

6 FAH-5 H-430 BUDGET PROCESS

*(CT:ICASS-5; 07-21-2006)
(Office of Origin: RM/ICASS)*

6 FAH-5 H-431 INITIAL REQUIREMENTS BUDGET

*(CT:ICASS-5; 07-21-2006)
(Applies to participating ICASS agencies)*

- a. Service providers are given the opportunity to present their total ICASS funding requirements when preparing the initial budget submission. The initial requirements budget should include all anticipated staffing requirements and funds needed for the coming fiscal year, including anticipated wage and price increases, anticipated new requirements as the result of either growth of the mission or increased ICASS services to be provided, and depreciation/capitalization costs of ICASS equipment. While post should not expect to receive the level of funds identified in the initial requirements budget request, this information is the basis for customer agencies to evaluate funding needs, to quantify funding shortages, and to allocate additional resources should additional funds become available. This is post's best opportunity to describe anticipated requirements that exceed its base. This description can play a crucial role in future resource allocations.
- b. All costs, including ICASS personnel costs, identified in post's ICASS budget must be allocated to one or more of the ICASS cost centers or sub-cost centers (per cost center guidance in 6 FAH-5 H-300 Cost Distribution System at Post) according to the anticipated usage of those funds. ICASS employee work requirements may be used as a basis to distribute 100 percent of the time of each employee to one or more of the ICASS cost centers/sub-cost centers. ICASS supervisors (both U.S. direct-hire and locally employed staff) should distribute their time to the cost centers they supervise. Other budget items (e.g., nonresidential lease and utility costs, supplies, etc.) are similarly distributed to one or more of the ICASS cost centers/sub-cost centers, according to the intended usage of those funds. These time allocations, once agreed to, may not be changed in the budget submissions for that fiscal year.

6 FAH-5 H-432 INITIAL BUDGET

6 FAH-5 H-432.1 General Explanation

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

- a. A post's requirements budget most likely exceeds the affordability of ICASS agencies. The initial budget represents the adjustments applied by the service provider to the post requirements budget based on customer affordability.
- b. Post receives an initial target for the coming fiscal year from the ICASS service center (ISC) in late August. This initial target represents a tentative approval of broad ICASS resource requirements. The ICASS budget committee issues initial targets before the beginning of the fiscal year so that posts can begin planning. However, these initial targets are almost always estimated before final Congressional action on the appropriations of customer agencies. Until Congress completes the appropriation process, customer agencies cannot definitively state the amount of agency affordability.
- c. Post is required to develop an initial budget to identify funding reductions from the post requirements budget required to meet the approved initial target. Customer invoices are based on the initial budget.

6 FAH-5 H-432.1-1 Narrative Justifications

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

Justifications provide essential information for service providers and customers as well as the ICASS budget committee. These justifications are the basis for the allocation of any additional resources. Narrative justifications should include all funding details such as wage/price implementation dates and percent changes, position requirement changes and the event that generated the requirement, changes in funding needs from previous fiscal year, the effect of the target reduction on post operations, etc. Proposed new locally employed staff (LES) and/or direct-hire American ICASS positions must be approved by post ICASS councils before bureaus submit final targets. The confirmation of council approval should be included in this section. The ICASS budget committee will not approve post final targets that include money for new positions until/unless there is positive confirmation of post ICASS council action.

6 FAH-5 H-432.1-2 Identification of Top Three Unfunded Items

(CT:ICASS-5; 07-21-2006)
(Applies to participating ICASS agencies)

The majority of ICASS posts identify many significant unfunded requirements in their initial budgets (i.e., differences from post requirements budget and initial budget). When reviewing post's budget, it is important for the ICASS council to identify post's most important funding needs. Should additional funds be available, this information may provide the basis for the additional funding allocations. Funds requested but not identified as one of post's top three unfunded items might not be considered funding priorities by ICASS council.

