

4 FAM 320 COLLECTIONS

*(CT:FIN-413; 03-01-2011)
(Office of Origin: RM/FPRA/FP)*

4 FAM 321 GENERAL

4 FAM 321.1 Scope and Applicability

(CT:FIN-385; 09-14-2007)

- a. This subchapter contains the policy for receiving, identifying, reporting, remitting, safeguarding, and disposing of official collections and deposit funds by U.S. disbursing officers (USDOS), overseas and domestic cashiers, and other accountable officers. It applies to all funds collected by officers and employees who, by virtue of their official capacity, receive monies for the account of, or for the custody of, the United States.
- b. Collections are made in cash, check, via electronic funds transfers, credit cards, and the standardized U.S. Government interagency payment system. Collections are a distinct activity of USDOS, cashiers, and subcashiers, separate from and of equal importance with disbursements of funds, administration of foreign currency, and handling of cash advances from the U.S. Government.
- c. The policies set forth herein should be used in conjunction with policies and regulations in 4 FAM 310, 4 FAM 360, 4 FAM 390, and associated FAH sections.

4 FAM 321.2 Authorities

(CT:FIN-385; 09-14-2007)

The authorities for the policies, regulations, and procedures governing Department of State and other agency collections include the following:

- (1) United States Code (U.S.C.):
 - (a) 22 U.S.C. Chapter 8, Section 300, Dispositions of Property;
 - (b) 22 U.S.C. Chapter 38, Section 2674, Availability of Exchange

- Allowances or Proceeds;
- (c) 22 U.S.C. Chapter 18, Section 1475a, Replacement of Passenger Motor Vehicles;
- (d) 31 U.S.C. Chapter 33, Depositing, Keeping and Paying Money;
- (e) 31 U.S.C. Chapter 35, Accounting and Collection; and
- (f) 40 U.S.C. Chapter 5, Property Management;
- (2) Code of Federal Regulations:
 - (a) Title 22, Chapter I, Part 23; and
 - (b) Title 41, Chapter 102, Part 102-39;
- (3) Treasury Financial Manual Vol. I:
 - (a) Part 4—Chapter 9000, Foreign Exchange;
 - (b) Part 5—Deposit Regulations; and
 - (c) Part 6—Chapter 4000, Intra-Government Payment and Collection, and Chapter 8000, Cash Management;
- (4) Treasury Financial Manual Vol. V, Part 1—Domestic Depositories;
- (5) Government Accountability Office, Fiscal Guidance for Federal Agencies (Title 7).

4 FAM 322 ACCOUNTING FOR COLLECTIONS

(CT:FIN-413; 03-01-2011)

- a. Officers and employees who receive collections are accountable officers and must account for all receipts and deposits. Accountable officers are responsible for placing collections under appropriate accounting control upon receipt and for maintaining records in sufficient detail to readily identify all collections. All officers and employees that receive moneys on account or for the custody of the United States must also provide adequate physical controls over the funds at all times.
- b. Unless the Bureau of Resource Management, Office of the Deputy Assistant Secretary for Global Financial Services (RM/GFS), has approved otherwise, all cash, check, credit card, or electronic collections must be

processed through a USDO, Class B cashier, a Department of the Treasury-approved lockbox, or Department-approved arrangement with a financial institution (e.g., bank) or the U.S. Post Office. The Bureau of Resource Management, Office of Oversight and Management Analysis (RM/GFS/OMA), in consultation with the Bureau of Resource Management, Office of Financial Policy (RM/FPRA/FP), is responsible for approving collection arrangements and procedures for all Department collections.

- c. Use Treasury-approved lockboxes and Department-approved collection arrangements to the maximum extent possible for all collections. RM/GFS/OMA is responsible for reviewing and approving lockbox procedures for the Department. Accountable officers who receive collections for the Department must follow lockbox collection guidance and may not establish lockbox arrangements without RM/GFS/OMA approval.
- d. All electronic collection methods (e.g., electronic fund transfers, debit/credit cards, etc.) are approved by RM/GFS prior to implementation. RM/GFS/OMA is responsible for developing procedures and processes for all intra-government electronic payments. The Bureau of Resource Management, Office of the Deputy Assistant Secretary for Global Financial Services, Global Compensation Directorate (RM/GFS/C), will oversee procedures governing collections from U.S. citizen and locally employed staff (*LE staff*) payroll deductions.

