



Defense Finance and Accounting Service

DFAS 7900.4-M

Financial Management Systems Requirements Manual

Volume 6, Managerial Cost Accounting

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Strategy, Policy and Requirements ZP

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
06.01.006 06.01.012	C - Verbiage Edited for Clarity	
06.02.005	D - Authoritative Source/Reference Deleted	
06.02.011	C - Verbiage Edited for Clarity	
06.02.012	D - Authoritative Source/Reference Deleted	
06.02.019	C - Verbiage Edited for Clarity	
06.02.023 06.02.062 06.02.068 06.03.013 06.03.014 06.03.015 06.03.016 06.03.017 06.03.030 06.03.031 06.04.007	D - Authoritative Source/Reference Deleted	
06.04.022 06.04.023	C - Verbiage Edited for Clarity	

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Req Id	Change Type	Reason for Change
06.04.024	D - Authoritative Source/Reference Deleted	
06.04.025		
06.04.026		
06.04.027		
06.04.028		
06.04.029		
06.05.007		
06.05.016		
06.05.019		
06.05.021		
06.05.022		
06.05.023		
06.05.024		
06.05.029		
06.06.025		
06.06.028		
06.06.029		
06.06.033		

Chart Legend:

A - Added

These are new requirements due to revised and updated source documents.

C - Changed

These requirements were contained in previous releases, but were changed for various reasons.

D - Deleted

These requirements were removed and are no longer required by the source documents.

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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 addition, DoD has established cost accounting requirements and processes in its Financial Management Regulation Volume 4. This volume and other DFAS 7900.4-M volumes may be applicable to your system.

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
System Administration	06.01.006	C - Verbiage Edited for Clarity	The system must maintain rules for assigning costs to cost objects.	Source: SFFAS4,120; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_System_Admin_004
System Administration	06.01.012	C - Verbiage Edited for Clarity	The 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.	Source: SFFAS4,71; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_System_Admin_005

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DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.002		The 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: SFFAS4,89; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_001
Data Capture	06.02.004		The 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: SFFAS4,70; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_003

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.005	D - Authoritative Source/Reference Deleted	DELETED: The system must summarize costs that are entered directly into the system and send the summary for posting to the general ledger.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_004
Data Capture	06.02.010		The system must have the capability to include all direct costs in the full cost of outputs.	Source: SFFAS4,90; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_006

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.011	C - Verbiage Edited for Clarity	The system must assign indirect costs incurred, within a responsibility segment, to outputs on a cause-and-effect basis.	Source: SFFAS4,199; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_007
Data Capture	06.02.012	D - Authoritative Source/Reference Deleted	DELETED: The 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: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_008

MANAGERIAL COST ACCOUNTING REQUIREMENTS

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.013		The 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: SFFAS4,8; Source Date: 7/1/1995 Source: DoDFMRVol6B,Ch5, Sub0503; Source Date: 5/1/2012	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_009
Data Capture	06.02.019	C - Verbiage Edited for Clarity	The system must have the capability to classify accumulated costs by type of resource.	Source: SFFAS4,119; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_014

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.022		The system must have the capability to distinguish between funded and unfunded costs.	Source: DoDFMRVol4,Ch20,Sub2001; Source Date: 5/1/2010	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_016
Data Capture	06.02.023	D - Authoritative Source/Reference Deleted	DELETED: The system must have the capability to 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: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_017

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.027		The system must have the capability to maintain subsidiary accounts data in sufficient detail to comply with the management information requirements.	Source: DoDFMRVol4,Ch20,Sub2003; Source Date: 5/1/2010	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_022
Data Capture	06.02.028		The system must use job order numbers assigned, for each defined cost object, by the appropriate cost accounting department.	Source: SFFAS4,155; Source Date: 7/1/1995Source: DoDFMRVol4,Ch20,Sub2003; Source Date: 5/1/2010	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_023

