

GSA ORDER

SUBJECT: GSA System for the Administrative Control of Funds (ACF)

1. Purpose. This Order updates references to the Office of Management and Budget's (OMB) regulation and to the General Services Administration (GSA) accounting system.
2. Cancellation. This Order cancels and supersedes ADM 4200.2B, GSA System for the Administrative Control of Funds.
3. Background. Section 1514 of title 31 U.S.C. requires the Head of each agency, subject to the approval of the President, to prescribe by regulation a system of administrative controls for funds. The approval of fund control regulations has been delegated to the Director of OMB. OMB Circular No. A-11, Preparation, Submission, and Execution of the Budget, establishes requirements for these funds. This Order is GSA's regulation governing administrative controls of funds. It has been approved by the Director of OMB.
4. Nature of Revision. Revisions include:
 - a. Updated definitions that align with OMB Circular A-11;
 - b. Revisions to policies related to allottees to align with the current Office of the Chief Financial Officer (OCFO) organizational structure; and
 - c. Inclusion of a provision prohibiting the augmentation of appropriations.
5. Applicability. This Order applies within GSA to all appropriations and funds, whether or not they are apportioned by OMB.
6. Responsibilities. The GSA Chief Financial Officer (CFO) administers this directive and prescribes the official system of accounts and other financial management

procedures needed to implement it. All GSA associates involved in executing the agency's financial program will adhere to the provisions of this Order and related directives.

7. Signature.

/S/
EMILY W. MURPHY
Administrator

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ADMINISTRATIVE CONTROL OF FUNDS

CHAPTER 1: PURPOSE

1. This Order prescribes procedures to be followed in executing the budget and describes basic fund control principles and concepts.
2. This Order:
 - a. Establishes policies for the administrative control of funds;
 - b. Prescribes a system for positive administrative control of funds designed to:
 - (1) Restrict obligations and expenditures (disbursements) against each appropriation or fund account to the amount available therein;
 - (2) Assist in preventing and detecting fraud, waste, and mismanagement in the financial program; and
 - (3) Enable officials to determine responsibility if its provisions are violated;
 - c. Provides reporting requirements and procedures for dealing with violations of the Antideficiency Act and limitations imposed by the agency.

CHAPTER 2: AUTHORITY

1. The Antideficiency Act is the basic law governing the use of funds. Its provisions are in title 31, U.S.C., §§ 1341-1342, 1349-1351, and 1511-1519; excerpts include:

a. "An officer or employee of the United States Government may not - (1) make or authorize an expenditure or obligation exceeding an amount available in an appropriation or fund for the expenditure or obligation; or (2) involve (the) government in a contract or obligation for the payment of money before an appropriation is made unless authorized by law." (§ 1341(a)(1))

b. "An officer or employee of the United States Government may not accept voluntary services or employ personal services exceeding that authorized by law except for emergencies involving the safety of human life or the protection of property. As used in this section, the term 'emergencies involving the safety of human life or the protection of property' does not include ongoing, regular functions of government the suspension of which would not imminently threaten the safety of human life or the protection of property." (§ 1342)

c. "Except as provided in this subchapter, an appropriation available for obligation for a definite period shall be apportioned to prevent obligation or expenditure at a rate that would indicate a necessity for a deficiency or supplemental appropriation for the period. An appropriation for an indefinite period and authority to make obligations by contract before appropriations, shall be apportioned to achieve the most effective and economical use." (§ 1512(a))

d. ". . . Subject to the approval of the President, the head of each executive agency . . . shall prescribe by regulation a system of administrative control not inconsistent with accounting procedures prescribed under law. The system shall be designed to (1) restrict obligations or expenditures from each appropriation to the amount of apportionments or reapportionments of the appropriation; and (2) enable the official or the head of the executive agency to fix responsibility for an obligation or expenditure exceeding an apportionment or reapportionment." (§ 1514(a))

