

Bureau of the
Fiscal Service

Federal Financial Management Business Use Cases for Bill-to-Collect

Release FY2027

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Purpose

The Federal Financial Management (FFM) Business Use Cases reflect the business needs, or requirements that an agency must follow in the financial management community. This document is part of the FFM Business Use Case Library and contains the business use cases associated with the Bill-to-Collect Business Process. The ***Federal Financial Management Business Use Case Library Overview*** should be referenced in conjunction with this document for guidance on understanding and applying the FFM Business Use Cases to agency financial operations.

Business Use Case Structure

The sections of the FFM business use cases are described below.

Business Use Case Identifier: includes information about the key underlying components. The notation for a business use case identifier is as shown.

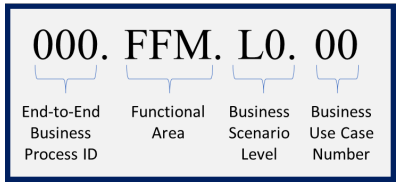


Figure 1: The notation for a business use case identifier.

Business Scenario(s) Covered: identifies differing situations or conditions that occur when executing an end-to-end business process and reflect the scope and complexity of federal government agency missions.

Business Actor(s): identifies the typical offices or roles performing events in the business use case.

Synopsis: provides a summary of the events that take place within the business use case.

Assumptions and Dependencies: includes context information about events that have occurred prior to the first event identified in the business use case or outside of the business use case and dependencies on events accomplished in other business use cases. There are several common assumptions that are established for all business use cases. Additional assumptions or dependencies are included if needed for the specific business use case.

Initiating Event: identifies the event that triggers the initiation of the business use case.

Typical Flow of Events: includes the Federal Financial Management (FFM) and non-FFM events that may occur to complete the business scenario(s) included in the business use case. The non-FFM events are provided for business context. Also included are the inputs and outputs or outcomes that one would expect to occur during or as a result of the event.

Change Log

Item Changed	Summary of Change	Rationale
All Business Use Cases	• Removed FFMSR ID	Realign FFMSR scope with Financial Management Capability Framework (FMCF)
050.FFM.L1.01 Vendor Refund Receivable Submitted to Treasury (Formerly 050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties and Administrative Fees)	• Modified Business Use Case Name • Modified Business Scenario(s) Covered • Modified Synopsis • Modified Business Use Case Specific Assumptions • Modified FFM and Non-FFM Events, Input(s), and Output(s)/Outcome(s)	Align with Core FS Pre-Built BIEs for the Treasury Centralized Receivables Service (CRS)

Bill-to-Collect Business Use Cases

050.FFM.L1.01 Vendor Refund Receivable Submitted to Treasury

End-to-End Business Process: 050 Bill-to-Collect

Business Scenario(s) Covered

- Individual Receivables
- Receivable Managed by Treasury
- Interest and Penalties
- Repayment Plan

Business Actor(s)

Procurement Office; Finance Office; Vendor

Synopsis

After paying a vendor invoice, goods delivered are determined to be defective. A receivable is established and receivable debt information is provided to Treasury to manage the receivable. A letter requesting a refund of the payment is issued. Interest and penalty fees are assessed after the vendor does not issue the refund. A settlement is reached, and a vendor repayment agreement is established. The first vendor payment is received by the Agency. The final vendor payment is received by Treasury.

Assumptions and Dependencies

General

1.1 There may or may not be automated (near/real-time or batch) interfaces between functional areas/functions/activities or between provider solutions/systems.

1.2 There is no presumption as to which activities are executed by which actor, or which activities are automated, semi-automated, or manual.

1.3 Supporting information for general ledger transactions includes sub-ledger entries when sub-ledgers are used.

1.4 Appropriate attributes (e.g., object class and project) are included as part of the accounting string.

1.5 Relationships between use cases are described in the Framework for Federal Financial Management Use Cases found in the related overview document.

050.FFM.L1.01 Vendor Refund Receivable Submitted to Treasury

1.6 All predecessor activities required to trigger the Initiating Event have been completed.

1.7 Funds availability checks are performed against appropriations/fund accounts for obligating funds, and against obligations for disbursing funds in accordance with OMB A-11, Section 150.2.

