



Title: VI BAM 200 – Administrative Control of Funds

Policy Tracking#: CFO-14-01

Effective Date: May 22, 2019

Originating Office: Office of the Chief Financial Officer, 202-203-4622

(a) PURPOSE: This section states the policy of the United States Agency for Global Media (USAGM) and assigns responsibility for the administrative control of available funds, as required by the Antideficiency Act (31 U.S.C. 1514) and other authorities. Specifically, this section:

- (1) Establishes USAGM policy with regard to the administrative control of funds;
- (2) Prescribes a system for positive administrative control of funds designed to restrict obligations and expenditures (disbursements) to the amount available in each appropriation or fund account;
- (3) Restricts *both* obligations and expenditures from each appropriation or fund account *to the lower of* the amount of apportionments made by OMB or the amount available for obligation and/or expenditure in the appropriation or fund account;
- (4) Enables the USAGM to identify the person responsible for any obligation or expenditure exceeding the amount available in the appropriation or fund account, the OMB apportionment or reappportionment, the allotment made by USAGM, any statutory limitations, and any other limitations imposed by USAGM; and
- (5) Provides procedures for dealing with violations of the Antideficiency Act.

(b) AUTHORITY AND SCOPE:

(1) Authorities. The following federal laws and regulations directly impact the preparation of the budget, the obligation of funds, and the requirements for reporting both compliance and non-compliance. The following laws and regulations are applicable:

- (i) The Antideficiency Act, as amended 31 U.S.C. 1341-42, 1349-51, 1511-19;
- (ii) Budget and Accounting Act (BAA) of 1921, as amended 31 U.S.C. 1101, 1104-08, 3324;
- (iii) Section 1311 of the Supplemental Appropriations Act of 1950, 31 U.S.C. 1501-1502;

- (iv) Budget and Accounting Procedures Act of 1950, 31 U.S.C. 112, 1531, 3511-12, 3524;
- (v) Title X of Pub. L. 93-344, codified at 2 U.S.C. 681-688;
- (vi) OMB Circular A-11, Preparation, Submission & Execution of the Budget;
- (vii) Accountability of Tax Dollars Act of 2002, Pub. L. 107-289;
- (viii) Balanced Budget and Emergency Deficit Control Act, 1985, section 252, 2 U.S.C. 902;
- (ix) Congressional Budget Act (CBA) as amended by the Budget Enforcement Act (BEA), 1990, and 2002 2 U.S.C. 601 *et seq.*;
- (x) Clinger-Cohen Act, 1996 Pub. L. 104-106;
- (xi) Chief Financial Officers (CFO) Act, 1990 31 U.S.C. 503-04, 901-03;
- (xii) Economy Act, 31 U.S.C. 1535, 1551 – 1555, and 3302;
- (xiii) E-Government Act, 2002 Pub. L. 107-347, as amended;
- (xiv) Federal Credit Reform Act, 1990 enacted as an amendment to Title V of the CBA of 1974 2 U.S.C. 661 *et seq.*;
- (xv) Foreign Affairs Reform and Restructuring Act of 1998, 22 U.S.C. 6501 *et seq.*;
- (xvi) Government Management Reform Act (GMRA), 1994 Pub. L. 103-356, as amended;
- (xvii) Government Performance and Results Act (GPRA), 1993, Pub. L 103-62, as amended by the Government Performance and Results Modernization Act;
- (xviii) Impoundment Control Act (ICA), 1974 2 U.S.C. 681 *et seq.*;
- (xix) Federal Financial Management Improvement Act of 1996 (FFMIA) Pub. L. 104-208, as amended; and
- (xx) Paperwork Reduction Act, 1995 Pub. L. 104-13, as amended;
- (xxi) Reports Consolidation Act of 2000 31 U.S.C. 3516.
- (xxii) Treasury Financial Manual (TFM);
- (xxiii) United States International Broadcasting Act of 1994 22 U.S.C. 6201 *et seq.*

(2) Scope.

(i) These procedures apply to the Federal Government elements of the U.S. Agency for Global Media (referred to in this policy as “Agency” and “USAGM”). This policy applies to all Agency appropriations and funds. OMB must approve any exceptions before they are implemented.