e. "An officer or employee of the United States Government . . . may not make or authorize an expenditure or obligation exceeding (1) an apportionment; or (2) the amount permitted by regulations prescribed under section 1514(a) of this title." (§ 1517(a))

f. "An officer or employee of the United States Government . . . violating sections 1341(a), 1342 or 1517(a) . . . shall be subject to appropriate administrative discipline including, when circumstances warrant, suspension from duty without pay or removal from office. An officer or employee . . . knowingly and willfully violating sections 1341(a), 1342 or 1517(a) . . . shall be fined not more than \$5,000, imprisoned for not more than 2 years, or both." (§§ 1349, 1350, 1518, and 1519)

2. Also title 31, U.S.C. §§ 1101, 1104-1108, and 3324 define the authority and responsibilities of the President and the executive branch in preparing and executing the budget of the U.S. Government.
3. Section 1501 of the same title sets requirements for documentary evidence of Government obligations (see paragraph 9), and § 1502 establishes that the balance of an appropriation or fund limited to a definite period is available only for payment of expenses properly incurred during the period of availability, or to complete contracts properly made within the period of availability and obligated consistent with § 1501.
4. Sections 1112, 3511-3512 of 31 U.S.C. address accounting classifications, requirements, systems, and information and, in part, require the head of each agency to establish internal accounting and administrative controls that reasonably ensure that: obligations and costs comply with applicable law; all assets are safeguarded against waste, loss, unauthorized use, and misappropriation; and revenues and expenditures applicable to agency operations are recorded and accounted for properly.
5. Section 3524 of 31 U.S.C. addresses audits related to expenditures approved without vouchers.
6. The Impoundment Control Act (Title X of Pub. L. 93-344, 2 U.S.C. §§ 681-688) establishes legal requirements governing the proposed impoundment or rescission of enacted resources.
7. The OMB has implemented these and other provisions of law through OMB Circular A-11, Preparation, Submission, and Execution of the Budget, and related guidelines.
8. “The established rule is that the expenditure of public funds is proper only when authorized by Congress, not that public funds may be expended unless prohibited by Congress.” *United States v. MacCollom*, 426 U.S. 317 (1976).

CHAPTER 3: SCOPE

Under the above authorities, the Administrator of GSA has established, and the Director of OMB has approved, a system of administrative controls to ensure that obligations or expenditures do not exceed the funds legally available, and to assign responsibility should violations occur. This system, described herein, applies to all GSA appropriations and funds, whether or not they are apportioned by OMB. All GSA associates involved in executing the agency's financial program will follow its provisions.

CHAPTER 4: DEFINITIONS

Basic terms used in this Order are defined below. In general, the definitions, terminology and concepts in OMB Circular No. A-11 apply.

1. Administrative Division or Subdivision of Funds. Any distribution of an appropriation or fund, such as an apportionment, allotment, or allowance.
2. Agency Limitation. For fund control purposes, an agency limitation is any administrative division or subdivision of funds made by agency officials that restricts the use of Government funds.
3. Allotment. Authority delegated by the head of the agency or other authorized employee of the agency to agency employees to incur obligations within a specified amount, under OMB apportionment or reapportionment action or other statutory authority making funds available for obligation.
4. Allowance. An administrative subdivision of funds, either within the limits of an allotment or as otherwise designated, that transfers to operating elements the authority to incur obligations. It conveys administrative, rather than statutory, authority and responsibility for the use of funds.
5. Apportionment. A plan, approved by OMB, to spend resources provided by appropriations. An apportionment identifies amounts available for obligation and expenditure. It specifies and limits the obligations that may be incurred and expenditures made for specified time periods, programs, activities, projects, objects, or any combination thereof.
6. Appropriation. A provision of law authorizing the expenditure of funds for a given purpose. An appropriations act is the most common means of providing budget authority, although authorizing legislation sometimes provides budget authority.
7. Budget Authority. The authority provided by law to incur financial obligations that will result in outlays. The basic forms of budget authority are appropriations, borrowing authority, contract authority, and spending authority from offsetting collections.
8. Budgetary Resources. Budgetary resources are amounts available to incur obligations in a given year. Budgetary resources consist of new budget authority and unobligated balances of budget authority provided in previous years. Estimated budgetary resources, including estimated offsetting collections and recoveries, are not available until the resource is realized.
9. Obligations Incurred. Amounts included in a binding agreement that will result in outlays, immediately or in the future.

