

FFM Business Use Cases for Procure-to-Pay

Release FY 2024



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Budget Formulation-to-Execution Procure Procure Procure Pay Sill-to-Report Record-to-Reimburse Perform Retire Record-to-Reimburse Record-to-Reimburse Report Record-to-Reimburse Report Record-to-Reimburse Record-to-Reimburse Report Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Recor

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 Procure-to-Pay 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.

Appendix A provides a list of the documents in the FFM Business Use Case Library.

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.



Budget Formulation-to-Execution Dispose Procure Pay Soll-to-Procure Pay Soll-to-Reimburse Record-to-Reimburse Report Reimburse Report Report Reimburse Report Reimburse Report Reimburse Report Reimburse Report Report

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.



Procure-to-Pay Business Use Cases

040.FFM.L1.01 Expenditures Within a Single Fiscal Year

End-to-End Business Process: 040 Procure-to-Pay

Business Scenario(s) Covered

- Invoice into FM Solution
- Three-Way Match

Business Actor(s)

Procurement Office; Finance Office; Vendor

Synopsis

Goods previously ordered by a federal agency are received and accepted. An invoice is submitted by the vendor and paid by the agency after performing a three-way match.

Assumptions and Dependencies

<u>General</u>

- 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. Vendors are established in the GSA System for Award Management (SAM) and in the Acquisition (ACQ) system. The vendor information is provided by the ACQ system to the FM System.
- 2.2. A federal agency has ordered the goods and the order or award obligation has already been established in the FM system.
- 2.3. The vendor uses an OMB-approved electronic invoicing solution to invoice the agency.



Budget Formulation-to-Execution Procure Procure Pay Sill-to-Pay Record-to-Report Report Refine Procure Report Report Record-to-Remburse Report Refine Refine Refine Refine Refine Report Refine Refine

040.FFM.L1.01 Expenditures Within a Single Fiscal Year

- 2.4. The vendor is not on the "Do Not Pay" list.
- 2.5. Tolerance percentages or amounts between expenditure and obligation amounts have been established.

Federal Records Management

- 3.1. In accordance with National Archives General Records Schedules (GRS) and other Federal records management standards, 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 they stand out as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.
- 3.2. For each type of FFM Federal record, a retention period is established (ERM.010.030) and, if special circumstances occur such as an order, law, or business justification, a temporary Federal records retention period is changed (ERM.030.040) or a permanent Federal record 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 litigation hold is placed, the Federal record is locked down until the litigation 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 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 disposed (ERM.030.010, ERM.030.020, ERM.030.030) or transferred to NARA (ERM.040.010, ERM.040.020, ERM.040.030).

FFMSR ID Reference(s): 1.1.2; 1.1.4; 2.1.2; 2.2.1; 2.2.2

Initiating Event: The Vendor delivers the goods to the requesting federal agency.



Budget Formulation-to-Execution Dispose Request-to-Procure Pay Bill-to-Collect Report Record-to-Report Remburse Apply-to-Perform Hire-to-Reimburse Report Remburse Report Remburse Report Remburse Report Remburse Remburse

040.FFM.L1.01 Expenditures Within a Single Fiscal Year

Турі	cal Flow of Events					
	FFM Event	Non-FFM Event	In	nput(s)	0	Output(s) / Outcome(s)
1		 a. Receive notification of delivery of vendor's goods b. Provide vendor (payee) information c. Provide receipt of goods information (ACQ.040.020 Documentation of Delivery/Acceptance) 	•	Approved order or award Notification of delivery of vendor's goods	•	Vendor (payee) information Receipt of goods information (receiving report, if used)
2	 a. Receive and update vendor (payee) information (FFM.030.010 Payee Setup and Maintenance) b. Receive receipt of goods information (receiving report, if used) and accrue the expense (FFM.090.030 Accrual and Liability Processing) 		•	Vendor (payee) information (FR) Receipt of goods information (receiving report, if used) (FR)	•	Updated vendor (payee) information Appropriate accrual liability 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		ppropriate GL accounts odated ^(FR)



(FFM.010.020 Fund Allocation

and Control)

Budget Formulation-to-Execution Procure Procure Pay Bill-to-Report Region Record-to-Reimburse Report Reference Reference Reference Report Reference Report Reference Referen

040.FFM.L1.01 Expenditures Within a Single Fiscal Year **Typical Flow of Events** FFM Event Non-FFM Event Output(s) / Outcome(s) Input(s) a. Receive invoice information Vendor invoice information Accepted vendor invoice from an OMB-approved information Approved order or award electronic invoicing solution b. Receive notification of Program Office acceptance of vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) Receive accepted vendor Successful three-way Accepted vendor invoice invoice information from OMBinformation match approved electronic invoicing Receipt of goods Validated vendor invoice solution and perform a threeinformation (receiving way match of invoice, receipt of report, if used) goods, and order or award Approved order or award information information (FFM.030.070 Payment Processing - Commercial Payments) Request funds availability Validated vendor invoice Request for funds check availability check (ACQ.040.020 Documentation of Delivery/Acceptance) Receive and process request Request for funds Funds availability response for funds availability check availability check



obligation amount does not

Budget Formulation-to-Dispose Request-to-Procure Pay Sill-to-Collect Report Reimburse Record-to-Reimburse Record-to-Reimburse Report Reimburse Report Remburse Remburse Report Remburse Report Remburse Rembur

040.FFM.L1.01 Expenditures Within a Single Fiscal Year **Typical Flow of Events** FFM Event Output(s) / Outcome(s) Non-FFM Event Input(s) 8 a. Approve vendor invoice Funds availability response Approved vendor invoice b. Provide vendor (payee) Request for payment of Validated vendor invoice information approved vendor invoice c. Request payment of approved vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 9 a. Receive and update vendor Updated vendor (payee) Vendor (payee) information • (payee) information information (FFM.030.010 Payee Setup Request for payment of Appropriate payable GL and Maintenance) approved vendor invoice entries created with b. Receive and process reference to source request to pay approved information **Current Prompt Payment** vendor invoice, including interest rate (FR) Payment transaction determining whether to Appropriate obligation accelerate payment. liquidation GL entries execute discounted early created with reference to payment, or include late source information payment interest and penalties, retrieving current Appropriate accrual **Prompt Payment interest** reversal GL entries created rate, and calculating with reference to source payment date and total information amount due to vendor (FFM.030.070 Payment Processing - Commercial Payments) Confirm difference between expenditure amount and



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040.FFM.L1.01 Expenditures Within a Single Fiscal Year

Typical Flow of Events

F	FM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
	exceed tolerance percentage/amount			
	(FFM.030.020 Obligation Management)			
d.	Establish payable and generate payment transaction (FFM.030.070 Payment Processing - Commercial			
	Payment			
e.	Liquidate obligation (FFM.030.020 Obligation Management)			



Budget Formulation-to-Execution Procure Procure Pay Bill-to-Report Region Record-to-Reimburse Report Reference Reference Reference Report Reference Report Reference Referen

040.FFM.L1.01 Expenditures Within a Single Fiscal Year

Тур	ypical Flow of Events				
,,	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)	
10	 a. If appropriate, warehouse payment transaction until time for disbursement (FFM.030.110 Payment Disbursement) b. Generate disbursement 		 Payment transaction (FR) Disbursement confirmation information (FR) 	 Certified disbursement schedule (FR) Appropriate payable GL entries liquidated with reference to source information 	
	schedule (FFM.030.110 Payment Disbursement) c. Certify payment of			 Appropriate disbursement- in-transit GL entries created with reference to source information 	
	disbursement schedule (FFM.030.110 Payment Disbursement) d. Receive confirmation of			 Appropriate disbursement- in-transit GL entries liquidated with reference to source information 	
	disbursement (FFM.030.120 Payment Confirmation)			 Appropriate disbursement GL entries created with reference to source information 	
				 Vendor receives payment 	
11	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)	



Budget Formulation-to-Execution Procure Pay Secure Request-to-Pay Sill-to-Collect Report Record-to-Reimburse Perform Reference Report Record-to-Reimburse Perform Record-to-Remburse Report Report Report Report Report Record-to-Remburse Report Repor

040.FFM.L1.02 Leased Property

End-to-End Business Process: 040 Procure-to-Pay

Business Scenario(s) Covered

- Operating Lease
- Capital Lease

Business Actor(s)

Finance Office; Acquisition Office; Property Office; Vendors, Program Office

Synopsis

Previously acquired office equipment is received through an operating lease to support a temporary workforce performing initial activities for a long-term project. The office equipment is returned at the end of the lease period and the lease is closed out. A single payment is made for the operating lease. In addition, heavy equipment needed for the long-term project has been acquired through a Request-to-Procure process using a five-year capital lease. The equipment is put into service. At the end of the capital lease period, the final payment is made and the lease is closed out. The equipment is owned by the government at the end of the lease.

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. Each vendor was selected during a Request-to-Procure process.
- 2.2. Assets being leased are owned by private entities.



Budget Formulation-to-Execution Dispose Procure Procure Pay Sill-to-Pay Sill-to-Report Record-to-Reimburse Perform Retire Record-to-Reimburse Report Report Record-to-Reimburse Report Record-to-Reimburse Report Record-to-Reimburse Record-to-Reimburse Report Record-to-Reimburse Record-to-Record-to-Reimburse Record-to-Reimburse Record-to-Record-to

040.FFM.L1.02 Leased Property

- 2.3. Analysis has been completed and a determination made that one lease meets criteria for an operating lease and the other a capital lease, per FASAB guidelines.
- 2.4. Orders or awards and lease agreements for both leases have been completed and funds have been obligated. The obligated amount for capital lease includes present value of the lease payments as well as interest at the current Treasury interest rate.
- 2.5. Vendors are established in the GSA System for Award Management (SAM) and in the Acquisition (ACQ) system. The vendor information is provided by the ACQ system to the FM system.
- 2.6. Both vendors use an OMB-approved electronic invoicing solution to invoice the agency.
- 2.7. The vendors are properly registered in federal acquisition systems.
- 2.8. Neither vendor is on the Do Not Pay list.
- 2.9. Tolerance percentages or amounts between expenditure and obligation amounts have been established.
- 2.10. The property record, which contains all needed data for effective personal property management (e.g., location, procurement, utilization, disposal, cost, evaluation, and control), for the operating lease has been established and includes all information required

Federal Records Management

- 3.1. In accordance with National Archives General Records Schedules (GRS) and other Federal records management standards, 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 they stand out as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.
- 3.2. For each type of FFM Federal record, a retention period is established (ERM.010.030) and, if special circumstances occur such as an order, law, or business justification, a temporary Federal records retention period is changed (ERM.030.040) or a permanent Federal record 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 litigation hold is placed, the Federal record is locked down until the litigation 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 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 disposed (ERM.030.010, ERM.030.020, ERM.030.030) or transferred to NARA (ERM.040.010, ERM.040.020, ERM.040.030).

