
BUREAU FINANCIAL MANAGEMENT INITIATIVES

Bureau of Land Management (BLM)

A. Developing and Implementing a Management Information System

Early in FY 1998, the BLM implemented the first module, Budget Execution, of its Management Information System (MIS). By the end of FY 1998, the Performance Measurement module should be implemented, and the Property, the Fixed Assets, and the Billing and Collections modules should be implemented in FY 1999. When totally completed, the MIS will incorporate financial data, billings and collections data, managerial cost accounting information, performance measurement data, and other business data in a single system. This system will meet the requirements of a finance system with integrated cost accounting, and will provide timely, meaningful business information to managers in the field. With the modules already in place, the MIS provides on-line access and is updated daily from the bureau finance system. MIS uses low maintenance equipment, is web-based on the bureau intranet, and has ad hoc query capability. The MIS is already providing users with the capability of extracting data at whatever level of detail desired into individually designed report formats and is reducing the number of paper management reports distributed to the field.

B. Imprest Fund Reductions

In the first six months of FY 1998, the BLM reduced the total funds in its 138 imprest funds by 22 percent to less than \$367 thousand. Reductions occurred in over 30 percent of the individual funds as field offices have received and started using convenience checks. Through effective use of small purchase charge cards and convenience checks, and mandatory use of processing travel advances and awards through electronic payment systems, the closure of BLM imprest funds, as mandated by the Debt Collection Improvement Act, will be a reality by the legislative due date of January 1, 1999.

C. Improving Financial Reporting

Construction in Progress: BLM is working on the final component of improved financial reporting in property management: construction in progress. Previously, the BLM implemented the Fixed Assets (FA) module of FFS, and reconciled all of the BLMs personal and real property while transferring the data into FA. The final step of this three-step process is the analysis of the construction in progress account and ensuring that all completed projects are removed from construction in progress and are recorded as fixed assets. Another component of this step is to assure that all construction projects underway, regardless of funding source, are recorded in the construction in progress accounts in the general ledger

Environmental Cleanup Liabilities: The BLM is expanding its efforts in gathering information in the area of environmental cleanup liabilities for improved financial reporting purposes. The BLM and the OIG are working together to define the data collection require-

ments needed to satisfy the need for full disclosure while protecting the interests of the Government in cases where litigation is pending or possible. The improvements in this area will provide the readers of the annual financial statements with more accurate and meaningful information.

D. Deferred Maintenance Systems

The BLM has initiated a major effort within the bureau to update the condition assessment of the assets within its purview and to systemically record and track the maintenance requirements of those assets, including that maintenance which has been deferred. Previous reviews by the OIG has determined that the system in place, the Facilities Inventory and Maintenance Management System (FIMMS), adequately records and tracks assets, but was not always kept current and was not designed to provide accounting information. In response to this shortcoming, the BLM has started an effort to assess every asset group (Bridges, Tunnels, Roads and Trails, Recreation Sites, Administrative Sites, and Dams), to assure that adequate documentation is in place to support the assessments and the maintenance (current and deferred) cost estimates, and to improve the FIMMS to make property and financial data more accessible and reliable.

E. Implementation of Activity Based Costing

The BLM has chosen Activity Based Costing (ABC) as the methodology it will employ to develop managerial cost accounting data for reporting and performance measurement purposes. During FY 1997 and 1998, the BLM initiated three ABC pilots: (1) a single program in a single state (Gas and Oil Leasing in New Mexico); (2) all programs in a single state (Montana); and, (3) a single program in multiple states (Wild Horses and Burros). These pilots were successful and have demonstrated to management that ABC is an effective vehicle that BLM can use to meet the requirements of the cost accounting standards and performance measurement under the Government Performance and Results Act. In late FY 1998, the BLM will conduct training for representatives of the entire bureau and the BLM will implement ABC bureau-wide in FY 1999. This methodology will provide managers with meaningful information regarding program effectiveness and will facilitate comparative measurement of programs across the bureau, so that best practices can be identified and emulated.

Bureau of Reclamation (BOR)

A. Conversion to New Appropriation Budget Structure

Reclamation successfully converted to a new appropriation budget structure on October 1, 1997. The objective of this conversion is to better meet the requirements of GPRA, NPR, and the CFO Act; and to link Reclamation's financial management data more consistently with its mission goals and objectives. In addition, this will provide managers with better and more relevant data with which to manage their programs.

