COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

This publication implements Air Force Policy Directive 65-1, *Management of Financial Services* and provides processes and procedures for use of the Depot Maintenance Accounting and Production System (DMAPS) and implements Financial Processes and Procedures for Depot Maintenance operations. This publication is constrained by the legal framework governing the use of funds, as further implemented by Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*. It applies to individuals at all levels (finance and production) who manage, execute, or account for Consolidated Sustainment Activity Group–Maintenance Division Working Capital Funds. This publication does not apply to Air Force Reserve units and the Air National Guard. This publication requires the maintenance of information protected by the Privacy Act of 1974 authorized by 5 United States Code (USC) 301, Departmental Regulations, Department of Defense Financial Management Regulation (DoD FMR) 7000.14-R, Vol. 4, 31 USC Sections 3511 and 3513, and E.O. 9397 (SSN). The applicable System of Record Notice, T-7040a, Defense Industrial Financial Management System (DIFMS) Records, is available at: **http://dpclo.defense.gov/Privacy/SORNs.aspx**. Ensure that all records created as a result of processes prescribed in this publication AFI 33-322, *Records Management and Information Governance Program*, and disposed of in accordance with the Air Force Records Disposition Schedule, which is located in the Air Force Records Information Management System. Refer recommended changes and questions about this publication to the Office of Primary Responsibility (OPR) using an Air Force (AF) Form 847, *Recommendation for Change of Publication*; route AF Forms 847 from the field through the appropriate chain of command. The publication may be supplemented at any level, but all supplements must be routed to the OPR listed above for coordination prior to certification and approval. The use of the name or mark of

any specific manufacturer, commercial product, commodity, or service in this publication does not imply endorsement by the Air Force.

Chapter 1

SYSTEM AND PROCESS CONTROL

1.1. Introduction and Background.

1.1.1. This manual covers financial processes and procedures for depot maintenance performed at Government-owned, and Government operated facilities managed by the Air Force Sustainment Center (AFSC) and located at the Air Logistics Complexes (ALCs): Ogden (OO-ALC) at Hill Air Force Base (AFB) UT, Warner Robins (WR-ALC) at Robins AFB GA, Oklahoma City (OC-ALC) at Tinker AFB OK and any associated geographically separated units.

1.1.2. This manual covers the financial processes related to the Depot Maintenance Accounting and Production System (DMAPS) in support of depot maintenance.

1.1.3. The Air Force Materiel Command (AFMC) Commander is the manager of the Working Capital Fund (WCF), including depot maintenance. This management responsibility is carried out by the Financial Management Directorate (AFMC/FM) and the Logistics, Civil Engineering, Force Protection, and Nuclear Integration Directorate (AFMC/A4/10). AFMC/FM is responsible for the budget and financial processes. AFMC/A4/10 is responsible for the logistics functional processes. The official accounting and finance records for depot maintenance are maintained in the Defense Industrial Financial Management System (DIFMS). The Defense Finance and Accounting Service (DFAS) owns this system and the AFSC and ALCs in coordination with DFAS provide day-to-day management. This day-to-day management includes accounting services for depot maintenance, auditing the accounts, preparing reports to reflect the financial status accurately, and performing quality reviews of the labor, material and other accounts. The ALC product group maintenance activities are responsible for accomplishing workload within the approved operating budget using approved prices in conjunction with approved customer funding, which requires control of operating costs.

1.1.4. AFMC/FM, in conjunction with AFMC/A4/10, manages the depot maintenance program, which includes policy, control, direction, approval, computation analysis, and rate establishment. AFMC/FM plans and approves policy and direction for the AFSC/ALC to be used in the development of the depot maintenance Budget Estimates (BEs) and annual operating targets. AFMC/FM issues requests for the BE and amendments, including formats and specific procedures. AFMC/FM also: (1) conducts periodic reviews of the operating results and financial status; (2) establishes cost performance goals for depot maintenance operations; (3) accomplishes a review and summarization of AFMC operating budget and BEs; and (4) establishes policy to ensure that depot maintenance funds are used only in the performance of depot maintenance services.

1.1.5. AFMC/A4/10 develops, directs, and manages depot maintenance workload programs for the operating year and the ensuing budget period. AFMC/A4/10 also determines the distribution of and maintains management control of all depot maintenance manpower resources by AFMC activities. AFMC/A4/10 develops maintenance management information concepts, policies and procedures as well as develops and manages programs to measure and monitor depot maintenance productivity.

1.1.6. The ALC commander is the manager of depot maintenance at the ALC. The AFSC Financial Management Directorate (AFSC/FM) and the ALC Financial Management Directorates (ALC/FM) carry out this responsibility, in coordination with and support of other ALC organizations. For most functions, the ALCs are expected to follow similar policies and procedures as provided in this directive and in the AFMC and AFSC 21-series guidance. For exceptional unique organization and operation, each ALC defines local policy and procedures in directive supplements as approved by AFMC and provides additional detail in the ALC operating instructions.

1.2. References.

1.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR*), **https://comptroller.defense.gov/FMR/**.

1.2.1.1. Volume 1, *General Financial Management Information, Systems, and Requirements*.

1.2.1.2. Volume 4, *Accounting Policy*.

1.2.1.3. Volume 11A, *Reimbursable Operations Policy*.

1.2.1.4. Volume 11B, *Reimbursable Operations Policy - Working Capital Funds (WCF)*.

1.2.2. Air Force Publications. (Consult the Air Force e-publishing website (**https://www.e-publishing.af.mil**) for current versions of the publications below.)

1.2.2.1. AFI 10-208, *Continuity of Operations (COOP) Program,* **https://static.e-publishing.af.mil/production/1/af_a3/publication/afi10-208/afi10-208.pdf**.

1.2.2.2. AFI 33-322, *Records Management and Information Governance Program,* **https://static.e-publishing.af.mil/production/1/saf_cn/publication/afi33-322/afi33-322.pdf**.

1.2.2.3. AFSCMAN 21-102, *Depot Maintenance Management,* **https://static.e-publishing.af.mil/production/1/af_sustainment_ctr/publication/afscman21-102/afscman21-102.pdf**.

1.2.3. Manuals (e.g., Systems Operations, User, and Database):

1.2.3.1. Defense Industrial Financial System (DIFMS)/Naval Air Systems Command (NAVAIR) Industrial Material Management System (NIMMS)/Automated Bill of Material (ABOM) Website at: **https://t6800.csd.disa.mil/DifmsNimms/index.php**.

1.2.3.2. DMAPS Integration Engine (DMAPS-IE), Phase II, **https://cs2.eis.af.mil/sites/22519/DMAPS/SystemApplications_IE_TAA/IntegrationEngine(IE)Library/IESystemDocumentation/IEDOCUMENTATION**.

1.2.3.3. The DMAPS Configuration Management (CM) plan can be located on the DMAPS Microsoft SharePoint site at: **https://cs2.eis.af.mil/sites/22519/DMAPS/Configuration%20Management%20(CM)/CMP**.

1.2.3.4. The DFAS DIFMS/NIMMS-ABOM CM plan can be located on the DMAPS Microsoft SharePoint site at:

**https://cs2.eis.af.mil/sites/22519/DMAPS/Configuration%20Management%20(CM)/
CMP/DFAS%20DNA%20CMP**.

1.2.3.5. Time   and   Attendance   System   (TAA):
https://usaf.dps.mil/sites/75SCO/TAA/TAAS/Forms/AllItems.aspx.

1.2.3.5.1. Hill (75th Communications and Information Directorate (75 Air Base Wing
(75   ABW)/SC))   site   for   TAA   information:
https://usaf.dps.mil/sites/75SCO/TAA/SitePages/Home.aspx.

1.2.3.5.2. Tinker (72nd Communications and Information Directorate (72 ABW/SC))
site   for   TAA   information:
**https://usaf.dps.mil/sites/TMC719183/72ABWSCP/systems/TAA/SitePages/Hom
e.aspx**.

1.2.3.5.3. Robins (78th Communications and Information Directorate (78 ABW/SC))
site for TAA information: **https://usaf.dps.mil/sites/21617/SitePages/Home.aspx**.

1.2.3.5.4. Kadena   Air   Base,   Japan   site   for   TAA   information:
https://kadenataa.csd.disa.mil/taa/.

1.2.3.6. Defense   Civilian   Payroll   System   (DCPS)   User   Manuals,
https://www.dfas.mil/civilianemployees/csrguides/.

1.3. Authority and Charter.

1.3.1. The Defense Working Capital Fund (DWCF) is a revolving fund that provides the
working capital for purchasing inventory supplies and industrial and commercial type activities
necessary to provide common services within or among departments and agencies of the DoD.
The DWCF is established under the authority of Title 10, United States Code (USC) **§** 2208.
Within the DWCF, the Air Force Working Capital Fund (AFWCF) includes: the Consolidated
Sustainment Activity Group (CSAG) Maintenance and Supply Division; the Transportation
Activity Group (also known as the Transportation Working Capital Fund) and the Supply
Management Activity Group-Retail (SMAG-R).

1.3.2. The AFWCF is a revolving fund that provides initial working capital to support Air
Force warfighters and operations and allows for the recovery of operating costs through sales
of repair, overhaul, and modification services.

1.3.2.1. CSAG (as of Fiscal Year (FY) 09) is an AFWCF business activity that
consolidates the former Depot Maintenance Activity Group and Material Support Division
business operations into a single business enterprise. Under CSAG, the Depot Maintenance
Activity Group is characterized as the Maintenance Division and the Material Support
Division is now the Supply Division. CSAG–Maintenance (CSAG-M) sites include the
ALCs and the 309th Aerospace Maintenance and Regeneration Group (309 AMARG), a
group within the Ogden ALC. Depot maintenance activities may also include depot field
teams, maintenance engineering, technical support, manufacture of parts needed in the
depot maintenance process, modifications, testing, and reclamation.

1.3.2.2. The ALCs perform depot level maintenance and repair of military material requiring major overhaul, complete rebuild, or other high-order repair work for end items (including weapon systems), subsystems, parts, assemblies, and subassemblies. The 525th Electronic Maintenance Squadron, also known as the Support Center Pacific (Kadena Air Base), provides depot level aircraft and industrial component test, repair, overhaul, and fabrication support to Pacific Air Forces and inter-service organizations. 309 AMARG also does depot maintenance work, mainly related to reclamation activities, but work may include overhaul, modification or other depot maintenance work when additional capacity is needed.

1.4. Description of Depot Maintenance Accounting and Production System (DMAPS).

1.4.1. The DMAPS is the financial system of record and management information system used to support depot maintenance execution at the three ALCs. The DMAPS program is a suite of systems and includes interfaces within the suite and with other systems.

1.4.2. The DIFMS is a DoD standard system, which is designed to support financial, accounting, and reporting at the Navy, Marine Corps, Air Force Depot Maintenance, and Navy Research and Development activities. In the Air Force, DIFMS is the official financial system of record for depot maintenance. DIFMS maintains general ledgers; records disbursements, collections, and customer orders; tracks costs; bills customers; manages fixed assets; and supports other general management functions in depot maintenance. The system interfaces with local activity systems as well as standard DoD systems. All higher-level financial reporting requirements, except budget formulation are satisfied by the system. Specific uses for Air Force and DFAS operations are defined so user access can be properly set and the users can be trained on the screens needed for the functions users support.

1.4.3. The Automated Bill of Material (ABOM) System and the Naval Air Systems Command (NAVAIR) Industrial Material Management System (NIMMS) are the DMAPS systems used for material processing. ABOM is an Air Force system that provides front-end processing for the depot maintenance material system. NIMMS provides information for material buys to DIFMS. NIMMS and DIFMS share the same database. ABOM feeds transactions to NIMMS for additional validation, and then sends the transactions on to the Wholesale and Retail Receiving/Shipping (WARRS) (D035K). ABOM also tracks Awaiting Parts (AWP) and Due-In From Maintenance and Due-Out to Maintenance transactions. United States Air Force Integrated Logistics System-Supply (ILS-S) (D002A), formerly known as Standard Base Supply System, feeds material transaction information to ABOM. ILS-S handles indirect material, hazardous material, non-capitalized equipment, and some floating stock (spares). Defense Logistics Agency (DLA) transmits transactions for fuel purchases through NIMMS also. These outside transactions are processed into DIFMS to capture the cost.

1.4.4. All screens and programs for DIFMS and NIMMS are identified with a six-digit code:

1.4.4.1. Position One: Always "M"

1.4.4.2. Position Two: System Designator ("S" for DIFMS, "N" for NIMMS)

1.4.4.3. Position Three: Number of System or Process

1.4.4.4. Position Four and Five: DIFMS/NIMMS sequence number

1.4.4.5. Position Six: "P" for program; "J" for job or run stream. If the last position is not a P/J, the reference is to a file.

1.4.4.6. ABOM Screens are menu/dropdown driven based on the transaction type: Standard Base Supply System, Local National Item Identification Number (NIIN), Bill of Material (BOM) Management or Administration.

1.4.5. The TAA System captures and interfaces actual labor hours to DIFMS. TAA also creates the output file, which is sent to the Defense Civilian Payroll System (DCPS) for payroll generation. TAA gets employee civilian rates from DCPS and provides this information to DIFMS. Military composite standard pay and reimbursement rates are calculated per the DoD 7000.14-R, Volume 11A, Chapter 6, Appendix G. The rates are available on the reimbursable rates page of the Office of the Under Secretary of Defense, Comptroller (OUSD (C)) website: **https://comptroller.defense.gov/Financial-Management/Reports/rates2021/**. Refer to AFSCMAN 21-102 for production labor policy and procedures, the TAA User Manual for detailed user operations, and **Chapter 3** of this manual for the financial processes and procedures related to labor. TAA also includes the Employee Identification Generator or Employee Number Generator which is used by the TAA System Office of Prime Responsibility (OPR) to generate a unique six-digit number for each maintenance employee. The OPR can enter new employees into the system, generate the employee's user ID, and change employee data. Ogden generates an "E" number; Robins generates a "J" number; and Tinker generates a "D" number.

1.4.6. The DMAPS-Integration Engine (DMAPS-IE) contains seven interrelated components:

1.4.6.1. Conversion Engine (CONEN). CONEN facilitates the movement and translation of data between the DMAPS suite of systems and other systems. **Note:** Sometimes the acronym for CONEN is shown as CE; use these acronyms interchangeably.

1.4.6.2. Cost, Production, and Budget Module (CPBM) (H033). The CPBM DMAPS application consists of the Cost and Production Performance Module (CPPM), the CPPM Maintenance Module, and the Budget Target Module (BTM). The Cost Transfer Module functionality is part of BTM. CPPM is a management information system that provides CSAG-M financial and production information as well as essential performance indicators to each ALC manager. CPPM reports support these managers by providing online, day-to-day visibility of their organization's operating costs and production performance, allowing managers to compare actual results with the financial budget and production targets. BTM is an automated CSAG-M budgeting tool that, when used in conjunction with the actual historical data captured in the CPPM, permits multiple iterations of the budget/target development process, as well as production and expense "what if" scenarios.

1.4.6.3. DMAPS Data Store (DDS). DDS is a persistent data store for historical data elements, which are either not held by the DMAPS suite of systems or not held on a long-term basis. DDS also is a relational database repository allowing a variety of functional end users to inquire and retrieve production information.

1.4.6.4. Funding Initiation Tool System (FIT). FIT is an online, interactive tool that allows authorized users to review, expand, and record customer funding into DIFMS.

1.4.6.5. Job Order Status Tool (JOST). JOST provides a multirecord batch update capability whereby authorized users may change the Job Order Number (JON) status from open to financially closed. The overriding function of this tool is to eliminate the need to close JONs in DIFMS manually, one JON at a time.

1.4.6.6. Resource Control Center Skill Code System (RSCS). RSCS is a relational database repository allowing authorized users to establish and maintain relationships between Resource Control Centers (RCCs) and Skill codes. RCCs comprise the financial organization and Skill codes comprise the work qualifications. **Note:** Sometimes the acronym for RSCS is shown as RSC; use these acronyms interchangeably.

1.4.6.7. Sales Price Generator System (SPG). SPG generates End Item Sales Price (EISP) for permanent production numbers, excluding aircraft. SPG has the capability to determine type workload by referencing on the last digit of the Project Order Number (PON) that is included in the files that DDS pushes to SPG. SPG will only price a workload type of "3," "4," "6," and "7" so aircraft workload (type "1") is ignored. See **paragraph 2.5.7.1** for workload types.

1.4.6.7.1. Inputs into SPG include labor standards from the Depot Maintenance Consolidated Operational Database (CODB)/AFMC Labor Standards Data System (ALSDS) (Q302/E046B), RCC hourly rates from the Depot Maintenance Workload and Planning and Control System (DMWPCS) (G004C) and material standards from CODB (Q302)/Depot Maintenance Material Support System (DMMSS) (G005M). The system provides for material inflation/deflation with one percentage value per ALC and individual EISP adjustment (Production Number/RCC) until frozen.

1.4.6.7.2. SPG processes and updates cost history. It sends labor standards by Production Number and Section to Job Order Production Master System (JOPMS) (G004L), outputs labor standards to CODB (Q302)/JOPMS (G004L) and standard hours by RCC to MISTR Requirements Scheduling and Analysis System (G019C) every month.

1.4.6.7.3. The frozen EISP process occurs semiannually. When Phase I has been frozen, outputs are created and sent to both JOPMS (G004L) and Enterprise Data Warehouse (Q310). Then again, when Phase II has been frozen, outputs to JOPMS (G004L) and Enterprise Data Warehouse (Q310) must be created before the function that allows the SPG OPR to send the Sales Price Master to CODB (Q302)/JOPMS (G004L) will become available.

1.4.7. Access to a DMAPS-IE component Graphic User Interface (GUI) must be granted to the users of FIT, JOST, RSCS, and SPG before users can fully utilize these applications. The DMAPS-IE User Access Application OPR has to associate the user ID with the appropriate system in what is referred to as the "User Access Tool" or UAT. For example, in the case of SPG, the OPR has to identify the type of access the user is authorized to have: Read Only, Transaction Maintenance or Administration. The Planning Organization Planners Technician code has to be authorized also or the user will not be able to view the data within the reports in SPG for that specific planning organization.

1.4.8. The DFAS-Integration Engine (DFAS-IE) facilitates the exchange of data between the DFAS financial legacy systems and DIFMS. This includes the General Accounting and Finance System-Base Level (GAFS-BL) (BQ) (H069) for Obligations, Accounts Payable, Disbursements, and Collections.

1.4.9. Additional information regarding the DIFMS system can be obtained from Attachments **2 through 6**. The most current information can be obtained from the Technical Service Organization's website: **https://t6800.csd.disa.mil/DifmsNimms/index.php**. Please click on the "DIFMS" tab and then on the current production release.

1.5. Roles and Responsibilities.

1.5.1. The following specific responsibilities represent defined tasks but are not the total responsibilities to maintain the depot maintenance operation. The detailed mission and functional statements of the organizations involved in the management of depot maintenance are contained in the AFMC and AFSC 21-series publications. The details of how each ALC accomplishes the tasks are to be outlined in ALC-specific supplements or operating instructions. Other chapters in these financial policies and procedures cover related responsibilities.

1.5.2. In coordination with DFAS, AFSC/FM is responsible to:

1.5.2.1. Prepare billing/sales documents.

1.5.2.2. Audit and analysis to ensure integrity of all monetary data reported through DIFMS.

1.5.2.3. Maintain subsidiary general ledger and cost accounts through DIFMS.

1.5.2.4. Prepare the financial statements and provide applicable narratives, consolidation, and submission to higher headquarters.

1.5.2.5. Maintain DIFMS as the cost accounting system used to accumulate actual costs by RCC and JON.

1.5.2.6. Other duties include, but are not limited to, maintain other costs, labor, fixed assets, material, job order/customer order, cash, overhead application rates, and the general ledger.

1.5.3. The Air Force Sustainment Center Working Capital Division (AFSC/FZR) in coordination with ALC/FM and Group Financial Managers will:

1.5.3.1. Work closely with customers to execute the programmed work and fund for the cost of material, work, and services ordered from depot maintenance.

1.5.3.2. Incur obligations and account for costs as necessary and allowable to perform the activity mission.

1.5.3.3. Control performance costs in line with the Annual Operating Budget (AOB) as approved by the Air Force Sustainment Center Budget Division (AFSC/FZB).

1.5.3.4. Evaluate the operation of depot maintenance activities to determine compliance with established requirements.

1.5.3.5. Identify to higher management any impediments to achievement of performance and cost goals.

1.5.3.6. Identify and justify to higher management those investments that produce future improvements in effectiveness and efficiency.

1.5.3.7. Work closely with the designated DFAS location to assure compliance with operating policies and procedures.

1.5.3.8. Report financial information.

1.5.3.9. Manage DMAPS access with the applicable Air Base Wing Communications and Information Directorate (ABW/SC).

1.5.4. The ALC/FM, in coordination with AFSC/FM:

1.5.4.1. Performs financial planning, budgeting.

1.5.4.1.1. Interprets and disseminates budgeting policies, procedures, and instructions pertaining to the depot maintenance budget.

1.5.4.1.2. Provides direction to the maintenance groups for preparing and justifying the depot maintenance budget.

1.5.4.1.3. Prepares consolidated depot maintenance budget from group/directorate inputs.

1.5.4.1.4. Develops and submit sales rates for approval.

1.5.4.1.5. Prepares BEs, amendments, and monthly operating targets.

1.5.4.1.6. In coordination with the installation manpower offices, determines projected manpower capability.

1.5.4.1.7. Process inputs to CPBM (H033) BTM as part of the budget process which produces rates and serves as a baseline for establishing the initial RCC budgeted rates in the DMWPCS (G004C).

1.5.4.1.8. Provides distribution of approved budgets throughout the ALC.

1.5.4.2. Monitors the execution of the depot maintenance budget and the overall financial condition of the business area.

1.5.4.2.1. Analyzes variance between target and actual costs by commodity group.

1.5.4.2.2. Prepares an overall statement of financial condition.

1.5.4.2.3. Provides narrative inputs to AFMC/FM for analysis of financial status.

1.5.4.2.4. Analyzes and determines causes of variances from the planned budget.

1.5.4.2.5. Provides financial status briefings as required to AFMC/FM.

1.5.4.3. Implements AFMC policy and procedures. Interpret and develop local procedures and supplements to ensure uniform operations and compliance with all management systems.

1.5.4.3.1. Manages and sustains operation of the DMAPS suite and related feeder system processing in the standard configuration controlled by the DMAPS program office. Sites may not modify these standard systems/processes or add functionality without written approval of AFMC/FM and AFMC/A4/10.

1.5.4.3.2. Manages quality programs and ensures the accuracy and analysis of DMAPS information.

1.5.4.3.3. Trains personnel on management systems operations and procedural compliance.

1.5.4.3.4. Appoints functional managers for DMAPS suite systems.

1.5.4.4. Manages order acceptance.

1.5.4.4.1. Receipts (acceptance or rejection) and processes Project Orders (POs) and amendments.

1.5.4.4.2. Ensures adequacy of issued Project Order (PO) funding to meet negotiated workload.

1.5.4.4.3. Evaluates POs to determine the necessity for adjustments.

1.5.4.4.4. Reviews all incoming temporary work requests have been identified and funded on the PO.

1.5.4.4.5. Assigns the Line of Accounting (LOA) on all Work Authorization Documents through JOPMS (G004L) by using the G004L-E1A "Validation Stack Visibility" listing and through DIFMS.

1.5.4.5. Manages the Capital Investment Program (CIP) and facility programs. May also be managed by Groups in the ALC.

1.5.5. The Groups in the ALC:

1.5.5.1. Direct, manage, and operate the industrial production shops.

1.5.5.2. Accomplish maintenance, repair modification, storage, and reclamation of customer equipment.

1.5.5.3. Update the planning repair requirements in the Programmed Depot Maintenance Scheduling System (PDMSS) (G097) annually (Aircraft Maintenance Group - AMXG).

1.5.5.4. Plan, provide, and manage plant engineering (Maintenance Support Group - MXSG).

1.5.5.5. Manages their respective CIP and facility programs.

1.5.5.6. Assist personnel in the development of ALC budgets and targets.

1.5.5.7. Assist personnel in the explanation of variances between budgets and/or targets and actual costs by commodity and/or organization.

1.5.5.8. Ensure accuracy and completeness of basic data inputs for the budget and the DMWPCS (G004C) Planned Labor Application.

1.5.5.9. Develop and recommend improved quality methods for application to maintenance workloads.

1.5.5.10. Conduct negotiation of workload with customers.

1.5.5.11. Negotiate requirements of workload capability along with available funding.

1.5.5.12. Ensure assets are producing to meet negotiated input schedules.

1.5.5.13. Approve any Work Authorization Document, including renegotiation/drive adjustments, POs, or other instruments, to ensure requirements are valid and funded.

1.5.5.14. Ensure all workload is funded by a PO and funds are increased or decreased if there is a change in the scope of work or quantities.

1.5.5.15. Provide tool crib and Precision Measurement Equipment support.

1.5.6. ABW/SC is responsible for:

1.5.6.1. Appointing system managers for each DMAPS suite system.

1.5.6.2. Effective and accurate processing of information.

1.5.6.3. Corollary responsibility for the accuracy of DMAPS information.

1.5.6.4. Managing DMAPS access with AFSC/FZR.

1.6. Continuity of Operation.

1.6.1. AFSC/FZR, ABW/SC, ALC/FM and the Group Financial Managers must plan to continue operations when the systems, or segments of the systems, are temporarily not operating. If data is inappropriately modified or destroyed, procedures must be in place to recover. The plans and procedures must be tested periodically (at least annually) under realistic operational conditions per AFI 10-208, *Continuity of Operations (COOP) Program*, paragraph 3.3.8..

1.6.2. AFMC/FM, AFSC/FZR, ALC/FMs, ABW/SCs, and other organizations, such as Defense Information Services Agency (DISA) and DFAS, establish a program for developing and testing contingency plans to ensure that system security controls function reliably and, if not, that adequate backup functions are in place to ensure that security functions are maintained continuously during interrupted service. These organizations update, conduct tests and implement the plan when circumstances require.

1.6.3. Refer to contingency operations procedures required and in use at the sites as well as AFMC procedures in this area. The objective of contingency planning is to provide reasonable continuity of system support if events occur that prevent normal operations.

1.7. System Access.

1.7.1. ABW/SC and AFSC/FZR must control access for users to the DMAPS suite of systems to assure adequate security. Access to screens must be limited to those required for the duties of the individuals and those required to assure proper separation of duties. Any individual requesting access to the DMAPS suite must process a DD Form 2875, *System Authorization Access Request (SAAR)*, either by a pdf form or via an automated account provisioning system, through their supervisor and security channels, before presenting it to the ABW/SC or AFSC/FZR.

1.7.2. ABW/SC and AFSC/FZR will coordinate with the Information Assurance office in DFAS to obtain and provision DIFMS/NIMMS/ABOM system and screen access. The individual employee requests system access, change, or deletion by filling out a System Authorization Access Request and submitting to ABW/SC Information Owner or Information Owner Representative. Procedures are defined in the DFAS Automated Information System Access Control Policy and Procedures.

1.7.3. ABW/SC system OPRs set system access for TAA and DMAPS-IE modules based on an approved System Authorization Access Request. Screen access will be granted as required based on job duties.

1.7.4. During annual recertification reviews, user access is reviewed by the Complex Information Owner using user access lists provided from DFAS, DISA or the DMAPS system. Recertification ensures users have a need for access to the system, have access to only those areas for which users have a need, and have the appropriate level of access based upon approved roles.

1.7.5. ABW/SC, AFSC/FZR, and the DMAPS Program Management Office (PMO) use Defense Finance and Accounting Service Information and Technology's (DFAS I&T) portal (**https://cust-contact.dfas.mil/arsys/shared/login.jsp?/arsys/**) for entering Remedy Action Requests to the helpdesk for concerns regarding DIFMS, ABOM, and NIMMS.

1.7.6. All DMAPS discrepancies and requests for system changes must be entered as in issue into the Problem Tracking System (PTS) portion of the Information System Management Tool (**https://ismt.cce.af.mil/**). These issues are worked and addressed as ranked by the Functional Review Board (FRB). Ranking is based on the issue severity, type and other constraints/priorities.

1.8. Depot Maintenance Accounting and Production System (DMAPS) Financial Processing and Control.

1.8.1. Close coordination, cooperation and communication between AFSC/FZR, ALC/FM and the Group Financial Managers are essential to assure effectiveness of financial operations. AFSC/FZR, ABW/SC, ALC/FM and Group Financial Managers share responsibility for the control requirements covered in the following paragraphs.

1.8.2. Data integrity must be a management priority to include timely correction of errors, documentation, and internal controls.

1.8.2.1. Assure integrity of DMAPS data entries by implementing procedures as covered in this manual and providing for correction of rejects and documentation of transactions, so there is a trail to the source. Set up an effective internal control environment to assure data quality, safeguard assets, and provide for management control.

1.8.2.2. Interaction for labor (e.g., TAA), material (e.g., NIMMS) and business operations other cost (e.g., DMAPS-IE) is automated. Sometimes transactions from these systems reject or there is a mismatch requiring research. Corrections should be input into the originating system but sometimes may need to be made in DIFMS or other systems.

1.8.3. DMAPS provides audit trails and maintains records to trace transactions from the source documents, original input, changes and corrections, other systems, system-generated transactions, and internal assignment transactions through the system. A complete audit trail allows all transactions to be traced from the source records and documents (including changes and corrections) to the Subsidiary and General Ledgers in DIFMS and to the financial statements. Transactions may also be traced in reverse, from the financial statements to the Subsidiary and General Ledgers, back to the source records and documents. DMAPS also provides audit trails and retains records to identify changes made to system parameters and tables that affect processing or reprocessing of any financial transactions. The audit trails should identify the document input, changes, deletions, and approvals by the originator. Supporting documentation forms the basis of the transaction histories to create audit trails, and the documentation must be maintained.

1.8.4. Interfaces between the system of original input and any other system must be electronic and not have any manual intervention, unless such intervention is a part of the DMAPS system design. The interfaces between systems must be documented and controlled and DMAPS as a whole must ensure the timely and complete transmission of transactions and financial related data. Much of this documentation is available in system manuals and Interface Control Documents in the Corporate Data Repository System at **https://cdrs.cce.af.mil/CDRS/page/console.xhtml**.

1.8.5. The DMAPS systems have the means and procedures to detect and report errors. The ALC must assure these errors are corrected in a timely manner and within the appropriate processing cycle and FY. Management must assure procedures are in place and working to analyze error reports so that system and processing improvements can be made. Self-inspection checklists are used for validation of file data accuracy. Management validates that system computations use appropriate data and achieve the intended result.

1.8.6. AFSC/FZR uses DIFMS reports from the weekly, monthly, quarterly, and annual processes to reconcile general ledger and subsidiary proprietary accounts. AFSC/FZR must take action to coordinate, research, and correct any differences.

1.8.7. Within user operations, maintain separation of duties and responsibilities for initiating, authorizing, processing, recording, and reviewing transactions. This separation of duties should be such that no single individual can control a transaction from beginning to end. The division/group should provide for a separation among (1) the functions of initiation and authorization of a transaction, (2) the recording of the transaction, and (3) the custody of the resultant asset. AFSC/FZR and Group Financial Managers must maintain a record of the approach used for assuring the duties are separated.

1.8.8. Controls have been instituted to ensure that reports containing sensitive or Privacy Act information are secured and properly destroyed when no longer needed.

1.8.9. Under the direction of AFSC/FM, perform annual evaluations to determine whether use of DIFMS conforms to control requirements and this directive. The review should include transaction testing of the critical aspects of the system. The transaction testing should cover the entire flow of transactions from initial authorization through processing and reporting.

1.8.10. The ALCs are to use query languages as query tools only and not to update or change data. The use of query tools to update or change data bypasses normal system transaction controls and, often, does not create an acceptable audit trail. Database changes/requests to DIFMS/NIMMS or any of the DMAPS systems should be the rare exception, required only for unusual circumstances such as significant system failure. Under no circumstances may query languages be used to change financial results, such as moving costs from job orders with lower funding than actual cost. The following procedures need to be used for obtaining approval to use query languages for processing updates to any of the DMAPS program systems.

1.8.10.1. The requester in coordination with the development activity (e.g., DFAS I&T for DIFMS/NIMMS), proposes changes to data through query updates. When changes may affect files used by other organizations, such as DFAS, representatives of the other organizations must be notified.

1.8.10.2. Before processing any query updates, at a minimum obtain documented approval of the appropriate ALC system manager for each Structured Query Language (SQL). For example, DIFMS query updates need the approval of the Air Force Sustainment Center Cost Accounting Branch (AFSC/FZRD-Operating Location (OL)) Chief of Cost Accounting at a minimum.

1.8.10.3. Following local approval, enter a Data Cleansing Request (DCR) into the DMAPS PTS. Input an action request into the Remedy Action Request System, which routes the request for query language update to DFAS I&T. The DMAPS PMO (Air Force Life Cycle Management Center (AFLCMC) Business and Enterprise Systems Directorate, Financial Systems Office (AFLCMC/GBG)) assures the DCR is reviewed under the CM program and provided to the DMAPS-IE supplier to determine whether a corresponding change must be made to DDS to keep DDS in sync and in balance. The DCR also is a source for system improvements.

1.8.10.4. Remedy documentation must be retained for the query (e.g., SQL) change for a specific time per regulatory requirements and archiving rules. The documentation includes a complete explanation of the query update. At a minimum, the document must contain:

1.8.10.4.1. Rationale for the change

1.8.10.4.2. Files and tables affected.

1.8.10.4.3. Amounts of the changes (including pre-and post-query processing).

1.8.10.4.4. Date processed and period affected.

1.8.10.4.5. Whether the query update is onetime or recurring.

1.8.10.4.6. Copy of the query code.

1.8.10.4.7. A statement that the query does not change financial results.

1.8.10.4.8. Reasons that normal system processing cannot be used.

1.8.10.4.9. Individual (name, office symbol, email, and telephone) requesting, approving, coordinating and processing the change.

1.8.11. The AFSC/FZR and ALC/FM will establish a comprehensive set of financial measures for periodic review of the quality and timeliness of financial processing, to include for example suspended labor transactions or material in transit. The metrics program must cover the full scope of DMAPS financial processing. Local procedures will be issued to ensure metrics are established so the program covers the full scope of financial processing to include manage funding, account for funds and manage cash, collect/track cost/expense (labor, material and business operations), manage plant property, transfer cost and adjust, billing and analyze/reconcile/report.

1.8.12. Write-off or significant adjustments of transactions should be the exception to **paragraph 1.8.11**, and the user must obtain approval through the Chief of Cost Accounting or appropriate level supervision. The Chief of Cost Accounting maintains records of the quantity and dollar value of write-offs. Local procedures will be published monthly to ensure write-offs are identified by specific category, and these procedures will identify who will maintain and report the quantity and dollar value of these write-offs. For write-off or adjustment policy, guidance and procedures refer to DoD 7000.14-R, Volume 4 and Volume 11B.

1.9. System Documentation.

1.9.1. System documentation coverage, at a minimum, must include:

1.9.1.1. Accounting policies, processes, and procedures in this directive (and other media) such as the process model.

1.9.1.2. Major sources of data provided to DIFMS with actions required for data processing.

1.9.1.3. Aspects of the system such as the account structure and definitions; transaction codes; the accounting cycles and procedures; transaction and data flow; and the necessary coordination needed with other groups or systems.

1.9.1.4. Detailed description of the effect of all transactions on the Subsidiary or General ledgers.

1.9.1.5. Provisions for adequate physical security for all information collected, processed, transmitted, stored or disseminated.

1.9.2. AFMC/FM (in conjunction with AFMC/A4/10) provides current system and process documentation for AFSC/FM, and ALCs to supplement and expand upon the documentation in this directive.

1.9.3. The documentation must have sufficient scope and depth to provide managers, users, systems operators, and software maintenance personnel with an understanding of the design and operation of each component in the system and its integration with and relation to all other components.

1.9.4. The totality of user documentation must have sufficient detail to permit a person with a general knowledge of the agency's programs and systems to obtain a comprehensive understanding of the entire operation of the system. The documentation must be current and cover the system's development and actual operations. This includes system user manuals, operating instructions, and database management manuals. The most current information can be obtained from the Technical Service Organization's website: **https://t6800.csd.disa.mil/DifmsPortal/index.php**. Please click on the "DIFMS" tab and the radio button and then on the current production release.

1.10. Depot Maintenance Accounting and Production System (DMAPS) Configuration Management.

1.10.1. This manual is to document the DMAPS approach to requirements management. This document provides a summary description of the Configuration Management (CM) plan for DMAPS. The intent is to ensure the use of a streamlined and well-disciplined methodology to maintain and revise process and system baselines. The process described in this document enables the AFMC DMAPS PMO to effectively manage and improve the DMAPS requirements and associated data systems configurations. This manual provides the guiding principles and steps that must be followed to translate user requirements into process and data system changes. This process covers all DMAPS-related processing, including financial. Paragraphs **1.10.2 through 1.10.4** are summaries of the DMAPS CM plan. The CM plan source document for DMAPS CM and supersedes anything stated below. The DMAPS CM plan can be located on the DMAPS Microsoft SharePoint site at: **https://cs2.eis.af.mil/sites/22519/DMAPS/Configuration%20Management%20(CM)/CMP**. The DFAS DIFMS/NIMMS-ABOM CM plan can be located on the DMAPS Microsoft SharePoint site at: **https://cs2.eis.af.mil/sites/22519/DMAPS/Configuration%20Management%20(CM)/CMP/DFAS%20DNA%20CMP**.

1.10.2. All changes affecting DMAPS are documented in the PTS module of the Information System Management Tool. The potential process changes to DMAPS are categorized by the following:

1.10.2.1. Discrepancy Report. When a system does not adequately support an approved business process, with the current design, it is viewed as a deficiency.

1.10.2.2. Software Problem Report. Deficiencies written during test against un-fielded software.

1.10.2.3. Baseline Change Request. Business Process Change or new functionality/requirement that drives software change.

1.10.2.4. Information Support Report. Issues needing further research/resolution by either functional experts or suppliers, if required.

1.10.2.5. DCR. Changes to databases, scripts, etc. (not application software changes).

1.10.3. Review boards supporting identification, coordination, review and approval of problem reports are shown in the following paragraph.

1.10.3.1. Discrepancy Review Board (DRB). The DRB determines the validity and severity level of all problems. When justified, issues are written against the DMAPS applications software before submission to the applicable FRB. From the FRB it is then sent to the software supplier for resolution. Disposition of information support reports/DCRs is determined by the DRB. Information support reports document investigation/research only and are not used to deliver application software changes. DCRs document changes to databases, scripts, etc., and are not used to deliver application software changes.

1.10.3.2. Functional Review Board (FRB). The purpose of the FRB is to operate as a single point of control for changes to application systems. There are four FRBs: Financial (DIFMS), Material (NIMMS/ABOM), Production (TAA) and Integration Engine (IE). The types of changes include the following: discrepancy reports, baseline change requests, information support reports, or upcoming changes requested by users. The objective is for each requirement to be reviewed, scrubbed, and fully coordinated with all affected offices and the required documentation created. The system changes are prioritized in relation to all other prior documented changes that have been ranked by the FRB. These are then planned for future development, testing and release.

1.10.3.3. There are External Boards that affect DMAPS requirements. The DIFMS User Group has representatives from Air Force, Navy, Marine Corps and DFAS. The User Group provides information to the DIFMS/NIMMS Joint Configuration Control Board (CCB). The DIFMS/NIMMS Joint CCB negotiates and prioritizes requirements for future DIFMS releases.

1.10.3.4. The DMAPS CCB approves documentation changes using the DMAPS Configuration Control Directive form. When deficiencies drive a technical change, a DMAPS Configuration Control Directive form is also used and approved by the DMAPS CCB. Severity 1-2 discrepancy reports are software deficiencies that require immediate changes to support the DMAPS business process and are approved by the DMAPS CCB. Severity 3-5 discrepancy reports will be scheduled to be worked as time and priorities permit.

1.10.3.5. Executive Review Board. All change requests require approval through the Executive Review Board. These requests must be submitted through the Requirements Document Tracking Module of Information System Management Tool with information for All Tabs being completed prior to submission.

1.10.3.5.1. The initial submission will be through the Change Request Validation process. The submission will be reviewed to see if all necessary information has been provided to determine if the requirement is valid.

1.10.3.5.2. During the Change Request Validation, the Major Command Portfolio Manager gives site approval to the requirement.

1.10.4. Procedures for notification of DMAPS system releases follow:

1.10.4.1. Emergency Releases:

1.10.4.1.1. DMAPS PMO CM is notified by email from the software supplier showing programs affected and date/time stamp of the change.

1.10.4.1.2. DMAPS PMO CM verifies the date and time stamp in the staging area.

1.10.4.1.3. DMAPS PMO CM emails site configuration managers at each ALC, as well as the Production Leads at each ALC, Test Team at OC-ALC, and functional people at AFSC/FZR and ALCs who have requested to be notified. Decision is made whether test is in test environment, production environment, or both.

1.10.4.1.4. ALC decides to install and coordinates with DISA to install the release. Releases are also briefed at the daily DRB telecom by DMAPS PMO CM. The ABW/SC schedulers, DMAPS PMO, functionals at the AFSC, the ALCs and suppliers attend the DRB.

1.10.4.2. Routine Release to Interfacing Systems:

1.10.4.2.1. DMAPS PMO CM receives notification from the software supplier that software affecting DMAPS is in the inbound staging area with a copy of the Software Release Technical Letter or other information on release content.

1.10.4.2.2. DMAPS PMO CM versions the software in the inbound staging area and moves it to the DMAPS software library.

1.10.4.2.3. DMAPS PMO CM moves the software to the installation staging area to be installed in test.

1.10.4.2.4. DMAPS PMO CM emails onsite CM and Test Lead that the software is ready for installation. After successful test, software is staged for release to production. ALC approves releases for installation and coordinates with DISA to install the release.

1.10.4.2.5. Release is briefed at the daily DRB.

1.10.4.3. Routine Releases in DMAPS Suite Systems:

1.10.4.3.1. A Version Description Document and Software Implementation Plan document is provided for each IE and TAA release.

1.10.4.3.2. All potential changes are documented in the Information System Management Tool's PTS. The ALCs can track problems from initiation to closure via PTS.

1.10.4.3.3. When a problem report is written, it is presented to the DRB and distributed in accordance with the DMAPS process, i.e., DRB, Functional Teams, Executive Review Board/CCB, FRB-Supplier.

1.11. Archiving of Financial Data.

1.11.1. Per DoD 7000.14-R, Volume 1, Chapter 9, *Financial Records Retention*, and AFI 33-322, *Records Management and Information Governance Program*, the ALC must retain financial information per the requirements of the Federal regulations established by the National Archives and Records Administration, which is responsible for promulgating procedures for the disposal of all U.S. Government records. Specific records disposal direction is contained in AFI 33-322.

1.11.2. AFMC/FM sets standards to define the specific DMAPS data types to be retained, periods of retention, and related access requirements. ALCs implement the standards set by AFI 33-322 and AFMC/FM.

1.11.3. DIFMS periodically purges data from the database via scheduled processing. Instructions are provided by DFAS I&T prior to the start of the closing of each FY. Reports are created and the data used to build the reports are "canned" not archived. For example, for JON, Customer Order Number (CON), and Sponsor Order Number (SPON) purges, the funding document has to be final billed for at least 60 days and the JON, CON, SPON, and funding document must be closed in DIFMS (Status code-3).

1.11.4. Once data is no longer required, DIFMS provides history reports, which serve as an audit trail for such items as sponsor orders, customer orders, job orders, asset/liability records, material requisitions, and billing and cash transactions. Retention of these history reports for the required period is the first source of archived information. Current information regarding DIFMS policies for the Purge and History Subsystem can be obtained from the Technical Service Organization's website: **https://t6800.csd.disa.mil/DifmsPortal/index.php**. Click on the "DIFMS" tab and then on the current production release, then Purge and History User Manual.

1.11.5. Data from the DDS also can be used for archiving of financial data. Policy states the retention of DDS data is maintained one year for online transaction-level detail and two years for task level summaries and above. Additionally, the ALC/FM, in coordination with AFSC/FM and AFMC/FM, decides on what information should be extracted from DDS and retained for the required retention period, which is as long as ten years per National Archives and Records Administration requirements (see **Table 1.1**.).

1.11.5.1. By using data mining tools, the DDS has the capability to retrieve selectively archived data based on user-defined criteria such as date or accounting period. In addition, the DDS "Hist" Database can be used to retrieve older information.

1.11.5.2. DDS provides the capability to retrieve selectively archived data based on user-defined criteria such as date, accounting period, or job order. The DDS administrator has the capability to control the archiving process. DDS also has the capability to establish and maintain user-defined archival criteria, such as date, accounting period, closed items and vendors inactive for a specific time.

1.11.5.3. When DIFMS files are purged, the files remain offline, for an AFMC/FM-defined period, before deletion. Use **Table 1.1**, reproduced from DoD 7000.14-R, Volume 1, Chapter 9, Figure 9-1, as requirements for retention.

Table 1.1. Records Retention.

Assessable Unit(s)	Type of Documentation	Minimum Retention Period
Contract/Vendor Pay/ Interfund/Intragovernmental	Financial transaction records related to procuring goods and services, paying bills, collecting debts, and accounting Retain Key Supporting Documents (KSDs) for the following financial statement line items: Accounts Payable Accounts Receivable Uncollected payments, Federal sources, brought forward Unpaid obligations, brought forward Unobligated balance, brought forward Other liabilities Revenue Gross Cost	Ten years after the final invoice or Intragovernment Payment and Collection or other similar documentation. **Note**: This is an increase over the National Archives and Records Administration six-year minimum retention standards for these record types. To support the beginning balances in the Department's FY 2018 financial audit, documentation from greater than six years prior will be required. Thus, documentation must be retained for 10 years, the life of the longest lived (non-no-year) funding.
Financial Reporting/ Accounting	Records supporting compilation of agency financial statements and related audit, and all records of all other reports. Retain KSDs for the following financial statement line items: Financial Reporting Other Adjustments	Two years after completion of financial statement audit for which the records were initially prepared. **Note**: The remaining categories are consistent with the National Archives and Records Administration minimums. As these documents will not be required to support more than the year under, and subsequent year audit(s), no more than a two-year retention period is necessary.
Property, Plant and Equipment/Inventory/ Operating Materials and Supplies	Records supporting the book value, ownership, and any modifications to assets.

Retain KSDs for the following financial statement line items | Two years after asset is disposed of and/or removed from agency's financial statements. |

Assessable Unit(s)	Type of Documentation	Minimum Retention Period
	and/or Notes to the Financial Statements: General Equipment Real Property Internal Use Software Inventory and Related Property Other Assets	
Civilian Pay/Military Pay	Records documenting payroll and benefit disbursements and liabilities. Retain KSDs for the following financial statement line items and/or Notes to the Financial Statements: Other Liabilities Gross Costs Military Retirement and Other Federal Employment Benefits	Two years after pay period.
Fund Balance with Treasury (FBWT)	Documentation supporting the reporting and reconciliation of FBWT. Retain KSDs for Fund Balance with Treasury	Two years after the month of the Reconciliation or Report is prepared.

1.12. Materiality.

1.12.1. The scope of the financial management workload in depot maintenance is very large and complex requiring judgment be applied on what work to emphasize and how much time to devote. Use materiality as one criterion in making that judgment as well as determining the magnitude of an omission or misstatement of an item in a financial report of a reportable entity.

1.12.2. An item is material if its omission or misstatement makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the inclusion or correction of the item.

1.12.3. Materiality must be calculated against a materiality base. The materiality base must be net of intragovernmental balances on the books of the reportable entity.

1.12.3.1. If the misstatement is in an asset or liability account, the materiality base would be total assets or liabilities in the accounting records at the time materiality is being determined.

1.12.3.2. If the misstatement is in an expense or revenue account, the materiality base would be total expenses or revenues during the period applicable to the materiality determination.

1.12.4. An omission or misstatement is considered material if it is one percent or more of its materiality base. Each ALC should calculate materiality separately based on the records command-wide.

Chapter 2

MANAGE FUNDING

2.1. Introduction.

2.1.1. The acceptance of customer orders is used to replenish the depot maintenance Working Capital Fund (WCF) and permit continuing operations. Customer orders (funded requests for goods or services) provide the budgetary resources necessary to finance operations. Customer orders create a quasi-contractual relationship between a Defense Working Capital Fund (DWCF) activity and its customer, since acceptance of a customer order requires the performing entity to agree in writing to perform the work for the customer entity.

2.1.2. Customers of depot maintenance may be (1) any Department of Defense (DoD) command, organization, office, or other element; (2) non-DoD Federal Government agencies; (3) state and local governments; (4) foreign governments (including Foreign Military Sales (FMS)), and (5) private parties and concerns, as authorized by law. Cash advances are required from all non-Federal customers. Cash advances may be requested from Federal Government activities when directed, or approved, by the Under Secretary of Defense, Comptroller.

2.2. References.

2.2.1. DoD 7000.14-R, *Department of Defense Financial Management Regulation (DoD FMR)*. The DoD FMR may be found at the following website: **https://comptroller.defense.gov/FMR/**.

2.2.1.1. Volume 3, *Budget Execution-Availability and Use of Budgetary Resources*, Chapter 8**,** Standards for Recording and Reviewing Commitments and Obligations.

2.2.1.2. Volume 4, *Accounting Policy*, Chapter 19, Managerial Cost Accounting.

2.2.1.3. Volume 11A, *Reimbursable Operations Policy*, Chapter 2, Project Orders.

2.2.1.4. Volume 11B *Reimbursable Operations Policy - Working Capital Funds (WCF)*, Chapter 1, DWCF General Policies and Requirements and Chapter 13, Cost Accounting Requirements for Depot Maintenance.

2.2.2. Air Force Publications. (Consult the Air Force e-publishing website (**https://www.e-publishing.af.mil**) for current versions of the publications below.)

2.2.2.1. DAFMAN65-605V1, *Budget and Technical Procedures,* **https://static.e-publishing.af.mil/production/1/saf_fm/publication/dafman65-605v1/dafman65-605v1.pdf**.

2.2.2.2. AFMAN 23-230, *Maintaining Air Force DoD Activity Address Codes (DODAAC)*, **https://static.e-publishing.af.mil/production/1/af_a4/publication/afman23-230/afman23-230.pdf**.

2.2.2.3. AFMCMAN 20-102, *Maintenance Planning and Execution System,* **https://static.e-publishing.af.mil/production/1/afmc/publication/afmcman20-102/afmcman20-102.pdf**.

2.2.2.4. AFSCMAN 21-102, *Depot Maintenance Management,* **https://static.e-publishing.af.mil/production/1/af_sustainment_ctr/publication/afscman21-102/afscman21-102.pdf**.

2.2.3. Depot Maintenance Accounting and Production System Integration Engine (DMAPS-IE) Phase II User Manual, **https://cs2.eis.af.mil/sites/22519/DMAPS/SystemApplications_IE_TAA/Integration** Engine (IE) Library/IE System Documentation/IE DOCUMENTATION.

2.2.4. Defense Finance and Accounting Service-Denver (DFAS-DE) 7000.4-I, Accounting for Obligations, 31 August 2013, **https://usaf.dps.mil/sites/FMFC/sitepages/dfas%20guides.aspx**.

2.2.5. Defense Industrial Financial Management System (DIFMS) User Manual, DIFMS Physical Model, and NAVAIR Industrial Material Management System (NIMMS) User Manual. The most current information can be obtained from the Technical Service Organization's website: **https://t6800.csd.disa.mil/DifmsPortal/index.php**   Click on the appropriate tab and then on the current production release.

2.2.6. Air Force Accounting and Finance Office-Accounting (SAF/FMFC), *Processing Miscellaneous Obligation Reimbursement Documents (MORD)*, June 19, 2020, (**https://usaf.dps.mil/sites/FMFC/sitepages/mord.aspx**).

2.3. Funding and System Interface Flow.

2.3.1. Within Depot Maintenance Accounting and Production System (DMAPS), the Funding Initiation Tool (FIT) provides funds control data such as the funding document, the Sponsor Order Number (SPON) and the Customer Order Number (CON) for Consolidated Sustainment Activity Group-Maintenance (CSAG-M) to DIFMS.

2.3.2. When the Air Force Materiel Command (AFMC) Form 181, *Project Order*, is created, submitted and accepted in the Automated Project Order Form System (APO) (J025A), the SPON is generated and FIT creates the CON. The Job Order Production Master System (JOPMS) (G004L) passes the customer's Line of Accounting (LOA) to FIT. FIT then creates the funding stream in its entirety and passes the funding document, SPON, and CON to DIFMS for validation and approval. A Job Order Number (JON) can be opened once the funding document, SPON and CON are accepted.

2.3.3. DIFMS provides a current status of funding across all levels (Funding, SPON, CON, and JON) independently. The major status codes are as follows: 1-Open, 2-Re-opened, and 3-Closed. At the JON level, additional statuses of 6-Canceled or Terminated without Costs and 7-Canceled or Terminated with Cost are available.

2.3.4. There is an automated feed from Consolidated Operational Database (CODB) (Q302)/JOPMS (G004L) to DIFMS to support the opening and closing of direct JONs. (See **paragraph 2.11**., JON Types) DIFMS cannot open a direct JON until the customer funding is in place. **Figure 2.1**., Funding Chain, shows the relationships of the funding document, SPON, CON, and JON in DIFMS.

Figure 2.1. Funding Chain.
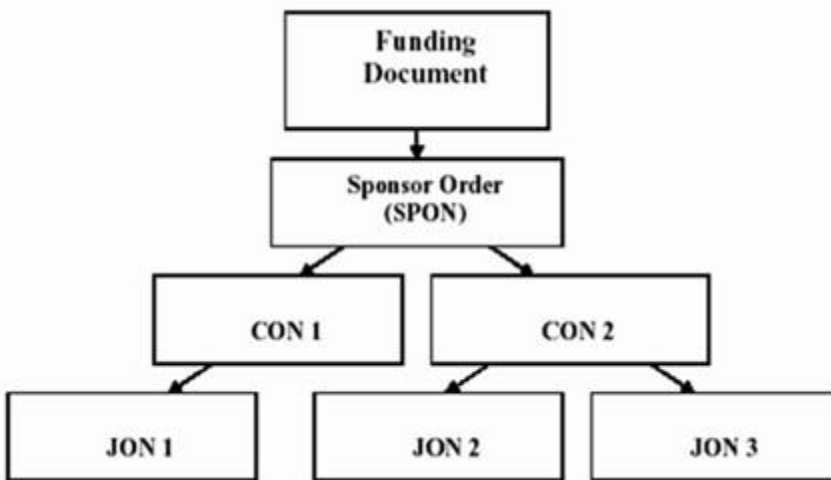
2.3.5. The SPON is created from the Automated Project Order (APO) (J025A) Document Reference Number. It is up to a 15-character alphanumeric field and is formatted according to the Standard Document Number (SDN) format. As shown in **Table 2.1**, the SDN is a 14-character document number comprised of a Responsible Identification code, calendar year, Julian Date, SDN type, SDN Subtype and two-character Sequence Number. For additional SDN and SPON by Paths, see **paragraph 2.6.3**. After SPON creation, APO (J025A) passes the SPON to FIT.

2.3.5.1. The first part of the SDN consists of one of the following three types of Responsible Identification codes.

2.3.5.1.1. Business Partner Number (BPN) is a six-digit alphanumeric DoD code that identifies a unit, activity, or organization for intragovernmental financial identification purposes only.

2.3.5.1.2. A DoD Activity Address Code is a six-digit alphanumeric code used for providing a uniform method for controlling DoD assets and for recording transactions that reflect receipts and disposition of property transferred to an activity.

2.3.5.1.3. A Military Assistance Program Address Code (MAPAC) is a six-position alphanumeric code used to identify the ship-to and mark-for addresses of FMS and Grant Aid shipments and documentation. Air Force MAPACs begin with "D." The MAPACs are maintained by the Defense Automatic Addressing System Center, **https://www.dla.mil/HQ/InformationOperations/DAAS/**.

2.3.5.2. The remaining SDN composition includes last digit of the current calendar year; the three-digit Julian Date; SDN type; SDN Sub type and last two-three digits are numeric sequence.

2.3.5.2.1. Additional SDN Types are considered alphanumeric identifiers usually associated with a specific funding document.

2.3.5.2.2. **Table 2.2** is an example of SDN Types and Funding Documents associated with the SDN Alphanumeric.

Table 2.1. Standard Document Number (SDN) Format.

SDN Composition						
	BPN/DoD Activity Address Code /MAPAC	**Calendar Year**	**Julian Date**	**SDN Type**	**SDN Sub Type**	**Sequence**
Length:	6	1	3	1	1	2
Position:	1-6	7	8-10	11	12	13-14
Type:	Alphanumeric	Numeric	Numeric	Alphanumeric	alphanumeric	Alphanumeric
Example:	*F03000*	*4 (2004)*	*236*	*J*	*J*	*01*
Note: Reference: AFMAN 23-230.*Maintaining Air Force DoD Activity Address Codes (DODAAC)*, https://static.e-publishing.af.mil/production/1/af_a4/publication/afman23-230/afman23-230.pdf.						

Table 2.2. Standard Document Number (SDN) Types and Funding Document Association.

SDN Type	Funding Document
A	Air Force (AF) Form 9, *Request for Purchase*
G	DD Form 448, *Military Interdepartmental Purchase Request (MIPR)*, DD Form 448-2 *MIPR Acceptance*
M	AF Form 406: *Miscellaneous Obligation Reimbursement Document (MORD)*
B	AF Form 36: *Purchase Request*
J	AF Form 185, *Project Order*
JJ	AFMC Form 181, *Project Order* (generated from APO (J025A))

2.3.6. If the workload is FMS or non-Federal customers, Navy or Defense Logistics Agency (DLA), the SPON will be the reference number typed into APO (J025A)'s Document Reference Number from the funding source.

2.3.7. FIT creates the CON by taking the Program Control Number (PCN) in APO (J025A) and adding a sequential 4-digit serial number (e.g., AJEKLY0001). The CON is subordinate to the funding document and SPON and is the parent of one or more JONs.

2.3.8. The direct JON originates in JOPMS (G004L). This JON is matched by FIT to the correct funding document/SPON/CON combination and interfaced to DIFMS. A Direct JON is the AF production JON + "000" (e.g., A1234U11A000).

2.3.9. For the funding chain of SPON, CON, and JON, a one-position numeric element is used to reflect the status in DIFMS. The major status codes used are: 1–Open, 2–Re-opened, and 3–Closed. At the JON level, status code 6–Canceled or Terminated without Costs and status code 7–Canceled or Terminated with Costs are used.

2.3.10. The funding chain is then filtered through FIT to DIFMS via a scheduled near-real time file. Only Capital Investment Program (CIP) funding is entered directly into DIFMS.

2.3.10.1. After validation of funding through FIT, the JON is opened in DIFMS. Once the JON is open in DIFMS, labor may be transacted in Time and Attendance (TAA) and material may be procured via Automated Bill of Material (ABOM) and/or NIMMS. JONs may be restricted in DIFMS after receiving approval from the budget office or other controlling authority. Restrictions limiting types of labor or material charges are done with the use of restriction codes. Business operating costs can be incurred through direct entry in DIFMS.

2.3.10.2. For orders accepted from non-Federal customers, an advance is received, and collected into CSAG-M. A liability record is established in DIFMS to control the advance amount.

Figure 2.2. Funding and Advance Chain for Non-Federal Customers.
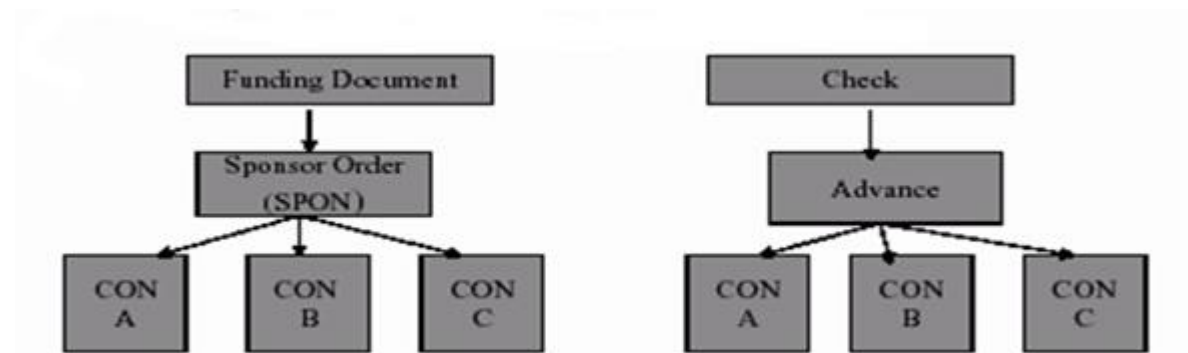
2.3.10.3. The advance collected must be identified to the CONs applicable to the workload being performed and be in whole dollars only. Customer checks received with pennies will be returned. **Note:** This requirement is due to APO (J025A)'s inability to process pennies.

2.3.10.3.1. The association of the advance to the CON requires that the total funding document for the private party be allocated to the CON level. **Note:** The total CON amount does not have to be allocated to the JON level.

2.3.10.3.2. The CON number should be notated on the DD Form 1131, *Cash Collection Voucher*.

2.3.10.3.3. The advance amount on the CON record is reduced by the billed amounts.

2.3.10.4. If the CON has not been established, when the advance collection is made, this amount appears on the DIFMS Report 7310-322 "Weekly Unallocated Details." The unallocated cash error is corrected through normal procedures as outlined in **paragraph 9.7.**, Unallocated Cash Processing.

2.3.10.5. If funding is transferred between CONs, prepare a zero batch in the Cash Module to move the advance to the appropriate CON.

2.3.10.6. If at the end of the work there is funding remaining, a request to Defense Finance and Accounting Service (DFAS) to process a refund to the customer is made.

2.4. End of Fiscal Year Process.

2.4.1. Specific procedural guidance is provided by AFMC and DFAS to all responsible groups, organizations, and individuals in AFMC, AFSC, and Air Logistics Complex (ALC) Points of Contact (POCs) prior to End of Fiscal Year (FY) detailing year-end processes related to customer funding and system interface.

2.4.2. Although this publication does not record the cumulative steps followed for each end of FY activity, there are activities related to end of FY that are detailed below.

2.4.2.1. During end of FY, DIFMS goes through a process to move the entire current year customer funding to a category called prior year funding. This process is completed automatically by system interface between FIT and DIFMS.

2.4.2.2. Therefore, any current year funding in either DIFMS or FIT represents only the current FY dollars. It does not mean that prior year dollars are expired or no longer valid. All prior year funding, no matter how old it is, is categorized as prior year.

2.4.2.3. The End-of-Year rollover of DIFMS must happen at exactly the same time as the FIT EOY rollover or current and prior year balances are misstated.

2.4.2.4. In order to mitigate the lack of an integrated financial system for the WCF and to prevent a CSAG-M shutdown for the first three days of the new Fiscal Year (FY), a $1.00 Project Order (PO) is created and processed using the next FY Project Order Number (PON), PCN, and Funds Classification Reference Number (FCRN). The following steps outline the procedures and processes to create and process the PO.

2.4.2.4.1. Prior to 1 October, the 448th Supply Chain Management Wing Financial Management Directorate (448 SCMW/FM) will process POs in APO (J025A) for $1.00 as Path 1 (local) or Path 2 (off-base) using the next FY PON, PCN and FCRN. In the comment section, enter: "To establish funding stream to facilitate opening of next FY JONs due to lack of integrated systems."

2.4.2.4.2. The POs will flow like the normal process, which will require signatures by the 448 SCMW/FM for Initiate and Approve, Air Base Wing Comptroller Squadron (ABW/CPTS) signatures for Certify and Air Logistics Complex Financial Management Office (ALC/FM) or Air Logistics Complex Business Office (ALC/OB) signatures for acceptance in APO (J025A).

2.4.2.4.3. These funding documents will feed through FIT and allow a funding stream to open in DIFMS.

2.4.2.4.4. Once funding is open in DIFMS, the new FY JONs established in JOPMS (G004L) will attached to the CON.

2.4.2.4.5. After the General Accounting and Finance System-Base Level (GAFS-BL) (BQ) (H069) system is open for new FY business, the CPTS must completely fund the POs before the first DIFMS billing cycle is run for the new FY.

2.5. Project Orders.

2.5.1. A project order (DoD 7000.14-R, Volume 11A, Chapter 2) is the most common basis that depot maintenance has to obtain funding. DoD customers use the PO, other Government activities use the Economy Act unless another authority is available, and other customers use a customer order supported by the law that authorizes the order to be placed. Depot maintenance customers provide an approved funding document specifying the negotiated work to be accomplished and the funding reserved to pay for that work. Examples of funding documents include: AFMC Form 181, *Project Order*, DD Form 448, *Military Interdepartmental Purchase Request (MIPR)*, AF Form 185, *Project Order* or Department of Treasury Fiscal Services (FS) Forms: FS Form 7600A, *United States Government General Terms & Conditions (GT&C)* and FS Form 7600B, *United States Government Order*. Based upon the approved funding document and acceptance, depot maintenance inputs information into APO (J025A) to automate the coordination of one or more AFMC Form 181. This documentation provides financial integrity of the funds ensuring that requested work is not performed without obligation of the customer's funding. Customers must contact the base installation OPR for General Terms & Conditions and obtain status of G-Invoicing implementation.

2.5.1.1. The U.S. Department of Treasury has established a Governmentwide G-Invoicing implementation date for unclassified, reimbursable buy/sell intragovernmental transactions of June 30, 2021. The transition requires the synchronization of various functional activities, forms, processes, and systems. To ensure that the DoD is prepared to support implementation, the following timeline applies for the various increments of G-Invoicing implementation within DoD.

2.5.1.1.1. As of October 1, 2019, Components were required to begin using the FS Form 7600A. The FS Form 7600A covers the broadest categories of goods and services agreed to by both trading partners and, where practical, consolidate requirements to reduce the agreement workload. Until DoD Enterprise Resource Planning systems are capable of processing the FS Form 7600B, DoD trading partners should continue to accept current order forms such as the DD Form 448. Goods or services must be discretely defined for each order.

2.5.1.1.2. DoD Components must have a signed agreement in G-Invoicing before any associated reimbursable work orders (e.g., FS Form 7600B or DD Form 448), are accepted or processed.

2.5.1.1.3. General Terms & Conditions associated with business activity in legacy systems with periods of performance extending beyond June 30, 2021, must be loaded into G-Invoicing by September 30, 2022. Legacy systems are defined in DoD 7000.14-R, Volume 1, Chapter 4.

2.5.1.2. Information from APO (J025A) is interfaced to DIFMS through FIT. This documentation serves as the authority for depot maintenance to induct work and to charge the customer the appropriate sales price or rate per hour. The term "customer" throughout **paragraph 2.5** refers to the activity that issues the PO. Depot maintenance must have a fully funded customer project order prior to inducting any workload. ALC procedures must be established to enforce this policy to avoid inducting any workload before the customer has provided the funded PO. POs are not issued to depot maintenance for any of the following:

2.5.1.2.1. Education, subsistence, printing, laundry, welfare, transportation, travel, or communications when any of these is the primary purpose of the request.

2.5.1.2.2. Any purpose where any of the following buyer-seller relationship is not in existence between the customer and depot maintenance: a formal signed/certified support agreement in place with General Terms & Conditions completed on a FS Form 7600A and an associated United States Government Order Form, FS Form 7600B; or signed/certified Memorandum of Agreement.

2.5.1.2.3. For work done within a Group and funded by that ALC.

2.5.1.2.4. For any purpose that directives/instructions would not permit under commercial contracts.

2.5.2. When accepted by depot maintenance, customer funds on the funding documents are obligated. The customer's obligation is established at the PO level and is based on the funded customer requirements. Funding documents are issued by the customer and accepted by depot maintenance. As depot maintenance incurs costs, billings are submitted to the customer who will reimburse depot maintenance. The depot maintenance activity is responsible for promptly advising the customer concerning changes in the ordered work, such as delivery schedules, planned cost, or work content/quantities.

2.5.2.1. Customer funds placed on POs must serve a bona fide need existing in the fiscal quarter for which issued. The work to be performed under POs is expected to commence during the FY quarter stated in the PON.

2.5.2.2. For Programmed Depot Maintenance (PDM) aircraft only, the opening of a JON for material ordering may occur 30 days prior to the aircraft arrival within the same FY, as long as a valid PO is in place.

2.5.2.3. Customer order funding must cover the sum of all work orders (JONs) under each CON. If, upon receipt of a funding document, the appropriate depot maintenance activity determines the amount of funds stated on the order is either "in excess" or "insufficient" of that required, immediate follow-up action is taken with the customer. If there is no response from the customer in a timely manner, the customer is notified in writing as to the estimated excess or deficit amount.

2.5.2.4. All POs must be prepared by the customer, certified by the appropriate office, and be in the applicable depot maintenance component not sooner than 10 workdays prior to the beginning of the quarter covered by the order and not later than three workdays prior to arrival/induction of planned workload. If justifiable conditions preclude the customer from issuing a basic PO in three workdays to cover all negotiated workload, a Letter of Intent (LOI) must be used. This letter must identify the delinquent PON and PCN and specify an estimate of the total dollars and accounting classifications that are placed on the funded order. To ensure continuity of operations and system acceptance of the work orders, LOIs may be established in the PO validation and FCRN master. *See **paragraph 2.10** addressing "Letters of Intent" or "Commander's Operating Orders."*

2.5.2.5. The final page of each PO must contain the following statement: ***"This order is placed according to the provisions of Title 41 United States Code (USC),* Section 6307, *and DoD* 7000.14*-R."* See DoD 7000.14-R, Volume 11A**, Chapter 2*.*

2.5.2.6. A JON is identified to the PO period using the most recent date of the JON opened or inducted. JOPMS (G004L) assigns the PON to the JON when the induction is reported. During the first quarter of the FY (October through December), Management of Items Subject to Repair (MISTR) inductions may be made and charged to the prior fourth quarter PO when inductions are made to replace non-serviceable turn-in after the close of the FY. In no case are inductions to exceed the Customer Order Quantity established as of 30 September in any FY.

2.5.2.7. POs include appropriations that are subject to closure or cancellation. This means that the appropriation is no longer available for adjustments or payments. Vigilant attention must be exercised by depot maintenance activity to ensure that all workload obligations incurred against the appropriation are completed and billed to the customer prior to the closure date for the appropriation.

2.5.2.8. Each ALC establishes local internal controls to ensure that customer funding received is adequate to cover the negotiated workload, is properly certified when a PO is issued to depot maintenance, and that no work is inducted before the depot receives the funded PO. These operating procedures are established using local operating instructions.

2.5.2.9. Changes to scope of work:

2.5.2.9.1. If the customer requests work to be performed, and this work is in addition to the work originally negotiated, then additional funding must be obtained by the ALC from the customer before the work is performed. If the funds detailed in the LOA are current, amendments to extend the scope of work (approved increases to work packages) or add additional funds are charged to the same LOA and the same document number. If the funds detailed in the LOA are not current (Expired, Canceled), current year funds are required and a completely new document number with a current LOA is created in APO (J025A). For scope increases to temporary workload inducted during a prior FY, process a new AFMC Form 206 in the current FY to provide additional funds and identify it as an addition to the original AFMC Form 206 and JON and what the change of scope is that justifies the new funds. For scope changes to serialized program workload inducted during a prior FY, the costs can still be adjusted as long as the JON is open even after change in FY.

2.5.2.9.2. If during the repair process, additional required work is discovered but was not negotiated, the ALC must obtain approval and funding from the customer before performing the additional work. Amendments for price increases are charged to the same LOA established at the time the initial order was prepared. For scope increases to temporary workload inducted during a prior FY, process a new AFMC Form 206 in the current FY to provide additional funds and identify it as an addition to the original AFMC Form 206 and JON and what the change of scope is that justifies the new funds. For scope changes to serialized program workload inducted during a prior FY, the costs can still be adjusted as long as the JON is open even after change in FY.

2.5.2.9.3. If the scope of work is decreased at the request of the customer, the ALC must reduce customer funding on the PO for the amount of the reduced work less any costs to depot maintenance that are a result of the workload reduction. The funds must be returned to the customer even if the customer's appropriation has expired. For scope decreases to temporary workload inducted during a prior FY, since item sales price and cost are frozen, return customer funds by reducing the Job Order Quantity.

2.5.2.10. POs may contain special provisions and be subsequently modified, amended, or canceled. Customers may be responsible for cost charges due to their cancellation of previously negotiated workload or reduction in quantities. Funds should not be returned to the customer prior to these costs being collected.

2.5.2.10.1. After acceptance of a PO, if the repair activity cannot perform the designated work or deliver the specified material, negotiate an amendment with the customer to portray what the repair activity can perform or deliver. Return the excess funds to the customer through the APO (J025A) process.

2.5.2.10.2. Customers must formally provide an intention/notification to cancel active (open) aircraft, missile, or engine POs or any line item of workload identified. Notification must be received no later than 30 days before the effective date of cancellation. Notice is required so depot maintenance can reschedule other firm workloads and assess the financial impact of returning excess material to supply.

2.5.2.10.3. If the quantity of items is decreased, or if workload is canceled, the funds associated with the reduced quantities or canceled work less any cancellation charges must be returned to the customer even if the customer's appropriation has expired. Funds should not be returned to the customers until billing of canceled JONs has been completed.

2.5.2.11. As part of its responsibility to customers, depot maintenance ensures the proper management of all POs received to include closing and final billing, notifying the customer of any excess or deficient funding, and recommending the reallocation of funds among customer's POs. The PO status reports of the DIFMS, or formal correspondence, may be used for advising customers of funding excesses or deficits.

2.5.2.12. Downward adjustments of previously recorded obligations are referred to as de-obligations. Customer funds must be de-obligated when no longer required for the purpose originally obligated such as canceled work, reduced scope, inability to perform the required work and/or inability to induct due to end of quarter or end of FY restrictions. Customers must also be notified of available de-obligations when the billing is completed.

2.5.2.12.1. The rules for de-obligation follow from the principles required for obligation. See DAFMAN65-605V1, DFAS-DE 7000.4-I, and DoD 7000.14-R, Volume 3, Chapter 8, Standards for Recording and Reviewing Commitments and Obligations.

2.5.2.12.2. Accepted funding is interfaced into DIFMS via FIT every two hours. In addition, DIFMS returns confirmation of acceptance of funding. On days billings are processed with DFAS (usually three times each month), funding acceptance may be delayed until the next workday.

2.5.2.12.3. The 448 SCMW/FM office must have a process to routinely de-obligate funds not required by maintenance as identified on the Financial Initiator Report's Variance column to ensure funds are readily available to support additional workload. These funds should also be reviewed at the beginning of each quarter to ensure proper funding of JONs that are moved to the new quarter.

2.5.3. Within the available financial authority, the customer may initiate amendments to POs which increase the scope (increase in scope require funds current at the time) or value of a workload requirement during the period for which the funds cited on the order are available for obligations. Amendments are processed through the same certifying office and depot maintenance activity channels used for the original order.

2.5.3.1. Amendments for price increases are charged to the same LOA that was current at the time the initial order was prepared. Amendments for extending the scope of work (approved increases to work packages) are charged to the same LOA if the document number is the same as the initial order and the original funds are still active. If a new LOA is used, a new FCRN must also be established. Amendments that decrease funds may be made at any time.

2.5.3.2. Amendments are processed through the same certifying office and depot maintenance activity channels used for processing basic orders.

2.5.4. The numbering of the PO is of interest to both depot maintenance and the customer. The customer issues and amends each order based upon a predetermined sequence. PONs, contained in Block 2 of AFMC Form 181, are five numeric digits in length and are constructed as follows:

Table 2.3. Project Order Number (PON).

Project Order Number				
1st Position	**2nd Position**	**3d Position**	**4th Position**	**5th Position**
0-9	**1-4**	**1-8**	**1-8**	**1-7**
Last Digit of FY (e.g., 2=2022)	Fiscal Quarter	Managing ALC OC-ALC OO-ALC 5. WR-ALC 8. AMARG	Source of Repair (SOR) OC-ALC OO-ALC 5. WR-ALC 8. AMARG	End Item Type of Work (see **Table 2.4**)
Note: Amendments are processed in chronological order for each PO.				

2.5.5. The depot maintenance rates used for pricing and billing of POs depend on the type of work involved (the last position of the PON). (See **Table 2.3**.)

Table 2.4. Use of Rates.

Type of Work	Determination for Pricing	Sales
1 Aircraft	The customer prices out this order using the current FY Sales Rates and Prices for the CSAG-M Division of the Air Force Working Capital Fund (AFWCF), in accordance with approved Aircraft and Missile Requirements depot product standard hours. The organic sales rates and engine pricelist is issued annually by Air Force Sustainment Center Financial Management Office (AFSC/FM).	Use this same rate.
2 Missiles	The customer prices out this order using the current FY Sales Rates and Prices for the CSAG-M Division of the AFWCF, in accordance with approved Aircraft and Missile Requirements depot product standard hours. The organic sales rates and engine pricelist is issued annually by AFSC/FM.	Use this same rate.
3 Engines	The customer prices out this order using the current FY Sales Rates and Prices for the CSAG-M Division of the AFWCF. The organic sales rates and engine pricelist is issued annually by AFSC/FM.	Use this same rate.
4 Management of Items Subject to Repair (MISTR)	The MISTR FY Projected Repair Requirements by Pseudo Code (G019C-CAF-CA-8CM) report may be used to obtain the data for this order. The appropriate depot maintenance activity, provides the appropriate funding activity	Sales against this order are based on JON completion quantities times the End Item Sales Price (EISP) for the stock number.

Type of Work	Determination for Pricing	Sales
	the applicable G019C product for preparation of the PO, and shows Direct Product Standard Hours (DPSH), and dollar requirements by PCN.	
5 Other Major End Item (OMEI)	The customer prices out this order using the current FY Sales Rates and Prices for the CSAG-M of the AFWCF. The organic sales rates and OMEI list is issued annually by AFSC/FM.	Bill the OMEI rate computed according to provisions.
6 Other and 7 Base Tenant	The appropriate depot maintenance activity furnishes a Current Year Repair Group Category (RGC)/PCN Workload Recapitulation (G004C-FAE-PR-8FJ) or Budget Year RGC/PCN Workload Recapitulation (G004C-FAO-PR-8FN) product and DPSH planning rates to the customer to be used in preparation of these orders.	Record sales on either a price per unit or rate per DPSH, depending on the specific work requested. If the request involves the use of a C-prefix control number or serialized end item, sales are at an hourly rate per DPSH. All other sales are at a price per unit basis.

2.5.6. The depot maintenance authority to accomplish any approved work is upon acceptance of a valid PO, upon receipt of a LOI or Commanding Officer's Order.

2.5.7. If an AFMC Form 181, is manually processed (not using APO (J025A), the Funds Manager must ensure the following supporting documentation (along with the hard copy AFMC Form 181) is provided to the depot maintenance activity: (1) funded workload requirements and (2) if applicable, a copy of the external funding document–applies to Project Orders that support any of the following customers: United States Air Force (USAF) customer at other bases/installation (Wright-Patterson AFB, Eglin AFB, etc.); other DoD Military Services (Navy, Army, Marine), or DoD Agencies (DLA, National Aeronautics and Space Administration, Defense Threat Reduction Agency, National Science Foundation, etc.). ALC acts as the "agent" on behalf of these external customers and the external funding document number and external LOA must be referenced on the manual PO.

2.5.7.1. Requirements Documentation for the following Types of Work:

2.5.7.1.1. Type 1 (Aircraft), 2 (Missiles), and 5 (OMEI) Project Orders must include a copy of, or statement of reference to, the dated project directive showing the input and output schedule. The project directive includes a reference to the work specifications. Additionally, for type 1 Orders, man-hours by serial number are attached to, or included on, the PO, per AFMCMAN 20-102, Maintenance Planning and Execution System (D363).

2.5.7.1.2. Type 3 (Engines) Project Orders are only used for programmed engine workload. The PO must include a copy of, or statement of reference to, the dated project directive that identifies the input and output schedule for each Type/Model/Series and Job Designator. A reference to the work specifications is included in the project directive.

2.5.7.1.3. Type 4 (MISTR) POs must include a copy of, or statement of reference to, the MISTR FY Projected Repair Requirement by Pseudo Code (G019C-CAF-CA-8CM), or similar product, indicating the quantity and dollar value of each PCN required for the ensuing fiscal quarter. The similar product could be a manual rollup by PCN from the production management specialist of the negotiated and accepted requirements.

2.5.7.1.4. Types 6 (Other) and 7 (Base Tenant) POs should reference at least one of the following:

2.5.7.1.4.1. Project directive.

2.5.7.1.4.2. Reclamation workload save list must be annotated to indicate the applicable PCN.

2.5.7.1.4.3. AFMC Form 206 and work request number if known.

2.5.7.1.4.4. Historical data.

2.5.7.2. External certified funding documents submitted by customers (including other USAF Installations/Bases, other DoD Military Services, or DoD Agencies) must be maintained. The ALC acts as the agent for the external customer. The external funding document is certified prior to submission to the ALC for workload to be performed by the depot maintenance group. The external funding document number and LOA are simply referenced on the AFMC Form 181 but not certified by the local Comptroller office. Examples of these external funding documents include MIPRs, Inter-Agency Agreements, and AF Form 185s.

2.5.8. Serial number control is mandatory for all depot maintenance workloads input on types "1," "2," and "5" POs. This control is optional for each workload input on types "3," "6," and "7" POs.

2.5.9. All requests for work in depot maintenance are forwarded to the applicable ALC activity for acceptance.

2.5.9.1. Aircraft, Missile, Engine, OMEI (types "1," "2," "3," "5" POs): Workload acceptance or rejection is based on the quantitative input value of these orders. The quantities identified on these orders must be scheduled for input during the specific fiscal quarter, and supersede any scheduled quantities if variances exist. Any changes in negotiated quantities require an amendment to the applicable PO.

2.5.9.2. Exchangeables, Area Support, Base Support, and Local Manufacture (Type "4," "6," and "7" POs): The acceptance or rejection of workloads on these orders depends upon the available dollar value for the PO.

2.5.9.2.1. For base and area support, each appropriate depot maintenance activity forwards applicable maintenance data requirement estimates as required, to prepare types "6" and "7" POs, to the local appropriate funding activity no later than 25 calendar days before the beginning of the time period to be covered by the order. This data must be submitted in writing and must indicate the required information to prepare the PO form.

2.5.9.2.2. Services in support of the Special Weapons Branch, Hill AFB, must be incorporated and charged to the respective local funding activity type "6" PO, unless otherwise categorized.

2.5.10. To enable detailed program control, DMAPS provides the capability to break out hours and dollars at the task level. Management assures that capability is used unless specific reasons are identified precluding collection of information at that level of detail. Although individual PCNs within FCRN may be exceeded on a PO, the total dollars, hours, or quantities for the FY specified in the program document may not be exceeded. If annual funding requirements by PCN exceed program authority, the customer contacts the appropriate funding activity for needed program changes. These program adjustments are the responsibility of the appropriate Complex. The following instructions can be used to complete a manual AFMC Form 181. These instructions should only be used in the event that APO (J025A) is unavailable for an extended period of time.

Table 2.5. Instructions to Complete AFMC Form 181.

Box	Description
---	*The project order signatures must be accomplished in the following order: Paths 1 & 2 Initiator, Approver, Certifier, Acceptor, and Finalizer (DFAS) Path 3: Initiator, Approver, and Acceptor.*
1	Complete only the pages needed. Enter the total number of pages in the blank "of_." Should more than one "Continuation Page: be used, enter the number of the page in the first blank.
2a	Enter the number of the PO. Consists of five numeric characters.
2b	Enter the Control Number. Consists of five numeric characters.
2c	Enter the alpha/numeric sequence number of the PO (basic and amendments). Numbers sequence from basic through "ZZ." Consist of two alphanumeric characters. See Note 2 for guidance on amendments. **Note:** Temporary amendment number is input by the Acceptor to lessen the confusion of multiple initiators entering the same amendment numbers. This number will be APO (J025A) system-generated when PO is inputted into APO (J025A).
2d	Enter the 2-digit Directorate ("FM," "A4," etc.). Consists of two alphanumeric characters.
3	Enter the date of preparation. Consists of 11 alphanumeric characters: dd mmm yyyy; e.g., 20 Jul 2011).
4a	Check the appropriate box: A = Unit; B = Hour.
4b	Enter Path Number (1, 2, or 3). Consists of one numeric character. For guidance, see **paragraph 2.6.3** or the APO (J025A) website: https://usaf.dps.mil/teams/ acqappstore/APO/SitePages/User Manual.aspx.
5	Check the appropriate box to identify the specific PO customer type: A = Defense, Air Force; B = Direct Cite (Private Party); C = Both A and B.

Box	Description
6a	Before accomplishing the electronic signature, complete all other information. Certification statement amount: + or – 12 numeric characters. Signature block for Certifier: Signature (40 alphanumeric); date (autofills). This block must be completed at the customer location before the PO is forwarded to the appropriate depot maintenance activity. Must be completed for Paths 1 and 2. Except for the Document Reference Number, all elements of block 6a are reserved for Certifier input. The Initiator, Approver, and Acceptor comments should be input on page 2. **Note:** Certifier Comments in block 6a has 60 alphanumeric characters.
---	Document Reference Number: Enter the 15 alphanumeric Document Reference Number. See **Table 2.1** for composition of the number.
---	Enter 15 alphanumeric characters for each of the following: Fund Summary Record, Program Summary Record, and Document Summary Record.
6b	Before accomplishing the electronic signature, complete all other information. Final Action and Signature Block for the Finalizer. See 6a for alphanumeric requirements. Must be completed for Paths 1 and 2. Add comments to the footnotes page.
7	Enter the applicable PCN. Consists of six alphanumeric characters.
8	Enter the appropriate Funds Classification Reference Number (FCRN) according to local agreement. Consist of four alphanumeric characters.
8a	Enter the Line of Accounting (LOA). 65.
8b	Enter the Expended Whole Dollar Amount = + or – & 10 numeric characters.
9	Enter the title of the workload (System or type of work, (e.g., Software Test Program Sets; Repair, Manufacturing)). Consists of 15 alphanumeric characters.
10	Enter the quantity to be inducted. Completion of this column is required for types "1," "2," "3," and "5" POs. Amendments always reflect the new quantity. See block 14 for additional criteria. Consists of seven numeric characters.
11	Not Applicable (N/A): Leave blank.
12	Enter the DPSH required for the identified workload. Amendments reflect the new DPSH position. See block 14 for additional criteria. Completion of this column is not required for type 3 POs. Consists of six numeric characters.
13	Enter the depot maintenance rate. Consists of six numeric characters including decimal point (e.g., xxx.xx).
14	Enter the total cost of each line item, rounded off to the nearest dollar. See 14*, 14**, or 14*** for guidance = + or – & 12 numeric characters.
14*	Aircraft/Missile/Other Major End Item (OMEI). Enter the result of multiplying the DPSH shown in Block 12 by the DPSH Mission, Design, Series (MDS) rate shown in block 13, or the total of the fixed prices of each option exercised.
14**	Engines. Enter the fixed price or the result of multiplying the Unit Sales Price in block 13 by the quantity in block 10.
14***	Management of Items Subject to Repair (MISTR) and All Other. Enter the result of multiplying the DPSH rate shown in Block 12 by the DPSH rate shown in block 13, or the negotiated DPSH and dollar value shown on the MISTR Requirements Scheduling and Analysis System (G019C) product.

Box	Description
15a	Before accomplishing the electronic signature, complete all other information. All POs or amendments are signed by the Initiator before issuance. See 6a for alphanumeric requirements. All Paths must have this block signed. Comments should be added to the footnotes page.
15b	Before accomplishing the electronic signature, complete all other information. All POs are signed by an Approver. See 6a for alphanumeric requirements. All Paths must have this block signed. Comments should be added to the footnotes page.
16	Before accomplishing the electronic signature, complete all other information. All POs are accepted or rejected by the depot maintenance PO Acceptor, which much sign in this block. See 6a for alphanumeric requirements. All Paths must have this block signed. Comments should be added to the footnotes page.
17	Net Adjustment. Enter the total amount of dollar variance + or – between this amendment and the basic or prior amendment. + or – & 12 numeric characters.
18	Enter the total of the PO if an amendment is being processed. The last page of each order is annotated to identify the variance (+ or -) of each fund citation. + or – & 12 numeric characters.
Note 1: Individual ALCs will use local procedure to determine when to use the manual project forms when the Automated Project Order (APO (J025A)) is unavailable. The current manual AFMC Form181, is located at the following website https://static.e-publishing.af.mil/production/1/afmc/form/afmc181/afmc181.pdf.	
Note 2: Once the APO (J025A) system is available, all POs created using AFMC Form 181 will have to be re-accomplished in the system. It is important to adhere to the same alphanumeric requirements and not to exceed the number of characters noted in each block. When the PO is input into the system the date becomes permanent and cannot be overridden. The PO Initiator must include in the comments the original date reflected on the manual PO. As signatures are re-accomplished, coordinators should include in the comments the date and name of the person originating the signed manual PO, if different.	
Note 3: Only the affected PCNs need to be reflected on amended POs issued during the quarter. These PCNs indicate the new order of input quantity, DPSH, and dollars at the time of amendment. If any one of these items has changed, then blocks 10, 12, and 14 are completed. An example of this would be a need to change the amount of dollars associated with a PCN for a MISTR order. In this case, the DPSH may not have required a change. Blocks 10, 12, and 14 must always be completed to reflect the new (total) position. "Plus" or "minus" variances may also be indicated, within parentheses, in these columns.	
Note 4: Indicate on a memo basis, the amount of over and above funds included in each PCN for serialized workload.	

2.5.11. Project Order (PO) Balancing Procedures

2.5.11.1. The initial balancing takes place at the end of the fiscal quarter and when the End-of-Month (EOM) position (December, March, June, and September) has been obtained in DIFMS. The process for each type of order is as follows:

2.5.11.1.1. Types 1, 2, 3, 5, 6, and 7 POs. The appropriate funding activity reviews the DIFMS status reports or contacts the applicable depot maintenance activity for an estimate of what is required to complete each order.

2.5.11.1.2. Type 4 POs. The appropriate funding activity reviews the induction dollar value from the DIFMS status reports.

2.5.11.2. The final balancing of the PO is made when all JONs are closed and the billing has occurred. The DIFMS CON status code "3" notification that the PO is in a closure status is passed to APO (J025A). DIFMS is designed to portray a financial management status on every PO accepted by depot maintenance. Information is available to DFAS, the ALC office accepting the PO, and the funding activity office in the ALC initiating the PO. The appropriate offices assure compatibility between the estimated funding requirement and the funded programs. The status documents are used to monitor and track the financial progress of each order and serve as the financial management communication tool among these activities.

2.5.11.3. The Workloader Resource Advisor (RA) reviews the cost and total listed on the AFMC Form 181 in APO (J025A) comparing it to the Estimated Job Total Cost listed on the AFMC Form 206. The Workloader RA and Funds Manager work together to resolve any discrepancies between the PO and AFMC Form 206, prior to the Workloader RA releasing the AFMC Form 206. The AFMC Form 206 will not be released until all funding has been accepted. If it appears a PO/PCN/FCRN is overrun, the appropriate depot maintenance activity requests a PO amendment for additional funds with an explanation of the reason for the increase.

2.5.11.4. The PO Acceptor must assure the identified ordered Customer Order Quantity or Job Order Quantity/FCRN dollar values do not exceed the PO/FCRN dollars. If the Customer Order Quantity/Job Order Quantity/FCRN dollars are greater than the PO/FCRN dollars, the funding activity amends the PO increasing the PCN/FCRN sufficiently to cover the deficit or reduces requirements to available dollars.

Table 2.6. Funding Document Chart (Elements of Expense Identification Code.

