

6 FAH-5 H-300 COST DISTRIBUTION SYSTEM AT POST

6 FAH-5 H-310 BUDGETING IN A COST DISTRIBUTION SYSTEM

(CT:ICASS-10; 10-29-2008)
(Office of Origin: RM/ICASS)

6 FAH-5 H-311 GENERAL

(CT:ICASS-10; 10-29-2008)
(Applies to participating ICASS agencies)

- a. This chapter outlines the established principles for budgeting in the International Cooperative Administrative Support Services (ICASS) cost distribution system as agreed to by the service provider and customer agencies.
- b. These principles are intended to ensure a consistent methodology for gathering and maintaining budget information in order to provide accurate invoices and develop metrics for management comparisons. It is essential that all budget data be entered into the ICASS Cost Distribution software using the concepts and guidelines provided in this Handbook.

6 FAH-5 H-312 BASIC PRINCIPLES FOR COST DISTRIBUTION IN ICASS

(CT:ICASS-10; 10-29-2008)
(Applies to participating ICASS agencies)

- a. Simple, Transparent and Consistent: The goal of the ICASS cost distribution system is to maintain a simple, consistent and transparent approach to share equitably the support costs for the overseas management platform.
- b. Costs Shared in an Equitable Manner: All ICASS costs are distributed and

shared by participating agencies based on head counts, workload counts (static or cumulative) or space occupied (see 6FAH-5 H-331); ICASS redistribution costs at post are distributed using a pro-rata share formula. Washington DC billed costs are distributed on either a pro rata share formula or on another basis as agreed to by the Washington DC ICASS Working Group (IWG) (see 6 FAH-5 H-435).

- c. Direct Charge: Any costs, including overtime, that can be readily direct charged to a specific agency should not be included in the ICASS budget.
- d. ICASS Treated as an Agency: For the purposes of this Handbook, the term "agency" means any entity with an overseas presence identified with a unique ICASS "agency code." The term also includes "ICASS" as an agency to capture and bill for budgeted costs consumed by the service provider and alternate service provider.

6 FAH-5 H-313 DIRECT CHARGING

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

(Applies to participating ICASS agencies)

- a. Not all costs belong in ICASS. Any costs, including overtime, that can be readily direct charged to a specific agency should not be included in the ICASS budget. To be a candidate for billing by direct charge, a task or service should be:
 - (1) Clearly separable as a distinct activity attributable to a specific agency;
 - (2) Easy to price accurately without extensive accounting analysis;
 - (3) Mutually agreed to by both the customer and service provider; and
 - (4) A service that is outside or beyond the scope of the post's ICASS Memorandum of Understanding (MOU), the cost of which is not already included in the post's ICASS budget.
- b. For example, the rent, utilities, local guards and furnishings of a short-term leased, stand-alone, solely occupied office building are a classic example of clearly distinct activities that are billed via direct charge. A control room in a rented hotel room for a visiting delegation, a contract with a commercial firm to provide translation services solely for one agency, or the rental of vehicles to be used for a specific trade fair are all items which clearly are distinct and chargeable directly to one customer.
- c. In contrast, the cost of inventorying, storing and moving furniture to an office or residence would be an indirect support cost of various cost centers within ICASS. Similarly, the costs for building operating expenses (BOE) and cleaning or repair supplies for a shared short-term leased (STL) office building would be budgeted and the costs recovered through

ICASS via 7860-Building Operations-STL Non-Residential cost center.

- d. There are examples where it is appropriate for a service provider to render a service via direct charge while other posts will offer the same service under that post's ICASS MOU. The key is to ensure that both the service provider and all the customers understand and agree in advance as part of the post's MOU how these charges will be handled and that the agreement is applied consistently to avoid favoring or disadvantaging one group of customers over another. A customer cannot be forced to take an ICASS service on a direct-charge basis nor can a service provider be forced to provide a new or non-ICASS service via direct charge if it has neither the capability nor interest to offer that service.
- e. Direct charging of services performed by ICASS personnel involves a number of issues that posts should be sure to address in considering the four criteria outlined above. If a potential customer who did not subscribe to the reproduction cost center under ICASS wanted 500 copies of a brochure, having the technician run the job after hours so that the agency paid the overtime plus materials does not completely cover the full cost of the job. To do so, the post would have to assess the customer a portion of ICASS redistribution and 8790-Miscellaneous costs. Under most circumstances, doing so for an agency resident at post would be complicated and cause the proposed task or service to fail the first, second, and fourth criteria.

