

FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554 FCC DIRECTIVE	TITLE	
	Program Time Reporting and Cost Allocation	
	Directive Number: FCCINST 1053.4	Effective Date: August 2016

1. **PURPOSE:** To provide guidance, policy and procedures concerning the implementation and maintenance of program codes used in the Federal Communications Commission's (FCC or Commission) core financial management system, also known as Genesis. Genesis integrates time reporting and cost accounting to meet the Commission's strategic and performance goals.
2. **CANCELLATION:** This instruction replaces FCC INST 1053.3, dated December 2, 2014.
3. **SCOPE AND APPLICABILITY:** This directive applies to all Bureaus and Offices.
4. **AUTHORITY:**
 - a. Government Performance and Results Modernization Act of 2010, Public Law 111-352 (GPRA Modernization Act)
 - b. Office of Management and Budget (OMB) Circular A-11
 - c. The Accountability of Tax Dollars Act of 2002, Public Law 107-289, 31 U.S.C. § 3515
 - d. Statement of Federal Financial Accounting Standards (SFFAS) No.4, Managerial Cost Accounting Concepts and Standards for the Federal Government
 - e. Statement of Federal Financial Accounting Standards (SFFAS) No.7, Accounting for Revenue and Other Financing Sources
5. **DEFINITIONS:**
 - a. **Cost Allocation.** The process of allocating to individual program codes the cost of employee time and non-payroll expenses such as travel, training, services and supplies, reimbursable work agreements, contractor support, and information technology.
 - b. **Fund Code.** Fund codes are seven- or eight-digit internal identifiers for the Treasury symbols to be charged or credited for agency disbursement or receipt transactions. Fund codes are linked to a specific purpose. For example, fund X54_0100 currently serves as the code associated with accounting for receipts and expenditures under the auction program.

- c. Genesis. The Commission's core financial system, which includes a cost accounting module.
 - d. Output Indicator. A type of measure, specifically the tabulation, calculation, or recording of activity or effort, usually expressed quantitatively. Outputs describe the level of product or activity that will be provided over a period of time. While output indicators can be useful, there must be a reasonable connection between outputs used as performance indicators and outcomes. Output indicators are based on evidence supporting the relationship between outputs and outcomes, or in the absence of available evidence, based on a clearly established argument for the logic of the relationship. For example: An output indicator may be the quantity of products or services delivered by a program, such as the number of inspections completed or the number of people trained.
 - e. Outcome Indicator. A type of measure that indicates progress against achieving the intended result of a program. Indicates changes in conditions that the government is trying to influence.
 - f. Performance-Based Cost Accounting System. A Performance-Based Cost Accounting System captures the agency's costs and assigns them to program codes on both a direct and indirect basis according to the consumption of agency resources.
 - g. Performance Goals. A statement of the level of performance to be accomplished within a timeframe, expressed as a tangible, measurable objective or as a quantitative standard, value, or rate. For purposes of OMB Circular A-11 and implementation of the GPRA Modernization Act, a performance goal includes a performance indicator, a target, and a time period. The GPRA Modernization Act requires performance goals to be expressed in an objective, quantifiable, and measurable form unless agencies in consultation with OMB determine that it is not feasible. In such cases, an "alternative form" performance goal may be used. The requirement for OMB approval of an alternative form goal applies to performance goals only. Milestones are often used as the basis of an alternative form performance goal. Performance goals specified in alternative form must be described in a way that makes it possible to discern if progress is being made toward the goal.
 - h. Program Code. The four-digit numeric code assigned to a particular activity contained in the FCC's performance budget.
 - i. Strategic Goal. A statement of aim or purpose that is included in a Strategic Plan. Strategic goals are identified with one alpha character. Strategic goals articulate clear statements of what the agency wants to achieve to advance its mission and address relevant national problems, needs, challenges and opportunities. These outcome-oriented strategic goals and supporting activities should further the agency's mission.
6. BACKGROUND: In order to comply with applicable Federal legislation and guidance regarding the development and submission of its annual budget to OMB and Congress, program time reporting and cost allocation functionality is integrated into Genesis. The system is designed to support the Commission's emphasis on implementing good

management practices by accurately accounting for the use of its resources and allocating costs in accordance with the Commission's strategic plans and goals.

7. POLICY:

The Commission will:

- a. Record employee time and attendance on a program basis;
- b. Capture non-payroll costs to programs by requiring that program codes be included on all expense related transactions;
- c. Capture and report the full cost of conducting business across its long-term strategic and annual performance goals; and
- d. Perform an annual review of all active program codes.

8. RESPONSIBILITIES:

A. The Commission's Chief Financial Officer (CFO) or his/her designee overseeing the establishment and proper use of program code and strategic goal reporting is responsible for:

- (1) Approving or denying requests for a program code. Criteria for acting upon requests for new program codes should include, but are not limited to:
 - (a) The extent of its association with the strategic goals in the Commission's strategic plan and/or the performance output indicators included in the Commission's annual performance plan. The Commission's current strategic plan and annual performance plan are available online at: <http://www.fcc.gov/encyclopedia/fcc-strategic-plan>;
 - (b) Whether the requested program code is broad enough to apply to the needs of multiple bureaus; and
 - (c) Whether the requested program code represents a significantly new initiative or management interest that should be tracked and reported separately.
- (2) Conducting a comprehensive review of program codes to ensure that they reflect and align with any changes to the FCC's strategic goals. This review will take place following issuance of a new FCC Strategic Plan.
- (3) Reviewing requests for new or amended program codes, and assigning and tracking approved program codes.
- (4) Notifying B/Os of the approval or denial of program codes.