B. Improving the SGL Implementation Effort

Effective October 1, 1997, Reclamation successfully implemented significant changes in its use of the Treasury Standard General Ledger to more effectively accommodate the accounting and reporting requirements of FASAB, Treasury, OMB, CFO, and DOI.

C. Improving the Management of Working Capital Funds (WCF)

Reclamation's CFO Council completed a comprehensive management review of all working Capital Fund activities in FY 1998. The CFOC's primary objectives were to assure consistent interpretation and application of WCF policies and guidelines, and to assess the current status of the WCF and its out year plans from a Reclamation corporate perspective. In addition, training was provided to a large number of WCF management and administrative support staff, with an emphasis on WCF policies, guidelines, and financial management practices and procedures.

D. Implementing the Debt Collection Improvement Act (DCIA)

Reclamation has been actively involved with its commercial vendors to notify and assist them in preparation for the processing of all payments directly to their financial institution accounts via the "electronic funds transfer" process effective January 1, 1999, as required by the DCIA. In addition, Reclamation has been working with Treasury to transfer its eligible delinquent debt for debt management by that agency and for potential offset against other payments.

E. Implementing of Year 2000-Compliant Accounting System Software

Reclamation successfully implemented Year 2000-compliant accounting system software in July 1998. This effort involved an intensive joint-testing effort with the other DOI Bureaus using American Management System's Federal Financial System (FFS), and a major reprogramming effort to modify more than 100 of Reclamation's custom FFS reports. In addition, a number of interfaces with Reclamation-specific administrative and program systems were modified, and a significant amount of processed data was archived.

Fish and Wildlife Service (FWS)

The FWS is focused on providing quality financial management services to its natural resource programs while implementing the CFO Council's and the Department's priority initiatives and complying with federal standards of accountability.

A. Improving voucher payment processes

The FWS manages the payment of vouchers using a combination of innovative tools. The FWS has franchised vendor payments exceeding \$25,000, travel vouchers, imprest replenishment vouchers and OPAC transactions to the Bureau of Reclamation's Denver

Administrative Service Center. Vendor payments under \$25,000 and construction payments are processed by individual FWS offices using Remote Data Entry.

Ensuring Prompt Payments: The FWS is striving to attain a high level of performance in the area of processing payments promptly in accordance with federal and DOI prompt payment priorities. Management actions to strengthen prompt payment performance include expanding the types of payments that can be processed using Remote Data Entry and expanding the use of PAYTECH payment technology, which consolidates common vendor transactions into a bureauwide electronic payment. The FWS continues to emphasize the use of charge cards and contracting officers have been authorized to use the cards as payment instruments up to the limit of their warrant authority, not to exceed \$100,000.

Implementing EFT: The FWS is expanding EFT as part of federal and DOI initiatives to comply with the electronic payment requirements of the Debt Collection Act. Currently, new policies are being implemented to mandate that travel and imprest replenishment vouchers be paid strictly through EFT.

In an effort to reduce the number of cash transactions and the amount of cash held in imprest funds, FWS has established a program to reduce the overall number of authorized imprest funds. The Treasury's Fed Select program is being implemented at the Regional level to handle localized reimbursement and incidental purchasing needs.

B. Developing Innovative Financial Management Processes

As DOI implements new purchase, travel, and fleet credit card platforms, the FWS will seek to develop new financial processes to take advantage of the new cards' capabilities. The FWS seeks to consolidate and centralize the billing and payment processes for certain categories of travel and fleet expenses. This will promote efficiencies as the total number of payments made will be reduced and will enhance overall prompt payment performance.

With the passage of the Federal Financial Management Improvement Act of 1996, there has been increasing emphasis placed on the integration of financial and management information systems. In FY 1998, the FWS dedicated significant resources to successfully implement an automated interface between the Departmental payroll system, FPPS, and the core accounting system, FFS. In addition, the FWS is also preparing to implement its automated Budget Allocation System, which also will interface with FFS. The BAS, which is accessible on the FWS's intranet, provides users with allotment and allocation information for all appropriations. The software has query capability that enables users to search multiple combinations of budgetary information. The interface with FFS provides automated updates of carryover and recovery information. The FWS is also participating in the DOI effort to automate procurement processes by implementing the IDEAS-PD system in FY 1998. This system enables users to electronically prepare and distribute procurement documents for approval and to distribute requests to vendors, receive quote responses, make awards and issue award notices. The FWS is also in the process of implementing an interface between IDEAS-PD and FFS. Overall, the system will enable the Service to take advantage of the latest technology to communicate with contractors while increasing competition and reducing solicitation

and contract award turn-around times. The financial interface will promote accurate and timely transaction reports and ensure greater financial accountability.

