



Defense Finance and Accounting Service

DFAS 7900.4-M

Financial Management Systems Requirements Manual Volume 6, Managerial Cost Accounting

September 2012

Strategy, Policy and Requirements

SUBJECT: Description of Requirement Changes

The complete listing and description of the requirements changes, deletions, and additions by chapters and systems requirements can be found below.

All changes in this volume are denoted by bold blue font.

VOLUME 6 - Managerial Cost Accounting		
Req ID	Change Type	Reason for Change
06.02.009	D	Duplicate of 06.05.017.
06.02.010	C	Requirement verbiage updated.
06.02.017	D	Duplicate of 06.02.016.
06.02.025	D	Requirement was a general policy statement and not a programmable function.
06.02.038	A	New Requirement
06.02.039	A	New Requirement
06.02.040	A	New Requirement
06.02.041	A	New Requirement
06.02.042	A	New Requirement
06.02.043	A	New Requirement
06.02.044	A	New Requirement
06.02.045	A	New Requirement
06.02.046	A	New Requirement
06.02.047	A	New Requirement
06.02.048	A	New Requirement
06.02.049	A	New Requirement
06.02.050	A	New Requirement
06.02.051	A	New Requirement
06.02.052	A	New Requirement
06.02.053	A	New Requirement
06.02.054	A	New Requirement
06.02.055	A	New Requirement
06.02.056	A	New Requirement
06.02.057	A	New Requirement

VOLUME 6 - Managerial Cost Accounting

Req ID	Change Type	Reason for Change
06.02.058	A	New Requirement
06.02.059	A	New Requirement
06.02.060	A	New Requirement
06.02.061	A	New Requirement
06.02.062	A	New Requirement
06.02.063	A	New Requirement
06.02.064	A	New Requirement
06.02.065	A	New Requirement
06.02.066	A	New Requirement
06.02.067	A	New Requirement
06.02.068	A	New Requirement
06.03.010	D	Requirement was a general policy statement and not a programmable function.
06.03.018	D	Requirement was a general policy statement and not a programmable function.
06.03.022	C	Requirement verbiage updated.
06.03.024	D	Requirement was a general policy statement and not a programmable function.
06.03.025	D	Requirement was a general policy statement and not a programmable function.
06.03.026	D	Requirement was a general policy statement and not a programmable function.
06.03.027	D	Requirement was a general policy statement and not a programmable function.
06.03.028	D	Requirement was a general policy statement and not a programmable function.
06.03.029	D	Requirement was a general policy statement and not a programmable function.
06.03.030	A	New Requirement
06.03.031	A	New Requirement
06.03.032	A	New Requirement
06.03.033	A	New Requirement
06.03.035	A	New Requirement
06.03.036	A	New Requirement
06.04.024	A	New Requirement
06.04.025	A	New Requirement
06.04.026	A	New Requirement
06.04.027	A	New Requirement
06.04.028	A	New Requirement
06.04.029	A	New Requirement
06.04.030	A	New Requirement
06.04.031	A	New Requirement
06.05.002	D	Duplicate of 06.04.010.
06.05.009	C	Requirement verbiage updated.

VOLUME 6 - Managerial Cost Accounting

Req ID	Change Type	Reason for Change
06.05.013	D	Duplicate of 06.05.001.
06.05.018	A	New Requirement
06.05.019	A	New Requirement
06.05.020	A	New Requirement
06.05.021	A	New Requirement
06.05.022	A	New Requirement
06.05.023	A	New Requirement
06.05.024	A	New Requirement
06.05.025	A	New Requirement
06.05.026	A	New Requirement
06.05.027	A	New Requirement
06.05.028	A	New Requirement
06.05.029	A	New Requirement
06.06.033	A	New Requirement

Chart Legend:

A - Added FFMRs

These are new requirements due to revised and updated source document

C - Changed FFMRs

These requirements were contained in previous versions, but were changed for various reasons, as described in the Requirement Changes Appendix.

D - Deleted FFMRs

These requirements were removed from this version because they were no longer required by the source document or were redundant with another FFMR

Note: If there is no code in the requirements value added or change type columns for an FFMR, it is by definition, unchanged from previous versions.

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Defense Finance and Accounting Service

DFAS 7900.4-M

Financial Management Systems Requirements Manual Volume 06, Managerial Cost Accounting

September 2012

Strategy, Policy and Requirements

**SUBJECT: Financial Management Systems Requirements
Volume 06, Managerial Cost Accounting**

1. PURPOSE

a. This Volume presents the financial management system design and implementation requirements for Department of Defense (DoD) military components' and agencies' Managerial Cost Accounting financial management systems. This Volume is part of the publication which reissues Defense Finance and Accounting Service (DFAS) 7900.4-M, "Financial Management Systems Requirements Manual," commonly known as the "Blue Book." This manual is a comprehensive compilation of the Federal and Department of Defense (DoD) systems requirements.

b. The Blue Book serves as a "roadmap" to Federal and DoD financial management system requirements by major financial management functional areas and their authoritative sources, and will assist managers who are responsible for financial management systems in planning, designing, enhancing, modifying, and implementing financial management systems. Managers are ultimately responsible for being knowledgeable of and complying with the various authoritative sources of financial requirements (both legislative and regulatory). Guidance and procedures are contained in several volumes located on the DFAS Reference Library at <http://www.dfas.mil/dfasffmia/bluebook.html>. Appendix 4 of the manual includes links to where authoritative sources of requirements may be accessed.

c. Adherence to these requirements will enable DoD military components and agencies to meet Federal mandates and will help facilitate DFAS to progress toward reaching its strategic goal of providing services faster, better, and cheaper. The objective of this Volume is to promulgate the financial management systems requirements for system and program managers' use in developing Managerial Cost Accounting functionality.

2. APPLICABILITY:

Requirements contained within this document are applicable to accounting and finance systems operated and maintained by DoD.

3. POLICY:

a. This Volume provides a synopsis of Federal and DoD financial system requirements, mandated by policy, for financial management systems with Managerial Cost Accounting functionality. It represents a comprehensive compilation of financial management systems requirements mandated by Public Law 104-208, "Federal Financial Management Improvement

Act of 1996” September 30, 1996.

b. This Volume incorporates revisions to existing financial system requirements from the authoritative sources **via highlighting the appropriate text in bolded blue font**. See description of requirement changes for a complete listing and description of the financial systems requirements changes, deletions, and additions, for this volume.

c. Users of this Volume may forward questions, comments and suggested changes to:

Defense Finance and Accounting Service
Strategy, Policy and Requirements
Attn: Financial Management Systems and Requirements Branch
8899 East 56th Street
Indianapolis, IN 46249-0002

E-mail questions, comments, and suggestions to ffmiarequirements@dfas.mil

4. ORGANIZATIONAL RESPONSIBILITIES FOR FFMIA COMPLIANCE

a. Within DoD, various organizations operate financial management systems. In an overall scheme, many of these systems should be linked in an integrated network. However, these systems frequently “stand-alone” or “stovepipe” systems that are not logically integrated with other related systems. Critical financial data, instead of being transferred electronically between systems through well-controlled interfaces, are often transferred manually by means of journal vouchers, hardcopy spreadsheets, “data calls,” or other inefficient and error-prone methods.

b. DFAS functions as the primary Departmental entity responsible for producing a Trial Balance from the ERP general ledger and preparing the financial reports for the DoD. Much of the data used by DFAS to carry out the DoD’s accounting and financial reporting functions—such as property and inventory values—originate in non-DFAS organizations or systems. Therefore, other organizations, primarily the military services and Defense agencies, should be held responsible for the compliance of their financial management systems with all applicable Federal requirements. Appendix 5 of DFAS 7900.4-M contains Federal and DoD guidance on FFMIA compliance, evaluation, and reporting.

5. PROCEDURES:

Procedures are presented in each Volume of this Manual as appropriate.

