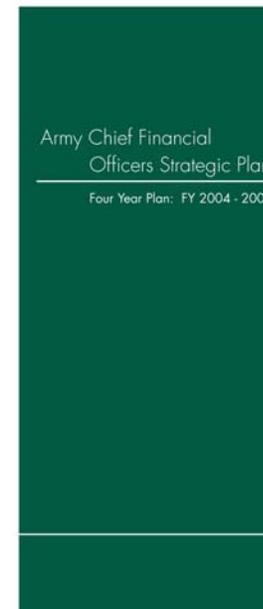




Army Chief Financial Officers Strategic Plan

Quarterly In-Process
Review

August 25, 2004



Seventh Edition October 2003



Agenda

- 8:00 Continental Breakfast**
- 8:30 Opening Remarks by ASA(FM&C)- Mr. John Argodale**
- 8:45 Welcome and Overview by IBM Facilitators**
- 9:00 Deputy CIO Guest Speaker- Mr. Gary Winkler**
- 9:45 Break**
- 10:00 Open Discussion Topics**
- 11:00 Review and discuss current due tasks**
- 12:00 Lunch**
- 1:00 Deputy Director BMMP Program Office – Ms. Elizabeth McGrath**
- 2:00 Break**
- 2:15 Review and discuss upcoming quarter's tasks**
- 4:00 Summary of IPR Results**
- 5:00 Adjourn**



Status on Next Steps

1. **Open Topic:** Coordinate with AMC to determine updated completion and implementation dates for Logistics Modernization Program (LMP) CFO compliance tasks.

Status: Currently deployed pilot sites are being stabilized with the stabilization period scheduled for completion early October 2004. Following the stabilization, AAA will perform the evaluation of financial functionality. *

2. **Open Topic:** Coordinate with AMC to determine the scheduled implementation of exchange pricing.

Status: Exchange pricing functionality is expected to be implemented within LMP. Configuration and implementation of exchange pricing is currently targeted for Fiscal Year 2007.



Status on Next Steps

3. **Open Topic:** AMC to determine if LMP cost module contains Activity Based Costing (ABC).

Status: LMP utilizes some of the ABC principles when allocating overhead. However, it does not contain full ABC functionality.

4. **Open Topic:** Implementation status and software enhancements for Defense Medical Logistics Standard Support (DMLSS).

Status: DMLSS implementation is on schedule for FY2006 completion. DMLSS is currently testing the port of INFORMIX to ORACLE. Implementation is scheduled to begin when testing is complete or in October 2004 with the Army to begin the transition in December 2004. The interface with the Joint Medical Asset Repository (JMAR) feeder system is still being discussed.



Status on Next Steps

5. **Open Topic:** Status of Federal Financial Management Improvement Act (FFMIA) audit of Corps of Engineers Financial System (CEFMS).

Status: DoDIG issued two draft audit reports on 14 July 2004. United States Army Corp Engineers (USACE) provided the DoDIG comments on 6 August 2004. USACE has completed 68% of the 62 recommendations made by the DoDIG.



Status on Next Steps

6. **Open Topic:** The Army is awaiting final guidance for the accounting of military equipment on the balance sheet from OUSD(ATL).

Status: The OUSD(ATL) business rules have been approved by the DoDIG with two caveats; (1) capitalization may be lowered to under \$100,000 and (2) the Project Managers should have the ability to value individual components. OUSD(ATL) will publish interim guidance by 31 October 2004 to be included in the FMR by 30 September 2005.

7. **Open Topic:** Discuss source documentation requirements for audit purposes.

Status: DoDIG issued a memo on 12 May 2004 in response to ASA(FM&C)'s 29 July 2003 memo requesting guidance regarding existing capital asset documentation for equipment.



Status on Next Steps

8. **Open Topic:** Obtain definition from OUSD(C) for OM&S included in the revised DoD FMR Volume 4, Chapter 4.

Status: The OM&S working group defined OM&S as ammunition and missiles. There is a remaining question regarding the inclusion of aerial targets. The group plans to hold three site visits to Ft. Hood, Ft. Lewis and Ft. Campbell to identify what is currently being captured as OM&S.

9. **Open Topic:** AAA to determine readiness of Standard Procurement System (SPS) for audit.

Status: AAA is currently performing the audit of SPS. Phase I, determining the requirements, has been completed and is currently being evaluated by SPS Joint Program Management Office (JPMO).



Status on Next Steps

10. **Open Topic:** Determine feasibility of moving the Army's property accountability threshold to the OUSD threshold of \$5,000.

Status: Army G-4 published a memorandum in April 2004 providing guidance to lower the Army's property accountability threshold to \$5,000 in order to align with OUSD. This was an Army BIC initiative.

