

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 26 MAY 2006**

I. CEFMS:

A. We made asset universe data files and spreadsheets for Construction-in-Progress (CIP), land, intangibles, buildings and structures, and equipment for periods ending 30 Sep 05 and 31 Mar 06 available to HQUSACE (CERM-F) at the request of Pricewaterhouse Coopers (PwC) auditors. We reviewed the files for any general ledger versus subsidiary variances.

B. We researched assets linked to appropriation type code 'S' (Special Funds) and 'T' (Trust Funds), and general ledger balances in SGL 5700.10 and SGL 5700.40. We created general ledger correlations to update depreciation for assets linked to appropriation type code 'S' and 'T'.

C. We participated in a phone conference with HQUSACE (CERM-F) and other RBC activities, and provided systems guidance on the plant waiver indicator and mothball status. We ran a query against all CEFMS databases and provided a list of mothballed assets to CERM-F for review.

D. We modified the ENG3013 Work Order Completion form so that USACE activities can generate a work order against any asset work item regardless of the work item estimated start date. Further, we modified the ENG 3013 Work Order Completion Report and removed asset manager authority requirement so that any user can create a report. We also made changes to the functionality so that when asset work type 'DF' (Full Disposal) is used, the form will pull in the property id code linked to the asset or disposal work item.

E. We enhanced the Unliquidated Obligation Report (ulorevue) as approved by the CEFMS Configuration Board (CCB). The report will now total by originating employee. It was also changed to pick up remarks and signatures when printed from the new Joint Reconciliation Program (JRP) process.

F. We modified a part of the Revolving Fund Results of Operations Report that is used by the Professional Development Support Center (PDSC) for their special training work items.

G. We are analyzing and preparing changes to the expense general ledger numbers for the customer order general ledger correlations to aid in the gathering of data by trading partners for the CFO financial statements elimination process.

H. We have identified an Oracle 10 problem in the Cost Transfer Certification Screen. The screen appears to work, but when you click yes to electronically sign the record, an Oracle error appears. We will release a correction to this problem with the Oracle 10 release.

I. We revisited a problem report on expenditure authority for foreign military sales where there is no expenditure authority obtained prior to disbursing passbacks or cost transfers in CFEMS. Currently, these records are being flagged at the point of certification/disbursement so that the expenditure authority can be obtained. The UFC will now use the Non Process Days Screen to better control the requirement to obtain the authority.

J. We have completed the testing of the email notification of payment for employees claiming reimbursement on an SF1164, Claim for Reimbursement of Expenditures on Official Business. This process will be in conjunction with the travel settlement notifications. When the SF1164 is processed and paid by the UFC, the employee will receive an email that day detailing the payment information. This new process will be installed and tested the week of 22 May 06 at the USACE Finance Center.

K. We have received a request from Treasury Financial Management Service to modify our Intra-Governmental Payment and Collection (IPAC) file to populate a field called 'File ID Number'. Currently, this field is an optional data element, but some agency locations have been submitting duplicate files, resulting in adjustments to the billed agencies. Treasury would like to make this data element a mandatory field to prevent duplicate file submissions. We have notified Treasury that USACE will implement the requested change.

L. Due to a new definition of 'Privacy Act' data, we corrected the view Employee Maintenance Screen (Screen 10.47) so that an employee's service computation date and address information are no longer available for public access. We also created a new view (employee_mstr_view) that will have public access, but will not contain the sensitive data.

M. We added new steps in the Reorganization Menu to refresh the corps_organization snapshot after new organization codes have been added to the wm_organization table, and again when the close-out step of the Reorganization is executed. This action should prevent discrepancies between CEFMS and P2.

N. We provided two new options for the Operating Budget Module Report which calculates overhead rates for G&A or departmental overhead. The original report calculated proposed rates, based on amounts included in the budget for overhead costs and for labor subject to overhead. The first new option allows USACE activities to quickly determine their actual overhead rates based on execution, by using actual costs and labor through the month specified by the user. This identifies the rate which should have been used to distribute all overhead costs and reach a zero balance in overhead accounts. The second new option is a combination. It includes actual costs through the month specified by the user, and budget amounts for the remainder of the year. These options were requested by the South Atlantic Division (CESAD) so that the Regional Business Center (RBC) could monitor the budgeted vs. executed rates at each subordinate activity.

O. We revised the Budget vs. Actual Expenses Monthly Report so that USACE activities can run the report for all appropriations (detailed or summarized), all appropriation symbols for a specific department code (detailed or summarized) or for a single specified appropriation. This report was originally requested by the Mississippi Valley Division (CEMVD) and approved by the CEFMS Configuration Control Board in November 2005. The original release, last month, did not allow users to request specific information by appropriation. The addition of this report selection will allow users to generate reports for specific budget data.

