



MEMORANDUM FOR THE RECORD

SUBJECT: System Availability and Funds Distribution Actions for Start Up of FY 2011

Issue

The NASA FY 2010 Appropriations Bill provides that NASA's Cross-Agency Support Funds (CASX) are limited to a one-year period of availability and will expire on September 30, 2010. This paper addresses the requirements for the financial/accounting system availability and related funds distribution actions necessary to ensure continuity of business operations on October 1, 2010 to meet NASA's mission critical needs.

Guidance

Timely communication of PY2011 fund availability will be a critical enabler to ensuring NASA's business processes are operating across fiscal year boundaries.

I. **ADVANCE PREPARATION for FISCAL YEAR 2011**

a. **Identification of Severable High Priority CAS Contracts**

To ensure continuity of severable services funded with the CAS appropriation (direct and reimbursable), mission support organizations must work with Center Chief Financial Officer (CFO) personnel to identify those contracts requiring CAS funding on October 1. HQ Functional Offices will identify the HQ contracts. For each of these contracts, responsible procurement and resource personnel should be identified and daily burn rates based on calendar days should be determined to facilitate preparation of funding actions upon the President's signature on a Continuing Resolution (CR). In addition, Centers need to include NSSC services on the list of critical CAS contracts. Funding requirements for NSSC services and each contract should be prioritized sequentially from No. 1 to No. X, with No. 1 being the highest priority for the Center. Priorities should be based on a collaborative effort between Center/HQ organizations and approval by senior management. For example, a Center may involve the Center Operations Director, Center CFO, and Procurement Director with concurrence provided by the Center Director or designated representative in assigning priorities.

b. **Establishment of WBSs**

Centers must work with Center CFO personnel to ensure FY 2011 WBS codes are identified and available in MDM/SAP for any funding actions required on October 1.

HQ Functional Offices will work with their resource personnel. These WBSs will be required to prepare the list of CAS critical contracts and Procurement Requests (PRs) discussed in paragraphs below.

c. Preparation of Critical Contract Funding Template

The first priority of funds distribution activities on October 1 will be the issuance of high priority PY 2011 CAS direct and reimbursable funding. To assist MSD in determining funding requirements, Centers and HQ functional offices will document the information described below on the template provided in year-end guidance. These lists of critical CAS Agency Management & Operations (AMO) contracts must be sent by email to Todd Mullins at todd.mullins@nasa.gov no later than September 23, 2010.

The following information will be required for NSSC requirements and each contract: Procurement Request (PR) package unique identifier (reference PR section below), priority, contract number, vendor, task, theme (AMO/Center Management & Operations (CMO)), WBS, daily burn rate based on calendar days, number of CR days, and total funds required. The list should also capture this information for NSSC services with the exception of contract number.

The amount of funding for NSSC services and each contract can be determined by multiplying the daily calendar burn rate by the number of days in the CR. A macro will be included in the template which utilizes the daily burn rate to automatically calculate funds required for each contract when users enter the number of days in CR.

There will also be fields within the template to capture status information, comments, Center Point of Contacts (POCs) (Contracting Officer, Contracting Officer Technical Representative, Resource/Program Analyst) with email addresses and PR Numbers for each contract. Although the information will not be required for Agency OCFO to issue funding, a fully completed template will assist Center funds control staff in notifying procurement and resource personnel of available funds after the CR is signed. Further, the template can assist in maintaining priorities for funds distribution and PR preparation/approval activities in SAP.

After Agency OCFO releases the CR information, Funds Control Teams for each Center will be required to update the list of critical CAS contracts and ensure the total funds required for each contract and NSSC are captured. The completion of the template and subsequent updates should be performed by designated Center CFO funds control and PR personnel. Updates are critical to ensure timely distribution of CAS funds.

Updates to priorities or funding requirements that occur after the list has been submitted to Todd Mullins in MSD should be forwarded to him by email immediately.

d. Advance PR Preparation and Identification of PR Team

Based on identification of critical contractual documents requiring CAS direct and reimbursable funding on October 1, Centers and HQ functional offices need to prepare PR packages in advance with all required documentation and approvals. Approvals secured via email can be attached to the PR packages. Coordination with Procurement Offices on new task orders or contracts must be performed in advance.

Centers may elect to identify select PR Preparers to serve on a PR Team with the responsibility of receiving and reviewing these PR packages for completeness. Any issues should be resolved prior to October 1, 2010. Adequate advance preparation should reduce the input of these PRs in SAP to a data entry exercise for PR Preparers.

