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CHAPTER 4 - HEADQUARTERS FISCAL YEAR-END REQUIREMENTS

- 4-1. PURPOSE. To provide Headquarters program and accounting offices with: (1) specific instructions for the processing of program and administrative documents used to reserve, obligate and disburse funds and (2) cut-off dates for processing such documents applicable to the fiscal year-end being closed.
- 4-2. RESPONSIBILITY OF PROGRAM OFFICIALS. Paragraph 4-3 sets forth the requirements for processing documentation for assignments, reservations, obligations and disbursements. These requirements must be complied with by: (1) All Assistant Secretaries; (2) General Counsel, and (3) Regional Inspector General for Audit/Office of Inspector General
- 4-3. CUT-OFF DATES FOR PROCESSING FISCAL YEAR-END PROGRAM TRANSACTIONS.
- a. Fund Assignments. Unless prior arrangements have been made With OFA, all final fund assignments for contract, loan and budget authority on Form HUD-185, must be received by OFA no later than five workdays prior to the end of September in order to ensure proper time for fund availability check, and to complete further processing by the Office of Budget and program officials. See HUD Handbook 1830.4 REV.
- b. Reservations. All fiscal year reservations, except as specially arranged for the Section 202, Housing for the Elderly or Handicapped, should be submitted to OFA no later than September 20, to allow sufficient time for approval and execution of the related contracts and other obligating documents by September 30. All reservations for which obligations are not executed on or before September 30, will either be reversed on the books of account for the fiscal year ending September 30, (for annual appropriations) or established in the accounts for the next fiscal year (for no year and multi-year appropriations).
- c. Obligating Documents. Approved and dated copies of all contracts, purchase orders, and other obligating documents executed through September 30 should be received in OFA no later than the close of business on the third workday in October, unless prior arrangements have been made by the originating office. Where necessary, documents shall be hand delivered to ensure receipt by the cut-off date. Any obligating documents which cannot be recorded and/or are received in OFA after the third workday in October, may be returned to the originating office or recorded as the following fiscal year's business, depending upon the circumstances.

- d. Disbursements. All vouchers and invoices and other payment documents which are to be paid by Treasury Check on or before September 30, should be received by OFA no later than close of business of the sixth workday prior to the end of September. Any disbursement documents received after this date cannot be guaranteed for payment prior to September 30 and may be scheduled for payment by the Department of the Treasury as October business.
- e. Letters of Credit. Authorizations to issue, amend or revoke Letter of Credit with an effective date of September 30, or prior, should be received by OFA no later than September 20 of each year. If additional requests to issue Letters of Credit are expected to be approved after the 20th of September, prior arrangements must be made with OFA in order to assure processing during September.

4-4. CUT-OFF DATES FOR PROCESSING FISCAL YEAR-END ADMINISTRATIVE EXPENSES TRANSACTIONS

- a. Travel Documents. See Travel Handbook 2300.2 REV.
  - (1) Travel Vouchers, U.S. Government Transportation Requests (TRs) and unuse airline tickets for September and all prior months for local and/or per diem travel, training, change of station, conference fees, etc., must be properly approved and submitted directly to GAOD by COB of the second working day in October.
  - (2) Travel Authorizations. Travel that is charged to Headquarters office allotments should be recorded as prescribed below:
    - (a) Temporary Duty Travel. Temporary duty travel expenses should be recorded in the accounting system in the accounting period in which the travel is actually performed and the expenses were actually incurred. A HUD-25, Travel Order - Request and Authorization must be approved and submitted to GAOD for obligation before September 30 for all temporary duty travel scheduled to be performed on or before September 30. HUD-25's for temporary duty travel which are open as of September 30 should be reviewed. If the travel has not been performed, the funds should be deobligated and obligated against the next fiscal year's appropriation.
    - (b) Relocation Travel. Travel and transportation expenses of an employee making a permanent change of official station will be documented by preparing a HUD-25, Travel Order Request and Authorization, with a HUD-21005, Supplement

to Official Travel Order and a HUD-21004, Service and Reimbursement Agreement Moving Expense allowances. Travel and transportation expenses should be recorded as an obligation against the appropriation current when the employee is issued valid travel orders. HUD-25's issued during a fiscal year and recorded as an obligation during that fiscal year that remain open as of September 30 are not to be transferred to the following year's appropriation although the travel will actually occur in the following fiscal year. This policy of handling relocation travel is in conformity with Comptroller General Decision B-213530 issued November 2, 1984.

