

ATTACHMENT T1

AUTOMATED FINANCE AND ACCOUNTING PROCESS

T1.A BUSINESS PROCESS FLOW

Figure T1-1 provides the high-level business process flow of the automated payment and manual accounting process for Family First shipments. Figure T1-2 and Figure T1-3 present a more detailed view of the business process flow steps.

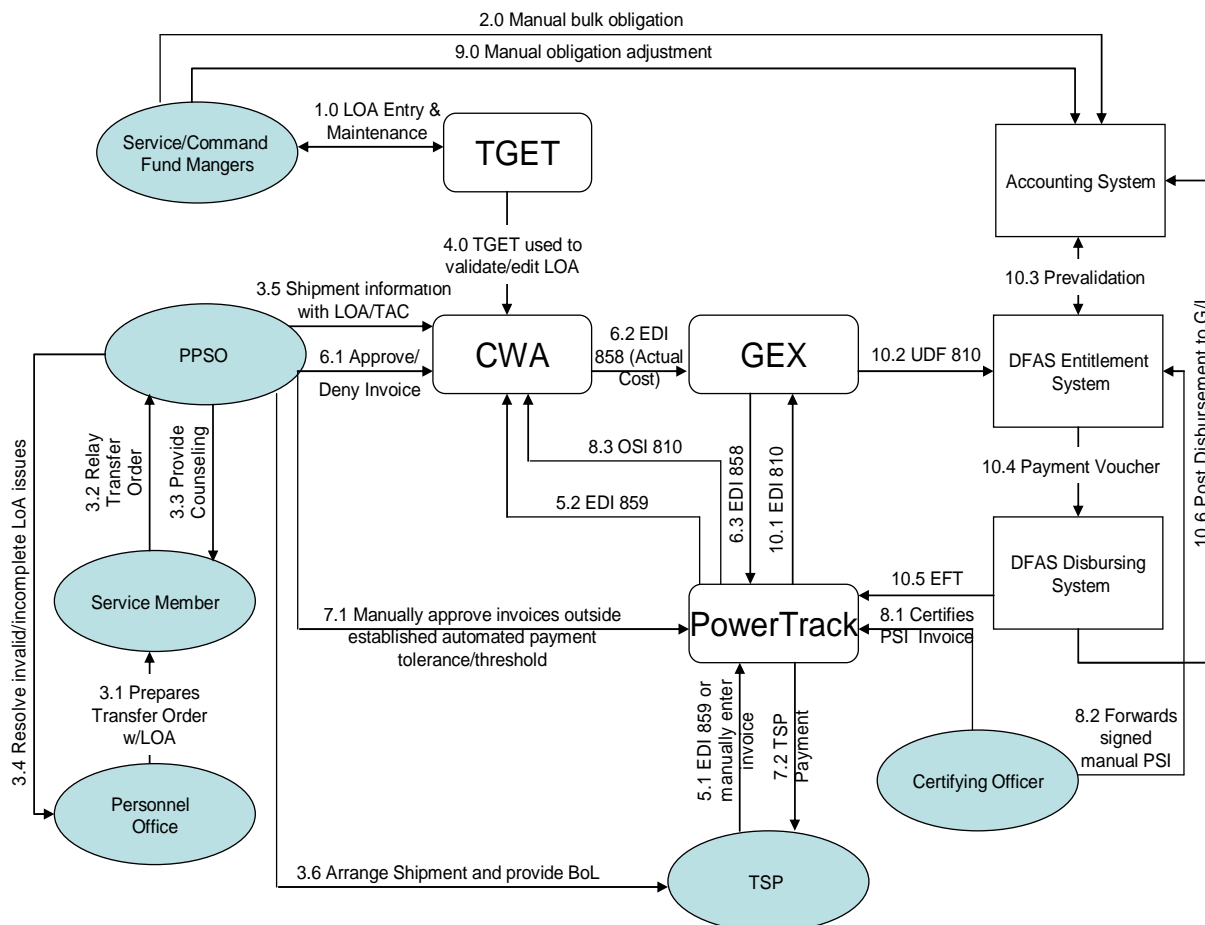


Figure T1-1. Automated Process Diagram

T1.B OVERVIEW

The Families First backend accounting business process depicted in Figure T1-1 captures the automated backend process. FMs create bulk obligations to cover moves. The process uses the existing TGET edit and validation process and follows the EDI conventions related to the 858 (shipment) and 810 (invoice) transactions. The DISA GEX translator is used as an electronic mailbox among the interfacing systems using these EDI 858 and 810 transactions. This process also adheres to existing trading partner agreements that are applicable for the interfaces used in freight. The following paragraphs describe the processes in Figure T1-1. Refer to Figure T1-2 and Figure T1-3 below, for more detailed data flows associated with these processes.