Additionally, this PR Team would be tasked with assigning unique identifiers to each PR package and ensuring each package is captured on the list of critical CAS contracts for tracking purposes. Further, the PR Team would be responsible for using PR packages to enter PRs in SAP on October 1, when the system and funds are scheduled to be available for FY 2011 transactions.

Packages should also be prepared for NSSC services required on October 1. Information in packages must be sufficient to complete necessary SAP transactions and transfer funding to NSSC. Unique identifiers should also be assigned to these "PR" packages.

e. Identification and Duties of Funds Control Team

Funds Control Teams should be designated at the Centers and initially tasked with completing and submitting the list of critical CAS contracts discussed in 1.c.

Funds control personnel should then prepare a funds control spreadsheet in advance, so that funding can be manually tracked when the CR is signed. The spreadsheet should be equivalent to the SAP ZFI_Budget report and must be maintained by Centers to reflect manual budget received by Fund, Funded Program, and Available Budget.

After the Agency OCFO provides notification that a CR has been signed and funds are available, funds control personnel will be responsible for updating the list of critical CAS contract with the number of CR days and verifying calculated totals.

The Funds Control Team will then be required to manually certify funds availability for NSSC and each contract/task on the list of critical CAS services using the funds control spreadsheet. Available CAS funding will be reduced as each contract or NSSC requirement is certified. This task will be performed sequentially, beginning with the PR package designated as Priority No. 1. Unique identifiers assigned to each PR package should be cited on the funds control spreadsheet to support each reduction of available budget.

When the manual funds certification is complete, Center Funds Control Teams will email the duration of the CR as well as the funds available for NSSC services and each contract to responsible Contracting Officers and other personnel identified on the Center's or HQ Functional Office's list of critical CAS contracts.

II. RELEASE OF CR INFORMATION BY AGENCY OCFO AND Control Account Managers (CAMs)

As soon as the President signs the Continuing Resolution (CR) for the beginning of FY 2011 or a regular appropriation for CAS, or when the Agency CFO provides authorization to proceed, the Director, Financial Management Division (FMD), HQ OCFO, will send an email to CAMs, Center CFOs, and HQ functional offices stating that funds are available – effective October 1, 2010 – for operations at the same level of FY 2010 for the number of days specified in the CR. Each of these offices must provide the email addresses of each POC who should receive this notification to charles.mcintosh-1@nasa.gov and tamara.west-1@nasa.gov by September 23, 2010. MSD will provide a daily CAS burn rate based on calendar days for each Center and HQ Functional Office by September 25, 2010. Working with the HQ Functional Offices, MSD will provide those Centers that have critical CAS contracts funded by AMO through HQ offices an AMO burn rate in addition to the CMO burn rate. HQ Procurement will issue a Procurement Information Circular (PIC) describing the actions that contracting officers must take, once budget authority is received, to notify contractors of their status effective October 1, 2010.

If the CR is signed by the President by 7:00 PM Central Daylight Time (CDT) on September 30, the procedures documented above will permit Funds Control Teams to notify Contracting Officers by 9:00 PM CDT of the dollar amount available and time period by contract/task. This will enable the Contracting Officers to notify contractors prior to October 1 that funding will be available on October 1, 2010. Details on the contractor notifications will be provided in the PIC.

If the CR is signed by the President after 7:00 PM CDT, but before midnight CDT, on September 30, notifying contractors of dollar amounts and time period by contract may not

be feasible. For this situation, contractors will be notified that they are authorized to work on October 1 and that additional information will be provided on October 1 concerning work after that date. The PIC will provide details on this notification, as well as what action to take on October 1. Again, this is to ensure that the Agency does not experience any gap in critical services.

If CR information is available prior to the President signing the CR, the Agency CAS CAM should inform the Centers. This action would enable Center Funds Control Teams to initiate the steps required to manually track funds, until high priority funding is reflected in SAP. However, these teams would not notify the procurement and resource personnel of funding availability until receiving confirmation from Agency OCFO that the President signed the CR.

