CASH MANAGEMENT POLICIES AND PROCEDURES HANDBOOK

DELEGATIONS OF AUTHORITY: TO DESIGNATE CERTIFYING OFFICERS AND CASHIERS; AND TO PERFORM OTHER FINANCIAL RESPONSIBILITIES

H. SECTION 1.0 PURPOSE AND AUTHORITY

a. Intent

This Appendix prescribes Department policies and procedures for:

- redelegation of authority to designate Certifying Officers;
- requests for relief of accountable officers, i.e., certifying officers, cashiers, collecting officers, and other agents and custodians;
- requests for establishment of fund account symbols by the Department of the Treasury (Treasury); and
- other related financial responsibilities.

This Appendix replaces DAO 203-2 in its entirety.

b. Authority

- Department Organization Order (DOO) 10-5, "Chief Financial Officer and Assistant Secretary for Administration" (effective January 14, 1999)
- 31 U. S. C.3325 (a)
- I TFM Part 4, Section 1100, "Delegations and Designations of Authority for Disbursing Functions."

H. SECTION 2.0 REDELEGATION OF AUTHORITY PURSUANT TO DEPARTMENT ORGANIZATION ORDER 10-5

Authority to perform the Chief Financial Officer functions is hereby delegated to:

- The Chief Financial Officer and Assistant Secretary for Administration; and
- The Director for Financial Management and Deputy Chief Financial Officer.

These functions {under 31 U.S.C. 3325(a) and the regulations in Volume 1, Part 4 of the Treasury Financial Manual (TFM)} include the following:

- Redelegation of authority within the Department and within other agencies performing fiscal services for elements of the Department
- Designation of Certifying Officers and Electronic Certification Security Administrators
- Appoint Imprest Fund cashiers
- Authorize unvouchered expenditures
- Recommend Department employees to be designated by Treasury as agents and Treasury messengers

- Approve appropriation transfer authorizations
- Request Treasury account symbols
- Request relief for accountable officers.

H. SECTION 3.0 FURTHER REDELEGATION OF AUTHORITY

.01 Requirements

Redelegations of authority granted by the Deputy CFO (above) will generally, be made on an individual basis, as needed, to Operating Unit Finance Officers. However, there are two exceptions:

- Bureaus CFOs may elect to self-delegate and
- The Operating Unit Finance Officer may request a redelegation.

Note: The process for both exceptions (Bureau election and Request by the Operating Unit Finance Officer) is as follows:

- A Treasury Fiscal Service (TFS) Form 2958, "Delegation of Authority" must be prepared;
- The completed TFS Form 2958 must be sent to the Deputy CFO; and
- The Deputy CFO will forward the form to Treasury.
- Treasury will send a processed copy to the return address on the TFS Form 2958 (Section VII).

.02 Restrictions

Finance Officers receiving redelegations of authority (per paragraph .01, above) may not further redelegate that authority unless redelegation of authority was indicated in Section I of the TFS Form 2958 that was submitted for their initial redelegation.

If redelegation authority was not indicated, and the Finance Officer later determines that there is a need to further redelegate authority, a new TFS Form 2958 must be submitted for approval.

.03 Expiration and Revocation

The effective date of the redelegation will be the latter of the effective date requested on the form or the date accepted by FMS. Redelegations are valid for two years from effective date, unless revoked earlier.

Two months prior to the expiration of the redelegation, the Deputy CFO will notify the individual of the pending expiration.

When revocation of authority is necessary, a TFS Form 2958 must be submitted to Treasury by an official who has authority to redelegate (see .01, Requirements, above).

.04 Renewals

A redelegation may be renewed by the submission to Treasury (through appropriate channels) a “new” TFS Form 2958 upon which the redelegation block has been checked thereby superseding the earlier designation. Such a request must be signed by an official with authority to redelegate who is at a level above the areas affected by the organizational or title changes.

Note: The photocopy of a previously submitted Form 2958 will not be accepted.

.05 Change in Title of Certifying Officers

When a change occurs in the title of the assigned Operating Unit (office) or position of an employee who is granted a redelegation of authority in paragraphs .01 or .02, above, a request for redelegation will be submitted for the assigned Certifying Officer at his/her current operating unit/position.

The request will be signed by an official who has the authority to redelegate and who is at a level above the areas affected by the organizational or title changes.

H. SECTION 4.0 DESIGNATION AND RESPONSIBILITIES OF CERTIFYING OFFICERS AND ELECTRONIC CERTIFICATION SYSTEM (ECS) SECURITY ADMINISTRATORS.

