

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 7 JANUARY 2005**

I. CEFMS:

A. We changed the Customer Order Detailed Cost report to help ensure FEMA bills for USACE support of hurricane recovery missions are paid in a timely manner. Partial month government order billings required at fiscal year end resulted in differences between the billed amounts and cost amounts appearing on CEFMS cost detail reports. To ensure that the report matches the bill, we revised the report generation screen so that the user can input the start and end dates when costs were incurred on the bill for the billing period. Prior to this change, the report was picking up the costs for the entire month, rather than the portion of the month related to the costs shown on the bill. This new process will also help eliminate reporting differences when costs periods span more than one month.

B. We revised the Create/Update Operating Budget screen in the Operating Budget Module so that it uses the new budget security functionality, instead of budget formulation levels. This completes the actions to implement the new security functionality in the Budget Module, which began in March 2004. We will issue a revised CEFMS User's Manual this month, which will reflect the changes made to the Operating Budget Module screens.

C. We revised the initial entry point for the Operating Budget Module so that all CEFMS users can view budget data. Only those with specific authority - by org code - can change, create, or delete budget data. As before, any CEFMS user can generate any of the budget reports.

D. We published a CEFMS Users Manual for the Civil Automated Budget (CAB) module. The manual includes references to the governing Corps of Engineers and OMB regulations, an explanation of how the CAB program functions, and recommended steps for reconciling CAB data with the obligations shown on the 3011a financial report, Status of Appropriations and work Allowances - Civil Works Funds.

E. We provided DoDIG auditors with additional information related to the Nov 04 Open Accounts Payable universe for all USACE activities and the trial balances of each district as reported by CEEMIS. The universe contained two different appropriations, one for Washington Aqueduct and one for DC public schools, which are used in Baltimore, but reported differently in CEEMIS. Other discrepancies in the two files relate to elimination entry general

ledger numbers and improper vendor codes. In total, the subsidiary file of open payables agrees with the totals reported on the trial balance.

F. We added the following new edits in the labor area:

- Changed edit for OCONUS employees so that the proper entitlement codes as reflected in the personnel records are enforced. This will prevent improper costing of labor.
- Added a new column in the Employee History screen to identify an employee's old org code prior to undergoing a reorganization of the data base.
- Added an edit in the timekeeper's entry screen for Department of the Army (DA) interns. If the employee is a DA Intern, he/she must use a labor charge code associated with DA intern funding. Prior to this change, the edit existed in labor distribution; however, the new edit will catch the error quicker, and prevent labor from rejecting.
- Added an edit in the Customer Service Representative's area to prevent an incorrect pay period from being opened. The edit will check that the new pay period is not greater than 14 days from the current one. This will prevent future pay periods (other than the next consecutive one) from being opened by mistake.

G. We changed the CEFMS travel order function to insert/delete Travel Remark Codes 148 or 149 based on the mode of transportation (MOT). We also added these remarks to the standard remarks list. If the travel order itinerary shows an MOT of 'TP' (transportation requested-plane), CEFMS will automatically add remark 148 which states that a centrally billed account will be used for the air fare. If the MOT is 'CP' (commercial plane), CEFMS will automatically add remark 149 which states that an individually billed account be will used.

H. We researched a problem report that Local Travel Voucher 50710 caused the funds used to exceed the authorized amount. We informed the USACE activity that local travel is allowed to exceed the authorized funds because the vouchers are filed after the actual travel has occurred. Authorized travel expenses, similar to labor costs, are entitlements which must be paid without regard to fund availability. We suggested that the activity either perform a cost transfer if the wrong funds were used or allocate more money to the funding account used on the local travel voucher.

I. We released a new report entitled Monthly Progress/Status Funding and Cost Report. We developed this report to assist USACE and the Environmental Protection Agency (EPA) with billings for the

Hazardous and Toxic Waste program. USACE and EPA jointly developed the report format. The report can be generated for any customer order and will provide funding and cost information, by budget category, for both reimbursable and direct fund cite funding accounts. The budget categories shown on page 2 of the report are those that USACE has agreed to report to EPA and are based on various resource code groupings. The report also provides detailed labor cost information for the month of the report.

J. According to DoD Financial Management Regulation, Volume 10, Chapter 10, page 10-8, credit card users should prepare a monthly log of purchases made. A new menu option has been added to the credit card menu screen to allow the user to print a log for one month's purchases. The log includes the obligation number, delivery order number, date purchased, description, received date, receiver, work item, and appropriation.

K. We reviewed documentation that was furnished by the new Intra-Governmental Transaction System (IGTS) Program Manager on 27 Dec 04. To date, they have not gathered any information on CEFMS; however, their goal is to have all Army Financial Systems covered in their documentation package.