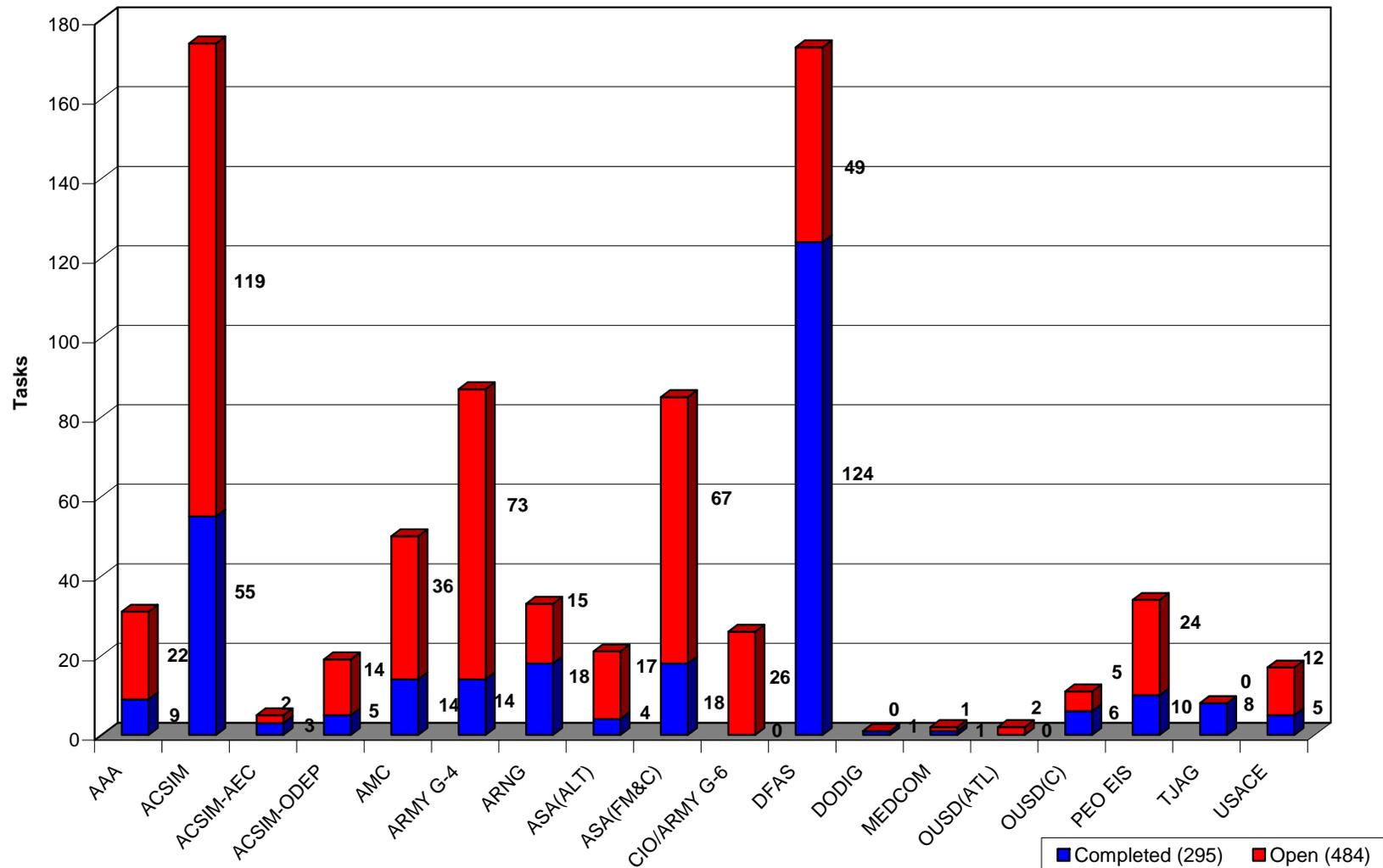


Open Discussion Topics

- AAA Audit Status Update
- Accounting for Military Equipment Update *
- Source Documentation for NGB Real Property *
- SOMARDS – Reconciliation Procedures and Results
- IFS and DMLSS Real Property Management Functionality
- Mid-Year Financial Improvement Plan



Summary of Army CFO Strategic Plan Tasks





Summary of Due Tasks

	Due Tasks	Completed	Revised Completion Date	Deleted	TBD
ACSIM	3	2	1		
AMC	3	2	1		
DFAS	5	5			
OUSDC	2		2		
DODIG	1	1			
TOTAL	14	10	4	0	0



Goal 1:

Improve accountability over all Army assets and liabilities

Objectives:

- 1. Improve accountability over all Army assets to include: fund balance with treasury; governmental and intra-governmental investments; accounts receivable; cash and other monetary assets; operating materials and supplies; war reserves; property, plant and equipment; and military equipment.**
- 2. Improve accountability over all Army liabilities to include: accounts payable, contingent liabilities, environmental restoration liabilities, hazardous waste liabilities, and disposal liabilities.**



Goal 1

Due Tasks

(1 April - 30 June 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
1	WCF	1.1.5	Improve Accountability over Inventory and Related Property	ARMY G-4	AMC	10/1/1998	9/30/2007	31%	
2	WCF	1.1.5.1	Improve accountability over Inventory	ARMY G-4	AMC	10/3/2000	1/31/2005	31%	
3	WCF	1.1.5.1.4	Incorporate the revised valuation policy for Inventory into the DOD FMR (DOD 7000.14-R)	OUSD(C)		3/2/2001	12/31/2004	75%	August 2004 IPR – DoD FMR Volume 11B, Chapter 5 is on hold until final determination is made for accounting and reporting of Inventory Held for Repair.
4	WCF	1.1.5.1.6	Provide policy so the Army can value Inventory held for repair using either the allowance or direct method (SFFAS # 3, paragraph 32 & 33)(OUSD(C) prescribed the use of the allowance method in the 04AUG2003 memo)	OUSD(C)		9/28/2001	12/31/2004	75%	August 2004 IPR – DoD FMR Volume 11B, Chapter 5 is on hold until final determination is made for accounting and reporting of Inventory Held for Repair.



Goal 1 Due Tasks (1 April - 30 June 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
5	Both	1.2	Improve Accountability over all Army Liabilities	DFAS		9/30/1994	9/30/2006	58%	
6	Both	1.2.2	Improve Accountability over Intra-governmental Dept	DFAS		10/18/2001	6/30/2004	100%	
7	Both	1.2.2.1	Recognize interest accrued but unpaid as interest payable and report as a liability^	DFAS		10/18/2001	6/30/2004	100%	August 2004 IPR – DFAS completed this in the 3 rd quarter for both Army General Fund and Working Capital Funds



Goal 1 Due Tasks (1 April - 30 June 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
8	Both	1.2	Improve Accountability over all Army Liabilities	DFAS		9/30/1994	9/30/2006	58%	
9	GF	1.2.6	Improve Accountability over Other Liabilities	ASA (FM&C)		4/3/2001	9/30/2005	39%	
10	GF	1.2.6.5	Properly accrue and report military and civilian pay accrual and leave liabilities (SFFAS # 1, par. 84)^	DFAS		4/3/2001	6/30/2004	100%	August 2004 IPR – DFAS has accomplished a number of items to get them in the position for AAA to perform an assessment including: published updated policy, implemented a certification process for recording leave accruals, developed queries to analyze GL and Budget Execution to verify completeness, worked with each field site to get their agreement that balances are populated correctly, and implemented improved procedures for Military Pay accruals.



Goal 4: Improve accountability and oversight of budgetary resources

Objectives:

- 1. Determine the status of all Army General Fund budgetary resources.**
- 2. Develop and issue procedures for reconciling balances in suspense account 6875 with Treasury.**
- 3. Issue policy guidance to reconcile imbalances between the Standard Operations and Maintenance Army Research and Development System's fund and history databases.**
- 4. Implement procedures requiring periodic tests to ensure the databases remain in balance.**
- 5. Determine the status of all Army Working Capital Fund budgetary resources.**



Goal 4 Due Tasks (1 April – 30 June 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
11	Both	4	Improve Accountability and Oversight of Budgetary Resources (Statement of Budgetary Resources)	DFAS		10/1/1998	9/30/2006	71%	
12	GF	4.3	Monitor progress to reconcile imbalances between the Standard Operations and Maintenance Army Research and Development System's fund and history databases^	DFAS		9/4/2001	7/30/2004	100%	August 2004 IPR – All SOMARDS databases have been initially reconciled. The final database was complete in July 2004. Follow on reconciliations will be routinely scheduled for the first month (October, January, April, and July) of every fiscal year quarter. Results will be analyzed to determine route causes and necessary follow on corrective actions.



Goal 4

Due Tasks

(1 April – 30 June 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
13	Both	4	Improve Accountability and Oversight of Budgetary Resources (Statement of Budgetary Resources)	DFAS		10/1/1998	9/30/2006	71%	
14	GF	4.4	Implement procedures requiring periodic tests to ensure the databases remain in balance^	DFAS	ASA (FM&C)	4/2/2001	7/30/2004	100%	August 2004 IPR – Procedures to conduct quarterly follow up reconciliations were finalized in July 2004.



Goal 7: Ensure that all financial statement data obtained from the critical feeder systems is reliable

Objectives:

- 1. Ensure that critical feeder systems pass reliable information to the financial management system.**
- 2. Identify any additional feeder systems, existing or future, that are critical to the Army and must be CFO compliant.**



Goal 7 Due Tasks (1 April – 30 June 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
15	Both	7	Army Financial Feeder System FFMIA Compliance Process	ASA (FM&C)		10/1/1998	9/30/2007	34%	
16	GF	7.4	Corps of Engineers Financial Management System (CEFMS)	USACE	ASA (FM&C) AAA	10/1/1998	9/30/2007	42%	
17	GF	7.4.6	Conduct FFMIA compliance audit and provide report on the system compliance status	DODIG		1/1/2004	<i>7/30/2004</i>	100%	August 2004 IPR – DoDIG draft reports D2003-FG-0139 and D2003-FG-0130-001 were issued in July 2004 for comment.