When OMB's Bulletin is issued:

- a. The Budget Formulation Branch, Budget Division, HQ OCFO, will determine the appropriate amounts of budget authority at the mission level, coordinate with the CAMs on funding requirements at the theme level, and provide both to the Chief, Funds Control and Distribution Branch, Financial Management Division, and the Chief, Institutional Execution Branch, Budget Division, HQ OCFO, within 24 hours.
- b. MSD will determine the appropriate amounts required for distribution of CAS budget authority down to the project by Center level in SAP when the system opens and provide them to the Chief, Institutional Execution Branch (IEB), Budget Division, HQ OCFO. They will also provide CAS funding guidelines to Centers and HQ Functional Offices. The other CAMs are responsible for their normal funds distribution process.
- c. On October 1, 2010, or as soon as the system opens, funds will be distributed in SAP, which will support the notifications of fund availability forwarded when the CR/appropriation was signed.

Centers' Procurement Offices, and HQ Functional Offices are required to manually track all funds and obligations until all manual transactions have been recorded in the official system of record (SAP) to ensure that there is no risk of inadvertently creating an Antideficiency Act violation by obligating funds which appear to be available but which may already have been obligated by unrecorded transactions. All of these manual transactions should be recorded in SAP no later than October 15, 2010.

III. FISCAL YEAR 2011 START UP ON OCTOBER 1

a. System Availability

SAP and PRISM will close no later than midnight CDT on September 30 for FY 2010 processing. Finance staff will work closely with procurement and other appropriate

staff (e.g., logistics) to determine when the last transactions have been processed in SAP. This will allow the finance staff to complete all FY 2010 reconciliations before SAP closes at midnight CDT. SAP and PRISM are scheduled to be open on October 1 at 7:00 AM CDT for FY 2011 processing.

System availability on October 1 will provide the earliest possible opportunity to begin processing routine FY 2011 transactions, as well as processing the backlog of critical funding actions necessary to support entry of high priority CAS PRs and recording of corresponding commitments and obligations in SAP.

These systems will close at 8:00 PM CDT on October 1 to complete closing activities for FY 2010. SAP and PRISM will re-open at 10:00 AM CDT on October 2 for FY 2011 business activities, and to continue processing the backlog of critical funding actions associated with the high priority CAS PRs that may not have been processed on October 1.

b. CAS Funds Distribution and PR Preparation/Approval in SAP

Funds distribution activities at the Agency level on October 1 focus on issuing high priority PY 2011 funding, as identified by MSD. Agency OCFO will distribute CAS funding (FMD mission/theme, and IEB to project-by-center level), with the exception of Corporate Management and Operations (CMAO), which is distributed by HQ Operations. Distribution is scheduled to be completed by 12:00 Noon CDT on October 1.

When CAS funding is distributed in SAP on October 1, Centers immediate action must be taken to distribute these high priority funds for commitment purposes. Funds Control Teams should notify the PR Teams when funding is available and reconcile manual funds control spreadsheets to SAP budget reports as distributions are complete.

PR packages prepared in advance based on Center- and HQ-determined priorities for the critical severable services should be entered in SAP immediately after funds distribution actions are complete.

As noted, recommend input be limited to a designated PR Team to maintain control and quality. Unique identifiers assigned to the manual PR packages should be captured on PRs for complete traceability. In addition, PR Teams should record PR Numbers on the list of critical CAS contracts and review list to ensure all PR packages have been captured in SAP.

Although the PRs will be subject to standard system editing and approvals, overall processing time should be reduced due to previous quality reviews by PR Team and attachment of prior email approvals. Center/HQ organizational business office approvers and finance PR approvers should be notified when these PRs are released for approval to ensure top priority is given. The PR Teams should also notify procurement and resource POCs for each contract as PRs are updated in SAP.

c. System Access and Funds Control

There are no plans to limit access to users when the system is available on October 1 for FY 2011 business activities. To maintain funds control, Centers and HQ Functional Offices must process high priority CAS funds distribution and commitment transactions in SAP prior to recording any other commitments. By issuing notifications to these contractors, we have incurred obligations which must be entered in SAP and PRISM as soon as possible.

