

## CHAPTER 3

## ACCOUNTS PAYABLE PROCEDURES

3-1. Introduction.

a. General Ledger Accounts. In the preceding chapter of this manual, the accounts prescribed for use by the Corps have been listed and defined; and, in so instances the procedures to be followed in their use have been explained. To the extent that procedures have been incorporated in the explanations to the accounts previously enumerated, they constitute a part of the prescribed procedures.

b. Principles and Procedures. The principles and procedures outlined in this section relate more specifically to the preparation of vouchers, assembling of payrolls, invoices and other related documents into accounts payable files, and to the coding of these documents for posting to the proper accounts. In accomplishing this, it will be necessary to:

(1) Determine that the proper allotments are charged and that the expenditures are for the purpose or object authorized in the allotments.

(2) Determine the General Ledger Account to be charged since expenditures must be classified as either assets or expenses and charged to the appropriate accounts.

(3) Determine the detailed subsidiary account to be charged, related to the General Ledger Account to be charged.

c. Voucher Accounting Distribution. The distribution of expenditures requires a knowledge of the general ledger and cost accounts and the budget or work program for which funds are allotted. It further requires a knowledge of the construction, operations and maintenance practices and procedures, the functional organization and the purposes for which materials and services acquired are used. The distribution to the general ledger accounts is normally based on information available on purchase orders, time reports, and the cost accounts indicated on bureau voucher forms submitted by operating and field offices. The coding of vouchers, etc., is essentially a field or operating job and should be done where the work is performed.

d. Coding Vouchers. To the extent practicable, all expenditures should be to the appropriate activity accounts at the time the voucher is prepared, prior to entry in the accrued expenditure register. However, it is realized that certain expenditures cannot be so allocated, such as:

(1) Expenditures for materials and supplies which are placed in

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storehouses for future issue, will be charged to warehouse stock accounts. These will be distributed to the appropriate cost accounts on the basis of stores issue reports.

(2) Expenditures made in advance of the receipt of the goods or services which will be charged to Prepayments and Advance account, and subsequently distributed to the appropriate accounts by Journal entry based on usage reports.

(3) Certain expenditures which will be accumulated currently in deferred accounts, for later distribution to the appropriate accounts.

3-2. Use of Bureau Vouchers, ENG Forms 3005 and 3006.

a. Use of Bureau Vouchers for Procurements. In order to facilitate the coding and assembly of all documents, a "Bureau Voucher, ENG Form No. 3005" is provided which will accompany each expenditure document, including payroll vouchers. Before posting, all vouchers will be coded to show the allotment account from which financed, as well as the general and subsidiary ledger accounts to which the document will be posted. The bureau voucher is a covering jacket for all expenditures entered in the accrued expenditure registers. A separate ENG Form 3005 will be prepared for each appropriation to be charged. Either typewriter, ink or pencil may be used provided all copies are legible. Bureau vouchers, ENG Form 3005, will normally be prepared, at least as to description of the transaction and the cost account(s) and allotment(s) chargeable, by the organizational unit receiving the goods or services. All bureau vouchers will be prepared in triplicate and forwarded with attached receiving reports to the Finance and Accounting Branch through the Property Accounting Branch for property clearance. In the case of partial payment estimates, the bureau voucher will be prepared in the field to accompany the payment estimate submitted to the Finance and Accounting Branch. In some cases, however, it may be found advantageous to prepare the ENG Form 3005 in the Finance and Accounting Branch from the receiving reports received. In order to minimize the preparation of adjustment bureau vouchers, ENG Forms 3005 will be prepared for transportation requests upon receipt of carrier's invoice. As is elaborated on more fully in Chap. 5, the Finance and Accounting Branch receives, records and maintains files containing obligating documents, receiving reports, invoices, etc. Upon receipt or preparation of a bureau voucher accompanied by a receiving report, the Finance and Accounting Branch will match it with pertinent obligating documents and invoices, if already received, binding them in a jacket, with the bureau voucher serving as the top document. The bureau vouchers will be numbered and entered in the Accrued Expenditure Register for the applicable appropriation. One series of numbers will be maintained for each district for all expenditure bureau vouchers. A new series of numbers will be initiated for each month with

necessary fiscal year and month identification such as: 1-55-8 denoting July, FY 1955, Bureau Voucher No. 8 or 12-55-8 denoting June, FY 1955, Bureau Voucher No. 8. To control the assignment of bureau voucher numbers the Finance and Accounting Branch will prepare a prelisting of numbers for each month on ENG Form 3158, Bureau Voucher or Obligation Document Number Register. Columns for the various appropriations for which registers are maintained are provided on the form for optional use as an index to the registers. As a number is assigned, a check mark placed in the applicable column indicates the register on which the bureau voucher is entered. These lists will be retained and filed by month for later use in checking and auditing.

b. Flow of Documents. In order to maintain a uniform flow of bureau vouchers and to insure that payment processing is not unnecessarily delayed due to the formality of recording the bookkeeping transactions, a consistent policy of preparing the bureau voucher ENG Form 3005 in triplicate will be observed. Distribution will be generally as follows:

(1) The original is the jacket cover for the invoice, receiving report, purchase order and other pertinent documents. After processing as described in para 3-2a preceding, this file is processed for voucher audit and payment, or held in the unpaid vouchers (accounts payable) file pending receipt of all supporting documents and is then processed for voucher audit and payment.

