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BUREAU OF LAND MANAGEMENT

MANUAL TRANSMITTAL SHEET

Release
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Subject

1315 - WORKING CAPITAL FUND

1. Explanation of Material Transmitted: This release transmits a revised version of BLM Manual Section 1315, Working Capital Fund (WCF). It has been revised to include the new programs related to WCF and to incorporate the changes to the operational procedures for the WCF.

2. Reports Required: None.

3. Material Superseded: The Manual Section superseded by this release is listed under "REMOVE" below. No other directives are superseded.

4. Filing Instructions: File as directed below.

REMOVE:	INSERT:
1315 (Rel. 1-1221)	1315
(Total: 16 Sheets)	(Total: 16 Sheets)

Assistant Director, Management Services

USP LVN

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.01 Purpose. This section provides information and guidance regarding the functions of the Bureau's Working Capital Fund. Due to the nature of a working capital fund, extensive cross referencing of instructions in other Manual Sections is necessary to avoid redundancy.

.02 Objectives. The objectives of the Working Capital Fund are:

A. To provide the ability to plan and control financing, utilization, and replacement of capital and other resources.

B. To establish sound accounting principles in the administration of a revolving fund.

C. To develop rates to be levied against benefiting Bureau activities as well as external sources in an amount equal to the cost of goods or services provided.

.03 Authority. The Federal Land Policy and Management Act of 1976, Section 306, authorized the Bureau of Land Management to establish a Working Capital Fund. The initial capital of the fund consisted of appropriations made for that purpose ($2 million) together with the fair and reasonable value at the fund's inception of the inventories, equipment, receivables, and other assets, less the liabilities, transferred to the fund. As new activities were added, donations to the WCF have occurred.

.04 Responsibility. Basic financial responsibility and delegation are contained in the BLM Manual Section 1300.04 and 1301.33A. In addition, other functional Working Capital Fund (WCF) responsibilities are as follows:

A. Headquarters Offices.

1. The Chief, Division of Finance, is responsible for overall coordination of the activities of the WCF. Responsibilities include reviewing WCF procedures to assure conformity with OMB and Treasury requirements, GAO standards, and Departmental and Bureau policies and directives, establishing policy on WCF methodology, reporting, and accounting procedures; and applying financial expertise to management of the WCF. Financial reports are channeled through the Division of Finance, where feasible. If not feasible, copies are provided.

2. The Chief, Division of Budget, provides liaison for integration of WCF into a complete Bureau program and is a conduit for OMB reports and requirements. The WCF Manager assists the Division of Budget in budget preparation.

3. The Chief, Division of Administrative Services, provides policy oversight for contracting, procurement, property management, and utilization, space management, and for all equipment, supplies, materials and services provided through the WCF. The Division Chief assures that WCF procedures comply with applicable Bureau, Department, and Federal Property Management regulations. The Division Chief also issues directives, when necessary, to supplement existing directives in the Administrative Services area in connection with WCF operations.

B. Service Center Offices.

1. The Financial Manager of the WCF is responsible for the financial operations of the WCF. This involves developing financial and related procedures, preparing budgets and projections, setting fixed ownership rates, use rates and overhead rates, determining the availability of funds for purchases by the WCF, developing and preparing current operating reports, making cost estimates, acting as financial advisor on WCF matters and monitoring the liquidity of the WCF funds.

2. The Chief, Branch of Personal Property, provides overall property management services for all property in the WCF. This includes maintaining centralized property records and providing counsel and assistance in the acquisition, utilization, and disposal of WCF property, including vehicles, equipment, stores inventories, sign shop materials, and forms inventories. The Branch Chief is responsible for classifying property, establishing and maintaining property replacement schedules, estimating useful life of property, setting utilization standards, supplying information to the WCF Financial Manager for use in setting fixed ownership and use rates, scheduling inventories, preparing WCF property reports, initiating purchase of replacement items for some classes of property and developing property management procedures and directives in connection with WCF property management.

C. All Employees involved in the management of WCF programs and utilization of WCF equipment are responsible for knowing and following the guidelines and instructions contained in this Manual Section.

.05 References.

A. Manual Section 1522.

B. Manual Section 1525.

C. Manual Sections 1300 and 1301.

D. Manual Section 1103.

.06 Policy

A. The Bureau's Working Capital Fund is established to finance and account for services and goods furnished to the Bureau's various benefiting activities as well as non-Bureau user departments. Amounts expended by the WCF are restored to the fund either from operating earnings or donations from other funds so that the original appropriation is kept intact.

B. The Working Capital Fund encompasses four distinct programs as follows:

1. WCF, Fleet.

2. WCF, Stores.

3. WCF, Sign Shop (including uniforms).

4. WCF, Department Forms Center. (Any expansion or contraction of the number of programs requires a change in Bureau policy.)

C. The BLM Working Capital Fund Committee is comprised of four members as follows:

1. Representative: Division of Finance (WO-820).

2. Representative: Division of Budget (WO-880).

3. Representative: Division of Administrative Services (WO-850)

4. Manager: Working Capital Fund (D-510).

D. The committee functions in the capacity of reviewing any major policy considerations which affect the Bureau's Working Capital Fund and is chaired by the representative from the Division of Finance. The committee acts as a recommending unit only, and all final policy decisions must be approved by Assistant Director, Management Services (WO-800).

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.1 Working Capital Fund Motorized Fleet. The WCF Motorized Fleet is comprised of the following five major groups of BLM-owned vehicle/equipment: (1) General Purpose Vehicles; (2) Fire Equipment; (3) Western Oregon Road Maintenance (WORM) Motor Vehicles-Equipment; (4) Motor Equipment, Heavy Duty Construction and Miscellaneous; and (5) Special Purpose Vehicles.