.01 Designations:

a. Certifying Officers

Certifying Officers must be designated by a duly delegated official using FMS Form 210, "Signature/Designation Card". Only the Head of an Agency may self-delegate himself or herself as a Certifying Officer, in accordance with I TFM, Part4, Section 1145.

b. ECS Security Administrators

ECS Security Administrators must be designated by a duly delegated official using one of the following FMS Forms:

- 210S, "Designation for ECS Security Administrator";
- 210RS, "Receipt for ECS Security Administrator Token/PIN”; and
- 210ECS, "ECS User Designation Form."

Note: Individuals designated as ECS Security Administrators MAY NOT also be designated as ECS Certifying Officers for the same Agency location.

.02 Responsibilities:

a. Certifying Officers are responsible (under 31 U.S.C. 3528) for any errors in certification, and for ensuring the existence and accuracy of information required to facilitate the certification of financial documents. They are required to make restitution for any illegal, improper, or incorrect payments resulting from false, inaccurate, or misleading certifications, unless relieved from liability by the Controller General.

b. ECS Security Administrators will be issued ECS User IDs, tokens (smartcards), and Personal Identification Numbers (PINs) by Treasury for use with the ECS microcomputer. Individuals so designated will provide security for the ECS, as noted in applicable Treasury directives.

H. SECTION 5.0 OVERSEAS PAYMENTS

The Chief Financial Officer and Assistant Secretary for Administration will delegate authority to certify overseas payments of all operating units to the State Department. The delegation will be made in accordance with Volume 4 of the State Department's Foreign Affairs Manual.

A copy of said delegation of authority will be maintained in the Office of Financial Management and will be periodically updated as operating units and operational requirements change.

H. SECTION 6.0 CASHIERS

Requests for designation of and/or changes to Cashiers should be made by the appropriate Operating Unit Finance Officer by preparing an OF 211, "Request for Designation of Cashier." The OF 211 should be signed by an officer to whom authority has been redelegated pursuant to this Order. The completed OF 211 should be forwarded to the Servicing Payment Office.

Additional policies and procedures relating to Cashiers may be found in Chapter 6 of the Department's Cash Management Policies and Procedures Handbook.

H. SECTION 7.0 ESTABLISHMENT OF FUND ACCOUNT SYMBOLS

Treasury assigns receipt, appropriation, and other fund account symbols to agencies.

Operating unit finance officers are the only Department employees authorized to request fund account symbols from Treasury. They may make such requests to Treasury through the Deputy CFO, after appropriate consultation with Operating unit Budget Officials. This authority may not be redelegated.

Each request made by Operating Unit Finance Officers must contain the legal authority for establishing the account and any other information necessary for processing that request.

H. SECTION 8.0 APPROPRIATION TRANSFER AUTHORIZATIONS

Operating Unit Finance Officers are authorized to approve requests for transfer, using the SF ll5l, “Nonexpenditure Transfer Authorizations”. This authority may be redelegated to Certifying Officers.

H. SECTION 9.0 REQUESTS FOR RELIEF FOR ACCOUNTABLE OFFICERS

.01 General

As a matter of long-standing public policy, an Accountable Officer is strictly liable for any fiscal irregularities. The General Accounting Office (GAO) recognizes two types of fiscal irregularities:

- Physical loss or deficiency; and
- Illegal or improper payment.

.02 Authority for Administrative Relief

The Deputy CFO may administratively relieve the Accountable Officer from liability for a physical loss or deficiency, but only if the conditions provided in paragraph .03, of this Section (below), are met. Otherwise, the amounts must be collected from the accountable officer in accordance with 4 CFR, Chapter II, "Federal Claims Collection Standards," Section 102; and the matter will be referred to the GAO in accordance with paragraph .06 of this Section (below).

As discussed in this Section, GAO has general authority to relieve Accountable Officers from liability (see paragraphs .07, .08, and .09 of this Section).

.03 Conditions for Administrative Relief

Title 7, "Fiscal Procedures," Section 8.9, of the GAO “Policy and Procedures Manual for Guidance of Federal Agencies” establishes the following requirements for granting relief for Accountable Officers.

a. Fiscal irregularities exceeding the current dollar threshold established by GAO ($3,000), or which meet one of the exceptions specified in subparagraphs b.1., 2., or 3.(below) must be referred to GAO.

b. Relief for amounts less than the current dollar threshold established by GAO may be administratively granted by the Deputy CFO or his designee, unless the case involves:

   1. Illegal, improper, or incorrect payments;
   2. Exceptions or charges raised by GAO as the result of an audit; or
   3. Fraud or unusual irregularities.

.04 Requesting Administrative Relief

A memorandum requesting relief from accountability will be prepared by the Accountable Officer's supervisor and addressed to the Operating Unit Finance Officer.