6 FAH-5 H-314 BUDGETING ICASS COSTS

(CT:ICASS-10; 10-29-2008)

(Applies to participating ICASS agencies)

In the ICASS Cost Distribution system there are budget items that require special consideration.

6 FAH-5 H-314.1 Personnel Costs

(CT:ICASS-10; 10-29-2008)

(Applies to participating ICASS agencies)

Personnel costs are included in virtually every cost center and are typically the largest portion of the costs. Using the time allocation worksheets, staff time is spread to each cost center, ensuring that all associated costs are spread appropriately. Because of the wide range of employee-related costs, ICASS uses cost pools to simplify the accounting and budgeting process. A cost pool is an accounting tool designed to preclude the need for many lines of fiscal data on obligation/payment documents. For example, costs associated with a General Services Officer (GSO) might include salary, allowances, educational travel and rest and recuperation (R&R) travel, each with a separate strip code which would

have to be budgeted to each cost center where the GSO allocates time. With a cost pool, all these costs are budgeted in the cost pool and then spread to the cost centers where the GSO has allocated time using a single strip code to represent a range of costs.

- (1) Using 96XX-USDH Cost Pools: Every US Direct Hire (USDH) employee who allocates time to more than one cost center is assigned a unique cost pool number (see 6 FAH-5 H-911.4-1). This cost pool captures all costs directly related to each USDH employee: salary, allowances, travel (e.g., Post Assignment Travel [PAT], education, R&R), residential rent and utilities, and office furniture and equipment.

NOTE 1: The cost of residential furniture and furnishings is included in the cost pool if the post furniture program is not funded in ICASS. If there is an established post furniture pool that is funded through ICASS, the cost for the furniture associated with ICASS staff is allocated to 6144-Household Furniture, Furnishings and Appliance Pool and the number of ICASS residences is counted against 1901.0-ICASS.

NOTE 2: Training and related travel (including workshops and conferences) are budgeted in 8790-Miscellaneous. Travel related to intra-country ICASS support is also budgeted in 8790-Miscellaneous.

- (2) Using 9661-LE Staff Wages, Benefits and Allowances Cost Pool: The cost pool for Locally Employed (LE) Staff uses the same concept as the one for USDH, but is limited only to salary and other compensation costs. This cost pool captures all costs related to: wages, benefits (i.e., retirement plan, health insurance, etc.), overtime and holiday pay, and allowances (where applicable). Unlike the process for the USDH employees, you do not create individual cost pools for each LE Staff employee. Instead, the ICASS Budget Software makes the appropriate calculations to spread the costs according to the established time allocations for each employee. Furniture, furnishings and equipment costs for LE Staff are budgeted directly in the respective cost centers.

6 FAH-5 H-314.2 Building Operating Expenses: Supplies and Services

(CT:ICASS-10; 10-29-2008)
(Applies to participating ICASS agencies)

- a. Building Operating Expenses (BOE) include the range of supplies and services that support the four Building Operations cost centers (7810/20/50/60) and certain other cost centers that occupy non-office

space (see chart in 6 FAH-5 H-314.2.c(2) below). They include utilities (including bulk fuel purchases), maintenance contracts, cleaning contracts, grounds care, related supplies, etc. (see 6 FAH-5 H-340-12) for residential, office and non-office space. Rent costs are not considered a "building operating expense."

b. The following guidelines apply to BOE costs for residential and office space.

(1) Residential: Residential BOE is typically direct charged to the occupying agency whenever possible and practicable. In a shared residential building, BOE costs are spread to all tenant agencies based on gross square meters occupied. In compounds or shared buildings, a cost pool may be used to facilitate budgeting for these costs (see paragraph (3) below).

