

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 3 MARCH 2006**

I. CEFMS:

A. We are continuing, by phases, to enhance and improve the capabilities of the Appropriation Refund and Collection Voucher Screens. We have directed our efforts to the processing of foreign currency and government orders through the modified Appropriation Refund Billings Create/View screen. The changes required to process appropriation refunds for both government orders and foreign currency will be released to production in the near future.

B. We corrected the Travel Disbursing Program to insert the correct Disbursing Station Symbol Number (DSSN) into the transaction register when the user is processing a travel advance that is identified as Transaction By Other (TBO).

C. We corrected the Void Contract Checks Program to process the new currency code of JJ, for Japanese yen.

D. During the week of 13 Feb 06, a number of USACE activities experienced electronic signature error 99 while running the disbursing cron jobs. The error stated: failure on addressee signature validation. After extensive research, we traced the problem to a government employee record having an employee type 'C' for "contractor" rather than a type 'G' for "government employee." Recently after conferring with GAO, we modified the CEFMS software to not allow electronic signature for "C" employees.

E. We are again experiencing slow response time during the generation of the EFT files and while printing checks. On 17 Feb 06, the process had slowed to 6 transactions per minute, down from the usual 35 per minute. We checked the KTC machines (electronic signature hardware) for performance issues, and the UFC opened a problem ticket with the Central Processing Center (CPC) to check on network performance. The database was also checked for proper indexes. We determined that the cause was possibly a network configuration that was made to the USACE network the week of 13 Feb 06. We will again monitor when the UFC starts the disbursing for March business.

F. We added a requirement on the Prior Period Correction screen so that an entry in the "Payroll Remarks" section must be made whenever an original labor charge code is changed to a new one. As before, another field (such as shift, environmental/hazard, type of hours, etc.) must also be changed along with the charge code. Changes to charge codes must still be made via the Labor Cost Transfer screen. Some timekeepers had been using the deletion of an original time and attendance (T&A) entry, and the re-entry of the same T&A using a different labor charge code, to accomplish a labor cost transfer. The new requirement will force users to provide a justification for changing the charge code, which must then be certified by the supervisor.

G. To strengthen audit trails and security, we added two new fields, 'osuser' and 'update_date', to the emp_status_code_mstr table. This change will identify the user and date that the data manager table was updated.

H. At the request of HQUSACE, we revised the Military Cost of Doing Business Report to report contract placement for modularity projects in the same column as construction that is subject to the MILCON S&A flat rate. Both MILCON and modularity projects are subject to the same S&A rates, so this change to the report provides HQUSACE and other USACE activities with greater capability to review placement and related S&A expenses. We also added two columns to the report for work at Gulf Region Division and Afghanistan Engineer District. These columns show placement subject to special rates in these two locations and the related S&A expenses.

I. We reviewed, revised and resubmitted the Office of Management and Budget (OMB) F2007 Exhibit 300 Business Case for CEFMS and CEEMIS, at the request of HQUSACE Information Management (CECI). OMB is allowing USACE to revise and resubmit all 13 of its FY07 Business Case packages for Automated Information Systems in an attempt to improve our OMB rating and be removed from the OMB 'Watch List'. The HQUSACE goal is to have all 13 business cases removed from the 'Watch List' by 30 March 2006.

J. We implemented a Month-End Closeout Warning to notify USACE activities of any pending items which will prevent the activity's database from closing at month-end. An email is sent the last five days of each month advising of the items which will prevent month-end closeout. Additionally, we also implemented a Month-End Closeout Warning Report which identifies these items. This report can be generated at any time.

K. We released new Side Server Signer software into production. Slide Server was developed several years ago to speed up the disbursing process. The new software was originally designed to speed up test processes but the modification in production will speed up additional Side Server Signer processes for disbursing at the UFC.

II. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	708	721
Priority #1 Problems	74	74

We received 135 new problem reports and completed 148 problem reports.

B. Database Imbalances on our 62 Production Activities:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	60	53
One	0	6
Two	2	1
Four	0	2

III. ACCOUNTING OPERATIONS:

A. NUMBER AND LOCATION OF ONBOARD PERSONNEL

<u>LOCATION</u>	<u>ONBOARD</u>
MILLINGTON:	229
HUNTSVILLE:	23
USACE HQ:	1
DA Interns:	1
TOTAL:	254

B. DISBURSING WORKLOAD DATA

PAYMENT	CURRENT MONTH Feb 01-28	YEAR TO DATE Oct 01-Feb 28
CHECKS:		
CHECKS ISSUED	9,796	52,029
PERCENT OF TOTAL	10%	11%
DOLLAR AMOUNT	\$ 133,256,951	\$762,352,816
EFT:		
TRANSFERS MADE	49,452	249,481
PERCENT OF TOTAL	90%	89%
DOLLAR AMOUNT	\$1,923,373,014	\$10,170,685,439

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

IV. OTHER UFC ISSUES:

A. We have initiated weekly telephone conference calls with GRD/PCO in Iraq to resolve Accounts Payable invoice/receiving report problems and to help reduce interest penalty. Our plans are to continue the weekly telephone conference calls, and we have established a special team at the UFC to assist GRD/PCO work the invoice and receiving report issues.

