1.1 **Purpose.** This chapter establishes Indian Affairs' (IA) policy on manual Journal Vouchers (JVs) to ensure that they are properly prepared, reviewed, approved, and supported by adequate documentation; specifically, to Financial and Business Management System (FBMS) Enterprise Central Component (ECC) JVs and Business Planning and Consolidation (BPC) JVs. A JV is an accounting document that is prepared for the processing of accounting entries, allocations, and/or corrections of previous entries.

1.2 **Scope.** This policy applies to all programs and offices under the authority of the Assistant Secretary - Indian Affairs (AS-IA), including the AS-IA offices, the Bureau of Indian Affairs (BIA), and the Bureau of Indian Education (BIE).

1.3 **Policy.** It is the policy of IA to comply with federal regulations and policy direction from the Department of the Interior (DOI) and the Office of Management and Budget (OMB). This includes establishing and implementing adequate internal control measures, such as documenting roles and responsibilities throughout the JV process, providing adequate support for JV transactions, and ensuring that IA processes all JV transactions correctly.

1.4 **Authority.**

**A. Statutes and Regulations.**

1) P.L. 101-576, Chief Financial Officers (CFO) Act of 1990

2) P.L. 104-208, Federal Financial Management Improvement Act (FFMIA) of 1996

3) P.L. 103-356, Government Management Reform Act (GMRA) of 1994

**B. Guidance.**

1) OMB Circular A-123, Management's Responsibility for Enterprise Risk Management and Internal Control

2) Government Accountability Office (GAO), Standards for Internal Control in the Federal Government (Green Book), GAO-14-704G, September 2014

3) DOI Financial Management Handbook, Chapter 1 - Manual Journal Voucher Policy

4) U.S. Standard General Ledger (USSGL)

## 1.5   Responsibilities.

A.   **Deputy Assistant Secretary - Management (DASM)** is responsible for oversight of all budgets and financial management functions.

B.   **Office of the Chief Financial Officer (OCFO)** is responsible for:

1)   ensuring IA's financial management is consistent with the requirements of the CFO Act, OMB, the U.S. Department of the Treasury (Treasury), GAO, and the Federal Accounting Standards Advisory Board (FASAB) guidance; and

2)   providing senior leadership, policy, and oversight of all financial management functions.

C.   **Director, Financial Reporting and Analysis (FRA), OCFO** is responsible for IA's financial reporting, financial policies and procedures, and financial reconciliation and analysis.

D.   **BIA Regional Accounting Officers and BIE Finance Staff** are responsible for:

1)   ensuring their regional and school staff are assigned with the proper FBMS General Ledger (GL) roles as noted below in 1.5 F.; and

2)   that they comply with sections 1.5 G. and 1.5 H. of this policy.

E.   **Central Office Program Office Directors** are responsible for:

1)   ensuring their staff are assigned the proper FBMS GL roles as noted below in 1.5 F.; and

2)   that they comply with sections 1.5 G. and 1.5 H. of this policy.

F.   **Staff with FBMS Roles noted below** are responsible for the following:

1)   **GL Financial Accountant (GL_FA)** role is assigned to FRA staff only. Users with this role Create/Park all JV document types in ECC. Although users assigned to this role can post JVs, they are not permitted to do so under this policy. The ECC JV Control Log (discussed in section 1.7 A.) is used as a control to ensure only staff with the GL Senior Financial Accountant (GL_SFA) have posted FRA JVs.

2)   **GL Financial Accountant Park (GL_FAP)** role is assigned to certain FRA staff only. Users with this role Create/Park all JV document types in ECC.

3)   **GL Field Office Accountant (GL_FOA)** role is assigned to regional accounting officers and some additional staff. Users with this role Create/Park and/or Approve/Post VA, VB, and VC JV document types in ECC.

4) **GL Field Office Accountant Park (GL_FOAP)** role is assigned to regional accounting staff. Users with this role Create/Park VA, VB, and VC JV document types in ECC.

5) **GL_SFA** role is assigned to senior accountants within the FRA. Users assigned this role Create/Park and/or Approve/Post all JV document types in ECC. When a GL_SFA is the Creator/Parker of a JV, another GL_SFA will be the Approver/Poster.

6) **BPC_REP** role is assigned to senior accountants within the FRA. Users with this role Save and/or Post (BPC terms synonymous with Create/Park and Approve/Post respectively in ECC) JVs in BPC. One user with this role will Save and another will Approve and Post. This individual is also responsible for maintaining the BPC JV log discussed in section 1.7.

G. **JV Creator/Parker** is responsible for:

1) ensuring that no other systematic adjustment can be used prior to preparing a JV;

2) ensuring the JV follows USSGL accounting posting models, including verifying the correct document type is used and the appropriate GL account is entered;

3) providing a concise description for the JV. Any reasonable person should be able to understand the purpose of the entry;

4) ensuring that supporting documentation is detailed, concise, and that amounts in supporting documentation match the amounts in the parked JV;

5) ensuring that supporting documentation includes hard copy JV header sheets with signatures, source documents, email requests citing the need for a JV, etc.;

6) submitting the JV for approval by parking it in ECC, providing hard copy support, or Saving the JV in BPC and providing supporting documentation to the Approver; and

7) uploading support documentation in FBMS after the JV is posted. At times there will be multiple documents generated by the same adjustment. In these cases, the support document should be attached to the first document only.

H. **JV Approver/Poster** is responsible for:

1) validating the need and purpose for the manual JV entry;

2) validating that the JV follows USSGL guidance;

3) validating that the accounting period is correct;

4) validating debit and credit totals;

5) validating that the description is thorough, concise, and adequately describes the entry;

6) validating that supporting documentation is uploaded, and is detailed, clear, concise, and matches the amount, USSGL, and posting period on the parked document;

7) posting the JV if deemed acceptable; and

8) rejecting the JV if documentation is insufficient and communicating an explanation/reason for the rejection.

