

6 FAH-5 H-100 USING ICASS

(TL: ICASS-2; 04-01-1998)

6 FAH-5 H-101 WHAT IS ICASS?

(TL:ICASS-2; 04-01-1998)

(Applies to participating ICASS agencies)

a. The International Cooperative Administrative Support Services (ICASS) system replaced the Foreign Affairs Administrative Support (FAAS) system. Much more than a cost distribution system, ICASS is a way of managing shared administrative support services abroad.

b. ICASS establishes locally empowered ICASS Councils, representing all agencies at post, to manage and evaluate all shared administrative services, in which the funding of local costs has been moved to post, and local managers retain savings as an incentive to develop cost savings initiatives. The Councils focus on the customer's needs, have clear cost reports to evaluate service alternatives (through comparison shopping), and share with the service provider responsibility for the most cost efficient and effective provision of interagency administrative services. The serviced agencies, in turn, have input into the evaluation of their service providers.

In Sum, ICASS:

- Is a customer-driven, voluntary interagency system for managing and funding administrative support services abroad;
- Gives posts the authority to determine how services are delivered, at what cost, and by whom;
- Has customer service standards established by the post, with the service provider formally accountable to the customer; and
- Incorporates a full cost recovery system through a no-year working capital fund.

c. ICASS was developed in response to the President's Management Council and Vice President's National Performance Review (NPR) initiatives that introduce an entrepreneurial spirit and teamwork to improve service in the field. ICASS is patterned after the successful domestic Cooperative Administrative Support Program (CASU), initiated in 1986. Voluntary in nature and national in scope, the program ultimately involved several Federal agencies providing individual services under an umbrella agreement to metropolitan, State, and regional operations.

6 FAH-5 H-101.1 Post Actions

(TL:ICASS-2; 04-01-1998)

(Applies to participating ICASS agencies)

To effect “local empowerment”, each mission shall take steps to have the following in place:

- A **Council** composed of the senior representatives of each agency;
- A **Standard Charter** establishing and empowering the Council;
- **Written Performance Standards** by which to measure service quality;
- **Designation of service providers**;
- **Memoranda of Understanding**, Council’s agreement with service providers, which includes the subscription of services and performance standards;
- A **Budget**, prepared using the Cost Distribution System software; and
- An **ICASS Working Group** formed to support the Council.

6 FAH-5 H-101.2 Washington Support Structures

(TL:ICASS-2; 04-01-1998)

(Applies to participating ICASS agencies)

a. In Washington, D.C., the **ICASS Executive Board**, supported by the **Interagency Working Group** (IWG), will address unresolved policy issues and will serve the field by considering thorny operational problems as they arise. See also 6 FAH-5 H-501.

b. **The Interagency Working Group** (IWG) meets regularly in close consultation with the ICASS Service Center (FMP/ICASS) to address policy issues and problems of common concern. *Ad Hoc* committees of the Working Group are formed to study various issues. See also 6 FAH-5 H-502.

c. In Washington, D.C., the **ICASS Service Center** (FMP/ICASS) provides staff for worldwide ICASS implementation. This office has a permanent interagency staff which reports to the ICASS Executive Board and the IWG. See also 6 FAH-5 H-503.

d. The **Working Capital Fund**, through which all ICASS funding flows, improves our flexibility to manage administrative support funds. Costs are captured, recorded and clearly identified by service and agency, creating a transparent system. The WCF’s no-year funding allows us to plan on a long-term basis and dispense with wasteful year-end spending.

6 FAH-5 H-102 MAKING IT SUCCESSFUL

6 FAH-5 H-102.1 You Are the Key to Success

(TL:ICASS-2; 04-01-1998)

(Applies to participating ICASS agencies)

ICASS is a truly revolutionary way of doing business at our posts. To make it work will take the enthusiastic participation of everyone involved. Innovation, experimentation, and risk-taking are encouraged at all levels. ICASS is an evolving system adaptable to local circumstances at each post. The challenge of declining resources provides an opportunity, using ICASS, to eliminate waste, inefficiency and redundancy and to redefine priorities. Most importantly, ICASS allows you, the users, to have more control of administrative resources.

