



COMPTROLLER

OFFICE OF THE UNDER SECRETARY OF DEFENSE

**1 100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1 100**

August 11, 2020

**MEMORANDUM FOR ASSISTANT SECRETARIES OF THE MILITARY DEPARTMENTS
(FINANCIAL MANAGEMENT AND COMPTROLLER)
CHIEF FINANCIAL EXECUTIVES OF DEFENSE AGENCIES
CHIEF FINANCIAL EXECUTIVES OF DOD FIELD ACTIVITIES**

SUBJECT: Definitions Related to Fund Balance with Treasury (FPM 20-11)

The Secretary of Defense established Fund Balance with Treasury (FBWT) as an audit remediation priority for fiscal year 2020. To support this effort, the Office of the Under Secretary of Defense (Comptroller) reviewed the Department of Defense Financial Management Regulation (DoD FMR) and modified certain definitions that identify transactions related to FBWT. When unresolved at year-end, these transactions compromise the overall integrity and status of the government's financial position. To support the Secretary of Defense's priorities, three DoD FMR definitions are modified as shown in the attachment.

The next update to the DoD FMR Glossary will incorporate the modified definitions. Mr. Jeremiah Eidson (jeremiah.m.eidson.civ@mail.mil) is my point of contact (POC). Mr. Charles Frazzin (charles.l.frazzin.civ@mail.mil) is the Defense Finance and Accounting Service POC.

Mark E. Easton
Deputy Chief Financial Officer

Attachment:
As stated



MODIFIED DOD FINANCIAL MANAGEMENT REGULATION DEFINITIONS

- In-Transit Transactions:

Disbursements or collections that have been reported by a disbursing office, through a paying center, to the Department of the Treasury and charged against the Department's fund balances, but have not yet been received by the accounting system.

- Undistributed Transactions:

Undistributed disbursements and collections represent transactions that have occurred and been reported to the Department of the Treasury but have not yet been recorded in the general ledger of the accounting system.

- Unmatched Transactions (UMTs):

A disbursement and/or collection transaction that has been received and accepted by an accounting office, but has not been matched to the correct detail obligation. This includes transactions that have been rejected back to the paying office or central disbursement clearing organization by an accounting office.

1. Unposted Unmatched: Transaction (disbursement or collection) that has been reported to the Treasury Central Accounting Reporting System (CARS) and has been received and processed by an accounting system, but was unable to post to Fund Balance with Treasury (FBWT) 101000 and point account in the accounting system general ledger because it failed to match a detailed document obligation or work order.

2. Posted Unmatched: Transaction (disbursement or collection) that has been reported to the Treasury CARS, has been received and processed by an accounting system, and posted to FBWT 101000 and point account in the accounting system general ledger, but failed to match a detailed document obligation or work order.