Treasury and OMB Guidance Related to Financial Statements, Budgetary Reporting, and USSGL

July 2021
Guidance Within Scope

• Treasury and OMB update the following guidance on an annual basis:
  – TFM 2-4700
  – OMB Circular A-136
  – OMB Circular A-11
  – USSGL TFM Supplement
Current Process and Targeted Timeframes

- Updates are based on lessons learned from previous fiscal year:
  - Monthly Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) Reporting
  - Agency Financial Statements
  - Governmentwide Financial Statements
  - President’s Budget and other legal budgetary reporting requirements

- Guidance is generally effective* on publication date, which gives agencies at most 3 months to implement for year-end

*In FY 2020, OMB and Treasury started to identify updates that were optional year 1 and required year 2.
Challenges with the Current Timeline

• Inconsistent publication timeframes
• Agencies are not given enough time to implement for 3rd quarter or even year-end
  – Drafts of guidance are changing while agencies are trying to finalize their templates for the current fiscal year
  – Guidance not given in time for 3rd quarter (June 30) financial statements
  – Agency auditors do most testing on 3rd quarter
Proposed Timeline and Process Changes

• Proposed new timeline gives agencies approximately 10 months to implement before year-end

• Identify significant changes that either require system changes and/or are significant process changes and make them optional in year 1 and required in year 2
  – Develop a template to help determine what constitutes a “significant change”
Proposed New Timeline

- Identify all FY 2021 Lessons Learned – 02/2022
- Work with agencies and auditors to identify changes needed to TFM 2-4700 and OMB A-136 – 03/2022 to 06/2022
- Review periods/clearances of guidance for FY 2023 TFM 2-4700 and OMB A-136 – 07/2022 to 09/2022
- Issue FY 2023 TFM 2-4700 – 11/16/2022
- USSGL Board Meeting and Issue USSGL TFM Supplement – 12/2022
- Issue FY 2023 OMB A-136 – Spring 2023

*The above dates are just used as an example for FY 2023 guidance as an example.*
Benefits of New Timeline

- New FY TFM 2-4700 guidance available the day after the prior FY financial statements are published
- USSGL crosswalks are published by the end of 1st quarter
- New FY OMB A-136 guidance available in the spring
- Agencies able to finalize current year financial statement templates in 2nd quarter
- 3rd quarter and year-end financial statements based on the same set of guidance
- Agency auditors should be able to do more audit work based on 3rd quarter
Other Proposed Improvements

• Approval of GTAS edit overrides for the 1st month, excluding period 12 and the following four critical edits:
  – Edit 1: Fund Balance with Treasury
  – Edit 2: Budgetary Resources = Status of Budgetary Resources
  – Edit 14: SF 133 Proofing
  – Edit 20: Outlay Reconciliation

• Provide additional reports/screen information on proposed analytical edits

• Hold agency specific topics at the end of the IRC meetings

• Hold GTAS discussions quarterly at the FMSC meetings

• Incorporate survey/polling questions into CRT and IRC meetings
Contact Information

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