

6 FAH-5 H-400 ICASS BUDGET AND BILLING PROCESS

6 FAH-5 H-410 GENERAL

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

6 FAH-5 H-411 FUNDING REQUIREMENTS

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

Annual ICASS funding requirements are identified by posts semiannually through initial and final budgets. The ICASS interagency working group (IWG) approves the target levels for post budgets in these submissions. Posts identify and distribute costs to the various ICASS cost centers and thus to the agencies benefiting from those services. The ICASS service center consolidates posts' budget submissions, adds specific Washington-funded administrative costs and bills agencies at the headquarters level for the ICASS services those agencies receive. Chapter 6 FAH-5 H-400 identifies the budget and billing process (at post and in Washington) including the invoice dispute process and the unique budget execution capabilities and requirements of ICASS.

6 FAH-5 H-411.1 Role of Post ICASS Council in Budget Formulation and Execution

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

- a. The council has a role in bringing together customers and service providers to discuss and establish a consensus on how the post will proceed in planning and executing its budget.
- b. The council also has a responsibility to schedule examinations of cost savings proposed by either customers or service providers so that the benefits and costs of individual proposals can be evaluated and worked

into the budget cycle.

- c. The council works with the service provider to set priorities for the budget.
- d. The council manages disputes with the goal of settling issues locally in order to meet established budget deadlines.
- e. The council keeps minutes and records all decisions/commitments made in council meetings. Councils keep these records for at least three years after the fiscal year in question. Documentation of all council decisions and customer agency/service provider commitments is essential, especially if there are subsequent disagreements (e.g., approval of new positions, approval of wage increases, purchase of new equipment/vehicles, commitments to change or correct workload counts during preparation of the final budget/invoice).

6 FAH-5 H-411.2 Notional Annual ICASS Budget Cycle

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

(Applies to participating ICASS agencies)

Date	Post Actions	Washington Actions
January	Post service providers prepare forward plans (looking ahead two fiscal years) according to their agency's schedule. Service providers use the mission program plan (MPP) or some other process to make these projections.	
January – March	Post ICASS councils meet to review and discuss workload count methodology and modifications. This ensures that all post ICASS council representatives and service providers have a common understanding.	

February	Posts submit mission-program plans (MPPs) to Washington. ICASS councils clear on these planning and resource documents.	State bureaus (regional, Diplomatic Security (DS) and Overseas Buildings Operations (OBO)) and alternate-service providers (ASPs) submit final target funding recommendations for the coming fiscal year. The Washington ICASS budget committee reviews bureau recommendations and approves final target levels. The ICASS service center (ISC) issues final targets to posts.
March - April	Service provider(s) use the final target to develop final budget.	
April	Deadline for customer to submit notification of withdrawal from services. This becomes effective October 1 of the coming fiscal year.	
April/May	Post financial management sections provide final invoices to agencies for approval.	For informational services ICASS issues a set of invoices to headquarters agencies based on initial budgets submitted by posts in December.
May	Final budget/invoices are approved/signed by the customers and submitted to Washington by the service provider.	
May 1	Service provider(s) record ICASS workload counts and update cost center time allocations for ICASS employees and other budget items (if known) for the coming fiscal year.	

- June 1 The service providers provide to the customer agencies, in writing, the workload counts and time allocation data that will be used to distribute ICASS costs in the coming fiscal year. Service providers identify to post's ICASS council general cost increases/needs to be included in the coming fiscal year budget. Customer memorandums of understanding (MOUs) and subscription to services are updated to reflect changes in ICASS services.
- June 1 Post ICASS councils are strongly encouraged to meet to discuss workload counts provided by service provider(s) and approve any modifications to the counts.
- June 15 Headquarters representatives contact their local representatives to affirm that counts were taken by May 1 and reviewed by the post ICASS council during the first week of June.
- July 1 Customer agencies must provide written approval of workload counts to the service providers. Once approved, these workload counts are used in the initial and final budget submissions for the coming fiscal year. OBO calls for actuals and initial requirements.
- July State bureaus (regional, DS, OBO) and ASPs develop initial target funding recommendations for the coming fiscal year.