6. RELEASABILITY:

UNLIMITED. This Volume as part of DFAS 7900.4-M is approved for public release and may be accessed at <http://www.dfas.mil/dfasffmia/bluebook.html>

7. EFFECTIVE DATE: This Volume is effective immediately.

MANAGERIAL COST ACCOUNTING INTRODUCTION

1. Reliable information on the cost of DoD programs, operations, and activities is crucial for effective management of the Department. Managerial cost accounting is especially important for fulfilling the objective of assessing an agency's operating performance. Therefore, cost accounting should be a fundamental part of an agency's financial management system and, to the extent practicable, should be integrated with other parts of the system. Cost accounting should use a basis of accounting, recognition, and measurement appropriate for the intended purpose (such as costing of goods to be sold to other parties or costing the operations of a DoD organization). Cost information developed for different purposes should be drawn from a common data source, and output reports should be reconcilable to each other.
2. Cost accounting systems should be fully integrated with other agency systems in order to eliminate unnecessary duplication of transaction entries and to share data elements without re-keying or reformatting. By its nature, a cost accounting system requires more linkages with other agency systems than do most other financial management systems. For example, a cost accounting system needs to accept financial and non-financial (e.g., units) data from the core financial system, inventory system, payroll or labor distribution system, property management system and others. Such data includes but is not limited to labor costs, material costs, depreciation, labor hours, exchange revenues, and number of items produced.
3. Cost accounting standards are published in SFFAS Number 4, Managerial Cost Accounting Concepts and Standards for the Federal Government. In February 1998, JFMIP published Managerial Cost Accounting System Requirements (JFMIP FFMSR-8), which establishes specific functional requirements for cost accounting systems. In addition, DoD has established cost accounting requirements and processes in its Financial Management Regulation Volume 4. Also, in 2006, the Financial Systems Integration Office (FSIO) published Managerial Cost Accounting System Requirements (OFFM-N0-0106).

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
System Administration	06.01.001		The managerial cost accounting system must support the Financial Information Classification Structure described in JFMIP FFMSR-8, Chapter II, and use the data classification structure described there.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg II-2		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_System_Admin_001
System Administration	06.01.002		The managerial cost accounting system, where possible and practical, should access the other systems' tables (or other data structures) that define codes in the data classification structure, rather than maintaining its own set of tables for these data elements.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-2		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_System_Admin_002
System Administration	06.01.004		The managerial cost accounting system must allow authorized users to maintain data classification elements and use it for editing and reporting purposes	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-2		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_System_Admin_003
System Administration	06.01.006		The cost managerial accounting system must maintain rules for assigning costs to cost objects. The cost assignment rules maintenance process must support the costing methodologies, cost objects, and resources chosen by the agency for its use. The managerial cost accounting system is not required to support all of the costing methodologies that might be possible.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-2 and III-3 □ Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para COSTING METHODOLOGY			Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_System_Admin_004

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
System Administration	06.01.012		The managerial cost accounting system must require reporting entities to perform at least a certain minimum level of cost accounting and provide a basic amount of cost accounting information necessary to accomplish the many objectives associated with planning, decision making, and reporting. This minimum level includes collecting cost information by responsibility segments, measuring the Full Costing of outputs, Costing Methodology, providing information for Performance Measurement, Reporting Frequency, Integrating cost accounting and general financial accounting with both using the Standard General Ledger, providing the appropriate precision of information (it should be useful but not unnecessarily precise or refined), accommodating any of management's special cost information needs that may arise due to unusual or special situations or circumstances and documentation of all managerial cost accounting activities, processes, and procedures.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 71			Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_System_Admin_005
Data Capture	06.02.002		The managerial cost accounting system must capture (or share with other systems) all data on costs needed to determine the costs of outputs and the total net cost of the entity's operations, with the appropriate disclosures of the components of net cost.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-4		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_001

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.003		The managerial cost accounting system must capture summary information on all costs from the core financial system and other systems of original entry for cost transactions.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-4		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_002
Data Capture	06.02.004		The managerial cost accounting system must allow for direct input of cost information by authorized users, with an appropriate audit trail, in order to capture costs that are not entered into any other system.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-4			Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_003
Data Capture	06.02.005		For costs are entered directly into the managerial cost accounting system, the system must summarize them and send them to the core financial system for posting to the general ledger.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-4			Cost Management Acquire-to-Retire Budget-to-Report Concept-to-Product Deployment-to-Redeployment/Retrograde Environmental Liabilities Hire-to-Retire Market-to-Prospect Order-to-Cash Plan-to-Stock -- Inventory Management Procure-to-Pay Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_004

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.009	D	Deleted: The managerial cost accounting system should allow reporting entities to measure and report the full costs of their outputs in general purpose financial reports. Full cost of an output produced by a responsibility segment is the sum of: (1) the costs of resources consumed by the segment that directly or indirectly contribute to the output, and (2) the costs of identifiable supporting services provided by other responsibility segments within the reporting entity, and by other reporting entities.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 89-91	Source: DoDFMR Vol 06B, Ch 05; Source Date: 5/1/2009; Source Number: 050201 E		Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_005
Data Capture	06.02.010	C	All direct costs shall be included in the full cost of outputs.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 90		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_006
Data Capture	06.02.011		The managerial cost accounting system should assign indirect costs incurred, within a responsibility segment, to outputs on a cause-and-effect basis, if such an assignment is economically feasible, or through reasonable allocations. Costs of support services that a responsibility segment receives from other segments or entities should be directly traced or assigned to various segments that receive the support services. Any remaining amount then should then be assigned to outputs.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 91			Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_007

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.012		The managerial cost accounting system must include the following cost elements (not all inclusive): Costs of Employees' Benefits. Costs of Public Assistance and Social Insurance Programs. Costs related to Property, Plant and Equipment. Non-production costs.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 93-104		Update Chart of Accounts and SFIS Attribute and Pro Forma Entries and Calendar		Managerial_Cost_Accounting_Data_Capture_008
Data Capture	06.02.013		The managerial cost accounting system must incorporate the cost of goods and services received from other entities (inter-entity costs) in the entity's full cost of goods and services.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 105 Source: IFFAS-6; Source Date: 6/1/2008; Source Number: para 1	Source: DoDFMR Vol 06B, Ch 05; Source Date: 5/1/2009; Source Number: 050201 E. 1 and 2 a-b	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_009
Data Capture	06.02.014		If an entity provides goods or services to another entity, regardless of whether full reimbursement is received, the providing entity shall continue to recognize in its accounting records the full cost of those goods or services. The full costs of the goods or services provided shall also be reported to the receiving entity by the providing entity.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 108			Cost Management Acquire-to-Retire Budget-to-Report Concept-to-Product Deployment-to-Redeployment/Retrograde Environmental Liabilities Hire-to-Retire Market-to-Prospect Order-to-Cash Plan-to-Stock -- Inventory Management Procure-to-Pay Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_010

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.015		The receiving entity shall recognize in its accounting records the full cost of the goods or services it receives as an expense or, if appropriate, as an asset (such as work-in-process inventory).	Source: IFFAS-6; Source Date: 6/1/2008; Source Number: para 2 Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 109			Cost Management Acquire-to-Retire Budget-to-Report Concept-to-Product Deployment-to-Redeployment/Retrograde Environmental Liabilities Hire-to-Retire Market-to-Prospect Order-to-Cash Plan-to-Stock -- Inventory Management Procure-to-Pay Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_012
Data Capture	06.02.016		The information on costs of nonreimbursed or under-reimbursed goods or services should be available from the providing entity, but if such cost information is not available a reasonable estimate may be used by the receiving entity. The estimate should be of the costs of the goods or services received to the extent that reimbursement is less than full cost, the receiving entity should recognize the difference in its accounting records as a financing source.	Source: IFFAS-6; Source Date: 6/1/2008; Source Number: para 2 Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 109		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_011
Data Capture	06.02.017	D	Deleted: To the extent that reimbursement is less than full cost, the managerial cost accounting system should allow the receiving entity to recognize the difference in its accounting records as a financing source. Inter-entity expenses/assets and financing sources would be eliminated for any consolidated financial statements covering both entities.	Source: SFFAS-6; Source Date: 6/1/2008; Source Number: para 2 Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 109	Source: DoDFMR Vol 06B, Ch 05; Source Date: 5/1/2009; Source Number: 050202 Source: DoDFMR Vol 06B, Ch10; Source Date: 9/1/2008; Source Number: 102003			Managerial_Cost_Accounting_Data_Capture_059