10. Outlays. Outlays are payments to liquidate an obligation. Outlays generally are equal to cash disbursements but are also recorded for cash-equivalent transactions.

11. Suballotment. A subdivision of allotments included within the allotment. These subdivisions may be by quarter, budget activity, program, or any other allocation as determined by the GSA CFO.

CHAPTER 5: RESOURCE ALLOCATIONS AND CONTROL

1. The GSA system for the administrative control of funds involves issuing allotments under apportionments, and allowances under allotments, to provide authority to make obligations. GSA's automated accounting system, Pegasys, supports GSA's fund control system. Pegasys is owned by the United States Department of Agriculture, GSA's Federal Shared Service Provider for financial services. The Pegasys accounting system provides for recording all financial transactions affecting apportionments, reapportionments, allotments, allowances, operating budget plans, obligations and expenditures, as well as anticipated, earned, and collected reimbursements. In addition, the Pegasys accounting system provides for preparing and reconciling financial reports that display cumulative obligations and the remaining unobligated balances by appropriation, fund, allotment, allowance, and cumulative obligations by budget activity and object class. Any internal GSA systems that are not automated to align with Pegasys may be subject to additional manual validation processes to support this ACF. Procedures to allocate resources are in the GSA Order CFO 4251.4B, [Budget Administration Handbook](#).

a. Apportionment. Apportionments limit amounts available for obligation in an appropriation or fund account by time periods, activities, projects, objects or combinations of them. The GSA CFO or designee prepares apportionment requests for GSA funds, and submits them to OMB for approval.

b. Allotment. An allotment provides a named individual, the allottee, with the authority to obligate apportioned funds, and the legal responsibility for their administration and control. OMB Circular A-11 directs that control responsibilities for allotment and internal reporting systems be placed at the highest practical organizational level consistent with effective and efficient management. Only the GSA CFO or his or her designee issues allotments.

(1) An allotment is issued for each appropriation or fund apportioned by the Director of OMB. It does not exceed in total or cumulatively by quarter the authorities in the OMB apportionment or reapportionment. An allotment may contain other limitations or restrictions required by statute, OMB, or internal agency policy.

(2) In the absence of regular appropriations and apportionments, allotments are issued or funds otherwise allocated based on amounts of interim financing authority provided by continuing resolution. When regular appropriations or OMB apportionments become available, conforming adjustments are made.

(3) The Director of Budget or his or her designee prepares allotments, in the manner and form prescribed by the GSA CFO, and signs them as the recommending official. The GSA CFO or designee signs them as the approving official.

(4) As determined by the GSA CFO, an allotment may be issued to the GSA

Director of Budget or designee or to the applicable Heads of Services and Staff Offices (HSSO).

(5) A signed allotment is forwarded to the allottee to serve as the basis for issuing allowances with a copy immediately forwarded to the Office of Financial Management. When the GSA Director of Budget or designee is the allottee, a copy is also sent to the applicable HSSO for information.

(6) Violations of allotments or suballotments contained within an allotment are violations of the Antideficiency Act.

c. Allowances. The allottee issues allowances to Regional and Central Office officials to provide the authority to obligate funds. Allowances do not exceed the cumulative quarterly limitation or other authorities in the allotment, and may contain other restrictions on the use of resources. Allowances may also be issued by the GSA CFO or an HSSO under accounts that are not apportioned or allotted to establish resource limitations. They are issued to a named official, the "allowee," a Regional Commissioner, HSSO, or other Central Office official, and convey responsibility for the administrative control of funds.