(ii) Provisions of this policy also apply to all Agency programs, all allottees, suballottees, and other personnel with responsibilities for administering, controlling, or otherwise overseeing the obligation and disbursement of funds.

(c) **DEFINITIONS:**

(1) Funds Control. The term “funds control” refers to management control over the use of funds to ensure:

(i) Funds are used only for authorized purposes;

(ii) They are economically and efficiently used;

(iii) Obligations and expenditures do not exceed the amounts authorized; and

(iv) The obligation or expenditure of amounts authorized is not reserved or otherwise deferred without Congressional knowledge and approval.

(2) USAGM Element means any organization to which the Agency assigns a suballotment.

(3) Appropriation means a provision of law (not necessarily in an appropriations act) authorizing the expenditure of funds for a given purpose. Usually, but not always, an appropriation provides budget authority.

(4) Apportionment means a distribution made by OMB of amounts available for obligation in an appropriation or fund account into amounts available for specified time periods, program, activities, projects, objects, or any combinations of these. The apportioned amount limits the obligations that may be incurred. An apportionment may be further subdivided into allotments, suballotments, and allocations.

(5) Allotments are subdivisions of apportionments that are made by an agency. The sum of all allotment amounts will not exceed the apportionment. Allotments are subject to the provisions of the Antideficiency Act.

(6) Allowances and allocations are subdivisions of suballotments.

(7) Budget Authority (BA) means the authority provided by law to incur financial obligations that will result in outlays. The specific forms of budget authority are appropriations, borrowing authority, contract authority, and spending authority from offsetting collections. Budget authority is usually associated with an appropriation. Budget authority sets the period of time to be used to incur new obligations. This authority is annual, multi-year, or no-year budget authority.

(i) Annual budget authority is available for obligation during one fiscal year or less.

(ii) Multi-year budget authority is more than one year; it can be less than two years. Usually, the period covers two or more whole fiscal years.

(iii) No-year budget authority language for a specific appropriation of budget authority or the authorization of the appropriation may make all or some portion of the amount available until expended. Obligations can be incurred indefinitely until expended for the specific intent of the appropriation. Construction projects tend to be no-year budget authority.

(8) Budgetary resources mean amounts available to incur obligations in a given year. Budgetary resources consist of new budget authority and unobligated balances of budget authority provided in previous years.

(9) Commitment is a reservation of funds in the accounting system in advance of a valid obligation. Commitments are particularly useful when there is a significant delay between the initial pre-validation and the later actual obligation of funds. Commitments are not included in any official reports on obligations incurred, as they do not meet the criteria for recording obligations.

(10) Continuing Resolutions (CRs) are joint resolutions of Congress that provide continuing appropriations for a fiscal year, or part of a fiscal year. CRs are enacted when Congress has not yet passed new appropriations bills and a program's appropriations are about to or have expired, or when the President has vetoed Congressionally passed appropriations bills. While under a CR, you should operate at a minimal level until after your regular appropriation is enacted.

(11) Fiscal Year (FY) is the Government's accounting period, beginning October 1 and ending on September 30th. The fiscal year is designated by the calendar year in which it ends. For example, a fiscal year starting on October 1, 2004 and ending September 30, 2005 is designated as FY 2005.

(12) Full-time equivalent (FTE) employment is the basic measure of the levels of employment used in the budget. It is the total number of hours worked (or to be worked) 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. FTE employment levels apply to straight time hours only. For example, for FY 2005, compensable days are 261 and the hours are 2,088, for FY 2006, the compensable days are 260 and the hours are 2,080. See OMB A-11, section 32, for a listing through FY 2008 and for other personnel compensation definitions.

(13) Obligated balance means the cumulative amount of budget authority that has been obligated but not yet outlayed. It is also known as unpaid obligations (which are made up of accounts payable and undelivered orders) net of accounts receivable and unfilled customers orders.

(14) Obligation means a binding agreement that will result in outlays, immediately or in the future. Budgetary resources must be available before obligations can be incurred legally.

(15) Operating Plans are documents prepared by the suballotment holder (or his/her designee) which serve as benchmark for tracking actual obligations during the fiscal year and projecting obligations for the remainder of the fiscal year. Plans are used not only to identify any potential year-end surpluses or deficits, but are also used in developing the Agency budget estimates for the President’s budget.