Type Work Description		RGC (2nd character of the PCN)	Type of Work (last position of the PON)
Aircraft Air Force Expense Element (AFEE) 541	Aircraft Repair (Fixed Facility) (Note 1)	A	1
	Aircraft Repair (Off-base) (Mod Program)	B	6
	Aircraft Storage/Reclamation	B	6
	Expeditionary Depot Maintenance Flight (formerly Combat Logistics Support Squadron (CLSS))	A	1
	Aircraft Service Workload	B	6
Missiles AFEE 542	Missile Repair (Fixed Facility) (Note 2)	C	2
	Missile Repair (Off-base)	D	6
	Missile Storage/Reclamation	D	6
	Missile Service Work	D	6
Engines AFEE 543	Engine Overhaul (Fixed Facility (Major & Minor))	E	3
	Engine Storage/Reclamation Teardown Deficiency Report	F	6
	All Engine Service Work	F	6
OMEI AFEE 544	OMEI Repair (Fixed Facility) (Note 2)	G	5
	OMEI Repair (Off-base)	H	6
	OMEI Storage/Reclamation	H	6
	All OMEI Service Work	H	6
Exchangeables AFEE 545	MISTR	J	4
	Inertial Guidance Systems	K	5
	Project Directive (Non-MISTR)	K	6
	Other Exchangeables	L	6
	All Exchangeables Service Work	L	6
	Repair Systems Support Items	L	6
Other AFEE 546	Area Support	M	6
	Base Support	N	7
	Quality Audit Programs	N	7
	Demilitarization	N	7
	Local Manufacturing Systems Support Items	P	6
	Local Manufacturing General Support Items	P	7
	Local Manufacturing Systems CIP Items	R	6
	Repair General Support Items	N	7
	All Other Service Work (AFSCMAN 21-102)	S	6

Type Work Description		RGC (2nd character of the PCN)	Type of Work (last position of the PON)
Storage AFEE 548	Storage	1	6
Note 1: The use of serial number control in depot maintenance data systems is mandatory. An hourly sales rate is entered into the CODB (Q302)/JOPMS (G004L) system by the number by the appropriate depot maintenance activity.			
Note 2: If the workload being ordered is controlled by Wholesale and Retail Receiving/Shipping (WARRS) (D035K) and has a short flow time (30 days or less), the work is placed on a type 6 PO in RGC D (if missile) or H (if OMEI). These have a Unit of Measure of Each and an EISP established by the appropriate depot maintenance activity. All other items of workloads are serial number controlled, have a Unit of Measure of Hour, and use the AFMC approved hourly sales rate.			

2.6. Funding Establishment.

2.6.1. In the DMAPS funding process, all customer funding in DIFMS must originate in APO (J025A). DIFMS is the system of record for funding control.

2.6.1.1. No work may be conducted without a funded JON. DMAPS only allows work to be started when proper funding is recorded in DIFMS.

2.6.1.2. If any part of the funding stream is rejected, the rejects may require correction in the originating system (APO (J025A), CODB (Q302)/JOPMS (G004L), or FIT). If the funding has not been established in the originating system, then no work can be performed until funding has been established.

2.6.2. When the customer funding is accepted in APO (J025A), it becomes an obligation to the customer and must be recorded in the customer's accounting system.

2.6.3. APO (J025A) feeds a Document Reference Number to FIT, which becomes the funding document or SPON in DIFMS. APO (J025A) creates the SPON from the APO (J025A) Document Cross-Reference field and passes to FIT. APO (J025A) will use the SDN format to create the SPON, except for Execution and Prioritization of Repairs Support System (EXPRESS) (D087X) funding uses the Stock Record Account Number. All other funding will use the BPN to designate customer. Once DIFMS has accepted the funding stream, information is returned through FIT to APO (J025A) to confirm funding has been established.

2.6.3.1. Path 1: Source of Repair (SOR) is located at the same ALC with Source of Supply (collocated), who is funding the workload. The ALC is responsible for certifying the funds in APO (J025A). ALC/DFAS will obligate the funds in GAFS-BL (BQ). APO (J025A) sets the SPON to BPN + calendar year + Julian Date + PO Designator code (J) + Obligation Subtype code (J) + SDN Sequence Number (e.g., FD20206215JJ99). F3QL050266JJ03, F3YCBD0189JJ01).

2.6.3.2. Path 2: SOR is located at ALC other than the ALC with the Source of Supply (not collocated), who is funding the workload. The ALC is responsible for certifying the funds in APO (J025A). ALC/DFAS will obligate the funds in GAFS-BQ. APO (J025A) sets the SPON to BPN + calendar year + Julian Date + PO Designator code (J) + Obligation Subtype code (J) + SDN Sequence Number (e.g., F3YCAB6215JJ99).

2.6.3.3. Path 3: Any customer who does not have a program office co-located with an ALC will submit certified external funding documents (AF Form 185, MIPR, Inter-Agency Agreement, etc.) to the SOR ALC/OB or ALC/FM for processing. These customers could include (but are not limited to) any of the following: USAF Customers at other bases/installations (e.g., Elgin AFB, Wright-Patterson AFB); other DoD Military Services (Army, Navy, Marines), or DoD Agencies (DLA, National Aeronautics and Space Administration, Defense Threat Reduction Agency, National Science Foundation, etc.). Since the ALC is acting as an agent, the SOR and Source of Supply will be the same. The ALC/OB or ALC/FM will initiate the proper review of the external funding document and, if acceptable, return the acceptance of the external funding document to the customer. The customer (Navy, DLA, WPAFB, etc.) will obligate the funds upon receipt of acceptance document (DD Form 448-2, etc.). The ALC/OB or ALC/FM will initiate a Path 3, AFMC Form 181 in APO (J025A), entering the external funding document into APO (J025A) as well as the description, dollar amount and other relevant detail onto the AFMC Form 181 PO in APO (J025A).)

2.6.4. The Execution and Prioritization of Repair Support System (EXPRESS) (D087X) prioritizes CSAG-Supply (CSAG-S) project order needs based on available funding. APO (J025A) sends the available funding balance daily to EXPRESS. EXPRESS sends a file of prioritized requirements to APO (J025A) on a daily basis, based on the available amount.

2.6.4.1. The CSAG-S approver reviews the PO for any errors and approves. Following the approver stage, the next required steps are certification, acceptance and finalization.

2.6.4.2. The first position of the PCN on the PO for CSAG-S is "U;" the Order Type Code (OTC) is "7" and is recognized as CSAG-S work in FIT and DIFMS.

2.6.4.3. Once the customer order passes DIFMS validation, CSAG-M is able to create new JONs against the order. JONs are created in CODB (Q302)/JOPMS (G004L), and the Permanent JON Master and Temporary JON Master tables are sent to FIT and DIFMS. Once JONs are loaded in DIFMS, CSAG-M can begin recording cost on the JON. As work is completed and cost is incurred, it is recorded in the cost fields on the JON record.

2.7. Funds Classification Reference Number (FCRN) and Line of Accounting (LOA).

2.7.1. A 4-digit numeric or alphanumeric code is assigned for input to the FCRN validation table in CODB (Q302)/JOPMS (G004L), which corresponds to the customers' accounting classification or LOA. Parameters for the establishment of FCRNs must be consistent with local ALC procedures.

2.7.2. FIT receives the customer's LOA placed on the AFMC Form 181 via the CODB (Q302)/JOPMS (G004L). It is input to the CODB (Q302)/JOPMS (G004L) Validation Stack. FIT uses the LOA from the validation stack as the line to place on the funding document. It is imperative this LOA be correct.

2.7.3. If the LOA is modified in CODB (Q302)/JOPMS (G004L), the modification is passed to FIT and APO (J025A). This is not a problem so long as no funding documents have been processed through APO (J025A). If a funding document with an erroneous LOA has already been processed through APO (J025A), corrections will need to be coordinated between the APO (J025A) System Administrators and the appropriate AFSC/FZRD Cost Accounting personnel at the ALC. Additional information regarding the DIFMS process can be obtained through the Technical Service Organization's website: **https://t6800.csd.disa.mil/DifmsPortal/index.php**. Please click on the appropriate tab and then and then on the current production release.

2.8. Funding Issues to Watch.

2.8.1. There is an edit in APO (J025A) to provide for the validation of the Reimbursement (Customer) code (first letter of the PCN) which prevents more than one customer code per FCRN/PON combination. An FCRN can have only one Reimbursement (Customer) code in the same quarter, but there can be many PCNs to an FCRN. As an example, if FCRN "1008" is set up with customer code "U," then any PCN with a different customer code is stopped in APO (J025A) within that same quarter.

2.8.2. Once a document is processed through APO (J025A) and a SPON is created, the user cannot modify the document reference number on the original PON/PCN/FCRN combination. Any change necessary requires coordination between the APO (J025A) System Administrators and the appropriate AFSC/FZRD Cost Accounting personnel at the ALC. Additional information regarding the DIFMS process can be obtained through the Technical Service Organization's website: **https://t6800.csd.disa.mil/DifmsPortal/index.php**. Click on the appropriate tab and then and then on the current production release.

2.8.3. The Funds Initiator needs to check the budget authority balance in GAFS-BL (BQ) prior to initiating an AFMC Form 181.

2.9. Cost Sharing (Multifunded) Process.

2.9.1. The Cost Sharing (Multifunded) Process for work excluding CODB (Q302)/JOPMS (G004L) Work Control Documents (WCD) JONs, also known as "Multifunded" JONs, is used when the total costs of a project are shared among various customers. For example, total project costs are shared based upon the countries that chose to participate in the program and the respective number of the participant's aircraft receiving the upgrade. An example of a situation where cost sharing is appropriate are F-16 software upgrades. Costs for upgrades to F-16 software are shared among the U.S. Air Force and various Foreign Military customers that operate the weapon system.

2.9.2. The Cost Share process requires establishment of a collection JON and multiple benefiting JONs.

2.9.3. The Cost Share collection funding chain is only used for Cost Share collection JON and is not billed.

2.9.4. All costs incurred on the particular project must be collected against a single collection JON.

2.9.5. No costs are collected directly on benefiting JONs. All benefiting JON costs are incurred as cost transfers from collection JONs.

2.9.6. All costs are then transferred from the collection JON to multiple benefiting JONs.

2.9.7. The collection JON may be canceled (DIFMS status "6," "7") after all costs have been transferred. The benefiting JONs may also be closed (and completions taken) after all costs have been transferred.

2.9.8. Additional Cost Share procedural notes: Material ordered against the collection JON may be ordered using the "Not on Bill of Material" process.

2.10. Work Performed in Advance of a Reimbursable Order.

2.10.1. Per DoD 7000.14-R, Volume 11B, Chapter 11, work in advance of a reimbursable order is for "emergency" or "urgent" circumstances. The terms "emergency" or "urgent" does not include cases where customer-driven workload needs to be performed in advance of funding to meet flow days and effectively use available capacity. Emergency or urgent is driven by customer requirements. While there may be some services furnished by a DWCF activity prior to receiving a funded order, this should be a rare occurrence. Whenever this occurs, these services are performed based on anticipated orders or for programs included in approved budget requests. This type of work is for existing customers that have annual recurring requirements. Work for customers may begin in advance of receipt and acceptance of a formal order under these circumstances.

2.10.1.1. Customers may issue "Subject to Availability" orders when operating under a Continuing Resolution. Orders issued under Continuing Resolution Authority must identify the portion of the order that is covered by current Obligation Authority (OA). If OA is not available, work should be stopped until OA becomes available.

2.10.1.2. When necessary to incur limited costs in advance of the receipt of a regular order for an authorized program for which appropriated customer funds are available, such work or services may be undertaken based on a LOI. Per DoD 7000.14-R, LOIs which are an obligation of the ordering activity (i.e., customer) in a stated amount of funding sufficient to cover the advance costs that may be incurred. LOIs are obligating instruments that are contractual in nature, and the LOIs must be funded upon issuance. LOI should have a "subject to availability of funds" clause. LOIs expire within 30 days from the date of issuance. Upon expiration, no additional costs may be incurred since the LOIs should be replaced by receipt of a regular customer order. LOIs may be extended if circumstances justify the extension.

2.10.1.3. When it is necessary to begin work prior to the receipt of an order, a Commanding Officer's Order or similar order may be issued by the Commander of the Complex or an authorized representative (appointed by a Letter of Designation). The Complex must have written assurance from the customer that a reimbursable order will be issued within 15 days of performing the work on the JON. The use of such orders should be limited to situations in which there are bona fide emergencies arising from unforeseen urgent requirements, e.g., loss or damage caused by a disaster, an act of God, or events caused by unforeseen security situations. A Commanding Officer's Order must not be used as a normal procedure to circumvent administrative lead times that should be considered

in advance planning. A Commanding Officer's Order will expire within 30 days from the date of issuance. It must be replaced with a funded order before billing can occur and work can continue. Before the funding process can be completed in APO (J025A), a formal letter is required from the Commanding Officer or designated representative so the document can be certified in APO (J025A).

2.10.2. DMAPS provides the capability to handle work performed in advance of a reimbursable order, through the Commanding Officer's Order process. The CODB (Q302)/JOPMS (G004L) Validation Stack contains two FCRNs ("0000," "0001") that do not contain a legitimate customer's LOA. The LOA on the FCRN "0000"/"0001" states that the requirement is for a Commanding Officer's Order. These FCRNs ("0000"/"0001") are to be utilized ONLY by the CSAG-M to induct workload for Commanding Officer's Orders when no legitimate funding exists. Commanding Officer's funding must be established in APO (J025A). The user establishes the JON in CODB (Q302)/JOPMS (G004L) and work can commence. After the workload is inducted and the legitimate funding stream (PON/PCN/FCRN) is established in APO (J025A), the user transfers the JON to the correct funding stream by changing the FCRN in CODB (Q302)/JOPMS (G004L). This change is interfaced to FIT and to DIFMS. DIFMS transfers the JON to the correct funding document/SPON/CON. The user then can go into APO (J025A) and de-obligate the temporary PON/PCN/FCRN.

2.11. Job Order Number (JON) Type.

2.11.1. The first character of the JON will allow the user to determine what type of JON is being used and tell if it is collecting direct or indirect cost.

Table 2.7. Job Order Number (JON) Types.

JON Types (First Digit of the JON in DIFMS)	Description	Direct/Indirect
A	Temporary Duty	Direct (are established in CODB (Q302)/JOPMS (G004L))
B	Cost Share (Collection JON)	Direct (are established in DIFMS)
C	Temporary JONs used in Facilities and Equipment Maintenance (FEM) System (D130) to indicate direct workload	Direct (are established in CODB (Q302)/JOPMS (G004L))
F	Fixed Assets (Capital Investment)	Direct (are established in DIFMS)
K	Contractual Precision Measurement Equipment Laboratory (PMEL) workload	Direct (are established in DIFMS)
M	Temporary Direct JONs (Local Manufacturing)	Direct (are established in CODB (Q302)/JOPMS (G004L))
X	Cost Class IV (CCIV) Work (Duty code 14 or .14 time. S is the 8th digit)	Indirect
T	Temporary	Direct (are established in CODB (Q302)/JOPMS (G004L))
U	Indirect Unfunded	Indirect

JON Types (First Digit of the JON in DIFMS)	Description	Direct/Indirect
W	General Ledger Account	Indirect
X	Production Overhead (POH)	Indirect
Y	General and Administrative (G&A)	Indirect
Z	Leave	Indirect
Numbered	Permanent or Serialized JONs	Direct

2.11.2. If DIFMS rejects the direct JON, the JON appears as an error in the Job Order Status Tool (JOST). The error will also appear on the DIFMS Report 7310-142 "DIFMS/SOS Errors Funding Interface Error." The user must make corrections and send the direct JON for processing in JOST.

2.11.3. The purpose of DIFMS Indirect JONs is to collect overhead or indirect expenses. Overhead is applied to direct JONs with the use of Overhead Application Rates (OAR). The accumulation of indirect expenses serves a similar purpose as United States Standard General Ledger (USSGL) accounts currently do, for management use and budget history. Expenses gathered in the indirect JONs are passed to DMAPS Data Store (DDS) and subsequently to Cost and Production Performance Module (CPPM).

2.11.4. The AFSC adopted an indirect JON structure to provide consistency across all ALCs for capturing indirect costs. Sites are required to use the official Indirect JONs provided by the AFSC/FM and no variations from this list are approved. The Indirect JON structure consists of 12 positions. For indirect labor JONs, AFSC controls positions 1-7 and positions 8-12 are to be used at the ALC. For indirect material and other cost JONs, AFSC controls positions 1-9 and ALC controls positions 10-12. Each ALC must designate an office to control, establish and maintain Indirect JONs for all indirect costs in a Resource Control Center (RCC), POH cost centers, and General and Administrative (G&A) cost centers.

Table 2.8. Category and Structure of Indirect Job Order Numbers (JONs).

Category	Position	Description
Labor	1=X	Production Overhead
	1=Y	G&A
	2-5=5110/6110 (AF General Ledger Account Code (GLAC)	General Schedule, General Manager, Senior Executive Service
	2-5=5111/6110 (AF GLAC)	Wage Group, Wage Leader, Wage Supervisor (WG, WL, WS)
	2-5=5310/6310	U.S. Military
	6-7	Duty Code
	8-9	Shred Code (ALC Assigned)
	10-11	Cost Center (ALC Assigned)
	10-12	ALC Indirect JON Shred (ALC Assigned)
Material	1=X	Production Overhead
	1=Y	G&A
	2-5	Various signifying code for each JON and quite often tracks to the old Air Force code by the same or similar name
	6-9	U Number; if this field is all zeros, no U number is applicable
	10-11	Cost Center (ALC Assigned)
	10-12	ALC Indirect JON shred (ALC Assigned)
Other	1=X	Production Overhead
	1=Y	G&A
	2-5	Various signifying code for each JON and quite often tracks to the old Air Force code by the same or similar name
	6	Always will be zero
	7-9	DoD Budget Code
	10-11	Cost Center (ALC Assigned)
	10-12	ALC Indirect JON shred (ALC Assigned)

2.11.5. Each ALC must assure that RCCs to the "Cost Center Shop" format is entered correctly. The cost center is also the shop in DIFMS and is referred to the RCC outside of DIFMS (e.g., MBAAB). Shop maintenance is an important function in Job Order/Customer Order. The DIFMS Screen MS158P "Authorized Shops Update," allows the user to input or change the Authorized Shops for Direct or Indirect JON. Setting an authorized shop or range of shops effectively restricts charges from unauthorized shops. All valid shops must be tied to a cost center record. The user may not delete a cost center that is tied to a valid shop.

2.11.6. Maintain documentation for the indirect JONs by using a spreadsheet to track descriptions and establishment/deletion dates. This is very important documentation since indirect JONs documentation is not in DIFMS.

2.11.7. The Cost, Production and Budget Module (CPBM) (H033) system is mapped to the AFSC/FM controlled positions of the indirect JONs and can only be changed with AFSC coordination. If an ALC chooses to create Indirect JONs other than the AFSC/FM approved Indirect JONs, the costs and hours associated with those local use JONs are not captured in CPBM. This would negatively affect the OARs, as well as the distribution of costs to the RCCs via the Cost Transfer Module of CPBM.

2.12. Defense Industrial Financial Management System (DIFMS) Direct and Indirect Job Order Number (JON) Restriction Codes.

2.12.1. The "Restriction Code" is a three-position numeric element on both the direct and indirect JON records in DIFMS. The "Restriction Code" is used to define the types of valid costs that may be charged to the JON. Each position defines the level of restriction.

2.12.2. Position 3 defines valid contractual and business operations cost (i.e., "1" = open to contractual and business operations cost; "2" = contractual cost only; "3" = business operations (other) cost only; and "9" = blocked to contractual and business operations (other) cost).

2.12.3. Both direct and indirect JON "Restriction Codes" default to a value of "111" when the JON is established in DIFMS.

2.12.4. Direct JON "Restriction Codes" may be modified in JOST, using the "Modify Restriction Codes" selection. Changes to "Restriction Codes" should be made prior to CODB (Q302)/JOPMS (G004L) JON closure. Once the JOST update is made and validated, the "Restriction Code" update is passed to DIFMS in the daily JON interface file.

2.12.5. Indirect JON "Restriction Codes" may be modified by using the DIFMS Update Screen MS151P "Indirect Job Order Update."

Table 2.9. Defense Industrial Financial Management System (DIFMS) Restriction Codes.

Labor (1st Position)	Material (2nd position)	Contractual/Other (3d position)
1 = All	1 = IF, GFM, CFM Industrial Fund (IF); Government Furnished Material (GFM); Contractor Furnished Material (CFM)	
1 = All	1 = All	
2 = Civilian	2 = IF only	
Industrial Fund	2 = Contractual (Funded)	
3 = Military	3 = IF and GFM	3 = Other (Funded)
4 = Unfunded	4 = IF and CFM	4 = Other Funded and Other Unfunded
5 = N/A	5 = A5 Receipts (In-house Manufacturing Receipt)	5 = N/A
6 = N/A	6 = CFM only	6 = N/A
7 = N/A	7 = GFM only	7 = N/A
8 = Adjustment	8 = Adjustment)	8 = ADJ (Adjustment)
9 = None	9 = None	9 = None

2.12.6. A Shop Indicator value of "1" indicates that JON is open to all RCCs. A value of "2" indicates the shop is restricted to only specific RCCs. If a value of "2" is set, the user must enter the specific RCCs directly into DIFMS Update Screen MS158P "Authorized Shops Update." For example, POH cannot be charged in a G&A shop.

2.13. Cost Class IV (CCIV) Type Workload.

2.13.1. The nature of CCIV workload (duty code "14" or ".14" time) is work performed by one organization (e.g., shop, cost center, or RCC) for another (S-JONs). This means that the cost once accumulated must be transferred from the "performing" organization to the "benefiting" (owning) organization. This transfer is handled automatically in DIFMS under the normal cost transfer process.

2.13.2. The Maintenance and Control (recording of effort at the task level) of S-JONs (see **Table 2.7**) is in the Facilities and Equipment Maintenance (FEM) System (D130). Work orders are established therein and the individual mechanics record their time against individual tasks on the work orders. The user inputs to both FEM (D130) and TAA.

2.13.3. The X-JONs (see **Table 2.7**) are established first in DIFMS and any necessary financial structuring occur in DIFMS. In addition, X-JONs are considered Production Overhead.

2.13.4. Once an S-JON is established at the group level, the user for each shop "opens" an "S" prefix job in FEM (D130) using the nine-position JON. FEM (D130) transmits data through the DMAPS-IE Conversion Engine (CONEN) to TAA and DDS to allow the mechanic to record time against the JON. Once the Cost Class Type IV Workload (S-JON) reaches the DMAPS-IE CONEN, it is converted from the S-JON (e.g., "S1234") format to the TAA Indirect JON format (e.g., "X511114S1234"). For example, a work order is established in FEM (D130) for S-JON "S1234." The planned hours, performing RCC, and standard hours are sent to TAA and DDS via CONEN in an overnight file. When CONEN reads the S-JON "S1234," it automatically converts it to an X-JON "X511114S1234" and forwards this along with the information mentioned above to TAA and DDS to allow collection of time and effort.

2.13.5. Once the X-JON has been established in TAA and DIFMS, the mechanic is permitted to charge labor and order required material to this JON. All labor is transacted in TAA against the indirect X-JON. Labor is collected at the operation level transaction.

2.13.6. TAA permits transacting when the indirect JON is valid. If TAA cannot get a valid JON, transactions cannot occur. Indirect JONs are first established in DIFMS.

2.13.7. TAA collects time (actual hours) transactions for each operation and then sends the transactions to DIFMS where the related costs are distributed to the benefiting organizations. Once the operation is complete, TAA sends this data to DIFMS and DDS.

2.13.8. FEM (D130) feeds a nightly file to CODB (Q302)/JOPMS (G004L) via the CONEN where the daily and nightly files are combined.

2.13.9. As labor and material costs are incurred against the indirect X-JON, these costs are being recorded in DIFMS as an indirect cost pool that needs to be absorbed by the direct JONs worked that month. It is preferable to transfer the costs from the performing RCC to the owning or benefiting RCC. This transfer requires the creation of a cost transfer table, which the ALCs build and maintain on a monthly basis. The cost transfer table for CCIV is direct to direct shops only. At the end of the FY, ensure budgeted/reorganized shops are reconciled to CCIV JONs and inquiry on dormant CCIV JONS. Since S-JON costs are minimal in comparison to total depot costs (less than 1%), any misapplication of costs is insignificant, given the effort needed to capture these support costs would require extensive effort and cost. However, care should be taken in establishing and configuring the performing cost centers for this type of work. If the amount of S-JON work is a significant percentage of the performing cost center's workload, the prices and costs of the organization's direct workload may be noticeably overstated.

2.14. Foreign Military Sales Job Orders.

2.14.1. In the DIFMS System Information Record, Appropriation code "E" (Other Unfunded Labor) is set at the standard rate per DoD guidance available on the Office of the Under Secretary of Defense, Comptroller (OUSD (C)) website (**https://comptroller.defense.gov/Financial-Management/Reports/**), unless changed by Air Force Material Command Working Capital Funds Division (AFMC/FMR).

2.14.2. The Unfunded Civilian Retirement Rate percentage is changed each FY through entry in the DIFMS Screen MS166P "Acceleration Rates Updates." This is the only surcharge for FMS customers, which covers unfunded civilian retirement, postretirement health benefits, and postretirement life insurance. The ALCs set up jobs based on fixed price (i.e., DoD stabilized rates) plus the surcharge. AFSC/FM guidance may require additional items be billed to FMS customers, such as military labor in Expeditionary Depot Maintenance Flight (EDMX).

2.14.3. Air Force Security Assistance and Cooperation Directorate establishes the reimbursable custom commitment in Security Assistance Management Information System.

2.14.4. ALC Funds Manager establishes the project order in APO (J025A) using Path 1 or 2 when the LOA relates to the ALCs' Operating Agency Code/Operating Budget Account Number (OBAN). APO (J025A) Initiators can type over the document reference number in APO (J025A) using the Security Assistance Management Information System Document Control Number. For other Operating Agency Codes/OBANs, use Path 3 and use the customer's funding document number (MIPR, AFMC Form 185, etc.).

2.14.5. In some instances (like for multi-funded software), the ALCs have multiple Document Control Numbers.

2.14.6. The ALC reviews the PO in APO (J025A) on a daily basis, pulls OA out of the Case Management Computer System, commits and loads OA in the GAFS-BL (BQ), and certifies the PO in APO (J025A).

2.14.7. The ALC funds acceptors accept the PO in APO (J025A).

2.14.8. ALC obligates the PO daily in GAFS-BL (BQ) based on APO (J025A), and then finalizes the PO in APO (J025A).

2.14.9. FIT receives the PO in a feed from APO (J025A) and the LOA from CODB (Q302)/JOPMS (G004L). It feeds the information (i.e., SPON, LOA, and CON) to DIFMS. The FMS order is set up as OTC "1" for the fixed price bill calculation.

2.14.10. The ALC Maintenance Group establishes the JON in CODB (Q302)/JOPMS (G004L). The CONEN feeds the JONs from CODB (Q302)/JOPM (G004L) to DIFMS.

2.14.11. Cost is collected against the JONs in DIFMS.

2.15. Direct Job Order Number (JON) Closure Process.

2.15.1. All funding documents remain in DIFMS and FIT until closed. The closure of completed financial documents is necessary so the system only keeps reporting active funding documents or those closed awaiting the end of FY purge. This keeps the DIFMS database clean. To close the funding document funding stream in DIFMS, first all JONs related to a CON must be closed and final billed. Then all CONs related to a SPON must be final billed and closed. Then all SPONs related to a funding document must be closed.

2.15.1.1. Once the funding document is closed, it is purged from the active database during the end of FY purging. While all funding documents are opened via APO (J025A), all funding documents are closed in DIFMS. The last JON on the funding document must be final billed 60 days prior to the end of the FY for the purge to work properly. The closed status code on the funding document can occur any time after the final billing. Once APO (J025A) receives an indication that DIFMS has closed the funding stream, APO (J025A) will not let the Funds Initiator create any more adjustment POs for that funding stream.

2.15.1.2. After, all the JONs under the CON are closed and final billed; the unused funding must be de-obligated and returned to the customer as soon as possible.

2.15.2. Upon the completion of workload, the scheduler should not take the final completion on a JON in CODB (Q302)/JOPMS (G004L) unless all the tasks in the WCD are finished and all Undelivered Orders (UDOs) have been cleared. JON closures will be fed from CODB (Q302)/JOPMS (G004L) if the status code is greater than "2" through JOST to DIFMS.

2.15.2.1. JONs cannot be re-opened after closure in DIFMS without justification from the ALC/FM.

2.15.2.2. The ALCs must establish JON closeout teams and checklists to review JONs prior to closure to account for all costs, in order to avoid funding, cost, and billing problems, which can occur when a JON is improperly closed. Organizations then sign off on the checklists after ensuring appropriate actions have been taken.

2.15.2.3. The closeout team ensures the following actions are worked and completed prior to JON closure:

2.15.2.3.1. All tasks started have been completed, all backorders have been filled, canceled, or moved to open JONs (no UDOs exist for material, Document-Job-Shop (Doc-Job-Shop), Business Operations Contracts or Travel Temporary Duty (TDY).

2.15.2.3.2. Due-In From Maintenance/Due-Out To Maintenance have been processed correctly in ABOM/NIMMS.

2.15.2.3.3. All labor and material suspense errors have been corrected

2.15.2.3.4. Ensure the End Item Sales Price (EISP) on temporary jobs is correct

2.15.2.3.5. All costs have been properly recorded.

2.16. Job Order Number (JON) to Customer Order Number (CON) Changes.

2.16.1. The reassignment of JONs to new funding chains after JON induction is usually due to mistakes made when the JON was planned in CODB (Q302)/JOPMS (G004L). The responsibility of changing the funding chain (usually the PON/PCN/FCRN) in CODB (Q302)/JOPMS (G004L) falls upon the planner/scheduler/workloader. The CODB (Q302)/JOPMS (G004L) personnel may be unaware that the particular JON has already been billed in DIFMS. Any attempt to reassign a billed JON to a new funding chain leads to a funding interface error on DIFMS Report 7310-142 "DIFMS Funding Interface Errors" Many, but not all, JON updates from CODB (Q302)/JOPMS (G004L) JON Master files to DIFMS data fields result in an error until corrective action is taken.

2.16.2. Prior to a PON/PCN/FCRN change, the CODB (Q302)/JOPMS (G004L) personnel should check the billing status of the JON in DIFMS. If a billed balance exists, a JON error appears on the DIFMS Report 7310-142 when there is a change in the CODB (Q302)/JOPMS (G004L) funding stream. The error code reads as follows: "3551-CON CHANGE NOT ALLOWED WHEN ALL BILLED BALANCES NOT = 0." The DIFMS Report 7310-142 is produced daily, and these errors can be reviewed in JOST. The new CON will be identified on the DIFMS Report 7310-142.

2.16.3. The following steps must be performed to move a billed JON to a new funding chain:

2.16.3.1. JONs cannot be re-opened after closure in DIFMS without justification and approval from the ALC/FM. After coordination and approval, the planner/scheduler/workloader makes funding stream changes in CODB (Q302)/JOPMS (G004L).

2.16.3.2. Cost Accounting reverses the bills on the applicable JON(s) through DIFMS.

2.16.3.3. After verifying that all bills have been reversed, Cost Accounting changes the CON on the JON to new funding chain using DIFMS Screen MS152P "Direct Job Order Update" or reprocess through JOST.

2.17. Funding Chain Closure.

2.17.1. To view records available for closure and processing closures in FIT on an annual basis:

2.17.1.1. Select "Transaction Query & Maintenance Tab."

2.17.1.2. Select "Close Funding" radio button and wait for query to run (could take up to 5 minutes).

2.17.1.3. Select the applicable customer order transaction or sponsor order transaction or funding document transaction.

2.17.1.4. Select the "Execute" button.

2.17.1.5. Records that may be closed will appear in the Graphic User Interface (GUI).

2.17.1.6. To close transactions, mark the desired record(s) via the checkbox(es) on left of screen and select the "Close" button on far right.

2.17.2. If there is an error in FIT GUI when attempting to close the CON, the following step can be used: Validate that no UDO balances exist on the CON using MS053P "Customer Order Inquiry," option "2." UDO balances prevent closure of the funding chain. The UDO balance will need to be resolved before the CON can be closed.

2.17.3. After the funding document final bills, the entire funding chain can be closed through the FIT GUI at the funding document level. Once the funding document is closed, it is purged from the active database during the fiscal year-end purging. The last JON on the funding document must final bill 60 days prior to the end of the FY for the purge to work properly. The closed status code on the funding document can occur any time after the final billing.

2.17.3.1. Prerequisite to Closure: The following criteria must be met prior to the closure of the funding chain:

2.17.3.2. All CONs under the funding document must have "Y" as the final bill code. If JONs under a CON have a "Y" final bill code, but the CON has an "N" final bill code, a billing program failure or data problems exist.

2.17.3.3. All CONs, under the funding document, must have a "Funds Available" balance of zero. If a "Funds Available" balance is present, the Funds Manager should remove this balance using APO (J025A). If the funds available balance contains dollars and cents, the available dollar amount can be removed in APO (J025A), then the cents will be removed by FIT GUI on Rebalance Funding tab and it will feed into DIFMS to de-obligate cents.

2.17.3.4. In some cases, a funding chain may contain a CON with "0" authorized funding and no subordinate JONs. If such a CON exists, and it is known that this CON is not used in DIFMS, it can be deleted in FIT or by using the MS153P "Customer Identification Update" screen in DIFMS prior to closing the funding chain. If a CON is deleted and the funding chain is closed, the CON should never have further amendments processed in APO (J025A). If a CON is deleted, users must assure it will not be used again.

2.18. Miscellaneous Refunds/Miscellaneous Obligation Reimbursement Documents (MORDs).

2.18.1. Miscellaneous refunds are transactions such as the collection of jury fees, overpayment of salaries, health insurance, etc. from employees. However, the frequency and exact amounts of these refunds are not known until the funds are received either by check or in a "by others" cycle. To account for these transactions, an AF Form 406, Miscellaneous Obligation Reimbursement Document (MORD) is established in DIFMS.

2.18.2. "Miscellaneous Refunds" are very different from the collection of an accounts receivable. The collection of an accounts receivable results from the sale of supplies or services and is recorded as a reimbursement to the organic CSAG-M account. A refund is just what it says, it is the "refunding" of money to the organic CSAG-M account due to an overpayment. Refunds are recorded as a negative disbursement. In other words, refunds ultimately reduce the amount of the original disbursement.

2.18.3. Each ALC requests MORDs to estimate the amounts of anticipated refunds to the organic CSAG-M. Each ALC determines the number of MORDs required for miscellaneous refunds to satisfy their business requirements. Forward each MORD to DFAS established "only" in DIFMS with a "6" "Posting Code" and an indirect JON. This establishes a negative obligation in DIFMS for the amount of the MORD.

2.18.4. When a "by other cycle" or check is received for miscellaneous refunds, DFAS processes the transaction with no money attached in GAFS-BL (BQ). This process allows the transaction to pass through the DFAS-IE, and then post to DIFMS where it will be reflected on DIFMS Reports 7310-320 "Unallocated and Unmatched Details" and 7310-322 "Weekly Unallocated Details."

2.18.5. The MORD in DIFMS allows the refund to be posted against the MORD with the indirect JON.

2.18.6. The current MORD guidance is defined in an Air Force Accounting and Finance Office-Accounting (SAF/FMFC) document: "Processing Miscellaneous Obligation Reimbursement Documents (MORD)," June 19, 2020. Guidance is at the following link: **https://usaf.dps.mil/sites/FMFC/sitepages/mord.aspx**. Additional reference information can be found at DoD 7000.14-R, Volume 3, Chapter 8, Paragraph 0810, Personal Services and Benefits.

2.19. Closure Process for Awaiting Parts and Canceled Job Orders.

2.19.1. CONEN sends JON status originated in CODB (Q302)/JOPMS (G004L) (JON Status Code (JSC) 0, 1, 2, or 3) to DIFMS.

2.19.1.1. A CODB (Q302)/JOPMS (G004L) JSC of "0" is open without completions (in DIFMS, JSC remains open as "1").

2.19.1.2. A CODB (Q302)/JOPMS (G004L) JSC of "1" is closed with completions, awaiting trailing costs for 30 days (in DIFMS, JSC remains open as "1").

2.19.1.3. At the end of 30 days, the JSC in CODB (Q302)/JOPMS (G004L) is changed to "2" (financially closed). Once JOST finds there are no open tasks in TAA (all tasks are completed), the JON is closed in JOST and passed to DIFMS closed as JSC "3."

2.19.1.4. A CODB (Q302)/JOPMS (G004L) JSC "3" identifies the JON as canceled, which will become a DIFMS JSC "6" unless it has costs or billing. JONs canceled in JOPMS (G004L) with cost/billing incurred appear as errors in JOST. These errors also show on DIFMS Report 7310-142 (2081, 2831, 3488 error messages). Customers will be billed for actual costs (rounded up to the nearest dollar) up to extended End Item Sale Price (EISP) on canceled workload. In DIFMS, change JSC to "3" and set EISP to actual cost to the nearest dollar.

2.19.2. Awaiting Parts (AWP) and condemnations are a normal part of depot maintenance and supply and are accounted for in rates and therefore not legitimate cancellation costs chargeable to the customer.

2.19.3. The responsible person for the AWP and/or cancelling a JON should check DIFMS Inquiry Screen MS052P Job Order, option 2 for costs prior to cancelling a JON. The AFSC/FZRD Cost Accounting Chief or designated appointee should review action taken on canceled JONs.

Chapter 3

COLLECT/TRACK COST/EXPENSE–LABOR

3.1. Introduction.

3.1.1. The official system of record for processing labor is the Depot Maintenance and Production System (DMAPS). The DMAPS labor environment is shown in **Figure 3.1**. Employees transact labor into the production systems and Time and Attendance System (TAA). TAA sends labor transactions to Defense Industrial Financial Management System (DIFMS) and to the Defense Civilian Payroll System (DCPS).

3.1.2. DCPS provides rates to DIFMS through TAA. DCPS is the payroll processing system for civilian employees and is reconciled to DIFMS.

3.1.3. DIFMS passes data to the DMAPS Data Store (DDS), which is viewable in the Cost and Production Performance Module (CPPM) of the Cost, Production, and Budget Module (CPBM) (H033). The DMAPS Conversion Engine (CONEN) provides a means for data transfer.

3.2. References.

3.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, Volume 11B, *Reimbursable Operations Policy - Working Capital Funds (WCF)*, Chapter 13*, Cost Accounting Requirements for Depot Maintenance*, **https://comptroller.defense.gov/FMR/**.

3.2.2. AFSCMAN 21-102, *Depot Maintenance Management,* **https://static.e-publishing.af.mil/production/1/af_sustainment_ctr/publication/afscman21-102/afscman21-102.pdf**. (Consult Air Force e-publishing website (**https://www.e-publishing.af.mil**) for current version of the publication.)

3.2.3. DIFMS User Manual, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

3.2.4. DIFMS Physical Model 02, Labor, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

3.2.5. Office of Personnel Management Website: **www.opm.gov**.

3.2.6. CPBM (H033) Manual, **https://cs2.eis.af.mil/sites/22519/DMAPS/SystemApplications_IE_TAA/Integration** Engine (IE) Library/IE System Documentation/IE DOCUMENTATION.

3.3. Labor Systems.

3.3.1. TAA is a production-oriented, operational information system whose purpose is to provide a standard, automated means of collecting and reporting labor data. TAA input data is received directly from user input, existing production systems, DCPS, and DIFMS. Collected labor data is reported through interfaces with DIFMS, DDS, and DCPS. Data is also fed back to some of the production systems. Data feeds to TAA are described in the following paragraphs and shown in **Figure 3.1**.

3.3.1.1. The Depot Maintenance Consolidated Operational Database (CODB) (Q302) /Programmed Depot Maintenance Scheduling System (PDMSS) (G097) is used for management of serialized repair items applicable to the Aircraft and Missile Groups. PDMSS is used to construct an operational level network showing all tasks and their relationships to other tasks required to complete the depot modification and/or depot repair of an aircraft or missile. When operations are approved/qualified in CODB (Q302)/PDMSS (G097) and properly funded, operations are passed to TAA and become available for labor transactions. This same data is also passed to the DDS to collect and maintain historical data at the operational level.

3.3.1.2. The CODB (Q302) /Inventory Tracking System (ITS) (G337) is used for management of depot programmed exchangeable items and routed consumable repair items. When assets are properly funded, inducted, and Work Control Documents (WCD) are available, tasks/operations/sub-operations/track points are passed to TAA and become available for labor transactions. This same data is passed to DDS to collect and maintain historical data at the task/operation/sub-operation/track point level.

Figure 3.1. Depot Maintenance Accounting and Production System (DMAPS) Labor Environment.
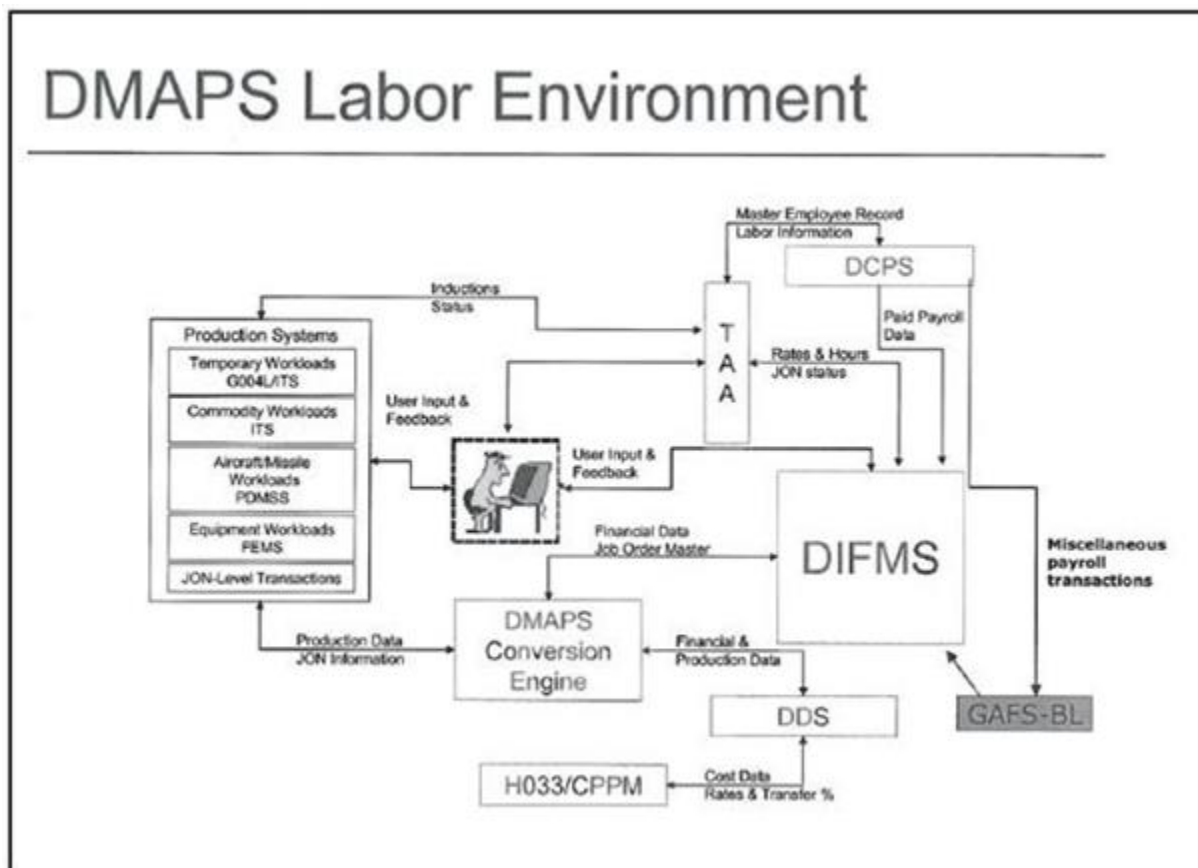
3.3.1.3. The Facilities and Equipment Maintenance (FEM) System (D130) is used for management of facilities and equipment maintenance for all services. Precision Measurement Equipment Laboratory (PMEL) workload is managed through FEM and linked to direct "C" Job Order Numbers (JON) (see **Table 2.7**) and indirect Cost Class IV S-JONs for the maintenance of Resource Control Center (RCC) equipment. Some Plant Management workloads are linked to T-JONs and transacted against using the TAA JON Labor screen not the FEM (D130) PMEL Labor screen.

3.3.1.4. The CODB (Q302)/Job Order Production Master System (JOPMS) (G004L) is used for the management of temporary workloads. Workloads such as occasional overhaul or repair, level of effort, inspections, testing, manufacturing, and Temporary Duty (TDY) are typical temporary workloads planned only in CODB (Q302)/JOPMS (G004L). These workloads create WCDs in CODB (Q302)/ITS (G337) and in CODB (Q302)/PDMSS (G097).

    3.3.1.4.1. This information is also passed to TAA and DMAPS DDS. These workloads can also be transacted against the track point or operation numbers in TAA, along with JON level transactions. The JON is initiated in a valid number sequence in CODB (Q302)/JOPMS (G004L), passed to the CONEN, then to DIFMS for funding validation and then returned to CODB (Q302)/JOPMS (G004L). The valid JON is the only information fed to TAA from DIFMS; therefore, only JON level transacting can be input in TAA.

    3.3.1.4.2. Earned hours for temporary JONs are accumulated by either JON level transactions or the accumulation of actual hours by task (track points/operations) to the CODB (Q302)/JOPMS (G004L) labor plan and rolled up to the RCC. Then after the JON reaches a CODB (Q302)/JOPMS (G004L) status code of 2, any remaining planned hours are automatically earned by that planned RCC.

3.3.2. DIFMS provides valid indirect JONs and RCCs to TAA and validates funding on new production JONs. When production JONs for CODB (Q302)/PDMSS (G097), CODB (Q302)/ITS (G337), CODB (Q302)/JOPMS (G004L), and FEM (D130) are validated in DIFMS, the JONs are sent to TAA for labor transacting.

3.3.3. Department of Defense (DoD) civilian employees are paid by the DCPS. After TAA has submitted payroll data to DCPS biweekly, DCPS computes pay and leave balances and sends updated leave balances (MER31-P6722D01) to TAA. DCPS sends grade, series, and rate of pay information to TAA weekly (MER21-P6631D01). This data is processed in TAA updating each civilian employee's Master Employee Record (MER) Maintenance table with grade, series, and rate of pay information and leave balances. When DCPS sends employee data changes to TAA, only the MER table is updated. DCPS also provides a biweekly gross pay file to DIFMS for labor reconciliation (P3306D04 is sent as the MS236D30 (formerly the MS236D11)).

3.3.4. DMAPS DDS provides a persistent data store for historical data elements (including labor), which are either not held by the DMAPS suite of systems or not held on a long-term basis. DDS provides a relational database repository allowing a variety of functional end users to inquire and retrieve production information. The system is part of DMAPS Integration Engine (DMAPS-IE).

3.3.5. DMAPS CONEN facilitates the movement and translation of data between the DMAPS suite of systems and other Air Force Materiel Command (AFMC) and Air Force (AF) legacy systems. The system is part of the DMAPS-IE.

3.3.6. DMAPS CPBM (H033) is a management information system that provides financial and production information as well as essential performance indicators to each Air Force Sustainment Center (AFSC) manager. CPBM supports these managers by providing online, day-to-day reports showing the visibility of their operating costs and production performance. This allows managers to compare actual results with the financial budget and production targets.

3.3.7. During each daily TAA batch processing cycle, labor transactions are accumulated in the ZH140D02 file for DIFMS. Records from the ZH140D02 file that fail DIFMS validation are shown as unallocated labor in Part I of the DIFMS Report 7310-541 "Outstanding Unallocated Labor." During each DIFMS batch processing cycle, valid direct labor transactions (computed as actual direct hours and dollars) are fed to DDS on the MS234D10 file and valid indirect labor transactions are passed to DDS on the MS234D09 file. Adjustment records are passed in separate files based on the type of adjustment and via DIFMS Program MS276P (Process Wage Rate for TAA). DDS processes labor records to the H033_dir_lab and the H033_indir_labor warehouse tables. CPBM (H033) extracts labor data from the DDS daily via an Oracle ®-to-Oracle ® connection.

3.3.7.1. After each pay period is completed, TAA compiles a payroll file (ZE332D01) to send to DCPS for civilian pay. Defense Finance and Accounting Service-Indianapolis determines the timeframe when each file must be received in DCPS to ensure payroll is computed and paid out timely. Whenever there is a holiday in the same week as a payday, DFAS requires organizations to send payroll files early. DCPS processing starts with an initial payroll run to identify missing time. The missing time report is sent to Payroll Clerks and Timekeepers to correct the missing time errors. Afterwards, a final payroll is processed in DCPS. DIFMS receives the payroll data on a biweekly basis from DCPS (file ZH440D02) and initiates the labor reconciliation process via batch program MS236P "Process Labor and Payroll Reconciliation." This program adjusts General Ledger Accounts (GLA) for the differences between the labor currently recorded in DIFMS and details of the actual payroll disbursed via DCPS.

3.3.7.2. Adjustments are accomplished via posting a labor adjustment voucher. The details can be seen on the DIFMS Report 7310-558 "Labor Distribution Summary by Expense Account (Reconciliation)." If the adjustment details are not known for the difference between DIFMS labor and DCPS payroll, DIFMS posts the unreconciled amounts to the General Ledger Account Code (GLAC) 199000A "Other Assets-Unallocated Labor Expenditures." The offset account is dependent upon the nature of the individual biweekly payroll (e.g., 6100-Expenses, 2210-Sick Leave, 4610-Allotments-Realized Resources, 4901-Expenditures Authorized-Unpaid Public, 6600-Applied Overhead, etc.). The DIFMS Report 7310-541 "Unreconciled/Unallocated Labor Report" reflects the balance posted to the 199000A GLAC.

3.3.7.3. At the end of each pay period, labor adjustments (e.g., missing time, unreconciled time, etc.) in TAA are sent to DIFMS in the ZH440D02 file as part of payroll processing. Unreconciled time in TAA passes as incomplete data and is held as unreconciled labor in Part II of the DIFMS Report 7310-541 "7G0EROR." "7G0EROR" records are written to the ZE305D02 file for Robins and Tinker and sent to DIFMS; Ogden and Kadena "7G0EROR" records are written to the ZE352D07 file and also sent to DIFMS.

3.3.8. As employees transact against CODB (Q302)/ITS (G337), CODB (Q302)/PDMSS (G097), and FEM (D130) operations, the various start, logon, delay, logoff, and complete status are captured and then sent to DDS in the DDS-Stat file during each TAA batch processing cycle.

3.3.9. As DIFMS and DDS receive files from their feeder systems, all records are validated by the systems. Those not meeting validation criteria are rejected by the systems. Rejected records by the systems must be reviewed and corrected via reprocessed data files by the system OPRs. **Figure 3.2** shows the labor rejected record tables for DIFMS, DDS, and CPBM (H033).

3.3.9.1. TAA sends eligibility data to DIFMS via the ZE860D01 file when situations occur that require new eligibility rules or revision to current rules (e.g., DCPS adds new type hour codes). **Note:** DCPS is the source of the Eligibility table.

3.3.9.2. TAA Bulk Processing transactions are processed as any other labor transaction and sent to DIFMS via the ZH140D02 file.

Figure 3.2. Labor Data Flow.
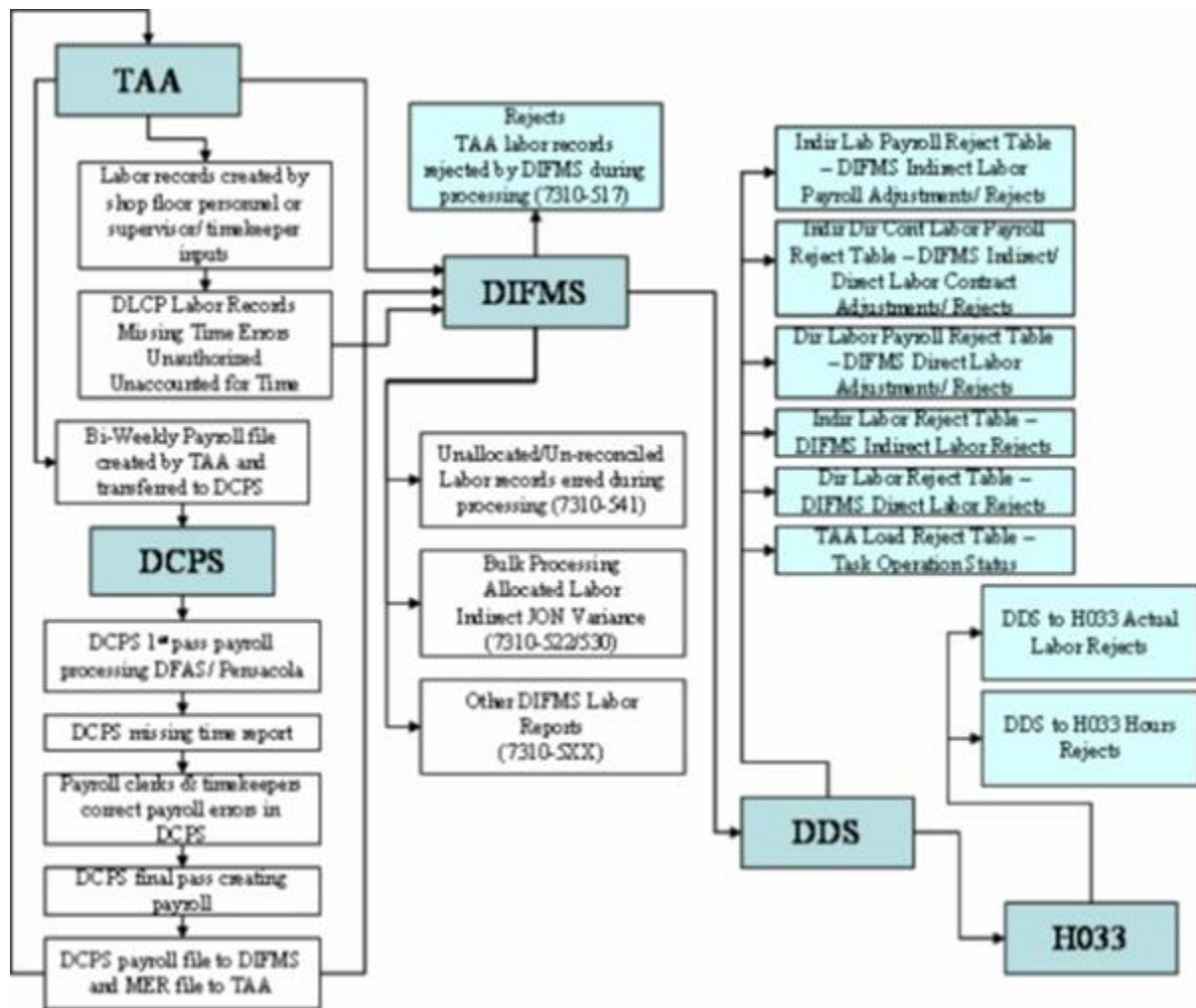
3.4. Labor Categories, Leave Categories, and Indirect Job Order Numbers (JONs).

3.4.1. New employees, as well as those transitioning employees changing to/from a different Employee Type code must be added into TAA within the current pay period to avoid improper allocation of costs. It is imperative that accurate and timely accounting of employee labor expenses be included in DIFMS. To accomplish this, the type of position in which an employee is hired and entered in TAA must be accurate and timely. The procedures for determining employee types are identified in the following paragraphs. **Table 3.1** is a list of the employee type codes in TAA.

Table 3.1. Time and Attendance Employee Type Hour Codes.

Code	Employee Type
0	Funded Officer
1	Per Annum (General Schedule/Senior Executive Service, Civilian Acquisition Workforce Personnel Demonstration Project)
2	Unfunded Military Officer (Expeditionary Depot Maintenance Flight (EDMX))
3	Per Diem Wage Grade/Wage Leader/Wage Supervisor
4	Part-time Per Diem (Wage Grade/Wage Leader/Wage Supervisor)
5	Unfunded Military Enlisted (EDMX)
6	Part-time Per Annum (General Schedule/Senior Executive Service)
7	Free Labor
8	Non-Air Logistics Complex (ALC) Depot On-Site Contractor Augmentee Team (DOCAT) and Overhead Other
9	Funded Enlisted

3.4.2. Supervisors and timekeepers have the responsibility of contacting the TAA functional Office of Primary Responsibility (OPR) to have an employee number created for their new employees. Adding new employees in TAA, as well as any other personnel changes, must be made in TAA within the current pay period. Any backdated transactions and/or schedule updates must occur within the current pay period process through the daily batch processing prior to adding any labor records through Daily Labor Correction Process (DLCP) for the new employee. After the batch processing has occurred, the responsible supervisor or timekeeper adds labor records through DLCP for each workday of the pay period that has passed. Any payroll/personnel adjustment transactions outside of the current pay period will error in DIFMS and require adjustment of funds (Standard Form (SF)1081, *Voucher and Schedule of Withdrawals and Credits*). DIFMS Report 7310-525 Part 3 lists the outstanding unallocated/unreconciled labor cost data. See **paragraph 3.11**., Correcting Labor Errors, for details.

3.4.3. Funded civilian employees are designated by employee type codes 1, 3, 4, and 6. TAA civilian labor hours worked in a cost center are to be recorded on a JON, as either a direct cost or indirect cost.

3.4.3.1. Direct hours are to be recorded at the task level (e.g., operation or track point). DIFMS uses the current payroll rate and an acceleration factor for personnel benefits to price the labor hours. There are several categories of funded civilian employees as reflected in **Table 3.1**. The majority of employees in TAA are in and funded by Consolidated Sustainment Activity Group-Maintenance (CSAG-M), and these employees are typically General Schedule, DoD Civilian Acquisition Workforce Personnel Demonstration Project, or Federal Wage System positions.

3.4.3.2. CSAG-M funded employees have a Program Element code of 78211A in Block 36 of the SF 50, *Notification of Personnel Action*. Employees with this Program Element code must be added to TAA. All CSAG-M funded employees, both civilian and military, must be added to TAA using the "TAA Employee Type Code" field to identify the type of employee.

3.4.4. Non-ALC-Funded Labor

3.4.4.1. Non-CSAG-M Funded Supervisors and Timekeepers have occasion to access TAA to manage CSAG-M-funded employee records under their supervision or timekeeping control. Establish a TAA Employee Master Record for these employees using an Employee Type code "7" and a Payroll Prefix of "000" to ensure no labor is passed to DIFMS. Use a "P" in the work schedule designating these employees as a part-time employee to allow their schedule to be zeroed out in the "Employee Schedule" screen. **Note:** Non-funded Government employees, such as Palace Acquire employees, must not be input into TAA. These employees are maintained only within DCPS.

3.4.4.2. Depot On-Site Contractor Augmentee Team (DOCAT) employees perform direct labor work such as shop floor production tasks. Add DOCAT employees to TAA using TAA Employee Type code "8," with a Payroll Prefix of "111" in their Employee Master Record. The contract line-item rate is used as their hourly wage rate in the MER Maintenance table.

3.4.4.3. Review DIFMS Reports 7310-525 "Labor Detail Transaction Report" and 7310-694 (Part II) "Contractor Labor Transfers" to determine (DOCAT transactions that did not process. The DIFMS labor module calculates, posts, and stores contractual labor costs. The labor posting for contractual labor is to memorandum accounts based upon the Employee Type Code. DIFMS calculates and posts labor charges in the statistical accounts (other direct cost) using information entered into the MS724 "Contract Labor Transfer Table Update" screen by AFSC/FZRD Cost Accounting. Hourly labor rates for contractor labor are provided to Cost Accounting by Budget. DIFMS transfers the hour and labor costs to the direct JONs worked by using the DIFMS MS694P "Contractual Labor Cost Transfer" screen. The DIFMS Report 7310-694 "Contract Labor Transfers" shows the details of the DOCAT labor cost transferred.

3.4.5. Record all military hours worked as either a direct cost on a job order or as an indirect cost of a cost center. DIFMS charges military labor hours to the job order based on the military labor rate on the **https://comptroller.defense.gov/Financial-Management/Reports/** website. There are two categories of military employees, (1) military employees working in CSAG-M funded positions or (2) military employees completing work for CSAG-M but not employed in CSAG-M-funded positions. Within these categories, there is a distinction between officers and enlisted employees.

3.4.5.1. Categorize funded military as funded officers or funded enlisted. Add funded officers to TAA using Employee Type code "0" in their MER. Add funded enlisted to TAA using Employee Type code "9" in their MER.

3.4.5.1.1. AFSC organic depot maintenance receives the annual military assessment letter from AFSC/FZB. Based on the assessment amount, prepare a Military Interdepartmental Purchase Request (MIPR) for the amount, with JON and Shop designated, and a Cost code with position 1 and 2 equal to "ST." The "ST" cost codes are accrued based on the obligation and period of performance on the MIPR. The accruals are recorded as a straight-line series of amounts to represent an even allocation of goods or services being received over a period of time.

3.4.5.1.2. The 7X[th] CPTS inputs the commitment into DIFMS via the DIFMS Screen MS112P "Asset/Liability Update" and inputs the commitment to General Accounting and Finance System/Base Level (GAFS-BL) (BQ) (H069). For the purposes of establishing a commitment, DIFMS Update Screen MS112P allows the users to add, inquire, and change the commitment or contingent liability. All commitments for Military Labor Accrual are established as "Posting Code" "8."

3.4.5.1.3. GAFS-BL (BQ) feeds the obligation to DIFMS via the DFAS-Integration Engine (DFAS-IE). This is an outgoing funding document. When the obligation is received from the DFAS-IE, the 7X[th] CPTS, in coordination with AFSC/FZRD, adjusts the record via DIFMS Screen MS112P and verifies the "Posting Code" as "8" to ensure the amount is properly accrued.

3.4.5.2. Categorize non-funded military as unfunded military officers or enlisted. Add military officers to TAA using Employee Type Code "2" in their MER. Add military enlisted to TAA using Employee Type Code "5" in their MER.

3.4.5.3. TAA requires that all hours of a Non-Funded Expeditionary Depot Maintenance Flight (EDMX) Military employee's tour of duty work schedule be recorded. There are periods of time during their TAA tour of duty that EDMX military members are not working for the CSAG-M. Assign EDMX military squadron duties to the X53104200000 JON as their standing JON in TAA. When performing work for a CSAG-M organization, charge employees' time to a direct JON. Determine when EDMX costs should be charged to the customer, such as FMS.

3.4.5.4. Leave for military employees should be input on the TAA JON Labor screen using the indirect JONs in **Table 3.2**.

Table 3.2. Indirect Job Order Numbers (JONs) for Military Employee Leave.

Indirect JON	Production Overhead (POH)	General and Administrative (G&A)
Holiday	X53103500000	Y63103500000
Sick Leave	X53103600000	Y63103600000
Annual Leave	X53103700000	Y63103700000

3.4.6. Indirect labor is labor at an RCC level not meeting the criteria for direct labor.

3.4.6.1. Production overhead (POH) is tracked on X-JONs, while General and Administrative (G&A) overhead is tracked on Y-JONs. Positions 6 and 7 of the indirect labor JONs contain the duty codes as defined below.

Table 3.3. Duty Codes for Indirect Labor Job Order Numbers (JONs).

Duty Code	Description
21	Supervision
22	Clerical and Administrative
23	Staff Mission
24	Repair of Own RCCs Equipment
25	Standby
26	Miscellaneous
27	Training: Classroom training time; initial period of on-the-job learning through observation (Charge the time of RCC personnel providing On-the-Job Training to this duty code within the RCC in which the instruction is being given
28	HQ Directed Training: Account for time spent in HQ Mandated training (This code was built at the direction of HQ)
29	Union Activity

3.4.6.2. Leave (Duty code 30 series). Leave JONs use the "Z" prefix and are associated to a cost element code in DIFMS and type hour code in DCPS and are transacted in TAA using the leave type hour code. **Table 3.4** shows the relationship among the duty code, type hour, and shred codes.

Table 3.4. Leave Categories.

Leave Categories: Use positions 6-7 for the duty code and positions 8-9 for the shred code, when applicable	Duty Code	Type Hour Code	Shred Code	JON
Annual Leave Taken (United States Standard General Ledger (USSGL) 221042A5)				
Civilian Annual Leave	31	LA	00	Z61613100000
Civilian Forced Annual	31	LF	00	Z61613100000
Civilian Advanced Annual Leave	31	LB	21	Z61613121000
Civilian Annual Restored #1 Leave Defined as annual leave earned in the previous year to be used in the current leave year	31	LR	22	Z61613122000
Civilian Annual Restored #2 Leave Defined as annual leave earned in the previous year to be used in two leave years (current year plus one)	31	LQ	23	Z61613123000
Civilian Annual Restored #3 Defined as annual leave earned in the previous year to be used in three leave years (current year plus two)	31	LP	24	Z61613124000
Sick Leave Taken (USSGL 221042A6)				
Civilian Sick Leave	32	LS	00	Z61623200000
Civilian Advanced Sick Leave	32	LG	21	Z61623221000
Note: Use of family friendly leave is not tracked using a shred code with the duty code. The codes for Family Medical (referred to as FMLA) or Family Friendly Leave (referred to as FFLA) are input in the Family/Rep/Env code field in the TAA Leave screen or the Environmental Hazard/Other field in the DLCP Adjust Labor screen.				
Civilian Administrative Other Paid Leave (USSGL 221042A7)				
Administrative Leave	33	LN	09	Z61633309000
Court Leave	33	LC	47	Z61633347000
Home Leave	33	LK	26	Z61633326000
Holiday Leave	33	LH	44	Z61633344000
Military Leave (for civilians)	33	LM	45	Z61633345000
BRAC Restored	33	LO	25	Z61633325000
Traumatic Injury (This is transacted as leave in TAA, but as Production Overhead in DIFMS.)	33	LT	48	X51813348000
Day of Traumatic Injury (establishes the injury)	33	LU	11	Z61633311000
Excused Absence	33	LV	96	Z61633396000
Day of Death	33	LX	97(PD)	Z61633397000
Fitness Leave	33	LX	10(PF)	Z61633310000
Time Off Leave Award	33	LY	98	Z61633398000
Military (DC Guard)	33	LI	45	Z61633345000
Law Enforcement Leave	33	LL	60	Z61633360000
Religious Time Taken	34	CA	00	Z61633400000
Compensatory Leave Taken	38	CT	00	Z61633800000
Civilian Compensatory Leave Taken (in conjunction with travel)	38	CF	01	Z61633801000

Leave Categories: Use positions 6-7 for the duty code and positions 8-9 for the shred code, when applicable	Duty Code	Type Hour Code	Shred Code	JON
Credit Hours Taken	30	CN	00	Z61603000000
Civilian Leave Without Pay (USSGL 221042A7)				
Leave Without Pay (computes zero dollars–no posting)	39	KA	76	Z61633976000
Suspension	39	KB	79	Z61633979000
Office of Worker Compensation Program	39	KD	80	Z61633980000
Furlough	39	KE	50	Z61633950000
Absent Without Leave (AWOL)	39	KC	78	Z61633978000
Military Furlough (Active Duty)	39	KG	77	Z61633977000
Non-Duty Within Regular Schedule	39	KF	76	Z61633976000

3.4.7. Other Indirect Labor JONs.

3.4.7.1. Military and contractor (DOCAT) employees should use indirect JONs when not performing direct labor work for organic depot maintenance. The indirect JONs for DOCAT labor contains "X5111" in positions 1-5. The duty code in positions 6-7 vary depending on the breakout of charges. The indirect JONs for military labor contain "X5310" or "Y6310" in positions 1-5. The duty code in positions 6-7 vary depending on the breakout of charges.

3.4.7.2. When not at work for any circumstance such as vacation or illness, DOCAT employees use "Leave Without Pay" (KA) Z61633976000. The "KA" type hour code should also be used when contractors are participating in **contractor-directed training** defined as training required and paid for by the contractor for their employees.

3.5. Time and Attendance System (TAA) Processing.

3.5.1. DoD 7000.14-R, Volume 11B, Chapter 13, (**http://comptroller.defense.gov/fmr/**) requires that all civilian labor hours worked in a cost center are recorded on a job order as either a direct or indirect cost. For organic depot maintenance, this is accomplished through TAA.

3.5.2. AFSCMAN 21-102, *Depot Maintenance Management*, provides policy and procedures for TAA-related labor processing. **https://static.e-publishing.af.mil/production/1/af_sustainment_ctr/publication/afscman21-102/afscman21-102.pdf**

3.6. Military Labor Processing.

3.6.1. DIFMS Program MS234P "Process Current Cycle Labor Data" distributes the military labor hours reported by TAA. The funded military section of the DIFMS Report 7310-565 "Labor Distribution Summary by Expense Account" shows the direct and indirect military labor costs. This report shows an expense update to United States Standard General Ledger (USSGL) Account 610000Dx (1, 2, 3, 4) and a liability to USSGL account 221041A1 for the amount of military labor worked.

3.6.2. A Document-Job-Shop (Doc-Job-Shop) record is created in DIFMS via the DIFMS Screen MS112P "Asset/Liability Update" for the military assessment. This would be based on a MIPR that would be established as a commitment in DIFMS and GAFS-BL (BQ). The obligation would be established in GAFS-BL (BQ) and sent to DIFMS via the DFAS-IE. The record is created with a "Posting Code" set to an "8." The use of the "ST" Cost code is appropriate for the military assessment, although the accrual calculation for "Posting Code" "8" is different from the "Posting Code" "1" accrual process.

3.6.3. The accrual amount is established based on the obligation created from the MIPR. The period of performance is set to the beginning and ending of the Fiscal Year (FY). During each accrual period, DIFMS compares the Year-to-Date (YTD) amount sent from TAA labor to the YTD accrual amount (e.g., MIPR) calculated in Business Operations (Other) Costs (See **Chapter 5**). The difference is posted to the JON (Y63100000000) cited on the assessment record. With the "Posting Code" "8" process, the amount of the military assessment is charged based on accrual process adjustments.

    3.6.3.1. The accrual process in Business Operations (Other) Cost calculates YTD accrual value for military labor cycle based on the annual assessment recorded on the Doc-Job-Shop record. This process compares the calculated value to the extended military labor cost to the military assessment accrual and posts the necessary adjustments (debit or credit) to the USSGL account 221041A1 liability account and the USSGL account 610000D4 expense account.

    3.6.3.2. The comparison process should keep the accrued costs in line with the 1/12th accrual value each month. The amount for military labor is in the GLAs per DIFMS Report 7310-935 "General Ledger Trial Balance." DIFMS Report 7310-915 "General Ledger Details Year-to-Date" shows the Journal Vouchers (JVs) posted. DIFMS Report 7310-565 "Labor Distribution Summary by Expense Account" shows the labor Journal Voucher (JV). DIFMS Report 7310-605 "Schedule of Accruals" shows in Business Operations (Other) Cost accrual "SA" JV.

3.6.4. Payment to the Military Appropriation: Cash transactions process via GAFS-BL (BQ) and the DFAS-IE for the payment to the military appropriation. DFAS-IE matches to the obligation record in DIFMS. The process does not require that an accrued amount be more than the payment amount.

    3.6.4.1. These records have a "normal" remaining balance due to the variance of the cost being incurred by the funded military labor transactions. The objective of closing the record is to not write off or adjust any remaining balance in the USSGL account 221041A2. Instead, the DIFMS Program MS265P "Process Accruals" factors in the difference of the cost incurred by the funded military labor transactions (by pulling it from the "dummy" Doc-Job-Shop record that holds this cost) and make the determination of when to close the record automatically. Because the record being closed still holds a balance in the 221041A2 account, the closure action creates an offsetting posting to the 221041A1 account.

3.6.4.2. The DIFMS Program MS265P also increments the accrual amount on the "Posting Code" "8" Doc-Job-Shop record by the amount of the difference from the military labor worked when setting the Status code to "3" (Closed) on that record. In addition, the "dummy" military labor record for that FY has its accrual amount reduced to zero, with the amount that had been there moved to the "Authorized-Obligation" field on that record for historical traceability. These updates serve two purposes. If the "Posting Code" "8" record is ever manually re-opened, no balances for the USSGL account 221041A2 appear on the DIFMS Report 7310-645 "Asset Liability Balances." Additionally, if the record then "re-closes" a second time, no adjustment to the USSGL account 221041A1 is made unless additional labor cost had been incurred since the first closure.

3.7. Depot Organic Contract Augmentee Team (DOCAT) Process.

3.7.1. DOCAT employees perform direct labor work such as shop floor production tasks.

3.7.2. Set up the DOCAT contract with a Contractual Other Code (COC) of "05," "credit" Indirect JON (X55310998000). There are two types of DOCAT: direct labor set up with a Cost code of "SU" (regardless of dollar amount) and POH set up with a Cost code of "ST" and one RCC for each Contract Line-Item Number in each Division. Transactions should be on an indirect job order within the RCC so the DMAPS process automatically allocates the indirect charges. DoD 7000.14-R, Volume 11B, Chapter 13, paragraph 10.0 states the costs for purchased services are treated as "other" and charged as direct unless the services are for indirect cost centers.

3.7.3. Load information on DOCAT employees in TAA as Employee Type code "8" and use the composite rate from the contract associated with the employee. It is recommended that this rate be used in TAA to ensure correct hourly rate is sent to DIFMS for labor transacted in TAA. Set up a Transfer Table in the DIFMS Screen MS724P "Contract Labor Transfer Table Update." The screen includes the COC of "05," the Credit JON from the contract, and a composite rate for each RCC. Users must enter the two-digit COC, otherwise the entry rejects. The composite rate is calculated from contract skill code rates.

3.7.4. DOCAT employees transact labor in TAA. TAA then sends labor to DIFMS daily. DIFMS Program MS694P uses the actual hours worked and hourly rate set in MS724P screen to credit the contract JON and charge the labor JONs where the actual hours were transacted. Through the labor distribution process (MS234P), DIFMS records statistical cost for the DOCAT labor by debiting JON/RCC from TAA and crediting indirect JON on contract/RCC from TAA. Due to the use of COC "05" on DIFMS Update Screen MS724P, direct JON/RCC expense posts to Direct Other (USSGL account 610000P2) instead of Direct Labor (USSGL account 610000A2). When an Indirect Labor JON is transacted instead of a Direct Labor JON, the costs go to Overhead Other (USSGL account 610000P3) instead of Direct Other (USSGL account 610000P2).

3.7.4.1. Transaction-level errors coming from the source labor data are validated and rejected within the Labor Subsystem itself, thereby greatly reducing the instance and scope of handling errors within the DIFMS Program MS694P "Contract Labor Transfers." Validation within the Labor Subsystem for Employee Type code "8" (Non-ALC Employee) first checks for existence of a Contract Labor Transfer record (DIFMS_CNTR_LAB_TRNS). If none exists, the labor transaction errs with a "3908" error message. If a Contract Labor Transfer record exists, then the program utilizes the COC from the record to validate if the expense is allowed on the JON using the "Restriction Code." Records with COC of 01-50 are contractual and 51-99 are for other. JON "Restriction Codes" have three digits (e.g., 111). The first digit of the "Restriction Code" is for labor, second digit is for material, and third digit is other/contractual cost. Records with COC between "01" and "50" are only allowed to charge JONs where the third digit of the "Restriction Code" is "1" or "2." Records with COC between "51" and "99" are only allowed to charge JONs where the third digit of the "Restriction Code" is "1," "3" or "4." Validation of the "Charge" JON ensures that the source labor transaction is against a JON that is authorized to accept "non-labor" charges.

3.7.4.2. DIFMS Program MS694P, which produces the MS694D04 rejected transaction file, is able to reprocess rejected transactions. Errors appear on DIFMS Report 7310-541 "Outstanding Unallocated Labor." The primary error condition for DOCAT labor is error "3908-Contract Labor Transfer Table Does Not Exist" which is received when a transaction has been entered against an RCC that has not been established on the MS724P screen. Corrective action may require establishment of Contract Labor Transfer Table using the MS724P screen or correct the RCC on the rejected labor transaction by using the MS143P screen.

3.7.4.2.1. Examples of other errors associated with the Contract Labor Transfer record itself (DIFMS_CNTR_LAB_TRNS) are a Credit JON is no longer valid (which would need to be fixed using the DIFMS Update Screen MS724P) or a bad "Restriction Code" on the Credit JON (which would need to be fixed using the DIFMS Update Screen MS151P). DIFMS Program MS694P only allows "Restriction Code" position 3 values of "1," "3" or "4" for the Credit JON when the COC is between "51" and "99" (Other). DIFMS Program MS694P only allows "Restriction Code" position 3 values of "1" or "2" for the Credit JON when the COC is between "01" and "50" (Other).

3.7.4.2.2. The program ignores transactions against JON types of "Leave" (e.g., "Indirect-JON-Type" "L" that begins with a "Z" followed by the JON number for the appropriate leave account) or "GLA JON" (e.g., "Indirect-JON-Type" "A" that begins with "W" followed by the GLAC). These transactions are not reported or retained as errors.

3.7.5. Contract payments processed in GAFS-BL (BQ) are interfaced to DIFMS through the DFAS-IE. The payments debit the indirect JON on the contract and credit cash. AFSC/FZRD Cost Accountant reconciles the data from the source system GAFS-BL (BQ) to DIFMS.

3.7.6. It is recommended budget or financial management personnel monitor the mix of skill codes used in each RCC; composite rates should be adjusted as appropriate. A credit on the contract JON identifies the Government's liability to the contractor at a point in time or high rate on DIFMS Update Screen MS724P. A debit on the contract JON indicates a low rate, labor errors on the DIFMS Report 7310-694 (no transfer table set up), or DOCAT employees are not transacting correctly. DIFMS uses the DIFMS Program MS694P to expense DOCAT labor in DIFMS by debiting direct JON/direct RCC in Direct Other due to COC of "5" and crediting Indirect JON on contract/Direct RCC. **Figure 3.3** is a basic DOCAT process flowchart.

Figure 3.3. Depot Organic Contract Augmentee Team (DOCAT) Process Flow.
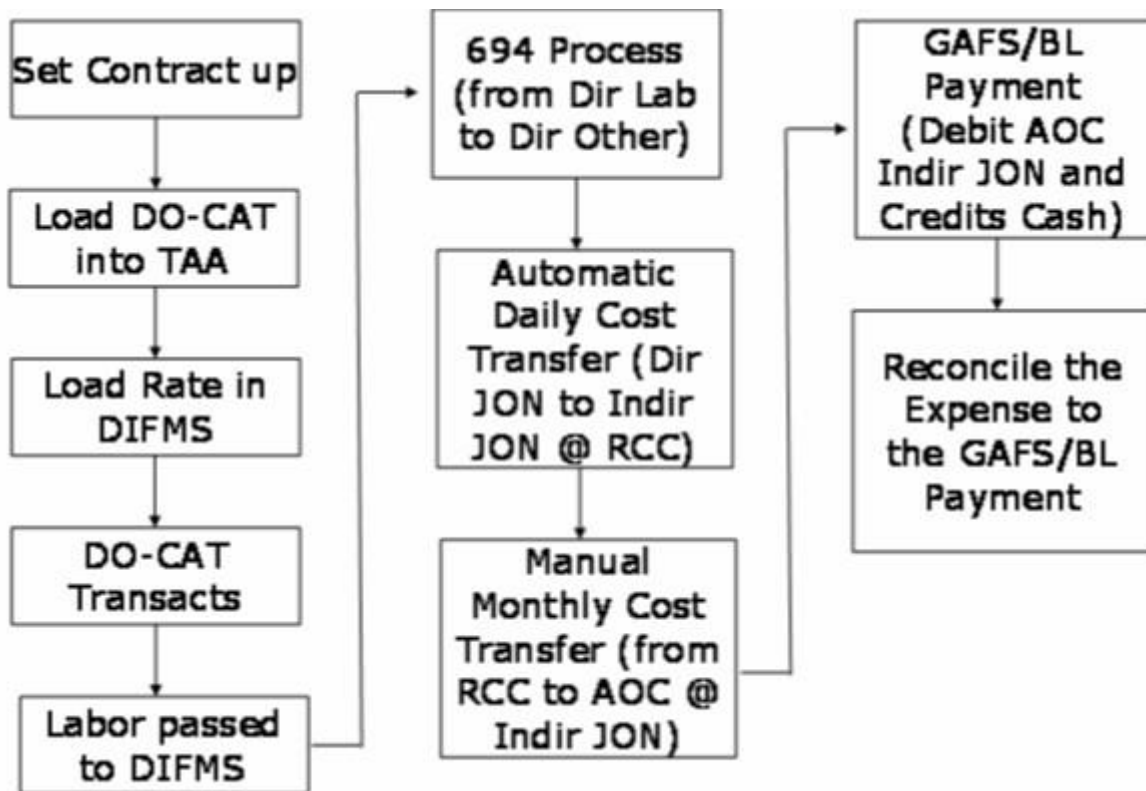
3.7.7. The following areas need to be watched when processing DOCAT transactions and information.

3.7.7.1. Composite rate by RCC needs to be monitored. When composite rates change, the local TAA OPR must be notified so that the MER can be manually updated in TAA to ensure correct rate is applied to employee's labor.

3.7.7.2. Composite rate calculated from contract skill code rates (add 10% for overtime).

3.7.7.3. The COC needs to be "05" since this is what designates the expense to go to direct other instead of direct labor even though it is using the direct RCC and direct JON.

3.7.7.4. Reconcile the expense from GAFS-BL (BQ) payments to DIFMS.

3.7.7.5. A small credit in JONs beginning with "X5531," Prime Vendor Other at RCC level identifies the Government's liability to the contractor at a point.

3.7.7.6. A debit in "X5531" at RCC level indicates a problem with the rates in DIFMS, and/or labor errors on DIFMS Report 7310-694 "Contract Labor Transfers" (no transfer table set up), and/or DOCAT employees are not transacting correctly. DIFMS Report 7310-694 "Contract Labor Transfers" supports posting to the general ledger and is a reference for cost center transfers. This report shows the charge to the JON being worked as well as the credit to the overhead DOCAT JON (cited on the contract). The costs to the original JON are treated as contractual/other, not as labor charges. However, the actual labor hours stay on the labor JONs. The process redistributes the contract cost to the actual JONs that it benefits. This process posts a JV type "CL" to the general ledger.

3.8. Cost Transfers.

3.8.1. Cost transfers occasionally need to be performed to get labor hours and costs to the correct JON/Shop combination. Cost transfers are submitted to Cost Accounting for review, approval, and performance of the transaction.

3.8.2. DOCAT Labor Cost Transfers are an internal process performed by DIFMS. A record is established in DIFMS using the MS112P screen to set up record based on the contract. An employee record is established in TAA and the employee type is "8" (Non-ALC DOCAT and Overhead Other) which is unfunded. TAA tracks the contractor's time as unfunded but when the contractor logs onto a direct JON, at the End of Day, the system takes those hours and prices "out" at a DOCAT rate based on the contract information automatically loaded into DIFMS on the MS724P screen. The system then shows this as funded costs against the direct JON and subtracts an equal amount from the indirect JON on the contract. These transfers show on a DIFMS Report 7310-694 "Contract Labor Transfers."

3.9. Defense Industrial Financial Management System (DIFMS) Labor Processing.

3.9.1. The basic flow of labor into DIFMS is shown in **Figure 3.4**. Employees enter labor into production systems or directly into TAA. TAA collects and sends the labor transactions to DIFMS to record labor costs and hours. TAA feeds payroll information to DCPS, which is then reconciled to DIFMS. TAA and DIFMS pass data to the DDS that is then passed on to CPBM (H033). TAA passes labor operations status and earned hours. DIFMS passes actual hours and cost.

Figure 3.4. Defense Industrial Financial Management System (DIFMS) Processing of Labor Information.
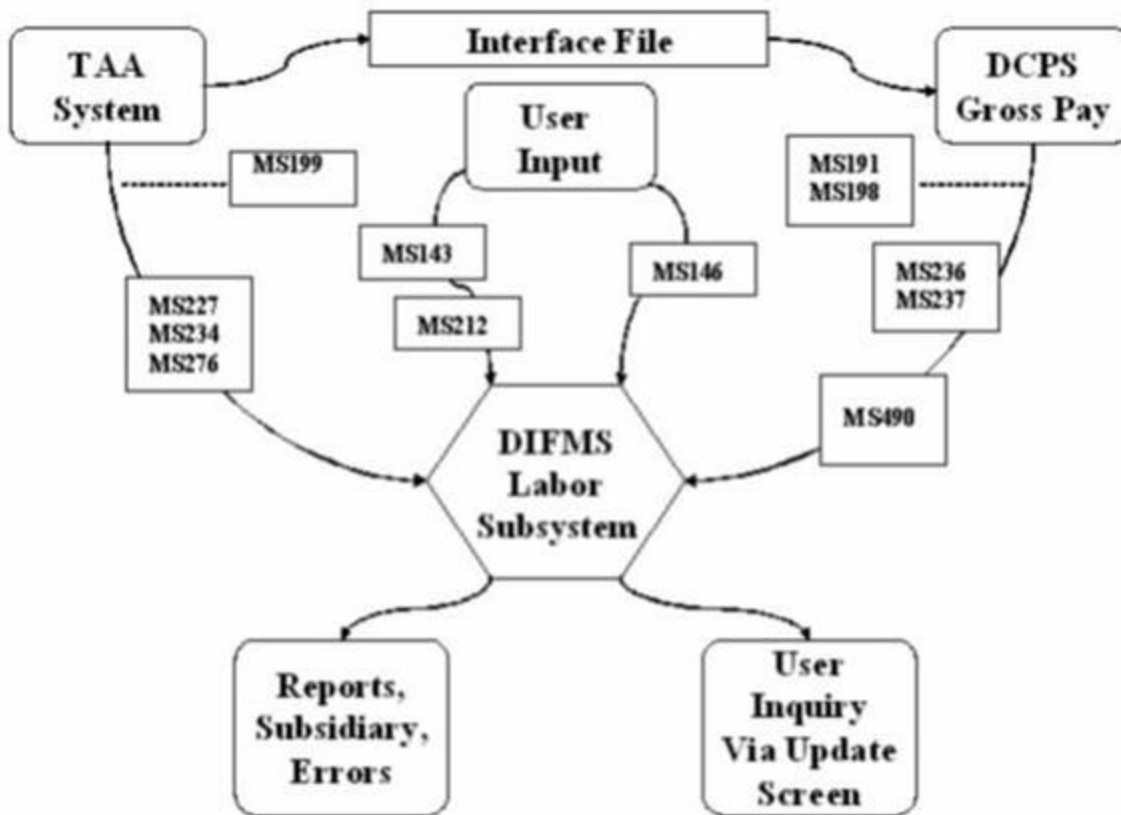
3.9.2. DIFMS extends TAA labor transactions by multiplying labor hours by employee pay rates. For example, 8 hours times $20 per hour is $160. TAA provides DIFMS with the labor hours and pay rates. DIFMS processes labor extension in DIFMS Program MS227P. Labor extension applies to all employee types. For overtime, DIFMS calculates labor extension for exempt employees (military, contractors, and salaried civilians) at no less than their regular rate of basic pay for overtime work.

3.9.3. DIFMS applies edit and validation criteria in DIFMS Program MS234P to incoming labor transactions from TAA. These criteria include, but are not limited to: JON, shop, employee type, and type hour code. Transactions failing these criteria are shown on Part I of DIFMS Report 7310-541 "Outstanding Unallocated Labor."

3.9.4. DIFMS accelerates the extended labor amount based on ALC developed acceleration factors established in DIFMS Update Screen MS166P "Acceleration Rates." For example, $160 extended labor amount with a 50% factor is $240 (($160 *.5) + $160 = $240). Labor acceleration is done to recover the Government's cost for civilian leave and fringe benefits. DIFMS processes acceleration in DIFMS Program MS234P. Military labor and DOCAT is not accelerated. Air Force Sustainment Center Cost Accounting Branch Operating Locations (AFSC/FZRD-OL) or Air Logistics Complex Financial Management Office (ALC/FM) performs and documents a quarterly payroll impact analysis on accruals to determine if the acceleration rate needs to be adjusted (this very rarely needs to be adjusted).

3.9.4.1. If a customer requests the use of overtime that is over and above normal depot maintenance overtime to expedite/accelerate a workload and improve the originally negotiated schedule, the customer must be charged the additional cost. Acceleration of the work schedule tends to hamper the normal flow of work and causes gaps in production such that follow-on work absorbs higher than planned overhead and causes depot maintenance losses. The customers who benefit from the use of additional overtime pay the cost of the additional overtime.

3.9.4.2. Depot maintenance may not charge additional overtime to the customer when overtime is used at the convenience of depot maintenance to make up for schedule slippage or workload backlogs. To charge for additional overtime, the customer must request the additional overtime and be willing to pay for it. Renegotiation of the price must be done when the customer decides to accelerate the work. Funding for the additional cost must be provided at that time, before the acceleration begins. Additional costs that are a direct result of the customer's decision to accelerate the workload should also be charged to the customer. Documentation to support all additional costs due to the decision to accelerate the workload must be attached to the work order and retained.

3.9.5. DIFMS applies overhead daily as direct labor is performed.

3.9.5.1. Budget Target Module (BTM) (H033) can be used to determine Overhead Application Rates (OAR) for production and G&A overhead for each RCC and sends to DIFMS. Overhead is applied to all direct hours regardless of employee type.

3.9.5.2. AFSC/FZRD-OL or ALC/FM offices review the OARs at the end of every month via the DIFMS Actual vs. DIFMS Report 7310-729 "Applied Overhead Year-to-Date Report" which shows actual overhead expense, applied overhead expense, and variance by shop. Rates for each shop are evaluated independently to determine if the shop overhead rate needs to be adjusted.

3.9.6. The DIFMS Program MS234P distributes labor hours, costs and applied overhead to individual JON, Shop, and Work Breakdown Structure combinations. This program also updates DIFMS general ledger with liability and expense account postings through a Labor Distribution "LD" JV shown on the DIFMS Report 7310-565 "Labor Distribution Summary by Expense Account." DIFMS Report 7310-565 is broken into sections for funded civilian, unfunded civilian, funded military and unfunded military.

3.9.7. DCPS provides data to DIFMS through the gross pay file (MS236Add File Number). DCPS is the system of record for payroll, so process required adjustments in DIFMS as appropriate.

3.9.7.1. DCPS provides civilian pay accrual to GAFS-BL (BQ) via existing interface and inputs/stores accruals in GAFS-BL. GAFS-BL receives and records DCPS accruals via GAFS-BL program NBQI00. From the DCPS interface, DIFMS reconciles the gross civilian pay, as well as adding, retention pay, cash awards, recruitment, and other items. The accrual amounts are relieved based on the payment in DCPS, through a manual JV. The DIFMS Report 7310-556 "DIFMS Biweekly Employer Contributions" shows the employee contributions for benefits.

3.9.7.2. The DCPS disbursement is recorded into DIFMS with a manual JV. The following is used to record the disbursement in DIFMS. The DFAS associate obtains the necessary data from the DCPS report, Employee Directory Listing (Program Control Number: SH002LR6L), found in the DAYTON Civilian Pay Accounting Interface System (CPAIS)-E4 folder. The report is indexed as E4R6L-EMPLOYEE DIRECTORY. AFSC/FZRD-OL will ensure the manual payroll JV is posted.

3.9.7.2.1. Each payroll cycle, DCPS processes a payroll voucher to show the amounts paid to employees, and the various fringe benefit accounts. DCPS also provides a total amount disbursed against the appropriate appropriation, which funds that account. Although these cash disbursements are a cash function, the manual JV process is the current method used to record these actions.

3.9.7.2.2. The lump-sum payroll summary amount is recorded in GAFS-BL (BQ) as a BAL ID of "M." This value is processed from GAFS-BL (BQ) to the DFAS-IE, but it is not passed to DIFMS. DFAS processes this JV directly into the general ledger portion of DIFMS to account for these transactions each payroll cycle. The JV recorded is not reversed in the next month because the Override code is made "Y" to signal "no reversal."

3.9.8. The posting of all types of labor (Civilian, Military, Contractors, and Free Labor) on all types of JONs (Direct, Production Overhead (POH), G&A, or Leave) can be found in the DIFMS manual under the Physical Model, Section 2, Labor.

3.10. Defense Industrial Financial Management System (DIFMS) Labor Reconciliation.

3.10.1. DIFMS Labor Reconciliation is a comparison of the labor entered in TAA for the previous pay period, by employee (ZE332D01), compared to what was actually paid to the employee by DFAS (via DCPS) for the same pay period.

3.10.2. DIFMS Report 7310-525 "DIFMS Labor Detail Transactions Report" shows all errors resulting from Payroll Reconciliation. DIFMS Report 7310-541 "Outstanding Unallocated/Unreconciled Labor" is the aged labor errors which shows all outstanding unallocated and unreconciled labor errors. Also, a specially written query may also be created in IBM® Cognos® to provide duplicate results in a manageable Microsoft Excel format.