Process 1.0 – Determine Transportation Budget and Accounting Data: The Service and Command Budget Offices determine Personal Property transportation budgets based on the expected number of shipments for each activity (e.g., training, new hires). The Budget Officers create the applicable LOAs for Personal Property Movements and ensure these are made available for upload into the TGET Master Table. For the Air Force, DFAS maintains the TGET Master Tables.

Process 2.0 – Create Manual Bulk Initial Obligations: Services may input obligations directly into the accounting systems, utilize order writing systems interfaces with the accounting systems, or submit the obligation request to the designated DFAS/Service Payment Center field office for input into the accounting systems. LOA are used when recording obligations. Depending on the Services' policy, TAC and SDN data may also be included in the LOA. The Services will review bulk obligations every month, and will adjust obligations as necessary to cover expected costs for the upcoming month. After analyzing the bulk obligation amounts at month's end, the Services can de-obligate a LOA, see Process 9.0.

Process 3.0 – PPSO Processes Transfer Order & Counsels Member/Employee:

- Step 3.1 The appropriate personnel office prepares the hard copy TOD for the member/employee to be moved. The orders must include the destination, required move date, and the accounting data used to pay for the shipment. The personnel office is responsible for confirming that the accounting data is accurate and appropriate for the Branch of Service and type of move. The accounting data entered on the TOD by the personnel offices will include TAC and SDN (if the SDN is not already populated in TGET for the TAC). SDNs may be assigned by the Order Issuing Activity, or at the Command or Base Level. If the Service funding the shipment does not use TACs, a Segmented LOA must be entered on the TOD. If the Service funding the shipment uses neither TACs nor Segmented LOAs, a complete Text LOA (including SDN) will be entered. If text LOAs are used, the CO will be required to manually certify the invoice.
- Step 3.2 The member/employee must provide their transfer orders to a PPPO/PPSO according to Service policy.
- Step 3.3 The member/employee must complete the counseling process in person or by an acceptable electronic counseling method.
- Step 3.4 The PPSO resolves invalid, incomplete or missing LOA issues with the Orders writing entity.
- Step 3.5 As part of the counseling process, the PPSO enters the shipment and accounting information, as provided on the orders, into TOPS to generate a BL. PPSO also enters member/employee contact information.
- Step 3.6 The PPSO arranges for transportation of the household goods with the TSP, provides a BL to the TSP/Agent, and approves the services to be performed.

Process 4.0 – Validate/Edit Accounting Data: The TGET Master Table will incorporate edits documented in the latest FA2 LOA specifications. The Families First CWA system maintains a copy of the DFAS TGET edit table which it references to edit and validate LOAs entered by the PPSO in Step 3.5 to generate the BL. If the BL contains a Text LOA, CWA marks the transaction as "manual". This is reflected in the "Manually Billed" section of the PSI) and requires manual

certification by the CO. If the BL contains LOA data that is in FA2 format, but is incomplete, CWA generates management reports for Service FMs to update the accounting data. If the BL transaction contains TAC data, the TGET table in CWA translates the TAC to an FA2 LOA and it will be reflected in the “Electronically Billed” section of the PSI.

