
IMPREST FUNDS AT OVERSEAS POSTS

1. PURPOSE

This Directive establishes policies, guidelines, and responsibilities for the use of imprest funds in overseas locations.

2. REPLACEMENT HIGHLIGHTS

This Directive replaces APHIS Directive 2250.1, Imprest Funds, dated 8/19/94.

3. AUTHORITIES

Imprest fund regulations and guidelines are set forth in:

- a. 31 Code of Federal Regulations (CFR) Part 202, Depositories and Financial Agents of the Government.
- b. 31 CFR Part 208, Management of Federal Agency Disbursements.
- c. United States Department of Treasury (Treasury), Imprest Fund Policy Directive referred to henceforth as "Policy Directive" dated November 9, 1999.
- d. Treasury, Financial Management Service (FMS), Manual of Procedures and Instructions for Cashiers referred to hence as "Cashiers Manual."
- e. Department of State, Volume 4 Foreign Affairs Manual Part 390-391.4, Cashier Operations.
- f. United States Department of Agriculture (USDA), Departmental Regulation 2250-001, Imprest Fund Authorities and Requirements, dated August 11, 2003.

4. BACKGROUND

On November 9, 1999, Treasury published its Policy Directive requiring all Federal agencies to eliminate domestic imprest funds by October 1, 2001, except where the need for an imprest fund is justified and when the imprest fund is operated in compliance with the Treasury Policy Directive. In compliance with this Directive, APHIS eliminated all domestic imprest fund accounts as of September 30, 2001.

Foreign imprest funds are important to enable APHIS to carry out the Agency's mission overseas. The Agency uses imprest funds to make small payments in cash when an office has a recurring need to reimburse employees for official business expenses or other payment methods are not feasible. Currently, APHIS operates imprest funds in many foreign countries because of its need to make purchases in local currencies. APHIS also seeks to avoid high administrative State Department costs to process reimbursements through petty cash funds at overseas embassies.

5. POLICY

a. Criteria to Operate Foreign Imprest Funds.

APHIS will establish, maintain, and operate imprest funds at overseas posts when all the following criteria are met:

CRITERIA TO OPERATE FOREIGN IMPREST FUNDS	
1. It is economical and beneficial to the Government.	✓ YES
2. When there is a definite and continuing need for making cash payments for equipment repairs, small purchases, local travel, and cash-on-delivery (c.o.d.) orders.	✓ YES
3. No other payment mechanism is available.	✓ YES
4. A payment by Electronic Funds Transfer (EFT) is waived in accordance with the provisions of 31 CFR 208, Management of Federal Agency Disbursements, at §208.4 Waivers.	✓ YES

- b. Meeting Treasury's Criteria. In addition, APHIS must certify, in writing, that the imprest fund meets one of the following criteria specified in Treasury's Policy Directive. The Marketing and Regulatory Program Business Services (MRPBS), Financial Management Division (FMD), will coordinate and manage this function to ensure compliance with Departmental regulations and Treasury's Policy Directive when:
- (1) Payments involve national security interests, military operations, or national disasters;
 - (2) Payments are made in furtherance of a law enforcement action;
 - (3) The amount owed is less than \$25;
 - (4) The political, financial, or communications infrastructure of a foreign country does not support payment by a noncash mechanism such as EFT, the U.S. Debit Card, or the Automated Clearinghouse System; or
 - (5) Payments are made in emergencies, or in mission-critical circumstances, that are of such an unusual and compelling urgency that a government would otherwise be seriously injured, unless payment is made by cash.
- c. Maximum Per-Transaction Spending Limit. The maximum per-transaction spending limit for normal day-to-day cash expenditures is \$500. Claims in excess of \$500 must have written approval from the Administrator, APHIS, and the written approval must accompany the reimbursement in accordance with Departmental policy, Treasury's Policy Directive, and its FMS Cashiers Manual.

6. RESPONSIBILITIES

- a. Imprest Fund Cashiers and Alternate Cashiers. Cashiers and alternate cashiers are personally liable for all cash maintained in the fund. Cashiers must ensure that:
- (1) The amount of cash on hand is kept to the minimum required for local needs.
 - (2) Goods and services are received prior to payment.
 - (3) All disbursements are made in accordance with the APHIS Policy, Accounting, and Reporting Procedures, which are a supplement to the FMD, Budget and Accounting Manual (BAM).
 - (4) All disbursements are properly documented either by an invoice; AD-700, Procurement Request; SF-1164, Claim for Reimbursement for Expenditures on Official Business; AD-661, Cashier Sub-Voucher

Register; SF-1165, Receipt for Cash-Subvoucher; or other appropriate form. Proper documentation includes retaining and stamping each original copy "Paid" after making the payment, and numbering each document starting with "1" at the beginning of each fiscal year.

