

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 9 JULY 2004**

I. CEFMS:

A. We created two new revolving fund accounts, resource codes, and work category codes for Afghanistan construction contracts. These changes were available for use starting 1 Jul 04.

B. We continue to provide CPA officials with instructions and examples of how to establish contract assignments and other contract related information in the CEFMS Gulf Region Division (GRD) database. We also continue to research numerous problems with contract payments on the GRD database.

C. We released a change to the Customer Order/Government Order Transmission screen to reject a bill that is non-IPAC and has a total billed amount of less than zero. These types of bills produce a Treasury Check in the billing process and have to be collected in the requesting database.

D. We modified CEFMS to indicate whether a weekday or weekend overtime rate should be used for local national employee's overtime. We added a new field to the local national overtime rate screen, where weekday rates are indicated by 'Y', and weekend rates are indicated by a null field.

E. We changed the screens for government, contractor, and military employees so that an employee's last name may not be entered with a leading space. The leading space caused the employee's identification number to be generated with a leading space, which could not be processed by P2 functionality.

F. We changed the personnel interface in CEFMS to accept special characters in the user's password. Activities had been instructed to create their own passwords with a certain number of special characters, but the newly structured passwords caused their personnel interfaces to abort.

G. We conducted a 3-day workshop for 30 Multipurpose Power Accountants, representing 13 Districts, in Portland on 22-25 Jun 04. We covered a variety of important topics to include a review of year-end preparations and procedures, alternate funding from Power Marketing Agencies, a review of the possible effects of P2 on Multi-purpose Power assets, a general overview of asset accounting issues, and proposed changes to asset useful

lives. We also tested automated Multi-purpose Power financial statements.

H. We corrected a problem identified on Multi-purpose Power automated financial statements regarding joint assets. Prior to the correction, assets with transferred assets picked up both the joint allocation percentages of the project where the asset was located and the joint allocation percentages where an asset was transferred. This caused asset costs to be overstated by purpose, such as power and flood control. To correct this problem, we developed a method for the asset to only report the joint cost of the project with which it is associated.

I. A new report (TRCSTINC) containing data for Prospect Training Courses has been added to the Other Reports Menu. This data, which is derived from the Cost account detail and Income account detail in CEFMS and a Training Management Information System (TMIS) table, summarizes gains/losses by course number. The information will be used by the Corps Training Institute to determine the profitability of each Prospect course and to determine whether or not a course will be offered in future sessions.

II. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	828	839
Priority #1 Problems	65	65

Received 173 new problem reports and completed 184 problem reports.

B. Database Imbalances on our 62 Production Sites:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	57	57
One	1	4
Two	0	0
Three	1	0
Four	0	0
Five	1	0
Six	1	1
Twelve	1	0

III. ACCOUNTING OPERATIONS:

A. NUMBER AND LOCATION OF ONBOARD PERSONNEL:

<u>LOCATION</u>	<u>ONBOARD</u>
MILLINGTON	236
HUNTSVILLE	23
USACE HQ	1
DA INTERN	4
TOTAL	264

DISBURSING WORKLOAD DATA:

PAYMENT	CURRENT MONTH July 01-06	YEAR TO DATE Oct 01-July 06
BY CHECK:		
CHECKS ISSUED	2,033	114,845
PERCENT OF TOTAL	10%	13%
DOLLAR AMOUNT	\$19,722,548	\$957,658,833
EFT:		
TRANSFERS MADE	10,056	434,202
PERCENT OF TOTAL	90%	87%
DOLLAR AMOUNT	\$230,178,617	\$12,570,086,903

*percentages adjusted for utility checks which do not have to participate in EFT.

IV. OTHER UFC ISSUES:

A. The Resource Management Division is assisting Gulf Region Division (GRD) personnel with issues concerning correction for some of their customer order advance accounts. We developed processes for GRD to correct a customer order and then to input it again so the advance account can be connected to the customer order. We also developed a process to decrease the advance account to pay bills being generated on customer orders which cannot be linked to advance accounts. UFC provided written processes and instructions for each individual problem order identified. Currently, GRD has asked for additional help on several other customer orders. UFC personnel are researching these to determine the status and what may need to be done to help get these closed out before year end.

B. The Disbursing Division is continuing to work with GRD and Project and Contracting Office (PCO) personnel in Baghdad to ensure timely wire transfers of payments to our overseas vendors. The funds may transfer through three or four international banks before arriving in the vendors' accounts in the Middle Eastern countries. There are inconsistencies in the length of time it takes for the vendors to receive the funds in their bank accounts depending on the Iraqi bank being used. For those contractors experiencing delays in the receipt of funds, we will advise them to consider the use of other Iraqi banks that provide faster service.

