

Attachment

Financial Accounting and Services Division
Credit Accounting Branch

Courtesy Disbursement Records

Pursuant to a Memorandum of Understanding, the Courtesy Disbursement process was implemented in 1986. Courtesy Disbursements are replacement benefit checks issued by the Financial Management Service at the request of a Federal Program Agency (FPA) when the intended recipient notifies the FPA that they have not received their payment because the check has been lost, stolen, or destroyed. These replacement checks are issued on behalf of the following Federal Program Agencies (FPAs): Office of Personnel Management (OPM); Railroad Retirement Board (RRB); Department of Veterans Affairs (VA); and, the Social Security Administration (SSA), which includes regular benefit payments and Supplemental Security Income (SSI) payments. Because these FPAs do not have additional funds to recertify replacement checks, FMS developed the Courtesy Disbursement process as a temporary measure to accommodate this need and to alleviate potential hardship to benefit recipients by expediting replacement payments.

The Credit Accounting Branch (CAB) is responsible for the accounting and reporting on the Courtesy Disbursement accounts. All documents received by CAB are reported on the subsidiary ledger. Also, as owner of the Agency Location Codes (ALCs) from which Courtesy Disbursements are issued, CAB is accountable for the monthly reporting of all transactions affecting its Courtesy Disbursement ALCs on the SF 224, *Statement of Transactions*.

1. Courtesy Disbursement File. The FMS Regional Finance Centers (RFCs) in Philadelphia, Kansas City (MO), Austin, and San Francisco and the Debt Management Center in Birmingham, AL daily send documents concerning courtesy disbursements to the CAB. Included among these are copies of FMS 1188, *Check Redrawal Schedule*; TFS 1185, *Schedule of Unavailable Check Cancellation Credits*; and, SF 1098, *Schedule of Canceled or Undelivered Checks*. The analyst working on specific schedules retrieves the RFC Agency Confirmation Report from the Government On-Line Accounting Link System II (GOALS II) and verifies that all the documents received appear on the Confirmation Report. Once the schedules have been verified, the data from the forms cited above are posted to a Dbase program. The FMS 1188 is a disbursement document appearing as a positive number on the Confirmation Report and is also posted as a positive number to the Dbase program. The TFS 1185 is a "credit" and the SF 1098 "check" are collection documents appearing as a negative number on the Confirmation Report and are posted as a negative number to the Dbase program. No Credit Items are included with some TFS 1185 schedules. These are entered into the Intra-Governmental Payment and Collection (IPAC) system, a major subsystem of

GOALS II, to account for those transactions and never appear on the Confirmation Report. The IPAC Transaction Description includes the date of the document, schedule number, item count, and dollar amount. No Credit Items are collections posted as a negative number to the Dbase program.

Each month CAB posts amounts for the five ALCs to an SF 224, *Statement of Transactions*. The amount posted is the grand total on the RFC Agency Confirmation Report plus the total amount of IPACs accomplished that month for each ALC. Increases and decreases in cash are posted to GLOWS, a core financial system used to account and report on Treasury Managed Accounts and International Assistance Programs. A GLOWS Trial Balance is posted to the Treasury Information Executive Repository (TIER). GOALS is then checked for a Statement of Difference. Differences are resolved and a supplemental SF 224 submitted. A reconciliation of the Dbase data to the SF 224 is conducted by contacting the appropriate RFC and requesting any missing items that appear on the RFC Agency Report, but not received by CAB. Once the documents are received, they are posted to the database. If the current month activity for the SF 224 equals the Dbase data, the month is closed out. Otherwise Out of Balance Letters are prepared and sent to the RFCs and the Debt Management Center, as necessary. The final process is reconciliation of undisbursed items to GLOWS and to Dbase. If the amounts do not balance the difference is explained in a footnote. The files are maintained by fiscal year and, thereunder, by month.

Disposition: Cut off completed transaction files at the end of each fiscal year. Transfer to the Washington National Records Center (WNRC) 3 years after cutoff. Destroy 6 years and 3 months after cutoff.

2. Courtesy Disbursement Database. This Dbase III application is used to balance summary amounts for the courtesy disbursement function. The program allows CAB staff to add documents, edit records as necessary, browse records, and produce a current data listing. Information from the hard copy forms that appear on the RFC Agency Confirmation Report cited in item 1 of this schedule is posted to this Dbase program.

Disposition:

- a. Inputs, including FMS 1188, TFS 1185, SF 1098, and No Credit Items included with some TFS 1185 schedules.

Dispose of in accordance with item 1 of this schedule.

- b. Data on electronic media.

Destroy/delete when the records to which they relate are destroyed or when no longer needed for administrative, legal, or audit purposes, whichever occurs first.

- c. Outputs, including daily reports and the monthly closing report.

Dispose of in accordance with item 1 of this schedule.

- d. System documentation, including user guides, instructions, and related items.

Destroy when superseded or obsolete, or 1 year after the discontinuance of the system.

3. Out of Balance Correspondence File. This includes correspondence and an Out of Balance Control Listing generated by the Courtesy Disbursement Database to reconcile discrepancies for the current month activity posted to the SF 224. The documentation is sent to the Regional Finance Centers (RFCs) and the Debt Management Center, as necessary. The responses are used to balance the totals on the SF 224 and those entered into the database. These are maintained by month.

Disposition: Cut off at the end of each fiscal year. Transfer to the WNRC 3 years after cutoff. Destroy 6 years and 3 months after cutoff.

4. Electronic Mail and Word Processing System Copies. Electronic copies of records that are created on electronic mail and word processing systems and used solely to generate a recordkeeping copy of the records covered by the other items in this schedule. Also includes electronic copies of records created on electronic mail and word processing systems that are maintained for updating, revision, or dissemination.

- a. Copies that have no further administrative value after the recordkeeping copy is made. Includes copies maintained by individuals in personal files, personal electronic mail directories, or other personal directories on hard disk or network drives, and copies on shared network drives that are used only to produce the recordkeeping copy.

Destroy/delete within 180 days after the recordkeeping copy has been produced.

- b. Copies used for dissemination, revision, or updating that are maintained in addition to the recordkeeping copy.

Destroy/delete when dissemination, revision, or updating is completed.