



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

Release FY2025



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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.

FFMSR ID Reference(s): includes a list of the Federal Financial Management System Requirements (FFMSR) that apply for the 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
Appendix A, FFM Business Use Case Library Documents	Removed Appendix A	Remove duplicate information
All 050 Bill to Collect Business Use Cases	Modified FFM Activity references	Administrative correction
All 050 Bill to Collect Business Use Cases	<ul style="list-style-type: none"> Modified Assumptions and Dependencies Modified Input(s) and/or Output(s)/Outcome(s) 	Respond to public feedback on Federal record designations
All 050 Bill to Collect Business Use Cases	Modified Assumptions and Dependencies	Align to ERM FY2025 FIBF Business Standards
050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties and Administrative Fees (previous name 050.FFM.L1.01 Penalties, Interest and Collections)	<ul style="list-style-type: none"> Modified business use case name Modified Business Scenario(s) Covered Modified Business Actor(s) Modified Synopsis Modified Assumptions and Dependencies Modified all Event descriptions, Input(s) and/or Output(s)/Outcome(s) 	<ul style="list-style-type: none"> Respond to public feedback on non-federal entity purchases from the government Align with Core FS Pre-Built Business Information Exchanges (BIEs) for Collections Information Repository (CIR) and Pay.gov Respond to public feedback on GSA System for Award Management (SAM) as the source for vendor information
050.FFM.L1.02 Travel Advance Overpayment Receivable	Added business use case	Align with Core FS Pre-Built BIE for Travel and Transportation Management (TRT)



Item Changed	Summary of Change	Rationale
050.FFM.L2.01 Delinquent Debt Processing (previous identifier 050.FFM.L1.02)	<ul style="list-style-type: none"> Modified business use case identifier Modified Business Scenario(s) Covered Modified Business Actor(s) Modified Synopsis Modified Assumptions and Dependencies Modified Initiating Event Modified Event #1, #5, and #7 description, Input(s) and/or Output(s)/Outcome(s) Removed previous Events #3,#4, and #9 	<ul style="list-style-type: none"> Align with Treasury Financial Manual (TFM) delinquent debt processing guidance and United States Standard General Ledger (USSGL) transactions Align with Core FS Pre-Built BIEs for Cross-Servicing Debt Collection System / Cross-Servicing Next Generation (CSNG) System and the Treasury Offset Program (TOP)
050.FFM.L2.02 Aggregated Custodial Revenue (previous identifier and name 050.FFM.L3.01 Aggregated Receivables for Custodial Revenue)	<ul style="list-style-type: none"> Modified business use case identifier Modified business use case name Modified Synopsis Modified Assumptions and Dependencies Modified Event #1, #2, #4, #5, #7, and #10 description, Input(s), and Output(s)/Outcome(s) Removed previous Events #7, #10 and #11 	<ul style="list-style-type: none"> Align with TFM USSGL transactions Align with Core FS Pre-Built BIEs for CIR and Pay.gov
050.FFM.L2.01 AR/AP Netting 050.FFM.L3.02 Receivable Collection from Third Party Debtor	Removed business use cases	Non-federal (including private sector) entities are required to pay for Federal government goods/services in advance (see 070.FFM.L3.02 Reimbursable Services for a Non-Federal Government Entity)



Item Changed	Summary of Change	Rationale
050.FFM.L3.03 Miscellaneous Receipts	Removed business use case	Miscellaneous receipts are reclassified to the Treasury General Fund during period end adjustment processing and reporting (see 060.FFM.L1.01 Period End Adjustments and Reporting)



Bill-to-Collect Business Use Cases

050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties and Administrative Fees

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

Business Scenario(s) Covered

- Individual Receivables
- Disputes
- Collectable by Agency
- Interest, Penalties, and Administrative Fees
- Repayment Plan

Business Actor(s)

Procurement Office; Finance Office; Vendor

Synopsis

After paying a vendor invoice, goods delivered are determined to be defective. A letter requesting a refund of the payment is issued. Interest, penalties, and administrative fees are assessed after the vendor does not issue the refund. A settlement is reached, a repayment plan is established, and additional interest, penalties, and administrative fees are assessed. Two vendor payments are collected in accordance with the repayment plan.

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.



