report: ZTASBETCREP to validate the requesting agency TAS referenced on the FS Form 7600B.
b. Status of funds report: ZSOF_ECC2 to check reimbursable fund alignment with project accounting line details.
c. Reimbursable Earnings Error Report: ZOFR013 to view earnings errors real-time.
d. Earmarked funds journal: S_P99_41000147 displays reimbursable projects for posted earnings and open balances.
e. Reimbursable audit report: ZOFR011 provides a summary of projects by customer and SGL accounts.
f. BW2900 SOAF reports provide historical FTE and budget statuses by fiscal year periods and various sorting options.

1.33.3.3.3.5
(07-13-2023)
IFS Financial Codes

(1) A complete list of all financial codes can be found in the *Financial Management Codes Handbook*. The handbook is revised quarterly and is available on the *CFO website*.

1.33.3.3.3.5.1
(07-13-2023)
Funded Program Codes

(1) Funded program codes apply to non-federal reimbursable agreements and federal trading partners that do not participate in G- Invoicing for Orders. These continue to be a critical data element maintained within IFS. The funded program code is a unique, nine to twelve character, alphanumeric code.

(2) A funded program code must be established before these types of reimbursable documents can be processed in IFS.

(3) CB, in conjunction with the business units, determines which funded program codes will be reinstated under the new fiscal year, those that are known for new projects, and those that become known and need to be established during the course of the fiscal year.

(4) A snapshot of the reimbursable agreement funded program codes is available in the *Financial Management Codes Handbook*. A real-time list of reimbursable agreement funded program codes is available in IFS using transaction KOK5: variant name - IRS-Z002, Reimbursables.

1.33.3.3.3.5.2
(07-13-2023)
Work Breakdown Structure Codes

(1) The Work Breakdown Structure (WBS) financial coding process applies to G-Invoicing ready agreements where both trading partners have integrated their respective accounting systems and can engage in the exchange of the federal agreement GT&C, Orders, Performance Transactions, and Settlement within the platform. The federal entities must agree on the sales and distribution order - WBS line-by-line accounting codes and amounts for the agreement budget and FTE.

(2) The method of determining the agreement order's line by line billing and payment codes and amounts with the trading partner had not been finalized at the time of publication.

1.33.3.3.3.5.3
(07-13-2023)
Master Data Customer Numbers

(1) New master data customer numbers can be requested from the GPFM office. To obtain a new Buyer customer number, submit a copy of the new project agreement to the GPFM office contact, and ensure the TIN/EIN and business address are included.

1.33.3.3.3.6
(07-13-2023)
Government Payables and Funds Management Office Mailing Addresses and Contacts

(1) The GPFM office prefers electronic submission of reimbursable business accounting transactions, justifications, and documentation since electronic submissions are the most expedient. Hard copies and wire transfers are also acceptable, when necessary. The following email, mailroom, and federal wire transfer addresses can be used for forwarding these materials:

a. Reimbursable earnings (BZ earnings) documents should be forwarded to this electronic mailbox: **CFO BFC DCU Reimbursable Program*.
b. EV and OC documents should be forwarded to this electronic mailbox: **CFO BFC Electronic EV*

(2) Hard copies of advance payment checks, money orders and supporting documentation should be sent to the first mailing address below. The second address is intended for Federal Express-type mailings and the third address is for federal wire transfers.

Note: Checks, money orders, and supporting documentation may also be listed on Form 3210, Transmittal Form, and mailed to the address below using a traceable means of shipping, such as UPS CampusShip or USPS.

Hard copy mailing address::

Internal Revenue Service - Beckley
Government Payables & Funds Management Office
P.O. Box 9002
Beckley, WV 25802-9002

Federal Express-type mailing address:
Internal Revenue Service-Beckley
Government Payables & Funds Management Office
110 North Heber Street
Beckley, WV 25801-4501

Federal Wire Transfers mailing address:
US Treasury Routing ABA Number: 021030004, ALC: 20090003
Bank address:
FRB NY
33 Liberty Street
New York, NY 10045

(3) The GPFM office assigns specific staff to each business unit's reimbursable projects. The Reimbursable Project Inventory and contacts list is available at: *Reimbursable Project Inventory*.

1.33.3.4
(07-13-2023)
Closeout of Reimbursable Agreements

(1) Business units closing out reimbursable agreements at the end of the fiscal year must comply with the *Corporate Budget Yearend Guidance and Yearend Responsibilities and Cutoff Dates*. This guidance is provided on a fiscal year basis to assists business units with facilitating and monitoring their year-end close activities.

(2) The process of closing out a reimbursable agreement will commence upon completion of the work or when the period of performance specified in the reimbursable agreement ends, whichever comes first.

(3) Prior to closeout and within the cutoff dates agreed to between the Buyer and Seller, the IRS must notify the Buyer of the agreement actual costs and the final September estimate. When September final costs are known, the IRS must coordinate with the Buyer on returning unused balances.

1.33.3.5
(07-13-2023)
Prior-Year Settlements and Refunds

(1) The CB and GPFM office yearend guidelines provide advisements on allowing a percentage increase factor to cover late billing and payments.

(2) In first quarter, after the fiscal year has closed, there can be unforeseen instances where either the federal Buyer or Seller has significantly under/over estimated the final agreement orders costs or the non-federal entity has overpaid invoices and expects a refund.

(3) The Financial Reporting and Analysis office, Corporate Budget, and the GPFM office will weigh the amount of the claim or refund against the cost estimate involved in reopening IFS during a downtime and rebuilding the accounting to resettle the claim. If the claim or refund amount is approved, then Financial Management and Corporate Budget will assist the business unit and FPM with the process.