- (3) Travel Advances. All outstanding travel advances as of September 30, except relocation travel advances, that relate to travel to be performed in the following fiscal year shall be reconciled to the general ledger and transferred from the current fiscal year Salary and Expenses appropriation account to the account maintained for the following fiscal year. This transfer shall be accomplished no later than October 31, and must be processed through the SF-224 report to Treasury.
- b. Training. SF-182, Request, Authorization, Agreement and Certification of Training, must be processed for all training to be charged to the fiscal year ending September 30, and should be received by GAOD no later than close of business (COB) of the second working day of October. Requests for reimbursement on SF-1034, Public Voucher for Purchases and Services Other Than Personal, to be charged to the fiscal year ending September 30, also must be received by the GAOD no later than the second working day of October.
- c. Obligations and Receiving Documents. Purchase orders, Government Bills of Lading, contracts, printing requisitions, General Services Administration requisitions, certified invoices, etc., must be dated on or before September 30 to properly obligate the funds. All documents must be received by GAOD no later than COB of the second working day of October.
- d. Imprest Funds. Imprest funds should be closed for the fiscal year no later than 4:00 p.m. on the last workday in September, and a reconciliation and certification of the cash and voucher receipts performed. The reconciliation and certification should be made by the Principal Cashier in the presence of the Alternate Cashier. The final imprest replenishment voucher for the current fiscal year, and a copy of the certification and reconciliation for the total Imprest Fund shall be forwarded to the GAOD by close of business of the second working day in October. No current fiscal year transactions may be paid from the Imprest Fund after 4:00 p.m. of the last workday in September. Cashiers
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1971.19 REV-2

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shall submit reimbursement vouchers on a current basis to the GAOD during the month of September. Replenishment vouchers received by the GAOD on or before the fifth workday prior to the end of September will be scheduled for payment in September. Refer to Imprest Fund Handbook 1925.2 REV.

- e. Other Administrative Obligations and Costs. Headquarters offices that have the responsibility for entering obligations into the HAAS will enter the transactions necessary to obligate equipment rental charges, communications costs, printing costs, etc. for the year being closed. Headquarters offices that do not have the responsibility for entering obligations into the HAAS will provide the GAOD with the data necessary to enter obligations for the above items. Memoranda and documentation setting forth the dollar value of the usage of ADP services, reproduction and machine rentals, telegraphic and Western Union Services. GSA Work Orders, Credit Reports, Motor Pool and Store Supplies, etc., must be received by close of business of the second workday in October and must have been dated on or before September 30.

4-5. ASSISTANT SECRETARY FOR HOUSING-FEDERAL HOUSING COMMISSIONER.

- a. The Director, Office of Financial Management shall provide OFA, Attention: Reports Control and Analysis Staff, by September 15, the basis for arriving at and establishing the interest and valuation reserves for the following programs:
- (1) Section 202 Housing for the Elderly or Handicapped Loans
  - (2) Section 106 b "Seed money" Loans
- b. The Director, Office of Financial Management shall provide OFA, Attention: Post insurance Division, Real Property Branch Multifamily Section by October 9, the following information:
- (1) The reserve rate effective September 30 and during the next fiscal year for each multifamily assigned mortgage.
  - (2) The reserve rate effective September 30 and during the next fiscal year on purchase money mortgages serviced as multifamily.
  - (3) Reserve rate effective September 30 and during the next fiscal year for multifamily mortgages under the Community Disposal Program.
- c. The Director, Operations Division, Office of Multifamily Housing Management shall provide OFA, Attention: Post insurance Division, Single Family Notes Branch by COB October 9 the reserve rate effective September 30 for home mortgages under the Community Disposal Program.
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- 4-6. OFFICE OF GENERAL COUNSEL (OGC). OGC shall provide OFA, Attention: Reports Control and Analysis Staff, the following information as of September 30 of each year.
- a. Report of suits pending against the Department, by program (FHA. Public and Indian Housing, New Communities, etc.) as of September 30. This report should be received by OFA no later than October 16.
  - b. Notification of home properties repossessed or converted by FHA as of September 30 for which notification has not been previously furnished, and a listing of all pending foreclosure cases. This information should be received by OFA no later than October 11.
  - c. Tort claims pending against the Department. This information should be received by OFA no later than October 15.
- 4-7. ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT. To allow sufficient time for the administrative review process and for issuing instructions to the RAD, the Assistant Secretary for Community Planning and Development shall advise OFA, Attention: Reports Control and Analysis Staff, by August 15 of the disposition of any unutilized balances of (1) Community Development Block Grant funds and (2) Section 312 Rehabilitation Loan funds as of September 30 as to whether the funds are to remain in the Regional Offices for use in the next fiscal year or returned to Headquarters. The Assistant Secretary for Community Planning and Development shall furnish a listing for the New Communities Program of all known charges (such as Trustee expenses, legal services, project managers' expenses, interest payable on mortgages, taxes, etc.) applicable to the fiscal year being closed for which vouchers have not been provided. The listing should be received by OFA no later than COB of the second working day of October. By September 15, the Assistant Secretary for Community Planning and Development shall advise OFA, Attention: Reports Control and Analysis Staff, the basis for arriving at and establishing the interest and valuation reserves for the following programs: (1) Section 312 Rehabilitation Loans (delinquent and current), and (2) Liquidating Programs (Revolving Fund).
- 4-8. ASSISTANT SECRETARY FOR ADMINISTRATION. The Assistant Secretary for Administration shall be responsible for issuing all external financial and accounting reports for the Department for the fiscal year ending September 30.
- a. Director, Office of Procurement and Contracts shall:
    - (1) Establish cut-off dates for processing request for contract services to be obligated from the current year funds. Such dates must allow sufficient time to meet the required dates for receipt of Valid obligating documents in OFA (see