B. The Financial Systems Operations Group (OMD-FO-FSOG) is responsible for:

- (1) Entering new program codes into the appropriate financial systems.
- (2) Notifying the Bureaus and Offices (B/Os) when approved program codes are entered into the financial systems and are available for use.
- (3) Generating management reports on program codes.
- (4) Ensuring that only valid program codes are maintained in the financial systems.
- (5) Removing and deleting outdated program codes.
- (6) Coordinating with Human Resources Management (HRM) for guidance to staff on the use of program codes as part of their ongoing WebTA training and outreach within the Commission.
- (7) Updating the appropriate reference material(s) on the FCC intranet website to incorporate newly assigned codes.

C. The Bureaus/Offices are responsible for:

- (1) Originating requests for creating and deleting program codes as needed.
- (2) Identifying the strategic goal(s) that a program supports.
- (3) Identifying the output or outcome indicators (programs) that the requested code is to be associated with.
- (4) Developing the program titles.
- (5) Providing a specific definition of a new program and its purpose, including example activities.
- (6) Establishing a program's life cycle (the period in which the program code will be active).
- (7) Providing justification that supports the request to create or delete a program code.
- (8) Coding all financial documents with the appropriate program codes.

9. PROCEDURES: The following processes are applicable to all B/Os within the FCC that desire to request new codes or request deactivation of existing codes.

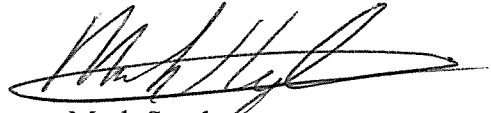
A. In order to establish and add a new program code, the proposed program code must:

- (1) Be defined as an output or outcome indicator in the performance budget;

- (2) Require more than 160 hours to accomplish;
 - (3) Require more than one person to complete the task; and
 - (4) Be expected to last longer than two pay periods.
- B. Requests for an exception or waiver of the criteria contained in section 9.A., above, shall be directed to the CFO or his/her designee.
- C. For each new program code requested, the originator of the request must:
- (1) Provide advance notice of the request as early as possible but no later than two pay periods prior to the need for the new code when feasible;
 - (2) Identify the FCC strategic goal that the program supports;
 - (3) Develop a program title that will identify the program;
 - (4) Create a description for the program that synthesizes the purpose of the program;
 - (5) Identify some activities that represent the kind of work performed in support of the program;
 - (6) Identify all the different fund codes that could be associated with the program (*e.g.*, X01– Appropriations Funded, X54 – Auctions Funded, 091 – Reimbursable Work Agreements, *etc.*);
 - (7) Estimate beginning and ending dates during which the program code will be active (*e.g.*, March 3, 2014 to March 3, 2015); and
 - (8) Provide a justification for the establishment of the program code.
- D. The originator of the request must submit the request via a memorandum or email to his/her supporting Assistant Bureau Chief for Management (ABC) or equivalent. The request must incorporate all the information identified in sections 9.A., B., and C. above. The ABC has the responsibility to coordinate the request with their B/O management for review and approval.
- E. Once the request is approved by the B/O Chief or his/her designee, the ABC incorporates any change recommendations into the memorandum or email and forwards it to the Deputy CFO, Financial Systems (Deputy CFO), who in turn will forward the request to the CFO or the individual designated by the CFO as the approving official for additions or deletions to program codes.
- F. The CFO or his/her designee makes a determination to either approve or deny the request. If approved, the Deputy CFO directs the Financial Systems Operations Group to complete the following:

- (1) Assign a five-digit alphanumeric code consistent with the existing coding structure;
 - (2) Enter this code into the appropriate financial systems (*i.e.*, Genesis) and WebTA;
 - (3) Notify the requestor that the code is active and available for use; and
 - (4) Update the appropriate reference material(s) on the FCC Intranet website to include the new code(s).
- G. Denial of Request. If the CFO or his/her designee denies the request for a new program code, the decision shall be communicated to the requesting ABC along with an explanation why the request was denied.
- H. Deactivation of Program Codes. A request to deactivate an existing program code is reviewed by the CFO or his/her designee to verify that work on a specific program has ended, its costs no longer require tracking, and that it is not needed to support management reporting.
- (1) For each request to deactivate a program code, the originator of the request must:
 - a. Identify the existing title and code for the program;
 - b. Provide a justification for why this program code is no longer needed; and
 - c. Provide the proposed effective date of the deactivation.
 - (2) The originator must submit the request to the supporting ABC or equivalent via a memorandum or email. The request must include all the information identified in section 9.H.1, above. The ABC has the responsibility to coordinate the request with their B/O management for review and approval.
 - (3) If the request is approved by B/O management, the ABC incorporates any recommendations into the memorandum or email and forwards it to the Deputy CFO, Financial Systems, who in turn will forward the request to the CFO or the individual designated by the CFO as the approving official for deletions to program codes.
 - (4) The CFO or his/her designee reviews the request. If approved, the Deputy CFO directs the completion of the following by the Financial Systems Operations Group:
 - a. Removal of the code from the proper systems (*i.e.*, Genesis) and WebTA;
 - b. Informing the requesting B/O and other affected B/Os that the request has been approved; the code has been deactivated in the proper systems, and is no longer available for use; and

- c. Updating the appropriate reference material(s) on the FCC Intranet website to remove the deactivated code(s).

A handwritten signature in black ink, appearing to read 'Mark Stephens', written over a horizontal line.

Mark Stephens
Managing Director