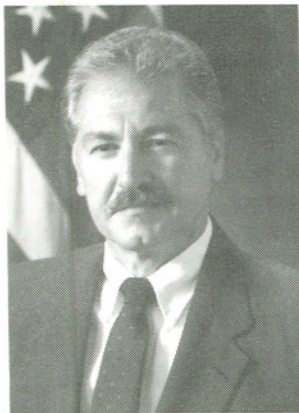


ASSOCIATION of GOVERNMENT ACCOUNTANTS

WASHINGTON CHAPTER NEWSLETTER

January 1991

About Our Speaker This Month



On July 5, 1990, the Deputy Secretary of Defense approved the establishment of a combined DOD accounting and finance organization. Mr. **Albert V. Conte** was selected to lead the effort to implement that decision.

Since May 15, 1988 Mr. Conte has served as the Deputy Assistant Secretary of Defense for Reserve Affairs (Manpower & Personnel). In this position he was the principal advisor to

the Assistant Secretary for DOD-Wide Guard and Reserve personnel policies, manpower management and compensation programs. He also served for a period of time as the Principal Deputy Assistant Secretary and was awarded the Secretary of Defense Meritorious Civilian Service Award for his outstanding performance.

Mr. Conte began his career in government in 1964 with the Department of the Navy as a budget analyst. He served in progressively more responsible assignments in the budget field before transferring in 1970 to the Naval Ocean Systems Center in San Diego, California, serving on the Technical Director's Staff. He was subsequently reassigned in 1973 to the Washington, D.C. area to head the Center's Washington Liaison Office. In 1974 he was selected for a position in the Office of the Assistant Secretary of Defense (Comptroller) with review responsibilities over a broad range of operations and maintenance programs of the Military Departments. From 1982 to 1988 he served as the Director of Military Personnel with budget and program review responsibilities for all active and reserve military personnel programs.

Mr. Conte, a native of Washington, D.C., received a BA degree from the University of Maryland in 1964 and a MPA degree from San Diego State University in 1973. He is a graduate of the Federal Executive Development Program and the Federal Executive Institute.

Register Now for Defense Budget Seminar
See Page 3

January 9, 1991

WASHINGTON CHAPTER LUNCHEON MEETING TO FEATURE

Albert V. Conte

As Director, Implementation Group for Consolidation of DOD Finance and Accounting Centers, Mr. Conte will speak on the newly created Defense Financial Service Center

TOUCHDOWN CLUB

2000 L Street, N.W.
(Near Farragut West Metro Stop)

Social Period: 11:30 a.m. (Cash Bar)
Luncheon: 12:00 noon
Menu: Breast of chicken over ham
Cost: \$17.00 (Members)
\$19.00 (Non-members)

Reservations Recommended
Call (703) 758-4080 Thru January 7
NON-MEMBERS WELCOME!
(Uncancelled "No-Shows" will be billed)

Next Meeting: February 7

<i>IN THIS ISSUE</i>	<i>Page</i>
President's Message	2
Schedule of Meetings	3
Committee Reports	3
— Minutes, Education, Publicity, Chapter Recognition, National News, Job Vacancies	
Technical Topics	6
— Recent Legislation	
— Navy Payroll System	
This and That	8

PRESIDENT'S MESSAGE



Joyce Shelton

We have another year before us and much to look forward to in the coming months. Before you take your use or lose leave be sure to turn in your training forms for both the all day Chapter training on the Defense Budget, to be held at the Touchdown Club on Wednesday, January 9, and for the National Leadership Conference to be held at the Four Seasons Hotel on Thursday and Friday, January 10 and 11, 1991. Start your training program early and if you need it, get a head start on your continuing education credits.

With so many newly passed legislative changes affecting governmental accounting and auditing, our heads are still spinning and the dust is still settling as we try to figure out just what the changes mean and how it will impact us. There is no doubt that there will be a much greater emphasis on improved financial management and that the 1990's will be a time for greater challenges for everyone.

The most significant piece of legislation for most of us is the CFO Act. This legislation established a Deputy Director for Management and a Controller at OMB; twenty three CFOs and Deputy CFOs for Departments and Agencies; and requirements for audited annual financial statements.