The Operating Unit Finance Officer will review the request; either endorse it or recommend rejection; and:

a. Send the request to the Deputy CFO, who will make a judgement as to whether or not (agency-level) administrative relief or referral to GAO is appropriate; and

b. Send an information copy of the request to the Head of the Operating Unit where the Accountable Officer is assigned.

.05 Recommendations by the Deputy CFO for Administrative Relief within the Purview of the Agency

In cases where administrative relief can be granted without referral to GAO, the Deputy CFO, in consultation with the General Counsel and Inspector General, will render a final determination as to whether relief should be granted.

The Deputy CFO will maintain a central control record of all such cases.

.06 Referrals to GAO

If, pursuant to this Section, administrative relief is warranted, but cannot be granted by the Deputy CFO (beyond purview), a request for relief will be forwarded to GAO. Such requests will include supporting documentation and the concurrence or comments of the General Counsel and Inspector General. The request will be signed by the Deputy CFO.

.07 Relief for Loss or Deficiency by an Accountable Official

The Comptroller General has authority to grant relief under 31 U.S.C. Sec. 3527(a) (as amended) when conditions specified in that statute are met, and may also grant relief to an accountable Certifying Officer for a loss or deficiency when the head of the agency or a designee has made an administrative determination that:

a. The Accountable Officer was conducting official duties when the loss or deficiency occurred; and

b. The loss or deficiency was not the result of fraud or negligence or the result of illegal or incorrect payment(s).

.08 Relief for Improper Payments by a Disbursing Officer

The Comptroller General has authority to grant relief under 31 U.S.C. Section 3527 to disbursing officers for illegal, improper, or incorrect payments.

On its own or on the written recommendation of an agency head, GAO may grant relief when it decides that:

- The payment was not the result of bad faith by the disbursing officer; or
- The payment was not the result of the lack of reasonable care by the disbursing officer.

However, GAO may deny relief if it decides that the agency did not carry out diligent collection action.

.09 Relief for Improper Payments by a Certifying Officer

A Certifying Officer is liable when an improper payment is made as the result of an erroneous or misleading certification.

However, either the agency or the Certifying Official may request relief from GAO for an illegal, improper, or incorrect payment. GAO may grant such relief if it determines that:

a. The certification was based on official records and the official did not know, and by reasonable diligence and inquiry could not have discovered, the correct information; or

b. The obligation was incurred in good faith, no law specifically prohibited the payment, and the United States Government received value for payment. However, GAO may deny relief if it decides that the agency did not carry out diligent collection action.

H. SECTION 10.0 UNVOUCHERED EXPENDITURES

Unvouchered or certificated payments are authorized by certain laws that are enforced by the Department. Such authorization may be the result of either appropriation legislation or more permanent legislation. OMB Circular A-34, "Instructions on Budget Execution," specifies that an annual report under 31 U.S.C. Sec, 3524 be submitted by the Department.

In order to ensure that accurate information is reported to OMB and that proper financial controls are in place for unvouchered payments (especially those made from confidential funds), Operating Unit Finance Officers will annually:

- identify offices where such payments may be made; and
- enter into a formal Memorandum of Agreement.

The Memorandum of Agreement will describe the internal controls and reporting that are required for certificated payments.

For additional guidance, refer to the Cash Management Policies and Procedures Handbook, Chapter 4.,

Section 7.

H. SECTION 11.0 INTERNAL CONTROLS

All delegations and designations are valid for two years and must be revoked if the person leaves the position for any reason.

The Deputy CFO will maintain a list of all Department employees who are authorized to designate certifying officers.

1. On October 1 of each year, Operating Unit Finance Officers will either:

   - send information to update this list to the Deputy CFO; or
   - confirm in writing that information previously submitted is unchanged.

2. Copies of all bureaus' Forms 2958,"Delegation of Authority" will be submitted to the Deputy Chief Financial Officer, when they are executed by the bureau.

3. Operating Unit Finance Officers will establish internal controls to:

   - ensure that redelegations of authority on file with Treasury are current; and
   - notify the Deputy CFO immediately of any change due to a person leaving a position.

4. The Treasury Department will send out reminders to the Delegating Official two months prior to the expiration of Delegations and Designations by mailing a "Letter of Notification of Pre-Expiration." {This Letter will be mailed to the address listed in Section VI of the FMS 2958/2958A that documented the original delegation.}

H. SECTION 12.0 EXCEPTIONS TO THE PROVISIONS OF THIS APPENDIX

Requests for exceptions to this Appendix, including appropriate justifications, must be submitted to the Chief Financial Officer and the Assistant Secretary for Administration through the Deputy Chief Financial Officer and Director for Financial Management.