050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties and Administrative Fees

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. Regardless of the source of vendor information, the vendor (payee) information is provided by the ACQ system to the FM system.
- 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 The federal agency determines the amount of interest, penalties, and administrative fees to be assessed based on agency-specific legislation, regulation, and/or policy.
- 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 uses the Treasury Collections Information Repository (CIR) and Pay.gov to retrieve 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.L1.01 Vendor Refund Receivable with Interest, Penalties and Administrative Fees

FFMSR ID Reference(s): 1.1.2; 1.1.5; 2.2.4; 2.2.5; 2.2.6

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



Use Case 050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties, and Administrative Fees

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		Issue letter requesting a refund of vendor payment (ACQ.040.050 Vendor Performance Monitoring and Dispute Resolution)	<ul style="list-style-type: none"> Defective goods information 	<ul style="list-style-type: none"> Letter requesting refund of vendor payment Payer information Request to establish receivable
2	a. Receive and update payer information (FFM.060.010 Payer Setup and Maintenance) b. Receive and process request to establish refund receivable (FFM.060.020 Public Receivable Setup and Invoicing)		<ul style="list-style-type: none"> Payer information Request to establish receivable 	<ul style="list-style-type: none"> Updated payer information Appropriate refund receivable 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)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)



Use Case 050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties, and Administrative Fees

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
4	<ul style="list-style-type: none"> a. Monitor age of receivable b. Accrue interest, penalties, and administrative fees c. Generate and issue initial billing invoice to vendor (FFM.060.050 Public Receivable Monitoring and Maintenance)		<ul style="list-style-type: none"> • Agency-specific interest rate, penalty, and administrative fee information 	<ul style="list-style-type: none"> • 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 • Billing invoice for interest, penalties, and administrative fees ^(FR)
5	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		<ul style="list-style-type: none"> • GL entries 	<ul style="list-style-type: none"> • Appropriate GL accounts updated ^(FR)
6		<ul style="list-style-type: none"> a. Establish vendor repayment plan b. Request update of receivable information (ACQ.040.050 Vendor Performance Monitoring and Dispute Resolution)	<ul style="list-style-type: none"> • Letter requesting refund of vendor payment 	<ul style="list-style-type: none"> • Vendor repayment plan information • Updated payer information • Request for update to receivable information



Use Case 050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties, and Administrative Fees

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
7	a. Update payer information (FFM.060.010 Payer Setup and Maintenance) b. Update receivable amounts and due dates in accordance with payment plan (FFM.060.020 Public Receivable Setup and Invoicing)		<ul style="list-style-type: none"> Updated payer information Request for update to receivable information Vendor repayment plan information 	<ul style="list-style-type: none"> Updated payer information Updated receivable information
8	a. Retrieve 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)		<ul style="list-style-type: none"> Entity (payer) information Summary and detail public receipt collection information 	<ul style="list-style-type: none"> Appropriate collection and receivable reversal GL entries created with reference to source information
9	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)



Use Case 050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties, and Administrative Fees

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
10	a. Monitor age of receivable b. Accrue interest, penalties, and administrative fees c. Generate and issue subsequent billing invoice to vendor (FFM.060.050 Public Receivable Monitoring and Maintenance)		<ul style="list-style-type: none"> Agency-specific interest rate, penalty, and administrative fee information 	<ul style="list-style-type: none"> 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 Billing invoice for interest, penalties, and administrative fees ^(FR)
11	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)



Use Case 050.FFM.L1.01 Vendor Refund Receivable with Interest, Penalties, and Administrative Fees

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
12	a. Retrieve 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 second payment's collection information (FFM.060.030 Public Receipt Processing)		<ul style="list-style-type: none"> Entity (payer) information Summary and detail public receipt collection information 	<ul style="list-style-type: none"> Appropriate collection and receivable reversal GL entries created with reference to source information
13	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)
14	Generate receivable status report and confirm all payments have been received (FFM.060.060 Public Receivable and Collection Reporting)		<ul style="list-style-type: none"> Collection information 	<ul style="list-style-type: none"> 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 Travel Personnel Baseline Profile at the time of travel authorization and voucher to ensure FFM has the most current information on the traveler.
- 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.



050.FFM.L1.02 Travel Advance Overpayment Receivable

2.5 The agency uses the Treasury Collections Information Repository (CIR) and Pay.gov to retrieve 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).