If that wasn't enough to keep us all busy, several other significant pieces of legislation were passed. Those of us that participated in the State Federal Equity Task Force for those many years, now face the task of implementing the Cash Management Improvement Act with each of the States over the next couple of years.

Our payroll systems face massive changes to accommodate the Pay Comparability Act with its locality pay provisions. And our accounting systems and the way we account for prior year funds will change due to the passage of legislation in the Defense Authorization Act to eliminate "M" Accounts. In the confusion of the last minute, there may have been some duplication in the "M" legislation that passed.

We will try to keep our membership informed as changes evolve both through the newsletter and our luncheon and training programs. If you are in a position to know what is happening and would like to share with others, give us a call. If you know non-members now is the time to encourage them to join and get involved and to keep informed.

Plan ahead for February 7 when our luncheon speaker will be John Franke of the Federal Quality Institute and we will have a half day training program on Total Quality Management.

AGA WASHINGTON CHAPTER

Chapter Executive Council for 1990/1991

OFFICERS

President

Joyce Shelton, DOT, (202) 366-1306

President-Elect

Sam Mok, Treasury, (202) 377-9322

Secretary

Steve Swanson, DOT, (202) 366-5643

Treasurer

Joan Bozzonetti, DOC, (202) 377-4593

Assistant Treasurers

Yash Parekh, DOT, (202) 366-5760

Geraldine Beard, JFMIP, (202) 376-5415

Past President

Doris Chew, JFMIP, (202) 376-5415

DIRECTORS

Chapter Awards

Nancy Fleetwood, FMS, (202) 287-0318

Chapter Bylaws & Procedures

Mary Lee Mason, FMS, (202) 208-1393

Student Awards

John Cherbini, C&L, (202) 822-5640

Membership Services

Evelyn Brown, DOC, (202) 377-2679

Programs

Alvin Tucker, DOD, (703) 697-0503

Publicity & Agency Liaison

Joe Willever, OPM, (202) 606-1200

Small Business Education

Lionel Henderson, CSC, (301) 982-2133

VITA

Joyce Charles, Labor, (202) 523-5906

Education

Larry Wilson, USDA, (202) 447-8345

Budget and Finance

Patricia Dews, NARA, (202) 501-6060

CHAIRPERSONS

Chapter Recognition

Jean Bowles, State, (703) 875-6923

Small Business Education

German Guajardo, EPA, (202) 475-9507

Education

Peter Ben-Ezra, USDA, (202) 382-1174

Research

Larry Eisenhart, HHS, (202) 245-6176

Meetings

Warren Cottingham, FMS, (202) 208-2417

History

Judith Boyd, DOD, (703) 697-8281

Budget and Finance

Susan Lee, NARA, (202) 501-6080

Newsletter

Joel Dorfman, DOT, (202) 366-2135

Student Awards

Donald Richardson, PMM, (202) 467-3185

Programs

Diane Bray, DOD, (703) 697-8281

Employment Referral

Bob Loring, OPM, (202) 606-0666

Chapter Procedures

Judi Fuerstenberg, DOE, (202) 586-0140

VITA

Velma Speight, Labor, (202) 501-8825

Geraldine Jasper, Education, (202) 372-5615

Membership Services

Sue Fields, NIH, (301) 496-3417

SCHEDULE OF MEETINGS

Date	Menu
January 9	Breast of chicken over ham
February 7	Salmon steak
March 7	London Broil
April 4	Broiled chicken
May 2	Pot roast of beef

COMMITTEE REPORTS

Minutes of Chapter Executive Committee Monthly Meeting

Minutes for November 16, 1990

by Steve Swanson, Chapter Secretary

Call to Order: President Joyce Shelton called the meeting to order at 12:00 noon.

Secretary's Report

Joel Dorfman made a motion to approve the minutes from the October CEC meeting. The motion was seconded by Joan Bozzonetti and the motion was passed by the CEC.

Treasurer's Report

Joan Bozzonetti presented the Revenue and Expense Statement and the Financial Activity Statement for the period of July 1, 1990 through October 31, 1990. Currently, our Chapter has one checking account and two savings accounts. Joan plans to close out at least one of the savings accounts and to put the money into "no penalty" CDs. Joan reported that she had received orders for 24 Tax Handbooks.

