GSA

January 10, 2005

MEMORANDUM FOR ASSISTANT REGIONAL ADMINISTRATORS
1T, 2T, 3T, 4T, 5T, 6T, 7T, 8T, 9T, 10T, WT

ASSISTANT COMMISSIONERS
TA, TB, TF, TH, TO, TQ, TR, TS

FROM: SANDRA N. BATES
COMMISSIONER
FEDERAL TECHNOLOGY SERVICE (T)

KATHLEEN M. TURCO
CHIEF FINANCIAL OFFICER (B)

SUBJECT: DECISION TREE ILLUSTRATING CONDITIONS FOR CLOSING OF PROJECTS AND RETURNING FUNDS

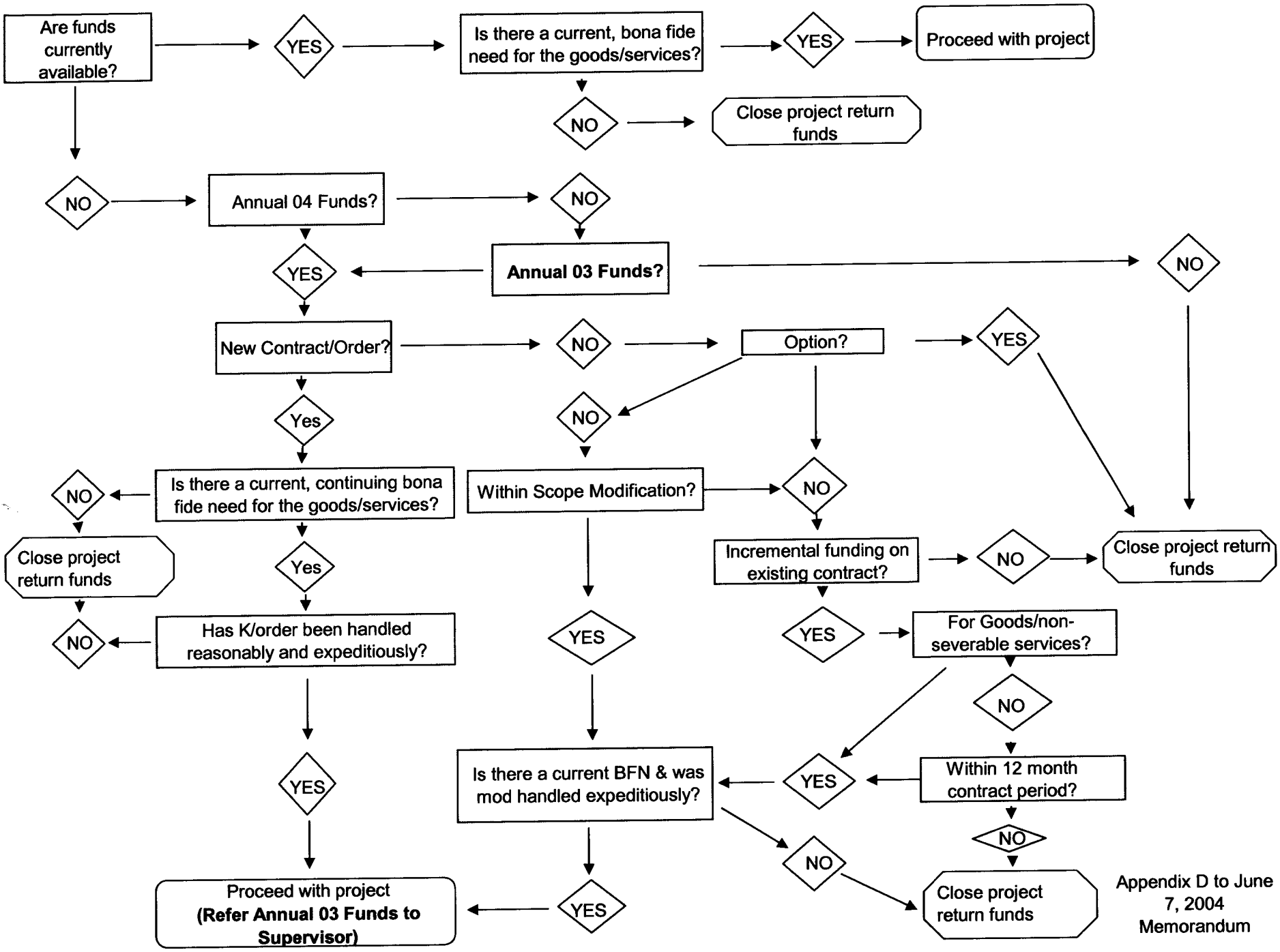
Appendix D to the June 7, 2004 memorandum titled Guidance and Information Concerning Interagency Transactions and Proper Management of Reimbursable Agreements in Revolving Funds is attached. Appendix D consists of a decision tree illustrating the conditions for closing projects and returning funds to the customer agency – the decision tree is shown both as a graphic and a word document. It is to be used as guidance when customer funds for a project are no longer currently available for obligation. This decision tree is a supplement to the June 7, 2004 Memorandum and must be read consistently with the guidance contained in the June 7, 2004 Memorandum and Appendices B and C, which define and illustrate the application of contract type and funding levels when awarding severable service contracts and nonseverable service contracts.