Goal 7

Due Tasks

(1 April – 30 June 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
18	GF	7.10	Army Environmental Database – Restoration (AEDB-R)	ACSIM	ASA (FM&C) AAA	3/15/2004	9/30/2007	13%	
19	GF	7.10.1	Identify applicable compliance requirements by chapter from the current “Guide to Federal Requirements for Financial Management Systems” (DFAS Blue Book and JFMIP)	ACSIM	AAA	3/15/2004	8/19/2004	100%	August 2004 IPR – USAEC identified and agreed upon the applicable compliance requirements by chapter from the DFAS Blue Book and JFMIP. USAEC provided supporting documents to AAA.
20	GF	7.10.2	Map DFAS Blue Book and JFMIP requirements to Fund Control Module business processes	ACSIM	AAA	3/15/2004	8/19/2004	100%	August 2004 IPR – DFAS Blue Book and JFMIP applicable requirements mapped to AEDB-R and Cleanup Program business processes.
21	GF	7.10.3	Document AEDB-R compliance deficiencies and functionality gaps with the DFAS requirements	ACSIM	AAA	3/15/2004	10/29/2004	10%	August 2004 IPR – Currently reviewing documentation submitted by USAEC. Date provided in the Environmental Liabilities Corrective Action Plan.



Goal 7

Due Tasks

(1 April – 30 June 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
22	GF	7.16	Fund Control Module	AMC		2/10/2004	9/30/2007	8%	
23	GF	7.16.1	Identify applicable compliance requirements by chapter from the current "Guide to Federal Requirements for Financial Management Systems" (DFAS Blue Book and JFMIP)	AMC		2/10/2004	4/27/2004	100%	August 2004 IPR – Identified applicable requirements and now awaiting AAA's concurrence with findings.
24	GF	7.16.2	Map DFAS Blue Book and JFMIP requirements to Fund Control Module business processes	AMC		2/10/2004	4/27/2004	100%	August 2004 IPR – Mapped applicable requirements and now awaiting AAA's concurrence with findings.
25	GF	7.16.3	Document Fund Control Module compliance deficiencies and functionality gaps with the DFAS requirements	AMC		2/10/2004	9/30/2004	0%	August 2004 IPR – Awaiting AAA's findings regarding applicable requirements.



Summary of Coming Due Tasks

	Due Tasks	Completed	Revised Completion Date	Deleted	On Schedule	TBD
AAA	2	1	1			
ACSIM	26	1	16		9	
AMC	7		7			
ARMY G-4	8		6		2	
ASA(ALT)	5		3		2	
ASA(FM&C)	3	1	1			1
DFAS	22	12	1		9	
OUSD(C)	2				2	
OUSD(ATL)	1		1			
TJAG	7	7				
PEO EIS	3	3				
USACE	3		3			
TOTAL	89	25	39	0	24	1



Goal 1:

Improve accountability over all Army assets and liabilities

Objectives:

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- 2. Improve accountability over all Army liabilities to include: accounts payable, contingent liabilities, environmental restoration liabilities, hazardous waste liabilities, and disposal liabilities.**



