

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 22 JULY 2005**

I. CEFMS:

A. We created a new screen in the credit card area of CEFMS to display all invoices over 30 days old that have not been approved by the billing approving official. When the cardholder creates the invoice, the approver must approve the invoice for the transaction to progress in CEFMS to the disbursing area. We discovered transactions dating as far back as 2002 that had been received and invoiced, but had never been approved by the billing approving official. This new screen will display all old unapproved invoices that should either be reversed or paid so that interest will not accrue.

B. We wrote a script for the Gulf Region Division (GRD) to correct the purchase request, cost, and income for numerous contracts input with the wrong work category code on the purchase requests. These errors caused S&A income to the revolving fund to be understated.

C. We continue to test and verify the accuracy of the general ledger correlations for the revolving fund labor payroll module. We are reviewing the general ledger recon reports to determine if we have created any imbalances. We also provided information to the disbursing team for the general ledger changes involved in disbursing labor transactions.

D. We continue to respond to customer inquiries regarding the CEFMS labor cross charge process. We researched labor/payroll data and answered questions for in-house labor and time and attendance. We also worked with Problem Report points of contact in resolving problems for specific labor issues and submitted scripts for execution, when warranted.

E. We provided a new option for one of the Budget vs Actual Expense reports in the Operating Budget Module. This option, approved by the CEFMS Configuration Control Board in November 2004, allows users who run the report for an organization code and its subordinates to summarize the data based on the Revolving Fund home work item code. This will allow users to see data separately for Facility Accounts, which are part of larger organization code groups. It will also allow users to see data for Emergency Management and Regulatory Branches separately from Operations Division at those USACE activities where the organization codes for Emergency Management and Regulatory are children of the Operations Division org code. Users will be able to run one report for a large group of org codes and still see data related to individual Revolving Fund accounts separately.

F. We identified the changes which would be required to accommodate Regional Overhead Rates in the Operating Budget Module. Regional Overhead Rates can be calculated manually and applied in the Operating Budget Module using current programming. However, additional programming would be required to automate the calculation, store the information used in the calculation, and ensure that USACE activity budgets are not changed during the process. Because USACE activities are already finalizing their FY06 Operating Budgets, any additional programming would not be available until the next budget cycle (mid-year FY06 or initial for FY07).

G. We researched a problem for the Europe District where several contract payments were paid as a paper check instead of an EFT payment. These contracts were modified to add an assignment institution. Since this is a foreign currency contract, there is no functionality to pay the assignment institution by EFT.

H. We completed the modification of the existing general ledger correlations for Phase II of the Revolving Fund Redesign. This includes the collection passback transactions and general correlations for disbursements.

I. The Construction Engineering Research Laboratory (CERL) had a fatal error on the Miscellaneous Disbursing Program. We discovered that the sequencer that assigns the check number had been dropped from the database sometime since February 2005. This has happened several times this year on the various 'U' databases. A system correction was made and the payment was made the next day.

J. The Department of State reported that our IPAC transactions related to VISA payments are causing a problem after they pull the data from Treasury FMS. We checked our IPAC files for the past three months and found that all of our data is in compliance with the IPAC documentation. They use an Excel spreadsheet to store the data and we discovered that there are many special characters in the obligation description field. The equal sign is probably the cause of the problem. We are looking at some other character to replace the equal sign at the time we generate the IPAC File.

K. We tested the PC Disbursing Programs against the Microsoft Security Updates that were installed on 12 Jul 05. There were no problems in executing the programs.

L. We added a new column in the work_item table, P2_conv_project_id, which will store the project id for non-P2 work items that are mapped to P2 projects. This will make it easier to track pre-P2 work items that are mapped to P2 projects.

M. We created two new procedures which will allow assignment of CEFMS location codes and local indicator codes for P2 generated work items. These procedures will be called by the P2 interface to create location codes and local indicators in the CEFMS tables. This should help to prevent duplicate entry of these codes.

N. When direct costing labor was released, P2 budget lines were not corrected to accommodate the P2 changes. Corrections to labor transactions were continually rejecting due to incorrect amounts in these records. We wrote scripts to identify and correct WKBOTHCOE P2 budget lines. This should prevent many individual scripts from having to be executed during the year-end closing process.

O. As of pay period ended 9 Jul 05, the SF1166 Report is to be generated in CEFMS instead of on WPC29. Guidance and instructions were provided to the USACE Payroll Program Manager to inform all Finance and Accounting Offices.