C. Two UFC supervisors attended the National Travel Forum in Dallas, TX on 28 Jun - 1 Jul 04. The forum included a discussion of per diem changes and new reimbursable entitlements for TDY, and relocation changes to the Joint Travel Regulation (JTR). Mr. Bill Tirrell from the Per Diem Committee was the speaker for two of the sessions. Judge DeGraff from GSA Board of Contract Appeals was also a speaker for one of the sessions. Judge DeGraff complimented the UFC on the completeness of the documentation presented when requesting an appeal. The forum was very informative and beneficial.

D. The Travel Division is currently working PCS vouchers received 30 Jun 04. We are also working on the backlog of Relocation Income Tax Allowance (RITA) claims. We are currently working RITA claims received 10 May 04.

E. The CFO/Civil Reports Division is working on submission of monthly and quarterly reports. This includes reconciling payable, receivable, revenue, expense, advances and transfers-in data for the intra-governmental transactions elimination process. The CFO team is working on compilation of third quarter CFO financial statements and footnotes. We are currently on schedule to meet the accelerated reporting deadlines.

F. HQ USACE (CERM-F) and headquarters DLA are working on using the preferred method of payment of IPAC for Hazardous Material Disposal used by USACE. DLA wants Hazardous Material Disposal to be paid through the Interfund Billing System. DLA will get their payment immediately by using this system. The interfund system is restricted to military funds only. Since USACE is funded by both military and civil money, civil appropriations cannot be processed through the interfund system. IPAC can be used for military and civil funding. We have a hazard material disposal transaction on our interfund listing this month.

G. The UFC sponsored and provided the training class, ACCESS Software Language Level 2, on 23-24 Jun 04 for our system accountants who will code and program the Regional Business Center Data Mart.

H. UFC personnel met with Memphis District personnel, Jim Hayes and Tom Buford. They agreed to work with us on development of the Regional Business Center Data Mart. We will use MVD as our test RBC for deployment of the Data Mart.

I. DFAS wants USACE to send daily transaction files in lieu of the monthly military execution 112/218 (ICAR) and General Ledger reports. Tom Brockman, Cynthia Blevins, Linda Brooks and Sherry Cahill traveled to Indianapolis to discuss this issue. This change will have a major impact in the way we currently operate and report data at the UFC. We will have to develop more edits on the data. The plan is to run parallel from August until January. In January, we will no longer transmit the monthly military appropriation (112/218) status report and general ledger. DFAS will create their own report information from the daily transaction files. We will send three people to Indianapolis 19-23 Jul 04 for training.

J. Representative from the Missile Defense Agency will visit the UFC on 6-9 Jul 04 to gather financial information. This information will assist them in making assertions on certain financial statement line items - Funds Balance with Treasury, Accounts Receivables, and Accounts Payables on the CFO statements in preparation for the DoD effort to gain an unqualified opinion in FY 07.

K. We have participated every morning, except Sunday, in the DFAS HQs 21-day CFO Compilation Status teleconference. The teleconferences began 2 Jul 04 and will be conducted daily until 21 Jul 04.

L. We contacted Jim Perkins, the P2 Deployment Manager at the Fort Worth District. He stated that although the UFC is still omitted from the most recent deployment schedule, this does not mean the UFC will be excluded from P2 deployment. He said we will be notified well in advance of our deployment so we can prepare. He also provided information on the deployment process for our review. We plan to send our P2 project manager for additional training the last week of July.

M. As part of our Managerial Analysis and Improvement Program, the Accounting Quality Division completed a review of selected aspects of the management of suspense accounts. The draft report, issued 2 Jul 04, covered suspense account activities as of 31 May, totaling nearly \$15 million. Draft recommendations included: (1) developing procedures to identify the office accountable for initiating follow-ups on all suspense account balances (perhaps Cash Reports); (2) adding deadline dates for responding to all suspense account inquiries; (3) establishing a more aggressive follow-up plan; and (4) distributing workload within the Disbursing Division to handle suspense account resolutions.

N. We completed preparation of our Executive Direction and Management (ED&M) budget for the next fiscal year. While this budget is primarily used to present FY05 requirements, FY04 and FY06 estimates are also included. Our submission was delayed because the UFC was inadvertently left off the distribution for the initial data call, and we did not receive the budget guidance until 24 Jun 04. Also, probably because of the same email distribution list problem, we were not aware of and did not attend the ED&M budget conference held in May in New York City.

O. During the third quarter of FY04, we processed about 67,000 documents into our document imaging system and over 26,000 incoming packages and envelopes in our mailroom. We also logged about 35,000 incoming checks into our checks received for deposit database.