NOTE: While most BOE is direct charged or performed by the landlord, some building operating expenses for both shared and standalone residential properties are provided by ICASS. These expenses should be reflected in time allocations of ICASS employees and BOE budgeted to 7810/7850.

(2) Office Space: BOE is spread to all agencies, including ICASS, based on the total gross square meters occupied. BOE attributed to ICASS sections is spread to 1901.0-ICASS and shared by all agencies through ICASS Redistribution.

(a) Standalone Building: Costs for BOE supplies and services in a building solely occupied by one agency are direct charged to that agency.

NOTE: If the occupant/tenant of a standalone property wishes to subscribe to 7820/7860 services, a sub-cost center for the property must be established and appropriate costs and employee time should be allocated. This is done to ensure the occupant of the standalone property is not charged for services/costs that relate to other properties. The distribution factor for the sub-cost center would remain gross square meters occupied.

(b) Shared Building: BOE for shared properties is spread to all agencies, including ICASS, based on the total gross square meters occupied. BOE costs attributed to ICASS sections are spread to 1901.0-ICASS and shared by all agencies through ICASS Redistribution.

NOTE: A shared property is any building occupied by two or more ICASS customer agencies; ICASS does not need to be one of the tenants for a building to be considered a "shared" property.

- (3) Using 9665-BOE Supplies and Services/Office and Residential Operations Cost Pool: BOE costs for shared office and residential property may either be budgeted directly in 7810/7820/7850/7860 (see **NOTE 2** below) or budgeted using an optional cost pool, 9665-BOE Supplies and Services/Office and Residential Operations. When budgeting for BOE supplies and services for shared office and residential space, costs are allocated only in the four Building Operations cost centers according to the relative total gross square meters of each building type as outlined in the example below.

Hypothetical Space Allocation

Property Type	Total Sq Meters	Percent
7810-GO/LTL-Residential	2,200	17%
7820-GO/LTL-Non-Residential*	3,400	26%
7850-STL-Residential	5,200	41%
7860-STL-Non-Residential*	2,000	16%
TOTAL	12,800	100%

*Excludes warehouse/non-office space whose costs are budgeted using 9664-BOE Supplies and Services/Warehouse and Non-Office Operations cost pool (6 FAH-5 H-314.2.c.(2) below).

NOTE 1: At posts where there is more than one short-term leased office or residential property and all have similar cost profiles, post may aggregate the total BOE costs of all such properties and spread them to each agency according to gross square meters occupied. However, if one property varies significantly in cost (for example, one building has utility and other costs that are substantially higher than the other building), post may establish a sub-cost center for the property and allocate costs accordingly.

NOTE 2: Many posts may prefer to budget BOE costs for offices and residential properties directly in the 78XX cost centers and spread the costs based on the total gross square meters occupied by each agency. Other posts may prefer to use the 9665 cost pool (described above) to budget for these costs.

NOTE 3: The same percentage distributions used to allocate BOE costs may also be used to allocate building operations staff time to cost centers.

- c. In many posts, warehouse and other non-office properties may support a wide range of cost centers. Because many of these cost centers are not subscribed to by all agencies, the IWG determined that the only equitable way to share the costs related to these properties is to allocate them to those cost centers.

- (1) Warehouse and Non-Office Properties: BOE costs related to these properties are allocated to the respective cost centers and sub-cost center(s) according to the gross square meters occupied as outlined below.
- (2) Using 9664-BOE Supplies and Services/Warehouse and Non-Office Operations Cost Pool: BOE costs for warehouse/non-office properties are distributed using a required cost pool, 9664-BOE Supplies and Services/Warehouse and Non-Office Operations. To ensure consistency in budgeting, use of this cost pool is required for all posts with warehouse/non-office properties that support multiple cost centers and/or individual agencies that have dedicated storage space. This cost pool simplifies the budgeting of certain costs (e.g., utilities, maintenance contracts, cleaning contracts, grounds care, related supplies, etc.) and allows post to allocate these costs according to square meters occupied as outlined in the chart below. At Lite posts, the same methodology is used and the costs are spread to the appropriate Lite cost centers.
 - (a) After budgeting costs to the cost pool, the next step is to determine the allocation of space in the warehouse or other non-office property in order to appropriately allocate the associated costs to the designated cost centers. For example, a 50,000 square meter STL warehouse (at a Standard post) might be divided as follows:

