



Bulletin: OCFO 09-02

Date: March 9, 2009

To: USDA Agencies

Subject: Revised Fund Category W

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PURPOSE

The purpose of this bulletin is to ensure that agencies change Fund Category W for working capital funds to Fund Category Z by April 1, 2009. This will ensure consistent and accurate accounting for working capital funds as it relates to general property, plant and equipment (PP&E).

BACKGROUND

The Foundation Financial Information System (FFIS) uses the Accounting Entries Definition Reference Table (ACED) to derive the General Ledger postings. General Ledger postings within each fund are defined by the U.S. Department of the Treasury's requirements for different fund types or USDA procedural requirements. Fund Category W was established as "WCF/Non-PCAS Reimbursable" to account for working capital funds and for non-PCAS reimbursable funds. The accounting for the procurement of property is not the same for the two funds. Working capital funds may own and depreciate property. Reimbursable funds purchase and expense property; reimbursement is received from the receiving agency (the owner of the property).

POLICY

To accommodate this difference in accounting, Fund Category W should now be used only to represent non-PCAS reimbursable funds. Fund Category W will not have capitalized property. Fund Category Z should be used only to represent working capital funds.

It is important to remember that expensed FFIS financial transactions having personal property budget object classes (exclusive of 3140) and a fund category of W will be interfaced to the Corporate Property Automated Information System – Personal Property Module (CPAIS-PP) as accountable assets used in fulfillment of a reimbursable agreement. The performing agency must inform the receiving agency of assets purchased (usually within its billing process). The receiving agency will record its assets while recording its disbursement of funds. Upon completion of the reimbursable agreement, the performing agency must change the status of its accountable asset in CPAIS-PP to a closed reimbursable.

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PROCEDURES

Agencies must change all working capital funds identified as Fund Category W to Fund Category Z by April 1, 2009. Existing asset balances within Fund Category W will be reviewed by the Controller Operations Division, Property Reconciliation Branch (COD/PRB), and appropriate action will be taken.

The Systems Analysis and Requirements Division (SARD) will ensure that posting models reflect the requirements for Fund Category W and Fund Category Z.

INQUIRIES

Questions concerning this bulletin should be directed to SARD at **(202) 205-4830**. Questions concerning accounting for PP&E should be directed to COD/PRB at **(504) 426-5351**, or via e-mail at eddie.malter@usda.gov.

EFFECTIVE DATE

This bulletin is effective immediately.

/s/

JOHN G. BREWER
Associate Chief Financial Officer for Financial Operations