.11 Sources of Revenue and Capital Formation. Since the WCF does not receive an annual appropriation, the WCF Fleet subactivity must rely on revenue from a system of user fees. The fees are charged against the benefiting activity for the use of goods or services. The fee structure is comprised of two levels: use rates and fixed ownership rates.

A. Motor Vehicle Use Rates. The motor vehicle use rates are applied each month to all classes of Bureau-owned vehicles. The charges are based on the number of miles or hours the vehicle/equipment is used multiplied by the classwide use rate.

1. All BLM vehicles/equipment utilization must be reported every month, regardless of use or Fixed Ownership Rate (FOR) period. Utilization is reported through the Automated Fleet Management System (AFMS) Monthly Utilization Reporting Screen. If the use was zero for the month, the entry should so indicate.

2. Charges for all vehicles/equipment in the AFMS (except fire vehicles) are distributed entirely to the activities entered by Field Offices as "standard cost centers" and/or "exception cost centers." If no exceptions are entered, then all of the months FOR rate and use rate charges are divided among the standard cost centers according to their associated percentages. If exception cost centers are entered, they are charged the exact cost based on the miles or hours of actual use (i.e., use rate plus a prorated portion of the FOR). Any miles or hours not accounted for by exception usage are divided among the standard cost centers by percentage.

3. All vehicle classes in the 600 series plus class 925, Tractor, Unimog are subject to a 400-mile/25 hours per month minimum utilization standard during the 5 months FOR payments are made. If the vehicle/equipment is used less than 400 miles/25 hours, a proportionate amount of the FOR, based on actual use, will be charged to the exception and/or standard cost centers and the remaining proportionate share of the FOR will be automatically charged to 4610-96. Usage of 400 miles/25 hours will result in the FOR being distributed as described in the preceding paragraph.

4. The amount of use charged to the benefiting activities represents the amount of revenue to the WCF. This income assures that funds will be available to cover all operation and maintenance costs of the Bureau's fleet. Use rate charges for vehicle classes 835 through 924 and 935 are charged to object class 2562. Use charges are made to object class 2211 for all other vehicle classes. The use rate object classes 2211 and 2562, which are computer-generated, are never utilized to cost operations and maintenance expenses. Use rates are recalculated for each vehicle class every fiscal year based on actual vehicle use expenses compared with actual use revenues from previous fiscal year.

B. Motor Vehicle Fixed Ownership Rates. The fixed ownership rates (FOR) are fixed charges applied against selected groups of Bureau-owned vehicles. The revenue to the WCF provided by the FOR charge enables the WCF to finance the replacement of motor vehicles. The FOR charge is composed of the annually adjusted estimated vehicle/equipment replacement cost (including inflation) less estimated salvage value. This cost is then prorated over the estimated useful life of the vehicle/equipment. All FOR charges are costed to object class 2561 by computer generation. Fixed ownership rates are levied against the activities indicated in the exception and/or standard cost center, or possibly subactivity 4610 in the case of fire, as described in .11A.

1. The four major groups of BLM vehicles/equipment in the WCF for replacement funding and the periods that FOR is charged are as follows:

Group	Usage Period That FOR is Charged
General Purpose Vehicles	April - October (7 months)
Fire Equipment	May - September (5 months)
Western Oregon Road Maintenance (WORM) Motor Vehicle - Equipment	October - September (12 months)
Motor Equipment, Heavy Duty Construction and Miscellaneous	October - September (12 Months)

a. There will be no FOR charged outside the usage period. During the usage period, a full FOR charge is levied for all vehicles and equipment even if the vehicles and equipment were not used or no use was reported.

2. Fire Pumper Units. The FOR on fire pumper units which are in the WCF for retrofit purposes and are on Bureau-owned fire vehicles is included in the monthly FOR paid by the fire vehicle. Pumper units which are in the WCF for retrofit, but are not reimbursing the WCF as part of the Bureau-owned vehicle, are assessed a once yearly FOR charge.

3. Lowboy and Tiltbed Trailers. A limited number of trailers (new lowboy trailers with property class 231122 and new tiltbed trailers with property class 231142) are included in the WCF. A once yearly charge is assessed for future replacement of these trailers.

C. Appropriations. The WCF is established on a revolving basis. Amounts expended by the WCF are restored to it by charging the activities and other outside entities for central service so that the original fund capital is kept intact. The WCF's original fund capital was a no-year appropriation of $2 million received in fiscal year 1978. Any expenditure of the $2 million appropriation is intended to be recovered through a system of user charges. The $2 million provides for the difference in time between WCF expenditures and the recovery of those expenditures through a system of user charges. Thus, the $2 million is used only to allow the system to function. The cash is put to work paying operating costs and providing financial solvency until the operating costs are recovered. Additional WCF appropriations are not anticipated. Increases in cash or other assets must be derived from WCF operations or Bureau donations.

D. Equipment Donations. Before any capitalized equipment can be replaced by the WCF, it must first be donated to the fund. The donation is made without reimbursement to the donating activity. Generally, only new equipment may be currently donated to the WCF because collection of FOR over the entire life of the equipment is required to cover the cost of the replacement.

E. Revenue from the Sale of Capitalized Equipment. When WCF equipment is sold at the end of its useful life, the sales revenue is credited to the WCF. In most cases, this revenue comes from exchange/sale proceeds. In special cases, an office may retain equipment beyond the current field season in which the unit was replaced. This requires approval and reimbursement to the WCF for the residual value as determined by Property Management in coordination with the WCF Manager.