Business Use Case Specific

2.1 Vendors are required to register in the GSA System for Award Management (SAM), with some exceptions such as individuals and vendors used for micro-purchases, military, classified, or emergency operations contracts, or work performed outside the US (see FAR 4.1102 for a complete list of exceptions). GSA SAM is a common source for establishing the vendor in the Acquisition (ACQ) system. Vendor (payee) information provided by the Acquisition (ACQ) system to the FM system is used only when vendor (payee) information is not available from GSA SAM.

2.2 The federal agency has ordered and received the goods and the invoice has already been paid in a previous Procure-to-Pay process.

2.3 Interest, penalties, and administrative fees that can be assessed are based on agency-specific legislation, regulation, and/or policy.

2.4 The Treasury Centralized Receivables Service (CRS) currently accepts from agencies only federal non-tax, non-loan, administrative receivables (e.g., vendor, ex-federal employee, or grant recipient overpayment receivables) associated with individuals and businesses with a primary address located in the US.

2.5 Although agencies can submit a receivable debt to Treasury CRS at any point in the receivable lifecycle (e.g., upon establishing a receivable, after initial invoice billing is generated, after initial payment due date is missed and interest and penalties accrue), the Treasury CRS preference is for the federal agency to submit the receivable debt to Treasury CRS after establishing a receivable and before issuing the billing invoice.

2.6 Prior to submitting the receivable debt to Treasury CRS, federal agencies may have applied credit memos, debit memos, adjustments to principal, payment collections, and/or offset collections to the receivable. In addition, those federal agencies with statutory authority may have applied interest, penalties, and/or administrative fees to the receivable prior to submitting the receivable debt to Treasury CRS.

2.7 If a federal agency transfers a receivable debt to Treasury CRS and then receives a payment (e.g., a check) for the receivable debt, the federal agency will process the payment through one of the Treasury remitter payment channel systems (e.g., OTCnet, Electronic Check Processing [ECP]) and provide the receivable debt collection information to Treasury CRS.

2.8 When Treasury CRS receives a receivable debt payment through the Treasury CRS Payment Portal, it is processed through Treasury Pay.gov and recorded in the Treasury Collection Information Repository (CIR). Federal agencies receive receivable debt collection

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information from both Treasury CRS and Treasury CIR. Federal agencies use the collection information from Treasury CIR to record a collection (receipt) transaction in the general ledger, apply the collection to the federal agency receivable debt, and for Treasury account reconciliation activities.

2.9 After a receivable debt is submitted to Treasury CRS, federal agencies check the Treasury CRS case information at least weekly using the Treasury CRS online function. If the payer/debtor submits to Treasury CRS a request for supporting documentation and/or an issue, FM personnel contact the Functional Area that is the source of the administrative receivable (e.g., acquisition, human capital management, grants management) to obtain the requested supporting documentation and/or information needed to resolve the payer/debtor's issue. The Treasury CRS online function is used to provide the supporting documentation and/or issue information to Treasury CRS.

2.10 After a receivable debt is submitted to Treasury CRS, federal agencies continue to include the receivable debt information in their Treasury Report on Receivables (TROR). Receivable debt status, interest, penalty, and adjustment information provided by Treasury CRS is also included in the federal agency's TROR.

2.11 If a receivable debt becomes delinquent, Treasury CRS will transfer the debt and provide the delinquent debt information to the Treasury Cross-Servicing Debt Collection System (CSDCS).

Federal Records Management

3.1 The types of digital objects received or created during FFM events (Business Use Case Inputs or Outputs) that are considered FFM Federal records (ERM.010.010, ERM.010.020) are specified with a superscript (FR). FFM Federal records are managed as temporary Federal records unless agency personnel designate a specific FFM federal record as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.

