In Reply Refer to:
1372/3809 (OR-958.2/OR-932) P

December 24, 2002

EMS TRANSMISSION 12/26/2002
Instruction Memorandum No. OR-2003-026
Expires: 9/30/2004

To: Oregon/Washington District Managers

From: State Director

Subject: Responsibility for Accepting and Securing Bonds

Program Area: Mining Law Administration, Surface Management

Purpose: The purpose of this Instruction Memorandum (IM) is to outline responsibilities and processes for maintaining accounting control of mining claim financial guarantees for surface reclamation (bonds) in the District Offices.

Policy/Action: New regulations require that notice level operations be bonded to cover reclamation costs. District geologists are responsible for calculating the bond amount and notifying the accounting technician of any changes that affect the bond. District accounting technicians are responsible for accepting, pre-adjudicating (according to financial accountability regulations) and securing bonds related to actions handled at the District level. With the exception of statewide and nationwide bonds, which will be accepted at the State Office (958.2) with direction from the field offices regarding amounts and release information, individual bonds will be accepted at the field office receiving the notice or plan of operations.

General information regarding the acceptance and maintenance of bonds is attached. Specific information regarding the acceptance of mining claim bonds is being developed.

Timeframe: This policy is effective upon receipt.

Budget Impact: None

Background: The Accounting Technician Series (GS-0525), which includes account maintenance clerical and accounting technician support positions, requires a basic understanding of accounting systems, policies, and procedures in performing or supervising the examination, verification, and maintenance of accounts and accounting data.

Collections Officers for the Bureau of Land Management (BLM) are responsible for the safe keeping of all collections under their control. Negotiable financial guarantees must be kept in a fireproof safe that is not easily moved and is out of public view. Access to the safe should be limited to only those employees who have direct responsibility for those collections. Employees having collections in their custody are personally liable for loss or misuse and may be required
to repay any deficiency unless granted relief in accordance with BLM Manual 1383.75.

**Manual/Handbook Sections Affected:** BLM Manual 1372.42 – Collections/Undeposited Remittance Register, putting all collections under immediate accounting control.

BLM Manual 1383.75 - Employees having collections in their custody are personally liable for loss or misuse of collections.

Bureau Manual Section 3809.

**Coordination:**

**Contact:** If you have any question or concerns about maintaining accountability control of these bonds please contact Colleen McBeth (503) 808-6174 or Sherrie Reid (503) 808-6655.

If land specific technical questions arise, please contact your district geologists.

**Districts with Unions** are reminded to notify their unions of this IM and satisfy any bargaining obligations before implementation. Your Servicing Personnel Office or Labor Relations Specialist can provide you assistance in this matter.

Signed by
Charles E. Wassinger
Associate State Director

Authenticated by
Mary O'Leary
Management Assistant

1 Attachment(s)
1 - **Logging Bonds in CBS** (1p)

**Distribution**
NBC-612 (Alice Sonne)
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**Logging Bonds in CBS**

It is imperative that these bonds be maintained under accounting control. To achieve this you must have them logged into CBS and then locked in your office safe. When reviewing mail room collections or documents in your safe, please review the bonds (at least once a month). If near their time frame or any question arises connected to these bonds immediately contact the specialist.

Until Collections and Billing System (CBS) has built in the Certified Document/Letters Of Credit portion, logging in all bonds though the mail room CBS buttons will put the bonds under immediate accounting control.

Following these steps required under BLM Manual 1372.42 - Collections/Undeposited Remittance Register, puts the bonds under immediate accounting control.

1. When a bond comes into your office ask the district geologist or lands person in control of the bond to have your mail room personnel put the bond in CBS under Mail Room Log.

2. Either the mail room person or the lands specialist can then walk the bond to you to be locked up in your safe.

3. These bonds are to be treated as you would a check or cash, as they are a security and hold a monetary value. If the
specialist would like to maintain documentation in their file ask them to make a copy of the bond.

4. Review the Bond for any expiration date and other pertinent information.

5. Set up a schedule for reviewing the bond information in the both mail room log and in your safe. This should be at least once a month.

6. When the bond is to be released or applied (or any monetary change to the bond), have the specialist in charge send you an e-mail with those directions. File these directions with the bond in your safe.

7. If it is to be returned, in CBS under Collections there is a return remittance button for processing the return. Your office can determine if you should mail it out or if you need to give it back to the land specialist for physically returning. But remember to keep a track of what is happening to the bond (Registered Mail etc).

8. If it is to be forward to another office, again in CBS under Collections there is a collection transmittal button for processing the transfer.

9. If it is to be applied, take the appropriate action given to you in the land specialist’s e-mail.