



Department of Veterans Affairs

Financial Policy

Volume XIII

Cost Accounting

Chapter 2

Budget Object Class Codes

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0201 Overview

This chapter establishes the Department of Veterans Affairs' (VA) financial policies relating to the use of budget object class (BOC) codes. 31 U.S.C. § 1104(b) requires the President's Budget to present obligations by object class.

Key points covered in this chapter:

- VA will adhere to the major object classes and maintain an object class structure consistent with the standard object classes defined in Section 83, Object Classification, of the Office of Management and Budget (OMB) Circular No. A-11, Preparation, Submission, and Execution of the Budget;
- VA will classify obligations by their initial purpose, not the end product or service; and
- VA will use BOC codes to provide additional detail for internal analysis and reporting.

0202 Revisions

Section	Revision	Office	Reason for Change	Effective Date
Appendix A	Updated appendix with 2020Q4 changes	OFP (047G)	Quarterly Update	October 2020
Appendix B	Updated appendix with 2020Q4 changes	OFP (047G)	Quarterly Update	October 2020
Appendix A	Updated appendix with 2020Q3 changes	OFP (047G)	Quarterly update	August 2020
Appendix B	Updated appendix with 2020Q3 changes	OFP (047G)	Quarterly update	August 2020
0203	Updated definitions to include terms for iFAMS	OFP (047G)	FMBT and iFAMS updates	June 2020
020503	Updated processes to include iFAMS	OFP (047G)	FMBT and iFAMS updates	June 2020
Appendix B	Updated section to include information on iFAMS	OFP (047G)	FMBT and iFAMS updates	June 2020
Appendix C	Added crosswalk of FMS BOC codes to iFAMS BOC codes	OFP (047G)	FMBT and iFAMS updates	June 2020

Section	Revision	Office	Reason for Change	Effective Date
Appendix D	Updated section to include information on the future changes for submitting FMS BOC requests	OFP (047G)	Process changes	June 2020
Appendix E	Added section to include information on the future changes for submitting iFAMS BOC requests	OFP (047G)	Process changes	June 2020
Appendix A	Updated appendix with 2020Q2 changes	OFP (047G)	Quarterly update	May 2020
020503	Updated process and appendices references	OFP (047G)	Process changes	February 2020
Appendix A	Updated appendix to rescind table listing and replace with Excel file Updated appendix with FY2020Q1 changes	OFP (047G)	Request from the field Quarterly BOC update	February 2020
Appendix B	Added appendix with up-to-date request process	OFP (047G)	Process changes	February 2020
Appendix A	Updated appendix with FY2019Q4 changes Consolidated appendices and reformatted	OFP (047G)	Quarterly BOC update	November 2019
Various	Reformatted to new policy format and completed five-year review	OFP (047G)	Reorganized chapter layout	July 2019
Overall	Updated policy to match the latest version of OMB Circular A-11	OFP (047G)	Five-year review	July 2019
0205 Policies	Updated the section with VA's current BOC structure in FMS	OFP (047G)	Update information	July 2019

Section	Revision	Office	Reason for Change	Effective Date
Appendices	Added Vol XIII Ch 2A, Budget Object Code Appendices A-D	OFP (047G)	Reorganized chapter layout	July 2019

0203 Definitions

Budget Object Class (BOC) Code – The lowest level of object class. BOC codes are required on all spending transactions to classify obligations and expenditures according to the nature of the services or items purchased.

BOC Extension – An agency-defined add-on to the object class that can be used for agency-specific reporting.

Cost Center – A mechanism used in VA’s legacy accounting system to accumulate costs incurred by area of responsibility or geographic region. Cost centers are represented by a four-to-six-digit code used to identify organizational elements throughout VA.

Division Code – A mechanism used in VA’s accounting system to define the organization hierarchy within VA. The Division element represents the top level of the hierarchical structure.

Financial Management System (FMS) – VA’s legacy core accounting system. FMS is scheduled to be replaced by iFAMS, a modern Momentum-based ERP solution configured for VA.