Committee Reports on Activities

Audit Report: Rick Polhamus presented a draft of his audit report on the financial condition of the Chapter. In general, our books are in good condition. However, Rick believes the chapter should implement better controls over our receivables. He presented several suggestions for the CEC to consider. Because of time constraints, Joel Dorfman made a motion to table the audit report until the next CEC meeting. The motion was seconded by Joe Willever and the motion was passed by the CEC.

Chapter Awards Report: Nancy Fleetwood stated that our chapter submitted three nominations for awards that will be presented during the Leadership Conference (January 10-11, 1991).

Next CEC Meeting: The next meeting for the CEC is scheduled for December 20, 1990.

Adjournment: Joyce Shelton adjourned the meeting at 1:05 p.m.

Defense Budget Education Program

An all day educational event, cosponsored with the American Society of Military Comptrollers, is scheduled for **January 9** at the Touchdown Club. The program will include the Washington Chapter's regular monthly luncheon meeting. Seminar details are as follows:

Current Topics on the Defense Budget

Program:

Registration 7:30 a.m. - 8:30 a.m.

Federal Budget Deficit and Controlling

Defense Outlays:

(1) Political Changes in Eastern Europe and Potential Ramifications in DoD 8:30 a.m. - 10:00 a.m.

(2) Political Changes in the Middle East and Financial Impact of Desert Shield 10:15 a.m. - 11:45 a.m.

Luncheon Speaker: 11:45 a.m. - 1:45 p.m.

Albert V. Conte, Director, Implementation Group for Consolidation of DoD Finance and Accounting Centers

Topic:

Consolidation of Accounting and Finance Centers and Financial Leadership in Periods of Fiscal Readjustment

Note: The luncheon program is the Washington Chapter's regular monthly luncheon.

Management by Unit Cost 1:45 p.m. - 3:15 p.m.

Standardization of Financial Management Management Systems and DBOF 3:30 p.m. - 5:00 p.m.

Confirmed Presenters:

Bart Toohey, Assistant Deputy Assistant Secretary Army for Budget
Robert Silberman, Principal Deputy Assistant Secretary of Defense for Force Management and Personnel

C. Ronald Hovell, Principal Deputy Assistant Secretary of the Air Force (Financial Management)

Charles Nemfakos, Associate Director of Budget and Reports, Office of the Navy Comptroller

Cost: \$120 for members; \$130 for non-members (includes lunch). \$5 discount is offered for payment in advance or at registration. We accept Visa or MasterCard.

CPE

Credit: Eight hours

Reservations:

Telephone reservations may be made by calling the Washington Chapter reservation number at (703) 758-4080 or FAX # (202) 366-7174. Training authorizations should be mailed to:

Association of Government Accountants
Defense Budget Seminar
P.O. Box 423
Washington, D.C. 20044-0423

For prepayment by credit card, call Steve Swanson at (202) 366-5643.

Agency Liaison Coordinators

by Joe Willever, Director of Publicity and Agency Liaison

Listed below is the current roster of AGA Washington Chapter Agency Liaison Coordinators. These coordinators play an important role in the success of our organization and we appreciate both the time and the efforts they expend to further AGA initiatives and goals.

AGA members and nonmembers, alike, are encouraged to contact coordinators in their agency (or in other agencies) to obtain information on AGA programs or activities. In addition, you may find your agency coordinators contacting you in promoting our programs, luncheon meetings, etc.

Since we can never have too many agency liaison contacts, any of you who would like to volunteer your services as agency liaison coordinators should contact Joe Willever or Hattie Dickens at (202) 606-1200.