6 FAH-5 H-102.2 Implementing Tools

(TL:ICASS-2; 04-01-1998)

(Applies to participating ICASS agencies)

This Handbook provides the tools with which missions and agencies can implement ICASS. It is general in nature and intended for anyone wishing a broad overview. In addition:

- **Exhibits** include a Standard Charter, standard Memorandum of Understanding, timeframe, and examples of performance standards.
- **ICASS Financial Procedures** (6 FAH-5 H-800) provides additional details and technical information.
- **ICASS Budget and Cost Distribution System** (6 FAH-5 H-900) provides details on the cost distribution software.

6 FAH-5 H-103 ICASS OPERATION

6 FAH-5 H-103.1 Councils as Agents of Change

(TL:ICASS-2; 04-01-1998)

(Applies to participating ICASS agencies)

a. The local ICASS Council is the engine of ICASS. If truly successful, Councils collaborating with service providers will act as agents of change in the interests of the missions and of the taxpayer. The Council should find ways to communicate with users at all levels to assure that customers are receiving the proper service. Building on accurate cost data, managers will make meaningful decisions to improve and lower the cost of support services in the face of declining resources. All mission agencies participate in the management and delivery of services, as well as achievement of economies of scale and elimination of costly duplication. Non-traditional

service providers—including military and commercial entities and also regional, remote arrangements—can provide quality service. This will allow the principal service provider to concentrate resources on those services it can provide most effectively.

b. Technology should also be applied to reduce costs and improve quality. In furtherance of the National Performance Review initiatives, Councils should not be reluctant to challenge regulations which inhibit streamlining and cost reduction. Recommended changes should be forwarded to the ICASS Service Center (FMP/ICASS).

c. The Washington ICASS Executive Board, Working Group and Service Center address policy and operational issues so that missions have the tools to move forward. **Leadership, creativity, flexibility, and hard work** all have to come into play for this system to be fully successful.

6 FAH-5 H-103.2 Smaller Government

(TL:ICASS-2; 04-01-1998)

(Applies to participating ICASS agencies)

ICASS provides the tools and incentives to achieve significant reductions in support costs under the concept of a U.S. Government which “works better and costs less.” Managers should view ICASS as an opportunity to depart from the conventional administrative paradigm and to seek imaginative, creative solutions to resource problems. The greater the savings that can be realized from support costs, the more able we are to devote scarce resources to programmatic functions. The challenge is to provide the highest quality support to employees and their families, in the workplace and the home, while coping with a declining resource base. The Council, service provider(s), and the locally engaged staff will need to work together closely to manage the effect of the changes that will be necessary to deal with smaller budgets.

6 FAH-5 H-103.3 Effect of Improved Service

(TL:ICASS-2; 04-01-1998)

(Applies to participating ICASS agencies)

ICASS, in imposing accountability for bottom-line costs and customer satisfaction, should bring increased staff flexibility, responsiveness, and autonomy. Clearly defined performance standards make the job of the service providers simpler—both providers and customers know exactly what is expected to perform well. Success **does** depend on everyone’s willingness to face the challenges of change in a positive, innovative way.

6 FAH-5 H-103.4 Reward the Innovators

(TL:ICASS-2; 04-01-1998)
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These changes will not be easy and it will take leadership and innovative thinking to make ICASS a real success. It is important that those individuals or groups who advance the goals of ICASS be recognized. Councils are encouraged to use the existing Agency awards programs to recognize those individuals or groups.

6 FAH-5 H-104 DEFINITIONS AND ABBREVIATIONS

6 FAH-5 H-104.1 Definitions

(TL:ICASS-2; 04-01-1998)
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Actuals. Expenses obligated during each quarter and reported on the FSC-60 reports. Obligations accumulate from quarter to quarter during the year. The FSC-60 reports are prepared by the FSCs and FMCs and transmitted to serviced posts by diskette or electronically.

American. A U.S. citizen or organization in, or a function by an organization headquartered in, the United States of America.

American Salaries & Benefits (Washington Factor). (See also "Washington Factor", defined below.) The Washington, D.C. Interagency Working Group approves a "Washington Factor" salary level for direct hire U.S. citizens. Also, Washington, D.C.-paid benefits are calculated at 28.6% of the salary level. Post differential, if applicable, is calculated using the percentage for a post (10%, 15%, 20%, and 25%) times the established salary level. Assignment travel and foreign transfer allowances are combined into a single amount applicable to each direct hire U.S. citizen. FMP will update these amounts at the beginning of each fiscal year. Salaries and benefits are budgeted under quasi non-post object class 0006 and assignment travel and foreign transfer allowances under 0005.

