



Treasury Financial Manual

Transmittal Letter No. 680

Volume I

To: Heads of Government Departments, Agencies, and Others Concerned

1. Purpose

This transmittal letter releases revised TFM Volume I, Part 6, Chapter 8500, Cash Forecasting Requirements. This chapter provides special instructions that Federal departments and agencies must follow to report deposit and disbursement information for cash forecasting purposes.

2. Page Changes

Remove

I TFM 6-8500 (T/L 563)

Table of Contents for Part 6 (T/L 679)

Insert

I TFM 6-8500

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3. Effective Date

This transmittal letter is effective immediately.

4. Inquiries

Direct questions concerning this transmittal letter to:

Cash Forecasting Division
Cash Accounting and Reporting Directorate
Governmentwide Accounting
Financial Management Service
Department of the Treasury
Prince George's Metro Center II, Room 502A
3700 East West Highway
Hyattsville, MD 20782
Telephone: 202-874-9790
Fax: 202-874-9945

Date: March 29, 2012

David A. Lebryk
Commissioner

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Part 6—Chapter 8500

CASH FORECASTING REQUIREMENTS

This chapter provides special instructions that Federal departments and agencies must follow to report deposit and disbursement information for cash forecasting purposes.

Section 8510—Scope and Applicability

This chapter describes the procedures that the Federal departments and agencies must follow in providing information to the Department of the Treasury (Treasury) for maintaining and updating projections of the Treasury's operating cash balance, that is, the Federal Government's cashflow.

Section 8515—Authority

31 U.S.C. 3511, 3513

Section 8520—Background and Concepts

These cash forecasting requirements instruct agencies to report to Treasury, in advance, transactions that will significantly affect Treasury's General Account (TGA) and Treasury's Tax and Loan (TT&L) accounts.

Two of Treasury's primary responsibilities are forecasting and monitoring the Federal Government's overall cash requirements. Treasury maintains a forecast of agencies' daily cash requirements for up to 12 months in advance. Treasury uses these forecasts to determine the amount and timing of

Federal Government borrowing and investments of excess cash balances.

Treasury prepares and continually updates cashflow projections based on information provided quarterly by agency budget offices in accordance with the Office of Management and Budget (OMB) Circular No. A-11, Part IV,

Section 135, "Procedures for Monitoring Federal Outlays." These submissions provide estimates of total monthly spending for various programs, including individual accounts. They also include information regarding large (\$50 million or more) transactions. However, the amount and timing of large transactions may change significantly after the OMB Circular No. A-11 forecast has been provided. In addition, during OMB Circular No. A-11 submissions, emergency spending may be authorized and appropriated, or new types of collections might occur.

Government agency reporting of cash forecasting information is critical for the maintenance of accurate, up-to-date cashflow projections, and for the daily management of Treasury's operating cash balances. Failure to notify Treasury of significant disbursement activity can cause the TGA to lack sufficient funds to cover agency payments. Conversely, failure to notify Treasury of significant deposit activity can cause Treasury not to invest excess cash balances.

These cash forecasting requirements apply to all Treasury and non-Treasury disbursing offices since all deposits and disbursements flow through the TGA. They also apply to all Federal appropriation, receipt, and fund accounts, both budgetary and off-budget, including deposit fund, trust fund, general fund, special fund, revolving fund, foreign currency, credit financing, clearing, and suspense accounts.

Reporting of U.S. Military pay transactions and Defense Department payments to vendors is essential to the effective and efficient management of Treasury's operating cash balances.

Procedures in this chapter standardize the information provided by the Defense Finance and Accounting Service (DFAS) centers and other Defense installations.

Note: Advance information regarding payment or deposit transactions provided to Treasury by agency sources is administratively restricted and **is not for public release** before the transaction settlement date. Its use is restricted to a limited number of individuals involved in budget, cash, and debt management.

