

**Forest Service Handbook
National Headquarters - Washington Office
Washington, DC**

**Forest Service Handbook 6509.17 – Forest Products Financial System Handbook
Zero Code**

Amendment: 6509.17-2018-1

Effective date: August 27, 2018

Duration: This amendment is effective until superseded or removed.

Approved by: Antoine L. Dixon, Chief Financial Officer

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Responsible Staff:

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Superseded Document(s): 6509.17_contents, Amendment 6509.17-2009-2, February 4, 2009; 6509.17_zero_code, Amendment 6509.17-2008-1, September 3, 2018; 6509.17, 10, Amendment 6709.17-2008-2, November 26, 2008; 6509.17, 20, Amendment 6509.17-2009-1, February 4, 2009

Digest: Following is an explanation of the changes throughout the directive by section.

6509.17: This amendment changes the chapter title from “Automated Timber Sale Accounting Handbook” to “Forest Products Financial System Handbook.”

01 - 04: Revises and updates authority, responsibility and timber sale accounting system. Changes the term “Automated Timber Sale Accounting” to Forest Product Financial System.”

04.22: Changes caption from “Regional Automated Timber Sale Accounting Coordinators” to “Regional Forest Product Financial System Coordinators.”

04.24: Changes caption from “Forest Automated Timber Sale Accounting Coordinator” to Forest Product Financial System.”

04.25: Adds responsibility for the “Timber Sale Contracting Officer.”

10: Removes obsolete direction, and reserves code and caption for future use. Revised direction is set forth in FSH 6509.17_zero_code.

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The purpose of this handbook is to provide servicewide standards, procedures, and operating instructions for maintenance and operation of the Forest Products Financial System.

01 - Authority

1. Chief Financial Officers (CFO) Act of 1990 (Public Law 101-576): This sets forth authority to improve the government's financial management by outlining standards of financial performance and disclosures.
2. Federal Managers' Financial Integrity Act of 1982 (96 Stat. 814): requires ongoing evaluations and reports of the adequacy of systems of internal accounting and administrative control of each executive agency, and for other purposes such as maintaining controls over timber sale.
3. Forest and Rangeland Renewable Resources Planning Act of 1974 (88 Stat. 476; 16 U.S.C. 1600-1614) as amended by the National Forest Management Act of 1976 (90 Stat. 2949): Inasmuch as the majority of the Nation's forests and rangeland is under private, State, and local governmental management and the Nation's major capacity to produce goods and services is based on these non-federally managed renewable resources, the Federal Government should be a catalyst to encourage and assist the owners in the efficient long-term use and improvement of these lands and their renewable resources consistent with the principles of sustained yield and multiple use. The Act also establishes an integrated land and resource management planning system and specified the information required to be reported to the Congress to ensure that National Forest System lands continue to supply significant amounts of wood and wood fiber at sustainable levels and to provide for the long-term diversity, productivity, and renew ability of the forest ecosystem.
4. Multiple-Use Sustained-Yield Act of 1960 (74 Stat. 215; 16 U.S.C. 528-531): This mandates that the Secretary of Agriculture, under such rules and regulations as he may prescribe, may sell, at not less than appraised value, trees, portions of trees, or forest products located on National Forest System lands.
5. Title 41 USC 601 - 613: Public Contracts: Stipulates that each claim by a contractor against the Federal Government relating to a contract, shall be submitted to the contracting officer for a decision.

02 - Objectives

The Forest Product Financial System (FPFS) provides a standardized systematic approach for managing the financial aspects of contracts and agreements with forest product removal; an approach that meets the needs of both the Forest Service and forest product purchasers, contractors and partners. Specifically, the objectives are to:

1. Perform all required forest product accounting functions as prescribed by the various contracts, permits, and bonding documents.

2. Ensure that reliable information is reportable for internal and external users, such as the Government Accounting Office (GAO), Office of Inspector General (OIG), and Congress.
3. Provide support to all Agency levels of the forest management program.
4. Maintain individual contract records.
5. Collect forest product volume and financial data for use in statistical reporting.
6. Ensure that reliable financial data interfaces with agency core financial accounting system.
7. Assure quality, production processing of forest product sale accounting data received from other agency sub-systems.