P. We made a change to insert of approver id and signed date in the labor signature and payroll signature tables when data is entered on the CEFMS Labor Input Screen 17.13. This data will be displayed on the Labor Cost Report to show who completed the transactions for all new entries. Previous transactions entered on Screen 17.13 prior to this code release (12 Jul 05) will not reflect this change.

Q. We modified the Overhead Distribution/Correction Screen 5.98.1A to correctly process labor costs associated with a job order work item classification.

R. We developed and deployed a Database Administrator (DBA) menu option in CEFMS that allows USACE activity DBA's to generate CEFMS schema passwords for their CEFMS database. The system provides automatic assistance to DBA's in constructing passwords, enforces structure rules and updates applicable links as needed. The system replaces the prior coordination levels between USACE activities and the Huntsville Configuration Team since it updates the CEFMS configuration files immediately. Therefore, USACE activities no longer need to coordinate dates/times of scheduled password changes or FedEx passwords. The CEFMS Configuration Team no longer needs to review password construction, manually update configuration files or mail password receipt forms. Access to the menu option and password update is limited to user's having the CEFMS activity DBA role and access to their current CEFMS schema password. We provided CEFMS User Manual Documentation to USACE activity DBA'S as part of this system change deployment.

S. We completed the testing and released enhancements to the ENG93 Progress Payments screens in CEFMS. The Project Managers (PM) and Contracting Officer Representative (COR) approval process been modified to allow all lines on the progress payment to be approved

in one step. In addition, multiple lines can now be viewed, a total for the progress payment is now available, and we improved the process for entering line item information and amounts. All enhancements were geared toward the reduction of interest penalties associated with the high dollar construction payments that are processed using these screens.

T. We modified the process for paying final payments on Construction and A&E (Architectural & Engineering) contracts in CEFMS. Final payments are now scheduled based on the regulatory requirement that provides that these payments be scheduled 30 days after the later of the Release of Claims or the contract settlement date. The contracting officer representative who has responsibility for approving the final payment in CEFMS is required to enter the contract settlement date at that time. The system uses that date to schedule payment.

U. We completed the updated and revised CEFMS User Manual for the recording and processing of Progress Payments in CEFMS. All users of CEFMS with roles that are used to enter and approve Progress Payments in CEFMS were sent this updated information.

V. We revised the method used to email the Unapproved Pay Estimate and Receiving Report w/ No Obligation (unfunded liabilities) report to each USACE activity. Two new types, one for each report, were added to the Email Notification correlation table in CEFMS. USACE activities now have the ability to identify a responsible individual to receive the report versus the previous method where a query was used in an inefficient attempt to identify the Finance & Accounting Officer.

W. We corrected a customer order billing print problem related to the fluctuation of foreign currency amounts when interest penalties were incurred. Interest, whether charged to the contract funding or the centrally billed account for fluctuation of the foreign currency, was being summed into the total for the contract funding. Now, the printed bill sums the interest separately for contract funding and fluctuation.

II. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	768	748
Priority #1 Problems	96	81

We received 197 new problem reports and completed 177 problem reports.

B. Database Imbalances on our 62 Production Sites:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	58	59
One	2	2
Two	2	1
Three	0	0
Four	0	0
Five	0	0
Six	0	0
Seven	0	0

III. ACCOUNTING OPERATIONS:

A. NUMBER AND LOCATION OF ONBOARD PERSONNEL

<u>LOCATION</u>	<u>ONBOARD</u>
MILLINGTON:	227
HUNTSVILLE:	24
USACE HQ:	1
DA Interns:	3
TOTAL:	255

B. DISBURSING WORKLOAD DATA

<u>PAYMENT</u>	<u>CURRENT MONTH</u>	<u>YEAR TO DATE</u>
	Jul 01-19	Oct 01-Jul19
CHECK:		
CHECKS ISSUED	6,471	111,447
PERCENT OF TOTAL	9%	11%
DOLLAR AMOUNT	\$61,016,894	\$956,476,069
EFT:		
TRANSFERS MADE	33,945	483,066
PERCENT OF TOTAL	91%	89%
DOLLAR AMOUNT	\$1,106,833,928	\$15,485,205,058

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

IV. OTHER UFC ISSUES:

A. The CFO/Civil Reports Division completed submission of the 3rd quarter Civil Works Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, Statement of Budgetary Resources, Statement of Financing and accompanying footnotes. We met all reporting deadlines. We received questions on Saturday and Sunday from OSD Comptroller after their review of our statements and notes. Responses were provided the same day. We continue to participate in daily teleconferences regarding the statements and

notes until 21 July, when the statements are submitted to the Office of Management and Budget.