Warehouse Space Allocation

Total Square Meters	Function	% of Total
10,000	6144-Furniture & Appliance Pool	20%
4,000	6133-Administrative Supply Ops.	8%
5,000	6143-Non-Expendable Property	10%
10,000	7810/20/50/60-Maintenance Shops	20%
8,000	6132-Vehicle Maintenance	16%
1,500	6139-Motor Pool	3%
4,000	7820/7860-ICASS Office Space	8%
7,500	78XX-0099-Dedicated Storage	15%
50,000		100%

NOTE 1: The only cost centers to which BOE may be allocated are those listed in the chart above. If a warehouse contains space utilized by any other ICASS cost center (including office space), that space is allocated to the 7820/7860-Building Operations and the square meters assigned to 1901.0 ICASS.

NOTE 2: At a Lite post, in lieu of the GSO cost centers shown above (6144, 6133, 6143, 6132 and 6139), allocations would be made to 6145-General

Services and/or sub-cost centers as appropriate for these services.

- (b) 78XX-0099-Dedicated Storage: Posts with a warehouse/non-office property that supports multiple cost centers as well as individual agencies (i.e., those that have dedicated storage space) must establish a sub-cost center, 78XX-0099-Dedicated Storage, to distribute these warehouse BOE costs. This sub-cost center would include that portion of the warehouse that contains dedicated storage space (e.g., ICASS general storage, State-Program, DIA, USAID, etc.). The sub-cost center costs would be spread according to the gross square meters occupied by each entity (see chart below). Allocating these costs to the required sub-cost center will ensure that only the subscribing agencies are charged for BOE costs related to the warehouse/non-office space.

78XX-0099 Dedicated Storage

Agency Code	Function	Gross Sq Meters	% of Total
1901.0	ICASS/Gen. Storage	3,650	48%
1900.0	State-Program	1,500	20%
9705.2	DIA	500	7%
7203.1	USAID	1,850	25%
	TOTAL	7,500	100%

6 FAH-5 314.3 Rent Costs

(CT:ICASS-10; 10-29-2008)

Applies to participating ICASS agencies

Residential and non-residential (i.e., offices, warehouses, etc.) rents are handled differently in ICASS. To ensure consistency in budgeting lease costs, posts must use the following guidelines.

- (1) Residential: Short-term lease residential rent costs for USDH ICASS personnel is included in the respective cost pool for each employee and is thereby allocated to the cost centers according to their time allocation worksheets.
- (2) Office Space: Shared short-term lease office rent costs are budgeted ONLY in the cost center 7860-STL Non-Residential

Building Operations and spread to occupying agencies, including ICASS, according to the gross square meters occupied. Rent costs for space occupied by ICASS sections is spread to 1901.0-ICASS and is shared by all agencies through ICASS Redistribution. Office rent costs are not budgeted to any other individual cost centers.

NOTE: At posts where there is more than one short-term leased office property and all have similar rent costs, post may allocate all the leases to cost center 7860 and spread the costs to tenant agencies according to gross square meters occupied. However, if one property varies significantly in cost (for example, one building has rent costs that are substantially higher than the other building), post may establish a sub-cost center for the property and allocate costs accordingly.

- (3) Warehouse and Non-Office Properties: Posts with warehouse and non-office STL properties spread the lease costs to the appropriate cost centers using the same percentage distribution developed for the required cost pool 9664-BOE Supplies and Services/Warehouse and Non-Office Operations as outlined in 6 FAH-5 H-314.2.c.(2).

NOTE: The only cost centers to which rent may be allocated are those listed in the chart in the above-referenced section. If a warehouse/non-office facility contains space assigned to any other ICASS cost center, that rent cost is allocated instead to the 78XX-0099 sub-cost center and spread to 1901.0 ICASS.