FFMSR ID Reference(s): 1.1.2; 1.1.3; 1.1.4; 2.2.1; 2.2.2; 2.1.2



Budget Formulation-to-Execution Procure Pay Sill-to-Collect Report Record-to-Reimburse Perform Retire Record-to-Report Record-to-Report Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-

040.FFM.L1.02 Leased Property

Initiating Event: Per terms of previously executed order or award and lease agreements, an agency receives leased equipment.



Budget Formulation-to-Dispose Request-to-Procure Pay Sill-to-Collect Report Reimburse Record-to-Reimburse Record-to-Reimburse Report Reimburse Report Remburse Remburse Report Remburse Report Remburse Rembur

040.FFM.L1.02 Leased Property

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Тур	ical Flow of Events			
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		a. Inspect and accept the operating leased equipmen (PRM.010.010 Property Acquisition/Receipt) b. Estimate liability accrual for operating lease payments (PRM.010.010 Property Acquisition/Receipt) c. Provide vendor (payee) information (PRM.010.010 Property Acquisition/Receipt) d. Request estimated liability accrual be established (PRM.010.010 Property Acquisition/Receipt) e. Update property records including custodian, location, and value (PRM.010.060 Property Control and Accountability)	 Operating leased equipment Operating lease agreement Property record 	Accepted property



Budget
Formulation-toExecution

Acquire-toDispose

Acquire-toProcure

Procure-toPay

Bill-toCollect

Record-toReport

Report

Apply-toReimburse

Apply-toReimburse

Apply-toReimburse

Report

Repor

040).FFM.L1.02 Leased Prop	erty		
Тур	ical Flow of Events			
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
2	a. Receive and update vendor (payee) information		Vendor (payee) information (FR)	Updated vendor (payee) information
	b. Receive and process request to establish		 Accepted property (FR) Request for establishment 	 Appropriate liability accrual GL entries created for
	operating lease liability accrual (FFM.090.030 Accrual and		of operating lease liability accrual (FR)	operating lease equipment with reference to source information
	Liability Processing)		Estimated operating lease liability (FR)	Property record
			Property record (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)
4		a. Inspect and accept the	 Capital leased equipment 	Accepted property
		capital leased equipment (PRM.010.010 Property	Capital lease agreement	Property record
		Acquisition/Receipt) b. Determine property value	Property record	 Estimated capital lease property value
		and other property information		Estimated capital lease interest liability
		(PRM.010.050 Property Valuation)		Estimated capital lease principal liability
		c. Estimate capital lease depreciation and liability		 Estimated capital lease depreciation
		accrual for payments (PRM.010.050 Property Valuation)		 Vendor (payee) information



Budget Formulation to Dispose Request-to-Procure Procure Report Reimburse Report Remove Report Remove Report Remove Remove Report Remove Remove

040.FFM.L1.02 Leased Property

FFM Event	Non-FFM Event Input(Output(s) / Outcome(s)
	d. Provide vendor (payee) information	Request for establishmen of capital lease
	(PRM.010.010 Property Acquisition/Receipt)	depreciation and liability accruals
	e. Request estimated liability accruals be established	 Request for establishmer of capital property value
	(PRM.010.050 Valuation)	
	f. Request estimated property value be established	
	(PRM.010.050 Property Valuation)	

g. Update property record to including custodian, location, and value

(PRM.010.060 Property Control and Accountability)



Budget
Formulation-toExecution

Acquire-toDispose

Acquire-toProcure

Procure-toPay

Bill-toCollect

Record-toReport

Report

Apply-toReimburse

Reference

Apply-toReimburse

Reference

Report

Reference

Report

Reference

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<u>04</u> (0.FFM.L1.02 Leased Prope	artv		
	pical Flow of Events	orty .		
,,	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
5	 a. Receive and process vendor (payee) information b. Receive and process request for establishment of capital lease depreciation and liability accruals (FFM.090.030 Accrual and Liability Processing) c. Accrue depreciation (FFM.090.030 Accrual and Liability Processing) d. Accrue interest liability (FFM.090.030 Accrual and Liability Processing) e. Accrue principal liability (FFM.090.030 Accrual and Liability Processing) f. Establish property valuation (FFM.020.010 Financial Asset Information Processing - Property, Plant, and Equipment) 		 Vendor (payee) information (FR) Accepted property (FR) Request for establishment of capital lease depreciation and liability accruals (FR) Estimated capital lease depreciation (FR) Estimated capital lease interest liability (FR) Estimated capital lease principal liability (FR) Request for establishment of capital property value (FR) Estimated capital lease property value (FR) 	 information Appropriate depreciation accrual GL entries created with reference to source information Appropriate interest liability accrual GL entries created with reference to source information Appropriate principal liability accrual 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)



Budget Formulation-to-Execution Dispose Procure Procure Pay Sill-to-Pay Record-to-Reimburse Perform Record-to-Reimburse Record-to-Reimburse Report Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Record-to-Reimburse Record-to-Reimburse Record-to-Record-to

040.FFM.L1.02 Leased Property

· y P	ical Flow of Events	Non-FFM Front	Innut(a)	0tnt(a) / 0ta.a.ma/=)
7	FFM Event	a. Receive operating lease vendor's single and final invoice information from an OMB-approved electronic invoicing solution b. Receive notification of Program Office acceptance of vendor invoice (ACQ.040.020 Documentation	 Operating lease vendor invoice information Lease agreement 	Output(s) / Outcome(s) Accepted operating lease vendor invoice information
8	Receive accepted operating lease vendor invoice information from OMB-approved electronic invoicing solution (FFM.030.070 Payment Processing - Commercial Payments)	of Delivery/Acceptance)	Accepted operating lease vendor invoice	Validated vendor invoice
9		Request funds availability check (ACQ.040.020 Documentation of Delivery/Acceptance)	Validated operating lease vendor invoice	Request for funds availability check
10	Receive and process request for funds availability check (FFM.010.020 Fund Allocation and Control)		Request for funds availability check	Funds availability response



Budget Formulation to Dispose Request-to-Procure Procure Report Reimburse Report Remove Report Remove Report Remove Remove Report Remove Remove

040	040.FFM.L1.02 Leased Property					
Тур	Typical Flow of Events					
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)		
11		 a. Approve operating lease vendor single and final invoice b. Provide vendor (payee) information c. Request payment of approved vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Funds availability response Validated operating lease vendor invoice 	 Vendor (payee) information Approved operating lease vendor invoice Request for payment of approved vendor invoice 		
	 a. Receive and update vendor (payee) information (FFM.030.010 Payee Setup and Maintenance) b. Receive and process request for payment of approved vendor invoice (FFM.030.070 Payment Processing - Commercial Payments) c. Confirm difference between expenditure amount and obligation amount does not exceed tolerance percentage/amount (FFM.030.020 Obligation Management) d. Establish payable and generate payment 		 Vendor (payee) information (FR) Request for payment of approved vendor invoice (FR) 	informationAppropriate payable GL		



040.FFM.L1.02 Leased Property **Typical Flow of Events FFM Event** Non-FFM Event Input(s) Output(s) / Outcome(s) (FFM.030.070 Payment **Processing - Commercial** Payments) e. Liquidate obligation (FFM.030.020 Obligation Management) 13 a. If appropriate, warehouse Payment transaction Certified disbursement payment transaction until schedule (FR) Disbursement confirmation time for disbursement Appropriate payable GL information (FFM.030.110 Payment entries liquidated with Disbursement) reference to source b. Generate disbursement information schedule

Appropriate disbursement-(FFM.030.110 Payment in-transit GL entries Disbursement) created with reference to c. Certify payment of source information disbursement schedule Appropriate disbursement-(FFM.030.110 Payment in-transit GL entries Disbursement) liquidated with reference to source information d. Receive confirmation of disbursement Appropriate disbursement GL entries created with (FFM.030.120 Payment Confirmation) reference to source information Vendor receives payment



Budget
Formulation-toExecution

Acquire-toDispose

Acquire-toProcure

Procure-toPay

Bill-toCollect

Record-toReport

Report

Apply-toPerform

Apply-toReimburse

Apply-toReimburse

Report

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	ical Flow of Events	Gity		
. 7 6	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
14	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)
15		 a. Receive capital lease vendor's initial invoice information from an OMB-approved electronic invoicing solution b. Receive notification of Program Office acceptance of vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Capital lease vendor invoice information Capital lease agreement 	Accepted capital lease vendor invoice information
16	Receive accepted capital lease vendor invoice information from OMB- approved electronic invoicing solution (FFM.030.070 Payment Processing - Commercial Payments)		Accepted capital lease vendor invoice information	Validated capital lease vendor invoice
17		Request funds availability check (ACQ.040.020 Documentation of Delivery/Acceptance)	Validated capital lease vendor invoice	Request for funds availability check
18	Receive and process request for funds availability check (FFM.010.020 Fund Allocation and Control)		Request for funds availability check	Funds availability response



Budget
Formulation-toExecution

Acquire-toDispose

Acquire-toProcure

Procure-toPay

Bill-toCollect

Record-toReport

Report

Apply-toReimburse

Reference

Apply-toReimburse

Reference

Report

Reference

Report

Reference

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Reference

Refer

	040.FFM.L1.02 Leased Property Typical Flow of Events					
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)		
19		 a. Approve capital lease vendor invoice b. Provide vendor (payee) information c. Request payment of approved vendor invoice 	 Funds availability response Validated capital lease vendor invoice 	 Vendor (payee) information Approved capital lease vendor invoice Request for payment of approved vendor invoice 		
		(ACQ.040.020 Documentation of Delivery/Acceptance)				



Budget Formulation-to-Execution Procure Procure Pay Sill-to-Procure Request-to-Procure Procure Pay Sill-to-Reimburse Record-to-Reimburse Report Redire Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Record-to-Record-to-Reimburse Record-to-Record-to

040	040.FFM.L1.02 Leased Property					
Тур	Typical Flow of Events					
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)		
20	a. Receive and update vendor (payee) information		 Vendor (payee) information 	 Updated vendor (payee) information 		
	(FFM.030.010 Payee Setup and Maintenance)		 Request for payment of approved vendor invoice (FR) 			
	b. Receive and process request for payment of			reference to source information		
	approved vendor invoice			Payment transaction		
	(FFM.030.070 Payment			Appropriate obligation		
	Processing - Commercial Payments)			liquidation GL entries		
	c. Confirm difference between			created with reference to source information		
	expenditure amount and			Appropriate accrual		
	obligation amount does not exceed tolerance			reversal GL entries created		
	percentage/amount			with reference to source		
	(FFM.030.020 Obligation			information		
	Management)					
	d. Establish payable and					
	generate payment					
	transaction					
	(FFM.030.070 Payment Processing - Commercial					
	Payments)					
	e. Liquidate obligation					
	(FFM.030.020 Obligation					
	Management)					



Budget Formulation to Dispose Request-to-Procure Procure Report Reimburse Report Reimburse Report Reimburse Report Remburse Remburs