APO/FPO. A DoD service provided outside the ICASS system, however, mission provided support costs such as space, utilities, office equipment, and local hire mailroom personnel necessary to the APO/FPO service should be included in an ICASS budget and allocated to the Cost Center 6194—"Mail and Messenger Services."

Billing Codes (Zip Codes). Unique 5-6 digit number (for example 1525.0) identifying the name and address of all agencies participating in ICASS. FMP/ICASS, in conjunction with FMP/BP establishes billing codes.

Contact FMP/ICASS if a new agency is not listed or you are not sure of the proper code.

BOE. Building Operating Expenses for maintaining GO/LTL properties. Expenses include utilities, char force, gardeners, custodial and maintenance employees, services, supplies, transportation on the supplies, etc. These costs can also be applicable to short term leases.

Capitalization. The cost of Assets expensed over a period of time. All ICASS vehicles, general assets costing \$25,000 or more, commercial off-the-shelf software costing \$100,000 or more, and software developed in-house costing \$250,000 or more will be capitalized and depreciated.

Central Medical Cost Factor. The Washington, D.C. based medical program is allocated to agencies in addition to the cost of Health Units at Embassies and Consulates. Annually, this factor (amount) is derived by dividing the Washington, D.C. Medical Unit's budget by the number of people that use this service abroad.

Cost Center. - A grouping of available services into a specific category, a cost center identifies the type of administrative services available to serviced agencies. Customers subscribe to services by cost center and the costs are distributed in accordance with an agreed upon methodology. There are 14 cost centers at LITE posts and 31 cost centers at Standard posts. Examples of cost centers include: cashiering, accounts and records, vehicle maintenance, and travel services.

Cost Pool. A function code used to reduce strip coding on obligation and liquidation documents and recordings on State Department accounting reports and, at the same time, enable post to simplify their budgets and allocate costs to many cost centers in the ICASS software. All function codes beginning with a "96" are cost pool function codes. Examples include 9661 for post funded wages and benefits of all LES personnel except FSN/PSC local guards, 9662 for post funded wage and benefits and other costs of the LGP, 9664 for the warehouse cost pool, among others.

Cumulative Cost Distribution Factor Statistics. Work load counts that accumulate or increase during the year. For example, the count for vouchers processed could be 1, 000 for the first quarter, 2000 for the second quarter, 3200 for the fourth quarter, and 4,500 for the full year.

Direct Charging. The identification and charging to an agency's specific fiscal data for goods and services directly attributable to that agency. Expenses that directly benefit a specific agency and can be easily identified and vouchered are to be charged to that agency's funds, outside ICASS. Direct charging for services, where possible, is the preferred approach.

Distribution Factor. Work count used to distribute costs to participating agencies. They include square feet occupied, usage, work products, or per

capita. Certain factors can be modified to reflect less than full usage of an administrative service.

Exclude Feature. A mandatory feature to be activated when budgeting rent and utility costs for shared residential and non-residential buildings budgeted in ICASS. The rent and utility costs continue to be included in the occupying agency's invoice, but "excluded" from the computations for the distribution of overhead costs and the cost of the ICASS organization. Only rent and utilities can be "excluded" from the computation of overhead and ICASS redistribution.

Function Code. A four digit number that identifies a cost center or a cost pool. Function code 6222 identifies the payrolling service and 6148 identifies the leasing services.

ICASS LITE. The system developed for small posts which uses only 14 cost centers. Many of the cost centers in the Standard version are grouped together in LITE to reduce workload counts and accounting. Several cost centers can be modified to reflect reduced usage of a service.

ICASS Service Center (FMP/ICASS). The ICASS Service Center is comprised of a small, permanent interagency staff, under the authority of State's Chief Financial Officer, which reports to the Interagency Executive Board (IEB) and Washington, D.C. Interagency Working Group (IWG). The ISC's main purpose is to safeguard local empowerment by ensuring the ICASS funds are allotted intact to post. The ISC prepares and maintains guidance on ICASS implementation, although it has no policy making responsibilities. The ISC also provides financial services and customer assistance for post ICASS operations. Costs of running the ISC are shared among all agencies.

