



Bulletin: OCFO 07-04

Date: December 26, 2007

To: Agency Chief Financial Officers
Agency FFIS Functional Administrators

Subject: Annual Accounting Reclassifications Related to Personal Property

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PURPOSE

This bulletin establishes Department-wide procedures for the annual reclassification of accounting associated with personal property, maintained in the corporate personal property systems. Beginning Fiscal Year 2008, accounting reclassifications will be limited and will focus on removing capitalized assets (1) from budget fiscal years three-years-old (i.e. Fiscal Year 2005) and older for annual and multi-year Treasury symbols; and (2) from accounting with non-current budget fiscal years for the working capital fund, 12X4609.

PROCEDURES

Each asset and its accumulated depreciation shall be transferred from the non-current budget fiscal year accounting and offset with a debit to standard general ledger account 5730, Financing Sources Transferred Out. Simultaneously, each asset and its accumulated depreciation shall be transferred to current budget fiscal year accounting and offset with a credit to standard general ledger Account 5720, Financing Sources Transferred In. Accounts 5730 and 5720 are governmental and require trading partners. An agency-specific vendor code using the agency's FACTS [Federal Agencies Centralized Trial Balance System] department and bureau codes shall be used to properly record this internal transfer in the general ledger and ITRS [Intradepartmental Transactions Reconciliation System].

RESPONSIBILITIES

Reclassification is mandatory for all affected USDA agencies. During the first quarter of each fiscal year, the Controller Operations Division, Property Reconciliation Branch (PRB) will provide each affected agency with a listing of accounting classifications that is targeted for reclassification, along with suggested new budget fiscal year accounting.

Each agency is responsible for accepting the suggested accounting or supplying appropriate new budget fiscal year codes to PRB **by the 10th business day in January. A lack of response by this date will constitute acceptance of the suggested new budget fiscal year accounting.** Additionally, agencies are responsible for ensuring that FFIS [Foundation Financial Information System] tables (ACXT [Accounting Structure

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Code Cross-Reference Table], DVAL [Default Values Reference Table], FUND [Fund Reference Table], etc.) are accurately established. Where tables are not properly established, PRB may select other accounting elements.

The PRB will then coordinate with the Associate Chief Financial Officer for Financial Systems to ensure general ledger transactions are initiated in FFIS, to accurately reflect the reclassification procedure described above.

It is important to adhere to the date specified above to enable a smooth transition to current budget fiscal year accounting.

INQUIRIES

Questions regarding this bulletin should be directed to PRB at **(504)-426-5351** or via e-mail at eddie.malter@usda.gov.

EFFECTIVE DATE

This bulletin is effective immediately.

/s/

JOHN G. BREWER
Associate Chief Financial Officer for Financial Operations