040.FFM.L1.02 Leased Property

	or an initial time to be				
Тур	Typical Flow of Events				
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)	
21	a. If appropriate, warehouse payment transaction until time for disbursement	Payment transactionDisbursement confirmat			
	(FFM.030.110 Payment Disbursement)		information	 Appropriate payable GL entries liquidated with reference to source 	
	b. Generate disbursement schedule			information	
	(FFM.030.110 Payment Disbursement)	(FFM.030.110 Payment		 Appropriate disbursement- in-transit GL entries created with reference to 	
	c. Certify payment of disbursement schedule			source information	
	(FFM.030.110 Payment Disbursement)			 Appropriate disbursement- in-transit GL entries liquidated with reference to 	
	d. Receive confirmation of			source information	
	disbursement (FFM.030.120 Payment Confirmation)			 Appropriate disbursement GL entries created with reference to source information 	
				 Vendor receives payment 	
22	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL)		GL entries	Appropriate GL accounts updated (FR)	
	(FFM.090.020 General Ledger Posting)				



Budget
Formulation-toExecution

Acquire-toDispose

Acquire-toProcure

Procure-toPay

Bill-toCollect

Record-toReport

Report

Apply-toReimburse

Apply-toReimburse

Apply-toReimburse

Report

Repor

040	040.FFM.L1.02 Leased Property					
Тур	Typical Flow of Events					
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)		
23		 a. Operating lease ends and equipment is returned b. Update property record c. Request close-out of operating lease (PRM.010.040 Property Transfer, Disposal, or Retirement) 	 Property record Operating lease agreement Payment of final operating equipment invoice 	 Returned equipment Request for operating lease close-out Property record 		
24	 a. Receive and process request for close-out of operating lease (FFM.010.020 Fund Allocation and Control) b. Reverse remaining liability accruals, as needed (FFM.090.030 Accrual and Liability Processing) c. Deobligate remaining funds, as needed (FFM.030.020 Obligation Management) 		 Request for operating lease close-out (FR) Property Record (FR) Operating lease agreement (FR) 	reversal GL entries made with reference to source information		
25	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)		



and Control)

Budget Formulation-to-Dispose Procure Procure Pay Bill-to-Collect Report Refine Perform Refine Pay Apply-to-Pay Request-to-Pay Regimburse Report Refine Perform Refine Pay Record-to-Remove Perform Refine Pay Record-to-Remove Perform Refine Pay Record-to-Remove Pay Report Remove Pay Remove Pay Report Remove Pay Report Remove Pay Report Remove Pay Remove Pay Remove Pay Report Remove Pay R

040.FFM.L1.02 Leased Property **Typical Flow of Events** FFM Event Non-FFM Event Input(s) Output(s) / Outcome(s) a. Receive capital lease 26 Capital lease vendor final Accepted capital lease vendor's final invoice invoice information vendor final invoice information from an OMBinformation Capital lease agreement approved electronic invoicing solution b. Receive notification of Program Office acceptance of vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 27 Receive accepted capital lease Accepted capital lease Validated capital lease vendor final invoice information vendor final invoice vendor final invoice from OMB-approved electronic information invoicing solution (FFM.030.070 Payment Processing - Commercial Payments) Request funds availability 28 Validated capital lease Request for funds check vendor final invoice availability check (ACQ.040.020 Documentation of Delivery/Acceptance) Receive and process request Request for funds Funds availability response for funds availability check availability check (FFM.010.020 Fund Allocation



Budget
Formulation-toExecution

Acquire-toDispose

Acquire-toProcure

Procure-toPay

Bill-toCollect

Record-toReport

Report

Apply-toPerform

Apply-toReimburse

Apply-toReimburse

Report

040	040.FFM.L1.02 Leased Property					
Тур	Typical Flow of Events					
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)		
30		 a. Approve capital lease vendor final invoice b. Provide vendor (payee) information c. Request for payment of approved vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Funds availability response Validated capital lease vendor final invoice 	 Vendor (payee) information Approved capital lease vendor final invoice Request for payment of approved vendor invoice 		
31	 a. Receive and update vendor (payee) information (FFM.030.010 Payee Setup and Maintenance) b. Receive and process request for payment of approved invoice (FFM.030.070 Payment Processing – Commercial Payments) c. Confirm difference between expenditure amount and obligation amount does not exceed tolerance percentage/amount (FFM.030.020 Obligation Management) d. Establish payable and generate payment 		 Vendor (payee) information (FR) Request for payment of approved vendor invoice (FR) 	informationAppropriate payable GL		



Budget Formulation to Dispose Request-to-Procure Procure Report Reimburse Report Reimburse Report Reimburse Report Remburse Remburs

040.FFM.L1.02 Leased Property

FFM (FP) (F) (F) (F) (F) (F) (F) (F) (F) (F) (F	Flow of Events Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
e. Li (F N 32 a. If pa tii (F	EEL4 000 070 D			Sutput(3) / Sutcome(3)
pa tir (F	FFM.030.070 Payment Processing – Commercial Payments) iquidate obligation FFM.030.020 Obligation Management)			
b. G sc C. C di (F D d. R di (F	f appropriate, warehouse ayment transaction until me for disbursement FFM.030.110 Payment Disbursement chedule FFM.030.110 Payment Disbursement) Certify payment of disbursement schedule FFM.030.110 Payment Disbursement payment Disbursement Schedule FFM.030.110 Payment Disbursement Preceive confirmation of disbursement FFM.030.120 Payment Confirmation)		 Payment transaction Disbursement confirmation information 	 Certified disbursement schedule (FR) Appropriate payable GL entries liquidated with reference to source information Appropriate disbursement-in-transit GL entries created with reference to source information Appropriate disbursement-in-transit GL entries liquidated with reference to source information Appropriate disbursement GL entries created with reference to source



Budget Formulation-to-Execution Procure Procure Pay Sill-to-Procure Request-to-Procure Procure Pay Sill-to-Reimburse Record-to-Reimburse Report Redire Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Record-to-Record-to-Reimburse Record-to-Record-to

	040.FFM.L1.02 Leased Property				
Typ	oical Flow of Events				
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)	
33	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)	



Budget Formulation to Dispose Procure to Pay Request-to-Collect Report Refine Perform Refine Report Remburse Report Remburse Report Remburse Report Remburse Report Remburse Remburse Remburse Report Remburse Rem

040.FFM.L1.02 Leased Property **Typical Flow of Events FFM Event** Non-FFM Event Input(s) Output(s) / Outcome(s) 34 a. Final capital lease invoice is Final capital lease payment Request for close-out of paid for heavy equipment capital lease Property record and equipment becomes Value of capital equipment Capital lease agreement property of government adjusted by depreciation (PRM.010.040 Property Accrued depreciation Request for updated Transfer, Disposal, or valuation of capital Retirement) equipment adjusted by b. Record ownership of depreciation property in the property Property record management system (PRM.010.060 Property Control and Accountability) Determine value of capital equipment adjusted by depreciation (PRM 010.050 Property Valuation) d. Request updated valuation of property (PRM 010.050 Property Valuation) e. Close-out of capital lease (PRM.010.040 Property Transfer, Disposal, or Retirement)



Budget Acquire-to-Dispose Procure Pay Bill-to-Collect Report Record-to-Reimburse Perform Book-to-Reimburse Report Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Record-to-Reimburse Record-to-Record-to

040.FFM.L1.02 Leased Property

	040.FFM.LT.02 Leased Property					
Тур	Typical Flow of Events					
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)		
35	 a. Receive and process request for close-out capital lease (FFM.010.020 Fund Allocation and Control) b. Reverse any remaining interest and principal liability accruals, as needed (FFM.090.030 Accrual and Liability Processing) c. Deobligate remaining funds, as needed (FFM.030.020 Obligation Management) d. Receive and process request for updated valuation of capital equipment adjusted by depreciation (FFM.020.010 Financial Asset Information Processing - Property, Plant, and Equipment) 		 Capital lease agreement (FR) Property record (FR) Request for close-out of capital lease (FR) Value of capital equipment adjusted by depreciation (FR) Request for updated valuation of capital equipment adjusted by depreciation (FR) 	principal liability accrual reversal GL entries created with reference to source information • Appropriate property		
36	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)		



Budget Formulation-to-Execution Acquire-to-Dispose Procure Pay Sill-to-Collect Report Record-to-Reimburse Perform Reference Report Report Report Report Report Remarks Record-to-Remarks Record-to-Record-to-Remarks Record-to-Remarks Record-to-Remarks Record-to-Record-to-Remarks Record-to-Remarks Record-to-Remarks Record-to-Record-to-Remarks Record-to-Remarks Record-to-Remarks Record-to-Rec

040.FFM.L1.03 Acquiring Services

End-to-End Business Process: 040 Procure-to-Pay

Business Scenario(s) Covered

Acquiring Services

Business Actor(s)

Procurement Office; Finance Office; Program Office; Vendor

Synopsis

Services previously ordered by a federal agency are received and accepted. An invoice is submitted by the Vendor and paid by the agency.

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 vendor is established in the GSA System for Award Management (SAM) and in the Acquisition (ACQ) system. The vendor information is provided by the ACQ system to the FM system.
- 2.2. The federal agency has ordered and received the services and the order or award obligation has already been established in the FM system.
- 2.3. The vendor uses an OMB-approved electronic invoicing solution to invoice the agency.
- 2.4. The receiving report is optional unless required for matching.
- 2.5. The vendor is not on the Do Not Pay list.



040.FFM.L1.03 Acquiring Services

2.6. Tolerance percentages or amounts between expenditure and obligation amounts have been established.

Federal Records Management

- 3.1. In accordance with National Archives General Records Schedules (GRS) and other Federal records management standards, 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 they stand out as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.
- 3.2. For each type of FFM Federal record, a retention period is established (ERM.010.030) and, if special circumstances occur such as an order, law, or business justification, a temporary Federal records retention period is changed (ERM.030.040) or a permanent Federal record 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 litigation hold is placed, the Federal record is locked down until the litigation 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 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 disposed (ERM.030.010, ERM.030.020, ERM.030.030) or transferred to NARA (ERM.040.010, ERM.040.020, ERM.040.030).

FFMSR ID Reference(s): 1.1.2; 2.2.1; 2.2.2; 2.1.2

Initiating Event: The Vendor delivers services to the requesting federal agency.