(1) Annually, initial allowances are prepared and issued in accordance with procedures established at the time. Allowees may prepare them, or they may be prepared by allottees or program officials based on information submitted by allowees.

(2) During a year, requests for allowance revisions are usually prepared by allowees and submitted to allottees for review and action. If special circumstances require Central Office to issue an allowance revision, procedures require interaction with the allowee to ensure that all parties are aware of the basis for changes.

d. Operating Budget Plans. Allowances result in operating budget plans that administratively subdivide amounts by functional or organizational level and major object of expenditure. They are for management purposes, and keep the allowee aware at all times of who is responsible or accountable for performing work, what is to be performed, and what resources are available for it. Although the plans are not technically part of the GSA administrative control system, issuing them does not relieve the allowee of fund control responsibility; plans are closely monitored for deviations that could result in exceeding an allowance.

2. All GSA funds are subject to administrative control procedures. The GSA CFO may determine, however, that certain non-apportioned revolving or other funds do not require formal allowance control, and may prescribe other procedures to make sure of the integrity of financial operations and that obligations do not exceed available budgetary resources.

CHAPTER 6: INCLUDING ESTIMATED RESOURCES ON ALLOTMENTS AND ALLOWANCES

1. The OMB system of apportionment and the GSA system of allotments and allowances permit including estimated amounts of authority for anticipated reimbursements, other income, recoveries, and indefinite appropriations that do not require further congressional action. Including the estimates, however, in no way authorizes obligations or expenditures in excess of budgetary resources available at the time the obligation or expenditure is made.
2. In reimbursable work, resources available for obligation are the sum of earned reimbursements and unfilled customers' orders. This is the amount of orders received from within the Federal Government that represent valid obligations of the ordering account, and orders received from the public, including State and local governments, to the extent they are accompanied by an advance.
3. Amounts on apportionments for unrealized reimbursements or other anticipated receipts are allotted or allowed only when there is reasonable assurance that the amounts will be collected and deposited to the credit of the appropriation or fund.
4. Reimbursable work is regularly monitored to make sure that obligations and expenditures do not exceed the lesser of amounts allowed or available resources. Allowees immediately inform the allottee of changes in anticipated reimbursements or other receipts. Allowances are adjusted and, if necessary, the GSA OCFO requests reapportionment from OMB.

CHAPTER 7: DEFICIENCY APPORTIONMENTS

1. There are times when funds may be apportioned, allotted, and allowed on a deficiency basis; i.e., on a basis that assumes the need for supplemental funding at a later date.
2. Apportionments that anticipate the need for a deficiency appropriation or a supplemental under 31 U.S.C. § 1515 specifically identify this fact on the apportionment request.
3. Deficiency apportionments are submitted by the GSA CFO and must be accompanied by the Administrator's determination that a deficiency apportionment is necessary.
4. To qualify as a deficiency apportionment, the request must be required by laws enacted subsequent to the transmittal to Congress of the annual budget for the year; by emergencies involving the safety of human life, the protection of property, or the immediate welfare of individuals; or as may be otherwise specifically authorized in law.
5. The approval of a deficiency apportionment by OMB and its transmittal to Congress does not authorize the use of any amounts not yet provided. Congress is simply notified that currently appropriated funds are being obligated at a faster rate than previously anticipated, and there is no guarantee that Congress will approve any part of any associated supplemental request.
6. When a deficiency apportionment is approved by OMB, allotments and allowances may be approved on the same basis, although officials must be prepared to take appropriate action to remain within current availability if supplemental funds are not provided.