**I.** **JV Administrator (JVA)** is an FRA accountant responsible for maintaining the JV log and performing JV administrative procedures and the completeness check as outlined in Section 1.7.

## 1.6 Standards and Requirements.

Recent FBMS enhancements removed direct JV posting capability and restricted the ability to alter a "parked" JV to only the person parking the document. As a result of the enhancements, all manual JVs must be parked by a Creator/Parker and approved/posted by someone *other than* the Creator/Parker.

For this policy, an entry is considered a "manual JV" if the GL and line of accounting (LOA) is selected in FBMS, the document type used is included in Summary 1 below, the entry is parked and posted by a user with one of the roles in Summary 2 below, and the transaction type is included as documented in Summary 3. Auto-reversing entries are not covered in this policy (FB08, F.80, and F.81); however, evidence of review performance is discussed in section 1.7 of this policy.

### Summary 1: ECC JV Document Types Covered Under This Policy

| Document Type | Document Type Description |
|---|---|
| SA | Balance Sheet to Balance Sheet JV |
| SB | Expense or Revenue to Balance Sheet JV |
| SG | Manual Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) Adjustment |
| SU | Budget Adjustment JV |
| VA | Expense to Expense JV |
| VB | Expense to Revenue transfer JV |
| VC | Revenue to Revenue transfer JV |
| VD | Expense/Expense JV Override |
| VE | Expense/Revenue JV Override |
| ZB | Non Ref Obligation Accrual |

**Summary 2: ECC Roles under this policy**

| ECC Role | Role Description | Activity |
|---|---|---|
| GL_FA | General Ledger Financial Accountant | Park or Post |
| GL_FAP | General Ledger Financial Accountant Park | Park |
| GL_FOA | General Ledger Field Office Accountant | Park or Post |
| GL_FOAP | General Ledger Field Office Accountant Park | Park |
| GL_SFA | General Ledger Senior Financial Accountant | Park or Post |

**Summary 3: Identifies the ECC transaction codes covered under this policy**

| FBMS Transaction Code | Title or Purpose | Posting Logic |
|---|---|---|
| FBS1 | Park JV Accrual auto-reversing document where the reversal is approved on the original document when posted | This transaction is used to park a document in ECC awaiting the Approver/Poster. It is used for temporary adjustments and is parked and posted with an auto reversal date. Document types that may be used include VA, VB, VC, SA, SB, SG and ZB. |
| FV50 | Park JV Adjustments | This transaction is used to park a document awaiting the Approver/Poster to post in ECC. This is not self-reversing and is used for adjustments and transfers. |
| FBV0/FBVB | Post Parked Documents | These transactions are used to post a previously parked document by staff with the GL_SFA role. |

**1.7   JV Administrative Procedures.**

**A.  ECC JV Control Log**

The JV log is maintained by a JVA and is used to add another layer of review in addition to the procedures performed by the Creator/Parker and Approver/Poster. Specifically, the JVA ensures that the JV header sheet has the proper signatures and dates, and that the accompanied documentation/support is logical and matches the JV. This review is completed for all JV categories described in the four JV Log tabs below.

The JVA maintaining/reviewing the log is a separate individual (within FRA) from the Creator/Parker and Approver/Poster.

There are 4 tabs to the ECC JV log:

1) The first tab, "FRA": the JVA tracks all JV documents initiated/prepared by the FRA staff. In addition to the review specified above, the JVA reviews to ensure that only GL_SFAs have posted FRA JVs, and electronically signs as "Reviewed" once the review is complete.

2) The second tab, "NON-FRA": the JVA tracks all JV documents in which FRA staff either prepared, parked, or posted the JVs at the field's request. In addition to the review specified above, the JVA reviews to ensure that JVs initiated/processed by the field are limited to document types: VA, VB, and VC, and electronically signs as "Reviewed" once the review is complete.

3) The third tab, "REVERSALS": the JVA tracks those JVs initiated/posted by FRA staff that were subsequently reversed. In addition to the review specified above, the JVA reviews to ensure that only GL_SFAs have posted FRA reversing JVs. Additionally, the log captures the review of self-reversing entries including the reason for the reversal. The JVA electronically signs as "Reviewed" once the review is complete.

4) The fourth tab, "Field JV Log": the JVA tracks those JVs processed in field offices.

**B. BPC JV Control Log**

A FRA accountant with the BPC_REP role maintains the BPC JV log. The accountant ensures that the support properly matches the JV.

**C. Completeness Check**

On a monthly basis, a JVA should do the following:

1) Run a Special Ledger (SPL) Transaction Detail History Report (WGLM02_SC_Q004) in the FBMS Enterprise Management Information System (EMIS).

   The report is used to ensure all JVs have been accounted for on the JV log. The report captures all JV transactions by document type: SA, SB, SG, SU, VA, VB, VC, VD, VE, and ZB, and represents the entire universe for the given period.

2)  The JVA reviews the report to ensure that the total JVs listed equals the sum of all the JVs listed on the JV log. The JVA addresses and resolves any discrepancies with the staff involved. An example of a discrepancy would be when a Creator/Parker of a JV entered the JV number on the JV log but it was not subsequently posted. The parked JV is then deleted in ECC and removed from the log.

**Approval**

JASON FREIHAGE  Digitally signed by JASON FREIHAGE
Date: 2023.09.27 18:38:53 -04'00'

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Jason Freihage                                                                          Date
Deputy Assistant Secretary – Indian Affairs (Management)