



## **U.S. Standard General Ledger (USSGL)**

### **Issues Resolution Committee Meeting Minutes**

**April 20, 2017**

**LOCATION:** 1722 I Street, NW, Washington D.C.

**TIME:** 9:30 am to 12:00 pm

#### **HANDOUTS:**

- Summary of Changes
- General Fund
- International Monetary Fund (IMF)
- Exchange Stabilization Fund (ESF)
- USSGL Account 109000 Definition
- USSGL Account 151600
- Draft Ballot
- FCC Spectrum Auction Scenario
- Credit Reform Case Studies
  - Credit Reform Case Study Update Project
  - Guide for Basic Accounting and Reporting for Direct Loan Programs Without Collateral in Federal Credit Program
  - Guide for Basic Accounting and Reporting for Foreclosed Property in Federal Credit Program
- Cancelled Treasury Account Symbols Guidance
- Intragovernmental Capital Asset and Inventory Buy/Sell
- Section III IRC Handouts
- Part 1, Section IV, Fiscal Year 2017:
  - USSGL Attributes Table
- Part 1, Section V, Fiscal Year 2017:
  - Balance Sheet
  - Statement of Net Cost
  - Statement of Changes in Net Position
- Part 1, Section VI, Fiscal Year 2017:
  - Reclassified Balance Sheet
  - Reclassified Statement of Net Cost
  - Reclassified Statement of Operations and Changes in Net Position
- Part 1, Section VII, Fiscal Year 2017:
  - Validations Summary
  - Validations Detail
  - Edits Summary
  - Edits Detail
  - Edits Closing
- Part 2, Section VII Fiscal Year 2018:
  - Validations Detail



### **GENERAL ITEMS:**

Manager, **Chris Beck (Fiscal Service)** welcomed everyone to the IRC Meeting and conducted roll call. He re-introduced **Steve Riley (Fiscal Service)** as a USSGLAD Supervisory Accountant and **Jaime Saling (Fiscal Service)** as the current acting director of USSGLAD. **Chris** said that, in today's meeting, there would be several new USSGL accounts presented that will be voted upon by the Board at the May 2<sup>nd</sup> USSGL Board Meeting. IRC Members were instructed to contact USSGLAD Staff or their Agency Board Member if they had any concerns.

### **AGENDA ITEMS:**

**Michele Crosco (Fiscal Service)** presented *General Fund*. **Michele** stated that one of the biggest changes was to ensure the proper wording, "**General Fund of the U.S. Government,**" was used consistently throughout the USSGL TFM Supplement, and that it matched other published Fiscal Service TFM Guidance. She presented new USSGL account 591910, "Cancellations of Revenue and Other Financing Sources – General Fund of the U.S. Government," which needs to be added in order to properly eliminate with USSGL account 591900, "Revenue and Other Financing Sources – Cancellations." These USSGL accounts will be eliminated in new Reciprocal Category (RC) 36 on the Reclassified Statement of Operations and Changes in Net Position. In addition, USSGL accounts 214000, "Accrued Interest Payable – Not Otherwise Classified," 579000, "Other Financing Sources," and 633000, "Other Interest Expenses," will have "G" removed from the Fed/NonFed Attribute Domain Value. USSGL account 579100, "Adjustment to Financing Sources – Credit Reform," will have "G" and "Z" removed from the Fed/NonFed Attribute Domain Value. USSGL account 591910, "Cancellations of Revenue and Other Financing Sources – GF," will have an "F" Fed/NonFed Attribute Domain Value. This is all in an effort to clean up RC 29 for the General Fund. As the General Fund positions itself for its upcoming audit in Fiscal Year (FY) 2018, it was necessary to review all activity that was currently not eliminating with the General Fund, and then try and resolve those elimination issues.