(2) The first carbon is used as the posting medium for entry in the cost account subsidiary ledgers.

(3) The second carbon is used as the posting medium for entry in the allotment and/or other financial account subsidiary ledgers and memorandum records for accumulating data by objective class breakdown.

\* c. Accrual Accounting Procedures. The accounts in this system are maintained on an accrual accounting concept, i.e., accounts are debited and credited as applicable when goods and services are received or furnished, without regard to whether an invoice has been rendered or disbursement or collection made subject however, to the more detailed provisions below. Where the exact amounts of accrued expenditures or revenues are not known on the basis of labor reports, receiving reports or other administratively approved documents, and cannot be feasibly ascertained at the time the accruals should be recorded, the best estimates will be used. However, arbitrary prorations should be avoided for estimating such accruals; reported accruals should be a reasonably sensitive reflection of the transactions and performance which actually occur. The accrual actions are to be recorded through the proper source of entry records to the allotment and general ledgers in addition to the cost ledger. prior to closing the accounts for the month, except for the items under (1)(a) 1 below which are not considered to be significant. The following detail criteria will be observed in recording accruals:

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(1) Accrued Expenditures.

(a) Accrued expenditures will be recorded in the accounts for performance (including retained percentages) to the end of each calendar month for the following:

\* 1 Construction contracts (including the interest on unfunded earnings as determined by the contracting officer to be the amount that would have been paid except for the exhaustion of funds), major supply contracts (e.g., turbines, generators, transformers, fabricated steel), equipment rental contracts, Architect-Engineer contracts for design services unless such missions are determined insignificant by the District Engineer, reimbursable orders placed on other Federal activities including other Corps of Engineers offices, and other items not specifically covered below (subpara (d)). \*

2 Intra-district activities, as described in paragraph 5-19a(1).

(b) Payroll earnings and benefits.

(c) Accrued expenditures will be the same amount as obligations incurred for the following where initially financed by project funds:

1 Temporary duty travel and transportation of things.

2 Public utility services.

3 Real estate leases. If such leases contain termination clauses, the termination amount will be accrued in the month when termination occurs if such costs represent a penalty and not additional usage beyond the current monthly period.

Accruals for these items, except temporary duty travel, in the revolving fund should be recorded on the basis of the same timing as obligations are recorded in project funds. Accruals of temporary duty travel orders that cite the revolving fund will be recorded on the basis of the audited claim and not upon issue of the travel order.

(d) Significance, as referred to above, relates only to end-of-the-month transactions for items included in (1)(a)1, above, not yet covered by receiving reports, contract payment estimates, etc. Significance, as determined by the District Engineer, will be based on the impact of the omissions at the account level needed for financial management, performance evaluation, and future planning. Under this rule, for months other than September, insignificant items need not be accrued. As of 30 September of each year, however, estimated accruals will be entered regardless of amounts for construction (including the interest, as applicable, on the unfunded earnings of continuing construction contracts), major supply and equipment rental contracts.

\* (2) Accrued revenues.

(a) Revenues accrued will be recorded to the end of each calendar month on the basis of performance of reimbursable work and services for others including other Corps of Engineers activities, warehouse issues sales of maps etc. Collections received prior to performance will be accounted for as advances received except as provided below.

(b) Revenues from real estate grants will be accrued in the amounts of the periodic payments due when the collections are received or bills issued depending on which occurs first.

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d. Use of Bureau Voucher (For Cost Transfers), ENG Form 3006.  
Instructions covering the preparation, use, and distribution of these bureau vouchers are contained in Chapter 6

e. Intra-Appropriation Transfers. Bureau Vouchers , ENG Form 3006, and ENG Form 3006a, will be prepared when transfers between projects within a single appropriation are effected. In cases where it is necessary for accounts payable to cut across more than one appropriation, a separate bureau voucher, ENG Form 3006 will be prepared for each appropriation charged, and cross referenced to the ENG Form 3006a. This procedure provides for a complete accounting classification of expenditures for allotment ledger, general ledger, sad subsidiary accounts.

3-3. Processing Payments for Materials and Services.

a. Payments Schedule

(1) The Standard Forms prescribed in 7 GAO 5040 are:

- SF 1166 - Voucher and Schedule of Payments (Original)
- SF 1166a- Voucher and Schedule of Payments Memorandum copy)
- SF 1167 - Voucher and Schedule of Payments - Continuation Sheet (Original)
- SF 1167a- Voucher and Schedule of Payments - Continuation Sheet (Memorandum copy)

The voucher and Schedule of Payments is prepared to list a number of payments to different creditors under varying conditions, in lieu of preparing a separate voucher for each such payment. Each bureau voucher assembly will be listed on the schedule which will be prepared in an original and at least one memorandum copy. The copy will be retained in a "suspense" file and will have attached to it the original bureau vouchers (ENG Forms 3005) and other supporting data. After certification, the original SF 1166 will be forwarded to the Disbursing Officer for issuance of checks and then

\* returned for file and action required by para 3-6b. Any administrative determinations, statements of fact, authorities, etc., required by pertinent regulations or contract terms relative to legality of payment or special conditions that must be met prior to payment will be evidenced in the bureau voucher assembly. In order to prevent possible duplicate scheduling and payment, each bureau voucher and attached documents will be punched or stamped "Paid" at the time the voucher schedule is certified for payment.