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.018		For goods or services transferred within the federal government, that do not involve eventual sales to entities outside the federal government, the managerial cost accounting system should accommodate those cases in which the cost of non-reimbursed or under-reimbursed goods or services received from other entities are not to be recognized as part of the cost of the receiving entity and those cases in which the cost should be recognized.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 112-115		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_013
Data Capture	06.02.019		Accumulated costs should be classified by type of resource, such as costs of employees, materials, capital, utilities, rent, etc. When appropriate and cost effective, information on quantitative units related to various cost categories should be maintained.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 119		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_014
Data Capture	06.02.020		The financial management system must draw information from the same common data source as the financial accounting and budgetary accounting systems. This data source consists of all financial and programmatic information used by the budgetary, cost, and financial accounting processes. It includes all financial and much non-financial data, such as environmental data, that are necessary for budgeting and financial reporting.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 43-45	Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190102 C	Manage General Ledger	Deployment-to-Redeployment/Retrograde Plan-to-Stock -- Inventory Management	Managerial_Cost_Accounting_Data_Capture_015

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.022		The job order cost accounting system must distinguish between funded and unfunded costs.		Source: DoDFMR Vol 04, Ch 20; Source Date: 1/1/1995; Source Number: 200102 B		Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_016
Data Capture	06.02.023		The cost accounting system must include unallowable costs (unallowable cost is any cost which, under the provisions of any pertinent law, regulation, or contract, cannot be included in prices, cost reimbursements or settlements), if material and when directed by the Under Secretary of Defense (Comptroller), as a cost of operations	Source: CFR Title 48; Source Date: 10/1/2000; Source Number: Part 9904, 405	Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190205	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_017
Data Capture	06.02.024		An organization operating a formal cost accounting system may use standard costs for estimating, accumulating, and reporting costs of direct material and direct labor only when all of the following criteria are met: Both standard and actual costs are entered into the books of account. Standard costs are compared to actual costs at the end of each accounting period and a variance calculated. Standard costs and related variances are appropriately accounted for at the level of the production unit. Practices with respect to the setting and revising of standards, use of standard costs, and disposition of variances are stated in writing and are consistently followed.		Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190202	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.025	D	Deleted: The cost accounting system shall deem the grouping of homogeneous costs and estimates, prepared for proposed work purposes, an inconsistent application of the standard when actual costs are accumulated and reported in greater detail by the cost accounting module during job performance.		Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190210 B	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_019
Data Capture	06.02.026		For allocating the G&A expense pool, items produced or worked on for stock or product inventory shall be accounted for as final cost objectives as follows: When items are produced or worked on for stock or product inventory in a given cost accounting period, the cost input to such items in that period shall be included only once in the computation of the G&A expense allocation base and in the computation of the G&A expense allocation rate for that period, and shall not be included in the computation of the base or rate for any other cost accounting period. A portion of the G&A expense pool shall be allocated to items produced or worked on for stock or product inventory in the cost accounting period or periods in which such items are produced at the rates determined for such period.		Source: DoDFMR Vol 04, Ch 20; Source Date: 5/1/2010; Source Number: 200309	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.027		The job order cost accounting system (which is subsidiary to, and must be integrated with, the general accounting system) shall, for each production and support department, maintain the capability to array subsidiary accounts data in sufficient detail necessary to satisfy management information requirements.		Source: DoDFMR Vol 04, Ch 17; Source Date: 6/1/2000; Source Number: Sub170502 □ Source: DoDFMR Vol 04, Ch 20; Source Date: 1/1/1995; Source Number: 200201 and 200308	Manage General Ledger	Deployment-to-Redeployment/Retrograde Plan-to-Stock -- Inventory Management	Managerial_Cost_Accounting_Data_Capture_022
Data Capture	06.02.028		The job order cost accounting system must use job order numbers assigned, for each defined cost objective, by the appropriate cost accounting department.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 155	Source: DoDFMR Vol 04, Ch 20; Source Date: 1/1/1995; Source Number: 200302	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_023
Data Capture	06.02.031		"The job order cost accounting system must accumulate the following unfunded (costs that are financed by another organization's or activity's appropriations) costs: Military Labor Unfunded Civilian Retirement Costs Unfunded Material and Unfunded Depreciation"	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 154	Source: DoDFMR Vol 04, Ch 20; Source Date: 5/1/2010; Source Number: 200311 A-D			Managerial_Cost_Accounting_Data_Capture_060
Data Capture	06.02.032		The job order cost system must account for all production costs (for example direct labor, direct material, and overhead) associated with producing a product/end item. The job order cost accounting system must account for the following production costs: Direct Labor Direct Material Indirect Labor, Material and Overhead		Source: DoDFMR Vol 04, Ch 20; Source Date: 1/1/1995; Source Number: 200401-200403			Managerial_Cost_Accounting_Data_Capture_061

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Data Capture	06.02.033		The process cost accounting system (which is subsidiary to, and must be fully integrated with other modules of, the general accounting system) shall, for each production and support department, maintain the capability to array subsidiary accounts data in sufficient detail necessary to satisfy management information requirements.		Source: DoDFMR Vol 04, Ch 21; Source Date: 1/1/1995; Source Number: 210201 and 210307	Manage General Ledger	Deployment-to-Redeployment/Retrograde Plan-to-Stock -- Inventory Management	Managerial_Cost_Accounting_Data_Capture_024
Data Capture	06.02.034		The process cost accounting system, as a result of the industrial engineering evaluation of the production processes and flows, must consolidate production operations into logical cost centers to perform specific tasks that produce an identifiable and measurable output. The process cost accounting system must also identify the specific cost of products being produced and associate the outputs of a product for each cost center.		Source: DoDFMR Vol 04, Ch 21; Source Date: 1/1/1995; Source Number: 210301, 210302		Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_025
Data Capture	06.02.035		The process cost accounting system must: Utilize standard costs for output units of production cost centers Accumulate actual costs so that management can measure the cost efficiency of cost centers or determine if various inefficiencies have entered into the system and compute variances between the two and perform an analysis of efficiency and effectiveness of actual verses budget cost and Identify both favorable and unfavorable variances so that a person can determine their cause and adjust the standard cost, if necessary, by the variance in order to recover actual cost.		Source: DoDFMR Vol 04, Ch 21; Source Date: 1/1/1995; Source Number: 210303		Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Data_Capture_026

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.037		With the use of a common data source, cost information reflecting different accounting bases or different recognition and measurement methods should still be traceable back to the original common data source. To be reconcilable, the amount of the differences in the information reported should be ascertainable and the reasons for the differences should be explainable.		Source: DoDFMR Vol 4, Ch 19; Source Date: 5/1/2010; Source Number: Para 190302			Managerial_Cost_Accounting_Data_Capture_028
Data Capture	06.02.038	A	To support the managerial cost accounting process, the system shall provide a capability to classify an Operating Cost as a Direct Cost.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 90 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04				Managerial_Cost_Accounting_Data_Capture_029
Data Capture	06.02.039	A	To support the managerial cost accounting process, the system shall provide a capability to associate a Direct Cost with an Activity.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01	Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190102.D			Managerial_Cost_Accounting_Data_Capture_030