Budget Formulation to Dispose Request-to-Procure Procure Report Reimburse Report Reimburse Report Reimburse Report Remburse Remburs

040.FFM.L1.03 Acquiring Services

. 3 Pi	cal Flow of Events FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		 a. Receive notification of receipt of vendor services b. Provide vendor (payee) information c. Provide receipt of services information (ACQ.040.020 Documentation of Delivery/Acceptance) 	- ` '	Vendor (payee) informationReceipt of services
2	 a. Receive and update vendor (payee) information b. Receive receipt of services information (receiving report, if used) c. Accrue the expense (FFM.090.030 Accrual and Liability Processing) 		 Vendor (payee) information (FR) Receipt of services information (receiving report, if used) (FR) 	 Updated vendor (payee) information Appropriate liability accrual entry 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)
4		 a. Receive vendor invoice information from an OMB-approved electronic invoicing solution b. Receive notification of Program Office acceptance of vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Vendor invoice information Receipt of services information (receiving report, if used) Approved order or award 	Accepted vendor invoice information



Budget
Formulation-toExecution

Acquire-toDispose

Acquire-toProcure

Procure-toPay

Bill-toCollect

Record-toReport

Report

Apply-toPerform

Apply-toReimburse

Apply-toReimburse

Report

040.FFM.L1.03 Acquiring Services

Typi	Typical Flow of Events				
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)	
5	Receive accepted vendor invoice information from OMB-approved electronic invoicing solution (FFM.030.070 Payment Processing - Commercial Payments)		Accepted vendor invoice information	Validated vendor invoice	
6		Request funds availability check	Validated vendor	Request for funds	
		(ACQ.040.020 Documentation of Delivery/Acceptance)	invoice	availability check	
7	Receive and process request for funds availability check		Request for funds	Funds availability response	
	(FFM.010.020 Fund Allocation and		availability check		
	Control)				
8		a. Approve vendor invoice	Funds availability	Vendor (payee) information	
		b. Provide vendor (payee)	responseValidated vendor invoice	Approved vendor invoice	
		information		 Request for payment of 	
		c. Request payment of approved vendor invoice		approved vender invoice	
		(ACQ.040.020 Documentation of Delivery/Acceptance)			
9	a. Receive and update vendor (payee) information		Vendor (payee) information (FR)	Updated vendor (payee) information	
	(FFM.030.010 Payee Setup and Maintenance)		Request for payment of approved vendor	Appropriate payable GL entries created with	
	b. Receive and process request for		invoice (FR)	reference to source	
	payment of approved vendor invoice, including determining		Current Prompt	information	
	whether to accelerate payment,		Payment interest rate	Payment transaction	
	execute discounted early			 Appropriate obligation liquidation GL entries 	
	payment, or include late payment interest and penalties,			created with reference to	
	retrieving current Prompt			source information	



Budget Formulation-to-Execution Formulation Procure Pay Sill-to-Collect Report Regimburse Perform Reimburse Report Remains Perform Remains Page 1.0 Perform Page 1.0 Perform

040.FFM.L1.03 Acquiring Services

Typical Flow of Events			
FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
Payment interest rate, and calculating payment date and total amount due to vendor (FFM.030.070 Payment Processing – Commercial Payments)			Appropriate accrual reversal GL entries created with reference to source information
c. Confirm difference between expenditure amount and obligation amount does not exceed tolerance percentage/amount			
(FFM.030.020 Obligation Management)			
d. Establish payable and generate payment transaction	9		
(FFM.030.070 Payment Processing – Commercial Payments)			
e. Liquidate obligation			
(FFM.030.020 Obligation Management)			



Budget Formulation-to-Execution Procure Procure Procure Pay Sill-to-Report Regulation Report Remburse Report Relimburse Report R

040.FFM.L1.03 Acquiring Services

Tvpi	cal Flow of Events			
. 7 6	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
10	 a. If appropriate, warehouse payment transaction until time for disbursement (FFM.030.110 Payment Disbursement) b. Generate disbursement schedule (FFM.030.110 Payment Disbursement) c. Certify payment of disbursement schedule (FFM.030.110 Payment Disbursement) d. Receive confirmation of disbursement (FFM.030.120 Payment Confirmation) 		 Payment transaction Disbursement confirmation information 	 Certified disbursement schedule (FR) Appropriate payable GL entries liquidated with reference to source information Appropriate disbursement-in-transit GL entries created with reference to source information Appropriate disbursement-in-transit GL entries liquidated with reference to source information Appropriate disbursement GL entries created with reference to source information Appropriate disbursement GL entries created with reference to source information Vendor receives payment
11	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)



Budget Formulation-to-Execution Dispose Request-to-Procure Procure Repay Bill-to-Collect Report Reimburse Report Reimburse Report Reimburse Report Reimburse Report Reimburse Report Remburse Rembur

040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options

End-to-End Business Process: 040 Procure-to-Pay

Business Scenario(s) Covered

- Multi-Year Funds Expenditure
- Multiple Funding Sources
- Receiving Report Accrual
- Credit Memo
- Vendor Submits Paper Invoice to Program Office
- Two-Way Matching
- Progress Payment
- Final Payment

Business Actor(s)

Program Office; Finance Office; Vendors

Synopsis

A procurement request for development of a complex project is prepared by a federal agency program with two funding sources used. The project is planned to take two years to complete, and the program is using multi-year funds. To help meet local small business development goals, three awards were issued from the one procurement request. As work progresses, monthly financial and performance reports are submitted by the vendors and progress is inspected by the agency. Accrued liability is established from the financial and performance reports until invoices are received. One vendor (Vendor 1) is given a waiver to submit paper invoices and the vendor submits it to the Program Office. Electronic invoices are submitted by Vendor 2 and Vendor 3. Invoices are validated using a two-way match. An invoice from Vendor 3 is found not valid by the match, reflecting the agency was billed too much. A credit memo is requested and received from Vendor 3 and the invoice is paid. After the final payments are made to all vendors, the award still has some obligated funds and during award closeout, the remaining funds are de-obligated.

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.



Budget Formulation-to-Execution Procure Procure Pay Bill-to-Collect Report Regimburse Perform Refire Remburse Report Report Remburse Remburse Report Remburse Report Remburse Report Remburse Report Remburse Report Remburse Remburse Report Remburse Report Remburse Report Remburse Rem

040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options

- 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 estimated duration of the project is two years and multi-year funds are used.
- 2.2. Some invoices are received in one fiscal year and payment will be due in the next.
- 2.3. The award was issued to three vendors in a previous Procure-to-Pay use case.
- 2.4. Vendors are established in the GSA System for Award Management (SAM) and in the Acquisition (ACQ) system. The vendor information is provided by the ACQ system to the FM system.
- 2.5. The Vendors 2 and 3 use an OMB-approved electronic invoicing solution to invoice the agency.
- 2.6. None of the vendors are on the "Do Not Pay" list.
- 2.7. Tolerance percentages or amounts between expenditure and obligation amounts have been established.
- 2.8. Award closeout includes reviewing final invoices and payments.

Federal Records Management

- 3.1. In accordance with National Archives General Records Schedules (GRS) and other Federal records management standards, 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 they stand out as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.
- 3.2. For each type of FFM Federal record, a retention period is established (ERM.010.030) and, if special circumstances occur such as an order, law, or business justification, a temporary Federal records retention period is changed (ERM.030.040) or a permanent Federal record 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 litigation hold is placed, the Federal record is locked down until the litigation 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



Budget Formulation-to-Execution

Request-to-Dispose

Request-to-Procure

Request-to-Procure-to-Pay

Bill-to-Report

Record-to-Reimburse

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	nditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options							
	needed because of technology obsolescence, the Federal record is 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 disposed (ERM.030.010, ERM.030.020, ERM.030.030) or transferred to NARA (ERM.040.010, ERM.040.020, ERM.040.030).							
FFMSR ID Reference(s) 1.1.2; 1.1.4; 2.1.2; 2.2.1; 2.2.2								
Initiating Event	Work has been completed for each of the awards issued to three vendors from a single procurement request.							



040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options						
Typic	al Flow of Events					
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)		
1		 a. Receive and verify three vendor monthly financial and performance reports b. Determine estimated accrual of liability for payment for each vendor c. Provide vendor (payee) information for each vendor d. Request liability accruals be recorded (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Vendor monthly financial and performance reports Order or award information 	 Vendor (payee) information for each vendor Verified vendor monthly financial and performance reports Estimated accrual of liability for payment to each vendor 		
2	 a. Receive and update vendor (payee) information b. Receive estimated accrual information c. Accrue liability for payment to each vendor (FFM.090.030 Accrual and Liability Processing) 		 Vendor (payee) information for each vendor (FR) Estimated accrual of liability for payment to each vendor (FR) 	 Updated vendor (payee) information for each vendor Appropriate accrual 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)		
4		Receive Vendor 1 paper invoice at end of fiscal year and request a two-way match for validation (ACQ.040.020 Documentation of Delivery/Acceptance)		 Vendor 1 invoice information Request for two-way match to validate Vendor 1 invoice 		



Тур	ical Flow of Events			
71	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
5	Receive Vendor 1 invoice information and complete a two-way match between invoice and award information (FFM.030.070 Payment Processing - Commercial Payments)		 Vendor 1 invoice information Award information 	 Successful two-way match Validated Vendor 1 invoice information
6		Request multi-year funds availability check (ACQ.040.020 Documentation of Delivery/Acceptance)	Validated Vendor 1 invoice information	Request for multi-year funds availability check
7	Receive and process request for multi-year funds availability check (FFM.010.020 Fund Allocation and Control)		Request for multi- year funds availability check	 Multi-year funds availability response
8		 a. Approve Vendor 1 invoice b. Provide vendor (payee) information c. Request payment of approved vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Multi-year funds availability response Validated Vendor 1 invoice information 	 Vendor (payee) information Approved Vendor 1 invoice Request for payment of approved vendor invoice
9	 a. Receive and update vendor (payee) information (FFM.030.010 Payee Setup and Maintenance) b. Receive and process request for payment of approved Vendor 1 invoice, including determining whether to accelerate payment, execute discounted early 		 Vendor (payee) information (FR) Request for payment of approved vendor invoice (FR) Current Prompt Payment interest rate (FR) 	entries created with reference to source information



Management)

Budget Formulation-to-Execution Dispose Procure Procure Pay Bill-to-Pay Agree-to-Reimburse Perform Hire-to-Reimburse Record-to-Reimburse Record-to-Reimburse Repay Procure Remains Record-to-Remains Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Record-to-Reimburse Record-to-Remains Rec

040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options Typical Flow of Events **FFM Event Non-FFM Event** Input(s) Output(s) / Outcome(s) payment, or include late created with reference to payment interest and penalties, source information retrieving current Prompt Appropriate accrual Payment interest rate, and reversal GL entries created calculating payment date and with reference to source total amount due to vendor information (FFM.030.070 Payment **Processing - Commercial** payments) c. Confirm difference between expenditure amount and obligation amount does not exceed tolerance percentage/amount (FFM.030.020 Obligation Management) d. Establish payable and generate payment transaction (FFM.030.070 Payment Processing - Commercial Payments) e. Liquidate obligation (FFM.030.020 Obligation



Posting)

Budget Formulation-to-Execution

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040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options Typical Flow of Events FFM Event Non-FFM Event Output(s) / Outcome(s) Input(s) 10 a. If appropriate, warehouse Payment transaction Certified disbursement payment transaction until time schedule (FR) Disbursement for disbursement confirmation Appropriate payable GL (FFM.030.110 Payment entries liquidated with information Disbursement) reference to source b. Generate disbursement information schedule Appropriate disbursement-(FFM.030.110 Payment in-transit GL entries created Disbursement) with reference to source c. Certify payment of disbursement information schedule Appropriate disbursement-(FFM.030.110 Payment in-transit GL entries Disbursement) liquidated with reference to source information d. Receive confirmation of disbursement Appropriate disbursement GL entries created with (FFM.030.120 Payment reference to source Confirmation) information Vendor 1 receives payment Post appropriate budgetary, 11 GL entries Appropriate GL accounts proprietary, and/or memorandum updated (FR) entries to the general ledger (FFM.090.020 General Ledger