6 FAH-5 H-432.1-3 Identification of Carryover Funds

(CT:ICASS-5; 07-21-2006)
(Applies to participating ICASS agencies)

Posts must identify anticipated ICASS carryover funds. If State-ICASS then by amount and type; DS, OBO, traditional bureau. Posts that have carryover funding exceeding 10% of their actual expenses in the previous fiscal year must include an explanation in the narrative section of the budget about the source of funds (e.g., depreciation/capitalization funds which are being carried forward pending capitalized equipment replacement, wage increase not implemented, proceeds of sale, etc.) and how post plans to use the carryover money. Carryover funds should not be used to fund recurring operational requirements as this would commit unfunded out-year resources. State-ICASS carryover funds are 'fenced' and to be used within the same allotment. Posts should also identify how they plan to spend the carryover funds in the "Funds Available" column of the "Budget Summary Worksheet". If this is not identified and justification presented for the carryover, posts risk a reduction in their target. See additional discussion of carryover funding in 6 FAH-5 H-451.1-2 Carryover/Recoveries.

6 FAH-5 H-432.1-4 New Embassy Compounds (NECs) and other Changes in Office Facilities

(CT:ICASS-5; 07-21-2006)
(Applies to participating ICASS agencies)

Posts must also identify in advance the resource impact of planned construction or acquisition of any new office buildings known or anticipated at the time of the budget preparation.

6 FAH-5 H-432.1-5 Cost Savings Initiatives

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

Posts should identify cost savings initiatives in the Narrative Summary section of the Budget Summary Worksheet. The identification of innovation and cost savings efforts will help document the service providers effective stewardship of taxpayer resources, reinforce efforts to obtain additional funding, and strengthen the credibility of post's resource requests.

6 FAH-5 H-432.2 Council Review of Initial Budget

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

- a. The council should meet to discuss the initial budget. Service providers should give ICASS customers the following reports in advance of the council meeting:
 - (1) Agency invoice (post requirements invoice and initial invoice);
 - (2) Budget Summary Worksheet;
 - (3) Cost center detail by agency (includes unit cost);
 - (4) Invoice detail by agency;
 - (5) Invoice detail by cost center;
 - (6) Budget by cost center; and
 - (7) Workload summary.

In addition, the service provider(s) should make available to any requesting agency a copy of the ICASS budget plan file.

- b. The budget summary worksheet is produced by ICASS budget software. It summarizes all ICASS budget worksheets (personnel and nonpersonnel cost worksheets) at the sub-object level for each funding source/target. This document represents the budget "as approved" by the ICASS council. It presents the prior year ICASS spending ("prior-year actuals"), the post requirements for the current fiscal year, adjustments made to the budget in order to meet the initial and final targets, the plan for spending carryover funds, and the overall ICASS financial plan. Council should review the budget summary worksheet keeping in mind the council's agenda of implementing cost-saving measures, planning for future replacement of equipment and vehicles, and improvement of services that are underfunded. The "Comment" section of the budget summary worksheet should provide justification for requests for funding increases and support carryover funds.

6 FAH-5 H-432.3 Council Approval of Initial Budget

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

At the council meeting the service provider will give an overview and brief analysis of the ICASS budget and fund status, along with the comparative prior year data. Council members will have an opportunity to discuss the proposed ICASS budget. Once the council and service provider have had an opportunity to discuss the proposed ICASS budget, the council will come to a consensus on the budget. After the council has reached a consensus on the budget, the service provider will prepare and distribute Initial invoices to all customer agencies.

6 FAH-5 H-432.4 Initial (Post) Invoices

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

- a. Initial invoices are presented to each customer agency representative for their review and concurrence within 10 business days of receipt. Customer agency representatives must identify in advance who is responsible for signing invoices for each billing code used by their agency. In addition to identifying the individual responsible for signing the invoice, the customer agency must communicate to the council and service provider how it wants to handle situations where the agency representative is not resident at post. Customer agency representatives responsible for signing ICASS invoices should be present at the meeting where the ICASS budget is approved or make arrangements to have their views communicated to the council and quickly obtain a read-out of the council meeting. Where the agency representative with ICASS invoice signature authority will not be at post when invoices are due, that individual must designate an alternate signatory (another direct-hire (DH) U.S. citizen at post, a regional representative, or an agency headquarters representative) as acting ICASS representative to ensure that the customer agency can sign or dispute the ICASS invoice within the 10 working days each agency has for invoice review.
- b. An agency representative's signature on the ICASS invoice indicates admission of financial responsibility for their agency's share of the ICASS billing and signifies concurrence of the workload counts used for their agency for that fiscal year. Should an agency dispute and not sign their invoice, the dispute process identified in 6 FAH-5 H-443, Procedures for Post-Initiated Disputes for Department of State Service Provider, and 6 FAH-5 H-444, Procedure for Post-Initiated Disputes for Alternate Service Providers, must be followed.
- c. The service providers(s) and customers must be mindful that any

