

Identifying CIP Projects through Budgetary Reviews

Procedure No. 10.3.7.2

1.0 Overview

1.1 Procedure Summary

1.1.1 Annual appropriation budgets, regardless of source, must be evaluated timely and accurately to identify projects that contain capitalized personal property assets. The review of annual and subsequent increases and decreases to appropriation budgets is necessary in order for the Coast Guard to support the financial statement completeness assertion.

Note: This procedure also impacts Coast Guard Acquisition, Construction, and Improvement (AC&I) labor annual allocation rates. Refer to the *Financial Resource Management Manual – Procedures (FRMM-P)*, COMDTINST M7100.4 (series), Section 10.3.7.4, Cost Categorization of Personal Property Projects.

1.2 Inputs

1.2.1 Apportionment and Reapportionment Schedule, Form SF 132

1.3 Outputs

1.3.1 List of capitalized personal property projects identified during budget review (new starts and continuation funding)

1.3.2 Budget review certification memos for AFC-41, AFC-45, and C4IT budgets

1.4 Applications

1.4.1 Finance and Procurement Desktop (FPD)

1.5 Financial Statement Assertions

1.5.1 Completeness

1.5.2 Valuation

1.5.3 Rights and Obligations

2.0 References

2.1 *Financial Resource Management Manual – Procedures (FRMM-P)*, COMDTINST M7100.4 (series).

3.0 Document Retention

- 3.1** Project Managers/Resource Managers shall ensure audit-compliant evidential documentation is kept at appropriate levels to support appropriation budget reviews, related to their area of responsibility, for the life cycle of the asset plus three fiscal years.

4.0 Responsibilities

4.1 Project Managers/Resource Managers and Budget Review Boards are responsible for:

- 4.1.1 Ensuring annual reviews of all Coast Guard appropriation budgets (e.g., AC&I, operating expenses (OE)), as well as incremental increases and decreases, are completed in a timely manner and all Construction in Progress (CIP) projects are clearly identified;
- 4.1.2 Ensuring that reviews are adequately documented and evidential documentation is gathered and maintained at appropriate levels to support a complete review;
- 4.1.3 For centrally managed budgets (e.g., AFC-41, AFC-45, and C4IT), the annual review shall be documented via memorandum identifying all CIP projects. If no CIP projects exist within the budget, then a certification within the memo must state that no CIP projects were identified;
- 4.1.4 Forwarding the results of the budget review to the Commandant (CG-84) Capital Acquisition Team (CAT); and
- 4.1.5 Ensuring that audit-compliant evidential documentation is kept at appropriate levels to support appropriation budget reviews, related to their area of responsibility, for the life cycle of the asset plus three fiscal years.

4.2 Commandant (CG-83) is responsible for:

- 4.2.1 Sending all Apportionment and Reapportionment Schedule, Form SF 132, documents, including approved, signed, and dated financial plans for all Coast Guard appropriation budgets, to Project Managers/Resource Managers and Commandant (CG-842).

5.0 Procedure

- 5.1** Within five business days of receiving an approved Apportionment and Reapportionment Schedule, Form SF 132, Commandant (CG-83) shall ensure that Project Managers/Resource Managers and Commandant (CG-842) receive all Apportionment and Reapportionment Schedule, Form SF 132, documents, including approved, signed, and dated financial plans for all Coast Guard appropriation budgets.

Note: Refer to FRMM-P Section 10.3.7.4, Cost Categorization of Personal

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Property, Plant, and Equipment (PP&E)

Property Projects, for Commandant (CG-84) uses of the Apportionment and Reapportionment Schedule, Form SF 132, documents.

- 5.2** Project Managers/Resource Managers and Budget Review Boards shall review all Coast Guard appropriation budgets (e.g., AC&I, OE), as well as incremental increases and decreases under their responsibility, and identify all capitalized personal property projects. Project Managers/Resource Managers shall ensure that this is done within five business days of receiving Coast Guard appropriation budgets from Commandant (CG-83).
- 5.3** In cases where non-AC&I appropriations (e.g., OE or RDT&E) are used to fund capitalizable assets, Project Managers/Resource Managers and Budget Review Boards shall draft, sign, and date a memo to Commandant (CG-84) CAT certifying review of Coast Guard appropriation budgets under their responsibility. A list of all capitalized personal property projects that will have deliverable assets associated with the budget must be listed in the memo. For centrally managed budgets (e.g., AFC-41, AFC-45, and C4IT), the annual memo should contain a statement regarding the absence of any CIP projects if no CIP projects are identified during the budget review.
- 5.4** Project Managers/Resource Managers shall gather evidential documentation to support all capitalized personal property projects identified and to support complete review of Coast Guard appropriation budgets.
- 5.5** Projects Managers/Resource Managers shall forward the results of Coast Guard appropriation budget review to Commandant (CG-84) CAT upon completion.
- 5.6** Commandant (CG-84) CAT shall conduct a review of the appropriation budget review memos as follows:
 - 5.6.1** Quality check for general assuredness of Project Manager/Resource Manager budget reviews.
 - 5.6.2** All documents are properly approved and contain the appropriate signatures.
 - 5.6.3** Commandant (CG-84) CAT shall review the identified CIP projects to ensure that they are appropriately recorded as CIP projects in Oracle Projects. For all projects not yet recorded in Oracle Projects, a new CIP project will be established in accordance with FRMM-P Section 10.3.7.5 (Establishment of Personal Property Projects).
- 5.7** Project Managers/Resource Managers and Commandant (CG-84) shall ensure audit-compliant evidential documentation is kept at appropriate levels to support appropriation budget reviews, related to their area of responsibility, for the life cycle of the asset plus three fiscal years.

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Property, Plant, and Equipment (PP&E)**6.0 Acronym Listing**

<u>Acronym</u>	<u>Definition</u>
AC&I	Acquisition, Construction, and Improvement [appropriation]
AFC	Allowance Fund (Control) Code
C4IT	Command, Control, Communication, Computers, and Information Technology
CAT	Capital Acquisition Team
CG-83	Office of Resource Management
CG-842	Financial Reporting and Analysis Division
CIP	Construction in Progress
COMDTINST	Commandant Instruction
FPD	Finance and Procurement Desktop
FRMM-P	<i>Financial Resource Management Manual – Procedures</i>
OE	Operating Expenses [appropriation]
RDT&E	Research, Development, Test, and Evaluation

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