

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 3 SEPTEMBER 2004**

I. CEFMS:

A. We created work categories to identify construction, supervision and administration costs specifically for projects in Iraq and Afghanistan after obligations are awarded and recorded in CEFMS. We changed CEFMS to alter the work categories on purchase requests, cost, and to correct income in the appropriate Revolving Fund accounts so that all of the work in the Gulf Region will be properly coded, expensed and reported.

B. We continue to extensively test the CEFMS changes that will permit cross charging of labor (CCL) between USACE activities. Tests have been conducted using P2 work items to ensure that the P2 interfaces of labor budget lines and costs work properly with the new procedures

C. In response to a DoD IG audit finding, we modified the CEFMS Problem Report System to add new tabs for the CEFMS System Accountants to insert a test plan and to document the results of their test plan. CEFMS will require this information from the System Accountants whenever CEFMS programming changes are necessary to resolve a problem report.

D. We attended a meeting with HQUSACE staff members, and representatives from USACE activities to discuss revisions to the CEFMS Manpower Payroll Crosswalk table. This table is used to ensure that manpower execution is shown under 'reportable' appropriations, AMSCOs, CWIS codes, and MDEPs. We revised the data in the CEFMS crosswalk table in late August to ensure that the final FY04 manpower reports will display execution as directed by HQUSACE and DA. Further changes will be made at the beginning of FY2005 for the FY05 manpower reports.

E. We revised the 'Calculate Overhead Rates' function in the CEFMS Operating Budget Module so that only those personnel who are authorized in the Overhead_Control table can calculate overhead rates and update the budget to reflect those rates. Each USACE activity will now be able to identify who can calculate rates, separately from who has the authority to enter initial budget estimates. Some USACE activities will limit this authority to only those in the Budget Office; other USACE activities may choose to grant the authority for calculating departmental overhead rates to users in each technical element.

F. We created and released a new HQUSACE upward manpower report, the Civil CMOD. The primary purpose of this report is to provide information to be used by HQUSACE in preparation and submission of the Civil Works budgets to OMB and Congress. The report includes average salary and benefits, by appropriation, for full-time permanent and non full-time permanent employees who are assigned to each of the Civil Works appropriations.

G. The Civil Works proportional cost share policy was changed on 26 Jul 04 to exclude sponsor work-in-kind (WIK) from the proportional cost share requirements. CEFMS modifications to implement this change were effective on 31 Aug 04. This change enforces the HQUSACE General Counsel determination that proportional share checks apply only to cash outlays, not to accepted WIK. Accordingly, WIK was removed from proportional share formulas. USACE will no longer be required to register federal cash in a proportional share based on sponsor actual WIK cost.

H. We modified the CEFMS process for transmitting Government Order Billings from the Performing Activity database to the Requesting Activity database. When a credit bill is produced, the transmission process now verifies that the disbursed amount on the requesting activity is greater than the amount of the credit, thereby preventing a bill from transmitting which would result in a negative disbursed amount.

II. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	864	881
Priority #1 Problems	73	70

Received 227 new problem reports and completed 244 problem reports.

B. Database Imbalances on our 62 Production Sites:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	57	56
One	0	3
Two	2	3
Three	1	0
Five	1	0
Six	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 Interns:	4
TOTAL:	264

B. DISBURSING WORKLOAD DATA:

PAYMENT	CURRENT MONTH	YEAR TO DATE
	Aug 01-31	Oct 01-Aug 31
BY CHECK:		
CHECKS ISSUED	13,649	139,027
PERCENT OF TOTAL	12%	13%
DOLLAR AMOUNT	\$146,719,284	\$1,212,487,524
EFT:		
TRANSFERS MADE	55,634	533,161
PERCENT OF TOTAL	88%	87%
DOLLAR AMOUNT	\$ 1,462,688,245	\$15,303,063,668

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

IV. OTHER UFC ISSUES:

A. Finance Center personnel attended the Financial Management Service and Department of Defense, Treasury Report on Receivables (TROR) Learning Forum at DFAS in Columbus, Ohio on 26 Aug 04. The forum included information on the preparation of the TROR. Group discussions and exercises included: status of receivables, delinquent debt by age, status of debt, cross-servicing & Treasury Offset Program (TOP) line-by-line guidance, common errors, collections, and debt disposition.

