

VA Financial Policies and Procedures
Federal Agencies Centralized Trial Balance System (FACTS) II
Budget Execution Reporting

CHAPTER 6

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0601 OVERVIEW

This chapter addresses the Department of Veterans Affairs' (VA) policy and procedures to meet the Federal Agencies Centralized Trial-Balance System's (FACTS) II reporting requirements. FACTS II data supports the Department of the Treasury's preparation of the Financial Report of the United States Government and the Combined Statement of Receipts, Outlays and Balances of the United States Government. The Office of Management and Budget (OMB) uses the data to compile agency budget execution reports and prepare the President's Budget.

FACTS II is a computer program that allows VA to electronically submit one set of accounting data including: (1) mostly budgetary information that is required for the Report on Budget Execution and Budgetary Resources (SF 133); (2) the Year-End Closing Statement (FMS 2108); and (3) much of the initial data that will appear in the prior-year column of the Program and Financing (P&F) Schedule of the President's Budget.

FACTS II uses a "role based" concept that includes the "Least Privilege" principle to manage user access to the FACTS II Client Application. FACTS II has defined a number of roles that relate to access privileges. Each role has defined access privileges that provide the least amount of access to accomplish a task specific to a job requirement. A person can have multiple roles; however, that practice is discouraged in order to implement an effective separation-of-duties standard. The FACTS II End User roles consist of Preparer, Certifier and Headquarters Reviewer (see 0606 Definitions for each role).

OMB Circular A-11, Part 4, Section 130, provides the guidance on the purpose, preparation and dissemination of the SF-133, which must be submitted electronically through FACTS II to facilitate analysis and to ensure consistent presentation of budget execution information so that Governmentwide totals are meaningful. The electronic submission allows the SF 133 to be presented on the Budget Community Web pages at <https://max.omb.gov/community/x/cwM> to facilitate communication among accounting, budget and audit staff.

0602 POLICIES

060201 VA will designate a sufficient number of employees to serve in the roles of Preparers, Certifiers and/or Headquarters Reviewers to ensure the proper submission and accuracy of financial data into FACTS II.

060202 VA will implement the proper procedures to ensure that there is separation of duties among the roles designated to various VA employees. With respect to FACTS II, the roles of Preparer and Certifier shall be separate and distinct. No one user shall be granted both Preparer and Certifier access privileges. To ensure the proper

segregation of duties among roles, the minimum requirement for FACTS II users within VA is one Preparer and one Certifier.

060203 VA will seek a waiver from Treasury's Budget Reports Division when it is not possible to have two different employees serve as Preparer and Certifier, respectively, due to extenuating circumstances. VA will submit written justification to request a waiver from the Separation of Duties Standard.¹

060204 VA will use FACTS II to submit quarterly and year-end financial data as required by OMB and the Treasury.

060205 VA will report balances whose Treasury fund symbol has been cancelled in the appropriation/fund group from which the funds were originally appropriated.

060206 VA will ensure that the budgetary information provided in FACTS II is consistent with the Statement of Budgetary Resources.

060207 VA will submit FACTS II data on the required dates provided in Treasury's Year-end Closing Bulletin.

0603 AUTHORITY AND REFERENCES

060301 [Government Management Reform Act of 1994, Public Law 103-356 \(31 U.S.C. 331\(e\)\(1\), 405\)](#)

060302 [Office of Management and Budget \(OMB\) Circular A-136, Financial Reporting Requirements - Revised](#)

060303 [USSGL Treasury Financial Manual \(TFM\) Part 2, Chapter 4700, Agency Reporting Requirements for the Financial Report of the United States Government](#)

060304 [Treasury Financial Manual \(TFM\), Part 2, Chapter 4200, Agency Reporting on Unexpended Balances of Appropriations and Funds](#)

060305 [Treasury Bulletin 2008-06, Year-end Closing, Volume I, Paragraph 3](#)

060306 [Treasury Bulletin 2007-03, Intra-Governmental Business Rules](#)

0604 ROLES AND RESPONSIBILITIES

060401 The Assistant Secretary for Management/Chief Financial Officer (CFO), as required by the Chief Financial Officers Act of 1990 and 38 U.S.C. 309, oversees all financial management activities relating to the Department's programs and operations.

