

OFFICE OF THE GENERAL COUNSEL
Division of Operations-Management

MEMORANDUM OM 91-104

December 12, 1991

TO: All Office Managers

FROM: William G. Stack, Deputy Associate General Counsel

SUBJECT: Implementation of the Regional Office Budgeting System (ROBS)

By now you should have had an opportunity to develop a working knowledge of the Regional Office Budgeting System (ROBS).

In essence, ROBS is designed to provide you with a current and immediate overview of all projected obligations and actual expenditures, and all available funds for the Region for the quarter. A series of reports provides you with timely and accurate access to all Regional budgeting information. Transfers of funds among various categories of expenses have been automated as has the process of requesting additional funds from Washington. Further, Regional data will be transmitted to Washington on a regular basis so that budgeting functions can be carried out more efficiently. For example, it should no longer be necessary for Washington to request separate cost estimates and expenditures information during the last months of a fiscal year.

We have received a number of excellent suggestions and comments from the Office Managers regarding ROBS. In addition, a number of questions have been raised regarding the operation of ROBS in relation to the modifications announced by our Finance Branch regarding Agency accounting procedures and reports. This memorandum will focus upon the relationship of the ROBS to the Agency's accounting system, and provide you with specific guidance regarding the process of obligating certain types of expenditures in ROBS so as to permit for the reconciliation of expenditures as required by Finance.

Initially, it should be noted that ROBS is the Agency's first attempt to fully automate the management and planning of Regional expenditures. Accordingly, we expect that a number of questions and possible improvements to the system will be identified in the next several months, as we all become familiar with the system. Further, as is the case with any new system, the first few weeks of operation will be the most intensive and difficult for you, as you spend the time necessary to learn and master the intricacies

of the program. We expect that the time required for ROBS will decrease with practice on your part. Office Managers who have had the time to work with ROBS have already communicated their enthusiasm for the system.

There are also a number of significant modifications underway to the Agency's accounting system, which affect you and the Regions in general. These were explained to you at the Office Managers Conference by the head of our Finance Branch, Karl Rohrbaugh. Once again, these changes require an initial expenditure of effort and time on your part. The changes are intended to improve the accuracy and validity of the Agency's accounting procedures.

Ultimately both ROBS and the recently announced changes to our accounting procedures are intended to improve the quality of the Agency's financial information while streamlining the reports and time required of you to manage the Region's budget. In working with these two systems, it is important to understand the fundamental difference in what we are attempting to accomplish with ROBS and the Agency's accounting system. Specifically, ROBS is an automated program dedicated to the management and planning of your Regional budget expenditures. Thus, this system focuses upon the present, i.e., expenses as they are obligated, and the future, i.e., the availability of funds for the remainder of the quarter. The accounting procedures and reports which have been introduced by Finance focuses upon the past, i.e., the timely and accurate verification of past actual expenditures.

It appears that the November 4, 1991 memorandum from Karl Rohrbaugh regarding Regional obligations has raised a number of questions regarding the application of the guidance provided in the November 4 memorandum to ROBS. Initially, it should be noted that the November 4 memorandum was in furtherance of the information conveyed to you orally at the Office Managers Conference to the effect that the Form NLRB 4369 Report on Obligations (10-day report) was no longer necessary. The instructions in the November 4 memorandum are intended to provide information to Finance in lieu of the 10-day report. Thus, only those areas of obligation identified in the November 4 memorandum need be reported to Finance in the future.

It is also important to note that the estimated obligations which are requested in the November 4 memorandum were not intended in any way to affect our ability under ROBS to transfer funds among the various categories of allocation, as needed. Thus, for example, under the previous 10-day report system, if you had obligated one-third of your travel funds on a monthly basis on your 10-day report, this obligation for purposes of the 10-day report would not affect, in any way, our ability to transfer your allocated travel funds into reporting, for example, if the estimated amount of obligation was not actually needed for travel by the Region. The same holds true under ROBS. Thus, if you estimate a certain amount of travel for Finance purposes, and if, in fact, the travel does not occur, we retain the same degree of

flexibility under ROBS as we had previously to transfer those funds to another category where they are needed. Finance requires the estimated obligations from you in order to have a basis against which the actual expenditures may be deducted. However, Finance recognizes that the information you provided represents an estimate, or your best judgment of the obligation for the specific period of time.

With those general principles in mind, let us turn to the specific areas of obligation identified in the November 4 memorandum.

Court Reporting

A number of you commented that the figures provided by Finance with respect to your quarterly allocation for Court Reporting did not comport with the allocation figure you received in OM 91-100. We have discussed this with Finance and agree that for purposes of ROBS, the figure provided to you in OM 91-100 is controlling. Further, the requirements of the November 4, 1991 Finance memorandum have been modified so that the court reporting estimate should be provided on a monthly basis. This more limited period should assist in the accuracy of your estimate.