3.2 FFM Federal records are retained for a period of 7 years from the FFM event date if the retention period for a specific type of FFM Federal record has not been established in the National Archives General Records Schedules (GRS) (ERM.010.030). If special circumstances occur such as an order, law, or business justification, the temporary Federal record’s retention period is changed (ERM.030.040) or the permanent Federal record’s retention period is extended (ERM.040.040).

3.3 During the retention period of an FFM Federal record: appropriate access levels are maintained (ERM.020.010); associated metadata (e.g., record identifier, creator, creation date, security classification, access rights) and an audit trail of changes to Federal record content, metadata, and access level are maintained (ERM.020.020); if a records hold is placed, the Federal record is locked down until the records hold is lifted to ensure no changes can be made (ERM.020.030); if needed to satisfy a Freedom of Information Act, Congressional, or e-discovery request, the Federal record is made available (ERM.020.040); and if needed because of technology

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obsolescence, the Federal record is converted to an acceptable format and/or migrated to another repository to serve out its retention period (ERM.020.050).

3.4 Once an FFM Federal record has met its records retention period, it is approved for disposal and disposed (ERM.030.010, ERM.030.020, ERM.030.030) or prepared for transfer, transferred to NARA, and removed from the FFM solution (ERM.040.010, ERM.040.020, ERM.040.030).

Initiating Event: Goods previously received are determined to be defective after paying vendor invoice.

050.FFM.L1.01 Vendor Refund Receivable Submitted to Treasury

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		Issue letter notifying vendor of defective goods (ACQ.040.050 Vendor Performance Monitoring and Dispute Resolution)	• Defective goods information	• Letter notifying of defective goods • Payer information • Request to establish receivable
2	a. Receive and update payer information from acquisition (FFM.060.010 Payer Setup and Maintenance) b. Receive and process request to establish refund receivable (FFM.060.020 Public Receivable Setup and Billing Invoicing) c. Provide payer/debtor entity information to Treasury (FFM.060.010 Payer Setup and Maintenance) d. Provide receivable debt information to Treasury for receivable debt collection actions (FFM.060.020 Public Receivable Setup and Billing Invoicing)		• Payer information • Request to establish receivable	• Payer/debtor entity information (FR) • Receivable debt information including agency-specific interest rate information (FR) • Appropriate refund receivable GL entries created with reference to source information

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Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
3	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)
4	a. Retrieve the vendor billing invoice (demand letter) information from Treasury (FFM.060.050 Public Receivable Monitoring and Maintenance) b. Periodically generate receivable status report (FFM.060.060 Public Receivable and Collection Reporting) c. Monitor age of receivable (FFM.060.050 Public Receivable Monitoring and Maintenance)		• Vendor billing invoice (demand letter) information	• Receivable Status report

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Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
5	a. Retrieve dunning notice (past due notice) information and interest and penalty fee information from Treasury (FFM.060.050 Public Receivable Monitoring and Maintenance) b. Record accrual for interest and penalty fees (FFM.060.050 Public Receivable Monitoring and Maintenance) c. Periodically generate receivable status report (FFM.060.060 Public Receivable and Collection Reporting) d. Monitor age of receivable (FFM.060.050 Public Receivable Monitoring and Maintenance)		• Dunning notice (past due notice) information • Interest and penalty fee information	• Appropriate interest receivable GL entries created with reference to source information • Appropriate penalties receivable GL entries created with reference to source information • Receivable Status report

050.FFM.L1.01 Vendor Refund Receivable Submitted to Treasury

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
6	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)
7	a. Retrieve updated payer/debtor entity information and vendor payment agreement information from Treasury (FFM.060.050 Public Receivable Monitoring and Maintenance) b. Update payer information (FFM.060.010 Payer Setup and Maintenance) c. Record updated receivable principal, interest, and penalty amounts and due dates in accordance with payment agreement (FFM.060.050 Public Receivable Monitoring and Maintenance)		• Vendor payment agreement information • Updated payer/debtor entity information	• Updated payer information • Updated receivable information • Appropriate refund receivable GL entries created with reference to source information • Appropriate interest receivable GL entries created with reference to source information • Appropriate penalties receivable GL entries created with reference to source information