ICASS Standard. The ICASS Standard system uses 31 cost centers, counting the Non-ICASS dual Position Duties Cost Center, to distribute administrative costs to agencies based on workload counts. This system was established for medium to large posts that have a U.S. Citizen Financial Officer. This version provides a much greater level of detail and costs can be tracked more precisely.

Locally Engaged Staff (LES). All personnel hired and funded at post such as foreign service nationals, temporary and part-time U.S. Citizens, Third Country Nationals (TCN), and Personal Services Agreement (PSA) employees.

Maintenance and Repair (M&R). Funds allotted to posts by FBO to cover the cost of major repairs to GO/LTL buildings and routine cyclical work done to a building to keep it in usable and livable condition.

Modified Factor. Used to charge agencies receiving less than full service of a cost center. 0.6 indicates medium level of service and 0.3 a minimum level.

Net Square Feet. The space actually assigned to an agency in a shared building. The space excludes hallways, restrooms, janitorial closets, etc. Based on these measurements, all agencies will share in the cost of maintenance and support of grounds and BOE costs for hallway, lobbies, heating plants, etc. Unassigned office square feet in GO/LTL Non-Residential buildings are charged to State Program funds.

Non-ICASS Dual Positions. Only U.S. citizen service providers can be classified as a Non-ICASS dual position. U.S. citizen State Program and LES ICASS employees can not be treated as Non-ICASS dual positions. A U.S. citizen service provider should be budgeted as a Non-ICASS dual position if the travel assignment message identifies the position with dual functions, such as Administrative/Consular. The post determines the percentage split between ICASS and State Program functions.

Post ICASS Council. Each diplomatic mission has an ICASS Council composed of a representative from each serviced agency. The council's mandate is to promote cooperation, provide accountability and ensure the equitable sharing of administrative support costs among the participating agencies at post.

Post Working Group. An informal group that studies specific ICASS issues at post and reports to the Post ICASS council with recommendations.

Quasi Sub-Object Classes. Used to capture Washington, D.C.-based and regional costs as follows:

- 0001—Regional Bureau Costs
- 0002—Central Medical Costs
- 0004—FSN Separation Liability Fund
- 0005—Post Assignment Travel/Transfer Allowance
- 0006—American (U.S. citizen) Salaries, Benefits and Post Differential

Others may be assigned as the need arises.

Static Statistics. Those counts that normally remain stable from quarter to quarter. For example, number of direct hire U.S. citizen employees or square feet occupied would not change or change very little during the year.

Sub-Cost Center. Essentially a new cost center created at post by isolating a service within an existing ICASS cost center or to identify costs at a different location. When a sub-cost center is created, the system treats it as a regular cost center. The sub-cost center captures personnel and "Other Budget Item" costs and allocates them to agencies using workload factors. Each sub-cost center has a related Workload Factor Screen, and the workload factor used for the SCC must be the same as the primary cost center.

Sub-Object. Four digit number used to identify an expense that can be quantified, totaled and distributed to agencies. For example, the sub-object numbers 2156 represents Field Travel and 1201 represents Post Allowance. Sub-objects are used to identify the type of expense.

Unit Cost. The total cost of operating a cost center divided by the workload count is the unit cost. If it costs \$50,000 to run the direct motor pool and 150,000 miles were driven, the unit cost would be 33 cents per mile.

“Washington Factor”. (See American Salaries and Benefits, defined above.) A standard cost for a position, organization, or other centrally funded expense which is provided to post annually for inclusion in its ICASS budget. The factor amount is normally derived by taking the total cost of all ICASS direct hire U.S. citizen positions, for example, and dividing by the number of positions. In the case of the central medical factor, the cost of the central organization is divided by the number of users to determine the factor. The factor is approved by the IWG annually. The factored amounts are entered into quasi sub-object codes.