C. Supporting DOI Financial Management Initiatives

The FWS provides considerable staffing resources to DOI's Office of Financial Management through its participation in workgroups that address priority financial management issues and initiatives. These commitments include participation on the following standing councils:

- Software Advisory Board
- Standard Accounting Classification Advisory Team
- Finance Officers' Partnership

In addition, the FWS has contributed resources to working teams addressing the following priority issues:

- Benchmarking
- FFS Migration
- Financial Statement Preparation
- Credit Card Implementation
- Deferred Maintenance
- Managerial Cost Accounting
- Travel Management Centers
- Emergency Firefighting Payroll

D. Stressing Management Accountability in Implementing Accounting Standards

The FWS has made a number of significant advances the area of financial reporting. Improvements in reporting real and personal property assets have been instrumental in enabling the FWS to maintain its third consecutive unqualified audit opinion. The FWS is continuing to develop data collection and reporting processes to facilitate compliance with Federal Accounting Standards Advisory Board standards. These current efforts are directed at meeting the requirements for Property, Plant and Equipment (SFFAS No.6), Supplementary Stewardship Reporting (SFFAS No.8), and Managerial Cost Accounting (SFFAS No.4). For its FY 1997 Accountability Report, the FWS prepared a Statement of Net Cost, which allocated total cost to the major program categories. The FWS is using a interdisciplinary approach with workgroups comprising of financial, program and administrative staff. FWS financial staff have undertaken steps to educate bureau officials on the critical role played by program officials and other senior managers in accountability reporting.

E. Improving Administration of Federal Assistance Programs

The FWS is committed to improving the administration of federal assistance programs through the implementation of the three major initiatives as follows:

- Establishment of a Federal Aid Information Management System (FAIMS).
- Pursuit of an aggressive cash management system.
- Start-up of a national Federal Aid audit program.

FAIMS: The need for an information management system became apparent over the past several years. Existing fiscal and accomplishment reporting systems were suffering from aging technology and/or inherent systems design problems. New grant programs came on-line and existing systems could not easily accommodate them. The continuously evolving and changing business environment created an opportunity to improve the ADP infrastructure, modernize our business practices, and take advantage of new and emerging technologies.

A team has been established to head-up the development of the Federal Aid Information Management System (FAIMS). The team is charged with leading and coordinating efforts to develop an information system which would modernize Federal Aid ADP systems, improve our business practices and procedures and increase coordination and information sharing.

The FAIMS team is currently completing systems analysis and design tasks and developing software code. System modeling, prototyping, and bench marking continue to provide visual representations of what is to come in order for users to view, evaluate, and provide feedback. The system is expected to be fully operational during FY 1999.

Cash Management: The FWS is working with the Bureau of Tobacco, Alcohol, and Firearms, U.S. Customs, Internal Revenue Service and the Department of Treasury to manage the transfer of receipts from excise taxes in a more timely manner. As a result, \$31 million has been de-obligated and recovered, or obtained via correcting entries. The FWS also expects to accrue an additional \$10 million in interest due to more timely fund transfers and improved interagency coordination.

Audits: The FWS initiated a national audit program where each state agency receiving Federal Aid funds is audited once every five years. Thirty-six audits have been initiated and in some cases completed to date. The audits have in part generated 15 policy issue clarifications which demonstrates the FWS' commitment to fulfilling its sport fishing and wildlife conservation mission.

Office of the Secretary (OS), Minerals Management Service (MMS) and The Office of Surface Mining Reclamation and Enforcement (OSM) ABACIS Bureau Partnership

During FY 1995, the OS, MMS and OSM established a partnership (ABACIS Bureau Partnership) to work jointly on initiatives to streamline and automate financial processes. This partnership allows the three bureaus to share both personnel and computer resources in order to optimize our ability to meet changing requirements in the federal financial management arena. The major Partnership accomplishments to date have been: (1) implementation of the FPPS system and the development and implementation of an interface between ABACIS and FPPS; (2) implementation of the revised Standard General Ledger; (3) implementation of Standard Departmental Budget Object Class Codes; and (4) implementation of version 7.5 of Treasury's Electronic Certification System (ECS).