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Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
8	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)
9	a. Receive entity (payer) and public receipt collection information from Treasury (FFM.060.030 Public Receipt Processing) b. Update payer information (FFM.060.010 Payer Setup and Maintenance) c. Process first payment's collection information (FFM.060.030 Public Receipt Processing) d. Provide updated payer/debtor entity information to Treasury (FFM.060.010 Payer Setup and Maintenance) e. Provide receivable collection information to Treasury		• Summary and detail public receipt collection information • Updated entity (payer) information	• Updated payer/debtor entity information (FR) • Receivable collection information (FR) • Appropriate collection and receivable reversal GL entries created with reference to source information • Receivable Status report

050.FFM.L1.01 Vendor Refund Receivable Submitted to Treasury

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
	(FFM.060.050 Public Receivable Monitoring and Maintenance) f. Periodically generate receivable status report (FFM.060.060 Public Receivable and Collection Reporting) g. Monitor age of receivable (FFM.060.050 Public Receivable Monitoring and Maintenance)			
10	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)

050.FFM.L1.01 Vendor Refund Receivable Submitted to Treasury

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
11	a. Receive entity (payer) and public receipt collection information from Treasury (FFM.060.030 Public Receipt Processing) b. Update payer information (FFM.060.010 Payer Setup and Maintenance) c. Process final payment's collection information (FFM.060.030 Public Receipt Processing)		• Summary and detail public receipt collection information • Updated entity (payer) information	• Appropriate collection and receivable reversal GL entries created with reference to source information
12	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)

050.FFM.L1.01 Vendor Refund Receivable Submitted to Treasury

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
13	a. Generate receivable status report (FFM.060.060 Public Receivable and Collection Reporting) b. Confirm all payments have been received (FFM.060.050 Public Receivable Monitoring and Maintenance)		• Collection information • Updated receivable information	• Receivable Status report (FR)

050.FFM.L1.02 Travel Advance Overpayment Receivable

End-to-End Business Process: 050 Bill-to-Collect

Business Scenario(s) Covered

- Overpayment of Travel Advance

Business Actor(s)

Travel Office; Finance Office; Federal Employee

Synopsis

An employee receives a travel advance, once travel is complete the traveler submits a TDY Travel Voucher for an amount less than the travel advance. A billing invoice for the travel advance overpayment is generated. Traveler submits repayment and check is deposited.

Assumptions and Dependencies

General

1.1 There may or may not be automated (near/real-time or batch) interfaces between functional areas/functions/activities or between provider solutions/systems.

1.2 There is no presumption as to which activities are executed by which actor, or which activities are automated, semi-automated, or manual.

1.3 Supporting information for general ledger transactions includes sub-ledger entries when sub-ledgers are used.

1.4 Appropriate attributes (e.g., object class and project) are included as part of the accounting string.

1.5 Relationships between use cases are described in the Framework for Federal Financial Management Use Cases found in the related overview document.

1.6 All predecessor activities required to trigger the Initiating Event have been completed.

1.7 Funds availability checks are performed against appropriations/fund accounts for obligating funds, and against obligations for disbursing funds in accordance with OMB A-11, Section 150.2.

Business Use Case Specific

2.1 Payee information for the traveler is provided from the TRT solution/service at the time of travel authorization and voucher approval to ensure FFM has the most current entity identification, mailing address, and banking information for the traveler prior

050.FFM.L1.02 Travel Advance Overpayment Receivable

to processing a request for obligation or disbursement.

2.2 An Individual Trip-by-Trip Travel Authorization and a Travel Advance Voucher were completed in a previous Book-to-Reimburse process.

2.3 The TDY Travel Voucher submitted by the employee after completing the trip includes only travel expenses paid in cash by the employee and no expenses paid using an IBA government-issued travel card.

2.4 Public receipts (i.e., payments submitted by non-Federal entities to the Federal government) are collected using Treasury services such as Pay.gov and the Electronic Check Processing (ECP) system.

2.5 The agency receives from the Treasury Collections Information Repository (CIR) entity payer and summary and detail public receipt collection information.