Budget
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040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options Typical Flow of Events **FFM Event Non-FFM Event** Output(s) / Outcome(s) Input(s) a. Receive Vendor 2's and 12 Vendor 2 and Vendor Accepted Vendor 2 and Vendor 3's invoice 3 invoice information Vendor 3 invoice information from an OMBinformation approved electronic invoicing solution at end of fiscal year b. Receive notification of Program Office acceptance of both vendor invoices (ACQ.040.020 Documentation of Delivery/Acceptance) a. Receive accepted vendor 13 Successful two-way match Accepted Vendor 2 invoice information from OMBand Vendor 3 invoice for Vendor 2 approved electronic invoicing information Validated Vendor 2 invoice solution and perform a two-way Award information Partially successful twomatch of Vendor 2 and Vendor 3 way match for Vendor 3 invoice and respective award invoice information b. Request credit memo from Request for credit memo Vendor 3 for overbilling from Vendor 3 (FFM.030.070 Payment Processing - Commercial Payments) Request multi-year funds 14 Validated Vendor 2 Request for multi-year availability check funds availability check invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 15 Receive and process request for Request for multi-Multi-year funds availability multi-year funds availability check year funds availability response



Typi	cal Flow of Events	oss Fiscal Years Using Mu			<u> </u>	
тург	FFM Event	Non-FFM Event	In	out(s)	Output(s) / Outcome(s)	
16		 a. Approve Vendor 2 invoice b. Provide vendor (payee) information c. Request payment of approved Vendor 2 invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 	•	Multi-year funds availability response Validated Vendor 2 invoice	 Vendor (payee) information Approved Vendor 2 invoice Request for payment of approved Vendor 2 invoice 	
17	 a. Receive and update vendor (payee) information (FFM.030.010 Payee Setup and Maintenance) b. Receive and process request for payment of approved Vendor 2 invoice, including determining whether to accelerate payment, 		•	Vendor (payee) information Request for payment of approved Vendor 2 invoice (FR) Current Prompt Payment interest rate (FR)	entries created with reference to source information	
	execute discounted early payment, or include late payment interest and penalties, retrieving current Prompt Payment interest rate, and calculating payment date and total amount due to vendor (FFM.030.070 Payment Processing - Commercial Payments) c. Confirm difference between expenditure amount and				liquidation GL entries created with reference to source information • Appropriate accrual reversal GL entries created with reference to source information	



Budget Formulation-to-Execution Procure Pay Sill-to-Collect Report Record-to-Reimburse Agree-to-Reimburse Agree-to-Reimburse Apply-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Record-to-Record

	040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options						
Typic	Typical Flow of Events						
	FF	M Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)		
		(FFM.030.020 Obligation Management) Establish payable and generate payment transaction (FFM.030.070 Payment Processing - Commercial Payments) Liquidate obligation (FFM.030.020 Obligation Management)					
18		If appropriate, warehouse payment transaction until time for disbursement (FFM.030110 Payment Disbursement) Generate disbursement schedule		Payment transactionDisbursement confirmation information	 Certified disbursement schedule (FR) Appropriate payable GL entries liquidated with reference to source information 		
	C.	(FFM.030.110 Payment Disbursement) Certify payment of disbursement			 Appropriate disbursement- in-transit GL entries created with reference to source information 		
		schedule (FFM.030.110 Payment Disbursement) Receive confirmation of			Appropriate disbursement- in-transit GL entries liquidated with reference to source information		
	u.	disbursements (FFM.030.120 Payment Confirmation)			 Appropriate disbursement GL entries created with reference to source information Vendor 2 receives payment 		



040.	FFM.L2.01 Expenditures Acro	ss Fiscal Years Using Mul	lti-`	Year Funds with Ir	ıvc	oicing Options
Typic	cal Flow of Events					
	FFM Event	Non-FFM Event	In	nput(s)	0	utput(s) / Outcome(s)
19	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (FFM.090.020 General Ledger Posting)		•	GL entries	•	Appropriate GL accounts updated (FR)
20		a. Receive credit memo from	•	Credit memo from	•	Vendor (payee) information
		Vendor 3 in the program office		Vendor 3 for accidental overbilling	•	Request for processing of
		b. Provide vendor (payee) information		on previously submitted invoice		Vendor 3 credit memo
		c. Request processing of Vendor 3 credit memo				
		(ACQ.040.020 Documentation of Delivery/Acceptance)				
21	Receive and update vendor (payee) information		•	Vendor (payee) information	•	Updated vendor (payee) information
	b. Process Vendor 3 credit memo		•	Request for	•	Appropriate payable entry
	(FFM.030.070 Payment Processing - Commercial Payments)			processing of Vendor 3 credit memo		created with reference to source information
22		a. Receive Vendor 3 resubmitted invoice information from an OMB- approved electronic invoicing solution at end of fiscal year	•	Vendor 3 resubmitted invoice information	•	Request for payment of Vendor 3 re-submitted invoice
		b. Receive notification of Program Office acceptance of Vendor 3 re-submitted invoice				
		(ACQ.040.020 Documentation of Delivery/Acceptance)				



Budget Formulation-to-Execution

Acquire-to-Dispose Procure-

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040.	FFM.L2.01 Expenditures Acro	ss Fiscal Years Using Mu	lti-Year Funds with Ir	nvoicing Options
Туріс	cal Flow of Events			
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
23	Perform two-way match of resubmitted Vendor 3 invoice and award information (FFM.030.070 Payment Processing - Commercial Payments)		 Credit memo from Vendor 3 Vendor 3 re- submitted invoice information Award information 	 Successful two-way match Validated Vendor 3 resubmitted invoice, as offset by credit memo
24		Request funds availability check (ACQ.040.020 Documentation of Delivery/Acceptance)	Validated Vendor 3 re-submitted invoice, as offset by credit memo	Request for funds availability check
25	Receive and process request for funds availability check (FFM.010.020 Fund Allocation and Control)		Request for funds availability check	Funds availability response
26		 a. Approve Vendor 3 resubmitted invoice, as offset by credit memo b. Provide vendor (payee) information c. Request payment of approved Vendor 3 invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Funds availability response Validated Vendor 3 re-submitted invoice, as offset by credit memo 	 Vendor (payee) information Approved Vendor 3 invoice Request for payment of approved Vendor 3 invoice
27	 a. Receive and update vendor (payee) information b. Receive and process request for payment of approved Vendor 3 invoice, including determining whether to accelerate payment, execute discounted early 		 Vendor (payee) information (FR) Request for payment of approved Vendor 3 invoice (FR) 	



Budget Formulation-to-Execution Procure Pay Sill-to-Collect Report Record-to-Reimburse Perform Record-to-Reimburse Report Record-to-Reimburse Record-to-Re

al Flow of Events									
FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)						
payment, or include late payment interest and penalt retrieving current Prompt Payment interest rate, and calculating payment date an total amount due to vendor (FFM.030.070 Payment Processing - Commercial Payments) c. Confirm difference between expenditure amount and obligation amount does not exceed tolerance percentage/amount (FFM.030.020 Obligation	nd	Current Prompt Payment interest rat (FR)	 Payment transaction Appropriate obligation liquidation GL entries created with reference to source information Appropriate accrual reversal GL entries creat with reference to source information 						
Management) d. Establish payable and gener payment transaction	rate								
(FFM.030.070 Payment Processing - Commercial Payments)									
e. Liquidate obligation (FFM.030.020 Obligation Management)									



040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options Typical Flow of Events FFM Event Non-FFM Event Output(s) / Outcome(s) Input(s) 28 a. If appropriate, warehouse Payment transaction Certified disbursement payment transaction until time schedule (FR) Disbursement for disbursement confirmation Appropriate payable GL (FFM.030.110 Payment entries liquidated with information Disbursement) reference to source b. Generate disbursement information schedule Appropriate disbursement-(FFM.030.110 Payment in-transit GL entries created Disbursement) with reference to source c. Certify payment of disbursement information schedule Appropriate disbursement-(FFM.030.110 Payment in-transit GL entries Disbursement) liquidated with reference to source information d. Receive confirmation of disbursement Appropriate disbursement GL entries created with (FFM.030.120 Payment reference to source Confirmation) information Vendor 3 receives payment Post appropriate budgetary, 29 GL entries Appropriate GL accounts proprietary, and/or memorandum updated (FR) entries to the general ledger (FFM.090.020 General Ledger Posting) 30 Request award closeout Award information Award closeout information (ACQ.040.040 Contract Request for award closeout Final invoices' Closeout) information Confirmed payments



040.	040.FFM.L2.01 Expenditures Across Fiscal Years Using Multi-Year Funds with Invoicing Options							
Typical Flow of Events								
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)				
31	Receive request for award closeout and liquidate outstanding obligations and accruals (FFM.090.030 Accrual and Liability		Request for award closeout (FR)	 Appropriate obligation liquidation GL entries created with reference to source information 				
	Processing)			 Appropriate accrual reversal GL entries created with reference to source information 				
32	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (FFM.090.020 General Ledger Posting)		GL entries	Appropriate GL accounts updated ^(FR)				



Budget Formulation-to-Execution Procure Procure Pay Bill-to-Report Record-to-Reimburse Perform Retire Record-to-Report Record-to-Remburse Report Record-to-Remburse Report Record-to-Remburse Report Record-to-Remburse Report Record-to-Remburse Report Record-to-Remburse Report Record-to-Remburse Record-to-Remburse Report Record-to-Remburse Record-to-Remburse Report Record-to-Remburse Record-to

040.FFM.L2.02 Four-Way Match

End-to-End Business Process: 040 Procure-to-Pay

Business Scenario(s) Covered

- Four-Way Matching
- Late Payment of Invoice

Business Actor(s)

Procurement Office; Finance Office; Requestors Receiving Office; Vendor

Synopsis

The Procurement Office has issued a single award to a Vendor for goods to fulfill two procurement requests from different offices within the same federal agency (Requestor). The goods were ordered and delivered to the federal agency receiving location (Receiving Office) and receipt information (Receiving Report) is created. The goods were transferred to the requesting federal agency offices (Requestors). One of the Requestors (Requestor 1) inspected and accepted only some of the goods; the other Requestor (Requestor 2) accepted all the goods delivered. The Vendor invoices the agency for the delivered goods. The Program Office requests corrected invoice reflecting results of acceptance reports. The agency receives the correct invoice and makes its payment five (5) days after the payment due date because of an unexpected delay in approving the corrected invoice.

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 award was issued to a vendor in a previous Procure-to-Pay use case.