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1971.19 REV-2

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paragraph 4-3c). Any requests that cannot be processed within the required timeframes should either be returned to the requesting office or held for processing in the subsequent fiscal year; and

- (2) Ensure that funds have been reserved prior to the processing and execution of contracts.
- b. Director, Office of Finance and Accounting. The Director of OFA shall have the prime responsibility for the preparation of all financial accounting reports for the fiscal year ending September 30. All year-end reports will be considered final when submitted.
- c. Accounting Division Directors, OFA.
- (1) Statement of Certification. Each Division Director in OFA shall be required to submit a Statement of Certification in the prescribed format to be provided by August 31 of each year, certifying as to the accuracy of the obligations, unobligated balances, accounts payable and accounts receivable. The certification shall be submitted together with the other year-end reports.
  - (2) Review and Control of Reservations. OFA shall review all outstanding reservations as of September 1 to ensure that all obligating documents which are applicable to the fiscal year being closed are received by the second workday in October. The originating office will be requested to review the status of each reservation and provide OFA with the documents to obligate the funds and/or indicate which reservations will not be obligated by September 30.
  - (3) Review of Accounts Receivable. All accounts receivable balances for each appropriation or funds, remaining in the same status for 90 days or more shall be reviewed to determine whether appropriate collection action has been taken, and/or whether the accounts receivable should be written off. Where the accounts receivable are applicable to a particular program, the program officials shall be requested to determine the status of the receivable, and to advise OFA of the action being taken to have the receivable paid or written off. The claims collection officer shall also be contacted to determine whether appropriate collection action has been taken or whether the receivable should be written off. The results of all contacts shall be documented.

- (4) Year-end reports to be submitted to RCAS. Year-end reports as requested on the transmittal check sheet furnished by RCAS will be prepared and submitted to RCAS on the requested due dates.
  
- (5) Recording and Reviewing Obligations. A final review and adjustment of obligations shall be completed by OFA to ensure that all known obligations are recorded and correctly stated as of September 30 and that the obligations meet the requirements of Section 1501(a), PL 97-258, as a valid obligation for certification purposes. Particular attention must be given to unliquidated obligations where the status has not changed for 6 months or more to ensure that they are still valid outstanding obligations. OFA will review unliquidated obligations by contacting program offices in July in order for the review to be completed prior to year-end closing. Aggressive follow-up actions must be taken to obtain responses from the program offices and/or the documentation required to deobligate unneeded obligations. Criteria for reviewing and adjusting obligations are set forth in HUD Handbook 1900.20 REV, Incurring, Recording, and Adjusting Obligations. Unless available as ADP output, listings of unliquidated obligations under each appropriation or fund as of September 30 shall be prepared and retained for audit purposes.

4-9. REGIONAL INSPECTOR GENERAL FOR AUDIT/OFFICE OF INSPECTOR GENERAL  
All sustained costs involving monies due the Department as of September 30 shall be recorded as a receivable on the accounting records by the RAD/Headquarters accounting office as appropriate. The establishment of the receivables should be in accordance with the policies and procedures as set forth in HUD Handbook 1900.25 REV, Delinquent Debt Collection.