



# Improving the Determination Process for Deobligating Unliquidated Balances in Prior Year Travel Authorizations (TAs)

A Mandatory Reference for ADS Chapter 621

New Reference Date: 09/28/2007  
Responsible Office: M/CFO/FPS  
File Name: 621mad\_092807\_cd49

Per ADS 621, Obligations, only the Bureau for Management, Office of Administrative Services, Travel and Transportation Division (M/AS/TT), the Bureau for Management, Office of the Chief Financial Officer (M/CFO), and Mission Controllers have the authority to deobligate unliquidated funds in Travel Authorizations (TAs). Striving for an efficient division of labor, it was recently decided that M/AS/TT would be responsible for deobligating funds in current year TAs while M/CFO has the responsibility for deobligating funds in prior year TAs. Mission Controllers, with proper approval, is responsible for deobligating current and prior year TA funds.

Based on the potential for upward adjustments due to prematurely deobligating funds, M/CFO and Mission Controllers will not to automatically deobligate residual funds without a proper review by the respective Bureau/Independent Office. In an effort to improve the determination process for deobligating unliquidated balances in TAs, the procedures outlined below will be implemented and followed:

- a.** On a quarterly basis, M/CFO and Mission Controllers will obtain a master list of prior year TAs with no payment activity for 12 months, sorted by Bureau/Independent Office and Operating Unit.
- b.** After conducting an initial screening, M/CFO and Mission Controllers will assign one of the following status codes for each TA:
  - 1) OK to deobligate by M/CFO and Mission Controllers [Records indicate payment has been made for both per diem and transportation.],
  - 2) Appears that travel did not occur,
  - 3) Advanced amount needs to be cleared,
  - 4) Needs employee voucher, and
  - 5) Needs carrier voucher. No Bureau comment necessary.

Note: In cases where a payment must be made against a TA obligation when there are insufficient funds in the TA, M/CFO and Mission Controllers will request needed funds from the Bureau for Management , Office of the Chief Financial Officer, Central Accounting and Reporting (M/CFO/CAR) and then process upward adjustments.

- c.** M/CFO and Mission Controllers will send the list to the established points of contact in each Bureau/Independent Office and establish a two-week deadline for a response from the Bureau/Independent Office.
- d.** For TA's with status codes 1-4, the Bureau/Independent Office will take the following actions as necessary and use the "Comments to CFO" column, as

appropriate, to communicate to M/CFO and Mission Controllers: [Note: TAs with status code 5 require follow up action by M/CFO and Mission Controllers.]

- 1) **OK TO DEOB BY M/CFO:** The Bureau/Independent Office will confirm that M/CFO and Mission Controllers may deobligate funds immediately by annotating "OK" in the "Comments to CFO" column of the list. Otherwise, the Bureau/Independent Office will provide a brief but clear justification for keeping the funds. If the Bureau/Independent Office does not respond by the established deadline, M/CFO and Mission Controllers will deobligate funds in the TA immediately.
- 2) **APPEARS THAT TRAVEL DID NOT OCCUR:** The Bureau/Independent Office will verify and confirm that the trip did not occur and annotate "OK to deob" in the "Comments to M/CFO" column. If the trip did occur, then provide explanation, e.g., "research", "deob", "voucher to be submitted."
- 3) **ADVANCED AMOUNT NEEDS TO BE CLEARED:** M/CFO and Mission Controllers will verify the outstanding advance amount and notify the Bureau/Independent Office and traveler via email marked "read receipt" that
  - under [ADS 633.5.3](#), Travel Voucher Processing Requirements, the traveler was required to file a voucher within five business days of the completion of a trip or 30 calendar days of an extended trip to liquidate the advance;
  - because the traveler has not filed such a voucher, the traveler owes the Agency the advance;
  - the traveler has five days from the date of this email to file a voucher; and /or repay the advance
  - if a voucher is not submitted or the advance otherwise liquidated, the Agency reserves the right to issue a bill for collection for the advance and proceed with collection procedures detailed in [ADS 625.3.6.4](#), Employee Claims.
- 4) **NEEDS EMPLOYEE VOUCHER IS NEEDED:** The Bureau/Independent Office will alert the traveler via e-mail marked "read receipt" (with a copy to the employee's supervisor and the "Travel Vouchers - Washington" mailbox for follow-up by M/CFO) notifying the traveler that
  - Under ADS 633.5.3, Travel Voucher Processing Requirements, the traveler was required to file a voucher within five business days of the completion of a trip or 30 calendar days of an extended trip to liquidate the advance;

- The traveler has not filed such a voucher and therefore, can be denied any reimbursement for any expenses under the TA;
- The traveler has five days from the date of this e-mail to file a voucher; and
- If the voucher is not submitted within five days of the e-mail, the Agency reserves the right to deny the voucher as untimely; not reimburse the traveler for any travel expenses under the TA; and deobligate the funds.

In cases where there is an outstanding voucher and the employee has either left the Agency or moved to another Bureau or Mission, then the Bureau will notify M/CFO and Mission Controllers that the employee is no longer with the Bureau. M/CFO and Mission Controllers will then send the e-mail or other communication to the employee.

**e.** The Bureau/Independent Office will return the annotated list to M/CFO and Mission Controllers within two weeks of receipt.

**f.** M/CFO and Mission Controllers will take appropriate action based on each Bureau/Independent Office's review and determination of prior year TAs. If justification for not deobligating funds is provided, M/CFO and Mission Controllers will review the justification. If deemed valid, the deobligation will not be processed.

The procedures outlined above will ensure that more funds are made available to USAID for other purposes while keeping the Agency's pipeline (unexpended obligating balance) at a respectable level.

621mad\_092807\_w101607\_cd49