F. Insurance Proceeds from Accident Damage. All reimbursement checks for accident damage to WCF vehicles (those paying a FOR charge) must be sent to the Collection Officer (D-515) in the Service Center. The check must be submitted with a Collection Transmittal, Form 1370-8, which must identify the vehicle license number, the class number of the vehicle, and the procurement document number utilized to repair the damage. Amounts received from the sale of wrecked WCF vehicles must also be credited to the WCF.

.12 Expenses - Motorized Fleet. Personnel using Bureau-owned vehicles/equipment against which use rates are assessed must code the operation, maintenance, and repair costs of these vehicles/equipment to the WCF. An Instruction Memorandum is issued annually, identifying Bureau-owned classes that are assessed monthly fixed ownership and use rates. Costs incurred through operation of the Bureau's Retrofit Program for fire pumper packages are generally paid for from WCF monies.

A. Operation, Maintenance and Repair Costs.

1. Equipment Operation Costs. Equipment operation costs consist of fuel (diesel and gasoline) and oil. All purchases of fuel and oil, intended for consumption by Bureau-owned vehicles that pay use rates, are charged to the WCF.

2. Maintenance Costs. Maintenance costs are those incurred to keep Bureau-owned vehicles/equipment covered by use rates under the WCF in a serviceable condition. Examples of such costs, which are charged to the WCF are tuneups, oil changes, lubrications, etc. The BLM contracts, through GSA sources if applicable, or on the open market, for motor vehicle maintenance and repair. Generally, this precludes employing mechanics or establishing motor vehicle maintenance shops. Offices with approved shops can charge mechanic wages to the WCF for the time spent working on BLM-owned vehicles/equipment. Any other BLM office requiring a mechanic to work on BLM-owned vehicles/equipment must prepare a request and justification and forward it through State Offices (for District Offices) to the Director (880). Approval must be obtained to establish a motor vehicle maintenance shop before mechanics employed there may charge their time to the WCF for maintenance or repair work on BLM-owned vehicles/equipment.

3. Repair Costs. Repair costs are those that are incurred to maintain the specific item of equipment in efficient operating condition through the restoration or replacement of parts, components, or assemblies of Bureau-owned vehicles/equipment as necessitated by wear and tear, or the failure of parts. All repair costs that meet the above criteria are charged to the WCF if the vehicle/equipment is charged a use rate.

4. Accident Damage. All unreimbursed repair costs for accident damage must be charged to the using office's appropriation and not the WCF. If a vehicle is totally demolished in an accident, and it is in a class that pays a fixed ownership rate, part of the replacement cost for a new vehicle will come from the WCF. The remainder of the replacement cost must come from the using office's appropriation. The proportion that the WCF contributes toward the replacement cost is equal to the dollar amount of fixed ownership rate already assessed against the demolished vehicle, plus the estimated proceeds from the sale of the vehicle. If the using office does not desire a replacement, it must still reimburse the WCF for the difference between the amount of fixed ownership income paid plus the salvage value, and the cost of a new replacement, which will be issued to another BLM office expressing a need.

5. Items not Paid for by WCF. Certain add-ons and modifications to vehicles/equipment which are not standard options will not be paid for by the WCF unless specifically approved by the Financial Manager of the WCF (D-510). Costs of this nature must be paid by the benefiting activities. Examples of these items include, but are not limited to: tire chains, tow chains, jacks, fire extinguishers, first aid kits, tools, tool boxes, winches, power takeoff, special bumpers, towing packages, canopies, and certain special wheels or tires.

B. Vehicle Replacement. BLM vehicles which meet replacement standards, but which are in usable and workable condition may continue in service provided that: a continued program need exists for the vehicle, the vehicle can be operated safely and dependably without excessive repair and maintenance costs, repair parts are readily obtainable, and retention will not substantially reduce the trade in value of the vehicle. Normally, when any single repair job exceeds the estimated current market value of a vehicle, replacement should be considered in lieu of repair and retention.

1. Useful Life Standards. Generally, all Bureau-owned vehicles/equipment assessed FOR are replaced with monies from the WCF. The normal criteria for vehicle/equipment replacement is based on age and/or the number of miles driven or hours used. The replacement standards are applied on a vehicle class-wide basis. Earlier replacement due to excessive repair and maintenance costs will be considered on a case-by-case basis. The WCF replacement schedule by vehicle class is presented in BLM Manual Section 1525.

2. Replacement Process. The procedures for ordering WCF replacement vehicles/equipment are spelled out in detail in BLM Manual Section 1525. The Service Center Director (D-550) is responsible for the development and coordination of the replacement plan. The Working Capital Fund Manager (D-510) determines fund availability and must approve all obligations incurred for the purpose of replacing WCF vehicles and equipment.

C. Retrofit Program Costs. The BLM retrofit program meets the Bureau's need for the remanufacturing or rebuilding of watertank/pumping systems for fire trucks. The concept of "retrofit" is based on the premise that rebuilding pumper units is a less costly alternative to replacing worn out units with new units. The work is performed on a part time basis by existing personnel at BIFC, whose primary duties consist of fire management, firefighting, and fire presuppression work. When these employees are working on retrofiting fire units, their salaries are paid out of WCF monies. In addition, the WCF pays for necessary equipment, parts, and supplies as well as utility costs which are related to the retrofit program.

1. BIFC (YC-700), will provide, in writing, by September 1 of each fiscal year, to the Service Center, D-557 and D-515 WCF, a listing of pumper units by property number and location, which are scheduled for retrofit. BIFC will report, in writing, units completed with new property number, and the actual cost associated with each unit (both partially and totally completed units) to D-515 WCF no later than November 1. Each completed retrofit unit which meets capitalization criteria will be capitalized based on the receipt of Form DI-102, Receiving Report, provided to D-557 by BIFC (YC-700).