03 - Policy

The FPFS is the official agency source for the accumulation, recording, and reporting of financial information and related accomplishments. It is Forest Service policy to:

1. Generate and record forest product sale accounting information in the FPFS in a reliable and timely manner, for each administrative National Forest.
2. Utilize the FPFS as the central accounting repository for forest product sale processes.
3. Retain source documents in accordance with FSH 6209.11, Records Management Handbook. Examples of source documents include timber sale and stewardship contracts, agreements and modifications, Bills for Collection, FS-2400-18, Payment Unit Release, FS-2400-66a, Report of Harvest or Additional Volume, FS-2400-66b, Report of Harvest, Scaled Sale, Regional Scale Forms and worksheets for volume adjustments, Stewardship Progress Reports and contract administration's projections.

04 - Responsibility

04.1 - Washington Office

04.11 - Chief Financial Officer and Deputy Chief for National Forest System

The Chief Financial Officer and Deputy Chief for National Forest System are each responsible for implementing and maintaining internal controls necessary to ensure the integrity of timber sale financial data contained in the Forest Product Financial System.

04.12 - Director of Albuquerque Service Center, ASC-B&F

The Director of Albuquerque Service Center, ASC-B&F is responsible for:

1. Ensuring stewardship accruals are reversed in the next period.

2. Reviewing and providing input on National Policy and procedures for forest product accounting operations.
3. Compiling yearend CWKV, SSSS and BDBD fund documentation for Forest Management analysis.

04.13 - Director of Financial Systems

The Director of Financial Systems is responsible for:

1. Developing, maintaining, and administering the FPFS.
2. Establishing policies and standards for internal controls such as, system controls and financial reporting on forest product accounting transactions.
3. Ensuring transactions interface appropriately, timely, and accurately between FPFS and the agency core financial accounting system.

04.14 - Director of Forest Management

The Director of Forest Management is responsible for executing all the responsibilities outlined in FSM 2404.14, Washington Office, Director, Forest Management.

04.2 - Field Units

04.21 - Regional Directors, Forest Management

The Regional Director of Forest Management is responsible for the operation of FPFS and management of the forest program within the region.

04.22 - Regional Forest Product Financial System Coordinators

The Regional FPFS Coordinator is responsible for:

1. Training Forest FPFS Coordinators.
2. Providing technical advice and problem solving assistance to Forest personnel.
3. Identifying and documenting financial system problems for action by the Washington Office, Director of Financial Systems.
4. Establishing procedures to ensure a complete audit trail is available. Approving and documenting forest requests for changes or adjustments and forwarding the requests to the Washington Office, Financial Systems Forest Product Staff or TSA staff.

04.23 - Forest Supervisors

The Forest Supervisors, through the appropriate staff officers, are responsible for:

Guidance documents lack the force and effect of law, unless expressly authorized by statute or incorporated into a contract. USDA may not cite, use, or rely on any guidance that is not available through their guidance portal, except to establish historical facts.

1. Operating the FPFS within the proclaimed forest area.
2. Prescribing the Ranger District responsibilities depending on the volume of business, personnel, and equipment capabilities.

04.24 - Forest Product Financial System Coordinator/Forest Product Coordinator

The FPFS Coordinator is responsible for:

1. Ensuring forest product sale data is submitted timely to the FPFS and verified.
2. Meeting prescribed frequencies for input into FPFS.
3. Distributing forest product sale outputs in a timely manner.
4. Informing the Regional Forest Product Sale Coordinator or the FPFS coordinator of problems and suggested improvements.
5. Providing training to district personnel and sale administrators on forest product sale operational requirements.
6. Providing technical advice and problem solving assistance to district personnel.

04.25 - Timber Sale Contracting Officer, Stewardship Contracting Officer, Line Officer

Timber sale contracting officers are responsible for:

1. Ensuring that all data relating to any contract or agreement type with forest product removal within their authority are processed accurately and timely into FPFS.
2. Reviewing and approving the financial status of the purchaser, contractor or partner's account, prior to sale closure and documenting, by signing and dating the final Statement of Account before mailing to the purchaser.
3. Approving, when appropriate, all financial documents relating to contracts or agreements within their authority.
4. Ensuring that all adjustments to permanent and trust fund accounts (SAI-KV) and (SSF) plan collection amounts, and any redistribution of funds, are completed prior to the final closure letter.
5. Ensuring the timely and accurate reporting of sale and collection data, and the timely deposit of any checks, cash, or other over-the-counter collections.
6. Settling claims under the Contract Dispute Act including authorizing payments for claims. Contracting Officer's responsibilities related to recognizing and settling claims or disputes can be found in FSH 2409.15, chapter 70.

04.3 - Internal Controls

Refer to FSM 1410, Management Reviews.