- (5) Appropriate approvals are received prior to disbursement of funds.
- (6) Funds are properly safeguarded from loss or theft in accordance with established policy and procedures, and only the disbursing cashier has access to the cash.
- (7) They maintain a current list of officials authorized to approve imprest fund disbursements.
- (8) Any cash shortage is reported immediately to their supervisor and further direction is followed as prescribed in the Treasury's FMS Cashier Manual.
- (9) The alternate cashier has been properly designated and the funds have been properly transferred prior to disbursement of funds.
- (10) An SF-1129, Accountability Report, is completed and sent to the Minneapolis Financial Services Branch (MFSB) by the tenth day of each month.
- (11) Claims in excess of \$500 are paid only with proper written approval from the Administrator, APHIS.

b. Officials in Charge. Each approving official in charge will:

- (1) Ensure that adequate facilities are available for properly safeguarding funds from loss or theft. A cash lock box for a smaller fund, a locking drawer, or a combination lock safe for larger imprest funds should provide adequate protection of funds.
- (2) Coordinate and verify the imprest fund balance on a quarterly basis, complete and sign an AD-358, Verification of Imprest Cash, and send it to the MFSB, Accounting and Payments Team (APT) and maintain a copy locally.
- (3) Appoint and train a cashier and an alternate cashier (if necessary) on proper procedures and his/her responsibilities as set forth in section 6.a. of this Directive prior to their designation.

- (4) Create and keep current a list of officials who are authorized to approve disbursements from the imprest fund, with his/her initials and date on the document. This list must contain sample signatures of all authorized approvers. The official in charge must keep this list updated and must provide a copy of this list to the imprest fund cashier, alternate cashier, and MFSB whenever he/she designates, changes, or revokes cashier and alternate cashier approvals.
- (5) Ensure the amount of cash on hand is kept to the minimum required for local needs, and is reviewed at least every 6 months based on actual usage.
- (6) Verify, review, and sign the SF-1129, Accountability Report, by the 10th day of each month, and to ensure that all disbursements made received the appropriate approvals and were made in accordance with the APHIS Policy, Accounting, and Reporting Procedures which are a supplement to the FMD, BAM.
- (7) Submit a written report to MFSB and International Services (IS) headquarters Financial Managers within 3 business days when a cash shortage is reported. Refer to the Treasury's FMS Cashiers Manual for guidance on reporting losses.

c. The Minneapolis Financial Services Branch (MFSB) will:

- (1) Establish, administer, and control imprest funds at overseas posts in accordance with the USDA and Treasury regulations listed in section 3. above.
- (2) Review form OF-211, Request for Change or Establishment of Imprest Fund, upon receipt from the regional office requesting the establishment, cashier or alternate cashier designation, revocation, or change in the fund. See Attachment 1 for a sample form OF-211.
- (3) Maintain documents in accordance with retention requirements from the APHIS Records Handbook <http://inside.aphis.usda.gov/records> for all requests to establish imprest fund accounts. MFSB or an individual designated by MFSB will coordinate, perform, and manage audits and reviews of imprest fund activity.

d. The Financial Management Division (FMD), Financial Services Branch (FSB) will:

- (1) Act as liaison for MFSB, IS, and the Department to ensure APHIS imprest fund policies and procedures are established.

- (2) Coordinate with MFSB and IS to ensure annual justification and certification reporting is submitted in a timely manner as required by the Department and Treasury regulations.
- e. The IS Financial Manager must:
 - (1) Approve all forms OF-211 upon final review from MFSB.
 - (2) Maintain documents in accordance with retention requirements from the APHIS Records Handbook for:
 - (a) All requests to establish imprest fund accounts;
 - (b) Correspondence to Treasury per section 5. above for annual justification and certification of funds, and semi-annual certification reports;
 - (c) Documents from the official in charge per section 6.b.(4) above to designate, change, or revoke cashiers and alternate cashiers approvals;
 - (d) Replenishment requests; and
 - (e) Audits and reviews.
 - (3) Provide MFSB with a list of approving officials with signature verification annually.

7. INQUIRIES

- a. Inquiries regarding the operation of imprest funds established in Agency field offices should be directed to MRPBS, MFSB, APT.
- b. This Directive can be accessed on the Internet at www.aphis.usda.gov/library.

/s/

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Attachment