(2) Contractor's payment estimates under construction contracts will be signed by the contractor and will constitute a claim. Payment estimates, for other than final payments, will not be itemized in detail on ENG Form 93a for each item of the contract. The contract details--original contract amount, supplemental agreements, change orders, revisions in quantities, etc., will be summarized on ENG Form 93. The amounts reflected on the summary will be supported by records of the Contracting Officer or Contracting Officer\*s Representative (COR) which provide complete listings of quantities, unit costs, contract amounts and related contractor\*s earnings. Final payments will be summarized on ENG Form 93 supported by a complete contract itemized breakdown on ENG Form 93a (ER 1-1-11, App A-67).

(3) Transportation bills (SF 1113 and SF 1171) will be assigned a separate series of bureau voucher numbers, prefixed by the letter "T", running serially by fiscal year. This number will be listed on SF 1166 in lieu of Bureau Voucher Number assigned to ENG Forms 3005 covering individual transportation requests and bills of lading. The Bureau Voucher Number assigned to individual T/R and B/L will be reflected on the applicable SF 1113 or 1171 for accounting purposes. SF 1113 and SF 1171 will not be scheduled on SF 1166 with other types of transactions.

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\* (4) When the authority for refunding deposits held in the Corps of Engineers Suspense Account (94x6875) is contained in a memorandum from an operating official or other existing document which describes and authorizes the transaction (or which may be so perfected by the addition of certificates, signatures, account numbers or other data requisite to payment), it will be assigned a number in the regular bureau voucher series and scheduled on SF 1166. Otherwise, the refund of a deposit will be supported by a properly certified SF 1049, Voucher for Refunds.

(5) The bureau voucher number and any other information that may be necessary to meet specific requirements will be shown on each invoice.

b. Voucher Certification. Except for vouchers for contract field printing and long distance telephone calls, basic vouchers or invoices will not be certified individually by the Certifying Officer when they are listed on a properly certified Schedule of Payments, Standard Form 1166. Only the certification on the Standard Form 1166 is necessary. It implies that the certificates required in special situations have been complied with through the signature on the Standard Form 1166. In connection with payrolls, the payroll certifying officer will sign the Standard Form 1166. Where fiscal officers are required to certify to the availability of funds, such certification may also be added to the Standard Form 1166. Basic vouchers for contract field printing and long distance telephone calls will be certified prior to payment as provided in 7 GAO 25.9 and 25.3, respectively.

c. Travel. Travel Advances and Adjustment for Return of Travel Advances.

(1) Regulations relating to official travel and preparation of travel vouchers are set forth in JTR, Vol 1 and Vol 2, and ER 55-1-2.

(2) A bureau voucher, ENG Form 3005, covering one or more travel vouchers, DD Forms 1351 and 1351-2, certified by the traveler will be processed and listed on a Schedule of Payments, SF 1166. (7 GAO 5040).

(a) If the traveler is assigned to the District Office, the ENG Form 3005 will show an initial charge to the applicable overhead element of the District Office, and as memorandum data, the project ultimately to be charged, if any. Periodically, these ENG Forms 3005 will be summarized by appropriation to be charged on ENG Form 3006. ENG Form 3006a will be used to record sales of the revolving fund and accounts receivable from projects. ENG Form 3006 will reflect the charge against the project as accounts payable of the project, and the breakdown of the project accounts to be charged.

(b) If the ultimate charge is to a military project, an ENG Form 3007 will be prepared from summaries of applicable ENG Forms 3005, to credit sales and to charge work in progress under the Revolving Fund, identifying the military project to be charged in the work in progress accounts. (At the same time a separate ENG Form 3005 will be



prepared for posting to the appropriate military accounts.) Monthly, or more frequently if necessary, a Standard Form 1080 covering these charges will be prepared and processed through the military accounts, clearing out the Work In Progress account balances. (Posting media is ENG Form 4480.)