6 FAH-5 H-314.4 Office Supplies

(CT:ICASS-10; 10-29-2008)

(Applies to participating ICASS agencies)

The management of overseas office supply operations varies significantly from post to post, depending on locally available resources and post budgets.

- (1) Centralized Operation: At posts with a centrally-operated office supply system, all expendable office supplies are budgeted in the 6133-Administrative Supplies cost center at Standard posts or 6145-General Services at Lite posts. These general use office supplies are not budgeted in the individual cost centers. At Standard posts, expendable office supplies used by all ICASS offices are counted as workload for 1901.0-ICASS and these costs are shared by all agencies through ICASS Redistribution.
 - (a) Bulk Purchases: Posts often make bulk purchases of paper that include requirements for other agencies (which have been direct charged), for the central supply operation (6133-

Administrative Supply) and for 6135-Reproduction Services. The paper ordered for 6135-Reproduction services is budgeted in that cost center (6135) and is not counted as workload in 6133-Administrative Supply. The portion which is attributable to direct charge orders is not budgeted in ICASS but the dollar value of this paper is captured as workload in the sub-cost center described in paragraph (c) below. The cost associated with the remainder of the paper, part of the general supply order, is budgeted in 6133-Administrative Supply. At LITE posts, these costs are budgeted in 6145-General Services.

- (b) **Specialized Supplies:** Supplies that are unique to a cost center and not centrally stocked (e.g., CLO maps and guides, specialized Procurement Section folders, etc.) are budgeted in the cost center where they are used.
 - (c) **Direct Charging and Sub-Cost Centers:** At posts where a significant number of supply orders are direct charged to customer agencies, and the supply staff processes these direct charge orders, a sub-cost center (6133-0099-Office Supplies) must be established. The sub-cost center will allow post to segregate the costs for this cost center and equitably bill customer agencies. The simplest approach is to budget all personnel costs (via time allocation), plus rent and BOE costs (if applicable) to the main cost center and budget all supply costs to the sub-cost center. The distribution factor, dollar value of supplies issued, for the sub-cost center would include all agencies, including ICASS, that drew on existing stocked supplies. The distribution factor for the main cost center (dollar value of supplies issued) would include all workload used in the sub-cost center plus the dollar value of all direct-charge items processed by the Supply Unit.
- (2) **Decentralized Operation:** At posts with a decentralized office supply system, each section obtains supplies using some type of purchase card or other ordering mechanism. For budgeting purposes, ICASS office supplies are budgeted to the 6133-Administrative Supply cost center at Standard posts or to 6145-General Services at LITE posts. At these posts, 1901.0-ICASS will be the only agency code with workload for this cost center.

6 FAH-5 H-314.5 Voice and Mobile Communications Charges and Services

(CT:ICASS-10; 10-29-2008)

(Applies to participating ICASS agencies)

- a. Long distance/toll charges: All toll charges for official long distance calls are direct-charged to the using agency. Based on prior years, estimated costs for unidentifiable toll charges for official long distance calls are allocated to 8790-Miscellaneous.

NOTE: At those posts where local calls are metered and identifiable to a specific agency, related costs should be direct charged.

- b. Mobile Communication Devices: The purchase of and ongoing subscription charges for official cell phones and/or other mobile communication devices are direct charged to the using agency.
- c. ICASS Long Distance and Mobile Communication Device Charges: All toll charges for official long distance calls and costs for mobile communication devices for ICASS sections are budgeted to 6195-Reception, Switchboard and Telephone Services at Standard posts, and to 6196-Information Management Services at LITE posts. In these cost centers (6195 and 6196), these ICASS costs will be budgeted in a mandatory sub-cost center called, "ICASS Cell and Long Dist. Charges." The workload count for this sub-cost center is "one" and is distributed only to 1901.0-ICASS; the costs will be shared by all agencies through ICASS Redistribution.