CHAPTER 8: CONTROL OF OBLIGATIONS AND EXPENDITURES

All funds, including revolving, management, and other funds, are subject to the following policies and procedures:

1. Under 31 U.S.C. § 1501(a) and OMB Circular A-11, an obligation is recorded only when there is documentary evidence of:

a. A binding agreement in writing for a purpose authorized by law, executed within the period that funds are available for obligation, for goods to be delivered, real property to be purchased or leased, or work or services to be performed. In Matter of: National Institute of Standards and Technology – Use of Electronic Data Interchange Technology to Create Valid Obligations, B-245714, 71 Comp. Gen. 109 (1991), the Government Accountability Office (GAO) stated that, for purposes of 31 U.S.C. 1501, the definition of "writing" includes reproduction of visual symbols by photography, multi-graphing, mimeograph, manifold, or otherwise. This means that Federal agencies may use electronic data interchange technologies, such as message authentication codes and digital signatures, to create valid contractual obligations that can be recorded consistent with 31 U.S.C. § 1501(a);

b. A loan agreement showing the amount and terms of repayment;

c. An order required by law to be placed with a Government agency;

d. A voluntary order with another Government agency;

e. An order issued under a law authorizing purchases without advertising, when necessary because of a public exigency, for perishable subsistence supplies, or within specific monetary limits (small purchases);

f. A grant or subsidy payable from appropriations made to pay or contribute to amounts that are paid in specific amounts or under prescribed formulas, either by law, under an agreement authorized by law, or under plans approved consistent with legal authorities;

g. A liability that may result from pending litigation;

h. Employment or services of persons, or travel expenses under law;

i. Services provided by public utilities; or

j. Other legal liability of the Government against an available appropriation or fund.

2. Obligations and expenditures from each appropriation or fund account are restricted to the lower of the amount of apportionments made by OMB or the amount available for

obligation and/or expenditure in the appropriation or fund account.

3. An obligation for reimbursable work is not made, and work is not started or performed, until a firm written agreement is executed between the performing GSA component and the requesting Federal or GSA unit.
4. The balance of an appropriation or fund limited for obligation to a definite period is available only for payment of expenses properly incurred, or to complete contracts properly made, within the period of availability. An appropriation or fund is not available for expenditure beyond the period authorized by law (31 U.S.C. § 1502(a)).
5. Under a general lapse in funding authority, as might occur if Congress had not enacted appropriations or a continuing resolution by the beginning of a fiscal year, or if the President vetoed an appropriations bill, obligations may be incurred only for certain purposes associated with the orderly phase down of operations and the protection of life and property. In this event, the provisions of GSA Order ADM 4220.1N, [Operations in the Absence of Appropriations](#) apply.
6. Obligating documents are recorded in Pegasys within three business days unless a specific exemption is granted by the Director of Financial Management. When transactions are delayed from being recorded as obligations in the same month as the award, contracting/awarding officials must submit information in accordance with procedures established for manual adjustment (worksheet adjustments) of GSA's official financial records for that month. Recording an obligation is never delayed because of a potential lack of funds. Obligations incur when GSA enters into a binding agreement, not when the transaction is posted into the official accounting system.
7. The GSA administrative control system is integrated with the agency's accounting system, which is designed to provide information on commitments, obligations, accrued expenditures, applied costs, outlays, and the status of anticipated reimbursements, as needed for management and for reports prescribed under OMB Circular A-11. Any internal GSA systems that are not automated to align with Pegasys may be subject to additional manual validation processes to support this ACF.
 - a. The official system of accounts prescribed by the GSA CFO provides for recording all financial transactions that affect restrictions contained in appropriations or other acts, apportionments, reapportionments, allotments, allowances, operating budget plans, commitments, obligations, and expenditures. Obligations are classified by allowance area (activity, project, function, or organization) and sub-object class for adequate review of financial operations.
 - b. The GSA Order and the GSA Chief Financial Officer Manual (CFO 4260.1) establish basic accounting policies and procedures in GSA.
 - c. Allowees use obligation data in Pegasys for internal management, obligation control, and for external reporting on an obligation basis.

