



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

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EMS TRANSMISSION: 01/22/2011
Instruction Memorandum No. OC-2011-022
Expires: 09/30/2012

To: All Washington Office and Field Officials

From: Director, National Operations Center

Subject: Reallocating Working Capital Fund (WCF) Fleet Expenses for Vehicles and Mobile Equipment

Program Area: Fleet Management.

Purpose: All the WCF fleet charges incurred on either a fleet or an integrated card for maintenance and/or repair costs in excess of \$250 must be reallocated to maintenance work orders (ME01) using Financial and Business Management System (FBMS) procedures. In addition to this threshold, all annual maintenance, oil changes, and safety-related items must have an accompanying ME01 regardless of price.

Policy/Action: To properly account for maintenance or repairs of the WCF vehicles and mobile equipment, charges may be paid for with the fleet card, an integrated card, or a purchase order. All non-fuel fleet card purchases, meeting the criteria above, must be reallocated using an FBMS ME01 type work order. When a purchase requisition is used to pay the WCF expenses, the ME01 work order number must also be referenced. Fuel for the WCF equipment, paid for with a purchase card, may be reallocated to the WCF using the Standing Work Order (ST01) for the equipment.

Local fleet managers should prepare an ME01 work order prior to performing work on a WCF vehicle or mobile equipment. The work order must describe the work required with sufficient detail so that it can be associated with the invoice for the charge. Work orders that simply state "repairs," "miscellaneous expenses," "License IXXXXXX," or other non-descript explanations will be returned for a more detailed description.

Instructions by the National Operations Center (NOC) for preparing work orders and reallocating charges are found in the FBMS fleet management training material and posted on the NOC Property Management website at: <http://nbcweb.blm.gov/fleet/guidesandpolicies.html>.

Fleet expenses must be reallocated by the end of the month following the month in which the charge was made. For example, all December charges must be re-allocated by the end of January.

When expenses are not reallocated, the NOC will reverse the expense and charge the transaction to the standard charge code(s) or the default charge code for the equipment. The office may reallocate the charge back to the WCF using a properly documented work order.

Timeframe: This Instruction Memorandum is effective upon receipt. All October and November 2010, work orders must be reallocated by January 31, 2011. All future charge card expenses must be reallocated within one month after the month in which the original charge occurs, as previously described.

Budget Impact: For offices that do not follow through on re-allocating the charges, there will be an adverse impact on their operating budget when the charges are reversed and charged to the Standard Cost Centers for the vehicle or mobile equipment.

Background: Many offices have not been consistent in reallocating fleet and integrated card charges for the WCF vehicles and mobile equipment. This severely hinders managers' ability to review charges and document the maintenance and repairs being performed on these assets. To ensure operational efficiencies of the FBMS, all vehicles and mobile equipment maintenance and repair charges must be properly recorded within the system. The repair/maintenance history for the WCF equipment documents the work that is being accomplished.

In order for the WCF to keep use rates as low as possible, all charges must be documented and reviewed so that unauthorized charges are not factored into the use rates. This process is an essential feature of the FBMS, which is now a standard business practice within the Department of the Interior.

Manual/Handbook Sections Affected: None. This process is part of the FBMS functionality.

Coordination: This document was coordinated with the NOC Property Operations Section (OC-653) and the NOC Financial Programs and Investment Section (OC-612).

Contact: For operational/policy issues, please contact William Neuendorf, Equipment Specialist, OC-653, at 303-236-2955; or Phillip Terrones, Accountant, OC-612, at 303-236-0915.

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