3.10.3. Errors resulting from labor reconciliation can usually be attributed to one or more of the following causes:

3.10.3.1. Supervisor or Timekeeper making direct entry of labor in DCPS, after the TAA Payroll Cutoff date, bypassing TAA entirely will result in labor reconciliation errors because TAA has no record of labor transactions to match labor hours paid to employee on the same date.

3.10.3.2. Single Lump-Sum payments or receipts entered directly to DCPS by DFAS personnel for such things as Debt Repayment, Incentive Pay, Bonus Pay, Retirement, Leave Payouts etc. will result in errors because TAA has no record of most lump-sum payments.

3.10.3.3. Correcting Entries made directly to DCPS by DFAS personnel for missing payroll adjustments such as Shift Differential, Hourly Wage/Grade changes, Holiday/Sunday Pay, Leave, Overtime, Personnel additions/deletions, or other adjustments not properly entered in TAA also result in reconciliation errors.

3.11. Correcting Labor Errors.

3.11.1. The application of DIFMS edit and validation criterion upon labor data from the TAA yields both unallocated and unreconciled transactions on a daily basis. Despite TAA capability to process and forward corrections through the DLCP, not all errors are corrected prior to DIFMS labor processing.

3.11.1.1. The validation process is one of the ways DIFMS confirms incoming data. However, if the data cannot be confirmed or validated, DIFMS rejects the labor transactions as either unallocated or unreconciled (DIFMS Report 7310-541). Labor transactions must be charged to applicable and open JONs and shops. When DIFMS labor transactions are unallocated, charges are suspended because the job or shop does not meet the JON/Shop validation criteria. Correcting unallocated errors ensures that all charges are assigned to applicable JONs and shops. Also, these errors must be identified and corrected in order to assign the labor costs incurred to the correct JON and Shop. Unallocated and unreconciled labor errors should be corrected in a timely manner.

3.11.1.2. Unallocated or unreconciled labor error transactions can be corrected by a batch file using an ms645d02 file or using the DIFMS MS143P Update Screen "Labor Job Order Number Shop Error Correction Update." In addition, a 228 batch file is used to make corrections beyond shop and JON errors such as date corrections and type hour code corrections. If a batch file is used to correct errors, then verify each of the labor errors were corrected by reviewing the DIFMS labor reports such as DIFMS Report 7310-525 "Indirect Labor" (Part 3), DIFMS Report 7310-541 "Outstanding Unallocated/Unreconciled Labor," or DIFMS Report 7310-547 "JON Shop Errors." Also, individual corrections can be made using the DIFMS MS143P Update Screen "Labor Job Order Number Shop Error Correction Update." Unallocated errors are those transactions that fail the JON/shop validation process.

3.11.2. The following are key reasons why transactions fail the JON/shop validation in DIFMS processing:

3.11.2.1. The shop is not valid or authorized.

3.11.2.2. The job has closed since the previous labor cycle (Job Order Status Tool (JOST) keeps JONs open for 30 days after G004L closure date).

3.11.2.3. The "Restriction Code" position "1" is invalid.

3.11.2.4. JON does not exist in the database.

3.11.2.5. The transaction causes customer funds to be exceeded.

3.11.2.6. No bill level on JON.

3.11.3. Using Section I of the DIFMS Report 7310-541, locate the unallocated transaction by error serial number. Errors can be corrected by correcting individual errors or multiple errors using a batch process. Individual errors are corrected using DIFMS Update Screen MS143P using only the last two lines of the screen. Multiple errors can be corrected using DIFMS Update Screen MS143P using the first five lines of the screen or by an ms645d02 batch file. Mass unallocated errors are generated when several transactions are rejected because the transactions failed the DIFMS validation process for the same reason (in example using the same faulty JON or Shop or a JON did not have enough funding). Correction of multiple unallocated error transactions does not require a specific error serial number. It does however require the correct data to replace the invalid JON or Shop.

3.11.4. Section II of DIFMS Report 7310-541 shows information needed to identify and correct unreconciled labor transactions. Use portions of this report to identify unreconciled errors and correct the errors through the DIFMS Update Screen MS146P "Multi-Line Job/Shop Error Corrections" or DIFMS Update Screen MS143P "Labor Job Order Number Shop Error Correction Update." Unreconciled errors occur during the DIFMS automated labor reconciliation process and represent unaccounted for time. In other words, unreconciled errors occur when the total labor hours do not match to the total hours paid as recorded by payroll (e.g., DCPS).

3.11.4.1. Although the DIFMS reconciliation process automatically adjusts for labor dollar variances (up to $1 in value to an overhead adjustment JON), discrepancies in hours must be researched and corrected accordingly. During the reconciliation process, certain transactions are rejected when a JON cannot be assigned. Unreconciled labor transactions are corrected fully or partially via DIFMS Update Screen MS146P. DIFMS Update Screen MS143P can be used for full corrections as well. Determine whether full correction or partial correction is needed for each transaction. Identify the correct data from the source documentation provided by the Maintenance Group and/or RCC manager.

3.11.4.2. It is sometimes necessary to make corrections with zero hours (and non-zero dollars) if the error occurred against a transaction which had been generated as a "rate adjustment" by the DIFMS Program MS236P "Labor/Payroll Reconciliation." Zero hours corrections can be made using the DIFMS Update Screen MS146P.

3.11.5. Errors may occur in the TAA, DIFMS, DCPS, and DDS processes.

3.11.5.1. When DIFMS labor transactions are unallocated, charges are suspended because the job or shop does not meet the JON/Shop validation criteria. Correcting unallocated errors ensures that all charges are assigned to applicable JONs and shops.

3.11.5.2. Errors showing 900154A in the JON field are caused by one of the following: the 30 position JON field (DCPS) is not populated; the employee number in the "ENUMBER" field starts with a different alpha character than the regular employee numbers; and/or the "Transaction Date" shows as the last day of the current or previous pay period for pay period reconciliation.

3.11.6. Preventive measures and other suggestions:

3.11.6.1. Keep everything in TAA current and accurate (i.e., new employees, deleted employees, promotions, downgrades, pay step increases, wage rates, invalid RCCs, and EMP XREF file). New employees should be added on their first day so employees receive employee numbers and not being tracked by their Social Security number.

3.11.6.2. Manual inputs into DCPS need to have 30 position JON field (Process needs to be documented.

3.11.6.3. The amounts for unreconciled labor transactions can be corrected through the DIFMS Update Screen MS143P.

3.11.6.4. When mass allocations of unreconciled errors are to be processed, a Microsoft Excel spreadsheet format can be created with the JON, Shop, Error Number, Work Breakdown Structure-code to be compiled and ran into DIFMS as a batch error correction process utilizing the DIFMS Run Stream MS645J. (The MS645J will not allow the cost element code to be changed.) The batch process will allow multiple errors to be corrected especially if the transactions involve back pay and need to be corrected to a standing JON. Prior pay period adjustments need to have the coordination of Cost Accounting.

3.11.6.5. **Table 3.5** can be used for understanding and correcting the errors.

Table 3.5. Understanding and Correcting Errors.

ERROR #	CAUSE OF ERROR	HOW TO CORRECT ERROR	WHO SHOULD FIX ERROR
7GORCON	File from DCPS for pay period is not in DIFMS or amounts or hours don't match existing payroll records/prior pay period adjustments.	Research using the DIFMS Inquiry Screen MS093P, TAA, and other resources to find out what transactions took place on that day to identify the correct JON. Correct the labor through one of the processes described in the paragraphs below.	Resource Advisor (RA) area research for correct JON and send information to AFSC/FZRD to correct labor error.
7GOEROR	Records that have come in through labor with no JON from TAA. In limited circumstances, DCPS uses F9 process to pay these people.	Research and identify the appropriate JON to correct the error individually. Verify the JONs are in TAA and transacting correctly.	RA area research the error and identify appropriate JON to correct the error. AFSC/FZRD corrects the labor error.
900154A	If the 30 position JON field in DCPS is not populated, the employee number in the ENUMBER field will begin with "X" rather than the normal alpha character and with the "Transaction Date" as the last day of the pay period. If the employee is not in TAA, the person may have moved out of a CSAG-M position and the correct accounting info has not been sent to DCPS.	Research and identify the appropriate JON to correct the error individually. Check with DCPS to see if the person is in DCPS correctly, the person may have moved out of a CSAG-M position and need an SF Form 1081. When the employee number in the ENUMBER field begins with "X" rather than the normal alpha character, the errors are corrected by placing the employee number on an overhead JON. When correct information is available, the previous transaction is reversed, and is applied to the correct JON using the 228.batch file.	RA area research the error and identify appropriate JON to correct the error. AFSC/FZRD corrects the labor error.

3.11.7. The MS227J run stream recycles the errors. Details can be found on DIFMS Programs MS227P "Cyclic Input of Labor Data" and MS347P "Labor Validation Errors."

3.11.7.1. The DIFMS Program MS227P "Process Cyclic Labor Data" reads the edited labor data and assigns premium codes, assigns indirect JONs based on current/permanent shops, computes labor amounts, and creates supplemental labor records. A total of the regular hours is calculated and compared to the computed total hours. The computed total hours are calculated using the number of days and number of employees. The difference between the actual hours and computed hours must be within the allowable variance. If the difference is more than the allowable variance (+/-,) then the processing of DIFMS Program MS227P stops. Hours for labor are totaled by type of labor and program type. The amounts are reported on the DIFMS Report 7310-516 "Total Labor Controls." The screen related to this report is DIFMS Update Screen MS193P "Variance Components Update."

3.11.7.1.1. If the hours are within the allowable variance, then an edit and validation is done on selected data. The labor records that pass edit and validation are written to files MS227D01 "Regular Labor" and MS227D04 "Allocated Standard Cost." The labor records with a "Transaction Date" greater than the "Labor End Date" are written to files MS227D02 "Regular Labor" and MS227D06 "Allocated Standard Cost" as rejections. After research has been completed and corrections made, these files then go into next run of MS227J for processing.

3.11.7.1.2. Labor records that don't pass the edit criteria are written to the DIFMS Reports 7310-517 "DIFMS Labor Validation Errors Report," 7310-525 "DIFMS Labor Detail Transactions Report," 7310-541 "DIFMS Outstanding Unallocated Labor Report," and the 7310-543 "DIFMS Batch Unallocated Labor Report." Correction of errors on the DIFMS Report 7310-517 is through the TAA error correction process to include the DLCP. The DIFMS Report 7310-525 will reflect the amount of labor hours and dollars involved. The DIFMS Report 7310-541 will reflect the labor error count (cumulative) needing correction. The DIFMS Report 7310-543 reflects the general overhead errors.

3.11.7.1.2.1. To correct labor errors, rejected labor transactions are resolved individually using the MS143P or MS146P screens. Corrections can be processed in a bulk file drop of the MS645D01 file. The MS228D02 file is used to correct labor errors relating to leave, new hires, etc. The primary error conditions include 0591, 0834, 0835, 1304, 1706, 2033, 2551, 2578, 2592, 3351, 3354, 3558, 4275, 1704, and 3829. **Table 3.6** provides error types and a description of the errors.

Table 3.6. Error Indicators.

Error Indicator	Error Description
0000	TRANSACTION COMPLETE
0366	CANNOT UPDATE AN OUT-OF-BALANCE FUNDING DOCUMENT
0591	JOB CLOSED-TXN DATE CANNOT BE > CLOSE DATE OR FINAL BILLED
0834	NO LABOR RECORD FOR THIS PAYROLL RECORD
0835	THIS OTHER T&A PAYROLL RECORD REQUIRES FURTHER RESEARCH
1115	CON ALREADY EXISTS AND IS NOT IN A PENDING STATUS
1155	SHOP COST CENTER RATES-RECORD NOT FOUND
1304	VALID SHOP RECORD NOT FOUND
1703	TRANSACTION CAUSES CON LEVEL FUNDS TO BE EXCEEDED
1704	CORRECTION ATTEMPTED AGAINST SHOP WITHOUT OVERHEAD
1706	TRANSACTION DATE CANNOT BE EARLIER THAN SHOP-EFFECTIVE-DATE
2033	NO TABLE RECORD FOR TYPE-HR/EMP-TYPE COMBINED
2115	AMENDMENT DATE MUST BE LATER THAN OR SAME AS ACCEPTANCE DATE
2363	ITEM-REC MUST BE ADDED VIA MS155P FOR INPUT NINN
2533	FINAL BILL CODE MUST NOT BE R OR Y WHEN ACTION CODE IS C
2547	RESTR CD POS 1 = "2" MUST HAVE EMP TYP CD = CIV
2548	RESTR CD POS 1 = "3" MUST HAVE EMP TYP CD = MIL
2550	RESTR CD POS 1 = "8" IS INVALID
2551	RESTR CD POS 1 = "9" IS INVALID
2578	TRANSACTION OCCURED BEFORE JON OPEN DATE
2592	SHOP AND JON-TYPE NOT COMPATIBLE
2643	IF ENTERED THE UNITS IN PROCESS MUST BE NUMERIC
3351	JON KEY REC NOT FOUND
3354	AUTH SHOP REC NOT FOUND
3358	INDIRECT-JON-TYPE MUST BE P, G, or S
3360	SHOP NO LONGER VALID
3521	SHOP AUTH FOR INDIRECT OR CIP JONS ONLY
3558	SHOP AUTHORIZED FOR DIRECT JON ONLY
3559	SHOP AUTHORIZED FOR INDIRECT JON ONLY
3829	JON WILL NOT ACCEPT CONTRACTUAL COST
3908	CONTRACT LABOR TRANSFER TABLE DOES NOT EXIST
4188	MISCELLANEOUS LOA MUST BE BLANK OR ALPHANUMERIC SPACES
4275	TYPE HOUR CODE NOT COMPATIBLE WITH JON

3.11.7.1.2.2. If the error corrections need to be reviewed, the DIFMS Report 7310-531 "DIFMS Labor Detail Posting Labor Distribution" will reflect the details. Errors that fail correction appear on the following day's error correction report (7310-525 as an example). This is similar to the DIFMS Report 7310-541 "DIFMS Outstanding Unallocated Labor" which retains the cumulative errors. Error records will remain on the reports until resolved.

3.11.7.2. Supervisor/Timekeeper Procedures for Correcting Unallocated Labor Errors during the pay period can be found in the TAA manual. Once the pay period has ended, errors can no longer be corrected in TAA and must be worked by the group labor analyst in DIFMS. The unallocated labor errors at this point are passed to DIFMS for correction. Unallocated labor cost cannot be accurately reflected in DIFMS until information is received from the supervisor or timekeeper to correct the error. To correct these unaccounted errors in DIFMS, supervisors or timekeepers must provide the necessary labor information to their group labor analyst for correction. If the production JON, shop, and error details are not provided to the group labor analyst, actual expended time is not accurately reflected nor passed on to downstream systems. If supervisors or timekeepers do not provide the necessary labor information to their group labor analyst for correction in a timely manner, then the labor error will be cleared to an indirect JON.

Chapter 4

COLLECT/TRACK/COST/EXPENSE–MATERIAL

4.1. Introduction.

4.1.1. The Naval Air Systems Command (NAVAIR) Industrial Material Management System (NIMMS) is the material management system within the Depot Maintenance Accounting and Production System (DMAPS) suite of software. It performs numerous functions including: validates requests passed through the Automated Bill of Material (ABOM) system; creates a due-in to obligate the funds and to cost the material at the time of receipt; issues material on hand from inventory to the Job Order Number (JON) and Resource Control Center (RCC) and generates an issue document for the Defense Industrial Financial Management System (DIFMS) to process; values the depot maintenance inventory using the weighted average pricing method; and provides an independent inventory system for depot maintenance.

4.1.2. NIMMS automatically updates DIFMS with current material information. Most DIFMS material errors are corrected in NIMMS. Consult the ABOM and NIMMS user manuals for procedures on making corrections and additional details on system capabilities. The current Defense Finance and Accounting Service Information and Technology (DFAS I&T) link to the ABOM and NIMMS User Manual is **https://t6800.csd.disa.mil/index.php**. Information from NIMMS is interfaced with legacy supply and maintenance systems.

4.1.3. All DIFMS/NIMMS screens and reports follow a designated structure as indicated in

Table 4.1. Defense Industrial Financial Management System (DIFMS)/ Naval Air Systems Command (NAVAIR) Industrial Material Management System (NIMMS) Screen and Report Structure.

	Screen			Report Numbers	
System	Positions 1-2	Position 3		Ending	Prefix	Ending
DIFMS	MS	0	Inquiry			400 Series
NIMMS	MN	1, 7	Update	xxP	7310	MNxxxR01 or MNxxxR02

4.1.4. Material control is covered under AFSCMAN 21-102, *Depot Maintenance Management*. This chapter covers processes and procedures related to financial processing for both Air Force Government and Commercial material transactions and Defense Logistics Agency (DLA) material transactions.

4.1.5. **Figure 4.1** depicts the Material Process Flow.

Figure 4.1. Material Process Flow.
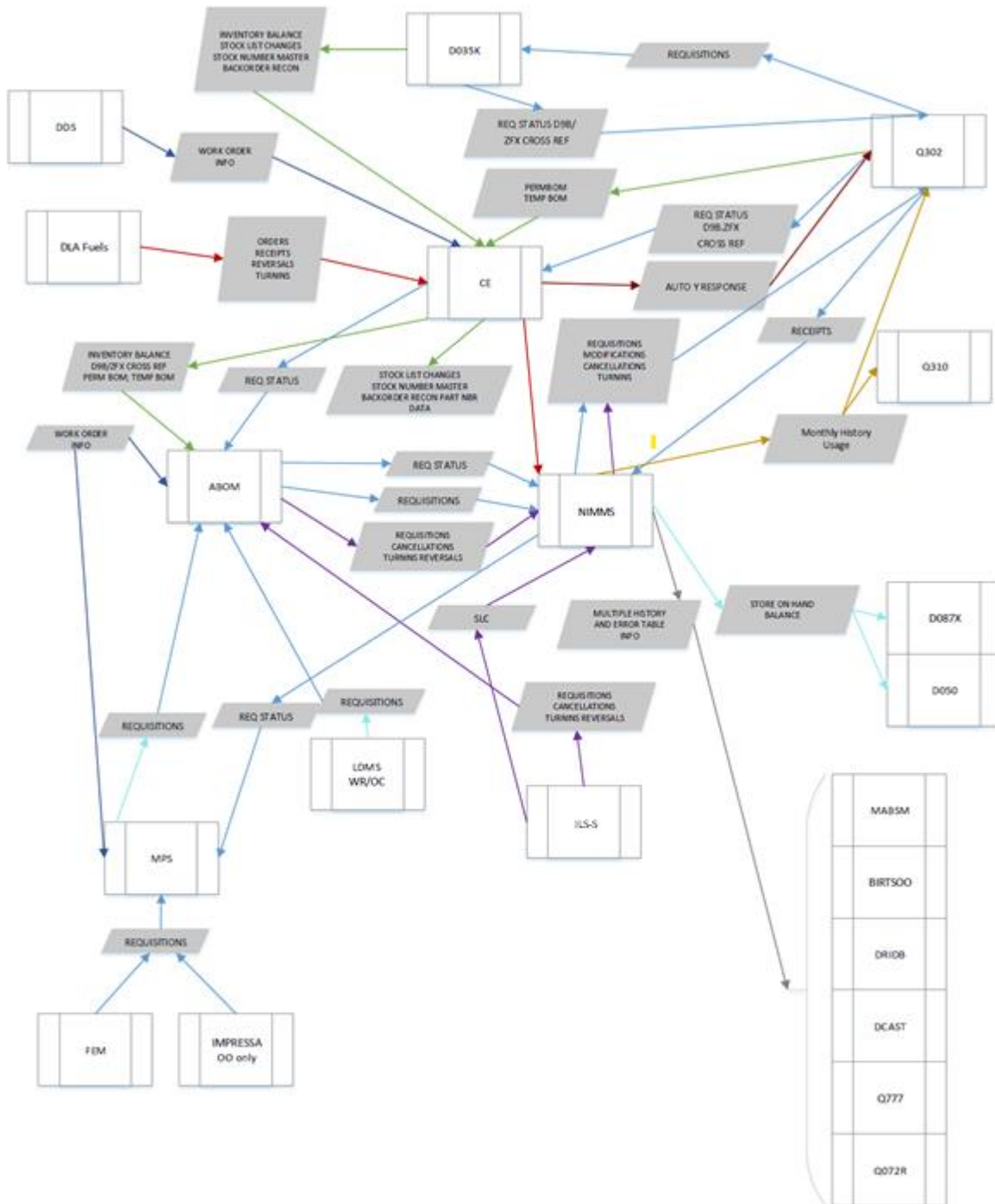
4.2. References.

4.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, **https://comptroller.defense.gov/FMR/**.

4.2.1.1. Volume 4, *Accounting Policy*, Chapter 4, Inventory and Related Property, and **Chapter 8**, Financial Control of Liabilities.

4.2.1.2. Volume 6A, *Reporting Policy*, Chapter 14, Depot Maintenance Reporting.

4.2.1.3. Volume 11B, *Reimbursable Operations Policy - Working Capital Funds (WCF)*, Chapter 12, Costs, and **Chapter 13**, Cost Accounting Requirements for Depot Maintenance.

4.2.2. Defense Finance and Accounting Service-Denver (DFAS-DE) 7010.5-R, *Direct, Refund, Reimbursement, and Receivable Transactions at Base Level*, 1 June 2006, **https://usaf.dps.mil/sites/FMFC/sitepages/dfas%20guides.aspx**.

4.2.3. Air Force Publications. (Consult Air Force e-publishing website (**https://www.e-publishing.af.mil**) for current versions of the publications below.)

4.2.3.1. AFI 64-117, *Government Purchase Card (GPC) Program,* **https://static.e-publishing.af.mil/production/1/saf_aq/publication/afi64-117/afi64-117.pdf**.

4.2.3.2. AFSCMAN 21-102, *Depot Maintenance Management,* **https://static.e-publishing.af.mil/production/1/af_sustainment_ctr/publication/afscman21-102/afscman21-102.pdf**.

4.2.4. ABOM User Manual, **https://t6800.csd.disa.mil/DifmsNimms/index.php**.

4.2.5. DIFMS User Manual, Appendix G, Material Function. The user manual includes tables of information for reference: (1) Financial Inventory Record (FIR) Code Posting Table; (2) Requisition Status Posting Table; (3) Financial Inventory Records (FIR codes); and (4) Material Requisition Status Codes Legend. Also, see DIFMS User Manual, Appendix Y, and Error Messages, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

4.2.6. DIFMS Physical Model 04, Material, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

4.2.7. NIMMS User Manual, especially Appendix I, NIMMS Financial Codes; Appendix O, NIMMS-DIFMS Integration Function; Section 3, Requisitioning Functions; and Section 5, Receipt Processing Functions; Appendix W, Weighted Average Pricing.

4.2.8. Air Force Accounting and Finance Office-Accounting (SAF/FMFC), Processing Miscellaneous Obligation Reimbursement Documents (MORD) June 19, 2020, **https://usaf.dps.mil/sites/FMFC/sitepages/mord.aspx**.

4.3. Material Transactions.

4.3.1. As depicted in **Figure 4.1**, users enter material requests into ABOM, the Air Force Integrated Logistics System-Supply (ILS-S) (D002A), and other systems. Orders are passed to NIMMS where a due record is established.

4.3.2. Material receipts and turn-ins are entered into NIMMS where JON cost and quantity and/or available funding is managed. These receipts are then passed nightly to DIFMS where the receipts are matched to the bill, including credit bills.

Figure 4.2. Matching of Bills and Receipts.
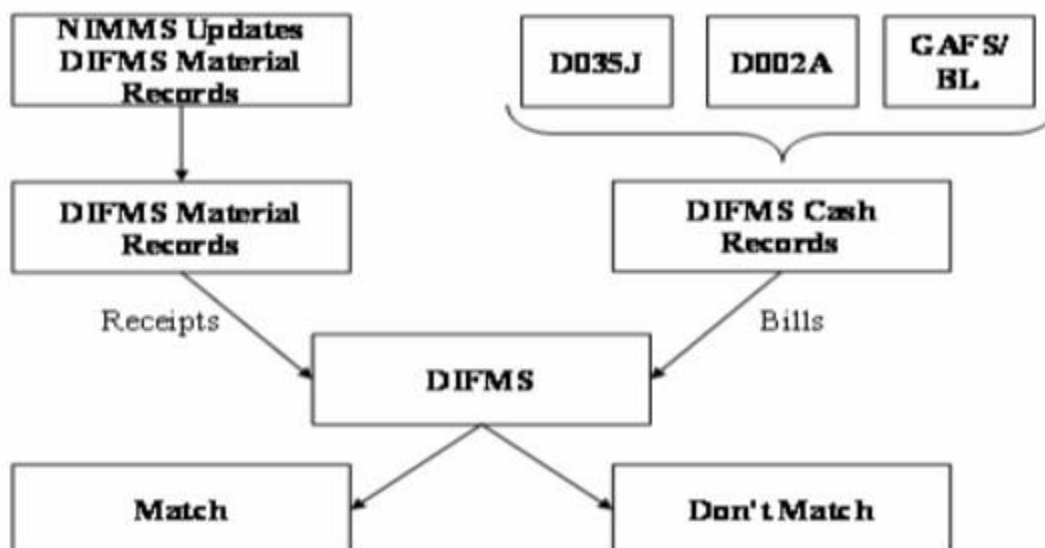
4.4. Material Distribution.

4.4.1. Material JON cost is divided into three major groups: Direct Cost, Indirect/Production Overhead (POH), and General and Administrative (G&A). Regardless of grouping, JON cost follows the establishment of the receipt and not that of the bill.

4.4.2. Material issued increases cost incurred to the JON by establishing an Accounts Payable (A/P) transaction. Material turn-in lowers cost incurred to the JON by establishing an Accounts Receivable (A/R) transaction. Both issue and turn-in may post reversals in which their respective account balance is adjusted. However, care is required since A/P and A/R are two independent accounts that are incapable of offsetting each other.

Table 4.2. Accounts Payable and Accounts Receivable Actions.

Action	JON Cost	Account
Receipt	⬆	Accounts Payable
Receipt Reversal	⬇	Accounts Payable

Do not Mix

4.4.3. DLA Energy is the transactional repository for fuel transactions. These transactions are provided nightly to DIFMS for each Air Logistics Complex (ALC) in the form of a bill and corresponding due record.

4.4.4. The Air Force currently receives summary line bills from DLA on Industrial Prime Vendor. Receipts are posted within NIMMS to match the bill in DIFMS and generate JON cost. This JON cost is later disbursed through cost transfer to individual shops based on a detailed invoice of material received.

4.4.5. Government Purchase Card (GPC) for Material can be used. Each Air Force (AF) Form 4009, *Government Purchase Card Fund Cite Authorization* must have a unique Line of Accounting (LOA) Cost code. The AFI 64-117 documents GPC use requirements. The GPC is primarily used for indirect material. When the GPC is used to acquire direct material, documentation must establish the direct JON as planned. A cost transfer may then be requested to move JON cost from its current location to the planned JON.

4.5. Material Inventory.

4.5.1. Physical inventory quantities and store prices are maintained in NIMMS and financial values of inventory in DIFMS. Inventory Adjustments can increase or decrease the physical inventory value. NIMMS inventory valuation is based on weighted moving average cost for each National Item Identification Number (NIIN) (see NIMMS User Manual, Appendix W at this site: **https://t6800.csd.disa.mil/index.php**). DIFMS accounts for inventory used by the Air Force: Material and Supplies-Active (Navy Industrial Fund (NIF) Stores), Direct Material (Specific Requirements Inventory Store), and Government Furnished Material (GFM) (unfunded) (Direct Material Inventory (DMI) Store). *Reference AFSCMAN 21-102 for material management of these inventory types and DoD 7000.14-R, Volume 6A, Chapter 14.*

4.5.1.1. Air Force: Material and Supplies-Active (NIF/DMI Stores). Material is placed in Consolidated Sustainment Activity Group (CSAG) owned, NIF funded/DMI unfunded, stores when required for production. Inventories should be kept to the minimum required for production. Material in these stores is tracked under default inventory JONS (W41300000000 funded and W41700000000 unfunded) until material is issued to a shop on a direct JON. United States Standard General Ledger (USSGL) 151100A1 "Material and Supplies-Active," is used to track the inventory values in DIFMS. The value of the account reflects the aggregate of all the NIF, Awaiting Parts (AWP), Local Manufacturing, and Floating Stock/Spares (funded) and DMI (unfunded) stores.

4.5.1.2. Direct Material (Specific Requirements Inventory Store). USSGL account 151100A2 "Operating Material and Supplies Held for Use-Direct Materials," is used to track the inventory values in DIFMS. At any point in time, the value of this account must be zero because inventory is not stored in this category. Any inventory received is simultaneously issued (e.g., direct-line issue or turn-in). This material can be issued to any type of material JON, direct or indirect. DIFMS Reports 7310-421 "Weekly Material Expenditures by Cost Center" and 7310-424 "Weekly Material Expenditures Summary by Expense Account" provide a list of issues and turn-ins to the store. DIFMS Report 7310-430 "Detail Material Receipt Transactions" provides a list of receipts into NIMMS inventory and turn-ins to supply out of the NIMMS inventory by NIMMS code, inventory type, and requisition sequence.

4.5.1.3. Government Furnished Material. USSGL accounts 902200 "Government Furnished Material" and 942200 "Direct Material Government Furnished Material" are used to track the inventory values in DIFMS. Government Furnished Material items are not paid for by depot maintenance, such as kits, and are tracked as unfunded material in DIFMS. (See DoD 7000.14-R, Volume 6A, Chapter 14.)

4.5.2. Inventory adjustments or balance changes are generated due to NIMMS physical inventory counts, price revisions and non-credit turn-ins. DIFMS Program MS281P, Prepare Inventory Adjustment Distribution, updates the Material Requisition Status file and incurs allowances resulting from inventory adjustments. DIFMS Report 7310-431 "Detail Inventory Adjustments" reflects various transactions generated by the NIMMS to affect adjustments or balance changes to inventory. If difference is positive, posting is Debit (DR); if difference is negative, posting is a Credit (CR).

4.5.2.1. Inventory adjustments are reflected in USSGL account 610000W3 "Production Overhead," JON "X56940414000." The value of these adjustments is based on the number of items adjusted multiplied by the current store unit prices. Associated NIMMS codes are D2/M2, D4/M4, and D8/M8.

4.5.2.2. Price revisions are reflected in USSGL account 610000W3 "Production Overhead," JON "X56950414000." The value of these adjustments is based on the difference in price multiplied by the number of assets in the inventory for a given NIIN. Associated NIMMS codes are E1/N1 and E2/N2.

4.5.2.3. Non-credit turn-ins are reflected in USSGL account 610000W3 "Production Overhead," JON "X56510414000." Associated NIMMS codes are L1/L2/L3.

4.5.3. Material receipts, issue or turn-ins received after the JON has closed, material due records not found or unacceptable items (such as invalid substitute NIIN) are received are written to the NIMMS Suspense Report (mn507r01) pending action. In most cases, the asset is physically issued but has not been properly accounted for financially. Therefore, the corrective action is generally to process a transaction on the MN061P, using the Suspense Key, once what has caused the NIMMS error has been corrected. DIFMS Report 7310-433 "Financial Inventory Control Ledger" is the financial status of the NIMMS store records. Each transaction that increased or decreased the inventory balances during the week appears on this report. The same transactions appear on DIFMS Reports 7310-421 "Weekly Material Expenditures by Job Order," 7310-430 "Detail Material Receipt Transaction Report" and 7310-431 "Detail Inventory Adjustments." The DIFMS Report 7310-433 is a subsidiary ledger for USSGL accounts 151100A1 "Materials and Supplies-Active," 151100A2 "Direct Material," 902100 "Customer Furnished Material" and 902200 "Government Furnished Material." This information can also be viewed on the NIMMS Screen MN099P "Store Balances by Store."

4.5.4. Financial procedures for AWP.

4.5.4.1. When the asset goes into AWP, there's initially no financial impact. Wholesale and Retail Receiving/Shipping (WARRS) (D035K) is the accountable system for the management of AWP. ABOM is used as the input system for parts ordering. WARRS links the end item and component piece parts under program control (electronically) and passes AWP updates to NIMMS/ABOM. This type of material is kept/tracked in NIF stores in NIMMS against the inventory JONs (W41300000000 funded) or (W41700000000 unfunded) until all material is available for the repair of an end item. When all material is received for end item repair, it will be issued against a direct JON. Production shops must provide the end item document number, Standard Reporting Designator, and Required

Delivery Date with all requests made through ABOM so that the WARRS (D035K) can link the end item and component/piece parts internally. When ordering parts for end items in work, the user inputs all initial orders through ABOM using the "6N" advice code and appropriate priority. These orders automatically declare an AWP condition, create a backorder if the part is not available from base stock, and ensure visibility of all depot AWP items.

4.5.4.2. When items in organic depot maintenance AWP are determined to be fully supportable (i.e., all parts have been received), production control personnel determine whether repair of the item continues to be required. If repair continues to be required, production control re-inducts the item on the in-work JON from which the item was moved to AWP status.

4.5.4.3. If the original JON has been closed, re-induct the item on a new, funded JON using a new end item document number and Work Control Document (WCD) from the Inventory Tracking System (ITS) (G337). This action causes flow day tracking to be split between the old and new JON for the AWP items re-inducted on a new JON.

4.5.5. Items Found on Base should be accounted for as indirect G&A and either turned in for credit or issued to the floor. Credit returns are done at current Air Force catalog prices. This is the current market value of the asset. Most returns are processed within a few weeks of purchase and market price fluctuations have a minimum impact on variable costs.

4.6. Material Error Processing.

4.6.1. The DIFMS/NIMMS is the integration of two separate and distinct systems linked by a common database designed to provide a standard Automated Data Processing (ADP) financial and material system for the Defense Working Capital Fund (DWCF) environment. The DIFMS Material Subsystem includes two types of reports: internal and external. Various listings and internal reports are used to prepare and submit required external reports to DoD, DFAS, and other operating headquarters.

4.6.2. DIFMS Reports 7310-421 "Material Expenditures by Cost Center," 7310-469 "Aged Material-in-Transit," 7310-472 "Aged Accounts Payable," 7310-478 "Aged Material Accounts Receivable," 7310-484 "Aged Unmatched Bills," and 4310-495 "Material Mismatched" are used monthly to assist with maintaining appropriate expense records.

4.6.3. Record identification in DIFMS material reports is done using the first two positions of the record identification code: B5=debit billing or B9=credit billing; the third position would be what is called the category A= Accounts Payable DIFMS Report 7310-472 "Aged Accounts Payable," B=Accounts Receivable DIFMS Report 7310-478 "Aged Material Accounts Receivable," C=Unallocated 7310-484 "Aged Unmatched Bills," or E=Mat-In Transit, DIFMS Report 7310-469 "Aged Material-in-Transit." All documents not cleared monthly are reported on the executive summary of the Financial and Cost statement.

4.6.4. Corrections can require the use of various NIMMS screens to ensure proper expenditures are recorded on the JON records which are used to measure profit-and-loss against the EISP. Proper material processing and cost also affect the RCC rates each year. Some material issues require corrective action outside of DMAPS by supply/DLA/WARRS. These corrections will post on future billing files and clear billing documents on DIFMS reports without posting unnecessary transactions in NIMMS/DIFMS.

4.6.5. DIFMS Report 7310-469 "Aged Material-in-Transit-Government (MIT)." This report contains two types of errors, B5, debit billing, which is a bill for material not receipted into the NIMMS system or B9, credit billing, which is a bill for material not turned in to NIMMS or from a denial where the material was receipted into NIMMS but posted as denial in WARRS or not delivered. Research of MIT should begin with use of the DIFMS Inquiry Screen MS061P "Material Requisition Status," and proper correction of these transactions will cause DIFMS to generate a Status code of "3" (Closed). Subsidiary amounts are displayed in General Ledger Account Code (GLAC) 151100B1 "Material-in-transit-government."

4.6.6. DIFMS Report 7310-472 "Aged Accounts Payable," which displays payable transactions by age and amounts in Accounts Payable for both Government and commercial. Transactions remain on the report until the matching bill (B5) is posted in DIFMS. The report displays records aged greater than 30 days. Subsidiary amounts are displayed in GLACs 211041A "Accounts Payable-Government" and 211042B1 "Accounts Payable - Commercial Material."

4.6.7. DIFMS Report 7310-478 "Aged Accounts Receivable." Transactions remain on this report until matching credit billing (B9) posts in DIFMS. All transactions over 60 days will be researched and corrected when necessary. Subsidiary amounts are displayed in GLACs 131042B "Accounts Receivable-Commercial" and 131041B "Accounts Receivable-Credits Pending from Government Sources."

4.6.8. DIFMS Report 7310-484 "Aged Unmatched Bills." Unmatched Government Bills (UGB) errors generate when a credit (B9) or debit (B5) bill has posts in DIFMS without an established Material Due. Subsidiary amounts are displayed in GLACs 211042A1 "Accounts Payable - Unmatched Other-Commercial Material Bills."

4.6.9. DIFMS Report 7310-495 "Material Mismatch" errors consist of excessive purchase variances between the amount/quantity of bills and receipts receipted and the amount/quantity DLA billed. Receipted amounts/quantities will be corrected to the actual billing.

4.7. Material in Transit (MIT).

4.7.1. Per AFSCMAN 21-102, the production support flight reconciles material issue requests/receipts to billing records to ensure all material has been received for which maintenance has been billed (Weapon System Support Center/Shop Service Center/Exchangeable Products Support Center (Commonly known as WSSC/SSC/EPSC) personnel provide assistance, as needed). This process occurs once a month, and the reconciliation is accomplished by reviewing the DIFMS financial material error reports. The ALC's Financial Management (FM) organizations must be notified where it is necessary to correct financial records. Records of the monthly review are maintained by the applicable production support flight.

4.7.2. MIT errors are displayed on DIFMS Report 7310-469 "Aged Material-in-Transit–Government" which ages and displays amounts in MIT-Government category. This report is a subsidiary ledger for USSGL account 151100B1 "Operating Materials and Supplies Held for Use-Material in Transit-Government."

4.7.3. MIT debit bills generate when a Material Due has been recorded in NIMMS, a bill has been received from supply, and no receipt has been processed. Research of MIT debit errors begins with use of the DIFMS Inquiry Screen MS061P "Material Requisition Status." First, research to determine if material was received. Documentation for research includes DD Form 1348-1A, *Issue Release/Receipt Document*, Financial Inventory Accounting and Billing System (FIABS) (D035J), Automated Material Tracking System (D364), and Distribution Standard System. If research indicates material was received, process the receipt using NIMMS screen MN031P "Receipts." If research indicates material has not been received, request credit be issued from supply through established procedures.

4.7.4. MIT credit bills generate when a Material Due has been recorded in NIMMS, a credit bill has been received from supply, and a credit turn-in has not been processed. Use the DIFMS Inquiry Screen MS061P "Material Requisition Status" to identify the JON associated with the credit. Use DIFMS Inquiry Screen MS036P "Obligation Inquiry by Job Order," option 9, to determine if a turn-in was processed. If a no-credit turn-in transaction is found on DIFMS Inquiry Screen MS036P, reverse the turn-in and reprocess as a credit expected turn-in on NIMMS MN045P. If no turn-in transaction is found, enter one.

4.7.5. If a MIT error cannot be resolved, request the item be written off through DIFMS MS188P "MIT Write-Off Update."

4.7.6. Unmatched Government Bill (UGB).

4.7.6.1. UGB errors are displayed on DIFMS Report 7310-484 "Aged Unmatched Bills." This report is a subsidiary ledger for USSGL account 1511.00C1 "Operating Materials and Supplies Held for Use-Unmatched-Government Material Bills."

4.7.6.2. Debit UGB errors generate when a bill is received from supply and no Material Due is established in NIMMS. Research of UGB errors includes history in FIABS (only shows production number, no JON suffix) and the Exchangeable Production System (G402A) (shows complete JON for errors less than 90 days old). If research indicates the bill is valid, process a due and receipt using NIMMS Screen MN012P "Due Establishment." If research indicates the bill is not valid, request credit be issued from supply through established procedures.

4.7.6.3. Credit UGB errors generate when a credit bill is received from supply and no due is established in NIMMS and a credit turn-in has not been processed. Research of UGB errors includes history in FIABS (only shows production number, no JON suffix) and Exchangeable Production System (shows complete JON for errors less than 90 days old). Once the JON has been identified, use DIFMS Inquiry Screen MS036P "Obligation Inquiry by Job Order," option 9, to determine if a turn-in was processed. If a turn-in is found on DIFMS Inquiry Screen MS036P, that is a non-credit return, reverse the turn-in and reprocess as a credit expected turn-in on NIMMS Screen MN045P "Turn-In to Supply." If no turn-in transaction is found, enter one. AFSCMAN 21-102, provides procedures for turn-in of material items using NIMMS and ABOM.

4.7.6.4. If a UGB error cannot be resolved, request the item be written off through DIFMS MS102P, Unmatched Material Bill Write-Off.

4.7.7. Duplicate Bills.

4.7.7.1. Duplicate bills are displayed on DIFMS Report 7310-484 "Aged Unmatched Bills." USSGL account 151100C3 "Unmatched Duplicate Bills" is the unmatched account to be relieved. If credit is requested for a duplicate bill, USSGL account 131040A2 "Accounts Receivable-Credits Pending from Government Sources," is established for the receivable.

4.7.7.2. Research must determine if the duplicate bill is actually a partial bill missing a suffix code or if the bill is truly a duplicate bill.

4.7.7.3. If the bill is determined to be valid, receipt the item using NIMMS screen MN031P.

4.7.7.4. If the bill is determined to be a true duplicate, credit from supply should be requested. Use DIFMS Update Screen MS101P "Anticipated Credit" to move the duplicate bill when it has been determined that credit is allowed and to establish accounts receivable for duplicate bills. Results of the update are shown in DIFMS Report 7310-461 "Transactions Clearing Requisition Status."

4.7.7.5. When supply does not allow credit for a duplicate bill, use DIFMS Update Screen MS102P "Unmatched Bill Write-Off" to perform the write-off.

4.7.8. Aged Accounts Payable (receipts no bill).

4.7.8.1. In general, receipts from NIMMS precede bills from supply because NIMMS processes each day and supply bills monthly. When a receipt is aged greater than 30 days and no bill from supply has been received, research is required. DIFMS Report 7310-472 "Aged A/P" displays payable errors and ages and displays amounts in Accounts Payable for Government and commercial. This report is a subsidiary ledger for USSGL account 211041A "Accounts Payable-Government Agencies-Material." Errors can be researched through the DD Form 1348-1A, DIFMS Inquiry Screen MS061P "Material Requisition Status," and FIABS (D035J).

4.7.8.2. If research indicates that the receipt is valid, depot supply needs to be contacted.

4.7.8.3. If research indicates the receipt is not valid, reverse the receipt using NIMMS Inquiry Screen MN031P "Receipts."

4.7.8.4. If research indicates a funded receipt was processed for unfunded material or vice versa, reverse the receipt as the records are shown at that moment. Send email to the NIMMS OPR with transaction information. The OPR will research the transaction using NIMMS, DIFMS, WARRS (D035K), or any other system necessary. The OPR will create a template to update the Material Due Record fields required for changing a funded to an unfunded and put in a Remedy ticket with DFAS to have the fields on the Material Due corrected. Once the Material Due is corrected in NIMMS, the OPR will then make the necessary corrections to the NIMMS Material record to ensure the information matches WARRS cataloging data and receipt can be reprocessed. **Note:** If Material Record (Budget code) or Material Due (Cost code) is changed prior to the Material Due Record being updated by Remedy trouble ticket, the Material Due record will be in a half funded/half unfunded state causing the NIMMS codes to DIFMS to be incorrect. If this happens, the same process above will need to be done to get the Material Due Record to its correct state before the transactions can be corrected.

4.7.8.5. If an "Aged Accounts Payable" error cannot be resolved, request the item be written off through DIFMS Update Screen MS183P "Material Accounts Payable Write-Off."

4.7.9. Aged Accounts Receivable (turn-in).

4.7.9.1. In general, turn-ins from NIMMS to supply precede credit bills from supply because NIMMS processes each day and supply bills monthly. When a receipt is aged greater than 30 days and no-credit bill from supply has been received, research can begin. Aged Accounts Receivable errors are displayed on DIFMS Report 7310-478 "Aged Material Accounts Receivable" which displays the aged transactions and amounts in USSGL account 131041B "AR-Credits Pending from Government Sources." Errors can be researched through FIABS (D035J), Distribution Standard System, and Automated Material Tracking System.

4.7.9.2. If research indicates the turn-in is valid, and credit is due, contact depot supply for corrective action.

4.7.9.3. If research indicates the turn-in is valid, but no-credit is due, reverse the credit turn-in through NIMMS Screen MN045P "Turn-In to Supply" and re-enter as a no-credit turn-in.

4.7.9.4. If research indicates the turn-in is invalid, then reverse the turn-in.

4.7.9.5. If an "Aged Accounts Receivable" error cannot be resolved, request the item be written off through DIFMS Update Screen MS182P "Material Accounts Receivable Write-Off."

4.7.10. Purchase Variances.

4.7.10.1. These errors generate when a bill and a receipt match by quantity but mismatch by an amount greater than the allowable purchase variance as established on the DIFMS Update Screen MS193P "Variance Components." Purchase variance errors are displayed on DIFMS Report 7310-495 "Material Mismatched." **Note:** Also, the bill appears on DIFMS Report 7310-469 "Aged Material-in-Transit-Government," and the receipt on DIFMS Report 7310-472 "Aged Accounts Payable," with a requisition status of "5." Errors can be researched through DIFMS Inquiry Screen MS061P "Material Requisition Status."

4.7.10.2. If research indicates the bill is correct, reverse the receipt with the incorrect price and reprocess the receipt with the correct price. It may be necessary to update NIMMS catalog information with correct prices.

4.7.10.3. If research indicates the bill is incorrect, depot supply needs to be contacted.

4.7.10.4. If the excessive purchase variance cannot be resolved, request the item be written off through DIFMS Update Screen MS185P "Excessive Purchase Variance Update" with "OVR" (Override) option. The variance between the bill and receipt is charged to POH.

4.7.11. Mismatches by Quantity.

4.7.11.1. These errors generate when the bill and receipt match by dollar amount but do not match by item quantity. The error happens due to incorrect receipt or cataloging information, such as Unit of Issue changes. Quantity mismatches are displayed on DIFMS Report 7310-495 "Material Mismatched Report." Also, the bill appears on DIFMS Report 7310-469 "Aged Material-in-Transit-Government," and the receipt on DIFMS Report 7310-472 "Aged Accounts Payable," with a requisition status of "4." Errors can be researched by determining whether the shop received the quantity required through DD Form 1348-1A, Automated Material Tracking System, and Distribution Standard System.

4.7.11.2. If research determines the mismatch is a Unit of Issue change, update catalog information. If the receipt is in error, use DIFMS Update Screen MS181P "Mismatched," to override the mismatch condition. **Note:** There is no financial impact.

4.7.12. Mismatches for Number of Receipts and Bills.

4.7.12.1. If there are multiple receipts with one bill, reverse receipts in NIMMS and process one receipt to match the bill from supply. It is also possible to use DIFMS Update Screen MS189P "Material Requisition Number Correction," to split the bill to match the receipts. This screen can also be used to move an "Accounts Receivable" bill from one requisition to another. Use DIFMS Update Screen MS189P for this purpose, it increases the Accounts Receivable balance on the new requisition number and decreases the Accounts Receivable balance on the old requisition number. "Receivable" bills occur in DIFMS in one of two ways: either a credit bill that partially or fully matches a receipt return, or a debit bill that has been moved to Accounts Receivable using DIFMS Update Screen MS101P "Anticipated Credit." This screen also allows a single material bill to be corrected to more than one new requisition for up to three new requisitions to be referenced, as well as allowing for a portion of the bill to remain on the original requisition.

4.7.12.2. There is also capability to perform requisition number corrections on bills that are in an "Excessive Purchase Variance" ("5") or "Mismatched by Quantity" ("4") status by having the program not only move the bill to the new requisition, but also break it apart from the receipt that it had erroneously been matched with. DIFMS Program MS366P "Requisition Number Correction," and associated DIFMS Report 7310-416 "Requisition Number Correction," address the multiple requisition numbers and diverse quantities and amounts. All "old" bills are displayed on the left and "new" bills on the right.

4.7.12.3. If there are multiple bills with one receipt, reverse receipt in NIMMS and process multiple receipts to match the bills from supply. It is also possible to use DIFMS Update Screen MS106P "Supply Warehouse Refusal/Over Issue Adjustment," to combine the bills to one net bill or to combine a debit and a credit bill or two debit bills, which are the result of a supply warehouse refusal. When an issue request for "X" quantity of an item is processed and a base movement is generated, FIABS (D035J) sends a bill to DIFMS for the entire quantity of the base movement. However, because the quantity actually on hand is less than that shown on the item record, a warehouse denial for the quantity equal to the shortage is processed. Users should have a receipt for what is physically received.

4.7.12.4. FIABS sends a credit bill for the denied quantity. If the denied quantity and the ordered quantity are the same, the records clear one another in DIFMS. However, if the quantity denied is less than the quantity ordered (partial denial), use DIFMS Update Screen MS106P to combine debit and credit bill to net bill, matching the receipt. Users can also use this screen to match commercial bills to commercial receipts by netting multiple bills together in order to match a single receipt. This eliminates the need to input additional "zero batch" cash transactions or do multiple material write-off transactions. Users should not process turn-in transactions in NIMMS to reverse the shorted quantity from the bill in DIFMS. This processing is illogical in that it is forcing the users to process a turn-in of stock for material never received. Denial (Supply Warehouse Refusal) should not be mimicking FIABS (D035J) transactions.

4.7.13. Commercial material mismatches include charges being added for freight, excise taxes or other sources. These commercial mismatches are sent back to cash. The DIFMS MS136P screen is used for this type of transaction. The commercial bills are unmatched because there is not a compatible receipt or undelivered order. Applicable USSGL accounts are 131042B "A/R–Commercial Material," 151100C3 "Operating Materials and Supplies Held for Use–Unmatched–Duplicate Government Material Bills," 211042B1 "Accounts Payable - Commercial Material," and 211042A1 "Accounts Payable - Unmatched Other-Commercial Material Bills."

4.7.13.1. DIFMS Program MS270P "Maintain and Report Material Requisition Status," matches commercial material bills and receipts at the requisition level, rather than forcing the items to match exactly at the individual level. This program facilitates reconciliation and closure of commercial material requisitions. There is a need to do multiple write-offs and overrides, because with the netting process; records are permitted to more cleanly close and match off through normal transactions. The process of doing write-offs, when necessary, can be narrowed down to a single final write-off transaction through DIFMS Update Screen MS741P "Net Accounts Payable/Unmatched Commercial Bill Write-Off" for the entire requisition. In addition, the balances carried in the USSGL account 211042A1 "Accounts Payable - Unmatched Other-Commercial Material Bills," should be minimized. Since this account is viewed in the Unmatched Disbursement category, this results in improvements in the levels being reported by the sites and DFAS.

4.7.13.2. The DIFMS Program MS270P updates the requisition level "net balance" fields for detail level postings, it does associated updates with Debit Unmatched Commercial Bills and Debit Commercial Accounts Payable and maintains aging dates at that level. Credit Unmatched Commercial Bill balances and Reverse Receipt payable balances (for Receipt reversals that do not match with Receipts) remain at the detail line-item level. Credit Commercial Bills only matches Debit Unmatched Commercial Bills at the detail level or Accounts Receivable at the requisition level. For all other cases (i.e., exact matches) the program matches individual debit bills/receipts, debit bills/credit bills, and receipts/receipt reversals at the detail level. The program also updates the corresponding requisition level "net balance" fields as it posts. At the end of the processing, the program

performs a "netting" process which net balances of "Open" records for the first time or "reverse net" items that had previously been netted and have had detail level matches occur within the current cycle. The "Netting" and "Reverse Netting" events are sent to the DIFMS Report 7310-461 "Transactions Clearing Requisition Status," and are included within the summary "MU" Journal Voucher.

4.7.13.3. The overall result of the netting in DIFMS Process MS270P is that Debit Commercial Bills and positive Commercial Receipts that do not get a clean detail match remain in an "Open" status and the account balances are "netted together" at the requisition level. If there is a dollar surplus of receipts, the requisition balance is carried in USSGL account 211042B1 "Accounts Payable - Commercial Material;" if there is a dollar surplus of bills, the requisition balance is carried in USSGL account 211042A1 "Accounts Payable - Unmatched Other-Commercial Material Bills." In cases where there are not clean detail matches, but the net balances are zero (for example, two bills totaling $20 and one receipt equaling $20) at the requisition level, the remaining "open" records is set to "Completed" status. Although the program is not consciously matching multiple bills/receipts together, the net result appears as if it is when the overall net requisition balance goes to zero. The two "net aging" fields are also updated, and the requisition carries the earliest date that a record appeared in the particular category.

4.7.13.4. DIFMS Inquiry Screen MS061P "Material Requisition Status Inquiry," includes requisition level Commercial Accounts Payable Net Balance to Type Response "2" (Receipts), the requisition level Unmatched Commercial Bills Net Balance to Type Response "3" (Bills), and both "net balance" fields to Type Response "5" (All Records) including the Accounts Receivable balance. Type Response "1" (Undelivered Orders) also has a number of Material Due and Purchase Order level fields in the top portion of the screen. This includes the "Record-Name" ("U" series), "Customer Order Number (CON)," "Store Code," "Shop," "Financial-Inventory-Type," "Purge-Key," "Call-Order," "Accounting Classification Reference Number (ACRN)," "Contract Line-Item Number" and "Sub Line-Item Numbers." In addition, the "actual" "Quantity-Due" and "Quantity-Received" fields are on the screen and the existing "End of Cycle" values for these fields are labeled as such. This information makes the option "1" comprehensive and eliminates the need for the user to run ad-hoc database queries (such as IBM® Cognos® or Oracle ® SQL *Plus®) to view the fields.

4.7.13.5. Entries through the DIFMS Update Screen MS101P "Anticipated Credit," decrement the requisition level Debit Unmatched Commercial Bill Net Balance when moving an Unmatched Commercial Bill into Accounts Receivable. If the program zeros out this balance, the requisition level "Date-Aged" value is also removed. This is consistent with changes to the category of the detail bill record from a "C" (Unmatched) to "B" (Accounts Receivable). Entries through the DIFMS Update Screen MS102P "Unmatched Material Bill Write-Off," decrement the new requisition level Debit Unmatched Commercial Bill Net Balance Amount whenever a Debit Unmatched Commercial Bill is written off. The program rejects the transactions if attempted against write-offs on requisitions entered through DIFMS Update Screen MS741P.

4.7.13.6. Entries through the DIFMS Update Screen MS106P "Supply Warehouse Refusal/Over Issue Adjustment," increment the requisition level Debit Unmatched Commercial Bill Net Balance by the amount of the Credit Bill being combined (i.e., actually decrementing it) when combining a debit and credit bill. If the action causes the net balance for the requisition to reach zero, the requisition level "Date-Aged" is also removed.

4.7.13.7. Entries through the DIFMS Update Screen MS183P "Material Accounts Payable Write-Off," decrement the new requisition level Debit Commercial Accounts Payable Net Balance Amount whenever a Debit (positive) Commercial Accounts Payable (NIMMS code "A1") is written off. In addition, attempted write-offs of (positive) Commercial Accounts Payable are rejected if attempted against write-offs on requisitions entered through the DIFMS Update Screen MS741P.

4.7.13.8. Entries through the DIFMS Update Screen MS189P "Requisition Number Correction," increment the requisition level Debit Unmatched Commercial Bill Net Balance Amount on the "New" requisition and decrement that field on the "Old" requisition when the bill being moved was a Commercial Debit Bill (Record-Name "B6" or "BB"). The process also does maintenance on the "Date-Aged-Debit-Unmatched Commercial Bill" for both requisition numbers. If the debit bill being moved is the first one against the new requisition, or is earlier than any existing one, then the "Transaction Date" of that bill becomes the "Date-Aged" for the "New" requisition. Similarly, if the requisition being moved is the last one for the "Old" requisition, the "Date-Aged" for the "Old" requisition is removed. If it is not, the "Date-Aged" for the "Old" requisition is reset to the earliest of the remaining bills.

4.7.13.9. The DIFMS Program MS280P "Process Material Data," increments the requisition level Debit Commercial Accounts Payable Net Balance Amount when processing "positive" Commercial Receipts (NIMMS code "A1"). The program also sets the requisition level "Date-Aged" for Debit Commercial Accounts Payable if one had not previously been set.

4.7.13.10. DIFMS Report 7310-472 "Aged Material Accounts Payable," displays the requisition level Net Balance and "Date-Aged" for Commercial Accounts Payable along with the detail line items (both positive Receipts and "offsetting" Debit Unmatched Commercial Bills) that support that balance. In addition, "negative" (credit) receipts are displayed with their individual amount populating the Net Balance column in order to aid in the subsidiary totaling. Similarly, the DIFMS Report 7310-484 "Aged Unmatched Bills," displays the requisition level "Net Balance" and "Date-Aged" for Unmatched Commercial Bills along with the detail line items (both Debit Bills and "offsetting" positive Commercial Receipts) that support that balance. In addition, Credit Unmatched Commercial Bills are displayed with their individual amount populating the Net Balance column in order to aid in the subsidiary totaling.

4.7.13.11. DIFMS Report 7310-498 "Commercial Material Unmatched," contains all detail bills and receipts (Unmatched Bills and Accounts Payable), including those that have successfully matched, for each commercial material requisition that is not financially complete ("Material-Due Status" is not "3"). The report is easier to use as a research tool than the standard aging reports for DIFMS Reports 7310-472 "Commercial Accounts Payable," and 7310-484 "Unmatched Commercial Bills," as it gives a more complete picture of the entire requisition.

4.7.13.12. DIFMS Report 7310-461 "Transactions Clearing Material Requisition Status" includes four new sections. Sections for the "Accounts Payable/Unmatched Commercial Bill Netting" and "Reversal of Previous Accounts Payable/Unmatched Commercial Bill Netting" report the "netting" and "reverse netting" posting events performed by DIFMS Process MS270P. In addition, sections for Net Unmatched Commercial Bill Write-Offs and Net Accounts Payable Write-Offs have been added to display the results of DIFMS Screen MS741P.

4.7.13.13. DIFMS MS741P screen allows for write-offs of requisition level net balances for Debit Unmatched Commercial Bills and Debit (Positive) Commercial Accounts Payable. The screen contains the two previously mentioned fields and an Action code field. There are two Action code values: "I" (Inquire) and "W" (Write-Off). The user first inquires and the response screen populates the appropriate amount field. Then the user enters an Action code of "W" to initiate the net write-off. The resultant write-off creates an addition Material Requisition Status record with a Record-Name of "AN" (Netted Write-Off) and flag it as a "Current Cycle Adjustment" (status "W") along with new Posting Conditions and Adjustment-Flags which allow the write-offs to be reported in new sections of the DIFMS Report 7310-461 "Transactions Clearing Requisition Status." In addition, all affected detail records that support the netted balance is also set to a status of "closed" (3) and updated with the same Adjustment-Flag value as the summary net write-off record itself. Net Write-Offs are not allowed if other "Current Cycle Adjustment" (Status "W") records exist for the input Requisition Number.

4.7.14. Batch Write-Off is available through the DIFMS Update Screens MS103P "Batched MIT Write-Off," MS104P "Batched Material Accounts Payable (A/P) Write-Off," MS105P "Batched Unmatched Material Bill Write-Off," and MS109P "Batched Material Write-Off Parameters." These screens must have very limited access and must be tightly controlled. (See **paragraph 1.8.12**.)

4.7.15. Use DIFMS Update Screen MS192P "System JON Shop," to update the system information record with a standard Job Order Number/Shop.

4.8. Material Review, Analysis, and Balancing.

4.8.1. The sources for material information are DIFMS inquiry screens, reports, and queries; DDS standard and ad-hoc reports; and Cost and Production Performance Module (CPPM) (H033) online reports. ABOM and NIMMS also provide screens, processes, and reports for the day-to-day material processing. Reference ABOM, NIMMS user manuals, and AFSCMAN 21-102. Material errors may also be researched in systems such as WARRS, FIABS and Center of Parts Activity (D050).

4.8.2. Cumulative cost information.

4.8.2.1. CPPM Direct Material screen can be used to analyze expense, exchange, and non-exchange material by RCC and above.

4.8.2.2. CPPM Indirect Material screen can be used to analyze material expenses by shop, RCC, "U" Account, and JON.

4.8.2.3. DIFMS Inquiry Screens MS052P "Job Order," and MS056P "Indirect Job Order," can be used to inquire on cumulative JON cost.

4.8.2.4. DIFMS Inquiry Screens MS031P "Cost and Expense Material/Other," and MS035P "Cost Adjustment Research," can be used to inquire on cumulative cost at the JON and shop level.

4.8.2.5. DIFMS Reports 7310-783 "Direct Costs by Cost Center Year-to-Date," and 7310-785 "Indirect Cost Summary Year-To-Date," show Year-to-Date (YTD) cost by JON and shop.

4.8.2.6. Queries can also be run against the DIFMS, DDS, and CPPM databases for cumulative cost information.

4.8.3. Current cycle cost.

4.8.3.1. DIFMS Report 7310-412 "Daily Material Expenditures by Job Number," reflects material expenditures by JON/shop. It includes valid, invalid, and corrected records. It provides a record count and summary amounts for incoming records, errors suspended, errors corrected and total records processed.

4.8.3.2. DIFMS Report 7310-421 "Material Expenditures by Cost Center," is a material expenditure report in Shop sequence. It allows for tracking costs by cost center as opposed to JON. The data on this report is the summarized costs for the week on DIFMS Report 7310-412 and agree with DIFMS Report 7310-424. **Note:** This report runs daily.

4.8.3.3. DIFMS Report 7310-424 "DIFMS Weekly Material Expenditures Summary by Expense Account," displays material expenditures summarized by expense account. The same costs on DIFMS Report 7310-412 are summarized by expense account for this report. (See **Table 4.3**.) The TOTAL DIR, TOTAL PROD, TOTAL GEN, TOTAL SERV equals the postings to USSGL accounts 610000W2 "Direct Cost–Material," 610000W3 "Production Expense–Material," 610000W4 "General Expense–Material," and 6100.00W1 "Service Costs-Material" respectively. USSGL Account 610000W1 is not used at the present. It also reflects the net change to USSGL account 199000B "Other Assets-Unallocated Material Expenditures." **Note:** This report runs daily.

4.8.3.4. DIFMS Report 7310-427 "Material Expenditures Distribution by Direct Job Order," is a quick reference for direct JON material costs. **Note**: This report runs daily.

4.8.4. Transaction History and Research.

4.8.4.1. DIFMS Inquiry MS036P "Obligation Inquiry by Job Order," allows inquiry on Material Due, Travel Accrual, Document-Job-Shop (Doc-Job-Shop), or Major Maintenance Project records associated with a JON.

4.8.4.2. DIFMS Inquiry MS061P "Material Requisition Status," allows the user to query the database for either specific information or on all records for a requisition number.

4.8.4.3. DIFMS Inquiry MS062P "Commitment/Obligation by Project Order Number (PON)/Document," allows the user to query the database for specific information on Material Dues.

4.8.4.4. DIFMS Report 7310-431 "Detail Inventory Adjustments," displays miscellaneous increases or decreases to inventory. Daily material receipts from CSAG-Supply (CSAG-S) are displayed as a NIMMS-CD "D6" transaction and turn-ins (receipt returns) to CSAG-S are displayed as a NIMMS-CD "M6" transactions.

4.8.4.5. DIFMS Report 7310-461 "Transactions Clearing Requisition Status," displays requisition numbers entered via DIFMS Update Screen MS189P "Material Requisition Number Correction," which allows users to move a Government bill from one requisition number to another. Use this report by the when determining status of requisitions. The report shows the effect of updates to the Material Requisition Status file. A journal voucher updates the applicable General Ledger Accounts (GLAs).

4.8.4.6. DIFMS Report 7310-462 "Processed Material Bills," assists in researching Material-in-Transit and displays transactions made in DIFMS Update Screen MS136P "Unmatched Commercial Bill Return." Use this report when researching MIT. Transactions on this report resulted from processing material bills with the offset postings to USSGL accounts 101040 "Cash," 151100C4 "Erroneous or Duplicate DSA/GSA Government Material Bills," 211042A3 "Erroneous or Duplicate Commercial Material Bills," and 131041D "Unmatched Other." The Journal Voucher is reflected on the DIFMS Reports 7310-321 "Corrected Unallocated and Unmatched Details," 7310-335 "Cash Receipts Register," or 7310-340 "Cash Disbursement Register."

4.8.4.7. DIFMS Screen MS061P displays requisition numbers entered on DIFMS Update Screen MS189P "Material Requisition Number Correction." Use this screen as a reference when researching MIT. This screen displays requisition number corrections input on DIFMS Update Screen MS189P. Queries can also be run against the DIFMS and DDS databases for transaction history.

4.8.5. Responsibilities in this paragraph are shared by ABOM/NIMMS users and the DIFMS financial analysts. Material balancing requires the users responsible for inputting material transactions affecting inventory/cost review the following reports for accuracy of input. The financial impact of material in organic depot maintenance depends on the accuracy of transactions reflected on these reports. Transaction input accuracy is the responsibility of the production support technician. In most cases, if the production support technician finds an error on input of the transaction it also shows up on the NIMMS Report MN507R01 "Daily Suspense Listing." This report reflects errors in the transactions. Once the NIMMS user corrects the error, the correction also fixes the Due-In From Maintenance errors that have been generated.

4.8.5.1. DIFMS Report 7310-412 "Daily Material Expenditures by Job Number," reflects valid, invalid and corrected records.

4.8.5.2. DIFMS Report 7310-415 "Weekly Unallocated Material Expenditures," is a subsidiary for USSGL accounts 199000B "Unallocated Material Expenditures," 962100 "Unidentified Costs-Customer Furnished Material," and 962200 "Unidentified Costs-Government Furnished Material." Ending Balance of USSGL accounts 199000B, 662200, and 662100 on the report should be equal with GLAs. Net change amount should equal by expense account number at miscellaneous totals section on DIFMS Report 7310-424 "Expenditures Expenses Account."

4.8.5.2.1. Beginning Balance = Total of Prior Cycle Unallocated Material + Total Corrected Unallocated Material.

4.8.5.2.2. Net Change = Total of Current Cycle Unallocated Material-Corrected Unallocated Material.

4.8.5.2.3. Ending Balance = Total of Current Cycle Unallocated Material + Total Prior Cycle Unallocated Material.

4.8.5.3. DIFMS Report 7310-421 "Weekly Material Expenditures by Cost Center." Total for each category should equal DIFMS Report 7310-424 "Weekly Material Expenditures Summary by Expense Account." Subtract miscellaneous totals as applicable.

4.8.5.4. DIFMS Report 7310-427 "Weekly Material Expenditures Distribution." Total for each category should equal DIFMS Report 7310-424 "Weekly Material Expenditures Summary by Expense Account," on Total Direct (DIR) section because this report only displays the direct JON.

4.8.5.5. DIFMS Report 7310-424 "Total Direct, Total Production, Total General and Total Service (Material Supplies and Direct Material)," should equal postings to USSGL accounts for Supplies and Materials (610000W1, 610000W2, 610000W3, and 610000W4) and for Equipment (610000X1, 610000X2, 610000X3, and 610000X4). Miscellaneous Totals reflect Net Changes to USSGL account 199000B "Unallocated Material Expenditures," to USSGL account 962100 "Unidentified Costs-Customer Furnished Material," and USSGL account 962200 "Unidentified Costs-Government Furnished Material."

Table 4.3. Defense Industrial Financial Management System (DIFMS) Report 7310-424.

General Ledger	Debit (DR) Credit (CR)	Description
610000X1 & 610000W1	DR	Equal to the Total Service for Total NIF (Material Supplies plus Direct Material)
610000X2 & 610000W2	DR	Equal to the Total Direct for Total NIF (Material Supplies plus Direct Material)
610000X3 & 610000W3	DR	Equal to the Total Prod for Total NIF (Material Supplies plus Direct Material
610000X4 & 610000W4	DR	Equal to the Total Gen for Total NIF (Material Supplies plus Direct Material
942100	DR	Equal to the Total Direct for Sponsor Owned Material
942200	DR	Equal to the Total Direct for GFM
962100	DR	Equal to the Total Miscellaneous for Sponsor Owned Material
962200	DR	Equal to the Total Miscellaneous for GFM
902100	CR	Equal to the Report Total for Sponsor Owned Material
902200	CR	Equal to the Report Total for GFM
SUM OF 151100A1 & 151100A3 & 151200 & 151300	CR	Equal to the Report Total for Material
151100A2	CR	Equal to the Report Total for Direct
199000B	DR	Equal to the Total Miscellaneous for Total NIF

4.8.5.6. DIFMS Report 7310-430 "Detail Material Receipt Transactions." Provides a list of receipts processed into the NIMMS inventory in NIMMS code, Inventory type, and requisition sequence.

Table 4.4. Defense Industrial Financial Management System (DIFMS) Report 7310-430.

General Ledger	Debit (DR) Credit (CR)	Description
151100A1	DR	The sum of NIMMS codes A1, A3, and A5 with a "Financial-Inventory-Type" of "N" (Material and Supplies)
151100A3	DR	The sum of NIMMS codes A1, A3, and A5 with a "Financial-Inventory-Type" of "I" (Insurance)
151200	DR	The sum of NIMMS codes A1, A3, and A5 with a "Financial-Inventory-Type" of "F" (Foreseeable Requirements)
151100A2	DR	The sum of NIMMS codes A1, A3, and A5 with a "Financial-Inventory-Type" of "D" (Direct Material)
151300	DR	The sum of NIMMS codes A1, A3, and A5 with "Financial-Inventory-Type" of "E" (Equipment)
131042B	DR	The sum of NIMMS code A2 with "Financial-Inventory-Type" of "N" (Material and Supplies), "I" (Insurance), "F" (Foreseeable Requirements), "D" (Direct Material), and "E" (Equipment)
131041B	DR	The sum of NIMMS codes A4, and SC with "Financial-Inventory-Type" of "N" (Material and Supplies), "I" (Insurance), "F" (Foreseeable Requirements), "D" (Direct Material), and "E" (Equipment)
902100	DR	The sum of NIMMS code B2 with a "Financial-Inventory-Type" of "C" (Customer Furnished Material)
902200	DR	The sum of NIMMS code B2 with a "Financial-Inventory-Type" of "G" (GFM)
980000	DR	The sum of NIMMS code B3 with a "Financial-Inventory-Type" of "C" (Customer Furnished Material)
980000	DR	The sum of NIMMS code B3 with a "Financial-Inventory-Type" of "G" (GFM)
152600D	CR	The sum of NIMMS code A5 with a "Financial-Inventory-Type" of "N" (Material and Supplies), "I" (Insurance), "F" (Foreseeable Requirements), "D" (Direct Material), and "E" (Equipment)
211041A	CR	The sum of NIMMS code A3 with a "Financial-Inventory-Type" of "N" (Material and Supplies) "I" (Insurance), "F" (Foreseeable Requirements), "D" (Direct Material), and "E" (Equipment)
211042B1	CR	The sum of NIMMS code A1 with a "Financial-Inventory-Type" of "N" (Material and Supplies) "I" (Insurance), "F" (Foreseeable Requirements), "D" (Direct Material), and "E" (Equipment)
151100A1	CR	The sum of NIMMS codes A2, and A4 with a "Financial-Inventory-Type" of "N" (Material and Supplies)

General Ledger	Debit (DR) Credit (CR)	Description
151100A3	CR	The sum of NIMMS codes A2, and A4 with a "Financial-Inventory-Type" of "I" (Insurance)
151200	CR	The sum of NIMMS codes A2, and A4 with a "Financial-Inventory-Type" of "F" (Foreseeable Requirements)
151100A2	CR	The sum of NIMMS codes A2, and A4 with a "Financial-Inventory-Type" of "D" (Direct Material)
151300	CR	The sum of NIMMS codes A2, and A4 with "Financial-Inventory-Type" of "E" (Equipment)
610000W4	CR	The sum of NIMMS code SC with a "Financial-Inventory-Type" of "N" (Material and Supplies), "I" (Insurance), "F" (Foreseeable Requirement), "E" (Equipment), "D" (Direct
980000	CR	The sum of NIMMS code B2 with a "Financial-Inventory-Type" of "C" (Customer Furnished Material) and "G" (GFM)
902100	CR	The sum of NIMMS code B3 with a "Financial-Inventory-Type" of "C" (Customer Furnished Material) and "G" (GFM)

4.8.5.7. DIFMS Report 7310-431 "DIFMS Detail Inventory Adjustments." Reflects various transactions generated by the NIMMS to affect adjustments to the inventories. If difference is positive, posting is DR; if difference is negative, posting is CR.

Table 4.5. Defense Industrial Financial Management System (DIFMS) Report 7310-431.

General Ledger	Debit (DR) Credit (CR)	Description
151100A1 610000W4	CR DR	The sum of NIMMS codes L1, L2, L3, M2, M4, M8, NI and N2 with a "Financial-Inventory-Type" of "N" (Material and Supplies)
151100A1 610000W4	DR CR	The sum of NIMMS codes D2, D4, D8, E1, and E2 with a "Financial-Inventory-Type" of "N" (Material and Supplies)
151100A3 610000W4	CR DR	The sum of NIMMS codes L1, L2, L3, M2, M4, M8, NI and N2 with a "Financial-Inventory-Type" of "I" (Insurance)
151100A3 610000W4	DR CR	The sum of NIMMS codes D2, D4, D8, E1, AND E2 with a "Financial-Inventory-Type" of "I" (Insurance)
151200 610000W4	CR DR	The sum of NIMMS codes L1, L2, L3, M2, M4, M8, NI and N2 with a "Financial-Inventory-Type" of "F" (Foreseeable Requirement)
151200 610000W4	DR CR	The sum of NIMMS codes D2, D4, D8, E1, AND E2 with a "Financial-Inventory-Type" of "F" (Foreseeable Requirement)
151300 610000W4	CR DR	The sum of NIMMS codes L1, L2, L3, M2, M4, M8, NI and N2 with a "Financial-Inventory-Type" of "E" (Equipment)
151300 610000W4	DR CR	The sum of NIMMS codes D2, D4, D8, E1, AND E2 with a "Financial-Inventory-Type" of "E" (Equipment)
151100A2 610000W4	CR DR	The sum of NIMMS codes L1, L2, L3, M2, M4, M8, NI and N2 with a "Financial-Inventory-Type" of "D" (Direct)
151100A2 610000W4	DR CR	The sum of NIMMS codes D2, D4, D8, E1, AND E2 with a "Financial-Inventory-Type" of "D" (Direct)
902100 610000W4	CR DR	The sum of NIMMS codes L1, L2, L3, M2, M4, M8, NI and N2 with a "Financial-Inventory-Type" of "C" (Customer Furnished Material)
902100 980000	DR CR	The sum of NIMMS codes D2, D4, D8, E1, AND E2 with a "Financial-Inventory-Type" of "C" (Customer Furnished Material)
902200 980000	CR DR	The sum of NIMMS codes L1, L2, L3, M2, M4, M8, NI and N2 with a "Financial-Inventory-Type" of "G" (GFM)
902200 980000	DR CR	The sum of NIMMS codes D2, D4, D8, E1, AND E2 with a "Financial-Inventory-Type" of "G" (GFM)
151100A1 331000M1	DR CR	The sum of NIMMS code D6 with a "Financial-Inventory-Type" of "N" (Material and Supplies)
151100A1 331000M1	CR DR	The sum of NIMMS code M6 with a "Financial-Inventory-Type" of "N" (Material Supplies)

General Ledger	Debit (DR) Credit (CR)	Description
151100A3 331000M1	DR CR	The sum of NIMMS code D6 with a "Financial-Inventory-Type" of "I" (Insurance)
151100A3 331000M1	CR DR	The sum of NIMMS code M6 with a "Financial-Inventory-Type" of "I" (Insurance)
151200 331000M1	DR CR	The sum of NIMMS code D6 with a "Financial-Inventory-Type" of "F" (Foreseeable Requirement)
1512.00 3310.00M1	CR DR	The sum of NIMMS code M6 with a "Financial-Inventory-Type" of "F" (Foreseeable Requirement)
151300 331000M1	DR CR	The sum of NIMMS code D6 with a "Financial-Inventory-Type" of "E" (Equipment)
151300 331000M1	CR DR	The sum of NIMMS code M6 with a "Financial-Inventory-Type" of "E" (Equipment)
151100A1 572000A	DR CR	The sum of NIMMS code D9 with a "Financial-Inventory-Type" of "N" (Material Supplies)
151100A3 572000A	DR CR	The sum of NIMMS code D9 with a "Financial-Inventory-Type" of "I" (Insurance)
151200 572000A	DR CR	The sum of NIMMS code D9 with a "Financial-Inventory-Type" of "F" (Foreseeable Requirement)
151300 572000A	DR CR	The sum of NIMMS code D9 with a "Financial-Inventory-Type" of "E" (Equipment)
151100A2 572000A	DR CR	The sum of NIMMS code D9 with a "Financial-Inventory-Type" of "D" (Direct)
151100A1 573000C	CR DR	The sum of NIMMS code M9 with a "Financial-Inventory-Type" of "N" (Material Supplies)
151100A3 573000C	CR DR	The sum of NIMMS code M9 with a "Financial-Inventory-Type" of "I" (Insurance)
151200 573000C	CR DR	The sum of NIMMS code D9 with a "Financial-Inventory-Type" of "F" (Foreseeable Requirement)
151300 573000C	CR DR	The sum of NIMMS code D9 with a "Financial-Inventory-Type" of "E" (Equipment)
1511.00A2 573000C	CR DR	The sum of NIMMS code D9 with a "Financial-Inventory-Type" of "D" (Direct)

4.8.5.8. DIFMS Report 7310-432 "Detail Material Commitment/Obligation Transaction."

4.8.5.8.1. For direct JON and owner by CON with "CD-MFG-TYPE-CD" = "4" (Capital) Source code not equal to "M" and Back-Ord-Reqn-Indicate not equal to "1."

Table 4.6. Defense Industrial Financial Management System (DIFMS) Report 7310-432.

General Ledger	Debit (DR) Credit (CR)	Description
461040B	DR	The sum of NIMMS codes SA, SB, SD, and SE
470040B	CR	The sum of NIMMS code SA and SB
480142Z	CR	The sum of NIMMS code SD and SE with "Source Code" equal to "P"
480141Z	CR	The sum of NIMMS code SD and SE with "Source Code" equal to "S"

4.8.5.8.2. For direct JON and owner by CON with "CD-MFG-TYPE-CD" not equal to "4" Source Code not equal to "M" and Back-Ord-Reqn-Indicate not equal to "1."

Table 4.7. For Direct Job Order Number (JON).

General Ledger	Debit (DR) Credit (CR)	Description
461040A	DR	The sum of N IMMS codes SA, SB, SD, and SE
470040A	CR	The sum of NIMMS code SA and SB
480142Y	CR	The sum of NIMMS code SD and SE with "Source Code" equal to "P"
480141Y	CR	The sum of NIMMS code SD and SE with "Source Code" equal to "S"

4.8.5.8.3. For Indirect JON and Source Code not equal to "M" and Back-Ord-Reqn-Indicate not equal to "1."

Table 4.8. For Indirect Job Order Number (JON).

General Ledger	Debit (DR) Credit (CR)	Description
461040A	DR	The sum of NIMMS codes SA, SB, SD, and SE
470040A	CR	The sum of NIMMS code SA and SB
480142Y	CR	The sum of NIMMS code SD and SE with "Source Code" equal to "P"
480141Y	CR	The sum of NIMMS code SD and SE with "Source Code" equal to "S"

4.8.5.8.4. If the transactions have the "Source Code" equal to "M" and BACK-ORD-REQN-INDICATE equal to "1," are not posted to the USSGL and it displays on the last page of report at the column "MATL SUP/DIR MATL (NOT POSTED)."

4.8.5.9. DIFMS Report 7310-433 "Financial Inventory Control Ledger," displays financial status of the NIMMS Inventory Store Records within the inventory account. Each transaction that increased or decreased inventory balances during the week will appear on this report. The Store Record financial dollar value fields are 12 positions (including decimal), such as Store Beginning Balance, Current Month Increases, Current Month Decreases and Closing Balance Amount. These field sizes ensure the Closing Balance dollar amount is not truncated before being sent to the DIFMS Report 7310-965 "Automated Balancing." Additionally, the same transactions appear on the DIFMS Reports 7310-421, 7310-430, and 7310-431. The DIFMS Report 7310-433 is also a subsidiary ledger for USSGL accounts 151100A1 "Material and Supplies-Active," 151100A3 "Materials and Supplies-Insurance," 151200 "Materials and Supplies-Foreseeable Requirements," 151100A2 "Direct Material," 151300 "Equipment," 912000 "Customer Furnished Material," and 902200 "Government Furnished Material."

4.8.5.10. DIFMS Report 7310-460 "In-House Manufacturing Receipts and Variances." USSGL 152600D equals the total variance for completed receipts with job closed.

4.8.5.11. DIFMS Report 7310-461 "Transactions Clearing Requisition Status." This report is processed by DIFMS Program MS270P to match off between debit bills, credit bills, and receipts. The transactions post to the USSGL at Journal Voucher (JV) "MU." The total debit should equal to total credit on the report. This JV detail should equal to DIFMS Report 7310-945 "Processed Journal Vouchers." If this report is out-of-balance, contact Defense Finance and Accounting Service Information and Technology (DFAS I&T) customer support desk immediately for assistance with corrections.

4.8.5.12. DIFMS Report 7310-915 "General Ledger Detail Year-To-Date," provides a mechanized ledger that maintains all transactions. The report lists each USSGL account and applicable postings. The report provides weekly/monthly balances, prior month/year balances for which all-subsidiary ledger account balances agree at the end of the processing cycle. The report displays mechanized JVs for the processing cycle. The report can be used as a research tool to track postings in out-of-balance conditions. Reports that generate mechanized JVs can also be used to identify transactions that may have created an out-of-balance condition. Research that is more thorough can be performed if initiated during the same period the out-of-balance has occurred. The accounts that are posted can be traced through the JV number to DIFMS Reports 7310-945 and 7310-915 (USSGL reports).

4.8.6. Reports with JVs:

4.8.6.1. DIFMS Report 7310-424 "Weekly Material Expenditures Summary by Expense Account,"

4.8.6.2. DIFMS Report 7310-430 "Detail Material Receipt Transaction Report,"

4.8.6.3. DIFMS Report 7310-431 "Detail Inventory Adjustments,"

4.8.6.4. DIFMS Report 7310-432 "Detail Material Commitment/Obligation Transaction,"

4.8.6.5. DIFMS Report 7310-457 "Purchase Variances," (JV postings to the USSGL accounts are for overrides only),

4.8.6.6. DIFMS Report 7310-460 "In-House Manufacturing Receipts and Variances,"

4.8.6.7. DIFMS Report 7310-461 "Transaction Clearing Requisition Status,"

4.8.6.8. DIFMS Report 7310-463 "Monthly Inventory Allowance," and

4.8.6.9. DIFMS Report 7310-965 "Automated Balancing." This report lists USSGL and subsidiary accounts. Provides the USSGL account number, database value(s), debit/credit indicator, reference report number (subsidiary reports), subsidiary ledger values and variances amounts.

4.8.7. Subsidiary reports:

4.8.7.1. DIFMS Report 7310-415 "Weekly Unallocated Material Expenditures." Displays amount in USSGL accounts 199000B "Unallocated Material Expenditures," 962100 "Unidentified Costs-Customer Furnished Material," and 962200 "Unidentified Costs-Government Furnished Material,"

4.8.7.2. DIFMS Report 7310-433 "Financial Inventory Control Ledger." Displays amount in USSGL accounts 151100A1 "Material and Supplies-Active," 151100A3 "Material and Supplies-Insurance," 151200 "Material and Supplies-Foreseeable Requirements," 151100A2 "Direct Material," 151300 "Equipment," 902100 "Customer Furnished Material," and 902200 "Government Furnished Material,"

4.8.7.3. DIFMS Report 7310-469 "Aged Material In-Transit Government." Aged Report which displays MIT amount in USSGL account 151100B1 "Material-in-Transit-Government,"

4.8.7.4. DIFMS Report 7310-472 "Aged Accounts Payable." Age and display amount in USSGL accounts 211041A "Accounts Payable-Government Agencies," and 211042B1 "Accounts Payable - Commercial Material,"

4.8.7.5. DIFMS Report 7310-478 "Aged Material Accounts Receivable." Age and display amounts in USSGL accounts 131042B "Accounts Receivable-Commercial Material," and 131041B "Accounts Receivable-Credits Pending from Government Sources," and

4.8.7.6. DIFMS Report 7310-484 "Aged Unmatched Bills." Age and display amount in USSGL accounts 151100C1 "Unmatched Government Material Bills," 151100C2 "Unmatched Depot Level Repairable Second Bills," 151100C3 "Duplicate NSA and DSA/GSA Bills," and 210042A1 "Unmatched Commercial Material Bills."

Chapter 5

COLLECT/TRACK COST/EXPENSE–BUSINESS OPERATIONS

5.1. Introduction.

5.1.1. All costs of Working Capital Fund (WCF) operations must be collected and recorded.

5.1.1.1. These costs include all resources consumed by depot maintenance including labor and material as covered in other chapters as well as the business operation costs covered in this chapter. Resources include services and goods consumed by organizations supporting depot maintenance as well as consumed directly. The costs of resources furnished at no charge to depot maintenance are referred to as unfunded costs. The costs of resources charged to depot maintenance are funded costs.

5.1.1.2. Costs of depot maintenance are classified as direct or indirect (overhead) depending on whether increments of a particular cost can be directly and economically identified to a specific depot maintenance direct job order. Costs meeting this criterion are direct costs. All other costs are indirect costs. Indirect costs are further classified depending on whether a cost can be directly and economically identified to a specific area of direct production effort. Costs meeting this criterion are Production Overhead (POH) costs. All other indirect costs are General and Administrative (G&A) costs.

5.1.2. The Defense Industrial Financial Management System (DIFMS) in the Other Cost Subsystem establishes, updates, changes, or deletes and reports asset/liability records for business operations other than labor, material, and fixed assets. The processes and procedures in this Air Force Sustainment Center (AFSC) Manual refers to "Other" as "Business Operations" because the latter term is more descriptive. The function processes accrual costs, final accruals, discounts, setup charges, deposits, freight, and deductions; amortizes prepaid expenses, write-offs of account balances, and accrual liquidations; calculates contingent liabilities; and journalizes the Schedule of Accruals. The Business Operations Cost Subsystem reports business operations cost by expense account and by Job Order Number (JON). The Business Operations (Other) Cost Subsystem processes all obligation type transactions that are not labor and material. This includes services contracts; DD Form 448, *Military Interdepartmental Purchase Request (MIPR)*; Air Force (AF) Form 406, *Miscellaneous Obligation Reimbursement Document (MORD)*; AF Form 4009, *Government Purchase Card Fund Cite Authorization*; and travel transactions. For Capital Investment Program (CIP) and depreciation, see **Chapter 6**.

5.2. References.

5.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, **https://comptroller.defense.gov/FMR/**.

5.2.1.1. Volume 6B, *Form and Content of the Department of Defense Audited Financial Statements*, Chapter 13, Adjustments, Eliminations, and Other Special Intragovernmental Reconciliation Requirements.

5.2.1.2. Volume 9, *Travel Policy*, Chapter 5, Temporary Duty Travel (TDY) and Travel Advances.

5.2.1.3. Volume 11B, *Reimbursable Operations Policy - Working Capital Funds (WCF)*, Chapter 12, Costs, and **Chapter 13**, Cost Accounting Requirements for Depot Maintenance.

5.2.2. *Joint Federal Travel Regulation/Joint Travel Regulations* (JFTR/JTR), **https://www.defensetravel.dod.mil/site/travelreg.cfm**.

5.2.3. DFAS-DE 7010.5-R, *Direct, Refund, Reimbursement, and Receivable Transactions at Base Level*, June 2006, **https://usaf.dps.mil/sites/FMFC/sitepages/dfas%20guides.aspx**.

5.2.4. Air Force Publications. (Consult Air Force e-publishing website (**https://www.e-publishing.af.mil**) for current versions of the publications below.)

5.2.4.1. AFI 64-117, *Government Purchase Card (GPC) Program,* **https://static.e-publishing.af.mil/production/1/saf_aq/publication/afi64-117/afi64-117.pdf**.

5.2.4.2. AFI 65-103, *Temporary Duty/Special Orders,* **https://static.e-publishing.af.mil/production/1/saf_fm/publication/afi65-103/afi65-103.pdf**.

5.2.4.3. AFI 65-118, *Air Force Purchases Using Military Interdepartmental Purchase Requests (MIPRS)*, **https://static.e-publishing.af.mil/production/1/saf_fm/publication/afi65-118/afi65-118.pdf**.

5.2.5. DIFMS User Manual, Appendix H, Other (Business Operations) Cost Function, and Appendix Y, Error Messages, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

5.2.6. DIFMS Physical Model 03, in Other (Business Operations) Cost, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

5.2.7. Air Force Accounting and Finance Office-Accounting (SAF/FMFC), Buyer Side Code (BSC) Policy letter, 22 October 2014, **https://usaf.dps.mil/sites/FMFC/SitePages/Individual%20Memos.aspx**.

5.3. Line of Accounting.

5.3.1. The Line of Accounting (LOA) must be included on all documents generated for fund codes "6L" (Tinker AFB), "6M" (Hill AFB), and "6Z" (Robins AFB). Examples can include purchase requests, purchase orders, MORD, MIPR, etc. **Note:** The LOA for the CIP is covered in **Chapter 6**.

5.3.1.1. The following data elements are required in the hard copy document LOA. These fields are crucial for proper depot maintenance accounting using DIFMS.

Table 5.1. Line of Accounting Elements for DIFMS Content.

Content	# Positions
DIFMS Cost Code	8
Contractual Other Code (COC)	2
Shop Code: Resource Control Center (RCC)	5
Job Order Number (JON)	12

5.3.1.2. Additional fields of the LOA, include appropriation, Operating Agency Code, Operating Budget Account Number (OBAN), Fund Code, Fiscal Year (FY), Element of Expense/Investment code, if applicable Buyer's Side Code (BSC), and Accounting Disbursing Station Number. AFSC/FM provides the Center and ALC/FM offices a Standard Indirect JON List and Standard Contractual Other Code (COC) List.

5.3.2. The DIFMS Cost code within each LOA must be unique. Each commitment should have only one obligation number. In exceptional cases where a commitment document is required to fund multiple contracts, unique Cost code assignments must be made for each contract accounting line.

5.3.2.1. Each Air Logistics Complex (ALC) must institute a disciplined process to assign a cost code manually for entry into the long LOA on the physical (original) document and entry on DIFMS Update Screen MS112P "Asset Liability." For commercial material buys, use the Naval Air Systems Command (NAVAIR) Industrial Material Management System (NIMMS) Screen MN012P "Requisitioning Establishment." (See **Chapter 4** for further details.) The ALC must maintain a Cost Code Log, which contains a table to connect the cost code to the LOA to the document number. The log must contain, at a minimum, the Cost code, Document Number, each LOA (if more than one line is on a document), Date of Assignment, and the Assignor's Initials.

5.3.2.2. The Cost code is the major systemic transaction identifier in DMAPS. The 8-position Cost code links General Accounting and Finance System-Base Level (GAFS-BL) (BQ) (H069), Defense Finance and Accounting Service-Integration Engine (DFAS-IE), and DIFMS for all business operations transactions. If the cost code entered in DIFMS does not match the cost code that was entered into other systems, the obligation and cash action generated by GAFS-BL (BQ) will not match and will be rejected. Cost code control and reconciliation is vital to assuring accurate processing.

5.3.2.3. The composition of the eight-position Cost code is as follows: Positions 1-2 describe the item: Use "MU" for Material Items Commercially Procured Unaccrued; "SU" for Services Item Unaccrued; "SA" for Services Item Accrued by Amount; and "ST" for Services Item Accrued by time. Cost codes starting with "C" are for CIP, which is covered in **Chapter 6**. Positions 3-4 represent the two-digit FY and positions 5-8 contain a uniquely assigned, serialized number.