P. We monitored the cost share automated withdrawal program. For May 2006, the program withdrew \$28 million from 1032 sponsor advance accounts. Additionally, the program closed seven cost share projects. The Cost Share Automated Withdrawal Report is now available for USACE activities and provides this information by Field Operating Activity (FOA) each time the automated cost share withdrawal program executes. Since its implementation in April 2005, the automated cost share withdrawal program has withdrawn \$2.3 billion from sponsor advance accounts and \$482 million from sponsor work-in-kind accounts for an average of 1097 sponsors per month and has closed 183 cost share projects.

Q. We monitored the Cost Share Completion Summary Report. This report is now available for USACE activities and provides a count by FOA of the number of cost share projects in various stages of completion. As of 16 May 06, USACE has 1745 active cost share projects. Additionally, there are 1092 cost share projects that are either fiscally or physically complete and should be closed out. An email is sent to cost share responsible employees each month advising that these projects should be closed using either the Cost Share Close Out Report or the Cost Share Physically Complete Report.

R. We changed the 'Convert Government Order Accepted as Automatic Reimbursable to Direct Fund Cite' screen to allow a converted government order to be queried into screen 2.10.3 to change method of accomplishment, resource code and element of resource codes. This is only for converted government orders that have not been re-obligated. Also, we added the names of the originators, approver, and certifiers and government order acceptors to this form.

S. We added a new menu option to view non labor uncertified purchase requests.

T. For non-labor resources, the organization (task owning org) associated with the resource in P2 is the organization that is on the budget line in CEFMS. Previously, CEFMS required that this organization be the Issued by Organization on PR&Cs and also the costing organization. We changed CEFMS to allow the Issued By and costing organization to be equal to or a child of the budgeted organization.

U. P2 users can identify an appropriation (dept/symbol/CCS code) on a task and this information is transferred and stored in CEFMS. We changed CEFMS to give the user a warning message when the CEFMS financing appropriation data does not match the P2 appointed appropriation data for civil funded work items. An email message is also forwarded to the Project Manager, Responsible Employee, and all alternate Responsible Employees if the user commits the transaction.

V. P2 users wanted a mechanism to exceed a budget available amount in CEFMS to allow flexibility when setting up contracts, charge codes, etc. that may minimally exceed the allowable available amount. We added a new field to the work item screen that will store a budget line overage percentage value. This value can be a whole number between 1 and 15, representing whole

percentage numbers. If CEFMS user transactions exceed the available budget, the work item will be checked for an overage percentage allowance. If an overage exists, and the overage is within the percentage, the transaction will process. An email will be sent to the Project Manager, Responsible Employee, and Alternate Responsible employee notifying them that the available budget was exceeded but was within the overage percentage threshold.

W. We created new procedures which will allow P2 to modify the Task Owning Organization code in CEFMS. We created new procedures which will allow deletion of work items when the task organization code changes from a performing USACE activity to a different activity for non-labor resources.

II. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	741	735
Priority #1 Problems	88	83

We received 175 new problem reports and completed 169 problem reports.

B. Database Imbalances on our 62 Production Activities:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	58	55
One	1	6
Two	1	1
Three	2	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 May 01-23	YEAR TO DATE Oct 01-May 23
CHECKS:		
CHECKS ISSUED	7,777	80,601
PERCENT OF TOTAL	8%	10%
DOLLAR AMOUNT	\$80,852,655	\$1,057,033,371
EFT:		
TRANSFERS MADE	49,182	412,483
PERCENT OF TOTAL	92%	90%
DOLLAR AMOUNT	\$2,063,200,307	\$16,663,385,489

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

IV. OTHER UFC ISSUES:

A. The CFO/Civil Reports Division is compiling information for PwC auditors performing the FY 06 CFO financial statement audit. They have requested information from year-end FY 2005 and 2nd quarter FY 2006. We are currently working on preparation of a manual Statement of Budgetary Resources for FY 2005 to reflect the format changes that were effective with FY 2006 reporting. We have provided a journal voucher log, a listing of entity and non-entity Treasury accounts, a listing of earmarked funds, and a listing of cost and market value for the trust fund investments.

B. The CFO Team participated in a teleconference with the DFAS Statement of Financing Workgroup. The DFAS Centers gave updates on how they plan to reduce the adjustment they make to balance the Statement of Financing with the Statement of Net Cost. We have no adjustment to balance the two statements. We also discussed a change in reporting for distributed offsetting receipts, suspense and clearing accounts.

C. The CFO/Civil Reports Division Chief, Ellen Gibson, and UFC Systems Accountant, Marcus Husby, attended a workshop for the Treasury Report on Receivables in Atlanta on 16 May 2006. The workshop was hosted by Treasury Financial Management Services Debt Management Division. There are many changes to the format of the report that will take effect in FY 2007. The changes include much more detail in the status of delinquent debt and collections by Treasury by the Offset Program and Cross-Servicing.