(3) Travel advances will be made and processed as prescribed utilizing the Disbursing Officer\*s Chart D accounts for recording thereof. Pro-forma entries in paragraph 2-24e show the accounts that will be used. A DD Form 1351 will be executed by the employee when requesting an advance for official travel or the authorized movement of household goods. Travel orders for jobsite travel (travel charged directly to Civil projects) will be recorded in the Accrued Expenditure Register from ENG Form 4480 and will be in the same amount as the obligations incurred (para 3-2c(1)(c)). The approved DD Form 1351 will be annotated with the same number as this ENG Form 4480 for identification and control purposes. The DD Form 1351 will be listed on SF 1166 in the same manner as for other payments as described in 7 GAO 5040. One (1) copy of DD Form 1351 will be filed apart from the Accounting Entry/Reference Document and along with other travelers' copies of Dd Form 1351 will reflect the status of the individual advances in support of Chart D, General Ledger Account 816, "Cash in Custody of Travelers." The sum of outstanding DD Forms 1351 on file will be balanced with General Ledger Account 816 each month prior to the preparation of SF 1219 (Statement of Accountability). Repayments will be annotated on the separate file copy of DD Form 1351 which will be filed with the related Accounting Entry/Reference Document (ENG Form 4480) when the advance is completely repaid. A travel advance for a travel order (TDY or PCS) citing USACE civil works funds (96XXXXX) may only be paid by the disbursing officer whose fiscal station number (FSN) is included in the fund citation of the travel order. This restriction includes issuance of travelers checks only by an agent whose payments to Citicorp are made by the FSN cited on the travel order. However, an advance for a travel order citing civil works funds may be paid by another fiscal station upon receipt of a reimbursable order (DA Form 2544). If an advance is made by reimbursable order, a SF 1080 supported by a copy of the DD Form 1351 must be issued promptly. An advance for a travel order citing military funds may be paid by another military disbursing office using transactions for others (TFO) procedures. Upon submission of actual travel expense statement involving advances made to job site employees, DD Form 1351-2 will be completed as described in pertinent travel regulations with deduction made for the amount of advances outstanding. The DD Form 1352-2 will be the basis for adjustment of ENG Form 4480 amount of travel accrued to actual expense, and recoupment of the travel advance. SF 1166 will be used to record in the

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Cash Disbursements register additional amounts paid to the traveler. Where the advance made is greater than the expenses incurred, the amount owed by the traveler will be billed and the bill number recorded in the Accounts Receivable register with notation "Refund of Travel Advance," simultaneously adjusting the travel accrued to actual expense. For travel citing Revolving Fund appropriation, accrual of costs will be recorded on the basis of the audited claim, DD Form 1351-2. When collection of the advance is received, account 816 "Cash in Custody of Travelers," will be credited.

(4) Travel advances approved to be on a continuing basis to cover frequent trips are not required to be liquidated against the monthly travel voucher. However, the continuing need will be verified and recorded or collection initiated whenever two calendar months pass after date of payment of the last DD Form 1351, without receipt of a travel voucher DD Form 1351-2. Recoupment will be made whenever the duty to which the traveler is assigned no longer requires the advance for frequent or extended duty trips.

d. Advance Payments

(1) No advance of public money will be made except as provided by law (31 U.S.C. 529).

(2) Advance payments are authorized for:

(a) Authorized subscriptions to newspapers, magazines, or other publications (31 U.S.C. 530).

(b) Tuition (31 U.S.C. 529i).

(c) Flood control work, payment to cooperating public agencies for services (33 U.S.C. 701b-2). However, guidance in connection with then-current Treasury Department requirements should be requested of

\* HQUSACE, ATTN: CERM-FA prior to making such advances.

(d) Quarterly or annual post office box rental.

(e) Where repeated travel between places but a short distance apart is involved, and a substantial savings or convenience to the Government will result, the purchase of mileage books, street car or ferry tickets and annual permits for toll road and toll bridge tickets is authorized, provided necessary safeguards are established to insure their use for official purposes only.

(3) Concerning the prohibition of 31 U.S.C. 529, the Comptroller General, having regard for the established responsibility of State and local governments and since danger of loss is minimized when a State or agency thereof is the contractor, has authorized advance payments to State and local government under certain circumstances (25 Comp. Gen. 834 and 39 Comp. Gen. 285). Where advance payments under this authority will exceed \$1,000 guidance as provided for in d(2)(c) above will be requested.

e. Payment for services (non-personal) of gage readers, weather observers, sediment samplers, etc. will be scheduled on SF 1166. Regardless of the type of procurement i.e., contract or purchase order, payment need not be supported by invoice provided a certificate by the responsible official is placed on SF 1166 to the effect that the services were received as evidenced by the reports or records of stream gaging, weather observance, etc., on file.

3-4. Accrued Expenditure Register (ENG Form 3004 and ENG Form 4011).

a. These forms will be used as the book of original entry for all expenditures made, whether from General, Special and Trust Funds or from the Revolving Fund. Individual vouchers related to these funds will be entered in this register currently. Through this register values of goods, services and property received are recorded and the liabilities are taken into the accounts. The information accumulated will provide summary postings to the general ledger. For the purpose of control, the Accrued Expenditure Register will be maintained by appropriation. ENG Form 3004 will be used for manual posting and ENG Form 4011 will be used for posting on accounting machines.

b. The use of the columns on the ENG Form 3004 is explained as follows:

- Column (a) - Bureau voucher date of each entry
- Column (b) - Bureau voucher number
- Column (c) - Particulars necessary to explain the transaction
- Column (d) - Month and year payment is made
- Column (e) - Amount of the liability due creditor.
- Columns (f) and (g) - Credits to accounts other than Accounts Payable. The code number of the general ledger account affected will be entered in Column (f) and the amount in Column (g).

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Columns (h) thru (n) - Amounts applicable to specific accounts to be charged for the services or commodities received and resulting in the liability being recorded. Account designation will be inserted in blank column headings (overprinting or rubber stamps may be used) to meet the needs of Individual offices.

Columns (o) & (p) - These columns on the debit side will be utilized in the same manner as Columns (f) and (g) on the credit side.