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.031		The system must have the capability to accumulate unfunded costs.	Source: DoDFMRVol4,Ch20,Sub2003; Source Date: 5/1/2010	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_060
Data Capture	06.02.032		The system must have the capability to account for the all production costs associated with producing a product.	Source: DoDFMRVol4,Ch20,Sub2004; Source Date: 5/1/2010	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_061

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.034		The system must have the capability to associate the outputs of a product by cost center.	Source: DoDFMRVol4,Ch21,Sub2103; Source Date: 5/1/2010	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_025
Data Capture	06.02.035		The system must have the capability to accumulate actual production costs in order for an authorized user to measure the cost efficiency of cost centers.	Source: DoDFMRVol4,Ch21,Sub2103; Source Date: 5/1/2010	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_026

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.038		To support the managerial cost accounting process, the system must provide the capability to classify an Operating Cost as a Direct Cost.	Source: SFFAS4,90; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_029
Data Capture	06.02.039		To support the managerial cost accounting process, the system must provide the capability to associate a Direct Cost with an Activity.	Source: SFFAS4,90; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_030

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.040		To support the managerial cost accounting process, the system must have the capability to classify cost objects based upon agency defined criteria.	Source: SFFAS4,121; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_031
Data Capture	06.02.047		To support the managerial cost accounting process, the system must have the capability to accumulate the full costs of cost objects. Full costs include direct costs, indirect cost allocations, implicit costs and unfunded costs.	Source: SFFAS4,199; Source Date: 7/1/1995	1.2.1.2_Determining Costs_P	Determine intragovernmental entity costs in addition to other costs (for example, direct, indirect, and depreciation) by cost object and responsibility segment consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_038

MANAGERIAL COST ACCOUNTING REQUIREMENTS

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.049		The system must have the capability to support activity-based costing methods.	Source: SFFAS4,149; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_040
Data Capture	06.02.054		To support the managerial cost accounting process, the system must provide the capability to trace the resources used in the production of an output.	Source: SFFAS4,126; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_045

MANAGERIAL COST ACCOUNTING REQUIREMENTS

DFAS 7900.4-M, Vol. 06

Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.060		To support the managerial cost accounting process, the system must provide the capability for an authorized user to associate a Direct Cost to a Project Number.	Source: SFFAS4,90; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_062
Data Capture	06.02.061		To support the managerial cost accounting process, the system must provide the capability to associate an Indirect Cost to a group of Project Numbers.	Source: SFFAS4,199; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_051

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.062	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must provide the capability to associate an Overhead Cost to all Project Numbers.	Source: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_052
Data Capture	06.02.063		To support the managerial cost accounting process, the system must provide automated functionality to capture several types of data (i.e. units, exchange revenues, gains and losses).	Source: DoDFMRVol4,Ch16,Sub1601; Source Date: 3/1/2012	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_053

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.064		To support the managerial cost accounting process, the system must provide the capability to use the accrual basis of accounting when recognizing costs.	Source: SFFAS4,60; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_054
Data Capture	06.02.065		To support the managerial cost accounting process, the system must collect cost information and associate outputs by responsibility segment.	Source: SFFAS4,71; Source Date: 7/1/1995 Source: SFFAS4,123; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_055

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.066		To support the managerial cost accounting process, the system must 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: SFFAS4,199; Source Date: 7/1/1995; Source: SFFAS4,89; Source Date: 7/1/1995; Source: SFFAS4,90; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_056
Data Capture	06.02.067		To support the managerial cost accounting process, the system must 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: DoDFMRVol4,Ch19,Sub1901; Source Date: 1/1/2015	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Data_Capture_057

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Data Capture	06.02.068	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must 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: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Data_Capture_058
Cost Assignment	06.03.002		To support the managerial cost accounting process, the system must have the capability to use one or more of the following costing methodologies: • Activity Based Costing (ABC) • Job Order Costing • Process Costing • Standard Costing.	Source: SFFAS4,147; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_001