6 FAH-5 H-314.6 Vehicle Operations

(CT:ICASS-10; 10-29-2008)

(Applies to participating ICASS agencies)

- a. Passenger and Multi-Use Vehicles: All vehicles used to transport people (i.e., sedans, vans, etc.) and multi-use vehicles that are used both for transporting passengers and occasionally for transporting luggage, boxes, or other items are considered Motor Pool vehicles; their costs are budgeted in 6139-Motor Pool Services at Standard posts and in 6145-General Services at LITE posts.
- b. Utility and "Special Use" Vehicles: Non-passenger (i.e., warehouse truck, maintenance vans/carryalls, mail/pouch van, etc.) and other "special-use" (i.e., water truck, ambulance, etc.) vehicles are used to support ICASS services and unique post requirements. Replacement costs for these utility vehicles are budgeted directly in the cost centers they service. For example, if post has an ambulance, it would be budgeted in 5624-Health Services; the water truck that services residential properties would be budgeted in 7810/7850-Building Operations/Residential; and, the carryalls for the maintenance section would be budgeted among the four Building Operations cost centers.
- c. Budgeting Vehicle Maintenance Costs: All vehicle maintenance costs are budgeted in 6132-Vehicle Maintenance (or 6145-General Services at a

Lite post). Vehicles that support ICASS services are counted as workload for 1901.0-ICASS. Specialized parts or supplies for a particular vehicle (i.e., tires for the water truck) are budgeted directly in the appropriate cost center(s).

- d. Using 9663- Vehicle Fuel, Oil and Supplies Cost Pool: All routine daily usage costs for vehicles (i.e., fuel, oil, washer fluid, etc.) are budgeted using the 9663-Vehicle Fuel, Oil and Supplies Cost Pool and are allocated to cost centers based on their relative usage. Using a process similar to time allocations, post would determine an appropriate percentage of costs for these vehicles and allocate them to the relevant cost centers. The example outlined below is hypothetical and represents one post's entire vehicle fleet; it uses kilometers to establish the percentages used for spreading costs. It is not meant to imply that kilometers must be used as the basis to spread these costs if post has a more appropriate methodology.

Vehicle Fuel, Oil and Supplies Cost Pool
Usage Calculations

Vehicle	Cost Center	Kms/Yr	% of Tot Kms
Ambulance	5624 Health Services	150	4%
Water Truck	7810/7850 GO/LTL/STL Residential	200	5%
Warehouse Truck	6143/6144 Non-Exp Prop & Furn. Pool	450	11%
Electrician's Van	7820/7860 GO/LTL/STL Non-Residential	500	13%
Plumber's Van	7820/7860 GO/LTL/STL Non-Residential	500	13%
Mail/Pouch Van	6192/6194 Pouching & Mail/Messenger	200	5%
Motor Pool	6139-Motor Pool Services	2,000	50%
TOTAL		2,000	100%

NOTE 1: The percentages reflect the overall usage of these vehicles based on kilometers driven and represent the first step in establishing the basis for spreading all costs (excluding replacement costs). For those vehicles that support more than one cost center, these percentages must then be split to reflect the relative usage in each cost center. For example, for the Warehouse Truck in the above chart, post has determined that 60 percent of its usage relates to support for 6144-Furniture Pool and 40 percent for 6143-Non-Expendable Property Management. When budgeting the cost pool amounts for this vehicle, this 60/40 split would be applied to its 11 percent overall share in the

cost pool. While this methodology may not precisely capture the usage of these vehicles in each cost center, in a cost distribution system it provides a transparent and consistent approach to equitably share these costs.

NOTE 2: The Vehicle Fuel, Oil and Supplies cost pool is used to allocate costs only to cost centers with dedicated vehicles (including 6139-Motor Pool Services).

6 FAH-5 H-315 TIME ALLOCATION

(CT:ICASS-10; 10-29-2008)

(Applies to participating ICASS agencies)

a. Personnel costs almost always constitute a major portion of the budgeted costs in each cost center. In developing the post budget, a time allocation worksheet is prepared for each ICASS employee, allocating his/her time to the appropriate cost center(s) and sub-cost center(s). There are several basic principles to follow in completing time allocation worksheets.