changes to the ICASS budget affect each customer's ICASS invoice. Small adjustments to the Initial budget submission should not be made until the final budget submission when new targets are distributed. It is not necessary to enter into another round of invoice signing when the changes are small and it is during the Initial budget submission. However, the service provider must notify every customer agency if an adjustment is made to the initial submission. This can be done with a cover document that lists and explains these adjustments and the monetary change for each customer agency. Agency representatives are responsible for conveying this information back to their headquarters. Each post ICASS council would determine local policy for what threshold should be set to require issuance of a new post invoice in addition to the notification of changes in amount.

- d. Signed customer invoices represent official records and must be retained by the service provider.

6 FAH-5 H-433 INITIAL AND FINAL TARGETS IN THE WASHINGTON BUDGET PROCESS

6 FAH-5 H-433.1 General Explanation

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

Customer agencies need post initial budgets (based on initial target setting process discussed in 6-FAH-5 H-432.1 b.) in order to estimate their ICASS affordability given the results of Congressional action on appropriations or continuing resolutions. Once the ICASS service center receives the post initial budgets it checks them for completion and after validation enters them into the ICASS global database. When all initial budgets have been checked, validated and entered into the ICASS global database, regional bureaus develop their recommendations. ICASS headquarter agencies use the information in the ICASS global database to prepare for the ICASS budget hearings where they will take a final position on agency affordability for that fiscal year. The final target is based on agency affordability decisions and may include target increases or decreases depending on Congressional action and other developments since the initial targets were estimated the previous summer.

6 FAH-5 H-433.2 Roles and Responsibilities of Headquarters in the Target Setting Process

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

- a. **Regional bureaus:** The ICASS service center (ISC) provides regional bureaus with a target template that is used to present the target budget.
- b. **Bureau of Overseas Buildings Operations (OBO):** The ISC provides OBO with a target template that includes the approved target level, any adjustments, and a comments column that provides detail on the adjustments and increases to individual leases and living quarters allowances (LQAs).
- c. **Bureau of Diplomatic Security (DS):** The ISC provides DS with a target template that includes the approved target level, any adjustments, and a comments column that provides detail on the adjustments and increases to individual contracts.
- d. **ICASS service center (ISC):** The ISC creates the templates, collects the budget data from bureaus, and follows up on questions raised at budget hearings.
- e. **ICASS budget committee:** Reviews and approves target recommendations.

6 FAH-5 H-433.3 Budget Submission to ICASS Service Center/Washington—Deadlines and Penalties

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

- a. The ICASS service center (ISC) will issue telegraphic instructions regarding the initial budget due date and information that is to be transmitted to Washington. Failure to submit all required information by that date will likely result in penalties assessed to post.
- b. The penalty for late submissions is a one percent (1%) reduction to the post's initial target after first subtracting those costs associated with American salaries, post assignment travel, leases and security expenses. Post becomes ineligible to receive additional funds during the final target setting process. Delays due to extenuating circumstances, i.e., post evacuation, VIP visit, etc., must be addressed to the ISC as soon as known and no later than the budget due date. A dispute is not a reason for a late submission. Please refer to 6 FAH-5 H-443, Procedures for

Post-Initiated Disputes for Department of State Service Provider, and 6 FAH-5 H-444, Procedure for Post-Initiated Disputes for Alternate Service Providers.

6 FAH-5 H-434 FINAL BUDGET

6 FAH-5 H-434.1 Final Requirements

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

- a. Posts adjust initial budgets based on actual expenditures incurred during the fiscal year to produce a final requirements budget. This can result in a redistribution of costs among agencies. Post must adjust expenses within the budget to account for final target increases authorized by Washington, actual changes in prices, wages, or other alterations. Increases provided in the final targets should be reflected and identified in the final budget. While the final budget does allow post to identify ICASS funding shortages, it does not represent an opportunity for post to request additional funds for the current fiscal year.
- b. Posts that are capable of funding all ICASS requirements, including all depreciation/capitalization needs, at less than the target level provided may submit a final budget at a level less than the target. Budgets submitted under target will reduce agency invoices and will result in reductions to post's ICASS operating allowance.