This procedure requires that the amount of the liability and other credits be entered on the credit side of the register in Columns (a) and (g) to record the net liability, and distributed on the debit side in Columns (h) thru (p) to charge the appropriate accounts for the service or commodity acquired, thus making the registers self-balancing.

c. ENG Form 4011 has been designed for use in posting on accounting machine. and differs from ENG Form 3004 in the following respects:

- (1) A "Proof" columns has been provided on the extreme left of the form.
- (2) An "Object Class" column has been provided for optional use
- (3) Three columns under "Accounts to be Debited" have been eliminated

Except for the variations noted above, the columns on this form will be used in the same manner as on ENG Form 3004.

d. At the end of each accounting period the registers will be totalled and posted by Journal Entry, ENG Form 3007a to the appropriate General Ledger accounts. The total of these postings to the applicable control accounts will equal the total of the postings to the related subsidiary accounts as made from the individual documents. The Accrued Expenditure Register may be coded so far as object classification is concerned and the recapitulation thereof made periodically (monthly, semi-annually or annually).

### 3-5. Miscellaneous Procedures

a. Accounting for Refunds. Refunds to appropriations will be recorded in the Accounts Receivable Register in columns especially provided. (See Chapter 4). Through this entry in Accounts Receivable Register, the appropriate asset or expense account originally charged will be credited. It will be noted that (for other than the Revolving Fund, for which no allotment accounts are maintained) the total of the Accrued Expenditure Register less the appropriate refund column on the Accounts Receivable

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Register will equal expenditures net of refunds as reflected on the allotment ledgers.

b. Accounting for Adjustments. When the amount of a disbursement differs from the related amount originally recorded as an accrued expenditure, appropriate adjustments will be made in the Accrued Expenditure Register and the applicable allotment ledger. Bureau Voucher ENG Form 3005, will be used for this purpose. At the time the original Bureau Vouchers are listed on SF 1166 for payment and prior to routing the SF 1166 to the Disbursing Officer the Finance Accounting Section will compute the necessary adjustment between the original amount and the amount to be paid. The adjustment will be detailed on each original Bureau Voucher and the total adjustments periodically (daily, weekly or monthly as necessary) will be summarized on the Bureau Voucher prepared for the adjustment. The Bureau Voucher adjustment will be numbered and cross referenced to each original Bureau Voucher it is adjusting. The adjustment Bureau Voucher will be entered in the pertinent Accrued Expenditure Register and routed in the normal manner for posting. After payment the Finance Accounting Section will insert the necessary cross references to the disbursing officer's voucher number on the adjustment bureau Voucher and file it with the paid vouchers, by Bureau Voucher number.

\* c. Refund of Contributed or Advanced Funds. Authority to release (refund) excess contributed funds has been delegated to Division and District Engineers in Appendix A of ER 1140-2-301, dated 1.5 Aug 75. \*

\* (1) (Rescinded)

(2) (Rescinded)

(3) (Rescinded)

d. (Rescinded)

\* e. Refund of Unexpended Balances - Consolidated Working Funds. Upon completion of the work for which a consolidated working fund allotment was received, and settlement of all transactions connected therewith, any unexpended balance will be reported to HQUSACE (CERM-B) for revocation. A revocation document and a SF 1080 (Voucher for Transfers Between Appropriations or Funds) bill in the amount of the revocation will be transmitted by HQUSACE to the applicable District Commander for action as follows: \*

(1) The revocation document will be posted direct to the general ledger in the usual manner for revocation of allotments. Appropriate entry will also be made in the applicable allotment ledger (and commitment ledger, when used).

\* (2) The SF 1080 will be used as the basis for drawing a check in the amount being revoked (refunded), and transmitting the check, with a copy of SF 1080, to HQUSACE (CERM-F). The \* disbursement voucher will be recorded in the Cash Disbursements Register as a debit to account 844.6 and a credit to account 844.1. The disbursement voucher will not affect the Chart B accounts.

\* (3) Since the disbursement is actually a return of funds to the agency from which the allotment was received, the disbursement will be reported on the SF 1220 (Statement of Transactions According to Appropriations, Funds and Receipt Accounts) as receipt account 963930 with the amount posted as a credit in the receipt column. \*

f. (Rescinded)

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3-6. Filing and Reconciliation

a. Unpaid Bureau Vouchers (Accounts Payable) Files.

(1) The Finance Accounting Section copies of bureau vouchers will be held in a numeric suspense file (accounts payable file) until notification of payment is received from the Disbursing Section on the SF 1166.

(2) The original bureau voucher and attached supporting documents will be furnished to the Examination Section to be held for invoices or scheduled for payment as described in paragraph 5-19k(8).

(3) With respect to monthly verification of unpaid items, the open accounts payable will be listed by appropriation as of the end of each month including reference to the bureau voucher number. Such listing may be prepared by use of adding machine tape or other informal record.

(4) At the end of each fiscal year a listing of unpaid bureau vouchers, by appropriation, will be prepared in duplicate.  
\* Districts required to submit separate ENG Forms 3011b (Auto) (para 20-1c(2)), or the trial balance prescribed by paragraph 20-4, will recapitulate the listing below appropriation level as necessary. The listing will be distributed as follows:

(a) Original attached to the Accrued Expenditure Register sheet for October of the new fiscal year.