(1) Ensure Equity/Transparency: ICASS is a cost distribution system and the goal of the time allocation process is to equitably and transparently allocate personnel costs across the cost centers. The basic concept is not a "billable hours" system but rather an effort to allocate employees' time according to their overall functional responsibilities. The chart below is a useful guide for completing time allocation worksheets.

ICASS - Time Allocation Reference Tool			
% of Time Per Year	Amount of Time in One Week	Amount of Time in One Year	Number of DAYS or WEEKS in One Year
1%	24 minutes	21 hours	2.4 days
5%	2 hours	105 hours	2.5 weeks
10%	4 hours	210 hours	5 weeks
15%	6 hours	312 hours	8 weeks
20%	8 hours	416 hours	10.5 weeks
25%	10 hours	520 hours	13 weeks
30%	12 hours	624 hours	15.5 weeks
35%	14 hours	728 hours	18 weeks
40%	16 hours	832 hours	21 weeks
45%	18 hours	936 hours	23.5 weeks
50%	20 hours	1,040 hours	26 weeks
60%	24 hours	1,248 hours	31 weeks
70%	28 hours	1,456 hours	36.5 weeks
80%	32 hours	1,664 hours	41.6 weeks
90%	36 hours	1,872 hours	47 weeks

100%	40 hours	2,080 hours	52 weeks
(Based on a 40 hour work week = 2,080 hours in one year)			

- (2) Allocate Time by Functional Responsibilities: All employees' time should be allocated according to the primary functional responsibilities outlined in their position descriptions, not according to the customers they serve.
- (a) Personnel allocate their time according to their primary functional responsibilities. For example, the Health Care Practitioner would typically allocate all of his/her time to 5624-Health Services (see 6 FAH-5 H-341.3 c); a Motor Pool Driver would allocate all of his/her time to 6139-Motor Pool Services (or 6145-General Services at a Lite post) unless s/he had designated functional responsibilities in another cost center.
 - (b) Supervisory personnel, either USDH (e.g., Management Officer, HRO, IMO, GSO, FMO, etc.) or LE Staff (e.g., Maintenance Supervisor, HR Supervisor, Financial Management Supervisor, etc.), allocate a portion of their time to each cost center they supervise.
 - (c) Employees' time is not allocated according to the ICASS customers they serve. For instance, a Motor Pool driver who takes the cashier to the bank twice a week or picks up purchases for the Procurement Section is performing his/her job as a driver and would not allocate time to either the Cashiering or Procurement cost centers. At ICASS Standard posts, the kilometers driven for these functions is counted as workload for 1901.0-ICASS and the associated costs are spread to customer agencies through ICASS Redistribution. At Lite posts, these costs are budgeted in 6145-General Services and the costs are spread using the established capitation factor; costs allocated to 1901.0-ICASS are spread to customer agencies through ICASS Redistribution.
 - (d) In those posts where an employee, either USDH or LE Staff, has non-ICASS Dual Position Duties (see 6 FAH-5 H-341.15, 0000-Non-ICASS Dual Positions), a percentage of time is allocated commensurate with the employee's respective responsibilities to ICASS cost centers and designated Program duties.
- (3) Minimize Large Fluctuations: In principle, in order to maintain consistency and predictability for invoicing, time allocations should not fluctuate significantly from year to year. It is anticipated that changes would result only from significant shifts in job responsibilities, the

establishment/abolishment of positions, or significant changes in workload due to expanding or shrinking customer presence.