D. We had a teleconference with Department of Transportation (DOT) personnel to discuss the changes to reporting requirements for transfer appropriations. There are several USACE activities that receive contract authority and subsequent disbursing authority from DOT. We are currently reporting the proprietary activity in the civil works financial statements. DOT reports the budgetary activity. In accordance with OMB Circular A-136, the procedures will change in FY 2007. The parent agency, DOT, will report all activity in its financial statements. We will still need to provide them our trial balances.

E. UFC personnel conducted a teleconference with DFAS Policy personnel and HQUSACE (CERM-F and CEMP-CR) regarding efforts to update and finalize current procedures on the disposition of collections of property sold or leased at Army BRAC sites. The previous DFAS guidance, dated 1991, for processing BRAC proceeds from transfer of disposal of real property has become obsolete according to CEMP-CR.

F. A Certified Defense Financial Manager (CDFM) refresher training course was held at the UFC on 10 May. The training focused on the Accounting and Finance Module of the Enhanced Defense Financial Management Training (EDFMT) course. All attendees had to agree to sit for the test within one month of the training. Most of the 25 attendees were UFC employees; two were Navy employees.

G. The UFC Travel Division is processing PCS vouchers received on 16 May 06.

H. The Finance Center has recently provided approximately 300 invoices received since January 06 to the Department of Defense (DoD) Inspector General (IG) for review as a part of the audit of the ice contract for Hurricane Katrina relief efforts. Auditors from the Special Inspector General for Iraq Reconstruction (SIGIR) visited the Finance Center the week of 22 May 06. Their audit includes the Iraqi Reconstruction effort; specifically 12 design-build contracts awarded using Iraqi Relief and Reconstruction Funds.

I. On 22 May, a representative from the Resource Management Division participated in the HQUSACE teleconference and demonstration regarding the new Corps of Engineers Enterprise Management Information System (CEEMIS) Executive Development and Management (ED&M) Budget Module. This CEEMIS module was developed by the UFC to facilitate formulation of ED&M budgets

by all RBCs, FOAs, and HQUSACE. This will automate a budget model process that in the past was both tedious and time consuming.

J. On 23 May, we held a Mid-Career Retirement Seminar for 30 UFC employees. The training was conducted at the UFC by GRB, Inc. and covered numerous topics such as CSRS/FERS retirement benefits, federal employee health benefits and group life insurance, Medicare, Social Security, long term care insurance, and the Thrift Savings Plan.

K. The UFC received \$98K from the Strategic Sourcing Program Office to begin establishment of the High Performing Organization (HPO) at the Naval Support Activity (NSA) Mid-South in Millington. These funds will be used to make minor building modifications and purchase systems furniture for the HPO which will locate in our building. We have engineering estimates for the cost of the building modifications and a vendor estimate for the systems furniture cost. NSA will provide the contracting support for this work.

L. Brenda Armour from the Resource Management Division attended a meeting 15-19 May to assist HQUSACE (CERM-B) with the update of EP 37-1-6, Resource Management Functional Guide for Emergency Management Programs. The update effort concentrated on billing procedures changes and critical changes that needed to be incorporated into the Emergency Plan. Other examples of changes included the verbal agreement provision of the EP, new procedures for work tasks issued to another Federal agency, and provisions related to supported MSCs/Districts. The EP revisions will be coordinated at HQUSACE for approval. CERM-B will hold a follow up meeting after coordination at HQUSACE.

M. At the request of HQUSACE (CERM-B), the Resource Management Division submitted a proposal for accepting more responsibility for the billing/payment process for GSA rent and Department of Homeland Security (DHS) security services. The additional responsibilities would include obtaining GSA/DHS bills via the internet, notifying USACE activities with billed amounts, preparing payment letters, and maintaining spreadsheets of amounts related to all buildings at USACE activities. We will begin performing this additional work as soon as all details are addressed with CERM-B.

N. For the past three years, the UFC has purchased and directed the distribution of all CEFMS electronic signature (esig) cards to USACE activities. The UFC assumed this responsibility

because the supplier of the cards had previously established a minimum order level of 5,000 cards. The vendor no longer requires this minimum order. Therefore, the UFC will no longer order/distribute the esig cards once we have depleted the current inventory of about 775 cards. At that time, we will notify all USACE activities and provide instructions for ordering the cards.

O. On 9 May, we submitted the results of internal control tests for financial reports as required by HQUSACE. The UFC was responsible for certain tests for five account lines [accounts receivable, accounts payable, investments, Federal Employee Compensation Act (FECA) payments, and funds balance with Treasury (FBWT)]. All internal controls were found to be implemented and effective with the exception of one weakness in the FECA payment process which we have now corrected. Over the past two weeks, we have provided additional information on the tests performed such as details of test strategies and we have answered other questions from CERM-F.