

Report Date: 11 Feb 2014

**Summary Report for Individual Task
805A-36A-7018
Manage Obligation Management Procedures
Status: Approved**

DISTRIBUTION RESTRICTION: Approved for public release; distribution is unlimited.

DESTRUCTION NOTICE: None

Condition: You are supervisor of an obligation management team. You have access to: 1. General office supplies. 2. Internet connected computer, personal/desktop (only cpu w/std mouse, keyboard, sound card, cd-rom, & win os), computer, printer laser (black w/printer cable). 3. Calculator. 4. Expenditure documents. 5. DFAS-IN Regulation 37-1, Finance and Accounting Policy Implementation. 6. DFAS-IN Manual 37-100-FY, The Army Management Structure. This task should not be trained in MOPP.

Standard: Manage obligation management procedures in sequential order without error.

Special Condition: None

Safety Level: Low

MOPP: Never

Task Statements

Cue: None

DANGER
None

WARNING
None

CAUTION
None

Remarks: None

Notes: All required references and technical manuals will be provided by the local Command.

Performance Steps

1. Apply general commitment and obligation rules.
 - a. Obligate funds only for the purposes for which they are appropriated.
 - b. Ensure goods and/or services meet a present need of the fiscal period for which the funds are appropriated by Congress.
 - c. Ensure exceptions to policy are appropriate if funds are to be used in a different fiscal year.
 - d. Ensure all obligations are supported by documentary evidence.
 - e. Ensure funds are available before making an agreement that binds the government.
 - f. Ensure obligation documents are processed to ensure products or services are received when needed.
 - (1) Ensure sufficient administrative lead time to process documents.
 - (2) Ensure, when items are chargeable against the next year's funds, the documents contain the statement "The government's obligation hereunder is made contingent upon Congress enacting appropriations."
 - g. Ensure proper entry into a new contract when an original contractor defaults.
 - (1) Seek legal advice.
 - (2) Ensure the replacement contract includes appropriate provisions for the appropriation obligation from the original contract.
 - (a) Ensure the original contract was made in good faith.
 - (b) Ensure a bona fide need for the unfinished work exists when the replacement contract is executed.
 - (c) Ensure the replacement contract is executed without undue delay.
 - (d) Ensure there is no change to the scope of the contract.
 - (e) Ensure the replacement contract is awarded to a different contractor.
 - (3) Use current year funds, if available, even if the replacement contract cannot be finished in the current year.
 - (4) Use the next year's funds if current year funds are not available.
 - (5) Insert the contingency statement "The government's obligation hereunder is made contingent upon Congress enacting appropriations" on the contract, if next year's fund citation is used and the appropriations act has not been passed by congress and signed by the President.
 - (6) Verify LOA information is correct prior to fund certification.
 - h. Coordinate with Contracting Officer in order to adjust Purchase Request amounts prior to contract award.
 - i. Commit funds for contingent liabilities (automated in GFEBS).

(1) Record a commitment at the time it is first recognized.

(2) Record an obligation when the conditions for the contingent liability are met.

2. Apply the specific commitment and obligation rules.

a. Obligate Travel and Transportation of Persons.

(1) Obligate based upon travel order estimates.

(2) Do not obligate travel advances.

(3) Obligate funds no later than the month travel commences.

(4) Calculate obligations based on estimates for travel amounts.

(5) Obligate funds for temporary duty (TDY) crossing fiscal years (FYs).

(a) Prorate per diem between the FYs.

(b) Charge travel by privately owned vehicle (POV) against the appropriation current at the time of travel.

(c) Obligate the full amount of a travel request (TR) against the appropriation current at the time of purchase.

(d) Ensure accounting classifications for each FY are on the travel orders.

(e) Ensure the document contains the statement "The government's obligation hereunder is made contingent upon Congress enacting appropriations."

b. Obligate Transportation of Things, in the month the carrier accepts the goods for the amount shown on the Government Bill of Lading (GBL).

(1) Identify the pick-up date of a member's household goods as stated on the GBL.

(2) Post the obligation in the same month as the pick-up date stated on the GBL.

c. Obligate Communications and Utilities, in the month the billing period ends, regardless of the FY.

d. Obligate Rental Contracts; Printing and Reproduction; or Consulting and Other Services.

(1) Establish the record based on the length of the contract.

(2) Establish job specific accounts.

(3) Obligate funds upon written acceptance by the vendor for "firm fixed price" contracts.

(4) Obligate funds upon issuance of a delivery order for "requirements" contracts.

(5) Obligate funds for purchase orders less than or equal to \$100,000, upon issuance of the purchase order to the vendor.

(6) Obligate funds for purchase orders greater than \$100,000, when the vendor accepts the purchase order.

(7) Obligate funds for severable contracts less than or equal to a 12 month period, for the entire amount of the contract.

(8) Obligate funds for severable contracts greater than a 12 month period, for the appropriations life only. Obligate the remainder of the contract once the next FY's funds are available. Cite all FYs accounting classifications in the contract and include the statement "The government's obligation hereunder is made contingent upon Congress enacting appropriations."

(9) Obligate funds, for non-severable contracts, when the contract is signed and for the full amount of the contract.

(10) Prorate the obligation for funds, for severable or non-severable contracts, if the contract is not effective on the first day of the month. (Use a 30-day month for the calculation.)

(11) Obligate the total amount of the contract when the contract is executed or signed, if the contract is for 12 months or less. Use a 30-day month to figure proration.

e. Obligate Supplies and Materials; and Equipment.

(1) Obligate current years' funds when a Stock Fund request is processed (either back-ordered or issued).

(2) Commit Stock Fund requests upon submission of the requisition.

