

**CHAPTER 3. NASA FINANCIAL STATEMENTS AND UNITED STATES GOVERNMENT
FINANCIAL REPORT (CLOSING PACKAGE)**

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CHAPTER 3. NASA FINANCIAL STATEMENTS AND UNITED STATES GOVERNMENT FINANCIAL REPORT (CLOSING PACKAGE)

3.1 PURPOSE.

- 3.1.1 This chapter describes how NASA provides data for the Financial Report of the United States Government (FR) using the Governmentwide Financial Report System (GFRS) and the Federal Agencies' Centralized Trial-Balance System (FACTS I). The data is provided through the Financial Management Service's (FMS's) Closing Package methodology, including the Federal intragovernmental transactions process, and requirements for electronically submitting pre-closing adjusted trial-balances (ATBs). The Closing Package provides the link between NASA financial statements and the Governmentwide Financial Report.
- 3.1.2 In compliance with the Government Management Reform Act of 1994 and the Budget Accounting and Procedure Act of 1950, NASA shall provide to the U.S. Department of Treasury financial and operational information as the Secretary of the Treasury may stipulate. This information must cover all accounts and associated activities of NASA. As part of this compliance, NASA will follow the U.S. Treasury Closing Package methodology, including the Federal intragovernmental transactions process, and the requirements for electronically submitting pre-closing adjusted trial balance. This Closing Package will provide the link between the NASA's financial statements and the U.S. Governmentwide consolidated financial report.

3.2 AUTHORITIES AND REFERENCES.

- 3.2.1 Government Management Reform Act of 1994, Public Law 103-356 (31 U.S.C. § 331(e)(1)). Section 405 requires that the Secretary of the Treasury annually prepare and submit to the President and the Congress an audited financial statement for the preceding fiscal year.
- 3.2.2 Budget and Accounting Procedures Act of 1950, Public Law 784 (31 U.S.C. § 3513(a)). Section 114 requires each executive branch agency to furnish financial and operational information as the Secretary of the Treasury may stipulate. This statement must cover all accounts and associated activities of the executive branch of the Federal Government.
- 3.2.3 Treasury Financial Manual (TFM), Part 2, Chapter 4700. The TFM provides the agency reporting requirements for the Financial Report of the United States Government.
- 3.2.4 OMB Circular No. A-136, Financial Reporting Requirements. This Circular requires that entities must provide financial data to the U.S. Treasury by preparing a Closing Package. It includes the special-purpose financial statements, intragovernmental balances, and the adjusted trial balance.

3.3 ROLES AND RESPONSIBILITIES.

- 3.3.1 The NASA Chief Financial Officer (CFO) and Deputy CFO are responsible for the preparation of the Closing Package at the agency level and the certification of its accuracy with the comparative, audited, consolidated agency level financial statement. The CFO and DCFO must also submit comparative data through the GFRS, and ATB Financial Statement Notes data through the FACTS I.
- 3.3.2 The NASA Inspector General must provide assurance as to the consistency of the Closing Package information with the NASA's comparative, audited, consolidated department-level financial statements.

3.4 REPORT REQUIREMENTS.

3.4.1 Major Components.

- A. Treasury Financial Manual (TFM) Part 2, Chapter 4700 provides guidance for agency reporting requirements for the Financial Report of the United States Government. It also provides dates of submission and the Office of Inspector General (IG) opinion.
- B. The guidance requires that the Chief Financial Officer (CFO) of each verifying agency must prepare and submit the Closing Package data for current and prior fiscal years via GFRS at the department level and must verify its consistency with the comparative, audited consolidated, department-level financial statements. The IG must opine on the Closing Package data, entered by the CFO into GFRS, as to its consistency with the comparative, audited consolidated, department-level financial statements.
- C. TFM Chapter 4700 also requires NASA to submit pre-closing ATBs via the FACTS I Internet application on the Government On-Line Accounting Link System (GOALS) II. Agencies must submit their ATBs at the Treasury appropriation/fund group level using proprietary U.S. Standard General Ledger (USSGL) accounts (see Appendix 11). The ATB data from verifying agencies is a tool used to facilitate the Closing Package and is not used to prepare the FR.

3.4.2 To Whom the Report is Submitted.

- A. The report is submitted electronically through the systems established for FACTS I and FACTS II. The reader should consult U.S. Treasury Financial Manual, Part 2, 4700 and Financial Manager Service FACTS II User's Guide for guidance on how to access FACTS I and FACTS II systems, including various levels of reporting, and reporting dates.

3.4.3 When the Report is Due.

- A. FACTS I and FACTS II reports are essentially data transmission ultimately used in preparing interim and final Financial Statements and Notes to financial statements. The reports are submitted electronically through the systems established for FACTS I and FACTS II. Dates due are numerous in that they involve data transmissions throughout the fiscal year, by Preparers, Certifiers, and Headquarters reviewers. The reader should consult U.S. Treasury Financial Manual, Part 2, 4700 and Financial Manager Service FACTS II User's Guide for guidance on how to access FACTS I and FACTS II systems, including various levels of reporting, and reporting dates.