(b) One copy attached to the Accrued Expenditure Register sheet for September of the closing fiscal year.

b. Paid Vouchers File. After payment by the Disbursing Officer, a copy of the SF 1166 schedule of payments with the original supporting documents will be returned to the Finance Accounting Section for insertion of the Disbursing Officer's voucher number on the bureau voucher and notation of payment on the Accrued Expenditure

Register and on the previously retained obligating document copies. The original bureau voucher with supporting documents will be forwarded to the Examination Section for recording payments to vendors and filing by bureau voucher number pending audit by the General Accounting Office. To record transactions with vendors, copies of the obligating documents may be filed alphabetically or a vendor card file may be maintained. If a vendor card file is used, either a locally designed control form, or DA Form 3900, Bills Register, will be maintained to the extent of recording desired information.

c. As Bureau Vouchers of prior fiscal years are paid, payment data will be inserted only on the original listing of the SF 1166 without recourse to the Accrued Expenditure Registers of prior fiscal years.

3-7. Disbursement Procedures and Records.

a. Retention of Records.

(1) Effective 1 July 1953, all vouchers, contracts, schedules, accounts current, and other related and supporting documents will be retained by the accounting office where the related books and records are kept. With the exception of the basic vouchers covering transportation services and supporting documents, all records of financial transactions relating to fiscal years for which the audit has not been completed, and records relating to the latest fiscal year for which the audit has been completed, will be retained for use in connection with any current audit and until the records have served all administrative requirements.

(2) Retention and disposition of Finance and Fiscal files will be in accordance with AR 25-400-2.

(3) Each month after the disbursing officer's Statement of Accountability has been reconciled and submitted to HQUSACE, basic documents covering payments to carriers for transportation services, supported by accomplishment copies of related voucher schedules (excluding original ENG Form 4480) will be forwarded promptly to the Office of Transportation Audits (FWA), General Services Administration, Washington, D.C. 20405. (See paragraph 21-2.) To facilitate the handling of accounts, the shipping cartons used for the transmission should not exceed 15" long, 12" wide and 10" deep as specified in Federal Stock Number 8115-290-3379. The original copies of all transportation voucher schedules will be retained in support of the Statement of Accountability. Duplicate copies of all transportation voucher schedules and supporting basic documents transmitted to the General Services Administration should be retained with original ENG Forms 4480 for use in connection with the current audit.



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\* b. (Rescinded)

c. Prompt Payment Act (Public Law 97-177). Disbursing officers are required by law to pay their bills on time, to pay interest penalties when payments are made late, and to take discounts only when payments are made within the discount period. If no date is specified in the contract, payment will be made 30 calendar days after receipt of a proper invoice or 30 calendar days from acceptance of the goods or service; whichever is later. When advantageous, form letters meeting local requirements will be used in following up on non-receipt of invoices from vendors. \*

d. Discounts.

(1) When cash discount has been offered for prompt payment, every effort should be made to process the invoice within the discount period and in accordance with the specific terms upon which the discount has been offered by the contractor or supplier. When the amount of discount offered does not justify special handling the invoice may be processed with nondiscount invoices, and discount deducted only if paid within the discount period.

(2) Generally, the discount period is considered to begin from the date of delivery or the receipt of the correct invoice in the office specified by the Government, whichever is later.

(3) Unless otherwise specified in the contract, the date of payment for time discount purposes is the date on which the Government check is mailed. The date of mailing check should be a matter of record.

(4) The time discount provided in the contract will be computed on the gross earnings before deduction for retained percentage, liquidated damages, etc.

(5) Accounts which, through no fault of the contractor, cannot be paid within the discount period will be paid in the full amount.

\* (6) A record will be maintained of all discounts offered, taken, not taken (time value), and lost to facilitate reporting. This record will include vendor name, voucher reference and reasons for lost discounts. \*

(7) All offers of discounts appearing on vendors invoices will be considered as authorizing the deduction of discount if earned. If the discount terms of the contract or purchase order are not in agreement with the discount offered on the vendors invoice, the one offering the discount most advantageous to the Government will be taken.

(8) If there is any question as to the right to deduct the discount, the disbursing officer will make the deduction, and the payee may accept payment under protest and file claim in the General Accounting Office for refund of the amount deducted.

e. Payments to Government Printing Office. The following procedure will be observed in connection with requests for printing and binding work to be done by the Government Printing Office which are processed through OCE. Upon receipt of finished work from the Government Printing Office chargeable to civil functions appropriations, a Receiving Report (ENG Form 3051) will be prepared and forwarded without delay to the Finance and Accounting Support Office, where payment will be made for such work.

f. Certificates of Settlement.

(1) Certificates of Settlement issued by the General Accounting

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Office chargeable to funds under the supervision of the Chief of Engineers will be forwarded to the Chief of Engineers for transmittal to the disbursing officer of the district concerned for payment. Upon receipt by the District Engineer, prompt payment will be made. The Chief of Engineers will be advised if for any reason payment cannot be effected within 48 hours from date of receipt of the Certificate of Settlement.