6 FAH-5 H-104.2 Abbreviations

(TL:ICASS-2; 04-01-1998)

A	Bureau of Administration
A&D	FSC/Paris Accounting and Disbursing
ADP	Automatic Data Processing
ALC	Agency Location Code
AmSal	American Salaries
ARD	Accounts Receivable Division
AVIS	Automotive Vehicle Inventory System
BOC	Budget Object Class
BOE	Building Operating Expense
CAPD	Consolidated American Payroll Division
CAPPS	Consolidated American Payroll Processing System
CASU	Cooperative Administrative Support Unit
CFMS	Central Financial Management System
CFO	Chief Financial Officer
CLO	Community Liaison Office
COLA	Cost of Living Allowance
COM	Chief of Mission
DAS	Distributed Administrative Support

DATEL	Disbursing and Accounting Telecommunications Line
DCP	Diplomatic and Consular Program
DOS	Department of State
DS	Bureau of Diplomatic Security
DTS-PO	Diplomatic Telecommunications System Program Office
EER	Employee Evaluation Report
FAAS	Foreign Affairs Administrative Support
FBO	Foreign Building Operations (A/FBO)
FFA&E	Furniture, Furnishings, Appliances, and Equipment
FMC	Financial Management Center
FMO	Financial Management Officer
FMP	Bureau of Finance and Management Policy
FSC	Financial Services Center
FSN	Foreign Service National
FSNSLTF	Foreign Service National Separation Liability Trust Fund
FSO	Foreign Service Officer
GAO	General Accounting Office
GO	U.S. Government Owned
GSO	General Services Officer
ICASS	International Cooperative Administrative Support System
LES	Locally Engaged Staff
LGP	Local Guard Program
LTL	Long Term Lease
MED	Office of Medical Services (M/DGP/MED)
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MRA	Migration and Refugee Assistance
NEPA	Non-Expendable Property Application
OFMS	Overseas Financial Management System
OMB	Office of Management and Budget
OPAC	On-line Payment Accounting System
PAMS	Property Accountability Management System
PAT	Post Assignment Travel
PIT	Part-time, Intermittent, or Temporary

PSA	Personal Services Agreement
PSC	Personal Services Contract or Personal Services Contracting
RIF	Reduction in Force
SAMUSM	Security and Maintenance of United States Missions
SFC	Statement of Financial Condition
SGL	Standard General Ledger
SMA	Separate Maintenance Allowance
SPFMS	Serviced Post Financial Management System
SRC	Statement of Revenue and Cost
STL	Short Term Lease
T&A	Time and Attendance
TATEL	Time and Attendance Telecommunications Line
TDY	Temporary Duty
VADR	Voucher Auditors Detail Report
WCF	Working Capital Fund

6 FAH-5 H-105 INFORMATION RESOURCES

(TL:ICASS-2; 04-01-1998)

(Applies to participating ICASS agencies)

Besides this handbook the following resources are available:

ICASS Policy Questions: The FMP/ICASS Service Center supports all ICASS issues except software and hardware questions. Contact them through either of these addresses:

State E-mail (global address book) "ICASS Policy - Questions"
or

Internet E-mail: icasspolicy@sa15wpoa.us-state.gov.

ICASS Technical Support: The Department of State's Bureau of Information Resource Management (IRM) and Geneva Software, the contractor, will respond to assistance requests dealing with the operation of the software and any hardware-related problems. Contact them through either of these addresses:

State E-mail (global address book) "ICASS Technical Support"
or

Internet E-mail: icassmb@sa15wpoa.us-state.gov.State

ICASS Documentation of Policy or Technical Issues: Intranet Website at <http://38.217.116.3/>. Internet web page at <http://www.icass.com>.

24-hour ICASS Help Desk: Call 703-875-5447 for software technical problems.

ICASS Service Center (FMP/ICASS): Main number is 202-663-3260. The FAX numbers are 202-663-3275 and 202-663-1325.

Help on Agency Billing Codes and Reimbursements: 202-663-3288.

Training: Classes are offered throughout the year at the National Foreign Affairs Training Center (NFATC), School of Professional Studies, Administrative Training. Telephone 703-302-6973.

6 FAH-5 H-106 AUTHORITIES

(TL:ICASS-2; 04-01-1998)

(Applies to participating ICASS agencies)

Primary authorities are found at 6 FAM 911.5 and 1 FAM 221.

6 FAH-5 H-107 THROUGH H-199 UNASSIGNED