Object Class – Categorization of financial obligations and expenditures according to the nature of the services or items purchased as defined in OMB Circular No. A-11, Section 83.

Obligation – A legally binding agreement that will result in outlays, either immediately or in the future.

Organization Codes – A mechanism used in VA’s accounting system to define the organization hierarchy within VA. The organization element represents the lower levels of the hierarchical structure.

Integrated Financial and Acquisition Management System (iFAMS) – The modern Enterprise Resource Planning (ERP) solution VA will migrate to from the current financial system, FMS. iFAMS is a Momentum-based solution configured for VA.

0204 Roles and Responsibilities

Administration and Staff Office Chief Financial Officers and Local Fiscal Staff are responsible for recording financial obligations and expenditures in accordance with appropriate BOC codes.

Financial Services Center (FSC) is responsible for providing support for the accounting and reporting of VA's obligations and expenditures categorized by BOC codes.

0205 Policies

020501 General Policies

- A. VA will use BOC codes to categorize VA's obligations and expenditures.
- B. VA will use the object class structure described in Section 83 OMB Circular No. A-11 as the appropriate framework when creating, updating, and deactivating BOC codes.

020502 Object Class Structure

- A. VA will use the following major object classes:

Object Class 10 – Personnel Compensation and Benefits

- 10 Personnel Type
- 11 Personnel Compensation
- 12 Personnel Benefits
- 13 Benefits for Former Personnel

Object Class 20 – Contractual Services and Supplies

- 21 Travel and Transportation of Persons
- 22 Transportation of Things
- 23 Rent, Communications and Utilities
- 24 Printing and Reproduction
- 25 Other Contractual Services
- 26 Supplies and Materials

Object Class 30 – Acquisition of Assets

- 31 Equipment
- 32 Land and Structures
- 33 Investments and Loans

Object Class 40 – Grants and Fixed Charges

- 41 Grants, Subsidies and Contributions
- 42 Insurance Claims and Indemnities
- 43 Interest and Dividends
- 44 Refunds

Object Class 90 – Other

- B. OMB Circular A-11 requires the use of object classes on Federal obligations for external reporting. When recording accounting transactions, object classes will be selected based upon the initial purpose of the obligation or expense, not the end product or service. For example, if VA pays an employee who constructs a building, the obligations will be classified for the employee's wages under "Object Class 10 – Personnel Compensation and Benefits," rather than "Object Class 30 – Acquisition of Assets." If VA purchases a building, the contractual obligations will be classified under "Object Class 30 – Acquisition of Assets."

020503 VA's BOC Codes

- A. VA will use BOC codes, sub classifications of the major object classes, to provide additional detail for internal VA analysis and reporting.
- B. VA will ensure consistency in the creation and application of BOC codes. The creation of the appropriate BOC code is dependent on whether the office has transitioned to iFAMS, or remains on the legacy system, FMS.
 - 1. In iFAMS the first three characters of the BOC code represent the OMB Circular No. A-11 object class and the last three characters represent the BOC extension. For example, iFAMS BOC 111101, OMB Circular No. A-11's object class 11.1 is Full-Time Permanent and 101 defined by VA is Regular Pay.
 - 2. In FMS the first to characters of the BOC code represents the OMB Circular No. A-11 object class, and the last two characters define the financial transaction. For example, FMS BOC 1101, the object class 11 is personnel compensation and financial transaction 01 is Regular Pay, as defined by VA.

Refer to Appendix A: FMS Budget Object Class Code Listing and Appendix B: iFAMS Budget Object Class Code Listing for VA's current lists of designated BOC codes. Appendix C: Comparison of iFAMS and FMS BOC Code Structure contains an example of the iFAMS BOC code structure as compared to the BOC code in FMS.