B. As a result of the OSD emphasis on accounts receivables, accounts payables and expense, we received numerous requests from other Federal and DoD agencies for intra-governmental elimination transaction information and reconciliation.

C. The U.S. Treasury Federal Agencies Centralized Trial Balance System (FACTS) 3rd quarter budgetary report and Monthly Receivable Report submissions were submitted by the suspense date with no errors.

D. UFC CEFMS Liaison, Linda Stoutenburgh, facilitated a joint conference call with UFC and HQ personnel to establish a plan for reducing delinquent accounts receivable with US Coast Guard/EPA (CGFC) for the Oil Pollution Act bills. The objective was to work out any issues that may exist within the USACE network, and then discuss changes needed with CFGC business processes to facilitate payment. The issue in non-payment was not so much the method of payment being used (IPAC vs. non-IPAC), but the fact that payments were stagnant altogether. It was agreed that USACE will ask CGFC to use the IPAC method of payment (push or pull) in the future. Bill Holtzman will take the lead to discuss the details with Mr. Coakley and Mr. Lowe. A separate issue discussed involved the feasibility of EPA Cincinnati Financial Management Center (CFMC) using IPAC for Superfund billings. It was agreed to ask EPA to change to pushing payments to USACE via IPAC. Marvene Seaman, Northwestern Division, will take the lead in contacting Jeff Marsala at EPA to explore this option.

E. The UFC Debt Management Division is working to comply with Deputy Chief Financial Officer, Teresa McKay's memo on write-off of aged accounts receivable due from the public greater than 2 years. UFC is seeking guidance from the Civil Works Staff at HQUSACE on the impact of writing-off large dollar value water storage/supply contracts, admiralty claims, and debts in litigation.

F. The Travel Division is currently working PCS vouchers received on 15 Jul 05 and 2004 RITA vouchers received 15 Jul 05.

G. On 11 Jul 05, the Accounting Quality Division issued the report on the post-payment audit of PCS vouchers paid during the second quarter of FY05. The monetary error rate of six percent was the lowest rate since we began conducting these audits in FY98. This demonstrates significant improvement in the performance by the Travel Division which over the past two years has reduced monetary errors from a previous average of about thirteen percent per quarter.

H. During the third quarter of FY05, we processed about 69,000 documents into our document imaging system and 28,000 incoming packages and envelopes in our mailroom. We also logged about 39,000 incoming checks into our checks received for deposit database.

I. The facility manager submitted requests through ENGLINK for centralized funding for two improvements needed for our building. One request was to replace the exterior doors with ones which provide more security. The other was for the replacement of our building access control system with one which provides better archiving of building access and improved surveillance equipment. On 19 Jul 05, the Facility/Security/Safety Manager attended a meeting with Navy Public Works Center (PWC) from Jacksonville, FL. The topic of discussion was client funding and billing procedures. Basically, the meeting was to introduce PWC Jacksonville to Naval Support Activity (NSA) Mid-South tenants. Beginning in FY06, PWC Jacksonville will be responsible for the funding and billing processes for all utilities at NSA Mid-South.

J. During 18-22 July, we conducted the second session of Introduction to Federal Accounting training. This is a USDA Graduate School course which we are requiring all accountants to complete. We purchased a CD version of the course for each student and will teach another four week-long sessions before calendar year end. This training will help reinforce/update accountants' knowledge of preparation of financial statements which comply with federal accounting standards, the complete accounting cycle, and the standard general ledger.

K. At our town hall meeting on 13 July, we showed the Chief's video of the USACE vision, and we distributed a copy of the Chief's Strategic Directions brochure and Permission Slip to each employee. We reviewed and explained the major topics of the brochure such as the Commander's intent, enduring values, core competencies, spectrum of USACE operations, and campaign goals. We also pointed out that the Finance Center's campaign has recently been updated and posted on our Inet along with the Chief's slide presentation on the USACE campaign plan.

L. For the third quarter, the Finance Center's overall revolving fund facility account balances were within less than one percent of expenses year-to-date and therefore, well within the required nominal balance. This places the Finance Center in the green range for CMR purposes. The Finance Center's accrued leave liability was over-funded at about 134% at the end of the third quarter. This places us in the yellow range for the CMR, but we believe the funding level will still be within acceptable limits by calendar year end.