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
1	Both	1.1	Improve Accountability over all Army Assets	ASA (FM&C)	DFAS	9/30/1994	9/30/2007	46%	
2	WCF	1.1.1.7	Reconcile long standing undistributed disbursements and collections so that FBWT amounts are properly adjusted for these amounts	DFAS		10/1/1998	3/30/2004	100%	
3	WCF	1.1.1.7.3	Make necessary adjustments and eliminate the unsupported, undistributed disbursements and collections	DFAS	ASA (FM&C) AAA	7/31/1999	3/30/2004	100%	August 2004 IPR – Adjustment processed in March 2004 of \$63.2 million.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
4	Both	1.1.1	Improve Accountability over the Fund Balance with Treasury	DFAS	ASA (FM&C)	10/1/1998	9/30/2004	96%	
5	Both	1.1.1.10	Establish Long-Term Solutions to improve the accountability and reporting of FBWT	DFAS		10/1/1998	9/30/2004	90%	August 2004 IPR – Work in process includes: performing an internal assertion process, AAA assessment, developing audit queries for summarized to detail, resolving suspense account issues, and implementing DoDIG audit recommendations.
6	GF	1.1.1.12	Institutionalize the monthly reconciliation and reporting of FBWT GLA with Treasury balances	DFAS		10/1/1999	9/30/2004	85%	August 2004 IPR – DFAS institutionalized the monthly reconciliation and reporting of FBWT GL with Treasury balances.
7	GF	1.1.1.12.4	Conduct follow-up and validate effectiveness and application of new reconciliation procedures	DFAS		7/22/2002	9/30/2004	50%	August 2004 IPR – AAA will review as part of their assessment and the DoDIG plans a follow-up on expenditure reconciliation process in September 2004.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
8	Both	1.1.3	Improve Accountability of all Army Receivables (Entity and Non-Entity Governmental and Intra-governmental)	DFAS		10/1/1998	7/15/2004	100%	
9	Both	1.1.3.1.1	Monitor fraud cases from initiation to disbursement of recovered funds	TJAG		10/1/2003	2/09/2004	100%	
10	Both	1.1.3.1.1.1	Designate an activity within DFAS to officially receive Army fraud recoveries and process to the accountable activity	DFAS		10/1/2003	2/09/2004	100%	August 2004 IPR – Military Pay Accounting Division is working with the Department of Justice Procurement Fraud Division representative.
11	Both	1.1.3.1.1.2	Document and disseminate the roles and responsibilities for receipt of fraud recoveries to the designated DFAS activity	DFAS		10/1/2003	2/09/2004	100%	August 2004 IPR – Military Pay Accounting Division is working with the Department of Justice Procurement Fraud Division representative.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments	
12	Both	1.1.3.1.2	Verify that DOJ has reported all recoveries associated with an Army appropriation to the appropriate Army activity	TJAG		10/1/2003	2/9/2004	100%	August 2004 IPR – DOJ Debt Accounting Operations Group agreed to continue to provide information on fraud recoveries sufficient to enable DFAS/MPAO and PFB to return the recoveries to the correct accounts promptly.
13	Both	1.1.3.1.3	Establish interim procedures to strengthen communication lines and relationships among activities involved in the fraud recovery process while a management information system is under development	TJAG	DFAS	10/1/2003	11/14/2003	100%	August 2004 IPR – The Army Procurement Fraud Branch (PFB) accepted responsibility to serve as the central communications link between agencies for the receipt of information regarding Army fraud recoveries. PFB will provide a point of contact for information regarding fraud recoveries with DFAS, DOJ, CID, and DCIS.
14	Both	1.1.3.1.3.1	Host a workshop to discuss the weaknesses in the current fraud recovery process and develop long term solutions. This workshop should include all the components in the fraud recovery process.	TJAG	DFAS	10/1/2003	11/14/2003	100%	August 2004 IPR – The Army Procurement Fraud Branch hosted a workshop for reengineering the current Army fraud recovery process on 14 November 2003. A discussion was held regarding the weaknesses of the current fraud recovery system and proposed solutions.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
15	Both	1.1.3.1.3.2	Select an approach to strengthen communication based on the outcome of the workshop, so that Army activities have the opportunity to determine whether recovery funds are available for use or whether alternative collection methods should be explored.	TJAG	DFAS	10/1/2003	11/14/2003	100%	August 2004 IPR – The Army Procurement Fraud Branch (PFB) accepted responsibility to serve as the central communications link between agencies for the receipt of information regarding Army fraud recoveries. PFB will provide a point of contact for information regarding fraud recoveries with DFAS, DOJ, CID, and DCIS.
16	Both	1.1.3.1.4	Determine whether or not recovered funds are eligible for use based on the provision of 31 US Code subsection 3302	TJAG		10/1/2003	11/14/2003	100%	August 2004 IPR –The Army Procurement Fraud Branch (PFB) accepted responsibility to serve as the central communications link between agencies for the receipt of information regarding Army fraud recoveries. PFB will provide a point of contact for information regarding fraud recoveries with DFAS, DOJ, CID, and DCIS. PFB agreed to ensure that Procurement Fraud Advisors (PFA) work closely with DOJ attorneys to provide specific instructions regarding return of recoveries to specific Army accounts and/or the US Treasury, as appropriate. Also, PFB will instruct its PFAs to promptly transmit information regarding final fraud recovery judgments to PFB, which will compile a monthly list of cases with outstanding recoveries, and transmit the list on a monthly basis to DFAS Indianapolis.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
17	Both	1.1.3.1.5	Develop and implement a management information system to improve communication between parties involved in the fraud recovery process including the functionality provided in AAA Audit A-2003-0265-FFG and reporting the associated A/R and collections in AFS.	TJAG	DFAS	10/1/2003	11/14/2003	100%	August 2004 IPR –The Army Procurement Fraud Branch (PFB) accepted responsibility to serve as the central communications link between agencies for the receipt of information regarding Army fraud recoveries. PFB will provide a point of contact for information regarding fraud recoveries with DFAS, DOJ, CID, and DCIS. PFB agreed to ensure that Procurement Fraud Advisors (PFA) work closely with DOJ attorneys to provide specific instructions regarding return of recoveries to specific Army accounts and/or the US Treasury, as appropriate. Also, PFB will instruct its PFAs to promptly transmit information regarding final fraud recovery judgments to PFB, which will compile a monthly list of cases with outstanding recoveries, and transmit the list on a monthly basis to DFAS Indianapolis.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
18	Both	1.1.3.3	Determine if there is a need for an allowance for bad debt account	DFAS	ASA (FM&C)	10/1/1998	7/15/2004	100%	
19	GF	1.1.3.3.1	Determine if allowance for bad debt account is accurately recorded (Public Only)	DFAS	ASA (FM&C) AAA	10/1/1998	7/15/2004	100%	August 2004 IPR – DFAS implemented revised procedures in the 3 rd quarter 2004 for both Army General Fund and Working Capital Funds. DFAS believes the allowance is fairly stated under the new procedures.
20	Both	1.1.3.4	Recognize losses when it is unlikely (greater than 50% chance) that receivables will be fully collected ^	DFAS		10/2/2001	7/15/2004	100%	August 2004 IPR – DFAS implemented revised procedures in the 3 rd quarter 2004 for both Army General Fund and Working Capital Funds. DFAS believes the allowance is fairly stated under the new procedures.
21	Both	1.1.3.5	Recognize an allowance for estimated uncollectible Accounts Receivable to reduce the reported gross amount to net realizable value	DFAS		10/2/2001	7/15/2004	100%	August 2004 IPR – DFAS implemented revised procedures in the 3 rd quarter 2004 for both Army General Fund and Working Capital Funds. DFAS believes the allowance is fairly stated under the new procedures.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
22	WCF	1.1.5.1	Improve accountability over Inventory	ARMY G-4	AMC	10/3/2000	1/31/2005	31%	
23	WCF	1.1.5.1.2	Provide guidance for establishing the inventory baseline (i.e. an acceptable value for on-hand inventory at the time systems are converted to a historical cost method)	OUSD(C)		9/1/2003	9/30/2004	50%	August 2004 IPR – OUSD(C) has completed a statement of work to establish a baseline of inventory. Work commenced in February 2004.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments	
24	WCF	1.1.5.1.11	Improve Internal Controls over Inventory	ARMY G-4	AMC	3/2/2001	9/30/2004	75%	
25	WCF	1.1.5.1.11.1	Consistently perform physical inventory counts in accordance with the AR 740-26 and other applicable guidance	ARMY G-4	AMC	3/2/2001	9/30/2004	75%	August 2004 IPR – Army Regulation (AR) 740-26 mentions statistical sampling on page 3 (1-5, c.1.a) and page 15 (5-2, e) and serves as guidance for conducting physical inventories.
26	WCF	1.1.5.1.11.2	Validate that installations are correctly performing physical inventory counts in accordance with AR 740-26 and other applicable guidance	ARMY G-4	AMC	3/2/2001	9/30/2004	75%	August 2004 IPR – AMC TACOM performs site visits to validate controls over Inventory.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
27	GF	1.1.5.2	Improve Accountability over Operating Materials and Supplies (OM&S)	ARMY G-4	AMC	10/3/2000	9/30/2007	15%	
28	GF	1.1.5.2.3	Provide guidance for establishing the inventory baseline (i.e. an acceptable value for on-hand OM&S at the time systems are converted to a historical cost method)	OUSD(C)		9/1/2003	9/30/2004	50%	August 2004 IPR – OUSD(C) has completed a statement of work to establish a baseline of OM&S. Work commenced in February 2004.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
29	GF	1.1.5.2.12	Improve Internal Controls over OM&S	ARMY G-4	AMC	3/2/2001	9/30/2004	75%	
30	GF	1.1.5.2.12.1	Consistently perform physical inventory counts in accordance with the AR 740-26 and other applicable guidance	ARMY G-4	AMC	3/2/2001	9/30/2004	75%	August 2004 IPR – Army Regulation (AR) 740-26 mentions statistical sampling on page 3 (1-5, c.1.a) and page 15 (5-2, e) and serves as guidance for conducting physical inventories.
31	GF	1.1.5.2.12.2	Validate that installations are correctly performing physical inventory counts in accordance with AR 740-26 and other applicable guidance	ARMY G-4	AMC	3/2/2001	9/30/2004	75%	August 2004 IPR – AMC TACOM performs site visits to validate controls over OM&S.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
32	Both	1.1.6	Improve Accountability over all Army General Equipment	Army G-4		10/1/1998	9/30/2006	32%	
33	GF	1.1.6.1.1.2	Improve Accountability over Army Military Equipment now defined as General PP&E in accordance with SFFAS #23 "Eliminating the Category of NDPP&E"	Army G-4		7/4/2000	9/30/2006	22%	
34	GF	1.1.6.1.1.2.1	Provide OSD Guidance for the capitalization and depreciation of military equipment	OUSD (ATL)		10/1/2002	10/29/2004	95%	August 2004 IPR – The business rules have been coordinated with the audit community. Currently, rules have been accepted with two caveats including (1) capitalization threshold may be lowered below \$100,000 and (2) the PMs should have the ability to value individual components if they choose to. Interim guidance is projected to be issued 31 October 2004 and included in the FMR by September 2005.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
35	GF	1.1.6.1.1.2	Improve Accountability over Army Military Equipment now defined as General PP&E in accordance with SFFAS #23 "Eliminating the Category of NDPP&E"	Army G-4		7/4/2000	9/30/2006	22%	
36	GF	1.1.6.1.1.2.14	Accurately record additions and deletions for military equipment	Army G-4	AMC	10/1/2002	9/30/2005	30%	August 2004 IPR – OUSD(ATL) is currently performing baseline valuations on all of the services' military equipment.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
37	GF	1.1.6.1.1.7	Improve Accountability of Internal Use Software (specifically identifiable, useful life 2 years or greater, not intended for sale, acquired or constructed for use by the entity)	CIO/ Army G-6		10/3/2004	11/01/2005	19%	
38	GF	1.1.6.1.1.7.16	Prepare a note to the financial statements for material software costs to include the costs, amortization, net book value and estimated useful life for each class of software and method of amortization (SFFAS #10, par 35)	ASA (FM&C)		10/1/2003	3/31/2004	100%	August 2004 IPR – The second quarter financial statements included material software costs and related information in Note 10, General PP&E.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
38	Both	1.1.7.1.1.1	Identify real property on Army installations that should be reported on the balance sheet	ACSIM	USACE	10/1/1998	9/30/2005	57%	
40	Both	1.1.7.1.1.1.3	Ensure accurate values are contained in real property automated records	ACSIM		10/01/1998	9/30/2005	34%	
41	Both	1.1.7.1.1.1.3.1	Update and distribute DA Pamphlet 420-6, DPW Resource Management System	ACSIM		3/25/2002	9/30/2005	0%	August 2004 IPR – ACSIM currently working on updates to 420 series regulations and the updates to pamphlets will commence once those updates are made.
42	WCF	1.1.7.1.1.1.3.6	Calculate and Record depreciation	ACSIM		9/30/2003	6/30/2004	100%	August 2004 IPR – WCF assets are currently depreciated in DPAS and reported through SIFS.
43	GF	1.1.7.1.1.1.3.9	Record significant existing structures acquired along with stewardship land and used in operations as general PP&E^	ACSIM		10/1/1998	2/28/2005	75%	August 2004 IPR – Structures are currently recorded separate from stewardship land and reported as general PP&E. Reporting will be enhanced with IFS SCP 16 changes.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
44	Both	1.1.7.1.1.1.3.12	Develop interface between PRIDE and DPAS	ARNG	DPAS	10/1/1998	9/30/2005	76%	
45	Both	1.1.7.1.1.1.3.12.7	Accurately record and depreciate capital improvements to real property separately from the asset being improved	ACSIM	ARNG	10/1/2001	2/28/2005	50%	August 2004 IPR – Incorporated in IFS SCP 16.
46	Both	1.1.7.1.1.1.3.13	Improve the accountability of Construction in Process (CIP)	ACSIM	ARNG	2/3/2000	9/30/2005	54%	
47	Both	1.1.7.1.1.1.3.13.2	Develop and enforce procedures to accurately capture and report the cost of Construction in Progress on a quarterly and annual basis	ACSIM	ARNG	1/13/2003	2/28/2005	50%	August 2004 IPR – Improvements are now accurately recorded from their asset. Depreciation is incorporated in IFS SCP 16.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
48	Both	1.1.7.1.1.1.3.13	Improve the accountability of Construction in Process (CIP)	ACSIM	ARNG	2/3/2000	9/30/2005	54%	
49	Both	1.1.7.1.1.1.3.13.7	Develop procedures for identifying and reporting prior period adjustments caused by real property inventory changes not recorded in the Army's financial statements by the fiscal year cutoff.	ACSIM	DFAS	10/1/2003	2/28/2005	50%	August 2004 IPR – Incorporated in IFS SCP 16.
50	Both	1.1.7.1.1.1.3.13.8	Develop guidance to correct the real property values and issue the guidance to all installations that have negative balances	ACSIM		10/1/2003	9/30/2004	90%	August 2004 IPR – Guidance provided in IFS SCP 16 Training. Site visits completed for CONUS. Korea training and clean up of negative values will be completed by 30 September 2004.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
51	Both	1.1.7.1.1.1.3.13	Improve the accountability of Construction in Process (CIP)	ACSIM	ARNG	2/3/2000	9/30/2005	54%	
52	Both	1.1.7.1.1.1.3.13.9	Correct the IFS audit trail deficiency that occurred in conjunction with the interface by requiring a separate transaction to support any adjustment made to a record that was previously recorded	ACSIM		10/1/2002	9/30/2004	90%	August 2004 IPR – Corrected in IFS SCP 15. IFS SCP 15 has been fielded, trained, and implemented to all sites except Korea. Korea will be loaded by September 2004.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
53	GF	1.1.7.1.1.1.3.15	Improve Accountability Over Multi-Use Heritage Assets	ACSIM	ARNG	4/2/2002	2/28/2005	50%	
54	GF	1.1.7.1.1.1.3.15.1	Capitalize multi-use heritage assets^	ACSIM	ARNG	4/2/2002	2/28/2005	50%	
55	GF	1.1.7.1.1.1.3.15.1.1	Capitalize & depreciate the costs of acquisition, betterment or reconstruction of multi-use heritage assets & provide a footnote to the financial statements	ACSIM	ARNG	4/2/2004	2/28/2005	50%	August 2004 IPR – IFS SCP 16 will break these out.
56	GF	1.1.7.1.1.1.3.15.1.2	Record in the property record the fair value of multi-use heritage assets acquired through donation	ACSIM	ARNG	6/2/2004	2/28/2005	50%	August 2004 IPR – IFS SCP 16 will break these out.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
57	Both	1.1.8	Improve Accountability over all Army Government Property in the Possession of Contractors	ASA (ALT)	ARMY G-4	9/3/2001	9/29/2006	21%	
58	Both	1.1.8.5	Publish policy changes that are dependant on the publication of revised guidelines by OSD for Army property in the possession of contractors	ASA (ALT)	ARMY G-4	6/4/2002	12/31/2004	50%	<p>August 2004 IPR - DoDD 4275.5 has been staffed by DUSD(IP) two different times - most recently April 2004. Official publication expected by 10 September 2004.</p> <p>AR 700-90 "Army Industrial Base Process" has been revised and Army-wide staffing was completed 11 August 2004. The revision started legal review on 17 August 2004. Publication expected 31 December 2004. The Army has membership on rewrite of the DOD Property Manual (DoD 4161.2-M). The manual is scheduled to be complete in November 2004. Procedures for contracting officers, program managers and property administrators that implement the plan of action in the 16 April 2004 report on "Accounting for Government Furnished Equipment and Contractor Acquired Property" will be included in the rewrite.</p> <p>AFARS "Army Federal Acquisition Regulation Supplement" Revisions have been prepared and staffed. They will be finalized by 30 September 2004 and disseminated in a DASA(P&P) policy memo to Army contracting activities.</p>