5.3.3. The COC is a two-position element, which further defines business operations expenses within DIFMS. There is a unique linkage among the indirect JON, COC, and United States Standard General Ledger (USSGL). COCs 01-50, excluding "45" (military labor), are considered contractual costs. COCs 51-99 (excluding depreciation COCs of "54," "59," and "60"), are considered "business operations" and COC "95" is considered material on the Cost Summary reports.

5.3.4. The Shop code is the five-position element representing the organization (Administrative Overhead Center or RCC) where costs are collected.

5.3.5. The JON is a 12-position element and considered "direct" or "indirect." If "indirect," the JON must be linked to the COC. If "direct" travel (A-JON (see **Table 2.7**.)), COC "87" is used. If other direct, choose the COC based on the services provided. **Note:** The COC for CIP (F-JON (See **Table 2.7**)) is "38" and is covered in detail in **Chapter 6**.

5.3.6. A BSC is required when accepting reimbursable funding documents for intra or inter-governmental transactions. The BSC is a 3-position data element included in the LOA that identifies (1) the Federal trading partner and (2) the trading partner's appropriation being reimbursed by the Air Force. The following information, at a minimum, is also required. For legacy systems: Treasury Accounting System, Business Partner Number, and Agency Location code. For Defense Enterprise Accounting & Management System: Trading Partner Indicator (TP2), Business Partner Number (BPN) (TP3), Trading Partner Main Account (TP4), and Trading Partner Sub-Allocation Holder Identifier (TP5). Additional guidance can be found in AFI 65-118, *Air Force Purchases Using Military Interdepartmental Purchase Requests (MIPRS)* at **https://static.e-publishing.af.mil/production/1/saf_fm/publication/afi65-118/afi65-118.pdf**. LOA data elements are defined at the Financial Management Data Quality Service website: **https://fmdqs.cce.af.mil/saml/home.htm**.

5.4. Goods and Services Commitment.

5.4.1. Complex personnel use the following commitment process. Complex personnel must enter transactions in both DIFMS and other systems (such as GAFS-BL (BQ)) until automated interfaces or other process changes are implemented.

5.4.2. The requesting organization's Resource Advisor (RA) verifies availability of funding for requested goods or services. The LOA is assigned, including the JON, Shop, Cost code, and COC, and if applicable BSC; and forwarded for approval to the appropriate office(s). The certifying office enters the commitment information in DIFMS on Update Screen MS112P "Asset Liability Update," to validate the LOA, including JON and shop. Once the LOA is validated, the commitment is certified in the Funds Request and Certification (FRC) module within FMSuite and entered in GAFS-BL/BQ. Once certified, FRC electronically routes the information to appropriate offices, such as the Initiator or contracting. FRC routes disapprovals to the Initiator.

5.4.3. For the purposes of establishing a commitment, DIFMS Update Screen MS112P allows the users to add, inquire, and change the commitment or contingent liability.

5.4.3.1. All commitments are initially established as "Posting Code" "5" with the exception of the miscellaneous civilian pay MORD, Collections or Credits ("Posting Code" "6"), and the Military Labor Accrual ("Posting Code" "8"). Based on the source and type of services being procured, the service acquisition code and Working Capital Fund (WCF) indicator must also be entered. DIFMS Data Elements can be located in the DIFMS Database Access Manual.

5.4.3.2. MORDs for labor (i.e., Miscellaneous Civilian Pay, Collections or Credits ("Posting Code" "6"), and the Military Labor Accrual ("Posting Code" "8")) are covered in detail in **Chapter 3**, Labor.

5.4.4. Accounting entries in DIFMS at the commitment stage are a debit to Allotments (USSGL account 461040A) and a credit to Commitments (USSGL account 470040A). The associated entry can be seen on DIFMS Report 7310-604 "Schedule of Commitments/Obligations."

5.5. Goods and Services Obligations.

5.5.1. An obligation is based on notification of contract award and entered into GAFS-BL (BQ). GAFS-BL (BQ) interfaces the obligations to the DFAS-IE daily. DFAS-IE sends the change transactions to DIFMS for changing the commitments to obligations. These transactions are validated by the DIFMS Program MS210P "Asset Liability Batch Validation," and using the DIFMS Report 7310-642 "Batch Doc-Job-Shop-REC Update" Part 1 "Valid Records/Valid Post Codes" and **Part 2** "Invalid Records/Invalid Post Cost."

5.5.2. Accounting entries in DIFMS, at the obligation stage, are a debit to Commitments (USSGL account 470040A) and a credit to Obligations (USSGL account 4801-series). The fifth and sixth positions of the Obligation USSGL is "41" for Government service acquisition codes within the WCF ("W"), DoD ("D") and Other Government ("O") and "42" for public ("P"). The seventh position is operations ("Y") and eighth position is determined by the COC. The associated entry can be seen on DIFMS Report 7310-604 "Schedule of Commitments/Obligations." DIFMS Screen MS112P and the DIFMS Program MS210P, "Batch Asset Liability Update," allow the authorized obligation to be set to zero on a "Posting Code" "3" record when there is a Purchase Order Number associated with the record ("Net to Zero"). This provides a means for closing these records as well as properly reflecting the reduction in the budgetary obligation. DIFMS Update Screen MS111P "Asset/Liability Structure Correction," ensures that records cannot be modified when costs have been incurred. The validation in DIFMS Update Screen MS111P should prevent inappropriate transactions from occurring in the system.

5.6. Other Expense Distribution.

5.6.1. Accrual records are identified in the obligating documents by the first two digits of the Cost code. Cost codes beginning with "SA" or "ST" are to be accrued. Cost codes beginning with "SU" and "MU" are not to be accrued, along with CIP.

5.6.1.1. Use DIFMS Update Screen MS112P to establish an accrual in DIFMS. The screen allows the user to inquire, establish, change, finalize, or re-open accrual, contingent liability, and direct cite data for non-travel accrued and unaccrued costs such as contracts. The actual accrual amount is recorded based on the DIFMS Program MS265P "Validate Accrual Data," which increases the balance in the accrual amount on the record. The results show on DIFMS Report 7310-605 "Schedule of Accruals." The user cannot change a document number or task number if there are liquidations against it.

5.6.1.2. Cost codes beginning with "SA" are to be accrued based on an authorized accrual amount provided by the ALC. These accruals are based on an irregular, non-straight-line series of amounts (e.g., Utilities, DOCAT, etc.). The "Posting Code" is changed to "7" on DIFMS MS112P immediately after the obligation is recorded. The authorized accrual amount is manually changed periodically to the cumulative authorized accrual value for the life of the expense. More information on DOCATs can be found in **Chapter 3,** Labor.

5.6.1.3. Cost codes beginning with "ST" are to be accrued based on the obligation and period of performance on the contract. These accruals are based on a straight-line series of amounts. The "Posting Code" is changed to "1" on DIFMS Update Screen MS112P immediately after the obligation is recorded. The system automatically accrues the proper amount of the authorized accrual over the entered period of performance.

5.6.1.4. Accrual transactions post a credit to USSGL account 211041 (Government) or USSGL account 211042 (Public) with an offsetting debit to business operations expense USSGL accounts 610000 I through V and X through Z, based on COC. The corresponding budgetary entry is a credit to the USSGL account 4801-series and a debit to accrued expenditures unpaid in the USSGL account 4901-series. For budgetary accounts, positions 5-8 are as covered above. These transactions can be found on DIFMS Report 7310-605 "Schedule of Accruals." If DIFMS cannot process the accrual (closed JON, shop not valid, etc.), the transaction is rejected to the DIFMS Report 7310-610 "Accrual Rejects." To correct rejected accruals, use the DIFMS Update Screens MS112P "Asset Liability Update" and/or MS111P "Asset Liability Structure Correction."

5.6.2. The Accounts Payable process is described by the steps necessary to establish and record an Accounts Payable against the job order and shop that is designated on the procurement document. The Accounts Payable is based on the receipt action for the goods or services.

5.6.2.1. Valid payable transactions are shown in two parts of DIFMS Report 7310-642 "Batch Doc-Job-Shop-REC Update." **Part 1** is "Valid Records/Valid Post Codes" and **Part 2** is "Invalid Records/Invalid Post Cost." This report must be monitored daily because the information is not cumulative. Correct the errors through input in DIFMS Update Screen MS112P. If not corrected, the cash disbursement suspends on DIFMS Report 7310-320 "Unallocated and Unmatched Details" and 7310-322 "Weekly Unallocated Details" to be corrected at that time.

5.6.2.2. Payable transactions post a credit to USSGL account 211041B (Government) or USSGL account 211042B3 (Public) with an offsetting debit to business operations expense in USSGL account 610000 I through V and X through Z, based on COC. The corresponding budgetary entry is a credit to the USSGL 4801-series and a debit to accrued expenditures unpaid in the USSGL 4901-series. For budgetary accounts, positions 5-8 are as covered above. These transactions can be found on DIFMS Report 7310-605 "Schedule of Accruals." If DIFMS cannot process the payable (closed JON, shop not valid, etc.), the transaction is rejected to the DIFMS Report 7310-610 "Accrual Rejects." To correct rejected payables, use the DIFMS Screens MS112P and/or MS111P.

5.6.3. Government Purchase Card (GPC) for the Procurement of Services

5.6.3.1. Service buys are accounted for at the cardholder level, much as described for the material buys. The only differences are that the summary obligation data is passed from GAFS-BL (BQ) to DIFMS via the DFAS-IE.

5.6.3.2. Cost transfers are implemented for GPC purchases in accordance with **paragraph 7.3.2.1**. The cardholder determines the cost transfers required when reviewing the monthly summary payment received from the GPC vendor or when the initial card is issued.

5.6.3.3. Summary records are established in the Business Operations (Other) Cost Subsystem of DIFMS for the service GPC purchases.

5.6.3.4. The procedures below describe how to record the GPC summary payments, and then distribute the charges to the appropriate JON level for services buys. This process assumes that service buys are recorded and liquidated at the cardholder level. It assumes that cost transfers are made, as required, for the proper JON charges.

5.6.3.4.1. The GPC payments are made at a summary level. Each cardholder and certifying official certifies the invoice for payment, and the payment is at the certifying official level. The summary payment at the cardholder level liquidates the Accounts Payable at the summary level. DIFMS requires a match between the originally recorded obligation/receipt and the subsequent disbursement transaction.

5.6.3.4.2. Nearly all service GPC buys are to indirect JONs. The monthly bankcard payment is allowed to process and liquidate at the summary level the obligation and expense amounts recorded at the time the invoice amount was certified by the cardholder and/or certifying official.

5.6.3.4.3. Service GPC buys are recorded in DIFMS and GAFS-BL/BQ. The Cost code on the service summary record should be coded with an "SU" rather than an "MU" which is used for the material purchases. The obligation for the "SU" service purchases come to DIFMS via DFAS-IE from GAFS-BL (BQ). The commitment for cost codes coded with "SU" must be directly input into the DIFMS Update Screen MS112P. The commitment record must also be input into GAFS-BL (BQ). The "SU" transactions are not passed from GAFS-BL (BQ) to DIFMS.

5.6.3.4.4. An accounts payable value equal to the summary invoice amounts must be input into DIFMS as a change transaction via DIFMS Update Screen MS112P at the time the invoice is certified for payment. Records with "SU" cost codes are not accrued. The expense generated by the input of the authorized accounts payable amount are liquidated by the cash payment made to the bankcard company. The GPC payment occurs each month based on the certified invoice. At the end of the FY, a 13th cycle is run. The 13th cycle captures GPC purchases that occurred after the end of the Sep billing cycle and prior to the new FY (19 or 20 Sep through 30 Sep).

5.6.3.4.5. Where appropriate, use the DIFMS cost transfer process to move the GPC expense on a pseudo-JON to a direct. The cardholder or certifying official must prepare a cost transfer document to be input to DIFMS Update Screen MS144P "Cost Adjustment" for the charges. This transfer document would show the direct amount for each purchase, and a credit to the pseudo-JON, which is stated on the GPC obligation document. AFSC/FZRD Cost Accounting inputs the cost transfer transaction.

5.6.3.5. The following procedures are in compliance with AFI 64-117. If the user desires detailed knowledge of GPC processes, please reference this instruction.

5.6.3.5.1. Use a separate AF Form 4009 for each billing account. Each AF Form 4009 must have a unique LOA Cost code.

5.6.3.5.2. All services purchases (obligations) are recorded in DIFMS via GAFS-BL (BQ) by the Comptroller Squadron (CPTS) at the time the payment is made. This means that service purchases are recorded monthly at the summary rather than the detail level.

5.6.3.6. GPC for services.

5.6.3.6.1. The cardholder obtains a credit card and processes AF Form 4009 in accordance with the procedures found in AFI 64-117.

5.6.3.6.2. The cardholder cannot make a purchase until the AF Form 4009 is coordinated, certified, and approved. The amount of the AF Form 4009 is recorded as a commitment in DIFMS. Once accepted as a valid record in DIFMS, the CPTS inputs AF Form 4009 into GAFS-BL (BQ) to establish a commitment with a single depot maintenance LOA. The Cost code will contain "SU" or "MU" in positions 1 and 2.

5.6.3.6.3. Cardholder enters purchase into GPC purchase log as described in AFI 64-117.

5.6.3.6.4. Once the GPC payment has been made for the purchases of the month, the summary payment amounts are posted to the AF Form 4009 level. This is done based on the GPC statement showing the total purchases for each AF Form 4009. The total purchases for the month for the AF Form 4009 are posted as the obligation/receipt amount. The accrued expenditure-unpaid (balance ID "U") amount is posted in GAFS-BL (BQ) and passed to DIFMS via the DFAS-IE.

5.6.3.6.5. In posting the obligation, the obligation must be made against the document number established by the commitment. The payment amount on the GPC statements is established as an obligation amount. After the first month, the GPC payment amount is recorded in GAFS-BL (BQ) as an adjustment to the obligation value and passed to DIFMS via the DFAS-IE. This is passed to DIFMS through the MS210D01 Interface "Asset Liability Batch," as an increase to the authorized obligation amount.

5.6.3.6.6. Statements are received and reconciliation is accomplished as described in AFI 64-117.

5.6.3.6.7. The payment record for the GPC purchases is recorded in GAFS-BL (BQ) and passed to DIFMS via the DFAS-IE. The payment at a summary level for the AF Form 4009 is recorded in GAFS-BL (BQ) at the same time the obligation/receipt is made for the GPC purchases of the month. This payment must have the same number on the transaction as on the obligation to match in DIFMS. The payment transaction shows the document number, which is the AF Form 4009 document number.

5.6.4. Precision Measurement Equipment Laboratory (PMEL) Items

5.6.4.1. These procedures describe the steps to process contract PMEL transactions. Processes include the establishment of commitments and obligations, recording payables (or accruals) and cash liquidations, and cost transfers to customer JONs to affect the proper charges for the services provided. The procedures are explained below. **Note:** Organic (in-house) PMEL procedures are discussed in **paragraph 3.3.1.3**.

5.6.4.2. All PMEL transactions concerning payment of the vendor performing the work are made at a summary (contract line) level. It is neither necessary nor desirable to have separate contract lines for each supported customer's workload. The certifying official certifies invoices for payment, and payments are posted at the contract level. These summary payments liquidate the Accounts Payable (A/P) or Accrual at the summary level.

5.6.4.3. Establish Accounts Payable or accrue costs via the DIFMS Update Screen MS112P "Asset Liability Update" for the total amount of the summary invoice authorized. Costs will be charged to the JON and shop on the PMEL obligation.

5.6.4.4. Generally, there is a need to charge most of the contract PMEL costs to direct JONs (customer) or other indirect JONs and Shops.

5.6.4.5. Use the following steps for the PMEL process.

5.6.4.5.1. As with any other contract, a commitment is first established in DIFMS for the annual anticipated PMEL buy amount. The commitment is posted via the DIFMS Update Screen MS112P before it is input into GAFS-BL (BQ). Record the commitment in DIFMS against the overhead JON and Shop cited on the AF Form 9, *Request for Purchase* or a Direct Cite (Category II) MIPR (DD Form 448).

5.6.4.5.2. The procurement system obtains a contract for the PMEL services. DFAS inputs the PMEL obligation into GAFS-BL (BQ), which passes the obligation amount to DIFMS via the DFAS-IE on a MS210D01 file. Rejected interface transactions are shown on DIFMS Reports 7310-340 "DIFMS Cash Disbursement Register," and 7310-642 "DIFMS Batch Doc-Job-Shop-Rec Update Valid," and must be corrected manually on MS112P.

5.6.4.5.3. The vendor submits PMEL invoices to a certifying official. These invoices contain a listing of services provided by customer during the invoice period. The certifying official certifies the invoice, and forwards it to DFAS for payment.

5.6.4.5.4. At the same time the certifying official certifies the invoice, the ALC records an A/P amount (or accrual) for the total invoice amount via DIFMS Update Screen MS112P. Increase the authorized A/P amount by the amount of the invoice, and the USSGL 211042C1 account number, if not present, needs to be added to record an A/P balance. The cash transaction generated by the payment requires that an A/P balance be present to liquidate.

5.6.4.5.5. At the beginning of the FY, the ALC receives funding documents from its customers, including those who are provided PMEL services under the PMEL contract. Those funding documents are input into DIFMS under the normal funding process, if the customer will be billed by DIFMS. T-JONs and K-JONs (See **Table 2.7**) are established for the PMEL charges. Ensure that the "Restriction Code" on the JONs will allow the cost adjustments to be used for contract PMEL charges (i.e., third position is not a "9").

5.6.4.5.6. The Facility and Equipment Maintenance (FEM) System (D130) tracks the work done by the contractors (C-JON (See **Table 2.7**)) and Consolidated Sustainment Activity Group (CSAG) employees (S-JON) in the PMEL by customer. Non-CSAG Government customers whose equipment is repaired by the PMEL contractors reimburse the contract cost by providing a MORD to maintenance. Then a Post Code 6 MORD is prepared to establish a receivable in DIFMS to be liquidated by a Standard Form (SF) 1080, *Voucher for Transfers between Appropriations and/or Funds,* prepared by Cost Accounting. The PC6 MORD accrual reduces the PMEL maintenance expense.

5.6.5. Base Support Cost

5.6.5.1. Includes all costs of support to the appropriate ALC provided by base organizations not accounted for as borrowed labor or contractual service cost and not identified as production overhead costs. The ALC Budget Program Review identifies the base support functions normally charged to the depot maintenance.

5.6.5.2. A support agreement is required for each base support function reimbursed by depot maintenance. The agreement sets forth the services to be provided, the amount and method of payment, and the period covered. The agreement is valid only when signed at the ALC/CC level and the organization furnishing the support.

5.6.5.3. Charge depot maintenance for only those funded costs incurred by the support organization.

5.6.5.4. Personnel costs include the additional percentage amount of the base salary of the employees charged as base support cost to cover personnel benefits. Figure this percentage annually by dividing the cost of personnel benefits by the cost of base salary.

5.6.5.5. Support organizations provide auditable detail to support the amount of service provided to organic depot maintenance. Appropriate personnel of ALC, the ABW Comptroller Squadron (ABW/CPTS), and the supporting organizations identify the number of positions that support organic depot maintenance and figure the annual cost. This is done in conjunction with preparation of the Annual Operating Budget (AOB) and results in the signed support agreement.

5.6.5.6. Quarterly reviews are authorized during the year to adjust for significant increases or decreases for required services.

5.6.5.7. The billing office summarizes funded base support costs based on the amount and method of payment contained in the support agreement (usually 1/12 of the annual cost is charged each month). Personnel on reimbursable positions are reimbursed at actual cost. The summary is sent to the Commercial Services organization for preparation and processing of applicable SF 1080. The SF 1080 shows the bill number, the names of the billing offices and the office billed, descriptive information (with backup data attached), and the amounts by accounting classifications of both the billed and the billing offices. **Note:** The following may be found in **Chapter 3**: DIFMS Labor Costing (**paragraph 3.9.**), Cost Transfers for Labor (**paragraph 3.8.**), Military Labor Processing (**paragraph 3.6.**), Workers Compensation Processing (**Table 3.4.**), Civilian Pay MORDs (**paragraph 3.9.7.1.**), Miscellaneous Cash Transactions, Cash Awards (**paragraph 3.9.7.1.**), Reimbursements, DOCAT Employees (**paragraph 3.4.7.1**), and Defense Civilian Payroll System (DCPS) (**paragraph 3.3**).

5.7. Travel (Manual Entry into Defense Industrial Financial Management System (DIFMS)).

5.7.1. Charge travel and per diem expenses (including regular labor hours spent in travel) as direct costs only if the labor hours worked while traveling are charged as direct labor. If more than a single job order is worked on, prorate the travel and per diem expenses based on the related direct labor. Otherwise, charge all travel and per diem expenses as an indirect expense of the employees' cost center. **Note:** For more details regarding direct labor see **Chapter 3**, Labor.

5.7.2. Orders include fund cite, USSGL account, JON, shop, and object class in block 19 on DD Form 1610, *Request and Authorization for TDY Travel of DoD Personnel*, or Defense Travel System (DTS) equivalent. A designated certifying officer in the travel office must authenticate and certify the travel orders. Travel orders that are not prepared in accordance with DoD Component Management guidance and administrative instructions (including AFI 65-103, JFTR/JTR, and DoD 7000-14-R, Volume 9, Chapter 5), are returned by the travel office to the organization's travel monitor for correction. The travel office validates the accounting line to include the JON and Shop combination.

5.7.3. Requesters submit a travel authorization for TDY using DTS for both Military Personnel and DoD Civilians. DTS interfaces with GAFS-BL (BQ) then GAFS-DTS (only used by DFAS) then DIFMS and then back to GAFS-BL (BQ).

5.7.3.1. A copy of the AF Form 938, *Request and Authorization for Active Duty Training/ Active Duty Tour*, generated by Air Force Reserve Command Automated Orders Program with a prefix of "D" is also provided.

5.7.3.2. An original AF Form 938 with a prefix of "R" for reserve duty is forwarded to the travel office for certification. Contingency, Exercise, and Deployment orders with a prefix of "TE" are provided by the local Process Recovery and Funds organization to the Air Force Reserve Command Financial Management (AFRC/FM) office for certification. A copy of AFRC Reserve Mobilization orders with a prefix of "A" is also provided.

5.7.3.3. A copy of all funded certified travel orders must be provided to the travel claims processor for input into DIFMS.

5.7.4. The travel computation system is processed in the Reserve Travel System. Upon completion of travel, DIFMS retrieves the order number and settlement data from GAFS-BL (BQ) and settles the claim for accounting purposes.

5.7.5. DIFMS requires a 15-position travel order number. **Figure 5.1** describes the format of the DIFMS travel order number.

Figure 5.1. Travel Order Number (15 positions).
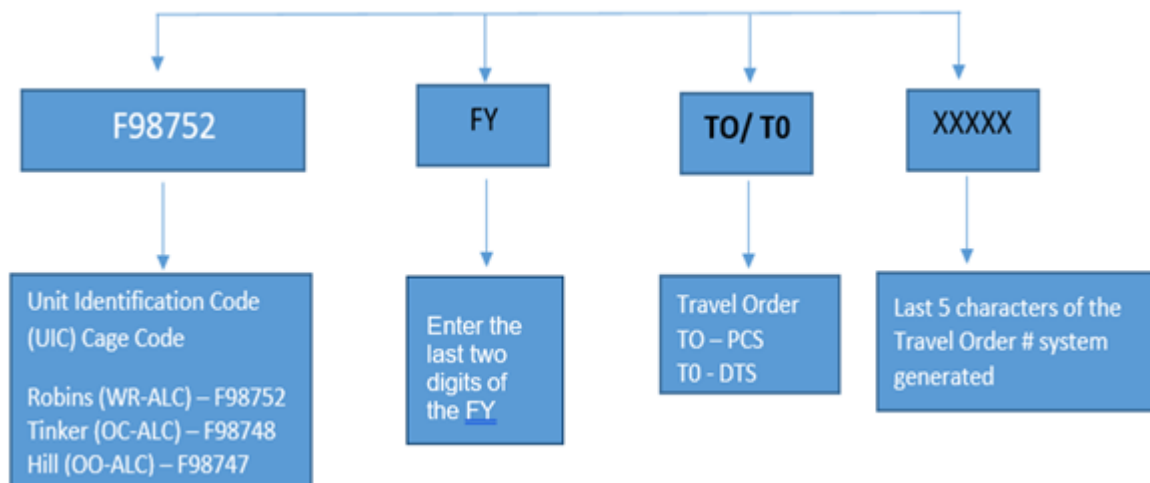
5.7.5.1. If a travel advance is approved, it is recorded against the travel obligation based upon the cash transaction processed in the Cash Subsystem. Once the advance comes through, the users are able to inquire about the transaction with DIFMS Inquiry Screen MS013P "Travel Order Number Inquiry," and view the information on DIFMS Reports 7310-645 "Asset/Liability Balances," or 7310-615 "Outstanding Travel Advances." DIFMS processes travel advances through the Cash Subsystem as a "1K" transaction type code. Upon settlement of the travel voucher and the advance in GAFS-BL (BQ), the travel advance is reversed and liquidated.

5.7.5.2. The LOA for travel orders in DIFMS should be constructed as follows:

5.7.5.3. An example of an Indirect Travel "fund cite" that can be used for a manual travel order being entered into DIFMS: 97X4930.FA29 6Z_ 47E8 55412F 000000 00000 000000 503000 F0330L X54120308000 MAFPBA. (The Program Summary Record and Fund Summary Record must be included along with the "fund cite" to assure that correct payment is made.) The "_" after "6Z" is to be filled with the Numeric for FY. The "F" after the "55412" is for the current 6th position of the AF General Ledger Account Code (GLAC) account signifying the Maintenance Organization that the travel expense is charged to. At the end of the LOA is the DIFMS Indirect JON that corresponds to USSGL account 610000I3. The last field is the Shop/RCC (MAFPBA is just an example) that is performing the Temporary Duty (TDY) and incurs the travel expenses.

5.7.5.4. **Table 5.2** provides a list of Indirect JONs to be used for travel purposes.

Table 5.2. List of Indirect Job Order Numbers (JONs) for Travel.

JON	Description	AF GLAC	AF GLA Title
Y64120308000	Travel & Transportation of Persons	56412	General and Administrative (G&A) TDY & Transportation
Y64130771000	Travel & Transportation of Things	56412	G&A TDY & Transportation
Y64300308000	Civilian Permanent Change of Station (PCS)	56430	G&A OH Civilian PCS
X54120308000	Travel & Transportation of Persons	55412	Production Overhead (POH) Travel
X54130771000	Travel & Transportation of Things	55412	POH Travel
X54300308000	Civilian PCS	55430	POH Civilian PCS

5.7.6. An example of a direct travel "fund cite" to be used for a manual travel order being entered into DIFMS: 97X4930.FA29 6Z_ 47E8 52412_ 000000 00000 000000 503000 F0330L A2815N22A MAFPBA. (The Program Summary Record and Fund Summary Record must be included along with the "fund cite" to assure that correct payment is made.) As above, the _ after "6Z" is to be null since there are no-Year funds involved. The F after the "52412" is for the current 6th position of the AF GLAC account. At the end of the LOA is the "complete" direct JON that the direct travel is charged to. The last field is the Shop/RCC ("MAFPBA" is just an example) that incurs the travel expenses.

5.7.6.1. The Shop/RCC is critical to DIFMS in that the travel costs are charged or expensed to the shop designated in the LOA. This is a peculiar situation when direct travel is performed. For example, TSgt Robertson performs direct travel using Fund code 6Z. Traveler is assigned to Organization: 309th Software Engineering Group (309 SWEG)-Peterson AFB, CO; TDY Purpose: SWEG Software Training; LOA: 97X4930.FA29 6Z 47E8 MSWXX0 55412J 503000 X54120308000. The travel costs are expensed to the 402 SWEG/MXDSR (Shop/RCC: MSWXX) for Software Training.

5.7.6.2. The travel order is entered into GAFS-BL (BQ) by the travel office or a system printout is sent out for approval and entered into GAFS-BL (BQ) under the DTS or other local systems. Reserve Orders are established in Air Force Reserve Order Writing System. The manual travel orders (PCS, Reserves, Special) are entered into DIFMS. This is a manual process until automation occurs. For Robins AFB, PCS travel orders are manually entered into DIFMS and portion of the PCS order includes household goods shipping and storage. These are processed as "PPMORDs" and are established separately using MS112P screen and "Posting Code" "5."

5.7.7. The following sub-paragraphs describe the DIFMS processing for DTS using DIFMS Program MS668P "Batch DTS Travel Accrual Record Validation."

5.7.7.1. The program reads an input file from DTS and performs the appropriate edit and validation checks on each record. The program automatically posts valid transactions against the DIFMS database. The program returns invalid transactions to DTS along with appropriate error message. The program automatically restarts itself once it successfully processes a file. Input files can be processed as frequently as every 30 seconds.

5.7.7.2. DIFMS also has the capability to send positive and negative acknowledgment information back to DTS. DIFMS Report 7310-662 "DTS Travel Transactions," contains negative (invalid record) and positive (valid record) acknowledgments. The report includes a cross-reference showing the DIFMS error number, DTS error number, and the DIFMS error message.

5.7.8. The program handles supplemental travel claims when the record has been finalized. The supplemental claim transactions are treated as an Action code "C" (Change) and the program automatically reopens the Travel Accrual Record by changing the "Status Code" from "3" to "2." These transactions process through DIFMS after reopening the orders.

5.7.8.1. The program includes a seven-position field for the MS668D04 output file. This field contains the site Unit Identification Code and two positions that are uniquely assigned as follows for Air Force sites: Hill = "HL," Warner Robins = "WR," and Tinker = "TI." The site identification for the Air Force aids the GAFS-BL (BQ)/DTS middleware in distributing the DIFMS output to the appropriate DTS site. For control purposes, a Sequence Control Number is being added to the trailer record on the MS668D04 file. The Sequence Number is a four-position numeric field. A new internal file, MS668D07 maintains the Sequence Control Number.

5.7.8.2. Internal processing for DIFMS in the area of Process Recovery and Funds Availability match the identical business rules that already existed in DIFMS Update Screen MS113P and DIFMS Program MS268P "Batch Travel Interface."

5.7.8.3. The program can process an Accounts Receivable transaction coming from the GAFS-BL (BQ)/DTS interface process. This capability is provided by accepting an Accounts Receivable amount and a Transaction-Set-Purpose-Code on the incoming MS668D01 file. The functionality for processing the Accounts Receivable mirrors the Action code "P" (Post Overpayment) capability that currently exists in the Asset/Liability Update-Travel (MS113P). This change provides basic debt management capability within DIFMS in the DTS environment, and this change should not require manual intervention by the user to establish an Accounts Receivable within DIFMS.

5.8. Manual Travel Changes.

5.8.1. Users establish, amend, cancel, finalize or re-open a travel record in DIFMS Update Screen MS113P "Asset/Liability-Travel." When travel amendment data is entered into DIFMS, the amended data overlays the original data records. Any inquiry performed after the update of this record only reflects the record as it was changed by the last amendment processed. DIFMS validates travel order upon entry into the DIFMS Update Screen MS113P. Data that needs to be finalized can be identified by reviewing the DIFMS Reports 7310-680 "Asset Liability Transaction History," or 7310-645 "Asset/Liability Balances." Users are able to traverse between the DIFMS Update Screen MS113P and the DIFMS Inquiry Screen MS013P "Travel Order Number Inquiry," without having to re-enter the document number. Reference the DIFMS User Manual, Section H, Other Cost Function, for a user guide on the DIFMS Screen MS013P.

5.8.2. Use Action code "F" to finalize a travel record and for problem records that have not cleared through the normal settlement process. Most settlements that come through cash automatically clear the accrual and ticket balances, even if records do not cleanly match. The primary exception of this would be "under-liquidations" against a PCS document or under-liquidations against documents with over 30 days of travel. The Action code of "F" can be used to write-off any individual balance or all balances.

5.8.3. The Action code of "C" on DIFMS Update Screen MS113P is used to cancel and/or change the makeup of the order. On the "AMD" field, enter "CAN' to cancel the travel order. In order to cancel a travel record using the "C" function, there must be no expenses posted against the accruals. Cancellation sets the "Authorized-Accrual" field to zero including the "pieces" of the Authorized Accrual (Per Diem, POV, Other).

5.8.4. The Action code of "R" on the MS113P screen is used to re-open an order to process additional charges or refunds on a Travel Accrual Record that has been settled and closed.

5.8.5. Correction of duplicate document numbers for travel orders with different JONs and shops must be done manually. Reference DIFMS Report 7310-645 "Asset Liability Records," ("Posting Code" "2" Section). It is important that these duplicates are corrected properly, because it has a financial impact between organizations. Travel expenses could be understated in one organization and overstated in another. Additionally, costs could be incurred and paid, but cannot be posted. This would affect the revenue recognized and payment received through billing.

5.8.6. Travel Corrections.

5.8.6.1. The AFSC/FZR personnel research errors on the DIFMS Reports 7310-320 "Unallocated, Unmatched Details," and 7310-322 "Weekly Unallocated Details," and corrects the errors using the DIFMS Update Screen MS132P "Unallocated Detail Error Correction." Types of errors are listed below.

5.8.6.1.1. Document number ("DOC NBR") needs to be corrected. Common problems are FY is incorrect, the order number is not set up in DIFMS, document number is not recognizable in cases of airline ticket, military flights (e.g., Air Mobility Command), Government Bill of Lading is incorrect, and straight payments were incorrectly made.

5.8.6.1.2. Disbursing Station Symbol Number or Accounting Station is not correct. Example is Robins "503000."

5.8.6.1.3. Property Accounting Activity (PAA) should be "7A" for airline tickets, "7B" for travel and "1K" for advances issued or settled.

5.8.6.1.4. Object Class ("OBJ CLASS") must equal "210."

5.8.6.1.5. Transaction Type code is "1K" for advances.

5.8.6.1.6. For document numbers that are set up twice, the DIFMS user adds the correct JON for settlement in the Cost code field on the DIFMS Update Screen MS132P.

5.8.6.2. An error message received may be "0591 Job Closed-TX Date Cannot Be > close date or final billed." Follow the options below if applicable.

5.8.6.2.1. If the A-JON is not final billed and travel document is not closed, then re-open the A-JON and clear the error.

5.8.6.2.2. If the JON is final billed, and the travel document is at status code "1," then change A-JON to the X-JON for it to process.

5.8.6.2.3. If the A-JON is closed and final billed and travel document is at Status code ("STAT") "1," do a reverse bill then re-open the A-JON.

5.8.6.2.4. If the travel document is closed, STAT "3" and A-JON is final billed, then re-establish the travel document under the X-JON and then clear the error with the JON in the Cost code field.

5.8.6.2.5. If travel document is at STAT "1" and the A-JON is purged, then re-establish the travel document again under the X-JON and clear the error with the JON in the Cost code field.

5.8.6.2.6. If travel document numbers are set up twice under two different JONs; for example, the X-JON settled correctly (status code "3") and an A-JON set up incorrectly in open status code "1" and the correct A-JON is closed and final billed. Two processes are available:

5.8.6.2.6.1. Do a reverse billing and re-open the A-JON, then cancel or take the dollars down to zero and finalize.

5.8.6.2.6.2. Change the A-JON to the Y-JON. DIFMS does not allow use of the X-JON again. Then cancel or take the dollars down to zero and finalize. A cost transfer would then need to be accomplished moving the credit from the Y-JON to the X-JON.

5.8.6.3. For those travel document that are set up under an A-JON that is closed, final billed (STAT "3"), and purged and need to be closed because it was canceled, then the second process is used except the JON is changed to the X-JON and no transfer needs to be accomplished.

5.8.6.4. For those orders where the expenditures are applied to the incorrect order, a zero-batch transfer process should be used to move the costs from one order to another using the DIFMS Update Screen MS131P "Cash And Reject Correction." This screen processes a negative cash posting to one record and a positive record (or multiple records) that add to $0 in total. Verify expenditures using Commander's Resource Integration System (CRIS), Reserve Travel System, DIFMS Reports 7310-340, 7310-640 and 7310-C11 "Audit Trail."

5.8.7. USSGL accounts for travel:

5.8.7.1. Order established in DIFMS (**Table 5.3**).

Table 5.3. Order Established in Defense Industrial Financial Management System (DIFMS).

General Ledger	Debit (DR) Credit (CR)	Description
610000I2	DR	Expenses-Travel/Trans of Persons-Direct (A-JON)
610000I3	DR	Expenses-Travel/Trans of Persons Prod (Indirect X-JON)
610000I4	DR	Expenses-Travel/Trans of Persons-General (Y-JON)
211042C3	CR	Accounts Payable Public-Travel Cost-Public Estimated
480142YI	DR	Undelivered Orders-unpaid Public-Operations-Travel and Transportation of Persons (Budgetary)
490142YI	CR	Expended Authority/Unpaid Public-Operations-Travel and Transportation of Persons

5.8.7.2. Payment made to traveler recorded in GAFS-BL (BQ) and processed against travel document in DIFMS (**Table 5.4**).

Table 5.4. Payment Made, Recorded and Processed Against Travel Document.

General Ledger	Debit (DR) Credit (CR)	Description
211042C3	DR	Accounts Payable Public-Travel Cost-Public Estimate
101040B1	CR	Fund Balance w/Treasury-Funds Disbursed/Operations Assets
610000I2 610000I3 610000I4	CR or DR	Expenses-Travel/Trans of Persons. This USSGL account can be a debit or credit depending on the amount paid to traveler compared to the amount on the order
490142YI	DR	Expended Authority/Unpaid Public-Operation-Travel and Transportation of Persons
490242YI	CR	Expended Authority Paid Public-Operations-Travel and Transportation/Persons
461040A	CR or DR	Allotments-Realized Resources-Operations

5.8.7.3. Cancelling a travel order (manual or DTS) in DIFMS (**Table 5.5**). Do the reverse of when an order is established in DIFMS. (See **Table 5.3**.)

Table 5.5. Cancelling a Travel Order (Manual or Defense Travel System) in Defense Industrial Financial Management System (DIFMS).

General Ledger	Debit (DR) Credit (CR)	Description
211042C3	DR	Accounts Payable Public-Travel Cost-Public Estimate
610000I2 610000I3 610000I4	CR	Expenses-Travel/Trans of Persons depending on the type of JON used. A-JON, X-JON and Y-JON respectively
490142YI	DR	Expended Authority/Unpaid Public-Operation-Travel and Transportation of Persons
480142YI	CR	Undelivered Orders-unpaid Public-Operations-Travel and Transportation of Persons (Budgetary)

5.8.7.4. Advance established in DIFMS (**Table 5.6**).

Table 5.6. Advance Established in Defense Industrial Financial Management System (DIFMS).

General Ledger	Debit (DR) Credit (CR)	Description
141042A1	DR	Advances to others-Travel Advances
101040B1	CR	Cash-Funds Disbursed
480142YI	DR	Undelivered Orders-Unpaid Public Operations and Transportation of Persons
480242YI	CR	Undelivered Orders-Paid Public Operations and Transportation of Persons

5.8.7.5. Payment made to traveler in GAFS-BL (BQ) processed against travel document in DIFMS and advance closed (**Table 5.7**.).

Table 5.7. Payment Made, Processed and Advance Closed.

General Ledger	Debit (DR) Credit (CR)	Description
101040B1	DR	Cash-Funds Disbursed-For the amount of the advance
141042A1	CR	Advances to others-Travel Advances For the amount of the advance is in the "TRAV ADVANCE LIQD" field on the DIFMS Inquiry Screen MS013P
211042C3	DR	Accounts Payable Public-Travel Cost-Public Estimated
101040B1	CR	Cash–Funds Disbursed-For the amount of the payment-settlement–12 transaction in GAFS-BL (BQ)
610000I2 610000I3 610000I4	CR or DR	Difference in the amount set up or accrued and the payment
490142YI	DR	Expended Authority Unpaid-Same as the 211042C3 account
461040A	DR	Allotments-Realized Resources-Operations-same as 610000I2/I3/I4
490242YI	CR	Expended Authority Paid Public Operations-Travel and Transportation/Person-Amount of Actual Disbursement

5.9. Travel Reports Available.

5.9.1. DIFMS Report 7310-605 "Schedule of Accruals," lists other (travel) costs accruals and creates the Accounts Payable in detail for the week and provides details for posting to the general ledger.

5.9.2. DIFMS Report 7310-610 "Accrual Rejects," lists other (travel) accrual rejects due to a closed JON or an invalid JON/Shop combination.

5.9.3. DIFMS Report 7310-615 "Outstanding Travel Advance," provides detail data concerning the aging of travel advances. It is broken-down by PCS orders, as well as current ones. Report displays aging in 1-30, 31-90, 91-180, 181-360, and over 360-day increments.

5.9.4. DIFMS Report 7310-640 "Asset/Liability Update," lists expenditures and changes to the Travel Asset/Liability Records in the section.

5.9.5. DIFMS Report 7310-645 "Asset/Liability Records," provides a subsidiary ledger for "Posting Code" 2–travel and "Posting Code" "5" for Civilian household goods shipping and storage (PPMORDs).

5.9.6. DIFMS Report 7310-662 "DTS Travel Transactions," provides valid and invalid travel orders process for the specific business day. On the invalid report, it includes DIFMS error number and message.

5.9.7. DIFMS Report 7310-C11 "Audit Trail," displays an audit trail for all DIFMS screens.

5.10. Balancing Procedures for Business Operations (Other) Cost.

5.10.1. Accounts Affected by Cash and Business Operations (Other) Cost. For comparison, use DIFMS Report 7310-645 "Asset Liability Balances," and the specified Journal Voucher (JV) types from the DIFMS Report 7310-945 "Processed Journal Vouchers." In lieu of using the current and prior DIFMS Report 7310-645, the current and prior DIFMS Report 7310-965 "Automated Balancing," containing the DIFMS Report 7310-645 subsidiary report totals may be used.

5.10.2. Balancing Of Accruals. Use the DIFMS Report 7310-605 "Schedule of Accruals," to ensure that the postings between the Cost and Asset/Liability Accounts are in synch. Verify that debits equal credits on DIFMS Report 7310-605 "Schedule of Accruals," ("SA" JV). Verify that sum of cost postings (USSGL 4000-series accounts) is offset by sum of Asset/Liability postings (USSGL 1000 & 2000-series accounts).

5.10.3. Direct Cost. Use DIFMS Report 7310-781 "Direct Costs by Shop within JON Current Cycle," and 7310-945 "Processed Journal Vouchers," for comparison and research.

Table 5.8. Balancing Procedures (Direct Cost).

Compare From 7310-781	To 7310-945	For USSGL accounts	Collect Cost Data From DIFMS Reports 7310-
Contractual Total	GLAC Total	610000U1 610000T1 610000D2 610000K2 610000R2	321 "Corrected Unallocated Cash ('CU') Journal Voucher" 335 "Cash Receipts ('CR') Journal Voucher" 340 "Cash Disbursements ('CD') Journal Voucher" 605 "Schedule of Accruals ('SA') Journal Voucher" 770 "Miscellaneous Transfers ('MT') Journal Voucher" 960 "Cost Adjustments ('CX') Journal Voucher"
Direct Transfer	4590 total Journal Voucher (JV) types	61000042	764 "Service Center Transfer ('SC') Journal Voucher" 770 "Miscellaneous Transfers ('MT') Journal Voucher" 960 "Cost Adjustments ('CX') Journal Voucher"

5.10.4. Indirect Cost. Use the DIFMS Reports 7310-780 "Indirect Costs by Shop within JON Current Cycle," and the 7310-945 (MS353R02) for comparison and research.

Table 5.9. Balancing Procedures (Indirect Cost).

Compare From 7310-780	To 7310-945	For USSGL accounts	Collect Cost Data From DIFMS Reports 7310-
Production Total for Contractual	GLAC total JV types	610000K3 610000R3 610000D3 610000U3	605 "Schedule of Accruals ('SA') Journal Voucher" .340 "Cash Disbursements ('CD') Journal Voucher"
General Total for Contractual	GLAC total JV types	610000K4 610000R4 610000D4 610000U4	335 "Cash Receipts ('CR') Journal Voucher" 321 "Corrected Unallocated Cash ('CU') Journal Voucher" 960 "Cost Adjustments ('CX') Journal Voucher" 770 "Miscellaneous Transfers ('MT') Journal Voucher"
Production Total for Direct Transfer	4690 total JV types	61000043	960 (MS406R01) "Cost Adjustments ('CX') Journal Voucher" 770 (MS342R01) "Miscellaneous Transfers ('MT') Journal Voucher" 764 (MS357R01) "Service Center Transfer ('SC') Journal Voucher"

Chapter 6

MANAGEMENT OF PROPERTY, PLANT, AND EQUIPMENT

6.1. Introduction.

6.1.1. Working Capital Fund (WCF) Depot Maintenance is authorized to fund the acquisition of select capital purchases through the Capital Investment Program (CIP) with an investment threshold of $250,000.00 and an estimated benefit period or useful life to depot maintenance of 2 years or more. Capital purchase acquisitions differ from other depot maintenance expenditures in the methods used for accounting, budgeting, and processing requests.

6.1.2. A financial viewpoint upon a capital asset acquisition is a conversion of one asset (cash) to another asset (capital asset). This conversion only affects the balance sheet, which creates a requirement to reserve cash (an asset) to satisfy payment for item received. With capital assets, the primary concerns are when the obligation occurs, payment is made and the asset is put into service. The expense transaction converts cash asset to an expense affecting both the balance sheet and the income statement.

6.2. References.

6.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, **https://comptroller.defense.gov/FMR/**.

6.2.1.1. Volume 2B, *Budget Formulation and Presentation*, Chapter 9, Defense Working Capital Fund Budget Justification Analysis.

6.2.1.2. Volume 4, *Accounting Policy*, Chapter 24, Real Property, **Chapter 25**, General Equipment, **Chapter 26**, Assets Under Capital Lease, **Chapter 27**, Internal Use Software, and **Chapter 28**, Heritage Assets, Multi-Use Heritage Assets and Stewardship Land.

6.2.1.3. Volume 6A, *Reporting Policy*, Chapter 15, Defense Working Capital Fund Accounting Report, [Accounting Report (Monthly) 1307].

6.2.1.4. Volume 11B, *Reimbursable Operations Policy - Working Capital Funds (WCF)*, Chapter 12, Costs, and **Chapter 13**, Cost Accounting Requirements for Depot Maintenance.

6.2.2. AFSCMAN 21-102, *Depot Maintenance Management*, Chapter 4, Capital Investment Program, **https://static.e-publishing.af.mil/production/1/af_sustainment_ctr/publication/afscman21-102/afscman21-102.pdf** . (Consult Air Force e-publishing website (**https://www.e-publishing.af.mil**) for current version of the publication.)

6.2.3. Defense Industrial Financial Management System (DIFMS) User Manual, Appendix T, Fixed Asset Function and Appendix Y, Error Messages, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

6.2.4. DIFMS Physical Model 11, Fixed Asset Functions, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

6.2.5. AFSC   General   Equipment   Process   Guide,
https://usaf.dps.mil/:f:/r/teams/TMCA19200/MF/File%20Cabinet/03_AFSC_FZR_OL_
Docs/01_AFSC_Policy-
SOP%27s/Approved%20(.PDF%27s)?csf=1&web=1&e=CbCMPY.

6.3. Accounting for Capital.

6.3.1. The investment threshold for CIP is $250,000 per DoD 7000.14-R, Volume 2B, Chapter 9. CIP assets are capitalized using the threshold in place at the time the CIP project was approved. CIP funded fixed assets fall within four categories: 1) Automated Data Processing Equipment (ADPE); 2) Non-ADPE Equipment; 3) Software Development, whether internally or externally developed; and 4) Minor Construction. Air Logistics Complex (ALC) Financial Management Offices (FMs) and Air Force Sustainment Center Cost Accounting Branch Operating Locations (AFSC/FZRD-OL) will continue to separately account for Test and Weapon Systems Sustainment within the non-ADPE category. The Keystone Decision Support System (KDSS) (H303) Budget Development Tool will systematically combine Test and Weapon Systems Sustainment into the non-ADPE category for budgeting purposes.

6.3.2. Complex Financial Managers and organizations assure assets are properly capitalized or expensed based on guidance in this document as well as the DoD 7000.14-R, Volume 4, Chapter 25. Fixed assets will be recorded in DIFMS in a timely manner after the asset has been determined to have reached Full Operational Capability (FOC). FOC is defined by AFSCMAN 21-102, Chapter 4, as the point in time when the project engineer formally reports the asset is functionally acceptable, certified for operation and production ready. The ALC CIP Manager must take action to ensure depreciation commences and that the asset is recorded as FOC in DIFMS as soon as possible and properly documented in DIFMS (AFSCMAN 21-102). The ALC CIP Manager prepares the Key Supporting Documents (KSDs) when the engineer determines asset is ready for use (FOC). ALC/FM CIP Manager sends the KSD documentation to AFSC/FZRD-OL for processing in DIFMS. AFSC/FZRD validates the KSDs and then adds asset to DIFMS to start depreciation.

6.3.3. The DIFMS Fixed Asset module is the system of record for all CIP assets and performs all necessary functions from cradle to grave as listed below in accordance with DIFMS Subsystem Descriptions from DIFMS User Manual.

6.3.3.1. Collects fixed assets costs for procurement, installation, and modification through Fixed Asset "F" Job Order Numbers (JONs). (See **Table 2.7**.)

6.3.3.2. Updates Plant Account Records.

6.3.3.3. Creates Automated Journal Vouchers (JVs) and posts to General Ledger Accounts (GLAs).

6.3.3.4. Computes and processes Monthly Depreciation Expense.

6.3.3.5. Provides reports of financial data and status of fixed assets.

Figure 6.1. Fixed Asset Process Flow.
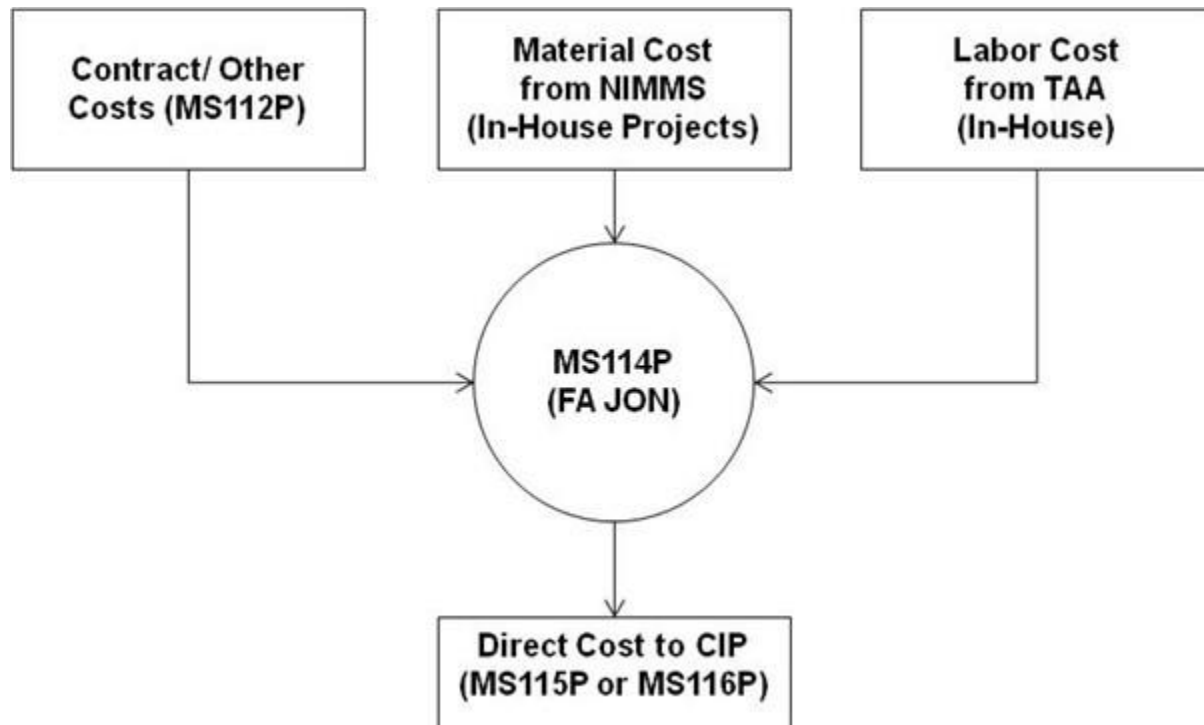
6.3.4. Capitalize all assets that meet the $250,000 threshold developed, manufactured, transferred, or acquired by depot maintenance when the following criteria are met:

6.3.4.1. Acquisition cost are all related costs necessary to bring asset to FOC. Planning and design costs are not used to meet the statutory threshold of $250,000 for minor construction projects. However, planning and design costs can be added to the total cost of the minor construction once the threshold is met.

6.3.4.2. Capital assets transferred to depot maintenance from another DoD activity will be capitalized at original acquisition cost, or reasonable estimate, and any associated costs for transportation, installation, and other required cost to bring the asset back to FOC. When assets have been previously depreciated, record original acquisition cost and accumulated depreciation and DIFMS will calculate book value according to DoD 7000.14-R, Volume 4, Chapter 25.

6.3.5. Classify software as capital investments including system programs, application programs, Commercial-Off-The-Shelf software, independent subroutines, databases, and software documentation. This includes software development or acquisition for the general benefit of depot maintenance but does not include software developed or acquired for a specific customer. Software developed or acquired for a specific customer should be charged to and reimbursed by the requesting customer. Software costs must be clearly identifiable with new software projects distinguishable from recurring maintenance-type activities. Include costs incurred after technological feasibility has been established. Include direct costs of developing major new software, initial training material, and documentation manuals incurred after technological feasibility has been established. Refer to DoD 7000.14-R, Volume 4, Chapter 27.

6.3.6. CIP Authority is recorded in DIFMS via manual JV.

6.3.7. Annual Operating Budget (AOB). The total Consolidated Sustainment Activity Group-Maintenance (CSAG-M) amount must agree to the AOB total. After AOB has been recorded, the Operating Budget Account Number (OBAN) Target/Allowance Sheet and Target Load Sheet are created against the funding by category and approved project. The OBAN Target/Allowance Sheet and Target Load Sheet are automated Integrated Data Services Comprehensive Cost and Requirement (CCaR®) System documents used by ALC CIP Managers to request permission to apply or remove project funding. Using these documents, funding is allocated to the appropriate Sponsor Order Number (SPON) and Customer Order Number (CON) to create the CIP Funding Chain.

6.3.8. Establish a SPON for the yearly budget authority for each of the CIP Programs (ADPE, Software, Minor Construction, and non-ADP Equipment). Establish the SPON records via DIFMS Screen MS154P "Funding Document Update." The DIFMS Screen MS154P is the initial point of entry into DIFMS for all CIP funding. The document number, funds authorized, and various codes are entered in DIFMS Screen MS154P. Use of Order Type Code (OTC) "A" prevents the Billing Subsystem from generating a bill. DIFMS automatically generates a "dummy" Line of Accounting (LOA) using Accounting Classification Reference Number (ACRN) "XX" for each SPON.

6.3.9. A CON is established as Control Symbol Number (CSN) for each funded project. Establish the CON records via DIFMS Screen MS153P "Customer Identification Update." After the SPON is established using the DIFMS Screen MS154P "Funding Document Update," for the year, applicable CONs for that program can be established using DIFMS Screen MS153P. The DIFMS Screen MS153P establishes or updates customer order identification data

6.3.9.1. When modifying the CIP SPON or CON, use DIFMS Screens MS154P or MS153P, respectively, to change/modify all information except funds authorized.

6.3.9.2. Use DIFMS Screen MS156P "Funds Authorized Update," to adjust, correct, or move initially established funds authorized information entered on DIFMS Update Screens MS154P and MS153P. DIFMS requires at least one CON be established in each capability prior to use of DIFMS Screen MS156P "Funds Authorized Update." Use the top of the DIFMS Update Screen MS156P for updating individual CON processing within a SPON.

6.3.9.3. Once the CIP Funding Chain (SPON and CON) has been created, an F-JON can be opened to collect costs associated with a CIP project. Use DIFMS Screen MS114P "Fixed Assets (FA) Job Order Number (JON) Update," to establish the F-JON in the Fixed Asset Subsystem. Establish an F-JON for each project under a CSN within each CIP program. F-JONs have three job types: 1 = Procurement, 2 = Installation and 3 = Modification to Existing Equipment. While an F-JON is open, one may charge labor, material, overhead, and/or contractual business operations costs, as appropriate. F-JONs are strictly internal to DIFMS and do not exist in Job Order Production Master System (JOPMS) (G004L).

Table 6.1. Capital Investment Program (CIP) Funding Chain.

SPON	FYWSSEQUIPMENT	Weapon System Sustainment
	FYTESTEQUIPMENT	Test
	FYMINORCONSTRUC	Minor Construction
	FYADPSOFTWARE	Software Development
	FYADPEQUIPMENT	ADPE/Hardware
CON	WSSENNNNNN	Weapon System Sustainment
	TESTNNNNNN	Test
	MICONNNNNN	Minor Construction
	ADPSNNNNNN	Software Development
	ADPENNNNNN	ADPE/Hardware
FY = Fiscal Year N = Control Symbol Number (CSN)		

Table 6.2. Fixed Asset Job Order Number (JON) Structure.

1	2	3	4	5	6	7	8	9	10	11	12	JON Description
F	A	D	P	E	P	N	N	N	N	N	N	ADP Equipment Procurement
F	A	D	P	E	I	N	N	N	N	N	N	ADP Equipment Installation
F	A	D	P	E	M	N	N	N	N	N	N	ADP Equipment Modifications
F	A	D	P	S	P	N	N	N	N	N	N	ADP Software Procurement
F	A	D	P	S	I	N	N	N	N	N	N	ADP Software Installation
F	A	D	P	S	M	N	N	N	N	N	N	ADP Software Modifications
F	M	I	C	O	P	N	N	N	N	N	N	Minor Construction Procurement
F	M	I	C	O	I	N	N	N	N	N	N	Minor Construction Installation
F	M	I	C	O	M	N	N	N	N	N	N	Minor Construction Modifications
F	E	W	S	S	E	N	N	N	N	N	N	Weapon System Sustainment
F	E	T	E	S	T	N	N	N	N	N	N	Equipment Test
F	M	A	N	I	P	N	N	N	N	N	N	Management Initiatives Procurement
F	M	A	N	I	I	N	N	N	N	N	N	Management Initiatives Installation
F	M	A	N	I	M	N	N	N	N	N	N	Management Initiatives Modifications
F	O	N	N	N	A	N	N	N	0	0	0	In-House Workload
Note: NNNNNN = CSN; "A" in position 6 for in-house workload is a requirement to order material												

6.3.9.4. DIFMS Update Screen MS114P allows additions of new F-JONs, changes to the data elements of existing JONs, and closure of F-JONs. DIFMS Update Screen MS114P allows reopening of F-JONs (JON status code 2) to process trailing costs and credits unless the F-JON is a Modification JON or has been purged from the database. DIFMS Inquiry Screen MS071P "FA Job Order Number," allows the user to inquire on existing F-JONs.

6.3.9.5. DIFMS Screen MS114P also allows the use of an "Installation F-JON" ("FA-JON-Type" "2") to collect installation cost on applicable equipment account codes. DIFMS Update Screen MS115P "Fixed Asset Land Building Software Plant Account Record (PAR)," allows the use of an "Installation F-JON" ("FA-JON-Type" "2") to collect installation costs for applicable software account codes. DIFMS Program MS217P "Transfer Under Development Cost to Fixed Asset Accounts," and MS224P "Fixed Asset Plant Account Update," processes the "Installation F-JON" associated costs to the applicable GLAs and the DIFMS Report 7310-501 "Fixed Assets," in the same manner as the Procurement ("FA-JON-Type" "1") and Modification ("FA-JON-Type" "3") JON closures for FOC assets.

6.3.10. Commitments established for CIP costs for non-in-house work is captured by posting contractual other related costs via DIFMS Update Screen MS112P "Asset Liability." See **Chapter 5** for more information. Obligations and disbursements interface through the General Accounting and Finance System-Base Level (GAFS-BL) (BQ) (H069).

6.3.10.1. Line of Accounting for CIP. The CSN is positions 2-7 of the Cost code. The Cost code is recorded in the JON field. Use a Contractual Other Code (COC) of "38" (3d and 4th positions of CSN field) for all CIP work. Following the LOA, record the F-JON.

6.3.10.2. DMAPS CIP Cost code layout with 1st position as "C" and 2-7 positions reflecting CSN while 8th position represents serial number; the serial number is used to differentiate different contracts on the same CIP CSN.

Table 6.3. Capital Investment Program (CIP) Line of Accounting Layout.

CIP LOA Data Elements (Example Reflects Hill AFB LOA data)	
Appropriation-Limit	97X4930.FA28
ALC Fund Code (FC)	6M
FY (Fiscal Year)	5
Operating Agency Code/OBAN	47E3
RCCC	8I2630
Program Element Code	78211D
Element of Expense/Investment Code	63112 63113 63114 65227 70113
Accounting Disbursing Station Number	503000
Stock Record Account Number	F03000
Job Order Number (JON)	CG5TL51E
Control Symbol Number (CSN)	DW3800
Note: The specific data changes by location	

6.4. Obligations.

6.4.1. CIP Contract Authority is obligated when a legally binding contract or agreement is established for the acquisition of a qualifying capital asset. Funds obligated must be for the total cost required to bring the asset to FOC, to include the cost of the asset itself, as well any related support services (e.g., delivery, installation, testing, training). The obligation is recorded in GAFS-BL (BQ) and transmitted to DIFMS.

6.4.2. A CIP in-house project is a capital asset manufactured by one or more organic groups. CIP in-house project obligations occur when an agreement is signed and accepted by the organizations requesting and performing the work and a CIP In-House Obligation worksheet is signed.

6.5. Paid Costs.

6.5.1. Cost for In-House Work. Labor is recorded daily through Time and Attendance (TAA) System to the CIP F-JON. DIFMS calculates the hours times the pay rate for recording labor costs; these costs are accelerated for leave and fringe benefits. Overhead (Production and General Administrative) is applied based on an applied rate per shop in relation to hours worked that day (regular and overtime, if applicable)

6.5.1.1. The "LD" JV does these postings supported by the DIFMS Report 7310-565 "Labor Distribution Summary by Expense Account." This report is by shop.

6.5.1.2. DIFMS Report 7310-560 "Direct Labor Distribution Summary by Job Order," for the same period, shows the same data by F-JON. The FA process moves the applied overhead amount recorded in Work in Process (WIP) in United States Standard General Ledger (USSGL) account 152600A1 "Inventory-Work in Process-In-House," to the CIP accounts (172000B, C or D) daily and at month's end.

6.5.1.3. The "FU" JV posts moves applied overhead, CIP labor, material, contractual and business operations costs from the USSGL account 610000X2 "Equipment-Direct." DIFMS Report 7310-510 "Direct Cost to Under Development," 610000/172000, shows the details for the "FU" JV.

6.5.1.3.1. Applied Overhead–CIP In-House Projects is transferred from USSGL account 660000A "Applied Overhead-Production Expense," and 660000B "Applied Overhead-General Expense" to 660000C "Activity Retention," with the "DA" JV on DIFMS Report 7310-590 "DIFMS Direct Cost To Activity Retention."

6.5.1.3.2. Costs for materials are recorded in Naval Air Systems Command (NAVAIR) Industrial Material Management System (NIMMS) and passed to DIFMS.

6.6. Plant Account Records.

6.6.1. ALC/FM CIP Manager submits Capital assets that have achieved FOC using the applicable CIP FA Worksheet and all KSDs, to be entered in DIFMS.

6.6.2. AFSC/FZRD establishes or updates PARs on DIFMS Update screen MS115P (building, structure, and software), MS116P (equipment and other) and MS712P. Once the F-JON is linked to the Plant Account Number (PAN), the PAN will appear on DIFMS Inquiry Screen MS071P, DIFMS Update Screen MS114P "FA Job Order Number Update," and the DIFMS Report 7310-512 "Assets under Development." See **Table 6.4**., Typical Plant Account Number, for PAN format.

6.6.3. The custody shop is established as the shop where depreciation is recorded. Use the same account code that was entered on the MS114P screen when the F-JON was established. The estimated useful life is set per DoD 7000.14R, Volume 4, Chapter 25, Table 25-2 in the "Original Estimated Life" field. (See **Figure 6.2**.) The asset is capitalized when the "operational date" (FOC date) is entered on DIFMS Update Screen MS115P or MS116P. After establishing the operational date, use DIFMS Update Screen MS114P to close the F-JON by changing the status code to "3." All costs on the JON must be captured before the JON is closed and the daily reports are run. The F-JON must be closed and the PAR must contain an operational date to establish the CIP asset as a depreciable item within DIFMS. DIFMS automatically moves the asset from CIP to in use.

6.6.4. For verification of updates, use DIFMS Report 7310-508 "Fixed Assets Update," or DIFMS Report 7310-511 "CIP/ASSET." These two reports list all updates in the current cycle to the PARs made using the Fixed Asset PAR update screens (MS115P, MS116P, MS118P, MS119P and MS712P), and the resulting Journal Voucher entry (JV types "FA" or "FC"). The CIP F-JON asset is no longer on DIFMS Report 7310-512 "Assets under Development" and the PAR is on DIFMS Report 7310-501 "Fixed Assets."

Table 6.4. Typical Plant Account Number Format.

Position	Content
1-5	Julian Date (YYDDD)
6-8	Type of Equipment Category (First three positions of the JON–FXX, with XX representing the type of equipment)
9-14	CSN. When no CSN, use another meaningful designator such as "CONTRI" for Contributed Asset
Note: For Management Initiatives, choose the asset type based on the type of initiative.	

6.7. Depreciation.

6.7.1. DoD 7000.14-R Volume 4, Chapter 25, paragraph 2.6.3 states, "The event that triggers the calculation of depreciation is the date of receipt shown on the asset receiving document. In cases where no installation is required; the date installed (if required); or the date the asset is available for use, also known as the acceptance date (regardless of whether it is actually used)." Financial records for assets capitalized in a Defense Working Capital Fund (DWCF) activity must be supported by depreciation schedules as shown in **Figure 6.2**., DoD Useful Lives for Depreciable Equipment including Government Furnished Property and Contractor Acquired Property. Government Furnished Property and Contractor Acquired Property procedures are discussed in the DoD 7000.14-R, Volume 4, Chapter 25. Depreciation on Minor Construction/Real Property assets are not authorized. Instead, when the Minor

Construction/Real Property asset is placed in service the AFWCF relieves the appropriate CIP amount, recognizes the asset and transfers the asset to the General Fund based on guidance in this document as well as the DoD 7000.14-R, Volume 4, Chapter 24. The AFSC/FZR and Maintenance organizations assure depreciation for capital assets is expensed properly based on guidance in this document as well as the DoD 7000.14-R, Volume 4, Chapter 25.

Figure 6.2. DoD Useful Lives for Depreciable General Equipment including Government Furnished Property and Contractor Acquired Property.

Categories	Sub-Categories	Useful Life
GENERAL EQUIPMENT ASSETS (EXCLUDING WEAPON SYSTEMS)		
General Purpose Vehicles		
	Heavy-duty Trucks and Buses	5
ADP Systems and Hardware		
	Computers and Peripherals	5
Communication and Medical Equipment		
	High Tech Medical Equipment	5
	Radio and Television Broadcasting Equipment	5
All Other Equipment and Machinery		
	All Other Equipment and Machinery	10
	Equipment used in Research, Development, Test, and Evaluation (RDT&E)	5
Vessels		
	Tugs	20
	Barges	20
	Similar Water Transportation Equipment	20
Generation Equipment		
	Steam Generation Equipment (12.5K pounds per hour or more)	20
	Electric Generation Equipment (500 Kilowatt or more)	20
Capital Improvements *		
GENERAL EQUIPMENT WEAPON SYSTEMS		
Ground Systems		
	Armored/Assault Vehicle	15
	Cargo Vehicle	15
	Tracked Vehicle	20
Fixed Wing Aircraft		
	Combat Fixed Wing	20
	Cargo Fixed Wing	25
	Utility Fixed Wing	20
Rotary Wing		
	Combat Rotary Wing	25
	Cargo Rotary Wing	25
	Utility Rotary Wing	30
Ships		
	Combat Ship	35
	Cargo Ship	40
	Aircraft Carrier	50
Submarines		
	Submarine	33
Unmanned Aerial Vehicle Systems (UAVS)		
	UAVS	15
Combat Support Systems		
	Combat Support System	15
	Missile Defense System	20

*See Capital Improvements/Enhancements in paragraph 250205.

Source: DoD 7000.14-R Volume 4 Chapter 25 Table 25-2

6.7.2. DIFMS calculates and accumulates monthly depreciation using the straight-line method. DIFMS Report 7310-514 "Monthly Depreciation," is ran monthly and the report displays the depreciation by asset. For accounting entries, see the DIFMS Report 7310-514 "Automated Journal Voucher," at the end of the report. The JV format is FDMMNN, (with MM representing the month, and NN representing the number of the JV). The shop that incurs the depreciation is the custody shop for the asset. **Table 6.5** includes the expense JONs where depreciation is charged based on type of asset.

Table 6.5. Depreciation Job Order Number (JON).

Type of Asset	Production Overhead	G&A
Buildings and Structures (Minor Construction)	N/A	N/A
Equipment, including ADPE	X57300802000	Y67300802000
ADPE and telecom	X57320803000	Y67320803000
Software	X57500804000	Y67500804000
Other	X57400806000	Y67400806000
Note: ADPE can be charged to multiple Depreciation JONs and is determined by funding stream, AOB, Advice, and Target Load Sheet. The depreciation JON is assigned automatically based on DIFMS account code and RCCC.		

6.8. Modification of Existing Assets.

6.8.1. Costs that either extend the useful life of existing general Property Plant and Equipment or enlarge or improve its capacity and meet the minimum threshold of $250,000 will be capitalized and depreciated over the remaining useful life of the associated general Property Plant and Equipment. Improvements will be depreciated in accordance with guidance provided per the DoD 7000.14-R, Volume 4, Chapter 25, paragraph 2.5. All other improvements must be expensed.

6.8.2. To create a modification F-JON (FA job type "3") use DIFMS Update Screen MS114P "FA Job Order Number." To close a modified F-JON to the existing asset, use DIFMS Update Screens MS115P "FA Land, Buildings, Software PAR," or MS116P "FA Equipment Other PAR." Upon closing the modified F-JON, the asset's value is increased by the cost incurred. Update the remaining useful life by entering an amount in the revised-original-life field on the MS115P or MS116P screens. DIFMS will calculate the remaining useful life not to exceed 120 months. Be extremely cautious when closing Modification JONs, as Modification JONs cannot be re-opened to receive additional cost or to update data elements.

6.9. Transfers In-and-Out.

6.9.1. Transfers in-and-out include capital assets that are contributed to the ALC by non-organic depot maintenance entity, depot-to-depot transfers, and major development efforts capitalized at one ALC and later transferred to all ALCs. This includes items transferred to depots through workload realignment or base closures.

6.9.2. Assets can be physically transferred into or out of the ALC. AFSC/FZRD via DIFMS Update Screens MS115P or MS116P records both transactions. To verify transfer actions, use DIFMS Report 7310-508 "Fixed Assets Update."

6.9.3. To "transfer in" an asset, establish a PAR and use the original cost and any accumulated depreciation incurred. For transfer in of "Contributed Fixed Assets" there are two transfer in options: Transfer in Indicator ("TRANS-IN-IND") "IA" is not replaced with WCF CIP moneys and "IB" is replaced with WCF CIP moneys.

6.9.4. To "transfer out" an asset, inquire on the PAN using Action code "C"; the Transfer Out Indicator ("TRANS-OUT-IND") is set to "OA" if to another Government agency or "OC" or "OD" ("OC" represents transfer out to others without reimbursement (DWCF); "OD" represents transfers out to others without reimbursement (Capital DWCF)). Set the "1690" flag to "Y" and set a disposal date equal to the current or future date. This stops the depreciation and posts the transfer out.

6.9.5. A sponsor owned asset is an asset that is owned by customers and/or parent commands but is used onsite. Use DIFMS Update Screens MS115P or MS116P to record assets owned by customers and/or parent commands (e.g., Sponsor Owned Assets). A Sponsor Owned Asset does not have an F-JON and the asset can be entered directly into the DIFMS Update Screens MS115P or MS116P (follow above procedures), without tying an F-JON to the PAN. These items are not owned by CSAG-M but used onsite.

6.9.6. Capitalizing Major Development Costs at the ALCs. The major development items are normally directed by Air Force Materiel Command (AFMC) to be managed at one site until operational and then the costs for the project are shared among the ALCs. The managing ALC records the costs in CIP under one F-JON until the asset is operational.

6.9.6.1. When the asset becomes operational, the managing Cost Accountant establishes a new JON on the MS114P and PAR (MS115P/MS116P) for each ALC. The total costs will be allocated and the costs will be transferred (MS144P) to each ALC's JON; this allocation is based on AFMC direction for FOC date and directions to how costs are to be shared. Each ALC's JON is closed after reports have been run and costs transferred to each ALC's PAR. The PAR of the other ALCs is transferred out (using the MS115P/MS116P) prior to month's end to avoid the monthly depreciation process.

6.9.6.2. The other ALCs receive from the managing ALC documentation to "transfer in" their share of the major development project. (See **paragraph 6.9.3** and the DIFMS Report 7310-508 "Fixed Assets Update," to verify transfer actions.)

6.10. Source Documents and Key Supporting Documents (KSDs).

6.10.1. Maintain the KSDs identified in the AFSC General Equipment Process Guide for purchased equipment, in-house projects, contributed assets, and modifications to assets.

6.10.2. Maintain the KSDs for real property transactions in accordance with DoD 7000.14-R, Volume 4, Chapter 24, Table 24-2, Examples of Supporting Documentation for Real Property Acquisition.

6.10.3. Maintain the KSDs for internal use software in accordance with DoD 7000.14-R, Volume 4, Chapter 27, Table 27-6, Supporting Documentation for Internal Use Software (IUS) Acquisition.

6.10.4. Maintain the KSDs for assets under capital lease in accordance with DoD 7000.14-R, Volume 4, Chapter 26, Table 26-3, Supporting Documentation for Assets Under Capital Lease Acquisition.

6.10.5. Maintain the KSDs for heritage assets, multi-use heritage assets, and stewardship land in accordance with DoD 7000.14-R, Volume 4, Chapter 28, Table 28-3, Examples of Supporting Documentation for Heritage Assets, Multi-Use Heritage Assets and Stewardship Land Acquisition.

6.10.6. Accomplish changes to PAR as defined in the AFSC General Equipment Process Guide.

6.10.7. Maintain KSDs as defined in the AFSC General Equipment Process Guide for disposal of existing assets.

6.11. Fixed Asset Reports.

6.11.1. In support of FA activities such as the quarterly FA roll forward, quarterly impairment reviews, or quarterly asset completeness audits, reconciliation of FA records and documentation is required. When discrepancies are found, research may be needed.

6.11.2. The following reports may be used for reconciliation and research.

6.11.2.1. DIFMS Report 7310-501 "Fixed Assets," is the supporting detail for the FAs USSGL accounts 170000 "Fixed Assets," and 910000 "Fixed Assets Book Value." It shows the book value of all installed FAs placed in service by account code and is used to verify DIFMS Report 7310-514 "Monthly Depreciation." It also reflects assets not in use under the section "Fixed Assets-Not in Use" and reflects "Assets Awaiting Transfer" in a separate section.

6.11.2.2. DIFMS Report 7310-508 "Fixed Assets Update," lists all updates in the current cycle to the PARs made using the FA PAR update screens (MS115P, MS116P and MS118P), and the resulting JV entry (type "FC").

6.11.2.3. DIFMS Report 7310-511 "USSGL accounts 1720/1750," (Equipment) or "USSGL accounts 1820/1830," (Software) reflects costs transferred during the current cycle-Assets under Development to FAs, and the related JV entry (type "FA").

6.11.2.4. DIFMS Report 7310-512 "Fixed Assets-Assets under Development," lists the supporting details for the USSGL accounts in the 1720/1820 series "Construction in Progress." If a JON has been re-opened, the PAN will be present on the DIFMS Report 7310-512. If additional cost is recorded on the JON, it will be posted to the PAN once the JON is reclosed.

6.11.2.5. DIFMS Report 7310-915 "General Ledger Details Year-to-Date," provides a mechanized general ledger for research and reconciliation with subsidiary ledgers.

6.12. Reporting Imputed Cost for Real Property.

6.12.1. On September 1, 2021, Office of the Under Secretary of Defense, Comptroller (OUSD (C)) revised policy for reporting imputed cost for real property associated with the DWCF and other DoD revolving fund accounts.

6.12.1.1. The DWCF Accounting Report (Monthly) 1307 (AR(M) 1307) was revised to include new and modified line items and their corresponding definitions as identified, detailed, and incorporated in DoD 7000.14-R Volume 6A, Chapter 15.

6.12.1.2. Additional detail related to updates to Statement of Operation Part I-V, GLACs, and Net Operating Result are provided in **Chapter 10** of this manual.

6.12.2. Each revolving fund must incorporate the full cost of goods and services that it receives from other entities in its reporting of full cost, whether those costs are reimbursed or not. The entity providing the goods or services is responsible for providing the revolving funds receiving the benefit with information on the full cost of such goods or services either through billing or other means. When the revolving fund is not billed for the full cost of those goods or services, the associated costs must be imputed.

6.12.3. Imputed costs represent the unreimbursed portion of the full cost of goods and services received from another entity. Imputed costs are offset by imputed financing sources.

6.12.4. DoD Components must assess if real property assets associated with its WCF operations are material, i.e., "Statement of Federal Financial Accounting Standards 4" states that materiality should be considered in terms of importance of the transaction to the entity receiving the goods or services. The importance of the transactions should be judged in light of three criteria:

6.12.4.1. **Significance** to the entity. Significant amounts are those that are large enough that management should be aware of the cost when making a decision.

6.12.4.2. **Directness** of its relationship to the entity's operations. Only facilities integral to or necessary for producing the entity's output (goods or services) qualify. Integra means necessary to make a whole complete; essential or fundamental. Necessary means required.

6.12.4.3. **Identifiability.** Whether a transaction can be identified or matched to the receiving entity with reasonable precision.

6.12.5. DoD Components must have an agreement related to the real property documented on a Fiscal Service (FS) Form 7600A, *United States Government General Terms & Conditions (GT&C)*; defining the responsibilities of the installation host where the real property exists

6.12.6. Revolving funds must establish a process and controls to produce and maintain a complete population of real property assets meeting the criteria in Statement of Federal Financial Accounting Standards 4 (significant, integral to/necessary for output, and can be attributed with reasonable precision).

6.12.7. The DoD FMR Volume 4, Chapter 24, provides guidance related to the established budgeting process, rate establishment, and recording of imputed costs.

6.12.8. The DoD FMR Volume 4, Chapter 19, provides guidance on the structure needed for accurate, consistent, and reliable managerial cost accounting.

6.12.8.1. Revolving funds must establish a process for accounting for imputed costs by first determining the value that will be recorded.

6.12.8.2. Revolving funds must establish a process for properly record imputed costs in the general ledger quarterly, at a minimum. Types of changes that could impact imputed costs include:

6.12.8.2.1. Capital improvements (e.g., 4,000 square feet is added).

6.12.8.2.2. Impairments (e.g., damage from a hurricane).

6.12.8.2.3. Removal from service (e.g., building is condemned and no longer used).

6.12.8.2.4. Disposal (e.g., building is torn down).

6.12.8.2.5. Change in use by revolving funds (e.g., move out of office building and turn space back over to installation host for use by another entity).

6.12.8.2.6. Significant changes to costs (e.g., increase in utility bills).

6.12.9. New GLAs have been added to the DoD Standard Reporting Chart of accounts as follows:

6.12.9.1. GLA 673000.0800: Imputed Costs–Real Property executed under WCF budget authority,

6.12.9.2. GLA 673000.0900: Imputed Costs–Real Property not executed under WCF budget authority,

6.12.9.3. GLA 578000.0800: Imputed Financing Sources–Real Property executed under WCF budget authority, and

6.12.9.4. GLA 578000.0900: Imputed Financing Sources–Real Property not executed under WCF budget authority.

6.12.10. New transaction codes have been added to the DoD Transaction Library as follows:

6.12.10.1. To record the imputed costs and related imputed financing sources–real property executed under WCF budget authority:

6.12.10.1.1. Debit 673000.0900,

6.12.10.1.2. Credit 578000.0800.

6.12.10.2. To record the imputed costs and related imputed financing sources–real property not executed under WCF budget authority:

6.12.10.2.1. Debit 673000.0900,

6.12.10.2.2. Credit 578000.0900.

6.12.11. DoD Components must establish strong internal controls for go-forward process for new acquisitions and changes.

Chapter 7

COST TRANSFER AND ADJUST

7.1. Introduction.

7.1.1. Cost transfers in Defense Industrial Financial Management System (DIFMS) are performed in multiple subsystems. The Labor Subsystem processes detailed labor transfers at the employee level.

7.1.2. The Business Operations (Other) Cost Subsystem processes contract labor (Depot Organic Contractor Augmentee Team (DOCAT)) transfers. The Cost Summary Subsystem processes cost transfers between performing and benefiting/owning cost centers by Job Order Number (JON) and percentage (prorate) cost transfers. This Subsystem also merges, summarizes, and reports on labor, material, contractual, depreciation, and other miscellaneous costs by shop, JON, and type of cost.

7.2. References.

7.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, Volume 11B, *Reimbursable Operations Policy - Working Capital Funds (WCF)*, Chapter 1, Defense Working Capital Funds General Policies and **Chapter 12**, Costs, **https://comptroller.defense.gov/FMR/**.

7.2.2. DIFMS User Manual, Appendix J, Cost Summary Function and Appendix Y, Error Messages, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

7.2.3. DIFMS   Physical   Model   05,   Cost   Summary, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

7.3. Manual Cost Transfers.

7.3.1. Manual cost transfers are approved by AFSC/FZRD on a case-by-case scenario. Approval of previous or current submittals will not be deemed as establishment of precedence for future requests. Cost transfers are designed to provide accurate financial data in compliance with Air Force (AF) financial and reporting standards. Manual cost transfers are submitted to the AFSC/FZRD office for final review and approval as well as input of the transaction on the DIFMS MS144P "Cost Adjustment Update" screen.

7.3.2. Manual cost transfers should not be used as a vehicle to move expenses due to lack of proper internal controls in labor, material, and other cost transactions. Manual cost transfers are not used to address managerial accounting purposes (i.e., budgetary reporting). Typical types of manual cost transfers include but not limited to:

7.3.2.1. Government purchase card: Production Overhead (POH) to Direct JONs.

7.3.2.2. Utilities and Industrial Prime Vendor: General and Administrative (G&A) to POH.

7.3.2.3. Construction in Progress: Move construction in progress expenses for Full Operation Capability (FOC) purposes.

7.3.2.4. Partnership labor hour rounding: Moving partial labor hours to current customer JON for time and material JONs.

7.3.2.5. Cost share workload: Collection JON to Customers JONs per agreement.

7.3.3. Manual cost transfers process at a JON level without transactional details. In order to meet audit requirements, detailed transactions that tick and tie to the transfer amounts must be provided to trace expenses back to feeder systems. Source documentation should also be included to support proper allocation of expenses and Obligation Authority (OA) at time of expense.

7.3.4. Cost transfers should be completed in a timely manner. All manual cost transfers should be received by AFSC/FZRD no later than the 25th of the month following the original expense date. For example, any DIFMS expense posted in October must be received no later than November 25th. Transfer requests received after this date may be denied. This timeline does not apply for September expenses; those requests must be received no later than September 25th for Fiscal Year (FY) end.

7.3.5. Exceptions to manual cost transfers, not meeting established workarounds or suspense dates, should be approved by the Air Logistics Complex (ALC) Financial Management Office (ALC/FM) for necessity.

7.3.6. An approved manual cost transfer is allowable when the following conditions are present in DIFMS: (1) JON is open; (2) RCC is valid and active; (3) transfer of direct cost is no more than incurred cost (does not create negative position); (4) the JON is not restricted to the type of cost attempting to be transferred; (5) Type Charge Code (TCC) is the same for transfer out and transfer in (such as labor to labor); (6) for each TCC the net transfer amount nets to zero, except retro hours and applied overhead (see list of TCC exceptions below); and (7) if transferring contractual or business operations cost (TCC = 'P' or "Q") the Contractual Other Code (COC) must match (such as travel to travel).

Table 7.1. Type Charge Code (TCC).

TCC	Description
A	Civilian Regular Labor Hours/Costs
B	Civilian Overtime Labor Hours/Costs
C	Civilian Holiday Labor Hours/Costs
D	Officer Regular Labor Hours/Costs
E	Officer Overtime Labor Hours/Costs
F	Other Regular Labor Hours/Costs
G	Other Overtime Labor Hours/Costs
H	Civilian Holiday Retro Labor Hours/Costs Funded
I	Officer Overtime Labor Hours/Cost Funded
J	Enlisted Regular Labor Hours/Costs
K	Enlisted Overtime Labor Hours/Costs
L	Civilian Regular Retro Labor Hours
M	Business Operations Unfunded
N	Material Cost Funded
O	Civilian Overtime Retro Labor hours/Costs Funded
P	Contractual Cost
Q	Business Operations Funded
R	Government Furnished Material Cost Investment

TCC	Description
S	Government Furnished Material Cost Exchange
T	Government Furnished Material Cost Modification
U	Enlisted Overtime Labor Hours/Costs Funded
V	Unfunded Civilian Fringe
W	Production Expense Applied Funded
X	Production Expense Applied Unfunded Civilian
Y	Production Expense Applied Unfunded Officer
Z	Production Expense Applied Unfunded Enlisted
0	Officer Regular Labor Hours/Costs Funded
1	General Expense Applied Funded
2	General Expense Applied Unfunded Civilian
3	General Expense Applied Unfunded Officer
4	General Expense Applied Unfunded Enlisted
5	Customer Furnished Material Cost Modification
6	Customer Furnished Material Cost Exchange
7	Customer Furnished Material Cost Expense
8	Customer Furnished Material Cost Investment Items
9	Enlisted Regular Labor Hours/Costs Funded

7.3.7. Sometimes it is necessary to create a manual Journal Voucher (JV) between Expense Accounts and Asset or Liability Accounts. Since the JV affects General Ledger Accounts (GLAs), the transactions do not change the subsidiary balances in DIFMS, and the details are not provided to the Depot Maintenance Accounting and Production System (DMAPS) Data Store (DDS) system for historical purposes.

7.3.7.1. The alternative to processing a manual JV is to do a manual cost adjustment to keep the subsidiary ledger(s) in balance with the corresponding GLA(s). One side of the cost adjustment is to an expense account, which creates the appropriate history records for DDS. The other side is to a pseudo "USSGL"–JON (a "W" followed by the United States Standard General Ledger (USSGL) account number), which allows the proper postings via a "CX" JV as shown on the DIFMS Reports 7310-960 "Cost Adjustments by Expense Account," and 7310-905 "Cost Adjustments." Careful analysis must be done before deciding which type of adjustment is to be done.

7.3.7.2. Use DIFMS Screen MS151P "Indirect Job Order Update," to create a "GLA" JON linked to Asset or Liability GLA account. This screen allows users to input or update indirect job order data for production expense, general expense, or for leave job orders. **Note:** System sets Status code to "1" (Open) and "Job Open Date" to the current date.

7.3.8. Automated JVs are generated when adjustments transfer costs between direct and indirect or from production to general. No JV is generated when costs are transferred within direct, production, or general expense accounts. The JV created by this program is identified as "CX" on DIFMS Report 7310-960. DIFMS Report 7310-905 shows the details of each cost adjustment processed the previous day.

7.4. Automated Straight Transfers.

7.4.1. DIFMS Program MS272P "Straight Transfers," allows indirect costs to be passed from one shop to another. The system-generated straight transfers result in the appropriate USSGL accounts being posted. A JV type "CT" is generated as identified on the DIFMS Report 7310-705 "Cost Transfers."

7.4.2. A transfer indicator of "1" designates straight transfers. Also, fill out the "Benefiting Shop/Cost Center Transfer To" ("BEN-SHOP-CC-XREF-TO") with the owning shop. Costs incurred transfer 100% from the performing to the benefiting (owning) shop.

7.4.3. It may also be desirable to restrict the Precision Measurement Equipment Laboratory (PMEL) JON to a specific performing shop or a range of shops by using DIFMS Screen MS158P "Authorized Shops Update." If MS158P is used, also set the shop indicator on MS151P to a "2." Authorized shops can be inquired on DIFMS Screen MS058P "Authorized Shop Inquiry."

7.5. Percentage Transfers.

7.5.1. These transfers are based on Cost, Production, and Budget Module (CPBM) (H033) rates and transfer percentages.

7.5.2. For all costs captured in G&A and POH shops, it is necessary that costs be transferred to the benefiting direct shops on a percentage basis. In DIFMS, this task is accomplished through its percentage transfer process.

7.5.3. The process involves establishing overhead cost pools and determining the proper allocation of the costs to the benefiting Resource Control Centers (RCC). After the shop relationship is determined, an appropriate percentage must be determined to transfer overhead costs to the appropriate direct cost center.

7.5.3.1. Percentage cost transfers are calculated in the CPBM (H033) Budget Target Module (BTM). The CPBM system administrator transmits the transfer percentages via File Transfer Protocol to DIFMS through the MS683D01 file. The DIFMS scheduler must have MS683P "Customer Order Number Update Interface," executed to process this file into DIFMS. Once the file has processed correctly, DIFMS Report 7310-260 "Transfer Percentage Update," and 7310-261 "Shop Cost Center Rates Update," reflects the transferred data on the following day. These reports will be produced when a change has been made. If there were an error in processing, it would be reflected as an error in Part II, Invalid.

7.5.3.2. In special cases, the authorized user may also directly establish transfer percentages by manually entering transfer percent input into DIFMS Screen MS174P "Transfer Percentage Update." Users may verify manual transactions using the MS037P "Transfer Percentage Inquiry," screen. This screen establishes, updates, or displays the prorate transfer records and their associated transfer percentages.

7.5.3.3. AFSC/FZRD and ALC/FM coordinate the documentation and use of this screen to adjust these percentages rather than using the automated process. CPBM BTM outputs a spreadsheet format detailing the overhead cost transfer percentages by RCC. The CPBM BTM interface could overwrite transfer percentages that have been made directly to the DIFMS Screen MS174P "Transfer Percentage Update," screen; therefore, the AFSC should use this option cautiously.

7.5.4. Prior to the End-of-Month (EOM), run the DIFMS Program MS296P "Prorate Cost Transfers Process." This process uses the prorate transfer records from BTM to determine the amount of cost to be percentage transferred from the G&A and Production Overhead (POH) shops to the benefiting direct shops. This batch process creates a JV type "Cost Transfer-CT" as shown on DIFMS Report 7310-706 "Percentage Cost Transfer Transactions." When cost is transferred from G&A to POH, there is a posting in the USSGL accounts 61000043, "Transfers-Production" and 61000044, "Transfers-General."

7.5.5. After percentage transfers have occurred, residual costs may exist. The reason(s) could be attributed to: (1) transfer percentage table does not add to 100%; (2) cost is attempting to be transferred to a closed or invalid shop; (3) transfer indicator on the JON(s) charged may not be set to "3"; or (4) original cost may have been recorded with a mismatching job and job type (such as G&A JON on a production organization).

7.6. Overhead Application.

7.6.1. Costs collected by POH JONs are in direct support of the production cost center. Costs collected by G&A JONs are costs that indirectly benefit all production cost centers. It must be determined how the costs from these indirect JONs are applied to direct work to ensure a fair distribution of overhead expense.

7.6.2. Using CPBM (H033) BTM or other approved method, Overhead Application Rates (OAR) are established, for each direct shop by FY and quarter, based on the approved budgeted direct hours and total planned overhead costs. The BTM system administrator transmits these rates to DIFMS through the MS684D01 file. The DIFMS scheduler must have DIFMS Program MS684P "DIFMS Shop Cost Center Rates Update," executed to process this file into DIFMS. Users may refer to DIFMS Report 7310-261 "Shop Cost Center Rates Update" for these rates. CPBM also generates a report detailing the OAR by RCC.