Federal Records Management

3.1 The types of digital objects received or created during FFM events (Business Use Case Inputs or Outputs) that are considered FFM Federal records (ERM.010.010, ERM.010.020) are specified with a superscript (FR). FFM Federal records are managed as temporary Federal records unless agency personnel designate a specific FFM Federal record as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.

3.2 FFM Federal records are retained for a period of 7 years from the FFM event date if the retention period for a specific type of FFM Federal record has not been established in the National Archives General Records Schedules (GRS) (ERM.010.030). If special circumstances occur such as an order, law, or business justification, the temporary Federal record's retention period is changed (ERM.030.040) or the permanent Federal record's retention period is extended (ERM.040.040).

3.3 During the retention period of an FFM Federal record: appropriate access levels are maintained (ERM.020.010); associated metadata (e.g., record identifier, creator, creation date, security classification, access rights) and an audit trail of changes to Federal record content, metadata, and access level are maintained (ERM.020.020); if a records hold is placed, the Federal record is locked down until the records hold is lifted to ensure no changes can be made (ERM.020.030); if needed to satisfy a Freedom of Information Act, Congressional, or e-discovery request, the Federal record is made available (ERM.020.040); and if needed because of technology obsolescence, the Federal record is converted to an acceptable format and/or migrated to another repository to serve out its retention period (ERM.020.050).

3.4 Once an FFM Federal record has met its records retention period, it is approved for disposal and disposed (ERM.030.010, ERM.030.020, ERM.030.030) or prepared for transfer, transferred to NARA, and removed from the FFM solution (ERM.040.010, ERM.040.020, ERM.040.030).

050.FFM.L1.02 Travel Advance Overpayment Receivable

Initiating Event: Traveler submits voucher for less than travel advance.

050.FFM.L1.02 Travel Advance Overpayment Receivable

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		a. Receive and evaluate TDY Travel Voucher that includes travel expenses paid in cash by the employee that are less than travel advance b. Request receivable to be established for the travel advance overpayment (TRT.010.060 Temporary Duty [TDY] and Local Travel Voucher Processing and Audit)	• Submitted TDY Travel Voucher	• Traveler payer information • Request to establish receivable

050.FFM.L1.02 Travel Advance Overpayment Receivable

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
2	a. Receive and update traveler (payer) information (FFM.060.010 Payer Setup and Maintenance) b. Receive and process request to establish receivable (FFM.060.020 Public Receivable Setup and Billing Invoicing) c. Generate billing invoice for overpayment of travel advance (FFM.060.020 Public Receivable Setup and Billing Invoicing)		• Traveler (payer) information • Request to establish receivable	• Updated traveler (payer) information • Appropriate receivable GL entries created with reference to source information • Billing invoice to traveler (FR)
3	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)

050.FFM.L1.02 Travel Advance Overpayment Receivable

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
4	a. Receive entity (payer) and public receipt collection information from Treasury (FFM.060.030 Public Receipt Processing) b. Update payer information (FFM.060.010 Payer Setup and Maintenance) c. Process the collection (FFM.060.030 Public Receipt Processing)		• Entity (payer) information • Summary and detail public receipt collection information	• Appropriate collection and receivable reversal GL entries created with reference to source information
5	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)

050.FFM.L2.01 Delinquent Debt Processing

End-to-End Business Process: 050 Bill-to-Collect

Business Scenario(s) Covered

- Check Returned for Insufficient Funds
- Delinquent Debt Referral to Treasury
- Delinquent Debt Write-off

Business Actor(s)

Finance Office; Private Sector Entity (PSE)

Synopsis

A federal agency good or service was purchased and paid via check. After the good or service was provided, the PSE's check was returned for non-sufficient funds. A billing invoice for the non-sufficient funds (NSF) check is generated and includes an administrative fee for the returned check. The billing invoice is not paid and the receivable continues to age and incur interest. After 120 days the receivable is referred to Treasury for delinquent debt processing. The delinquent debt is written off when it is determined the debt is no longer collectable.

