



# United States Department of the Interior



## BUREAU OF LAND MANAGEMENT

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April 14, 2011

In Reply Refer To:  
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EMS TRANSMISSION: 04/15/2011  
Instruction Memorandum No. OC-2011-040  
Expires: 09/30/2012

To: Deputy State Directors and Field Office Managers  
Attn: Accounting Personnel

From: Director, National Operations Center

Subject: Annual Review of Collections

**DD: 05/15/2011**

**Program Area:** Collections.

**Policy/Action:** The accounting staff in the Bureau of Land Management (BLM) offices, having collection authority, are required to complete the Annual Review of Collections on a yearly basis. The review period for fiscal year (FY) 2011 is based on collection activities beginning April 1, 2010, through March 31, 2011. The Annual Review of Collections consists of the Annual Review Questionnaire and Memoranda of Certifications from the State Director on the following:

- Third-Party Review,
- Accounts Receivable,
- Suspense Account Review, and
- Timber Reconciliation.

The Annual Review must be conducted by someone not directly involved in collections in order to satisfy internal review requirements from the BLM Manual 1372.13D. The following are the requirements for the State and Field Offices:

Field Office requirements:

- Download and complete the Annual Review Questionnaire.
- Send the Annual Review Questionnaire to the State Office.
  - You are not required to send any reports with the questionnaire, unless your State Office directs you to do so.

State Office and Center requirements:

- Review and consolidate all required documentation from the Field Offices.
- Forward all completed Annual Review Questionnaires to OC-621, Attention: Joan Dowds, no later than May 15, 2011.
  - Note any improvements needed or specific actions taken by the State Office to implement these improvements and which corrective actions cannot be taken promptly. In addition, problems involving substantial losses to the government should be considered management control weaknesses and should be included in the Annual Review. If any of the above applies, then submit a written statement with the Annual Review.
- Attach to the questionnaire, the certification memoranda, (one each) for Third Party Review, Accounts Receivable, Suspense Review and, if applicable, Timber Reconciliation. Send all documentation to the National Operations Center (NOC), Chief, Accounting Operations Branch, Attention: Collections & Billings Section (CBS).
  - State Offices and Centers are not required to submit any monthly reports with the Annual Review. However, the reports must be available for review at the State and/or Field Office, upon request from the NOC.

Revised forms and instructions for conducting the Annual Review of Collections will be published on the BLM start-up page for the CBS at: <http://cbs.blm.gov/> by April 20, 2011. These forms and instructions will also be posted on the BLM's Collections and Billings Core Team site in SharePoint which can be found at: <http://teamspace/sites-oc/bs-collectbill/default.aspx>. Please do not use previous forms. For FY 2011, this analysis should be based on collection activities during the period of April 1, 2010, through March 31, 2011.

Upon completion of the review by OC-621, a summary report will be created for each office identifying any issues that need to be addressed. This report will be sent directly to the Deputy State Director with a copy to the CBS Core Team Lead. These reports will be sent out by the end of August.

**Timeframe:** To avoid a negative audit finding, the Annual Review of Collections is due to OC-621, Attention: Joan Dowds, no later than May 15, 2011. Please ensure your staff is aware of this deadline and the staff is available to deliver the Annual Review by the established deadline.

**Impact on Budget:** Costs will be minimal. Ensuring effective internal controls over collections could have a positive impact on the budget.

**Background:** The basic authority for establishing and maintaining agency controls is vested in Section 113 of the Accounting and Auditing Act of 1950 (31 U.S.C. 3512) at: <http://uscode.house.gov/download/pls/31c35.txt> as amended by the Federal Managers Financial Integrity Act of 1982 at: <http://www.usaid.gov/policy/ads/600/fmfia.pdf>. Both acts require the establishment and maintenance of appropriate accounting and internal controls over assets and ongoing evaluations and reports on the adequacy of accounting and internal controls systems.

Authority and regulations are contained in the Department of Treasury Financial Manual Volume 1, Part 5-Deposit Regulations; the General Accountability Office “Standards for Internal Control in the Federal Government;” and the Office of Management and Budget Circular A-123, “Management’s Responsibility for Internal Control.”

**Manual/Handbook Sections Affected:** The BLM Manual 1372.13D and BLM Collections Reference Guide, Chapter 1, Section G.

**Coordination:** This Information Memorandum was coordinated with the BLM NOC Finance personnel.

**Contact:** If you have any questions, please contact Joan Dowds, Financial Analyst, CBS, OC-621, at 303-236-0401.

Signed by:  
Lynda B. Stelzer  
Director, National Operations Center

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