**Bruce Henshel (Commerce)** stated that the Department of Commerce currently uses USSGL account 579000, "Other Financing Sources," with a Fed/NonFed Attribute Domain Value of "G." The Department of Justice and the Department of the Treasury (Treasury) said they also currently use this combination. **Michele** requested that these agencies forward her and/or **Kirstie Pottmeyer (Fiscal Service)** all entries involved with these transactions so that USSGLAD Staff could investigate the matter further. **Chris** reminded agencies that doing business with your General Fund Receipt Account (GFRA) was not the same as a transaction with the "General Fund of the U.S. Government."

**Michele** presented *International Monetary Fund (IMF)*. There are 5 proposed new USSGL accounts pertaining to IMF New Arrangements to Borrow, 5 for IMF Quota, and 1 deletion.

**Jeff Taberner (Fiscal Service)** presented the *Exchange Stabilization Fund (ESF)*. There is 1 proposed new USSGL account pertaining to ESF: USSGL account 426800, "Interest Collected From Foreign Securities and Special Drawing Rights (SDR)." In addition, there are changes to the account titles and account definitions for USSGL account 719100, "Other Gains for Accrued Special Drawing Right (SDR) Interest and Charges," and USSGL account 729100, "Other Losses for Accrued Special Drawing Right (SDR) Interest and Charges." The proposed new USSGL account and changes to existing USSGL accounts are on the ballot. **Jeff** explained that Validation 53 will be updated for USSGL account 426800. Also, there are proposed changes to 16 Transaction Codes.



**Michele** presented *USSGL Account 109000 Definition*. **Michele** explained that this USSGL account would not be on the May Ballot as originally planned. Further research is needed before the proposed change to USSGL account 109000, “Fund Balance With Treasury While Awaiting a Warrant,” will be ready to vote on. **Michele** is looking for agency input on Unavailable Receipt accounts. She asked that agencies contact her to help with the revision to USSGL account 109000 as well as a possible new USSGL account.

**Chris** presented *USSGL Account 151600*. **Chris** explained that USSGL account 151600, “Operating Material and Supplies in Development,” would become effective in FY 2018. This USSGL account will provide a standard means for the Department of Defense (DOD) to record progress payments to vendors that occur over a number of years while the assets are developed. When these progress payments are made, title passes to DOD upon these payments and not upon the delivery of goods; thus, a prepayment account was not used, but an in-development asset account was used instead.

**Marlana White (Fiscal Service)** reported on the *Draft Ballot*. **Marlana** stated that a survey monkey link will be sent to the voting board members on May 2<sup>nd</sup>. The survey must be returned to Fiscal Service no later than 12:00 p.m. on May 16, 2017. One notable change to the draft ballot is that USSGL account 109000 will not appear on the May Ballot, as previously presented by **Michele**. Also, 1 more USSGL account will be added for IMF. In addition, USSGL account 151600 will be added, as discussed earlier by **Chris**.

**Kent Linscott (Fiscal Service)** presented the *FCC Spectrum Auction Scenario*. **Kent** explained that this scenario was for use by the Federal Communications Commission (FCC) only, as it details the accounting transactions for auctions of spectrum rights for commercial use. He also mentioned that the scenario resulted from the collaborative effort by representatives of the FCC, Office of Management and Budget (OMB) and Treasury. No new USSGL accounts or transactions were created because of this scenario. **Kent** thanked all those from FCC and OMB that helped him complete this scenario.

**Kent** presented *Credit Reform Case Studies*. **Kent** explained that the Credit Reform Working Group had updated 2 additional guides: *Guide for Basic Accounting and Reporting for Foreclosed Property in Federal Credit Programs* and *Guide for Basic Accounting and Reporting for Direct Loan Programs Without Collateral in Federal Credit Programs*. USSGL account 579000, “Other Financing Sources” was replaced with USSGL account 579100, “Adjustment to Financing Sources – Credit Reform.” When reporting USSGL account 579100, agencies should use the Fed/NonFed Attribute Domain Value of “F.” New and modified transaction codes were added to the scenario to account for the use of USSGL account 579100, for positive and negative subsidy modifications, and for the disbursement of a negative subsidy. **Kent** thanked those who provided feedback and worked on the case studies including **Kim Klein (Energy)**, the working group for USDA and peers **Tia Harley (Fiscal Service)** and **Kathy Wages (Fiscal Service)**.