For control purposes, the following steps are required:

- (1) Centers must issue email notifications to all PR Preparers and Approvers that PRs cannot be processed in FY 2011 until authorized by the Deputy CFO for Finance or Finance Office Chief. Centers may also opt to announce the temporary restriction via newsletters or distribution lists.
- (2) Center finance approvers will approve only those PRs identified on the list of critical CAS contracts until authorization is provided. PRs not included on the list will be held until all priority funding PRs have been processed.
- (3) Budget Maintainers will leave all funding received in FY 2011 which is not listed on the list of critical CAS contracts in ALLOBJECTS to prevent use until all high priority PR packages have been processed.
- (4) Funds Control Team members should monitor funds usage and identify any unauthorized usage of funds.
- (5) Procurement Offices are responsible for monitoring obligations and ensuring funds for CAS contracts identified on the list of critical CAS contracts are obligated prior to obligating funding on any other contract. Personnel tasked with responsibility should be identified in advance.

d. System Performance

No system performance issues have been raised for SAP on small-to-medium value award actions. The time to systematically save modifications in SAP once the PRISM interface has completed on large contracts increases as the contracts age and

accumulate a higher number of accounting lines. The NASA Enterprise Applications Competency Center (NEACC) is working with SAP to analyze this issue and determine if performance improvements can be made before year-end reaches its peak activity. A system release scheduled for August 2010 is slated to improve PRISM interface performance issues and the NEACC technical team is configuring additional application hardware to support year-end processing in PRISM. The NEACC will also support Center/HQ monitoring of overall system performance (PRISM, Interface, and SAP) and will make recommendations to the Centers/HQ as necessary during the year-end timeframe.

e. Manual Processes

System availability on October 1 will not preclude the necessity to develop manual processes outside of SAP and PRISM. As stated in above section, the manual tracking of PY 2011 resources will be required to ensure continuity of services until critical PY 2011 funding is available in SAP on October 1, 2010.

If system availability schedules cannot be met, the manual process for monitoring funding will be extended, and manual processes for PRs and obligations will need to be implemented.

Centers should review and update manual processes developed in previous fiscal years to ensure continuity of operations in the event of schedule delays.

f. Staffing Considerations

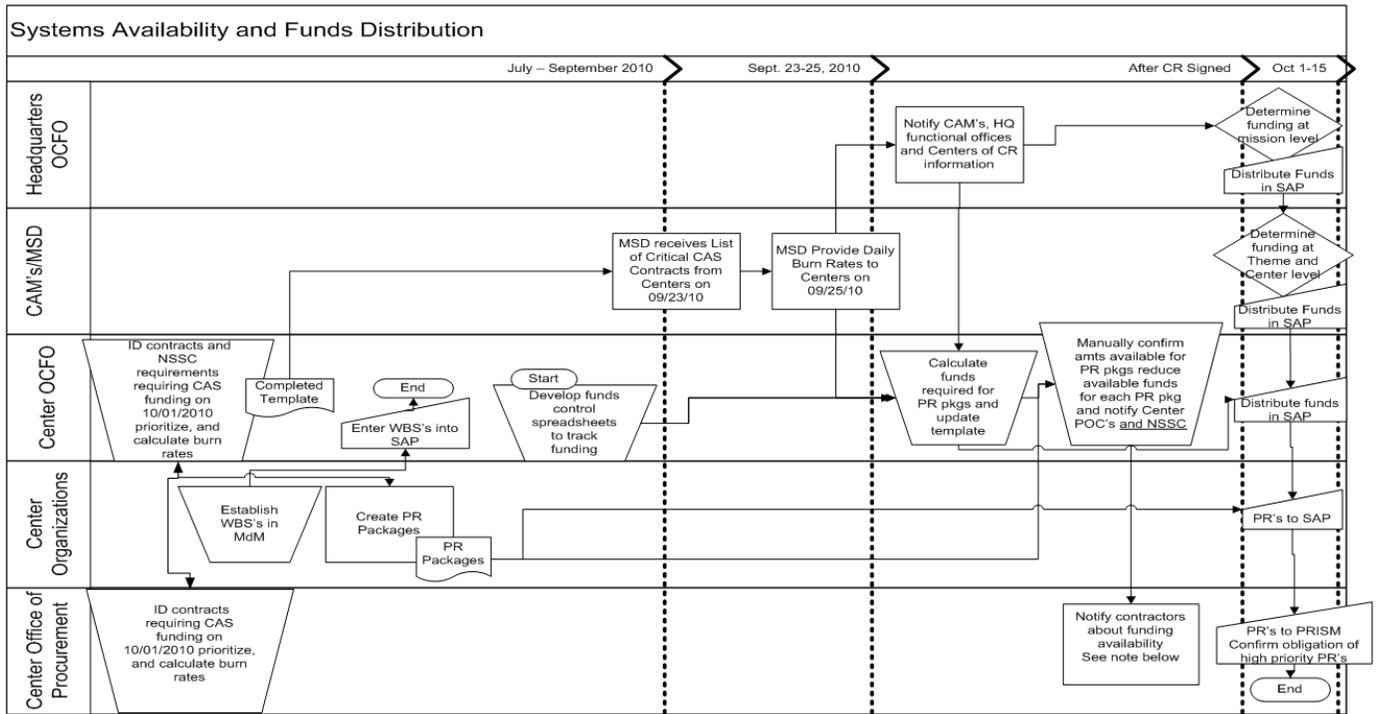
It is recommended that Centers and HQ Functional Offices initiate steps now to ensure adequate staffing is available to accomplish time-sensitive tasks. Overtime, on October 1 and through the following weekend, should be anticipated for personnel involved in Agency and Center funds distribution, PR preparation, PR approval, and contract modification to ensure all necessary funding actions are executed timely and to ensure that high priority severable work is funded as soon as possible in FY 2011.