6 FAH-5 H-434.2 Changes to Workload Authorized in Final Budget

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

Annual ICASS workload counts are finalized prior to the initial budget submission and changes to those counts are only authorized in the final budget as follows:

- (1) To add workload for new agencies (when the partial-year invoice will not be used);
- (2) To add workload for agencies newly subscribing to an ICASS service(s) (also when the partial-year invoice will not be used);
- (3) For agencies terminating a service where six month's notice had been given (in general, this would be known at the beginning of the fiscal year and adjusted annual workload counts would be included in the initial budget submission);

- (4) For changes that were agreed to by post's ICASS council; and
- (5) For errors made in the initial budget (see 6 FAH-5 H-331.8 Changing Workload Counts).

Changes to cost center time allocations are not authorized in the final budget.

6 FAH-5 H-434.3 Council Review of Final Budget

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

a. The council should meet to discuss the final budget. Service providers should give ICASS customers the following reports in advance of the council meeting:

- (1) Agency invoice (Post Requirements, Initial, and Final);
- (2) Budget Summary Worksheet;
- (3) Cost Center Detail by Agency (includes unit cost);
- (4) Invoice Detail by Agency;
- (5) Invoice Detail by Cost Center;
- (6) Budget by Cost Center; and
- (7) Workload Summary.

In addition, the service provider(s) should make available to any requesting agency a copy of the ICASS budget plan file.

b. The budget summary worksheet is a worksheet produced by ICASS budget software. It summarizes all ICASS budget worksheets (personnel and nonpersonnel cost worksheets) at the sub-object level for each funding source/target.

c. This document represents the budget "as approved" by the ICASS council. It presents the prior year ICASS spending ("prior-year actuals"), the post requirements for the current fiscal year, adjustments made to the budget in order to meet the initial and final targets, the plan for spending carryover funds, and the overall ICASS financial plan. The council should review the budget summary worksheet keeping in mind the council's agenda of implementing cost-saving measures, planning for future replacement of equipment and vehicles, and improvement of services that are under-funded. The "Comment" section of the budget summary worksheet should provide justification for requests for funding increases and support carryover funds.

6 FAH-5 H-434.4 Council Approval of Final Budget

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

At the council meeting the service provider will give an overview and brief analysis of the final budget and quarterly actual vs. budgeted fund status report, along with the comparative initial budget data. Council members will have an opportunity to discuss the proposed ICASS post final budget. Once the council and service provider have had an opportunity to discuss the service provider's proposed adjustments to meet the final target received from Washington, the council will come to a consensus on the final budget for the post. The council and service provider can also decide to prepare a final budget under the final target. They should review expenses included in the post requirements budget before making this determination. After the council has reached a consensus on the budget, the service provider will prepare and distribute final budget invoices to all customer agencies.

6 FAH-5 H-434.5 Submission of Final Budget Data and Invoices to Washington

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

The ICASS service center (ISC) will provide instructions as to the due date and information required to be submitted to Washington. Original, signed final invoices should be retained by post as official records.

6 FAH-5 H-434.6 Final Invoices

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

- a. As with the initial budget, senior agency representatives should be presented with final budget reports and invoices for their concurrence within 10 working days. Disagreements should be resolved prior to the due date. Should an agency dispute and not sign their invoice, the dispute process identified in 6 FAH-5 H-443, Procedures for Post-Initiated Disputes for Department of State Service Provider, and 6 FAH-5 H-444, Procedure for Post-Initiated Disputes for Alternate Service Providers, must be followed.
- b. The service providers(s) and customers must be mindful that any changes to the ICASS budget affect each customer's ICASS invoice. Small adjustments to the final budget submission do not require another round of invoice signing. However, the service provider must notify every

customer agency of any adjustment made to the final budget submission. This can be done with a cover document that lists and explains these adjustments and the monetary change for each customer agency. Agency representatives are responsible for conveying this information back to their headquarters. Each post ICASS council would determine local policy for what threshold should be set to require issuance of a new post invoice in addition to the notification of changes in amount.