With respect to ROBS, the estimated monthly obligation provided to Finance does not provide the Regions or Operations-Management with sufficient detail to be able to monitor and plan expenses. Accordingly, under ROBS, you should continue the established practice of obligating each specific hearing on an individual basis, and liquidating the obligation by entering the actual expenditure at the time of receipt of the billing invoice.

You will receive monthly RIC 0049 and 0118 reports from Finance which will utilize the Region's specific reporting contract number as the obligating document number. For example, if 42 1-C00278 is your Region's complete contract number, then 42 1-C00278 will be used throughout the fiscal year as the obligating document number for Finance purposes.

However, for purposes of ROBS, and given the frequent occurrence of hearing obligations within each Region, the Region will need to sequentially number each hearing so that a specific obligation for an individual hearing can be created and liquidated at the time that the invoice for that hearing is received. The ROBS has a 10 character limit on the obligation code. Accordingly, for purposes of ROBS and your reconciliation with the RIC reports, the essential numbers are:

the first 2 digits, which represent the document type,
and the last three digits, which identify the specific
contract.

Accordingly, for purposes of ROBS, the middle four characters can be deleted. Thus, for purposes of the entry of a reporting obligation in ROBS 42 1C0027801 (01 represents the first hearing of the year) becomes:

4227801

Explanation:

Document type 42/Contract number 278/obligation number 1/.

Keep in mind, however, that the official obligation number and the obligation number that will appear on the RIC report in this instance will be the complete number: 42 1C00278. (Also, when entering an OD number, do not include the spaces.)

Federal Express

Given the limited amounts of funds absorbed by this category of expenditure, you may obligate the entire projected amount of Federal Express expenditure for the quarter using the appropriate obligation number, for example, 48 92 19 111 (489219111), and then partially liquidate the obligation as each invoice is received during the quarter.

As an alternative, you may elect to individually obligate each Federal Express expenditure. Here again, given the 10-character limit on the obligation code, you will need to develop a short form reference number for individual obligations. In this instance, the first four digits are required for RIC reconciliation purposes. (The first 2 digits identify the document type, the next 2 the year in which the obligation was incurred.) The Region should also include its own Region number in each obligation. Thus, if Region 1 chose to individually obligate and sequentially identify its Federal Express expenditures, using the example provided above, the first obligation would be entered into ROBS as: 48920101.

Explanation:

Document type 48/incurred in FY 92/Region 1/Obligation number 1.

Given the small individual expenditures in this category, you may also choose to use the ROBS "direct pay" option, which automatically generates an obligation number to match the expenditure amount.

GSA Car Rental/Mileage

The Region generally obligates this figure on a monthly basis. Here again only the first 4 digits of the complete 8-digit obligation code are required for purposes of your reconciliation with the RIC reports. The first 2 digits represents the document type, the next 2 digits represents the year in which the obligation was incurred. Once again the Region may find it desirable to identify each obligation with its Region number and sequentially identify each monthly obligation. Accordingly, for ROBS purposes you may enter each month's GSA car/mileage

obligation by simply identifying the object class, year, Region number and the sequential number of the obligation.

Example: 51920101

Explanation:

Document Type 51/incurred in FY 92/Region 1/obligation number 1.

GSA Supplies

Generally, each purchase should be separately obligated. Here again the first 4 digits of the obligation code which identify the document type and year in which the obligation occurred are crucial for reconciliation with the monthly RIC reports. Accordingly, for ROBS purposes, these obligations may again be entered using the object class, year in which the obligation was incurred, Region number, and sequential number.

Example: 52920101

Explanation:

Document Type 52/incurred in FY 92/Region 1/obligation number 1.

Employee Travel

You may continue the practice of obligating these funds monthly. ROBS permits you to partially liquidate each month's obligation as individual employee travel vouchers are completed and submitted to Washington. In addition, the Finance Branch will send you copies of any adjustments made to employee vouchers made after your submission, to assist in reconciliation purposes. (In this regard, it is noted that adjustments to individual expenditure records can be made by invoking Option E of the ROBS main menu and then choosing Option 5 of the error correction/adjustment sub menu.) Thus, under ROBS, the complete obligation number can be entered and the obligation number will vary each month.

Example: 6292NOV19

Explanation:

Document Type 62/incurred in FY 92/month of November/Region 19.

The remaining obligations may be obligated as they occur, using the obligation identification guide provided to you at the Office Managers Conference.

Example: Interpreter/Translator Service/
489219111

Document Type 48/incurred in FY 92/Region 19/obligation number.

Questions regarding the RIC Reports and their reconciliation should be directed to Finance. Please contact your Assistant General Counsel with any questions you have concerning ROBS.


W.G.S.