FFMSR ID Reference(s): 1.1.2; 1.1.5; 2.2.1; 2.2.2

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



Use Case 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)	<ul style="list-style-type: none"> Submitted TDY Travel Voucher 	<ul style="list-style-type: none"> Traveler payer information Request to establish receivable
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)		<ul style="list-style-type: none"> Traveler (payer) information Request to establish receivable 	<ul style="list-style-type: none"> Updated traveler (payer) information Appropriate receivable GL entries created with reference to source information Billing invoice to traveler ^(FR)



Use Case 050.FFM.L1.02 Travel Advance Overpayment Receivable

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)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)
4	a. Retrieve 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)		<ul style="list-style-type: none"> Entity (payer) information Summary and detail public receipt collection information 	<ul style="list-style-type: none"> 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)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> 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.
- 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.



050.FFM.L2.01 Delinquent Debt Processing

2.3 The payer has been established in the FM system.

2.4 The agency provides delinquent debt information to the Treasury Cross-Servicing Debt Collection System/Cross-Servicing Next Generation System (CSNG) and the Treasury Offset Program (TOP).

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 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).

FFMSR ID Reference(s): 1.1.2; 1.1.5; 2.2.4; 2.2.5; 2.2.6

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



Use Case 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)		<ul style="list-style-type: none"> Collection information for the NSF check Payer information 	<ul style="list-style-type: none"> 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)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)



Use Case 050.FFM.L2.01 Delinquent Debt Processing

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
3	a. Monitor age of receivable and accrue additional interest (FFM.060.050 Public Receivable Monitoring and Maintenance) b. Generate and issue Dunning Notice for delinquent debt (FFM.070.010 Delinquent Debt Collection)		<ul style="list-style-type: none"> Treasury interest rate information 	<ul style="list-style-type: none"> 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)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)
5	a. Continue to monitor age of receivable, accrue additional interest, and apply debt referral administrative fee (FFM.060.050 Public Receivable Monitoring and Maintenance) b. Provide delinquent debt information to Treasury for collection (FFM.070.010 Delinquent Debt Collection)		<ul style="list-style-type: none"> Treasury interest rate information Treasury debt referral administrative fee information 	<ul style="list-style-type: none"> 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)



Use Case 050.FFM.L2.01 Delinquent Debt Processing

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)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)
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)		<ul style="list-style-type: none"> Debtor (payer) status information 	<ul style="list-style-type: none"> 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)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)
9	Generate and issue 1099-C Cancellation of Debt (FFM.070.030 Delinquent Debt Reporting)		<ul style="list-style-type: none"> Debtor (payer) information 	<ul style="list-style-type: none"> 1099-C Cancellation of Debt ^(FR)



050.FFM.L2.02 Aggregated Custodial Revenues

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.
- 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.



050.FFM.L2.02 Aggregated Custodial Revenues

- 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 uses the Treasury Collections Information Repository (CIR) and Pay.gov to retrieve 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 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).

FFMSR ID Reference(s): 1.1.2; 1.1.3; 1.1.4; 1.1.5; 1.3.1; 2.3.2

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



Use Case 050.FFM.L2.02 Aggregated Custodial Revenues

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)	<ul style="list-style-type: none"> Royalty fee payment information 	<ul style="list-style-type: none"> Aggregated royalty fee payment information
2	a. Retrieve 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)		<ul style="list-style-type: none"> Entity (payer) information Summary and detail public receipt collection information Aggregated royalty fee payment information 	<ul style="list-style-type: none"> 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)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)



Use Case 050.FFM.L2.02 Aggregated Custodial Revenues

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)	<ul style="list-style-type: none"> Periodic PSE activity reports 	<ul style="list-style-type: none"> Billing invoice Request to establish receivable for royalty fees underpayment plus interest, penalties, and administrative fees
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)		<ul style="list-style-type: none"> Request to establish receivable for royalty fees underpayment plus interest, penalties, and administrative fees 	<ul style="list-style-type: none"> 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



Use Case 050.FFM.L2.02 Aggregated Custodial Revenues

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)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)
7	a. Retrieve 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)		<ul style="list-style-type: none"> Entity (payer) information Summary and detail public receipt collection information 	<ul style="list-style-type: none"> 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



Use Case 050.FFM.L2.02 Aggregated Custodial Revenues

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)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)
9		Provide fiscal year end supporting information for the Statement of Custodial Activity (Program Mission Activity)	<ul style="list-style-type: none"> Custodial activity information 	<ul style="list-style-type: none"> Supporting information for the Statement of Custodial Activity
10	Generate Statement of Custodial Activity (FFM.110.020 Financial Statement Preparation)		<ul style="list-style-type: none"> Supporting information for the Statement of Custodial Activity 	<ul style="list-style-type: none"> Statement of Custodial Activity ^(FR)