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.040	A	To support the managerial cost accounting process, the system shall provide a capability to classify an Operating Cost as a Military Augmentation Cost based upon agency defined criteria.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04				Managerial_Cost_Accounting_Data_Capture_031
Data Capture	06.02.041	A	To support the managerial cost accounting process, the system shall provide a capability to associate a Military Augmented Direct Cost with various programs, sub-agencies, commands, etc. based on agency defined criteria.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-01 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_032
Data Capture	06.02.042	A	To support the managerial cost accounting process, the system shall provide a capability to associate a Military Augmented Indirect Cost with various programs, sub-agencies, commands, etc. based on agency defined criteria.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-01 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_033
Data Capture	06.02.043	A	To support the managerial cost accounting process, the system shall provide a capability to associate an Organic Direct Cost with various programs, sub-agencies, commands, etc. based on agency defined criteria.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-01 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_034

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.044	A	To support the managerial cost accounting process, the system shall provide a capability to associate an Organic Indirect Cost with various programs, sub-agencies, commands, etc. based on agency defined criteria.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-01 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_035
Data Capture	06.02.045	A	To support the managerial cost accounting process, the system shall provide a capability to classify an Operating Cost as a Commercial Augmentation Cost based upon agency defined criteria.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04				Managerial_Cost_Accounting_Data_Capture_036
Data Capture	06.02.046	A	To support the managerial cost accounting process, the system shall provide a capability to classify an Operating Cost as a Terminal Augmentation Cost based upon agency defined criteria.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-03				Managerial_Cost_Accounting_Data_Capture_037

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.047	A	To support the managerial cost accounting process, the system shall provide a capability to classify an Operating Cost as an Indirect Cost.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 91□Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04				Managerial_Cost_Accounting_Data_Capture_038
Data Capture	06.02.048	A	To support the managerial cost accounting process, the system shall provide a capability to classify an Operating Cost as an Overhead Cost.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-01□Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04				Managerial_Cost_Accounting_Data_Capture_039
Data Capture	06.02.049	A	To support the managerial cost accounting process, the system shall provide a capability to associate an Indirect Cost with an Activity.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 149(2)□Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04□Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_040

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.050	A	To support the managerial cost accounting process, the system shall provide a capability to associate an Overhead Cost with an Activity.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 149(2) □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_041
Data Capture	06.02.051	A	To support the managerial cost accounting process, the system shall provide a capability to associate the remaining Unallocated Indirect Costs to an Activity using the Activity Allocation Rate.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 134 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04				Managerial_Cost_Accounting_Data_Capture_042

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.052	A	To support the managerial cost accounting process, the system shall provide a capability to associate a Rule-Allocated Indirect Cost with an Activity.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 134 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_043
Data Capture	06.02.053	A	To support the managerial cost accounting process, the system shall provide a capability to associate a Rate-Allocated Indirect Cost with an Activity.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 134 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04				Managerial_Cost_Accounting_Data_Capture_044

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.054	A	To support the managerial cost accounting process, the system shall provide a capability to associate an Operating Cost with Cost Identification Criteria.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: 126 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04 Source: SFFAS-4; Source Date: 6/1/2011; Source Number: 128				Managerial_Cost_Accounting_Data_Capture_045
Data Capture	06.02.055	A	To support the managerial cost accounting process, the system shall provide a capability to classify a Cost Line Item as a Commercial Augmentation Activity.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_046
Data Capture	06.02.056	A	To support the managerial cost accounting process, the system shall provide a capability to classify a Cost Line Item as a Terminal Activity.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_047
Data Capture	06.02.057	A	To support the managerial cost accounting process, the system shall provide a capability to classify a Cost Line Item as a Military Augmentation Activity.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_048
Data Capture	06.02.058	A	To support the managerial cost accounting process, the system shall provide a capability to classify a Cost Line Item as an Organic Activity.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_049

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.059	A	To support the managerial cost accounting process, the system shall provide a capability to classify a Cost Transaction as a Military Augmentation Transaction.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_050
Data Capture	06.02.060	A	To support the managerial cost accounting process, the system shall provide a capability for a user to associate a Direct Cost to a Project Number.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 90 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-02 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				
Data Capture	06.02.061	A	To support the managerial cost accounting process, the system shall provide a capability to associate an Indirect Cost to a group of Project Numbers.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 91 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01				Managerial_Cost_Accounting_Data_Capture_051

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.062	A	To support the managerial cost accounting process, the system shall provide a capability to associate an Overhead Cost to all Project Numbers.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 54□Source: OFFM- NO-0106; Source Date: 1/1/2006; Source Number: CMC- 02□Source: OFFM- NO-0106; Source Date: 1/1/2006; Source Number: CMA- 01				Managerial_Cost_Ac- counting_Data_Capture_ 052
Data Capture	06.02.063	A	To support the managerial cost accounting process, the system shall provide automated functionality to capture several types of data (i.e. units, exchange revenues, gains and losses).	Source: OFFM-NO- 0106; Source Date: 1/1/2006; Source Number: CMB-02	Source: DoDFMR Vol 04, Ch 16; Source Date: 6/1/2012; Source Number: 160102			Managerial_Cost_Ac- counting_Data_Capture_ 053
Data Capture	06.02.064	A	To support the managerial cost accounting process and to support the Cost Recognition process, the Core financial system must provide the capability to use the accrual basis of accounting when recognizing costs.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 60				Managerial_Cost_Ac- counting_Data_Capture_ 054
Data Capture	06.02.065	A	To support the managerial cost accounting process, the accounting system shall collect cost information and associate outputs by responsibility segment.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 71□Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 123				Managerial_Cost_Ac- counting_Data_Capture_ 055

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Data Capture	06.02.066	A	To support the managerial cost accounting process, the Core financial system shall provide the capability to identify all costs incurred by the agency in support of activities of revolving funds, trust funds, or commercial functions (including the applicable portions of any related salaries and expense accounts identified with those activities).	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: 89□ Source: SFFAS-4; Source Date: 6/1/2011; Source Number: 91□ Source: SFFAS-4; Source Date: 6/1/2011; Source Number: 90	Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190102.A			Managerial_Cost_Accounting_Data_Capture_056
Data Capture	06.02.067	A	To support the managerial cost accounting process, the system shall provide automated functionality to include imputed costs incurred by the reporting entity, but paid in total or in part by another entity, in the costs of program outputs.		Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190102.C			Managerial_Cost_Accounting_Data_Capture_057
Data Capture	06.02.068	A	To support the managerial cost accounting process, the system shall have the capability to classify financial information by: a) Funding Center Identifier b) Cost Center Identifier c) Project Identifier d) Activity Identifier e) Work Order Number f) Cost Element Code		Source: DoDFMR Vol 01, Ch 04; Source Date: 6/1/2009; Source Number: 040604			Managerial_Cost_Accounting_Data_Capture_058
Cost Assignment	06.03.002		The managerial cost accounting system must support one or more of the following costing methodologies: Activity Based Costing (ABC), Job Order Costing, Process Costing and Standard Costing.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-6□ Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 147		Define Cost Performance Model	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Order-to-Cash Prospect-to-Order	Cost_Assignment_001

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Assignment	06.03.003		If the cost assignment process affects the values of Standard General Ledger (SGL) accounts in the core financial system's general ledger, such as inventory or fixed asset accounts, the managerial cost accounting system must send the summarized impact of cost assignments to the core financial system for posting to the general ledger and external reporting.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-6			Cost Management Acquire-to-Retire Budget-to-Report Concept-to-Product Deployment-to- Redeployment/Retrograde Environmental Liabilities Hire-to-Retire Market-to-Prospect Order-to-Cash Plan-to- Stock -- Inventory Management Procure-to- Pay Prospect-to-Order Service Request-to- Resolution Service-to- Satisfaction	Cost_Assignment_002
Cost Assignment	06.03.004		Costs of supporting services and intermediate products should be assigned to the segments that receive the services and products. This is referred to as the intra-entity cost assignments.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 122		Capture Cost Information	Cost Management Deployment-to- Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to- Resolution Service-to- Satisfaction	Cost_Assignment_003
Cost Assignment	06.03.005		With respect to each responsibility segment, the managerial cost accounting system should include the following costs that are to be assigned to outputs: (a) direct and indirect costs incurred within the responsibility segment, (b) costs of other responsibility segments that are assigned to the segment, and (c) inter-entity costs recognized by the receiving entity and assigned to the segment. If a responsibility segment produces one kind of output only, costs of resources used to produce the output are assigned to the output.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 123			Cost Management Deployment-to- Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to- Resolution Service-to- Satisfaction	Cost_Assignment_004