8. The validity of all obligations and disbursements must be assured. When obligations are estimated or accrued, their appropriateness is continually reviewed, and adjustments are made as necessary.
9. Allowees will be provided with regular and timely advice on financial status to ensure that funds are available to cover all proposed obligations. The advice and reports will be based on the latest information contained in the accounting system, supplemented by any other records deemed necessary for fund control, prevalidation, or other reconciliation processes. Periodic reports are also provided to allottees and other agency managers on the status of obligations compared to allotted and allowed resources.
10. At the close of each accounting period, accounting source documents are reviewed and analyzed to ensure that transactions affecting appropriation and fund balances were recorded properly, accurately, completely, and timely.
11. Allowees are also responsible for complying with any other limitations on allowances, such as restrictions on obligations for certain purposes, and for ensuring that obligations are otherwise consistent with official GSA policies. Allowees will also be prepared to report to allottees, the GSA CFO, or other agency financial managers the basis for significant deviations from established financial plans.

CHAPTER 9: PRIOR-YEAR AND EXPIRED ACCOUNTS

1. GSA's administrative control system applies to allotments and allowances as long as they remain in force, which extends beyond the current fiscal year. Anti-Deficiency Act provisions continue to apply to cancelled Treasury Accounts.
2. Allotments and allowances providing no-year authority remain current and in force until financially complete.
3. Annual accounts remain available for valid obligation adjustments after they have expired for purposes of new obligation. An allotment remains in force as long as the appropriation/account has an individual identity. As described in implementing instructions, allowances remain in force for different periods based on the nature of the account and administrative control needs.
4. Pub. L. 101-510 of November 5, 1990, significantly changed the treatment of expired annual appropriations (31 U.S.C. §§ 1552-1554). It provided that an appropriation will maintain individual identity and resources for 5 years after the period of availability; after that, all open items are canceled, the account is closed, and balances are returned to the Treasury. Any valid adjustments occurring after an account is closed are paid from current-year resources, subject to a maximum limitation of the lesser of one percent of the current-year appropriation or the balances available in the account at the time it closed.
 - a. Because the Act also requires that obligations against even a closed account not exceed the amount originally available, the allotment for each annual appropriation bears an identity and remains in force until it is financially complete.
 - b. Allowances under annual appropriations, however, remain individually in effect for only one additional year after the accounts expire for new obligation. Positive administrative control is needed at this detail level only for a reasonable period to ensure that obligation adjustments are valid and proper, and that they do not cause the allowance to be exceeded. Afterward, the account is managed at the national (allotment) level.
 - c. Each year, the GSA CFO also establishes at the summary account level the maximum one percent limitation for the payment of claims against closed accounts, and includes it as a limitation on the current-year allotment; allottees also include it on the Central Office allowance.

CHAPTER 10: RESPONSIBILITIES

The following paragraphs briefly summarize the functions and responsibilities of GSA officials under this administrative control Order:

1. The Chief Financial Officers Act delegates all authority for the allocation and control of resources, and responsibility for compliance with the Antideficiency Act to the GSA CFO. Through the Offices of Budget, Financial Management, Analytics, Performance and Improvement, and Regional Financial Services, he or she:

a. Plans, implements, directs, and coordinates all financial reporting, accounting, and financial management support for GSA consistent with statute-based OMB, GAO and Treasury regulations;

b. Sets agency policy on budgeting, accounting, and financial management systems;

c. Prepares apportionment and reapportionment requests;

d. Directs and coordinates resource allocations within GSA, and issues and receives allotments within the limits of apportionments;

e. When acting as an allottee, maintains positive fund control by issuing allowances within the limits of an allotment;

f. Develops policies to ensure that the pricing of goods and services furnished by GSA to customers covers all intended elements of cost; reviews those charges and fees at least biennially; and makes recommendations on proposed rates and rate processes;

g. Approves capital plans and sets policies for the management and control of cash under revolving funds;

h. Provides reliable and timely reports on the status and condition of appropriations and funds, within the framework of management needs and external regulations;