¹Treasury will retain all approved waivers and require annual certification to ensure that the special circumstances and situations still exist.

Specific responsibilities include the direction, management and provision of policy guidance and oversight of VA's financial management personnel, activities and operations. The CFO establishes financial policy, systems and operating procedures for all VA financial entities and provides guidance on all aspects of financial management.

Specifically, the CFO will:

- A. Ensure the quality and accuracy of the Department's financial data, the responsiveness of its financial systems and the effectiveness of the financial service delivery structure.
- B. Work with and assist the Administration Chief Financial Officers in the preparation and formulation of financial reports under their areas of jurisdiction.
- C. Coordinate with his/her counterpart representative in Treasury's Financial Reports Division, who is available to provide information to VA on matters dealing with annual reporting requirements using FACTS II.
- D. Access Treasury's FACTS II User Guide,² which provides extensive information on how to use FACTS II, including system requirements, user access procedures and responsibilities of the system's Preparers, Certifiers and Headquarters Reviewers. These manuals shall be used to define the procedures that must be met in order to comply with reporting requirements.

060402 Under Secretaries, Assistant Secretaries, Chief Financial Officers, Fiscal Officers, Chief Accountants, and other key officials are responsible for ensuring compliance with the policies and procedures set forth in this chapter.

0605 PROCEDURES³

060501 All designated Preparers using FACTS II will:

- A. Review the Treasury Appropriation Fund Symbols (TAFS) assigned to them.
- B. Add, change and delete quarterly submissions for a TAFS.
- C. Edit quarterly submissions.⁴
- D. Change the status of a TAFS.

²Users should consult the [Treasury's Financial Management Services \(FMS\) FACTS II Web page](#) and the [FMS FACTS II User's Guide](#) for guidance on using FACTS II.

³Refer to Appendix A for more detailed functions performed by the Preparer, Certifier and Headquarters Reviewer.

⁴For a list of all Accounting Edits, refer to the Treasury's FMS FACTS II User's Guide, Section 4.4.2, "*The Accounting Edits.*"

060502 All designated Certifiers using FACTS II will review a TAFS's annual submission and change the status of a TAFS.

060503 All designated Headquarters Reviewers will review a TAFS's quarterly submission.

060504 Designated VA employees shall implement the quarterly FACTS II processing cycle as follows:

- A. Treasury's Financial Management Service (FMS) opens a reporting window in FACTS II and the Preparer reviews TAFSs and notifies FMS of any problems.
- B. Preparer adds a submission for the current quarter for each TAFS.
- C. Preparer adds the transaction details for the submissions.
- D. Preparer runs edits and makes corrections if necessary.
- E. Preparer changes the status of submissions to certified.
- F. Preparer prints final reports.
- G. Preparer changes the status of submissions to Pending Certification (Quarter 4).
- H. Certifier reviews TAFS.
- I. Certifier changes the status of submissions to certified, unless there is a need to make corrections; if corrections are required, Certifier changes the status of incorrect submissions to Editing, and Preparer makes corrections and reruns edits.
- J. Certifier changes the status of submissions to certified.
- K. FMS closes the reporting window in FACTS II.

060505 Designated VA employees will produce the following FACTS II reports and review them for accuracy and consistency:

- A. Adjusted Trial Balance Report.
- B. TAFS Status Report.
- C. Report on Budget Execution (SF 133) for a specific TAFS or Preparer.
- D. Report on Budget Execution (SF 133) for VA.