L. We reconciled the open, unpaid payable subsidiary records for USACE to the trial balance general ledger report. We provided DoDIG auditors with a universe of all open payable subsidiary records for the USACE, and with the Consolidated General Ledger Trial Balance as of Nov 04. We responded to an additional request from the auditors for a listing of transactions that affected a payable general ledger for Nov 04. We wrote a new query to extract all transactions and created a file that was placed on the public website for the auditors. We researched and resolved problems related to payable discrepancies between the government payable and the public payable files. We are preparing spreadsheets to identify known discrepancies due to vendor class code changes. According to the auditors, by providing this information we can eliminate these transactions from being included in a count of potential errors found in sampling transactions, as the purpose of the audit is to correct miscoded vendors across USACE databases.

M. We corrected a rounding truncation error in the receipt voucher program. The extended total was truncated rather than rounded appropriately. This caused a penny rounding difference between the invoice and receiving report.

II. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	871	883
Priority #1 Problems	62	75

Received 140 new problem reports and completed 152 problem reports.

B. Database Imbalances on our 62 Production Sites:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	51	55
One	2	1
Two	6	1
Three	1	2
Four	1	1
Five	0	0
Six	0	1
Eight	0	0
Twenty	1	1

III. ACCOUNTING OPERATIONS:

A. NUMBER AND LOCATION OF ONBOARD PERSONNEL

<u>LOCATION</u>	<u>ONBOARD</u>
MILLINGTON:	235
HUNTSVILLE:	24
USACE HQ:	1
DA Interns:	4
TOTAL:	264

B. DISBURSING WORKLOAD DATA:

<u>PAYMENT</u>	<u>CURRENT MONTH</u> Jan 01-04	<u>YEAR TO DATE</u> Oct 01-Jan 04
CHECK:		
CHECKS ISSUED	1,332	36,277
PERCENT OF TOTAL	12%	12%
DOLLAR AMOUNT	\$9,837,750	\$373,320,899
EFT:		
TRANSFERS MADE	4,682	151,832
PERCENT OF TOTAL	88%	88%
DOLLAR AMOUNT	\$144,405,860	\$4,467,678,161

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

IV. OTHER UFC ISSUES:

A. Sytel Infrastructure Services, the contractor providing assistance in development of the Finance Center's competitive sourcing preliminary planning documentation, will visit the Finance Center again on 11-13 January. Work continues on the baseline cost data which was provided to Sytel in December, and on the inputs/outputs summaries for functions/tasks which will be included in the study. Sytel is also conducting market research and labor market research to determine the availability of commercial sources for financial services-type work and personnel resources for the resultant provider.

B. The manpower utilization report for December indicated a combined over utilization percentage of .6% which will place the Finance Center in the green rating for the first quarter CMR purposes. On 18 January, we will participate in the quarterly COBUG VTC meeting conducted by CERM-B to discuss various budget issues and policies.

C. The Finance Center goal for the Combined Federal Campaign (CFC) this year was \$23,909.00. Once again, we were able to surpass our goal through the generosity of our employees. We contributed \$24,528.60 with a participation rate of 50%.

D. The UFC Security Manager has completed processing background investigations for about 75% of those Government employee and contractor positions identified as requiring specific information assurance levels. The applications were submitted to the Office of Personnel Management (OPM) for processing. Once the processing is completed by OPM, the background investigations are returned to the UFC Security office for suitability review. All favorable Certification of Investigation sheets for Government employees are signed, dated and forwarded to the CPAC to be placed in the proper Official personnel File. Contractor Certification of Investigation sheets will be processed in the same manner except that the original will be maintained at the UFC.

E. During the first quarter of FY05, we processed about 66,000 documents into our document imaging system and 31,000 incoming packages and envelopes in our mailroom. We also logged about 23,000 incoming checks into our checks received for deposit database.

F. On 6 January, we issued the report on third quarter FY04 TDY post audit results. USACE activities completed audits on 747 temporary duty travel vouchers. There were 168 vouchers (22.5%)

with monetary errors. These errors - underpayments plus overpayments - totaled about \$27,000. Depending on the nature of the error, the UFC will either pay or bill affected travelers. As with past audits, the majority (about 80%) of the errors were traveler input errors which should have been identified by the travel approving official prior to payment. Two districts have not submitted audit results for several quarters. Japan District has not submitted results since the second quarter of FY03; and Los Angeles District has not provided completed audits since the third quarter of FY03.

G. We plan to issue the FY04 Customer Service Survey to all USACE activities on 10 January. We will again make the survey available electronically on our public website so that each activity can enter its assessment of the survey elements. As in the past, we will also publish the results on our website.

H. The Disbursing Officer and a staff accountant will be attending a meeting in Hyattsville, MD at the Department of Treasury on the Intra-governmental Payment and Collection (IPAC) System Usability Interface. The meeting will include an interface demonstration and discussion of ad hoc reporting needs. Personnel from the Department of Veteran's Affairs, Government Printing Office, General Services Administration, U.S. Department of Agriculture, Office of Personnel Management, DFAS and Treasury's Financial Management Services are also scheduled to attend.