7.6.2.1. Authorized users may manually enter overhead application rates in DIFMS Screen MS165P "Shop/Cost Center Rates Updates." Enter these predetermined overhead rates at the direct shop level for each FY and quarter. Users can add, change, or delete a rate for a direct shop. The CPBM BTM interface could overwrite rates that have been made directly to the DIFMS MS165P "Shop/Cost Center Rates Update" screen; therefore, the AFSC should use this option cautiously.

7.6.2.2. DIFMS Inquiry Screen MS034P "Shop/Cost Center Rates," displays corresponding Overhead Rates record when shop is entered. The end of DIFMS Report 7310-565 "Labor Distribution Summary by Expense Account," also provides the rates currently in use for all shops.

7.6.3. Once DIFMS receives the rates, as direct hours are transacted, the labor distribution program applies overhead cost on a planned dollar rate per direct labor hour basis. The "LD" JV as shown on DIFMS Report 7310-565 "Labor Distribution Summary by Expense Account" includes a credit to applied overhead in USSGL accounts 660000A (POH) and 660000B (G&A) with an offsetting debit to USSGL account 152600A1, Work In Process (WIP).

7.6.4. The goal is to have minimal over or under applied overhead at the end of the FY.

7.6.4.1. DIFMS Report 7310-729 "Actual Versus Applied Overhead Year-To-Date," summarizes and lists indirect Year-to-Date (YTD) cost and applied overhead at the shop level. If additional information is needed, use DIFMS Report 7310-731 "Indirect Cost Summary Year-to-Date," which provides a summary of YTD indirect hours and costs at the shop level both before and after transfers.

7.6.4.2. An optional tool to analyze over and under applied overhead at RCC level is to create a "Maintain Overhead Application Rate Model" in CPBM BTM. The designated office in the AFSC creates and analyzes proposed OAR changes for possible update in DIFMS. Additional information can be found in the H033 User Manual.

7.7. Processing, Inquiries, and Reports for Defense Industrial Financial Management System (DIFMS) Cost Summary.

7.7.1. The purpose of this paragraph is to provide DIFMS users the functions of the Cost Summary Subsystem. DIFMS Cost Summary Processing summarizes data from internal and external interfaces of DIFMS such as Labor Subsystem, Material Subsystem, Feeder Systems (such as Defense Finance and Accounting Service-Integration Engine (DFAS-IE)), Business Operations (Other) Cost Subsystem, and Fixed Assets Subsystem. The purpose of the Cost Summary function is to accomplish the following:

7.7.1.1. Report Quarter-to-Date, YTD and Inception-to-Date direct and indirect job order hours and costs.

7.7.1.2. Report business operations cost by expense account, direct JON, and cost category.

7.7.1.3. Report open and closed job status.

7.7.2. The most current information can be obtained from the DFAS DIFMS Portal website: **https://t6800.csd.disa.mil/DifmsPortal/index.php**. Please click on the appropriate tab and then on the current production release.

Chapter 8

BILLING

8.1. Introduction.

8.1.1. The purpose of the Defense Industrial Financial Management System (DIFMS) billing function is to replenish (receive cash) the Working Capital Fund (WCF) for costs accumulated while performing work for customers.

8.1.2. For Fiscal Years (FYs) 08-13, the Consolidated Sustainment Activity Group-Maintenance (CSAG-M) discontinued the practice of billing the Consolidated Sustainment Activity Group-Supply (CSAG-S) for all maintenance and manufacturing services. CSAG-S provided Working Authority for these services; Working Authority was used to ensure CSAG-S' Contract Authority was not exceeded. No billings occurred during this period and no cash is exchanged. Revenue was not recorded for these services by CSAG-M.

8.1.3. The billing function consists of DIFMS Programs MS273P "Produce Billing Audit," to calculate the bills and a MS274P "Produce Customer Bills," actually to produce the bills.

8.2. References.

8.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, **https://comptroller.defense.gov/FMR/**.

   8.2.1.1. Volume 4, *Accounting Policy*, Chapter 3, Receivables.

   8.2.1.2. Volume 11B, *Reimbursable Operations Policy - Working Capital Funds (WCF)*, Chapter 11, Reimbursements and Revenue Recognition - Defense Working Capital Funds.

8.2.2. DIFMS User Manual, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

8.2.3. DIFMS   Physical   Model   07,   Billing, **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

8.3. Customer Billing.

8.3.1. Customers are billed as revenue is earned up to the extended End Item Sales Price (EISP) (end item sales price times the units completed) and/or upon completion of the workload. CSAG-M can fully bill revenue up to the extent of available funds for all order types. This allows revenue to be maximized and Work in Process (WIP) to be minimized. Revenue billings must be accomplished at least monthly. Currently, billing is performed three times a month.

8.3.2. Air Force Sustainment Center Cost Accounting Branch (AFSC/FZRD) produces billing adjustments through the reverse billing process using DIFMS Screen MS123P "Reverse Bill Update." The reverse billing system allows the user to reverse a bill that has already been produced in a prior billing cycle at the Customer Order Number (CON) level or Job Order Number (JON) level. The system assigns a current month bill number for reverse bills. Prior to a bill cycle, there may be a need to reverse a bill. These reversals are done for a variety of reasons by the Cost Accountant performing the reversal. Bills may need to be reversed for some of the following reasons: 1) Incorrect Sponsor Order Number (SPON) (Document number), most requests are due to SPON being final billed and needs to be re-opened in order

to process file maintenance. A reversal needs to be done in order to correct a SPON which means that the incorrect document number is being billed on versus how it was obligated in General Accounting and Finance System-Base Level (GAFS-BL) (BQ) (H069) (Document Number). Usually, the project order (Air Force Materiel Command (AFMC) Form 185/Military Interdepartmental Purchase Requests (MIPRs)) that are Path 3 were processed into Automated Project Order (APO) (J025A) incorrectly; 2) Incorrect Line of Accounting (LOA). Reversals are also done to correct LOA to a Funds Classification Reference Number (FCRN). Before doing the reversal, look at the type of funds/FY and look at the dollar amount being reversed; or 3) Incorrect Program Control Number (PCN). If reversal has to be done to correct funding PCN and if the second digit of the PCN where the RGC is changing, it needs to be done early in the month to keep the revenue from being under one RGC code on one month and then changing to another RGC.

8.3.2.1. The user cannot reverse a single bill for a JON or CON and then set the JON or CON to have all bills reversed. If this happens within the same billing cycle, the first transaction must be deleted before the second can be processed. If this happens in subsequent billing cycles, an error is shown on the DIFMS Report 7310-820 "DIFMS End Use Billing Audit." A JON or CON may not be reversed more than once per bill number.

8.3.2.2. If the last JON on the funding document has been final billed, the final bill must be reversed in order to re-open the document prior to reversing other bills. A user may determine the last JON final billed on a funding document by using DIFMS Screen MS054P "Funding Document Inquiry."

8.3.3. Manual bills can be entered directly into DIFMS using the DIFMS Screen MS124P "Manual Billing Update." Use this procedure judiciously for bills that cannot be processed mechanically. A bill number is assigned by Cost Accounting for tracking billing through the collection process.

8.3.4. Prior to doing a billing, the DIFMS Program MS271P "Distribute Direct Cost," or the Cost Summary run needs to be on the run schedule. The Distribute Direct Cost Process updates the JON cost records with the current cycle direct costs and the funding. Cost Summary calculates direct costs, which are the source of billings.

8.3.4.1. If billing fixed price JONs on a cost per unit or services basis, the user must run MS656P "Compute Incremental Revenue Recognition," for open JONs before the MS273P. For fixed priced JONs, revenue computes as follow: (1) Units complete x EISP + Foreign Military Sales (FMS) surcharges, if applicable; or (2) if no units completed, revenue = cost incurred to date not to exceed the EISP x units inducted + FMS surcharge, if applicable.

8.3.4.2. DIFMS Program MS626P "Stabilized Cost Update," calculates and stores unfunded administrative surcharges for FMS, private party, and non-Department of Defense (DoD) and non-DoD should be in the schedule before the MS273P.

8.3.4.3. Air Logistics Complex (ALC) terminated JONs (status code "7") do not bill the customer and are treated as a "total loss" to the performing activity. Status code "7" has to be put on the JON manually.

8.3.5. The Billing Audit Run is produced through the DIFMS Program MS273P "Produce Billing Audit." This batch process calculates income bills at the JON level for the activity's customers, computes variances, actual cost, stabilized costs, and unfunded costs to be billed to FMS, private party, and DoD customers. It also re-computes the funds available at the CON level based on the potential billings but shows no update at the JON level. The 7310-820 Report has four sections: Available for Billing; Final Bills Available for Billing; Unavailable for Billing due to Insufficient Funds or Minimum Bill Amount; and Error Description.

8.3.5.1. If a bill (at the JON or CON level) needs to be overridden, the user needs to use DIFMS Screen MS121P "Billing Audit Override Update."

8.3.5.2. If the "audit run" needs overridden in mass, the user needs to use DIFMS Screen MS164P "Billing Income/Progress Override Code," between the audit and final billing run. Only designated Cost Accounting personnel will be able to use these screens.

8.3.5.2.1. Cost Accounting has three options. First, Cost Accounting can allow all bills to process by using the default code of "N." Second, Cost Accounting can override all bills by using the code of "A." Third, Cost Accounting can process only manual bills (override system-generated bills including bill reversals) by use of code "M." The MS164P screen is used to make this selection. The default code of "N" is systematically set and does not require action.

8.3.5.2.2. If the MS164P (Billing Income/Progress Override Update) screen is used after the MS273P "Produce Billing Audit," program is run before the MS274P "Produce Customer Bills," program is run, then the MS275P "Override Customer Bills Batch Process," program must be run with the MS274P program when it is run.

8.3.5.3. Prior to the final billing run (DIFMS Program MS274P), Cost Accounting reviews the audit reports produced from DIFMS Program MS273P including DIFMS Reports 7310-115 "Customer Funds Status Audit Copy," 7310-815 "Manual and Reverse Billing," 7310-820 "DIFMS End Use Billing Audit," and 7310-825 "Progress/Advance Billing Audit."

8.3.5.3.1. DIFMS Report 7310-820 "DIFMS End Use Billing Audit" reflects computations of revenue, bill reversals and manual bills for current billing cycle. AFSC/FZRD uses this report to determine if all the billing for income should be released to the "Produce Bills" cycle.

8.3.5.3.2. JONs on the Available for Billing section will bill, unless overridden by changing the override code on MS121P screen from "N" (No, do not override the billing) to "Y" (Yes, override the billing). The decision to hold a bill is at the discretion of each Air Force Sustainment Center Cost Accounting Branch Operating Location (AFSC/FZRD-OL) and may be held for a variety of reasons based on known issues for that particular JON. Any bill held will be re-assessed by AFSC/FZRD-OL in the next billing cycle or it will automatically bill.

8.3.5.3.3. The Final Bills Available for Billing section of the report lists the last JON on a funding document. DIFMS automatically holds the last bill allowing the AFSC/FZRD-OL to perform a final review to ensure completeness of recording cost and revenue prior to closing the funding document. If the JON is released for billing, the funding document is closed to further transaction processing. The JON override code on the MS121P "Billing Audit Override Update," must be changed from "Y" (Yes, override the billing) to an "N" (No, do not override the billing), to create a bill.

8.3.5.3.4. JONs on the Unavailable for Billing due to Insufficient Funds or Minimum Bill Amount section will not bill and represent transactions that could not bill due to funding shortages or below the minimum bill amount. After the billing cycle is completed, AFSC/FZRD-OL will notify the appropriate personnel to resolve any shortages. Once funding is sufficient, billing will occur in the next billing cycle thereafter.

8.3.5.3.5. JONs listed on the Error Description section represents DIFMS system controls are in place. Errors are reviewed, researched, and corrective actions taken after each billing cycle by AFSC/FZRD-OL.

8.3.6. Using the DIFMS Program MS274P "Produce Customer Bills," a revenue bill is produced. DIFMS Report 7310-830 "DIFMS Customer Billing," based on information passed from the production reporting systems and costs summarized in the Cost Summary Subsystem.

8.3.6.1. This is the final batch process for billing, which creates the actual bills. This process also creates the billing files, identifies variances, overrides for CONs and JONs, and updates the general ledger. The program assigns the "Current-Process-Date" to the "Month" of the "Bill-Number" and to the "Bill-Date." This assures a more accurate aging of Accounts Receivable on the DIFMS Report 7310-865 "Unliquidated Bills." MS274P creates the Sales Register (DIFMS Report 7310-870) and posts to United States Standard General Ledger (USSGL) account 131041A "Accounts Receivable-Government Agency," 152600A1 "Work in Process," 231042A "Advances from Others-Other-Public," and applicable revenue and Cost of Goods Sold (COGS) accounts. Sales Register lists the individual accounts.

8.3.6.2. There are three sections of the DIFMS Report 7310-830 "DIFMS Customer Billing."

8.3.6.2.1. Income Bills Overridden. Provides a list of JONs that were suppressed/held by AFSC/FZRD-OL and a bill was not produced.

8.3.6.2.2. Income Billed. Provides a list of all JONs that were billed this cycle.

8.3.6.2.3. Air Force (AF) Non-Reimbursable. Provides a list of JONs that fall under Capital Asset Management even though an actual bill is not produced. The bill number is for research purposes. After the final billing process has run the following steps occur: (1) Defense Finance and Accounting Service (DFAS) receives the billing file when DIFMS Program MS467P "Produce Customer Billing File" has been run; (2) ALC reviews JONs appearing on DIFMS Report 7310-820 "End Use Billing Audit" Unavailable for Billing section and the Error Description Section prior to the next billing cycle and notifies appropriate personnel to make corrections prior to the next billing; and (3) After each billing cycle, AFSC/FZR prepares and reviews a revenue

reconciliation spreadsheet to ensure recognized and unrecognized revenue are matched to calculated revenue on subsidiary accounts and General Ledger Accounts (GLAs) are in balance as described in Revenue and Accounts Receivable Standard Operating Procedures. The FZRD-OL's review the revenue reconciliation and provide comments and supporting documentation.

8.4. Advance Billing.

8.4.1. To maintain cash solvency for WCF, advanced billing of DoD and other Federal customers process is utilized. This process is used to maintain cash solvency and is used only with written approval of the AFMC Director of Financial Management or Deputy. The AFMC Financial Management Directorate (AFMC/FM) is responsible for: (1) determining when advance billing is required; (2) coordinating with the involved organizations to include the AFSC/FZR, ALC/FM, Assistant Secretary of the Air Force Financial Management, Budget Operations Directorate, Revolving (SAF/FMBOR), customers to be billed, DFAS, and the Office of the Under Secretary of Defense, Comptroller (OUSD (C)); and (3) instructing the ALCs on the timing, amount, and procedures for the advance. Requirements from the OUSD (C) must be followed such as that issued in the Annual Operating Budget (AOB).

8.4.2. DIFMS allows advanced billings when the Advance From Customer code ("ADV FR CUST CD") is set to "Y" at the funding document number level. This code must be set using the Transaction Query & Maintenance tab in the Funding Initiation Tool System (FIT).

8.4.3. Advance Billing occurs at the CON level by entering a Manual Bill in the MS124P "Manual Billing Update," screen. The amount of the Advance Bill is entered in "Prog Pay/Adv" as Bill Type "6" (last position in the assigned bill number). After the next Audit Bill Run (MS273P), "Advan Fr Cust Pend," as shown on MS053P Option 2 will increase and "Fndd Avail to Bld" on MS053P Option 3 will decrease by the amount of the advance bill. Total Billed will remain unchanged until future billings when the ALC is entitled to recognize the revenue on the JONs under the CON. DIFMS Reports 7310-815 "DIFMS Manual and Reverse Billing," and 7310-825 "DIFMS Progress/Advance Billing Audit," list details of the individual bills.

8.4.3.1. The Customer Bill Run (MS274P) will complete the billing cycle and produce DIFMS Report 7310-830 "DIFMS Customer Billing." The total amount of the advance bills does not appear in the general ledger until the advance bills are liquidated.

8.4.3.2. As the advance bills are liquidated, amounts are posted as debit to USSGL 101041A "Fund Bal with Treasury," and credit 231041B "Advances from Others-Cash Advances-Inside DoD."

8.4.3.3. After the advance billing, as costs are incurred on the JON, DIFMS will process bills during normal billing runs. The amount of these bills will be deducted from "Advan Fr Cust Bal" and added to "Total Billed" as shown on the MS053P screens option 2 and 3. General Ledger postings are debit to 231041B and credit to Revenue accounts (520000x).

8.4.4. It is important to track the advance billing CON on each billing cycle. Once "Advan Fr Cust Bal" is exhausted, it may require resetting Advance From Customer code ("ADV FR CUST CD") back to "N" so that if there was a change in lower EISP on over and above JON, the credit bill will post to fund available balance and in BQ will return the obligation to the customer.

8.5. Billing for FMS, Private Party, and Other Non-DoD Customers.

    8.5.1. TYPE CUSTOMER CODES:

        8.5.1.1. FMS–1.

        8.5.1.2. PRIVATE PARTY–2.

        8.5.1.3. NON-DoD–3.

        8.5.1.4. DoD–4.

    8.5.2. Private Party (Type Customer Code "2"):

        8.5.2.1. DIFMS Programs MS273P "Produce Billing Audit," and MS274P "Produce Customer Bills," allow for fixed price Order Type Codes (OTCs) to be used for private party billings. This includes OTC "1" (Fixed Price Units), OTC "7" (Fixed Price Non-Navy Components) and OTC "9" (Fixed Price Non-Components). In addition, stabilized rate billing for OTC "4" (Cost Reimbursement Services) and Order Type "3" (Cost Reimbursable Units) is also allowed for private party customers.

        8.5.2.2. This capability meets the requirement in the depot maintenance community to do fixed price partnering work with private companies. The capability provides the flexibility to "charge" or "not charge" unfunded surcharges. The private party documents under these OTCs can be assessed surcharges unless designated otherwise through use of an exclusion indicator on the individual funding document.

    8.5.3. The FMS billing process (Type Customer Code "1") allows for billing at a fixed price in a manner similar to what is done for private parties.

        8.5.3.1. DIFMS Screen MS162P "Unfunded Billing Rates Updates," permits the user to establish applicable rates to allow DIFMS to bill unfunded costs mechanically for FMS, private parties, and other non-DoD customers, which includes administrative surcharges for the rates and applicable appropriation codes as instructed by AFMC/FM. DIFMS Screen MS754P "Edit Surcharge Exclusions Updates," allows specific administrative surcharges to be excluded from bills to certain FMS, private party, or non-DoD customers, when appropriate. The capital reserve and any other surcharges dictated by AFMC are entered via DIFMS Screen MS161P "Bill Level Billing Rate Update."

        8.5.3.2. The Unfunded Civilian Fringe Benefit factor as provided by AFMC/FM is applied to the regular pay portion of the labor on the JON. The most current rate can be found at: **https://comptroller.defense.gov/Financial-Management/Reports/rates/**. FMS bills must be authorized by the AF Security Assistance Accounting Center through the Security Assistance Management Information System.

        8.5.3.3. FMS is treated as Government Accounts Receivable (A/R). DIFMS Program MS274P "Produce Customer Bills," post FMS billings to USSGL account 131041A "Government Receivables." Budgetary postings for 422141 "Unfilled Customer Orders" and "Budgetary Receivables" (USSGL accounts 425141 and 425241) are posted systematically.

8.6. Work In Process (WIP).

8.6.1. DIFMS applies direct expenses and applied overhead (Production Overhead (POH) and General & Administrative (G&A)) to WIP. DIFMS also uses a COGS account to record the amount of WIP sold to the customers based on billing.

8.6.2. The DIFMS Program MS271P "Distribute Direct Costs," process updates JON cost data records, computes WIP balances at the JON level, rolls the costs up to the CON level, and rolls all current cycle costs for direct and indirect shops, Contractual/Other, and Object Class into Month-to-Date, Quarter-to-Date, Year-to-Date (YTD), and Inception-To-Date-Direct Only. This information is fed to downstream systems such as Depot Maintenance Accounting and Production System (DMAPS) Data Store (DDS) and Cost, Production, and Budget Module (CPBM) (H033). Reports are also fed to DIFMS Report and available for query. DIFMS Report 7310-125 "Unbillable Work in Process Report," lists customer orders with costs that have exceeded the funded amount.

8.6.3. USSGL account 1526 "Inventory-Work in Process," is the control account for all unbilled job orders. The amount of WIP consists of all costs applied to unbilled job orders including direct labor, direct materials, applied indirect overhead, and G&A expenses. AFSC/FZR reviews and resolves the WIP balance on unbilled job orders in coordination with the ALC/FM as each billing cycle is produced.

8.6.4. The costs incurred on a customer order may be more or less than the revenue earned, depending upon whether costs incurred exceed the funded amount on the customer order or whether costs incurred are less than the funded amount on the customer order. Therefore, a gain or loss (variance) may occur on the work performed on a customer order. Variances are recognized as the JONs under the CON are billed.

8.6.5. The ALC/FM and AFSC/FZR jointly establish procedures for the routine review of WIP account balances so that appropriate actions may be taken, if necessary, to reduce significant balances in the WIP account. The review must focus on completed customer orders where costs incurred exceed the funding provided on the existing customer order. Ultimately, these costs should be transferred from the WIP account to operating expenses/program costs or to COGS. The review should evaluate the compliance with the percentage of completion method for revenue recognition and accounts receivable policy (DoD 7000.14-R, Volume 11B, Chapter 11 and Volume 4, Chapter 3 respectively).

8.6.6. AFSC/FZRD-OL reviews the uncollected Accounts Receivable (A/R) on the DIFMS Report 7310-865 "DIFMS Unliquidated Bills," after each bill cycle in conjunction with the Defense Transaction Interface Module Invalid Classification Report. This report displays bills that were unable to post systemically in GAFS-BL (BQ). Each billing is researched/corrective action taken in order to collect the billing. Any billing over 30 days old is required to be explained to AFSC/FZRA, Integration Branch.

8.7. Revenue Recognition.

8.7.1. Revenue is identified and billed on the JON level. DIFMS calculates revenue based on funding, costs incurred, completed units, and sales prices established by the user. Using forecasted workload, historical workload and expenses data, along with AFMC direction, the ALC uses CSAG-M systems to develop sales rates. A critical part in the sales rate calculation is the association to forecasted workload. While historical workload and expense data is used,

the use is to price out the forecasted requirements. Using the Sales Price Generator (SPG) System, budget analysts use sales rates, direct material and direct labor cost history, along with standard hours to calculate EISP for non-serialized workloads.

8.7.2. Revenue recognition and billings are based on cost incurred and units completed for all fixed price JONs. DIFMS recognizes revenue based on the following Fixed Price JON(s) Revenue formula:

8.7.2.1. Revenue = (Units Complete x EISP), or

8.7.2.2. When no units are completed, Revenue = Cost Incurred to Date (Material, Labor and Overhead not to exceed the EISP x Units Inducted)

8.7.3. Revenue from Cost Reimbursable JONs is recognized based on the actual cost recorded on the JONs.

Table 8.1. Example of Revenue Calculation for Fixed Price Job Order Number (JONs).

JON	EISP	Units Inducted	Extended EISP	Units Completed	Actual Cost	Billings (Revenue = Greater of (Units Comp * EISP) or Actual Costs
A	$10	10	$100	10	$110	$100
B	10	10	100	6	30	60
C	10	10	100	5	50	50
D	10	10	100	2	40	40
E	10	10	100	1	5	10
F	10	10	100	0	0	0
Total			$700		$235	$260

8.8. Billing Reports.

8.8.1. DIFMS Program MS273P "Billing Audit," is run prior to the DIFMS Final Run (MS274P). Billing is usually run three times a month but can be run as often as required. This batch process calculates the ALC income bills at the JON level based on type customer code, OTC, status code, stabilized rates, and CON funds authorized. There are four reports associated with DIFMS Program MS273P.

8.8.1.1. DIFMS Report 7310-115 "Customer Funds Status Report-Audit Copy," provides a billing status and summarizes information on cost, billing, and variances at the funding document level at the time the Audit Run is produced.

8.8.1.2. DIFMS Report 7310-815 "Manual and Reverse Billing," provides data regarding manual or reverse bills entered into the system by the user.

8.8.1.3. DIFMS Report 7310-820 "End Use Billing Audit," provides income bill calculations at the JON level summarized to the CON. Calculations are based on the OTC, Type Customer Code, Status code of the JON, and the stabilized or fixed price rates. Bills will be "calculated" regardless of funds available.

8.8.1.3.1. Available for Billing is the first section and lists JONs that will bill when the MS274P is ran unless the user makes the decision to override the bill by using MS12lP screen by changing the Override code from "N" to "Y."

8.8.1.3.2. The second section is Final Bills Available for Billing that lists the JONs that are the last JONs on a funding document. If these JONs bill, the funding document will be final billed. If the user elects for these JONs to bill, the MS121P screen can be used changing the Override code from "Y" to "N."

8.8.1.3.3. The third section is Unavailable for Billing Due to Insufficient Funds or Minimum Bill Amount and lists the JONs that cannot bill due to funding shortage. This section will not bill and should be reviewed by Cost Accounting and the Complex Workload Office (ALC/OBWB), JON Closeout Team to resolve the funding shortage before the next billing.

8.8.1.3.4. The last section is Error Description and lists CONs that are out-of-balance with the associated JONs and JONs that cannot bill for a variety of reasons. The section should be reviewed by AFSC/FZRD-OL. Sometimes assistance is required from the ALC and various other directorates to resolve the issues before the next billing if possible.

8.8.1.4. DIFMS Report 7310-825 "Progress Pay/Advance Billing Audit."

8.8.1.4.1. Part I reflects the status of payments for the billing cycle. Payments are calculated at the CON level.

8.8.1.4.2. Part II reflects manual advance bills for DoD customers created via the DIFMS Screen MS124P "Manual Billing Update." Advance bills are created at the CON level.

8.8.2. DIFMS Report 7310-105 "Customer Order Status," provides Inception-to-Date status of accounting data, cost incurred, billings, and variances for each customer. The report is produced through DIFMS Program MS379P.

8.8.2.1. Part I "By Sponsor" provides funding document data.

8.8.2.2. Part II "By CON" provides information by Customer Order Number.

8.8.2.3. Part III summarizes the CON information by program and report totals. This report is also used as the subsidiary for the following accounts.

Table 8.2. United States Standard General Ledger (USSGL) Account Title.

Type	USSGL	Account Title
Proprietary	151100E	Progress Pmts-Direct Material Inventory
	152600A1	Inventory-WIP-In-House
	152600A2	Inventory-Progress Pmts-WIP-In-House
	152600B2	Inventory-Progress Pmts-Contractors Plants
	152600C2	Inventory-Progress Pmts-Other Government Plant
	152600D	Inventory-WIP-Activity Retention
	231041A	Advances from Others-Outside DoD
	231041B	Advances from Others-Cash Advances-Inside DoD
	231042A	Advances from Others-Other-Public
Budgetary	422141	Unfilled Customer Orders w/o Advance-Govt
	422142	Unfilled Customer Orders w/o Advance-Public
	422241	Unfilled Customer Orders With Advance-Govt
	422242	Unfilled Customer Orders With Advance-Public

8.8.3. Reconciliation and corrective action need to occur at the ALC to keep the subsidiary ledger and the general ledger in agreement. DIFMS Report 7310-105, Part III, provides separate subtotal identity of "Reimbursable Funds Authorized," "Reimbursable Funds Available," "Surcharges Billed YTD," and "Progress Pay/Advances Pending."

8.8.3.1. The criteria for "Reimbursable" is based on a Manufacturing Type Code" of "0," "2," "3," "6" or "9." This excludes all Unfunded Manufacturing Type codes such as "1" (In-House Manufacturing), "4" (CIP), "5" (In-House Major Real Property Maintenance (MRPMA)), "7" (Multifunded Collection) and "8" (Direct Cite). This provides traceability and comparability to the DIFMS Report 7310-130 "Summary Source of Revenue," that includes only amounts from reimbursable funding documents.

8.8.3.2. The subtotal for "Surcharges Billed" helps to reconcile comparisons to "Orders Received" on the DIFMS Report 7310-130 since the "Orders Received" column includes funding for surcharge for the current FY. Similarly, the ability to compare/reconcile "Funds Available" to the overall USSGL 4220 series account balances is aided by inclusion of the "Progress Pay/Advances Pending," since these numbers have to be added back into the "Funds Available" to get a true "Unfilled Customer Order" (USSGL account 4220 series) balance.

8.8.4. DIFMS Report 7310-130 can be used for financial statement reporting purposes, when the report is produced at the same time as the 7310-105 report. Running both reports at the same time is imperative at End-of-Year closeout.

8.8.5. DIFMS Report 7310-830 "Customer Billing," provides a summary of all bills that were produced for the cycle as well as all bill calculations that were overridden. All JONs/CON(s) from the DIFMS Reports 7310-820 "DIFMS End Use Billing Audit," and 7310-825 "DIFMS Progress/Advance Billing Audit," should appear in one of the sections on this report.

8.8.6. DIFMS Report 7310-835 "Unfunded Amounts Billed," provides detail information on unfunded surcharges that were billed during the current cycle.

8.8.7. DIFMS Report 7310-870 "Sales Register," provides the details for the postings to the general ledger for the billing cycle.

8.8.8. DIFMS Report 7310-875 "Schedule of Variances," provides a breakout of the variances taken for the cycle by JON summarized to the CON.

8.8.9. DIFMS Report 7310-880 "Variance Ledger Summary," provides Month-to-Date, Quarter-to-Date, and YTD variances by CON and is the subsidiary to the general ledger for the Billing Variances.

8.8.10. DIFMS Report 7310-885 "Status of Funds," may be used to send to the customers to provide funding status or billing history.

8.8.11. DIFMS Report 7310-890 "Voucher for Disbursements and/or Collection," shows the ALC's side of the bill with reference to "2035" for the customer's LOA.

8.8.12. DIFMS Report 7310-850 "Summary of Accounting Data Navcompt 2035," shows the customer's LOA and supports 7310-890.

Chapter 9

ACCOUNT FOR FUNDS/MANAGE CASH

9.1. Introduction.

9.1.1. The Department of Defense (DoD) has no cash but authority from the Department of the Treasury to spend funds for the Air Force's operations. This authority and all "cash" accounts (GLACs 101040XX) in the Chart of Accounts are called Fund Balance with Treasury (FBWT). However, for the purpose of simplicity, this chapter will refer to the FBWT as cash.

9.1.2. Air Force Sustainment Center (AFSC) Financial Management (FM) and the Air Logistics Complexes (ALCs) organizations assist Defense Finance and Accounting Service (DFAS) to process transactions for cash and fund accountability. A matching commitment and obligation must be in the system before disbursements can be posted to General Accounting and Finance System (GAFS-BL (BQ)) (H069). For those commitments and obligations that are not available, DFAS must develop a follow-up process with the AFSC. During batch processing Defense Industrial Financial Management System (DIFMS) receives, edits, balances, validates, and stores cash data for processing. Records that do not pass edit, validation, and balancing are rejected for subsequent correction by DFAS with assistance from the AFSC.

9.1.3. The GAFS-BL (BQ) is the Air Force (AF) cash accounting system for Treasury reporting.

9.1.3.1. DIFMS receives cash transactions (receipts and disbursements) from GAFS-BL (BQ) via the DFAS-Integration Engine (DFAS-IE). Air Force Intragovernment Payment and Collections (IPAC) detail billings come from AF systems: Financial Inventory Accounting and Billing System (FIABS) (D035J), Integrated Logistics System-Supply (ILS-S) (D002A), and Standard Material Accounting System (H118). These detailed billings are compared to summary disbursements recorded in GAFS-BL/BQ. The DFAS-IE creates the summary and detail IPAC billings based on this reconciled data. DIFMS can process an entire month of IPAC billing data into a single run of the DIFMS Run Stream/Program MS200J/MS202P "Daily Disbursing Officer Voucher Cash Input," without waiting additional cycles for the "wraparound" process to bring through additional cash batches.

9.1.3.2. Non-IPAC disbursements and miscellaneous collections come via the DFAS-IE from GAFS-BL/BQ, and then posted to DIFMS based on commitments, obligations, and receipts that are in DIFMS and GAFS-BL/BQ.

9.2. References.

9.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, Volume 4, *Accounting Policy*, Chapter 2, Accounting for Cash and Fund Balances With Treasury, **https://comptroller.defense.gov/FMR/**.

9.2.2. AFSCMAN 21-102, *Depot Maintenance Management.* **https://static.e-publishing.af.mil/production/1/af_sustainment_ctr/publication/afscman21-102/afscman21-102.pdf**. (Consult Air Force e-publishing website (**https://www.e-publishing.af.mil**) for current version of the publication.)

9.2.3. Defense Finance and Accounting Service-Denver Center (DFAS-DE) 7077.2-M, *Standard Base Level General Accounting and Finance System (GAFS) User Manual*, 1 April 2013.

9.2.4. DIFMS User Manual. This manual includes a list of the Transaction Type Codes used in the cash function. Also, see DIFMS User Manual, Appendix Y, Error Messages. Website: **https://t6800.csd.disa.mil/DifmsPortal/DIFMS/21D00/User-Manuals/index.php**.

9.2.5. DIFMS Physical Model 01, Cash. Accessed via DIFMS tab, 21D00 tab, then Physical Models.

9.2.6. DODI 1400.25-V810_AFI36-810, *Injury Compensation*. **https://static.e-publishing.af.mil/production/1/af_a1/publication/dodi1400.25-v810_afi36-810/dodi1400.25v810_afi36-810.pdf**.

9.3. Collections.

9.3.1. All collections are recorded via Cash Receipts ("CR") Journal Vouchers (JV) as shown on DIFMS Report 7310-335 "Cash Receipts Register." This report is consistent in format to the DIFMS Report 7310-340 "Cash Disbursements Register."

9.3.2. DIFMS provides an Accounts Receivable (A/R) file to GAFS-BL (BQ) each time a billing cycle is run. This record must be in GAFS-BL (BQ) before the collection can be made. The DFAS-IE has an 18-position document number that begins with the DIFMS Type Transaction Code of "8T." The last seven digits are the bill number from the DIFMS Accounts Receivable. DIFMS interprets this 18-digit document number as a six-digit Property Accounting Activity (PAA) and a 12-digit Cost code. For a collection transaction to liquidate a receivable in DIFMS, the Type Transaction Code, bill number, and amount must match an unliquidated bill as shown on DIFMS Report 7310-865 "Unliquidated Bills." The presence of the Sponsor Order Number (SPON) on this report makes it easier for the user to research outstanding and overage receivables. DIFMS Program MS355P uses the Type Customer Code from the bill number record in determining whether to report a receivable as "Government" or "Public." Successful bill liquidations are shown on the DIFMS Report 7310-630 "Liquidated Bills/Customers Order Updates." Unsuccessful bill liquidations are suspended to the DIFMS Report 7310-322 "Weekly Unallocated Details."

9.3.3. These collections are made based on the receipt of cash in any manner of delivery (e.g., check, electronic transfer, etc.). These cash collections can include vendor overpayments, employee indebtedness, etc.

9.3.3.1. When the indebtedness is first known, the A/R record should be established to allow the AFSC to monitor the collection of the indebtedness. If the indebtedness is not known until the payment is received, the A/R should be established at that time via the DIFMS Screen MS112P "Asset Liability Update," as a "Posting Code" "6" record so the cash collection transaction that is received from the DFAS-IE has a record to match against. If the A/R record is not established or the cash collection cannot find a matching A/R record, the transaction is suspended to DIFMS Report 7310-322.

9.3.3.2. The following process is used to liquidate the A/R record established above. The liquidation is caused by the cash collection transaction received. The AFSC forwards the check it has received to DFAS with a collection voucher. Included in the data received is the Job Order Number (JON) and shop to be credited. The collection action takes place in GAFS-BL/BQ. DFAS assigns a collection voucher number. The cash transaction comes to DIFMS from GAFS-BL (BQ) via the DFAS-IE. DIFMS validates that the batch is balanced and that basic DIFMS edit criteria are met. Once the basic DIFMS validations are met, the cash transaction looks for a match on the "DOC-JOB-SHOP" records.

9.3.4. Certain workloads require payment prior to induction such as workload for commercial, foreign and other entities.

9.3.4.1. A DD Form 1131, *Cash Collection Voucher*, is prepared to collect the advance citing the Customer Order Number (CON) associated with the advance. If there is a delay in establishing the CON, the collection will error in the DFAS-IE and will appear on the Unallocated Cash report.

9.3.4.2. When funding from partners is moved from CON to CON, AFSC/FZRD Cost Accounting uses the DIFMS Screen MS131P "Cash and Reject Correction Update," to realign the funds. This moves the "Available to Bill" to the "Advance from Customer" on each CON. This is a "zero batch" transaction.

9.4. Online Intra-Governmental Payment and Collection (IPAC) Billing.

9.4.1. IPAC is no-check-drawn payments made by one activity for another activity. Some of the big players in the IPAC system are supply management activities, such as Defense Logistics Agency (DLA), who sells weapon system parts, supplies, and other materials and goods to organic depot maintenance and other customers. The big advantage of the IPAC system is that selling activities get reimbursed and buying activities get charged sooner for the materials. IPAC buys for material used in organic depot maintenance are through both Air Force and other Government sources. The Material Due for Government material buys are input to Naval Air Systems Command Industrial Material Management System (NIMMS) or Automated Bill of Material (ABOM) by the AFSC.

9.4.1.1. AF IPAC billings can come from three AF sources: FIABS (purchased from Wholesale and Retail Receiving/Shipping (WARRS) (D035K), ILS-S (D002A) (common supply items), and Standard Material Accounting System (medical-dental).

9.4.1.2. These three sources send detailed billings to the DFAS-IE that in turn converts to detailed IPAC billings. These disbursements are posted in DIFMS via "CD" JV as shown on DIFMS Report 7310-340 "Cash Disbursements Register." Additional details for these transactions can be found on DIFMS Reports 7310-310 "DSA/GSA Summary Bills-Register 6," 7310-311 "Statement of Interdepartmental Billing Transactions Charges," and 7310-462 "Processed Material Bills." These detailed billings attempt to match Accounts Payable (A/P) (receipts) or A/R (turn-ins) records in DIFMS that were created in NIMMS. Those that match quantity, price, and document number liquidate the A/P or A/R. Those that do not match create a Material in Transit (MIT) or unmatched Government material bill.

9.4.2. GAFS-BL (BQ) receives these billings and based on the Fund Code (FC) distributes to the applicable system. DFAS balances the summary and detailed bills and uses File Transfer Protocol to send the file to DIFMS.

9.5. Commercial Material.

9.5.1. The Air Base Wing Comptroller Squadron (ABW/CPTS) is responsible for retrieving the commercial material commitments document from Funds Request and Certification (FRC) module and input of commitment into NIMMS. When the ABW/CPTS certifies funding documents associated with commercial material transactions, the Certifier inputs the commitment into GAFS-BL/BQ.

9.5.2. Material obligation records with "MU" in the first two positions of the Cost code field must be manually input into NIMMS by the designated AFSC/FZRD Cost Accountant.

9.5.3. Fuel transactions originate at summary level in GAFS-BL (BQ) and the fuel transaction file is submitted by DFAS to the respective DIFMS Program Management Office (PMO) and Air Force Sustainment Center Cost Accounting Branch (AFSC/FZRD) Cost Accountants at each Operating Location (OL). These files are electronically updated/input into DIFMS.

9.5.4. Industrial Prime Vendor billing detail/kit delivery summary is submitted to the local Air Force Sustainment Center Cost Accounting Branch Operating Location (AFSC/FZRD-OL) for review approximately the 10th of every month. DLA provides a copy of the bill/invoice to AFSC/FZRD Cost Accountant and forwards the bill/invoice to DFAS for payment into GAFS-BL (BQ) to include the document number (Military Interdepartmental Purchase Request (MIPR) or other funding document) to be billed.

9.5.4.1. On or about the 5th of the following month, the AFSC/FZRD Cost Accountant posts the cumulative total of the billing detail received on the 10th of the prior month as expenses (receipts) as the material is received instead of when DFAS pays the bill.

9.5.4.2. AFSC/FZRD Cost Accountant inputs a receipt into NIMMS for the cumulative total of the bill/invoice. If a matching A/P is found, the bill liquidates the A/P. If no matching record is found, the transaction is suspended in DIFMS Reports 7310-322 "DIFMS Weekly Unallocated Details," or 7310-484 "DIFMS Aged Unmatched Bills." AFSC/FZRD Cost Accountant takes action to correct any errors on the DIFMS Report 7310-322 or 7310-484.

9.5.5. Other commercial material disbursements originate at summary level in GAFS-BL/BQ. If a matching A/P is found, the bill liquidates the A/P. If no matching record is found the transaction suspends to the DIFMS Reports 7310-322 "DIFMS Weekly Unallocated Details," or 7310-484 "DIFMS Aged Unmatched Bills." AFSC/FZRD Cost Accountant takes action to correct any errors on the DIFMS Report 7310-322 or 7310-484. See **Attachment 4** for directions on researching and correcting commercial material transactions using the DIFMS Report 7310-322.

9.6. Business Operations (Other).

9.6.1. A commitment is established in DIFMS, which is the initial accounting for the contingent liability. The commitment eventually becomes an obligation, accrued expenditure-unpaid, and then paid for that document. The commitment should be input into DIFMS before it is input to other systems, such as GAFS-BL/BQ. This validates the JON and shop cited on the document and ensures the uniqueness of the document number and cost code relationship.

9.6.2. Service Contracts.

9.6.2.1. The ABW/CPTS is responsible for retrieving the documents from FRC and input of commitment into GAFS-BL (BQ) and DIFMS.

9.6.2.2. The responsible AFSC office provides the documents to DFAS who inputs into GAFS-BQ/BL. The DFAS-IE sends the obligation through an interface from GAFS-BL (BQ) to DIFMS.

9.6.2.3. AFSC/FZRD Cost Accounting is responsible for accruing costs in DIFMS on all documents, except "ST" which will be systematically accrued once established.

9.6.2.4. Cash transactions fed to DIFMS via the DFAS-IE must match to an accrual or A/P value in DIFMS equal to or greater than the payment. DIFMS edits and validates cash transactions based on Purchase Order Number, task, Accounting Classification Reference Number (ACRN), Cost code, and dollar amount. The cash transactions are posted by "CD" JV as shown on DIFMS Report 7310-340 "DIFMS Cash Disbursement Register." Transactions that pass DIFMS edits and validations are shown on DIFMS Report 7310-680 "Asset Liability Transaction History." Transactions that do not pass DIFMS edits and validations are shown on the daily DIFMS Report 7310-320 "DIFMS Unallocated and Unmatched Details," and if not worked, it will appear on the 7310-322 weekly "DIFMS Weekly Unallocated Details."

9.6.2.5. Processing for the Capital Investment Program (CIP) includes the same steps above with an additional requirement that the cumulative payments do not exceed the allocated budget authority.

9.6.2.6. The AFSC is issued an annual military assessment and an outgoing funding document is issued for the assessment. The payment is recorded in GAFS-BL (BQ) and sent to DIFMS via the DFAS-IE.

9.6.2.7. The payment for worker's compensation is initiated by the supervisor (see DODI 1400.25-V810_AFI36-810, *Injury Compensation*), paid in GAFS-BL/BQ, and sent to DIFMS via DFAS-IE.

9.6.3. GAFS-BL (BQ) Travel orders are interfaced from DTS into GAFS-BL (BQ) and then from GAFS-BL (BQ) to DIFMS via the DFAS-IE.

9.7. Unallocated Cash Processing.

9.7.1. Use DIFMS Screen MS132P "Unallocated DTL Error Correction Update," to correct single transactions. This may also require the use of "zero batches" to clear the records correctly. Use the DIFMS Screen MS135P "Multiple Unallocated Disbursing Officer Voucher (DOV) Detail Error Correction Update," for processing corrections to Document-Job-Shop (Doc-Job-Shop) transactions. Users have the flexibility to split a correction up into pieces that could include an "8P" transaction.

9.7.1.1. Using the DIFMS Reports 7310-320 "DIFMS Unallocated and Unmatched Details," or 7310-322 "DIFMS Weekly Unallocated Details," Cost Accounting personnel identify and take the necessary actions to correct the unallocated and unmatched transactions, using the DIFMS Screen MS132P "Unallocated Detail Error Correction Update."

9.7.1.2. If a services type or capital purchase record is not in the DIFMS database, Cost Accounting personnel research and retrieve the necessary information in the related legacy system or GAFS-BL (BQ) to validate the appropriate commitment and obligation balances. Once validated, the proper adjustments are made via DIFMS Screen MS112P "Asset Liability Update." Then the necessary adjustments are made via the DIFMS Screen MS132P "Unallocated Detail Error Correction Update," if required (e.g., discrepancy in the document number, JON, Cost code, ACRN, etc.). Corrected records appear the next day on the DIFMS Report 7310-321 "Corrected Unallocated/Unmatched Details," with a full display of the results of "material cash return" transactions allowing identification of the transactions.

9.7.1.3. Some transactions that come from the cash files into the DFAS-IE are error corrections done at DFAS or other organizations. These transactions are normally called "Net to Zero" transactions and have no financial impact. The AFSC receives the error correction as part of the cash file. A "Net to Zero" transaction is both a debit and credit of equal amounts. These transactions must be grouped for easy audit and tracking purposes. These transactions must be properly processed to have no impact on the monthly financial statements. Procedures to clean up "Net to Zero" transactions must be scheduled so that all transactions are processed and internal controls are implemented prior to End-of-Month (EOM), so that financial errors are minimized. Internal controls on monitoring must be designed at each AFSC so that "Net to Zero" transactions will have no financial impact. These transactions normally will show up on the DIFMS Report 7310-322 "DIFMS Weekly Unallocated Details."

9.7.1.3.1. Suggested method: Use DIFMS Screen MS132P "Unallocated Detail Error Correction Update," to clear DIFMS transactions listed on the DIFMS Report 7310-322 "DIFMS Weekly Unallocated Details" worksheet. A person with access to DIFMS Screen MS112P "Asset Liability Update" must set up a record using "Posting Code" "5" and setting the authorized amount higher than what is cleared (For example: DOC NBR = NETZEROWRITEOFF, JON = Y65690998000, SHOP = MXXXX). Then using DIFMS Screen MS132P, inquire for the error serial number from the DIFMS Report 7310-322. Enter the data elements necessary to process the correction:

9.7.1.3.1.1. DOC NBR: always type "NETZEROWRITEOFF."

9.7.1.3.1.2. ACRN: always type "AA."

9.7.1.3.1.3. PAA: clear field if populated.

9.7.1.3.1.4. COST CODE: always type "SU??XXXX0000" (where "??" = Fiscal Year (FY)).

9.7.1.3.1.5. TASK/PROJ NBR must be blanked out.

9.7.1.3.1.6. ACTION CD: change from "I" to "C" (for change).

9.7.1.3.1.7. CLICK ON ENTER (after completing above).

9.7.1.3.2. After posting the "NETZEROWRITEOFF" to DIFMS Screen MS132P and after the next weekly run of DIFMS Program MS260P "Process Disbursing Officer Vouchers," use the DIFMS Inquiry Screen MS015P "Asset Liability Doc-Job-Shop Data Inquiry," to verify the amounts equal zero. To find the transactions enter the document number, JON, and RCC. If there's a variance, then use the DIFMS Report 7310-680 "Transaction History," to find the transactions that did not zero. Use the DIFMS Screen MS131P "DIFMS Cash and Reject Correction Update," to reverse/correct erroneous posting to "NETZEROWRITEOFF." Data for the correction is on the DIFMS Report 7310-322 "DIFMS Weekly Unallocated Details," used previously.

9.7.1.4. DIFMS Inquiry Screen MS017P provides access and visibility to liquidation data associated with Document-Job-Shop (Contractual Services) and Travel records to view online.

9.7.1.4.1. DIFMS Inquiry Screen MS017P "Asset/Liability Liquidations History," provides much easier access to the liquidation history data currently only visible on the DIFMS Report 7310-680 "DIFMS Asset/Liability Transaction History." With the variety of access options (data element combinations for data access) available, the users should be able to locate quickly the information needed. The data viewed is similar to what is displayed on the DIFMS Report 7310-680 in the "Liquidations" section. The user has alternate search capability by Document Number, Project Order Number (PON), Task, ACRN, Contract Line-Item Number, Cost code, JON, DOV Number, and Batch Control Number. The Document Number and PON are indexed to provide a more efficient search. If the search criteria yield more than 100 records, a message is shown to ask the user to redefine the search.

9.7.1.4.2. A database table, "DIFMS_LIQD_HSTY," stores the data that is being inquired on. This table is initialized using the onetime DIFMS Program MS912P "Initialize Cash Liquidation History Information," which takes the MS258D03 file and translates the data into the DIFMS database. For sites wishing to maximize the volume of historical data, use guidance in the DIFMS users' manual for monthly, quarterly, and year-end procedures. Also, refer to annual direction published by the Air Force Materiel Command (AFMC) Financial Management Directorate (AFMC/FM) and DFAS Columbus Center (DFAS-CO) for any specific processing procedures prior to the FY end purge.

9.7.2. Basic Research for the Other Cost/Cash Process:

9.7.2.1. There is a requirement for a match to the correct document number.

9.7.2.2. For Business Operations (Other) Cost transactions, the requirement is for document number, task, ACRN, Contractual Other Code (COC), and Cost code to match to a "DOC-JOB-SHOP" record.

9.7.2.3. For commercial material buys, the approach is covered in the DFAS DIFMS Portal website: **https://t6800.csd.disa.mil/DifmsPortal/index.php**. Please click on the appropriate tab for NIMMS, and then on the current production release. Additional information can also be obtained from the Air Force Sustainment Center Manual (AFSCMAN) 21-102, *Depot Maintenance Management*. **https://static.e-publishing.af.mil/production/1/af_sustainment_ctr/publication/afscman21-102/afscman21-102.pdf**.

9.7.3. The detailed IPAC billings that find no due (commitment for material in NIMMS) (or Obligation) are reported as Unmatched Government Bills (UGBs) on DIFMS Report 7310-340 "Cash Disbursement Register." Cost Accounting records the due and/or receipt on the Material Due Record in NIMMS for the MIT and UGBs transactions that have no accounts payable and/or obligation.

9.7.3.1. Most corrections are made via NIMMS screens. Obligations are established using NIMMS Screen MN012P "Establishment for Military Standard Requisitioning and Issue Procedure Requisitions." Receipts are recorded using the NIMMS screen MN031P "Receipts." After the next material and cash updates, the MIT and Unmatched Billing transactions should match to the Material Dues and liquidate the Accounts Payables that were established.

9.7.3.2. The results of processing delayed receipt/obligations that successfully match off would appear on the DIFMS Report 7310-461 "Transactions Clearing Requisition Status," under the "MU" JV type.

9.7.4. Cash liquidations for material transactions containing Contract Line-Item Numbers and Sub Line-Item Numbers or ACRNs should successfully process automatically in DIFMS through matching for material transactions in the same manner that it is done for liquidations of Document-Job-Shop transactions. This matching is handled by using several DIFMS Update Screens and related DIFMS Programs: MS131P "Cash and Reject Correction," MS132P "Unallocated Detail Error Correction," MS135P "Multiple Unallocated Error Correction," MS200P "Daily DOV Cash Input," MS214P "Finalize and Re-cycle Cash Data," and MS260P "Process Disbursing Office Vouchers."

9.7.5. Acceptable variance parameters are established in the DIFMS System Information Record that allows the cash and payable transactions to match within acceptable criteria. If the difference exceeds that value, the cash transaction for correction is included in DIFMS Report 7310-495 "Material Mismatched." Those items on DIFMS Report 7310-495 have either purchase or quantity differences in excess of the acceptable criteria. To correct this error, Cost Accounting adjusts the A/P in NIMMS screen MN031P "Receipts." This would normally be worked by "reversing" the original receipt using MN031P and reprocessing the corrected receipt also using NIMMS screen MN031P. Another option exists to use the DIFMS Update Screen MS185P "Excessive Purchase Variance" for cases where quantities match and amounts are excessive. In cases where amounts match and quantities differ, use DIFMS Update Screen MS181P "Mismatched." See **Chapter 4** for additional information.

9.7.6. All levels within AFSC and up through Assistant Secretary of the Air Force Financial Management Budget Operations Directorate, Revolving (SAF/FMBOR) review the cash balance as needed with weekly as a minimum. AFSC and ALC financial organizations ensure financial products accurately reflect the cash balance and AFSC/FZRD reviews unallocated cash transactions.

9.7.6.1. Any discrepancies that are not in the DFAS-IE are researched by the Cost Accounting office. Once the necessary correction is determined, Cost Accounting personnel use applicable update screens to correct cash errors.

9.7.6.2. DIFMS balances, edits, and validates the DOV summary and details. DIFMS also balances, edits, and validates interdepartmental (IPAC) bills. Rejects from these edit routines are listed on the DIFMS Report 7310-305 "Rejected Details and Summary Records." DFAS makes corrections via the DIFMS Screen MS131P "Cash and Reject Correction Update," using Part I and Part II of this report, correcting the field in error, indicated by "*." Those records corrected successfully do not appear on the next day's DIFMS Report 7310-305 "DIFMS Rejected Details and Summary Records."

9.7.7. The Cash Subsystem prevents unallocated General Ledger Accounts (GLAs) from shifting between the two unallocated cash United States Standard General Ledger (USSGL) accounts for Collections (131041D and 131042G) when the PAA field is changed on a correction action. The original unallocated cash USSGL account is stored on the Unallocated DOV Detail record in the existing record stream, and when the unallocated transaction first enters the system, the record is posted by the DIFMS Program MS283P "Post Unallocated Cash."

9.7.7.1. After a correction has occurred on either the Unallocated Detail Error Correction Update (MS132P) or the Multiple Unallocated Detail Error Correction Update (MS135P), this USSGL account number is carried forward on the correction records. Whenever the PAA field on a correction action has been changed between a "Billing" (Unallocated Cash USSGL account 131041D) and "Non-Billing" (Unallocated Cash USSGL account 131042G) cash disbursement, retention of the original USSGL account number allows the DIFMS Program MS260P "Process Disbursing Office Vouchers," to reverse the original Unallocated USSGL account correctly.

9.7.7.2. In addition, if the record is again rejected in the DIFMS Program MS260P, it posts out of the "old" and into the "new" Unallocated USSGL account based on the latest PAA value. The DIFMS Program MS385P "Report Corrected Unallocated Cash," displays records that take this course of action through the DIFMS Report 7310-321 "Corrected Unallocated and Unmatched Details."

9.8. Cash Postings to the United States Standard General Ledger (USSGL).

9.8.1. There are three update reports in the cash processing which contain the details for the cash updates. The manual JV is also used in the cash liquidation processing.

9.8.2. DIFMS Report 7310-340 "Cash Disbursement Register (Journal Voucher Type = CD)," contains the updates received from the disbursements and collections made in GAFS-BL (BQ) and passed to DIFMS via the DFAS-IE. Transactions for "material and other" based on payment for IPAC and commercial material and other purchases:

9.8.2.1. Debit 4901xx Expended Authority Unpaid.

9.8.2.2. Credit 4902xx Expended Authority Paid.

9.8.2.3. Debit 2110xx Accounts Payable.

9.8.2.4. Credit 101040Bx Funds Disbursed.

9.8.3. DIFMS Report 7310-335 "Cash Receipts Register (Journal Voucher Type= "CR")," contains the updates made from collections for DIFMS income billings and other collection actions. Transactions for DIFMS billings based on A/R recorded in GAFS-BL (BQ):

9.8.3.1. Debit 4901xx Expended Authority Unpaid.

9.8.3.2. Credit 4902xx Expended Authority Paid.

9.8.3.3. Debit 42524x Reimbursements and Other Income Earned-Collected.

9.8.3.4. Credit 42514x Reimbursements and Other Income Earned-Receivables.

9.8.3.5. Debit 101040Ax Funds Collected.

9.8.3.6. Credit 1310xxx Accounts Receivable.

9.8.4. Other collections are documented in DIFMS Report 7310-321 "Corrected Unallocated and Unmatched Details (JV type = CU)." When transactions go to Unallocated or Unmatched, cash is posted with an offset to either A/P or A/R. The entries would be as stated above for disbursements versus collections, with entries to the unallocated accounts. When the transactions clear the unallocated or unmatched status, the transaction amounts move from unallocated A/R and A/P.

9.9. Research Procedures for Cash Imbalance.

9.9.1. Step 1: Verify all transactions entered in DIFMS. Obtain the total dollar value of cash transactions from the DFAS field site. Using the DIFMS Report 7310-325 "DIFMS Valid Cash Vouchers," compare the total cash to the subtotals in the Valid Cash Vouchers Section, and the Unallocated Cash Vouchers Section. Research differences, in coordination with the DFAS field site, to determine causes and take corrective action (see subsequent steps).

9.9.2. Step 2: Use the DIFMS Reports 7310-335 "Cash Receipts Register," and 7310-340 "Cash Disbursement Register," to verify valid cash postings are correct by comparing the total debits and credits for Receivables, Payables, Liabilities, and Operating Expenses as shown in **Table 9.1**. Compare the total debits and credits to the total of valid cash vouchers from the DIFMS Report 7310-325.

Table 9.1. Verifying Valid Cash Postings.

Debits (USSGL accounts)	Credits (USSGL accounts)
Account Receivable	Account Receivable
Advances	Advances
Account Payable	Account Payable
Other Accrued Liability	Other Accrued Liability
Operating Expenses	Operating Expenses

9.9.3. Step 3: Use the DIFMS Report 7310-320 "Unallocated and Unmatched Details," (new processing section), to verify unallocated postings are correct. Calculate the total of the following USSGL accounts: Unallocated Disbursements, (211042xx); Unallocated Collections, Government (131041xx); and Unallocated Collections, Commercial (131042xx). Compare this total to the total of unallocated cash vouchers from the DIFMS Report 7310-325 "DIFMS Valid Cash Vouchers."

9.9.4. For reference, available DIFMS cash reports and postings to respective USSGL accounts   are   provided   at **https://t6800.csd.disa.mil/DifmsPortal/DIFMS/11A/DIFMS%20New%20User's%20Manuals/index.php**. Select "Cash_User_Manual11A00.doc."

9.10. Monthly Manual Journal Vouchers Posted to Balance Defense Industrial Financial Management System (DIFMS) and Treasury Cash.

9.10.1. GAFS-BL (BQ) is the Treasury "checkbook" for cash in AF. Reconciliation is required each month to bring the DIFMS and Treasury balances into line.

9.10.2. The GAFS-BL (BQ) Reports Control Symbol (RCS): Headquarters Air Force Accounting and Finance (HAF-ACF) (M) 7113 "Report of Disbursement and Collection," requires that a JV be posted in DIFMS to bring the cash balances in GAFS-BL (BQ) and DIFMS into agreement. The items adjusted in this JV are generally those items that are suspended in the DFAS-IE, pending correction. DFAS posts the JV as a reversing manual JV at month's end.

9.10.3. The GAFS-BL (BQ) HAF-ACF (M) 7136 "Air Force Working Capital Funds Cash Data Report," requires that a JV be posted in DIFMS to bring the GAFS-BL (BQ) and Treasury balances into agreement. DFAS-CO prepares a cash worksheet that the GLAs use to produce the HAF-ACF (M) 7136 report.

Chapter 10

ANALYZE/RECONCILE/REPORT–GENERAL LEDGER

10.1. Introduction.

10.1.1. The Consolidated Sustainment Activity Group-Maintenance Division (CSAG-M) uses the Defense Industrial Financial Management System (DIFMS) system to record both systemic and manual cost accounting transactions.

10.1.2. DIFMS uses journals to post these data to the general ledger from which CSAG reports are created. DIFMS maintains the Chart of Accounts as outlined in the United States Standard General Ledger (USSGL).

10.2. References.

10.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, **https://comptroller.defense.gov/FMR/**.

10.2.1.1. Volume 4, *Accounting Policy*, Chapter 4, Inventory and Related Property.

10.2.1.2. Volume 6A, *Reporting Policy*, Chapter 2, Financial Reports Roles and Responsibilities.

10.2.1.3. Volume 6A, *Reporting Policy,* Chapter 15, Defense Working Capital Fund Accounting Report [Accounting Report (Monthly) 1307].

10.2.1.4. Volume 6B, *Form and Content of the Department of Defense Audited Financial Statements*, Chapter 13, Adjustments, Eliminations, and Other Special Intragovernmental Reconciliation Requirements.

10.2.1.5. Volume 11B, *Reimbursable Operations Policy - Working Capital Funds (WCF)*, Chapter 13, Cost Accounting Requirements for Depot Maintenance.

10.2.2. United States Standard General Ledger, **https://tfm.fiscal.treasury.gov/v1/supplements/ussgl.html**.

10.2.3. DIFMS User Manual and DIFMS Physical Model. The most current information can be obtained from the Technical Service Organization's website: **https://t6800.csd.disa.mil/DifmsPortal/index.php**.

10.2.4. DIFMS Physical Model 08, General Ledger Account (GLA).

10.3. CSAG Accounting System Structure.

10.3.1. Many data elements can be viewed on DIFMS screens. Pertinent to this chapter screen codes, names, and descriptions are displayed in **Table 10.1**.

Table 10.1. Defense Industrial Financial Management System (DIFMS) Screens.

Screen Code	Screen Name	Use
MS041P	Chart of Accounts Inquiry	To view General Ledger Account Code (GLAC) characteristics
MS044P	General Ledger Journal Voucher (JV) Inquiry	To view both manual and systemic JVs
MS045P	General Ledger Account	To view specific account balances
MS172P	Manual JV Update	Used to post and view manual journal entries
MS173P	General Ledger Account Update	Used to add, delete, inquire, or change a GLA number and/or associated account information
MS753P	General Ledger Budget Tracking Update	Used to add budget target amounts for reporting purposes
Note: These screens will be referred to in the relevant paragraphs.		

10.3.2. The following DIFMS reports will be referred to throughout this chapter.

10.3.2.1. DIFMS Report 7310-721 "DIFMS Direct Costs by Cost Center, Year-to-Date," provides a summary of Year-to-Date (YTD) direct hours and costs at the cost center level by types of Manufacturing.

10.3.2.2. DIFMS Report 7310-915 "DIFMS General Ledger Details Year-To-Date," is, essentially, the YTD general ledger. It contains the detailed systemic and manual transactional history by GLA. Use as a research tool to trace back historical postings to each account throughout the current FY.

10.3.2.3. DIFMS Report 7310-920 "General Ledger Summary," provides summary balances by USSGL account number for the current month, quarter, previous months or quarters, prior year, and Inception-to-Date. Accounting uses this report as a quick reference for USSGL account balances for the various periods.

10.3.2.4. DIFMS Report 7310-925 "General Ledger Worksheet," provides an accountant's worksheet to be used at the end of the reporting period to determine what adjusting and closing entries are necessary to accurately disclose financial information. Accounting reviews the trial balance column to obtain pre-closeout figures for End-of-Year reporting.

10.3.2.5. DIFMS Report 7310-930 "Financial Statement Feeder," lists USSGL account balances for preparing the Financial and Cost Statements. Accounting uses this report to prepare the exhibits in the Financial and Cost Statements.

10.3.2.6. DIFMS Report 7310-935 "General Ledger Trial Balance," is a cumulative (produced daily) trial balance report that is formatted classified by proprietary, budgetary, and statistical accounts. The report also flags whether or not the total database is in balance (total debts equal total credits). (See **paragraph 10.9.1.2** for further information.)

10.3.2.7. DIFMS Report 7310-940 "Processed Journal Vouchers, Year-to-Date," reflects copies of all Journal Vouchers (JVs), both systemic and manual, for the full year.

10.3.2.8. DIFMS Report 7310-945 "Processed Journal Vouchers," is the same as the DIFMS Report 7310-940 except it is produced daily. Only the previous day's JVs will be published. This report is part of the audit trail and is used to validate correct transaction posting by showing the source and summarized amounts of each systemic and manual JV. For each manual JV posted, print the matching JV and attach to the JV package.

10.3.2.9. DIFMS Report 7310-951 "General Ledger Account Non-Navy Transmission Listing," provides trial balance information. It is formatted in three column groups: GLAC, debit or credit code, and amounts with no summary or overall totals.

10.3.2.10. DIFMS Report 7310-965 "Automated Balancing," provides a comparison of general ledger and subsidiary accounts. This report is used to compare and investigate discrepancies between subsidiary accounts and the general ledger.

10.3.2.11. DIFMS Report 7310-971 "Comparative Financial Statement (Statement of Financial Condition)," is the balance sheet. It provides a comparison of the current month, YTD, and the prior month YTD ending balance giving an increase or decrease between the two periods. It is used to report and reconcile assets with liabilities plus equity. Line-item details for each category of assets and liabilities, as well as totals are displayed as described above for the end of the current period, the end of the previous month, and the amount of increase or decrease. Details for equity are shown on the DIFMS Report 7310-976. These reports should be reviewed at End-of-Month (EOM) prior to trial balance submission. The variance between assets and liabilities plus equity should be Net Operating Results plus transfers in/out of Fixed Assets (FA).

10.3.2.12. DIFMS Report 7310-975 "Analysis of Capital of Funds," produces an automated financial statement. This report is the same as the DIFMS Report 7310-976 except that it compares prior FY amounts with current FY amounts.

10.3.2.13. DIFMS Report 7310-976 "Comparative Financial Statement-Analysis of Capital Funds," provides a monthly comparison of current month to prior month and gives the increase or decrease between the two periods. The report displays and compares supporting details for the equity amount reported on DIFMS Report 7310-975. Details are displayed for the end of the current month, end of the previous month, and the amount of increase/decrease. Under normal conditions, there should be no amount of increase or decrease during a given year as equity postings are only allowed during FY closeout. Review this report in conjunction with DIFMS Report 7310-971 at EOM prior to trial balance submission.

10.3.2.14. DIFMS Report 7310-977 "Income Statement," produces financial data for automated generation of an Income Statement similar to the Air Force 7118 Report (Statement of Revenue and Expense Report). However, the report should be used with caution as the over/under applied overhead may not include the Capital Investment Program (CIP) applied overhead numbers. New GLACs will need to be coordinated with Defense Finance and Accounting Service Information and Technology (DFAS I&T) to be added to this report.

10.3.2.15. Civilian Pay Accounting Interface System (CPAIS) E4R6L Employee Directory Listing report is a Defense Civilian Pay System (DCPS) report. This report is also referred to as the "R60" and is the data source for the civilian pay disbursement journal entries.

10.3.3. Programs.

10.3.3.1. Build Closing Journal Entries (Monthly) (MS221P) is the program to monthly closeout direct cost accounts to Work in Process (WIP) in-house at the end of the month through an "XC" closing JV.

10.3.3.2. Process Reverse Manual JVs (MS222P) is the program that reverses the auto-reversing manual JVs posted in the previous month. The actual reversals are recorded in the first report run of GLA (e.g., DIFMS Report 7310-945 "DIFMS Processed Journal Vouchers") for the following month and identified in the general ledger by "VR" followed by four numbers to assign the month and sequence number.

10.3.3.3. Distribute Direct Costs (MS271J) is the process that rolls all current cycle costs into Month-to-Date, Quarter-to-Date, and YTD for both Direct and Indirect-Shop-Cost and Contractual Other Cost records and Inception-to-Date fields for "Direct Only."

10.3.3.4. General Ledger Summary and Financial Statement Feeder (MS352J) run stream occurs every evening. However, it can be run whenever a new trial balance is needed, (e.g., DIFMS Report 7310-951 "General Ledger Account Non-Navy Transmission Listing," and DIFMS Report 7310-935 "General Ledger Trial Balance."

10.3.4. Accounting Book Structure

10.3.4.1. The General Journal is a book (or database table) where accounting transactions are first recorded. Transactions are recorded in chronological order. In essence, DIFMS has one journal where all data is recorded. See DIFMS Report 7310-945 "Processed Journal Voucher," for a specific day or DIFMS Report 7310-940 "Processed Journal Vouchers, Year-to-Date."

10.3.4.2. The General Ledger. All systemic and manual transactions are chronologically posted in the General Journal. The data passes to the general ledger. The general ledger accumulates and summarizes all transactions by GLA. This ledger is the source for all periodic trial balances and other reports. Account segregation and summarization also allows CSAG managers to review specific account detail.

10.3.4.3. General Ledger Control Accounts contains summary level information. The balance in a control account is the total of many individual transactions. It is linked to a subsidiary account that contains the detail of a given type of transaction. The total of the control account should equal the total of all the records in its related subsidiary account. For example, control accounts 131041A and 131042A report the control totals of outstanding accounts receivable bills found in the DIFMS Report 7310-865 "Unliquidated Bills," subsidiary report. Not all GLAs are control accounts because subsidiary detail is not required. **Figure 10.1** shows the general relationship of control accounts to subsidiary ledgers and accounts.

10.3.4.4. A Subsidiary Ledger is a collection of second-level detail accounts used to maintain detailed data and tied to a control general ledger control account. These detail accounts are called subsidiary accounts.

10.3.4.5. A Subsidiary Account is a secondary level account that contains detail data that supports control account balances. For example, the Accounts Receivable subsidiary account would be the outstanding accounts receivable bills. The total of the bills in the subsidiary accounts must equal the total of the control account. Likewise, any adjustments in either ledger must have matching adjustments in the other.

Figure 10.1. Control to Subsidiary Accounts Relationship.
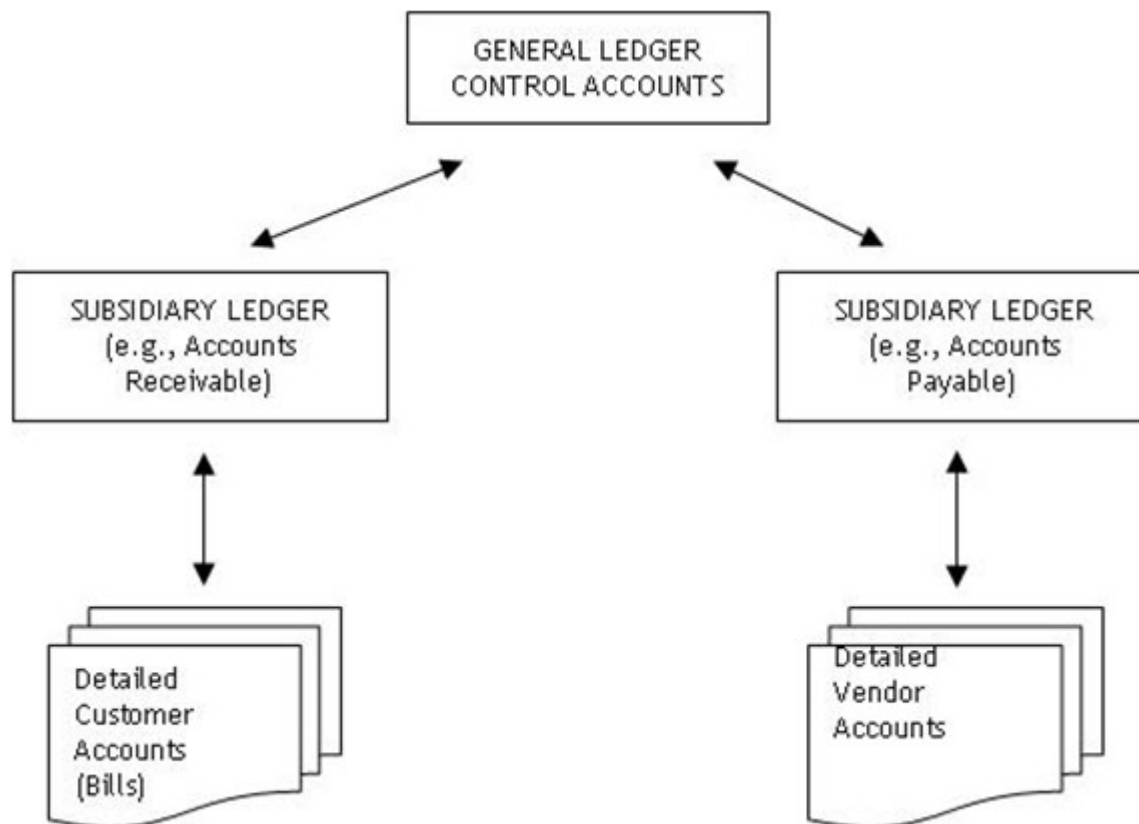
10.3.4.6. United States Standard General Ledger (USSGL) contains the Chart of Accounts that is the foundation of the DIFMS accounting process. Depot Maintenance Accounting and Production System (DMAPS) uses the USSGL account code structure which is a uniform Chart of Accounts. It was created to standardize General Ledger Account Codes (GLAC) in order to eliminate reporting disconnects between all Federal Government entities. Technical guidance and the Chart of Accounts can be reviewed on the Department of Treasury website listed in **paragraph 10.2.2**.

10.3.5. Chart of Accounts.

10.3.5.1. The USSGL Chart of Accounts lists all available account names and numbers arranged in the order in which the accounts appear in the trial balance. The full construct of the USSGL is eight positions. DIFMS may use up to all eight USSGL positions for its various accounts. The first four digits are controlled by the Treasury Department while the final four are designated by the using/reporting entity. The first four positions provide the basic structure of the USSGL as shown in **Table 10.2**. The Chart of Accounts used should be identical from base to base. Differences due to unique base missions should be minimized. New GLACs will need to be coordinated with DFAS I&T to be added to this report.

Table 10.2. United States Standard General Ledger (USSGL) Categories.

First Number	Description
1XXX	Assets
2XXX	Liabilities
3XXX	Net Position
4XXX	Budgetary
5XXX	Revenues
6XXX	Expenses
7XXX	Gains/Losses
8XXX	Memorandum (not used in DIFMS)
9XXX	System Unique Statistical Accounts

10.3.5.2. A list of the most current DIFMS USSGL accounts can be viewed at the Technical Service Organization's website: **https://t6800.csd.disa.mil/DifmsPortal.index/php**. However, the Chart of Accounts is dynamic; accounts may be added while others are deleted.

10.3.5.3. The DIFMS USSGL account structure is as follows:

Table 10.3. United States Standard General Ledger (USSGL) Account Structure.

Position	Content	Description
1-4		Directed by Treasury
5-8		Command Assigned
5-6	00	Not Applicable-No Breakout for Government and Public needed
	40	Net of Government and Public
	41	Government
	42	Public
7-8		Further breakout of the account and dependent on the GLAC's context

Table 10.4. Examples.

GLAC 101040A1 Fund Balance with Treasury-Funds Collected-Operations			
Position 1-4	**Position 5 & 6**	**Position 7**	**Position 8**
1010	40	A	1
Fund Balance with Treasury	Net of Government	Collections	Operations
GLAC 131041A Accounts Receivable-Government Agencies-Summary Billings			
Position 1-4	**Position 5 & 6**	**Position 7**	**Position 8**
1310	41	A	
Accounts Receivable	Government	Summary Billings	(Not Used)
GLAC 131041A Accounts Receivable Private Party and FMS Billings			
Position 1-4	**Position 5 & 6**	**Position 7**	**Position 8**
1310	42	A	
Accounts Receivable	Public/Foreign Military Sales	Summary Billings	(Not Used)
GLAC 480141YA Undelivered Orders-Unpaid Government Operations Personnel Compensation-Civilian-Full-Time Permanent			
Position 1-4	**Position 5 & 6**	**Position 7**	**Position 8**
4801	41	Y	A
Undelivered Orders-Unpaid	Government	Operations	Full-time permanent
Note: Additionally, for budget accounts: For position 7 can be: "A or Y" = Operations or "B or Z" = Capital. For position 8, use the category or object class code found in **paragraph 9.11**.			

10.3.5.4. New GLACs need to be added occasionally. The new GLAC must be the same for all Complexes and all three Complexes must add it to their respective systems. If the GLAC is to be tied to a subsidiary ledger, DFAS I&T must add it because the subsidiary ledger will need to be created and linked to the new GLAC. If the GLAC will not be linked to a subsidiary ledger, the base AFSC/FZRD Cost Accounting office will use the General Ledger Account Update (MS173P) and the General Ledger Budget Tracking Update (MS753P) screens to create the account. **Note:** DFAS associates cannot add new accounts. The MS753P screen shows fields for each month of the FY. These new accounts must be coordinated with DFAS Columbus Center (DFAS-CO) Accounting Requirements and Departmental Reporting so the new accounts can be added to the CSAG-M Statement of Financial Position within the Defense Working Capital Fund (DWCF) Accounting Report [Accounting Report (Monthly) 1307] (AR(M) 1307) and General Accounting and Finance System-Base Level (GAFS-BL) (BQ) (H069).

10.4. Journal Vouchers (JV).

10.4.1. Journal Voucher Numbering Structure.

10.4.1.1. The format is: JVMMXX.

10.4.1.1.1. JV = Type of Voucher. The JV type and title are shown in **Table 10.5**.

10.4.1.1.2. MM = Calendar Month.

10.4.1.1.3. XX = Serial Number within each Month.

10.4.1.2. For example, the fifth manual voucher posted in January would be VM0105. The fourth cash disbursement voucher in January would be CD0104. The JV numbers cannot be manually assigned; DIFMS automatically assigns them.

Table 10.5. Journal Voucher Types.

JV Type	Report	Title
CD	340	Cash Disbursements Register
CL	694	Contract Labor Transfer
CR	335	Cash Receipts Register
CT	705	Cost Transfer Transactions
CT	706	Percentage Cost Transfers
CU	321	Corrected Unallocated & Unmatched Details
CX	960	Cost Adjustment Transactions
DA	590	Direct Cost to Activity Retention Report/In-house Manufacturing and Real Maintenance
FA	511	Transfer from Fixed Assets Under Development to FA Accounts (GLACs 172000/173000)
FC	508	Fixed Assets Update
FD	514	Monthly Depreciation
FM	506	Manufactures Adds, Changes, Deletes
FU	510	Transfer from Direct Costs to Fixed Assets Under Development (GLACs 610000/172000)
IM	596	Transfer of Major Range Test and Facility Base Costs To Indirect
JB	239	Budget Authorization Update
JF	240	Funds Authorized Budgetary Update
LA	558	Bi-Week Labor Distribution Summary By Expense Account
LD	565	Labor Distribution Summary By Expense Account
LQ	520	Standard Quarterly Closeout
LR	521	Bi-Week Standard Cost Variance
LS	530	Weekly Standard Cost Variance
MA	431	Detail Inventory Adjustments
MA	650	Detail Inventory Adjustments-Business Operations (Other) Cost by Expense Account
MC	432	MC 7310-432 Detail Material Commitment/Obligation Transaction

JV Type	Report	Title
MC	434	Summary Material Budgetary Posting (NIMMS)
MD	424	Weekly Material Expend Summary by Expense Account
MI	463	Monthly Inventory Allowance Report
MM	460	In-House Manufacturing Receipts & Variances
MP	457	Purchase Variances
MR	430	Detail Material Receipt Transactions
MT	770	Miscellaneous Transfers
MU	461	Transactions Clearing Requisition Status
RC	595	In-House Job Order Number (JON) Closures
SA	605	Schedule of Accruals
SB	604	Commitment Budgetary
SC	764	Service Center Transfer
SR	870	Sales Register
VM	915, 940, 945	Manual JV
VR	915, 940, 945	Reversal Of Manual JV
VP	915, 940, 945	Manual Prior Period Adjustments
XA	915, 940, 945	Applied Overhead Year-End Closeout To Accumulated Operating Results (AOR)
XB	915, 940, 945	Budget Year-End Closeout
XC	915, 940, 945	Closeout To Work In Process
XE	915, 940, 945	General And Production Expense Year-End-Close To AOR
XF	915, 940, 945	To Adjust Fringe Benefits At Year-End Closeout
XG	915, 940, 945	Billing Variances and Prior Year Gains/Losses Closeout
XL	915, 940, 945	Sick, Holiday, and Other Leave Year-End Closeout
XM	915, 940, 945	Unfunded Costs Year-End Closeout To Contributed Costs
XN	915, 940, 945	To Adjust Annual Leave At Year-End Closeout
XR	915, 940, 945	Revenue And Costs Of Sales Year-End Closeout To AOR

Note: All JVs are posted systemically except for "VM" and "VP" that are posted manually. All journal entries can be found in DIFMS Reports 7310-915, 7310-940, and the 7310-945.

10.4.2. Systemic vs. Manual Entries.

10.4.2.1. Systemic entries are coded into the DIFMS program and post automatically with little or no human intervention. The action may be triggered by a mechanic scanning the bar code for a project or a computer scheduler kicking off the run schedule. Additionally, transactions from other DIFMS feeder or subsystems create automated JVs.

10.4.2.2. Manual entries are created and then posted to the general ledger through the Manual JV Update screen (MS172P). Manual JVs are created by DFAS associates or the Cost Accounting office. All manual JV posting is to be done by DFAS associates only.

10.4.2.3. Manual JVs are done for two reasons: source entry and correcting adjustment errors. These entries can be permanent or auto-reverse.

10.4.2.3.1. Manual source-entry JVs are for adjustments that, due to system limitations, have not been recorded. Out-of-balance conditions, no automated interface, or account reconciliation may require manual entries. Source-entry JVs may also include data call transactions (entries). (See **paragraph 10.4.4.1.9.2** for further details on data call entries.) Source-entry accounting transactions are generally used for month's end processing and year-end closing purposes.

10.4.2.3.2. Correcting entries adjust for errors identified during the review process. In some cases, correcting entries are required to adjust for errors on previously prepared JVs. In this instance, correcting entries should both reverse the effect of incorrect entries and record the correct amount. In some cases, both entries can be made with one JV and a single set of supporting documentation. Be cautious when correcting a previous posting and make the correction as low a risk as possible. The number of JVs and their complexity increases the risk of more errors. Regardless of whether a single JV is prepared, or multiple JVs are prepared, the correcting JVs should include a copy of the original JV first page (include original supporting documents only needed to clarify the correction), with "COPY" stamped on it, and narrative explaining how it is known that the original entry is incorrect.

10.4.2.3.3. Manual postings can be permanent or auto-reverse. A permanent JV is posted when the result of the transaction is to remain in the records. If the adjustment change is to be temporary, it should be reversed. Use the "OVRD CD" (upper right corner) field on the MS172P screen to request whether or not to reverse. If the JV is to be permanent, enter "Y"; if it is to be reversed, leave the field blank. If left blank, the transaction will reverse systemically after the final month's end trial balance (run stream MS352J) is run. The system will publish the reversing entry in the DIFMS Report 7310-945 "Processed Journal Vouchers-Current," and the DIFMS Report, 7310-940 "Processed Journal Vouchers-Year-To-Date."

10.4.2.3.4. An individual manual budgetary JV may be required to correct discrepancies in the budgetary accounts typically updated by purely budgetary events such as Commitments, Obligations, and Unfilled Customer Orders.

10.4.3. In some cases, adjustments for certain proprietary accounts as in **Table 10.5** need a matching budget adjustment. DIFMS is programmed to add many budget adjustments automatically. This process helps reduce the manual effort required for corresponding budgetary manual JV entries. The automatic production of budgetary entries is limited to "current period" JVs. The seldom-used Prior Period JVs (Action code "P") proprietary JV still requires a separate manual budgetary JV. The user is able to immediately call up and view the results of a successful JV (including the automated budgetary entries) by either using the DIFMS Inquiry Screen MS044P "Journal Voucher," or the DIFMS Update Screen MS172P with Action code "I" (Inquiry). Additionally, the DIFMS Report 7310-945 "Processed Journal Vouchers-Current," copy of the JV will include the budget adjustment.

10.4.3.1. The "behind the scenes" budgetary postings are built on posting logic coded into DIFMS that relate budgetary to proprietary accounts. The system then attaches the budget adjustment to the journal entry. The adjustment is based on the first six digits of the budget GLAC. **Table 10.6** shows relationships; however, understand that this table is not all-inclusive and, because changes may be made in the future, it is dynamic.

Table 10.6. Relationships of Budgetary and Proprietary Accounts.

Budget GLACs	PROPRIETARY GLACs							
419000	575500 A	575500 B	576500 A	576500 B				
422241	231041 A	231041 B						
422242	231042 A	231042 B						
425141	131041 A	131041 D	131041 E					
425142	131042 A	131042 G	131042 H					
480241**	141041 A	141041 B1-6						
480242**	141042 A1-2	141042 B1-5						
490141**	151100 B1	151100 C1-4	211041 A	211041 B	211041 C	210041 D1-2		
490142**	211042 A1-3	211042 B1-5	211042 C1-3	221042A 1-8	221042 B	221042 C1-8	221042 CA-CH	294000 A
42*2**** (YTD 4222 & 4252)	101040 A-3							
4*02**** (YTD 4802 & 4902)	101040 B1-3							

10.4.3.2. To accurately produce the appropriate automated budgetary entries, the posting screen requires that equal offsetting entries occur on each line of the JV whenever a proprietary line is entered. For certain proprietary GLACs, there must be matching and equal credit to the offsetting GLAC. For example, post the disbursement of $20,000.00 to two liability accounts as shown in **Table 10.7**.

Table 10.7. Good Example.

GLAC	AMOUNT	Debit/Credit	GLAC	AMOUNT	Debit/Credit
221041XX	10,000.00	D	101040BX	10,000.00	C
221042XX	10,000.00	D	101040BX	10,000.00	C

10.4.3.2.1. However, the transaction in shown in **Table 10.8** will not post.

Table 10.8. Bad Example.

GLAC	AMOUNT	Debit/Credit	GLAC	AMOUNT	Debit/Credit
221041XX	10,000.00	D	101040BX	20,000.00	C
221042XX	10,000.00	D			

10.4.3.2.2. The system will respond with the error message; "Each line must be balanced Debit/Credit to produce budgetary JV."

10.4.4. Journal Voucher Package.

10.4.4.1. A properly compiled JV package must have all necessary supporting documentation for a reasonably informed person to understand the transaction and determine validity. As stated in the DoD 7000.14-R, Volume 6A, Chapter 2, paragraph 2.4.3, the general rules for a proper JV package include:

10.4.4.1.1. Each JV package must contain the appropriate supporting documentation as requested by DFAS. The face page of the JV must also list the current Trial Balance (TB) for each GLAC if requested by DFAS.

10.4.4.1.2. The JV should be formatted and typed in an easy to read and understandable way.

10.4.4.1.3. The heading should contain the words in large font "JOURNAL VOUCHER" with the base and Fund Code (FC) below it. On the right-hand side should be two lines, one for the JV number and the other for the "As of Date." The systemic produced JV number is to be written on the JV number line. The "As of Date" entered should be the effective date of the JV, not the date it was created. For example, the civilian pay disbursement JV is to be dated the disbursement day. If the payday is 14 May, but the JV is created on 18 May, the date of the JV should be 14 May. For month's end processing, the date of the JV should be the last day of the month being closed even though the JV is actually being created in the following month.

10.4.4.1.4. The General Ledger Accounts need to match the transaction being recorded and the GLAC description must match the GLAC number. Even though the GLAC is correct and the amount was posted correctly according to the GLAC, if the incorrect description is used the transaction may be questioned.

10.4.4.1.5. The total of the debits must equal the total of the credits.

10.4.4.1.6. The source data is the listings, data queries, reports, worksheets, Microsoft Excel filenames, emails, etc. These should be acknowledged including the date-time group. A person, office, or similar reference is not a source. If a previous JV is part of the supporting documents, the JV number must be included. A copy of the first page of the JV must be included with "COPY" stamped or written on it. Unless necessary for understanding, do not include this JV's supporting documents. If the supporting report has any Privacy Act information such as names and Social Security Numbers, this information must be obscured in some manner. In no way should this information be discernible. All supporting information should be clear enough to allow duplication of the data and verify the conclusions.

10.4.4.1.7. Include the DIFMS Action code. See **Table 10.10** for details on the definition of fields and action codes.

10.4.4.1.8. Indicate with large font, a statement noting whether the JV must be automatically reversed.

10.4.4.1.9. The correct JV Category code ("Cat code") and title that corresponds to the transaction being recorded must be entered in the "JV CAT CODE" field. Currently, this code is not posted into DIFMS, but is still required. Following are the category codes and definitions as defined by DoD 7000.14-R, Volume 6A, Chapter 2 paragraph 2.10.4.

10.4.4.1.9.1. Category A (Reversing Entries for Prior Reporting Period). JVs must include documentation regarding the original accrual entry and an explicit statement that the JV is a reversing entry.

10.4.4.1.9.2. Category B (Data Call Entry). Source entry information must be provided by data calls where the data are not recorded on a detailed transaction basis. Journal vouchers must be prepared to record the summarized data call amounts in these situations so the amounts can be recorded in the general ledger TB. The "data call" entry must be supported by documentation for the summarized amount, and the entry must identify the source or location of the transaction-level supporting detail and/or information for the entry. Examples of data call entries include property, plant, and equipment; operating materials and supplies; environmental liabilities; contingent liabilities; and employee benefit data.

10.4.4.1.9.3. Category C (Balancing Entries for Eliminations). When the duly authorized official has determined that entries are necessary to balance buyer side data with the seller side data, a correcting JV must be prepared prior to eliminating selected intragovernmental accounts. The documentation must include the appropriate worksheets that show in detail the seller side data that were received, the buyer side control values that are being adjusted, and the calculation of the adjustment amount. The supporting documentation for these JVs must also include a narrative that summarizes the procedures that were used to make buyer side adjustments and include the following information:

10.4.4.1.9.3.1. Eliminations are necessary so as not to overstate or understate the performance or financial position of a reporting entity by including the effects of transactions within a reporting entity. As stated in the notes to the financial statements and DoD 7000.14-R, Volume 6B, Chapter 13, DoD uses intra-DoD summary seller side balances for revenue, Accounts Receivable, and unearned revenue to adjust the intra-DoD departmental buyer side records for costs, accounts payable, and advances, respectively. Balancing entries for eliminating entries include amounts to ensure that the corresponding transfer in and transfer out accounts are equal for trading partners. A failure to balance the buyer and seller side data could result in significant distortions in consolidated financial statements.

10.4.4.1.9.3.2. The procedures to use information provided by the seller for FY reporting were developed due to systems limitations that prevent the identification of buyer side transactions by specific trading partners.

10.4.4.1.9.3.3. All supporting documentation is attached, including the detailed information from the seller that was used to adjust the buyer side records and the resulting accounting entries.

10.4.4.1.9.4. Category D (Recognition of Undistributed Disbursements and Collections). Entries must be made to adjust Fund Balance with Treasury (FBWT), as reported, for the amount of supported undistributed disbursements and collections reported in the departmental expenditure system. The proper supporting documentation for this type of JV consists of identifiable amounts that are in transit from other sources (such as DFAS or Federal agencies). Many amounts at the detailed transaction level are not available due to timing differences, and support consists solely of transmitted sums. In such a case, evidence available to support the JV adjustments consists of summarized transmittal amounts. However, for audit trail purposes, the detailed transaction level amounts must be obtained from the transmittal source when the amounts become available. Further evidence includes documentation of procedures and the allocation process used to apply undistributed disbursements and collections to Accounts Payable and Accounts Receivable, respectively.

10.4.4.1.9.5. Category E (Reconciliation of TB and Budget Execution Reports). Journal voucher entries in this category are made to match trial balances or other source data reported by field accounting sites and/or accounting stations to the DoD Component's budget execution reports. Trial balances or other source data should be considered correct and should only be adjusted to budget execution data in instances where budget execution data are determined to be more accurate. The JV must document why a discrepancy exists in the data, the reason the budget execution data or other data are considered to be more accurate, the evidence to support this reason, and how it was determined that the entries on the JV are correct.

10.4.4.1.9.6. Category F (Supply Management Inventory)**.** A correcting JV must be prepared when the duly authorized official has determined that inventory values for supply management activities need to be adjusted from standard price to approximate historical cost. The supporting documentation must include appropriate references to DoD 7000.14-R, Volume 4, Chapter 4 and a clear explanation of the method that was used to comply with the policy to value inventory and Cost of Goods Sold (COGS).

10.4.4.1.9.7. Category G (Reclassification of Accounts). A correcting JV must be prepared to crosswalk data from installation level accounts to the USSGL when the duly authorized official has determined that the accounting systems are unable to provide data at the required level of detail for financial statement and footnote presentation. The supporting documentation must include a narrative that explains the reason the reclassification is necessary and the reason the systems are unable to provide the data at the required level of detail.

10.4.4.1.9.8. Category H (Identified Errors and Reasonableness Checks). Evidence to support either an authorized official or auditor identified correcting JV must include a detailed listing of identified errors, a narrative explaining how it is known that the original entry is incorrect, a related analysis documenting the calculation of the correct amount, and the sources of the data that were used in the analysis.