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
59	Both	1.1.8	Improve Accountability over all Army Government Property in the Possession of Contractors	ASA (ALT)	ARMY G-4	9/3/2001	9/29/2006	21%	
60	Both	1.1.8.6	Ensure Army Contract Activities include processes that implement the new policies in Task 1.1.8.5. Ensure new contracts containing GFE include appropriate AFAR clauses and existing contracts (based on expiration) are modified.	ASA (ALT)	ARMY G-4	9/2/2002	9/29/2006	0%	August 2004 IPR - Implementation schedule as follows:(1) GOCOs, (2) COCOs (prioritized by date of expiration on their facility contracts) (3) GOGO (prioritized by date of expiration on their facility contracts). ASA(ALT) is championing Army Initiative AM-A-08-02 "Divest of Low Dollar Value Government Property in Possession of Contractors," to reduce the amount of \$5,000 and below property in the hands of contractors. It is expected that official approval will occur by August 2004. Once approval for the BIC is received, DASA(P&P) will inform Army's contracting activities of the initiative and policies that implement the initiative. The same DASA(P&P) memo will inform contracting activities of new AFARS provisions that implement CFO compliant practices for Government Property in Possession of Contractors. Contracting Activities will be required to provide the list of contracts and the expiration date to SAAL-PA. This will be used to schedule conversion or negotiation of new procedures for establishing and maintaining fiduciary records for GFE.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
61	Both	1.2.3	Improve Accountability over Military Equipment Retirement Benefits and Other Employment Related Actuarial Liabilities	DFAS		10/18/2001	7/30/2004	100%	
62	Both	1.2.3.1	Improve Accountability over Pensions, Other Retirement Benefits, and Other Post-employment Benefits	DFAS		10/18/2001	7/30/2004	100%	
63	Both	1.2.3.1.4	When recording an annual leave compensation expense also record a liability for annual leave	DFAS		10/1/2003	7/30/2004	100%	August 2004 IPR – DFAS completed this in July 2004.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
64	GF	1.2.5.2	Improve Accountability over Accrued Defense Environmental Restoration Program Liabilities	ACSIM	ACSIM-AEC USACE	9/30/1999	9/30/2005	49%	
65	GF	1.2.5.2.2	Active Installations-ER for CLOSED ranges	ACSIM	ACSIM-AEC	7/3/2001	9/30/2004	97%	
66	GF	1.2.5.2.2.3	Supporting documentation for liability values must show the dollar amount of each specific project and the methodology for computing the liability	ACSIM	ACSIM-AEC	07/03/2001	9/30/2004	98%	August 2004 IPR – The Phase 3 Army Range Inventory was completed on 31 December 2003. MMRP liability estimates are developed using the RACER software. Documentation used to support the liability estimates are included in the Range Inventory reports. These reports are located at USAEC.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments	
67	GF	1.2.5.2.2	Active Installations-ER for CLOSED ranges	ACSIM	ACSIM-AEC	7/3/2001	9/30/2004	97%	
68	GF	1.2.5.2.2.4	Perform site level supervisory review on environmental liability data	ACSIM	ACSIM-AEC	2/17/2004	9/30/2004	80%	August 2004 IPR – USAEC supervisory review documentation will be added to the FY2004 MMRP Fiscal Liability Calculation Report prepared in summer 2004 by Malcom Pirnie, under contract to AEC. This documentation will document USAEC review and approval of the MMRP liability estimates. USAEC will implement this control by inserting a Supervisory Review check list to the FY2004 report. The check list will be used during review of the draft MMRP CTC estimates to provide feedback to the contractor to ensure final estimates will have complied with all procedures and steps. The final MMRP CTC estimates document will contain an USAEC signed and approved Supervisory Review Check List.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
69	GF	1.2.5.2.2	Active Installations-ER for CLOSED ranges	ACSIM	ACSIM-AEC	7/3/2001	9/30/2004	97%	
70	GF	1.2.5.2.2.5	Implement quality control program to ensure accurate site level environmental liability data	ACSIM	ACSIM-AEC	2/17/2004	9/30/2004	95%	August 2004 IPR – Site level information for the MMRP was collected during the Phase 3 Army Range Inventory. The data was maintained in the Army Range Inventory Database (ARID). This data is the basis for Cost-to-Complete calculations and reported as environmental liabilities. The Program Management Plan for the Phase 3 Army Range Inventory included quality control procedures for data management and required specific information to properly upload into the ARID. The ARID site-level data has been loaded in the Army Environmental Database-Restoration (AEDB-R) and centrally managed under the quality control requirements for Active installations.



