

# National Aeronautics and Space Administration (NASA)

## Working Capital Fund (WCF)

**WCF Mission:** “To establish a revolving fund that promotes economy, efficiency, and accountability with fully reimbursed rates by focusing on streamlining operations, extending resources, measuring performance, and improving customer satisfaction”

### What is a WCF?

- An account in which all income is derived from its operations and is available to finance the fund’s continuing operations without a fiscal year limitation.
- A revolving fund financial management structure used to promote total cost visibility and full cost recovery of goods and services provided.
- Separate business entities that operate in a manner through which a provider/customer relationship is established.

### When was it established?

- Congress established the NASA Working Capital Fund on February 20, 2003, with enactment of the fiscal year 2003 appropriations act (P.L. 108-7).
- The Department of Treasury established account 80X4546 for the NASA Working Capital Fund on September 17, 2003.

### Who are the potential NASA WCF candidates?

- NASA Agency-wide programs/functions that provide goods and services on a recurring basis, to multiple customers, and that have the ability to charge prices or rates that approximate the full cost of goods and services.

### How does the NASA WCF Operate?

- The NASA WCF business entity develops a rate/price schedule for the goods or services it provides.
- The customer rates/prices are established on a fiscal year/periodic basis to recover the total cost of operations.
- Customers send work orders to the working capital fund business entity provider along with payment in advance for the good or service to be provided.
- The NASA WCF business entity furnishes the good or service, pays for expenses incurred, and provides an information bill to the customer.
- The NASA WCF business entity is not profit-oriented. The intent is to operate on a break-even basis. However, since rates/prices that are set in advance seldom equal actual expenses, the WCF business entity will adjust rates/prices charged to the customer in subsequent rate/price schedules to address the variance.

### What evaluation documents are required from a WCF candidate?

- Requirement 1: Complete the NASA WCF Candidate Application, which requests a high-level description of the business entity, operations, cost categories, goods or services provided, and projections.
- Requirement 2: Upon approval of the application, develop a Business Case Analysis. The case will present evidence of reasoning and analysis, financial projections, benefits, assumptions, and risks.
- Requirement 3: Upon approval of the business case, develop a Charter that sets forth the authority for, mission, and responsibilities of the business entity as an Agency-wide function operating in the NASA WCF.

### Why are we doing this?

- To encourage WCF business entities to provide quality goods and services at the best value.
- To provide a financial management structure that encourages conservation of resources, cost awareness, performance measurement, and operational efficiency.
- To support One NASA and build upon the “Full Cost” initiative being implemented throughout NASA.

### What’s next?

- Incorporate the SEWP program into the WCF in fiscal year 2005. SEWP provides a contractual vehicle for NASA and other agencies to procure high-performance information technology products while eliminating redundant contractual efforts by each agency.
- Continue to review other NASA Agency-wide programs/functions to include in the WCF.

### What can you do to help?

- Communicate these talking points to staff. Listen to feedback, comments and concerns. Please pass along any themes or issues you believe the team should hear to [support@ifmp.nasa.gov](mailto:support@ifmp.nasa.gov). We invite your input.
- Familiarize yourself with the project, our website is a good resource <http://ifmp.nasa.gov/codeb/wcf/wcf.htm>
- Lend your support to this important initiative.

*Talking points October 2004*