(16) Outlay means a payment to liquidate an obligation (other than the repayment of debt principal). Outlays are the measure of Government spending.

(17) Reprogramming means the utilization of funds in an appropriation account for purposes other than those contemplated at the time of appropriation. Reprogramming is generally preceded by consultation between the Federal agencies and the appropriate congressional committees. It involves formal notification and, in some instances, opportunity for disapproval by congressional committees.

(18) Rescission means a legislative action that cancels new budget authority or the availability of un-obligated balances of budget authority prior to the time the authority would otherwise have expired.

(19) Suballotments are subdivisions of allotments. Suballotments are subject to the provisions of the Antideficiency Act.

(20) Transfer means to move budgetary resources from one budget account to another. Depending on the circumstances, the budget may record a transfer as an expenditure transfer, which means a transfer that involves an outlay, or as a non-expenditure transfer, which means a transfer that doesn’t involve an outlay.

(21) Treasury Appropriation Fund Symbol (TAFS) refers to the separate Treasury accounts for each appropriation title based on the availability of the resources in the account. The TAFS is a combination of Federal account symbol and availability code (e.g. annual, multi-year, or no-year appropriation).

(22) Trust fund refers to a type of account, designated by law a trust fund, for receipts or offsetting receipts earmarked for specific purposes and the expenditure of these receipts.

(23) Unobligated balance means the cumulative amount of budget authority that is not obligated and that remains available for obligation under law.

(d) PROCEDURES AND PRIMARY RESPONSIBILITIES:

(1) Primary Responsibilities.

(i) The Agency is responsible for prescribing a system of administrative control of funds. This responsibility has been delegated to the Chief Financial Officer (CFO). The CFO serves as the USAGM's principal financial and budget officer and assists in the oversight of the USAGM under the overall direction of the CEO and Director. The CFO serves as the primary technical and policy advisor to the CEO and Director and the Board on all matters relating to financial and budgetary management and provides guidance and coordination regarding USAGM's financial management, budget, and strategic management policies and systems.

(ii) The CFO has two primary sets of responsibilities:

(A) to coordinate the development of resource requirements to enable the USAGM to present integrated resource submissions to the Office of Management and Budget (OMB) and to the Congress; to assist Office heads in developing policies, plans, and programs to achieve policy goals; to support USAGM's strategic and performance planning; and to oversee the management of the funds and ensure that the distribution of the funds enable the USAGM's operations to achieve its policy objectives.

(B) to report directly to the CEO and Director and the Board regarding financial and budgetary management matters; to oversee all financial and budgetary management activities relating to the USAGM programs and operations; to develop and maintain an integrated agency accounting and financial management system; to direct and manage USAGM's financial management, budget, and strategic management personnel, activities, and operations; and to monitor the financial execution of the budget in relation to actual expenditures.

(iii) Delegated Responsibilities. To carry out these responsibilities the following functions have been delegated:

(A) to the Director of the OCFO Budget Division (Budget Director):

- (1) Budget presentation, ascertaining the availability of funds, obtaining apportionment, and issuing allotments and suballotments to USAGM elements;
- (2) Developing and implementing policies, regulations, and procedures to provide for the effective and efficient administrative control of funds available to the Agency; and
- (3) Investigating, preparing reports, and following up regarding Antideficiency Act violations. With respect to investigating, reporting, and following up on Antideficiency Act violations, the Director of the OCFO Financial Operations Division shall provide support and assistance to the Budget Director as necessary.

(B) to the Director of the OCFO Financial Operations Division (Financial Operations Director): Establishing and maintaining a financial management system that supports the funds control system. The financial management system will provide a system of accounts and records necessary to assure that obligations and disbursement do not exceed: amounts appropriated, apportioned, allotted, suballotted, or otherwise limited by internal classification or limitations; the balances in trust funds; and reimbursements earned. The system shall provide managers of funds timely status of funds information in order that they may prevent the obligation of funds in excess of allotments or suballotments.

