

DEPARTMENT OF THE ARMY
BUFFALO DISTRICT, CORPS OF ENGINEERS
1776 Niagara Street
Buffalo, New York 14207-3199

CELRB-RM

DISTRICT REGULATION
BR 37-1-3

8 April 1999

Expires 1 May 2001
Financial Administration
JOINT REVIEW OF UNLIQUIDATED OBLIGATIONS

1. PURPOSE. The purpose of this regulation is to establish policy, define responsibilities, and provide procedural guidance for Buffalo District regarding the joint review of unliquidated obligations (ULO).

2. APPLICABILITY. This regulation applies to all Buffalo District personnel involved in the commitment, obligation, and expenditure of Civil Works and Revolving Funds.

3. REFERENCES.

- a. Public Law 97-258, Section 1554
- b. DFAS 37-1, 28-14, Unliquidated Obligations - Joint Reviews
- c. ER 37-2-10, 5-28, Review of Unpaid Obligating Documents
- d. HQUSACE Unliquidated Obligation Handbook for COEMIS and F&A Users dated 1 Dec 87 (some procedures still relevant to CEFMS)
- e. ASA (FM&C) memo dated 26 Jan 99, subject: Quarterly Reviews of Commitments and Obligations
- f. OUSD(C) memo dated 14 May 96, subject: Quarterly Reviews of Commitments and Obligations
- g. CERM-F memo dated 5 April 1999, subject: Documentation and Reporting Requirements Following Joint Reviews of Commitments and Obligations
- h. ASA (FM&C) memo dated 26 Feb 99, subject: Quarterly Reviews of Commitments and Obligations

4. POLICY. In accordance with the above references, it is the policy of Buffalo District to review commitment and obligation transactions recorded in the official accounting systems for accuracy, completeness, and timeliness during each of the four-month periods ending on January 31, May 31 and September 30 of each fiscal year. Phase I reviews must be completed and documented by 14 February; Phase II reviews by 14 June; and Phase III reviews by 14 October.

5. RESPONSIBILITIES.

a. The Resource Management Officer is responsible for establishing internal controls to ensure an adequate review of unliquidated obligations is performed.

b. The Finance and Accounting Officer is responsible for scheduling the ULO and for providing lists to funds managers of unliquidated commitments, obligations, and payables for review.

c. Funds Managers are responsible for ensuring that the primary "responsible employee" in CEFMS is correct for each work item.

d. Funds Managers are responsible for reviewing the unliquidated commitments, obligations, and payables on the provided list for accuracy, completeness, and timeliness. As a minimum the documents should be reviewed in keeping with the review procedure below.

e. Funds Managers should annotate action taken on the ULO listing, certify the ULO, and return the original signed listing to Finance and Accounting within 14 days following the end of January, May, and September.

f. Funds Managers will maintain a file for 24 months following the completion of the ULO review to include documentation sufficient to permit independent organizations, such as the IG or AAA, to verify that the reviews were accomplished as required.

g. Finance and Accounting is responsible for forwarding the District ULO certification to Division. This certification must reach Division by their suspense date for further consolidation and forwarding to HQUSACE by 21 February, 21 June, and 21 October.

h. Logistics is responsible for deobligating unneeded travel order balances routinely and as requested.

i. Contracting is responsible for obligations and deobligations of contracting actions.

j. Funds Managers are responsible for ensuring that other necessary actions to decommit or deobligate are processed by a responsible employee in the section.

k. Finance and Accounting personnel will assist Funds Managers and Responsible Employees with the ULO review as requested.

6. REVIEW PROCEDURES. As a minimum:

a. Review each outstanding commitment of \$50,000 or more, in accordance with appropriate aging guidance for that type of commitment. Determine if the commitment is still valid and if the amount of the commitment is accurate.

b. Review each unliquidated obligation of \$50,000 or more, in accordance with appropriate aging guidance for that type of obligation. Determine if the recorded obligation amount is accurate, the unliquidated amount is valid and whether goods or services have been received for which a disbursement has not been recorded.

c. Review each outstanding payable on the list over 30 days old. If the payable is an accrual, determine whether the accrual is valid and if the amount is accurate. If the payable is a receiving report or pay estimate for goods or services received, contact Finance and Accounting to determine if there is a problem with the disbursement, such as, the invoice was not received.

d. Send an email to Logistics to deobligate unneeded travel order balances. Send an email to Contracting to cancel unwanted purchase order obligations or deobligate unneeded balanced on estimated purchase orders.

e. Reconcile government order obligations with the customer. If work is complete, take steps to close out the government order by contacting Programs Management to enter a change order to decrease the obligation.

f. Review commitments and obligations in accordance with appropriate aging guidelines for that particular type of transaction:

- (1) Contractual PR&C's over 30 days old
- (2) Travel Obligation balances over 60 days old
- (3) Labor or In-House PR&C's one year old or more
- (4) Accruals and payables over 30 days old
- (5) Government Order obligation balances over 6 months old

g. Focus on appropriations that have expired, are going to expire in the current fiscal year, or are only available as current year appropriations. The ULO cover letter will provide the minimum parameters for that phase's review.

h. To the extent that a Funds Manager is unable to confirm the accuracy of commitment of obligation amounts, a full written explanation of why they are unable to do so, and the corrective actions being taken, shall be provided to Finance and Accounting along with the certified ULO listing.

~~FOR THE COMMANDER:~~


MARK D. FEIERSTEIN
LTC, EN
Commanding

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