Section 8525—Definitions

Account—The basis for reporting the Federal Government's financial transactions. Accounts are classified as either receipt or expenditure and are assigned to a fund group based on characteristics and the nature of the transactions they support. The types of account fund groups are:

- General funds;
 - Special funds;
 - Trust funds;
 - Consolidated working funds;
 - Management funds;
 - Clearing accounts;
- AND
- Revolving funds.

Account Symbol (also known as the Treasury Account Symbol)—A numeric symbol assigned by Treasury in coordination with OMB to classify transactions within fund groups. The main account symbol usually consists of a minimum of six digits, with the first two digits identifying the department or responsible agency. The next two digits or characters represent the period of

availability for obligation. The last four digits identify the specific account by fund group. For additional information on account symbols and titles, the Financial Management Service (FMS) issues a Treasury Financial Manual supplement titled, "Federal Account Symbols and Titles (FAST) Book." Refer to FMS's Web site at <http://www.fms.treas.gov/fastbook>.

Agency Location Code (ALC)—A numeric symbol used to identify accounting reports and documents prepared by or for agency accounting stations and Treasury Regional Financial Centers (RFCs). Agency accounting stations use an eight-digit symbol (XXXXXXXX), disbursing offices use a four-digit symbol (0000XXXX), and Treasury RFCs use a three-digit symbol (00000XXX).

Appropriation—An Act of Congress that provides an agency with budget authority. An appropriation allows the agency to incur obligations and to make payments out of Treasury for specific purposes. There are two types of appropriations. Definite appropriations are for a specific sum of money, and indefinite appropriations are for "such sums as may be necessary."

Automated Clearing House (ACH)—An electronic funds delivery mechanism.

Business Day—Any day the Federal Reserve System and banks are open. On some occasions, the Federal Government may be closed.

Electronic Funds Transfer (EFT)—Any deposit or payment accomplished electronically, including wire transfers via CASHLINK II, Fedwire, Vendor Express, etc. (Fedline is an EFT delivery mechanism into Fedwire.)

Large Dollar Notification (LDN)—Required notification for deposits and disbursements totaling \$50 million or more for a single transaction or multiple transactions of a common nature by ALC.

Settlement Date—The date a transaction clears Treasury's operating cash account, that is, the date the operating cash balance is either increased by a deposit or decreased by a payment.

Treasury's General Account (TGA)—The U.S. Government's "checking" account at the Federal Reserve Bank of New York (FRB NY) from which agency payments are disbursed and taxes and proceeds from the sale of securities are collected.

Treasury's Operating Cash Balance—The combined total of U.S. Government funds held in the Federal Reserve Cash account (TGA) and Treasury's TT&L account.

Treasury's Tax and Loan (TT&L) Account—The U.S. Government's interest-bearing "savings" account. Treasury invests its excess cash in financial institutions around the country.

Section 8530—General Large Dollar Notification Reporting Requirements for Deposits and Disbursements

Agency financial officers must report to FMS, in advance, all deposits totaling \$50 million or more in a single transaction or in multiple transactions of a common nature by ALC.

Agency financial officers, Treasury RFCs, non-Treasury disbursing offices, and agencies with delegation of disbursing authority must report to FMS, in advance, all disbursements totaling \$50 million or more. These disbursements may include a single transaction, multiple transactions of a common nature, and repetitive transactions.

LDN reporting requirements for deposits and disbursements include U.S. Military active duty and Military retiree payments, Defense Department payments to vendors, and other recurring monthly, quarterly, or one-time transactions. Appendix 1 lists examples of agency deposits and disbursements for which an advance notification is required.

For deposits and disbursements between \$50 million and \$500 million, FMS requires that agencies report LDNs a minimum of 2 business days in advance of the settlement date. For deposits and disbursements of \$500 million or more, FMS requires that agencies report LDNs a

minimum of 5 business days in advance of the settlement date. Intra-agency transfers to be processed via the Intra-governmental Payments and Collections (IPAC) system are not subject to LDN requirements.