(2) When a Certificate of Settlement is chargeable to an appropriation in an amount that is not all due one claimant, two or more checks will be drawn, one to each claimant. If any part of the settlement is for deposit to an appropriation or general fund receipt account, as set forth in the Certificate of Settlement, a check for the amount thereof will be drawn payable to the Treasurer of the United States, and disposed of by forwarding the check to the proper disbursing officer or depositing it to the credit of the Treasurer of the United States.

g. Settlement of Certain Real Estate Transactions. Vouchers covering payments in connection with real estate transactions which are settled locally need not be supported by copies of documents which are in the central files of the district office provided the following requirements are complied with:

(1) The central files will not be retired until after receipt of notice of completion of audit from GAO.

(2) The supporting documents should accompany the payment voucher to the Finance and Accounting Officer and be returned to the central file after payment.

(3) The payment voucher should contain reference to the file containing the supporting document.

3-8. Intra-District Transfers. See procedure described in Accounts Receivable procedures in Chapter 4. ENG Forms 3006 will be treated in the same manner as provided for ENG Form 3005.

3-9. Cash Disbursements Register

a. Register Description. The Cash Disbursements Register, ENG Form 3001 is designed to serve as a book of original entry which permits daily totaling of disbursements made and a medium for summary as well as detailed posting to the general ledgers. General Ledgers will be posted monthly except that during critical periods, journalizing and posting may be accomplished more frequently at the discretion of the District Engineer.

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Column (a)-Date

Column (b)-Reference

Column (c)-Particulars

Columns (d), (e), (f), (g), (h), and (i) - Record all charges made to accounts payable as they apply to respective appropriations.

Columns (j), (k), (l) and (m) - Record account numbers and amounts (debits and credits) for miscellaneous entries to accounts for which special columns are not designated.

Column (n) - Checks issued (net cash disbursements) by the local disbursing officer.

Column (o)- No check transfers. Offsetting entries are made in the appropriate columns on the debit side of the register. The transaction is also entered in the "No check transfer" column of the Cash Receipts and Deposits Register. At the end of any day the total of Column (o) of the Cash Disbursements Register and Column (g) of the Cash Receipts and Deposits Register should agree.

Columns (p), (q), (r), (t) and (u) - Salary deductions made for retirement fund, federal income tax, purchase of bonds, Government Life Insurance, and state or territorial income tax.

Column (s) Deductions made from contractor\*s earnings and as a guarantee of satisfactory performance.

b. Summary Postings. The register will be totaled monthly (or as required) and posted by journal entry ENG Form 3007a to the General Ledger Accounts.

Accounts to be Debited

Column (d) Appropriated Funds - 96x4902 Revolving Fund - General Ledger Accounts 341 and 844.6.

Columns (e) thru (i)-Appropriated Fund. - Specific Appropriation - General Ledger Accounts 141 and 844.6 for the appropriation named in the column heading.

Column (k)- Miscellaneous entries to General Ledger Accounts as indicated in columns (j) and (l)

Columns (p) thru (u) -Deposit Fund Voucher deductions - General Ledger Account 852.

Accounts to be Credited

Column (d) Appropriated Funds - 96x4902 Revolving Fund - General Ledger Account 310

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Columns (e) thru (i) - Appropriated Funds -Specific Appropriation  
General Ledger Account 110  
Column (m) Miscellaneous entries to General Ledger Accounts as in-  
dicated in columns (j) and (l)  
Column (n) Checks Issued - General Ledger Account 844.1  
Column (o) No Check Transfer - General Ledger Account 844.-  
Column (p) thru (u) - Deposit Fund Voucher Deduction - General  
Ledger Accounts 844.2 and 861 for the Deposit Fund Symbol  
named in the column heading

3-10. Use and Accounting for Imprest Funds. The provisions of ASPR and AR 37-103-1 will be followed in the establishment and use of imprest funds for small purchases for civil activities, excepting paras 10, 13f and g of AR 37-103-I which are not applicable to civil activities. Supplemental provisions in accounting for reimbursements, travel advances and expenses are provided below. \*

a. The Standard Form 1129 Reimbursement Voucher will be covered by ENG Form 3005 Bureau Voucher (Procurements) to process charges for purchases made from Imprest Fund cash to the cost, general, and allotment accounting records.

b. Travel expenses for temporary duty travel chargeable to Civil Funds may be paid from Civil imprest funds when the total of expenses covered by the voucher does not exceed \$150.00 or \$300.00 under emergency conditions as locally determined. A liberal interpretation is intended as to conditions constituting an emergency allowing the higher limit.

c. Application for travel advances, DD Form 1351, not in excess of \$150.00 or \$300.00 under emergency conditions as locally determined may be processed. Where advance is obtained by DD Form 1351, reference thereto showing amount of the advance will be annotated on the supporting copy of travel order for filing with DO paid copy of SF 1129. \*

3-11. The Comptroller General of the United States.

a. The authority of the Comptroller General to decide any questions involving a payment to be made by any agency and to investigate all matters relating to the receipt, disbursement and application of public funds, and to make regular and special reports is contained in the Budget and Accounting Act, 1921, 42 Stat. 20, 31 U.S.C. 41 and seq. It also made final and conclusive on the executive branch the decision of the Comptroller General and the balances certified by the General Accounting Office in the settlement of public accounts.