g. Travel and Payroll

FedTraveler processing during year-end and FY 2011 start-up is documented in a separate paper. After HQ has distributed funds, Center OCFO and HQ Functional Offices will be responsible for communications regarding funds availability for travel actions.

WebTADS payroll processing for year-end and FY 2011 start-up is documented in a separate paper. After HQ has distributed funds, Center OCFO and HQ Functional Offices will be responsible for communications regarding funds availability for payroll actions.

PROCESS FLOW



Note: If the CR is signed by the President after 7:00 PM CDT, but before midnight CDT, on September 30, contractors will be notified that they are authorized to work on October 1 and that additional information will be provided on October 1 concerning work after that date.

Checklist for Centers

<input checked="" type="checkbox"/>	Date/Time Completed	Task	Responsible Party
SECTION 1: ADVANCE PREPARATION for FISCAL YEAR 2011			
<input type="checkbox"/>		July - Sept 2010: Identify, prioritize, and calculate daily burn rate for contracts requiring CAS funding on October 1, 2010.	
<input type="checkbox"/>		July – Sept 2010: Identify members for Funds Control and PR Teams and Procurement personnel tasked with monitoring obligations of CAS contracts.	
<input type="checkbox"/>		July – Sept 2010: Implement plan to ensure adequate staffing is available for yearend and start up activities.	
<input type="checkbox"/>		Aug – Sept 2010: Prepare Critical CAS Contract List (Template) and PR packages.	
<input type="checkbox"/>		Sept 23: DEADLINE for forwarding Critical CAS Contract List for AMO to Todd Mullins and submitting POCs to receive CR notification emails from Agency OCFO FMD Director.	
<input type="checkbox"/>		Sept 2010: Submit Mdm requests for new WBSs needed for CAS contracts on October 1, 2010.	
<input type="checkbox"/>		Sept 2010: Develop funds control spreadsheet to manually track funding.	
<input type="checkbox"/>		Sept 2010: Issue notifications to all PR Preparers and Approvers that no PRs can be processed in FY 2011 until authorized by CFO.	
SECTION 2: RELEASE of CR INFORMATION by AGENCY OCFO			
<input type="checkbox"/>		Review RELEASE OF CR INFORMATION BY AGENCY OCFO and CAM section in System Availability & Funds Distribution white paper.	
<input type="checkbox"/>		Based on CR information, calculate funds required for manual PR packages and update Center Critical CAS Contract List accordingly.	
<input type="checkbox"/>		Update funds control spreadsheets with amounts to be received October 1 and reduce available funds for each PR package listed on the Critical CAS Contract List.	
<input type="checkbox"/>		Email funding notifications to Center Procurement and Resource POCs identified on the Critical CAS Contract List.	
<input type="checkbox"/>		Contracting Officers email notifications to contractors of funding availability on October 1.	
SECTION 3: FISCAL YEAR 2011 START UP on OCTOBER 1			
<input type="checkbox"/>		Distribute high priority CAS funding received from OCFO.	
<input type="checkbox"/>		Enter PR packages in SAP and email notifications that funds have been committed to Center Procurement and Resource POCs identified on Critical CAS Contract List.	
<input type="checkbox"/>		Issue notification to PR Preparers and Approvers that PRs can be submitted after critical CAS PR packages are processed in SAP.	
<input type="checkbox"/>		Confirm obligation of funding for all high priority CAS contracts in SAP. (Obligation activity should be monitored to ensure critical CAS funding is obligated prior to any other obligations)	