6 FAH-5 H-435 ICASS BILLING

6 FAH-5 H-435.1 ICASS Agency Billing Codes

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

- a. Most agencies separately fund and account for costs, including administrative costs of their various programs. Separate identification of these program costs require that the workload of the program entities be separately identified in the ICASS workload counts and ICASS billings. The five-digit ICASS agency billing code allows for this separate identification of workload and costs requested by the ICASS-supported agencies. To ensure that invoices are identified to the appropriate bill paying offices, it is critical that post-workload counts be charged to the appropriate five-digit agency billing code.
- b. The ICASS service center maintains the agency billing code information. Additions or changes to any agency code must be approved by that office.

6 FAH-5 H-435.2 Headquarters ICASS Billings to Agencies

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

In addition to the post budgeted ICASS costs, there are other administrative operating costs which are billed to the ICASS agencies through the headquarters ICASS agency invoices. All costs (including post-funded costs) are billed to agencies at the headquarters level. (See 6 FAH-5 Exhibit H-435.2; Sample ICASS Agency Invoice). The headquarters ICASS costs added to agencies' invoices are listed below in sections 6 FAH-5 H-435.2-1 through 6 FAH-5 H-435.2-12.

6 FAH-5 H-435.2-1 Financial Service Center (FSC) Costs

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

The Department's Financial Service Centers (FSCs) Charleston and Bangkok identify annual operating costs and Washington overhead to one or more of the five FSC cost centers (Disbursing, Cashier Monitoring, Accounting, American Payroll, and FSN Payroll). Actual FSC workload counts for agencies usage of each cost center distribute the FSC costs to the benefiting agencies. Each agency's Washington ICASS invoice includes that agency's share of the FSC operating costs.

6 FAH-5 H-435.2-2 ICASS Service Center (ISC)

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

The salaries of ICASS service center employees, ICASS software maintenance costs, and other operating costs of the ISC are shared by all agencies based on their overall usage of ICASS services worldwide (percentage share).

6 FAH-5 H-435.2-3 Foreign Service National (FSN) Separation Liability Trust Fund

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

The Department of State centrally budgets and funds Foreign Service national (FSN) separation liability payments for authorized posts' ICASS FSN direct-hire and personal services contract/personal services agreement (PSC/PSA) employees. The Office of State Programs and Budget in the Bureau of Resource Management (RM/BP) manages the fund and reviews annual requirements with the ICASS budget committee. The approved annual funding level is shared by all agencies based on overall usage of services at those posts that participate in the Foreign Service National Separation Liability Trust Fund (percentage share).

6 FAH-5 H-435.2-4 Headquarters-Funded Medical Service Costs

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

The Office of Medical Services (M/MED) funds, through a headquarters allotment, headquarters overhead costs associated with management of the

worldwide medical program, regional travel costs of medical personnel, physicians comparability allowance, costs of continuing medical education requirements, and pre-departure medical clearance costs for ICASS employees. These headquarters-funded medical costs are shared by all agencies based on their overall usage of ICASS health services (workload) worldwide (percentage share).

6 FAH-5 H-435.2-5 Regional Medevac Centers

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

- a. The direct costs of medevacs are paid by each agency. However, regional medevac center support costs are often incurred by agencies that do not reside at the regional center providing the service. With the approval of the ICASS working group, designated posts that incur significant regional medevac support costs may charge those costs to a unique agency code established for purposes of a worldwide distribution. This cost will be distributed as a below-the-line adjustment on the ICASS invoices and be shared among all agencies receiving ICASS health services worldwide, rather than only to the agencies residing at the medevac post. These costs are shared by all agencies based on their overall usage of ICASS health services (workload count) worldwide, not including Central and South American (State-WHA Bureau) posts which provide CONUS Medevac support.
- b. The Department of Defense will not be charged for regional medevac support costs where they have direct access to military evacuation services. In other instances where the Department of Defense requires more than minimal medevac support from the Office of Medical Services at the sites approved by the ICASS working group (IWG), they do participate in the sharing of regional medevac costs. The Office of Medical Services in consultation with the ICASS working group must approve any exception to receiving a charge.
- c. Posts that can demonstrate that for the past 24 months their medevac support service users were significantly different from the agency profile at that post and who wish to be included in this distribution methodology, must submit their request to the Office of Medical Services for consideration and presentation to the ICASS working group.