- If a position is vacant (and will be filled in the coming year) when time allocation worksheets are being prepared, the time allocations of the previous year are used to ensure continuity. Changes to the prior year's allocations would be appropriate only if a change in position responsibilities is anticipated.
- (4) Review Periodically: Time allocations generally should not fluctuate significantly from year to year. ICASS employees' time allocation worksheets must be reviewed/updated at a minimum every two years.
- (a) To ensure consistency with the principles outlined in this section, each supervisor must approve the time allocations for his/her employees.
 - (b) In conjunction with the annual May 1 workload count process, the service provider prepares finalized time allocation reports and submits them by June 1 to the Budget Committee for its review and concurrence.
 - (c) The approved time allocations and workload counts are submitted to the ICASS Service Center annually on/about July 1 (according to the schedule established by the ICASS Service Center).
- (5) Changes to Time Allocations: Once approved by the Budget Committee in July, time allocations may not be changed unless it is to correct an error, add/subtract time allocations for new/abolished positions, or make adjustments where the job responsibilities change when USDH officers (e.g., GSO, FMO, etc.) transfer. The Budget Committee must approve any changes before final invoices are prepared.
- b. Basic Package Services: Time allocations to 6150-Basic Package (BP) should reflect the percentage of time an employee spends on the BP services provided at post. Each post should carefully review the range of BP services and determine which apply at their post and ensure that employee time allocations are appropriately reflected. For example, if an LE Staff HR employee spends five percent (approximately two hours per week) of his/her time on various Basic Package services (e.g., maintaining the post personnel system, coordinating the mission awards ceremony, preparing the duty officer list, etc.), s/he would allocate 95 percent of his/her time to the appropriate HR cost center(s) and five percent to Basic Package (see 6 FAH-5 H-341.1).
- (1) The nature of the services in this cost center are such that many of the responsibilities fall to the Management Office. This should be reflected in the time allocations of the Management Officer and immediate staff.

- (2) Basic Package and very important person (VIP) Visit Support:
When establishing time allocations to BP in support of VIP visits (See 6 FAH-5 H-360), the primary factor to consider is the post's volume of such visits. Time allocations to BP for VIP visit support will spread these costs to all participating agencies, so posts should be judicious in applying the following guidelines:
- (a) There are two types or levels of VIP visitors. The first type would include The President of the United States (POTUS), First Lady of the United States (FLOTUS), Vice President of the United States (VPOTUS), and Congressional Delegations (CODELs), all of whom represent the USG as a whole when they travel. Because there is no specific sponsoring agency at post, costs for supporting such visits is borne, to a certain extent, by all ICASS agencies. The staff support required for these visits should be captured in time allocations to BP. In contrast, the second type is Cabinet-level VIPs who typically have a sponsoring agency at post. Support for these visits is provided by the ICASS platform, in conjunction with the sponsoring agency.
 - (b) Therefore, in deciding whose time can be allocated to BP, posts should consider the volume of visits in the first category and determine if a measurable portion of staff time is devoted to such visits, thus taking employees away from their normal duties.
 - (c) Employees who spend a measurable portion of their time on such duties should allocate their time accordingly. For example, four members of the Warehouse/Maintenance staff at a post are routinely called on to do control room set-up and baggage handling for VIP visits and these duties represent five percent of each employee's time (see time chart in 6 FAH-5 H-315 a(1) above). These employees should allocate five percent of their time to BP and the remainder to other ICASS cost centers in accordance with their responsibilities.
 - (d) Motor Pool support is an integral part of all VIP visits but that does not equate to a requirement to allocate driver time to this cost center; Motor Pool drivers typically allocate all their time to 6139-Motor Pool Services. A few posts may have such a high number of VIP visits that their motor pool infrastructure is staffed accordingly. In such cases, drivers may allocate a representative portion of their time to BP in support of VIP visits.
 - (e) Many posts have a Travel and Visitor Section staffed by a

“core” visit team; these posts must make a determination regarding the volume of VIP visits and, where appropriate, allocate a portion of this staff’s time to BP. Posts should not try to incorporate in BP-VIP Visit Support the range of services that is provided in other ICASS cost centers. For example, the Procurement Unit may process numerous purchase orders for rental vehicles for VIP visits. The fact that they are processing these purchase orders for a VIP visit does not equate to a time allocation to BP. They should allocate their time to 6134-Procurement Services (or 6145-General Services at a Lite post) and the workload is charged to either ICASS (for POTUS, VPOTUS, FLOTUS and CODELs) or the sponsoring agency (for Cabinet-level visits).

6 FAH-5 H-316 THROUGH H-319 UNASSIGNED