(iv) Apportionment and Reapportionment of Appropriations. The Chief Financial Officer (CFO) has delegated to the Budget Director, the responsibility for requesting apportionments and reapportionments in accordance with operating plans approved by the Office of Budget, and the responsibility for reporting on the use of apportionments and reapportionments to the Office of Management and Budget. The Budget Director develops budget formulation and execution policies and instructions, reviews budget operations to assure performance in an efficient and economical manner and provides technical fiscal advice and assistance to all Agency offices. The Budget Director maintains controls for the receipt of apportionments from OMB, and the further allocation of the budget to the allotment and suballotment levels. As part of budget execution, the Budget Director is responsible for establishing a fund control system and furnishing budget and financial reports to OMB and Treasury to ensure compliance with the apportioned amounts.

(v) Fund Controls. The control of appropriations and/or funds within consolidated financial plans and apportionments and reappropriations is exercised by allotment authorities, which are delegations of authority to issue allotments; allotments; suballotments; operating allowances; and systems for the control of obligations and disbursement documents. It is the Agency's policy to establish fund authorizations for budgetary control at the highest practical levels. The following principles apply:

(A) Allotment authorities are issued to officers of major organizations that have autonomous or semiautonomous organizations reporting to them.

(B) Suballotments are made to officers at the major organization level. In addition, allotments shall be issued to officers of autonomous or semiautonomous organizations by officers of major organizations receiving allotment authorities.

(C) Operating allowances are issued within suballotments where necessary to facilitate control against suballotments.

(D) It is also policy to limit the number of allotments and suballotments to those essential to assure that obligations are not incurred in excess of apportionments and reappropriations. The number of allottees assigned to each allotment or suballotment is also limited. Reliance on systems of multiple allotments or suballotments to provide analysis of obligation activity shall be avoided.

(E) Advices of Allotment and suballotment are issued by the Budget Director, in conformance with approved financial plans, and within the amounts and limitations of apportionments or reappropriations made by the Office of Management and Budget.

(F) The Budget Director is responsible for assuring, with respect to all funds, including trust funds, that:

(1) appropriate accounting is performed to provide for accurate disclosure of the status of all appropriations and other forms of obligational authority in terms of apportionments, allotment authority, allotments, suballotments, operating allowances, obligations, and disbursements;

(2) allotments do not exceed apportionments and reappropriations;

(3) suballotments do not exceed allotments; and

(4) amounts recorded and reported as obligations are valid obligations as defined by law.

- (G) Each official who receives a suballotment of funds is responsible for:
- (1) restricting obligations to the amounts available in such suballotments;
 - (2) identifying an obligation with the applicable appropriation or fund, allotment, and suballotment at the time it is incurred;
 - (3) certifying funds are available before the applicable obligation documents are released and recorded;
 - (4) authorizing payments when goods are received or constructive receipt occurs (e.g., issuance of a receiving report or notice that services had been received); and
 - (5) reviewing unliquidated obligations and de-obligating them when appropriate.
- (H) Obligations incurred or disbursements made in excess of the amount permitted by an allotment or suballotment constitutes a violation of the Antideficiency Act.
- (I) The allotment accounts shall be the official allotment accounting records and the amounts there shall be under General Ledger control. Suballottees shall also be responsible for controlling the rate of obligations in accordance with the approved financial plan, specifically to prevent the exhaustion of funds prior to expiration of an allotment or suballotment.
- (J) For purposes of effective financial planning, including fund control, data on commitments shall be accumulated in accounting records in advance of their becoming valid obligations. When the records are used to prepare official reports on incurred obligations, the reports shall include only valid obligations as defined by law.
- (K) The Congress places statutory limitations on amounts that may be spent for representation abroad and entertainment in the U.S. and occasionally for other purposes. Whenever a USAGM element is authorized to incur obligations involving such limitations, an advice of suballotment will state the specific amount included for such purpose.

(2) Actions Prohibited. No Agency employee shall violate The Antideficiency Act of 1921 (See 31 U.S.C. 1341, 1342, and 1517). In addition, each Agency employee responsible for authorizing use of funds, initiating use of funds, or obligating funds should read [OMB A-11 section 145](#), regarding Antideficiency Act violations. In compliance with The Antideficiency Act, Agency employees are prohibited from doing all of the following:

(i) Authorizing or making an obligation that exceeds the enacted appropriations or fund for the year, including obligation to purchase goods or items that are prohibited by law. This prohibition covers appropriations, apportionments, allotments, and suballotments.