Assumptions and Dependencies

General

1.1 There may or may not be automated (near/real-time or batch) interfaces between functional areas/functions/activities or between provider solutions/systems.

1.2 There is no presumption as to which activities are executed by which actor, or which activities are automated, semi-automated, or manual.

1.3 Supporting information for general ledger transactions includes sub-ledger entries when sub-ledgers are used.

1.4 Appropriate attributes (e.g., object class and project) are included as part of the accounting string.

1.5 Relationships between use cases are described in the Framework for Federal Financial Management Use Cases found in the related overview document.

1.6 All predecessor activities required to trigger the Initiating Event have been completed.

050.FFM.L2.01 Delinquent Debt Processing

1.7 Funds availability checks are performed against appropriations/fund accounts for obligating funds, and against obligations for disbursing funds in accordance with OMB A-11, Section 150.2.

Business Use Case Specific

2.1 The federal agency selling the goods/services processed the sale and the original check collection through their sales order and fulfillment system.

2.2 The terms of the sales order included assessment of administrative fees for returned checks and interest for unpaid billing invoices.

2.3 The payer has been established in the FM system.

2.4 The agency uses Treasury for delinquent debt processing and provides delinquent debt information to the Treasury Cross Servicing Debt Collection System (CSDCS). CSDCS provides delinquent debt information to the Treasury Offset Program (TOP) to enable federal and state payment offset.

2.5 Once delinquent debt is transferred to Treasury, the debtor submits payment directly to Treasury. If the debtor submits payment to the agency or a Treasury public receipt collection system, the payment is re-routed to CSDCS.

Federal Records Management

3.1 The types of digital objects received or created during FFM events (Business Use Case Inputs or Outputs) that are considered FFM Federal records (ERM.010.010, ERM.010.020) are specified with a superscript (FR). FFM Federal records are managed as temporary Federal records unless agency personnel designate a specific FFM federal record as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating research value, or other extenuating circumstances.

3.2 FFM Federal records are retained for a period of 7 years from the FFM event date if the retention period for a specific type of FFM Federal record has not been established in the National Archives General Records Schedules (GRS) (ERM.010.030). If special circumstances occur such as an order, law, or business justification, the temporary Federal record's retention period is changed (ERM.030.040) or the permanent Federal record's retention period is extended (ERM.040.040).

3.3 During the retention period of an FFM Federal record: appropriate access levels are maintained (ERM.020.010); associated metadata (e.g., record identifier, creator, creation date, security classification, access rights) and an audit trail of changes to Federal record content, metadata, and access level are maintained (ERM.020.020); if a records hold is placed, the Federal record is locked down until the records hold is lifted to ensure no changes can be made (ERM.020.030); if needed to satisfy a Freedom of Information Act, Congressional, or e-discovery request, the Federal record is made available (ERM.020.040); and if needed

050.FFM.L2.01 Delinquent Debt Processing

because of technology obsolescence, the Federal record is converted to an acceptable format and/or migrated to another repository to serve out its retention period (ERM.020.050).

3.4 Once an FFM Federal record has met its records retention period, it is approved for disposal and disposed (ERM.030.010, ERM.030.020, ERM.030.030) or prepared for transfer, transferred to NARA, and removed from the FFM solution (ERM.040.010, ERM.040.020, ERM.040.030).

Initiating Event: The PSE's check is returned for insufficient funds.

050.FFM.L2.01 Delinquent Debt Processing

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1	a. Receive and process collection information for the NSF check from Treasury (FFM.060.030 Public Receipt Processing) b. Receive and update payer information (FFM.060.010 Payer Setup and Maintenance) c. Generate billing invoice for the NSF check and establish receivable including administrative fee (FFM.060.020 Public Receivable Setup and Billing Invoicing)		• Collection information for the NSF check • Payer information	• Updated payer information • Billing invoice (FR) • Appropriate receivable GL entries created with reference to source information
2	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)