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Assignment	06.03.003		If the cost assignment process affects the values of U.S. Standard General Ledger (USSGL) accounts, such as inventory or fixed asset accounts, the system must send a summarized impact of the cost assignments for posting to the general ledger for external reporting.	Source: SFFAS4,71; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Assignment_002
Cost Assignment	06.03.004		The system must have the capability to assign costs of supporting services and intermediate products to the segments that receive the services and products.	Source: SFFAS4,122; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_003

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Assignment	06.03.005		The system must have the capability to include the following costs which 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.	Source: SFFAS4,123; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_00 4
Cost Assignment	06.03.006		When activities or outputs share resources, the system must have the capability for an authorized user to assign costs that can be traced to each of the activities or outputs directly to that activity or output.	Source: SFFAS4,139; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_00 5

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Assignment	06.03.007		The system must have the capability for an authorized user to assign indirect common costs when activities or outputs share resources. Common costs must be assigned to activities either on a cause-and-effect basis, if feasible, or through reasonable allocations.	Source: SFFAS4,140; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_006
Cost Assignment	06.03.013	D - Authoritative Source/Reference Deleted	DELETED: The system must 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 must be its capitalized cost less its estimated residual value. The estimated service life of a tangible capital asset (or group of assets) must be used to determine the cost accounting periods to which the depreciable cost will be assigned.	Source: ; Source Date:	1.2.1.2_Determining Costs_P	Determine intragovernmental entity costs in addition to other costs (for example, direct, indirect, and depreciation) by cost object and responsibility segment consistent with the FASAB Handbook.	Cost_Assignment_029

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Assignment	06.03.014	D - Authoritative Source/Reference Deleted	DELETED: The system must allow an authorized user to 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 must 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 must be included as an indirect cost of that center.	Source: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_03 0
Cost Assignment	06.03.015	D - Authoritative Source/Reference Deleted	DELETED: The system must allocate business unit General and Administrative (G&A) expenses to final cost objectives based on their beneficial or causal relationship.	Source: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_03 1

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Assignment	06.03.016	D - Authoritative Source/Reference Deleted	DELETED: The system must have the capability to allocate the General and Administrative (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: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_03 2

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Assignment	06.03.017	D - Authoritative Source/Reference Deleted	DELETED: The system must have the capability to 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 must be included in the receiving segment's General and Administrative (G&A) expense pool. •Expenses related to the management and administration of specific activities of segments must 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 General and Administrative (G&A) expense pool.	Source: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_03

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Cost Assignment	06.03.019		The system must have the capability to assign cost for deferred employee compensation.	Source: SFFAS4,96; Source Date: 7/1/1995 Source: SFFAS4,95; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Assignment_03 4
Cost Assignment	06.03.020		The system must have the capability to post work in process cost, for all open job order numbers, to the Work In Process-In House and Construction In Progress-In House accounts.	Source: DoDFMRVol4,Ch20,Sub2003; Source Date: 5/1/2010	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_03 5

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Assignment	06.03.021		The system must have the capability to add unfunded cost financed by other organizations or by prior appropriations to the shop rate charges and bill to non-DoD ordering activities.	Source: DoDFMRVol4,Ch20,Sub2003; Source Date: 5/1/2010	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Assignment_019
Cost Assignment	06.03.022		The system must have the capability to allow an authorized user to equitably prorate the general and administrative (G&A) expenses that are accumulated in the activities indirect cost centers and charged to customers by equitably prorating the expense to job orders.	Source: DoDFMRVol4,Ch20,Sub2003; Source Date: 5/1/2010	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Assignment_020