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Assignment	06.03.006		The managerial cost accounting system should assign costs that can be traced to each of the activities (or outputs) to the activities (or outputs) directly.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 139			Cost Management Deployment-to- Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to- Resolution Service-to- Satisfaction	Cost_Assignment_005
Cost Assignment	06.03.007		To determine the full cost of each of the activities or outputs that share resources, indirect common costs shall be assigned to those activities. Common costs shall be assigned to activities either on a cause-and-effect basis, if feasible, or through reasonable allocations.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 140			Cost Management Deployment-to- Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to- Resolution Service-to- Satisfaction	Cost_Assignment_006
Cost Assignment	06.03.009		The cost accounting system must allocate each type of cost only once, and on only one basis, to any job or other cost objective.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: para. 47 and 137			Cost Management Deployment-to- Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to- Resolution Service-to- Satisfaction	

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Assignment	06.03.010	D	Deleted: DoD activities shall use the October 1 to September 30 fiscal year as the cost accounting period, except that: The costs of an indirect function that exists for only a part of a cost accounting period may be allocated to cost objectives of that same part of the period if the cost is material in amount, accumulated in a separate indirect cost pool, and allocated on the basis of an appropriate direct measure of the activity or output of the function during that part of the period. A transitional cost accounting period shall be used whenever a change of fiscal year occurs. The same cost accounting period shall be used for accumulating costs in an indirect cost pool as for establishing its allocation base.		Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190206 A-C		Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Assignment_008
Cost Assignment	06.03.011		The cost accounting system shall assign the cost of compensated personal absence (illness, vacation, holidays, jury duty, military training or other absence for which compensation is paid directly to an employee) to the cost accounting period or periods in which the entitlement was earned.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: para. 47 and 120			Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	
Cost Assignment	06.03.012		The cost accounting system shall allocate the cost of compensated personal absence for an entire cost accounting period on a pro-rata annual basis among the final cost objectives of that period.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: para. 4 and 134			Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Assignment	06.03.013		The cost accounting system shall assign the depreciable cost of tangible capital asset (or group of assets) to cost accounting periods in accordance with the following criteria: The depreciable cost of a tangible capital asset shall be its capitalized cost less its estimated residual value. The estimated service life of a tangible capital asset (or group of assets) shall be used to determine the cost accounting periods to which the depreciable cost will be assigned.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 120	Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190101 E	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	
Cost Assignment	06.03.014		The cost accounting system shall allocate the annual depreciation cost of a tangible capital asset (or group of assets) to cost objectives for which it provides service in accordance with the following criteria: Depreciation costs may be charged as a direct cost only if depreciation costs of all like assets used for similar purposes are charged in the same manner. Depreciation costs charged to service or general and administration cost centers shall be included in the allocated costs of those centers. Depreciation costs of capital assets used within a production cost center but which are not charged directly to a cost objective shall be included as an indirect cost of that center.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 134	Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190101 E		Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Assignment	06.03.015		The cost accounting system shall allocate business unit general and administrative (G&A) expenses to final cost objectives based on their beneficial or causal relationship.		Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190102 E	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	
Cost Assignment	06.03.016		The cost accounting system shall allocate the G&A expense pool of a business unit, for a cost accounting period, to final cost objectives of that cost accounting period by means of a cost input base representing the total activity of the business unit.		Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190102 E	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	
Cost Assignment	06.03.017		The cost accounting system shall allocate headquarters' expenses, received by a segment, to segment cost objectives as follows: Expenses related to the management and administration of the receiving segment as a whole shall be included in the receiving segment's G&A expense pool. Expenses related to the management and administration of specific activities of segments shall be allocated to the segment cost objectives in proportion to the beneficial or causal relationship between the cost objectives and the expenses, if such allocation is significant, in amount. When a beneficial or causal relationship for expenses is not identifiable with segment cost objectives, the expenses may be included in the G&A expense pool.		Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190405 □ Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190102 B and E		Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	

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Cost Assignment	06.03.018	D	Deleted: The cost accounting system shall have the capability to segregate the expense of the headquarters functions when a segment performs headquarters functions and also performs as an operating segment having a responsibility for final cost objectives. These expenses shall be allocated to all benefiting or causing segments, including the segment performing the headquarters functions, pursuant to written and consistently followed accounting practices for the allocation of headquarters expenses to segments.		Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190210 F		Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Assignment_016

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Assignment	06.03.019		<p>The cost accounting system shall assign the cost of deferred compensation as follows: The cost of all deferred compensation, except for annual leave, sick leave, and pension cost shall be assigned to the cost accounting period in which the obligation to compensate the employee occurs. In the event no obligation is incurred prior to payment, the cost of deferred compensation shall be the amount paid and shall be assigned to the cost accounting period in which the payment is made. The obligation for the cost of deferred compensation is deemed to have occurred when all of the following conditions have been met. However, for awards that require that the employee perform future service in order to receive the benefits, the obligation is deemed to have been incurred as the future service is performed for that part of the award attributable to such future service. There is a requirement to make the future payments that cannot be unilaterally avoided. The deferred compensation award is to be satisfied by a future payment of money. The amount of the future payment can be measured with reasonable accuracy. The recipient of the award is known. If the terms of the award require that certain events must occur before an employee is entitled to receive the benefits, there is a reasonable probability that such events shall occur. If the cost of deferred compensation can be estimated with reasonable accuracy on a group</p>	<p>Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 95-96</p>		Capture Cost Information	<p>Cost Management Deployment-to- Redeployment/Retrograd e Market-to-Prospect Prospect-to-Order Service Request-to- Resolution Service-to- Satisfaction</p>	

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			basis, including consideration of probable forfeitures, such estimate may be used rather than separate computations for each employee. The present value, of the future benefits, shall be used as the measurement of the amount of the cost of deferred compensation.					
Cost Assignment	06.03.020		The job order cost system should: Allow the posting of the work in process cost, for all open job order numbers, to the Work In Process-In House and Construction In Progress-In House accounts. Transfer the appropriate amount from Work in Process-In-House and Construction in Progress accounts to the Cost of Goods Sold or applicable asset accounts when production departments complete a job order.		Source: DoDFMR Vol 04, Ch 20; Source Date: 5/1/2010; Source Number: 200302		Cost Management Acquire-to-Retire Concept-to-Product Deployment-to-Redeployment/Retrograde Environmental Liabilities Market-to-Prospect Plan-to-Stock -- Inventory Management Procure-to-Pay Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	
Cost Assignment	06.03.021		The job order cost system should add unfunded cost financed by other organizations or by prior appropriations to the shop rate charges and billed to non-DoD ordering activities.		Source: DoDFMR Vol 04, Ch 20; Source Date: 1/1/1995; Source Number: 200305 B		Cost Management Acquire-to-Retire Concept-to-Product Deployment-to-Redeployment/Retrograde Environmental Liabilities Market-to-Prospect Plan-to-Stock -- Inventory Management Procure-to-Pay Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Assignment_019

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Cost Assignment	06.03.022	C	The general and administrative (G&A) expenses are accumulated in the activities indirect cost centers and charged to customers by equitably prorating the expense to job orders.		Source: DoDFMR Vol 04, Ch 20; Source Date: 1/1/1995; Source Number: 200309		Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Assignment_020
Cost Assignment	06.03.023		The cost accounting system shall group business unit General & Administrative (G&A) expenses in a separate indirect cost pool that shall be allocated only to final cost objectives.		Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190210 B			Cost_Assignment_028
Cost Assignment	06.03.024	D	Deleted: For any costs that do not satisfy the definition of G&A expense, but that have been classified by a business unit as G&A expenses, the cost accounting system shall allow these cost to remain in the G&A expense pool unless they can be allocated to business unit cost objectives on a beneficial or causal relationship that is best measured by a base other than a cost input base.		Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190210 E			Accounts_Payable_Certifying_Officer_Legislation_047

