

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 28 April 2006**

I. CEFMS:

A. At the request of the Korea District, we reconfigured a construction placement screen in CEFMS used only by the Korea District. Users are now able to enter in placement, query the record and change the amount if it is in the current period, and enter in a negative amount should they need to cancel an accrual or convert an ENG 93 construction payment.

B. In preparation for regional overhead rates, we created and tested a new menu option to transfer balances in:

RF6090 - General Overhead Account - OHTRF
RF6181 - Consolidated Technical Account - CNTRF
RF6101 - Operations Technical Account - OPTRF
RF6109 - Emergency Management Technical Account - EMTRF
RF6111 - Regulatory Technical Account - RGTRF

Balances in these accounts can be transferred from an activity to an RBC database. Each account was assigned a new transfer type code that is also the work category element code used to record the transfer in the CEFMS Income Account Detail Table. We created new general ledger correlations with new accounting phase codes to record these transfers. A new general ledger account 5900.97 was created to identify this type of transfer. The programming is only for the South Atlantic Division (SAD) and the Mississippi Valley Division (MVD) until 1 October 2006. Then it will be available for all activities.

C. We corrected the Intra-Governmental Payment and Collection System (IPAC) data at a USACE activity, where the bills were processed manually the previous month. There was an error on the log file stating that the role was not properly set when the data was written back to the activity in January 2006. We corrected this by updating the debtor billing table with the necessary January data.

D. We researched and corrected a variety of disbursing problems during this period:

- Several activities ran out of collection or disbursing voucher numbers.

- Side signer problems at the Western Processing Center (WPC) caused electronic signature failures.
- Part of the cron jobs did not run on night of 18 Apr 06.
- SF1034s would not execute on a particular PC at the Finance Center.
- Users could not change the pay method code on SF1164.
- Contract discounts would not process at one activity.
- The EFT Verify was out of balance on at one activity on 24 Apr 06.

E. We added a column to the screens used to manually activate/inactivate labor charge codes. This new column will display the P2 project number (where applicable) associated with a labor charge code, and we modified a funding account trigger to automatically inactivate labor charge codes when their funding account is set as fiscally complete.

F. We revised three sections of the FY07 OMB 300 Business Case for CEFMS and CEEMIS, which HQUSACE (CECI) will send to OMB for reconsideration. The three sections were Risk Management, Security, and Performance Goals and Measures. The Exhibit 300 Business Case is required for all major IT systems and must be updated and submitted to OMB annually. All thirteen of the Corps' Exhibit 300 Business Cases for FY07 were placed on the OMB Management Watch List in late January 2006, and specific sections of each are being resubmitted.

G. We moved the newest version of the Military Cost of Doing Business Report to the archived FY05 databases temporarily, so that we could generate year-end Cost of Doing Business Reports using FY05 data from the Gulf Region Division (GRD) and the Trans Atlantic Center (TAC). The newest version includes contract placement and S&A cost data related to special rates which are in effect at GRD and the Afghanistan Engineer District (which is on the TAC database). HQUSACE (CERM-P) requested the FY05 data to use as a baseline for evaluation of FY06 work during the quarterly Command Management Reviews. We were able to comply with their request and send them the report data within a few hours.

H. We developed and released a new report in the CEFMS Operating Budget Module which displays budget and actual cost data by month and quarter. A report of this type had been requested by the New Orleans District, and was supported by the Mississippi Valley Division (MVD) Regional Business Center. Development of the report was approved by the CEFMS Configuration Control Board in November 2005. Other cost execution reports in the CEFMS Operating Budget Module can be run through any requested month (accounting period), but always display data cumulatively. The new report displays monthly data for the current quarter and displays the remainder of the fiscal year by quarters. This new format should allow USACE activities to review the total dollar amounts budgeted, how the costs are forecast throughout the fiscal year, and how the pattern of actual execution compares with that forecast

I. We are working with HQUSACE (CERM-F) in preparation for Regionalized Departmental Overhead Rates in FY07. A component of this regionalization is a reduction in the number of overhead accounts at RBC activities and standardization of these accounts. We identified all USACE activities that had prior year balances or current year activity in departmental overhead accounts which will not be authorized at RBC activities next year. We pulled detailed information on these accounts from CEFMS databases on 13 Apr 06. This information is available for HQUSACE and RBC staff review. We are coordinating with HQUSACE (CEFM-F) on the implementing guidance that they will be issuing.

J. We developed a new cost share withdrawal report which identifies the total monthly cost share withdrawals made from sponsor advance and Work-In-Kind (WIK) accounts by the automated cost share withdrawal process which executes on the 14th of each month. The report is summarized by Field Operating Activity (FOA) and includes FOA, cash withdrawn, WIK withdrawn, number of sponsors, and number of cost shares which were financially completed. The report provides HQUSACE (all FOAs), Division (Division FOAs), or District (District FOA) level withdrawal information depending on the database on which the report is executed. The report can be generated using a menu option and the report can be automatically emailed to users each month. We advised the cost share users group and all users with authority to withdraw sponsor funds of the new report, and also provided these users with examples of the report.