Goal 1

Coming Due Tasks

(1 July – 30 September 2004)

Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments	
71	GF	1.2.5.4	Improve Accountability over Base Realignment and Closure (BRAC) Environmental Liabilities	ACSIM ODEP	BRACO	10/1/1998	9/30/2005	62%	
72	GF	1.2.5.4.3.1	Account for corrective actions associated with the Resource Conservation and Recovery Act (RCRA)	ACSIM ODEP	BRACO	7/3/2001	9/30/2004	95%	August 2004 IPR – In process.
73	GF	1.2.5.6	Military Munitions Response program (MMR)	ACSIM AEC	USACE ACSIM-BRACO	9/1/2001	9/30/2004	96%	August 2004 IPR – Inventory is complete. Liabilities will be reported in FY 2004 Financial Liabilities statement.
74	GF	1.2.5.6.3	Update the list of all known or newly identified sites where activity under the Military Munitions Response program category are required and deliver to OUSD(I&E)	ACSIM AEC		10/10/2003	9/30/2004	95%	August 2004 IPR – BRAC MMRP requirements have been identified. Cost to complete estimates have been submitted into AEDB-R.



Goal 2: Improve accountability over Army Net Costs

Objectives:

- 1. Identify all responsibility segments and cost centers within the Army.**
- 2. Develop methodology to determine expenditures for all Army responsibility segments.**
- 3. Determine net cost of operations.**
- 4. Develop and implement cost accounting system or cost finding techniques.**



Goal 2

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
75	Both	2.3	Determine the Net Cost of Operations	DFAS		10/1/1998	9/29/2006	35%	
76	Both	2.3.2	Determine Net Cost of General PP&E	ASA (FM&C)	ARMY G-4	10/7/1999	9/29/2006	25%	
77	GF	2.3.2.2	Recognize gains or losses related to the disposal, retirement, or removal from service of general PP&E^	ARMY G-4	AMC	10/3/2000	9/29/2006	99%	August 2004 IPR – This task will also require LMP to contain the same functionality as it relates to the \$16M of General PP&E that resides on CCSS today.
78	GF	2.3.3	Determine Net Cost of Stewardship Assets (Stewardship Land & Heritage Assets Only)	ACSIM	ARNG	10/1/1998	9/30/2005	35%	
79	GF	2.3.3.8	Record in the property record and provide a note in the financial statements for stewardship land transferred from other federal entities^	ACSIM	ARNG	10/19/2001	2/28/2005	50%	August 2004 IPR – Incorporated in IFS SCP 16.



Goal 2

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
80	WCF	2.4.4	Implement effective cost accounting module for LMP	AMC	DFAS	10/2/1998	10/29/2004	53%	
81	WCF	2.4.4.2	Implement cost accounting module for Supply Management – Army, Depot Maintenance, and Ordnance	AMC		10/2/1998	10/29/2004	50%	August 2004 IPR – Pilot sites are projected to be stabilized by 31 October 2004.



Goal 3: Improve accountability over the Army Net Position

Objectives:

- 1. Ensure proper recording of prior period adjustments.**
- 2. Resolve existing balance irregularities and errors.**
- 3. Recognize and transfer-out required exchange revenues to Treasury.**



Goal 3

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
82	Both	3	Improve Accountability over Army Net Positions (Statement of Net Position)	ASA (FM&C)		10/1/1998	2/28/2005	96%	
83	GF	3.3	Ensure that proper recording and disclosure of stewardship land previously recognized as assets^	ACISM		7/1/2003	2/28/2005	50%	August 2004 IPR – IFS SCP 16 will break these out.