i. Ensures that obligations and payments are permitted by law, that funds are available for the specified time, purpose and amount, obligations are properly classified in the accounting system, and ensures that reimbursements and refunds are properly credited;

j. Monitors the effectiveness of resource distribution and financial performance, and reports status regularly to agency management;

k. Takes appropriate action in cases of identified problems, when deviation from approved financial plans is excessive, when there are unplanned profits or losses under revolving funds;

l. Reviews and acts on reports of violations of GSA's administrative fund control system; and

m. Coordinates the publication of an annual report describing the financial condition of the agency.

n. Recommends the most effective distribution of resources on allowances to accomplish approved program objectives;

o. As applicable, conveys on allowances all financial and other restrictions on allotments or as otherwise required by GSA policies.

p. Continually monitors financial performance reported in official accounting reports and make or recommend any necessary allocation adjustments;

q. Ensures that operations under management and revolving funds are conducted legally and efficiently, and that the funds remain financially solvent; and

r. Addresses any violations of the GSA system for the administrative control of funds, and provide comments and recommendations on any other reports of violation.

2. Allowees, who are Regional Commissioners, HSSOs, and certain other officials for Central Office programs, are responsible for executing programs. They:

a. Recommend the level of resources needed to execute proposed programs;

b. Provide subordinate operating officials with operating budget plans that administratively subdivide allowance amounts by functional or organizational level and object classification;

c. Have responsibility for ensuring that programs are executed within the limitations on allowances;

d. Incur obligations for approved purposes, and establish procedures to ensure that only officials who have been delegated authority to obligate Government funds are incurring obligations, and are doing so within the scope of their authority;

e. Record obligating documents in Pegasys at the earliest possible time;

f. Review and reconcile financial reports in a timely manner, and request adjustments when inaccuracies are found;

- g. Request redistribution of resources as circumstances change;
- h. Negotiate and execute reimbursable agreements with other agencies and other GSA components;
- i. Ensure that operations and activities are compatible with laws, regulations, and GSA policies;
- j. Report to the allottee and to the GSA CFO any violations of the GSA system for the administrative control of funds; and
- k. Make sure that this Order is implemented within their respective Regions and offices and, as appropriate, establish procedures for the local administration of allowances and operating budget plans. Local implementing instructions are coordinated with the Office of the GSA CFO before issuance.

CHAPTER 11: PROHIBITED ACTIONS

The following actions all violate the GSA system of administrative control of funds as prescribed in this Order. Where indicated, they also violate the Antideficiency Act.

1. Overobligating or Overexpending an Appropriation or Fund Account. This is any case in which a GSA officer or associate makes or authorizes an expenditure from or creates or authorizes an obligation under an appropriation or fund in excess of the amount available in the account. Further, amounts available for expenditures are also limited to balances recorded as Fund Balance with Treasury. It is also an Antideficiency Act violation (31 U.S.C. § 1341(a)).
2. Making Contracts or Obligations in Advance of Appropriations. Involving the Government in a contract or other obligation for the payment of money in advance of appropriations made for the purpose, unless this is authorized by law, violates the Antideficiency Act (31 U.S.C. § 1341(a)).
3. Accepting Voluntary Services. A violation of the Antideficiency Act occurs if an officer or associate of GSA accepts voluntary service for the United States, or employs personal services in excess of those authorized by law, except in cases of emergency involving the safety of human life or the protection of property (31 U.S.C. § 1342).
4. Overobligating or Overexpending an Apportionment or Allotment. Any instance in which an officer or associate of GSA has authorized or created an obligation or made an expenditure in excess of an apportionment, reapportionment, or allotment violates the Antideficiency Act (31 U.S.C. § 1517(a)).
5. Exceeding Allowance Authorities. An officer or associate of GSA violates the administrative control system if he or she makes or authorizes an expenditure or creates or authorizes an obligation in excess of amounts contained on an allowance, or exceeds any other limitation on an allowance. A violation of the Antideficiency Act only occurs if the overobligation or overexpenditure causes an allotment, apportionment, or statutory limitation to be exceeded.
6. Improper Obligations. An officer or associate of GSA violates the administrative control system if he or she makes or authorizes an expenditure or creates or authorizes an obligation without proper authority or for purposes inconsistent with law or regulation. A violation of the Antideficiency Act does not occur unless the action results in overobligating or overexpending an apportionment, allotment, or statutory limitation.
7. Exceeding Authorities. An officer or associate of GSA violates the administrative control system if he or she makes allowances in excess of an allotment, interim financing authority pending the passage of appropriations, or an approved financial plan for funds not subject to apportionment. A violation of the Antideficiency Act would occur if the excess authority results in overobligating or overexpending an allotment,