K. We monitored the cost share automated withdrawal program. For April 2006, the program withdrew \$23 million from sponsor advance accounts and \$15 million from sponsor work-in-kind accounts and closed six cost share projects. All USACE activities databases remained in balance after the automated withdrawal program ran, and emails were generated advising responsible employees why the withdrawal program could not execute on specified cost share projects.

L. We modified the CEFMS/DCPS Employee Reconciliation (dcpseprc) Report to make comparisons of data based on Social Security Numbers instead of employee identification numbers. This report is a compiled difference of comparisons between data in the Corps of Engineers Financial Management System (CEFMS) and data in the Defense Civilian Pay System (DCPS) for a particular previous pay period. The user must have the Payroll Liaison Officer (PLO) role in access control to successfully generate this report. The report can only be printed and not viewed on the screen because it contains Privacy Act data. Information was sent via email to the customer services representatives at the USACE activities.

M. We have completed the automation process of loading data from the Operational Data Store (ODS) for the Defence Civilian Pay System (DCPS) tables in CEFMS used for generating the SF1166 report for USACE activities to record biweekly gross payroll cost. Each first Friday in the pay period, the automated program checks the location for the files from ODS. All files are loaded into the CEFMS tables on Friday and are sent to all USACE activities on Saturday, making the SF1166 report available for generation on Sunday. The corporate consolidated payroll data has been loaded on the Finance Center (T0) CEFMS database in the DCPS tables for the SF1166 reports for the Finance Center to monitor and ensure USACE activities record their biweekly gross payroll cost in the revolving funds. The data that is on T0 database has been made available via snapshot to all USACE activities for the corresponding FOA only. USACE activities should now be able to generate the SF1166 Report in CEFMS starting with the pay period that ended 16 Oct 04. Detailed instructions pertaining to the SF1166 Report will be made available on the CEFMS Users' Manuals website at a later date.

N. We completed and released a change to the Reoccurring Payment Module in CEFMS to allow for a variable payment date. This requirement relates to reoccurring utility payments on leased properties where the payment date is varying dependent upon the receipt of the invoice.

O. We have continued to work with USACE activities on cleaning up old pay estimate transactions on the system as reported on the Unapproved Pay Estimate Report. This report is sent daily to HQUSACE and POCs at each activity and is intended to assist in prompt action to approve pay estimates prior to incurring an interest penalty. Invalid pay estimates have continued to appear on this report and the HQUSACE POC has taken action to ensure that activities clean up these old, erroneous records.

P. We revised a foreign currency pre-revaluation report to indicate responsible employee id no. This information is necessary to identify the individual responsible for corrective action prior to processing a revaluation of foreign currency.

Q. We assisted the UFC Travel Division in identifying missing travel settlement correlations required to recoup a travel advance. Missing accounts payable correlations were built and moved to CEFMS databases so that the travel settlement could be certified.

R. We provided additional continuing contracts obligations and payments information from all CEFMS databases to the GAO auditors reviewing the use of the Continuing Contract Clause. Information provided was a further breakout of the amounts paid - principal, interest and interest reason code.

S. For CFO reporting, we released revised general ledger correlations and code modifications for civil and military reimbursables, special expenditure funds and miscellaneous receipts (general, special and trust funds). We converted general ledger balances to the new general ledgers for civil and military reimbursables on all CEFMS databases. We are testing the program to convert general ledger balances for miscellaneous receipts and special expenditure funds. We plan to complete this and update all CEFMS databases in May.

T. We modified the collection for civil appropriation reimbursement activity process to move funds to the funding account at certification. This will eliminate users having to manually move the funds and will ensure funds are available based on the funding work item identified in the collection.

II. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	761	747
Priority #1 Problems	84	75

We received 216 new problem reports and completed 202 problem reports.

B. Database Imbalances on our 62 Production Activities:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	52	24
One	2	16
Two	4	8
Three	2	6
Four	1	5
Five	0	1
Six	0	1
Seven	0	1
Sixteen	1	0

III. ACCOUNTING OPERATIONS:

A. NUMBER AND LOCATION OF ONBOARD PERSONNEL

<u>LOCATION</u>	<u>ONBOARD</u>
MILLINGTON:	225
HUNTSVILLE:	24
USACE HQ:	1
TOTAL:	250

B. DISBURSING WORKLOAD DATA

PAYMENT	CURRENT MONTH Apr 01-25	YEAR TO DATE Oct 01-Apr 25
CHECKS:		
CHECKS ISSUED	8,266	71,829
PERCENT OF TOTAL	7%	10%
DOLLAR AMOUNT	\$ 88,957,510	\$966,735,647
EFT:		
TRANSFERS MADE	48,476	358,761
PERCENT OF TOTAL	93%	90%
DOLLAR AMOUNT	\$1,909,715,707	\$14,431,980,159

*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 2nd Quarter, FY 2006 Civil Works Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, Statement of Budgetary Resources, Statement of Financing and the 24 accompanying footnotes with narrative. We also responded to questions and requests for information from DFAS Agency-wide compilation team and Office of the Secretary of Defense (OSD) Comptroller before our statements and notes were incorporated into the Agency-wide statements and submitted to Office of Management and Budget.