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Cost Assignment	06.03.025	D	Deleted: For purposes of allocating the G&A expense pool, the cost accounting shall account for items produced or worked on for stock or product inventory as final cost objectives as follows: When items are produced or worked on for stock or product inventory in a given cost accounting period, the cost input to such items in that period shall be included only once in the computation of the G&A expense allocation base and in the computation of the G&A expense allocation rate for that period, and shall not be included in the computation of the base or rate for any other cost accounting period. A portion of the G&A expense pool shall be allocated to items produced or worked on for stock or product inventory in the cost accounting period or periods in which such items are produced at the rates determined for such period.		Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190210 G 1 and 2			
Cost Assignment	06.03.026	D	Deleted: The cost accounting system may allocate the cost of units of a category of material directly to a cost objective provided the cost objective was specifically identified at the time of purchase or production of the units.		Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190211 B			Accounts_Payable_Certifying_Officer_Legislation_048
Cost Assignment	06.03.027	D	Deleted: The cost accounting system may allocate the cost of material that is used solely in performing indirect functions, or is not a significant element of production cost whether or not incorporated in an end product, to an indirect cost pool.		Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190211 C			Accounts_Payable_Certifying_Officer_Legislation_049

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Cost Assignment	06.03.028	D	Deleted: The cost accounting system shall not capitalize the cost of money used to construct a capital asset as part of the cost of that asset unless loans were obtained by the Department of Defense specifically for the construction of those assets.		Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190217			Accounts_Payable_Certifying_Officer_Legislation_050
Cost Assignment	06.03.029	D	Deleted: The cost accounting system shall not assign the independent research and development, or bid and proposal, costs incurred in a cost accounting period to any other cost accounting period except as may be permitted pursuant to other provisions of existing laws, regulations and other controlling factors.		Source: DoDFMR Vol 04, Ch 19; Source Date: 1/1/1995; Source Number: 190220 A and B			Accounts_Payable_Certifying_Officer_Legislation_051
Cost Assignment	06.03.030	A	To support the managerial cost accounting process, the system shall provide a capability to calculate the Activity Allocation Rate.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 47; Para 134□Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04□Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-03				Cost_Assignment_021
Cost Assignment	06.03.031	A	To support the managerial cost accounting process, the system shall provide a capability to calculate the Commercial Augmentation Overhead Rate.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04				Cost_Assignment_022

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Cost Assignment	06.03.032	A	To support the managerial cost accounting process, the system shall provide automated functionality to ensure the costs of program outputs include the cost of services provided by other federal entities whether or not the providing entity is fully reimbursed		Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190102.B			Cost_Assignment_023
Cost Assignment	06.03.033	A	To support the managerial cost accounting process, the accounting system shall allow a user to maintain the cost assignment rules.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 120-137				Cost_Assignment_024
Cost Assignment	06.03.035	A	The Core financial system shall provide the capability to calculate prices, fees, and user charges for reimbursable agreements and other purposes consistent with the guidance of OMB Circular No. A-25 User Charges.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 37 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-02				Cost_Assignment_026
Cost Assignment	06.03.036	A	To support the managerial cost accounting process, the system shall have the capability to transfer construction in progress to the appropriate asset account upon completion of the project.	Source: SFFAS-6; Source Date: 6/1/2011; Source Number: Para 34 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-01				Cost_Assignment_027

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Cost and Revenue Accumulation	06.04.001		The managerial cost accounting system must send cost data to the appropriate system to calculate exchange revenue for goods or services made or produced to order under a contract.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-8 Source: SFFAS-7; Source Date: 6/1/2008; Source Number: para 36. (b)			Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_001
Cost and Revenue Accumulation	06.04.002		The managerial cost accounting system should support the inventory system (or other property system) by accumulating costs from multiple sources for inventory and related property that has been acquired, is undergoing repair, or is in production (work-in-process).	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-7		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_002
Cost and Revenue Accumulation	06.04.003		The managerial cost accounting system should provide accumulated costs, including applicable indirect costs, to the appropriate system for recording as the appropriate asset or expense type.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-8			Cost Management Acquire-to-Retire Budget-to-Report Concept-to-Product Deployment-to-Redeployment/Retrograde Environmental Liabilities Hire-to-Retire Market-to-Prospect Order-to-Cash Plan-to-Stock -- Inventory Management Procure-to-Pay Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_003

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost and Revenue Accumulation	06.04.007		The managerial cost accounting system should accumulate and determine the full cost of general property, plant and equipment (PP&E) under construction.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-8		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_004
Cost and Revenue Accumulation	06.04.008		The managerial cost accounting system should transfer the completed project construction in progress cost to the appropriate asset account and pass the information to the core financial system and property management system(s) for asset valuation purposes.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-8		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_005
Cost and Revenue Accumulation	06.04.009		The managerial cost accounting system shall recognize the cost of acquiring, improving, reconstructing, or renovating heritage assets, other than multi-use heritage assets, on the statement of net cost for the period in which the cost is incurred. The cost shall include all costs incurred during the period to bring the item to its current condition at its initial location.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-9 Source: SFFAS-16; Source Date: 6/1/2008; Source Number: para 8 Source: SFFAS-6; Source Date: 6/1/2008; Source Number: para 61, 69 Source: SFFAS-8; Source Date: 6/1/2008; Source Number:		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_006

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Cost and Revenue Accumulation	06.04.010		The managerial cost accounting system must accumulate and maintain Stewardship Investment cost (investment in human capital, research and development, and non-federal physical property), on an annual basis for stewardship reporting, for a period of five years	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-10		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_007
Cost and Revenue Accumulation	06.04.011		The job order cost system must calculate actual shop rates from the cost obtained from the same database used to prepare general ledger control account entries.		Source: DoDFMR Vol 04, Ch 20; Source Date: 1/1/1995; Source Number: 200305 A	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_008
Cost and Revenue Accumulation	06.04.019		The managerial cost accounting system should be capable of supporting cost management by accumulating costs in agency defined cost centers that are associated with agency-defined performance measures	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-9		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_009
Cost and Revenue Accumulation	06.04.020		The managerial cost accounting system must be capable of supporting cost management by accumulating numerically valued agency-defined output information.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-9		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_010

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Cost and Revenue Accumulation	06.04.021		The managerial cost accounting system must be capable of supporting cost management by calculating the unit cost of outputs.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-10		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_And_Revenue_Accumulation_011
Cost and Revenue Accumulation	06.04.022		"Use the appropriate costing methodologies to accumulate and assign cost to outputs. - Cost of resources consumed by responsibility segments should be accumulated by type of resource. - Outputs produced by responsibility segments should be accumulated and, if practicable, measured in units. - The full costs of resources that directly or indirectly contribute to the production of outputs should be assigned to outputs through cost methodologies or cost finding techniques that are most appropriate to the segment's operating environment and should be followed consistently. - The cost assignments should be performed using the following methods listed in the order of preference: (a) directly tracing costs wherever feasible and economically practicable, (b) assigning costs on a cause-and-effect basis, or allocating costs on a reasonable and consistent basis"		Source: DoDFMR Vol 4, Ch 19; Source Date: 5/1/2010; Source Number: Para 190405			Cost_And_Revenue_Accumulation_020

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Cost and Revenue Accumulation	06.04.023		Each entity's full cost should incorporate the full costs of goods and services that it receives from other entities. The entity providing the goods or services has the responsibility to provide the receiving entity with information on the full cost of such goods and services through either billing or other advice. Recognition of inter-entity costs that are not fully reimbursed is limited to material items that (1) are significant to the receiving entity, (2) form an integral or necessary part of the receiving entity's output, and (3) can be identified or matched to the receiving entity with reasonable precision. Broad and general support services provided by an entity to all or most other entities generally should not be recognized unless such services form a vital and integral part of the operations or output of the receiving entity.		Source: DoDFMR Vol 4, Ch 19; Source Date: 5/1/2010; Source Number: Para 190404			Cost_And_Revenue_Accumulation_021