.13 Cost Coding of Financial Documents - Motorized Fleet. All financial documents (e.g., requisitions, oral orders, purchase orders and contracts) relating to the operation of the Bureau's motorized fleet must be coded as follows:

A. Fund Code: 40 (Working Capital Fund symbol 14X4525).

B. Subactivity: 9310 - WCF Motorized Fleet.

C. Program Elements:

01 Managerial Direction (HQ and SC only)
10 WCF Administration (SC only)
11 Fleet Operations
12 Fleet Maintenance
13 Fleet Replacement (Must use object class 3111)

D. Project Numbers. All financial transactions involving subactivity 9310 must be coded with a four-digit project number. The first digit of the project code is always zero. The last three digits of the code are normally the vehicle class number(s) for which the transaction was initiated. There are two categories of project numbers which do not reflect vehicle classes: The first category is the 0600-0605 classes which pertain to the BIFC pumper package retrofit program. These numbers are assigned to specific financial transactions by BIFC. The second category is utilized for financial transactions in which a particular vehicle class(es) cannot be identified, even by estimating. Nonidentifiable financial transactions for the Western Oregon Road Maintenance program should be charged to project number 0700. All other nonidentifiable project number financial transactions should be charged to project number 0100. Projects 0100 and 0700 must never be viewed as "catch all" accounts for WCF costs. No project number other than a valid vehicle class and those specifically identified above may be used except by approval of the WCF Manager.

.14 WCF Credit Card Purchases. Each SF- 149, U.S. Government National Credit Card, assigned to BLM provides cost coding information within the third group of numbers in the credit card account number. Credit cards embossed with 929 are miscellaneous cards which are to be used for purchases for equipment and vehicles which pay a WCF use rate charge. No other miscellaneous card may be used for WCF purchases. These cards should only be used: (1) prior to receiving the assigned credit cards for a new vehicle, and (2) prior to receiving a replacement credit card when the original assigned card is lost, stolen, damaged, or debossed. Purchases properly made with the 929 card are charged to the WCF. When the 929 card is utilized, the four-digit vehicle class and the vehicle license number must be inscribed on the fuel ticket. Credit cards embossed with 836 are utilized to purchase bulk fuel. These purchases are charged to WCF project 0100. The monthly submission of a Fuel and Oil Issue Record (Form 1520-28) is required for bulk fuel tanks.

.15 Reporting Requirements. The calculation to determine the amount of use charges, and where appropriate, the fixed ownership charges is derived from utilization information reported each month through the Automated Fleet Management System (AFMS) Monthly Utilization Reporting Screen. The Automated Fleet Management System Handbook, H-1525-2, describes in detail, the procedures for meeting necessary reporting requirements.

.2 Working Capital Fund Stores. The WCF Stores activity is comprised of materials and supplies acquired and stored for subsequent issue to projects or using activities, including uniforms (see 1103 - Uniforms). Stores are consumed, lose their identity, or become an integral part of other property when put in use. All Bureau stores with the exception of Oregon and California Grant Lands (O&C) and fire stores are under the umbrella of the WCF.

.21 Sources of Revenue and Capital Formation. The WCF Stores activity must recover revenue in an amount equal to the cost of stores purchased, administrative overhead costs, write-offs and inventory losses, and transfers of excess inventory without reimbursement.

A. Stores Issue Revenue. When stores are issued, the benefiting activity must reimburse the WCF for the cost of the stores items(s).

B. Stores Surcharge Revenue. When stores are issued from the WCF to a benefiting activity, a 2 percent surcharge is assessed. The surcharge is computed as 2 percent of the cost of the stores issued and this amount is an additional cost to the benefiting activity. Seventy-five percent of the 2 percent surcharge is used to establish an account to defray the cost of stores surveys caused by loss, damage or theft. Twenty-five percent of the 2 percent surcharge is used for administrative costs and transfers made without reimbursement to the WCF.

C. Appropriations. An initial appropriation of $2 million was provided to pay for operating costs and provide financial solvency until WCF operating costs are recovered, as described in .11C. Since the nature of the stores activity dictates the outlay of WCF monies prior to any reimbursement which will occur when stores are issued, this appropriated funding is being constantly utilized to fund the Bureau WCF stores account.

D. Stores Donations. Bureau stores (excluding O&C and fire stores) were transferred to the WCF effective Fiscal Year 1983. Transfer was made by donation, at no cost, to the WCF and without reimbursement to the donating activities. The revenue generated when these stores were issued was simply reinvested in additional stores inventory.

.22 Expenses - Stores. Expenses associated with stores are incurred by the WCF when stores are purchased, administrative costs are incurred for salary and travel, write-offs or inventory losses occur, or transfers are made without reimbursement to the WCF.

A. Stores Inventory Costs. When stores are initially purchased for subsequent issue to projects or using activities, the full cost of the purchase including freight charges will be charged to the WCF. Stores purchases should not exceed anticipated stores issues in any fiscal year. Approval must be requested from the WCF Manager (D-515) if the condition is anticipated for WCF stores. As stated in each year's PAWP Directives, State Directors must submit their proposed stores procurement requirements and stores issues by office to the WCF Manager in memorandum format.

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B. Administrative Overhead Costs. Service Center administrative costs identified to the stores activity are borne by the WCF. No administrative cost may be charged to the WCF by any office other than the Service Center.

C. Cost of Inventory Losses. When inventory shrinkage occurs due to loss, damage, or theft, this cost must generally be borne by the WCF, unless there is an appropriate identifiable cause.

D. Inventory Transfer Costs. Each State Office is encouraged to monitor the stores activity within the state organization in order to minimize inventories and purchases. The WCF will fund a reasonable transportation charge for stores inventory transfers between offices. Any transfer costs must be approved in advance by the WCF Manager (D-515).

