



NASA Procedural Requirements

COMPLIANCE IS MANDATORY

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Request Notification of Change (NASA Only)

Subject: Cash Management and Improper Payments

Responsible Office: Office of the Chief Financial Officer

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Chapter 1. General Overview

1.1 Overview

1.1.1 This NPR establishes cash management requirements for disbursing and collection activities including debt collection for the National Aeronautics and Space Administration (NASA). Additionally, this NPR covers improper payment and loss of cash. The provisions of this NPR supplement laws and regulations cited in the Authority section. This NPR consists of the following chapters:

- a. Chapter 1: General Overview
- b. Chapter 2: Cash Management Reviews
- c. Chapter 3: Improper Payments and Loss of Cash
- d. Chapter 4: Electronic Funds Transfer

1.2 Agency Requirements

1.2.1 Cash Management.

1.2.1.1 NASA is required by the Department of Treasury (Treasury) (Treasury Financial Manual, Volume 1, Part 6, Chapter 8000) to monitor the efficiency, effectiveness, and profitability of the cash management practices.

1.2.1.2 The monitoring of cash management shall include a methodology to ensure that NASA's cash management review is completed for receipts and disbursements.

1.2.1.3 Treasury has the right to periodically review NASA's cash management program to ensure that adequate progress is being made to improve cash management. If Treasury determines that cash management improvements are required, NASA will be required to develop cash management initiatives. Chapter 2 of this NPR contains the policy for cash management reviews.

1.2.2 Improper Payments

1.2.2.1 NASA is required to comply with the provisions of the Improper Payment Improvement Act (IPIA) of 2002. NASA shall perform reviews of programs and projects and conduct risk assessments in accordance with the Office of Management and Budget (OMB) guidance. Refer to Chapter 3 of this NPR for additional information.

1.3 Roles and Responsibilities

1.3.1 Agency Chief Financial Officer (CFO) and Deputy CFO (DCFO) shall:

- a. Coordinate and monitor the policies, processes and systems used to process, record, and report NASA's cash activities for disbursement and collection activities including debt collection.

- b. Review and, if appropriate, approve requests for waivers to specific provisions of these requirements.
- c. Establish and monitor policy on foreign cash transactions of the Centers.
- d. Evaluate and approve requests for international agreements requiring cash payments.
- e. Provide guidance as to the detail to be included on reports to Government Accountability Office (GAO) on improper payments and requests for relief of improper payments.
- f. Designate a person responsible to handle the reporting to GAO on improper payments and requests for relief for improper payments.

1.3.2 The Quality Assurance Division shall ensure internal reviews of payments performance and systems accuracy have been conducted as required by Treasury and Office of Budget and Management (OMB).

1.3.3 The NASA Shared Services Center (NSSC) financial managers shall:

- a. Incorporate the requirements in this NPR into their billing and collection, accounting, and disbursing activities.
- b. Abide by other regulations and business rules established by the Treasury, General Services Administration (GSA) or OMB that impact disbursements and collection activities including debt collection.
- c. Monitor the efficiency, effectiveness, and economy of cash management practices. To ensure effective cash management, the job elements of Center and NSSC personnel responsible for receipts and disbursements should include cash management as a critical performance measurement.
- d. Conduct annual cash management reviews that will:
 - (1) Determine if funds are being collected and disbursed by Electronic Funds Transfer (EFT) to the maximum extent possible.
 - (2) Determine if billings, collections, and deposits are occurring in a timely manner.
 - (3) Determine if disbursements are processed timely and accurately, properly documented, and are being made in accordance with 5 CFR 1315, "Prompt Payment."
 - (4) Determine if opportunities exist to implement new mechanisms or processes or to upgrade existing mechanisms or processes.
 - (5) Determine if adequate internal controls are in place.
- e. Make documentation available to the Agency CFO and DCFO summarizing reviews of cash management practices. Required reports will be retained and made available for examination through the Quality Assurance process.
- f. Keep disbursement and accounting records accurate and in balance from contract execution through closeout.
- g. Provide Certifying Officers with assistance needed to be satisfied a payment is proper. This may include demonstration, documentation, or providing audit reports and evaluations that validate that systems, controls, and other methods used to process transactions and verify payments can be relied upon.
- h. Be responsible for establishing with the Treasury Financial Management Service (FMS) the necessary information at the transaction level to allow Treasury to process payments and collections and to maintain the accurate status of NASA appropriation and fund accounts.
- i. Submit requests for waivers to specific provisions of these requirements to the Agency CFO and DCFO for consideration. Such requests should identify the specific requirement; state the reason for the request; the period of time to be covered by the waiver; and any documentation in support of the request.
- j. Review cash management practices for compliance with NPR 9010.3, "Financial Management Internal Control."
- k. Conduct internal reviews of operational and systems performance and accuracy, consistent with the CFO Act requirements. Internal reviews, if done by another party that are consistent with this requirement, may be relied upon if otherwise appropriate.
- l. Employ controls that limit access to data that are electronically transmitted, including appropriate segregation of duties. Such controls shall provide reasonable assurance that deliberate or inadvertent manipulation, modification, or loss of data during transmission is prevented and detected.
- m. Forward request for foreign international agreements to the Agency CFO and DCFO for approval.

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