



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
FINANCE CENTER
5720 INTEGRITY DRIVE
MILLINGTON, TENNESSEE 38054-5005

REPLY TO
ATTENTION OF:

CEFC-AR

24 August, 1998

MEMORANDUM FOR ALL Division, District, and Laboratory Finance and Accounting Officers

SUBJECT: System Requirements to Enable the Capturing of Eliminating Entries, CFO-98-009

1. The purpose of this memo is to describe the actions which each activity must perform to correctly report eliminating entries on the CFO statements. All eliminating entry values are captured from “**Debtor Class Code**” and “**Debtor Type Code**”. All A/P and A/R Standard General Ledgers must reconcile to these codes.
2. The FY97 SWD CFO statements required eliminating entries for: Within Division, Within USACE, **Within Army** and, Within Government. A change for the FY98 statements requires eliminating entries for **Within DOD** vice Within Army. To accomplish this, the CEFMS description for debtor class **GN** has been changed from “**Government Non-Army**” to “**Government Non-DOD**”, and the debtor class **NC** has been changed from “**Non-Corps Army**” to “**Non-Corps DOD**”. The corresponding general ledger account descriptions were also adjusted. Each activity must review the debtor class code on all customer orders and make necessary changes to conform to the new debtor descriptions. This must be accomplished by 30 September 1998.
3. Debtor type code **WD** was established in FY97 to enable reporting of eliminating entries for Within Division. Many sites have not yet changed their customer orders to include this new debtor class code. While reviewing your customer orders for the changes described in paragraph 1., each site should also review all customer orders with debtor class code **OC** (Other Corps) and ensure that the debtor type is changed to reflect **WD** for those customer orders from a Corps office within your Division.
4. “Abnormal balances” could result in some accounts receivable general ledger accounts when the debtor class code is changed after an accounts receivable transaction has been processed and before the bill is collected. This is also true for accounts payable transactions when the debtor class code is changed prior to the disbursement of the payable. The program **cfoabgls** will help identify these abnormal balances. Two new programs, **cfoarec** and **cfoapay** have been created to assist in the reconciliation of the outstanding accounts receivable general ledger accounts and outstanding accounts payable general ledger accounts to the subsidiary records by debtor class codes.
5. It is recommended that the **cfoarec** and **cfoapay** programs be executed after all of the debtor class codes have been modified. Correct the general ledger balances using the general journal transactions. Be careful to adjust only the outstanding accounts receivable balances—not

work-in-process accounts (glacs 1311.15, 1311.16, 1311.17, 1311.25 and, 1313.11 should not be adjusted). The adjustments to the accounts receivable and accounts payable general ledger accounts must be completed by 30 September 1998.

6. All activities must contact the UFC by COB 31 August 1998 as to the status of the debtor code changes. If the modifications, reconciliation, and corrections have not been completed you should provide the UFC of your plan of action and timeline to complete.
7. The POC at UFC is Linda Jeffreys, CEFC-AR, (901) 874-8448.

/s/

STANLEY N. WRENN
Director,
USACE Finance Center