Additional Business Rules:

1. Prior to September 1st of every year, the FMs or designee who manage transportation LOAs must coordinate with their Service/Agency’s TGET Administrator to ensure TGET is updated with appropriation data for the upcoming fiscal year.
2. Upon input of a four-digit alphanumeric TAC-code into CWA, CWA will attempt to convert it to a segmented FA2 LOA. If the TAC information entered does not match any TACs in the TGET download, the PPSO will be notified by e-mail immediately. The PPSO must contact the member/employee and/or the Orders writing entity, within one business day to resolve the problem with the invalid TAC.
3. If CWA indicates an unsuccessful conversion of the TAC to an FA2 LOA, the PPSO must contact the appropriate FM to obtain the correct information within one business day. The PPSO must then enter corrected data into CWA.
4. All obligations and obligations adjustments must be manually entered and updated by the FM in the appropriate accounting systems.
5. If only a Text LOA is included on the TOD, it will not be converted to a FA2 LOA. As such, this transaction will not go through the automated process and will be listed on the “Manually Billed” part of the PSI.

Process 5.0 – Book Shipment and Process TSP Invoices:

- Step 5.1 The TSP submits an invoice to PowerTrack via an EDI 859 transaction set (preferred), or manually via the PowerTrack web interface, upon delivery of the household goods into SIT and/or delivery to the member/employee’s residence. TSPs have the option of submitting more than one invoice against a single BL. Each invoice must reference the BL number and have a unique invoice number.
- Step 5.2 PowerTrack assigns a unique identifier known as the LineIDC to each line-item submitted on the TSP’s invoice, and transmits the updated EDI 859 (including the LineIDC) to CWA.

Process 6.0 – Approve TSP services and Cost TSP Invoice:

- Step 6.1 The PPSO reviews the TSP’s invoice in CWA, and either approves or denies each line-item.
- Step 6.2 The shipment data for approved line-items is costed by CWA to obtain an actual cost. Once a TSP invoice has been costed by CWA, the “actual” cost data will be incorporated into an Existing Shipment EDI 858, which includes the data from the invoice, the costs calculated by CWA for each line-item, and the accounting data. CWA prepares the EDI 858 with actual cost and transmits the costed shipment data to Global Exchange (GEX) hourly. If CWA was successful in converting the TAC to

a FA2 LOA, then both the TAC and the FA2 LOA will be sent as part of the EDI 858.

Step 6.3 GEX submits the EDI 858 to PowerTrack hourly.

Process 7.0 – Approve Payment to TSP in PowerTrack, and Pay TSP:

Step 7.1 PowerTrack matches the costed EDI 858 data from CWA with the TSP's invoice. If the line-item costs are within the established tolerance, and the total invoice cost is less than the maximum established threshold, PowerTrack automatically approves and sends payment to the TSP. Otherwise the PPSO must manually approve payment to the TSP.

Step 7.2 Once payment is approved, PowerTrack will pay the TSP.

Process 8.0 – Prepare and Certify PSI: At the end of the billing cycle, U.S. Bank electronically generates the monthly PSI covering all payments (with corresponding accounting information) made and credits received on DOD's behalf. The PSI is available for on-line review by the CO. The PSI contains 2 portions (each portion sub-totaled): "Electronically Billed" shipments and "Manually Billed" shipments. For those shipments under the "Electronically Billed" portion, PowerTrack will display the segmented LOA as well as the TAC. For those shipments under the "Manually Billed" portion, PowerTrack will display, at a minimum, the text LOA and group shipments together (including sub-totals) based on all displayed segments. PowerTrack also will display an accounting system specific invoice number as part of the overall PSI which will be unique to the PSI and not serve as the invoice number for any of the "Electronically Billed" shipments.

Step 8.1 The CO reviews the individual transactions represented on the PSI, and confirms valid accounting information is used, and the costs are accurate. To update accounting information, the CO utilizes the PowerTrack Chart of Accounts functionality. DFAS TGET will submit an EDI 814, which encompasses LOAs to PowerTrack for incorporation into the Chart of Accounts. The frequency of the EDI 814 is still to be determined. The CO must certify the PSI, on-line in PowerTrack, within five business days of the PSI being made available in PowerTrack.

Step 8.2 The CO will have the same five business days to certify all transactions on the "Manually Billed" portion of the PSI. For the "Manually Billed" portion of the PSI, the CO prints the hard-copy PSI certifying the Text LOAs and signs it before sending it to the DFAS/Service Payment Center.

Step 8.3 Upon certification, an Operational System Interface (OSI) 810 will be submitted to CWA. This OSI 810 will include the BL Number, Invoice Number, Actual amount paid for each line-item, and the FA2 LOA at the time of certification.