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Assignment	06.03.023		The system must have the capability to group business unit general and administrative (G&A) expenses in a separate indirect cost pool that shall be allocated only to final cost objectives.	Source: DoDFMRVol4,Ch19,Sub1901; Source Date: 1/1/2015	1.2.1.2_Determining Costs_P	Determine intragovernmental entity costs in addition to other costs (for example, direct, indirect, and depreciation) by cost object and responsibility segment consistent with the FASAB Handbook.	Cost_Assignment_02 8
Cost Assignment	06.03.030	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must have the capability to calculate activity cost rates.	Source: ; Source Date:	1.2.1.2_Determining Costs_P	Determine intragovernmental entity costs in addition to other costs (for example, direct, indirect, and depreciation) by cost object and responsibility segment consistent with the FASAB Handbook.	Cost_Assignment_02 1
Cost Assignment	06.03.031	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must have the capability to calculate overhead rates.	Source: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_02 2

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Assignment	06.03.032		To support the managerial cost accounting process, the system must have the capability for the costs of program outputs to be included in the cost of services provided by other federal entities whether or not the providing entity is fully reimbursed.	Source: DoDFMRVol4,Ch19,Sub1901; Source Date: 1/1/2015	1.2.1.2_Determining Costs_P	Determine intragovernmental entity costs in addition to other costs (for example, direct, indirect, and depreciation) by cost object and responsibility segment consistent with the FASAB Handbook.	Cost_Assignment_02 3
Cost Assignment	06.03.033		To support the managerial cost accounting process, the system must allow an authorized user to maintain the cost assignment rules.	Source: SFFAS4,120; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Assignment_02 4
Cost Assignment	06.03.035		The system must have the capability to calculate prices, fees, and user charges for reimbursable agreements and other purposes.	Source: SFFAS4,37; Source Date: 7/1/1995	1.2.1.2_Determining Costs_P	Determine intragovernmental entity costs in addition to other costs (for example, direct, indirect, and depreciation) by cost object and responsibility segment consistent with the FASAB Handbook.	Cost_Assignment_02 6

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Cost Assignment	06.03.036		To support the managerial cost accounting process, the system must have the capability to transfer construction in progress to the appropriate asset account upon completion of the project.	Source: SFFAS6,34; Source Date: 11/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Assignment_02 7
Cost Assignment	06.03.037		The system must have the capability to 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: DoDFMRVol4,Ch20,Sub2003; Source Date: 5/1/2010	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Assignment_03 6

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost and Revenue Accumulation	06.04.001		The 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: SFFAS7,36; Source Date: 5/1/1996	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_And_Revenue_Accumulation_001
Cost and Revenue Accumulation	06.04.002		The system must support 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: SFFAS4,158; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_And_Revenue_Accumulation_002

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Cost and Revenue Accumulation	06.04.003		The system must have the capability to provide accumulated costs, including applicable indirect costs, to the appropriate system for recording as the appropriate asset or expense type.	Source: DoDFMRVol4,Ch21,Sub2102; Source Date: 5/1/2010	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_And_Revenue_Accumulation_003
Cost and Revenue Accumulation	06.04.007	D - Authoritative Source/Reference Deleted	DELETED: The system must have the capability to calculate the full cost of property, plant and equipment (PP&E) under construction.	Source: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_And_Revenue_Accumulation_004

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Cost and Revenue Accumulation	06.04.008		The system must have the capability to apply the completed project construction in progress cost to the appropriate asset account and transmit the information for asset valuation purposes.	Source: SFFAS4,89; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_And_Revenue_Accumulation_005
Cost and Revenue Accumulation	06.04.009		The system must have the capability to 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 must include all costs incurred during the period to bring the item to its current condition at its initial location.	Source: SFFAS16,8; Source Date: 7/1/1999	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_And_Revenue_Accumulation_006

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Cost and Revenue Accumulation	06.04.011		The system must have the capability to calculate actual shop rates from the cost obtained from the same database used to prepare general ledger control account entries.	Source: DoDFMRVol4,Ch20,Sub2003; Source Date: 5/1/2010	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_And_Revenue_Accumulation_008
Cost and Revenue Accumulation	06.04.019		The system must have the capability to support cost management by accumulating costs in agency defined cost centers that are associated with agency-defined performance measures.	Source: SFFAS4,88; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_And_Revenue_Accumulation_009

