

ACCOUNTING ADJUSTMENTS

1. PURPOSE

This Directive prescribes policies and procedures for accounting adjustments.

2. REPLACEMENT HIGHLIGHTS

This Directive replaces GIPSA Directive 2100.1, dated September 29, 2006. This Directive is updated to reflect current organizational and position names, as well as current procedures for making accounting adjustments.

3. POLICY

- a. The Management and Budget Services' (MBS) Director, or equivalent, is responsible for authority granted under accounting adjustments.
- b. Agency fundholders will determine if accounting adjustments are the appropriate method for correcting accounting data that has been entered incorrectly.
- c. Agency fundholders will prepare all necessary accounting adjustment documentation.
- d. MBS will approve the use of an accounting adjustment when appropriate, monitor accounting adjustments for misuse, and process all accounting adjustments.

4. DEFINITIONS

- a. Accounting Adjustments. Process by which incorrect accounting data is corrected, when it has been determined that the original accounting documentation can not be modified to correct the accounting data.
- b. Incorrect Shorthand Code. A shorthand code that exists in the accounting system but was incorrectly selected to process a particular accounting transaction (e.g., selecting a shorthand code from another office).
- c. Agency Fundholder. Any Agency manager or supervisor that receives a budget allocation

5. PROCEDURES

- a. Identification. Agency fundholders are responsible for identifying incorrect accounting data, see GIPSA Directive 2170.1, Review of Financial Reports.
- b. Determination. Agency fundholders will review incorrect accounting data to determine if an accounting adjustment is required:
 - (1) Agency fundholders must first consider, if applicable:
 - (a) Modifying original (source) documents to correct the incorrect accounting data.
 - (b) If the transaction is SmartPay-related, the accounting error cannot be corrected in the ACCESS online system after a nightly cycle is run.
 - (c) If an “incorrect” shorthand code was used on a T&A, process a corrected T&A. Fund holders will have to determine if the remaining balance for benefits, not moved by the corrected T&A, will remain as is or corrected.
 - (d) If the transaction is IAS/PRCH-related, the accounting error must be corrected on the original purchase order/requisition.
 - (e) If the transaction is TRVL-related or involves adjustments for relocations, (Form AD-202, Travel Authorization/Advance), corrections in the travel system must be made if the traveler is still in the process of relocating and vouchering expenses.
 - (f) If the transaction is PROP-related, accounting adjustments may only be completed for BOC’s 3140 and 3150. Accounting adjustments should never be made for documents with a transaction code of DV.
 - (g) If the transaction is revenue-related, the accounting error for GIPSA Billing Application (GBA) transmitted bill must be modified in GBA and resubmitted.
 - (h) If the transaction is revenue-related, the accounting error for a COD collection a modification request must be submitted to APHIS.

- (2) The review should identify accounting adjustments to be completed for incorrect accounting data that cannot be corrected through amendment of original accounting documents and/or amendments made in the feeder system to which the transaction is related.

- c. Notification. Once a determination is made that an accounting adjustment must be completed, Agency fundholders must notify MBS, in writing. Agency fundholders are required to submit a signed accounting adjustment form indicating the accounting error to be corrected. The program or agency office employee responsible for completing the accounting adjustment form is required to sign/date the form in the “REQUESTOR” section. Budget Staff will sign/date form in the “FMMI Document Entry” and “Budget Certifying Approver” sections. In addition, supporting documentation must accompany the accounting adjustment form, a detailed spending detail report or BI payroll report identifying the accounting error to be corrected is sufficient.

- d. Retention. MBS must retain reports and records of accounting adjustments for audit purposes. Agency fundholders must retain signed reports for 6 years.

- e. Additional Guidance. Additional guidance regarding the completion of the accounting adjustment form or related procedure is available from MBS.

6. INQUIRIES

- a. Direct question(s) concerning accounting adjustments to MBS, Budget Services at 202-720-0231.

- b. This Directive is available on the Internet at <http://www.aphis.usda.gov/library/gipsa/GIPSA.shtml>

/s/

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