August		The Washington ICASS budget committee reviews target recommendations and approves initial target levels. State/ASPs issue final set of invoices to headquarters agencies based on final budgets submitted by post in May.
August 15	Final date for posts to submit partial-year and/or temporary-duty (TDY) module invoices for the current fiscal year to the ICASS service center.	
Late August		The ISC issues initial targets to posts for the coming fiscal year. The ISC updates ICASS Web.Pass software for preparation of initial budget. ICASS agency headquarters brief OMB examiners on results of ICASS forward planning process and request coordinated approach to ICASS funding requests.
September		
September 15	Deadline for posts to submit requests for contingency funds.	
October 1	Deadline for submitting notification of withdrawal/additions to services. This becomes effective April 1 of the current fiscal year. Agency MOUs are then updated to reflect changes in ICASS services.	
October	Budget workshops are held to help posts prepare their initial budgets.	The ISC issues revised initial targets to posts for exchange rate gains/losses based on September 30th local currency exchange rate and liquidation information.

November	Service provider(s) complete initial budgets and present budgets to post's ICASS council for review and approval. Ten working days review by customers is required.	Working Capital Fund reimbursement (initial) invoices are billed to agencies at the headquarters level at 70% of the prior year's final invoice.
December		Signed initial invoices and initial budgets are due from post in early December. The date is established by the ICASS service center (ISC). Late submission of the initial budget can subject the delinquent post to penalties.
December		Department of State's Bureau of Resource Management (RM) sends a cable to post with the MPP instructions.
December – January		Regional bureaus, DS, and OBO, review post's initial budget submission and develop final target recommendations.

6 FAH-5 H-412 PARTICIPANT EXPECTATIONS

6 FAH-5 H-412.1 Customer Expectations

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

(Applies to participating ICASS agencies)

- a. Customers expect timely and complete communications from service providers. If an event occurs that would result in a material change in a customer's bill, the service provider should communicate this to the customer as soon as it is known.
- b. Customers expect accurate budgets, workload counts, and other financial data. Customers base their affordability and financial planning on statistical data they receive from the service provider. It is important that the data are timely, correct, and reliable.
- c. Customers expect service providers to meet deadlines. Customers should have at least 10 working days to review workload counts, budgets, or other documents.
- d. Customers expect transparency in the budget process. Service providers

should communicate information (e.g., electronic budget files) about the budget and be able to explain information contained in the budget.

6 FAH-5 H-412.2 Service Provider(s) Expectations

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

(Applies to participating ICASS agencies)

- a. Service providers expect timely and complete communications from customers. If an event occurs that would result in a material change in the customers' affordability or consumption of service, the customer agency should communicate this to the service provider quickly.
- b. Service providers expect predictability from customer agencies. Provision of service often requires significant investment in advance. If customers support service investments during the planning process, then the service provider should be able to expect customer support during the execution phase. Sudden shifts in customer agency subscriptions can disrupt service-provider budget plans and create affordability issues for other customer agencies.
- c. Service providers expect consistency from customers. Customers subscribe to services during the budget process. Customers have a responsibility to communicate these decisions to all their employees and family members. Customers have a responsibility to ensure their employees understand the services to which their agency is subscribed.
- d. Service providers expect customers to provide timely feedback and active participation in the budget process. Customers should meet deadlines for responding to workload counts, signature of invoices, etc. Customers also should attend all budget preparation/review sessions and read, in advance, all materials provided so that they can participate effectively.
- e. Service providers expect that Customers will provide the appropriate ICASS billing code when they sign the memorandum of understanding (MOU) for ICASS services. Customers will promptly notify the service provider whenever they make a change to the services billed to a particular agency code.

6 FAH-5 H-413 THROUGH H-419 UNASSIGNED