10.4.4.1.9.9. Category I (Adjustment to Balance Reports Internally). A correcting JV may be necessary when the duly authorized official has determined that a reconciliation of data supporting two different reports cannot be performed. Evidence to support this type of JV must include documentation of the reconciliation efforts made before determining that the reports cannot be reconciled.

10.4.4.1.9.10. Category J (Other Accruals). The supporting documentation for other accrual JVs must include a narrative explaining the basis for the accrual and any subsequent reversal (if required). This category includes fiscal year-end closing entries.

10.4.4.1.10. A JV purpose statement need not be very long as long as the approving authority can understand the purpose of the transaction. If further explanation is needed, additional detail can be included on the computational worksheet.

10.4.4.1.11. Some source document listings may be too large to print; therefore, a computer source filename should be included (e.g., the Microsoft Excel filename) and, if used, the Commander's Resource Integration System (CRIS) query name, date ran and query parameters. Bear in mind that this data listing must be reproducible or recorded on a CD ROM that is filed with the TB documents. At a minimum, the documents cited on the face of the JV should be attached, and any others that will enhance understanding and validation. If that supporting information is voluminous, electronic filing is allowed. The location of the transaction-level detail must be noted on the JV form and should be easily reproduced. A specific list of supporting documentation for all JVs cannot be comprehensively created.

10.4.4.1.12. All computations, if any, must be attached to the JV on a separate sheet. A more detailed explanation can also be included on the worksheets. The worksheet must be designed to enable easy validation and understanding of the computations. All source dollar values should be supported by a DIFMS report: CRIS query data report, or other authoritative documentation. Bear in mind that the computational source data must be reproducible, that is, retrievable or found by another person at another time. DIFMS reports are to have the date/time group clearly shown. CRIS query titles and column headings/line titles must be included along with the query date and an explanation description (if necessary).

10.4.4.1.13. The JV must indicate where the JV and supporting documents are filed within the DFAS Columbus office. Copies of these final reports should also be filed at base level location. It is to be understood that the Cost Accounting office has immediate and complete access to the JVs. The JV and supporting documents must be stored onsite for at least six years.

10.4.4.2. Two signatures (preparer and approving official) are required for each JV. Digital signatures are permitted and need to be returned within 48 hours; however, JVs can be posted in the meantime so the process will not hold up TB processing and delivery.

10.4.4.2.1. The person who prepares the JV must sign it before presenting it to the approving official. The JV preparer does not have the authority to self-approve JVs. However, this person can post the JV into the accounting system. The preparer's signature block must be on the bottom left and include at least the signer's name, title, office symbol, base, and email address. *Example:* Gene Poole, CDFM, General Ledger Accountant, AFMC DFAS-JLLN/COHL, Hill AFB UT. **Gene.poole@hill.af.mil**.

10.4.4.2.2. Only approved and designated persons can review and approve the JV according to the thresholds exhibited on **Table 10.9**. The approving official cannot be the JV preparer, but, if necessary, can post the JV into the accounting system. *Whether or not the JV is proper and valid is for the approving official to determine, not the preparer.* The approving official will review the JV and attached documentation to make sure the proper GLAs are used, the debits and credits balance, the purpose of the JV is valid, all computations are clear and understandable, all necessary documents are attached and understandable, and the action, override, and category codes are included and correct. (This paragraph is not meant to be comprehensive. The approving official should understand that further information might be necessary before signing the JV document.) The approver's signature block should be on the bottom right and include at least the signer's name, title, office symbol, base, and email address. The approver cannot prepare the JV. *Example:* Anne Teak, CPA, General Ledger Accountant, AFMC DFAS-JLLN/COHL, Hill AFB UT. **Anne.teak@hill.af.mil**.

Table 10.9. Approving Signature Authority Thresholds.

Threshold	Dollar Amount	Approving Official Supporting the Reporting Entity
1	Under $100 Million	Branch Chief Base Level (e.g., Chief Cost Accountant), or Branch Chief DFAS Columbus
2	$100-$500 Million	Supervisor of Branch Chief
3	Over $500 Million to $1 Billion	Director for Accounting or Finance Chief of Departmental Accounting and Reporting Requirements at DFAS-CO (Send request to authority shown in Threshold 2 who will submit and follow-up)
4	Over $1 Billion	Director Center Site or Director DFAS-CO (Send request to authority shown in Threshold 2 who will submit and follow-up)
(Table adapted from DoD 7000.14-R, Volume 6A, Chapter 2, Paragraph 2.10.2.1.5, Table 2-1)		

10.4.4.2.3. The Review block at the bottom of the JV must include the date and initials of the individuals who (1) posted the JV, (2) reviewed it for accuracy, and (3) the JV number.

10.4.5. Journal Voucher Posting:

10.4.5.1. Each Air Logistics Complex (ALC) has its own DIFMS database.

10.4.5.2. Manual JV Update screen (MS172P).

Figure 10.2. Manual Journal Voucher Update Screen (MS172P).

Table 10.10. Manual Journal Voucher Update Screen (MS172P) Fields Defined.

FIELD	DEFINED
JV NBR	DIFMS produced JV number. (Appears after successful posting.)
ACTN CD	When posting a transaction, enter; "A" to Add screen to buffer. "F" to enter Final Screen and "I" to display. "P" to process (systemically entered). In order to view the JV posting, enter "I," and at the bottom left, clear the PAGE IND field; then click on ENTER.
OVRD CD	If the adjustment is to be reversed, leave the field blank, otherwise enter "Y."
PPA CD	Enter "Y" if the transaction is to be a prior period adjustment. (See the DIFMS Report 7310-954 "DIFMS Prior Period TB)."
GLA	Enter the General Ledger Account Code (USSGL Account).
AMOUNT	Enter the adjustment value.
D/C	Enter either "D" for debit or "C" for credit
JV DESC 1: ETC	These four lines are for the purpose statement and data source of the transaction.
PAGE IND	With an Action code of "P," values are: "A" for display of a new screen when multiple screens are being stored "B" to execute the balancing routine. "G" to transmit, release and store balanced data on the database. "X" to delete all pages stored in the page buffer and to obtain new screens. Use + to display the next page. Use - to display the previous page of data; enter 1 through 99 to select a specific page. Blank is used only for Action codes F, A, I.
TRANSMIT	The cursor MUST BE in this field in order to transmit.
NEXT PGM	Enter another screen number in this field, press ENTER and the requested screen will appear (For screens not automatically shown below the ENTER button).
MSG	Completion or error messages will appear here. If, after ENTER has been selected, and all is well "2569 JV DETAILS BALANCE-ENTER G IN PAGE IND TO STORE TRANSACTION" will appear. Type in G and click on enter. The transaction will then post and provide a JV number.
ENTER	To post the transaction, press ENTER.
BELOW ENTER	There are several blocks with screen codes below the ENTER fields. Click on the desired one and that screen will appear.

10.5. Required Monthly Manual JVs.

10.5.1. Following is a list of manual journal entries that the DFAS associate should post each month. This is not an all-inclusive list. New adjustments may be required, as well as currently required ones may no longer be needed.

10.5.1.1. Civilian Pay (CIVPAY) Disbursement. CPAIS disburses biweekly payroll to all civilian employees. However, CPAIS does not interface into DIFMS so the disbursement cannot be automatically recorded which requires this manual JV. The data source is the "EMPLOYEE DIRECTORY LISTING REPORT" (CPAIS E4R6L) found in the Dayton CPAIS-E4 folder through the Online Report Viewer, the DIFMS report viewing program. This report is often verbally referred to as the "R60." The needed report is usually published in Corporate Electronic Document Management System (CEDMS) (2 or 3 days before payday). This is a permanent JV.

10.5.1.2. CIVPAY Budgetary Correction. This entry is to correct mapping problems in DIFMS. The data source is the "EMPLOYEE DIRECTORY LISTING REPORT" (CPAIS E4R6L) found in the Dayton CPAIS-E4 folder and the "CIVPAY Disbursement" JV. (See **paragraph 10.5.1.1**.) This report is often verbally referred to as the "R60." The needed report is usually published in Corporate Electronic Document Management System (2 or 3 days before payday) and the "CIVPAY Disbursement" JV described in 10.5.1.1. This is a permanent JV.

10.5.1.3. Funds Transfer In or Out Proprietary Entry. This entry is to record the transfer of funds from or to another fund. The data source is a Non-expenditure Transfer Authorization for the Air Force Working Capital Funds (Standard Form (SF) 1151, *Non-expenditure Transfer Authorization*) from DFAS-CO Air Force Working Capital Funds Reporting Division. This is a permanent JV.

10.5.1.4. Funds Transfer In or Out Budgetary Entry. The budget side of the Funds Transfer In entry described in 10.5.1.3. The data source is a Non-expenditure Transfer Authorization for the Air Force Working Capital Funds (SF 1151) from DFAS-CO Air Force Working Capital Funds Reporting Division. This is a permanent JV.

10.5.1.5. CIVPAY Variance. During the accounting period, two or three payroll disbursement vouchers (See **paragraph 10.5.1.1**) are posted. However, the CIVPAY office may make some manual adjustments to the DCPS payroll record that DIFMS or the "EMPLOYEE DIRECTORY LISTING REPORT" (CPAIS E4R6L often referred to as the "R60") will not have. These adjustments need to be added to DIFMS. This adjustment affects cash reconciliation. If the variance amount is not posted, then cash disbursements–operations will be wrong by the adjustment amount. Data source is the current month's "CIVPAY Disbursement" JVs and CRIS query with criteria of: Source Name = "STH Cumulative," Status code = "core," FC = the base's FC (e.g., "6L," "6M," or "6Z"), MAFR code = "B," DLT = "M," and date range, first to the last date of the reporting month. This is a permanent JV.

10.5.1.6. Rehired Civilian Annuitant. A rehired annuitant is a person who has retired but was subsequently rehired. This person still receives his retirement annuity but also receives working pay (as if he had not retired). However, some of this person's pay is covered by other funding. The objective of this adjustment is to reflect properly the rehired annuitant liability on the TB. Even though any month will have two or three payroll disbursements, this adjustment is to be made only at the end of the month based on the last "EMPLOYEE DIRECTORY LISTING REPORT" (CPAIS E4R6L). This is a permanent JV.

10.5.1.7. Mechanization of Contract Administration Services (MOCAS) Reclassification. For better visibility of MOCAS obligations, this entry realigns an obligation amount from "Accounts Payable Public-Contract Services-Public Estimated" (GLAC 211042C1) to "Accounts Payable Public-Major Maintenance Cost-Public Estimated" (GLAC 211042C2) and "Contract Holdbacks" (GLAC 213000). The amounts moved to GLACs 211042C2 and 213000 are the outstanding MOCAS obligations. Data source is DFAS-CO supplied "MOCAS Accounts Payable Amounts To be Recorded" for the Air Force (Including TI97). This is a temporary JV.

10.5.1.8. Monthly Debt Management Report ("MDMR") Adjustment. This entry is to record contractor or vendor Accounts Receivable amounts that do not interface to DIFMS. Data source is a monthly spreadsheet provided from the Debt Management Office at DFAS-CO. This is a temporary JV.

10.5.1.9. Employee Accounts Receivable. CSAG has civilian pay related accounts receivable recorded in DCPS and Defense Debt Management System. DCPS collects debts owed by current DoD employees, while Defense Debt Management System manages debts owed by separated employees. DIFMS does not currently have an interface with either of these systems for recording these accounts receivable debt. Data source is monthly Defense Debt Management System and DCPS reports provided by DFAS-CO. This is a temporary JV.

10.5.1.10. Direct Labor Hours Memo. To facilitate dashboard reporting, this entry of direct labor hours (not dollars) is posted to the statistical section of the general ledger. Data source is the "DIR TOT" lines approximately midway through the DIFMS Report 7310-721 "Direct Costs by Cost Center, Year-to-Date." This is a permanent JV.

10.5.1.11. Unallocated Collections and Undistributed Disbursements (often referred to as the DIFMS/7113 Variance Adjustment). DIFMS cash balances are compared to the Monthly Package, Reports Control Symbol (RCS): Headquarters Air Force Accounting and Finance (HAF-ACF) (M) 7113 "Report of Disbursement and Collection Transactions." Because of monthly cutoff timing, some needed EOM collections and disbursements are still in transit and do not get posted into DIFMS. This entry is to record the impact of collection and disbursement transactions interfaced from GAFS-BL (BQ) that have not posted in the DIFMS database. Generally, these transactions are found in the transactional DFAS-Integration Engine (DFAS-IE) database. The DFAS-IE is the intermediary system that translates GAFS-BL (BQ) data into DIFMS recognizable data. The rejected transactions are placed into a special file to allow manual editing and reprocessing. The journal entry data sources are the relevant GLAs after the last cash run and the reporting month's end GAFS-BL (BQ) RCS: HAF-ACF (M) 7113 report.

10.5.1.12. The AR(M) 1307, PART VI, Capital Investment Program Worksheet. This JV is to adjust DIFMS to reflect the capital asset transactions recorded in GAFS-BL (BQ) and in-house transactions within DIFMS. The data source for the AR(M) 1307, PART VI worksheet comes from GAFS-BL (BQ) provided by the base Cost Accounting office. This is a permanent JV.

10.5.1.12.1. The AR(M) 1307 was revised to include new and modified line items and corresponding definitions as identified in DoD FMR Volume 6A, Chapter 15.

10.5.1.12.2. In the monthly Statement of Operations, Part I. See DoD FMR Volume 6A, Chapter 15, paragraph 5.3 for new lines related to imputed cost: "Section Heading–REVENUES AND FINANCING SOURCES."

10.5.1.12.3. In the monthly Statement of Operations, Part II and Part III there appear to be no new lines related to imputed cost. See DoD FMR Volume 6A, Chapter 15.

10.5.1.12.4. In the monthly Statement of Operations, Part IV. See DoD FMR Volume 6A, Chapter 15, paragraph 8.3.22 for new lines related to imputed cost: "Section Heading – Line G. Other Expenses."

10.5.1.12.5. The monthly Statement of Operations, Part V, Line 3.b, "Imputed Financing Sources, Real Property Executed Under Working Capital Fund Budget Authority" was added to reflect updates for imputed cost.

10.5.1.13. Capital Investment Program Adjustment. It is assumed that of each dollar collected, a certain amount or percentage is to reimburse CSAG for use of its capital assets. This entry is to recognize collection of those funds. The data source is primarily the AR(M) 1307, Part VI used for the adjustment described above and the balances found in GLACs 101040A2 (normal Debit balance) and 101040B2 (normal Credit balance) after the Part VI adjustment (**paragraph 10.5.1.12**) has been posted. Essentially, 101040A2 is forced to be the mirror amount of the balance in 101040B2. For example, if the balance in 101040B2 is a credit $10,000 and the balance in 101040A2 is a debit $8,000, then adjust 101040A2 up by $2,000 by moving that amount from 101040A1. After the adjustment, 101040A2 will be a debit $10,000 and 101040B2 will be a credit $10,000. This is a permanent entry.

10.5.1.14. Part VI Budget Realignment. This adjustment is the third adjustment based on the AR(M) 1307, Part VI. In this case, the adjustment is posted so that the total of budget accounts 490241Z "Expended Authority Paid Government Capital," and 490242Z "Expended Authority Paid Public Capital," equal the Part VI outlays for the current FY (which should be the same number as found in GLAC 101040B2). The adjustment is made to 490242Z with the offset against 490242YX, Expended Authority Paid Public Operations Equipment." For example, if the Part VI report shows outlays of $20,000 then GLAC 101040A2 should be a debit balance of $20,000, GLAC 101040B2 should be a credit balance of $20,000 and the total credit balances of GLACs 490241Z and 490242Z should equal $20,000. This is a permanent entry.

10.5.1.15. Undistributed Collections and Distributions of Treasury Transactions (often referred to as the 7136 Adjustment). The CSAG FBWT (cash) accounts must match those reported in the Treasury reports. During the accounting period, all collection and disbursement transactions must be recorded with the Department of the Treasury before passed to the GAFS-BL (BQ) system that then passes to DIFMS. However, due to the period end cutoff, not all transactions arrive in time to be recorded in GAFS-BL (BQ) or DIFMS. This JV is to adjust the collection and disbursement fund balances for those transactions in transit.

10.5.1.15.1. Infrequently, the RCS: HAF-ACF (M) 7136 Report does not arrive in time to post to DIFMS before the creation of the final DIFMS monthly TB. Consequently, the adjustment is recorded on the TB worksheet, but must be posted to DIFMS at the beginning of the following month. Data sources are the monthly RCS: HAF-ACF (M) 7136 "Air Force Working Fund Cash Data Report," and RCS: HAF-ACF (M) 7113 reports. In the end, the total of GLACs 101040A1, 101040A2, and 101040A3 must equal the RCS: HAF-ACF (M) 7136 total collections and GLACs 101040B1, 101040B2, and 101040B3 must equal the RCS: HAF-ACF (M) 7136 total disbursements. Although not required, this is best accomplished if this manual entry is posted last. This is a permanent JV.

10.5.1.15.2. Undistributed Collections and Distributions of Treasury Transactions 7136 Budget Adjustment. The system is mapped to post the undistributed adjustment (**paragraph 10.5.1.15**) to budget accounts automatically; however, budget-reporting requirements recently changed requiring the posting of this budget impact to new budget accounts. Until the DIFMS mapping can be corrected, this entry is to move the budget adjustment amounts from the incorrect to the correct budget accounts. This is a permanent entry.

10.6. Fiscal Year-End Manual Entries.

10.6.1. At the end of each FY, the books are closed in preparation for the next year. Many closing entries are systemic (see **paragraph 10.13**); however, the following are still manually accomplished. Most of the GLAs are revenue and expense accounts but there are some closing entries for some asset or liability accounts. Theoretically, normal debit balance accounts are closed to a normal credit balance closing account and vice versa. In reality, some accounts will be negative; that is, a normal debit balance account will have a credit balance, or a normal credit balance account will have a debit balance. Consequently, the actual closing will depend on whether or not the account being closed is positive or negative.

10.6.2. Also, when some entries are posted is critical. The manual closing entries need to be posted before the systemic closing entry run stream is completed. Many of the systemic closing entries are coded to meet the Navy's needs. Consequently, some of the manual closing entries need to be posted before the systemic ones are recorded. All closing entries are assigned Category code J (Other Adjustments).

Table 10.11. Non-Expenditure Transfers.

NON-EXPENDITURE TRANSFERS			
Purpose:	To close accounts for asset and liability transfers from other Air Force Funds which are used for depot maintenance.		
TIMING	**AFTER EOM BUT PRIOR TO YEAR-END CLOSING**		
CAT CODE	J: Other Adjustments		
REVERSING	NO	OFFICE	DFAS
CLOSE		**TO**	
575500		331000K	
576500		331000K	
417000 and 419000		420140	

Table 10.12. Operating Fund Balances with Treasury, (Debit Accounts).

CLOSE OPERATING FUND BALANCES WITH TREASURY (CASH)			
Purpose:	To zero-out current year outstanding balances to allow "operating cash" accounting for the new year.		
TIMING	**AFTER EOM BUT PRIOR TO YEAR-END CLOSING**		
CAT CODE	J: Other Adjustments		
REVERSING	NO	OFFICE	DFAS
CLOSE		**TO**	
101040A1		101040D	
101040B1		101040D	
101040A3		101040D	
101040B3		101040D	
101040F		101040D	
101040G		101040D	
101040H		101040D	

Table 10.13. Fund Balances with Treasury (Capital Investment Program (CIP) Cash).

CLOSE FUND BALANCES WITH TREASURY (CIP CASH)			
Purpose:	To zero-out current year outstanding balances to allow "cash" accounting for the new year.		
TIMING	**AFTER EOM BUT PRIOR TO YEAR-END CLOSING**		
CAT CODE	J: Other Adjustments		
REVERSING	NO	OFFICE	DFAS
CLOSE		**TO**	
101040A2		101040D	
101040B2		101040D	
Note: Normal balance for 101040AX GLACs is debit while the normal balance for 101040BX is credit. Since the balances in each are the same value, but opposite signs, closing these balances will net to zero and no value will be posted to 101040D.			

Table 10.14. Civilian Pay (CIVPAY) Benefits.

CIVPAY BENEFITS			
Purpose:	To close paid payroll benefits accounts to accrued payroll benefits accounts that will leave the net balance due as of the FY end.		
TIMING	**AFTER EOM BUT PRIOR TO YEAR-END CLOSING**		
CAT CODE	J: Other Adjustments		
REVERSING	NO	OFFICE	FMR
CLOSE		**TO**	
221042A5		221042A1	
221042A6		221042A2	
221042A7		221042A3	
221042A8		221042A4	
221042CA		221042C1	
221042CB		221042C2	
221042CC		221042C3	
221042CD		221042C4	
221042CE		221042C5	
221042CG		221042C7	
221042CH		221042C8	

Table 10.15. Appropriation Received.

APPROPRIATIONS RECEIVED			
Purpose:	To close appropriations received		
TIMING	**AFTER EOM BUT PRIOR TO YEAR-END CLOSING**		
CAT CODE	J: Other Adjustments		
REVERSING	NO	OFFICE	DFAS
CLOSE		**TO**	
310100		310000	
310600		310000	
310700		310000	

Table 10.16. Direct Labor Hours.

Direct Labor Hours			
Purpose:	To close direct labor hour accounts		
TIMING	**AFTER EOM BUT PRIOR TO YEAR-END CLOSING**		
CAT CODE	J: Other Adjustments		
REVERSING	NO	OFFICE	DFAS
CLOSE		**TO**	
995000		999900	
995100		999900	
995200		999900	

Table 10.17. Non-Recoverable Depreciation.

NON-RECOVERABLE DEPRECIATION		
Purpose:	To close non-recoverable depreciation	
TIMING	**AFTER EOM BUT PRIOR TO YEAR-END CLOSING**	
CAT CODE	J: Other Adjustments	
REVERSING	NO OFFICE	FMR
CLOSE	**TO**	
671000D1	331000M2	
671000D2	331000M2	
671000D3	331000M2	
671000D4	331000M2	
671000E1	331000M2	
671000E2	331000M2	
671000E3	331000M2	
671000E4	331000M2	
671000F1	331000M2	
671000F2	331000M2	
671000F3	331000M2	
671000F4	331000M2	

Table 10.18. Gains, Other, and Deferred.

GAINS OTHER AND DEFERRED		
Purpose:	To close other and deferred gains	
TIMING	**AFTER EOM BUT PRIOR TO YEAR-END CLOSING**	
CAT CODE	J: Other Adjustments	
REVERSING	NO OFFICE	DFAS
CLOSE	**TO**	
719000N	331000N	
719000	331000A	

Table 10.19. Other Gains and Losses for Assets Capitalized Non-Recoverable.

OTHER GAINS AND LOSSES FOR ASSETS CAPITALIZED-NON-RECOVERABLE		
Purpose:	To close non-recoverable other gains and losses for capitalized assets.	
TIMING	**AFTER EOM BUT PRIOR TO YEAR-END CLOSING**	
CAT CODE	J: Other Adjustments	
REVERSING	NO OFFICE	DFAS
CLOSE	**TO**	
719000A	331000M2	
729000A	331000M2	

Table 10.20. Close Centralized Asset Management (CAM) Statistical Accounts.

CLOSE CAM STATISTICAL ACCOUNTS			
Purpose:	To close the CAM accounts		
TIMING	**AFTER EOM BUT PRIOR TO YEAR-END CLOSING**		
CAT CODE	J: Other Adjustments		
REVERSING	NO	OFFICE	DFAS
CLOSE	**TO**		
980041	98004444		
98004152	98004444		
920000V1	980000V1		

10.7. Budget Entries.

10.7.1. The following illustrate typical budgetary and proprietary accounting entries applicable to in-house work on customer orders. These entries must be recorded only at the activity (performing) level. Actual entries are at the eight-digit level and are discussed in more detail elsewhere in other chapters.

    10.7.1.1. Establish budget authority. An approved budget for $350,000 is received.

Table 10.21. Approved Budget.

GLAC	GLAC TITLE	DR	CR
4210	Anticipated Reimbursements and Other Income	350,000	
4690	Anticipated Resources-Exempt From Apportionment		350,000
Note: No proprietary entry.			

    10.7.1.2. Receive customer orders. Customer order "A" received and accepted from a DoD source for $100,000. Order is without an advance.

Table 10.22. Order Without Advance.

GLAC	GLAC TITLE	DR	CR
4690	Anticipated Resources-Exempt From Apportionment	100,000	
4620	Unobligated Funds-Exempt from Apportionment		100,000
4221	Unfilled Customer Orders without Advance	100,000	
4210	Anticipated Reimbursement and Other Income		100,000
Note: No proprietary entry.			

    10.7.1.3. Record commitments. Establish a commitment for customer "A" for $20,000.

Table 10.23. Record Commitments.

GLAC	GLAC TITLE	DR	CR
4620	Unobligated Funds-Exempt from Apportionment	20,000	
4720	Commitments-Exempt From Apportionment		20,000
Note: No proprietary entry.			

    10.7.1.4. Record obligations. Order $20,000 of goods for customer "A."

Table 10.24. Record Obligations.

GLAC	GLAC TITLE	DR	CR
4720	Commitments-Exempt From Apportionment	20,000	
4801	Unexpended Obligations-Unpaid		20,000
Note: No proprietary entry.			

10.7.1.5. Record liability/expense. Receive goods for customer "A."

Table 10.25. Record Liability/Expense.

GLAC	GLAC TITLE	DR	CR
4801	Unexpended Obligations-Unpaid	20,000	
4901	Expended Obligations-Unpaid		20,000
6100	Operating Expenses	20,000	

10.7.1.6. Move Cost to WIP.

Table 10.26. Move Cost to Work In Process (Done at EOM).

GLAC	GLAC TITLE	DR	CR
1526	Work in Process	20,000	
6610	Cost Capitalization Offset		20,000

10.7.1.7. Record cash disbursement. Pay for $5,000 of the $20,000 order.

Table 10.27. Record Cash Disbursement.

GLAC	GLAC TITLE	DR	CR
4901	Expended Obligations-Unpaid	5,000	
4902	Expended Obligations-Paid		5,000
2110	Accounts Payable	5,000	
1010	Cash		5,000

10.7.1.8. Bill customer. Bill the costs incurred to customer "A" of $20,000.

Table 10.28. Bill Customer.

GLAC	GLAC TITLE	DR	CR
4251	Reimbursements and Other Income Earned-Receivable	20,000	
4221	Unfilled Customer Orders Without Advance		20,000
1310	Accounts Receivable	20,000	
5200	Revenue from Services Provided		20,000

10.7.1.9. Record cash collection. Collect from customer "A" for the bill.

Table 10.29. Record Cash Collection.

GLAC	GLAC TITLE	DR	CR
4252	Expended Obligations-Collected	20,000	
4251	Reimbursements and Other Income Earned-Receivable		20,000
1010	Cash	20,000	
1310	Accounts Receivable		20,000

10.7.2. For additional entries, refer to USSGL SAMPLE ENTRIES at the U.S. Treasury Website: **http://www.fms.treas.gov/index.html**.

10.8. Trial Balance Process.

10.8.1. The TB and supporting reports are owned by the Air Force, and these reports reflect the CSAG financial status as of the last day of the reporting month. The Air Force is primarily responsible for the financial position on the reports. However, the DFAS-CO associate must exert every effort to make sure the report is accurate, relevant, and reliable. The following instructions can change because of system enhancement and new methods. See **paragraph 10.8.3**.

10.8.1.1. Monthly Reports. The TB, the footnotes, and the trading partners report are to be submitted after each month's end and should be submitted no later than close of business on the fifth business day following the reporting month's end. For example, if the last day of the month is a Thursday, reports would need to be submitted by close of business on the following Thursday, giving five full business days to submit the reports.

10.8.1.2. DIFMS updates the General Ledger Account (GLA) with the transactions from other subsystems and with manual JVs. The ALC site scheduler runs the DIFMS Run Stream MS352J after every daily, weekly, monthly, quarterly, and yearly processing. This job updates the general ledger and produces TB reports. MS495P can be scheduled at the same time that produces the DIFMS income statement.

10.8.1.2.1. To assure the DIFMS financial database is correct and in balance, Cost Accounting validates and reconciles DIFMS USSGL account information to assure all feeder transactions are/were processed to/from those systems correctly. This activity occurs on an ongoing basis. Timely and thorough validation and reconciliation by the ALCs and DFAS assures accurate TB data is forwarded monthly to higher management levels.

10.8.1.2.2. Analysis of the general ledger reports consists of the review of each individual GLA balance. The review determines whether there are abnormal balances, out of balances between subsidiary and general ledger control accounts, out of balances between debits and credits, improperly processed adjustments during the month, and unusual changes in accounts from one month to the next. All problems are referred to the appropriate activity for resolution.

10.8.2. DIFMS Month end Processing. Month end processing starts with the schedule run on the last day of the month and continues for six calendar days at the base level.

10.8.2.1. No later than the last calendar day of the month, Cost Accounting assures month's end audit billing is run through DIFMS Program MS273P "Produce Billing Audit." The last calendar day of the month is the cutoff for labor and material cost interfacing from Time and Attendance (TAA) System and Naval Air Systems Command Industrial Material Management System (NIMMS).

10.8.2.2. Once the last day of the month's TB (MS352P) process has completed, DFAS personnel can begin posting the month's end adjusting JVs. (See **paragraph 10.4**.) Any cash JVs must wait until after the final cash interface for the TB currently being processed. Any needed adjustments not posted must be posted on the adjustment worksheet of the TB template.

10.8.2.3. No later than the second calendar day of the subsequent month, Cost Accounting assures month's end final billing is run through DIFMS Program MS274P "Produce Customer Bills."

10.8.2.4. No later than the second calendar day of the subsequent month, Cost Accounting assures DIFMS "weekly prior to EOM" schedule is run. The second calendar day of the subsequent month is also the cutoff for business operations, other expenses, and corrections in DIFMS.

10.8.2.5. The TB run stream (MS352J) is scheduled each day to post the JVs formally to the database. No later than the evening of the third calendar day after the EOM, the final daily/monthly TB is to be run. Afterward, the database is rolled over to the new month. This final TB is used to ensure all correcting entries have been made and users detect no problems related to the GLA information. If no problems are found, this final TB is to be submitted as the official report. However, at times, data is not available for posting into DIFMS prior to the final month's end run. These adjustments should be added to the adjustment worksheet of the TB template and posted into GAFS-BL (BQ) as an auto-reverse entry. If the adjustment is to be permanent, it must be posted as a permanent JV in DIFMS immediately after the EOM. If the adjustment would have automatically reversed, the adjustment need not be posted to DIFMS.

10.8.3. Reports.

10.8.3.1. The foundation of the TB is the DIFMS Report 7310-935 "General Ledger Trial Balance," found in Corporate Electronic Document Management System. As explained in **paragraph 10.3.2.6**, this report is published at least daily, but can be produced several times a day to facilitate accuracy. It is downloaded into a TB template that is used to as a starting point for adjustments, validate balances, and report submission. Once the base finalizes its report, it is submitted by email to DFAS-CO, Cost Accounting, and other authorized offices. The report submitted to DFAS-CO is merged with other CSAG trial balances into the Working Capital Fund (WCF) Consolidated Depot Maintenance Statement of Financial Position (within the AR(M) 1307).

10.8.3.2. The TB template has at least two tabs (Microsoft Excel file). The first tab is called the proof tab. There is a block at the bottom of this worksheet that shows whether or not the report is in balance. It is in three sections: overall, proprietary, and budgetary accounts. If the debts and credits are not equal, this block will show in which section the imbalance resides. The most common reason for an imbalance is a new account has been added to DIFMS but has not been added to the template.

10.8.3.3. Proof Tab described.

10.8.3.3.1. GLA. This column lists all the GLACs in ascending order starting with assets.

10.8.3.3.2. DEBIT and CREDIT. These columns contain debit or credit balances for each GLAC. The report shows all GLACs even if the amount is zero.

10.8.3.3.3. IND. This column indicates whether the balance is a debit or credit balance. "1" equals debit and "2" equals credit.

10.8.3.3.4. AMOUNT. This column shows the balance of the account. Combined with the "IND" code, this amount is either a debit or a credit amount. (The balances in this column must always be positive balances.)

10.8.3.3.5. ABNORMAL BALANCES. The template is programmed to flag abnormal balanced accounts automatically.

10.8.3.3.6. OK AT 6 POS. Computational column, do not make any changes.

10.8.3.3.7. CUR BAL. Shows what the current balance is. D= Debit, C = Credit. This column is automatically compared to column I "NORM BAL."

10.8.3.3.8. NORM BAL. This is the normal balance for the account. If the CUR BAL by GLA does not match, the ABNORMAL BALANCES column will flag the status.

10.8.3.3.9. 7136 proof balancing. DFAS is responsible for making sure the FBWT accounts (GLACs 101040AX and 101040BX) in DIFMS agree with the RCS: HAF-ACF (M) 7136 report.

10.8.3.3.9.1. On the Proof sheet columns L and M to the right of the cash accounts is used for reconciliation. The GLAC amounts automatically appear in their respective cells but the RCS: HAF-ACF (M) 7136 amounts must be typed in. If the "DIFF" cell on the Proof sheet is zero, the accounts are in balance.

10.8.3.3.9.2. The CIP proof fields just below the 7136 reconciliation are to show if the CIP fund cash accounts (101040A2 and 101040B2) equal each other. If the "DIFF" cell on the Proof sheet is zero, the accounts are in balance.

10.8.3.4. "TB" Tab described.

10.8.3.4.1. This worksheet is to facilitate report mechanics. First, the formatted data is downloaded/copied to this tab that in turn, creates the Proof TB. The formulas in the proof tab worksheet automatically copy over the GLA data from the DIFMS Report 7310-951 and align the data in the proper place with correct balances. Second, any JVs that need to be posted to the TB, but for some reason, did not get into DIFMS prior to the final TB run are posted on this worksheet. The worksheet has three sets of three related columns.

10.8.3.4.2. GLA (1, 2, or 3) refers to General Ledger Account. This alphanumeric code represents a particular account. **Note:** The account numbers go from left to right rather than down. For example, GLA1 is 101040A1, GLA 2 is 101040A2, and GLA 3 is 101040A3.

10.8.3.4.3. SIGN (1, 2, or 3) indicates whether the current balance is a debit "1" or credit "2" balance. (However, the amounts all show as positive).

10.8.3.4.4. AMT (1, 2, or 3) is the current dollar value in the account. **Note:** The values are expressed without commas but changing the number format to include the commas does not affect the workbook calculations.

10.8.3.4.5. COLUMNS J, etc. Starting with column J and going right, any manual JVs that were not previously posted into DIFMS are entered in these columns. However, the adjustment amounts do not automatically post to the relevant cells on the left. The amount cells must be arithmetically modified to accept the adjustment. In addition, the GLA is to post these journal entries to GAFS-BL (BQ). This will allow better processing for DFAS-CO. Regardless, posting to the worksheet tab TB should still be done before posting the GAFS-BL (BQ). This will ensure the report will be accurate.

10.8.3.5. The Footnote Report has explanatory data that relate and further explain the fiscal information of the TB. Footnotes augment full disclosure by providing further information regarding accounting policies, problems, and other disclosures required by higher-level users.

10.8.3.5.1. HEADING. The heading should be:

10.8.3.5.1.1. FOOTNOTES FOR XX-ALC

10.8.3.5.1.2. DEPOT MAINTENANCE ACTIVITY GROUP

10.8.3.5.1.3. GENERAL LEDGER TRIAL BALANCE

10.8.3.5.1.4. AS OF (DATE)

10.8.3.5.2. ABNORMAL BALANCES. Accounts with abnormal balances are listed in this section. The GLAC, GLAC Title, abnormal balance (shown as positive), Normal Balance (if the normal balance is debit, then the amount listed is actually a credit balance), a causal explanation, and what action, if needed, will be taken to correct the problem.

10.8.3.5.3. FUND BALANCES WITH TREASURY. Two items are to be reported in this section. Each is to show a twelve-month running history. Delete the oldest line at the top, and then add a new line at the bottom for the reporting month.

10.8.3.5.3.1. Undistributed Collection and Disbursement Transactions. Reconciliation between DIFMS to RCS: HAF-ACF (M) 7113. After the month's end cutoff, collection and disbursement FBWT are compared between the DIFMS and the GAFS-BL (BQ). Any difference is generally due to GAFS-BL (BQ) transactions that have not interfaced into DIFMS. These transactions are in the DFAS-IE because of data element problems. For proper reporting, a manual JV is posted for the difference. (See **paragraph 10.5.1.11**.)

10.8.3.5.3.2. Fund Balance Collection and Disbursement Transactions in Transit. The cash collections & disbursements balances of the RCS: HAF-ACF (M) 7136) and RCS: HAF-ACF (M) 7113 are compared to the CSAG TB cash balances to ensure all three systems match. (See **paragraph 9.10**.)

10.8.3.5.4. Problems With Processing For The Month. Use this area to explain any significant processing problems that may have occurred that affected the report's accuracy or timeliness, or any other problems.

10.8.3.5.5. Changes In accounting policies. Explain in concise but sufficient detail the change and its impact.

10.8.3.5.6. Transfers In-And-Out. Bases and base organizations will occasionally give an asset to another base or organization. (For example, the item is no longer needed by one organization while another can use it). Transfers out to one organization should be recorded as a transfer in to another. These transfers affect trading partners reporting because the transferring organization's assets have decreased while the recipient organization's assets have increased. DFAS-CO needs to make an elimination entry to adjust the report balances for proper consolidation. Unless sufficient information is provided, the consolidating accountant cannot make a proper and accurate elimination entry. The sales code, asset description, amount, losing and gaining organization, and other information should be included. This report may become rather large. Therefore, it is allowable to submit it as a separate Microsoft Excel spreadsheet.

10.8.3.5.7. OTHER DISCLOSURES. DIFMS has several "Other" or miscellaneous types of accounts. DFAS-CO needs information for Advances from Customers by Sales code (GLACs 231041A/B), Progress Billings by Sales codes (GLAC 152600A2), Other Structures and Facilities (GLAC 1740XX), Other Assets (GLAC 1990XX), and Other Financing Sources (GLAC 5790XX). There may be additional "Other" accounts that may require explanation. If the account has a balance in it, provide the amount and explanation.

10.8.3.5.8. POINT OF CONTACT. The last item should be the Point of Contact (POC) that is the producer of the report, the General Ledger Accountant.

10.8.3.6. Trading Partners Report. This report is to facilitate the consolidation elimination process done by DFAS-CO. The report lists the base's Government and public accounts receivables and revenue by sales code. The Accounts Receivable overall total must equal the total of Accounts Receivable-Government Agencies-Summary Billings (GLAC 131041A). The revenue column must equal the total of all TB revenue accounts (GLACs 5200XXX).

10.9. Internal General Ledger Balancing.

10.9.1. Each month ensure that the TB is in balance in total for all USSGL accounts: budgetary (4000 series), memorandum (8000 and 9000 series), and operating (all other series).

10.9.1.1. Verify the account balances reported on the TB (from DIFMS File MS381C02) are equal to those reported on DIFMS Reports 7310-915 "General Ledger Details Year-to-Date" and 7310-935 "General Ledger Trial Balance Report." Use DIFMS Inquiry Screen MS044P "General Ledger Journal Voucher" for further research into individual JV(s).

10.9.1.2. On some occasions, the DIFMS Report 7310-935 is out-of-balance due to new accounts not being hard-coded. This can easily be determined by viewing DIFMS Report 7310-925 "General Ledger Worksheet." If the DIFMS Report 7310-925 is balanced, certain accounts on the DIFMS Report 7310-935 need to be hard coded to appear on the report. If an account does not appear, Defense Finance and Accounting Service Information and Technology (DFAS I&T) must be contacted for any correction via a Remedy ticket or a Software Change Request, as appropriate.

10.9.1.3. DIFMS Report 7310-935 can be used to ensure that total debits equal total credits. It is systemically totaled by proprietary account total, budgetary account total, statistical account total, and overall total.

10.9.1.3.1. In the variance column, the report will show the out-of-balance amount. The totals for each subsection will reflect where the out-of-balance is occurring. Since the DIFMS Report 7310-935 is produced daily, the out-of-balance condition will remain until it is corrected.

10.9.1.3.2. To find the out-of-balance, first check the older reports to determine when the out-of-balance first occurred. Secondly, check the DIFMS Report 7310-945 "DIFMS Processed Journal Vouchers-Current Cycle," for that day to determine if any JV is out-of-balance. Third, go to the subsidiary ledger report for the out-of-balance JV type and review the data. A Structured Query Language (SQL) correction may have to be processed against the database. All SQLs should be documented as a Remedy ticket and coordinated with DFAS I&T.

10.9.2. Subsidiary to General Ledger Balancing. To confirm all data is correct and reported the proper way, perform the following balancing procedures as needed.

10.9.2.1. Use DIFMS Report 7310-965 "Automated Balancing," to review the subsidiary balance and general ledger balance for each USSGL account number. This report provides the GLA number, balance, debit/credit indicator, reference report number, subsidiary balance, and amount of variance. General ledger users must review the DIFMS Report 7310-965 after a weekly run with a Cost Summary process to obtain a true picture of any potential out-of-balance. Keeping up with the report allows for a much easier investigation when variances do appear.

10.9.2.2. Variances found on DIFMS Report 7310-965 are attributed to problems between the general and the subsidiary ledgers. The first step to investigate a variance on DIFMS Report 7310-965 involves identifying the DIFMS subsystem that generated the subsidiary amount. The general ledger user should look at the report that produced the JV that posted to the GLAs. **Note:** Some variances will exist due to manual processes (e.g., Automated Civil Engineering System to DIFMS reconciliation) and these variances should not be corrected. To correct variances in the DIFMS subsystem subsidiary amount, the appropriate system POC must be contacted. For example, when balancing expense accounts, the user first compares all current cycle subsystem reports that contain updates to the respective cost columns on DIFMS Reports 7310-780 "Indirect Current Cycle Cost," and 7310-781 "Direct Current Cycle Cost."

10.9.2.3. The DIFMS reports in **Table 10.30** may contain updates to cost.

Table 10.30. Cost Detail Reports.

Report	Title
7310-321	Corrected Unallocated and Unmatched Details
7310-335	Cash Receipts Register
7310-340	Cash Disbursement Register
7310-424	Weekly Material Expenditures Summary by Expense Count
7310-461	Transactions Clearing Requisition Status
7310-506	Manage Facilities Additions, Changes, Deletions
7310-514	Monthly Depreciation
7310-558	Labor Distribution Summary by Expense Account Report Reconciliation
7310-565	Labor Distribution Summary by Expense Account
7310-605	Schedule of Accruals
7310-694	Contract Labor Transfers
7310-960	Cost Adjustments by Expense Account

10.9.2.4. After determining the causes of subsidiary to general ledger imbalances, corrections to be made depend on where the error is.

10.9.2.5. If the problem exists in the subsidiary ledger, it may be possible to reverse the incorrect entry, and to re-enter the correct information.

10.9.2.5.1. A manual JV can be done to adjust the general ledger only. A manual entry cannot correct the subsidiary ledgers.

10.9.2.5.2. SQL updates are mainly used to adjust the subsidiary ledger only. (See **paragraph 1.8.10**.) SQLs must be coordinated with the local Cost Accounting and entered as a Remedy ticket for DFAS I&T to work. This should be done as a last resort. After the SQL is posted, review the general ledger for any possible impact and create a Manual JV (if appropriate).

10.9.2.5.3. If a write-off must occur, a General Ledger Account (GLA)-type Job Order Number (JON) can be created using the DIFMS Update Screen MS151P linked to the USSGL account that is out-of-balance. Then a cost transfer via DIFMS Update Screen MS144P can be processed from the GLA-type JON to an expense JON.

10.9.3. End-of-year balancing between Funding Initiation Tool (FIT) System and DIFMS.

10.9.3.1. DIFMS currently runs a year-end process to move all Customer Order Number (CON) funding dollars to a prior year balance field. The dollar amounts stored in the funds authorized total of the customer order record reflect only the dollars for the present year. **Note:** The amounts stored on the funding document and the sponsor order reflects the total for all years. DIFMS and FIT roll current year to prior year funding during the year-end process.

10.9.3.2. DIFMS is the official financial record for CSAG-M and thus the financial data in DMAPS Data Store (DDS) must be made to agree with DIFMS. Balancing DDS with DIFMS is important to assure the users of DDS data refer to the correct, up-to-date information and systems using DDS data, such as Cost and Production Budget Module (CPBM) (H033) and Sales Price Generator System (SPG) have the correct information to support their processes. CPBM provides consistent formats for the financial and production tracking reports. SPG uses tables in the DDS database for generation of sales prices. For the most part, reconciliation should be automated as the business rules assure data synchronization. However, manual JVs processed to change account balances or SQL changes to DIFMS data will not flow to DDS. These changes will need to be reconciled manually.

10.10. Process For Prior Period Adjustments For a Previous Fiscal Year.

10.10.1. A prior period adjustment to a previous FY can only be recorded with the approval of the Secretary of Air Force. Appropriate documentation must be submitted in a package to Assistant Secretary of the Air Force Financial and Comptroller (SAF/FM) for their consideration as described in **paragraph 10.10.3**.

10.10.2. Do not make prior period adjustments for material accounting principle changes; unless adjustments are otherwise specified in the implementing instructions, or if the changes are from an unacceptable to an acceptable accounting method. Report the cumulative effect of the change in prior periods as a change in accounting principle in the trial balance's footnotes. Adjust the beginning balance of cumulative results of operations in the Statement of Changes in Net Position for the period in which the change is posted (e.g., current year transaction). Present the prior year financials without the change.

10.10.3. If an ALC discovers any material error or misstatement after the financial statements have been issued, the ALC must seek approval from Air Force Materiel Command Financial Management Directorate (AFMC/FM) to post prior period adjustments. AFMC/FM in turn seeks approval from the Defense Finance and Accounting Service (DFAS) through Assistant Secretary of the Air Force for Financial Management and Comptroller (SAF/FM). Coordination must also occur with the local Air Force Audit Agency office. The following documentation must accompany the request:

10.10.3.1. Sufficient documentation to support an audit.

10.10.3.2. An explanation of how the amount was determined to be material.

10.10.3.3. An explanation of what caused the omission or misstatement.

10.10.3.4. A statement of what the original entries were, what the original entries should have been, and the proposed correcting entries.

10.10.3.5. Documentation showing coordination with the Air Force Audit Agency.

10.10.3.6. Upon approval, the adjustment package goes to DFAS-CO for posting. The final arbiter of disputes is the Office of the Under Secretary of Defense, Comptroller.

10.10.3.7. AFSC/FM and AFMC/FM assure sufficient display and disclosure of information regarding prior period adjustments in the footnotes to the financial statements. These offices also assure the prior year financial statements are restated at the next issuance of statements. If an account balance changes because a valuation method has changed, footnote the change in valuation method but do not restate prior period financial statements.

10.10.4. **Table 10.31** shows type expense data elements for DIFMS expense accounts. The reference list of object classes follows. An object class is a category in the Line of Accounting (LOA) to specify how the funds are being expended in order to report to the Office of Management and Budget (OMB) and to Congress. It is input per the defined purpose of the expenditure.

10.11. Peer-to-Peer Review.

10.11.1. After every EOM processing, Air Force Sustainment Center Cost Accounting Branch Operating Locations (AFSC/FZRD-OL) perform a peer review on AFSC/FZRD prepared JV packages using the Manual JV Review Checklist.

10.11.2. AFSC/FZRD-OL will verify that the manual JV package: is digitally signed (Common Access Card enabled) by the preparer and appropriate reviewer; is signed by someone with the delegation of authority (if applicable); has appropriate supporting documentation; has balanced debits and credits; and has AFSC/FZRD-OL verification that it was input into DIFMS correctly.

10.12. Expense Type and Object Class with Description.

10.12.1. Source: Object Class codes can be found in OMB Circular No. A-11, Section 83 and DIFMS Physical Model-Cost Summary-7310-733 Report.

10.12.2. **Table 10.31** provides a crosswalk between the Expense Type and the object Class.

Table 10.31. Source: Object Class Codes.

Exp Type	Object Class	Description
1	420	Insurance claims and indemnities
2	430	Interest and dividends
3	440	Refunds
A	111	Full-time permanent
B	113	Other than full-time permanent
C	115	Other personnel compensation
D	117	Military personnel
E	118	Special personnel services payments
F	121	Civilian personnel benefits
G	122	Military personnel benefits
H	130	Benefits of former personnel
I	210	Travel and transportation of persons
J	220	Transportation of things
K	231	Rental payments to GSA
L	232	Rental payments to others
M	233	Communications, utilities & miscellaneous charges
N	240	Printing and reproduction
O	251	Advisory and assistance services
P	252	Other services
Q	253	Purchases of goods & services from Government accounts
R	254	Operation and maintenance of facilities
S	255	Research and development contracts
T	256	Medical care
U	257	Operation and maintenance of equipment
V	258	Subsistence and support of persons
W	260	Supplies and materials
X	310	Equipment
Y	320	Land and structures
Z	410	Grants, subsidies and contributions

10.13. Systemic Closing Entries.

10.13.1. The following paragraphs and tables describe systemic closing entries based on Build Closing JVs Process (MS241P).

10.13.2. JV XE. This closing entry has two parts.

10.13.2.1. First, capital investment surcharge accounts are posted annually as follows:

Table 10.32. Journal Voucher (JV) XE, Part 1.

FOR GLAC	IF JV CODE IS	POST TO:
331000J1	XD	
331000J2	XD	
331000J3	XD	650000X
331000J4	XD	
331000J5	XD	
331000J6	XD	

10.13.2.2. Second, applied overhead year-end closeout to AOR.

Table 10.33. Journal Voucher (JV) XE, Part 2.

GLACs	CLOSES TO:
660000A	331000B
660000B	

10.13.3. JV XB–Budgetary year-end closeout.

Table 10.34. Journal Voucher (JV) XB.

GLACs	CLOSE TO
425241	
425242	420140
490241**	
490242**	
445000	
445040	421040
469040	
Note: ** represents wildcard characters.	

10.13.4. JV XE. General and production expense year-end-close to AOR.

Table 10.35. Journal Voucher (JV) XE.

GLAC POSITIONS 1-6	POSITION 8	CLOSE TO
610000	1	331000H
610000	2	331000A
610000	3	331000B
610000	4	331000B
610000	5	331000H
610000	6	331000A
610000	7	331000B
610000	8	331000B
661000		331000A
671000	1	331000H
671000	2	331000A
671000	3	331000B
671000	4	331000B
Miscellaneous, all 6000 GLACs not equal to 610000, 661000 and 671000		31000A

10.13.5. JV XG. Billing variances and prior year gains/losses closeout.

Table 10.36. Journal Voucher (JV) XG.

GLAC	CLOSED TO
331000*	331000A
* Means one or more following additional digits.	
If, after this closure, 331000A has a credit balance then manually distribute to these based on instructions from command	331000J1
	331000J2
	331000J3
	331000J4
	331000J5

10.13.6. JV XM. Unfunded costs year-end closeout to contributed costs.

Table 10.37. Journal Voucher (JV) XM.

GLACs	CLOSES TO:
941100	
941200	
941300	
941400	
941500	
942100	
942200	
943000	
951100	980000
951200	
951300	
951400	
952000	
971000	
972000	
991000	
993000	
994000	

10.13.7. JV XR. Revenue and costs of sales year-end closeout to AOR.

Table 10.38. Journal Voucher (JV) XR.

GLACs	CLOSES TO:
520000*	
520041*	
520042*	
52000T*	
520900*	331000A
650000*	
650041*	
650042*	
* Means one or more following additional digits.	

10.13.8. JV XT. Close Transfer Accounts.

Table 10.39. Journal Voucher (JV) XT.

GLACs	CLOSED TO
572000*	331000M2
573000*	
579000	331000A
* Means one or more following additional digits.	

Chapter 11

ANALYZE/RECONCILE/REPORT–REPORTING

11.1. Introduction.

11.1.1. Designated personnel (i.e., Cost Accounting, Analysis Branch and Budget) review reports to assure recorded amounts are reasonable. Actual amounts can be compared to several sets of financial information such as budget, prior Month-to-Date and Year-to-Date (YTD) actuals and to industry standards at various levels of detail, general ledger, group, shop, Job Order Number (JON), etc.

11.1.2. When significant variances are discovered, research must be performed to identify the variance's factors. The variance may be accurate (driven by, for example, changes in workload, unplanned costs, interruption of operations, overhead application) or inaccurate (because of factors such as a budget miscalculation, or errors in the recording of transactions). Once analysts identify the reason(s) for the variances, analysts determine whether any corrective action is necessary to adjust or eliminate the variances in order to improve the quality of information provided to decisionmakers. Constant analysis is important to enhance data quality and to understand trends. Variance factors and corrective actions are addressed in more detail in subsequent parts of this chapter.

11.2. References.

11.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, **https://comptroller.defense.gov/FMR/**.

11.2.1.1. Volume 3, *Budget Execution-Availability and Use of Budgetary Resources*, Chapter 19, Defense Working Capital Fund.

11.2.1.2. Volume 4, *Accounting Policy*, Chapter 15, Net Position.

11.2.1.3. Volume 6A, *Reporting Policy*, Chapter 2, Financial Reports Roles and Responsibilities, **Chapter 4**, Appropriations and Fund Status Reports, **Chapter 14**, Depot Maintenance Reporting, and **Chapter 15**, Defense Working Capital Fund Accounting Report.

11.2.1.4. Volume 11B, *Reimbursable Operations Policy - Working Capital Funds (WCF)*, Chapter 13, Cost Accounting Requirements for Depot Maintenance.

11.2.2. AFMCMAN 20-102, *Maintenance Planning and Execution System,* **https://static.e-publishing.af.mil/production/1/afmc/publication/afmcman20-102/afmcman20-102.pdf**. (Consult Air Force e-publishing website (**https://www.e-publishing.af.mil**) for current version of the publication.)

11.2.3. DMAPS Integration Engine (DMAPS-IE) User Manual, Paragraph 3.1., DDS Web Reports, Appendix A, DDS Standard Reports; Appendix B, DDS Ad-Hoc Reports; Appendix C, DDS Report Column Names; and Appendix D, DDS Web Reports Glossary.

11.2.4. Defense Industrial Financial Management System (DIFMS) User Manual, Appendix M, Report Request Function Appendix P, Monthly, Quarterly and Year-End Procedures and Appendix Y, Error Messages.

11.2.5. AFSC Standard Operating Procedure for Labor Transactions and Error Correction, Jun 16, 2020.

11.3. Performance Measurement.

11.3.1. Variance analyses between actual and established budgets including costs and hours is mandatory on a monthly and yearly basis or more frequently as warranted. Analysis will be performed to ensure that the data reported through system products, published reports, and other related documents are accurate and complete with respect to the financial position of the depot maintenance organization. The Air Logistics Complex (ALC) budget personnel and the AFSC/FZR may obtain and analyze data from the various DIFMS screens, DIFMS Reports, DMAPS Data Store (DDS) tables, Cost, Production and Budget Module (CPBM) (H033), Cost and Production Performance Module (CPPM) as well as the Budget Target Module (BTM), and other system products in performing the analysis at various levels. The analysis should include specific causes, remedies, and detail management actions to address concerns.

11.3.2. During the current month, it is possible to obtain preliminary financial position and operations information. Use DIFMS Report 7310-977 "DIFMS Income Statement," and DIFMS Report 7310-935 "DIFMS General Ledger Trial Balance." These daily reports provide DIFMS's financial information throughout the month. This information is only available for the individual ALCs.

11.3.2.1. At the end of the month, the DIFMS Report 7310-977 and DIFMS Report 7310-935 can continue to be used. An alternative to these two reports are the Defense Working Capital Fund (DWCF) Accounting Report [Accounting Report (Monthly) 1307] (AR(M) 1307) series of reports.

11.3.2.1.1. The AR(M) 1307 reports consists of three principal internal accounting statements: Cash Flow, Financial Position, and Operations. The Statement of Operations is composed of seven parts: Part I, Statement of Operations; Part II, Changes in Net Position; Part III, Cost of Goods Sold (COGS); Part IV, Expenses; Part V, Recoverable Operating Results, Part VI, Capital Program; and Part VII, Inventory Management Report (not applicable to Consolidated Sustainment Activity Group-Maintenance (CSAG-M)). These statements provide a point in time status and a cumulative (YTD) status of assets, liabilities, revenue, expenses, and operating results for depot maintenance. The AR(M) 1307 is available at a consolidated level or at an individual ALC and 309th Aerospace Maintenance and Regeneration Group (309 AMARG) level. These monthly reports are provided to evaluate the financial status of depot maintenance operations at multiple levels.

11.3.2.1.2. These reports are the starting point to analyze, interpret and decide how the ALC operations are financially progressing. These reports should be useful to management in identifying problems, determining the cause and identifying potential solutions to help control operations. Revenue is reported by Repair Group Category (RGC). Expenses are reported by type of expense. Operations results in either a profit or loss from matching revenues with the related Cost of Goods Sold (COGS), plus other revenues and less other losses.

11.3.2.2. Compare the current Trial Balance (TB) with the previous month's TB using DIFMS Report 7310-935 "General Ledger Trial Balance," to determine changes in the accounts. Any abnormal asset or liability account balance must be analyzed by AFSC/FZRD Cost Accounting and ALC budget offices with assistance of the Defense Finance and Accounting Service (DFAS) to determine the impact on the depot maintenance financial status and to identify potential problem areas. Special attention should be given to significant changes in such accounts as Work in Process (WIP), material inventories, unallocated costs, and budgetary balances. This report is designed to prove if the TB is balanced or out-of-balance. Information on transactions that resulted in the current balances can be found in the DIFMS Journal Vouchers (JV) (reference Chapter 10). These vouchers may identify sources that can be examined to determine causes.

11.3.3. Compare actual revenue, COGS, and operating results to planned amounts from DIFMS Update Screen MS753P "General Ledger Budget Tracking," to determine variances. This information is also shown on MS083P "General Ledger Budget Tracking Inquiry." Any significant variance from the operating plan requires a more detailed analysis. The cause of the variance is determined, and then actions are recommended in order to attain objectives or to adjust the operating plan. This information is indicative of local management effectiveness in accomplishing planned workloads and achieving assigned goals and overall command progress in realizing the goals of organic depot maintenance as set by Air Force Materiel Command (AFMC) Financial Management Directorate (AFMC/FM) and Air Force Sustainment Center (AFSC) Financial Management Directorate (AFSC/FM). Analysis results obtained from this report are provided to AFSC management.

11.3.3.1. Labor, material, and business operations costs should be considered against budgeted values. These budgeted values can be found in CPBM (H033) by Resource Control Center (RCC) by Month. Research on the detailed transactions, which make up those values, may be required. Research can be done by category (labor, material, etc.), RCC, timeframe, etc.

11.3.3.2. DIFMS Report 7310-965 "Automated Balancing," shows any imbalance between the TB and the subsidiary balance. The TB is used to display the operating results. Use the 7310-965, produced after a full Cost Summary and the General Ledger update, for research and correction of any variances between the TB and subsidiary balances.

11.3.3.3. DIFMS Report 7310-915 "General Ledger Details Year-to-Date," shows posting history of all United States Standard General Ledger (USSGL) accounts.

11.3.3.4. DIFMS Report 7310-715 "Direct Costs by Program and Fund Source," lists direct hours and costs for each program and fund source. This report agrees with costs on DIFMS Reports 7310-710 "Direct Costs by Job Number Quarter-to-Date," and 7310-720 "Direct Cost by Cost Center Quarter-to-Date." Use this report to support preparation of the production performance reports and annual budget

11.3.3.5. If there are variances in the labor area, review the leave and fringe benefit accounts to see if the acceleration factors are correctly defined. USSGL accounts in the 2210 series show the accrued values for leave and fringe benefits. USSGL account 221042Ax-series shows the values used for leave, and 221042Cx-series show the value used for benefits. If these values are significantly different from the norm, determine if acceleration rate adjustments are needed.

11.3.4. The AFSC/FM Director is ultimately responsible for the accuracy and completeness of both the financial data and the analysis. DFAS shares responsibility for the accuracy of the financial data. DFAS assists to produce the status on the budgetary and proprietary accounts.

11.3.4.1. The financial TB is due to AFMC/FM and DFAS Columbus Center (DFAS-CO) by the fifth business day of each month. DFAS prepares supplementary data section of the report analysis for AFMC/FM to include accounts receivable by customer, aging of unsupported accounts receivable, accounts receivable written off during the Fiscal Year (FY), and payments from customers.

11.3.4.2. AFSC/FZRD and DFAS jointly produce the financial footnotes and budget analysis sheets that explain the status based on criteria directed by AFMC/FM. The analysis portion, which will match the AR(M) 1307, Statement of Operations, is due to AFMC/FM on the 10th workday of each month.

11.4. Controlling Over/Under Applied Overhead Costs.

11.4.1. Over/under applied overhead variances result from differences between applied costs and actual overhead costs. Overhead costs are applied to Direct Production Actual Hours posted in DIFMS based on established RCC overhead rates for both production and general overhead costs. Actual overhead costs are based upon overhead costs incurred or distributed by DIFMS transfer processes. DIFMS Report 7310-729 "Actual Versus Applied Overhead Year-To-Date (YTD)," shows YTD values for applied, actual costs, and over/under applied variances by RCC and by ALC total.

11.4.1.1. The creation of an CPBM (H033) BTM Overhead Application Rate (OAR) Model provides an online "Maintain OAR" report by RCC that displays Production Overhead (POH) and General and Administrative (G&A) YTD values for Annual Target, Actual Costs, Actual Rate, Actual Applied Costs, Current Month Projected Applied Costs, and a variance between YTD Actual Costs and Actual Applied Costs by RCC. The report also includes Annual Target, YTD Actual, and Current Month Projected Direct Production Actual Hours by RCC.

11.4.1.2. New POH and G&A Recommended Rates are provided for analysis and determination as to whether a modified CPBM (H033) OAR interface should be sent to DIFMS. OARs are reviewed on a monthly basis, but the OARs are adjusted at ALC discretion.

11.4.1.3. After month's end processing, all overhead costs are transferred to production RCCs. However, some costs might not transfer, and these costs can be found on the DIFMS Report 7310-729 "DIFMS Actual Versus Applied Overhead YTD." Each cost not transferred will be researched and corrected. Some of the problems that have been identified are:

11.4.1.3.1. Transfer percentages at the indirect shop level as shown on DIFMS Screen MS174P "Transfer Percentage Update," or on DIFMS Report 7310-260 "DIFMS Transfer Percentage Update Report," do not equal 100%.

11.4.1.3.2. Indirect JON does not have a JON Transfer indicator "3" (using the transfer percentages from the CPBM (H033) OAR file), which can be seen on DIFMS Screen MS056P "Indirect Job Order Inquiry."

11.4.1.3.3. A mismatch of indirect JONs starting with an "X" (POH JON) going to a G&A Shop, or an indirect JON starting with a "Y" (G&A JON) going to an overhead shop. The user can determine what type of indirect shop it is by going to the DIFMS Screen MS051P "Cost Center Table Inquiry," and the value in the Type column shows that "P" = POH Shop and "G" = G&A Shop.

11.4.1.3.4. Indirect material is not being transferred. Indirect material against the "MDPXX" shop (for example) does not transfer because shop is G&A and the indirect JONs start with an "X" (Production Overhead JON). The assignment of the JON is within the Air Force (AF) Integrated Logistics System-Supply (ILS-S) (D002A) and Naval Air Systems Command (NAVAIR) Industrial Material Management System (NIMMS) interface.

11.4.1.3.5. When the user fixes a problem like 100% transfer from DIFMS Report 7310-260 "DIFMS Transfer Percentage Update Report," and a mismatch of the indirect JON and indirect shop (overhead versus G&A), only the current month costs transfer. Since prior months costs do not transfer, a request for a Structured Query Language (SQL) correction must be submitted to the Cost Accountant for approval and then processed by the DIFMS supplier.

11.4.2. There can be mitigating reasons why the applied versus actual costs may reflect a variance at a given time. Two main categories of variances may exist and require investigation. These include operation variances and administrative variances and examples are provided below. See *AFSC Standard Operating Procedure for Labor Transactions and Error Correction* for current guidance.

11.4.2.1. Unallocated costs in either labor or material USSGL accounts 199000A "Other Assets-Unallocated Labor Expenditures," and 199000B "Other Assets-Unallocated Material Expenditures."

11.4.2.2. Suspended transactions (such as Material in Transit (MIT) or unmatched material bills) and missing data (such as data held in the DFAS-Integration Engine (IE), unaccounted for time, delays in process obligations, etc.).

11.4.3. After concluding the variances are factual, use the following reports with the DIFMS Report 7310-729 "DIFMS Actual Versus Applied Overhead YTD" to determine if OAR changes are necessary. Both operation variances and administrative variances must be investigated to ensure accuracy. Administrative variances must be investigated by referring to source data to ensure accuracy. Operation variances require investigation as discussed in the *AFSC Standard Operating Procedure for Labor Transactions and Error Correction.*

11.4.3.1. DIFMS Report 7310-731 "Indirect Cost Summary Year-To-Date," shows the YTD overhead costs by RCC and category-labor, material, contractual, other, depreciation and unfunded civilian fringe benefit. These values are shown both before and after transfers. The transfers are shown in detail on DIFMS Reports 7310-705 "DIFMS Cost Transfer Transactions," and 7310-706 "DIFMS Percentage Cost Transfer Transactions." These totals are for both funded and unfunded costs and for POH and G&A costs. These values can help explain why the overhead costs are or are not in line with anticipated overhead costs YTD.

11.4.3.2. DIFMS Report 7310-785 "Indirect Cost Summary Year-To-Date Object Class," shows funded overhead costs by RCC, USSGL account, object class, and categories of costs. DIFMS Report 7310-783 "Direct Costs by Cost Center YTD Object Class," shows direct costs by RCC, USSGL account, object class, and categories of costs. Both reports list the hours by type: regular, overtime, and civilian and military. These data are helpful in evaluating budgeted direct hours versus actual direct hours YTD. These reports also show material, contractual and business operations costs by RCC, but not by JON.

Table 11.1. Material and Business Operations (Other) Costs.

Material	Material costs, including inventory types W (receipted to the Material Inventory Center instead of the line) and E reported from NIMMS. **Note:** Contractual Other Code (COC) entries from Business Operations (Other) Costs, if coded to Object Class "W" or "E" show in Business Operations (Other) Cost in some reports. USSGL account 610000W2 shows the material costs. Object Class functionality is built into the DIFMS processes for the 7310-783 and 7310-785 reports.
Contractual	Expenses recorded through Business Operations (Other) Cost process with COC equal 1-50 excluding "45."
Contractual Military	Accrual adjustment for the annual military assessment recorded in Business Operations (Other) Cost as a "Posting code" record with COC = "45." This accrual maintains a cost balance equal to the cost appropriate to YTD time period and military costs recorded YTD for hours worked by military.
Other	Expenses recorded through Business Operations (Other) Cost process with COC equal to 51-99 but not "54," "59" or "60."
Direct Transportation	Transactions that contain COCs outside range of 01-99, (i.e., alpha not used by AF).
Unfunded Depreciation	Unfunded depreciation is related to Real Property. As of September 30, 2020, all Real Property has been transferred to the Air Force General Fund. The details of recording depreciation as imputed costs have not been finalized.
Funded Depreciation	Depreciation expenses recorded from monthly depreciation cycle based on RCC and Account. Code assigned to asset, which is not "unfunded."
Funded Costs	The sum of the funded costs shown for that RCC or total on the report.

11.4.3.3. DIFMS Report 7310-735 "Open Direct Job Status," shows cost by open JON. DIFMS Report 7310-745 "Closed Direct Job Status" shows costs by closed JON. Use DIFMS Report 7310-732 "Indirect Costs by Shop within JON Year-To-Date," to research indirect costs. This report lists all YTD indirect costs by JON and Shop.

11.5. End-of-Period Processing.

11.5.1. Use guidance in the DIFMS users' manual for monthly, quarterly, and year-end procedures. Also, follow annual direction published by AFMC/FM, AFSC/FM and DFAS-CO for any specific processing procedures.

11.5.2. Part of end-of-period processing is to assure an adequate audit trail and sufficient archiving of information. Use the following reports for audit trail. Run the DIFMS purge processes, which produce these reports, at least once a year or as necessary.

11.5.2.1. Labor does not have a separate purge process, and instead labor is automatically updated each payroll cycle. Refer to DIFMS Report 7310-565 "DIFMS Labor Distribution Summary by Expense Account," to balance the labor distribution process. This report provides the labor expenditures from the regular labor process by expense account. The report provides a subtotal for direct, production, general, and service center cost for civilian and military employees. The report also has a leave section which summarizes the hours and cost to each leave type. Finally, the report displays the JV (JV type "LD") and the overhead rates used to apply funded and unfunded overhead cost.

11.5.2.2. DIFMS Report 7310-C01 "Plant Account Record Purge," reports all Plant Account Records (PAR) purged from the DIFMS database. These records have been flagged for deletion in excess of 90 days.

11.5.2.3. DIFMS Report 7310-C02 "Non-Billing Purged Customer," lists all customer orders for Fixed Assets (FA) and manufacturing for the depot, which have been purged from the DIFMS database. These customers order records have been flagged for deletion in excess of 90 days.

11.5.2.4. DIFMS Report 7310-C03 "Non-Billing Purged Job Orders," lists all JONs for FAs customer orders purged from the DIFMS database.

11.5.2.5. DIFMS Report 7310-C04 "Non-Billing Purged Customer Order Transaction History," lists the transaction history for all FAs and manufacturing for depot customer orders, which have been purged from the DIFMS database.

11.5.2.6. DIFMS Report 7310-C05 "Purged Customer Orders," provides the user with an audit trail of sponsor records purged from the database in DIFMS Program MS251P "Annual Sponsor Purges." Part II provides the user with an audit trail of customer order records purged from the database in DIFMS Program MS251P.

11.5.2.7. DIFMS Report 7310-C10 "Purged Customer Order Transaction History," provides a copy of all sponsor records processed in DIFMS Program MS251P and moved to a history file for an audit trail.

11.5.2.8. DIFMS Report 7310-C15 "Purged Job Orders," provides an audit trail of updates to the job order records processed in DIFMS Program MS254P "Annual Indirect Purges." PART I reflects the direct job order records; PART II reflects the Indirect Job Order Records. DIFMS Program MS254P deletes all Indirect Job Order Records when the job order has been closed for a minimum of 90 days, and automatically deletes transfer percentage records whenever the transfer percentages have been uniquely established at the individual JON level. This relieves the user of the responsibility to delete these records manually using the DIFMS Screen MS174P "Transfer Percentage Update." This also eliminates the problems encountered when the users attempted to delete the data after the indirect JON had already been purged.

11.5.2.9. DIFMS Report 7310-C20 "Purged Asset/Liability File," provides a hardcopy of the balances of the asset liability records processed in DIFMS Program MS252P "Annual Other Purges."

11.5.2.10. DIFMS Report 7310-C25 "Purged Billing History," lists the billing history file by JON or Customer Order Number (CON) processed in DIFMS Program MS251P.

11.5.2.11. DIFMS Report 7310-C30 "Material Requisition Status Purge," lists all completed Material Requisition Records being moved to the Material Requisition Status History File processed in DIFMS Program MS255P "Monthly Material Due."

11.5.2.12. DIFMS Report 7310-C50 "Material Requisition Status History Purge," lists all purged Material Requisition Records that have been deleted from the Material Requisition Status History File processed in MS253P "Annual Other Purges."

11.6. Depot Maintenance Reporting.

11.6.1. The Keystone Decision Support System (KDSS) (H303) Depot Maintenance Cost folder provides the collection, summarization, and reporting for both organic and contract depot maintenance costs, in accordance with DoD 7000.14-R, Volume 6A, Chapter 14. For the three ALCs: Hill, Tinker, and Robins)) organic data is from DIFMS through DDS. Data is reported through other systems for the 309 AMARG.

11.6.2. Depot Maintenance Cost System AP-MP (A) 1397 Annual Process:

11.6.2.1. The annual Depot Maintenance Cost System data submissions will be provided to the Deputy Assistant Secretary of Defense for Material Readiness (DASD (MR)), Office of the Under Secretary of Defense (Acquisition & Sustainment) or its designated agent no later than 31 December following the end of the FY. Each data submission must be accompanied by a transmittal memorandum that includes a brief discussion of any anomalies in the data and significant changes from the previous submissions, or other pertinent information to aid in processing the data.

11.6.2.2. Within 90 days of the initial data submission, a brief narrative analysis explaining trends in the data is submitted. The focus of the narrative analysis must be on factors driving year-to-year changes in cost and direct labor hours. Reporting requirement symbol AP-MP (A) 1397 is assigned to the annual deport maintenance submissions to DASD (MR).

11.6.2.3. The DASD (MR) or its designated agent prepares and publishes summary tables and the "DoD Depot Data Highlights Report." The DASD (MR) maintains lookup tables of pertinent data elements and codes for use by the Military Departments by compiling the data from all DoD Components (Air Force, Army, Navy, etc.).

11.7. DDS Reports.

11.7.1. DDS also supports management information and analysis functions with a variety of reports. Each ALC also provides site unique custom reporting using the DDS, DDS Reporting Instance and their own local data repository such as data sources using the IBM® Cognos® Business Intelligence Reporting tool. The primary focus of data is to provide a historical repository at the task and transaction level currently not supported by DIFMS for the period specified by the AF. For example, DDS also has the ability to capture associated transactions at the task level from the originating JON to the consuming JON for all tasks against an Inventory Tracking Number "1," where Inventory Tracking Number "1" and Inventory Tracking Number "2" has not been completed and actual hours have accumulated when the originating JON was financially closed.

11.7.1.1. Standard Corporate Reporting is limited to information available from the DDS/DDS Reporting Instance databases at the ALC where the users are located. Users have the option of saving any report to their personal desktop system. The IBM® Cognos® Business Intelligence Reporting tool provides users the capability to save the file in comma separated value format for use with Microsoft Excel or as a text file to use in a Microsoft Word document. There are no restrictions regarding file-naming conventions when the user is prompted for a filename.

11.7.1.2. The IBM® Cognos® Business Intelligence Reporting tool provides the ability for users to view published reports executed against the data stored in the DDS/DDS Reporting Instance and local data repository databases. The reports are developed in list, grouped list, summary, or crosstab forms. Reports can be defined for the user to start at a general level so that the user may narrow down the selections and "drill-down" to the specific information needed. After the report is displayed to the user, the user may print the report, provided a local or network printer is connected to the user's desktop computer. Refer to the DMAPS-IE User Manual for a listing of Standard reports and options. Contact each ALCs IBM® Cognos® Business Intelligence reporting organization for comprehensive list of locally developed site unique reports and capabilities.

11.7.1.3. CPBM (H033) and CPPM extract data from DDS on a daily and monthly basis. CPPM provides online daily and monthly standard reports for CSAG comparison of actual results compared with the financial and production targets by RCC, Flight, Group, or ALC. Two years of online monthly data is maintained for all reports; daily reports are purged based on local ALC direction.

11.7.2. Each ALC must appoint a DDS monitor to keep DDS and DIFMS reconciled. Differences can cause many variances in a range of reports between DIFMS and DDS.

11.8. External Reporting.

11.8.1. The Air Force is required to report to other organization (such as DoD, Office of Management and Budget (OMB), and Treasury) on financial results in a wide range of topics. Requirements and instructions for this external reporting are covered in the DoD 7000.14-R. For depot maintenance, the main external reports are listed in the **Table 11.2**.

Table 11.2. Examples of Standard External Reporting.

Report	Freq	Reference DoD 7000.14-R
AR(M) 1307, consisting of three principal statements: Statement of Financial Position, Statement of Cash Flows, and Statement of Operations	Monthly	Volume 3, Chapter 19; and Volume 6A, Chapters 2 and 15
AR(M) 725, Report of Reimbursements and Refunds	Monthly	Volume 6A, Chapter 4
Standard Form (SF) 133, Report of Budget Execution and Budgetary Resources	Monthly	Volume 3, Chapter 19; and Volume 6A, Chapter 4

11.8.2. DFAS prepares these reports, in coordination with the ALCs, using information from DIFMS and other sources. The reports include information for depot maintenance and other activities, such as supply management. The references in DoD 7000.14-R may provide specific content and procedures related to these reports.

11.8.3. A main source for these reports is the DIFMS Report 7310-935 "General Ledger Trial Balance." Under DIFMS processing, DFAS must have the TB by the 5th workday. DFAS-CO loads the DIFMS TB information into the departmental system for processing. Trial balances for other activities are also loaded into the departmental system. Required information not contained in the DIFMS TBs is entered at the departmental level to complete the financial recording process. Additional information such as non-financial information and footnotes required for financial reporting purposes are prepared by DFAS with assistance from AFSC. Where necessary, the TB information is systematically cross walked to the USSGL. The Departmental system uses the cross-walked USSGL trial balance information to perform various proofs and balancing routines to ensure the trial balance is accurate before proceeding to the next step in the departmental reporting process. Problems identified in the depot maintenance information may be referred to the AFSC/FZR for review and resolution. The departmental system then assigns the cross-walked USSGL accounts to applicable report lines. Then reports are submitted to the required organizations by the required due dates.

Chapter 12

ADDITIONAL PROCEDURES

12.1. Introduction. This chapter provides direction and information on subjects not covered elsewhere in this document.

12.2. References.

12.2.1. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, **https://comptroller.defense.gov/FMR/**.

12.2.1.1. Volume 3, *Budget Execution – Availability and Use of Budgetary Resources,* Chapter 8, Standards for Recording and Reviewing Commitments and Obligations.

12.2.1.2. Volume 11B, *Reimbursable Operations, Policy and Procedures - Working Capital Funds (WCF)*.

12.2.2. Air Force Accounting and Finance Office-Accounting (SAF/FMFC), Processing Miscellaneous Obligation Reimbursement Documents (MORD) June 19, 2020, **https://usaf.dps.mil/sites/FMFC/sitepages/mord.aspx**.

12.3. Trading Partner Transactions.

12.3.1. Work may be performed between the three Consolidated Sustainment Activity Group-Maintenance (CSAG-M) Air Logistics Complexes (ALCs) and the 309th Aerospace Maintenance and Regeneration Group (309 AMARG). Accounting standards do allow recognition of revenue for work between CSAG ALCs; therefore, the revenue transactions must be eliminated in the Air Force consolidated financial statements. However, the bases can record and track accounts receivable between each other. Do not confuse this terminology with intra-ALC support, which pertains to work between two groups within an ALC, which cannot be reported as revenue. For example, Ogden ALC cannot recognize revenue for work done at Ogden ALC.

12.3.2. Use the following procedures if the customer funds are cited by the requesting ALC. The requesting ALC sends Air Force Materiel Command (AFMC) Form 181, *Project Order*, with customer Line of Accounting (LOA). When Defense Finance Accounting Service (DFAS) does the billing, the originating customers' funds are disbursed. No eliminating entries are needed for these transactions.

12.3.3. Use the following procedures if the ALC funds are cited by the requesting ALC. Whenever one ALC does business with another ALC, a Military Interdepartmental Purchase Request (MIPR) that has been stamped "per 41 United States Code (USC) 6307" when accepted or an Air Force (AF) Form 185, *Project Order*, is used and entered as a Path 3 in Automated Project Order (APO) (J025A). This process is necessary, because of the Defense Finance and Accounting Service-Denver (DFAS-DE) document numbering requirements and to establish a complete audit trail. All inter-ALC support is billed at fixed price using a Reimbursement code of "K." By following these procedures, the ALC reports all of its revenues, expenses, accounts receivable, liabilities, and advances received as if it were operating independently, but the financials at AFMC-level show duplicative revenue and Cost of Goods Sold (COGS).

12.3.4. A Microsoft Excel spreadsheet is created by each Complex based on their Defense Industrial Financial Management System (DIFMS) Report 7310-137 "Detailed Seller Elimination," which sums the detailed revenue, advances, and accounts receivable transactions by sales code and provides it to DFAS Departmental Reporting. The report includes data for each CSAG-M ALC organization as well as the Army, Navy, Marines, other Department of Defense (DoD) organizations (such as Defense Logistics Agency (DLA), Defense Information Systems Agency (DISA), DFAS and organizations outside of the DoD (e.g., Homeland Security, State, Interior, Agriculture, and National Aeronautics and Space Administration). This report supports elimination entries in the trial balance consolidation process done by DFAS Departmental Reporting. Sales codes are established and maintained by DFAS. Sales codes are not in DIFMS consequently, when the base General Ledger Account (GLA) creates the Trading Partner Report, the Management Service Associate must manually tie the sales code to the transaction by way of the transaction's fund cite. See **Chapter 10** for more information.

12.3.5. For analysis of operating results, the Air Force Sustainment Center (AFSC) Financial Management Directorate (AFSC/FM) requires visibility of the inter-ALC obligations, Work in Process (WIP), revenue and COGS on a monthly basis. Therefore, include information on inter-ALC support in the monthly report narrative.

12.4. System Implications for Reorganization/Realignment.

12.4.1. Reorganizations include changes in mission responsibilities from one organizational element to another. Realignments adjust authorized personnel equivalents to accommodate workload. To accommodate system changes and budget requirements, it is essential that reorganization and realignment processes are coordinated so system information changes are updated in the right sequence. Reference specific ALC reorganization procedures if pertinent.

12.4.2. Below are considerations for system and related implications for the Depot Maintenance Accounting and Production System (DMAPS).

12.4.2.1. No financial history is changed because of reorganization.

12.4.2.2. Resource Control Center (RCC) changes due to reorganization normally involve a one-to-one relationship where the functions of the old RCC are moved to the new RCC. These changes require database administration support and coordination with all the systems involved. Timing of the changes is an important aspect of management, both the frequency of allowed changes during the year and the length of time to complete the reorganization.

12.4.2.3. When ALCs develop budgets in Cost, Production and Budget Module (CPBM) (H033), the requesting organization, in coordination with other organizations within the ALC will build a new organization structure/budget in CPBM (H033) that includes the new RCCs. The budget will include Production Overhead (POH) and General & Administrative (G&A) Overhead Application Rates (OAR) and transfer percentages. When a supporting budget for the new RCC or changes to an existing RCC has been created in CPBM (H033) Budget Target Module (BTM), the RCC may now be loaded in DIFMS.

12.4.2.4. Open Document-Job-Shop (Doc-Job-Shop) records under the old RCC must have a LOA change to the new RCC. The Open Document Listing must be reviewed in both General Accounting and Finance System-Base Level (GAFS/BL) (BQ) (H069) and DIFMS. The DIFMS Open Document Listing can be obtained by using DIFMS Report 7310-645 "Asset/Liability Balances," or IBM® Cognos® query. GAFS/BL requires an Open Document Listing query. (See DoD 7000.14-R, Volume 3, Chapter 8 for current guidance on the Dormant Account Review Quarterly which replaced the Triannual Review.) Modifications may need to be submitted for certain contracts and MORDs. DIFMS has programs MS632P and MS633P to assist in mass reorganizations. Documentation can be found at the Defense Finance and Accounting Service Information and Technology (DFAS I&T) Website: **https://t6800.csd.disa.mil/DifmsPortal**.

12.4.2.5. Material records under the old RCC must have a LOA change to a new RCC for open commercial material records in the Naval Air Systems Command (NAVAIR) Industrial Material Management System (NIMMS). Changes to RCCs on commercial material records can be posted by using NIMMS Screen MN021P "Material Due Update."

12.4.2.6. All Fixed Assets (FA) associated with the old RCC must be changed to the new RCC. FA ownership in DIFMS can be determined by using DIFMS Report 7310-501 "Fixed Assets," or IBM® Cognos® query. Changes to fixed asset owning RCCs in DIFMS may be processed on DIFMS Update Screens MS115P "FA Land, Buildings, Software Plant Account Record (PAR)," and MS116P "FA Equipment Other PAR."

12.4.2.7. All Precision Measurement Equipment Laboratory (PMEL) transfer tables having the old RCC as the Benefiting Shop/RCC to Owning RCC must be reviewed and updated. DIFMS Screen MS151P "Indirect Job Order," may be used to update the field for each PMEL JON.

12.4.2.8. All Depot Organic Contractor Augmentee Team (DOCAT) transfer tables for the old RCC must be deleted. New DOCAT transfer tables for the new RCC must be added. Deletions and additions of DOCAT transfer tables are input into DIFMS Update Screen MS724P "Transfer Percentage."

12.4.2.9. All RCCs that have been replaced, or which are no longer valid must be marked for deletion using DIFMS Update Screen MS168P "Valid Shop Cost Center." Marking the RCC for deletion prevents any new costs from posting in DIFMS. Compare DIFMS valid shops to CPBM (H033) before deletion. Do not delete Production Section Scheduling Designators that are tied to an RCC, even if the RCC is being marked for deletion.

12.4.2.10. NIMMS Store Record Changes may also be required. Identify all of the data elements so it can be determined in advance what data can be changed. One option for manually transferring material from the old RCC to new RCC is to use NIMMS Screen MN013P "Store-to-Store Material Transfer." Users also need to update material due records through NIMMS Screen MN021P "Material Due Update." These are very labor-intensive processes. NIMMS creates an inventory change to DIFMS using store-to-store transfer through use of existing NIMMS Programs MN413P "Batch Transfer" and MN421P "Batch JON/Shop Material Due Record Update."

12.4.2.11. Reorganizations and associated personnel reassignments must be performed in the Time and Attendance System (TAA) and must be coordinated with the DIFMS Point of Contact (POC). New RCCs must be valid in TAA before moves can be made. TAA provides the capability to perform mass moves of employees from one RCC to another using the "Employee Mass Change-Permanent RCC" screen. This screen updates the "Permanent RCC" in the "ta_todd_tbl" for the affected employees. TAA also provides the capability to perform Workload Mass Changes, which allows changes by JON to new RCC and new skill. This screen updates the selected fields in the "ta_wo_opn_tbl." Access to these capabilities is limited to the TAA POC at each site.

12.4.2.12. Depending on the established date of the new RCCs, deletion dates of all RCCs during reorganizations also need to be discussed with the DIFMS POC to allow time to get any labor processed during the current pay period to be changed to the new RCC via the Daily Labor Correction Process (DLCP) screens in TAA.

12.4.2.13. Several DMAPS feeder or other systems also need to be updated for the changed organization and/or realignment. The DIFMS Interface File MS204D09 "Valid Shops," includes a deletion date, which is used by the RCC Skill Code System (RSCS) to determine RCCs that need to be deleted from RSCS. The RSCS then updates the legacy systems based on that effective date. The RSCS extract software can control which systems get the complete list and which get only the active list by using the activation date provided by DIFMS. This could limit the number of manual modifications to legacy systems. Also, maintain the skill code relationships within the RSCS for newly established or modified organizations.

12.5. Mass Change Capability in Defense Industrial Financial Management System (DIFMS).

12.5.1. DIFMS provides a mass change capability for shop (RCC) information. To accomplish this and interface/integrate into other DMAPS and Air Force systems, DIFMS has a data element, "Effective-Date," in the "Valid-Shops" table. This element is updatable through the DIFMS Update Screens MS168P "Valid Shop/Cost Center," and MS671P "Batch Valid Shop/Cost Center." The capability exists to pass this date to other systems on file DIFMS File MS204D09, "Valid Shops Interface." Users should be able to execute their own mass changes independently of DIFMS data due to Shop reorganizations within the activity. This should provide a substantially more mechanized solution for Air Force sites. Prior to this change, users had to execute a series of manual steps and screen input as well as query language updates to achieve the desired results. These processes should save time and resources at the activity level as well as reduce or eliminate the need for DFAS I&T to provide assistance.

12.5.2. When addition of many shops (RCCs) is required, DIFMS has a capability to load the shops via a batch feed were provided with DIFMS Programs MS660P "Batch Cost Center Update," and MS496P "Report Batch Cost Center Updates." Since there is a one-to-one relationship between Shop and Cost Center, this provides a valuable labor-saving tool when major reorganizations occur. In addition, this process is applied within the DIFMS Program MS304P "Job/Shop Validation" to prevent premature use of "Valid-Shops" that are being planned for the future. This is the case for all new "Valid-Shops" established, even if "mass changes" are not being planned.

12.5.3. Internally, DIFMS has a "From/To" DIFMS Shop Conversion Table ("DIFMS_SHOP_CNV") that allows for a series of From/To Shop changes via multiple mechanized batch processes. The table is updateable using the DIFMS Update Screen MS702P "Shop Conversion," and can be viewed using the DIFMS Inquiry Screen MS042P "Shop Conversion." Records/data covered by this mass change capability are detailed in the descriptions below for each of the "mass change" mechanized batch processes. The user has the option of running all of the "mass change" processes or just a portion of the processes, based on their local need.

12.5.3.1. DIFMS Program MS304P "Job/Shop Validation Procedure," rejects transactions where the "Transaction Date" is earlier than the "Shop-Effective-Date" (on the Valid Shops record). This validation applies to any new valid shop, regardless of whether mass change capabilities are being exercised. In addition, a number of programs within the DIFMS Fixed Asset Subsystem (reference Chapter 6) reject transactions that were earlier than the "Shop-Effective-Date" in relation to the "Custody" and "Sub-Custody" Shops being entered on the Plant Account Record (PAR) as well as the "Valid-Shops Delete-Date." These include transactions entered from DIFMS Update Screens MS115P "Fixed Asset Land, Buildings/Software Plant Account Record (PAR)," MS116P "Fixed Asset Equipment/Other PAR," MS117P "Fixed Asset Suspense Correction PAR," and MS216P "Process Plant Property Interface Data." DIFMS Inquiry Screen MS033P "Valid Shops" displays the "Effective-Date" and existing "Deletion-Date" from the "Valid-Shops" record.

12.5.3.2. Use DIFMS Update Screen MS168P "Valid Shops," for updating the "Effective-Date" on the "Valid-Shops" record. If the field is left blank on an "Add" transaction, it defaults to the "Current System Date" (current calendar day). Cross-validation with the "Deletion-Date" ensures that the "Deletion-Date" had to be greater than or equal to the "Effective-Date." DIFMS Program MS671P "Batch Valid Shops Update," processes the transactions. DIFMS Report 7310-241 "Valid Shop/Cost Center Update," displays results of the DIFMS Program MS671P with the "Effective-Date" is on the in both the "Valid" and "Error" sections.

12.5.3.3. Entries to DIFMS Update Screen MS151P "Indirect Job Number," are validated in the "Benefiting Shop/Cost Center Transfer" field to ensure that if the benefiting shop was a "Shop" (not a rolled-up Cost Center), then the update to that field could not occur until the Valid Shop was effective (could not occur earlier than the "Effective-Date"). In a similar manner, if the Shop was in a Delete status (Deletion-code equal "D"), then the update would still be allowed if it were being attempted earlier than the "Deletion-Date." DIFMS Program MS640P "Batch Indirect Job Number Update," processes the transactions.

12.5.3.4. Entries to MS167P "Cost Center Update," are validated to ensure none of the cost center level "default" JONs could already exist as direct JONs. In addition, if any Responsible Shop associated with those JONs had been "deleted" (Delete-code of "D" with prior "Deletion-Date," the reference to that "default" JON would force the Cost Center Update to err. DIFMS Program MS660P "Batch Cost Center Update," provides a vehicle for establishing new cost centers in a more efficient and less labor-intensive manner. Since the establishment of new cost centers is often the first step in a reorganization, the ability to create a high volume of cost centers without manual screen input is desirable. This program parallels the business rules and functionality resident in the online DIFMS Update Screen. This is particularly beneficial since there is a one-to-one relationship between cost centers and valid shops. DIFMS Report 7310-712 "Cost Center Updates," displays both valid updates (successful) and invalid update attempts (unsuccessful) resulting from DMAPS Program MS660P.