040.FFM.L2.02 Four-Way Match

- 2.2. The vendor is established in the GSA System for Award Management (SAM) and in the Acquisition (ACQ) system. The vendor information is provided by the ACQ system to the FM system.
- 2.3. The vendor uses an OMB-approved electronic invoicing solution to invoice the agency.
- 2.4. The vendor submits a valid and proper invoice in compliance with Prompt Pay requirements.
- 2.5. The vendor provides Electronic Funds Transfer (EFT) information in compliance with Prompt Pay requirements.
- 2.6. The vendor is not on the "Do Not Pay" list.
- 2.7. Tolerance percentages or amounts between expenditure and obligation amounts have been established.

Federal Records Management

- 3.1. In accordance with National Archives General Records Schedules (GRS) and other Federal records management standards, 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 they stand out as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.
- 3.2. For each type of FFM Federal record, a retention period is established (ERM.010.030) and, if special circumstances occur such as an order, law, or business justification, a temporary Federal records retention period is changed (ERM.030.040) or a permanent Federal record 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 litigation hold is placed, the Federal record is locked down until the litigation 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 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 disposed (ERM.030.010, ERM.030.020, ERM.030.030) or transferred to NARA (ERM.040.010, ERM.040.020, ERM.040.030).

FFMSR ID Reference(s): 1.1.2; 1.1.4; 2.1.2; 2.2.1; 2.2.2

Initiating Event: The Vendor ships the goods to the Federal Agency Receiving Office.



040.	040.FFM.L2.02 Four-Way Match						
Туріс	cal Flow of Events						
	FFM Event	Non-FFM Event	Inj	put(s)	0	Output(s) / Outcome(s)	
1		 a. Receive notification of goods receipt b. Provide vendor (payee) information c. Create receipt of goods information (Receiving Report) (ACQ.040.020 Documentation of Delivery/Acceptance) 	•	Approved order or award Notification of receipt of vendor's goods	•	Vendor (payee) information Receipt of goods information (Receiving Report)	
2	 a. Receive and update vendor (payee) information b. Receive receipt of goods information (Receiving Report) c. Accrue the expense (FFM.090.030 Accrual and Liability Processing) 		•	Vendor (payee) information Receipt of goods information (Receiving Report) (FR)	•	Updated vendor (payee) information Appropriate accrual liability GL entries created with reference to source information	
3	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (FFM.090.020 General Ledger Posting)		•	GL entries	•	Appropriate GL accounts updated (FR)	



Budget Formulation-to-Execution Procure Procure Pay Bill-to-Collect Report Regimburse Apply-to-Reimburse Report Reference Perform Retire Report Repor

040.FFM.L2.02 Four-Way Match	
Typical Flow of Events	

Typic	cal Flow of Events			
<i>3</i> 1°	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
4		 a. Receive notification some, but not all, of the goods received were accepted by Requestor 1 b. Receive notification all of the goods received were accepted by Requestor 2 c. Provide vendor (payee) information d. Create an acceptance report for Requestor 1 e. Create an acceptance report for Requestor 2 (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Approved order or award Notifications of acceptance/non- acceptance of vendor's goods Receipt of goods information (Receiving Report) 	 Vendor (payee) information Requestor 1 acceptance report information Requestor 2 acceptance report information
5	 a. Receive and update vendor (payee) information b. Receive acceptance report information c. Adjust the accrued expense (FFM.090.030 Accrual and Liability Processing) 		 Vendor (payee) information Requestor 1 acceptance report information (FR) Requestor 2 acceptance report information (FR) 	 Updated vendor (payee) information Appropriate accrual adjustment GL entries created with reference to source information
6	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (FFM.090.020 General Ledger Posting)		GL entries	Appropriate GL accounts updated (FR)



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040.FFM.L2.02 Four-Way Match

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туріс	al Flow of Events					
	FFM Event	Non-FFM Event	Inp	ut(s)	0	output(s) / Outcome(s)
7		 a. Receive vendor invoice information from an OMB-approved electronic invoicing solution b. Receive notification of Program Office acceptance of vendor invoice unaware some of the goods were not accepted (ACQ.040.020 Documentation of Delivery/Acceptance) 	•	Vendor invoice information Receipt information (Receiving Report) Approved order or award	•	Accepted vendor invoice information
8	 a. Receive accepted vendor invoice information from OMB-approved electronic invoicing solution b. Perform a four-way match of invoice, award, receipt of goods (Receiving Report), and acceptance information (FFM.030.070 Payment Processing - Commercial Payments) 		•	Accepted vendor invoice information Requestor 1 acceptance report information Requestor 2 acceptance report information Receipt of goods information (Receiving Report) Approved order or award information	•	Unsuccessful four-way match Invalidated vendor invoice



Budget Formulation-to-Execution Dispose Procure Procure Pay Sill-to-Pay Record-to-Report Record-to-Reimburse Perform Reimburse Report Remove Record-to-Reimburse Report Reimburse Report Remove Record-to-Reimburse Report Record-to-Reimburse Remove Record-to-Reimburse Record-to-Reimburse Remove Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Record-to-Reimburse Record-to-Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Reimburse Record-to-Rec

	FFM.L2.02 Four-Way Mat cal Flow of Events			
71		Non-FFM Event	Input(s)	Output(s) / Outcome(s)
		 a. Request corrected invoice reflecting results of acceptance reports b. Receive vendor corrected invoice information from an OMB-approved electronic invoicing solution c. Receive notification of Program Office acceptance of corrected vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Invalidated vendor invoice Requestor 1 acceptance report information Requestor 2 acceptance report information Receipt of goods information (Receiving Report) 	 Request to vendor for corrected invoice Accepted corrected vendor invoice information
0	 a. Receive accepted corrected vendor invoice information from OMB-approved electronic invoicing solution b. Perform a four-way match of corrected invoice, award, receipt of goods (Receiving Report), and acceptance report information (FFM.030.070 Payment Processing - Commercial Payments) 		 Accepted corrected vendor invoice information Requestor 1 acceptance report information Requestor 2 acceptance report information Receipt of goods information (Receiving Report) Approved order or award information 	 Successful four-way match Validated corrected vendor invoice information
1		Request funds availability check (ACQ.040.020 Documentation of Delivery/Acceptance)	Validated corrected vendor invoice information	Request for funds availability check



Budget Formulation to Dispose Request-to-Procure Procure Report Reimburse Report Reimburse Report Reimburse Report Remburse Report Reimburse Report Remburse Remburse Report Remburse Rembur

040.FFM.L2.02 Four-Way Match **Typical Flow of Events** FFM Event Non-FFM Event Output(s) / Outcome(s) Input(s) 12 Receive and process request Request for funds Funds availability response for funds availability check availability check (FFM.010.020 Fund Allocation and Control) 13 a. An unexpected change in Vendor (payee) information Funds availability response personnel results in the Validated corrected vendor Request for payment of delayed approval of the approved vendor invoice invoice corrected invoice b. Provide vendor (payee) information c. Request payment of approved vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) a. Receive and update vendor 14 Vendor (payee) information • Updated vendor (payee) (payee) information information (FFM.030.010 Payee Setup Request for payment of Appropriate payable GL and Maintenance) approved vendor invoice entries created with b. Receive and process reference to source request for payment of information **Current Prompt Payment** approved vendor invoice, interest rate (FR) Payment transaction including retrieving current Appropriate obligation Prompt Payment interest liquidation GL entries rate and calculating late created with reference to payment interest and source information penalties, payment date, and total amount due to Appropriate accrual vendor reversal GL entries created with reference to source (FFM.030.070 Payment information Processing - Commercial Payments)



Budget Formulation-to-Dispose Request-to-Procure Procure Record-to-Report Remburse Record-to-Remburse Reply-to-Remburse Report Report Report Reply-to-Remburse Report Repo

ical Flow of Events				
FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)	
c. Confirm difference be expenditure amount a obligation amount doe exceed tolerance percentage/amount	and			
(FFM.030.020 Obliga Management)	tion			
 d. Establish payable and generate payment transaction 	d			
(FFM.030.070 Payme Processing – Comme Payments)				
e. Liquidate obligation (FFM.030.020 Obliga	K			



Budget
Formulation-toExecution

Request-toProcure

Request-toProcure

Reply-toReimburse

Request-toProcure

Reply-toReimburse

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Reply-to

040.FFM.L2.02 Four-Way Match

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
15	a. If appropriate, warehouse payment transaction until time for disbursement		Payment transactionDisbursement confirmation	
	(FFM.030.110 Payment Disbursement)		information	 Appropriate payable GL entries liquidated with reference to source
	b. Generate disbursement schedule			information
	(FFM.030.110 Payment Disbursement)			 Appropriate disbursement- in-transit GL entries created with reference to source
С	c. Certify payment of disbursement schedule			information
	(FFM.030.110 Payment Disbursement)			 Appropriate disbursement- in-transit GL entries liquidated with reference to
	d. Receive confirmation of			source information
	disbursement (FFM.030.120 Payment Confirmation)			 Appropriate disbursement GL entries created with reference to source information
				 Vendor receives payment, including late payment interest and penalties



Budget Formulation-to-Execution Procure Procure Pay Sill-to-Pay Record-to-Report Report Refine Procure Report Report Record-to-Remburse Report Refine Refine Refine Refine Refine Report Refine Refine

040.FFM.L2.03 Purchase Card

End-to-End Business Process: 040 Procure-to-Pay

Business Scenario(s) Covered

- Purchase Card Purchase of Operating Materials and Supplies
- Two-way Match
- No-way Match

Business Actor(s)

Purchase Card Account Holder; Approving Official; Finance Office; Vendors; Charge Card Issuer Company

Synopsis

Two requests for items within the threshold of a purchase card are submitted by a Program Office employee. The requests to purchase the items are authorized and one of the purchase requests requires an obligation of funds prior to purchase. The items are ordered by the Program Office administrative assistant who is a designated Purchase Card Account Holder. The items are delivered to the Program Office. The charge card account statement is received and is reconciled with the Program Office's purchase card receipts without discrepancies. The charge card account statement is approved and payment is made to the Charge Card Issuer Company.

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 agency has conducted risk analysis to determine appropriate dollar threshold for obligating funds in FM System prior to purchase card use and communicated the agency's policy to all Program Offices.



Budget Formulation-to-Execution Dispose Procure Procure Pay Bill-to-Report Record-to-Reimburse Report Reference Report Reference Report Reference Reference Report Reference Ref

040.FFM.L2.03 Purchase Card

- 2.2. The agency has documentation of the appointment or designation of the purchase card account holder and completion of periodic purchase card account holder training.
- 2.3. The purchase card transactions are within the agency-defined single purchase spending limit and monthly purchase spending and transaction limits for the purchase card account.
- 2.4. The item vendors do not fall under a blocked merchant category code (MCC).
- 2.5. When the government established the contract with the charge card issuer company, the company established and keeps up-to-date its entity and payment information in the GSA System for Award Management (SAM). The most current company information is retrieved from GSA SAM using the charge card issuer company's Unique Entity Identifier (UEI) provided with obligation and payment requests.
- 2.6. The agency is not using a charge card "Daily Pay" capability and has a policy requiring review and approval of charge card account statement transactions before a payable is established.