Goal 4: Improve accountability and Oversight of Budgetary Resources

Objectives:

- 1. Determine the status of all Army General Fund budgetary resources.**
- 2. Develop and issue procedures for reconciling balances in suspense account 6875 with Treasury.**
- 3. Issue policy guidance to reconcile imbalances between the Standard Operations and Maintenance Army Research and Development System's fund and history databases.**
- 4. Implement procedures requiring periodic tests to ensure the databases remain in balance.**
- 5. Determine the status of all Army Working Capital Fund budgetary resources.**



Goal 4

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
84	Both	4	Improve Accountability and Oversight of Budgetary Resources (Statement of Budgetary Resources)	DFAS		10/1/1998	9/30/2006	71%	
85	Both	4.1	Determine the Status of Army General Fund Budgetary Resources	DFAS		10/1/1999	9/30/2006	79%	
86	Both	4.1.1.9	Enforce using the Government Purchase Card for Defense Automated Printing Services	ASA (ALT)		10/5/1999	9/30/2004	25%	August 2004 IPR – DFAS is providing a DAPS Army transaction listing to determine if the policy is being enforced.



Goal 4

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
87	GF	4.2	Develop and issue procedures for reconciling balances in suspense account 6875 and 3875 with Treasury^	DFAS	AAA	10/1/1999	9/30/2004	70%	August 2004 IPR – DFAS continues to implement the Suspense legislation and improve accountability and tracking of supportable suspense balances.
88	GF	4.2.1	Initiate corrective action if necessary^	DFAS		10/1/1999	9/30/2004	70%	August 2004 IPR - DFAS continues to implement the Suspense legislation and improve accountability and tracking of supportable suspense balances.
89	GF	4.2.1.2	Eliminate suspense account balances over 90 days^	DFAS		10/1/1999	9/30/2004	50%	August 2004 IPR – May need modification of this task based on analysis and work planned in this area.
90	GF	4.2.1.3	Validate all corrective actions^	DFAS		1/2/2001	9/30/2004	70%	August 2004 IPR – In process.
91	Both	4.6	Implement DDRS-Budgetary for departmental reporting	DFAS		10/23/2003	9/30/2006	75%	August 2004 IPR – There is not an established date for implementing DDRS-B for Working Capital Fund. A combined strategy of LMP and DDRS-B must be developed to implement the system.



Goal 5: Improve accountability for all Army Financing Sources

Objectives:

- 1. Establish process for implementing OSD guidance.**
- 2. Assess whether Statement of Financing is compiled using IAW form and content instructions.**
- 3. Ensure costs capitalized on the balance sheet are accurately reported.**
- 4. Implement corrective actions to address identified problems.**
- 5. Improve accountability over exchange revenues.**
- 6. Improve accountability over other financing sources.**
- 7. Reconcile between budgetary resources obligated and net cost of operations.**



Goal 5

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
92	Both	5	Improve Accountability for all Army Financing Sources (Statement of Financing)	DFAS	ASA(FM&C)	8/30/2001	9/30/2005	63%	
93	Both	5.2	Develop process for implementing OSD guidance upon its receipt^	DFAS		10/1/2002	9/30/2004	75%	August 2004 IPR – DFAS has established a Statement of Financing working group that meets to discuss all potential new guidance and develop implementation action plans.



Goal 6: Improve accountability of Army stewardship property and investment

Objectives:

- 1. Report stewardship assets at major program or category level.**
- 2. Improve accountability for stewardship investments.**
- 3. Improve accountability of stewardship land.**
- 4. Develop method for reporting of heritage assets.**
- 5. Determine a procedure to provide procurement and research and development investments annually on the supplementary stewardship report.**
- 6. Improve accountability over non-federal physical property.**



Goal 6

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
94	GF	6.4	Correctly Report Heritage Assets	ACSIM		10/2/1998	2/28/2005	76%	
95	GF	6.4.1	Establish a baseline for Heritage Assets	ACSIM		10/2/1998	2/28/2005	83%	August 2004 IPR – SCP 16 will break these out. We had already created the cultural resource screen for individuals to enter and maintain the historical data in the system.
96	GF	6.4.1.6	Provide notes to the statement for heritage assets	ACSIM	ARNG	10/19/2001	2/28/2005	50%	August 2004 IPR – IFS SCP 16 will break out these in the reports sent to DCD.
97	GF	6.4.2	Report deferred maintenance for heritage assets^	ACSIM	ARNG	10/1/2001	9/30/2004	50%	August 2004 IPR – Deferred Maintenance is calculated using FSM and ISR. Goal is for heritage assets to be accurately reflected in 30 September 2004 inventory.



Goal 7: Ensure that all financial statement data obtained from the critical feeder systems is reliable

Objectives:

- 1. Ensure that critical feeder systems pass reliable information to the financial management system.**
- 2. Identify any additional feeder systems, existing or future, that are critical to the Army and must be CFO compliant.**



Goal 7

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
98	Both	7	Army Financial Feeder System FFMIA Compliance Process	ASA (FM&C)		10/1/1998	9/30/2007	34%	
99	GF	7.4	Corps of Engineers Financial Management System (CEFMS)	USACE		10/1/1998	9/30/2007	42%	
100	GF	7.4.7	Develop a corrective action plan to correct any deficiencies identified during FFMIA audit	USACE		6/1/2004	9/30/2005	68%	August 2004 IPR – USACE has developed a corrective action plan and is currently implementing the 62 recommendations made by the DoDIG.



Goal 7

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
101	GF	7.4	Corps of Engineers Financial Management System (CEFMS)	USACE		10/1/1998	9/30/2007	42%	
102	GF	7.4.8	Prepare a funding plan for each corrective action plan detailing the estimated costs to execute any corrective actions identified and the availability and sources of funds	USACE		6/1/2004	9/30/2005	68%	August 2004 IPR – The USACE has developed a corrective action plan and is currently implementing the 62 recommendations made by the DoDIG.
103	GF	7.4.9	Obtain approval of the system corrective plan from ASA(FM&C) and OUSD(C)	USACE	ASA (FM&C)	8/2/2004	9/30/2005	68%	August 2004 IPR – The USACE has developed a corrective action plan and is currently implementing the 62 recommendations made by the DoDIG.



Goal 7

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
104	GF	7.7	Property Book Unit Supply Enhanced (PBUSE)	PEO EIS	ASA (FM&C) AAA	1/1/2003	9/30/2007	96%	
105	GF	7.7.5	Obtain approval for the strategic compliance strategy from ASA(FM&C)	PEO EIS	ASA (FM&C)	10/1/2003	6/6/2004	100%	August 2004 IPR – With the implementation of the Hazard Characteristic Code, the Government Furnished Property Identification Code, and the Component Code for Contractor Assets in PBUSE SCP 04 on 6 June 2004, the baseline is CFO compliant for both MTOE and TDA.
106	GF	7.7.11	Implement corrective action plan to bring all current and added system functionality into compliance with the DFAS Blue Book and JFMIP	PEO EIS		5/3/2004	6/6/2004	100%	August 2004 IPR – With the implementation of SCP 04 on 6 June 2004, the baseline is CFO compliant for both MTOE and TDA.
107	GF	7.7.12	Conduct follow up audit of implemented corrective actions	AAA		8/2/2004	8/25/2004	100%	August 2004 IPR – AAA issued the report the week of 25 August 2004.
108	GF	7.7.13	Obtain AAA certification that the system complies with all identified requirements based on the current version of the DFAS Blue Book and JFMIP	PEO EIS		8/2/2004	6/6/2004	100%	August 2004 IPR – With the implementation of SCP 04 on 6 June 2004, the baseline is CFO compliant for both MTOE and TDA.