050.FFM.L2.01 Delinquent Debt Processing

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
3	a. Periodically generate receivable status report, monitor age of receivable, and accrue applicable interest and penalties b. Generate and issue Dunning Notices for delinquent debt (FFM.060.050 Public Receivable Monitoring and Maintenance)		• Treasury interest rate information	• Receivable Status report • Appropriate interest receivable GL entries created with reference to source information • Dunning Notice (FR)
4	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)

050.FFM.L2.01 Delinquent Debt Processing

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
5	a. Determine fees for Treasury delinquent debt collection services (FFM.070.010 Delinquent Debt Collection) b. Update receivable information to include anticipated Treasury delinquent debt collection service fees (FFM.060.050 Public Receivable Monitoring and Maintenance) c. Provide delinquent debt information to Treasury for collection action (FFM.070.010 Delinquent Debt Collection)		• Treasury interest rate information • Treasury debt referral administrative fee information	• Appropriate interest receivable GL entries created with reference to source information • Appropriate administrative fee receivable GL entries created with reference to source information • Delinquent debt information (FR)
6	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)

050.FFM.L2.01 Delinquent Debt Processing

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
7	a. Receive and update payer status information (FFM.060.010 Payer Setup and Maintenance) b. Determine debt is uncollectable and write-off receivable (FFM.070.020 Delinquent Debt Write-off and Closeout)		• Debtor (payer) status information	• Updated debtor (payer) information • Appropriate receivable write-off GL entries with reference to source information
8	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)
9	Generate and issue 1099-C Cancellation of Debt (FFM.070.030 Delinquent Debt Reporting)		• Debtor (payer) information	• 1099-C Cancellation of Debt (FR)

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End-to-End Business Process: 050 Bill-to-Collect

Business Scenario(s) Covered

- Unbilled Collections
- Aggregated Custodial Revenue
- Interest, Penalties, and Administrative Fees

Business Actor(s)

Program Office; Finance Office; Private Sector Entities (PSE)

Synopsis

Periodic royalty fee payments from PSE activities are submitted using a Treasury-provided electronic payment system, and payment information is provided to the agency Program Office. Reports substantiating the payments with activity information are submitted periodically by the PSE to the agency Program Office. A periodic reconciliation of collections and PSE activity report information is performed. During a Program Office review, it is determined additional royalty fee payments, interest, penalties, and administrative fees are due and are collected. At fiscal year-end, information for the Statement of Custodial Activity is provided by the agency Program Office, and the Financial Statement is produced by the Finance Office.

Assumptions and Dependencies

General

1.1 There may or may not be automated (near/real-time or batch) interfaces between functional areas/functions/activities or between provider solutions/systems.

1.2 There is no presumption as to which activities are executed by which actor, or which activities are automated, semi-automated, or manual.

1.3 Supporting information for general ledger transactions includes sub-ledger entries when sub-ledgers are used.

1.4 Appropriate attributes (e.g., object class and project) are included as part of the accounting string.

1.5 Relationships between use cases are described in the Framework for Federal Financial Management Use Cases found in the related overview document.

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1.6 All predecessor activities required to trigger the Initiating Event have been completed.

1.7 Funds availability checks are performed against appropriations/fund accounts for obligating funds, and against obligations for disbursing funds in accordance with OMB A-11, Section 150.2.

Business Use Case Specific

2.1 The royalty fee collections are recorded as custodial revenue for the agency.

2.2 Terms and conditions under which PSE royalty payments and periodic reports are due to the agency have been established.

2.3 The agency retains administrative fees, if any, to cover the expense of reconciliation and processing of underpayments.

2.4 Public receipts (i.e., payments submitted by non-Federal entities to the Federal government) are collected using Treasury services such as Pay.gov and the Electronic Check Processing (ECP) system.

2.5 The agency receives from the Treasury Collections Information Repository (CIR) entity payer and summary and detail public receipt collection information.

2.6 Custodial collections are reclassified to the Treasury General Fund during a Record-to-Report period end process.

Federal Records Management

3.1 The types of digital objects received or created during FFM events (Business Use Case Inputs or Outputs) that are considered FFM Federal records (ERM.010.010, ERM.010.020) are specified with a superscript (FR). FFM Federal records are managed as temporary Federal records unless agency personnel designate a specific FFM federal record as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.