**Michele** presented *Cancelled Treasury Account Symbol Guidance*. This scenario is to show how fixed assets are treated in a C-TAS. No new USSGL accounts or transactions were created because of this scenario. There was a discussion regarding agencies that do not use a C-TAS; instead, they should use a current or no-year fund. **Teresa Tancre (OMB)** stated that the fixed assets should be transferred to a fund with the same purpose and that some additional follow-up could be necessary to see how agencies are handling this.

**Chris** presented *Intragovernmental Capital Asset and Inventory Buy/Sell*. **Chris** pointed out that this scenario does not address assisted acquisitions, but the USSGL Team would be putting together a working group this year to work on those transactions and compile a scenario. The scenario was revised to more clearly show the treatment of assets recorded as Property, Plant, and Equipment versus an asset that was expensed or treated as inventory. The scenario



was also updated to show the change to the Reclassified Statement of Net Cost where Line 7.5 was moved to Line 12.3 (for USSGL account 880100, "Offset for Purchases of Assets.") This change occurred in order to show USSGL account 880100 as the "revenue" offset to USSGL expense account 650000, "Cost of Goods Sold." A footnote was added to the scenario referencing OMB Circular A-136 Note 22 guidance, in which it states that preceding transactions do not affect how a current transaction should be treated in regards to the Fed/NonFed Attribute Domain Value.

**Chris** pointed out that the rest of the meeting would be to review the crosswalk changes that were mainly a result of the new USSGL accounts presented, and the draft TFM Chapter 2-4700 guidance currently out for comment. These changes will be effective for Bulletin No. 2017-06, published in the first week of June. He also communicated that the guidance would rollover making Part I for FY 2017 and Part II for FY 2018, and that the changes related to TFM Chapter 2-4700 would be effective Period 09.

**Kent** presented *Part 1, 2017, Section IV: Attribute Table*. **Kent** highlighted proposed changes to RC 29 in Appendix 7 of TFM Chapter 2-4700. Several of the other attribute table changes had been previously discussed in earlier presentations.

**Jeff** presented *Part 1, 2017, Section V: Balance Sheet and Section VI: Reclassified Balance Sheet*. IMF USSGL accounts were added to the Balance Sheet and Reclassified Balance Sheet. Changes were made to Lines 3, 32 and 33 of the Balance Sheet and Lines 9.1 and 9.2 of the Reclassified Balance Sheet, due to proposed changes to RC 29. These changes include removing "G" and "Z" from the Fed/NonFed Attribute Domain Value of several USSGL accounts.

**Marlana** presented *Part 1, 2017, Section V: Statement of Net Cost and Section VI: Reclassified Statement of Net Cost*. IMF USSGL accounts were added to the Statement of Net Cost and Reclassified Statement of Net Cost. Changes were made to Lines 2, 6 and 7 of the Statement of Net Cost due to proposed changes to RC 29. These changes include removing "G" and "Z" from the Fed/NonFed Attribute Domain Value of several USSGL accounts. In addition, Purchase of Assets Offset (RC 24)/2 was moved from Reclassified Statement of Net Cost Line number 7.5 to Line number 12.3. This caused several line numbers to change on the Reclassified Statement of Net Cost.

**Tia** presented *Part 1, 2017, Section V: Statement of Changes in Net Position and Section VI: Reclassified Statement of Operations and Changes in Net Position*. IMF accounts were added to the Statement of Changes in Net Position and to the Reclassified Statement of Operations and Changes in Net Position. USSGL account 579100 was added to Line 6.2 of the Reclassified Statement of Operations and Changes in Net Position due to changes in the TFM Chapter 2-4700 Appendix 7. Several line titles of the Reclassified Statement of Operations and Changes in Net Position were changed to include the wording "of the U.S. Government" pertaining to the General Fund. In addition, several line numbers changed on the Reclassified Statement of Operations and Changes in Net Position.