If specific deposit or disbursement information is not final, agencies must inform FMS daily as soon as possible, but no later than 8:30 a.m. eastern time on the transaction settlement date, of the approximate amount and approximate deposit or disbursement date. Presently, some financial officers may not be informed in advance of upcoming disbursements. If this is the case, the agency must establish a formal system of notification to ensure that the necessary forecasting information is provided to Treasury.

FMS encourages agency financial officers to submit LDNs to FMS via the CASH TRACK Web site at <https://www.cashtrack.fms.treas.gov> (see the Contacts page for enrollment information). To report LDNs via the CASH TRACK Web site, FMS requires the following information:

- Transaction settlement date;
 - Amount;
 - Type of transaction (RCPT or PYMT);
 - Mechanism (ACH or wire);
- AND
- ALC.

Agencies also can submit LDNs to FMS via email, fax, or telephone (see the Contacts page) using FMS 187: Agency Report for Treasury Cash Forecasting Advance Notice of Large Deposits or Disbursements of \$50 Million or More (see Appendix 2). When completing the form, agencies must provide the following information:

- Date of report;
- Name and address of the department, agency, bureau, or administration;
- ALC or Defense station symbol number (DSSN);
- Contact name and telephone number;
- Description of the transaction (deposit or disbursement);

- Transaction settlement date;
- Amount of the transaction;
- Deposit or disbursement mechanism (Fedwire/Fedline, ACH, or check);
- FRB location, required for transactions processed by FRBs;

AND

- Name and location of the depository or payee.

In addition to these general reporting requirements, the following sections describe the specific reporting requirements for daily disbursements, Defense Department vendor payments (EFT), U.S. Military pay (EFT), and other reporting for cash forecasting.

Section 8535—Reporting Requirements for Daily Disbursements

A number of agencies consolidate individual transactions and process multiple payments on a daily basis. While an individual item in a payment file may not be significant, the daily total for the agency's spending may have a substantial impact on Treasury's operating cash balance.

All agencies processing daily ACH and Fedline payments via Treasury disbursing offices or FRB services must report daily disbursement totals of \$50 million or more to FMS via the CASH TRACK Web site or using FMS 187.

Refer to the Contacts page for the email address, fax number, and telephone number.

Section 8540—Reporting Requirements for Defense Department EFT Vendor Payments

All DFAS centers and other Defense installations making EFT payments to vendors must report daily payment totals to FMS via the CASH TRACK Web site or using FMS 187.

Refer to the Contacts page for the email address, fax number, and telephone number. When there are circumstances unique to a DFAS center, Treasury works with the center to design a reporting form that addresses those circumstances.

Section 8545—Reporting Requirements for U.S. Military EFT Payroll

All DFAS centers and other Defense installations making EFT payments for Military active duty and Military retirees must report payment totals of \$50 million or more to FMS via the CASH TRACK Web site or using FMS 187. FMS requires a minimum of 2 business days advance notice for these payments.

U.S. Military active pay includes the following pay classifications: active duty pay, reserve pay, cadet pay, active salary allotments, active blanket pay, and voluntary separation incentives. These payments usually occur on the 1st and the 15th calendar days of each month. When the 1st or the 15th day falls on a weekend or on a holiday, the payment is processed as of the prior workday. The sample form in Appendix 2 includes all required information fields. Refer to the Contacts

page for the email address, fax number, and telephone number.

U.S. Military retiree pay includes the following pay classifications: retired pay, retired allotments, retired annuities, and retired blanket pay. These payments usually occur on the 1st calendar day of the month. When the 1st day falls on a weekend or a holiday, the payment is processed as of the next workday. The form in Appendix 2 includes all required information fields. Refer to the Contacts page for the email address, fax number, and telephone number.

Section 8550—Other Reporting Requirements for Cash Forecasting

Treasury may request that certain agencies report routine daily, weekly, or monthly estimated deposit and disbursement activity. Treasury may require that an agency provide a rolling forecast covering, for example, daily estimates for 3 business days or estimated weekly totals of deposits and disbursements for a 6-week period.