12.5.3.5. DIFMS Update Screen MS702P "Shop Conversion," provides capability to establish a series of "From/To" shop relationships that are used by a series of batch mass change processes to alter the shop values on various DIFMS tables. The database record used to store the "From/To" relationships and keep a record of which mass change processes have been run is the DIFMS Shop Conversion record ("DIFMS_SHOP_CNV"). The program supporting the screen requires that both the "From" and "To" Shop values entered must already exist on the DIFMS Valid Shops record, which is updated using the online DIFMS Update Screen MS168P and the DIFMS Program MS671P. The screen also accepts "wild card" ranges of shops (depicted by asterisks) to establish mass change relationships for authorized shops. The ranges can contain either full Shop values or a mixture of beginning values followed by asterisks. For the "wild card" ranges entered, at least one "Valid-Shop" must exist in the range entered. The "wild card" ranges are only entered for the purpose of establishing "From/To" relationships for the mass adds of authorized shops via DIFMS Program MS662P "Mass Change for Adding New Authorized Shops" and deletions of authorized shops via DIFMS Program MS663P "Mass Change for Deleting Old Authorized Shops." For any other "From/To" mass change to occur, the full Shop values must be entered. Changes to the "To" shop value are not allowed until at least one of the mass change processes has run (one of the Conversion Indicators on the record is a "Y"). Only one instance of the "From" shop can exist on the table at any point in time. These records are ultimately purged by the DIFMS Program MS658P "Shop Conversion Record Purge," when that job is scheduled and the appropriate data purging conditions have been met. DIFMS Inquiry Screen MS042P "Shop Conversion," displays the shop conversion table data that was established using the DIFMS Update Screen MS702P. The screen displays the "From Shop," "To Shop," "Effective-Date" and each of the Conversion Indicators that are flagged to a value of "Y" by each batch Mass Change process.

12.5.3.6. DIFMS Program MS627P "Labor Job Shop Error Mass Change," does mass changes to Shop fields on the Labor Job Shop Errors record based on the "From" (Old) and "To" (New) shop values on the new DIFMS Shop Conversion record and produces the DIFMS Report 7310-546 "Labor Job/Shop Error Record Shop Conversion." The report displays for each changed record the "Error Serial Number," "Job Number," "From" (Old) and "To" (New) Shops and the "Shop-Effective-Date." The report is capable of displaying data changed from the "Shop," "Benefiting Shop" and "Unallocated Shop" fields (the Benefiting Shop and Unallocated Shop are not currently being used in DIFMS). The program only changes data if the "Date-Shop-Effective" from the "Shop Conversion" record is less than or equal to the "Current System Date." The program also updates the "Labor-Conversion-Indicator" on the "Shop Conversion" record to signify that this particular mass change process has occurred. The purpose of performing mass changes on Labor Job Shop Errors is to allow for future corrections made to the "Job Number only" to process more cleanly through the system.

12.5.3.7. DIFMS Program MS632P "Travel Accrual Mass Change" does mass changes to shop fields on the Travel Accrual records based on the "From" (Old) and "To" (New) shop values on the new DIFMS Shop Conversion record and produces the DIFMS Report 7310-632 "Travel Record Shop Conversion." The new report displays for each changed record the Document Number, Job Number, "From" (Old) and "To" (New) Shops and the Shop-Effective-Date. The program only changes data if the Date-Shop-Effective from the Shop Conversion record is less than or equal to the "Current System Date." It also only succeeds if the Fiscal Year (FY) of the "Current-Process-Date" (from the System-Info record) is not less than the FY of the "Date-Effective." This ensures that the process does not run too early and change records prior to the end of FY processing. Only Travel records not in a "3" (Completed) status are modified. The program also updates the Travel-Conversion-Indicator on the Shop Conversion record to signify that this particular mass change process has occurred.

12.5.3.8. DIFMS Program MS633P "Doc-Job-Shop Mass Change" does mass changes to shop fields on the Doc-Job-Shop records based on the "From" (Old) and "To" (New) Shop values on the new DIFMS Shop Conversion record and produces the DIFMS Report 7310-633 "Doc-Job-Shop Record Shop Conversion." The report displays for each changed record the Document Number, Job Number, "From" (Old) and "To" (New) Shops and the Shop-Effective-Date. The program only changes data if the Date-Shop-Effective from the Shop Conversion record is less than or equal to the "Current System Date." It also only succeeds if the FY of the "Current-Process-Date" (from the System-Info record) is not less than the FY of the Date-Effective. This ensures that the process does not run too early and change records prior to the end of FY processing. Only Doc-Job-Shop records not in a "3" (Completed) status are modified. The program also updates the "Doc-Job-Shop-Conversion-Indicator" on the Shop Conversion record to signify that this particular mass change process has occurred.

12.5.3.9. DIFMS Program MS654P "Plant Account Mass Change" does mass changes to shop fields on the Doc-Job-Shop records based on the "From" (Old) and "To" (New) Shop values on the new DIFMS Shop Conversion record and produces the DIFMS Report 7310-523 "Doc-Job-Shop Record Shop Conversion." The report displays for each changed record the PAN, "From" (Old) and "To" (New) Custody Shops and "From" (Old) and "To" (New) Sub-Custody Shops and the "Shop-Effective-Date." The program only changes data if the "Date-Shop-Effective" from the Shop Conversion record is less than or equal to the "Current System Date." It also only succeeds if the FY of the "Current-Process-Date" (from the "System-Info" record) is not less than the FY of the "Date-Effective." This ensures that the process does not run too early and change records prior to the end of FY processing. The program also updates the "Doc-Job-Shop-Conversion-Indicator" on the Shop Conversion record to signify that this particular mass change process has occurred.

12.5.3.10. DIFMS Program MS661P "Mass Change for Indirect JON Benefiting Shop," does mass changes to the "Indirect JON Benefiting Shop" field on the "Indirect JON" records based on the "From" (Old) and "To" (New) Shop values on the new DIFMS Shop Conversion record and produces the DIFMS Report 7310-110 "Benefiting Shop Cost Center Conversion." The new report displays for each changed record the Job Number, "From" (Old) Benefiting Shop, "To" (New) Benefiting Shop and the Shop-Effective-Date. The program only changes data if the Date-Shop-Effective from the Shop Conversion record is less than or equal to the "Current System Date." It also only succeeds if the FY of the "Current-Process-Date" (from the System-Info record) is not less than the FY of the Date-Effective. This ensures that the process does not run too early and change records prior to the end of FY processing. The program also updates the Benefiting Shop Conversion-Indicator on the Shop Conversion record to signify that this particular mass change process has occurred.

12.5.3.11. DIFMS Program MS662P "Mass Change for Adding New Authorized Shops," does mass changes to create new Direct and Indirect Authorized Shops (for the "To" Shop) based on the "From" (Old) and "To" (New) Shop values on the new DIFMS Shop Conversion record and produces the DIFMS Report 7310-111 "New Authorized Shop." The report displays for each changed record the "Job Number," "From" (Old) Authorized Shop, "To" (New) Authorized Shop and the "Shop-Effective-Date." Unlike some of the other programs, this program does no check to ensure the "Date-Shop-Effective" is less than or equal to the "Current System Date." This is because the "new" Authorized Shops may need to be "pre-established" and actually coexist with the "old" Authorized Shops for a period of time before the DIFMS Program MS663P "Mass Change for Deleting Authorized Shops," runs. The program also updates the "New Authorized Shop Conversion-Indicator" on the Shop Conversion record to signify that this particular mass change process has occurred.

12.5.3.12. DIFMS Program MS663P "Mass Change for Deleting Old Authorized Shops," does mass changes to delete old Direct and Indirect Authorized Shops (for the "From" shop) based on the "From" (Old) shop values on the new DIFMS Shop Conversion record and produces the DIFMS Report 7310-112 "Old Authorized Shop." The report displays for each changed record the "Job Number," "From" (Old) Authorized Shop, "To" (New) Authorized Shop and the "Shop-Effective-Date." The program only deletes data if the "Date-Shop-Effective" from the Shop Conversion record is less than or equal to the "Current System Date." It also only succeeds if the FY of the "Current-Process-Date" (from the System-Info record) is not less than the FY of the "Date-Effective." This ensures that the process does not run too early and delete records prior to the end of FY processing. The program also updates the "Deleted Authorized Shop Conversion-Indicator" on the Shop Conversion record to signify that this particular mass change process has occurred.

12.5.3.13. DIFMS Program MS658P "Shop Conversion Record Purge," deletes the new Shop Conversion record based on one of the following two criteria. If all the mass change processes have run (signified by a value of "Y" in each of the "Travel," Doc-Job-Shop, "FAA," "Labor, Benefiting Shop," "New Authorized Shop" and "Deleted Authorized Shop" "Indicator" fields), the Shop Conversion records are purged, with no additional date check. If at least one of the mass change processes have run (signified by a value of "Y" in at least one of the aforementioned "Indicator" fields) and the "Shop-Effective-Date" on the Shop Conversion Record is more than 45 days earlier than the current date, the Shop Conversion record is also purged. The program also produces the DIFMS Report 7310-C40 "Shop Conversion Purge." The report displays the "From Shop," "To Shop," "Effective-Date" and each of the aforementioned "Indicator" fields (with the value of "Y" indicating that particular mass change process had run).

12.6. End-of-Year Processing and Closeout.

12.6.1. End of Fiscal Year (FY) activities start mid-August and continue through the first week of October. Telecoms start out weekly and change to daily during the last week of September. Participants are AFSC/FZRD, DFAS Columbus Center (DFAS-CO) representatives, DMAPS PMO (AFLCMC Business and Enterprise Systems Directorate, Financial Systems Office (AFLCMC/GB/GBG)), AFMC/FM, and the ABW/SC at each base.

12.6.2. Prior to these end of FY coordination telecoms, DFAS I&T Indianapolis will provide DIFMS Year-End Processing Procedures that need to be reviewed and incorporated into the Organic CSAG-M FY Closeout Schedule by the AF Finance Subject Matter Expert in the DMAPS Program Management Office (PMO).

Chapter 13

WORKING CAPITAL FUND MANAGEMENT FOR DEPOT MAINTENANCE

13.1. Introduction.

13.1.1. The Air Force (AF) established a Working Capital Fund (WCF), Consolidated Sustainment Activity Group-Maintenance (CSAG-M), to perform depot maintenance for workload assigned to the organic activities at Warner Robins Air Logistics Complex (WR-ALC), Oklahoma City Air Logistics Complex (OC-ALC), and Ogden Air Logistics Complex (OO-ALC). This does not preclude direct funded activities from performing depot maintenance as directed by competent authority.

13.1.2. Financial aspects of depot maintenance are managed through the AFWCF. Use of the WCF is a method of financing the cost of depot level maintenance operations by providing initial working capital and allowing recovery of operating costs through the sale of products or services. This process is similar to private industry by providing for effective and economical use of resources. Management control of CSAG-M is assigned to the Air Force Materiel Command (AFMC).

13.2. References.

13.2.1. Department of Defense Instruction (DoDI) 4000.19, *Support Agreements*, **https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodi/400019p.pdf?ver=AgPBMZwTey4t8dkHDRM4ng%3D%3D**.

13.2.2. Department of Defense (DoD) 7000.14.R, *Department of Defense Financial Management Regulation (DoD FMR)*, **https://comptroller.defense.gov/FMR/**.

13.2.2.1. Volume 3, *Budget Execution - Availability and Use of Budgetary Resources*, Chapter 19, Defense Working Capital Fund.

13.2.2.2. Volume 11A, *Reimbursable Operations Policy*, Chapter 2, Project Orders.

13.2.2.3. Volume 11B, *Reimbursable Operations Policy - Working Capital Funds (WCF)*, Chapter 3, Defense Working Capital Fund - Budgetary Resources.

13.2.3. Air Force Publications. (Consult Air Force e-publishing website (**https://www.e-publishing.af.mil**) for current versions of the publications below.)

13.2.3.1. AFI 25-201, *Intra-Service, Intra-Agency, and Inter-Agency Support Agreements Procedures*, **https://static.e-publishing.af.mil/production/1/af_a4/publication/afi25-201/afi25-201.pdf**.

13.2.3.2. AFI 32-1020, *Planning and Programming Built Infrastructure Projects,* **https://static.e-publishing.af.mil/production/1/af_a4/publication/afi32-1020/afi32-1020.pdf**.

13.2.3.3. DAFMAN 65-605V1, *Budget Guidance and Technical Procedures,* **https://static.e-publishing.af.mil/production/1/saf_fm/publication/dafman65-605v1/dafman65-605v1.pdf**.

13.2.3.4. AFI 65-601, Volume 1, *Budget Guidance and Procedures,* **https://static.e-publishing.af.mil/production/1/saf_fm/publication/afi65-601v1/afi65-601v1.pdf**.

13.2.3.5. AFMCI: 21-100, *Depot Maintenance Management,* **https://static.e-publishing.af.mil/production/1/afmc/publication/afmci21-100/afmci_21-100_afmcgm2021-02.pdf**.

13.2.3.6. AFMCMAN 20-102, *Maintenance Planning and Execution System,* **https://static.e-publishing.af.mil/production/1/afmc/publication/afmcman20-102/afmcman20-102.pdf**.

13.2.3.7. AFSCMAN 21-102*, Depot Maintenance Management,* **https://static.e-publishing.af.mil/production/1/af_sustainment_ctr/publication/afscman21-102/afscman21-102.pdf**.

13.2.4. User manuals for Depot Maintenance Accounting and Production System (DMAPS) suite of systems.

13.3. Working Capital Fund (WCF) Background.

13.3.1. CSAG-M provides for:

13.3.1.1. Depot maintenance is the overhaul, conversion, progressive maintenance, modernization, modernization-conversion, interim rework, modification, repair, regeneration, storage, and disposal of aircraft, missiles, target drones, engines, accessories, components, and equipment. Local manufacture, engineering, Precision Measurement Equipment Laboratory (PMEL), software, and Software Consulting are also authorized workloads. AFMC may authorize additional products or services. If any unauthorized work is performed, the revenue is deposited into the U.S. Treasury (Miscellaneous Receipts).

13.3.1.2. CSAG-M is authorized to provide authorized services or products to the AF and other agencies of the Department of Defense (DoD), Foreign Military Sales (FMS), other Government agencies, and private parties as authorized by law.

13.3.2. The WCF provides a business management structure under which both customers (mission forces) and providers (support activities) can be made aware of the total funded costs of goods and services. Cost visibility not only enables customers to seek the best service at the lowest price, but also encourages providers to offer services at the lowest costs to remain competitive and viable. As a revolving fund, the following points represent the fundamentals:

13.3.2.1. The depot maintenance portion of the WCF is a method of financing the operations of an activity by: (1) providing working capital; (2) allowing for the recovery of operating costs through the sale of products or services; and (3) establishing a buyer-seller relationship to facilitate the above sales.

13.3.2.2. The customer (buyer) develops depot maintenance requirements and obtains financial authority to pay for the work ordered from the seller.

13.3.2.3. Depot Maintenance works with each customer to program and schedule workload so as to maximize the efficient and effective use of depot capacity.

13.3.2.4. The seller prepares an operating budget showing the projected capability and operating expenses for the negotiated workload, and offsetting revenues. Working capital (cash) held by the AF is used to pay for operations until payments are made by customers.

13.3.2.5. The customer orders work from depot maintenance. Funded Project Orders (PO) are used for all DoD work ordered and accomplished that meet project order criteria as defined in DoD 7000.14-R, Volume 11A, Chapter 2. DoD work that does not meet criteria for POs cite the Economy Act on the funding document. Non-DoD Federal customers cite the Economy Act or other applicable statute on the funding document (e.g., USCG may cite *14 USC § 712*, *Contracts with Government-owned establishments for work and material*). Non-Federal customers pay in advance. Acceptance of the order (from any authorized customer) creates Budgetary Resources for the CSAG-M and authorizes the incurrence of obligations for the performance of the customer order. Concurrently, for United States Government customers, the acceptance of the order results in the obligation of the customer's funds cited on the order.

13.3.2.6. The product groups at the ALCs negotiate workloads and perform the work funded in the POs. As work is done, depot maintenance resources are consumed and costs incurred. The WCF pays for these expenses from its working capital. Periodic billings are processed to the customer to recover cash paid out by the WCF for expenses incurred. Revenue is recognized for cost incurred up to the funding level. The payments from customers as the result of billings are used to replenish the WCF. As work is completed, depot maintenance final bills the customer. Revenue is recognized as work is performed and billed. Any variance between cost and funded dollars is acknowledged in the final billing.

13.3.2.7. The WCF for depot maintenance continues to function as long as sufficient customer orders are received and the costs associated with orders result in a positive cash flow. The end of the fiscal year (FY) has no greater financial significance to the WCF as far as the operating cash is concerned because operating cash is a concern every day. The customer does have the challenge of FY limitations since customers receive appropriated funds. Once the PO is accepted, the customer's appropriation is obligated. Customer's obligated funds remain available for billing until the appropriation cancels.

13.3.2.8. In addition, the WCF does not have to deal with year-end limitations on the use of operating resources as long as it operates within the approved cost authority or obtains authorization to increase the cost authority. Cost authority, or the amount "earned," equals the actual workload times the individual cost goals. For depot maintenance, costs are authorized only after receiving a customer order. The Annual Operating Budget (AOB) document provides the overall cost goal. The total costs allowed depend on the cost goals applied to the actual customer-funded workload. The operating cash available in the WCF may be used to pay for any resource required for the execution of the CSAG-M mission, within legal and regulation limitations. However, administrative limitations are placed on the Capital Investment Program (CIP) and may be placed on certain resources such as manpower.

13.3.2.9. The long-range financial objective of depot maintenance is a zero Accumulated Operating Result (AOR). AOR is the cumulative sum of the Net Operating Results from each year.

13.3.3. Depot maintenance is controlled through AFMC workload planning, programming and budgeting systems, and the analysis of key business area financial documents. Customer requirements are contained in the production systems, to include Facilities and Equipment Maintenance (FEM) System (D130), Programmed Depot Maintenance Scheduling System (PDMSS) (G097), and Inventory Tracking System (ITS) (G337). (PDMSS and ITS are part of the Depot Maintenance System Integration Suite.) The objective of depot maintenance management is to efficiently workload and fund capability. This could be accomplished, if needed, through adjustments to capability to match requirements. The remaining depot maintenance workloads are done by inter-service support. All orders written by depot maintenance customers must conform to their approved operating program and budgetary authority. A budget and execution plan is prepared for each FY.

13.3.3.1. An operating budget for depot maintenance, which identifies planned expenses and revenues related to the sale of products and services, is prepared for each activity. The plan is prepared based on estimated customer funding levels, negotiated levels of workload, projected expenses, inflation factors, and other financial considerations. This process involves the distribution of the capability to specific customer workloads through the development of an ALC budget for depot maintenance, and the subsequent submission of all required data (including sales prices) to AFMC Directorate of Financial Management (AFMC/FM) for inclusion in the consolidated Program and Budget Review (PBR) submission. The PBR and the projected sales prices are submitted through the Secretary of the Air Force to the Office of the Secretary of Defense and the Office of Management and Budget (OMB) for approval. This process begins approximately two years before the beginning of the applicable FY budget.

13.3.3.2. The budget serves as the baseline for determining that depot maintenance sales rates and prices are adequate to offset expenses, the correct type and volume of sales are being planned, and planned expenses for each cost element are consistent with current management policy. Targets are developed along budget guidelines for evaluating actual operating results during the execution phase.

13.3.3.3. The billing process is accomplished through the Defense Industrial Financial Management System (DIFMS) per **Chapter 8** of this manual. Each depot maintenance customer is billed for costs charged to the open job order numbers (JONs) that are partially complete. The non-serialized workloads are billed at a unit price times the quantity of completed units. Serialized workloads are billed at the approved sales rate times the number of hours reported as being completed. Revenue is recognized and the Cost of Goods Sold (COGS) is computed as work is performed and billed.

13.3.3.4. As each JON is completed and closed, final billing is made to the customer where any variances between extended End Item Sales Price (EISP) and expenses are recognized. Prior to JON completion, the JON costs are collected in Work in Process (WIP). The Job Order Production Master System (JOPMS) (G004L) updates DIFMS through the Job Order Status Tool (JOST) to reflect the completed JON. DIFMS produces various reports identifying each customer, PO, JON, Program Control Number (PCN), Funds Classification Reference Number (FCRN), and other information.

13.3.3.5. As required, ALC personnel provide briefings to Air Force Sustainment Center (AFSC) Financial Management Directorate (AFSC/FM) concerning the status of depot maintenance execution. AFSC/FM informs the ALCs of formats to use and data to present.

13.4. Budgets.

13.4.1. The development of a depot maintenance budget is a complex, lengthy process requiring many staff, system, and program interfaces at organization levels from a Resource Control Center (RCC) through the Office of the Under Secretary of Defense, Comptroller (OUSD (C)). Since the budget is developed within very demanding time constraints, each activity involved must carefully plan its role in the development process. This planning effort should provide an organized approach, including a schedule for the accomplishment of each action that enables completion of the total task within the imposed time constraints. The overall ALC plan is approved by the AFSC Commander.

13.4.2. Productivity initiatives are pursued to improve labor performance, conserve resources, devise better work methods and new technologies and are measured with the ratio of inputs to outputs for economic and efficiency benefits. Productivity planning entails projection of initiative benefits during a budget period in terms of what changes the initiatives produce in depot maintenance labor production factors and the dollar savings resulting from the planned initiatives. The AFMC Directorate of Logistics, Civil Engineering, Force Protection, and Nuclear Integration (AFMC/A4/10) furnishes direction on productivity planning.

13.4.3. All resources required to accomplish the planned workload program must be included in the budget. The budget for depot maintenance relates expenses to planned workload performance, and the budget is designed for internal management of depot maintenance.

13.4.3.1. The ALC Financial Management Directorate (ALC/FM) prepares the budget and computes the various rates. The budgeted costs, when converted to budgeted rates by product, are used by customers to budget for the funds required to finance the depot maintenance workload. The budget also provides the cost data and activity estimates for evaluating the internal depot maintenance operations. These estimates also form the basis for sales rates to be applied to production data for determining amounts to be collected from the customers.

13.4.3.2. The budget is developed at the organizational (RCC) level and summarized by line item at the product group level. The budget presents detailed information for budgeted RCC personnel equivalents and activity hours, direct/indirect labor, direct/indirect material, other direct/indirect cost, Production Overhead (POH), and General and Administrative (G&A) overhead.

13.4.3.3. The Cost, Production, and Budget Module (CPBM) (H033), Budget Target Module (BTM) supports the organizational budget development from the lowest level, RCC to the ALC. This module is used to develop the ALC budget that is submitted to AFSC and AFMC for the current Budget Estimate (BE). Once budget development is complete and approved by the ALC, these data is incorporated into the CPBM (H033) Cost and Production Performance Module (CPPM) for monthly actual versus target variance analysis. This allows financial managers the ability on a monthly basis to provide detailed analysis on the execution of the budget to AFMC. CPBM provides information for many uses including budget exhibits, the Planned Labor Application and the Depot Maintenance Workload Planning and Control System (DMWPCS) (G004C). The system also provides rates to the DMAPS Data Store (DDS) and Overhead Application Rates (OAR) and transfer percentages to DIFMS. BTM functionality is described in the following sub-paragraphs.

13.4.3.3.1. Productivity factors are calculated in BTM and interfaced into CPPM for an actual to target comparison of productivity factors for analysis purposes.

13.4.3.3.2. BTM is used to create planned OAR. DIFMS requires planned OARs to apply overhead expenses to the direct JONs. The overhead is applied to the direct production JONs based on the OAR rates. BTM calculates these rates and automatically passes the rates to DIFMS at the beginning of each FY, or as needed.

13.4.3.3.3. BTM is used in the calculation of the cost transfer percentages so actual overhead expenses can be allocated to direct organizations.

13.4.3.3.4. BTM is the only system in which RCC expense rates are calculated at the various cost elements which allows detailed analysis to be conducted. The rates are input into DMWPCS (G004C) and used to develop EISPs and temporary workload prices.

13.4.3.3.5. BTM provides the output data required to complete the budget statements that must be forwarded to AFMC in the required format (IF-3).

13.4.3.3.6. BTM has the ability to process "What If" scenarios, which allows management to build a budget with different options.

13.4.3.3.7. BTM has the ability to copy historical data from CPPM. This feature allows all the historical information for each RCC to be copied into an estimated budget (referred to as a model) providing data accuracy and the foundation to begin detailed budget development.

13.4.3.3.8. BTM breaks the yearly budget into monthly targets. The targets reflect the budgeted costs per the number of work hours in a month.

13.4.3.3.9. BTM is able to perform true rollup of RCC data based on the proper management chain, allowing accurate cost targets to be developed.

13.4.3.3.10. BTM has merge model capability allows the group models to be merged into a final ALC model.

13.4.3.4. The budget for the current year of the BE is prepared for each out year of the BE. Data input to the budget is developed at RCC level. When actual history is at section or higher-level, identical rates for each RCC within that organization are authorized.

13.4.3.4.1. The account structure used in the budget and the actual data in the operating cost report must be directly related to the organizational structure of depot maintenance.

13.4.3.4.2. Indirect labor factors are the ratio of non-direct time to direct time in RCCs. These factors must be developed according to procedures outlined in AFSCMAN 21-102.

13.4.3.4.3. The budget submission must include documentation that identifies, explains, and supports the planned productivity changes.

13.4.3.4.4. The planned labor is developed during the Depot Determination (D2) phase after workload requirements during the Requirements Review (R2) phase have been approved during the R2D2 cycle. This process balances available manpower to workload requirements and expresses manpower requirements in terms of personnel equivalents.

13.4.3.4.4.1. Workload projections are based on the latest available data from PDMSS (G097) and adjusted for such factors as customer funding levels, historical non-generation of assets, inventory reductions, system errors, process improvement, and workload shifts. Since these workload projections form the basis for budget development, the workload must be approved by the Product Support Steering Board prior to development of the planned labor. Workload requirements are expressed in Direct Product Standard Hours (DPSH).

13.4.3.4.4.2. Options to increase capability must be reflected according to the AFMC Commander's budget direction.

13.4.3.4.4.3. The ALC Groups are responsible for providing planned labor data to the ALC/FM for budget consolidation within AFMC and AFSC and locally established periods.

13.4.3.4.4.4. After determining production capability, the overhead end strength data is required. These procedures apply to both civilian and military personnel. The ALC distributes military end strengths to each group. Each group identifies civilian manpower authorization by organization.

13.4.3.4.4.5. All depot maintenance costs must be projected and correctly classified in one of the expense categories as shown in **Table 13.1**. The ALC consolidates all expenses for inclusion in the budget. Expenses chargeable to depot maintenance are per the direction in **Table 13.1**.

Table 13.1. Expense Categories.

Expense Category	Explanation
Direct production	Includes direct labor, direct material, and other direct costs (direct contractual services and operational Temporary Duty (TDY) costs) required to accomplish specific depot maintenance workloads.
Production Overhead	Costs incurred by or allocated from the group to an RCC that cannot be economically identified to job orders. These costs include RCC indirect labor, indirect material, indirect other costs (Cost Class IV) incurred by the RCC, and shop support expense (shop, flight, squadron, and group management; scheduling and planning; engineering and quality) allocated to the RCC.
G&A Overhead	All depot maintenance costs outside the groups or not classified as POH.

13.4.3.4.5. The labor cost for both civilian and military personnel is computed as part of the budget procedure. The distribution of labor costs within depot maintenance must be compatible with established planned labor and overhead manpower procedures.

13.4.3.4.5.1. Cost of cash awards should be budgeted based on a predetermined percentage of base pay for incentive awards. Cost of suggestion (Airmen Powered by Innovation Program) monetary awards is calculated by using past experience for those awards (Airmen Powered by Innovation Program monetary awards).

13.4.3.4.5.2. Workmen's compensation information is provided by Air Force Material Command Working Capital Funds Division (AFMC/FMR).

13.4.3.4.5.3. Depot maintenance plans for a limited amount of overtime to offset irregularities in work schedules. This overtime is part of normal depot maintenance operations to ensure a smooth flow in repair processes.

13.4.3.4.6. Material costs:

13.4.3.4.6.1. RCC historical rates are compiled for direct and indirect expense and investment material. Projected material rates are adjusted based on projected workloads and any known variable factors. The product directors review and approve these material rates.

13.4.3.4.6.2. ALC group budget team members prepare the material budget for their overhead organizations.

13.4.3.4.7. Business operations costs must be prepared per locally published direction and schedules. Business operations costs are reflected by individual expense elements as follows, and as further defined in **Chapter 5** in this manual of the financial policies and procedures.

13.4.3.4.7.1. Temporary duty travel, per diem, and vehicle rental costs must be separately identified for each category (e.g., direct, POH and G&A). Direct travel should be related to off-base workloads. Administrative travel should be based on experience, adjusted as required, by known program changes. This item must include travel associated with off-base training.

13.4.3.4.7.2. Permanent Change of Station (PCS) expenses (travel/per diem, shipment of household goods, real estate, and miscellaneous) for civilian employee PCS moves should be based on experience and anticipated requirements.

13.4.3.4.7.3. Estimates for contractual services for repair of depot maintenance owned equipment, shop rearrangements, and any other contracts written solely for depot maintenance direct citation of depot maintenance funds are based on projected requirements.

13.4.3.4.7.4. Contractor Support for Field Services and Depot On-site Contractor Augmentee Team (DOCAT). The cost of contractor personnel who perform field service contracts or onsite support (such as DOCAT) is allocated in the budget process to the production RCC, to the maintenance group to retain the cost against specific workloads. DOCAT has to be direct labor and assigned to direct RCCs.

13.4.3.4.7.5. Budget for the cost of training attendance for depot maintenance employees in technical and management courses. This provides for the cost of tuition for job-related courses taken by depot maintenance employees, and a pro rata share for instructors brought on base. This excludes Air Education and Training Command funded schools. Estimate costs in coordination with the ALC training office.

13.4.3.4.7.6. Utility costs for billing purposes are obtained by metered services or engineering estimates subject to annual review. Projected costs should be obtained in coordination with the local civil engineer. Depot maintenance and the base civil engineer approve a written Memorandum of Agreement providing the utility rates and services. This agreement is reviewed and updated each year. In the agreement, show separate estimates for purchased utilities and maintenance.

13.4.3.4.7.7. All printing and reproduction services ordered by depot maintenance are included except the printing of technical data such as technical orders which may be funded by other sources. (See DAFMAN 65-605V1, *Budget Guidance And Technical Procedures*, Chapter 5, Section 5E). Estimates of cost should be obtained through coordination with the local printing manager.

13.4.3.4.7.8. Communications services covers commercial telephone, long distance tolls, and all communications equipment and services rendered exclusively for the use of depot maintenance. Leasing, rentals, and purchase of equipment (less than the CIP threshold) are acceptable for inclusion in this category.

13.4.3.4.7.9. Estimates for equipment rented for the exclusive use of depot maintenance should be based on historical data, adjusted by requirements.

13.4.3.4.7.10. Vehicle maintenance is covered for those vehicles assigned to depot maintenance.

13.4.3.4.7.11. Custodial Services support is based on depot maintenance and civil engineer estimates by type of service.

13.4.3.4.7.12. Base Operating Support (BOS) covers the incremental direct costs attributable to depot maintenance for services provided by the base where the depot is located based upon a signed support agreement. See DoDI 4000.19, AFI 25-201 and DAFMAN 65-605V1, Chapter 19. BOS includes reimbursable costs of support by such activities as chaplain services, libraries, fitness support, civilian personnel clubs, food/health/lodging facilities, data automation, fire protection, base administration, security services, environmental management, financial management, and services provided by Defense Finance Accounting Service (DFAS). The preceding list is only a sample and not to be interpreted as complete. Costs are estimated according to local needs. Sufficient documentation should be available to support and explain each of the costs included in the budget. For each budget, appropriate personnel from the ALC/FM, AFSC/FM, and the supporting organizations identify those positions dedicated to support of depot maintenance for inclusion in the signed support agreement. Agreements are valid only when signed at the directorate level in ALC/FM, AFSC/FM, and the organization furnishing the support. In the ALC budget submission to AFMC/FM, separately identify each of the BOS costs, provide a copy of the signed support agreement as justification, and show the United States Standard General Ledger (USSGL) account codes where costs are accumulated during the execution year.

13.4.3.4.7.13. Defense Information Services Agency (DISA) Support covers computer-processing services for the depot maintenance operations.

13.4.3.4.7.14. Facility sustainment, restoration, modernization, and architectural and engineering (A&E) includes facility alterations (less than the CIP threshold), restoration (cost limited to budgeted totals), facility sustainment to buildings used for depot maintenance, and A&E. Estimated costs are developed in coordination with civil engineering and the depot maintenance facility and equipment programming function. Projects are classified as sustainment, restoration, or modernization, per AFI 32-1020, *Planning and Programming Built Infrastructure Projects*. The following applies:

13.4.3.4.7.14.1. Sustainment is the recurrent, day-to-day, periodic, or scheduled work required to preserve real property facilities.

13.4.3.4.7.14.2. Restoration includes repair and replacement work to restore facilities damaged by inadequate sustainment, premature aging, natural disaster, fire, accident or other causes.

13.4.3.4.7.14.3. Modernization projects may include either repair or construction work. Includes the alteration of facilities or components solely to implement new or higher standards (including regulatory changes) or to accommodate new functions. Includes work associated with functional conversion and work classified as construction. Additions, expansions, and extensions qualify as modernization if the cost is less than the CIP threshold. Modification projects for a facility are not subdivided to avoid exceeding the threshold.

13.4.3.4.7.14.4. Architectural & Engineering (A&E) costs for depot maintenance facility projects (whether prepared by civil engineering or contractor) may be budgeted as either an operating cost (if the project cost is below $250,000) or as an investment expense (if the project cost falls within CIP funding parameters). See AFI 32-1020 for statutory and regulatory requirements related to A&E. A&E design costs are not considered as part of the total cost of facility modernization projects for purposes of project funding limitations. This category should only be used for A&E charges for expensed projects. A&E charges for capitalized projects (i.e., minor construction projects greater than the CIP threshold and less than military construction program) should be capitalized and depreciated.

13.4.3.4.7.15. Automated Data Processing (ADP) management system development includes costs directly associated with accomplishment of data automation development requirements for depot maintenance. Depot maintenance pays for projects that are less than the CIP threshold and have a useful life of less than two years as an operating expense. These costs are expensed in the year that costs occur. Depot maintenance pays for the continued operating costs of current systems that are the responsibility of the depot maintenance community. Information systems that meet capital thresholds are funded through CIP Contract Authority.

13.4.3.4.7.16. The ALCs are responsible to budget for personnel and associated costs for headquarters depot maintenance support organizations. Each ALC is notified by AFMC/FM of their share for reimbursement of these costs.

13.4.3.4.7.17. Under the CIP, depreciation/amortization is an expense and includes equipment depreciation, minor construction depreciation, and management information systems amortization.

13.4.3.5. At the conclusion of the budget development process, the completed budget is reviewed, consolidated, and approved by the ALC/FM and submitted to the AFSC/FM for approval.

13.4.4. The depot maintenance PBR is based on budgeted cost and planned labor information developed as explained in **paragraph 13.3.3**. Information and instruction for budget submissions are explained in budget direction published yearly by AFSC and AFMC/FM. The narrative furnished for budget formats must explain, as a minimum, reasons for changes addressed between all years.

13.4.5. Each ALC establishes monthly operating targets that are based on direction provided by AFSC/FM and AFMC/FM.

13.5. Rates and Prices.

13.5.1. Rates and prices are constructed to recover the funded depot maintenance costs of producing goods and services and incorporate Budget Decisions. Iterative pricing is how the rates are set for Consolidated Sustainment Activity Group-Supply (CSAG-S) (not what is in the rates). Application of rates and prices is by Repair Group Category (RGC). This paragraph covers the development and application of those rates and prices. The only exceptions authorized are additional costs to recover non-WCF expenses (unfunded) from non-DoD customers (Foreign Military Sales (FMS) excluded) and special rates and prices. Customers of depot maintenance require advance knowledge of rates and prices to budget for their requirements.

13.5.1.1. The ALC is responsible for the development of depot maintenance rates and prices. These are initially developed for the FY in conjunction with the development of the BE for that year. During the PBR, OUSD (C) may direct adjustments to the BE submission, by issuing Budget Decisions that direct changes to cost, workload, direct labor hours, and/or revenue. These may result in adjustments to the requested rates and prices, and modifications to iterative pricing for CSAG-S.

13.5.1.2. Depot maintenance rates and prices are subject to the DoD rate stabilization program per DoD 7000.14-R, Volume 11B, Chapter 1. Rate stabilization is to ensure the customer's program is accomplished within the customer's approved funding and to aid the customer in developing their budget. Fixed prices are used for planned workload and fixed rates are used for unplanned workload (with the exception of FMS). Only significant gains and losses meeting specific ground rules may justify changing stabilized rates and prices during the year of execution. Any such changes require OUSD (C) approval.

13.5.1.3. A modification installation sales rate should not include direct material costs associated with a modification kit. The direct material associated with aircraft modification workload will be purchased and furnished by the program office in the form of modification kits, and as such, it would not be appropriate to charge the Programmed Depot Maintenance (PDM) sales rate that includes a direct material expense that is included within the modification kit. Any miscellaneous direct material cost over and above the material provided with the modification kit should be included in the modification sales rate. Any material used for repairs will be charged to the customer and not the modification.

13.5.1.4. When a modification is performed in conjunction with PDM or other planned maintenance, the PDM or other planned maintenance will fund common tasks. The modification will fund only the additional costs. For example, if a panel needs to be removed for both the PDM and the modification, the PDM will fund both the removal and replacement.

13.5.2. Hourly rates used in the depot maintenance community are made up of various elements, with these elements sometimes called rates. Typically, those elements are: (1) direct labor; (2) direct material; (3) direct other (i.e., TDY, DOCAT, direct contracts); (4) POH; and (5) G&A overhead. While expressing these terms as rates has valid applications, the rates referred to within these processes and procedures are the totals of all these elements. The following paragraphs identify the various rates and prices and their uses.

13.5.3. Sales Rates and Prices

13.5.3.1. Sales rates are applied to RGCs. Sales rates are generally comprised of a combination of several RCC rates, since seldom does only one RCC perform all the maintenance on an entire category of work, and the Bills of Material (BOM) for material consumed into the end items. Sales rates may contain more than just RCC cost elements if directed by higher headquarters. Once established, RCC rates are used as the basis for negotiation of all non-programmed work. **Note:** Sales prices are fixed, and sales rates are fixed rates per hour whether planned or unplanned.

13.5.3.2. The concept of fixed pricing applies to serialized (programmed-RGC A, C, E, G, and J) workload, such as aircraft, missiles, engines, Other Major End Items (OMEI), and Exchangeables. For each major end item, a basic sales rate or sales price is published for repair. For aircraft, missiles and OMEI workload, fixed sales rates per hour are created. The tasks and number of Direct Product Standard Hours (DPSH) are determined by the appropriate planning/workload activity but must be directly traceable to Aircraft and Missiles Requirements Database (AMRD) tasks and hours.

13.5.3.3. The use of EISP applies to engines and Management of Items Subject to Repair (MISTR) workload. EISPs are those prices charged to the customer for programmed repair of single exchangeable items, such as an indicator or a fuel pump. The same price is charged for depot maintenance of all items of the same National Stock Number inducted under a specific production number, regardless of quantity or condition. **Note:** The aircraft equivalent of an EISP is an aircraft customer sales rate.

13.5.3.4. RCC rates are those costs incurred by a direct labor shop/organization. An RCC rate includes all elements of labor, POH, and G&A overhead. RCC rates are used in the development of EISP for engines and MISTR items, and sales rates for aircraft, missiles, and OMEI workloads. RCC rates may also be used as sales rates for non-programmed work in conjunction with any material required for the repair.

13.5.3.5. The rates and prices are subject to the DoD rate stabilization policy. This policy states that prices charged to customers reflect the financial projections contained in the approved budget estimate. Further, the policy is that overall prices are stabilized in such a manner that individual price changes do not create an adverse impact on any individual customer and are accomplished within the operating profits and losses in the approved operating budget. AFMC/FM and AFSC/FM evaluate all change proposals against total business area operations to ensure strict compliance with the basic policy. Policy currently allows for changes to sales rates and price changes for reduced prices because of new methods, processes, equipment, or management actions that significantly reduce maintenance costs. DMAPS provides a capability for supporting rates and prices updates per this policy.

13.5.3.6. RCC rates are established and loaded into DMWPCS (G004C). Sales Price Generator (SPG) uses those rates to calculate EISPs for all programmed MISTR National Stock Numbers. Complex FMs use RCC rates to create sales rates for aircraft PDMs. Resulting rates and prices are computed by multiplying the labor standard DPSH for each operation by the labor, POH, and G&A budgeted rates for the RCC in which the operation is performed and then adding direct material costs and any other direct costs as applicable. Construction of EISPs and aircraft sales rates is dependent on information from four sources: DMWPCS (G004C), Depot Maintenance Material Support System (DMMSS) (G005M), AFMC Labor Standards Data System (ALSDS) (E046B), and a file maintenance action to SPG. ALC/FM's must maintain historical records to support RCC rates loaded in DMWPCS (G004C).

Figure 13.1. Process for Calculating Rates and Prices.
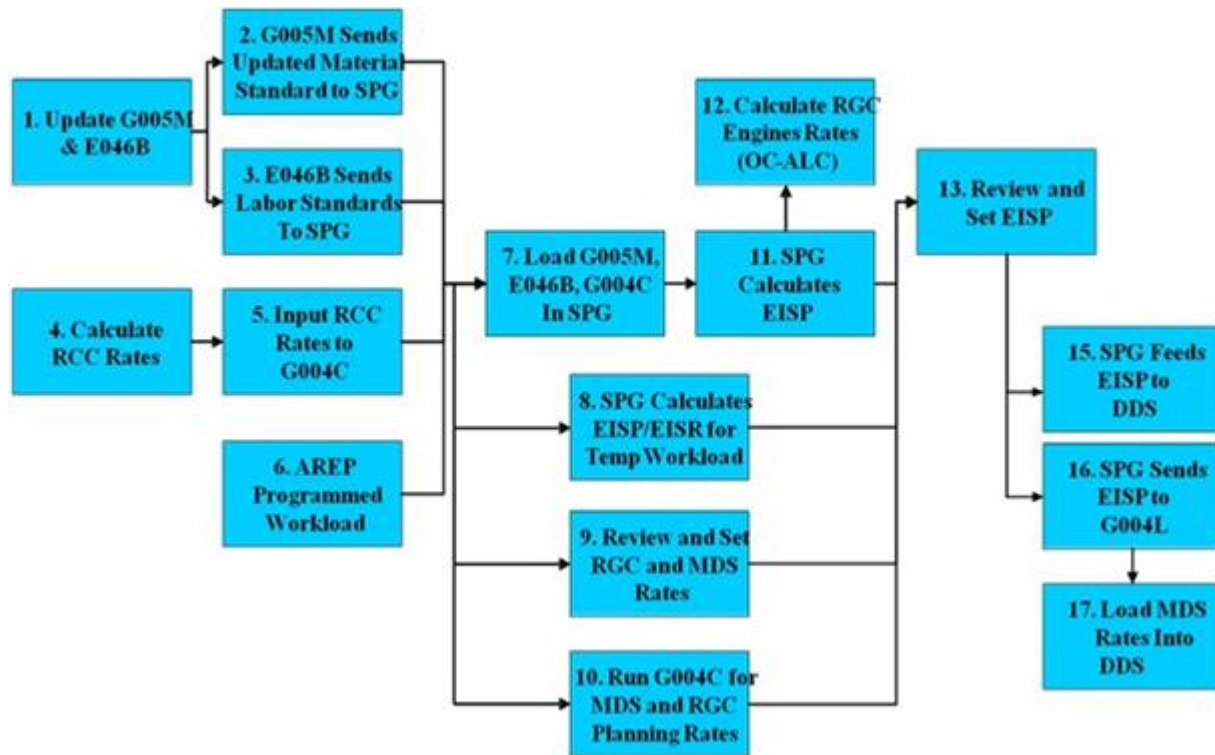
Table 13.2. Explanation of Process Steps for Calculating Rates and Prices.

#	Explanation
1	In Depot Maintenance Consolidated Operational Database (CODB) (Q302)/Depot Maintenance Material Support System (DMMSS) (G005M), planners update material standards, verify replacement factors, and remove excess material. DMAPS provides source of task-based data to assess standards and factors. In CODB (Q302)/ALSDS (E046B), planners update labor standards and verify occurrence factors. These standards are interfaced to the SPG (within DDS) for building sales price for permanent, non-serialized end items (commodities and engines).
2	CODB (Q302)/DMMSS (G005M) pushes updated material standards to the SPG. SPG uses the information for building direct material sales prices for permanent, non-serialized end items (commodities and engines).
3	CODB (Q302)/ALSDS (E046B) pushes labor standards to the SPG for building sales price for permanent, non-serialized end items (commodities and engines).
4	Budget analysts convert the budgeted expense amounts to the RCC rates.
5	Budget Analysts follow local ALC guidelines to enter the RCC rates into DMWPCS (G004C). These rates are segregated by the cost elements of direct labor, direct expense material, direct exchange material, direct non-exchange material, other direct costs, production overhead, and G&A.
6	Aircraft Repair Enhancement Program planners establish labor hours based on the batch quantity to facilitate batch processing. The planners use PDMSS (G097) to plan and control the modification/repair of aircraft and other project type workloads. This includes developing and inputting labor standards and base hours. When the Planner selects operation to be included in a given overhaul, PDMSS (G097) uses base hours for detail planning. Tasks are transmitted to the DDS and TAA when the scheduler changes status code to "0."
7	SPG Calculates End Item Sales Rates/Prices for Temporary Workload. DMWPCS (G004C) sends approved RCC rates to JOPMS (G004L) to be used to build temporary workload sales prices. JOPMS (G004L) passes planned standard hours and/or planned material costs by RCC to DDS for each temporary JON opening or amendment to a temporary JON. JOPMS (G004L) also provides a daily feed of the permanent JON masters to DDS to support the JOST and various reporting requirements. DDS multiplies planned hours by RCC by the: approved labor rate, material rate, other direct cost rate, POH rate, and G&A rate. This process yields the end item rates/prices for temporary workload. These data are maintained in DDS. Planned material costs may be used in lieu of material rates for temporary JONs.
8	Review and Set RGC and Mission, Design, Series (MDS) Rates. After DMWPCS (G004C) calculates RGC and MDS rates, Budget Analysts review the rates for accuracy and known engineering and/or workload changes. These calculations result in the rates and dollars by cost element and by RGC. Aircraft rates by MDS are also available. The material rates may be adjusted using Cost of Goods Sold (COGS) history as a guide. The aircraft MDS rates are used for pricing each PDM package. The RGC rates are for planning purposes only as these rates represent only one workload mix.
9	Run DMWPCS (G004C) for MDS and RGC Planning Rates.

#	Explanation
10	Calculate the permanent, non-serialized end item prices in RGC E (engines) and RGC J (commodities), also known as MISTR. The prices are generated in the SPG after it receives the following data: material cost from the DMMSS (G005M) after adjustments for replacement and occurrence factors, occurrence labor standard from ALSDS (E046B), and RCC/Shop rates from DMWPCS (G004C). RCC rates and occurrence labor standards are multiplied together to produce labor and overhead dollars.
11	Calculate RGC Engine Rates (OC-ALC only). Engine rates are needed at OC-ALC only. Process is similar to other workload types.
12	After the SPG calculates EISP, the prices are reviewed by the Budget Analyst for accuracy and known engineering/workload changes. If adjustment is required, the EISP is recalculated in the SPG. Once prices have been set, prices are passed to JOPMS (G004L) and Enterprise Data Warehouse (Q310).
13	EISP is fed to the DDS by the SPG to facilitate profit-and-loss variance analysis by RCC by cost element.
14	The SPG Sends EISPs to JOPMS (G004L).
15	Budget analysts manually load MDS and other serialized workload rates approved by AFSC into the DDS. Adjustments to hourly sales rates may be required on individual aircraft in order to stay within fixed price for billing.

13.5.4. At the beginning of each FY, the approved RCC sales rates are overlaid from DMWPCS (G004C) to JOPMS (G004L). When the planning for each temporary job is completed, JOPMS (G004L) computes the unit price by extending each RCCs planned DPSH by the RCC approved rate. At this point, material costs are added either from the JON BOM or by using the RCC direct material rate, depending on how the JON is coded. Other direct costs (operational TDY, contractor support) identified on the JON are also included. To obtain the Unit Sale Price, divide total computation by the Job Order Quantity. If the total planned cost exceeds the customer's estimated costs, a notification of this condition is forwarded to the customer. The customer must respond within 10 days by raising the estimated total job cost, reducing the Job Order Quantity, or cancelling the job. If no response is received, the job may be canceled. Addenda to the JON that change any of the conditions used to compute the original price trigger a re-computation of the price during the FY in which it was opened. Changes made after the end of the FY do not cause a new price to be computed. The exception to this procedure is on local manufacture jobs for a stock fund. These prices are computed only once, when the planning is completed. Software is sold in the same manner as non-programmed workload. The sales price is determined by multiplying RCC rates times hours.

13.5.5. Engine prices are comprised of job and non-job routed accessories. Non-job routed items are purchased from the supply portion of the WCF and are captured as exchange material. Job routed accessories are removed from the engine and repaired in the exchangeable line under a production number distinct from the engine. To complete the total engine price, the value of the job routed repair must be computed. Using the exchangeable sales prices and a matrix of engine production numbers related to exchangeable production numbers, the sales prices for all the job and non-job routed items are summarized for a specific engine production number. A review of the matrix, particularly the standard replacement percentages should be conducted to ensure that both the exchange material portion and the job and non-job routed portion accurately reflect the proper engine price. Normally the planning function within the responsible maintenance group performs this review.

13.5.6. Sales rates are submitted to AFSC/FM and AFMC/FM as planning rates and proposed sales rates. All the rates may need to be adjusted later to reflect budget changes approved by Budget Decisions and/or iterative pricing. The original DMWPCS (G004C) RCC rates, DMMSS (G005M) material standards and ALSDS (E046B) labor standards for use in the re-computations of prices, are stored to incorporate future Budget Decision adjustments. All FY sales prices are approved by AFSC/FM and then submitted to AFMC/FM for finalization. After approval, AFMC/FM notifies the AFSC and ALCs of approval and publishes the FY planning rates. Approved sales rates and EISPs are provided to the customer prior to the beginning of the year of execution. When sales rate and EISP changes are approved during the year of execution, the revised sales rates and EISPs are also furnished to the customer immediately. In all cases, revised sales rates are distributed no later than 15 days preceding the effective date of the change.

13.5.7. Changes to Sales Rates and EISPs

13.5.7.1. Sales rate and EISP changes should be proposed for three primary reasons: (1) to adjust for work scope changes; (2) to reduce prices as a result of new methods, processes, equipment, or management actions that significantly reduce maintenance costs; (3) errors in pricing.

13.5.7.2. To request a change, complete the following:

13.5.7.2.1. The requesting maintenance group forwards a change request to the ALC/FM.

13.5.7.2.2. The ALC/FM reviews the submission and forwards it to the AFSC/FM and AFMC/FM for further processing and submits to AFMC/FM. **Note:** While approval is not within the authority of the ALC, those submissions not meeting criteria as specified above may be disapproved.

13.5.7.2.3. AFMC/FM reviews and forwards to SAF/FM as necessary.

13.5.8. Aircraft, missile, and OMEI fixed prices are those prices charged the customer for PDM and are computed before the beginning of the FY. The exact date for completion of these prices will be established yearly by AFMC/FM.

13.5.8.1. Programmed aircraft, missile, and OMEI work must have a quantifiable, specific requirement. These tasks are based on specific hours that have a non-engineered or engineered standard. The standard PDM, Analytical Condition Inspection, or upgrade work package will be established with a fixed price. Significant workloads that fall out of the standard PDM/Analytical Condition Inspection package will be considered options. The number of options that can accompany a basic package is unlimited, but all options must be fixed priced.

13.5.8.2. Fixed prices are developed for each MDS and are comprised of three elements: basic, options, and over and above.

13.5.8.2.1. The basic portion of a fixed price is that price charged for each and every like aircraft, missile, or item undergoing PDM, regardless of condition, for a predetermined series of common depot maintenance tasks. The basic charge is computed by multiplying the number of DPSH by the approved sales rates. The tasks and number of DPSH are determined by the appropriate planning/workload activity but must be directly traceable to AMRD tasks and hours. Generally, tasks with 100 percent occurrence factors are included in the basic package.

13.5.8.2.2. Options are those tasks that are not common to every induction. This element allows the customer and the depot to determine each price according to the needs of the end item. For example, a modification may not be required for all inductions. Likewise, not all aircraft may require painting. By identifying such tasks as options and computing a price for each, the customer is provided a shopping list, and the depot is given a more finite work specification. In most cases, the price for each option is determined by multiplying the task hours (from AMRD or Time Compliance Technical Order (TCTO)) by the rates.

13.5.8.2.3. Over and above consists of those tasks that cannot be reasonably identified prior to induction and are not within the scope of the basic or option packages. The price is obtained by multiplying negotiated hours by the rates. Over and above is worked on a separate JON from that of the basic and options. It is recorded as "unplanned" and as it is a cost line, the amount obligated at the end of the FY the funds expire becomes the cost ceiling. All over and above must be approved by the Project Administration Officer and Funds Manager (reference AFSCMAN 21-102). Work may not be accomplished before the customer provides the required funds.

13.5.8.3. Fixed pricing as a concept is used in depot maintenance data systems. It applies to the basic portion of the fixed price and options, including TCTOs. The fixed pricing system procedures do not apply to over and above, however, as this is charged at normal hourly rates on a separate JON. Exercise caution to "back out" any over and above JON hours included in the basic price. Typically, the AMRD brochure includes a small block of over and above hours. Fixed prices are documented on fixed price worksheets in formats required by AFMC/FM guidance. Necessary coordination and approval of completed worksheets and amendments will vary according to organization.

13.5.8.4. AMRD brochure task hours. Additionally, hours (consequently prices) for options must be traceable to either AMRD or TCTO hours. Traceable does not mean identical, as all duplicate or redundant tasks must be removed when a task is performed in conjunction with PDM. Any differences between planned hours and hours as stated in the AMRD brochure or TCTOs must be reconciled. However, the depot maintenance standards are the authoritative documents regarding the number of hours per task. If incorrect hours are stated in either of these, then appropriate approval for changes in hours must be received first by the AMRD, followed by a request and subsequent approval for a fixed price change before the customer can be charged a different price.

13.5.8.5. Changes to fixed prices fall into three categories:

13.5.8.5.1. A Category 1 change is one that affects all MDS worked for a FY and usually involves a change of scope. For example, the addition of 100 hours to an F-15C basic package for inspection and increased test requirements. These changes may affect either basic hours or option hours. Unless disapproved locally, the ALC/FM will forward all requests for changes to fixed prices to AFSC/FM and AFMC/FM for approval using the format required by AFMC/FM guidance. Requests will be in narrative form and identify specifics as to tasks and hours accomplished.

13.5.8.5.2. A Category 2 change is the addition or deletion of complete option tasks, such as the issuance or rescission of a TCTO. These changes may be approved by the AFSC/FM, and AFMC/FM will be provided copies of updated fixed price worksheets.

13.5.8.5.3. A Category 3 change is a change to the initial fixed price of an individual aircraft, by either the addition or deletion of an option, or an increase in over and above hours due to discovery of out-of-scope work. These changes cannot affect the prices of individual options or the basic package price, and the changes are documented on fixed price worksheets by processing an amendment to the initial worksheet.

13.5.8.5.4. Approval authority will vary due to ALC organizational structure and source of funds. At a minimum, however, approval requires the signature of the Funds Manager empowered with the Obligation Authority (OA) for customer funds, whether local or at command level, with concurrence of the project manager.

13.5.9. Special Sales Rates and EISPs.

13.5.9.1. Some job orders are outside the normal range, and provisions have been made for special rates and prices for these JONs.

13.5.9.1.1. PMEL customers are billed for all items of work based on the number of DPSH reported during a month times the RCC rate. DPSHs are accumulated against a "C" prefix production number that identifies the customer. All DPSHs reported are sold at the end of each month, and a new monthly JON is automatically created in JOPMS (G004L) for the next month's work.

13.5.9.1.2. Aircraft Battle Damage Repair special rate involves a workload that is generally a long flow extending over a period of two or more years. AFMC/FM must approve special rates for this type of work. Development is as follows:

13.5.9.1.2.1. Use the current approved MDS rate to determine the cost to the customer for the Examination and Inventory of the damaged aircraft. After determining the extent of the damage and material requirements, a special rate may be requested for the repair using a new temporary production number.

13.5.9.1.2.2. Determine the number of FYs required to repair the aircraft.

13.5.9.1.2.3. Determine the DPSHs to be earned by each RCC.

13.5.9.1.2.4. Develop the direct labor and overhead costs using the RCC DPSHs and current approved RCC rates.

13.5.9.1.2.5. Obtain material costs from the material and parts list developed during the Examination and Inventory.

13.5.9.1.2.6. Inflate the labor and material costs to cover anticipated increases for subsequent FYs.

13.5.9.1.2.7. If inflation guidance is not available, contact AFMC/FM.

13.5.9.1.2.8. Depending on the flow time anticipated to repair the damaged aircraft, develop a rate for each FY. Develop a composite/weighted average rate from these anticipated costs. Use this composite rate to price out the entire repair package to the customer.

13.5.9.1.2.9. Submit the detailed method used in developing the special rate along with the request for special rate approval.

13.5.9.1.2.10. Upon approval, notify the workload and program office functional offices of the sales rate to be used for the repair.

13.5.9.1.3. It is not the intent of the stabilized rate policy for depot maintenance to perform work at a loss. This would automatically occur if multiple year workload projects were priced at the price in effect when the workload was inducted. Workloads that fit this category include, but are not limited to, long-term software projects, aircraft crash/battle damage repair, local manufacture requirements with long lead times for material, and some OMEI workloads. When these workloads are negotiated, pricing should be developed based on the projected amount of work that is accomplished in each year and the projected cost for the work that is performed in each year.

STACEY T. HAWKINS
Lieutenant General, USAF
Commander

Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

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The most current Defense Industrial Financial System (DIFMS) information, including the *DIFMS User Manual and Physical Model 01, Cash; 02, Labor; 04, Material; 05, Cost Summary; 07, Billing; 08, General Ledger Account; 11, Fixed Asset Functions can be obtained from the Defense Finance and Accounting Service Information and Technology (DFAS I&T)-Indianapolis website*

Defense Industrial Financial System (*DIFMS)/NAVAIR Industrial Material Management System (NIMMS)/Automated Bill of Material (ABOM)*

DMAPS *Integration Engine (DMAPS-IE)*

DMAPS *Configuration Management Plan*

DFAS DIFMS/NIMMS-ABOM *Configuration Management Plan*

Defense Civilian Payroll System (DCPS) *User Manuals*

Prescribed Forms

None

Adopted Forms

AF Form 185, *Project Order.* Used by the Air Force to place orders with government-owned, government operated activities within DoD. POs issued to a DoD government-owned, government operated establishment are for efforts performed in-house on a reimbursable basis.

AF Form 2005, *Issue/Turn, In Request*

AF Form 2692, *Aircraft/Missile Equipment Transfer/Shipping Listing*

AF Form 4009, *Government Purchase Card Fund Cite Authorization*

AF Form 406, *Miscellaneous Obligation Reimbursement Document (MORD).* Used for the purpose of recording legal obligations of appropriated funds in the absence of other evidence of obligations, such as purchase orders or contracts.

AF Form 601, *Authorization Change Request*

AF Form 616, *Fund Cite Authorization (FCA)*. Issued to host bases and co-located tenant activities whose funds are accounted for by the Financial Services Office. Also issued to geographically separated detachments, sites, or units temporarily away from home station. Issued for a specific period of time.

AF Form 847, *Recommendation for Change of Publication*

AF Form 9, *Request for Purchase*. Used to request the purchase of goods or services to satisfy local requirements. The requesting activity numbers these documents in sequence starting at the beginning of each fiscal year (FY), or by Julian Date. The proper fund accounting classification must be cited on the document and the document must certified that funds exist and are being reserved.

AF Form 938, *Request and Authorization for Active Duty Training/Active Tour*

AFMC Form 181, *Project Order*

AFMC Form 206, *Temporary Work Request*

AFMC Form 376, *Administrative Commitment Document*

AFMC Form 400, *OBAN Target/Allowance Form*

DD Form 1131, *Cash Collection Voucher*

DD Form 1348-1A, *Issue Release/Receipt Document*

DD Form 1348-6, *DoD Single Line Item Requisition System Document (Manual-Long Form)*

DD Form 1149, *Requisition and Invoice/Shipping Document*

DD Form 1610, *Request and Authorization for TDY Travel of DoD Personnel*. Travel Order used for a travel request to record the commitment in the accounting system.

DD Form 250, *Material Inspection and Receiving Report*

DD Form 2875*, System Authorization Access Request (SAAR)*

DD Form 448, *Military Interdepartmental Purchase Request (MIPR)*. A procurement order issued by one military service to another military service to purchase services or goods.

SF 1080, *Voucher for Transfers between Appropriations and/or Funds*

SF 1151, *Non-expenditure Transfer Authorization*

SF 133, *Report on Budget Execution*

SF 50, *Notification of Personnel Action*

Abbreviations and Acronyms

A&E—Architectural and Engineering

A/B/M—Area Support/Base Support/Local Manufacturing

A/P—Accounts Payable

A/R—Accounts Receivable

AAA—Authorization Accounting Activity

ABACUS—Automated Budget Analysis/Centralized User System (H084A)

ABCS—Automated Budget Compilation System

ABSS—Automated Business Service System (H021)

ABOM—Automated Bill of Material (DMAPS suite system)

ABW—Air Base Wing

ACC—Air Combat Command

ACES—Automated Civil Engineering System

ACI—Analytical Condition Inspection

ACRN—Accounting Classification Reference Number

ADP—Automatic Data Processing

ADPE—Automated Data Processing Equipment

ADR—Aircraft Damage Repair

AETC—Air Education and Training Command

AF—Air Force

AFAA—Air Force Audit Agency

AFB—Air Force Base

AFEE—Air Force Expense Element

AFI—AF Instruction

AFLCMC—Air Force Life Cycle Management Center

AFMC—Air Force Materiel Command

AFMCI—AFMC Instruction

AFNWC—Air Force Nuclear Weapons Center

AFR—Air Force Reserve

AFRC—Air Force Reserve Command

AFSAC—Air Force Security Assistance and Cooperation Directorate

AFSAT—Air Force Security Assistance Training

AFSC—Air Force Sustainment Center

AFSOC—Air Force Special Operations Command

AFSPC—Air Force Space Command

AFTAC—Air Force Technical Applications Center

AFWCF—Air Force Working Capital Fund

ALC—Air Logistics Complex

ALSDS—AFMC Labor Standards Data System (E046B)

AMARG—Aerospace Maintenance and Regeneration Group

AMRD—Aircraft and Missiles Requirements Database

AMTS—Automated Material Tracking System (D364)

AMXG—Aircraft Maintenance Group

ANG—Air National Guard

AOB—Annual Operating Budget

AOC—Administrative Overhead Center

AOR—Accumulated Operating Result

APA—Appropriation Purchases Account

APO—Automated Project Order System (J025A)

AREP—Aircraft Repair Enhancement Program

ATRAS—Automated Travel Record Accounting System

ATS—Automated Transaction Supply (part of ABOM)

AWP—Awaiting Parts

Bal-ID—Balance Identification

BCR—Baseline Change Request

BDT—Budget Development Tool

BE—Budget Estimate

BNR—Billed Not Received

BOM—Bill of Material

BOS—Base Operating Support

BPAC—Budget Program Account Code

BPN—Business Partner Number

BSC—Buyer's Side Code

BTM—Budget Target Module (a portion of CPBM (H033))

CAM—Centralized Asset Management

CAP—Contractor Acquired Property

CAPR—Cost Accounting and Production Reporting (H036A)

CCaR®[S]—Comprehensive Cost and Requirement [System]

CCB—Configuration Control Board

CCD—Command Case Directive

CCM—Country Case Manager

CDA—Central Design Activity

CDR—Cash Disbursements Register

CDS—Cash Disbursing System

CEC—Cost Element Code

CED—Contingency, Exercise and Deployment (a type of travel order)

CEDMS—Corporate Electronic Document Management System

CETS—Contractor Engineering Technical Services

CFM—Contractor Furnished Material

CIP—Capital Investment Program

CIVPAY—Civilian Pay

CLIN—Contract Line-Item Number

CM—Configuration Management

CMXG—Commodity Maintenance Group

COC—Contractual Other Code

COD—Cost of Operations Division

CODB—Consolidated Operational Database (Q302)

COO—Commanding Officer's Orders

CON—Customer Order Number

CONEN—Conversion Engine (DMAPS suite system) also known as CE

COQ—Customer Order Quantity

COTS—Commercial Off The Shelf

CPAIS—Civilian Pay Accounting Interface System

CPBM—Cost Performance and Budget Module (H033)

CPPM—Cost and Production Performance Module (a portion of CPBM (H033))

CR—Credit

CRIS—Commander's Resource Integration System

CRR—Cash Receipts Register

CSAG—Consolidated Sustainment Activity Group

CSAG-M—CSAG—Maintenance Division

CSAG-S—CSAG—Supply Division

CSN—Control Symbol Number

CSV—Comma Separated Value

CT—Cost Transfer

CTHR—Central Travel History Record

DA—Direct Cost to Activity Retention Report

DBA—Data Base Administrators

DBCR—Database Change Request

DCASR—Defense Contract Administration Services Region

DCPS—Defense Civilian Payroll System

DCR—Data Cleansing Request

DDS—DMAPS Data Store (DMAPS suite system) also known as DDSS

DEAMS—Defense Enterprise Accounting and Management System

DECC—Defense Enterprise Computing Center

DFAS—Defense Finance and Accounting Service

DFAS—AR—DFAS Arlington

DFAS—CO—DFAS Columbus Center

DFAS—DE—DFAS Denver Center

DFAS-IE—DFAS—Integration Engine

DFAS I&T—Defense Finance and Accounting Service Information and Technology

DFAS—IN—DFAS Indianapolis Center

DIFM—Due-In From Maintenance

DIFMS—Defense Industrial Financial Management System (DMAPS suite system)

DIOH—Due-In From Overhaul DISA—Defense Information Services Agency

DJS—Document Job Shop

DLA—Defense Logistics Agency

DLA-DS—DLA Disposition Services formerly DRMO—Defense Reutilization and Marketing Office

DLA/PST—Defense Logistics Agency/Production Support Team

DLCP—Daily Labor Correction Process

DLE—Direct Labor Efficiency

DLER—Daily Labor Exception Reports

DMAPS—Depot Maintenance Accounting and Production System

DMAPS—IE—DMAPS Integration Engine

DMCS—Depot Maintenance Cost System

DMDC—Defense Manpower Data Center

DMI—Direct Material Inventory

DMISA—Depot Maintenance Inter-Service Support Agreement

DMMSS—Depot Maintenance Material Support System (G005M)

DMWPCS—Depot Maintenance Workload Planning and Control System (G004C)

DNA—DIFMS/NIMMS-ABOM

DOCAT—Depot On-Site Contractor Augmentee Team

Doc—Job-Shop—Document-Job-Shop

DoD—Department of Defense

DoDAAC—DoD Activity Address Code

DoD FMR—DoD Financial Management Regulation

DOTM—Due-Out to Maintenance

DOV—Disbursing Office Voucher

DPAS—Defense Property Accountability System

DPAH—Direct Product Actual Hours

DPEH—Direct Product Earned Hours

DPEM—Depot Purchased Equipment Maintenance

DPPS—Defense Procurement Payment System

DPSH—Direct Product Standard Hours

DR—Debit

DRB—Discrepancy Review Board

DREP—Depot Repair Enhancement Program

DSC—Defense Supply Center

DSRA—Document Summary Record Address

DSS—Distribution Standard System

DSSN—Disbursing Station Symbol Number

DTIM—Defense Transaction Interface Module

DTS—Defense Travel System

DWCF—Defense Working Capital Fund

E&I—Evaluation and Inspection

EA—Each

EAID—Equipment Authorization Inventory Data

EDMX—Expeditionary Depot Maintenance

EEIC—Element of Expense Identification Code

EFT—Electronic Funds Transfer

EIDN—End Item Document Number

EIG—Employee ID Generator (DMAPS-suite system)

EIS—Enterprise Information System (H159)

EISP—End Item Sales Price

EMXG—Equipment Maintenance Group

EOM—End-of-Month

EPS—Exchangeable Production System (G402A)

EPSC—Exchangeable Products Support Center

ERRC—Expendability, Recoverability, Reparability, Category

EXPRESS—Execution and Prioritization of Repair Support System (D087X)

FA—Fixed Asset

FAA—Fixed Asset Accounting

FCA—Fund Cite Authorization

FBWT—Fund Balance with Treasury

FC—Fund Code

FCRN—Funds Classification Reference Number (FCRN)

FEM—Facility and Equipment Maintenance (D130)

FIABS—Financial Inventory Accounting and Billing System (D035J)

FIR—Financial Inventory Record

FIT—Funding Initiation Tool (DMAPS suite system and also known as FITS)

F-JON—Fixed Asset (FA) JON

FOC—Full Operational Capability

FLS—Forward Logistics Specialist

FM—Financial Management

FMDQS—Financial Management Data Quality Service

FMR—Financial Management Regulation

FMS—Foreign Military Sales

FRB—Functional Review Board

FRC—Funds Request and Certification

FS—Fiscal Services

FSC—Federal Stock Class

FSO—Financial Services Office or Officer

FTP—File Transfer Protocol

FY—Fiscal Year

G&A—General and Administrative

GAFS-BL—General Accounting and Finance System-Base Level (H069) (Also known as BQ)

GBL—Government Bill of Lading

GFM—Government Furnished Material

GFP—Government Furnished Property

GL—General Ledger

GLA—General Ledger Account

GM—General Managerial

GPC—Government Purchase Card

GS—General Schedule

GSA—General Services Administration

GSD—General Support Division

GSE—Ground Support Equipment

GTC—Government Travel Card

GUI—Graphic User Interface

HHG—Household Goods

HR—Hour

IAPS—Integrated Accounts Payable System

ID—Identification

IE—Integration Engine

ILF—Indirect Labor Factors

ILS-S—Integrated Logistics System-Supply (D002A)

IM—Item Manager

IPE—Industrial Plant Equipment

IPR—Internal Problem Report

IPAC—Intra-Government Payment and Collections

IPV—Industrial Prime Vendor

ISMT—Information System Management Tool

ISSO—Information System Security Officer

ITD—Inception-To-Date

ITN—Inventory Tracking Number

ITS—Inventory Tracking System (G337)

JD—Job Designator

JON—Job Order Number

JOPMS—Job Order Production Master System (G004L)

JOQ—Job Order Quantity

JOST—Job Order Status Tool (DMAPS suite system)

JSC—JON Status Code

JV—Journal Voucher

KSD—Key Supporting Document

LD—Labor Distribution

LDM—Logistics Data Mart (Q303)

LG—Directorate of Logistics

LOA—Line of Accounting

LOI—Letter of Intent

MAC—Material Acquisition Code

MAPAC—Military Assistance Program Address Code

MDS—Mission, Design, Series

MER—Master Employee Record

MFG—Manufacturing

MFP—Major Force Program

MFP 7—Major Force Program 7

MIICS—Master Item Identification Control System (D043)

MILCON—Military Construction

MILSBILLS—Military Standard Billing System

MILSTRIP—Military Standard Requisitioning and Issue Procedure

MIPR—Military Interdepartmental Purchase Request

MISTR—Management of Items Subject to Repair

MIT—Material In-Transit

MMXG—Missile Maintenance Group

MOA—Memorandum of Agreement

MOCAS—Mechanization of Contract Administration Service System

MORD—Miscellaneous Obligation Reimbursement Document

MPC—Material Program Code

MPS—Material Processing System-D230

MRPMA—Major Real Property Maintenance

MRRB—Maintenance Requirements Review Board

MRTFB—Major Range Test and Facilities Base

MTD—Month-to-Date

MWMS—Maintenance Workload Management System (G336)

MX—Maintenance

MXSG—Maintenance Support Group

NAVAIR—Naval Air Systems Command

NIF—Navy Industrial Fund

NIIN—National Item Identification Number

NIMMS—NAVAIR Industrial Material Management System (DMAPS suite system)

NOR—Net Operating Results

NSN—National Stock Number

OA—Obligation Authority

OAC—Operating Agency Code

OAR—Overhead Application Rates

OB—Operating Budget

OBAN—Operating Budget Account Number

OC—Object Class

OCR—Office of Corollary Responsibility

ODL—Open Document Listing

OJT—On-the-Job Training

OL—Operating Location

OLRV—On-Line Report Viewer

OM&S—Operating Materials and Supplies

OMB—Office of Management and Budget

OMEI—Other Major End Items

OPMD—Output per Paid Man Day

OPR—Office of Primary Responsibility

OTC—Order Type Code

PAA—Property Accounting Activity

PAN—Plant Account Number

PAO—Project Administration Officer

PAR—Plant Account Record

PBD—Program Budget Decision

PBR—Program and Budget Review

PCN—Program Control Number

PC—Program Code

PCS—Permanent Change of Station

PD—Product Division

PDM—Programmed Depot Maintenance

PDMSS—Programmed Depot Maintenance Scheduling System (G097)

PDN—Production Number

PFMR—Project Funds Manager Record

PLA—Planned Labor Application

PM—Program Manager

PME—Precision Measurement Equipment

PMEL—Precision Measurement Equipment Laboratory

PMO—Program Management Office

PMT—Production Material Technicians

PMXG—Propulsion Maintenance Group

PO—Project Order

POC—Point of Contact

POH—Production Overhead

POL—Petroleum, Oil and Lubricant

PON—Project Order Number

PP—Pay Period

PP&E—Property, Plant & Equipment

PRF—Purchase Rate Factor

PSM—Product Support Manager

PTS—Problem Tracking System

QTD—Quarter-To-Date

RA—Resource Advisor

RCC—Resource Control Center

RCS—Reports Control Symbol

RDD—Required Delivery Date

RGC—Repair Group Category

RM—Rivet Minuteman Integrated Life Extension (MILE)

RNB—Received Not Billed

RSCS—Resource Control Center Skill Code System

RTS—Reserve Travel System

SAF—Secretary of the AF

SAMIS—Security Assistance Management Information System

SBSS—Standard Base Supply System

SDN—Standard Document Number

SES—Senior Executive Service

SF—Standard Form

SIMAN—System Identification Manager

S-JON—Cost Class Type IV Workload

SM—System Manager

SMAG—Supply Management Activity Group

SOP—Standard Operating Procedure

SOR—Source of Repair

SOS—Source of Supply

SPM—Sales Price Master

SPG—Sales Price Generator (DMAPS suite system) also known as SPGS

SPON—Sponsor Order Number

SPON-CD—Sponsor Code

SPR—Software Problem Report

SPS—Standard Procurement System

SQL—Structured Query Language

SRAN—Stock Record Account Number

SRI—Specific Requirements Inventory

SRD—Standard Reporting Designator

SSC—Shop Service Center

SWEG—Software Engineering Group

TAA—Time and Attendance (DMAPS suite system) also known as TAAS

TASO—Terminal Area Security Officer

TB—Trial Balance

TCC—Type Charge Code

TCTO—Time Compliance Technical Order

TDY—Temporary Duty

TLS—Target Load Sheet

TMS—Type, Model, Series

TO—Technical Order

TRC—Technology Repair Center

TTC—Transaction Type Code

TYPE-CUST CD—Type Customer Code

U/I—Unit of Issue

UAT—User Access Tool

UCB—Unmatched Commercial Bills

UDO—Undelivered Order

UGB—Unmatched Government Bills

UIC—Unit Identification Code

UIP—Units in Process

UOM—Unit of Measure

USAF—United States Air Force

USC—United States Code

USP—Unit Sales Price

USSF—United States Space Force

USSGL—United States Standard General Ledger

WAD—Work Authorization Document

WAPDS—Maintenance Decision Support Workload Analysis Planning Data System (G037F)

WARRS—Wholesale and Retail Receiving/Shipping (D035K)

WCD—Work Control Document

WCF—Working Capital Fund

WG—Wage Grade

WIP—Work in-Process

WL—Wage Leader

WPC—Work Performance Category

WR-ALC—Warner-Robins Air Logistics Complex, Robins AFB, GA

WS—Wage Supervisor

WSCRS—Weapon System Cost Retrieval System (H036C)

WSS—Weapon System Sustainment

WSSC—Weapon System Support Center

X-JON—Production Overhead JON

YTD—Year-to-Date

Office Symbols

448 SCMW/FM—448th Supply Chain Management Wing Financial Management Directorate

72 ABW/SC—72d Communications and Information Directorate (Tinker AFB)

75 ABW/SC—75th Communications and Information Directorate (Hill AFB)

78 ABW/SC—78th Communications and Information Directorate (Robins AFB)

ABW/CPTS—Air Base Wing Comptroller Squadron

AFLCMC/GB—Air Force Life Cycle Management Center (AFLCMC) Business and Enterprise Systems Directorate

AFLCMC/GBG—Business and Enterprise Systems Directorate, Financial Systems Office

AFMC/FM—AFMC Directorate of Financial Management

AFMC/FMF—AFMC Financial Operations Division

AFMC/FMR—AFMC Working Capital Fund Division

AFMC/A4/10—AFMC Directorate of Logistics, Civil Engineering, Force Protection, and Nuclear Integration

AFMC/A4D—Depot Operations Division

AFMC/A4P—Depot Programs Division

AFRC/FM—Air Force Reserve Command Financial Management

AFSC/FM—AFSC Financial Management Directorate

AFSC/FZB—AFSC Budget Division

AFSC/FZR—AFSC Working Capital Division

AFSC/FZRD—Cost Accounting Branch

AFSC/FZRD-OL—Cost Accounting Branch Operating Locations

ALC/FM—Air Logistics Complex Financial Management Directorate

ALC/OB—Air Logistics Complex Business Office

ALC/OBWB—Air Logistics Complex Business Office, Workload Office

DASD (MR)—Deputy Assistant Secretary of Defense for Material Readiness

OUSD (C)—Office of the Under Secretary of Defense, Comptroller

SAF/FM—Assistant Secretary of the Air Force for Financial Management and Comptroller

SAF/FMFC—Air Force Accounting and Finance Office-Accounting

SAF/FMBOR—Air Force Financial Management Budget Operations Directorate, Revolving

Terms

A-JON—A type of JON used to collect direct temporary duty costs.

Acceleration Rates—Rates established to recover costs of leave and fringe benefits that are factored in as a charge to a customer.

Account—A group of like transactions under a descriptive or common heading. A record that summarizes all information related to a single item in the accounting equation.

Accounts Payable—Amounts owed to other entities for goods and services received (i.e., actual or constructive receipt), progress in contract performance, and rents due to other entities.

Accounts Receivable—An amount due from a customer for goods delivered or services performed. Uncollected deliveries represent Accounts Receivable whether billed or not.

Accounting Classification Reference Number (ACRN)—A code assigned to each line of accounting classification data cited on a fund document. Used in subsequent transaction processing identifying the related accounting classification data without recapturing all data elements. (Examples are "AA," "AB," "AC," etc.)

Accumulated Depreciation—Dollar value of total depreciation expenses charged for an asset to date.

Acquisition Cost—The sum of the original purchase price of an asset less discount plus transportation, installation, and modification. This cost is reported on the DoD property records, DD Form 1342, *DoD Property Record*. DIFMS refers to this as total cost (Plant Property Data Element).

Action Code—A one-character code that represents an action taken on a record. The code values are:

A—Addition of a new record

C—Changes or adds new information on an existing record

D—Deletion of a record

I—Inquires and displays a record.

Actual Costs—Amounts determined based on costs incurred as distinguished from forecasted costs.

Administrative Surcharge Appropriation Code—A code used to equate to an appropriation number.

Air Logistics Complex (ALC)—An AFSC depot operational activity charged with organically accomplishing repair and modification tasks; contracting with industry for manufacture or repair, as directed by the Program Manager and/or Materiel Manager for assigned weapon systems, equipment or items of supply; and providing worldwide technical and logistics support for Air Force operational units, Other Services/Agencies, and foreign military customers.

Advance From Customer—A code used for manual billing. Indicator showing an advance amount was received from the customer.

Appropriation—A provision of law (not necessarily in an Appropriations Act) authorizing the expenditure of funds for a specified purpose. Usually, but not always, an appropriation provides budget authority, which is authority provided by law to incur financial obligations that will result in outlays. For purposes of the Antideficiency Act, the term "appropriations" may have a broader meaning. As defined by the Act, it means all new budget authority and balances of budget authority as described in OMB Circular No. A-11, OMB A-11, Section 20.4.

Appropriation Code—An alpha code correlating unfunded (billing) rates to designated appropriations for which the moneys are to be collected. The code values are:

A—NARF Appropriation Code

B—Administrative Surcharge Appropriation Code or Other Unfunded Labor Appropriation Code

C—Unfunded Depreciation Code or Investment Interest Appropriation Code

D—Military Retirement Accrual Appropriation Code

E—Unfunded Civilian Fringe Benefit Appropriation Code

G—Unfunded Overhead Officer Appropriation Code, Military Labor Officer Appropriation Code or Leave Holiday Accrual Officer Appropriation Code

H—Unfunded Overhead Enlisted Appropriation Code, Military Labor Enlisted Appropriation Code or Leave Holiday Accrual Enlisted Appropriation Code; Personnel Support Cost Accrual Appropriation Code; Federal Supply Material Surcharge Appropriation Code

I—Stock Fund Inflation Factor

J—Contract Administration Surcharge; Quality Assurance, Contract Administration and Contract Audit

K—Stock Issue Asset Surcharge.

Authorized Accrual—That portion of the authorized amount which may be accrued.

Authorized Shop—Shops authorized to charge to a given Job Order Number (JON). The user will either input a five to seven position numeric shop or an authorized shop range. The ranges are followed by three asterisks, for example 29/30 would be stored as 29***, 30***.

Batch Control Number—The identification number assigned to vouchers or bills grouped for control purposes by Register, Finance Center, Register-Month, Day and Part-of-Day-Code. The Register is a code assigned to designate a type of cash transaction (i.e., Register 05 designates commercial disbursements). The Finance Center Code is a designator for the finance officer making the disbursement. The Register-Month indicates the month that a transaction was processed. The Day indicates the day of that month. The Part-of-Day-Code is a suffix appended to the Day to designate control and detail records for a particular Register when the Register Preparing Activity has subdivided the day. The code values are:

Register Number—(PIC 99) +

Finance Center Code—(PIC X) +

Register-Month—(PIC 99) +

Day Paid—(PIC 99) +

Part Day Code—(PIC X)

Billing Override Code—A code used to override automatic billing of bill at customer order level. "Y" is entered if override action and CON not blank. "N" is entered if no override action. "A" is entered if all proposed bills under input CON are to be overridden. The code values are:

Y—Override a progress bill if at CON level; override an income bill if at the job level.

N—Produce a progress bill if at the CON level; produce an income bill if at the job level.

A—Override all income and progress bills under a CON. Valid only at the CON level.

Bill Of Material (BOM)—A descriptive and quantitative listing of components required tomanufacture, overhaul, or repair a designated end item, assembly, or subassembly. This input allows costing of all material to a specific JON and can be updated at any time up to completion of the last item on a temporary JON. JOPMS (G004L) contains the BOM for temporary JONs and DMMSS (G005M) contains the BOM for permanent JONs. Source document for material required for a project.

Bill Level—Designation established for utilization of specified billing rate used for billing various programs at specified levels (for example, Job Order, Customer Order/Subprogram, Program/Customer Order, Program). The first character is the fiscal year. Other values are: Position one through seven of the JON

JON one five—position one through five of the JON

JON one four seven—position one and four through seven of the JON

JON one four five—position one and four and five of the JON

Customer Order Number—position one through three of the JON

Program—position one of the JON.

Bill Type—A code used for manual billing. The code values are:

1—Income

2—Progress Pay Work in Process

3—Progress Pay Direct Material Inventory

4—Progress Pay Work in Progress Contractors Plant

5—Progress Pay Work in Progress Governments Plant

6—Advance

If Type Customer Code is for Private Party, then Bill Type must be income.

Budget Year—The FY that is the subject of a new BE. In budget context, it follows the current year.

Cannibalization—Removing an assembly, subassembly, component, or part from an end item by a maintenance activity for use on an end item undergoing depot repair. The end item that will be canned of component part(s) may be drawn from the warehouse, or from items currently in work in the shop. The appropriate supply chain manager/prime Materiel Manager, and/or Program Manager must authorize and pay for this action. Depot maintenance is not authorized to conduct cannibalizations without the proper authorizations and payments.

Category one (reimbursable)—Includes all transactions performed on a reimbursable basis upon the delivery, performance, or acceptance of an order. Included are All requests, requisitions, or orders for delivery from stock. All requests, requisitions, or orders filled, directly for the ordering agency by production in, or services rendered by, an activity of the procuring or performing department, whether the activity is financed by appropriations, WCF, or otherwise. Accomplish PO issued to a DoD agency only on a reimbursable basis. (Do not issue PO to any activity that is responsible for furnishing the required materiel or services without reimbursement.) All requests, requisitions, or orders for supplies, and equipment to be obtained under coordinated procurement by consolidated contracts or PO issued by the procuring or performing activity on government-owned establishments.

Category two (direct cite)—Includes all requests, requisitions or orders for supplies, equipment, or services for accomplishment by separate contracts on behalf of the ordering agency, or by combined contracts with separate delivery schedules by contract item for each ordering agency, and citation of their funds relating to each schedule.

C-JON—A type of temporary JON used in Facilities and Equipment Maintenance (FEM) System (D130) to indicate direct workload.

Commanding Officer's Order—An order for work that has been received without an official funding document. This work order is good for 30 days and cannot be billed to the customer. It must be replaced with an official Work Request or Project Order.

Commitment—An administrative reservation of funds based upon firm procurement directives, orders, requisitions, or requests that authorize the creation of an obligation without further recourse to the official responsible for certifying the availability of funds.

Consolidated Sustainment Activity Group (CSAG)—Is comprised of two divisions: Maintenance Division and Supply Division.

Consolidated Sustainment Activity Group—Maintenance Division (CSAG-M)—The CSAG-M provides repair and other services to customers throughout the DAF, as well as to other DoD components, US government agencies, and foreign governments. The CSAG-M repairs a wide range of customer assets, including aircraft, missiles, aircraft engines, and engine modules, landing gears, electronics, composites, and computer hardware and software. In addition, the CSAG-M centers are the primary suppliers of repair services to the Consolidated Sustainment Activity Group–Supply Division.

Consolidated Sustainment Activity Group—Supply Division (CSAG-S)—The CSAG-S provides policy, guidance, and resources to meet the needs of the DAF for spare parts, in war and peace. The CSAG-S manages weapons system spare parts, fuels, equipment, and items used for non-weapon system applications.

Contingent Liability—The term has two meanings. As a budgetary term, it represents variables that cannot be recorded as valid obligations. Such variables include (1) outstanding fixed price contracts containing escalation, price redetermination, or incentive clauses, or (2) contracts authorizing variations on quantities to be delivered, or (3) contracts where allowable interest may become payable by the Federal Government on contractor claims supported by written appeals pursuant to the "DISPUTES" clause contained in the contract. As a proprietary accounting term, it represents a contingency posing the possibility of a loss when one or more events occur or fail to occur. Examples of loss contingencies include the collectability of accounts receivable, pending or threatened litigation, and possible claims and assessments. DoD recognizes contingent liabilities when a future loss related to past events or exchange transactions is probable and the loss amount can be reasonable estimated.

Contractor Acquired Property—General Property, Plant & Equipment assets acquired by a contractor on behalf of a DoD Component for use in the performance of a contract.

Contractual Other Code—A code to identify the type of work. Codes 01 through 50 are assigned for contractual. Codes 51 through 99 are assigned for other. The code values are:

1—COMM; Cylinder Deposit

2—COMM; Cylinder Refund

3—COMM; Janitorial Service

4—COMM; Maintenance

5—COMM; Other Services

6—COMM; Publications

7—COMM; Comm Refund

8—COMM; Rental

9—COMM; Subscriptions

10—Defer Charge; Other Miscellaneous

11—Defer Charge; Subscriptions

12—Defer Charge; Tuitions

13—MIPR; Other DoD Services

14—NC 2275; DP; Key Punch

15—NC 2275; DP; Other Support

16—NC 2275; DP; System Development

17—NC 2275; DP; System Equipment OPR

18—NC 2275; DP; System Maintenance

19—NC 2275; Engr and Tech Services

20—NC 2275; Major Maintenance

21—NC 2275; Minor Maintenance

22—NC 2275; Other Miscellaneous

23—NC 2275; PWC; Bldgs and Grounds

24—NC 2275; PWC; Other Support

25—NC 2275; PWC; Transportation and Equipment

26—NC 2275; PWC; Utilities

27—NC 2275; STA SUPP; Administration

28—NC 2275; STA SUPP; Air Operations

29—NC 2275; STA SUPP; Civilian Pers

30—NC 2275; STA SUPP; Communications

31—NC 2275; STA SUPP; Disbursing

32—NC 2275; STA SUPP; Medical

33—NC 2275; STA SUPP; Other

34—NC 2275; STA SUPP; Payroll

35—NC 2275; STA SUPP; Safety

36—NC 2275; STA SUPP; Security

37—NC 2275; STA SUPP; Supply

38—Other Miscellaneous

39—Printing; Major Maintenance

40—Printing; Other

41—Safety Glasses

42—Training

43—Tuitions

44—Not Assigned

45—Not Assigned

46—Not Assigned

47—Not Assigned

48—Not Assigned

49—Not Assigned

50—Not Assigned

51—Accounts Payable; Write-Off

52—Accounts Receivable; Write-Off

53—Accounts Receivable; Anticipated Cost Reimbursement Adjustments

54—Depreciation Software

55—Not Assigned

56—Accrued Expense; COMM SVCS; Write-Off

57—Beneficial Suggestion

58—Defer Charge; Management System Development

59—Depreciation; Equipment

60—Depreciation; Minor Maintenance

61—Discount Earned

62—Excess Material; Loss

63—Federal Excise Tax

64—Not Assigned

65—Freight

66—Government Bill of Lading

67—Jury Fees

68—Manufacturing In-House Variance

69—Material; IN; Transit Write-Off

70—Miscellaneous; Other

71—Miscellaneous; Payroll Deduction

72—NC 2275; DP; Write-Off

73—NC 2275; Major Maintenance Write-Off

74—NC 2275; Minor Maintenance Write Off

75—NC 2275; Other Miscellaneous Write-Off

76—NC 2275; PWC Write-Off

77—NC 2275; Station Support Write-Off

78—Physical Inventory Adjustments

79—Physical Material Transfer Adjustments

80—Purchase Price Variance

81—Retail Loss Allowance

82—Sale Scrap

83—Set Up Charge

84—Standard Price Adjustment

85—Toolbox Refund

86—Trade Discount

87—Transportation Request and Travel

88—Transportation Request and Travel Write-Off

89—Not Assigned

90—Not Assigned

91—Unallocated Cost Write-Off

92—Undelivered Checks

93—Withholding Fees-Payroll

94—DLR Exchange Loss

95 to 99—Not Assigned.

Contributed Fixed Assets—Assets purchased with other than DWCF funds or donated to the activity.

Control Number—A five-position alphanumeric code assigned to a specific item of workload within the depot maintenance production process.

Cost Center—An element of a cost accumulation structure representing the lowest level organization or activity used to identify obligations or expend resources to logically group costs of goods and services for management to assess efficiency, usage, examine trends, and make decisions. Cost centers enable organizations to apply process costing, one of two primary approaches to cost accumulation, the other approach being has job order costing. SFFAS 4 requires organizations to accumulate costs for the identified types of outputs produced for various programs or projects. Within AFSC, the cost center consists of a natural grouping of machines, methods, processes, and operations, has assigned personnel with similar professional and/or technical capabilities, is identified with single management responsibility, and is made up of elements which have common cost characteristics. Production cost centers engage directly in performing the productive mission of the activity or in rendering direct support services to production units. General cost centers principally perform overall support services for the activity. Service cost centers provide services to other shops or cost centers, such as printing.

Cost Class IV (CCIV)—Direct labor expended in direct support of depot maintenance that is the sole beneficiary of the work done.

Cost Code—The source of any information needed for the preparation of reports that require detail beneath the level identified in the remainder of the accounting classification code or for which abbreviated coding is desired. In DIFMS, a 12-position element that is uniquely assigned to each line item from GAFS/BL. In GAFS/BL only eight positions are used. The last four are zero filled through the IE. The Cost code is used to link commitments, obligations, and expenses in all systems.

Positions 1-2 are set to "SU" for unaccrued contracts, "SA" for contracts accrued by amount, "ST" for contracts accrued by time, or "MU" for Material obligations

Position 3 is the FY

Position 4 identifies the PD

Positions 5-8 are set to a unique serial number.

