

**APPENDIX Q. PRECAUTIONS TO AVOID IRREGULARITIES****Q.1 PRECAUTIONS TO AVOID IRREGULARITIES.**

Q.1.1 NASA Accountable Officers shall make reasonable use of the following to prevent improper payments.

- A. Advance Decision on Certification. Certifying Officers, who may be concerned about the legality or appropriateness of a certification or have a question of law, have a right to an advance ruling.
1. Any questions of law involving payments of \$100.00 or less, which cannot be resolved locally to the satisfaction of the Certifying Officer, may be referred to the Agency Chief Financial Officer (CFO) and Deputy CFO (DCFO), NASA Headquarters, for review and advice. Certifying Officers may rely on written advice from the Agency CFO and DCFO, as to propriety of the payment. Such payments will be considered conclusive by the Agency in settlement of the accounts of the Certifying Officers.
  2. Referrals to the Agency CFO and DCFO should be in the form of a letter and, whenever possible, be accompanied by a copy of the uncertified invoice or claim and other pertinent supporting documents. The letter, constituting an administrative report, should contain the following:
    - a. A statement of the facts out of which the claim arose.
    - b. A statement of the doubt or other reason for forwarding the claim.
    - c. A recommendation as to the disposition believed to be proper.
  3. Upon reaching a decision, the Agency CFO or DCFO will provide a written response to the Certifying Officer, who shall enclose a copy of the advice with the original invoice.
  4. If a payment is for more than \$100.00 and the Center Chief Counsel is unable to resolve the propriety of the payment, the question may be referred to the Agency CFO and DCFO for resolution.

Q.1.2 Reasonable Reliance. Often due to a large number of transactions, automated systems, cross servicing arrangements, and prompt payment considerations, it is not practical to perform a personal examination of each transaction certified. Nonetheless, NASA Certifying Officers must be reasonably assured they can rely on systems, controls, personnel, and other methods used to process transactions and verify payments. In regard to reasonable reliance issues, NASA shall consider the following:

- A. Indicators for reasonable reliance are present, including:
1. Well-defined organizational structure and flow of work, with appropriate separation of responsibilities and clearly written policies and procedures governing the examination, approval, and certification of disbursement vouchers.
  2. Effective application of available technology with separation of duties and concepts to achieve efficient and effective voucher processing.
  3. Review of the voucher processing procedures and controls in sufficient scope, depth, and frequency that key processing procedures and controls are known to be working and reliable.
- B. When performing certifying duties, the title "Authorized Certifying Officer" shall be used. The date of certification and the name will be typed, stamped or printed below the space for the signature on vouchers, schedule of payments, and on official correspondence (1 TFM 4-2040). In automated systems, evidence that payments are accurate and legal must relate to the system rather than to individual transactions. Certifying Officers should request information showing that the system is functioning properly and can be relied on to produce payments that are accurate and legal. Reviews should be made at least annually or with interim checks of major system changes. Electronic certification is legal, as long as it has adequate safeguards. The electronic symbol or user signature must be unique to the Certifying Officer, capable of being verified, and under his or her sole control or custody. The Department of the Treasury's Financial Management Service offers electronic certification systems, which when used in accordance with applicable requirements, satisfy the statutory requirements for voucher certification and payment.
- C. Should the Certifying Officer believe factors exist that prevent certification of vouchers including systems, controls, personnel, and methods that can not be reasonably relied upon, the Certifying Officer shall point out the weaknesses to the appropriate NASA officials and use alternative procedures and/or controls that can be reasonably relied upon. NASA officials are responsible to provide conditions whereby a Certifying Officer can perform his duties with reasonable reliance.
- Q.1.3 The best protection for those in physical custody of funds to avoid loss of funds is the exercise of due diligence in performing their responsibilities.