AGA AGENCY LIAISONS

Agency	Liaison	Office	Telephone Number
AID	Tom Mundell	Fin. Mgmt.	(202) 663-2176
DOC	Joan Bozzonetti	Fin. Mgmt.	(202) 377-2651
DOD	Belinda Finn	OIG	(703) 693-0359
Air Force	Mr. Clair Ralph	Fin. Mgmt.	(202) 697-6410
Army	John Nabil	Fin. Mgmt.	(703) 697-5140
DOD, DCA	James Bittner	Fin. Mgmt.	(202) 692-3795
DOD, DLA	Raymond Sexton	Fin. Mgmt.	(703) 274-6221
Marine Corps	Merritt Cogswell	Audit/Finance	(703) 614-2819
Navy	Charles McAndrew	Fin. Mgmt.	(703) 695-1070
Navy	Elodia Holzbaur	Audit	(202) 602-9460
DOE	Arthur Guyer	Fin. Mgmt.	(202) 353-4461
DOE	Gordon Harvey	OIG	(202) 586-1943
DOI	Theodore Woronka	Fin. Mgmt.	(202) 208-3385
DOJ	Denise Wood	Fin. Mgmt.	(202) 514-3620
DOL	Nicholas Jourgras	Fin. Mgmt.	(202) 523-8391
State	Merritt Brown	Fin. Mgmt.	(703) 875-6877
State	Daniel Roehrich	OIG	(202) 663-1920
DOT	Christine Kent	Fin. Mgmt.	(202) 366-5622
DOT	John Lainhart	OIG	(202) 366-1961
Education	Clinton Bradley	OIG	(202) 732-5630
EPA	Larry Achter	Fin. Mgmt.	(202) 382-5161
EPA	Fran Tafer	OIG	(202) 308-8239
FDIC	Alvin Kitchen	Fin. Mgmt.	(202) 625-8344
FDIC	Amy Laguilles	OIG	(202) 898-6506
FEMA	James Lucas	Fin. Mgmt.	(202) 646-4398
GAO	Nell George	Fin. Mgmt.	(202) 275-9401
GPO	Bill Boesch	Fin. Mgmt.	(202) 275-2105
GPO	Vic Bourill	OIG	(202) 275-2861
GSA	Robin Gaither	OIG/Mgmt.	(202) 501-0923
HHS	Garland Heare	Fin. Mgmt.	(202) 245-6388
HHS	Joe Vengrin	OIG	(202) 619-3148
HHS, NIH	Beverly Kasmarzyk	Fin. Mgmt.	(301) 496-3417
HUD	Joe Rothschild	OIG	(202) 708-0006
ICC	James McKay	OIG	(202) 275-1365
NARA	Patricia Dews	Fin. Mgmt.	(202) 501-6060
OPM	Chris Flaggs	Fin. Mgmt.	(202) 606-2280
OPM	Donna Ballard	OIG	(202) 606-2342
OPM	Robert Yuran	Retire. Ins.	(202) 606-0660
SBA	Sherman Young	Fin. Mgmt.	(202) 653-6916

Agency	Liaison	Office	Telephone Number
SEC	Larry Haynes	Fin. Mgmt.	(202) 272-2150
Smithsonian	Lisa Leonard	Audit	(202) 671-3397
Treasury	Robert Lord	OIG	(202) 377-7269
Treasury, BEP	L. Paul Blackmer	Fin. Mgmt.	(202) 447-0640
Treasury, FMS	Gloria Gelabert	Fin. Mgmt.	(202) 287-0345
Treasury, FMS	Sara Beckham	Fin. Mgmt.	(301) 436-6858
Treasury, IRS	Andrea Madzin	OIG	(202) 566-2591
Sec. Serv.	Gregory Coats	OIG	(202) 377-6992
Sec. Serv.	Dale Burkett	Fin. Mgmt.	(202) 535-5939
USDA	Peter Ben-Ezra	Fin. Mgmt.	(202) 382-1174
USDA	James Ebbitt	OIG	(202) 447-6945
USIA	Harry Patsalides	OIG	(202) 485-7931
VA	Joel Charney	Fin. Mgmt.	(202) 233-6010

AGA NON-GOVERNMENT LIAISONS

Company	Liaison	Telephone Number
American Management Systems (AMS)	Dan BeBoissiere	(703) 841-5771
Coopers & Lybrand	John Simonette	(202) 822-5516
KPMG - Peat Marwick	Don Richardson	(202) 467-3185
Orkand Corporation	David Neverman	(301) 585-8480

Chapter Officers for 1991-1992

The Nominations Committee is soliciting nominees for Washington Chapter Officers and Directors for the 1991-1992 year. Nominees are required for President-Elect, Secretary, Treasurer and five positions as Directors. Nominations should be forwarded to Sam Mok, Chair of the Nominations Committee (202) 377-9322.