apportionment, or statutory limitation.

8. Exceeding a Prior-year Allowance. Cumulatively exceeding a prior-year allowance that is still in force violates the GSA system of administrative control. A statutory violation occurs if a new obligation is made against a canceled or closed account; if cumulative obligation adjustments exceed the amounts originally available in an appropriation; or if obligation adjustments to closed accounts made in any year exceed the one percent current-year limitation for such adjustments stipulated in Pub. L. 101-510.

9. Augmentation. An officer or associate of GSA violates the administrative control system if he or she obligates funding that was transferred from another fund, collected as a miscellaneous receipt, or otherwise collected when those funds were not authorized by Congress for that specific purpose. An officer or associate of GSA violates the administrative control system if he or she augments another appropriation by providing services or transferring funds when those services or transfers were not authorized by Congress.

CHAPTER 12: PENALTIES

1. Under law (31 U.S.C. §§ 1349 and 1518), a person violating the Antideficiency Act is subject to appropriate administrative discipline including, when circumstances warrant, suspension from duty without pay or removal from office.
2. A person who knowingly and willfully violates the Antideficiency Act shall be fined not more than \$5,000, imprisoned for not more than two years, or both (31 U.S.C. §§ 1350 and 1519).
3. Otherwise violating the GSA system for administrative fund control also results in administrative action which, depending on the severity of the violation(s) or other circumstances, may consist of:
 - a. Reassignment.
 - b. Oral instruction or counseling.
 - c. Warning notice for the official personnel record.
 - d. Official reprimand or censure for the official personnel record.
 - e. Suspension from duty for a specified period without pay.
 - f. Demotion.
 - g. Removal from the Federal Service.
 - h. Unsatisfactory performance rating requiring a Performance Improvement Plan.

CHAPTER 13: REPORTING VIOLATIONS OF ADMINISTRATIVE CONTROL PROCEDURES

1. Any individual knowing of a possible violation of administrative control procedures must report it to the appropriate HSSO or Regional Commissioner.
2. HSSOs and Regional Commissioners who know of a violation must immediately report it to the CFO. The report includes:
 - a. The name and position of the associate(s) responsible for the violation;
 - b. All pertinent facts of the violation, including the cause and a statement by the responsible officer(s) or associate(s) concerning any extenuating circumstances;
 - c. A statement of the administrative discipline taken or proposed; and
 - d. A discussion of additional action taken to safeguard against or prevent recurrence of the same type of violation.
3. On receipt of the report, and when violations are otherwise brought to his or her attention, the GSA CFO notifies the appropriate HSSO or Regional Commissioner in writing, concurring in the corrective actions or recommending additional actions.
4. For violations of prohibited actions in Section 11 of this policy, the GSA CFO provides a follow-up report to the Administrator stating what corrective action was taken and what administrative action has been proposed or decided.
5. Antideficiency Act violations are reported, through OMB, to the President and to the Congress in a letter signed by the Administrator. OMB Circular A-11 describes the procedures to be used.
6. Reporting requirements of the administrative control system are exempt from the reports control program.