E. Returns. The WCF will reimburse a benefiting activity when stores are returned using a Stores Return Credit, Form 1520-5. Any returns must be credited at the same value as when originally issued. The 2 percent surcharge amount will be credited.

.23 Cost Coding of Financial Documents - Stores.

A. Stores Acquisitions. Acquisitions through such procurement documents as contracts, purchase orders, etc., for which BLM pays a vendor for the stores supplies, are cost coded as follows:

1. Fund Code: 40 (Working Capital Fund Symbol 14X4525).

2. Subactivity: 9322 (WCF Stores).

3. Program Elements: 11 (Stores and Materials Purchased).

4. Object Class:

   a. 2221 (Freight and other transportation - GBL only).

   b. 2631 (Stores Inventory Acquisition).

B. Stores Issues and Returns. Issues and returns posted on a Stores Control Register (Form 1520-6) and reflected on a Document Face Sheet (Form 1310-5) are cost coded as follows:

1. Fund Code: Determined by the benefiting subactivity (see Fund Coding Handbook, H-1684-1, Chapter 2, paragraph .24).

2. Subactivity: Benefiting subactivity.

3. Program Elements: Benefiting program element.

4. Project Number: Benefiting project number (if required or needed).

5. Object Class:

   a. 2612 (Project and building supplies).

   b. 2691 (Other supplies and materials).

C. Receiving Report (DI-102), Report of Survey/Certificate of Loss (DI-103), and Transfer of Property (DI-104). Entries for Receiving Report (DI-102), Report of Survey/Certificate of Loss (DI-103), and Transfer of Property (DI-104) are posted to the Stores Control Register (Form 1520-6) (see Illustration 2), but no entries are to be made on a Document Face Sheet (Form 1310-5) for these reports. The Branch of General Accounting (D-515) is responsible for making a direct entry to the general ledger for these transactions.

.24 Reporting Requirements.

A. Stores Control Register. The Stores Control Register (Form 1520-6) along with the corresponding Document Face Sheet (Form 1510-5) must be sent to (D-515) on a monthly basis (see Illustration 1). However, when no issue and/or return transactions have occurred during the reporting month, a negative report is required, but no Document Face Sheet should be submitted since the Document Face Sheet provides accounting data only for issues and return transactions. The Stores Control Register and the Document Face Sheet should arrive in the Branch of General Accounting no later than the 24th of every month to ensure that the current reporting month's issue and return transactions will appear on the current month's Monthly Stores Report (see Illustration 2). The Stores Control Register must be completed in accordance with the directions found in the 1522 Manual Section. The Document Face Sheet must be completed in accordance with the directions found in Illustration 1.

B. Receiving Report (DI-102), Report of Survey/Certificate of Loss (DI-103), and transfer of Property (DI-104). The originating office must assign a document number to each Receiving Report, Report of Survey/Certificate of Loss, and Transfer of Property form. The original copy of the Receiving Report for the donation of materials to WCF Stores should be attached to the Stores Control Register to which it is posted and sent to D-515. A photocopy of the Report of Survey/Certificate of Loss and Transfer of Property should be attached to the Stores Control Register to which they are posted, and sent to D-515. The original copy of the Report of Survey/Certificate of Loss and Transfer of Property should be sent to the Branch of Personal Property (D-557) upon receiving all the required signatures. Upon logging the Report of Survey/Certificate of Loss and Transfer of Property forms in their records, D-557 will forward the original copy to D-515 to be posted to the general ledger.

C. Annual Stores Inventory. Every August the Service Center Director (D-557) issues an instruction memorandum concerning the scheduling of the annual inventory of personal property, including the WCF stores. The annual inventory for WCF stores must be taken as of the cut-off date for the Stores Control Register and typed on Forms DI-106 and DI-106a (Inventory of Property). The inventory must be extended and show unit and total value for each item. The extended amounts on the inventory must be added together to provide the grand total value of the inventory and this amount must agree with the ending balance on the Stores Control Register. A Receiving Report must be prepared, with the notation "Found on Inventory," to cover any overages. A Certificate of Loss or Damage/Report of Survey must be prepared to cover shortages or damaged stores items not suitable for issue. The original inventory copy, and the Stores Control Register must be sent to the SCD (D-515) and, a copy to (D-557) with the inventories. The District Offices must furnish a copy to their State Office (951), and one copy is retained for audit purposes.

.25 Stores Transactions Verification. In addition to the requirement that the value of the WCF Stores inventory as recorded on the Stores Property Record, Form 1520-3, must agree with the Stores Control Register, the Stores Control Register must balance to the office's General Ledger WCF Stores account, maintained by the Service Center's Division of Finance (D-510).

A. Reconciliation. To facilitate the reconciliation of the Stores Control Register and the General Ledger account, the Monthly Stores Report (FG 210 P1) is distributed to those offices with a General Ledger WCF Stores account (see Illustration 2). The employee responsible for the maintenance of the Stores Control Register must ensure that all transactions posted on the Stores Control Register appear on the Monthly Stores Report in the correct amount, and, conversely, that all transactions appearing on the Monthly Stores Report have been posted to the Stores Control Register in the correct amount. Particular attention must be given to ensure that the correct amount is picked up on the Stores Control Register and the Stores Property Record. Merely picking up the procurement document amount will usually result in an erroneous valuation of the new inventory as this amount is frequently an estimated cost.