I. The Finance Committee of the National Recreation Reservation Service (NRRS) took a break from work on the new reservation contract over the holidays. They are expected to re-initiate action to explore additional resources, resume their discussions on best practices, and determine the next steps in mid-January. The National Park Service (NPS) implementation date has been postponed from Mar 05 to Nov 05 due to a bid protest and decision by GAO. It is critical for the USACE to be present at the planning sessions to ensure decisions made for NPS implementation do not adversely affect USACE business processes.

J. The UFC Deputy Director of Finance, as a part of the USACE A-76 Information Management/Information Technology (IM/IT) Performance Work Statement (PWS) Customer Review Team (CRT), has received a draft of the PWS. The draft includes the Performance Requirements Summary, which details the standards that the Service Provider must meet to satisfy the proposed contract. Comments from the CRT are due to Contracting by 14 Jan 05.

K. Effective 28 Dec 04, the Coalition Provisional Authority (CPA)/Project and Contracting Office (PCO) in Iraq can no longer disburse Development Fund for Iraq (DFI) funds. UFC personnel worked with the TransAtlantic Program Center (TAC) staff in order for TAC to receive funds for advance billing to the (CPA)/(PCO) in Baghdad for \$90 million against their Restore Iraqi Electricity (RIE) customer order. The funds have been paid by the CPA/PCO through the Bank of Iraq to the UFC account at the US Treasury and collected into an advance account. The UFC coordinated their efforts with TAC to ensure draw down of the account to pay for work that has been completed and billed. This process should help to ensure TAC has the funds to cover the future bills on the RIE project.

L. The Finance Center is gearing up to begin issuing W-2s, 1099-Misc and 1099s for CY04. This is a multi-divisional/multi-directorate effort.

M. UFC Travel Division is currently processing PCS vouchers received the week of 27 Dec 04.

N. All military daily financial transactions for the first quarter (through December 29th) were submitted to the DFAS Corporate Information Infrastructure (DCII) on or before 31 Dec 04. October's financial data consisted of 1015 files and 931,121 transactions. November's consisted of 958 files and 1,411,232 transactions and December consisted of 950 files and 1,711,502 transactions. There were 190,966 submitted transactions that failed the DCII edits and were suspended. After review and analysis by UFC personnel, we determined that the majority of the suspended transactions were due to "valid" AMSCO data not being loaded in the DFAS DCII edit tables. UFC personnel have conducted numerous conference calls with DFAS personnel to resolve the problems and suspended transactions. DFAS stated that they plan to have the DCII edit tables corrected within the next two weeks at which time they will recycle the suspended transaction to clear them out. The next teleconference is scheduled for 14 Jan 05.

O. The CFO/Civil Reports Division continues to work on gathering and validating the performing activities' line of accounting on government order acceptances. This information is required to support our payable and expense data that we provide in the intra-governmental transactions eliminations process, and to maintain our status as a waived entity. We have found that, in most cases, the line of accounting is not provided on the acceptance or is incomplete or incorrect. Follow-up work will be required to obtain the valid line of accounting from the performing activity (seller side).

P. The CFO team is working on compilation of first quarter FY 2005 financial statements and footnotes. We are currently on schedule to meet the accelerated reporting deadlines. Draft statements and notes are due 12 January, and the final is due on 15 January. The staff is also participating in daily conference calls with DFAS-Arlington, the DFAS Centers, and OSD Comptroller's office on the status of the quarterly CFO statement compilation and any outstanding issues.

Q. In response to a request from DFAS Headquarters, Cynthia Blevins and Pamela Kildow attended a conference in Columbus, OH on 7-9 Dec 04 to present the USACE accounts payable data collection process used to support quarterly CFO reports and elimination requirements. The conference was the first meeting of the Department of Defense Accounts Payable Committee that was developed to identify and streamline the processes used by Defense agencies, and to determine the feasibility of asserting the accounts payable line for the balance sheet. Initially, the committee is tasked with identifying the various database systems utilized to obtain accounts payable data and the type of data available within those systems. While the presentation identified CEFMS as the primary tool used to compile accounts payable data for the USACE CFO report submission, other agencies identified multiple, non-interfacing databases that are necessary to retrieve data at various stages of the accounts payable process.

R. Three UFC personnel graduated from the University of Memphis on 18 Dec 04 with a Master's Degree in Public Administration (MPA). To date, twelve UFC employees have completed the MPA program. An additional eight employees will begin the MPA program on 18 Jan 05. Two Disbursing Division employees successfully completed the testing requirements for the Certified Defense Financial Manager (CDFM) certification in December. Also, three employees are scheduled to begin the Becker CPA review course on 18 Jan 05. These employees have signed long term agreements that include the requirement to take the CPA examination within six months after completion of the review course.