If you have any questions, please contact the office of the FTS Chief Financial Officer on (703) 306-6100.

Attachment

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405-0002
www.gsa.gov

THE FOLLOWING APPLIES WHEN CUSTOMER FUNDING IS FROM FYO4 OR EARLIER




Appendix D to June 7, 2004 Memorandum

**THE FOLLOWING APPLIES WHEN CUSTOMER FUNDING IS FROM FY04 OR EARLIER**

Are customer funds currently available for obligation?

- YES → Is there a current, bona fide need for the goods or services?
  - YES → Proceed with project.
  - NO → Close project, return funds.
- NO → Did funds expire for obligation at the end of FY02 or earlier?
  - YES → Close project, return funds.
  - NO → Is action a new contract or order and are the funds from FY03 or FY04?
    - YES → Did a bona fide need accompany the funds and is there still a current bona fide need for the goods/services?
      - NO → Close project, return funds.
      - YES → Has work on the RA been timely and proper and can the elapsed time after accepting the RA be considered reasonable?
        - NO → Close project, return funds.
        - YES → Proceed with project. (Consult with supervisor if funds expired at the end of FY03).
    - NO → Is action to exercise an option?
      - YES → Close project, return funds.
      - NO → Is action a contract modification and are funds from FY03 or FY04?
        - YES → Is it within scope?
          - NO → Close project, return funds.
          - YES → Did a bona fide need accompany the funds and is there still a current bona fide need for the goods/services?
            - NO → Close project, return funds.
            - YES → Has work on the modification been timely and proper and can the elapsed time after accepting the modification be considered reasonable?
              - YES → Proceed with project. (Consult with supervisor if funds expired in FY03.)
              - NO → Close project, return funds.
        - NO → Is action incremental funding on an existing contract and are funds from FY04?
          - NO → Close project, return funds.
          - YES → Has work on applying the incremental funding been timely and proper and can the elapsed time after accepting the funding be considered reasonable?
            - NO → Close project, return funds.
            - YES → Is the existing contract for **goods or non-severable services**?
              - YES → Is there still a current bona fide need for the goods/services?
                - NO → Close project, return funds
                - YES → Proceed with project. (Consult with supervisor if funds expired in FY03.)
              - NO (Contract is for **severable services**) → Is incremental funding received within 12 month contract period?
                - NO → Close project, return funds.
                - YES → Is there still a current bona fide need for the goods/services?
                - NO → Close project, return funds.
                - YES → Proceed with project. (Consult with supervisor if funds expired at the end of FY03.)