**Luke Sheppard (Fiscal Service) & Dan Adams (Fiscal Service)** presented *Part 1, 2017, Section VII: Validations and Edits*. Validations 33, 33E, 35, 35E, 55 and 55E were changed due to the Fed/NonFed Code and Trading Partner Agency Identifier. Validation 53 and 53E were changed because of ESF and Sinking Fund TAS. Validation 76 and 76E were added because of IMF. IMF & ESF caused proposed changes to Edit 22, 23 and 994. In addition, Edits 29 through 32 will become fatal in period 8. Edits 33 through 41 will not become fatal in FY 17. These edits will be re-evaluated and more than likely become fatal in the first part of FY 18. Any questions about this should be directed to **Luke** or **Dan** or another member of their group.



### **MEETING ROUNDTABLE:**

**Chris** reminded those in attendance that there would be a May 2<sup>nd</sup> USSGL Board Meeting to vote on USSGL accounts presented at the current meeting. Also, a July 20<sup>th</sup> IRC Meeting is tentatively scheduled to review changes that result from OMB Circulars A-11 and A-136. **Teresa** mentioned that both OMB circular guidance were still in the review phase and that there will be a data call from OMB on those funds exempt from apportionment. **Chris** said that working groups for Buy/Sell Activity related to assisted acquisitions and for custodial activity would be starting soon. Those interested in working on those groups should reach out to USSGLAD Staff. He emphasized that IRC Member participation is necessary on these projects to give an agency perspective and to pull in subject matter experts to ensure the guidance is accurate. Lastly, **Michele** stated that the formats for the SF 133/Schedule P would be changing with the June publish.

### **Meeting Wrap-Up:**

**Chris** concluded the meeting.

### **Attendees:**

Chris Beck, Bureau of the Fiscal Service

Dan Adams, Bureau of the Fiscal Service

Jaime Saling, Bureau of the Fiscal Service

Jeff Taberner, Bureau of the Fiscal Service

Kathy Wages, Bureau of the Fiscal Service

Kent Linscott, Bureau of the Fiscal Service

Luke Sheppard, Bureau of the Fiscal Service

Marlana White, Bureau of the Fiscal Service

Michele Crosco, Bureau of the Fiscal Service

Steve Riley, Bureau of the Fiscal Service

Tia Harley, Bureau of the Fiscal Service

Bryce Johnson, Department of Agriculture

Carrie Jones, Department of Agriculture

Chiagoram Mkwocha, Department of Education



Tesfaye Wyes, Department of Labor

Webster Coleman, Department of Labor

Fui-Chin Liu, Department of the Treasury

Alex Lopez, Department of Veterans Affairs

Linda Ning, Federal Communications Commission

Sheela Kailasanath, Federal Communications Commission

Timothy Siekierka, Federal Communications Commission

Vickie Massey, Federal Communications Commission

Teresa Tancre, Office of Management and Budget

Valeria Spinner, Office of Management and Budget

Devon Smallwood, Small Business Administration

**Agencies via Conference Call:**

Bureau of the Fiscal Service

Department of Agriculture

Department of Commerce

Department of Defense

Department of Education

Department of Energy

Department of Homeland Security

Department of Housing and Urban Development

Department of Interior

Department of Justice

Department of Labor

Department of State



Department of Transportation

Department of the Treasury

Department of Veterans Affairs

Federal Bureau of Prisons

Federal Communications Commission

General Services Administration

Library of Congress

National Science Foundation

Nuclear Regulatory Commission

Office of Management and Budget

Railroad Retirement Board

Securities and Exchange Commission

Small Business Administration

Social Security Administration

U.S. Agency for International Development