Chapter Recognition

by Jean Bowles, Chapter Recognition Chair

The Chapter Recognition Program of the AGA National Office is designed to encourage the well-rounded functioning of the chapters. The Washington, D.C. Chapter anticipates, through your participation and efforts, that it will earn the 10,000 credits which is the maximum goal permitted. The functions covered range from chapter administration to topics and attendance at chapter meetings; Newsletter contents; educational events; public service in tax assistance (VITA), our Small Business Course, or career days; awards program; and membership growth and retention. So most of you are personally contributing toward this goal - whether you know it or not.

Our cumulative points earned through October, 1990 is 4182. Please inform me promptly when you have accomplishments that may earn points as there are rigid monthly reporting deadlines. I can be reached on (703) 875-6923.

News From National

The following is a summary of recent AGA National Office reports to the National Board of Directors and Chapter Presidents:

Staffing:

The Executive Director's contract expired in September. The National Executive Committee appointed Steve Forman, of the Montgomery/Prince George's Chapter, to be the Acting Executive Director until a permanent Executive Director is hired.

Membership:

The total membership of the Association as of September 30, 1990, was 10,968. As of October 31, there were approximately 11,176 members.

Building Update:

The headquarters building is nearing completion and the Building Trustees are in the final stages of securing a mortgage and setting a closing date. The National Office anticipates moving at the beginning of December. While the AGA National Office address will change, its telephone number will not.

Education and Research Foundation:

The foundation is working to finalize the Inspector's General Conference to be held in February, 1991. Ron Young, a member of the Washington Chapter, is now responsible for the education arm of the Foundation. Plans are now underway for next year's Research Symposium.

Financial Update:

The Association's monthly financial statements are now being prepared on a much more timely basis. By the end of the fiscal year (March 31, 1991), AGA National anticipates a net revenue of approximately \$92,000, based on cash projections and \$132,000, based on accrual projections. Additionally, National expects to have a cash on hand balance of approximately \$340,000.

Leadership Conference

It is not too late to register for AGA's annual Leadership Conference to be held on **January 10-11, 1991** at the Four Seasons Hotel in Washington, D.C. For further information, see the registration information in the December newsletter or call AGA National at (703) 684-6931.

Changing Your Address?

The easiest and surest way of changing your mailing address for all Chapter and National Office mailings is to mail a notice with the new address and an AGA mailing label with the old address on it to:

AGA National Office
601 Wythe Street, Suite 204
Alexandria, Virginia 22314

Job Opportunities

The Internal Revenue Service and the Department of Housing and Urban Development have several staff vacancies for financial personnel:

Internal Revenue Service

Last year, the IRS revamped its financial management organization along the lines of the private industry model sweeping Government. A Chief Financial Officer was created. A Controller position under the CFO was created to direct the financial management function. The Controller oversees three Divisions: Budget; Financial Management; and Systems and Accounting Standards.

In addition, the Controller has made significant functional changes in financial management to bolster management accountability and service delivery. Examples of changes made include: independent analysis and challenges to program managers' budget requests based on analyses performed by the Controller's analytic staff; cost and revenue analysis; establishing uniform accounting standards; and compliance with the Federal Managers' Financial Integrity Act.

To accomplish these objectives, which greatly expand the role of the Controller organization, more than **150 additional positions** have been added to the organization over FY 1991-92. These are made up primarily of Program Analysts (345 series), Financial Analysts (501 series), Accountants (510 series), and Budget Analysts (560 series).

Recruitment at all grade levels is under way. Several office chief positions (GM-15) were announced, have closed, and selections are imminent; several others will be announced soon. "Open/continuous" vacancy announcements (no closing dates) have been posted for program analysts and financial analysts. A similar announcement for accountants will be posted soon. In addition, voluntary applications are being accepted for lateral reassignments. For additional information on these positions or on career opportunities in the IRS Controller organization, call Mike Noble on (202) 566-6670 or Srikant Sastry on (202) 566-6861. For copies of vacancy announcements and position descriptions or for information on how to apply, contact Ms. Bernie Taylor on (202) 566-6491.

