

VA Financial Policies and Procedures
Budget Execution Report: SF 133 and FACTS II

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0601 OVERVIEW

This chapter addresses the Department of Veterans Affairs' (VA) policy and procedures to meet the Report on Budget Execution and Budgetary Resources (SF 133) and Federal Agencies Centralized Trial-Balance System's II (FACTS II) reporting requirements. FACTS II data supports the Department of the Treasury's (Treasury) preparation of the Financial Report of the United States Government and the Combined Statement of Receipts, Outlays and Balances of the United States Government. The Office of Management and Budget (OMB) uses the data to compile agency budget execution reports and prepare the President's Budget. The FACTS II report is the end product of the accounting process and must be accurate, timely and provide full disclosure to users¹.

OMB Circular A-11², Part 4, Section 130, provides the guidance on the purpose, preparation and dissemination of the SF 133, which must be submitted electronically through FACTS II to facilitate analysis and to ensure consistent presentation of budget execution information so that Governmentwide totals are meaningful. The electronic submission allows the SF 133 to be presented on the Budget Community Web pages at <https://max.omb.gov/community/x/cwM> to facilitate communication among accounting, budget, and audit staff.

FACTS II is a computer program that allows VA to electronically submit one set of accounting data including: (1) mostly budgetary information that is required for the SF 133; (2) the Year-End Closing Statement (FMS 2108); and (3) much of the initial data that will appear in the prior-year column of the Program and Financing Schedule of the President's Budget. VA will also submit pre-closing adjusted trial-balance (ATB) data for each fiscal year-end through FACTS II. VA uses FACTS II to submit one set of data in the form of U.S. Government Standard General Ledger (USSGL) account balances. From the FACTS II output, VA may print from one set of budgetary data both the SF 133 and the FMS 2108.

FACTS II uses a "role based" concept that includes the "Least Privilege" principle to manage user access to the FACTS II Client Application. Each role has defined access privileges that provide the least amount of access to accomplish a task specific to a job requirement. A person can have multiple roles; however, that practice is discouraged in order to implement an effective separation-of-duties standard. The FACTS II End User roles consist of Preparer, Certifier, and Headquarters Reviewer (see 0606 Definitions for each role).

The Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) will replace the functionality of FACTS II and three other Treasury reporting systems as

¹ For other year-end reporting activity, refer to Volume VII, Chapter 1, *General Financial Reporting Requirements*; Chapter 2, *Consolidated Financial Statements and Footnotes*; and the Annual Performance and Accountability Report (PAR) on VA website: <http://www.va.gov/>.

² Detailed preparation instructions for the SF 133 report are located in Appendix F of the Circular.

the primary means of reporting Federal agency trial balance data. Additional information about this new system is available at Treasury's website: <http://www.fms.treas.gov/gtas/index.html>

0602 POLICIES

060201 The VA Chief Financial Officer (CFO), or designee, will certify quarterly FACTS II submissions, for all accounts, including those with a zero balance. The CFO or designee will designate a sufficient number of employees to serve in the roles of Preparers, Certifiers, and the Headquarters Reviewer to ensure the proper submission and accuracy of financial data into FACTS II.

060202 VA will implement the proper procedures to ensure that there is separation-of-duties among the roles designated to various VA employees. The roles of Preparer and Certifier shall be separate and distinct. No single user shall be granted both Preparer and Certifier access privileges. To ensure the proper separation-of-duties among roles, the minimum requirement for FACTS II users within VA is one Preparer and one Certifier.

060203 VA will seek a waiver from Treasury's Budget Reports Division when it is not possible to have two different employees serve as Preparer and Certifier, due to extenuating circumstances. VA will submit written justification to request a waiver from the Separation of Duties Standard.³

060204 VA will submit SF 133 budget execution data electronically through Treasury's FACTS II. For quarterly reporting months, VA will report unexpired and expired Treasury Appropriation Fund Symbols (TAFS). For non-quarterly reporting months, while VBA may report both unexpired and expired TAFS, the rest of VA will report unexpired TAFS only.

060205 VA will submit FACTS II data by the required dates provided in [Treasury's FACTS II Reporting Window Schedule](#) on Treasury's FACTS II website.

060206 VA will report balances for Treasury fund symbols that were closed in the appropriation/fund group.

060207 VA will ensure that the budgetary information provided in FACTS II is consistent with the Statement of Budgetary Resources.

0603 AUTHORITY AND REFERENCES

060301 [Government Management Reform Act of 1994, Public Law 103-356 \(31 U.S.C. 331\(e\) \(1\), 405\)](#)

³Treasury will retain all approved waivers and require annual certification to ensure that the special circumstances and situations still exist.