Partnership projects currently underway include: (1) modifications associated with the Year 2000 problem; (2) final development and implementation of the Property Management Information System (PMIS); (3) development of an interface with Nations Bank; and (4) development of an interface between Procurement Desktop (PD) and ABACIS.

A. Office of the Secretary (OS)

The OS has re-engineered their front end microfilming process by replacing the microfilm camera and reader with state-of-the-art data imaging technology. Each client workstation contains image retrieval software allowing customers to easily retrieve images of documents that have been processed by the finance office. This new front end is fully integrated with ABACIS and therefore allows customers to access images based on any known information about the document. The OS has also significantly reduced its dependence on imprest fund operations by implementing Treasury's FedSelect Check program that allows them to use checks for payments that were previously made from the imprest funds. Other accomplishments by the OS include installation of the IDEAS system at the Interior Service Center (ISC) and the development and implementation of a correspondence tracking system based on the same technology as the ABACIS front end imaging system. The latter allows storage and retrieval of all correspondence received by the finance office.

B. Minerals Management Service (MMS)

The MMS has expanded its FedSelect Check program to all of its major field offices. FedSelect is a Treasury cash management initiative that allows MMS to use checks for payments that were previously made from imprest funds. After implementing FedSelect in these offices, the imprest funds there were closed. The MMS also expanded its efforts to increase EFT payments to vendors and employees. Over 89 percent of disbursements to MMS vendors are via EFT. Also, more than 97 percent of travel and miscellaneous reimbursements to MMS employees are made via EFT.

C. Office of Surface Mining, Reclamation and Enforcement (OSM)

The OSM is pursuing the following initiatives to meet the Government-wide CFO Council priorities and DOI strategic goals for financial management improvements:

Financial Statements/Accounting Standards: OSM has implemented the new cost accounting standards in FY 1998 at the segment level, and to a certain number of outputs. In FY 1999, OSM will continue to cost outputs and use these figures for reporting performance standards. OSM will continue to receive clean opinions of its financial statements, looking for its eighth straight year.

Financial Management Systems: In October 1998, OSM will implemented a module to ABACIS for processing purchase card transactions. The cardholder inputs transactions which are matched against the invoice download from RMBC to allow next day pay of the invoice. All non-matched charges are paid to default accounts after 10 days. In FY 1999, OSM will enhance this module to interface with the Nations Bank EAGLS System.

A Management Performance and Accounting System (MAPS) was implemented during FY 1998 giving program managers on-line access to performance and cost information. MAPS provides managers with “canned” and ad-hoc reporting capabilities for financial, budget, and/or personnel data from ABACIS, FPPS, and other systems. During FY 1999, OSM will enhance MAPS by creating a report library where managers can share their own unique reports, by making the system WEB-enabled, and by providing more historical data for in-depth trend analysis.

Financial Reports On CD-ROM - OSM will deploy its financial reports on a CD-ROM System during FY 1999. This replaces most hard-copy output, mailing, and e-mail of regulatory, managerial, financial, and internal control reports with a “Reports-On-Line” system.

Budget Module - In FY 1999, OSM will complete the first phase of the new budget module which will include budget development, allocation, and execution. The system is designed so that line-managers can develop their budget requests on-line in a consistent manner with review and approval processes by upper management leading to an automated agency-wide budget. The budget formulation process will generate much of the previously tedious and difficult to obtain information such as personnel costs. The Budget Module will also have features which link financial planning with GPRA.

Receivables: OSM successfully reduced outstanding delinquent debt by 39 percent during the first nine months of FY 1998. During FY 1998, OSM looked at various ways to improve collection rates and processes while retaining our high customer service quality standards. This effort will continue in FY 1999 by completing our review of a credit card collection program. This may enable OSM to eliminate lockbox payments and decrease the number of collection officers in the field. It may also increase our customer satisfaction by allowing alternative methods of payments.

Payments and Business Methods: During FY 1998, OSM closed all remaining imprest funds in support of the Debt Collection Improvement Act. This was accomplished primarily through increased use of the purchase card, ATM withdrawal for travel advances, and prompt travel payment processing.

OSM reduced Prompt Payment Act interest from 6.97 percent at the start of FY 1998 to a cumulative rate of 1.89 percent in June 1998. The monthly rates for March through June 1998 were all less than 0.5 percent, with the month of March at 0 percent.