HUD Office of Inspector General

The U.S. Department of Housing and Urban Development's Office of Inspector General has **eight full time EDP auditor and computer specialist positions** which are open and will remain open until filled at the GS-5 through GS-12 levels. These positions involve audits of general data processing controls, and applications controls of systems in operation and under development.

For additional information, contact David L. Decker, Director, ADP Audit Operations Division, Office of Inspector General, Department of Housing and Urban Development, at (202) 708-0383.

TECHNICAL TOPICS

Recent Legislation

Editor's note: The following was prepared with assistance from Larry Eisenhart, HHS; Doug Seabright, Treasury; and Steve Swanson and Joyce Johnson, DOT.

During the final days of the 101st Congress a number of legislative packages were passed of interest to the government financial management community. The following are summaries of each legislative package.

Chief Financial Officers Act of 1990

This law was signed by the President on November 15, 1990. A summary of its significant provisions follows:

The law creates the position of Deputy Director for Management (DDM) within the Office of Management and Budget (OMB). The DDM will be a Presidential appointee and will be responsible for the entire range of financial management functions performed by Government agencies as well as for such general management functions as performance measurement, procurement policy, property management, etc.

Under the direction and control of the DDM, the Office of Federal Financial Management is also created within OMB. This new organization will be headed by a Controller who will be a Presidential appointee. The Office of Federal Financial Management will be responsible for the financial management responsibilities delegated to the Deputy Director for Management.

One of the major responsibilities of both the DDM and the Controller will be to prepare a governmentwide 5-year financial management plan. The plan will describe the existing financial management structure and any changes needed to establish an integrated financial management system that will be consistent with applicable accounting principles, standards and requirements. OMB's plan will be based on input provided by each Department and each major independent agency.

Within each Department and major independent agency, the law creates the position of Chief Financial Officer (CFO). In most cases, this position will be for a Presidential appointee who will report directly to the Secretary or agency head. Each CFO will be assisted by a Deputy CFO. The Deputy CFO will be a career reserved position in the Senior Executive Service. The CFO will be responsible for all financial management activities relating to the programs and activities of the agency. The Act requires the CFO to submit a reorganization plan to OMB. This plan will consolidate all financial management activities within the agency under the CFO. In addition to providing input to OMB's 5-year financial management plan, the CFO will be responsible for producing an annual report on the status of financial management within the agency.

Agencies will be required to produce audited financial statements for revolving funds, trust funds, and funds which perform substantial commercial functions. Each agency's Office of Inspector General (OIG) shall make the determination as to whether the OIG or a private audit firm will conduct the audit.

Cash Management Improvement Act of 1990

This Act creates financial parity on the use of funds on Federally funded programs operated by the States. Within the Federal Government, the Act centralizes authority for management of fund disbursements in the Secretary of the Treasury. It provides that Treasury regulate and enforce timely disbursements by Federal agencies, and negotiate and monitor agreements with the States for the efficient transfer of Federal financial assistance funds.

The Act requires the States to pay interest on Federal assistance funds drawn prior to the actual disbursement to the program beneficiaries, and for the States to receive interest on Federal reimbursements that are paid late. Interest payments due under this Act will be paid on an annual basis. At Treasury's discretion, a Federal agency which fails to fund its programs in a timely manner could be penalized in an amount equal to the cost incurred to the U.S. Treasury's General Fund. The overall goal of this legislation is for no interest to be exchanged, because the States are drawing on a timely basis and the Federal agencies are transferring payments on time.

Title V — Credit Reform Contained in the Amendment to the Congressional Budget and Impoundment Control Act of 1974

The Credit Reform Act of 1990 proposes to (1) measure more accurately the costs of Federal credit programs and (2) place the cost of credit programs on a budgetary basis equivalent to other Federal spending. The impact over the next two years will be in the accounting and budgetary presentation for Direct and Guaranteed Loans.

Section 1405 of the National Defense Authorization Act

Provisions changing the availability of appropriation accounts were included in the Defense Authorization Act. This legislation requires closing all accounts available for a definite period five years after the period of availability and cancelling any remaining obligated or unobligated balances of these accounts. Transitional rules are included for appropriation accounts in existence at the time of enactment as follows: 30 days after enactment, all "merged surplus" balances (unobligated balances which lapsed prior to FY 1988) will be cancelled; 30 days after the President submits his FY 1992 Budget to Congress, all merged obligated ("M account") balances more than 5 years old will be cancelled (except for bills expected to be paid within 180 days of enactment); and on the third September 30th after enactment (in 1993), all remaining "M" account balances will be cancelled. After that time, merged accounts will cease to exist.