Federal Records Management

- 3.1. In accordance with National Archives General Records Schedules (GRS) and other Federal records management standards, 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 they stand out as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.
- 3.2. For each type of FFM Federal record, a retention period is established (ERM.010.030) and, if special circumstances occur such as an order, law, or business justification, a temporary Federal records retention period is changed (ERM.030.040) or a permanent Federal record 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 litigation hold is placed, the Federal record is locked down until the litigation 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 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 disposed (ERM.030.010, ERM.030.020, ERM.030.030) or transferred to NARA (ERM.040.010, ERM.040.020, ERM.040.030).

FFMSR ID Reference(s): 1.1.2; 2.1.2; 2.2.1; 2.2.2

Initiating Event: Two requests for items within the threshold of a purchase card are submitted by a Program Office employee.



Budget Formulation to Dispose Procure to Pay Request-to-Collect Report Refine Perform Refine Report Remburse Report Remburse Report Remburse Report Remburse Report Remburse Remburse Remburse Report Remburse Rem

Use	Use Case 040.FFM.L2.03 Purchase Card						
Тур	ical Flow of Events						
	FFM Event		Input(s)	Output(s) / Outcome(s)			
1		 a. Receive two requests to purchase items within the threshold of a purchase card b. Perform market research and identify vendors and prices of items to satisfy Purchase Request 1 and Purchase Request 2 c. Request funds availability check for Purchase Request 2 (Program Mission Activity) 	Two purchase requests for items within the threshold of a purchase card	 Purchase Request 1 vendor and price information Purchase Request 2 vendor and price information Request for funds availability check 			
2	Receive and process request for funds availability check (FFM.010.020 Funds Allocation and Control)		Request for funds availability check	Funds availability response			
3		 a. Receive authorization from Approving Official to purchase items b. Order and pay for Purchase Request 1 items using purchase card c. Request obligation of funds for Purchase Request 2 which meets threshold for requiring an obligation of funds d. Order and pay for Purchase Request 2 items using purchase card (Program Mission Activity) 	 Funds availability response Purchase Request 1 vendor and price information Purchase Request 2 vendor and price information 	Request to obligate funds for Purchase Request 2, including charge card issuer company's UEI			



Budget
Formulation-toExecution

Acquire-toDispose

Acquire-toProcure

Procure-toPay

Bill-toCollect

Report

Record-toReport

Rejemburse

Apply-toPerform

Apply-toReimburse

Refuse

Report

Report

Report

Report

Report

Report

Refuse

Refuse

Refuse

Report

Refuse

Use	Use Case 040.FFM.L2.03 Purchase Card					
Тур	oical Flow of Events					
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)		
4	a. Retrieve company information from GSA SAM using UEI, and update charge card issuer company (payee) information		 Request to obligate funds for Purchase Request 2, including charge card issuer company's UEI (FR) 	 Updated charge card issuer company (payee) information Appropriate obligation GL entries created with 		
	(FFM.030.010 Payee Setup and Maintenance)			reference to source documentation		
	b. Receive and process request to obligate funds for Purchase Request 2					
	(FFM.030.020 Obligation Management)					
5	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger		GL entries	Appropriate GL accounts updated (FR)		
	(FFM.090.020 General Ledger Posting)					



Budget Formulation to Dispose Procure to Pay Request-to-Collect Report Refine Perform Refine Report Remburse Report Remburse Report Remburse Report Remburse Report Remburse Remburse Remburse Report Remburse Rem

Us	e Case 040.FFM.L2.03 Pu	rchase Card		
Тур	oical Flow of Events			
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
6		 a. Receive charge card account statement and request Program Office reconciliation against purchase card requests and receipts b. Receive Program Office validation of charge card account statement transactions c. Request funds availability check (ACQ.050.030 Purchase Card Reconciliation) 	 Charge card account statement Program Office validation of charge card account statement transactions 	 Validated charge card account statement Request for funds availability check
7	Receive and process request for funds availability check (FFM.010.020 Funds Allocation and Control)		Request for funds availability check	Funds availability response
8		 a. Approve charge card account statement b. Request payment of charge card account statement (ACQ.050.030 Purchase Card Reconciliation) 	 Funds availability response Validated charge card account statement 	 Approved charge card account statement Request for payment of approved charge card account statement, including charge card issuer company's UEI
9	a. Retrieve company information from GSA SAM using UEI, and update charge card issuer company (payee) information		Request for payment of approved charge card account statement, including charge card issuer company's UEI (FR)	 Updated charge card issuer company (payee) information Appropriate payable GL entries created with



Budget Formulation to Dispose Request-to-Procure Procure Report Reimburse Report Reimburse Report Reimburse Report Remburse Report Reimburse Report Remburse Remburse Report Remburse Rembur

cal Flow of Events			
FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
(FFM.030.010 Pay and Maintenance)	ee Setup	 Current Prompt Payment interest rate (FR) 	reference to source information
b. Receive and proce			 Payment transaction
request for payme approved charge of account statement including determin whether to acceler payment, execute discounted early por include late pay interest and penalt retrieving current Payment interest realculating payment and total amount of charge card issuer company	ard , ing ate ayment, ment ies, Prompt ate, and nt date ue to		Appropriate obligation liquidation GL entries created with reference to source information
(FFM.030.070 Pay Processing – Com Payments)			
c. Complete two-way between charge ca account statement Purchase Request obligation informat match found for PuRequest 1)	and 2 on (no		
 d. Confirm difference expenditure amour Purchase Request obligation amount 	nt and 2		



Budget Formulation-to-Execution Procure Pay Soll-to-Pocure Request-to-Procure Report Report Report Remburse Remburs

pical Flow of Events				
FFM	Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
_	cceed tolerance ercentage/amount			
•	FM.030.020 Obligation anagement)			
ge	stablish payable and enerate payment ansaction			
Ρ̈́r	FM.030.070 Payment rocessing – Commercial ayments)			
	quidate obligation for urchase Request 2			
•	FM.030.020 Obligation anagement)			



Budget
Formulation-toExecution

Acquire-toDispose

Acquire-toProcure

Procure-toPay

Bill-toCollect

Record-toReport

Report

Apply-toReimburse

Apply-toReimburse

Apply-toReimburse

Report

Repor

Use	Use Case 040.FFM.L2.03 Purchase Card						
Тур	ical Flow of Events						
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)			
10	 a. If appropriate, warehouse payment transaction until time for disbursement (FFM.030.110 Payment Disbursement) b. Generate disbursement schedule (FFM.030.110 Payment Disbursement) c. Certify payment of disbursement schedule (FFM.030.110 Payment Disbursement) d. Receive confirmation of disbursement (FFM.030.120 Payment Confirmation) 		 Payment transaction Disbursement confirmation information 	 Certified disbursement schedule (FR) Appropriate payable GL entries liquidated with reference to source information Appropriate disbursement-in-transit GL entries created with reference to source information Appropriate disbursement-in-transit GL entries liquidated with reference to source information Appropriate disbursement GL entries created with reference to source information Appropriate disbursement GL entries created with reference to source information Charge card issuer 			
				company receives payment			
11	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (FFM.090.020 General Ledger Posting)		GL entries	Appropriate GL accounts updated (FR)			



Budget Formulation-to-Execution Acquire-to-Dispose Procure Pay Sill-to-Collect Report Record-to-Reimburse Perform Reference Report Report Report Report Report Remarks Record-to-Remarks Record-to-Record-to-Remarks Record-to-Remarks Record-to-Remarks Record-to-Record-to-Remarks Record-to-Remarks Record-to-Remarks Record-to-Record-to-Remarks Record-to-Remarks Record-to-Remarks Record-to-Rec

040.FFM.L2.04 Novation

End-to-End Business Process: 040 Procure-to-Pay

Business Scenario(s) Covered

Novation

Business Actor(s)

Procurement Office, Finance Office; Vendor

Synopsis

A partial delivery of goods and services is completed by Vendor 1 in accordance with Vendor 1's order or award. The delivered goods and services are accepted by the government. Vendor 1 is acquired by Vendor 2 and a novation request is submitted by Vendor 1 to the government along with an invoice for Vendor 2 to be paid for the accepted goods and services. After more information is requested and received from Vendor 1 and 2, it is determined to be in the government's best interest to accept the novation request. A novation agreement and an order/award modification are executed. The outstanding order/award obligation and acceptance liability accrual are re-assigned to Vendor 2 and the payment for the resubmitted invoice is made to Vendor 2.

Assumptions and Dependencies

<u>General</u>

- 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 has already ordered the goods and services and established an obligation in the FM system.
- 2.2. The order/award with Vendor 1 is not completely fulfilled with the delivery of goods and services by Vendor 1.
- 2.3. The contracting officer assigned to Vendor 1's order/award is also assigned the responsibility for Vendor 2's order/award.



040.FFM.L2.04 Novation

- 2.4. No comments or objections to the proposed novation are received after notification to the contract administration office and contracting office affected by a proposed novation.
- 2.5. Government counsel reviewed novation agreement for legal sufficiency and found no issues.
- 2.6. Vendors are established in the GSA System for Award Management (SAM) and in the Acquisition (ACQ) system. The vendor information is provided by the ACQ system to the FM system.
- 2.7. Neither vendor is on the Do Not Pay list.
- 2.8. Tolerance percentages or amounts between expenditure and obligation amounts have been established.

Federal Records Management

- 3.1. In accordance with National Archives General Records Schedules (GRS) and other Federal records management standards, 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 they stand out as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.
- 3.2. For each type of FFM Federal record, a retention period is established (ERM.010.030) and, if special circumstances occur such as an order, law, or business justification, a temporary Federal records retention period is changed (ERM.030.040) or a permanent Federal record 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 litigation hold is placed, the Federal record is locked down until the litigation 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 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 disposed (ERM.030.010, ERM.030.020, ERM.030.030) or transferred to NARA (ERM.040.010, ERM.040.020, ERM.040.030).

FFMSR ID Reference(s): 1.1.2; 1.1.4; 2.1.2; 2.2.1; 2.2.2

Initiating Event: The government receives and accepts a partial delivery of goods and services from Vendor 1.