b. A disallowance by the General Accounting Office may be removed by the Comptroller General only.

c. Disbursing officers or the head of any executive department may apply for and the Comptroller General will render his decision upon any question involving a payment to be made by them or under them, which decision, when rendered, will govern the General Accounting Office in passing upon the account containing said disbursement (See Sec 8, Act 31 July 1894, 28 Stat 208; 31 U.S.C. 74; M. L. 1949, Sec 1653).

d. The Comptroller General will not render decision to disbursing officers upon questions of law pertaining to payments which have been made.

e. Applications to the Comptroller General by any disbursing officer for a decision as to the legal authority for paying any voucher of which there are reasonable doubts as to the propriety of payment and

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in advance of which payment he desires authoritative instructions, will be accompanied by an approved voucher covering the payment proposed, and by copies of contracts if unnumbered, or other papers upon the construction of which the questions submitted depends, and will contain the affirmative statement of the officer making same that he is a disbursing officer and that the voucher submitted has been presented to him for payment. Such applications for advance decision will be submitted over the signature of the disbursing officer, as the law authorizes only disbursing officers and the heads of departments to obtain such decisions. All papers submitted to the Comptroller General to establish facts in connection with a request for an advance decision will be retained by the Comptroller General in the absence of a request for the return of the papers, substituting therefor, for the files of the Comptroller General, a separate communication embodying all of the facts.

f. Any person whose accounts may have been settled by the General Accounting Office, or the head of the department, may request a review of the said account by the comptroller General of the United States, whose decision upon such review will be final and conclusive upon the executive branch of the Government (See Sec. 8, Act 31 July 1894 (28 Stat. 207; 31 U.S.C. 74; M L. 1949, Sec. 1656); Sec. 304, Act 10 June 1921 (42 Stat. 24; 31 U.S.C. 44; M.L. 1949, Sec. 1646) and 1 Comp. Gen. 775).

g. If an officer refunds an amount disallowed he may then make a claim on the General Accounting Office, and if payment is refused, he has a right to apply to the Comptroller General for a review of the General Accounting Office a adverse action, provided application is made within a year of such action.

h. Requests by disbursing officers for an advance decision should be in letter form signed by the disbursing officer, addressed to the Honorable Comptroller General of the United States, accompanied by the certified voucher in quadruplicate covering the payment proposed, citing the appropriation property chargeable, supported by all documentation necessary to the decision. The affirmative statement of the disbursing officer that he is a disbursing officer and that the voucher has been presented to him for payment is required. Submission should be as an inclosure to letter addressed through channels to the Chief of Engineers ATTN: ENGEC-FA, who will supplement the case if deemed necessary.

3-12. General Accounting Office.

a. The General Accounting Office was created by the Budget and Ac-

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counting Act, 1921, 42 Stat. 20, 31 U.S.C. 41 and seq. and under the direction of the Comptroller General of the United States is charged with the examination of all accounts of salaries and incidental expenses of the Office of the Secretary of the Army and all bureaus and offices under his direction, all accounts relating to fortifications, rivers and harbors, and to all other business within the jurisdiction of the Department of the Army.

b. The accounting functions of the Corps of Engineers are subject to site audit by the General Accounting Office under regulations prescribed by that office. The auditors will be rendered necessary assistance in the conduct of the audit. Findings brought to the attention of the District Engineer will be given prompt attention toward correction of errors.

c. Correspondence received direct from the General Accounting Office for information concerning vouchers covering final payments under contracts required by that office in certifying "date of final settlement" of contracts under the Miller Act, 24 August 1935, 49 Stat. 794, will be extended prompt attention, including follow-up correspondence in clarification of any phase of the contract work as may be found necessary. In any case where all of the information called for cannot be furnished for any reason, an interim reply will be made immediately to the General Accounting Office, including such information as then available, with advice as to the approximate date when a complete reply can be furnished.

d. The matter of whether a case involving doubt as to propriety of payment requires settlement by the Claims Division of the General Accounting Office or advance decision of the Comptroller General of the United States is for determination generally on the principles herein given. Existing law authorizes a disbursing officer to request an advance decision whenever he has a doubt as to the legality of a proposed payment on a voucher presented to him. The law also provides for settlement of claims by the General Accounting Office. The Comptroller General has ruled that settlements by the General Accounting Office properly include cases which involve question of fact or completeness of evidence rather than of law. The distinction is close. It is important to note that grounds upon which settlements are made by the General Accounting Office may be applied generally only to the particular cases involved; that they are not published; and that same



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are subject to appeal to the Comptroller General. On the contrary, advance decisions by the Comptroller General establish rules and principles which are published for the general information of all concerned. These decisions are for use as precedents in similar cases and are final upon all Federal Agencies. Therefore, where a case involves no question of legality or general principle requiring an advance decision and the cause of doubt consists primarily of incompleteness of facts or evidence pertinent alone to the particular case involved or where a case is clearly not allowable under existing law or decisions in the opinion of the disbursing officer but the claimant insists on submission, such cases are generally for settlement by the Claims Division of the General Accounting Office. Claims for settlement or advance decision must be submitted through channels. this is intended to assist field services in procedures and not to be conclusive as to all cases.