B. Ms. Sheila Falkner, UFC Debt Management Division Chief, attended an accounts receivable meeting at DFAS Columbus on 2-3 Sep 04. Discussions included the current status and future actions required for compliance with the DoD Financial Management Regulation (FMR) accounts receivable policy, including reaching the established goals of the OSD metrics. A draft monthly Plan of Action and Milestones (POA&M) was provided to attendees. The POA&M will be updated and a final version will be completed by DFAS Arlington after the meeting. DFAS will provide the completed copy to the field and require the submission of a final Jun 04 POA&M

sometime before yearend. The purpose of this POA&M is to provide DFAS Arlington and upper management with a tool to track the status of receivables, to identify the problems, and to define the corrective actions and timeframes for resolution.

C. The UFC Travel Division is currently processing PCS claims received on 27 Aug 04.

D. Lee Autry, Deputy Director of Finance is the Finance Center representative on the IM/IT Competitive Sourcing Customer Review Team (CRT). Mr. Autry will be responsible for ensuring that Finance Center issues, to include disbursing and travel (IATS), are appropriately addressed in the Performance Work Statement (PWS). He will attend the IM/IT Competitive Sourcing CRT meeting at HQUSACE on 14 Sep 04. The meeting will be held to discuss the CRT tasking and challenges ahead.

E. Cynthia Blevins and Ellen Gibson initiated a telephone conference with OSD Comptroller's office and DoDIG auditors to discuss and receive concurrence on a potential resolution for an unsupported journal voucher issue identified by DoDIG. The resolution is to enter a journal voucher in the Defense Departmental Reporting System (DDRS) for the corresponding customer order receivable when a payable is accrued on a within-Corps government order. This would then be considered a supportable journal voucher with supporting documentation. Current DFAS guidance requires reclassifying the unreconciled intra-governmental payable accrual balance to public, which DoDIG deems unsupported.

F. The Civil Reports Team is testing a new report developed in CEEMIS that automatically computes fluctuation of + or - 10% for each general ledger account. This new tool will greatly enhance, and aid in the analysis of variances between current year and prior year for individual lines on the CFO financial statements. The team is diligently working to resolve outstanding problems (i.e., abnormal general ledger balances) before yearend.

G. Sharon Cave and Candice Smith, from the Civil/CFO Division attended training on the United States Standard General Ledger (USSGL), specifically for the Revolving Fund. This is a new course offered by Treasury that is very specific, detailed and informative. Ms. Cave and Ms. Smith are responsible for preparation of the CFO statements for the revolving fund appropriations.

H. CFO Team members participated in a financial statement reconciliation workgroup teleconference with DFAS-HQ Arlington and other DFAS centers. This was the last teleconference to finalize outstanding issues before the CFO Financial Statement Reconciliation Manual is released.

I. The Corps of Engineers Enterprise Management Information System (CEEMIS) team conducted the kick-off meeting with Anteon Corporation. Anteon Corporation was awarded the GSA Contract to conduct the DoD Information Technology Security Certification and Accreditation Process (DITSCAP) for CEEMIS. The team met the key personnel from Anteon who will be working this effort. They are highly recommended and experienced with DITSCAP procedures and requirements. The scheduled contract period of performance for the contract is one year.

J. We have made significant progress on the Regional Business Center (RBC) Data Mart. The Cost of Doing Business report for a single site is essentially complete. We identified, discussed and are currently implementing some additional enhancements to this report. The team involved in developing and providing the data mart is scheduled to meet in two weeks. At that point, the RBC Cost of Doing Business and the Commitment/Obligation portions should be completed and visible in the data mart. At that meeting, we will discuss providing a web address to the various RBCs so that they can have a preview of the data mart. We will emphasize that it is still in a developmental state and that the final version will not be completed until 1 Oct 04. Additionally, at this meeting, we will fully discuss data mart implementation and training.

