

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 20 JUNE 2008**

I. UFC ISSUES:

A. UFC personnel participated in an entrance meeting with auditors from PricewaterhouseCoopers (PwC) and DoDIG to discuss the FY 2008 financial statement audit. The purpose of the meeting was for a "walk-through" of significant accounting cycles as documented in the cycle memorandums regarding Fund Balance with Treasury, Statement of Difference, Check Issue, Investments, Budget, and Financial Reporting.

B. The CFO/Civil Reports Division also participated with HQUSACE (CERM-F) in the testing of various facets of operations at UFC related to financial reporting. CERM-F developed test plans in accordance with OMB Circular A-123, Management's Responsibility for Internal Control. This effort is spearheaded by the Office of the Undersecretary of Defense, Financial Improvement and Audit Readiness Directorate. The test plans included areas in Financial Reporting, Fund Balance with Treasury, Investments, and Federal Employees Compensation Act.

C. We completed the May 2008 Revolving Fund Cash Reconciliations. There were 15 USACE activities with differences. Of these 15 USACE activities, only two have outstanding differences greater than 30 days old. We are currently working with HQUSACE staff to resolve their outstanding differences. Also, all outstanding differences for the Mobile District have been resolved and/or corrected as of May 2008. Some of the differences dated back to CEFMS conversion.

D. The CFO/Civil Reports Division participated in a week-long testing of recent programming changes to the Defense Departmental Reporting System (DDRS) used for financial reporting. Testing included the elimination of zero lines in statements and footnotes, which were FY 2007 USACE CFO audit findings by PwC.

E. We provided data to HQUSACE for the Joint Reconciliation Program (JRP) Phase II Joint Review Checklist to assist with the Tri-annual Review. The Department of Army and USACE have initiated aggressive goals in the review of financial data, and the checklist provides the status of these goals as of 31 May 2008.

F. The Cash and Military Reports Division responded to data calls from DFAS Indianapolis requesting detailed transactions to support Foreign Military Sales (FMS) 97X8242 reported on the Delmar 302 reports between 2002 and 2007. This request was for the DoDIG audit on FMS transactions from 2002 to 2007 related to Global War on Terrorism (GWOT).

G. The Accounts Payable Division continues to work with the supported activities to reduce the number of problem invoices. Currently, the majority of problem invoices reside within eleven databases.

H. In preparation for year-end, the Accounts Receivable/Debt Management Division is working with the supported activities to ensure customer orders are billed where the source funding is a canceling appropriation

I. The Travel Division is processing PCS vouchers received on 3 Jun 08. The Division also sent out approximately 500 bills to employees, who received PCS reimbursement to include Withholding Tax Allowance (WTA) in 2006, and who have not filed RITA. In addition, the Travel Division in the process of identifying employees who received PCS reimbursement in 2007, in order to send out notifications to file RITA 2007.

II. ACCOUNTING OPERATIONS:

A. NUMBER AND LOCATION OF ONBOARD PERSONNEL

LOCATION	ONBOARD
MILLINGTON:	215
HUNTSVILLE:	23
USACE HQ:	1
TOTAL:	239

B. DISBURSING WORKLOAD DATA

PAYMENT	CURRENT MONTH	YEAR TO DATE
	01-17 Jun	01-Oct - 17 Jun 08
CHECKS:		
CHECKS ISSUED	3488	55097
PERCENT OF TOTAL	4%	6%
DOLLAR AMOUNT	\$46,328,854	\$713,970,838
EFT:		
TRANSFERS MADE	38456	480132
PERCENT OF TOTAL	96%	94%
DOLLAR AMOUNT	\$1,521,557,204	\$18,709,797,718

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

III. CEFMS:

A. We added new general ledger correlations for prior fiscal year deobligations and modified the deobligation process. When a deobligation occurs, if there is no current fiscal year activity, the deobligated amount is recorded against prior year general ledgers. If there is current fiscal year activity and prior fiscal year activity, the user will be asked if the deobligation is against prior fiscal year funds. If the user answers yes, the deobligation is recorded as prior fiscal year general ledgers. If the user answers no, the deobligation is recorded as current fiscal year general ledgers. This will address a CFO audit finding concerning deobligations.

B. We provided labor reconciliations pertaining to May 08 transactions for submission to PwC for audit purposes.

C. We converted the Customer Order Bill Print programs from COBOL to Oracle reports. We created new report ids for the customer order bill types as described below:

Old Report id	New Report id	Customer Order Bill Type
da4445nt	cobilnonit	NON IPAC/TFO bills
da4445tf	cobiltfo	TFO bills
da4445ip	cobil_ipac	IPAC bills
da4445dc	cobil_drfc	Direct Fund Cite
da4445ae	cobiladvnc	Advance Account

To view or print generated reports in 'Report Print/View/Delete Screen 11.7' query on the new report as described above.

D. We provided onsite support to the UFC Disbursing Division during the week of 2 June 08 to deploy the first USACE activity with the Public Key Infrastructure (PKI) Functionality. PKI Certificates were loaded on several ACE-IT Refresh Workstations in the Disbursing Area. We ran tests on all machines with the various users. One user remains a problem and we are running diagnostics to determine the difference in this one user versus the other users.

E. During the week of 2 June 08, there were several file rejects at the Federal Reserve Bank (FRB) on our Civil Works contractor payments. We initially looked at the possibility of bad characters in the payment file, but later we verified that the original payment files generated out of CEFMS had no errors in them. The invalid record codes in the file was most likely caused by the original file being copied several times to external drives prior to transmitting the file to the FRB.

F. The process for customer order billings (NON-IPAC) has changed to automatically process all negative and positive bills regardless of the dollar amount. With this change, when processing NON-IPAC customer order billings, unbilled positive amounts less than one hundred dollars (\$100) will now automatically be billed, and unbilled negative amounts less than one dollar (\$1) will also automatically be billed.

G. We increased the hours print field on the labor distributions reports to allow total hours to be displayed properly.

H. We modified the ICAR report that we are submitting it nightly due to some missing edits. We corrected the FMS appropriation (8242) to include missing pay codes because of a difference in the foreign currency code. We also had to make changes for all reimbursable current year 2020 appropriations. These changes were tested and submitted due to DFAS edits.

IV. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	714	723
Priority #1 Problems	95	92

We received 166 new problem reports and completed 175 problem reports.

B. Database Imbalances on our 59 Production Activities:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	53	56
Two	1	1
Three	1	1
Four	0	1
Five	3	0
Eleven	1	0