Glossary for IGT CLM

Anti-Deficiency Act (ADA): The Anti-Deficiency Act (ADA) is one of the major laws through which Congress controls the expenditure of federal funds. Its provisions can be found in 31 U.S.C. sections 1341, 1342, 1350, 1517, and 1519. The ADA is intended to prevent the government from spending more money than it has "in the bank," i.e., in a certain appropriation. Among other things, the ADA prohibits obligating more money than is available in an appropriation or fund or obligating in excess of the amount permitted by agency regulations. Violations to the ADA must be reported and can result in administrative or penal sanctions.

Bona fide need: The bona fide need rule is a rule of appropriations law. It mandates that a fiscal year's appropriations only be obligated to meet a legitimate (aka bona fide) need arising in – or sometimes before – the fiscal year for which the appropriation was made. It restricts this year's appropriated funds from being spent on next fiscal year's requirements. See 31 U.S.C. 1502(a) for more information.

Business Enterprise Architecture (BEA): The Business Enterprise Architecture (BEA) is the enterprise architecture for the business information structure of the Department of Defense (DoD). In a series of different products, or views, it defines the business processes, data, data standards, business rules, operating requirements, information exchanges, and policies and procedures for the DoD's business. It was built using a structured methodology called DoD Architecture Framework (DoDAF) and is updated yearly. The latest version of the BEA can be viewed here: http://www.bta.mil/products/bea.html.

Commercial Off-the Shelf (COTS): A software product that is of a type customarily used by the general public or by non-governmental entities for purposes other than governmental purposes; has been sold, leased, or licensed to the general public; or, has been offered for sale, lease, or license to the general public; and is used as-is in a government application.

Direct cite: A Direct cite is a citation of another entity's funding line on contract or ordering documents when the funding entity is not the same as the ordering entity. In intragovernmental transactions, direct-cite is contrasted with reimbursable transactions. In direct-cite, the providing agency uses the funding/requiring agency's funds directly by referencing them on the order, whereas in reimbursable the providing agency outlays their own funds and then is reimbursed by the requiring agency.

Economy Act: The Economy Act was passed in 1933 to allow government agencies to purchase goods or services from one another. It proscribes certain requirements before such a purchase is made, namely that: 1) funds are available, 2) the item cannot be purchased more easily and cheaply from the commercial sector, 3) the purchase is in the best interest of the government, and 4) the providing agency is actually able to provide or contract for the good or service. It is codified in 31 U.S.C. 1535 and is one of the authorities under which IGTs are conducted.

Eliminations: the process by which the two sides of an intra-entity transaction are identified, matched, and removed ("eliminated") from consolidated statements so as to avoid overstating the amount of money in the federal budget.

Federal Acquisition Regulations (FAR) – The Federal Acquisition Regulations System is established for the codification and publication of uniform policies and procedures for acquisition by all executive agencies. The Federal Acquisition Regulations System consists of the Federal Acquisition Regulation (FAR), which is the primary document, and agency acquisition regulations that implement or supplement the FAR. http://www.acquisition.gov/far/.

General Services Agency (GSA) Schedule: GSA has established long-term governmentwide contracts with commercial firms to provide access to over 11 million commercial supplies (products) and services. Per FAR Part 8, these "Multiple Award Schedules" are contracts awarded by GSA for similar or comparable supplies or services, established with more than one supplier at varying prices. Any federal agency can use these schedules to order directly from GSA Schedule contractors to take advantage of the pre-negotiated rates and contract terms.

Interagency Agreement (IAA): An interagency agreement is a document that documents an agreement between two agencies in which one agency (the performing agency) is providing a good or service to another agency (the performing agency). The IAA outlines any terms, conditions, and roles and responsibilities the two parties will follow. Recently published OMB guidelines outline the format and content required in IAA's http://www.whitehouse.gov/omb/procurement/interagency_acq/iac_revised.pdf.

Intragovernmental transactions (IGTs): A transaction in which federal government entities buy and sell to one another. IGTs do not include transactions with state, local, or foreign governments.

IVAN: The Intragovernmental Value Added Network (IVAN) is a COTS-based system that manages reimbursable intragovernmental transactions within DoD and between DoD and its federal agency partners. It supports the creation, approval and release of intragovernmental orders for goods or services, acceptance and secure sign off of such orders, and integration with agency financial systems to make eliminations more accurate.

Material: adj. A material amount or entry is one that exceeds a certain dollar value threshold that makes the event large enough to need to be disclosed in financial reports – an amount that would have a significant influence or impact on the budget. The International Accounting Standards Board defines materiality this way: "Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size of the item or error judged in the particular circumstances of its omission or misstatement.

MIPR: The Military Inter-Departmental Purchase Request (MIPR), also known as the DoD Form 448, is a document used to submit customer requirements and funding information to another DoD entity.

Non-appropriated funds (NAF) organizations: This is an organization within the federal government that does not receive direct appropriations of money from the Congress or Treasury. These organizations generally perform a service or good and earn their operating money through sales of this service. Examples include most Morale, Welfare, and Recreation facilities (MWR) and the Patent and Trademark Office. Transactions with these entities are not considered IGTs.

Reconciliations: Financial reconciliations are when discrepancies are identified and investigated, then adjusted to match. Generally speaking, one must have evidence or information that supports any adjustment for the reconciliation to pass an audit.

Reimbursable: A type of intragovernmental transaction in which the performing organization uses their own funds or resources to secure or provide a good or service for the requiring organization, and is then entitled to be reimbursed those funds by the requiring organization. In IGTs this is contrasted with a "direct-cite" type of transaction.

Unqualified Audit Opinion: The most frequent type of report is referred to as the **Unqualified Opinion**, and is regarded by many as the equivalent of a "clean bill of health" to a patient, which has led many to call it the **Clean Opinion**. This type of report is issued by an auditor when the financial statements presented are free of material misstatements and are in accordance with GAAP. It is the best type of report an auditee may receive from an external auditor.