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Cost and Revenue Accumulation	06.04.024	A	To support the managerial cost accounting process, the system shall provide a capability to sum all Direct Costs by Activity.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 7 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number:				Cost_And_Revenue_Accumulation_012
Cost and Revenue Accumulation	06.04.025	A	To support the managerial cost accounting process, the system shall provide a capability to sum Fixed Cost by: - Activity; - Command; - Other agency criteria.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 7 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-02				Cost_And_Revenue_Accumulation_013

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Cost and Revenue Accumulation	06.04.026	A	"To support the managerial cost accounting process, the system shall provide a capability to sum Variable Cost by: - Activity - Command - Other agency criteria"	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 7 □Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 □Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-02				Cost_And_Revenue_Accumulation_014
Cost and Revenue Accumulation	06.04.027	A	To support the managerial cost accounting process, the system shall provide a capability to sum the Commercial Augmentation Activity Overhead Costs.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 7 □Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 □Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-02				Cost_And_Revenue_Accumulation_015

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Cost and Revenue Accumulation	06.04.028	A	To support the managerial cost accounting process, the system shall provide a capability to sum Cost by Business Area and Mission.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 7 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-02				Cost_And_Revenue_Accumulation_016
Cost and Revenue Accumulation	06.04.029	A	To support the managerial cost accounting process, the system shall have the capability to support cost accumulation by work elements such as job order, activities, products, etc., and accept costs and other appropriate information from the cost accounting system.		Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190101.D Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190101.F			Cost_And_Revenue_Accumulation_017
Cost and Revenue Accumulation	06.04.030	A	To support the managerial cost accounting process, the system must have the capability to associate the reductions of balances such as inventories, prepaid expenses and advance payments with the appropriate cost objects as the balances are used or liquidated.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-03				Cost_And_Revenue_Accumulation_018
Cost and Revenue Accumulation	06.04.031	A	To support the managerial cost accounting process, the system must track accumulated costs and include the value of direct materials, direct labor, and overhead, where applicable for work-in-process.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-03	Source: DoDFMR Vol 04, Ch 20; Source Date: 5/1/2010; Source Number: 200302			Cost_And_Revenue_Accumulation_019

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Cost Monitoring/Reporting	06.05.001		The managerial cost accounting system should be able to provide cost data needed to produce the Statement of Net Costs for the agency's financial statements	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-9			Cost Management Budget-to-Report Deployment-to-Redeployment/Retrograde Environmental Liabilities Hire-to-Retire Market-to-Prospect Plan-to-Stock -- Inventory Management Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Monitoring_And_Reporting_001
Cost Monitoring/Reporting	06.05.002	D	Deleted: The managerial cost accounting system should assist in the reporting of financial data related to stewardship resources.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-8		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Monitoring_And_Reporting_002
Cost Monitoring/Reporting	06.05.006		The managerial cost accounting system must be capable of supporting cost management by producing unit cost reports by output.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-10		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Monitoring_And_Reporting_003
Cost Monitoring/Reporting	06.05.007		The managerial cost accounting system must be capable of supporting cost management by producing project, job order, and work order reports showing costs for a project from its inception up to the current date.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-10		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Monitoring_And_Reporting_004

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Cost Monitoring/Reporting	06.05.008		The managerial cost accounting system must be capable of supporting cost management by producing contract reports showing the revenues and costs associated with each contract (i.e. customer orders).	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-10		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Monitoring_And_Reporting_005
Cost Monitoring/Reporting	06.05.009	C	A reporting entity and its responsibility segments may incur general management and administrative support costs that cannot be traced, assigned, or allocated to segments and their outputs. These unassigned costs are part of the organization costs, and they shall be reported on the entity's financial statements (such as the Statement of Net Costs) as costs not assigned to programs.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 92			Cost Management Budget-to-Report Deployment-to-Redeployment/Retrograde Environmental Liabilities Hire-to-Retire Market-to-Prospect Plan-to-Stock -- Inventory Management Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Monitoring_And_Reporting_006
Cost Monitoring/Reporting	06.05.011		The cost accounting system must eliminate Inter-entity expenses/assets and financing sources for any consolidated financial statements covering both entities.	Source: SFFAS-4; Source Date: 6/1/2008; Source Number: para 109	Source: DoDFMR Vol 06B, Ch 05; Source Date: 5/1/2009; Source Number: 050202 A 1 □ Source: DoDFMR Vol 06B, Ch 10; Source Date: 9/1/2008; Source Number: 1.G, pg 11, 102003 A and D	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Monitoring_And_Reporting_007

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.013	D	Deleted: To add value, the managerial cost accounting system should be able to provide cost data needed to produce the Statement of Net Cost for the agency's financial statements.	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-9			Cost Management Budget-to-Report Deployment-to-Redeployment/Retrograde Environmental Liabilities Hire-to-Retire Market-to-Prospect Plan-to-Stock -- Inventory Management Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Monitoring_And_Reporting_008
Cost Monitoring/Reporting	06.05.014		The process cost accounting system must update the appropriate general ledger control accounts: Inventory - Finished Goods and the Work-in-Process accounts. Detailed DoD-specific transactions are available in the USSGL Transaction Library. Using standardized transactions, post entries reflecting consumption of supplies and labor, followed by entries reallocating expenses to "in-process" accounts.		Source: DoDFMR Vol 04, Ch 21; Source Date: 5/1/2010; Source Number: 210202		Cost Management Acquire-to-Retire Concept-to-Product Deployment-to-Redeployment/Retrograde Environmental Liabilities Market-to-Prospect Plan-to-Stock -- Inventory Management Procure-to-Pay Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Cost_Monitoring_And_Reporting_009
Cost Monitoring/Reporting	06.05.016		The process order cost accounting system should be able to provide cost data needed to produce the Statement of Net Cost for the agency's financial statements	Source: JFMIP FFMSR-8; Source Date: 2/1/1998; Source Number: pg III-9	Source: DoDFMR Vol 04, Ch 21; Source Date: 1/1/1995; Source Number: 2104			Cost_Monitoring_And_Reporting_023

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.017		Reporting entities should report the full cost of outputs in general purpose financial reports. The full cost of an output produced by a responsibility segment is the sum of (1) the cost of resources consumed by the segment that directly or indirectly contribute to the output, and (2) the costs of identifiable supporting services provided by other responsibility segments within the reporting entity, and by other reporting entities."Outputs" means products and services generated from the consumption of resources. The full cost of a responsibility segment's output is the total amount of resources used to produce the output. This includes direct and indirect costs that contribute to the output, regardless of funding sources. It also includes costs of supporting services provided by other responsibility segments		Source: DoDFMR Vol 4, Ch 19; Source Date: 5/1/2010; Source Number: Para 190403A			Managerial_Cost_Accounting_002
Cost Monitoring/Reporting	06.05.018	A	To support the managerial cost accounting process, the system shall provide a capability to extract Operating Costs for the current and prior Fiscal Year.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 139	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-01	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: TLJ-01		Cost_Monitoring_And_Reporting_010

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.019	A	To support the managerial cost accounting process, the system shall provide a capability to extract Business Partner Cost (i.e. Transportation Working Capital Fund (TWCF) Capital Costs).	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 105 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-01 □ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Numbe				Cost_Monitoring_And_Reporting_011
Cost Monitoring/Reporting	06.05.020	A	To support the managerial cost accounting process, the system shall provide a capability for an authorized user to view all summed Cost totals.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: TLJ-01				Cost_Monitoring_And_Reporting_012
Cost Monitoring/Reporting	06.05.021	A	To support the managerial cost accounting process, the system shall provide a capability to update the Job Order Cost Accounting Report (i.e. work elements) by Business Area after Hard Close.		Source: DoDFMR Vol 04, Ch 20; Source Date: 5/1/2010; Source Number: 200302			Cost_Monitoring_And_Reporting_013