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Cost and Revenue Accumulation	06.04.021		The system must have the capability to support cost management by calculating the unit cost of outputs.	Source: SFFAS4,158; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_And_Revenue_Accumulation_011
Cost and Revenue Accumulation	06.04.022	C - Verbiage Edited for Clarity	The system must have the capability to allow an authorized user to select the appropriate costing methodologies to accumulate and assign cost to outputs.	Source: DoDFMRVol4,Ch19,Sub1904; Source Date: 1/1/2015	1.2.1.2_Determining Costs_P	Determine intragovernmental entity costs in addition to other costs (for example, direct, indirect, and depreciation) by cost object and responsibility segment consistent with the FASAB Handbook.	Cost_And_Revenue_Accumulation_020
Cost and Revenue Accumulation	06.04.023	C - Verbiage Edited for Clarity	The system must have the capability to incorporate the full costs of goods and services received from other entities.	Source: DoDFMRVol4,Ch19,Sub1904; Source Date: 1/1/2015	1.2.1.2_Determining Costs_P	Determine intragovernmental entity costs in addition to other costs (for example, direct, indirect, and depreciation) by cost object and responsibility segment consistent with the FASAB Handbook.	Cost_And_Revenue_Accumulation_021

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Cost and Revenue Accumulation	06.04.024	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must provide the capability to sum all Direct Costs by Activity.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_And_Revenue_Accumulation_012
Cost and Revenue Accumulation	06.04.025	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system shall provide the capability to sum Fixed Cost by: - Activity - Command - Other agency criteria.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_And_Revenue_Accumulation_013

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Cost and Revenue Accumulation	06.04.026	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system shall provide the capability to sum Variable Cost by: - Activity - Command - Other agency criteria.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_And_Revenue_Accumulation_014
Cost and Revenue Accumulation	06.04.027	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must provide the capability to sum Overhead Costs by: - Activity - Command - Other agency criteria.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_And_Revenue_Accumulation_015

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Cost and Revenue Accumulation	06.04.028	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must provide the capability to sum Cost by Business Area and Mission.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_And_Revenue_Accumulation_016
Cost and Revenue Accumulation	06.04.029	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must 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: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_And_Revenue_Accumulation_017

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Cost and Revenue Accumulation	06.04.031		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: DoDFMRVol4,Ch20,Sub2003; Source Date: 5/1/2010	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_And_Revenue_Accumulation_019
Cost Monitoring/Reporting	06.05.007	D - Authoritative Source/Reference Deleted	DELETED: The system must have the capability to support cost management by producing project, job order and work order reports that show costs for a project from its inception up to the current date.	Source: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Monitoring_Annual_Reporting_004

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.009		The system must have the capability to report unassigned costs. 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 costs would be designated as unassigned costs.	Source: SFFAS4,92; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Monitoring_And_Reporting_006
Cost Monitoring/Reporting	06.05.014		The system must have the capability to update the appropriate general ledger control accounts using standardized transactions to post entries reflecting consumption of supplies and labor, followed by entries reallocating expenses to 'in-process' accounts.	Source: DoDFMRVol4,Ch21,Sub2102; Source Date: 5/1/2010	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Monitoring_And_Reporting_009

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.016	D - Authoritative Source/Reference Deleted	DELETED: The system must have the capability to provide the cost data needed to produce the Statement of Net Costs for the agency's financial statements.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Monitoring_And_Reporting_023
Cost Monitoring/Reporting	06.05.018		To support the managerial cost accounting process, the system must provide the capability for an authorized user to extract Operating Costs.	Source: SFFAS4,139; Source Date: 7/1/1995	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Monitoring_And_Reporting_010