B. Critical Factors. Critical factors for determining the value of inventory includes correct quantities, shipping charges, and discounts. The only difference between the Monthly Stores Report balance and the Stores Control Register balance should be outstanding items that have not been processed by the Division of Finance but are already included on the Stores Control Register (e.g., new stores inventory had been posted to the stores records, but the order has not yet been paid). After adding/subtracting any reconciling items as appropriate, the Monthly Stores Report and the Stores Control Register will balance. Each office is responsible for performing this monthly reconciliation and for taking necessary action in the case of a variance, whether it is making a correction to property records or notifying the Division of Finance that a financial error has been made.

.3 Working Capital Fund - Sign Shop. The Bureau Sign Shop Program became part of the WCF in FY 84. The sign shop is located in Rawlins, Wyoming. The WCF pays for the materials used in the construction of nonstandard BLM signs, and benefiting subactivities are charged for the cost of ordered signs.

.31 Source of Revenue and Capital Formation.

A. Sign Shop Revenue. When sign shop orders are filled, purchasing offices must reimburse the WCF for the cost of materials used to construct the sign(s). This revenue to the WCF is paid by the benefiting activities.

B. Appropriations. An initial appropriation of $2 million was provided to pay for operating costs and provide financial solvency until WCF operating costs are recovered as described in .11C. Since the nature of the sign shop operation dictates the outlay of WCF monies prior to any reimbursement which will occur when signs are issued, this appropriated funding will be constantly utilized to fund the Bureau's sign shop operation.

C. Sign Shop Donations. When the Bureau's sign shop operation became a part of the WCF, all materials and supplies on hand were donated, at no cost, to the WCF.

.32 Expenses - Sign Shop. Expenses associated with the sign shop are incurred by the WCF when materials are purchased to be used in the construction of signs. The salaries of the personnel employed to construct the signs are paid directly out of appropriated funding. The costs associated with the shipping and mailing of the finished signs are charged directly to the benefiting activities.

.33 Cost Coding of Financial Documents - Sign Shop.

A. Fund Code: 40 (Working Capital Fund Symbol 14X4525).

B. Subactivity: 9323 (WCF Sign Shop).

C. Program Elements:

01 Managerial Direction (HQ and SC only)
10 WCF Administration (SC only)
11 Stores and Materials Purchased

.34 Reporting Requirements - Sign Shop. The Sign Shop Transaction Report and the corresponding Document Face Sheet (Form 1310-5) must be sent to the Branch of General Accounting (D-515) on a monthly basis (see Illustration 2). A negative report is required when no signs are shipped during the reporting month, however, a Document Face Sheet should not be submitted. The Document Face Sheet provides accounting data only for shipped signs. The Sign Shop Transaction Report and the Document Face Sheet should arrive in the Branch of General Accounting no later than the 24th of every month to ensure current month processing. The document type found in the Document Control Number is "ST," and the last six numeric digits of the Document Control Number indicates the month, last day of the month, and calendar year of the reporting period (e.g. "WY-030-ST8-043088" indicates the reporting month of April 1988). The payee will always be "Rawlins Sign Shop," and no address should be completed. The state and office organization, the fund code, the cost structure, the object class (always 26-91), and the amount are also required to be completed on the Document Face Sheet. The Branch of General Accounting prepares a Collection Data Sheet (Form 1370-35) in conjunction with the Document Face Sheet prepared by the Sign Shop to record the revenue from sold signs.

.4 Working Capital Fund Department Forms Center. The Department of Interior (DOI) forms function was transferred from the Office of the Secretary to the Bureau of Land Management by a memorandum of understanding signed December 10, 1984. The Forms Center operation is administered under the Bureau's Working Capital Fund. The Forms Center is physically located at the Service Center and the Branch of Support Services, Division of Administrative Services, is responsible for its operation. Departmental forms are provided upon request to the various DOI offices, DOI Bureaus, and BLM offices.

.41 Sources of Revenue and Capital Formation. The WCF must recover revenue in an amount equal to the cost of forms purchased, shipping and mailing costs, and direct costs associated with the operating of the departmental forms activity.

A. Forms Issue Revenue. When forms are issued to DOI offices, DOI Bureaus, or BLM offices, the cost of the forms must be reimbursed to the WCF. In the case of DOI offices and Bureaus, reimbursement is made using the OPAC billing system procedures. For forms issued to BLM offices, cost transfers are made to the WCF from a Bureauwide department forms account maintained at the Headquarters level.

B. Shipping and Mailing Revenue. The actual costs of shipping and mailing of departmental forms are collected when forms are issued and are treated as revenue to the WCF.

C. Surcharge Revenue. At the time departmental forms inventory is issued, a surcharge amount is incorporated into the cost of the forms. This surcharge is to cover the direct costs such as wages, equipment lease and maintenance, supplies and inventory obsolescence, and shrinkage associated with the forms operation. The surcharge amount is calculated as a percentage of the total cost of forms issued. The surcharge rate is adjusted annually based upon actual costs.

D. Indirect Cost Revenue. The BLM indirect cost rate for reimbursable BLM accounts is additionally assessed when forms are issued. This does not provide revenue to the WCF.

E. Appropriations. An initial appropriation of $2 million was provided to pay for operating costs and provide financial solvency until WCF operating costs are recovered as described in .11C. Since the nature of the department forms activity dictates the outlay of WCF monies prior to any reimbursement which will occur when forms are issued, this appropriated funding is being constantly utilized to fund the Bureau WCF, Department Forms activity.

F. Initial Inventory Reimbursement. The initial forms inventory transferred from DOI to the WCF was made through payment of WCF monies to DOI for the value of the inventory. No donation of inventory occurred at the time of transfer.

.42 Expenses - Department Forms. Expenses associated with the Department forms operation are incurred by the WCF when forms are purchased and shipping, mailing, and direct costs associated with the forms' operation are paid.