(ii) Authorizing or making a disbursement exceeding an appropriation, fund, apportionment, reappropriation, allotment, or suballotment.

(iii) Obligating or expending funds required to be sequestered. Sequestration means the cancellation of budgetary resources provided by discretionary appropriations or mandatory spending legislation.

(iv) Involving the Agency in a contract or obligation before an appropriation is received, unless law authorizes such contract or obligation.

(v) Accepting voluntary services in excess of that authorized by law.

(A) In accordance with 31 U.S.C. 1342, Agency employees may not accept voluntary services for the Government or employ personal services exceeding that authorized by law, except for emergencies involving the safety of human life or the protection of property. In this section, the term “emergencies involving the safety of human life or the protection of property” does not include ongoing, regular Agency functions, the suspension of which would not imminently threaten the safety of human life or the protection of property.

(B) Contact the Office of the General Counsel for more information about the general prohibition on accepting voluntary services, exceptions, and circumstances when accepting voluntary services is specifically authorized by law.

(vi) Limitations of Obligating and Expending Amounts. In accordance with 31 U.S.C. 1341, an Agency employee may not:

- (A) make or authorize an expenditure or obligation exceeding an amount available in an appropriation or fund for the expenditure or obligation;
- (B) involve the Agency in a contract or obligation for the payment of money before an appropriation is made unless authorized by law;
- (C) make or authorize an expenditure or obligation of funds required to be sequestered under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985; or
- (D) involve the Agency in a contract or obligation for the payment of money required to be sequestered under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

(3) Penalties. 31 U.S.C. 1518—1519, 1350 concern the penalties for violating the Antideficiency Act. Key points are:

(i) Administrative Penalties. Any Agency employee who violates the Antideficiency Act shall receive appropriate administrative discipline, the appropriateness of which depends upon the circumstances of the violation. Disciplinary measures may consist of:

- (A) Letter of reprimand or censure for the official personnel record of the officer or employee;
- (B) Unsatisfactory performance rating;
- (C) Transfer to another position;
- (D) Suspension from duty without pay; or
- (E) Removal from office.

(ii) Criminal Penalties. In addition, criminal penalties apply to knowing and willful violations. Upon criminal conviction, any Agency employee who knowingly and willfully violates prohibitions found in the Antideficiency Act (See 31 U.S.C. 1341(a), 1342, 1517(a)), shall be fined not more than \$5,000, imprisoned for not more than two years, or both.

(4) Reporting Violations.

(i) When it appears that an Antideficiency Act violation has occurred, all pertinent facts must be gathered to prepare the violation report required by 31 U.S.C. 1351. Any individual who knows of a possible violation must report it to the suballottee and the CFO. Initially, each obligation and disbursement transaction which exceeds amounts available must be examined to determine why the violation occurred and to name the responsible person or persons. Actions that are later taken to correct the cause of the violation do not negate its occurrence and it must be reported. The amount of the violation is not a factor in determining whether a report must be submitted, and all violations must be reported immediately upon discovery.

(ii) The CFO is responsible for managing preparation and submission of reports on violations of the Antideficiency Act, with support from the Budget Director and the Financial Operations Director. When it has been substantiated that a violation has occurred, the Budget Director will immediately prepare the report required by 31 U.S.C. 1351 for the CFO's review. The Financial Operations Director shall provide support and assistance, as necessary, to the Budget Director regarding the report. The CFO will review and forward the report to the CEO and Director, as well as to the Board, for final signature. The CFO shall submit the final, signed report to all required recipients, including the President, through OMB, and the Congress. Formats for the reports to OMB and the President, as well as to Congress, are in OMB Circular A-11, Exhibits 145A and 145B.