- C. Updates to the FMS and iFAMS BOC code listings will be published on a quarterly basis in Appendix A and B, respectively.
- D. VA Administrations and Staff Offices utilizing iFAMS will use BOC codes in conjunction with organization and program codes to categorize obligations and expenditures related to VA organizations and activities. Certain combinations of organization, program and BOC codes are not allowed, those restrictions will be enforced by edits contained within iFAMS.
- E. VA Administrations and Staff Offices utilizing FMS will use BOC codes in conjunction with cost centers to identify all costs associated with VA’s activities. VA may use any BOC code with any cost center unless specific restrictions are noted in the description of the cost center and/or BOC code. When restrictions are enacted for a specific combination, VA will ensure FMS is configured to disable its use. For more information see VA Financial Policy Volume XIII, Chapter 1 – Cost Centers.
- F. VA will process BOC code additions, deletions, or modifications as requested by the Administrations or Staff Offices. Any changes will be committed to both the modern ERP solution and the legacy system concurrently. Refer to Appendix D: FMS Budget Object Class Code Request Process and Appendix E: iFAMS Budget Object Class Code Request Process for guidance on submitting requests.

0206 Authorities and References

[OMB Circular No. A-11, Preparation, Submission, and Execution of the Budget](#)

[VA Financial Policy Volume XIII, Chapter 1 – Cost Centers](#)

0207 Rescissions

VA Financial Policy Volume XIII, Chapter 2 – Budget Object Codes, May 2020.

0208 Questions

Questions concerning these policies should be directed to the following points of contact:

VHA	VHA Financial Policy (Outlook)
VHA	VAFSC Nationwide Accounting (Outlook)
VBA	VAVBAWAS/CO/FINREP (Outlook)
VBA	VAVBAWAS/CO/OPERATIONS (Outlook)
NCA	NCA Financial Policy Group (Outlook)
All Others	OFP Accounting Policy (Outlook)

Appendix A: FMS Budget Object Class Code Listing

This appendix contains the current BOC code listing for Administrations and Staff Offices utilizing VA's legacy system, FMS. The appendix's Table of Contents and footers display the latest date of revision. Questions concerning additions, deletions or modifications of BOC codes should be directed to [VA Cost Center/Budget Object Code Requests \(Outlook\)](#). Files are updated quarterly, or as needed to ensure consistent application VA-wide.

The file is divided as follows:

- Section 1: Object Class 10 Personnel Compensation and Benefits
- Section 2: Object Class 20 Contractual Services and Supplies
- Section 3: Object Class 30 Acquisition of Assets
- Section 4: Object Class 40 Grants and Fixed Charges
- Section 5: Deactivated Budget Object Codes



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Appendix B: iFAMS Budget Object Class Code Listing

This appendix contains the current BOC code listing for Administrations and Staff Offices utilizing VA's ERP system, iFAMS. The attachment includes iFAMS BOC Level 4, Title, BOC Code, Definition, and crosswalk to FMS BOC Code and Title. In addition, the breakout of iFAMS BOC Code is explained in detail in Appendix C. Questions concerning additions, deletions or modifications of BOC codes should be directed to [VA Cost Center/Budget Object Code Requests \(Outlook\)](#). Files are updated quarterly, or as needed to ensure consistent application VA-wide.



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Appendix C: Comparison of iFAMS and FMS BOC Code Structure

1. The table below shows an example comparison of the budget object class code in iFAMS and FMS.

iFAMS BOC Code		FMS BOC Code	
111101	REGULAR PAY – F/T	1101	Regular Pay
251301	INFORMATION TECHNOLOGY SUPPORT SERVICES	2510	Information Technology Support Services (Federal and Non-Federal Executive Branch Agency Supplier)
310702	UTILITY & OPERATING EQUIPMENT – NON-CAP	3151	Utility and Operating Equipment – Non-Capitalized

2. The table shows a detailed breakout of the BOC code’s purpose, definition, and format of each roll-up.

Element	Field Purpose	Format	iFAMS Field Name	Admin	Example Code	Name
BOC Category	Summary Object Class required by OMB A-11	#0 2 numeric characters	BOC Level 1	VA	10	Personnel Compensation and Benefits
BOC Class	Summary Object Class required by OMB A-11	## 2 numeric characters	BOC Level 2	VA	11	Personnel Compensation
BOC Group	Summary Object Class required by OMB A-11	##.# 3 numeric characters	BOC Level 3	VA	11.5	Other Personnel Compensation
BOC Type	Summary Object Class to group BOCs for VA tracking and reporting	##.## 4 numeric characters	BOC Level 4	VA	11.51	Premium Pay
BOC Code	Lowest Level of BOC and required on all spending transactions	##### 6 numeric characters	BOC Code	VA	115101	Holiday Pay - F/T