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.022	A	To support the managerial cost accounting process, the system shall provide automated functionality to report costs separately for other government programs and those provided to the public.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 109□ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-01□ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-02				Cost_Monitoring_And_Reporting_014
Cost Monitoring/Reporting	06.05.023	A	To support the managerial cost accounting process, the system shall provide automated functionality to present earned revenue by category (i.e., "intragovernmental" or "with the public").	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 82□ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-02				Cost_Monitoring_And_Reporting_015
Cost Monitoring/Reporting	06.05.024	A	To support the managerial cost accounting process, the system shall provide a capability to report costs upon request, both before and after distribution of indirect costs.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 2□ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-01□ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: TLJ-01				Cost_Monitoring_And_Reporting_016

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.025	A	To support the managerial cost accounting process, the system shall have the capability to allow the establishment of exception thresholds, perform cost analysis, and monitor trends and variances.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 33	Source: DoDFMR Vol 04, Ch 21; Source Date: 5/1/2010; Source Number: 210303			Cost_Monitoring_And_Reporting_017
Cost Monitoring/Reporting	06.05.026	A	To support the managerial cost accounting process, the accounting system shall display parts of net cost separately.	Source: SFFAS-7; Source Date: 6/1/2011; Source Number: Para 43 Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04				Cost_Monitoring_And_Reporting_018
Cost Monitoring/Reporting	06.05.027	A	To support the managerial cost accounting process, the managerial cost accounting system shall have controls in place to ensure that all costs have been properly accounted for.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Pg 89 Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Pg 90 Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Pg 91				Cost_Monitoring_And_Reporting_019

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.028	A	To support the managerial cost accounting process, the system shall provide the capability to track current cost data against prior month and prior year-to-date cost data for any cost object. The system shall provide the capability to track progress of current cost data against pre-determined plans.	Source: SFFAS-4; Source Date: 6/1/2011; Source Number: Para 207□ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04□ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-01□ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Numbe				Cost_Monitoring_And_Reporting_020
Cost Monitoring/Reporting	06.05.029	A	To support the managerial cost accounting process, the core financial system shall provide the capability to generate information (such as income statements and status of funds reports) on costs and revenue associated with cost objects.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-01□ Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-02				Cost_Monitoring_And_Reporting_021
Core Financial System Requirements	06.06.002		To support the Cost Setup and Accumulation process, the Core financial system must provide automated functionality to associate the purchase of fixed assets and inventory and the payment of advances with related cost objects so that subsequent expenditures are identified by cost object.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-03			Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Core_System_Requirements_001

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Core Financial System Requirements	06.06.003		To support the Cost Setup and Accumulation process, the Core financial system must provide automated functionality to define the following types of cost objects for accumulation, distribution and reporting purposes: Accounting classification elements Specific customers, vendors, reimbursable agreements, contracts, PAs, task orders, work orders, and grants Government Performance and Results Act (GPRA) goals.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-01		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Core_System_Requirements_002
Core Financial System Requirements	06.06.007		To support the Cost Reporting process, the Core financial system must provide automated functionality to generate Cost Object Income Statement. Parameters include any cost object and accounting period. Result is a report with revenue, direct cost, and indirect cost (overhead) by cost object.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-02		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Core_System_Requirements_003
Core Financial System Requirements	06.06.009		To support the Cost Reporting process, the Core financial system must provide automated functionality to maintain an audit trail of transactions from their origin to the final cost object(s).	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-03	Source: DoDFMR Vol 06A, Ch 14; Source Date: 3/1/2009; Source Number: 140205	Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Core_System_Requirements_004
Core Financial System Requirements	06.06.013		To support the Cost Distribution process, the Core financial system must provide automated functionality to perform multi-layer overhead distributions that are agency-defined (at least 3 levels of distribution) using multiple rates and fixed amount allocation methods.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-03		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Core_System_Requirements_005

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Core Financial System Requirements	06.06.024		To support the Cost Setup and Accumulation process, the Core financial system must provide automated functionality to accumulate the full cost of cost objects. Full costs include direct costs, indirect cost allocations, implicit costs (e.g., costs provided by other government agencies such as pension costs), and unfunded costs (e.g., annual leave costs).	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-04		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Core_System_Requirements_006
Core Financial System Requirements	06.06.025		To support the Cost Distribution process, the Core financial system must provide automated functionality to distribute the full cost of goods and services by cost object. Record the cost distribution entries in the GL.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-01			Cost Management Acquire-to-Retire Budget-to-Report Concept-to-Product Deployment-to-Redeployment/Retrograde Environmental Liabilities Hire-to-Retire Market-to-Prospect Order-to-Cash Plan-to-Stock -- Inventory Management Procure-to-Pay Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Core_System_Requirements_007
Core Financial System Requirements	06.06.028		To support the Cost Setup and Accumulation process, the Core financial system must provide automated functionality to accumulate non-financial data (e.g., units purchased, units sold) by cost object at the transaction level.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-05		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Core_System_Requirements_008

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Core Financial System Requirements	06.06.029		To support the Cost Distribution process, the Core financial system must provide automated functionality to capture United States Standard General Ledger (USSGL) attributes on cost distribution entries needed to prepare the Statement of Net Cost. For example, costs distributed to programs and used in the preparation of the Statement of Net Cost should retain the Federal/Non-Federal, Exchange/Non-Exchange, and Custodial/Non-Custodial classifications.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-02		Capture Cost Information	Cost Management Deployment-to-Redeployment/Retrograde Market-to-Prospect Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Core_System_Requirements_009
Core Financial System Requirements	06.06.030		To support the Cost Reporting process, the Core financial system must provide automated functionality to generate the Comparative Income Statement by Cost Object. Parameters include cost object and accounting periods (month and year). Result is a report that compares month and year-to-date activity to prior month and prior year-to-date activity, by cost object. The report must list the following data: Revenue Direct expenses Indirect expenses (overhead) Total expenses Net revenue/cost.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMC-01			Cost Management Budget-to-Report Deployment-to-Redeployment/Retrograde Environmental Liabilities Hire-to-Retire Market-to-Prospect Plan-to-Stock -- Inventory Management Prospect-to-Order Service Request-to-Resolution Service-to-Satisfaction	Managerial_Cost_Accounting_Core_System_Requirements_010
Core Financial System Requirements	06.06.031		To support the Cost Setup and Accumulation process, the Core financial system must provide automated functionality to Accumulate costs--Accumulate costs and revenue by cost object.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMA-02				Managerial_Cost_Accounting_Core_System_Requirements_011
Core Financial System Requirements	06.06.032		To support the Cost Distribution process, the Core financial system must provide automated functionality to re-distribute costs based on revised rates and allocation amounts.	Source: OFFM-NO-0106; Source Date: 1/1/2006; Source Number: CMB-04				Managerial_Cost_Accounting_Core_System_Requirements_013

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Chapter	Req Id	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Core Financial System Requirements	06.06.033	A	To support the managerial cost accounting process, the system shall have an integrated capability to receive or send the following cost elements and associated information: a) Funding Center Identifier b) Cost Center Identifier c) Project Identifier d) Activity Identifier e) Work Order Number f) Cost Element Code		Source: DoDFMR Vol 04, Ch 19; Source Date: 5/1/2010; Source Number: 190101.F			Managerial_Cost_Accounting_Core_System_Requirements_012

ACRONYMS

DFAS	Defense Finance and Accounting Service
DoD	Department of Defense
DoDFMR	DoD Financial Management Regulation
FFMIA	Federal Financial Management Improvement Act
FSIO	Financial System Integration Office
JFMIP	Joint Financial Management Improvement Program
OFFM	Office of Federal Financial Management
SFFAS	Statement of Federal Financial Accounting Standards