(3) Use the applicable rule when using purchase orders, fixed price contracts, or requirements contracts/delivery orders for local purchases.

(4) Commit and obligate Wholesale Stock Fund upon submission of a requisition.

(a) Obligate funds upon written acceptance by the vendor for "firm fixed price" contracts.

(b) Obligate funds upon issuance of a delivery order for "requirements" contracts.

(c) Obligate funds for purchase orders less than or equal to \$25,000 upon issuance to the vendor.

(d) Obligate funds for purchase orders greater than \$25,000 when the vendor accepts the purchase order.

f. Obligate Interest and Dividends.

(1) Obligate interest or dividend at the time an invoice is paid.

(2) Use the current year's funds of the activity responsible for the late payment.

(3) Calculate the interest rate based on the rate established by the Treasury Department.

3. Determine the stage of a transaction.

a. Determine if the transaction is in the funding stage.

b. Determine if the transaction is in the commitment stage.

c. Determine if the transaction is in the obligation stage.

(1) Determine if it is an original obligation.

(2) Determine if the obligation needs adjustment based on more current information (i.e., change in the scope of travel, cancellation of travel, or adjustment due to a disbursement).

d. Determine if the transaction is in the accrued expenditure/expense stage.

e. Determine if the transaction is in the disbursement stage.

4. Determine the effect upon available funds, based upon the transaction stage.

a. Funding stage.

(1) Available funds decrease if funding is withdrawn.

(2) Available funds increase if funding is received.

b. Commitment/Obligation stage (GFBES Fund Certification).

(1) Available funds decrease for all original obligations.

(2) Available funds decrease if the obligation is an adjustment increase due to more current information.

(3) Available funds increase if the obligation is an adjustment decrease due to more current information.

c. Accrued expenditure/expense stage - there is no effect on available funds.

d. Disbursement stage.

(1) Available funds will decrease if the disbursement amount is greater than the original obligation. (Obligate the difference.)

(2) Available funds will increase if the disbursement amount is less than the original obligation. (Deobligate the difference.)

(3) There is no effect on available funds if the disbursement amount is equal to the original obligation.

(Asterisks indicates a leader performance step.)

Evaluation Guidance: Score the Soldier GO if all performance measures are passed (P). Score the Soldier NO GO if any performance measure is failed (F). If the Soldier fails any performance measure, show what was done wrong and how to perform it correctly.

Evaluation Preparation: This task can be evaluated by use of the performance measures as listed. This method of evaluation is appropriate if the Soldier performs the task on the job. Allow the Soldier to practice until the Soldier feels qualified and prepared for the evaluation. Then have the Soldier perform the task, using the materials listed in the CONDITIONS statement above. Score the Soldier "PASS" or "FAIL" as determined by the performance.

PERFORMANCE MEASURES	GO	NO-GO	N/A
1. Applied general commitment and obligation rules.			
a. Obligated funds only for the purposes for which they were appropriated.			
b. Ensured goods and/or services met a present need of the fiscal period for which the funds were appropriated by Congress.			
c. Ensured exceptions to policy were appropriate if funds were to be used in a different fiscal year.			
d. Ensured all obligations were supported by documentary evidence.			
e. Ensured funds were available before making an agreement that bound the government.			
f. Ensured obligation documents were processed to ensure products or services were received when needed.			
g. Ensured proper entry into a new contract when an original contractor defaulted.			
2. Applied specific commitment and obligation rules.			
a. Obligated Travel and Transportation of Persons.			
b. Obligated Transportation of Things, in the month the carrier accepts the goods for the amount shown on the GBL.			
c. Obligated Communications and Utilities, in the month the billing period ends, regardless of the FY.			
d. Obligated Rental Contracts; Printing and Reproduction; or Consulting and Other Services.			
e. Obligated Supplies and Materials; and Equipment.			
f. Obligated Interest and Dividends.			
3. Determined the stage of a transaction.			
4. Determined the effect upon available funds, based upon the transaction stage.			

Supporting Reference(s):

Step Number	Reference ID	Reference Name	Required	Primary
	DFAS-IN MANUAL 37-100-FY	The Army Management Structure	No	No
	DFAS-IN REG 37-1	Finance and Accounting Policy Implementation.	No	No

Environment: Environmental protection is not just the law but the right thing to do. It is a continual process and starts with deliberate planning. Always be alert to ways to protect our environment during training and missions. In doing so, you will contribute to the sustainment of our training resources while protecting people and the environment from harmful effects. Refer to FM 3-34.5 Environmental Considerations and GTA 05-08-002 ENVIRONMENTAL-RELATED RISK ASSESSMENT.

Safety: In a training environment, leaders must perform a risk assessment in accordance with FM 5-19, Risk Management. Leaders will complete a DA Form 7566 COMPOSITE RISK MANAGEMENT WORKSHEET during the planning and completion of each task and sub-task by assessing mission, enemy, terrain and weather, troops and support available-time available and civil considerations, (METT-TC). Note: During MOPP training, leaders must ensure personnel are monitored for potential heat injury. Local policies and procedures must be followed during times of increased heat category in order to avoid heat related injury. Consider the MOPP work/rest cycles and water replacement guidelines IAW FM 3-11.4, Multiservice Tactics, Techniques, and Procedures for Nuclear, Biological, and Chemical (NBC) Protection, FM 3-11.5, Multiservice Tactics, Techniques, and Procedures for Chemical, Biological, Radiological, and Nuclear Decontamination.

Prerequisite Individual Tasks : None

Supporting Individual Tasks :

Task Number	Title	Proponent	Status
805A-APA-8203	Identify the Elements of Fiscal Code	805A - Financial Management (Individual)	Delete

Supported Individual Tasks : None

Supported Collective Tasks : None