A. Forms Inventory Costs. When forms are initially purchased for subsequent issue, the full cost of the purchase including freight charges will be charged to the WCF. Due to tight monetary constraints imposed upon WCF funding, it is necessary that forms inventories are limited to no more than a 6-month supply for any time. If, for any reason, it is believed that a larger supply is required, permission must be received from the WCF Manager.

B. Direct Costs. There are direct costs associated with operation of the Bureau Department Forms Center, which must be paid for from WCF monies. Those direct costs are for salaries for administration of the forms operations, equipment lease and maintenance costs, cost of supplies, and the costs associated with inventory shrinkage and obsolescence.

.43 Cost Coding of Financial Documents.

A. Fund Code: 40 (Working Capital Fund Symbol 14X4525).

B. Subactivity: 9360 (Department Forms Center (DSC only)).

C. Program Element:

10 WCF Adminstration.
11 Stores Purchased.
12 Forms Operation.

D. Object Class: 2631 (Stores Inventory Acquisition - must be used with program element 11). Other appropriate object classes are utilized for supplies, maintenance, etc.

.44 Reporting Requirements. The computer-generated Monthly Agency Activity Report, Monthly Agency Summary Report, and Monthly Department Summary Report should arrive in the Branch of General Accounting (D-515) no later than the 20th of every month to ensure current month processing. Revenue for forms shipped to non-BLM agencies is collected through the OPAC billing system. A SIBAC Supporting Document (Form 1371-23) and a Collection Data Sheet (Form 1370-35) must be completed for each non-BLM agency billed each month. The required data SIBAC Supporting Document is derived from the Monthly Agency Activity Report, which provides an itemization of the cost of forms and shipping and is sent along with the SIBAC Supporting Document to each of the billed agencies. The accounting data for the Collection Data Sheet is derived from the Monthly Agency Summary Report. The document type for the Collection Data sheet is "IB" (SIBAC Billing and Collection), and the transaction code for the bill is "12," which represents a Noncontractual Reimbursable Billing, and for the collection it is "30," which represents a previously billed Bureau Appropriation Reimbursables, and Revenue, Available Special Fund Collection. A separate line of accounting data is used to show the WCF Revenue (cost of forms, freight, and surcharge) and the BLM Indirect Cost Reimbursable Revenue. The Forms Center will prepare a Document Face Sheet (Form 1310-5), with data from the Monthly Agency Activity Report, and a Collection Data Sheet, with data from the Monthly Agency Summary Report, to process the accounting data for the forms issued to BLM offices.

Sample of Document Face Sheet for the Stores Control Register

Form 1310-5
(September 1986)

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DOCUMENT FACE SHEET

Payee SUSANVILLE STORES
Address

City State Zip Code

Taxpayer Identification No.

PYMT I
PYMT D

CODE	AMOUNT	

Document Control number CA-020-SS8-013187
Cross reference number
Schedule or block number
Due Date

Certifying Officer Date
Examiner Date

LINE NUMBER	ORGANIZATION STATE	ORGANIZATION OFFICE	FUND CODE	COST CONSTRUCTION ACTIVITY	COST CONSTRUCTION PROGRAM ELEMENT	COST CONSTRUCTION PROJECT OR IDENT	GENERAL LEDGER	OBJECT CLASS MAJOR	OBJECT CLASS MINOR	TRANSACTION CODE	OPERATION KEY	EXPENDITURE TYPE	EXAMINER ID CODE	AMOUNT		REFERENCE
1	CA	020	07	4321	13			26	91					31	68	
2	CA	020	07	4630	11	D263		26	12					240	15	
3	CA	020	43	7121	16	1029		26	12					(114	23)	
4	CA	020	88	8100	11			26	12					1,673	92	
5	CA	020	88	8100	12	7654		26	12					(6	76)	
6																
7																
8																
9																
10																
11																
12																
13																
14																
15																
16																
17																
18																
19																

SC Numeric Copy

INSTRUCTIONS

A. Document Control Number. This number is not derived from a document control number register of any kind (procurement or otherwise). The number is comprised of a total of fourteen digits. An example would be CA-020-SS7-013187.

1. State - CA (Two alpha digits)
2. Office - 020 (Three numeric digits)
3. Document Type - SS (WCF stores, two alpha digits)
4. Fiscal Year - One numeric digit from 1 - 9
5. Number 013187 (Utilize six numeric digits representing in order: the month; last day of the reporting month, regardless when the Stores Control Register (SCR) was cut-off; and calendar year)

B. Payee. District Offices indicate the name of their district, and State Offices indicate the name of their state. Correct examples are "Susanville Stores" and "California SO Stores." Do not complete an address.

C. Required Financial Coding.

1. State
2. Office
3. Fund Code
4. Subactivity
5. Program Element
6. Project number (if required or needed)
7. Object Class (only 2612 and 2619 may be used)
8. Amount (Issues are positive amounts and returns are negative amounts. Brackets are utilized to indicate a negative amount).