060302 [OMB Circular A-11, Preparation, Submission, and Execution of the Budget - Revised](#)

060303 [OMB Circular A-136, Financial Reporting Requirements - Revised](#)

060304 [USSGL Treasury Financial Manual \(TFM\) Part 2, Chapter 4700, Agency Reporting Requirements for the Financial Report of the United States Government](#)

060305 [TFM, Part 2, Chapter 4200, Agency Reporting on Unexpended Balances of Appropriations and Funds \(FACTS II, FMS 2108: Year-End Closing Statement\)](#)

060306 [Treasury Bulletin 2012-06, Year-end Closing, Volume I, Paragraph 3](#)

060307 [Treasury Bulletin 2011-04, Intra-Governmental Business Rules](#)

060308 [Treasury's FACTS II Reporting Window Schedule](#)

060309 [Treasury FMS FACTS II User's Guide](#)

060310 [Treasury FMS FACTS II Bulk File Transfer File Formats](#)

0604 ROLES AND RESPONSIBILITIES

060401 The Assistant Secretary for Management and CFO oversees all financial management activities relating to the Department's programs and operations, as required by the Chief Financial Officers Act of 1990 and 38 U.S.C. 309. Specific responsibilities include the direction, management and provision of policy guidance, and oversight of VA's financial management personnel, activities, and operations. The CFO establishes financial policy, systems and operating procedures for all VA financial entities, and provides guidance on all aspects of financial management.

060402 Under Secretaries, Assistant Secretaries, Chief Financial Officers, Finance Officers, Chief Accountants, Chiefs of Finance Activities, and other Key Officials are responsible for ensuring compliance with the policies and procedures set forth in this chapter.

060403 The Office of Budget (OB) serves as the primary liaison with the OMB and Congressional committees to defend and promote VA's program plans and budget estimates. OB ensures that VA funds are spent in compliance with the law, guidance, and directives from OMB and Congress, as well as Departmental policies and plans.

060404 The Office of Finance, Office of Financial Policy (OFP) is responsible for developing, coordinating, reviewing, evaluating, and issuing VA financial policies, including those that impact financial systems and procedures for compliance with all financial laws and regulations.

Specifically, OFP's Management and Financial Reports Service (MFRS) will:

Ensure the quality and accuracy of the Department's financial data, the responsiveness of its financial systems, and the effectiveness of the financial service delivery structure.

A. Work with and assist the Administrations' or CFOs' preparers and certifiers in the preparation and formulation of financial reports under their areas of jurisdiction.

B. Coordinate with their counterparts in Treasury's Financial Reports Division, who is available to provide information to VA on matters dealing with annual reporting requirements using FACTS II.

C. Access Treasury's FMS FACTS II User's Guide and FMS FACTS II Bulk File Transfer File Formats⁴, which provides extensive information on how to use FACTS II, including system requirements, user access procedures and responsibilities of the system's Preparers, Certifiers, and Headquarters Reviewer. These manuals define the procedures that must be met to comply with reporting requirements.

0605 PROCEDURES⁵

060501 Preparation of SF 133

A. The SF 133 is designed to show the status of budgetary resources and related financial data on a consistent basis and in practicable detail, and is intended for use, along with other available information, in reviewing apportionments and the U.S. Government's budgetary program, in managing the rate of incurring obligations and outlays, and as a basis for initiating requests for reapportionments and transfers. An SF 133 must be prepared for each current or expired account.

B. The SF 133 is divided into four sections: (1) Budgetary Resources; (2) Status of Budgetary Resources; (3) Change in Obligated Balance; and (4) Budget Authority and Outlays, Net. The actual amounts reported are cumulative from the beginning to the end of the fiscal year. Footnotes (when required) will be included. If additional materials are required, they must be forwarded directly to OMB. Exhibits of sample SF 133 reports can be found in OMB Circular A-11. Detailed preparation instructions for the SF 133 report are located in OMB Circular A-11, Appendix F.

060502 All FACTS II End Users will:

⁴Users should review [Treasury's Financial Management Services \(FMS\) FACTS II Web page](#), [FMS FACTS II User's Guide](#), and Treasury [FMS Bulk File Transfer File Formats](#) for guidance on using FACTS II.

⁵Refer to Appendix A for Treasury Designated Functions for Various Roles within FACTS II and Appendix B for VA Designated Responsibilities for FACTSII Tasks.

A. Request FACTS II system access from Treasury, adhere to security procedures and maintain Treasury's Secure ID card. The card replaces the signature. When access is terminated, the user must return the Secure ID card to Treasury. An up-to-date contact profile must be maintained by the FACTS II End Users.

B. Review the TAFS assigned to them.

C. Notify designated Treasury personnel of problems with FACTS II.

D. View and print reports as needed.

060503 All designated Certifiers will review and certify the TAFS annual submission and assist Preparers, as required.

060504 The designated Headquarters Reviewer will review TAFS and reports as required and assist Certifiers and Preparers.