OSM implemented an aggressive policy to comply with the EFT provisions of the Debt Collection Improvement Act of 1996. During FY 1998, OSM increased vendor compliance from 43.5 percent to 62.6 percent and travel (miscellaneous) payments from 82.9 percent to 93 percent. In recognition of OSM's progress in complying with the EFT provisions, the San Francisco Office of the Department of the Treasury presented OSM Finance with a certificate of appreciation.

National Park Service (NPS)

A. Improving Cash Management

Delinquent Debt Transfer to Treasury: The National Park Service implemented the Treasury Offset Program in FY 1997. NPS transferred nearly 60 percent of the eligible delinquent debt to Treasury as of the end of July. The Service projects a 100 percent transfer of its debt as of the end of FY 1998.

Reduction/Elimination of Imprest Funds: In compliance with the Debt Collection Improvement Act of 1996, the National Park Service continues its efforts to reduce the imprest fund balances outstanding. The Service projects further reductions during FY 1998 and FY 1999.

Travel Advance Management: During FY 1998 NPS mandated the use of the American Express ATM for travel advances. The outstanding travel advance balances as of the end of FY 1998 that remain are, primarily, due to permanent change of station and emergency travel advances.

Prompt Pay Interest Reduction: During FY 1998, the National Park Service reduced its rate of late payments to below the Department's goal of five percent. The prompt pay interest reduction was attributable to the corrective actions taken by both the field offices and the Accounting Operations Center.

Expansion of Credit Card Usage: During FY 1998, the National Park Service's usage of the Rocky Mountain Bank Card increased by approximately 66 percent. We project that the Service will process nearly 220,000 transactions for nearly \$48 million during FY 1998.

Expansion of Plastic Credit Card Network Usage: The increased usage of the PCCN during FY 1998 is primarily attributable to the implementation of the Recreational Fee Demonstration Program. The Service projects a 50 percent increase for the year.

B. Financial System Integration and Development

Implementation of Federal Financial System Fixed Assets Subsystem: The National Park Service will complete the conversion of its personal property data from the Department of Agriculture's Property Management System (PROP) to the Federal Financial System's (FFS) Fixed Asset subsystem by the end of FY 1998.

Job Corps Accounting System: The National Park Service will complete the development of the conversion strategy/plan for conversion of the Job Corps accounting to the Federal Financial System. This conversion will be completed during FY 1999.

Federal Personnel and Payroll System: The National Park Service will complete its parallel testing of the FPPS by the end of FY 1998. NPS will convert from PAY/PERS during the first quarter of FY 1999.

Implementation of IDEAS System: The Accounting Operations Center in partnership with the Service Administrative Center pilot tested the IDEAS system in FY 1998. The Service plans to implement IDEAS system servicewide in FY 1999.

Client/Server Based System: During FY 1998, the Accounting Operations Center produced a concept paper for development and implementation of a client/server system to replace multiple outdated financial systems. The new client/server system would replace the Administrative Financial System (AFSII), the Financial Reporting and Reconciliation System (FRRS), and provide the Accounting Operation Center and program offices with an ad-hoc reporting tool.

C. New FASAB Accounting Standards

The National Park Service is proceeding with the implementation of the new standards for Managerial Cost Accounting (SFFAS No.4), Deferred Maintenance (SFFAS No.6), and supplemental Stewardship Reporting (SFFAS No.8) standards during FY 1998.

D. Financial Management Training Program

The National Park Service in partnership with Indiana University began the development of a distance learning training curriculum for the financial management program. The program should be available for NPS employees via the Internet in FY 1999.

U.S. Geological Survey (USGS)

The USGS is pursuing the following initiatives as part of its efforts to meet the Government-wide CFO Council priorities and DOI strategic goals for financial management improvements:

A. Improving Financial Management Systems

Oracle Reporting Database: The year 2000 (Y2K) compliant version of our accounting system (FFS) software eliminated USGS' ad hoc reporting capability. In response, the Office of Financial Management (OFM) is developing a relational database to replace this lost functionality, as well as enhance users access to their data. A new reporting tool to work in conjunction with this database has been purchased, users are being trained, and the database will be expanded to meet users needs.

Bureau Level Data Warehouse: The reporting database described above will be used as a springboard for a FY 1999 initiative to implement a bureau-level common database for financial and related data. Common data definitions are being developed with the goal of implementing a data warehouse that standardizes information among all USGS program divisions and facilitates quick, accurate responses to requests for data.