B. The CFO/Civil Reports Division has completed a draft version for five of eight trial balances in our effort to automate the Defense Departmental Reporting System (DDRS) import sheet. The process takes the DDRS program group summary general ledger from CEEMIS and adds the unique attribute codes for each program group that we report. The first round of testing is complete for the General Funds mapping. Automation of this currently manual process will not only significantly reduce required process time but will improve the accuracy of the data loaded on the DDRS import sheet.

C. We received a request from Treasury U.S. Standard General Ledger staff to participate in the Trial Balance Tie-Point Project. The project consists of completing a set of 20 reconciliations for each civil works appropriation. The reconciliations compare prior year ending balance to current year beginning balance; ensure assets equal liabilities, net position, revenues, expenses, gains and losses; compare budgetary cash and proprietary cash; and provide various other

comparisons between budgetary and proprietary general ledger accounts. Results are documented on a template provided by Treasury. All accountants in the CFO/Civil Reports Division are participating in this effort. Work on the project is about 25 percent complete.

D. There is a new requirement for a Balance Scorecard Metric #543 for Fund Balance with Treasury (FBWT). Civil Works is now included in this metric and we will be required to report monthly in the Performance Measurement Indicator System. The report is intended to improve the auditability of FBWT reconciliation by ensuring that total dollar deficiencies do not exceed three percent of the closing FBWT monthly balances for expenditure and receipt appropriations.

E. We responded to questions from DFAS on their review of reconciliation explanations from 1st Quarter FY 2006 financial statement submission.

F. January 2006 was the first month in over a year that USACE collected more than 10% of the balance of outstanding Oil Pollution Act bills from Coast Guard/Environmental Protection Agency. This is a result of the Coast Guard Tiger Team's efforts and in-depth analysis in reviewing the USACE bills and supporting documentation. The USACE Finance Center continues to provide detailed data by project to the Coast Guard to facilitate the team's review.

G. Several USACE water storage bills have been reflected as delinquent receivables for a single debtor pending forgiveness under provisions of the Water Resources Development Act (WRDA) of 2006. Since the WRDA did not include language to waive the debt or the interest, the Tulsa District will now actively pursue collection of the \$1.3M in principal and interest due.

H. The USACE Finance Center is in the process of identifying all USACE employees who do not have electronic funds transfer (EFT) information loaded for travel and miscellaneous payments. We will work with USACE Headquarters, the supported activities and the Finance Center Systems Directorate to get the EFT banking information loaded in CEFMS. This will ensure we are compliant with the Debt Collection Improvement Act of 1996 and other federal laws and regulations.

I. During Feb 06, the Disbursing Division processed many special (out of cycle) payments for USACE activities to prevent or reduce the amount of interest incurred. In most instances, an activity discovered that a payment was due and that they had not entered the necessary information in CEFMS. The Finance Center routinely works with USACE activities to get such payments processed immediately. Most of the specials processed in February were in support of our mission in Iraq and hurricane relief.

J. The Finance Center Travel Division is currently working PCS vouchers received on 17 Feb 06.

K. On 28 February, the Accounting Quality Division issued its report on the audit of PCS vouchers paid during the fourth quarter of FY05. The monetary error rate was five percent which is a historically low error rate. This demonstrates sustained 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.

L. The UFC recently completed a summary report for the fourth quarter FY05 (July through September 2005) TDY audits. Of the 1068 vouchers audited, 218 (20.4%) had a monetary error or errors. This compares to a third quarter FY05 error rate of 16.8%. As has been the case in the past, due diligence by travel voucher approving officials would have identified many of the errors prior to payment. Four USACE activities - Rock Island District, New England District, Detroit District and Los Angeles District - did not provide audit results.

M. The UFC recently reviewed and provided comments on draft HQUSACE responses to two congressional inquiries related to the ongoing Accounting Support Services A-76 competition. All UFC employees directly affected by the IM/IT (Information Management/Information Technology) competitive sourcing initiative were provided a HQUSACE-developed courtesy e-mail verifying their inclusion in the competition. Also, Finance Center representatives participated in the weekly competitive sourcing in-process review (IPR) teleconference with all USACE MSCs on 23 February.