- E. Year-End Closing Statement (FMS 2108) for VA, main account number or for all of a Preparer's TAFSS.
- F. Total Budget Resources vs. Status of Budget Resources Report.
- G. Total Fund Resources vs. Total Fund Equity for VA and main account number.
- H. Edit Check Report.
- I. Master Account File (MAF) Download Report displaying each valid TAFS.

0606 DEFINITIONS

060601 Certifier. A user empowered to certify data reported by a Preparer as accurate and correct in accordance with the guidelines governing the submission of the Treasury Year-End Closing Statement (FMS 2108). Certifiers are required to certify data during the fourth quarter, as required by the guidance for submitting the FMS 2108. In addition to certifying data, Certifiers are able to produce reports and view data.

060602 Headquarters Reviewer. A user empowered to view data in FACTS II submitted by others within his/her organization. In general, the user who needs this functionality is a person who may be responsible for overseeing the financial reporting activity for numerous individuals in his/her organization, but is not responsible for submitting or certifying data. In addition to viewing the data reported by others, the Headquarters Reviewer is authorized to view and print reports. The Headquarters Reviewer role also allows the parent agency (e.g., VA) to view data and print reports for allocation accounts that are reported in FACTS II by another agency (e.g., Department of Defense).

060603 "Least Privilege" Principle. Intended to meet integrity objectives. The principle requires that a user be given no more privileges than necessary to perform a job. Ensuring Least Privilege requires identifying what the user's job is, determining the minimum set of privileges required to perform that job and restricting the user to a domain with those privileges and nothing more. By denying to subjects privileges that are not necessary for the performance of their duties, those privileges cannot be used to circumvent the organization's security policy.

060604 Preparer. A user who needs data entry and report generation functions within FACTS II. The Preparer can add, modify and delete data, ensure that edits are passed, change the status of reported data (during quarters 1-3) and generate reports.

060605 Standard General Ledger. A series of account numbers that have been standardized within the Federal Government to improve the quality and consistency of data reported by Federal agencies.

060606 Treasury Appropriation Fund Symbols (TAFS). A unique identifier for each of VA's funds; it consists of the Department's regular number; its transfer number, if applicable; fiscal years 1 and 2; main account number; and sub-account numbers.

0607 QUESTIONS

Questions concerning these financial policies and procedures should be directed as shown below:

VHA

VHA Accounting Policy (Outlook)

VBA

VAVBAWAS/CO/FINREP (Outlook)

All Others

OFP Accounting Policy (Outlook)

APPENDIX A

DESIGNATED FUNCTIONS FOR VARIOUS ROLES WITHIN FACTS II

I. FUNCTIONS PERFORMED BY PREPARER

- A. Update contact information (almost all fields)
- B. Update password
- C. View and print broadcast messages
- D. Add current quarter data
- E. Delete current quarter (if “Editing” status or lower)
- F. Add Standard General Ledger (SGL) accounts and attributes based on their Admin profile
- G. Add footnotes
- H. Add Category B data, if the SGL account requires it
- I. Delete their own SGL accounts
- J. Restore deleted SGL accounts
- K. Run all or specific edit checks
- L. View undisbursed balance (cannot change)
- M. Add a supplemental (within administrative constraints)
- N. Update status to certified in Quarters 1–3
- O. Update status to pending in Quarter 4
- P. View Processing Window
- Q. View Exception Window (for their accounts)
- R. Export transaction records (to Word, Multi-Edit, etc.)
- S. Export and view some table data
- T. View and print all reports
- U. Invoke and use Windows calculator

II. FUNCTIONS PERFORMED BY CERTIFIER

- A. Update contact information (almost all fields)
- B. Update password
- C. View and print broadcast messages
- D. View fund symbols and fund symbol data (cannot update)
- E. Change status to “Certified” or back to “Editing”
- F. View and print all reports

III. FUNCTIONS PERFORMED BY HEADQUARTERS REVIEWER

- A. View and print broadcast messages
- B. View and print fund symbols and fund symbol data (cannot update)
- C. View and print all reports