Bankcard Interface: With the advent of a new Government-wide charge card contract, USGS will be participating with the other DOI bureaus to develop, test, and implement a new interface for charge card transactions with the DOI standard accounting system, FFS. Our bureau relies upon this interface to accurately charge our accounts for numerous charge card transactions. USGS is a heavy user of the current bankcard interface, incorporating input from all of our program divisions into the interface process.

FFS Enhancements: USGS is preparing for at least one new release of DOI's version of FFS in FY 1999. A FFS release in early FY 1999 will be necessary to incorporate software changes correlating with initiatives in Treasury's systems (EFT, FACTS, and TOPS).

FFS/IDEAS Interface: The bureau will implement processing changes related to the DOI interface between the Interior Department Electronic Acquisition System (IDEAS) and FFS.

B. Improving Financial Reporting

Direct and Reimbursable Funding: USGS will amend the manner in which it accounts for direct and reimbursable funding. This improvement will aid our year end closing and improve our external reporting.

Financial Statements: USGS has received unqualified audit opinions of its financial statements for the last several years and is working to continue on that course. Processing improvements have been made, reporting software has been upgraded, and a backlog of manual adjustments have been cleared.

Real Property: Real property inventories will be reported quicker and recorded in the financial system before the end of the fiscal year, thereby improving the accuracy of our financial statements.

C. Implementation of the Debt Collection Improvement Act

The USGS has made substantial progress in implementing the various portions of the Debt Collection Improvement Act (DCIA). All eligible delinquent debt has been referred to the Department of the Treasury for collection or offset, and policies and procedures are in place to continue on that plane in FY 1999. Efforts are underway to improve our compliance with the electronic funds transfer (EFT) and taxpayer identification number provisions of the Act, and will be expanded in FY 1999. An EFT waiver policy and process will be developed and monitored. Finally, all, or mostly all, imprest funds will be eliminated in FY 1999.

D. Year 2000 Compliance

USGS has implemented the Y2K compliant version of the FFS software. All internal management reports and interfaces are, or will be, Y2K compliant in FY 1999. We will also be assessing our data interchange partners ability to function in the year 2000.

E. Accounting Standards

In FY 1999, USGS will be implementing new Federal Accounting Standards Advisory Board (FASAB) standards, including Managerial Cost Accounting Concepts and Standards (SFFAS No. 4), Accounting for Revenue and Other Financing Sources (SFFAS No. 7), Supplementary Stewardship Reporting (SFFAS No. 8), and the Management Discussion and Analysis concept paper. Implementation of the cost accounting standard will be closely coordinated with the development of USGS' strategic plan and future budget submissions.

F. Developing Human Resources and CFO Organizations

USGS plans to carry out a realignment of positions and functions associated with the bureau's expansion of remote data entry; this effort was deferred due to higher priority activities in FY 1998. With the changing support mission of OFM, position descriptions and office organization will require change to reflect the transition from a high volume of data entry to an increased emphasis on quality control, post-audit review, and development of management information. Associated with this effort will be a need for process redesign and staff retraining.

G. Ensuring Management Accountability and Control

Management Control Improvements: USGS revised its sample selection process and efforts in FY 1999 will focus on improved end-user reporting, further revisions to statistical sample for travel payments, and development of corrective action plans as may be indicated by the statistical analysis of payment transactions.

Program Coordination Improvements: USGS will continue to focus on efforts to improve reporting tools and management controls in such areas as Government travel charge card expenditures and purchase card expenditures, both to ensure that cards are used for appropriate purposes and to provide effective oversight of credit card expenditures and employee debt.

H. Modernizing Payments and Business Methods

Electronic Data Interchange: As a longer-term initiative, OFM will work with additional vendors to implement electronic invoicing procedures in order to further reduce manual processing and speed payments. We are currently participating with the Washington Administrative Service Center in furthering this effort.

Customer Outreach Efforts: OFM will continue current efforts to provide improved financial information and better customer access to financial data, with a particular emphasis on Intranet-based process tools and information dissemination. We have already implemented an electronic notification to travelers of impending reimbursements and we intend to expand the use of electronic communications to customers via E-mail and Internet access.

Expansion of USGS Remote Data Entry: Remote data entry (RDE) authority for processing FFS transactions will be expanded to the USGS Divisions not currently participating.