Once an invoice is certified, it will be "locked down" and cannot be changed. PowerTrack will maintain an auditable trail of all changes to shipment information in order to meet the requirements of the Chief Financial Officers Act of 1990 and the Federal Financial Management Improvement Act of 1996.

Process 9.0 – Create Obligation Adjustment (If Necessary): After analyzing the bulk obligation amounts at month's end, the Services can de-obligate an appropriation, perhaps because of inactivity. As a result of the review, liquidation and eventual de-obligation, the individual Funds Activity may

adjust the obligation amounts. All obligations and obligation adjustments must be manually entered by the FM or designee in the appropriate accounting systems.

Process 10.0 – Process Bank Payment:

- Step 10.1 Upon PSI certification, PowerTrack creates a Summary EDI 810 for each DFAS/Service Payment Center location that has accounting data on the PSI. PowerTrack sends the Summary EDI 810 to GEX.
- Step 10.2 GEX translates the EDI 810s into UDF 810s and sends them to the appropriate DFAS/Service Payment Center entitlement systems.
- Step 10.3 Upon receipt of each UDF 810, the DFAS/Service Payment Center entitlement systems pre-validate payment by confirming the completeness of the accounting data, and confirming there are sufficient funds obligated. (For text LOA cross-service disbursements the pre-validation process will be manual.) If there is a problem and the invoice contains an error, DFAS/Service Payment Center Vendor Pay must reject the invoice and contact the CO to request that they fix the error and re-submit the invoice following regular paper/manual processes.
- Step 10.4 DFAS/Service Payment Center payment systems will process payments to U.S. Bank for all PowerTrack EDI 810 billings under current disbursing procedures.
- Step 10.5 Payments will be made via EFT consistent with the current manual billing and payment process. The EFT will contain information relating each payment to the associated PowerTrack invoice number which contains the PowerTrack account number.
- Step 10.6 DFAS/Service Payment Center accounting systems will receive and record disbursements to U.S. Bank using existing procedures.

T1.C PROCESS DETAILS

Step-by-step details of the above processes are detailed in Figure T1-2 and Figure T1-3.