Pay Comparability Act

On November 5, 1990, the President signed the Federal Employees Pay Comparability Act of 1990. Mandatory provisions that must be paid by all Federal agencies are as follows:

- FY 1991 - a regular GS pay raise of 4.1 percent effective January 1, 1991; possible geographic pay adjustments of up to 8 percent in areas with significant pay disparities; and staffing differentials of 5 percent for GS 5/7 entry level professional positions.
- FY 1992 and 1993 - nationwide pay adjustments for all GS employees equal to the Employment Cost Index (ECI). The 1992 adjustment is estimated to be 4.2 percent.

(Continued on page 7)

Navy Standard Civilian Payroll System (NAVSCIPS)

by Jerry Hinton, NAVSCIPS Project Manager

The Comptroller of the Navy established the NAVSCIPS project with the primary objective to develop and implement a standard Department of the Navy (DON) civilian payroll system. NAVSCIPS was successfully implemented in November 1988. It is a modern, interactive and batch automated civilian payroll system. NAVSCIPS is operationally proven, currently supporting five payroll offices paying over 40,000 employees at more than 200 widely dispersed employing activities. When completely implemented NAVSCIPS will be paying approximately 330,000 employees at more than 1700 activities.

Ease of implementation is a noteworthy characteristic of NAVSCIPS. High quality conversion, application, and interface programs coupled with a professional training program and staff have all contributed to a smooth transition from the old payroll system to NAVSCIPS at each implementation site. Rapid user acceptance and effective hands-on training allowed payroll office personnel to quickly become proficient (generally 2-3 pay periods) in the use of NAVSCIPS, resulting in the discontinuance of all overtime. Under the old payroll systems, overtime had become an operational necessity for many payroll offices. Payroll activities using NAVSCIPS are averaging savings of 27% in operational costs.

NAVSCIPS is composed of the following major components and functions:

Employee Data Maintenance - Updates all individual employee data, the majority of which originates as SF-50 data from the civilian personnel office. The SF-50 process is designed to update based on standard nature of action codes established by the Office of Personnel Management. This facilitates use of an electronic interface with the Navy Civilian Personnel Data System (NCPDS).

Time and Attendance - Updates employee work schedules and time and attendance (T/A) transactions. NAVSCIPS flexibility permits on-line and batch input, with daily, weekly, and biweekly frequencies.

Labor/Gross Pay Reconciliation - Provides daily extended labor when T/A is input daily. Biweekly provides calculated gross pay reconciled with T/A input to provide actual paid labor.

Leave - Calculates individual employee leave accruals, usage, and balances, including the recently established leave donor program. Leave computations are based on employee type, work schedule, and T/A information.

Pay Calculation - Calculates biweekly gross-to-net pay.

Reporting - Produces transaction verification reports, payroll exception reports, payroll operating reports, management reports, disbursing reports, and external interfaces.

History Update - History files reflecting T/A transactions and gross-to-net pay details are updated each pay period following completion of that pay period's processing. History is available on-line for 13 pay periods.

Mass Processing - Updates the master employee file when new/updated tables are installed on the system. This includes

pay rates, employee organization deductions, health benefit deductions, Financial Organization Master File data, and standard job order numbers normally changed each fiscal year.

Reference Tables - Updates locally maintained tables on-line from the payroll office. Updates CDA centrally maintained tables with installation timing controlled by each payroll office.

Retroactive Processing - Recomputes prior on-line pay periods when revised/additional information is input, retaining original and recalculated pay information and cross referencing recomputed pay periods with period in which adjustment will be paid/collected. Retroactive actions include revised T/A, changes to employee data, leave data, and certain mass updates.

Retirement - Establishes and maintains CSRS and FERS retirement records at both the individual employee fiscal/service history and payroll office summary levels. This process generates completed standard forms 2806 and 3100, as appropriate, upon employee separations, transfers, and retirements.