6 FAH-5 H-435.2-6 Grants for Overseas Schools

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

- a. The Office of Overseas Schools (A/OPR/OS) coordinates and administers the Consolidated Overseas Schools Assistance Program to U.S.-sponsored

overseas schools. The primary goal of the A/OPR/OS program is to promote quality educational opportunities at the elementary and secondary school levels for dependents of U.S. citizens carrying out programs and interests of the U.S. Government abroad.

- b. The chair of the ICASS working group, ICASS service center (RM/ICASS) director, and ten representatives from the supported agencies serve on the Overseas School Policy Committee (OSPC). The committee meets annually to approve policy and provide guidance and direction to the overseas schools program.
- c. The budget for the grant assistance program is assessed at the headquarters level based on each agency's percentage of the global U.S. Government student population. This information is provided by posts in the ICASS budget submission (overseas schools module). The ICASS budget committee reviews and approves the Office of Overseas Schools request each year.

6 FAH-5 H-435.2-7 Global Information Modernization Technology

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

This centrally managed program funds the normal replacement of ICASS desktop personal computers (PCs), generally, every four years, and designated servers, routers, and switches (generally, every three years) in keeping with the Department of State's replacement plan. The Bureau of Information Resource Management (IRM) provides the ICASS service center with the annual equipment replacement plan along with the associated unit cost for each item. This cost is amortized and is shared annually by all agencies based on their overall usage of ICASS services worldwide (percentage share).

6 FAH-5 H-435.2-8 Local Guard Program (LGP) Equipment

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

ICASS local guard program-nonresidential (LGP-NR) vehicles and other Diplomatic Security (DS) equipment is funded through a central headquarters ICASS allotment managed by DS. Each year, DS recommends to the ICASS budget committee DS vehicle and equipment needs for the coming year. The approved funding level for LGP-NR vehicles and equipment is shared by all agencies based on their workload count of LGP-NR services worldwide (percentage share).

6 FAH-5 H-435.2-9 Contingency Fund Replenishment

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

The contingency fund is a set-aside fund within the ICASS Working Capital Fund (WCF), whereby posts may receive funds for unanticipated and emergency needs after the final ICASS target are established. Contingency funds provided to posts in the prior fiscal year are repaid to the WCF in the current fiscal year by billing those agencies present at the posts who received contingency funds. An agency's contingency fund repayment amount included in the headquarter's ICASS invoice is calculated based on its percentage share of the total post, current year ICASS invoice (not the fiscal year in which the funds were provided).

6 FAH-5 H-435.2-10 Redistributed Costs (Billing Disputes)

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

As per the process and procedures identified in 6 FAH-5 H-443 and 6 FAH-5 H-444, when the ICASS Executive Board (IEB) rules in favor of a customer agency in a billing dispute, a proportional share of the disputed amount will be billed to those agencies present at post when the dispute arose. The disputed ICASS invoice amounts will be billed to those agencies at the headquarters level.

6 FAH-5 H-435.2-11 Diplomatic Pouch and Mail

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

All agencies pay for their share of the preparation and shipment of diplomatic pouch and mail from CONUS (continental United States) to post. This invoice is calculated based on the unmodified basic package workload count for each agency. Posts that have Air Force Post Office (APO)/Fleet Post Office (FPO) mail are excluded from this calculation.

6 FAH H-435.2-12 Other Shared Costs

(CT:ICASS-5; 07-21-2006)

(Applies to participating ICASS agencies)

The ICASS budget committee may determine that other ICASS administrative support costs (e.g., ICASS audit costs, costs of unique software development, etc.) are more easily shared at the headquarters level, rather than at the post level (included in post's ICASS invoice). These other costs will be included on each agency's headquarters ICASS invoice,

based on a pre-determined percentage.