Goal 7

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
109	Both	7.9	Integrated Facilities System (IFS)	ACSIM	ASA (FM&C) AAA	11/1/2000	9/30/2007	63%	
110	Both	7.9.10	Implement corrective action plan to bring all current and added system functionality into compliance with the DFAS Blue Book and JFMIP	ACSIM		10/1/2003	2/28/2005	0%	August 2004 IPR – IFS SCP 16 will have all the required changes, but was delayed.
111	GF	7.10	Army Environmental Database – Restoration (AEDB-R)	ACSIM	ASA (FM&C) AAA	3/15/2004	9/30/2007	13%	
112	GF	7.10.4	Develop a strategic compliance strategy to correct system deficiencies and functionality gaps with cost estimates and submit to ASA(FM&C)	ACSIM		5/14/2004	11/30/2004	0%	August 2004 IPR – Currently working with AAA to identify FFMIA requirements for incorporation into AEDB-R functionality. Once deficiencies are identified, AEC will develop a Corrective Action Plan.
113	GF	7.10.5	Obtain approval for the strategic compliance strategy from ASA(FM&C)	ACSIM	ASA (FM&C)	8/2/2004	1/31/2005	0%	August 2004 IPR – Once deficiencies are identified 30 August 2004, will evaluate timeline.



Goal 7

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
114	Both	7.11	Logistics Modernization Program (LMP)	AMC		10/1/1998	9/30/2007	74%	
115	Both	7.11.11	Conduct follow up audit of implemented corrective actions	AMC	AAA	2/29/2005	9/30/2005	0%	August 2004 IPR – AAA intends on doing a follow up audit during the second deployment.
116	Both	7.11.12	Obtain AAA certification that the system complies with all identified requirements based on the current version of the DFAS Blue Book and JFMIP	AMC	ASA (FM&C)	8/2/2004	12/31/2005	0%	August 2004 IPR – AAA intends on doing a follow up audit during the second deployment.



Goal 7

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
117	GF	7.16	Fund Control Module	AMC		2/10/2004	9/30/2007	8%	
118	GF	7.16.4	Develop a strategic compliance strategy to correct system deficiencies and functionality gaps with cost estimates and submit to ASA(FM&C)	AMC		5/3/2004	10/29/2004	0%	August 2004 IPR – Awaiting AAA's finding regarding applicable requirements.
119	GF	7.16.5	Obtain approval for the strategic compliance strategy from ASA(FM&C)	AMC		5/3/2004	11/15/2004	0%	August 2004 IPR – Awaiting AAA's finding regarding applicable requirements.
120	GF	7.16.6	Implement CFO compliance strategy to bring system functionality into compliance with the DFAS Blue Book and JFMIP	AMC		5/3/2004	12/31/2004	0%	August 2004 IPR - Awaiting AAA's finding regarding applicable requirements.
121	GF	7.16.7	Conduct FFMIA compliance audit and provide report on the system compliance status	AAA		5/3/2004	1/31/2005	30%	August 2004 IPR – AAA issued draft report for Phase 1 outlining the FFMIA and Blue Book system requirements.



Goal 8: Improve internal controls and compliances with laws and regulations

Objectives:

- 1. Ensure that all material internal control weaknesses related to financial statements are corrected.**



Goal 8

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
122	Both	8	Improve Internal Controls and Compliance with Laws and Regulations	ASA (FM&C)		9/30/1996	12/31/2006	14%	
123	Both	8.1	Correct identified material weaknesses affecting CFO reporting and compliance	ASA (FM&C)		9/30/1996	12/31/2006	18%	
124	Both	8.1.1	Correct material weakness over contract administration of service contracts	ASA (ALT)		9/30/2002	3/1/2005	50%	August 2004 IPR – Army Contracting Agency (ACA) is in the process of submitting an interim status to AAA. Guidance is scheduled for completion by January 2005 and AAA is scheduled to begin audit procedures March 2005.
125	Both	8.1.2	Correct material weakness over the financial reporting of real property	ACSIM		10/1/2002	2/28/2005	0%	August 2004 IPR – IFS SCP 16 will correct system weakness.



Goal 8

Coming Due Tasks

(1 July – 30 September 2004)

	Fund	WBS	Task Name	Lead	Support	Start Date	Finish Date	% Complete	Comments
126	Both	8.1	Correct identified material weaknesses affecting CFO reporting and compliance	ASA (FM&C)		9/30/1996	12/31/2006	18%	
127	Both	8.1.4	Correct material weakness over the Standard Procurement System (SPS) interface to Computerized Accounts Payable System (CAPS)	ASA (ALT)		9/30/2001	9/30/2004	80%	August 2004 IPR – ACSIM met with AAA on 24 June 2004, to discuss the issues and came to agreement on the results that would satisfy AAA. The second meeting with AAA on 7 July 2004 determined execution.
128	Both	8.1.7	Correct material weakness over the financial reporting of general equipment	ASA (FM&C)	Army G-4	6/1/1999	TBD	10%	August 2004 IPR – AAA is currently performing Existence and Completion Evaluation testing. A meeting is being scheduled between ASA(FM&C) and Army G-4 to determine the appropriate lead and corrective actions.



IPR Summary



Next Steps

- ASA(FM&C) work with CIO/G-6 Enterprise Integration office to create a guidance memorandum for the roles and responsibilities of ASA(FM&C) Financial Operations office.
- Add CFO Strategic Plan to AKO for Army-wide collaboration.
- AMC prepare business case analysis for standardizing and including Activity Based Costing (ABC) in LMP-Status due JAN 2005 IPR.
- ASA(FM&C), DoDIG, USACE, and AAA meet to determine the scope of the DoDIG's audit of CEFMS and new schedule for FFMIA audit.
- OUSD OM&S Working Group provide update, including site visit findings, at JAN 2005 IPR.



Next Steps

- ASA(FM&C), DoDIG and AAA meet to determine if AAA FFMIA audit of SPS will be accepted by DoDIG.
- OUSD(C) provide plan for DoD-wide critical feeder system compliance and audit schedule.
- ASA(FM&C) and ACSIM work with OUSD(C) and the audit community to determine an approach to clearing real property baseline issue. Also include USDA approach to Real Property baseline procedures.
- Develop an “As Is” “To Be” report addressing the gaps between ACSIM real property data and data maintained by MEDCOM in DMLSS as well as real property data administered by DLA and DeCA.



Next Steps

- AAA revise the prioritization schedule for Strategic Plan task assessment audits and provide status at OCT 2004 IPR.
- ASA(FM&C) work with OUSD(ATL) to solidify definition of internal use software as it relates to the military equipment baseline effort.
- ASA(FM&C) will add DCD interface requirement tasks to the Strategic Plan.
- ASA(FM&C) will provide definitions of the validation, assessment and assertion process.



Next IPR Meeting

October 28, 2004
8:00 - 5:00