NAVSCIPS operates in an environment of modern technology and ease of maintenance, on an IBM compatible mainframe using the MVS operating system and IDMS/R data base management system to support approximately 600,000 lines of COBOL code.

In summary, NAVSCIPS is a well-proven, operationally sound program supporting a wide variety of employee types, pay and leave entitlements, and work environments. NAVSCIPS satisfies all OPM/GAO/Treasury requirements, is flexible and easily maintained, and provides extensive automated functionality in a very user friendly environment.

For further information contact Jerry Hinton on (703) 695-3162 or 5475.

(Recent Legislation continued from page 6)

- FY 1994 - nationwide adjustments equal to the ECI minus 0.5 percent plus locality payments where comparable non-Federal pay is more than 5 percent higher than GS pay.
- Beginning in FY 1994, the phased-in reduction of local pay disparities between the private/Federal sectors will occur over the next nine years. After 1994, nationwide adjustments equal to the ECI minus 0.5 percent and locality payments will continue to be paid.

Optional provisions that may be paid by Federal agencies depending on the availability of funds are as follows:

- recruitment, retention and relocation bonuses up to 25 percent of basic pay;
- hiring above minimum rates for all grades;
- up to 800 critical positions to be paid up to the Senior Executive Level I (\$139,000 or higher);
- case-by-case waiver of dual compensation restrictions on reemployed civilian and military retirees;
- advance pay for new appointees;
- travel expenses for interviews and new appointees;
- special pay rates increase up to 60 percent above GS step 10;
- supervisory differentials up to 3 percent; and
- time off as an incentive award.

THIS AND THAT

Other Chapter Meetings

Montgomery/Prince George's Chapter

Date and Time: January 9, 1991
 5:30 p.m. (social)
 6:45 p.m. (dinner)
Location: Holiday Inn, College Park
Speaker: Al Golato
 "Income Taxes: Government and Private Industry Perspective"
Cost: \$16
Reservations: Gary Fishbein (202) 366-6074

Northern Virginia Chapter

Date and Time: January 16, 1991
 5:30 p.m. (social)
 6:30 p.m. (dinner)
Location: Sheraton National Hotel, Columbia Pike & Washington Blvd., Arlington
Speaker: Robert Coakley
 Professional Staff, Committee on Governmental Affairs, U.S. Senate
 "Implementing the Chief Financial Officer Legislation"
Cost: \$18

Reservations: Andrea Walker (202) 619-3066

Note: This meeting will follow a free two hour program titled, "Total Quality Management, Applications for the Auditor." Randy West of the Federal Quality Institute will be the speaker. The program will run from 3:30 to 5:30 at the Sheraton.

About Chapter Members

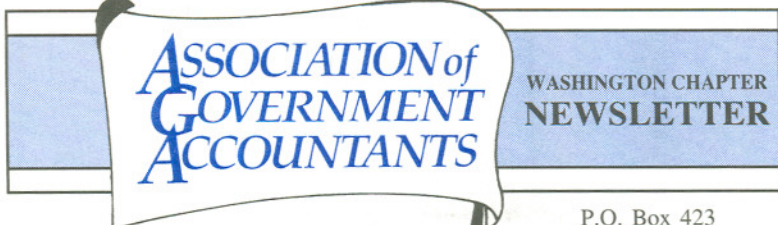
Effective October 1, 1990, **Patrick J. Conklin** joined the faculty of the Federal Executive Institute in Charlottesville, Virginia. Pat has served as the Office of Personnel Management's Inspector General since 1986. In his new role as a senior faculty member occupying the prestigious John Macy Chair, Pat will be able to share his extensive experience and keen insights with Federal executives throughout the Government. We wish him well in his new assignment.

Vincette Goerl is the new Controller of the Information Resources Management Service of the General Services Administration. Previously, she had been Director of the Office of Information Resources Management at the Environmental Protection Agency.

Best wishes to **Elizabeth (Toni) Gibbons**, Associate Comptroller for Financial Management at the State Department, who is recuperating nicely from her recent surgery.

Congratulations to **Diane Bray**, who gave birth to a baby girl on November 26.

If you have news about Chapter Members, call Chuck Zlamal at (703) 758-4080.



P.O. Box 423
 Washington, D.C. 20044
 January 1991



FIRST CLASS MAIL