Appendix D: FMS Budget Object Class Code Request Process

NOTE: *At the time of publication a customer relationship management (CRM) portal was in development by VA Financial Services Center (FSC) Financial Technology Service (FTS) to handle requests to modify VA's accounting classification elements for both FMS and iFAMS. This appendix will be updated as appropriate when the CRM portal is available for Department-wide use.*

Budget Object Code (BOCT) Request Form System (see file below and *Figure 1*) is a PDF Request form used by VA Administrations and staff offices to request action to the BOCT table. The requester will be responsible for correctly completing the request form, ensuring that all applicable fields are populated (including the requester's digital signature), and forwarding the form in Outlook to the Office of Financial Policy (OFP) (047G) via [VA Cost Center/Budget Object Code Requests \(Outlook\)](#) for review and digital signature (*Note: The requester and OFP Approver may be the same person*).

The PDF request form allows for requests of seven separate budget object class codes. In the event more than seven changes are required, the requester will need to complete multiple forms.

OFP reviews, researches, and verifies the request. If additional information is needed, the OFP reviewer will contact the requester via e-mail and work with them to resolve any questionable issues. If approved, OFP will forward the request form in Outlook to the Financial Services Center (FSC) via [FSC Transaction Review \(Outlook\)](#) with a cc to [VA Cost Center/Budget Object Code Requests \(Outlook\)](#).

The FSC Transaction Review group reviews, researches, and verifies the form. FSC will forward the approved form in Outlook to VACO FMS Services via [VACO 047E7 \(Outlook\)](#) with a cc to [VAFSC Accounting Systems Oversight \(Outlook\)](#), [VACO Alert OFP \(Outlook\)](#), [VA Cost Center/Budget Object Code Requests \(Outlook\)](#), and [OFP Accounting Policy \(Outlook\)](#).

After FMS Services receives the approved form, the request will be processed in FMS. Based on the confirmation from the system, an FMS Services contact will inform all parties of the completion via e-mail.

[Budget Object Code \(BOCT\) Request Form System: FMS \(PDF\)](#)



BOCT Request Form
Version 4

All applicable fields of the request form must be completed. Below is a description of the required fields for the budget object class code request form.

1. Name of Person Making Request – Last Name, First Name, Initial
2. Requester E-Mail Address – Requester's VA e-mail address
3. Requester Work Phone Number
4. Date of Request
5. Type of Request – Place an "X" in the appropriate box – New, Update, Delete
6. Reason for Entry or Change – Enter information to help explain why the transaction is needed. Descriptions included in the BOC listing will be limited to 250 characters.
7. Clone – If BOC is a clone of an existing BOC, list that BOC number.
8. BFY – Enter budget fiscal year of the BOC being requested.
9. BOCT – Enter the BOC that is being requested
10. OBJ CLS – Object Class – Enter the object class that the BOC code will be tied to (Three-digit character).
11. FED OBJ CLS – Federal Object Class – Enter the federal object class that the BOC code will be tied to (Two-digit character).
12. BOC PS IND – BOC Paid System Indicator – Enter Y if this BOC is payroll-related or N if not.
13. SUB BOC IND – Enter Y if subject codes are required on accounting documents when this BOC is coded.
14. 1099 IND – Enter the 1099-indicator which designates what the BOC will be used to record. Valid codes are: R = Rent, O = Royalties, P = Patient Payments, F = Fishing Proceeds, M = Medical or Healthcare Svcs, C = Non-Employee Compensation, G = Golden Parachute Payment, S = Substitute Payment in Lieu of Dividends or Interest, I = Crop Insurance Proceeds, T = Interest or penalty payment, N = Not reported on 1099-MISC form.
15. TVL Flag – Enter Y or N if travel type is required on accounting documents when BOC is referenced.
16. BUDG Flag – Enter Y if object code is a limitation. Otherwise enter an N.