Interface Travel Transactions: Currently, one of USGS' program Divisions automatically interfaces its travel vouchers with the accounting system. We will enhance the travel software so that the remainder of our Divisions can directly interface their travel vouchers.

Prompt Payment Performance: USGS made structural changes in its invoice payment processes that greatly enhanced its on-time payment performance. These changes will be expanded in FY 1999 as we strive to achieve the Departmental goals.

Bureau of Indian Affairs

The Bureau of Indian Affairs (BIA) has the following initiatives underway or planned in its effort to meet CFO Council priorities and mission responsibilities:

A. Improving Financial Management Systems

Loan Management and Accounting System (LOMAS): After several years in design and development, the LOMAS system has reached full implementation. This has been a joint effort by the Bureau and the former FMIP staff, and later by the WASC-West, that upon completion provides a mechanism for effective management of the Bureau's loan portfolio. It replaces an older "batch" system that was difficult to use and provided a limited set of reporting capabilities; the new version is network-based and greatly improves management tools and reporting and includes a quality and easy-to-use interface with FFS. Currently, enhancements are being made to make this system even easier to use. Anticipated completion is September 30, 1998.

National Irrigation Information Management System (NIIMS): NIIMS is currently operating in a production mode at individual bureau irrigation project offices: however, in order to provide a more complete picture of the financial (receivables) side of each project, the Division and the Office of Trust Responsibility have been developing an interface between NIIMS and FFS. Currently, 15 of the 17 (excluding Salt River) projects have been placed on NIIMS, and 12 of the 15 projects have been interfaced with FFS. Plans call for the remaining projects to be placed on NIIMS later this calendar year and be interfaced with FFS no later than January 1, 1999.

B. Modernizing Payment and Business Methods

Improving Remote Data Entry Capabilities: During FY 1998, the Bureau continued its implementation after successful testing at three pilot offices. The pilot phase began in March 1997, and included the Anadarko and Navajo Area Offices and Central Office in Washington, DC. With the valuable assistance of staff from the WASC-West, the Division was able to develop a quality implementation plan, training program, and implementation effort. Pilot implementation ended in August, 1997, followed by an overall evaluation report and subsequent request to the Department for full Bureau implementation during FY 1998. Full Bureau implementation was approved and began in March, 1998 with Albuquerque and Muskogee Areas. Since that time, four additional locations have implemented Remote Data Entry. They include Aberdeen, Minneapolis, Billings, and Juneau. Currently, Remote Data Entry is being implemented with the Office of Indian Education Programs (OIEP), to include Haskell Indian Nations College (HINC) and Southwestern Indian Polytechnic Institute (SIPI). Approval has also been given to increase the small purchasing process from \$1,000 to \$2,500. Remote Data Entry will continue to be implemented at the four remaining areas in FY 1998 with completion in early FY 1999.

Prompt Payment Reduction Initiative: The Bureau is dedicated to greatly reducing its overall prompt pay penalty percentages during the current and following fiscal years and ultimately reach levels commensurate with Department recommendations. The Bureau has obligated staff to participate on intra-Department improvement teams and develop a Bureau action plan to monitor progress. The expansion of the Remote Data Entry project described above is a key element in the Bureau's reduction effort and significant decreases are expected as that implementation effort moves forward.

In FY 1998, a Department goal was set to reach the government-wide average of no greater than 3 percent subject to interest penalties. The BIA has made improvement during FY 1998 however, it has not reached the percentage level set by the Department. The Bureau attained a cumulative 15.2 percent average through June 30, 1998. As a result, the Bureau is developing a plan for having its payments cross-serviced.

Electronic Fund Transfer Initiative: During the third quarter of FY 1998, the Bureau developed an Electronic Fund Transfer (EFT) implementation plan. The overall objective of the plan is to meet the government-wide objective for EFT. The Bureau's implementation plan will be fully implemented by January 1, 1999 and will be consistent with the Debt Collection Improvement Act of 1996.

C. Improving Management of Receivables

Implementing the Debt Collection Improvement Act of 1996: The Division has initiated a Memorandum of Agreement with the Department of the Treasury that facilitates debt collection of delinquent accounts receivables. This provided an immediate impact in FY 1997 and FY 1998 and the Bureau envisions continued reduction of delinquent accounts that eventually resolves a long-standing financial weakness for the Bureau. Additional emphasis is being placed in debt management as it pertains to irrigation receivables, loan receivables, as well as miscellaneous receivables.