(iii) 31 U.S.C. 1351, 1517(b) as amended by the Consolidated Appropriations Act, 2005, P.L. 108-447 requires that copies of the above reports also be sent to the Comptroller General. Agencies may electronically send PDF (portable document formant) copies of the reports to AntideficiencyActReports@gao.gov or may send paper copies to GAO at:

Comptroller General of the United States
U.S. Government Accountability Office
Antideficiency Act Reports
Room 7165
441 G Street, NW
Washington, DC 20548

(5) Accounting support for funds control system.

(i) The accounting system is structured to meet the requirements of all applicable laws and regulations relating to federal accounting and to the administration of appropriations and funds. This system provides the necessary controls and reporting tools for budget execution and records expenditures by budget object classification, a detailed list of which can be found in OMB Circular A-11, section 83. It also aids in ensuring that funds are expended as intended by appropriation, program, object classification and limitation. The Agency is required to comply with the U.S. Standard General Ledger (USSGL) reporting system, supporting the Government-wide effort to produce timely and accurate reports.

(ii) Policies and standards for developing, operating, evaluating, and reporting on financial management systems are in OMB Circular A-127, "Policies and Standards for Financial Management Systems." Policies related to IT that pertain to financial management systems are in OMB Circular A-130, "Management of Federal Information Resources". Both circulars can be found at <http://www.whitehouse.gov/omb/circulars>.

(iii) In addition, the Treasury Financial Manual USSGL Supplement, which is available at <http://www.fms.treas.gov/ussgl/index.html>, provides:

- (A) A list of the accounts (i.e., the chart of accounts);
- (B) Descriptions of each account;
- (C) A listing of transactions processed by Federal agencies;
- (D) The posting models, including debit and credit pairs, for each type of transaction;
- (E) The USSGL attributes that are an integral part of the USSGL; and
- (F) Crosswalks from the USSGL to various external reports, such as the SF 133 and the actual year column of the Program and Financing Schedule in the President's budget.

(6) Apportionment Procedures.

(i) Once an appropriation is passed by Congress and signed by the President, OMB apportions funds to USAGM, generally on a quarterly basis, as a safeguard to ensure that the Agency does not exceed its appropriation. The CFO submits an SF-132, Apportionment and Reapportionment Schedule, to OMB requesting that the funds be apportioned by quarters or by category. The category of funds can add further restrictions on their use, as can wording contained in the footnote section of the SF 132. The OCFO Budget Division is responsible for developing apportionment requests for the CFO's approval and submitting requests to OMB through MAX.

(ii) When funds are apportioned for less than a FY (e.g. calendar quarters), unobligated balances at the end of the period are carried forward and are available for obligation in subsequent apportionment periods within the year, however, funds still require approval from OMB for reapportionment. Guidance on preparing apportionment and reapportionment requests is available in OMB Circular A-11 Section 120.

(iii) Trust Funds – Funds not apportioned by OMB. Trust funds are receipts that are held in trust for use in carrying out specific purposes and programs in accordance with agreements or statutes. To cover program expenses, the Agency is authorized to accept funds from non-appropriated sources, in addition to those appropriated by Congress. Various trust fund accounts have been authorized by the Department of Treasury for use by the Agency in accounting for these funds. For example, the Agency gift fund is 95X8286, and all unconditional gifts received are to be deposited and disbursed from this account. The OMB Director exempts trust funds from the apportionment process, which are allocated to the Agency office that is responsible for carrying out the specific programs, or activities for which the trust funds are made available.

(7) Policy on Allotments and Suballotments.

(i) The CFO office controls the further distribution of funds by allocating the funds within the Agency once the apportionment is received. Obligations cannot exceed apportionments and are subject to the Antideficiency Act. Assignment of funds control responsibility will be to the highest practicable level to correspond to program management.

(ii) Allotments are a further distribution of the budget and will occur at the highest practical level. Any changes to an allotment and suballotment structure must be approved by the CFO. Budget distributions down to a suballotment level are subject to the provisions of the Antideficiency Act.

(A) The Agency allotment and suballotment structure for funds appropriated under all Treasury accounts is as follows:

(1) Allotments. Funds are generally allotted into one of two categories: Federal and Grantee.

(2) Suballotments.