17. LMT – If budget flag is Y, enter a limitation – two-character field – usually the 1st two characters of the BOC.
18. BOC Post Flag – Enter Y if BOC is to be used based on the ACEV event – NOTE - This determines if the BOC needs to be posted on the ACED/ACEN table with transactions.
19. OBL= EXP BOC – Enter Y if the document must use the same BOC as the referenced BOC. If N, the BOC on the referencing document may be different from what's on the referenced document, but both must have the same limitation.
20. REST LKUP Flag – Enter Y if the BOC is the driving accounting element in a unique BOC/Subaccount/Cost Center combination.
21. Deactivation Date – If the BOC is to be deactivated, enter the date it should be deactivated.
22. Long Name – Enter the name assigned to the BOC (30-character field).
23. Short Name – Enter an abbreviated version of the BOC name (this field allows 12 characters)
24. Apply To All BFY's – Enter an X if the BOC should apply to all budget fiscal years.

Figure 1: Budget Object Code (BOCT) Request Form System: FMS

Department of Veterans Affairs												Print Form		
Version 4 - JAN 2015														
BUDGET OBJECT CODE (BOCT) REQUEST FORM SYSTEM: FMS														
NAME OF PERSON MAKING REQUEST (Last, first, middle initial)						E-MAIL ADDRESS:			DATE OF REQUEST					
						WORK PHONE NUMBER								
For document tracking purposes please save the file with BOC Number and Date (BOCNUM_DATE.pdf) and include the file name in the adjacent box.														
TYPE OF REQUEST <input type="checkbox"/> NEW <input type="checkbox"/> UPDATE <input type="checkbox"/> DELETE														
REASON FOR ENTRY OR CHANGE:														
CLONE	BFY	BOCT	OBJ CLS	FED OBJ CLS	BOC FS IND	SUB BOC IND	1899 IND	TVL FLAG	BUDG FLAG	LMT	BOC POST FLAG	OBL-EXP BOC	REST LKUP FLAG	DEACTIVATION DATE
01	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Long Name:	<input type="text"/>					Short Name:	<input type="text"/>					<input type="checkbox"/> APPLY TO ALL BFY's		
02	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Long Name:	<input type="text"/>					Short Name:	<input type="text"/>					<input type="checkbox"/> APPLY TO ALL BFY's		
03	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Long Name:	<input type="text"/>					Short Name:	<input type="text"/>					<input type="checkbox"/> APPLY TO ALL BFY's		
04	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Long Name:	<input type="text"/>					Short Name:	<input type="text"/>					<input type="checkbox"/> APPLY TO ALL BFY's		
05	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Long Name:	<input type="text"/>					Short Name:	<input type="text"/>					<input type="checkbox"/> APPLY TO ALL BFY's		
06	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Long Name:	<input type="text"/>					Short Name:	<input type="text"/>					<input type="checkbox"/> APPLY TO ALL BFY's		
07	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Long Name:	<input type="text"/>					Short Name:	<input type="text"/>					<input type="checkbox"/> APPLY TO ALL BFY's		
NAME OF OFF APPROVER / TITLE (PRINT)						SIGNATURE OF OFF APPROVER			DATE SIGNED					
NAME OF FSC APPROVER / TITLE (PRINT)						SIGNATURE OF FSC APPROVER			DATE SIGNED					
OFF DIGITAL SIGNATURE														
FSC DIGITAL SIGNATURE														
COMMENTS / NOTES: This section can be used to write additional notes or comments.														
http://www.va.gov/portal/va.gov/sites/MgmtFin/FMS/Reference_Mainframe_Material/Forms/AllItems.aspx														
Adobe Forms Designer 6.0 Version 4 - JAN 2015														

Appendix E: iFAMS Budget Object Class Code Request Process

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