4 FAM 322.1 Collections at Passport Agencies, Visa Centers, and Consulates

(CT:FIN-385; 09-14-2007)

The Bureau of Resource Management has authorized the Bureau of Consular Affairs to establish accountable officer designation procedures and consular collection processes at domestic passport agencies, visa centers, and overseas consulates. The designation procedures for accountable officers, as well as the collection procedures for designated domestic and overseas consular employees, must be in writing and be approved by RM/GFS/OMA and RM/FPRA/FP.

4 FAM 322.2 Designation of Individuals To Receive and Process Collections

(CT:FIN-385; 09-14-2007)

- a. When a lockbox, Class B cashier, subcashier, or consular cashier is not available to accept a collection, a financial management officer (FMO) at an overseas location or a budget and finance (B&F) officer in a domestic location may designate an accountable officer to make collections for a bureau, organization, or post where the collections must be received. Designations may be permanent until revoked or temporary for a limited function or activity (e.g., post property disposal sale that generates proceeds of sale at a location where a class B cashier or subcashier is not available). The relevant management officer or executive director may assume the designation responsibility when an FMO or B&F officer is not available.
- b. Designations are prepared in memo format by the designating official and approved by the supervisory executive director, management officer, or equivalent in the bureau, post, or organization that receives collections. Supervisory approval is not needed when the designation is prepared by the management officer or executive director. The original of the designation is retained by the designating official. A copy of the designation is provided to the designated individual. For domestic locations, RM/GFS/OMA is provided a copy of any bureau designation. At overseas locations, the servicing U.S. disbursing officer (USDO) is notified and provided a copy of the designation. RM/GFS/OMA and the USDO are not required to affirm the designation but are authorized to request changes to, reject, or terminate bureau- or post-approved designations at any time. Faxed copies of the designations to the USDO or RM/GFS/OMA are acceptable documentation, provided that the original is retained with the designating official.
- c. The Director of RM/GFS/OMA approves RM employee designations for collection functions at the Charleston Global Financial Center and other RM domestic locations and is authorized to request changes to, reject, or terminate any bureau-approved domestic designation at any time.
- d. Only officers, employees, and personal service agreement (PSA) employees with authorities consistent with PSA cashiers (see 4 FAH-3 H-393.1-1, paragraph b) may be designated to make collections. Contractor employees may not be designated and are not authorized to handle collections unless they are working under an approved lockbox arrangement (see 4 FAM 322, paragraphs b and c).

- e. All designations must be in writing and must be approved in accordance with this section before the designated individual makes any collections. The documentation must state that the individual does not have access to accounts receivable processes or systems that would compromise internal controls over collections. Formal training for designated individuals is not required, but each designated individual must be informed and must acknowledge in writing before making any collections that he or she is an accountable officer and required to follow the written collection procedures (see 4 FAM 322.2-1 for the required written procedures and 4 FAH-3 H-392 for the definition of accountable officer).
- f. Consular collection designations must be governed by the RM-approved procedures required in 4 FAM 322.1.
- g. When an employee receives an unexpected collection (e.g., check in the mail) and his or her organization does not have a need to establish a collection activity on an on-going basis, the individual should contact the Bureau of Resource Management, Office of Oversight and Management Analysis (RM/GFS/OMA) for instructions needed to forward the collection to the lockbox. A formal designation is not required for this situation.

4 FAM 322.2-1 Responsibilities for Written Collections Procedures

(CT:FIN-385; 09-14-2007)

The designating official in 4 FAM 322.2, paragraph a, is responsible for preparing written procedures that will safeguard collections made by the designated accountable officer. These procedures must state how cash, check and/or electronic collections will be tracked and how collections will ultimately be deposited with a U.S. disbursing officer (USDO), Class B cashier, lockbox, or approved financial institution. The written procedures that must be approved and be in place prior to making any collections (see 4 FAM 322.2-2) must also incorporate a receipt procedure for each collection received as well as any required documentation that will be needed to record the collection properly in the Department's financial management system.

4 FAM 322.2-2 Required Approvals for Written Collections Procedures

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RM/GFS/OMA must approve all written procedures for domestic accountable officer collections that are not directly paid to a cashier, lockbox, or approved financial institution identified in 4 FAM 322, paragraph a. The

servicing USDO must approve procedures for overseas accountable officer collections. The designating official at the post or bureau is responsible for ensuring that the approved written procedures are in place and are followed.

4 FAM 323 THROUGH 329 UNASSIGNED