K. There is an ongoing effort by DFAS-IN to have all military transactions submitted to a system warehouse called DFAS Corporate Database (DCD) located in Pensacola FL. The first submission for DCD is scheduled for 1 Sep 04. However, we have not been able to secure or receive the required user-ids and passwords from DFAS that are necessary for daily reporting capability. We are continuing to work on issues such as labor reporting and AMSCO level of reporting with CERM-M and CEFC-S.

L. We conducted the last scheduled Structured Query Language (SQL) class for calendar year 2004 on 18 Aug 04. This year, 227 USACE employees applied for the SQL training. Although 99 of those employees could not attend because of various reasons at their respective USACE activities, we were prepared to train all USACE employees who applied. We will survey USACE activities to determine the need for this training in FY05, and then develop a training schedule based on the results of the survey.

M. The Military Reports Division is reviewing and analyzing the yearend show stopper reports and the 252* obligation report in CEFMS and will continue to monitor this throughout September. The Military Element of Resource (EOR) 252 has a limit for contract services of no more than 15% of the gross obligations for 25** series EORs within each appropriation. The division has also been providing necessary information to clear the ABNORMGL, CFOAPAY, and CFOAREC reports. Clearing of any problems occurring on these reports will aid and assist in a smooth yearend transition.

N. The Cash Reports Division participated in a conference call with DFAS-IN, DFAS-CO and DFAS-CL. The Defense Cash Accountability System (DCAS) Treasury Reporting Special Project Team at DFAS-IN is developing the specifications and requirements for daily cash reporting to Treasury by October 2005. The Statement of Accountability (SOA) will be reported directly from CEFMS to CEEMIS daily where a corporate file for USACE will be created and sent directly to DCAS. The Statement of Transactions (SOT) will be sent daily from CEFMS to CEEMIS and a USACE SOT will be sent to the DFAS Operational Data Storage warehouse. USACE has concerns that the file layout does not provide the essential information necessary to produce an SOT that will reconcile to the Net Disbursements on the SOA. Testing is tentatively scheduled to begin in summer 2005. This DFAS-IN initiative is directly linked to producing auditable financial statements in 2007.

O. On 4 Aug 04, we published a spreadsheet on the UFC webpage that identified IPAC disbursing transactions by USACE activity which we were unable to process and record in CEFMS, due either to no obligation recorded in CEFMS or to the obligation having insufficient funds to record the obligation. The UFC reconciled the IPAC Statement of Difference from September 1999 to September 2003 that had a balance of \$1,563,670.09. In a coordinated effort with CERM-F, we established a suspense date of 31 Aug 04 for USACE activities to provide funding to clear all identified unprocessed transactions. At the end of the suspense period, there were still 122 transactions with an absolute value of \$942,046.64 remaining. CERM-F and the Finance Center will discuss this issue during the F&A Forum on 2 Sep 04.

P. Brenda Ponder of the Accounting Quality Division is scheduled to travel to the Hurricane Charley emergency response office at Bonita Springs, FL on 7 Sep 04. As a member of the RM Planning and Response Team (PRT), Brenda will deploy to assist with various issues concerning the proper accounting procedures to use for the recovery operation. She will also help with establishing the procedures for compiling billing information for FEMA reimbursements. The estimated duration of this onsite assistance is one to two weeks.

Q. The UFC Security Manager, Gary Hudson, attended the HQUSACE Provost Marshall Conference on 13 Sep in Kansas City, MO. Topics included the Domestic Threat; an overview of the National Infrastructure Protection Plan; site specific planning; administrative facility security; understanding the Baseline Security Posture; HQUSACE RM understanding funding sources (civil dollars vs. military dollars); and follow-up information from the May Security & Law Enforcement (SLE) Conference.

R. We are developing plans for several additional training opportunities for the UFC staff during FY05. In October, our developmental accountants will attend Communicate Better, Effective Writing, and Grammar and Proofreading training hosted by the Memphis District. In November, seven of our accountants will participate in a pilot course for Advanced Appropriation Law here at NSA Mid-South. We have also scheduled our developmental accountants for the Intern Leadership Development Course to be hosted at the Memphis District in June.

S. The Resource Management Division continues to provide reach-back support to GRD. Most recently, we provided additional guidance on the proper treatment of an advance account. This guidance should enable GRD to eliminate a showstopper which would have impacted fiscal yearend closeout.