Positions 9-12 are set to "0000" (e.g., SU1A12340000)

For CIP related items, the structure is "C" + CSN (6 pos) + identifier + "0000," (e.g., CG12312A0000).

Cost Reimbursable Units—Work is performed and the customer billed based on the number of units to be completed, the number of hours required to do the work and established hourly rates.

Current Year—The FY that already has an approved budget. In budget context, it precedes the budget year.

Custody Shop—The designated shop where an asset is located or accountability is maintained.

Customer—When used in connection with reimbursable programs, refers to: (1) another appropriation or fund within the same agency; (2) other Government departments and agencies; non-Federal activities, including foreign governments; (3) individuals or corporations that (by law or regulation) may be furnished material or services before reimbursement to AF appropriations; and (4) when specifically authorized, another activity funded under the same appropriation as the supplying activity in the case of intraappropriation reimbursements..

Customer Code—Identifies the DoD program and department or agency billed for maintenance cost, for example, type of customer such as Navy, Army, Air Force, or other parties.

1st Position—Identifier

1—Strategic Forces

2—General Purpose Force

3—Intelligence & Communications

4—Airlift/Sealift

5—Guard & Reserve Forces

6—Research & Development

7—Central Supply & Maintenance

8—Training, Medical & Other General

9—Administrative and Associated Activity

0—Support of Other Nations

2nd Position—Identifier

N—Navy

M—Marine Corp

A—Army

F—Air Force

T—Defense Security Assistance

D—DoD

Y—Other Federal Agencies

Z—Non-Federal

P—One Navy Activity Performing Work for Another

Customer Order Number (CON)—Unique number assigned to a customer. The CON links the Job Order Number to the funding document. The CON is used as a key to reverse a bill in billing.

Defense Finance and Accounting Service (DFAS)—A DoD agency that controls all finance and accounting services for the Department.

Depot Maintenance—Any action performed on material or software in the conduct of inspection, repair, overhaul, or the modification or rebuild of end items, assemblies, subassemblies, and parts that requires extensive industrial facilities, specialized tools and equipment, or uniquely experienced and trained personnel that are not available in lower echelon-level maintenance activities, and is a function and, as such, is independent of any location or funding source and may be performed in the public or private sectors (including the performance of interim contract support or contract logistic support arrangements. Depot level maintenance and repair also includes the fabrication of parts, testing, and reclamation, as necessary; the repair, adaptive modifications or upgrades, changes events made to operational software, integration and testing; and in the case of either hardware or software modifications or upgrades, the labor associated with the application of the modification.

Depot On Site Contract Augmentee Team (DOCAT)—Augment depot workforce at an organic depot by performing depot-level maintenance and modification on a short-term basis. Depot maintenance workload may be accomplished by a combination of organic and contract personnel. DOCATs are funded with organic depot maintenance funds to help mitigate risk associated with fluctuations in customer requirements and new workloads. Any DOCAT requirement must be approved by AFSC/LZ.

Depreciation—The systematic and rational allocation of the acquisition cost of an asset, less its estimated salvage or residual value, over its estimated useful life.

Direct Cite—A financing action by a DoD organization (customer) to procure products and services from another entity. When direct cite is used, the procuring entity sends the procurement source documents to the customer for the customer to perform all accounting functions. In the case of the FMS program, it specifically refers to documents that result in a disbursement to other than a DoD organization (a contractor, other Federal Agency, or employee).

Direct Cost—Any cost which is identified specifically with a particular final cost objective. Direct costs are not limited to labor and material which are incorporated in the end product.

Direct Labor—Labor that (1) increases the value or utility of a product by altering the composition, condition, conformation, or construction of the product, or that provides a service directly to the customer rather than in support of other direct labor within maintenance; (2) can be accurately, consistently, and economically identified to a product, group of products, or customer; (3) is supported by official work requests and authorized by prescribed Work Authorization Documents indicating the specific nature of work to be done.

Direct Material—Material specifically required for the performance of depot maintenance as specified by a Work Authorization Document. Direct material will either become part of the end item or other item which is undergoing maintenance or consumed in the maintenance process.

Direct Product Standard Hours—The time during which a specified amount of work of acceptable quality is or can be produced by qualified workers, following the prescribed method, working at a normal pace and experiencing normal fatigue and delays.

Disbursement—Amounts paid by Federal Agencies, by cash or cash equivalent, during the fiscal year to liquidate government obligations. "Disbursement" is often used interchangeably with the term "outlay." In budgetary usage, gross disbursements represent the amount of checks issued and cash or other payments made, less refunds received. Net disbursements represent gross disbursements less income collected and credited to the appropriation or fund account, such as amounts received for goods and services provided. For purposes of matching a disbursement to its proper obligation, the term disbursement refers to the amount charged to a separate line of accounting.

Document-Job-Shop—Sometimes called "Doc-Job-Shop" in DIFMS. Document-Job-Shop records are used to track commitments and obligations of services (i.e., contracts) as well as associated accruals and payments.

Document Number—A unique number used to identify a document, such as a contract or requisition. The document number on a "Doc-Job-Shop" record is the Commitment Document (or Purchase Request) number from GAFS-BL (BQ).

Due-In From Maintenance—A WARRS (D035K) computer detail record of an exchange item issued to a maintenance customer on a replacement basis from the SSC/EPSC to the production line, for which the requesting organization has not turned in a like item, or issued from DLA as a direct line issue (not from the SSC/EPSCs). The customer must turn in a like item using the same document number as the issue request to clear the DIFM detail.

Due-In From Maintenance Due Out—An item requested on a replacement basis by a maintenance customer and the WARRS (D035K) has backordered the item. The requesting organization/customer has not turned in a like item using the same document number as the issue request.

Due-In From Overhaul (DIOH)—A WARRS (D035K) term for production end items due in from depot level maintenance (DLM). A turn-in to depot supply is required to cancel the D035K system DIOH quantity.

Due-Out To Maintenance (DOTM)—A WARRS (D035K) computer record of the turn-in of an investment item by a customer/production line and WARRS has backordered the requisition due to the unavailability of the part. The customer/production line has turned in a like item using the same document number as the issue request transaction but has not received a like replacement part.

Due-Out To Maintenance Due-In—A requesting organization or maintenance customer has not turned in a like item using the same document number as the issue transaction; commonly referred to as a DIFM.

Economy Act Orders (31 USC—§ 1535)—DoD activities may place requests (orders) for materials, work, or services with another DoD component or another federal government agency under the *Economy Act*. 31 USC § 1535 requires that obligations recorded against such orders on the books of the ordering agency be reduced at the end of the period for which the appropriation is authorized for obligation, to the extent that the agency ordered upon has not incurred obligations under that order. This statutory restriction applies only to Economy Act orders. When MIPRs are issued under the *Economy Act*, the deobligation requirement applies.

Employee Number—Unique identifier assigned to each individual employee.

Employee Type Code—A designator indicating an employee's basis for pay, for example, per annum, per diem, military, unfunded, etc. The code values are:

0—Officer (Funded Military)

1—Per Annum

2—Officer (Unfunded Military)

3—Per Diem

4—Part-Time Per Diem

5—Enlisted (Unfunded Military)

6—Part-Time Per Annum

7—Free Labor

8—Free Labor

9—Enlisted (Funded Military).

Error Serial Number—A unique nine-digit number assigned to error transactions.

Expense—The outflow or other depletion of assets or incurrence of liabilities (or a combination of both) during some period as a result of providing goods, rendering services, or carrying out other activities related to an entity's programs and missions, the benefits from which do not extend beyond the present operating period. In financial accounting and reporting, the costs that apply to an entity's operations for the current accounting period are recognized as expenses of that period.

Expense Material—Material financed and managed by CSAG-S which is recorded as an expense to organic depot maintenance upon issue for use. ERRC code N and P material. GSD is considered expense material.

Facility Modernization—May include either repair or construction work. Includes the alteration of facilities or components solely to implement new or higher standards (including regulatory changes) or to accommodate new functions. Includes work associated with functional conversion and work classified as construction.

Facility Restoration—Includes repair and replacement work to restore facilities collaterally damaged due to inadequately sustained components, premature aging, natural disaster, fire, accident or other causes. This is considered non-life cycle repair of real property.

Facility Sustainment—Includes resources for cyclical maintenance and scheduled repair activities to maintain the inventory of real property assets through its expected life. It includes regularly scheduled adjustments and inspections, preventative maintenance tasks, and emergency response and service calls for minor repairs. It also includes major repairs or replacement of facility components (usually accomplished by contract) that are expected to occur periodically throughout the facility life cycle. This work includes regular roof replacement, refinishing of wall surfaces, repairing and replacement of heating and cooling systems, replacing tile carpeting, and similar type work. Sustainment does not include restoration, modernization, environmental compliance, historical preservation, or costs related to unexpected events, which are funded elsewhere.

Fixed Asset JON—A Fixed Asset or F-JON has the first position set to "F" and is used only to procure capitalized assets. Position 1-F, Positions 2-5-the category of purchase, Position 6-the type of purchase, Positions 7-12-the Capital Budget Line-Item Number.

Fixed Price Units—Work is performed and the customer billed based on a set price for completed unit to be produced or worked. Fixed price units include a Unit, a Component, a Navy Component or a Non-Component.

Foreign Military Sales (FMS)—A program to provide military support (including organic depot maintenance) to foreign governments.

Funds Classification Reference Number (FCRN)—A four-position alphanumeric code that relates to a specific accounting classification code for the activity to be billed by organic depot maintenance for a product or service provided.

Fund Code—Code assigned to communicate accounting information for billing purposes. The code values are:

K9—Reimbursable

Y6—Non-Reimbursable

Blank—Manufacturing.

Fund Source—This code is used to determine if fund source is for "Operations and Maintenance, Navy/Operations and Maintenance, Navy Reserve" or "Other" appropriations. The code values are:

A—Operations and Maintenance-Navy/Operations and Maintenance-Navy Reserve

B—Other.

Funded Costs—Costs that have been incurred and paid for by CSAG-M funds.

Funds Authorized (FNDD-AUTH)—The amount of funds authorized on the sponsor's funding document. The initial amount can be increased or decreased by subsequent amendments.

Funds Available (FNDD AVAIL)—The balance of funds remaining after billing actions.

General and Administrative (G&A) Material—Material used for the operation of maintenance but does not become part of the product (such as office equipment and office supplies). Accounting, inventory, and miscellaneous material adjustments are considered part of G&A material.

G-Invoicing—A front-end application for users to originate intragovernmental buy/sell transactions. Facilitates the exchange of information between trading partners for reimbursable activity only.

Government Furnished Equipment—Property provided to a contractor by DoD. It is used in producing an end product. It is not consumed but is returned in the same form at the end of the contract.

Government Furnished Material—Property provided to a contractor by DoD. It may be incorporated into an end item (a change in form) or may be consumed in the performance of a contract.

Imputed Cost—Imputed cost is a reporting entity's share of an expense not incurred directly but borne by another reporting entity and not reimbursed.

Incremental Direct Cost—The cost of resources directly consumed to perform an individual activity that would not have been consumed if the individual activity were not performed. A cost that is specifically identified with a single cost object.

Indirect Cost—Any cost not directly identified with a single final cost objective but identified with two or more final cost objectives or at least one intermediate cost objective.

Indirect JON—An Indirect JON is a new type of JON found only in DIFMS. It has nothing to do with the customer funding stream or direct JONs. An Indirect JON is a 12-position JON. Pre-DMAPS users posted AF expenses to a series of USSGL Accounts for Production Overhead, G&A, and Leave. The internal process to DIFMS of Indirect JONs replaces this AF process. All indirect costs will now be recorded in Indirect JONs. The first position is "X" for Production Overhead, "Y" for G&A and "Z" for Leave. For Labor Indirect JONs, positions 1-7 are AFSC controlled, and positions 8-12 are ALC controlled. For Material and Other Indirect JONs, positions 1-9 are AFSC controlled, and positions 10-12 are ALC controlled.

Indirect Labor—All labor at the RCC level that does not meet the criteria for direct labor, the cost of which is apportioned over all products in the RCC rather than charged to one or more specific products.

Indirect Material—Material which is required in the overall maintenance function but is not specified by a Work Authorization Document for a particular job order.

In-transit Transactions—Disbursements or collections that have been reported by a disbursing office, through a paying center, to the Department of the Treasury and charged against the Department's fund balances but have not yet been received by the accounting system.

Item Identification Number—The code used to identify the specific item on which depot maintenance was performed.

Job Designator (JD)—A single position-alpha code assigned to a specific item of workload to signify the type and extent of depot maintenance authorized. Also known as the Work Performance Category.

Job Order Number (JON)—A number used to capture and identify costs with the work or services described on the Job Order. A nine-position alphanumeric code used to collect depot maintenance costs, progress billings, and sales. It includes the production number, the job designator and a three-position suffix. See AFSCMAN 21-102 for additional information.

Job Order Quantity (JOQ)—A five-digit field denoting the total quantity of end items for a temporary JON.

JON Classification Code (JCC)—This is a single alpha code (A or B) input to the G004L system. Code A indicates production numbers for which material will be used and charged at JON level. Code B indicates material that will be charged and allocated at production number level. All serialized items are coded A. All support JONs (P-prefix, I-job designator) are machine assigned code B. Temporary JONs don't have a JCC.

Journal Voucher Number—The number identifying the Journal Voucher from which details are posted to the general ledger. The first two positions identify the Journal Voucher Type source (see Journal Voucher Type for these codes); third and fourth positions identify the month the voucher was established to the General Ledger Summary Record; fifth and sixth positions are serially assigned to make the number unique.

Journal Voucher Types—Identifies the type of transaction associated with a journal voucher. For example, "MA" indicates that the journal voucher was prepared as a result of a material transaction and "LD" indicates a labor transaction.

K-JON—A type of direct JON used to capture Contractual Precision Measurement Equipment Laboratory (PMEL) workload.

Letter of Intent—Authorizes incurrence of limited costs in advance of the receipt of a regular order for an authorized program for which customer funds are available, such work or services may be undertaken on the basis of a Letter of Intent which constitutes an obligation of the ordering activity in a stated amount sufficient to cover the advance costs that may be incurred.

Management of Items Subject to Repair (MISTR)—Program and control for repair of reparable/recoverable exchange-type items required in the Air Force program.

Manufacturing Type Code—A code indicating the type of manufacturing work. The code values are:

1—In-House

2—Manufacturing for Supply

3—Manufacturing for Other Customers

4—Manufacturing for Fixed Assets

5—RPMA

6—Indirect Major Range Test And Facility Base

7—Multifunded Cons

8—Direct Cite Con

9—Multifunded Cons (Bene)

Military Interdepartmental Purchase Request (MIPR)—The primary document used by the Department of Defense to order goods or services from other DoD Services or Components, as well as other Government activities outside the DoD. The goods or services may be provided from in-house resources or may be procured from commercial sources. For example, it is the purchase request used for maintenance to be accomplished by another DoD agency.

Minor Construction—Minor construction projects are authorized by 10 USC § 2805. Minor construction projects are MILCON projects for a single undertaking that have an approved cost equal to or less than $6,000,000. See 10 USC § 2805 for and 10 USC § 2208 for current working capital fund limitations. This limit is statutory and cannot be exceeded.

Mission Design Series (MDS)—A standard seven-position nomenclature assigned to identify specific aircraft/missiles and end items by mission type, model number, and different versions within the model number.

Modification—Alteration, conversion or modernization of a major end item of equipment, system or real property which changes or improves the basic character, purpose, or operational capability. Modification alters the form, fit, and function, but may not extend the useful life.

Modification Job Order Number—The Job Order Number to which the modification cost of an asset is charged.

Object Class—A category in the line of accounting to specify how the funds are being expended in order to report to the Office of Management and Budget (OMB) and to Congress. It is inputted according to customer defined purpose.

Obligation—Amount representing orders placed, contracts awarded, services received, and similar transactions during an accounting period that will require payment during the same, or a future, period. Includes payments for which obligations previously have not been recorded and adjustments for differences between obligations previously recorded and actual payments to liquidate those obligations. The amount of obligations incurred is segregated into undelivered orders and accrued expenditures - paid or unpaid. For purposes of matching a disbursement to its proper obligation, the term obligation refers to each separate obligation amount identified by a separate line of accounting.

Operating Budget—An organizationally oriented budget that relates expenses to planned workload performance and is designed for internal Center/Complex management of organic depot maintenance. The operating budget includes all expenses and is developed for the Planned Labor Application. The operating budget is a process of the H033 System.

Order Type Code—Code definitions:

1—Fixed Price Units

2—Fixed Price Services

3—Cost Reimbursable Units

4—Cost Reimbursable Services

5—In-House Manufacturing

6—Commanding Officer's Orders

7—Fixed Price Non-Navy Components

8—Fixed Price Navy Components

9—Fixed Price Non-Components

A—Fixed Assets

B—Cost Reimbursable Government At Actual

C—Cost Reimbursable Shop/Cost Center Stabilized Rates

D—Fixed Price Pre-Stabilized

E—Commanding Officer's Orders Associated with Order Type Code C & D

F—Flight-Hour Accounting.

Organic Depot Manufacturing—Term that denotes an in-house government production maintenance facility as the source of supply and where manufacture is accomplished in the maintenance repair shop. Also known as local manufacture.

Organic Maintenance—Depot maintenance performed by AFMC under military control using government-controlled facilities, tools, test equipment, spares, repair parts, and military or government civilian personnel.

Other Direct Costs—An eight-digit numeric (2 decimals) entry on the Temporary Labor and Material Plan. 1L contains the total other direct costs and applies to A, M, or T jobs. It may be travel costs, material cost from a base (field team site) supporting A- prefix JONs, contract costs, or any combination.

Other Expenses—Any expense to organic depot maintenance that is not for labor or material.

Output Per Man Day (OPMD)—A productivity indicator showing what portion of an 8-hour day was used in producing a revenue-earning product. OPMD equals the DPSH produced, multiplied by 8, and divided by total paid hours times (civilian and military).

Planned Labor Application—A definitive workload plan representing results of the Requirements Review/Depot Determination process. It is developed in quarterly and annual increments and reflects workloads for each RCC.

Planned Material—Indicates that material is planned by NSN, units per assembly (UPA), and replacement percent on a maintenance BOM.

Planned Workload—Indicates that appropriate standards (labor and material, as required) are established for a workload.

Product Directorate (PD)—A depot maintenance organization which accomplishes organic repair in support of end items and components.

Production Number (PDN)—A six-position code comprised of a five-position control number and a one-position Job Designator code.

Production Overhead (POH)—A term used to describe costs within a product group that are not direct costs.

Production Support Team—The production support team also consists of DLA (DLA/PST) and they are the standard materiel support function for depot maintenance in AFMC. The DLA/PST is an aggregate of functional components involved in providing materiel to the Squadron Commander/Director, acting as a trouble shooter for solving parts problems, or if possible, preventing them. It also serves as a mini-supply storage area located in or near the Squadron Commander/Director's work area. Frequently used materiel is physically located as close to the Squadron Commander/Director as practical. This material is owned and managed by a depot supply account. Unserviceable end items Consolidated Repair Inventory (CRI) is also prepositioned to expedite repair. This materiel will be stored in the DLA/PST based on need and available storage space. Existing Depot Maintenance Support Centers (DMSCs) are being converted to DLA/PSTs under the Depot Repair Enhancement Program (DREP). New DLA/PSTs based on the requirements of the Squadron Commander/Director, will be established after negotiations with the Squadron Commander / Director. During negotiations, the Squadron Commander/Director and DLA/PST Chief will decide NSNs to be stored, levels required, and the size of the CRI. All actions are performed to provide comprehensive and effective support in the form of materiel planning, production scheduling, workloading, retail item management, item research, order placement, materiel storage, inventory, and distribution, local procurement, process analysis, and other key materiel related processes.

Program and Budget Review (PBR)—The annual budget process. See DoD 7000.14-R, Financial Management Regulation, Volume 2A, Chapter 1.

Program Control Number (PCN)—A six-digit alphanumeric code used by the CSAG-M/S customer to identify a specific customer requirement to be negotiated for workloads within CSAG-M/S**.** The first character identifies the customer of the CSAG-M; the second provides the Repair Group Category; and the third represents the manager for customer requirements. The last three characters are system generated and assigned by the application for local identification and control of a specific order. The last four characters of the Program Control Number are referred to as the Pseudo Code.

Program Element—A unit identifier code for the reporting facility.

Programmed Depot Maintenance (PDM)—Depot modification and maintenance of all scheduled depot requirements accomplished normally on a calendar time cycle.

Progress Billing—See Progress Payments.

Project Order (PO)—A specific and definitive order for either the manufacture of materials, supplies and equipment, or the performance of other work or services laced with and accepted by a government-owned and operated establishment that meets the criteria in *DoD 7000.14-R*, Volume 11A, Chapter 2. When placed with and accepted by a Government-owned and operated establishment, a PO obligates appropriations the same as an order or contract placed with a commercial enterprise.

Property Accounting Activity (PAA)—The Unit Identification Code of the activity for which the plant property is purchased is shown as the PAA. The first and second digit can reflect the transaction type code.

Pseudo Control Number—A four-position alpha code used to distinguish workloads. This code is the last four characters of a six-position Program Control Number.

Purchase Order Number—The number assigned by an Authorized Purchasing Activity for control purposes to identify a specific commercial purchase request. The PON on a Document-Job-Shop (Doc-Job-Shop) record is the Obligation Document (or contract) number from GAFS/BL.

Real Property—Fixed assets that are comprised of land and the rights to land; buildings to include capitalized additions, alterations, improvements, and rehabilitations; and other structures and facilities. Real property does not include personal property (weapons systems and other military equipment).

Reimbursable Order—An order for services, supplies, material, or equipment placed by a requiring (or ordering) DoD Component (or Federal Agency) and furnished by another DoD Component (or Federal Agency) without separate identification of the items, or separate citation of the funds of the requiring DoD Component; and with subsequent delivery to and reimbursement by the requiring DoD Component. The requiring DoD Component records the reimbursable order as an obligation when the servicing (or performing) DoD Component accepts the reimbursable order in writing.

Reimbursements—Amounts earned and collected for property sold or services furnished either to the public or to another Federal accounting entity. To be an appropriation reimbursement, the collection must be authorized by law for credit to the specific appropriation or fund account.

Repair Group Category (RGC)—This is a one-digit alpha or numeric code that identifies specific commodity or effort groupings of customer requirements workload by CSAG-M/S. These are assigned to control and budget workloads. See AFMCMAN 20-102 for RGCs and descriptions.

Requisition Number—Portions of the document number, consisting of Julian Date and serial number, originated by the requester and utilized on a requisition document to obtain material.

Resource Control Center (RCC)—Smallest organized unit within a depot maintenance activity for which costs are collected. RCCs are production-oriented units of direct laborers and associated onsite supervisory, administrative, and clerical support.

Restriction Code—A code used to identify restrictions in the types of material, labor, and contractual services that may be charged to a given JON.

Position one—Labor

1—ALL

2—CIVILIAN

3—MILITARY

4—UNFUNDED

8—ADJUSTMENTS

9—NONE

Position two—Material

1—NIF-GFM-CFM

2—NIF ONLY

3—NIF AND GFM

4—NIF AND CFM

5—A5 RECEIPT

6—CFM ONLY

7—GFM ONLY

Position three—Contractual/Other

1—ALL

2—CONTRACTUAL (FUNDED)

3—OTHER (FUNDED)

4—OTHER FUNDED & UNFUNDED

8—ADJUSTMENTS

9—NONE

Revenue—Recognition of revenue for organic deport maintenance occurs as costs are incurred up to the extended End Item Sales Prices and/or upon completion of the workload are billed.

S-JON—A type of JON used for Cost Class IV workload (duty code "14" or ".14" time) when is work performed by one organization (e.g., shop, cost center, or RCC) for another.

Rob-Back—A cannibalization action that is defined by Financial Management Instruction as a production-authorized removal of an assembly, subassembly, or component part from an inducted aircraft or end item, within the maintenance repair process, to repair a like inducted aircraft or end item, for the purpose of meeting specific schedules. Rob-backs are internal to maintenance and do not generate revenue to offset the cost of performing the action. Rob-backs will be initiated by the scheduler after all other sources of supply have been exhausted.

Sales Price—End item price for one unit of production.

Sequence Number—A unique value assigned by ALC personnel to represent its corresponding address.

Shop—A code denoting the Production Shop, Maintenance Shop, or Service Shop performing the workload.

Shop Code—A unique access key for employee labor cost history data resident in the DIFMS database.

Shop Indicator—Indicates which shops can charge cost. The code values are:

1—All Authorized Shops

2—Selected Authorized Shops.

Shop Service Center/Exchangeable Products Support Center (SSC/EPSC)—Standard material support function for Depot Repair Enhancement Program shops in AFMC.

Sponsor Order Number (SPON)—The number on the forms used to request work or services from an activity financed under the industrial fund. Forms for this purpose are:

Military Interdepartmental Purchase Request—DD Form 448

Requisition and Invoice/Shipping Document—DD Form 1149

Other equivalent forms or letters.

Source of Repair (SOR)—An industrial complex (organic or commercial) with required technical capabilities to accomplish repair, overhaul, modification, or restoration of specific types of military hardware or software.

Source of Supply (SOS)—Any Federal Government organization exercising control of materiel and to which requisitions are directed.

Sponsor Transaction Type Code—A code used to identify purchases for stores accounts, direct charges to plant property account, prepayments to the Navy Industrial Fund, and other charges. It is part of the accounting classification code.

Status Code—A code indicating the status on an entity within DIFMS. The entity is identified by the record containing this data element. The code values are:

1—Open

2—Re-open

3—Closed

4—Funds Unbalanced On Re-Open Attempt

5—Funds Unbalanced

6—Canceled

7—NADEP Terminated

8—Pending

9—Customer Terminated

L—Lapsed

V—Take Variance Loss (Closed)

Sub-Custody Shop—Indicates the shop where the equipment is located other than the primary custody shop.

T-JON—A type of JON used for temporary or nonrecurring workloads.

Targets—Expected amounts of revenues and expenses to occur on a monthly basis. The sum of all targets equals the total operating budget. Sometimes referred to as operating plan.

Tick and Tie—To make sure that every item in a ledger is accounted for and properly connected to other items to which they are related.

Time Compliance Technical Order (TCTO)—An authorized directive issued to provide instructions to Air Force activities for accomplishing one-time changes, modifications, inspection of equipment, or installation of new equipment within a given timeframe.

Transaction Code—A code used to define a type of transaction. See Transaction Type Code.

Transaction Type Code—The first two positions of the Property Accounting Activity field used to identify cash postings. The code values are:

1K—Expenditure for Travel Advances for NAVAVNDEPOTs chargeable to NIF. Also includes Travel Advance offset for NAVAVNDEPOTs to NIF

7A—Payment for a Transportation Request

7B—Travel Settlement for Per Diem

7C—Refund for a Transportation Request.

8A—Commercial Material purchases for NAVAVNDEPOTs chargeable to Navy Industrial Fund (NIF)

8B—Expenditures for Progress Payments-Contractor's Plants

8C—Major maintenance expenditures for NAVAVNDEPOTs chargeable to NIF

8D—Prepaid expenses (deferred charges) for NAVAVNDEPOTs chargeable to NIF

8E—Accrued contractual services expenditures for NAVAVNDEPOTs chargeable to NIF

8F—Unaccrued contractual services expenditures for NAVAVNDEPOTs chargeable to NIF

8G—Unaccrued miscellaneous business operations cost expenditures for NAVAVNDEPOTs chargeable to NIF

8H—Federal Insurance Contributions Act taxes for NAVAVNDEPOTs chargeable to NIF

8J—Federal Employees Group Life Insurance contributions for NAVAVNDEPOTs chargeable to NIF

8K—Retirement Plan contributions for NAVAVNDEPOTs chargeable to NIF

8L—Federal Employees Health Benefits Fund contributions for NAVAVNDEPOTs chargeable to NIF

8M—Medicaid contributions for NAVAVNDEPOTs chargeable to NIF

8N—Expenditure for Annuitant Reemployment by NAVAVNDEPOTs chargeable to NIF

8P—Reimbursable to NIF for cash advances from the public for work to be performed by NAVAVNDEPOTs

8Q—Reimbursement to NIF made onsite for accounts receivable liquidations for NAVAVNDEPOTs

8R—Reimbursement to NIF made onsite for liquidation of progress payments

8S—Non-Contingent Cash Transactions

8T—Reimbursement to NIF made offsite for account receivable liquidations for NAVAVNDEPOTs

8U—Reimbursement to NIF for repayment of annual or sick leave

8V—Collection to NIF made offsite for liquidations of pending progress payments

8W—Expenditures for Progress Payments-Other Government Plants

8X—Reimbursement to NIF for sale of scrap material for NAVAVNDEPOTs

8Y—Reimbursement to NIF for cancellation of check issued for NAVAVNDEPOTs

8Z—Expenditure for Payroll by NAVAVNDEPOTs chargeable to NIF

9A—GBL expenditure to Navy Fund Management Fund for a Government Bill of Lading

9B—Thrift Savings Plan Contributions for NAVAVNDEPOTS Chargeable to NIF

9C—Payroll Refunds

9D—Federal Employees Retirement System

TO—Per Diem, transportation, and miscellaneous travel expenses (other than travel advances) for NAVAVNDEPOTs.

Type Charge Code—Designator indicating whether a charge is for labor, material or business operations cost and sub-categories within each of these categories. The code values are:

A—Civilian Regular Labor Hours/Costs

B—Civilian Overtime Labor Hours/Costs

C—Civilian Holiday Labor Hours/Costs

D—Officer Regular Labor Hours/Costs

E—Officer Overtime Labor Hours/Costs

F—Other Regular Labor Hours/Costs

G—Other Overtime Labor Hours/Costs

H—Civilian Holiday Retro Labor Hours/Costs Funded

I—Officer Overtime Labor Hours/Cost Funded

J—Enlisted Regular Labor Hours/Costs

K—Enlisted Overtime Labor Hours/Costs

L—Civilian Regular Retro Labor Hours

M—Business Operations Unfunded

N—Material Cost Funded

O—Civilian Overtime Retro Labor hours/Costs Funded

P—Contractual Cost

Q—Business Operations Funded

R—Government Furnished Material Cost Investment

S—Government Furnished Material Cost Exchange

T—Government Furnished Material Cost Modification

U—Enlisted Overtime Labor Hours/Costs Funded

V—Unfunded Civilian Fringe

W—Production Expense Applied Funded

X—Production Expense Applied Unfunded Civilian

Y—Production Expense Applied Unfunded Officer

Z—Production Expense Applied Unfunded Enlisted

0—Officer Regular Labor Hours/Costs Funded

1—General Expense Applied Funded

2—General Expense Applied Unfunded Civilian

3—General Expense Applied Unfunded Officer

4—General Expense Applied Unfunded Enlisted

5—Customer Furnished Material Cost Modification

6—Customer Furnished Material Cost Exchange

7—Customer Furnished Material Cost Expense

8—Customer Furnished Material Cost Investment Items

9—Enlisted Regular Labor Hours/Costs Funded.

Type Customer Code—A code classifying customer into types for billing purposes. The code values are:

1—FMS

2—Private Parties

3—Non-DoD

4—DoD.

Type, Model, Series (TMS)—A combination of alpha characters and numbers used to identify a specific engine by type, model, and series. The first alpha designator identifies the type of engine as turbojet, turbofan, turboprop, etc. The first numeric designator identifies the engine model. The second alpha designator indicates the engine manufacturer and the second numeric designator identifies the series. The series is used to identify a particular configuration of a given engine model (ex: J57-P-29).

Undistributed Transactions—Undistributed disbursements or collections represent transactions that have occurred and been reported to the Department of the Treasury but have not yet been recorded in the general ledger of the accounting system.

Unfunded Amounts Billed—Additional surcharges billed to FMS, Private Party, and Non-DoD customers.

Unfunded Costs—Costs that have been incurred and paid for by appropriations other than WCF.

Unfunded Material—Material costs not budgeted nor paid for CSAG-M.

Unit Identification Code—Used to identify a ship, shore activity, operational unit, agency, contractor or other organized entity in the manner specified by individual military service/agency for accounting or other purposes.

Unmatched Transaction—A disbursement and/or collection transaction that has been received and accepted by an accounting office but has not been matched to the correct detail obligation. This includes transactions that have been rejected back to the paying office or central disbursement clearing organization by an accounting office. There are two types: Unposted Unmatched: Transaction (disbursement or collection) that has been reported to the Treasury Central Accounting Reporting System (CARS) and has been received and processed by an accounting system, but was unable to post to Fund Balance with Treasury (FBWT) 101000 and point account in the accounting system general ledger because it failed to match a detailed document obligation or work order; and Posted Unmatched: Transaction (disbursement or collection) that has been reported to the Treasury CARS, has been received and processed by an accounting system, and posted to FBWT 101000 and point account in the accounting system general ledger, but failed to match a detailed document obligation or work order.

User ID—User Identification

Voucher Number—Number assigned by the disbursing office to identify a specific disbursing office voucher.

W-JON—Un-Costed JON

Weapon System Support Center/Exchangeable Products Support Center (WSSC/EPSC)—The WSSC/EPSC is the standard materiel support function for AREP shops in AFMC. The

WSSC/EPSC is an aggregate of functional components involved in providing materiel to the Fixer, acting as a trouble shooter for solving parts problems, or if possible, preventing them. It also serves as a mini—supply storage area located in or near the Fixer's work area. All actions are performed to provide comprehensive and effective support in the form of materiel planning, production scheduling, workload management, retail item management, item research, order placement, materiel storage, inventory, and distribution, local procurement, process analysis, and other key materiel related processes.

Weapon System Sustainment (WSS)—A subset of Readiness and Operation & Support funding that includes Contractor Logistics Support, Depot Purchased Equipment Maintenance, Support Equipment, Technical Orders, and organic maintenance, repair and overhaul.

Work Authorization Document (WAD)—A document that authorizes the expenditure of labor, material, and other related costs to dot the work requested by a specific customer.

Working Capital Fund (WCF)—The AFWCF is an inter-governmental revolving fund that is part of the Defense Working Capital Fund (DWCF) authorized by Congress for organic supply and maintenance operations. It resources DoD readiness through organic industrial operations, supply, distribution and other activities. Its income is derived from its operations (not from an appropriation). The majority of that income coming from services provided in exchange for customer's appropriated funds. It has the ability to absorb temporary gains and losses as it provides readiness, but the goal is to break-even over time (normally 2 years). It can support continuing operations without fiscal year limitation as long as funded workload is available.

Work in Process (WIP)—Costs of the materials, labor, and indirect costs used in producing an end item (customized equipment or personal property), whether fabricated by a DoD working capital fund or by a non-DoD organization under contract.

Workload—An amount of work, usually specified in direct labor hours or workdays, which relates to specific weapon systems, equipment, components, or programs and to specific services, facilities, and commodities.

Write off—As a budgetary term, write-off means the withdrawal from availability for obligation of an unobligated balance from a no-year appropriation. It excludes amounts withdrawn from expired accounts and amounts rescinded by the Congress. As an accounting term, write-off refers to the removal of a delinquent accounts receivable that is considered not collectible or not cost effective to pursue further collection efforts. A write-off is not a correction to the accounting records resulting from an accounting error.

X-JON—A type of JON used to capture Production Overhead costs

Yield—The productive time of an individual compared to the total available hours in a work- year (2080-2096). There are various yield calculations, both Direct Production Standard Hours (DPSH) and Direct Production Actual Hour (DPAH), including direct labor yield with and without overtime, and total yield with and without overtime. Direct labor yields include only the direct labor hours and work-years; while the total yield includes both direct and overhead hours and work-years.

Y-JON—A type of JON used to capture General & Administrative costs.

Z-JON—A type of JON used to capture Civilian Leave.

Attachment 2

DMAPS AND INTERFACING SYSTEMS

A2.1. Documentation regarding interfaces with the DMAPS Suite of Systems: Including ABOM, NIMMS, DIFMS, TAA, and DMAPS Integration Engine is available with appropriate access to the following Corporate Data Repository System website: **https://cdrs.cce.af.mil/**. The DMAPS Interface Control Document charts are located on the DMAPS Microsoft SharePoint Enterprise Information Management site: **https://cs2.eis.af.mil/sites/22519/DMAPS/Interfaces%20(ICDs)/Master%20ICD%20Spreadsheet%20and%20Charts**. **Note:** Microsoft SharePoint access required.

A2.2. ABOM (Automated Bill of Materials) is the primary system utilized in material requisitioning and ordering within DMAPS. ABOM provides the ability to query Bill of Materials (BOMs), order material (batch, single, pick list), and request verification and query/report functions. ABOM is a front-end system to NIMMS, which performs validation and compares the requested material with the CODB (Q302)/DMMSS (G005M) and CODB (Q302)/JOPMS (G004L) BOMs, generates order/requisition/history records, and maintains an audit trail of activity.

A2.3. NIMMS (NAVAIR Industrial Material Management System) is the primary system utilized in material management within DMAPS. Personnel who order parts for the repair process will use the ABOM front-end to initiate the request. ABOM will interface with NIMMS and update the material records. If the requested part is not in NIMMS stock, a backorder will be created and passed through CODB (Q302)/Exchangeable Production System (G402A) to WARRS (D035K).

A2.4. DIFMS (Defense Industrial Financial Management System) consists of several subsystems: Cash, Labor, Other Cost, Material, Cost Summary, Job Order/Customer Order, Billing, General Ledger Accounts (GLA), Purge and History, System Parameters, Fixed Asset Accounting. These subsystems work in concert to provide field level and headquarters level activities with funds control, accounting for budget execution, and management information.

A2.5. TAA (Time and Attendance) provides the capability to capture and report employee labor data to financial, payroll, and production processing, for all CSAG-M (Consolidated Sustainment Activity Group-Maintenance) employees through a single source of input at either the Job Order Number (JON) and/or the operation/sub-operation level. TAA also creates and assigns a unique 6-position number (Employee Number) for each employee that is used throughout DMAPS.

A2.6. DMAPS (Depot Maintenance Accounting and Production System) Integration Engine. The DMAPS Integration Engine has eight components:

A2.6.1. User Access Tool (UAT). The UAT provides the Integration Engine administrator with the ability to establish and maintain user access to the various tools offered by the IE. The UAT allows the user to grant access to the following tools: UAT, Funding Initiation Tool (FIT), Resource Control Center Skill Code System (RSCS), Job Order Status Tool (JOST), and Sales Price Generator (SPG).

A2.6.2. Conversion Engine (CONEN or CE). The CONEN is Air Force Sustainment Center (AFSC) developed middleware used to translate information between AF legacies and DIFMS/NIMMS/TAA (Defense Industrial Financial Management System/NAVAIR Industrial Material Management System/Time and Attendance System) other than those that pass through the Integration Engine. The CONEN will service the data extraction, data posting, data conversion (as required), scheduling and event processing associated with each data transfer. The CONEN populates an audit database of processed conversions and the transaction files used for the conversions.

A2.6.3. DMAPS Data Store (DDS). The DDS is a system used to warehouse and research transactions from DMAPS suite of systems. The DDS is a relational database repository allowing a variety of functional end users to inquire and retrieve production information.

A2.6.4. Resource Control Center Skill Code System (RSCS). RSCS is used to provide a relational database repository allowing designated users to establish and maintain relationships between Resource Control Centers (RCCs), the financial organization, and Skill codes, the work qualifications.

A2.6.5. Job Order Status Tool (JOST). JOST is a middleware tool that allows for trailing costs to be collected in CODB (Q302)/JOPMS (G004L) before financially closing and final billing a JON in DIFMS.

A2.6.6. Cost Performance and Budget Module (CPBM). CPBM consists of two parts: Cost and Production Performance Module (CPPM) and Budget Target Module (BTM). BTM also includes functionality of the Cost Transfer Module.

A2.6.6.1. CPPM is a management tool to enhance cost and production "visibility" within each ALC, so line and staff managers can view their organization's current cost and production performance against targeted values.

A2.6.6.2. BTM is an automated organic CSAG budgeting tool that, when used in conjunction with the actual historical data captured in CPPM, permits multiple iterations of the budget/target development process.

A2.6.7. Funding Initiation Tool (FIT). FIT is a middleware tool that translates J025A and G004L funding and Line of Accounting (LOA) information into the DIFMS elements of funding document, Sponsor Order Number (SPON), and Customer Order Number (CON). FIT provides an online, interactive tool that allows selected users to review, expand, and record customer funding into DIFMS.

A2.6.8. Sales Price Generator (SPG). SPG allows the user to generate monthly and annual frozen End Item Sales Prices (EISP).

Table A2.1. Other Systems Interfacing with DMAPS Suite of Systems.

System Designation	System Acronym	System Name
ABS	AMARG	Aerospace Maintenance and Regeneration Group
ART	SBR-ART	Statement Of Budgetary Resources Automated Recon Tool
BIRPTSOO	OO DATA Store	IBM® Cognos® Business Intelligence Reports Ogden
D002A	ILS-S	United States Air Force Integrated Logistics System-Supply
D020A	FAMS	Fuels Automated Management System-Air Force Level
D035J	FIABS	Financial Inventory Accounting and Billing System
D035K	WARRS	Wholesale and Retail Receiving/Shipping
D050	COPA	Center Of Parts Activity
D087X	EXPRESS	Execution and Prioritization of Repairs Support System
D130	FEM	Facilities and Equipment Maintenance
D230	MPS	Material Processing System
D363	MP&E	Maintenance Planning & Execution System
DCAST	DCAST	Depot Cost and Schedule Tool
DCPS	DCPS	Defense Civilian Payroll System
DDSRI	DATA Store	DMAPS Data Store Reporting Instance
DFAS-IE	DFAS-IE	Defense Finance and Accounting Service-Integration Engine
DRIDB	WR Data Store	DMAPS Reporting Environment Standard/Custom
FEMWEB	FEMWEB	Facilities and Equipment Maintenance Web Interface
FHATS	FHATS	Funded Hours Allocation and Tracking System
G004C	DMWPCS	Depot Maintenance Workload Planning and Control System
G004L	JOPMS	Job Order Production Number Master System
G019C	MISTR	MISTR Requirements Scheduling and Analysis System
G037F	WAPDS	Depot Maintenance Decision Support Workload Analysis Planning Data System
G097	PDMMS	Programmed Depot Maintenance Scheduling System
G300	LDMS	Lean Depot Management System
G402A	EPS	Exchangeable Production System
G777	OC Data Store	Oklahoma City Information Gateway
GAFS-BL	Fin & Acct Sys	General Accounting And Finance System-Base Level
H069	GAFS-BL	General Finance and Accounting System
H118	SMAS	Standard Materiel Accounting System
H303	KDSS	Keystone Decision Support System
J025A	APO	Automated Project Order Form System
MABSM	IMPRESSA	MA MRO Business System Modernization
OCPDMSS	OCPDMSS	Oklahoma City Programmed Depot Maintenance Management System Web
OOPDMSS	OOPDMSS	Ogden Programmed Depot Maintenance Management System Web
PAD	PAD	Profiles of the Air Force Depot

Q072R	ICS	Information Center System
Q302	DATADEP	Depot Maintenance Consolidated Operational Database (CODB)
Q310	Discovery	Enterprise Data Warehouse

Attachment 3

MATERIAL BALANCING

A3.1. Information for this attachment can be obtained from the Technical Service Organization's website: **https://t6800.csd.disa.mil/DifmsPortal/index.php**. Please click on the appropriate radio button for NIMMS, and then on the current production release. Additional information can also be obtained from the AFSCMAN 21-102, Depot Maintenance Management.

Table A3.1. NIMMS Financial Codes.

CODE	DEFINITION
A1	Receipt from Commercial Procurement: Represents the value of material at purchase price procured from commercial sources.
A2	Receipts from Commercial Procurement-Material Returns: Represents the value of material at purchase price returned to commercial sources for credit. (Not used for excessing).
A3	Receipts from Navy and Other DoD Agencies-Material Returns: Represents the value of material at purchase price procured from Navy or other DoD Military Services and Agencies.
A4	Receipts from Navy and Other DoD Agencies-Material Returns: Represents the value of material returned to Navy and other Department of Defense Military services and agencies for credit (Not used for excessing).
A5	Receipts for In-House Manufacturing: Represents the values of material at developed price from in-house manufacturing.
B2	Receipts without Reimbursements GFM (Appropriation Purchases Account (APA)) & CFM: Represents the value of Government furnished APA material and customer furnished material received for use on production job orders.
B3	Receipts without Reimbursements GFM (APA) & CFM-Material Returns: Represents the value of Government furnished APA material and customer furnished material returned by users without reimbursement.
D2	Inventory Adjustments (Gains) Transfers: Represents the value at standard price of material transferred from one store code to another within the same inventory account, or between inventory accounts.
D4	Inventory Adjustments (Gains) Physical Inventory: Represents the adjustments necessary to bring Store-Material-Record quantities into agreement with the actual on hand count of stores. May also occur on turn-ins from the floor where original Job Number charged is unknown or no longer open.
D6	Inventory Adjustments (Gains) Capitalizations: Represents the book value of material acquired without reimbursement at commencement of NIF operations; and value of material received from excess listings without reimbursement. Also included are increases in inventory due to transfer of mission from other activities. Applicable to Material and Supplies Inventory (GLAs 1421, 1422 and 1423) only. NIMMS code D6 is also a replacement for the NIMMS code A3 (positive receipt or reverse turn-in) where material Budget code is "8."

CODE	DEFINITION
D8	Inventory Adjustments (Gains) Discrepant Inventory: Represents the value at standard price of material gained or returned to inventory due to a Report of Discrepancy, Quality Deficiency Report or Lab Analysis/Test. Also used for Automated Physical/Financial reconciliation adjustments.
D9	Transfer In of Inventory from a WCF Activity: Represents the value of inventory that is transferred in from another WCF activity without reimbursement.
E1	Financial Adjustments (Gains) Receipt Variances: Represented the adjustments required to bring the prices at which material is received into the activity by purchase actions into agreement with the standard or local carrying prices for the material. Applicable to Material and Supplies Inventory only.
E2	Financial Adjustments (Gains)-Standard Price Adjustments: Represents adjustments required to bring the prices at which material is carried in the inventories into agreement with the latest standard prices or new local carrying prices. Also represents adjustments to the DMI and CFM inventories for average pricing.
J1	Issues with Reimbursement: Represents the amount of NIF material issued at sales prices to direct and indirect job orders.
J2	Issues With Reimbursement-Returns: Represents the amount of material returned from direct and indirect jobs with credit at the allowed price to the job orders. This material previously expended under FIR code J1.
J3	Issues With Reimbursement: Represents the amount of NIF equipment issued at sales price to direct and indirect job orders.
J4	Issues With Reimbursement-Returns: Represents the amount of equipment returned from direct and indirect jobs with credit at the allowed price to the job orders. This equipment previously expended under NIMMS code J3.
K1	Issues Without Reimbursement-CFM (APA MOD KITS): Represents the value of customer furnished APA MOD KITS material issued without cost to direct job orders for the applicable customer.
K2	Issues Without Reimbursement-Returns CFM (APA MOD KITS): Represents the values of customer furnished APA MOD KITS material returned from direct job orders. Previously issued under K1.
K3	Issue Without Reimbursement-CFM (Exchange Items): Represents the value of customer furnished APA exchange material issued without cost to a direct job order for the applicable customer.
K4	Issues Without Reimbursement-Returns CFM (Exchange Items): Represents the value of customer furnished APA exchange material returned from direct job orders. Previously issued under K3.
K5	Issues Without Reimbursements-CFM (Expense Items): Represents the value of customer furnished odd cog material issued without cost to direct job orders for the applicable customer.
K6	Issues Without Reimbursements-Returns CFM (Expense Items): Represents the value of customer furnished odd cog material returned from direct job orders. Previously issued under K5.
K7	Issues Without Reimbursement-CFM (Investment Items): Represents the value of customer furnished APA investment material issued without cost to direct job orders for the applicable customer.

CODE	DEFINITION
K8	Issues Without Reimbursement-Returns CFM (Investment Items): Represents the value of customer furnished APA investment material returned from direct job orders. Previously issued under K7.
KB	Issues Without Reimbursement-GFM (APA MOD KITS): Represents the value of Government furnished APA MOD KITS material issued without cost to direct job orders.
KC	Issues Without Reimbursement-Returns GFM (APA MOD KITS): Represents the value of GFM (APA) returned from direct job orders. Previously expended under FIR code KB.
KD	Issues Without Reimbursement-GFM (APA Exchange Items): Represents the value of Government furnished APA exchange material issued without cost to direct job orders. (Advice codes 5A, 5G, and 5S).
KE	Issues Without Reimbursement-Returns GFM (APA Exchange Items): Represents the value of GFM (APA) returned from direct job orders. Previously expended under FIR code KD.
KF	Issues Without Reimbursement-GFM (APA Investment Items): Represents the value of Government furnished APA investment material issued without cost to direct job orders.
KG	Issues Without Reimbursement-Returns GFM (APA Investment Items): Represents the value of GFM (APA) returned from direct job orders. Previously expended under FIR code KF.
L1	Transfer of Excess Material to Property Disposal: Represents the amount of excess material transferred to property disposal and charged to overhead.
L2	Transfer of Excess Standard Stock Material: Represents the amount of excess material transferred from inventory to supply and charged to overhead.
L3	Transfer of Unutilized Special Requirement Material to Supply Without Credit: Represents the amount of excess special requirement material returned to supply and charge to overhead.
M2	Inventory Adjustments (Loss) Transfers: Represents the value at standard price of material transferred from one store code to another within the same inventory account, or between inventory accounts.
M4	Inventory Adjustments (Loss) Physical Inventory: Represents the adjustments necessary to bring the Store-Material-Record quantities into agreement with the actual count of stores on hand. (Used also for reductions in inventory resulting from a Report of Discrepancy).
M6	Inventory Adjustments-Decapitalization: Represents the losses incurred during the first 12 months of operations from donation and disposal of Materials and Supplies Inventory capitalized at inception. Also used to decrease inventory due to transfer of mission to other activities. NIMMS code M6 is also a replacement for the NIMMS code A4 (reverse receipt or positive turn-in) where material Budget code is "8."
M8	Inventory Adjustments (Loss) Discrepant Inventory: Represents the value at standard price of material lost or removed from inventory due to a Report of Discrepancy, Quality Deficiency Report or Lab Analysis/Test. Also used for automated physical/financial reconciliation adjustments.

CODE	DEFINITION
M9	<u>Transfer Out of Inventory to a DWCF Activity</u>: Represents the value of inventory that is transferred to another DWCF activity without reimbursement.
N1	<u>Financial Adjustments (Loss) Receipt Variance</u>: Represented the adjustments required to bring the prices at which material is received into the activity by purchase actions into agreement with the standard or local carrying prices. Applies to Material and Supplies Inventory only.
N2	<u>Financial Adjustments (Loss) Standard Price Adjustments</u>: Represents adjustments required to bring the price at which material is carried in the inventories into agreement with the latest standard prices or new local carrying process. Also represents adjustment to the DMI and CFM inventories for average pricing.
SA	<u>Commitment</u>: Used to establish the due record at the time of commitment.
SB	<u>Adjustment To Commitment</u>: Used to increase, decrease or cancel a commitment, often accompanying the establishment of an obligation.
SC	<u>Credits Pending from Government Sources</u>: Used to record credit amounts anticipated from Government sources for materials returned as excess (Does not affect inventory balance).
SD	<u>Obligation</u>: Used to initially establish an obligation.
SE	<u>Adj To Obligation</u>: Used to increase, decrease or cancel an obligation.

Table A3.2. Financial Inventory Record (FIR) Code Posting.

FIR CODE	FIN INV TYPE	DR GLA	CR GLA
A1	N	151100A1	211042B1
	I	151100A3	211042B1
	F	151200	211042B1
	E	151300	211042B1
	D	151100A2	211042B1
A2	N	131042B	151100A1
	I	131042B	151100A3
	F	131042B	151200
	E	131042B	151300
	D	131042B	151100A2
A3	N	151100A1	211041A
	I	151100A3	211041A
	F	151200	211041A
	E	151300	211041A
	D	151100A2	211041A
A4	N	131041B	151100A1
	I	131041B	151100A3
	F	131041B	151200
	E	131041B	151300
	D	131041B	151100A2
A5	N	151100A1	152600D
	I	151100A3	152600D
	F	151200	152600D
	E	151300	152600D
	D	151100A2	152600D
B2	C	902100	980000
	G	902200	980000
B3	C	980000	902100
	G	980000	902200
D2	N	151100A1	610000W4
			610000W3*
	I	151100A3	610000W4
			610000W3*
	F	151200	610000W4
			610000W3*
	E	151300	610000W4
			610000W3*
	D	151100A2	610000W4
			610000W3*
	C	902100	980000
	G	902200	980000
D4	N	151100A1	610000W4

FIR CODE	FIN INV TYPE	DR GLA	CR GLA
			610000W3*
	I	151100A3	610000W4
			610000W3*
	F	151200	610000W4
			610000W3*
	E	151300	610000W4
			610000W3*
	D	151100A2	610000W4
			610000W3*
	C	902100	980000
	G	902200	980000
D6	N	151100A1	711000
	I	151100A3	711000
	E	151300	711000
	F	151200	711000
D8	N	151100A1	610000W4
			610000W3*
	I	151100A3	610000W4
			610000W3*
	F	151200	610000W4
			610000W3*
	E	151300	610000W4
			610000W3*
	D	151100A2	610000W4
			610000W3*
	C	902100	980000
	G	902200	980000
D9	N	151100A1	572000A
	I	151100A3	572000A
	F	151200	572000A
	E	151300	572000A
	D	151100A2	572000A
E1	N	151100A1	610000W4
	I	151100A3	610000W4
	F	151200	610000W4
	E	151300	610000W4
	D	151100A2	610000W4
	C	902100	980000
E2	N	151100A1	610000W4
	I	151100A3	610000W4
	F	151200	610000W4
	E	151300	610000W4
	D	151100A2	610000W4
	C	902100	980000

FIR CODE	FIN INV TYPE	DR GLA	CR GLA
	G	902200	980000
J1	N		151100A1
	I		151100A3
	F		151200
	E		151300
	D		151100A2
J2	N	151100A1	
	I	151100A3	
	F	151200	
	E	151300	
	D	151100A2	
J3	N		151100A1
	I		151100A3
	F		151200
	E		151300
	D		151100A2
J4	N	151100A1	
	I	151100A3	
	F	151200	
	E	151300	
	D	151100A2	
K1	C	942100	902100
K2	C	902100	942100
K3	C	942100	902100
K4	C	902100	942100
K5	C	942100	902100
K6	C	902100	942100
K7	C	942100	902100
K8	C	902100	942100
KB	G	942200	902200
KC	G	902200	942200
KD	G	942200	902200
KE	G	902200	942200
KF	G	942200	902200
KG	G	902200	942200
L1	N	610000W4	151100A1
		610000W3*	
	I	610000W4	151100A3
		610000W3*	
	F	610000W4	151200
		610000W3*	
	E	610000W4	151300
		610000W3*	
	D	610000W4	151100A2

FIR CODE	FIN INV TYPE	DR GLA	CR GLA
		610000W3*	
L2	N	610000W4	151100A1
		610000W3*	
	I	610000W4	151100A3
		610000W3*	
	F	610000W4	151200
		610000W3*	
	E	610000W4	151300
		610000W3*	
	D	610000W4	151100A2
		610000W3*	
L3	N	610000W4	151100A1
		610000W3*	
	I	610000W4	151100A3
		610000W3*	
	F	610000W4	151200
		610000W3*	
	E	610000W4	151300
		610000W3*	
	D	610000W4	151100A2
		610000W3*	
M2	N	610000W4	151100A1
		610000W3*	
	I	610000W4	151100A3
		610000W3*	
	F	610000W4	151200
		610000W3*	
	E	610000W4	151300
		610000W3*	
	D	610000W4	151100A2
		610000W3*	
	C	980000	902100
	G	980000	902200
M4	N	610000W4	151100A1
		610000W3*	
	I	610000W4	151100A3
		610000W3*	
	F	610000W4	151200
		610000W3*	
	E	610000W4	151300
		610000W3*	
	D	610000W4	151100A2
		610000W3*	
	C	980000	902100

FIR CODE	FIN INV TYPE	DR GLA	CR GLA
	G	980000	902200
M6	N	721000	151100A1
	I	721000	151100A3
	F	721000	151200
	E	721000	151300
M8	N	610000W4	151100A1
		610000W3*	
	I	610000W4	151100A3
		610000W3*	
	F	610000W4	151200
		610000W3*	
	E	610000W4	151300
		610000W3*	
	D	610000W4	151100A2
		610000W3*	
	C	980000	902100
	G	980000	902200
M9	N	573000C	151100A1
	I	573000C	151100A3
	F	573000C	151200
	E	573000C	151300
	D	573000C	151100A2
N1	N	610000W4	151100A1
	I	610000W4	151100A3
	F	610000W4	151200
	E	610000W4	151300
	D	610000W4	151100A2
	C	980000	902100
N2	N	610000W4	151100A1
	I	610000W4	151100A3
	F	610000W4	151200
	E	610000W4	151300
	D	610000W4	151100A2
	C	980000	902100
	G	980000	902200
SC	N	131041B	610000W4
			610000W3*
	I	131041B	610000W4
			610000W3*
	F	131041B	610000W4
			610000W3*
	E	131041B	610000W4
			610000W3*
	D	131041B	610000W4

FIR CODE	FIN INV TYPE	DR GLA	CR GLA
			610000W3*
These USSGL accounts are used at the ALCs with Production type JONs			

A3.2. Investment (direct) material includes all recoverable assemblies, installed equipment items, and modification kits from investment appropriations. This paragraph is for maintenance use only when the using activity has supplied a funds citation to reimburse the Consolidated Sustainment Activity Group-Maintenance (CSAG-M) the cost.

Figure A3.1. Material Cost Codes.

CODE	DESCRIPTION
B	**Exchange Material (planned, funded).** Planned, serviceable Materiel Support Division (MSD) investment material issued on an exchange basis to replace like unserviceable items: i.e., Due in From Maintenance/Due Out to Maintenance (DIFM/DOTM). (A) Used for the turn-in of planned, unserviceable MSD item to clear a DIFM detail or to establish a DOTM detail in the D035K system. (B) Used for turn-in of excess serviceable MSD items originally issued under Cost Code B. (C) Used for the turn-in of items received under this cost that were misidentified as the National Stock Number (NSN) when supply initiated a warehouse denial (reversal) action.
D	**Modification Kits.** Kits that change the configuration or operating capability of an end item. (A) Includes overhaul kits, Time Compliance Technical Orders (TCTO) kits, etc., which make repair easier or maintain the serviceable status of an end item. (B) Used for turning in modification kits originally issued under cost code D that are intact and excess to immediate requirements, and the processing of distribution warehouse denial transactions.
E	**Exchange Material (Planned, Unfunded).** Planned, serviceable, recoverable material that is issued to replace like unserviceable items. Used for turning in unserviceable items, returning excess serviceable items originally issued under cost code E and processing supply warehouse denial transactions.
G	**Exchange Material (Unplanned, Funded).** Unplanned, serviceable investment items issued on an exchange basis under DIFM/DOTM procedures. (A) Used for the turn-in of unplanned, unserviceable MSD items to clear a DIFM detail or establish a DOTM detail. (B) Used for the turn-in of excess serviceable MSD items originally issued under cost code G. (C) Used for the turn-in of items received under this cost code that were misidentified as to NSN when supply initiated a warehouse denial (reversal) action.
J	**Exchange Material (Unplanned, Unfunded).** Unplanned serviceable material issued to replace like unserviceable items. Used for turning in unserviceable items, returning excess serviceable assets originally issued under cost code J, and processing supply warehouse denial transactions.
K	**Exchange Material (Maintenance of Depot Maintenance Equipment (DME), Funded).** Serviceable MSD investment material issued on an exchange basis

	(i.e., DIFM/DOTM) for the repair of depot maintenance shop and test equipment. (A) Used for the turn-in of similar unserviceable MSD items to clear a DIFM detail or to establish a DOTM detail. (B) Used for the turn-in of excess serviceable MSD items originally issued under cost code K. Used for the turn-in of items originally received under cost code K that are misidentified as to NSN when supply initiates a warehouse denial (reversal) action.
M	**Nonexchange Material (Unfunded).** Missing or excess material, or initial installation components. Serviceable, recoverable material issued on an other-than-exchange basis. (A) Includes issues for initial installation, modification (other than mod kits) and for replacing missing recoverable components on exchangeable items received in an incomplete condition used for turning in recoverable items on an other-than-exchange basis. (B) Include turning in excess recoverable material received on reparable or serviceable assets, turning in dissimilar or obsolete recoverable items replaced by serviceable items issued on a nonexchange basis, turning in of excess serviceable items originally issued under cost code M, and processing distribution warehouse denial transactions. (C) Used for turn-in of MSD, Air Force Stock Fund (AFSF) material, without credit, from project directives for reclamation, save lists, or cash/battle damage repair of AFMC-owned systems, and turn-in of material fitting the category of Found-on-Base (FOB) assets. (D) Excludes installation or removal of items covered by cost code T. Demand code A (initial installation) will always be used in conjunction with the assignment of cost code M. (This will ensure exclusion from DIFM or DOTM control.)
S	**Non-exchange Material (Planned, Funded, Credit Indicator Turn-Ins).** Planned serviceable MSD investment material issued on an other-than-exchange basis for initial installation or modification (other than mod kits). (A) Used for the turn-in of specified categories of MSD items on an other-than-exchange basis, with credit automatically determined based on the stock listed credit indicator. (B) Used for turn-in of excess serviceable items originally issued under this cost code and for the return of items received under this cost code that were misidentified as to NSN when supply initiated a warehouse denial (reversal) action.
T	**Aircraft/Missile Replacements (AF Form 2692, *Aircraft/Missile Equipment Transfer/Shipping Listing*).** Items issued to replace items previously removed and not reinstalled. Used for turning in aircraft items recorded on AF Form 2692,

	that were removed and not reinstalled, and the processing of supply warehouse denial transactions.
U	**Non-Exchange Material (Unplanned, Reclamation Turn-Ins).** For issue of serviceable investment material on an other-than-exchange basis to replace missing MSD components discovered on end items received in an incomplete condition. Applies to turn-in of excess MSD items originally issued under cost code U and the return of items, with credit reversal, received under this cost code that are misidentified as to NSN when supply initiates warehouse denial (reversal) action.
Y	**Exchange Material (Maintenance of Depot Maintenance Equipment (DME), Unfunded).** Direct, serviceable, recoverable material issued on an exchange basis for repair of production maintenance shop and test equipment. Used for turning in unserviceable recoverable items generated from exchange, includes turn-in of excess serviceable items originally issued under cost code Y, and the processing of supply warehouse denial transactions.

A3.3. Production issue or turn-in transactions are for issuing items for depot repair and for turning in these items after completing repair. Production items that are returned in a non-serviceable condition also are coded as production turn-in transactions. Transactions bearing production cost codes do not result in charges or credits in actual material cost accumulation.

Table A3.3. Material Cost Codes.

Code	Description
F	Quality Control or Prototype Analysis. Items issued for quality control, inspection, analysis, Unsatisfactory Report exhibits, prototype analysis, and returning items previously issued for these purposes. This code is used in conjunction with the appropriate production Resource Control Center (RCC) code. Items removed from the production line for quality analysis and returned to the line is returned using Cost code "P" rather than Cost code "F."
H	Disassembly or Renovation Testing. Recoverable assets issued for disassembly or reclamation and returning reclaimed components. Applies to issuing assets for renovation proof testing purposes and for turning in the remaining items following test evaluation.
P	Production. Reparable, Technical Order Compliance or incomplete assets issued to be made serviceable. Used for turning in resulting serviceable, reparable, Technical Order Compliance and condemned assets.
V	Production Correction. Returned production items that were received misidentified as to stock number or condition. Incorrect item is turned in as a Cost code "V" under control number of item originally requested. Correction issues require cost codes "P," "F," or "H" as appropriate.

A3.4. Expense material consists of all material and parts used in the maintenance groups and not categorized by investment or production cost codes.

Table A3.4. Material Cost Codes.

Code	Description
A	Expense Material (Planned). Planned serviceable expense material issued for use in depot maintenance repair, modification, and assembly or manufacture operations. Used for turning in excess serviceable material originally issued under Cost code "A" and for the processing of supply warehouse denial transactions.
L	Expense Material (Indirect or Overhead). Material issued for use as indirect or overhead material. Used for turning in excess serviceable and excess expense material originally issued under Cost code "L" and for processing distribution warehouse denial transactions. Identification of these issues to appropriate accounts is accomplished by entering the applicable U-account control number on the material documents.
N	Expense Material (Not applicable to Repair Costs). Serviceable expense material, originally removed as excess from assets undergoing maintenance, which is turned in as removed unserviceable items specifically requested by distribution. Includes removed serviceable or unserviceable expense material of a dissimilar, obsolete, or alien nature. Excludes turn-ins of serviceable expense items initially issued under expense material cost codes A, R, L, or W, or initially issued under special purpose code X. Excludes turn-ins of expense material received in other-than-serviceable condition or misidentified as to its National Stock Number. **Note:** Items returned under Cost code "N" are not considered for credit by the Air Force Stock Fund divisions.
R	Expense Material (Unplanned). Unplanned serviceable expense material issued for use in depot maintenance repair, modification, assembly, or manufacture operations. Used for turning in excess serviceable expense material originally issued under Cost code "R" and for processing supply warehouse denial transactions.
W	Expense Material (Maintenance of Depot Maintenance Equipment (DME)). Direct serviceable expense material issued for repair, modification, assembly, and manufacture of depot maintenance shop and test equipment. Used for turning in excess serviceable expense material originally issued under Cost code W, and processing supply warehouse denial transactions. Cost code W is limited to requesting or turning in direct material, not for material planning.
X	Expense Material (Not Charged to the Consolidated Sustainment Activity Group-Maintenance (CSAG-M)). Stock fund and non-stock fund expense material issued without charge to the CSAG-M, for use in depot maintenance repair, modification, assembly or manufacture operations. Used for turn-in of expense material previously issued under Cost code "X."
Z	Customer Furnished Material (Unfunded, Direct Material). Material furnished by customers is to be included in the depot maintenance work as specified by the customer. Costs are determined by the customer and accountability maintained as directed by the customer. This material is costed as unfunded direct material.

Table A3.5. Material Cost Code Edits.

AF Cost Code	Budget Code	Expendability, Recoverability, Reparability Code (ERRC)	Definition
Z	Alpha	ALL	Customer Furnished Material-Other Unfunded
B	8	C, S, T	Exchange (Investment)-Funded
K	8	C, S, T	Exchange (Investment)-Funded-Repair of DME
E	Alpha	C, S, T,	Exchange (Investment)-Other Unfunded
Y	Alpha	C, S, T,	Exchange (Investment)-Other Unfunded-Repair of DME
S	8	C, S, T, U	Non-Exchange (Investment)-Funded
M	ALL	C, S, T, U	Non-Exchange (Investment)-Other Unfunded/Funded
D	Alpha	C, S, T, U	Non-Exchange (Investment)-Other Unfunded
T	Alpha	C, S, T, U	Non-Exchange (Investment)-Other Unfunded
A	1	N, P	Consumable Expense-Funded
L	1	N, P	Consumable Expense-Funded
N	1	N, P	Consumable Expense-Funded
W	1	N, P	Consumable Expense-Funded
A	4	N, P	Commissary Expense-Funded
L	4	N, P	Commissary Expense-Funded
N	4	N, P	Commissary Expense-Funded
W	4	N, P	Commissary Expense-Funded
A	6	N, P	Fuels Expense-Funded
L	6	N, P	Fuels Expense-Funded
N	6	N, P	Fuels Expense-Funded
W	6	N, P	Fuels Expense-Funded
A	8	N, P	Exchangeable Expense-Funded
L	8	N, P	Exchangeable Expense-Funded
N	8	N, P	Exchangeable Expense-Funded-Turn-in only
W	8	N, P	Exchangeable Expense-Funded-Repair of DME
A	9	N, P	General Support Division (GSD) Expense-Funded
L	9	N, P	GSD Expense-Funded
N	9	N, P	GSD Expense-Funded
W	9	N, P	GSD Expense-Repair of DME
X	Alpha	N, P	Expense-Other Unfunded

Table A3.6. Material Classification.

	ERRC	Cost Code (CC)	Budget Code (BC)
Commissary Material Funded Expense	N, P	A, L, N, W	4
Fuels Material Funded Expense	N, P	A, L, N, W	6
(GSD) Funded Material Expense	N, P	A, L, N, W	9
(CSAG-S) Funded Material Expense	N, P	A, L, N, W	8
(CSAG-S) Funded Material Investment	C, S, T, U	B, K, S, M	8
Other Unfunded Material Expense	N, P	X	Alpha
Other Unfunded Material Investment	C, S, T, U	D, E, M, T, Y, Z	Alpha

Table A3.7. Cross-Reference of Expense Type and Job Order Number (JON) Type.

Cost Code	Cost Code Validations for CSAG Stock Orders (Inventory)	Cost Code Validations for Specific Requirements Inventory Orders (Line Issue)	Remarks
A	ERRC: N, P Budget Code: Numeric Inventory Type: N	ERRC: N, P Budget Code: Numeric JON Type: Direct	Funded
B	ERRC: C, T, S Budget Code: Numeric Inventory Type: N	ERRC: C, T, S Budget Code: Numeric JON Type: Direct, Indirect	Funded-DIFM/DOTM-Indirect JON for Rework.
D	ERRC: C, T, S, U Budget Code: Alpha Inventory Type: C, D	ERRC: C, T, S, U Budget Code: Alpha JON Type: Direct	Unfunded-1st position of NIIN must be *K*
E	ERRC: C, T, S Budget Code: Alpha Inventory Type: C, D	ERRC: C, T, S Budget Code: Alpha JON Type: Direct, Indirect	Unfunded-DIFM/DOTM-Indirect JON for Rework. If JON is Indirect, NIMMS to treat as Funded Material.
K	ERRC: C, T, S Budget Code: Numeric Inventory Type: N	ERRC: C, T, S Budget Code: Numeric JON Type: Direct, Indirect	Funded-DIFM/DOTM Repair of Depot Maintenance Equipment (DME)
L	ERRC: N, P Budget Code: Numeric Inventory Type: N	ERRC: N, P Budget Code: Numeric JON Type: Indirect	Funded
M	ERRC: C, T, S, U Budget Code: ALL Inventory Type: C, D	ERRC: C, T, S, U Budget Code: ALL JON Type: Direct, Indirect	Unfunded and Funded-Must use *Y* Force Credit Indicator If JON is Indirect, NIMMS to treat as Funded Material
N	ERRC: N, P Budget Code: ALL Inventory Type: N/A	ERRC: N, P Budget Code: ALL JON Type: NONE	Turn-in of serviceable expense material (Found On Base) removed as excess from assets, which are undergoing maintenance.
S	ERRC: C, T, S Budget Code: Numeric Inventory Type: N	ERRC: C, T, S Budget Code: Numeric JON Type: Direct, Indirect	Funded-Initial Installation-Indirect JON for Rework
T (ammo)	ERRC: C, T, S, U Budget Code: Alpha Inventory Type: C, D	ERRC: C, T, S, U Budget Code: Alpha JON Type: Direct	Unfunded-For issue and turn-in of items for reinstallation and for the

Cost Code	Cost Code Validations for CSAG Stock Orders (Inventory)	Cost Code Validations for Specific Requirements Inventory Orders (Line Issue)	Remarks
			issue of AF Form 2692
W	ERRC: N, P	ERRC: N, P	Funded-Repair of Depot Maintenance Equipment
	Budget Code: Numeric	Budget Code: Numeric	
	Inventory Type: N	JON Type: Direct, Indirect	
X	ERRC: N, P	ERRC: N, P	Unfunded
	Budget Code: Alpha	Budget Code: Alpha	If JON is Indirect, NIMMS to treat as Funded Material.
	Inventory Type: C, D	JON Type: Direct, Indirect	
Y	ERRC: C, T, S	ERRC: C, T, S	Unfunded-DIFM/DOTM Repair of Depot Maintenance Equipment
	Budget Code: Alpha	Budget Code: Alpha	
	Inventory Type: C, D	JON Type: Direct, Indirect	
			If JON is Indirect, NIMMS to treat as Funded Material
Z	ERRC: C, T, S, N, P, U	ERRC: C, T, S, N, P, U	Costing Determined by Customer.
			Treat as Unfunded.
			If JON is Indirect, NIMMS to treat as Funded Material
* These USSGL accounts are used at the ALCs with Production type JONs			

A3.5. Tables A3.8 . and **A3.9**. Lists the JON/COC/USSGL relationships for Production Overhead and General and Administrative. A COC list and notes are at the end of the attachment **in Table A3.11**.

Table A3.8. COC Reference Lists (Production Overhead).

JON	JON Description	COC	USSGL	Notes
X56210000000	Direct Expense Material (Non-organic source)	95	610000W3	Note 1
X51300000000	VERA/VSIP	55	610000C3	
X51500000000	Cash Awards	57	610000C3	
X51800000000	Worker's Compensation	55	610000C3	
X54120308000	Travel & Transportation of Persons	87	610000I3	Note 6
X54130771000	Transportation Household Goods	88	610000J3	Note 7
X54300308000	Civilian PCS	87	610000I3	
X55020998000	Custodial Service	05	610000P3	
X55030998000	Indirect Contractor Services	05	610000P3	Note 2
X55040998000	Shipping	05	610000P3	
X55050998000	Other Contract Services	05	610000P3	
X55200998000	Communications	64	610000M3	
X55210932000	Subscriptions	11	610000P3	
X55290998000	Arbitration	05	610000P3	
X55300913000	Utilities	26	610000M3	
X55310998000	Prime Vendor Other (DOCATS)	05	610000P3	Note 8
X55410915000	Equipment Rental	08	610000L3	
X55500633000	Printing & Reproduction	40	610000N3	
X55590998000	Refuse Collections	05	610000P3	
X55600923000	Facility Maintenance and Repair-Architectural & Engineering Design	04	610000R3	
X55610922000	Equipment Maintenance Service	89	610000U3	
X55620922000	Vehicle Maintenance	25	610000U3	
X55630998000	Real Property Alterations and Modifications	22	610000R3	
X55640998000	Custodial Services	03	610000P3	
X55650923000	Facility Maintenance	21	610000R3	
X55660998000	Training	42	610000P3	
X55670931000	Contracting, Engineering, and Technical Support (CETS)	19	610000O3	
X55680998000	IMPAC Other	05	610000P3	
X55690998000	Miscellaneous	38	610000P3	
X55710998000	Automated Data Processing (ADP) System Development of Software by ALC	16	610000O3	
X55720998000	HQ AFMC and Open Source Software Group System Development	27	610000Q3	
X55790998000	Base Operating Support (BOS)	13	610000Q3	
X55910922000	Ground Support Equipment (GSE) Maintenance	89	610000U3	
X55920998000	Precision Measurement Equipment Laboratory (PMEL) Maintenance	25	610000U3	
X55930922000	Industrial Plant Equipment Maintenance	89	610000U3	
X55940998000	Automated Data Processing (ADP)	18	610000U3	

JON	JON Description	COC	USSGL	Notes
	Equipment/Hardware Maintenance			
X56116511000	Aviation Petroleum Oil and Lubricant (Nonflying)	95	610000W3	Note 3
X56126512000	Ground Petroleum Oil and Lubricant	95	610000W3	Note 3
X56136513000	Special Fuels	95	610000W3	Note 3
X56230000000	Indirect Production Materials (Prime Vendor)	95	610000W3	Note 3
X56240000000	Maintenance of Operating Equipment (Purchase Card)	95	610000W3	Note 3
X56290000000	Government Operating Product Services Center	95	610000W3	Note 5
X56300000000	Maintenance, Depot Maintenance Equipment	95	610000W3	Note 3
X56310000000	Maintenance, Depot Maintenance Equipment (General Support Division)	95	610000W3	Note 3
X56326100000	Indirect Production Materials	95	610000W3	Note 3
X56336300000	Operating Supplies Staff and Shop	95	610000W3	Note 3
X56346610000	Expendable Tools and Equipment	95	610000W3	Note 3
X56356700000	Material-Expenditure Office Equipment	95	610000W3	Note 3
X56357800000	Material-Expenditure Office Equipment	95	610000W3	Note 3
X56366400000	Material-Office Supplies	95	610000W3	Note 3
X56367700000	Material-Office Supplies	95	610000W3	Note 3
X56376910000	Material from/to Contactor PMEL/GSE	95	610000W3	Note 3
X56376920000	Material from/to Contactor PMEL/GSE	95	610000W3	Note 3
X56376930000	Material from/to Contactor PMEL/GSE	95	610000W3	Note 3
X56388000000	Protective Clothing	95	610000W3	Note 3
X56396620000	Equipment/Machine Type Tools & Access	95	610000W3	Note 3
X56396630000	Equipment/Machine Type Tools & Access	95	610000W3	Note 3
X56406800000	Material Deficiency Workload & Rework	95	610000W3	Note 3
X56410998000	Purchase of Automated Data Processing Equipment (ADPE)	95	610000W3	
X56510414000	Non-Credit Returns-Retail Loss Allowance	95	610000W3	Note 3
X56707000000	Material Hazardous Waste Management	95	610000W3	Note 3
X56900414000	Backorder Cancellations-Retail Loss Allowance	95	610000W3	Note 3
X56920414000	Fund Code Changes-Sale of Scrap	95	610000W3	Note 3
X56940414000	Physical Inventory Adjustment	95	610000W3	Note 5
X56950414000	Purchase Price Variance Cost Reclassification	95	610000W3	Note 5
X57200805000	Minor Construction Depreciation	60	671000B3	Note 5
X57300802000	Equipment Depreciation	59	671000A3	Note 5

JON	JON Description	COC	USSGL	Notes
X57320803000	ADPE Depreciation	59	671000A3	Note 5
X57400806000	Other Fixed Assets Depreciation	59	671000A3	Note 5
X57500804000	Software Depreciation	54	671000C3	Note 5
X59400998000	Environmental	13	610000Q3	
X59410998000	Industrial Waste Treatment Plant Operation Cost	46	610000Q3	
X59510998000	Defense Redistribution and Marketing Office Hazardous Waste	47	610000Q3	
X59900923000	Shop/Office Rearrange	22	610000R3	

Table A3.9. COC Reference Lists (General and Administrative).

JON	JON Description	COC	USSGL	Notes
Y61250010000	Military Reimbursement	45	610000D4	
Y61300000000	VERA/VSIP	55	610000C4	
Y61500000000	Cash Awards	57	610000C4	
Y61800000000	Worker's Compensation	55	610000C4	
Y64120308000	Travel & Transportation	87	610000I4	Note 6
Y64130771000	Transportation of Household Goods	88	610000J4	Note 7
Y64300308000	Civilian PCS	87	640000I4	
Y65010998000	Miscellaneous	05	610000P4	
Y65020998000	Custodial Service	05	610000P4	
Y65030998000	Indirect Contractor Services	05	610000P4	
Y65040998000	Shipping	05	610000P4	
Y65050998000	Other Contract Services	05	610000P4	
Y65200998000	Communications	64	610000M4	
Y65210932000	Subscriptions	11	610000P4	
Y65290998000	Arbitration	05	610000P4	
Y65300913000	Utilities	26	610000M4	
Y65310998000	Prime Vendor Other (DOCATS)	05	610000P4	
Y65410915000	Equipment Rental	08	610000M4	
Y65500633000	Printing & Reproduction	40	610000N4	
Y65590998000	Refuse Collections	05	610000P4	
Y65600923000	Facility Maintenance	04	610000R4	
Y65610922000	Equipment Maintenance Service	89	610000U4	
Y65610922000	Industrial Plant Equipment Maintenance	89	610000U4	
Y65610922000	Ground Support Equipment (GSE) Maintenance	89	610000U4	
Y65620922000	Vehicle Maintenance	25	610000U4	
Y65630998000	Real Property Alterations and Modifications	22	610000R4	
Y65640998000	Custodial Services	03	610000R4	
Y65650923000	Facility Maintenance	21	610000R4	
Y65660998000	Training	42	610000P4	
Y65670931000	Contracting, Engineering, and Tech Supp (CETS)	19	610000O4	
Y65680998000	IMPAC Other	05	610000P4	
Y65690998000	Miscellaneous	38	610000P4	
Y65710998000	Automated Data Processing (ADP) System Development of Software by ALC	16	610000O4	
Y65720998000	HQ AFMC and Open Systems Software Group System Development	27	610000Q4	
Y65730649000	ADPE Software Lease	13	610000Q4	
Y65740651000	Defense Finance and Accounting Service (DFAS) Automated Data Processing System (ADPS) Development	13	610000Q4	

JON	JON Description	COC	USSGL	Notes
Y65750647000	Defense Information Services Agency (DISA) Reimbursement	13	610000Q4	
Y65760673000	DFAS Reimbursement	13	610000Q4	
Y65790998000	Base Operating Support (BOS)	13	610000Q4	
Y65910922000	Ground Support Equipment (GSE) Maintenance	89	610000U4	
Y65920998000	G&A Precision Measurement Equipment Laboratory (PMEL) Maintenance	25	610000U4	
Y65930922000	Industrial Plant Equipment Maintenance	89	610000U4	
Y65940998000	Automated Data Processing (ADP) Equipment/Hardware Maintenance	18	610000U4	
Y66126512000	Ground Petroleum Oil and Lubricant	95	6100.00W4	Note 3
Y66230000000	Indirect Production Materials	95	610000W4	Note 3
Y66240000000	Maintenance of Operating Equipment	95	610000W4	Note 3
Y66290414000	Government Operating Product Services Center	95	610000W4	Note 4
Y66326100000	Indirect Production Materials (Prime Vendor)	95	610000W4	Note 3
Y66336300000	Maintenance of Operating Equipment (Purchase Card)	95	610000W4	Note 3
Y66346610000	Expendable Tools and Equipment	95	610000W4	Note 3
Y66356700000	Material-Expenditure Office Equipment	95	610000W4	Note 3
Y66366400000	Material-Office Supplies	95	610000W4	Note 3
Y66376910000	Material from/to Contactor PMEL/GSE	95	610000W4	Note 3
Y66376920000	Material from/to Contactor PMEL/GSE	95	610000W4	Note 3
Y66376930000	Material from/to Contactor PMEL/GSE	95	610000W4	Note 3
Y66388000000	Protective Clothing	95	610000W4	Note 3
Y66396620000	Equipment/Machine Type Tools & Access	95	610000W4	Note 3
Y66396630000	Equipment/Machine Type Tools & Access	95	610000W4	Note 3
Y66410998000	Purchase of Automated Data Processing Equipment (ADPE)	95	610000W4	
Y66707000000	Material Hazardous Waste Management	95	610000W4	Note 3
Y66920414000	Fund Code Changes-Sale of Scrap	95	610000W4	Note 5
Y66940414000	Purchase Price Variance Cost Reclassification	95	610000W4	Note 5
Y67200805000	Minor Construction Depreciation	60	671000B4	Note 5
Y67300802000	Equipment Depreciation	59	671000A4	Note 5
Y67320803000	ADPE Depreciation	59	671000A4	Note 5
Y67400806000	Other Fixed Assets Depreciation	59	671000A4	Note 5
Y67500804000	Software Depreciation	58	671000C4	Note 5
Y69400998000	Environmental	13	610000Q4	
Y69410998000	Industrial Waste Treatment Plant Operation Cost	46	610000P4	
Y69510998000	Defense Redistribution and Marketing Office Hazardous Waste	47	610000Q4	
Y69900923000	Shop/Office Rearrange	22	610000R4	

Table A3.10. COC List Used in Air Force.

03	Commercial Janitorial Service	40	Printing Other
04	Commercial Maintenance	42	Training
05	Commercial Other Services	45	Other Department of Defense Service
08	Commercial Rental	46	Industrial Waste Treatment Plant
11	Deferred Charges Subscriptions	47	Hazardous Waste
13	Base Operating Support	55	VERA/VSIP/Worker Compensation
16	System Development	57	Beneficial Suggestion/Cash Awards
18	System Maintenance	58	Depreciation Software (System Assigned)
19	Engineering Technical Services	59	Depreciation Equipment (System Assigned)
21	Minor Maintenance	60	Depreciation Minor Construction (System Assigned)
22	Real Property Alteration and Modification	64	Communications
25	Vehicle & PMEL Maintenance	87	Transportation of Persons (Note 6)
26	Utilities	88	Transportation of Things (Note 7)
27	Non-ALC ADP Software Development	89	Equipment Repair and Maintenance
38	Other Miscellaneous	95	Administrative

Table A3.11. COC List Not Used in Air Force CSAG.

01	Commercial Cylinder Deposit	53	Accts Receivable Anticipated Cost Reimbursement Adjustment
02	Commercial Cylinder Refund	54	No Description
06	Commercial Refunds	56	Accrued Expenses Commercial Services
07	Commercial Rental	61	Discount Earned
09	Commercial subscriptions*	62	Excess Material Loss
10	Deferred Charges Other Miscellaneous	63	Federal Excise Tax
12	Deferred Charges Tuitions	65	Freight
14	NC 2275 DP Key Punch	67	Jury Fees
15	NC 2275 DP Other Support	68	Manufacturing in-house variance
17	NC 2275 DP System Equip OPR	69	Material in-transit write-off
20	No Description	70	Miscellaneous Other
23	NC 2275 PWC Buildings and Grounds	71	Miscellaneous Payroll Deductions
24	NC 2275 PWC Other Support	72	NC 2275 Write-off
28	NC 2275 Station Support Air Operations	73	NC 2275 Major Maintenance Write-off
29	NC 2275 Station Support Civ Personnel	74	NC 2275 Minor Maintenance Write-off
30	NC 2275 Station Support Communication	75	NC 2275 Other Miscellaneous Write-off
31	NC 2275 Station Support Disbursing	76	NC 2275 PWC Write-off
32	NC 2275 Station Support Medical	79	Physical Material Transfer Adjustment
33	NC 2275 Station Support Other	83	Set up charge
34	NC 2275 Station Support Payroll	84	Standard Price Adjustment
35	NC 2275 Station Support Safety	85	Toolbox Refund
36	NC 2275 Station Support Security	86	Trade Discount
37	NC 2275 Station Support Supply	90	Federal Specifications
39	Printing Major Maintenance	91	Civ Relocation
41	Safety Glasses	92	Undelivered checks
43	Tuitions	93	Withholding fees-payroll
44	No Description	94	Depot Level Repair Exchange Loss
48	Miscellaneous	96	Accessorial Charge
49	Work Contracted to Depot Maintenance Repair Activity	97	Accessorial and other charges
50	Miscellaneous	98	Mil Relocation
51	Accts Payable write-off	99	Export Transportation
52	Accts Receivable Write-off		

Notes:

Designed to be "direct" but since it is an X-JON it is still POH. This indirect JON is used when CSAG cannot get material from supply so CSAG goes to a vendor and purchases the material. To purchase the material, an indirect JON must be assigned to the transaction and then the ALC transfers the dollars from a production overhead material account into a direct material account.

Indirect services managed by maintenance groups.

Should be input into NIMMS directly, if DIFMS is used, use COC 95.

Added for WR-ALC use.

System Assigned.

System assigned on MS113P based on Travel Document containing "TO" or "T0"

System assigned on MS113P based on PCS ind-"y" and Travel Document containing "CS" instead of "TO/T0"

Assign an indirect JON to the transaction and then transfer the dollars from a production overhead business operations account into a direct business operations account.

Attachment 4

RESEARCH AND CORRECTION OF COMMERCIAL MATERIAL TRANSACTIONS USING THE DIFMS REPORT 7310-322 "WEEKLY UNALLOCATED DETAILS" THIS ATTACHMENT PROVIDES A GUIDE FOR RESEARCHING AND CORRECTING COMMERCIAL MATERIAL TRANSACTIONS.

A4.1. Check DIFMS record against GAFS/BL.

A4.2. Determine that it is a commercial material buy.

A4.3. Inquiring and transacting via the DIFMS Update Screen MS132P. "Unallocated Detail Error Correction Update" processes the cash transaction once corrected.

A4.4. Determine correct data elements needed: Contract number, Cost Code, Accounting Classification Reference Number (ACRN), Task and amount.

A4.5. Compare document number/contract number, ACRN, Cost Code and Task number on the DIFMS Update Screen MS132P to the NIMMS Screen MN021P "Material Due. " These data elements must match exactly.

A4.6. Correct the data elements on the NIMMS Screen MN021P and follow steps 1-5.

A4.7. If not in GAFS/BL, determine why, and follow steps 1-5.

A4.8. Cash action should clear when matching expense record is available.

A4.8.1. Check NIMMS record for Accounts Payable, on the DIFMS Inquiry Screen MS061P "Material Requisition Status."

A4.8.2. Check the DIFMS record against GAFS/BL to ensure a valid receipt.

A4.8.3. To process the receipt, access the NIMMS Screen MN113P "Purchase Receipts."

A4.8.4. Cash action processes match the receipt to the bill.

A4.8.4.1. DIFMS Report 7310-495 "Material Mismatch": **Note:** This is not a Commercial Material process. This is Government Material as evidenced by the variance (Commercial Material must match bill to receipt precisely) and the receipt screen (MN031P).

A4.8.4.1.1. Check NIMMS record for Accounts Payable and the receipt on the DIFMS Inquiry Screen MS061P. The Status code should be a "5," which prevents the record to closeout because of variance in the amounts.

A4.8.4.1.2. Reverse out the incorrect NIMMS receipt on the NIMMS screen MN031P and receipt the correct amount.

A4.8.4.1.3. The daily cash action process now is able to process the transaction and clears off of the DIFMS Report 7310-495.

A4.8.5. For problems with bill number: **Note:** This should be a desktop instruction. These are screens reserved for Cost Accounting and not all are common screens.

A4.8.5.1. DIFMS Update Screen MS189P "Material Requisition Number Correction" can be used to change the requisition number on a bill to another requisition number. Use of MS189P increases the Accounts Receivable balance on the new requisition number and decreases the Accounts Receivable balance on the old requisition number whenever the screen is used to move an "Accounts Receivable" bill from one requisition to another.

A4.8.5.2. DIFMS Update Screen MS711P "AVDLR Second Bill Correction" can be used to correct an "AVDLR" Second Bill.

A4.8.5.3. DIFMS Update Screen MS106P "Supply Warehouse Refusal/Over Issue Adjustment" allows the user to combine two bills.

Attachment 5

REIMBURSEMENT SOURCE CODES

A5.1. The current Reimbursement Source Code Table is provided in DMAPS at: https://cs2.eis.af.mil/sites/22519/DMAPS/Forms/AllItems.aspx?RootFolder=%2Fsites%2F22519%2FDMAPS%2FDIFMS%20%28Finance%29%20Library%2FIE%20DDS%20%2D%20PCN%20Crosswalk%20%28Reimbursement%20Code%29&FolderCTID=0x012000FAAC8B308974974BA27AF7C4786C1BC9&View=%7B6B9397E7%2D8A7F%2D463F%2D834C%2D0A9AC175E65E%7D.

Attachment 6

DIFMS INQUIRY AND UPDATE SCREENS, BATCH PROGRAMS, REPORTS, AND DATA ELEMENTS

A6.1. DIFMS inquiry and update screens, batch programs, reports, and data elements, are provided on the DFAS website: https://t6800.csd.disa.mil/DifmsPortal/index.php. Anyone with a Common Access Card and on the.mil network can access this DFAS website. Once signed on, click on the appropriate subject tab (e.g., DIFMS), then click on the sub-tab for the desired production release, then click on the DIFMS-User-Manuals folder. Click on the Database Access Manual folder for data elements.

A6.2. The user manuals below contain applicable information for each subsystem. For each user manual, Section 2 provides a list of DIFMS Inquiry and Update Screens, Section 3 lists DIFMS Batch Programs, and Section 4 lists DIFMS Reports.

A6.2.1. Billing_User_Manual

A6.2.2. Cash_User_Manual

A6.2.3. Cost_Summary_User_Manual

A6.2.4. Fixed_Assets_Users_Manual

A6.2.5. General_Ledger_User_Manual

A6.2.6. Job Order/Customer Order (JOCO)_User_Manual

A6.2.7. Labor_User_Manual

A6.2.8. Material_User_Manual

A6.2.9. Other_Cost_User_Manual

A6.2.10. Purge_and_History_User_Manual

A6.2.11. System_Parameters_User_Manual

A6.3. DIFMS Data Elements. Can be obtained from the DIFMS Database Access Manual (Section 3, Table Descriptions and Columns) for the desired production release.