060505 VA Certifiers and Preparers shall implement the FACTS II processing cycle as follows after Treasury opens a reporting window:

A. Preparer reviews TAFS and notifies Treasury of any problems.

B. Preparer adds the transaction details⁶ for the required reporting period for each assigned TAFS.

C. Preparer runs [accounting edits](#)⁷ and makes corrections if necessary.

D. Preparer changes the status of submissions to "certified" for reporting period other than year-end.

E. Preparer changes the status of submissions to "Pending Certification (Quarter 4)".

F. Certifier reviews TAFS.

G. Certifier changes the status of submissions to "certified", unless there is a need to make corrections. If corrections are required, Certifier changes the status of incorrect submissions to "eEditing", and Preparer makes corrections and re-runs edits.

H. Preparer emails final reports to the Office of Budget (Budget) and other applicable staff.

I. Preparer works with Budget to revise FACTS II data during the revision window if revisions are required.

⁶ The source of the transaction details is a file format generated in MinX. MinX is a hyperion-based reporting system (interfaced with FMS) that automates the preparation of VA's financial statements.

⁷ For a list of the Accounting Edits, refer to the [FACTS II](#) web site.

060506 VA Certifiers and Preparers will download the following FACTS II reports and review them for accuracy and consistency as needed:

- A. Adjusted Trial Balance Report.
- B. TAFS Status Report.
- C. Report on Budget Execution (SF 133) for a specific TAFS or Preparer.
- D. Report on Budget Execution (SF 133) for VA.
- E. Year-End Closing Statement (FMS 2108) for VA, main account number or for all of a Preparer's TAFS.
- F. Total Budget Resources vs. Status of Budget Resources Report.
- G. Total Fund Resources vs. Total Fund Equity for VA and main account number.
- H. Edit Check Report.
- I. Master Account File (MAF) Download Report displaying each valid TAFS
- J. Program and Financing Schedule Report.

0606 DEFINITIONS

060601 Certifier. A user empowered to certify data reported by a Preparer as accurate and correct in accordance with the guidelines governing the submission of the Treasury Year-End Closing Statement (FMS 2108). Certifiers are required to certify data during the fourth quarter, as required by the guidance for submitting the FMS 2108. In addition to certifying data, Certifiers are able to produce reports and view data.

060602 FACTS II End User. A person designated as a Preparer, Certifier or the Headquarters Reviewer as defined in this area.

060603 Headquarters Reviewer. A user authorized to view data in FACTS II submitted by others within his/her organization. In general, the user who needs this functionality is a person who may be responsible for overseeing the financial reporting activity for numerous individuals in his/her organization, but is not responsible for submitting or certifying data. In addition to viewing the data reported by others, the Headquarters Reviewer is authorized to view and print reports. The Headquarters Reviewer role also allows the parent agency (e.g., VA) to view data and print reports for allocation accounts that are reported in FACTS II by another agency (e.g., Department of Defense).

060604 “Least Privilege” Principle. Intended to meet integrity objectives. The principle requires that a user be given no more privileges than necessary to perform a job. Ensuring Least Privilege requires identifying what the user’s job is, determining the minimum set of privileges required to perform that job and restricting the user to a domain with those privileges and nothing more. By denying users privileges that are not necessary for the performance of their duties, those privileges cannot be used to circumvent the organization’s security policy.

060605 Preparer. A user who needs data entry and report generation functions within FACTS II. The Preparer can add, modify, and delete data; ensure that edits are passed; change the status of reported data (during the first three quarters); and generate reports.

060606 Program. Activities or sets of activities recognized as programs by the public, OMB or Congress, as well as those that entail program management or policy direction, beyond those previously identified in the former Section 57, [OMB Circular A-11, Preparation, Submission and Execution of the Budget](#). This definition is also interpreted to include all grants; regulatory activities; direct Federal programs; research and development activities; procurements, including capital assets and service acquisition; credit programs; and any activity engaged in by VA in support of its programs.

060607 U.S. Standard General Ledger (USSGL). A series of account numbers that have been standardized within the Federal Government to improve the quality and consistency of data reported by Federal agencies.

060608 Treasury Appropriation Fund Symbols (TAFS). An administrative identifier that represents an act of Congress that permits Federal agencies to incur obligations and make payments out of Treasury for specified purposes. Each Treasury Appropriation Fund Symbol provides the framework for establishing a set of balanced accounts on the books of the agency concerned. The Treasury Appropriation Fund Symbol describes key components of financial information, such as, the time when new obligations can be incurred, and the time when obligations can be liquidated.