Sample of Monthly Stores Report (FG210P1)

REPORT DATE 06/03/88 UNITED STATES DEPARTMENT OF THE INTERIOR PAGE 12
AS OF DATE 05/31/88 BUREAU OF LAND MANAGEMENT PGN FG210P1

MONTHLY STORES REPORT

STATE: AZ
OFFICE: 020
OFFICE NAME: PHOENIX DISTRICT
GL ACTIVITY: 0191
ACTIVITY: 9322

BEGINNING GENERAL LEDGER BALANCE				63,632.90
	ACQUISITIONS:			
TC	DOC-CONTROL-NO	VENDOR	AMOUNT	
01	GF1481716343	GSA	401.50	
	TOTAL ACQUISITIONS			401.50
	STORES ISSUES/RETURNS:			
TC	DOC-CONTROL-NO	VENDOR	AMOUNT	
34	AZ020SS8043087	ISSUE REVENUE	-1,126.66	
34	AZ020SS8043087	ISSUE REVENUE	-1,755.19	
	TOTAL ISSUES/RETURNS			-2,881.85
	PROPERTY DONATED/SURVEYED/TRANSFERRED:			
	TOTAL DONATED/SURVEYED/TRF'D			.00
ENDING GENERAL LEDGER BALANCE				61,152.55

	UNLIQUIDATED OBLIGATIONS		
TC	DOC-CONTROL-NO	VENDOR	AMOUNT
50	AZ020PH7000031	SOUTHWEST CO-O	149.99
50	AZ020PH7000121	CF&I STEEL	1,116.00
	TOTAL UNLIQUIDATED OBLIGATIONS		1,265.99

ENDING GENERAL LEDGER BALANCE DOES NOT INCLUDE UNLIQUIDATED OBLIGATIONS

1315 - WORKING CAPITAL FUND

A. Beginning General Ledger Balance. This amount will normally be identical to the previous month's ending General Ledger amount. However, when a transaction Code 51 (Accounts Payable) amount appeared on the previous month's Monthly Stores Report, the TC 51 amount will be deducted from the previous month's Ending General Ledger Balance to arrive at the current month's Beginning General Ledger Balance.

B. Acquisitions. This section shows a transaction code, document control number, vendor name (or journal voucher number), and an amount .

1. Transaction code 35 represents the collection of a nonbilled refund. The Monthly Stores Report will show the deposit ticket (document type DT) number and the vendor from which the refund was received. This transaction code will only be utilized for a cash refund in connection with a return of previously paid stores materials to the vendor or the correction of an overcharge on previously paid stores materials. Transaction Code 35 amounts are always negative since they reflect a decrease in the value of stores inventory.

2. Transaction Code 51 represents an accounts payable amount for which the order has been received, but not paid. The original obligated amount plus any modifications will ordinarily appear as the TC 51 amount. Differences due to discounts, shipping charges, etc., will usually not be reflected on the TC 51 amount. A TC 51 entry will not appear on a Monthly Stores Report for every acquisition because the processing of a procurement document may advance from the unobligated obligations (TC 50) stage to the disbursement (TC 01) stage without passing through the accounts payable (TC 51) stage or a procurement document may be entered directly into the Financial Management System as a disbursement (TC 01) transaction. Transaction Code 51 amounts will always be positive.

3. Transaction Code 01 represents a disbursement or an actual payment for stores materials received from a vendor. A payment transaction amount will always be positive. However, when a journal voucher number appears in the vendor column, this represents a cost coding adjustment to a payment made previously. A negative amount indicates that an order was mistakenly put into stores, was entered into the wrong stores account, or an excessive amount was previously charged to stores. A positive amount indicates that an order was mistakenly not put into stores, was entered into the wrong stores account, or an insufficient amount was previously charged to stores.

C. Stores Issues/Returns. This section shows the transaction code 34 (Unbilled Collection), the Document Face Sheet's document control number, the description "Issue Revenue," and an amount. A separate line appears on the Monthly Stores Report for each line appearing on the Document Face Sheet. It should be noted that the subactivity, program element, and project number charged for an issue or return does not appear on the Monthly Stores Report. These appear on the Monthly Audit Trail Report (FR 170) as a transaction code 01 entry or on the Monthly Subactivity Status Detail Report (FR100) as current month disbursement entry. The transaction code 34 entry is an offsetting entry to the transaction code 01/current month disbursement entry. A stores issue will appear as a negative amount on the Monthly Stores Report and a stores return will appear as a positive amount. The Total Issues/Returns amount provides the net total of the issues and returns, and provided that only one month's SCR amount(s) appear on the Monthly Stores Report, this amount should agree with the "Net Issues and Returns" amount on the Stores Control Register.

D. Property Donated/Surveyed/Transferred. This section provides information on the DI-102's, DI-103's and DI-104's processed by the Service Center's Branch of General Accounting (D-515) during the month. The Monthly Stores Report lists the transaction code, the general ledger document number assigned by General Accounting, the Vendor (i.e., the reports document number assigned by the originating office), and the amount. A separate line will appear for each processed document. The Total Donated/Surveyed/Transferred provides a net total for all DI-102, DI-103, and DI-104 forms processed during the month.

1. Transaction Code 70 is utilized with a DI-102, Receiving Report, for materials donated to the WCF Stores Program. Entries are normally positive amounts.

2. Transaction Code 71 is utilized with a DI-103, Report of Survey/Certificate of Loss, for damaged or mission materials. Entries are normally negative amounts.

3. Transaction Code 72 is utilized with a DI-104, Transfer of Property, for materials transferred between BLM and another agency. A positive amount indicates a receipts of materials by BLM from another agency, and a negative amount indicates the transfer out of materials from BLM to another agency.

4. Transaction Code 73 is utilized with a DI-104, Transfer of Property, for materials transferred between BLM offices. A positive amount indicates the receipt of materials by a BLM office from another BLM office, and a negative amount indicates the transfer out of materials from a BLM office to another BLM office.

E. Ending General Ledger Balance. This figure is the net amount of the Beginning General Ledger Balance, Acquisitions, Issues and Returns and Property Donated, Surveyed, and Transferred.

F. Unliquidated Obligations. This section provides information on the unliquidated obligations in the Financial Management System. The Monthly Stores Report shows the transaction code (always TC 50 for unliquidated obligations), the procurement document control number, the name of the vendor, the amount of the order, and the total amount for all unliquidated obligations. As noted on the Monthly Stores Report, the unliquidated obligation amounts are not included in the Ending General Ledger Balance.