6 FAH-5 H-436 THROUGH H-439 UNASSIGNED

6 FAH-5 EXHIBIT H-435.2 SAMPLE ICASS AGENCY INVOICE

(CT:ICASS-5; 07-21-2006)
(Applies to participating ICASS agencies)

Summary Invoice by Agency

Fiscal Year 2003 Final ICASS Invoice Based on FY 2003 Mid-Year ICASS
Budgets

Agency: Agency Name

Cost Type	Amount
Post Invoices, Summarized by Region (Post Invoices are attached):	
AF	\$212,276
EAP	\$204,925
NEA	\$205,003
SA	\$328,497
WHA	\$109,678

ICASS Costs not Included in the Post Invoices:

Financial Service Centers (Invoices Attached for Regional FSCs)	\$97,825
ICASS Service Center	\$4,371
Foreign Service National Separation Liability Trust Fund	\$6,358
Bureau of Medicine Costs Which Support Operations Abroad	\$4,486
Grants for Overseas Schools	\$4,222
Local Guard Program Equipment	\$1,004
Contingency Fund Replenishment	\$2,893
ICASS Working Group (IWG) Chair Contract	\$2,971
ICASS Annual Audit Costs(FY2002)	\$108
ICASS Annual Audit Costs(FY2003)	\$108
Salary Cost Adjustment for ICASS American Positions	-\$1,963
Post Assignment Travel (PAT) Adjustment	-\$597
Allowance Account	\$143
CONUS to Post Diplomatic Pouch	\$5,715

Global Information Technology Modernization	\$18,100
Exchange Rate Set-Aside Fund Replenishment	\$5,792
Agency Name Total:	\$1,211,914

This invoice represents your final ICASS invoice for fiscal year 2003. This invoice is a summary of all post ICASS budget submissions. It reflects the FY 2003 mid-year post budget submissions that have been approved by agency representatives at post and funding levels that have been approved by the ICASS Interagency Working Group in Washington, DC. In addition to reflecting the summary costs of the post submissions, this summary invoice also includes ICASS costs that have been agreed to by the ICASS working group that cannot be incorporated in the post ICASS budget submissions.

This invoice includes adjustments for ICASS American position salaries and post assignment travel costs. In order to reach the approved funding level for these categories of expenses, the ICASS service center has included a downward adjustment on the final invoices.

This invoice is issued in accordance with Section 23 of the State Department Basic Authorities Act, 22 U.S.C. 2695 (b)(2), which states that:

"The Secretary of State shall bill each Federal agency for amounts due for services provided. The Secretary shall notify a Federal agency which has not made full payment for services within 90 days after billing that services to that agency will be suspended or terminated if full payment is not made within 180 days after the date of notification. Except as provided under paragraph (3) a waiver from the Secretary to cover protection of life and safeguard U.S. Government property, the Secretary shall suspend or terminate services to a Federal agency which has not made full payment for services under this section 180 days after the date of notification. Any costs associated with a suspension or termination of services shall be the responsibility of, and shall be billed to, the Federal agency."

For the purposes of Section 23, the date of transmission of this invoice under cover of Form DS-1605, Reimbursement Agreement, is the first day of the 90-day payment period. Time that elapses between the Department of State's receipt of a signed Form DS-1605 by the Bureau of Resource Management's Office of State Programs, Operations, and Budget/Funds Control Reimbursements (RM/BP/FCR), and transmission of a bill or processing of a payment via Intra-Governmental Payment and Collection System (IPAC) by the Bureau of Resources Management's Accounts Receivable Division (RM/GFS/F/AR) at Global Financial Services Charleston (GFSC) will not be counted against the 90-day payment period or the 180-day suspension of service notification.

In accordance with the ICASS bill payment and disputes policy, as established by the interagency ICASS working group and ratified by the ICASS Executive Board, agencies will pay all amounts not in dispute

promptly within 90 days of receiving a Form DS-1605.

The agency receiving the Form DS-1605 for ICASS services must advise the ICASS service center (ISC) Reimbursements Officer Mr. Brad Bartlett at 202-663-3588 or email BartlettBA@state.gov of any and all disputes with this invoice within the initial 90-day payment period. The ICASS Executive Board will not consider invoice disputes which agencies fail to submit within the initial 90-day period.

An agency's advice of a dispute to the ICASS service center must be in writing and provide a full account of its dispute, to include:

- (1) The date and number of the consolidated invoice (Form DS-1605, Reimbursement Agreement) in dispute;
- (2) The post or location of the dispute;
- (3) The nature of the dispute;
- (4) The amount in dispute; and
- (5) The name and telephone number/e-mail address of the person who will represent the agency in resolution of the dispute.