3.2 FFM Federal records are retained for a period of 7 years from the FFM event date if the retention period for a specific type of FFM Federal record has not been established in the National Archives General Records Schedules (GRS) (ERM.010.030). If special circumstances occur such as an order, law, or business justification, the temporary Federal record's retention period is changed (ERM.030.040) or the permanent Federal record's retention period is extended (ERM.040.040).

3.3 During the retention period of an FFM Federal record: appropriate access levels are maintained (ERM.020.010); associated metadata (e.g., record identifier, creator, creation date, security classification, access rights) and an audit trail of changes to Federal record content, metadata, and access level are maintained (ERM.020.020); if a records hold is placed, the Federal record is locked down until the records hold is lifted to ensure no changes can be made (ERM.020.030); if needed to satisfy a Freedom of Information Act, Congressional, or e-discovery request, the Federal record is made available (ERM.020.040); and if needed

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because of technology obsolescence, the Federal record is converted to an acceptable format and/or migrated to another repository to serve out its retention period (ERM.020.050).

3.4 Once an FFM Federal record has met its records retention period, it is approved for disposal and disposed (ERM.030.010, ERM.030.020, ERM.030.030) or prepared for transfer, transferred to NARA, and removed from the FFM solution (ERM.040.010, ERM.040.020, ERM.040.030).

Initiating Event: Royalty payments are submitted using a Treasury-provided electronic payment system.

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Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		a. Receive and aggregate royalty fee payment information b. Provide aggregated royalty fee payment information (Program Mission Activity)	• Royalty fee payment information	• Aggregated royalty fee payment information
2	a. Receive entity (payer) and public receipt collection information from Treasury (FFM.060.030 Public Receipt Processing) b. Update payer information (FFM.060.010 Payer Setup and Maintenance) c. Process aggregated royalty collection and revenue information (FFM.060.030 Public Receipt Processing)		• Entity (payer) information • Summary and detail public receipt collection information • Aggregated royalty fee payment information	• Appropriate collection and revenue GL entries created with reference to source information
3	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)

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Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
4		a. Review periodic PSE activity reports and validate accuracy of royalty calculations b. Determine royalty fees underpayment, interest, penalties, and administrative fees and issue a billing invoice c. Request establishment of a receivable for royalty fees underpayment plus interest, penalties, and administrative fees (Program Mission Activity)	• Periodic PSE activity reports	• Billing invoice • Request to establish receivable for royalty fees underpayment plus interest, penalties, and administrative fees

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Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
5	Receive and process request to establish receivable for royalty fees underpayment, interest, penalties, and administrative fees (FFM.060.020 Public Receivable Setup and Billing Invoicing)		• Request to establish receivable for royalty fees underpayment plus interest, penalties, and administrative fees	• Appropriate royalty fees receivable GL entries created with reference to source information • Appropriate interest receivable GL entries created with reference to source information • Appropriate penalties receivable GL entries created with reference to source information • Appropriate administrative fees receivable GL entries created with reference to source information
6	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)

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Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
7	a. Receive entity (payer) and public receipt summary and detail collection information from Treasury (FFM.060.030 Public Receipt Processing) b. Update payer information (FFM.060.010 Payer Setup and Maintenance) c. Process royalty fee underpayment collection information (FFM.060.030 Public Receipt Processing) d. Receive and process interest, penalties, and administrative fees collection information (FFM.060.030 Public Receipt Processing)		• Entity (payer) information • Summary and detail public receipt collection information	• Appropriate royalty collection and receivable reversal GL entries created with reference to source information • Appropriate penalties, interest, and administrative fees collection and receivable reversal GL entries created with reference to source information

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Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
8	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)
9		Provide fiscal year end supporting information for the Statement of Custodial Activity (Program Mission Activity)	• Custodial activity information	• Supporting information for the Statement of Custodial Activity
10	Generate Statement of Custodial Activity (FFM.110.020 Financial Statement Preparation)		• Supporting information for the Statement of Custodial Activity	• Statement of Custodial Activity (FR)