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.019	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must provide the capability for an authorized user to extract Business Partner Cost (i.e. Transportation Working Capital Fund (TWCF) Capital Costs).	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Monitoring_And_Reporting_011
Cost Monitoring/Reporting	06.05.021	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must have the capability for an authorized user to update the Job Order Cost Accounting Report (i.e. work elements) by Business Area after a hard close.	Source: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Monitoring_And_Reporting_013

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.022	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must have the automated functionality to report costs separately for other government programs and those provided to the public.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Monitoring_And_Reporting_014
Cost Monitoring/Reporting	06.05.023	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must have the automated functionality to present earned revenue by category (i.e., 'intragovernmental' or 'with the public').	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Monitoring_And_Reporting_015

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.024	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must have the capability to report costs upon request, both before and after distribution of indirect costs.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Monitoring_And_Reporting_016
Cost Monitoring/Reporting	06.05.025		To support the managerial cost accounting process, the system must have the capability to allow an authorized user to establish exception thresholds, perform cost analysis, and monitor trends and variances.	Source: SFFAS4,33; Source Date: 7/1/1995; Source: DoDFMRVol4,Ch21,Sub2103; Source Date: 5/1/2010	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Cost_Monitoring_And_Reporting_017

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Cost Monitoring/Reporting	06.05.026		To support the managerial cost accounting process, the system must display parts of net cost separately.	Source: SFFAS7,95; Source Date: 5/1/1996	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Monitoring_And_Reporting_018
Cost Monitoring/Reporting	06.05.029	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must provide the capability to generate information (such as income statements and status of funds reports) on costs and revenue associated with cost objects.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Cost_Monitoring_And_Reporting_021

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Core Financial System Requirements	06.06.024		To support the Cost Setup and Accumulation process, the 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: SFFAS4,89; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Core_System_Requirements_006
Core Financial System Requirements	06.06.025	D - Authoritative Source/Reference Deleted	DELETED: To support the Cost Distribution process, the system must have the capability to record the distribution of the full cost of goods and services by cost object in the General Ledger.	Source: ; Source Date:	1.2.1.3_Determining Costs_DO	Provide cost management data required to post GL transactions consistent with USSGL attributes (for example, program indicator), transaction codes, transaction categories (for example, accruals/nonbudgetary transfers other than disbursements and collections), transaction subcategories (for example, accrual, depreciation, amortization, and depletion) as defined in the TFM.	Managerial_Cost_Accounting_Core_System_Requirements_007

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Core Financial System Requirements	06.06.028	D - Authoritative Source/Reference Deleted	DELETED: To support the Cost Setup and Accumulation process, the system must have the capability to accumulate non-financial data (e.g., units purchased, units sold) by cost object at the transaction level.	Source: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Core_System_Requirements_008
Core Financial System Requirements	06.06.029	D - Authoritative Source/Reference Deleted	DELETED: To support the Cost Distribution process, the 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.	Source: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Core_System_Requirements_009

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Chapter	Req Id	Change Type	Requirement	Sources	Treasury's Federal Financial Management Systems Function Guidance (See Appendix A-5)	Treasury's Federal Financial Management Systems Requirement (See Appendix A-5)	DFMIG Rule Name
Core Financial System Requirements	06.06.031		To support the Cost Setup and Accumulation process, the system must have the capability to accumulate costs and revenue by cost object.	Source: SFFAS4,121; Source Date: 7/1/1995	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	Managerial_Cost_Accounting_Core_System_Requirements_011
Core Financial System Requirements	06.06.033	D - Authoritative Source/Reference Deleted	DELETED: To support the managerial cost accounting process, the system must 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: ; Source Date:	1.2.1.1_Determining Costs_DI	Provide responsibility segments/cos centers (for example, managing public buildings and distributing supplies) and cost objects that align with outcomes (for example, program, activity, and product) that directly support the agency mission and management requirements consistent with the FASAB Handbook.	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
SFFAS	Statement of Federal Financial Accounting Standards