
FINANCIAL MANAGEMENT**Coding, Control and Flow of Documents**

11. Coding, Control and Flow of Documents and related Accounting Records

11.1 General. The one most important item in the operation of the accounting system is the prompt and accurate recording of transactions at the time action takes place. Accounting and subsequent reporting is relatively simple and extremely accurate when input data is complete and accurate.

This section will pertain to the basic flow of accounting documents; document control at encoder input points, an introduction to the coding sheets used by the Bureau's accounting system; the function of transaction codes, and specialized coding instructions.

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11.2 Document and Record Control at Encoder Input Points. The importance of effective document control by Area offices cannot be over emphasized. It is one of the major keys to production of useful financial management data by computer technology. The following principles are presented as a guide to aid in establishment and maintenance of documents and records at the Area office level.

A. Entry of Records in the Accounting System. All transactions, with the exception of payroll, FEDSTRIP, clearing account distributions, and certain transactions of the Division of School Facilities enter the BIA accounting system via the encoders located at Area offices. The records from which the transactions are created must be maintained in a distinctive file, which is designated as the Area Document Master File.

B. File Maintenance at Area Offices. The Area Document Master File should be separated by activity, with each activity containing a grouping of documents by Agency in serial number order. This will facilitate reconciliation with Accounts Payable and Undelivered Orders listings as required. Both completed and incompletd transactions should be maintained as outlined above. Obligation, accrual, and invoice type records required for Area office use and processing will be on file.

C. Procedural Rules for Handling and Filing Incoming Records.

(1) Obligation Documents. A coding sheet will be completed and entered into the computer through the encoder immediately upon receipt of a record evidencing obligation. The code sheet and obligation document should then be filed together in a section of the Area Document Master File.

(2) Procedure for Accruals. Receiving reports should be submitted to the Area office immediately after receipt of the goods or services ordered. They should be matched with the obligation document and code sheet on file. The accrual transaction is then completed on the code sheet, and it is sent to the encoder for accounting system input. Following this action, the accrued document and coding sheet are ready for filing in the Area Document Master File. An accrual may be established without a prior obligation, although it is intended that obligations preceding an accrual should be recorded immediately.

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(3) Processing Disbursements. Invoices or any other billing documents received by the Area office must be acceptable to the Certifying Officer. They are identified with a prior encoded accrual if one exists, and if not, a direct disbursement can be recorded on the code sheet and encoded following voucher audit. In the event an accrual has previously been recorded, the disbursement is then entered on a code sheet, which is forwarded with related obligation and/or accrual and billing documents to the Authorized Certifying Officer for examination, certification, and scheduling to the applicable Treasury Disbursing Officer for payment.