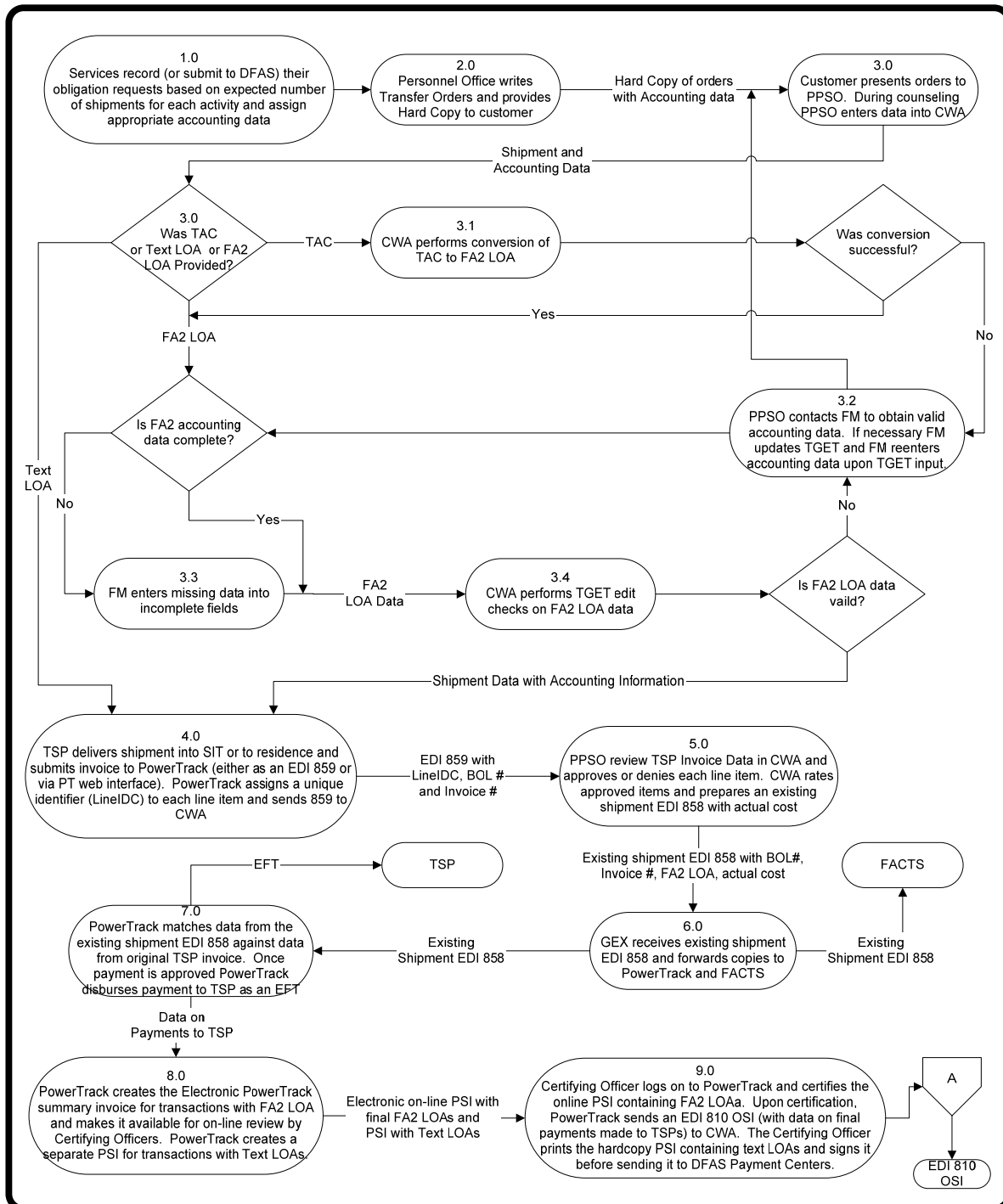


Figure T1-2. Detailed Interim Automated Process Flow (1 of 2)

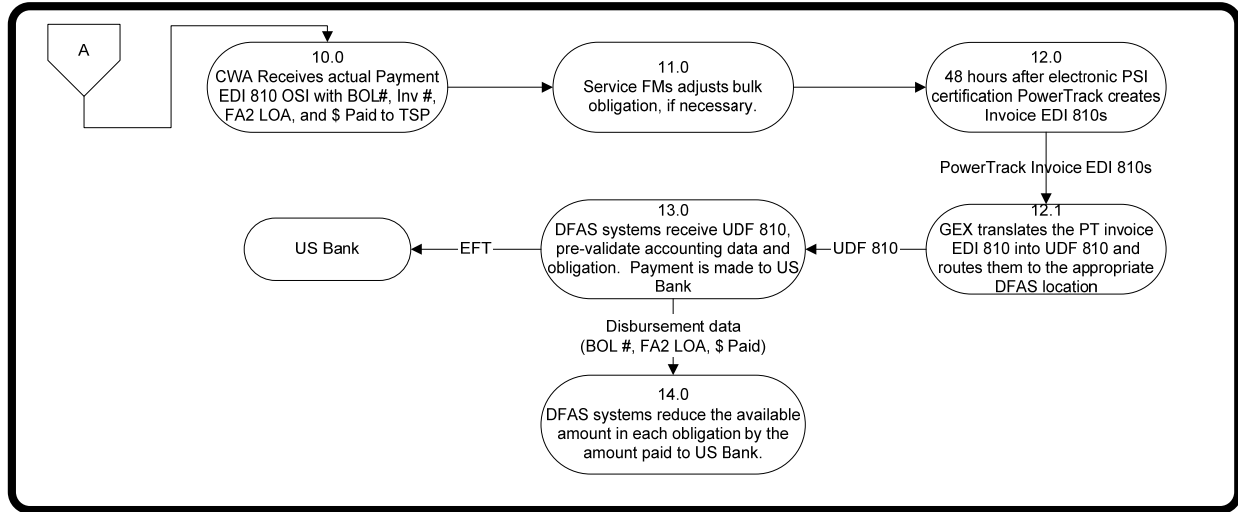


Figure T1-3. Detailed Interim Automated Process Flow (2 of 2)

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