The need for such reporting generally is determined by the magnitude of dollar amounts and the volatility of timing for such activity. In such cases, Treasury works with both agency budget and financial office personnel to set up reporting schedules and forms that achieve Treasury's information requirements within the framework of the agency's information systems and staffing.

Contacts

To report cash forecasting information to FMS's Cash Forecasting Division, use the following:

Web site address: <https://www.cashtrack.fms.treas.gov>
Email address: funds.control@fms.treas.gov
Telephone: 202-874-9789
Fax: 202-874-9945

To become a CASH TRACK Web user, use the following:

Federal Reserve Bank of St. Louis
CASH TRACK CBAF
Telephone: 314-444-8700

Direct any questions concerning this chapter to:

Cash Forecasting Division
Cash Accounting and Reporting Directorate
Governmentwide Accounting
Financial Management Service
Department of the Treasury
Prince George's Metro Center II, Room 502A
3700 East West Highway
Hyattsville, MD 20782
Telephone: 202-874-9790
Fax: 202-874-9945

To request forms described in this chapter, contact:

Property and Supply Management Branch
Financial Management Service
Department of the Treasury
Ardmore Industrial Center
3361-L 75th Avenue
Landover, MD 20785
Telephone: 202-874-3710
Fax: 202-874-7324

Appendices Listing

App. No.	Form	Title
1		Examples of Large Deposits and Disbursements for Which Agencies Must Report LDNs to FMS's Cash Forecasting Division
2	FMS 187	Agency Report for Treasury Cash Forecasting Advance Notice of Large Deposits or Disbursements of \$50 Million or More

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**Examples of Large Deposits and Disbursements for Which Agencies Must Report
LDNs to FMS's Cash Forecasting Division**

Department	Agency	Sample
Agriculture	Commodity Credit	Export guarantee loan collections Price support loan repayments
Defense	Defense Finance and Accounting Services	Commissary Receipts Corp of Engineers Vendor Payments Military Pay
Education	Office of the Chief Financial Officer/Financial Transactions	Loans and Grants
Health and Human Services	Division of Payment Management	Childcare Indian Health Medicare
Housing and Urban Development	Financial Systems Integration	Housing Payments
Independent	Federal Deposit Insurance Corporation Small Business Administration	Insurance Premiums and Assessments Quarterly Loans
Interior	Minerals Management Service Bureau of Land Management	Royalty Distribution to States Grants Land Payments
Justice		Crime Victims Fund
Labor	Pension Benefit Guaranty Corporation	Premium Collections
Transportation	Federal Railroad Administration Federal Transit Administration	Payments to National Railroad Passenger Grant Payments
Treasury	Bureau of Public Debt Financial Management Service	State and Local Government Securities Payments to Resolution Funding Corporation

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RESET FORM

AGENCY REPORT FOR TREASURY CASH FORECASTING
ADVANCE NOTICE OF LARGE DEPOSITS OR DISBURSEMENTS OF
\$50 MILLION OR MORE

Date of Report: _____

Email Address:
Funds.Control@fms.treas.gov

To: Cash Forecasting Division
Financial Management Service
Department of the Treasury
Prince George's Metro Center II
3700 East West Highway, Rm 504A
Hyattsville, MD 20782

Facsimile:
202-874-9945

Telephone:
202-874-9790

From:

Agency Location Code or
Defense Station Symbol Number: _____

Contact Name: _____

Telephone: _____

Description of Transaction: _____
Deposit Disbursement

Transaction Settlement Date: _____

Total Amount (USD): _____

Transaction Mechanism: Fedline/Fedwire ACH Check

Federal Reserve Bank Location, if applicable: _____

Payee or Depository Name: _____

Location: _____

"I would like to become a Cash Track Web user, please contact me"

Note to Agencies: Transmit report by 8:30 am EST, Monday – Friday.
Cash flow projections updated daily by 8:45 am.

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