B. For CFO 2nd Quarter Computation, we reconciled payable, receivable, revenue and expense data with other DoD entities that hold a waiver for intra-governmental eliminations.

C. We received a new set of metrics to complete from DFAS for accounts receivable reporting. The metrics measure differences between the Civil Works Treasury Report on Receivables from the Public, the Civil Works Monthly Receivable Report and the receivables reported on the Civil Works balance sheet. We had no differences. The metrics also measure the amount of all receivables over 30 days delinquent and public receivables over 180 days delinquent. This is a quarterly report.

D. We completed our U.S. Treasury Federal Agencies Centralized Trial Balance System (FACTS II) 2nd Quarter, FY 2006 budgetary reporting and the Monthly Receivable Report.

E. The Finance Center's weekly conference call with the Project and Contracting Office (PCO) and Gulf Region Division (GRD) typically includes accounts payable issues in an effort to reduce interest payments. This effort resulted in a 70% reduction of interest penalties paid for Feb and Mar 06 when compared to Dec 05 and Jan 06. Our latest calls have included discussion of aged Transactions by Others (TBO) problem disbursements. These problem in-transit disbursements attributed to PCO have caused USACE to receive a "red" rating on the problem disbursement report. PCO has dedicated staff to work with UFC personnel to clear the aged TBOs. The problem disbursements will be included as a topic for discussion for future conference calls until the aged items are cleared.

F. The Disbursing Officer for USACE attended the Defense Finance Accounting Service (DFAS) Intra-governmental Payment and Collection (IPAC) Conference in San Diego, CA the week of 11 Apr 06. Topics discussed included new Office of Management and Budget (OMB) Business Rules for Intra-Governmental Transactions (IGT). The goal is to develop business rules that will be used for all intra-governmental transactions. Once developed and implemented these business rules should resolve the current intra-governmental elimination problems and lead to a clean opinion of the U.S. Consolidated Financial Statements. Mike Norman, the Project Manager for Government-Wide Accounting & Reporting (GWA) presented the latest information on this project. GWA is a massive redesign of the Federal Government Central Accounting process. The GWA project affects every federal agency and includes over 1,700 reporting locations both domestic and foreign. When completed, it will change over 40 years of agency business practices and provide a consolidated, web-based system for the collection, processing, reporting and storage of all financial information. Discussions also included current IPAC issues relevant to all of the various agency attendees as presented by Financial Management Service (FMS) Treasury.

G. The Finance Center is working to implement mandatory Electronic Funds Transfer (EFT) for travel and other payments for USACE employees. For those individuals without EFT as of 30 Apr 06, the Finance Center will obtain the EFT information currently on record that is being used by DFAS for the employees' payroll deposits. That payment information will be loaded on the employee's ID in CEFMS for future electronic travel and other payments.

H. The Finance Center Travel Division is processing PCS vouchers received on 13 Apr 06. Representatives from DFAS and the Finance Center Financial Systems Directorate were at the Finance Center the week of 24 Apr 06 conducting the Integrated Automated Travel System (IATS) Systems Acceptance Test (SAT) for Release 6.06. The SAT is going well with only minor problems encountered.

I. The UFC makes electronic Korean Won payments via the JPMorgan Chase Insight system. The UFC Information Management Division completed the mandatory software upgrade from Insight Version 6.03 to Insight Version 7.0 on 20 Apr 06. This upgrade allows us to communicate with JPMorgan Chase via TCP/IP communications over the public Internet. Insight 7.0 will no longer support modem dial up connectivity to the JPMorgan CCAP system. The

upgrade also provides increased performance, security of data being transmitted over the public Internet network, and other important enhancements.

J. We have issued over 300 userid and passwords for the Document Management System for vendor invoices. Individual passwords are required to ensure compliance with provisions of AR 25-2, Information Assurance. Users' access must be approved by the local RM or F&AO before a password is issued. Access to the system allows users to view and print invoices received by the UFC. Therefore, invoices can be reviewed by the USACE activities for problem solving, input of receiving reports, or audits.

K. The performance decision for the UFC Accounting Support Services A-76 competition has been delayed to provide additional time for source selection evaluation. A revised target performance decision date has not been established yet. Also, the UFC recently completed an update of projected FY06 civil and military funded manpower utilization. The overall adjustment was only about half an FTE. The FY07 operating budget is still in the process of being developed; and the UFC has completed budget reviews/updates for Information Technology Investments Portfolio System (ITIPS) and FY06-08 AIS charges for CEFMS and CEEMIS.