Budget Formulation-to-Execution Procure Procure Pay Bill-to-Report Region Record-to-Reimburse Report Reference Reference Reference Report Reference Report Reference Referen

Use Case 040.FFM.L2.04 Novation Typical Flow of Events

Тур	pical Flow of Events					
	FM Event	Non-FM Event	Input(s)	Output(s) / Outcome(s)		
1		 a. Receive information on receipt and acceptance of partial delivery of Vendor 1 goods and services b. Provide Vendor 1 (payee) information c. Request liability accrual for goods and services accepted from Vendor 1 (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Approved order or award Receipt and acceptance of goods and services information (receiving report, if used) 	 Vendor 1 (payee) information Request to process liability accrual for Vendor 1 goods and services 		
2	 a. Receive and update Vendor 1 (payee) information (FFM.030.010 Payee Setup and Maintenance) b. Receive and process request for liability accrual (FFM.090.030 Accrual and Liability Processing) 		 Vendor 1 (payee) information^(FR) Request to process liability accrual for Vendor 1 goods and services^(FR) 	 Updated Vendor 1 (payee) information Appropriate liability accrual 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)		



Budget Formulation-to-Execution Procure Procure Pay Sill-to-Pay Report Report Report Remburse Report Refire Report Refire Report Report Remburse Report Report Remburse Report Refire Report Remburse Remburse Report Remburse R

	JSE CASE 040.FFIVI.LZ.04 NOVALION				
Typ	ical Flow of Events				
	FM Event	Non-FM Event	Input(s)	Output(s) / Outcome(s)	
4		 a. Receive novation request from Vendor 1 (ACQ.040.030 Contract Modification) b. Request additional documentation from Vendor 1 and 2 necessary to evaluate the proposed agreement and recognize Vendor 2 as a successor in interest (ACQ.040.030 Contract Modification) c. Receive Vendor 2 invoice information for the approved goods and services from an OMB-approved electronic invoicing solution (ACQ.040.020 Documentation of Delivery/Acceptance) d. Reject the Vendor 2 invoice submission pending evaluation of the novation request (ACQ.040.020 Documentation of Delivery/Acceptance) Documentation of Delivery/Acceptance) 	 Novation request from Vendor 1 Vendor 2 invoice information Vendor 2 (payee) information 	 Request to Vendor 1 and 2 for additional documentation necessary to evaluate the proposed agreement and recognize Vendor 2 as a successor in interest Rejected Vendor 2 invoice information 	



Use Case 040.FFM.L2.04 Novation Typical Flow of Events **FM Event** Non-FM Event Input(s) Output(s) / Outcome(s) 5 a. Receive and evaluate Additional documentation Executed novation additional documentation necessary to evaluate the agreement supporting Vendor 1's proposed agreement and Vendor 1 order or award novation request recognize Vendor 2 as a modification incorporating a successor in interest b. Notify affected stakeholders, summary of the novation complete the novation agreement and recognizing request evaluation, Vendor 2 as successor determine that recognizing Vendor 1 (payee) Vendor 2 as a successor in information interest is in the government's interest, and Request to deobligate funds execute novation agreement associated with Vendor 1 unfilled order c. Issue modification to Vendor 1 order or award to Vendor 2 (payee) incorporate a summary of information the novation agreement and Request to obligate funds recognize Vendor 2 as associated with Vendor 2 successor d. Provide Vendor 1 (payee) information e. Request unfilled order deobligation of funds associated with Vendor 1 f. Provide Vendor 2 (payee) information

g. Request obligation of funds associated with Vendor 2

(ACQ.040.030 Contract

Modification)



Budget Formulation-to-Execution Procure Procure Procure Pay Sill-to-Report Regulation Report Remburse Report Relimburse Report R

•	OSC OASC OTO.1 1 WI.LZ.OT NOVALION					
Typ	pical Flow of Events					
	FM Event	Non-FM Event	Input(s)	Output(s) / Outcome(s)		
6	 a. Receive and update Vendor 1 (payee) information (FFM.030.010 Payee Setup and Maintenance) b. Receive and process request to deobligate funds associated with Vendor 1 unfulfilled order (FFM.030.020 Obligation Management) c. Receive and update Vendor 2 (payee) information (FFM.030.010 Payee Setup and Maintenance) d. Receive and process request to obligate funds associated with Vendor 2 (FFM.030.020 Obligation Management) 		 Vendor 1 (payee) information (FR) Request to deobligate funds associated with Vendor 1 unfilled order (FR) Vendor 2 (payee) information (FR) Request to obligate funds associated with Vendor 2 (FR) 	deobligation GL entries created with reference to source information Updated Vendor 2 (payee) information		
7	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) 		



ypical Flow of Events					
FM Event	Non-FM Event	Input(s)	Output(s) / Outcome(s)		
8	a. Receive and accept resubmitted Vendor 2 invoice information from an OMB- approved electronic invoicing solution b. Provide Vendor 1 (payee) information c. Request reversal of liability accrual associated with Vendor 1 d. Provide Vendor 2 (payee) information e. Request liability accrual for previously accepted goods and services be associated with Vendor 2 (ACQ.040.020 Documentation of Delivery/Acceptance)	Vendor 1 order or award modification incorporating a summary of the novation	 Accepted resubmitted Vendor 2 invoice information Updated Vendor 1 (payee) information Request for reversal of liability accrual associated with Vendor 1 Updated Vendor 2 (payee) information Request for liability accrual to be associated with Vendor 2 for goods and services previously accepted 		



Budget
Formulation-toExecution

Acquire-toDispose

Acquire-toProcure

Procure-toPay

Bill-toCollect

Report

Record-toReport

Rejemburse

Apply-toPerform

Apply-toReimburse

Refuse

Report

Report

Report

Report

Report

Report

Refuse

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Report

Refuse

Тур	ypical Flow of Events				
	FM Event	Non-FM Event	Input(s)	Output(s) / Outcome(s)	
9	 a. Receive and update Vendor 1 (payee) information (FFM.030.010 Payee Setup and Maintenance) b. Receive and process request for reversal of liability accrual associated with Vendor 1 (FFM.090.030 Accrual and Liability Processing) c. Receive and update Vendor 2 (payee) information (FFM.030.010 Payee Setup and Maintenance) d. Receive and process request for liability accrual to be associated with Vendor 2 (FFM.090.030 Accrual and Liability Processing) 		 Updated Vendor 1 (payee) information (FR) Request for reversal of liability accrual associated with Vendor 1 (FR) Updated Vendor 2 (payee) information (FR) Request for liability accrual to be associated with Vendor 2 for goods and services previously accepted (FR) 	 Updated Vendor 1 (payee) information Appropriate accrual liability reversal GL entries for Vendor 1 created with reference to source documentation Updated Vendor 2 (payee) information Appropriate accrual liability GL entries for Vendor 2 created with reference to source documentation 	
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)	



Acquire-toprocure Pay Collect Report Record-to-Report Remburse Perform Retire Redire

Тур	Typical Flow of Events						
	FM Event	Non-FM Event	Input(s)	Output(s) / Outcome(s)			
11	Receive accepted Vendor 2 invoice information from OMB-approved electronic invoicing solution and perform a three-way match (FFM.030.070 Payment Processing - Commercial Payments)		 Accepted resubmitted Vendor 2 invoice information Receipt and acceptance of goods and services information (receiving report, if used) Vendor 1 order or award modification incorporating a summary of the novation agreement and recognizing Vendor 2 as successor 	 Successful three-way match Validated Vendor 2 invoice information 			
12		Request funds availability check for validated Vendor 2 invoice (ACQ.040.020 Documentation of Delivery/Acceptance)	Validated Vendor 2 invoice information	Request for funds availability check			
13	Receive and process request for funds availability check (FFM.010.020 Fund Allocation and Control)		Request for funds availability check	Funds availability response			
14		 a. Approve resubmitted Vendor 2 invoice b. Provide Vendor 2 (payee) information c. Request payment of approved vendor invoice (ACQ.040.020 Documentation of Delivery/Acceptance) 	 Funds availability response Validated Vendor 2 invoice information 	 Vendor 2 (payee) information Approved Vendor 2 invoice information Request for payment of approved vendor invoice 			
15	a. Receive and update Vendor 2 (payee) information (FFM.030.010 Payee Setup and Maintenance)		 Vendor 2 (payee) information (FR) Request for payment of approved vendor invoice (FR) 	 Updated vendor 2 (payee) information Appropriate payable GL entries created with 			



Typi	ical	Flow	of	Events	

F۱	/I Event	Non-FM Event	Input(s)	Output(s) / Outcome(s)
b.	Receive and process request for payment of		Current Prompt Payme interest rate (FR)	nt reference to source information
	approved vendor invoice,			 Payment transaction
	including determining whether to accelerate payment, execute discounted early payment, or include late payment interest			 Appropriate obligation liquidation GL entries created with reference to source information
	and penalties, retrieving current Prompt Payment interest rate, and calculating payment date and total amount due to vendor (FFM.030.070 Payment Processing - Commercial Payments)			Appropriate accrual reversible GL entries created with reference to source information
C.	Confirm difference between expenditure amount and obligation amount does not exceed tolerance percentage/amount (FFM.030.020 Obligation Management)			
d.	Establish payable and generate payment transaction			
	(FFM.030.070 Payment Processing - Commercial Payments)			
e.	Liquidate obligation			



Budget Formulation-to-Execution Dispose Procure Procure Pay Bill-to-Pay Agree-to-Reimburse Perform Hire-to-Reimburse Record-to-Reimburse Record-to-Reimburse Repay Procure Remains Record-to-Remains Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Repay Record-to-Reimburse Record-to-Reimburse Record-to-Remains Rec

	T : LEL (E 1					
Тур	ypical Flow of Events					
	FM Event	Non-FM Event	Input(s)	Output(s) / Outcome(s)		
	(FFM.030.020 Obligation Management)					
16	 a. If appropriate, warehouse payment transaction until time for disbursement (FFM.030.110 Payment Disbursement) b. Generate disbursement schedule (FFM.030.110 Payment Disbursement) c. Certify payment of disbursement schedule (FFM.030.110 Payment Disbursement) d. Receive confirmation of disbursement (FFM.030.120 Payment Confirmation) 		 Payment transaction Disbursement confirmation information 	 Certified disbursement schedule (FR) Appropriate payable GL entries liquidated with reference to source information Appropriate disbursement-in-transit GL entries created with reference to source information Appropriate disbursement-in-transit GL entries liquidated with reference to source information Appropriate disbursement GL entries created with reference to source information Vendor 2 receives payment 		
17	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)		



Budget
Formulation-toDispose
Procure
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Procure-toPay
Procure-toPay
Record-toReport
Report
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Record-toRemburse
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Appendix A: FFM Business Use Case Library Documents

Library Document Content

010 Budget Formulation-to-Execution

020 Acquire-to-Dispose

030 Request-to-Procure

040 Procure-to-Pay

050 Bill-to-Collect

060 Record-to-Report

070 Agree-to-Reimburse

080 Apply-to-Perform

090 Hire-to-Retire

100 Book-to-Reimburse

110 Apply-to-Repay

Business Use Case Document Name

FFM Business Use Case Library Overview

FFM Use Cases 010 Budget Formulation-to-Execution

FFM Use Cases 020 Acquire-to-Dispose

FFM Use Cases 030 Request-to-Procure

FFM Use Cases 040 Procure-to-Pay

FFM Use Cases 050 Bill-to-Collect

FFM Use Cases 060 Record-to-Report

FFM Use Cases 070 Agree-to-Reimburse

FFM Use Cases 080 Apply-to-Perform

FFM Use Cases 090 Hire-to-Retire

FFM Use Cases 100 Book-to-Reimburse

FFM Use Cases 110 Apply-to-Repay