(i) Funds in the “Federal” Allotment are generally suballotted into the following suballotments:

(A) International Broadcasting Bureau (IBB)

(B) Technology, Services, and Innovation (TSI)

(C) Voice of America (VOA)

(D) Office of Cuba Broadcasting (OCB)

(ii) Funds in the “Grantee” Allotment are generally suballotted into the following suballotments:

(A) Radio Free Asia (RFA)

(B) Radio Free Europe / Radio Liberty (RFE/RL)

(C) Middle East Broadcasting Networks (MBN)

(iii) Requirements for Allotments and Suballotments.

- (A) The sum of allotment amounts issued may not exceed the apportionment.
- (B) The sum of suballotment amounts issued may not exceed the allotment.
- (C) The sum of allocation amounts issued may not exceed the suballotments.
- (D) Allotted amounts (allotments and suballotments) may be changed only with the CFO's, or designee's, approval.
- (E) Congressional restrictions contained in appropriation acts must be enforced.

(iv) Procedures for Allotments and Suballotments.

(A) An "advice of suballotment" is furnished to a program office stating the amount available, funding source, and time period of availability, any specific limitations, and justification for changes in the suballotment amount. Allotments and suballotments have an audit trail back to the apportionment and are reconciled on a monthly basis. The CFO has the authority to issue and reduce allotments or suballotments, and to designate in writing others with the authority to do so.

(B) Each suballottee (program or office official who receives a suballotment) is held responsible for restricting obligation and/or expenditures (disbursements) to the amounts available under the terms of the suballotment. This is accomplished through the pre-validation of all obligations and/or expenditures to the amounts in the suballotment records to determine whether sufficient funds are available.

(C) The CFO office conducts reviews of all allotments and suballotments at mid-year, in the third quarter, and at year-end to identify potential reallocations required in current allotments or suballotments and to recommend adjustments (including reprogramming actions) to the CEO and Director, as well as to the Board, based on the most current information on program requirements.

(v) Element Financial Plans. Each USAGM Element's approved financial operating plan is used to further divide the funds below the suballotment level. Financial operating plans are required to be submitted for each suballotment issued by the Budget Office. The plans indicate the amount planned for obligations, by fiscal year quarter and by budget object class. In light of the numerous small dollar amounts involved, and the requirement in 31 U.S.C. § 1514(b), these divisions are not within the scope of 31 U.S.C. 1517(a)(2), except if specified herein.

(vi) Procedures for Financial Operating Plans.

(A) Each Agency office is responsible for implementing its approved financial operating plan and limiting obligations and expenditures to the total amount of funds budgeted in that plan.

(B) While obligating or expending funds in excess of the total amount budgeted in an approved financial operating plan may not violate the Antideficiency Act *per se*, it is prohibited and may subject an Agency employee to administrative discipline described in paragraph (d)(2)(ii)(A) above.

(C) In addition to being prohibited by the Agency, an Agency employee obligating funds in excess of the total amount budgeted in an approved financial operating plan is also an Antideficiency Act violation if it causes the Agency to do either of the following:

(1) Obligate or expend funds in excess of funds available in an allotment or suballotment; or

(2) Violate any requirements contained in appropriation acts.

(8) Treatment of anticipated budgetary resources already enacted into law.

(i) Rescissions and Deferrals. The Agency will conform to prescribed guidelines and procedures within its accounting system in accordance with the Congressional Budget and Impoundment Control Act of 1974. Budgetary authority may be temporarily withheld from obligation through the apportionment process for anticipated rescissions, fiscal policy considerations, or for other reasons. However, all funds deferred through the apportionment process, as well as apportioned funds provided for a specific purpose or project that are being obligated at a pace slower than intended by the Congress, must be reported to the Congress in a special message from the President.

(A) Rescissions– Budget Authority. A rescission is a legislative action that cancels new budget authority or the availability of unobligated balances of BA prior to the time the authority would otherwise have expired. Rescissions are a cancellation in law of budgetary resources, resulting in a negative BA in the year it takes effect. Special instructions must be followed regarding whether the rescission affects special funds, annual appropriations and the possibility of having both a rescission and a re-appropriation. OMB provides the specific guidance and the office of the CFO is responsible for ensuring the Agency meets the guidance.