0607 RESCISSIONS

060701 OFP Policy Volume VII Chapter 6, *Federal Agencies Centralized Trial Balance System (FACTS) II Budget Execution Reporting*, August 2009

060702 OFP Policy Volume I Chapter 7, *Fiscal Year-End Budgetary Reports*, January 2009

0608 QUESTIONS

Questions concerning these financial policies and procedures should be directed to:

VHA

VHA CFO Accounting Policy (10A3A) (Outlook)

VBA
 All Others

VAVBAWAS/CO/FINREP (Outlook)
 OFP Accounting Policy (Outlook)

0609 REVISIONS

Section	Revision	Office	Date
Overall	Rescinded policy (Vol. I Ch 7), merged all applicable information in Vol. VII Ch 6 and renamed policy.	APPS	July 2013
Section 0604	Updated Roles & Responsibilities with CFO info.	APPS	July 2013
Section 0605	Added Paragraph 070501 (Vol. I Ch 7).	APPS	July 2013
Section 060502A	Updated based on info from Vol. I Ch 7.	APPS	July 2013
Section 060505	Updated sentence to reference Certifiers & Preparers.	APPS	July 2013
Section 060606	Added “Program” definition from Vol. I Ch 7.	APPS	July 2013
Appendix B	Added new appendix B to show responsibilities for VA Offices.	APPS	July 2013

APPENDIX A: TREASURY DESIGNATED FUNCTIONS FOR VARIOUS ROLES WITHIN FACTS II

I. FUNCTIONS PERFORMED BY PREPARER

- A. Update contact information (almost all fields)
- B. Update password
- C. View and print broadcast messages
- D. Add current quarter data
- E. Delete current quarter (if “Editing” status or lower)
- F. Add Standard General Ledger (SGL) accounts and attributes based on their Admin profile
- G. Add footnotes
- H. Add Category B data, if the SGL account requires it
- I. Delete their own SGL accounts
- J. Restore deleted SGL accounts
- K. Run all or specific edit checks
- L. View undisbursed balance (cannot change)
- M. Add a supplemental (within administrative constraints)
- N. Update status to certified in first three quarters
- O. Update status to pending in last quarter
- P. View Processing Window
- Q. View Exception Window (for their accounts)
- R. Export transaction records (to Word, Multi-Edit, etc.)
- S. Export and view some table data
- T. View and print all reports
- U. Invoke and use Windows calculator

II. FUNCTIONS PERFORMED BY CERTIFIER

- A. Update contact information (almost all fields)
- B. Update password
- C. View and print broadcast messages
- D. View fund symbols and fund symbol data (cannot update)
- E. Change status to “Certified” or back to “Editing”
- F. View and print all reports

III. FUNCTIONS PERFORMED BY HEADQUARTERS REVIEWER

- A. View and print broadcast messages
- B. View and print fund symbols and fund symbol data (cannot update)
- C. View and print all reports

APPENDIX B: VA DESIGNATED RESPONSIBILITIES FOR FACTS II TASKS

APPENDIX B: VA DESIGNATED RESPONSIBILITIES FOR FACTS II TASKS	MFRS	FSC	VBA
Ensure Preparers and Certifiers are assigned to all TAFS	X	X	X
At the FACTS II website, sign up to receive e-mail updates from Treasury	X	X	X
Notify the Treasury VA FACTS II representative of changes to TAFS assignments(in your e-mail, cc: MFRS Director)	X	X	X
When the processing window opens, ensure all reportable TAFS are listed	X	X	X
Before each window opens, update the Appropriations Settings File	X		X
Request MinX flat files by e-mail from the MinX Contractor (CACI Int'l, Inc.)	X	X	X
Download fund transfers from the Central Accounting Reporting System (CARS) (formerly GWA)	X	X	X
For staff offices (e.g., Dept. Admin.), NCA & VHA TAFS, reconcile the FSC SF 133 to the MinX SBR	X	X	
For VBA TAFS, reconcile the Min SF 133 to the MinX SBR			X
Notify the Treasury VA FACTS II representative of problems with the FACTS II application that prevent completion of FACTS II submissions; ask other preparers for help before contacting Treasury (in your e-mail, Cc: MFRS Director)	X	X	X
Send draft FACTS II SF 133s to FSC for review before certifying TAFS	X		
Reconcile draft FACTS II SF 133s to FSC or MinX SF 133s before certifying TAFS		X	X
Notify the MFRS Director, if you might need an extension of the deadline	X	X	X
Request extensions to the submission deadline	X		
Immediately after certifying TAFS, download & e-mail the 'TAFS Status Report' to MFRS Director	X	X	X
Download & e-mail the final FACTS II documents (SF 133, TB, P&F, and 2108) and maintain the e-mail list	X	X	X
Download the VA-wide documents & save all final documents to a shared drive	X		
EOY: work with budget to resolve MAX errors caused by FACTS II	X	X	X
EOY: post adjustments during the revision window	X	X	X
Maintain the FACTS II SOP and the SharePoint site	X		
Notify the Treasury VA FACTS II representative of changes to the HQ Reviewer	X		

