

CHAPTER 1

ACCOUNTING OVERVIEW

- 1. PURPOSE.** The purpose of this handbook (“the Accounting Handbook”) is to present the Department of Energy’s (DOE’s) standards, procedures, and operational requirements in support of the accounting policies, principles, and applicable legal requirements contained in DOE O 534.1. Specifically, it provides guidance regarding the central agencies’ accounting principles and standards—that is, the Office of Management and Budget (OMB), Department of the Treasury (Treasury), and General Accounting Office (GAO)—that must be followed. It also provides general guidance for accounting and financial management policies for functions and responsibilities not otherwise covered and that may be unique to DOE, such as the Nuclear Waste Fund.
- 2. APPLICABILITY.** The provisions of this handbook apply to all Departmental elements and integrated contractors performing work for the Department as provided by law or contract as implemented by the appropriate contracting officer. Nonintegrated contractors shall follow the applicable standards and procedures as specified in this handbook if provided in their contracts.
- 3. EXCLUSION.** The Bonneville Power Administration (BPA) is governed by the provisions of the Government Corporation Control Act and, as such, operates in accordance with generally accepted accounting principles issued by the Financial Accounting Standards Board. Therefore, BPA is exempt from the provisions of this handbook.
- 4. POLICY.** DOE shall maintain a system of accounts in accordance with regulatory requirements established by Treasury. The system of accounts shall adhere to generally accepted accounting practices and procedures when not otherwise covered by Treasury regulations. Although a uniform classification of accounts is prescribed for DOE elements, each power marketing administration and Federal Energy Regulatory Commission may have a chart of accounts based on its own requirements. Heads of contracting activities or designees shall interpret the provisions of this handbook and review and approve the practices and procedures necessary for integrated contractors to maintain a system of accounting acceptable to DOE. The integrated contractor’s customary accounting practices shall be accepted if they provide the necessary DOE financial reports and do not conflict with the provisions of this handbook. (The Department’s general ledger account codes and definitions and related financial codes are maintained in the Standard General Ledger Chart of Accounts and Related Codes.)

5. INQUIRIES.

- a. Exceptions and Exemptions.** The Chief Financial Officer approves or disapproves requests for exceptions or exemptions from the provisions contained in this handbook except where authority has been delegated to the field organization.
 - b. Policy Interpretations and Revisions.** The Director, Office of Financial Policy, addresses all inquiries about policy interpretations of, or proposed revisions to, this handbook.
- 6. CONCEPTS AND STANDARDS.** The standards, procedures, and operational requirements in this handbook are consistent, as appropriate, with the Statements of Federal Financial Accounting Standards (SFFAS), or GAO title 2 in the absence of SFFAS.