(B) Deferrals – Budgetary Resources. The executive branch (President, OMB) can temporarily withhold, delay or effectively preclude the obligation or expenditure of budgetary resources. If this action is taken, the President reports deferrals to Congress by special message. Deferrals are not identified separately in the budget. If a deferral occurs, OMB will provide additional guidance to the Agency and the CFO will ensure compliance with the guidance.

(ii) Appropriation Repayments. Appropriation repayments are collections for credit to appropriation accounts. (See 31 U.S.C. 3302b and OMB A-11, section 20) The two general classifications are refunds and reimbursements.

(A) Refunds. Refunds are collections of previously expended amounts made by the Agency. The amounts are directly related to obligations incurred and outlays made against these obligations.

(1) Accounting for Refunds. Refunds are deposited and credited to the original obligation from which they were disbursed. A refund affects the liquidated and unliquidated balance of an obligation. Once the refund has been recorded, the liquidated amount will be decreased and the unliquidated (undelivered order) amount increased by the amount of the refund. The refund does not impact on the allotment or obligation amount. The refund is not considered new obligation authority, but as a return of previously expended authority. The treatment of refunds depends upon the status of the appropriation from which it was expended.

(i) Currently available - refunds are available for future expenditures against the obligation and can be de-obligated to fund new obligations.

(ii) Expired – refunds are available for future expenditures against the obligation and cannot be de-obligated to fund new obligations.

(iii) Cancelled - refunds are not available for future expenditure and the funds are considered collections of accounts receivable against a cancelled account. These funds are deposited to account 953200, Collection of Receivables from Cancelled Accounts.

(B) Reimbursements. Reimbursements are collections which may be credited to the appropriation in payment for goods and services provided or to be provided by that appropriation.

(1) Authority for Reimbursement from Federal Agencies. The Economy Act (31 U.S.C. 1535), authorizes reimbursements to be made between appropriations of different Federal agencies for commodities, work, or

personal services furnished or to be furnished by an agency to or on behalf of another agency.

(2) Authority for Reimbursements from Non-Federal Sources. In the absence of specific statutory authority, commodities, work, or personal services may not be provided or performed on a reimbursable basis to or for non-federal entities. The following special authorities are available to the Agency to accept funds from non-federal sources for credit to Agency appropriations as reimbursements.

(i) Collection of Lump-Sum Leave Payments on Rehire. Pursuant to the Annual and Sick Leave Act of 1941, as amended, amounts collected from employees as repayments of lump sum leave payments due to their rehire prior to the expiration of the periods covered by the lump-sum payments on annual leave are credited to the employing agencies, and are deposited as reimbursements to the appropriations currently being charged for the employees' salaries.

(ii) Collections from Other Governments. The U.S. Information and Educational Exchange Act of 1948 (P.L. 80-402), Reorganization Plan of 1953, as amended, Reorganization Plan No.2 of 1977, the 1999 Omnibus Appropriations Act, and Executive Order 12048 authorize the Agency to accept funds from any other governments to be used for specific parts of the Agency's program undertaken pursuant to that Act. Funds received must be deposited into the account that will be used to fund the corresponding obligations and expenditures.

(9) Deficiency Apportionment.

(i) Apportionments that anticipate the need for a deficiency appropriation or a supplemental under 31 U.S.C. 1515 will be specifically identified on the apportionment request (SF 132). To qualify as a deficiency apportionment, the request must be required by:

(A) Laws enacted subsequent to the transmittal of the annual budget for the year to Congress;

(B) Emergencies involving human life, the protection of property, or the immediate welfare of individuals; or

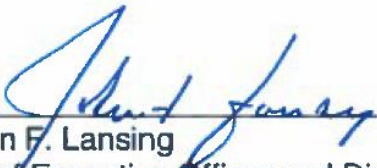
(C) Specific authorization by law.

(ii) When OMB approves a deficiency apportionment and transmits it to Congress, OMB is merely notifying the Congress that funds appropriated to date are being obligated at a more rapid rate than previously anticipated. This notification does not guarantee that the Congress will approve any part of any associated supplemental request and does not authorize the use of any amounts not yet provided.

(e) EFFECTIVE DATE AND APPROVAL:

Approved by:

Effective Date



John F. Lansing
Chief Executive Officer and Director

5.22.19