

## Slide 1 Introduction

Image of the Department of Defense Seal

CBA Processing

Presented by

DFAS Norfolk

DFAS-NF

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## Slide 2 Agenda

- Objective
- Brief History
- Manual CBA Payment Process
- Mechanized CBA Payment Process, includes Assembly, Post assembly – QA, Formatting for One Pay, File Transfer to One Pay, One Pay Rework Items, and Paying the Invoice
- Summary
- Questions

There are lots of details needed to understand what happens within DFAS to process pay your invoices.

## Slide 3 Objective

- Eliminate potential for suspension of accounts
- Minimize interest penalty payments
- Maximize rebates/discounts
- Reduce cost of rework

## Slide 4 History

- Oct 96 – DFAS-CL declared mandatory replacement of Navy Government Transportation System (GTS). GTS not Y2K compliant and did not prevalidate invoices to existing obligation.
- Jan 99 – DFAS-NF began processing mechanized CBAs in One Pay by rolling up LOA's with like SDNs
- May 99 – FMSO programmed One Pay to allow CLIN processing for both manual and mechanized CBAs
- From outset, due to large volume of LOA's on each invoice, prevalidation became No. 1 obstacle in getting CBAs paid on time.

### Slide 5 CBA – Manual Process

Certified Invoice received at DFAS-NF via FEDEX (usually)

- Invoice tracking:
  - Bill removed from envelope
  - Account & invoice #s on BOA Statement double-checked
  - Tracked into One Pay using SF 1034 info
  - One Pay assigns DCN & identifies due date
- Invoice staged for payment in due date order
- Accounting Tech enters data furnished by submitting activity
- Military Entrance Processing Station (MEPS)
  - May send 2-3 LOAs (bulk Funding) or
  - Attach all travel orders & have one LOA for each order

### Slide 6 CBA - Manual Process (Continued)

- Other Activities (Non-MEPS)
  - Sends bank statement, SF-1034 & orders or
  - Sends Bank statement, SF-1034, orders & printout of Travel Agency & Bank Reconciliation (we pay from reconciliation)
- All bills go to preaval (“M” Status - lack of funds)
  - MEPS Invoices usually clear “M” status within 96 hours
  - Other invoices normally have FADA/Preval issues that extend payment time
- DFAS-NF selects invoices near due date to pay offline via manual checks to keep individual activity accounts active

### Slide 7 CBA – Mechanized Process

Assembly:

HQ-SATO submits invoices daily via email. Contents:

- Transmittal with account name, invoice #, Transactional Billing Account, bill received date, certifying UIC, net payment, # of line items
- Data Payment File w/LOA, ticket #, traveler name, amount, and trailer record with SATO bill number and file totals
- Scanned image of certified Bill Payment Summary Report

Accounting Tech assembles transmittals into batches for upload (approx. twice a week)

Example:

- Sep 2001: Uploaded 210 invoices in 7 batches, 78,286 line items, 370 batch average, ranging from 3 to 3,424 line items each

Slide 8 CBA – Mechanized Process (Continued)

POST ASSEMBLY - QA:

- DFAS-NF places erroneous transmittals in pending file & notifies HQ-SATO.  
Examples:
- Transmittal information differs from attachments
- Reconciled invoice date less than invoice receipt date
- Transmittal number previously used

Slide 9 CBA – Mechanized Process (Continued)

FORMAT FOR ONE PAY (1):

- Invoices passing assembly phase mechanically reformatted to One Pay format using data files from SATO, plus Accounting Tech input:
- Accounting Tech creates data table of invoice info not found in incoming data file:
- Generic DCN (Document Control Number) – required by One Pay
- Invoice Date (from Bill Payment Summary Report - date bill received)
- Clock Date/FIPC Date (Date DFAS-NF receives e-mail transmittal from HQ-SATO)
- Certifying UIC (Identifies NAVPTO office where Bill Payment Summary is signed)
- Bill No. (16 digit transactional account # found on Bill Payment Summary Report)
- Invoice Sequence No. (last 6 digits of invoice # on Bill Payment Summary Report)
- Disk Name (SATO's bill #, used for reference when dealing with SATO and NAVPTO's – example 019164101-A)

Slide 10 CBA – Mechanized Process (Continued)

Format for one pay (2):

Accounting Tech runs reformatting program

- In-balance invoices reformatted to One Pay format.
- Invoices rejected at this stage when total amount does not agree with sum of detail records
- HQ-SATO notified (rarely happens)
- Reformatted invoice file will contain:
- Invoice Record (“AO” Record) – Vendor information -1 per invoice  
– Example: Contract #, Vendor Name, Payment Type, etc)
- Invoice Data Record (“A2” Record) – 1 per invoice  
– Example: Invoice receipt date, FIPC date, Invoice #)
- CLIN Data Record (“A3” Records) – one record per LOA on SATO data file (includes LOA, line amount, ticket #, passenger name, departure date, etc)

### Slide 11 CBA – Mechanized Process (Continued)

Format for one pay - QA (1):

- Types of reformatting occurring during this run:
  - When no SDN is present (i.e., blank, all 9's, all 0's or "NNX999999999999"), a document # is formatted as "NNX925+julian date+incremental count")
  - Missing ACRN's replaced with "AA"
  - When AAA is "68342" transaction type replaced with "6C"
  - When BCN = "77777" transaction type replaced with "2F"
  - If Fiscal Year = "9", replace 'some' sub allotments with "0"
  - Several AAA's coming in with obvious AAA errors have been programmed to automatically correct (example: N42556 is changed to 042556, AAA 068556 is changed to 068566, etc)
- Goal is minimize errors in One Pay and attendant delays

### Slide 12 CBA – Mechanized Process (Continued)

Format for one pay - QA (2):

- All invoices batched into one file. Batched file contains header/trailer records with overall record count and amount of invoices
- Once reformatting process is complete, accounting tech runs two additional programs:
  - Program 1 lists LOAs containing missing SDNs.
  - Invoices left in batch for upload; NAVPTOs notified via e-mail to forward copies of orders containing missing SDN's to DFAS-NF (0 to 2 times per upload)
  - Program 2 performs abbreviated match of some accounting lines to CMET (Centralized Master Edit Table). This occurs for BUPERS AAA 000022 and Navy Working Capital Fund appropriation 4930. Errors are listed so DFAS-NF Systems Administrators can correct before loading to STARS.

### Slide 13 CBA – Mechanized Process (Continued)

Format for one pay - initial output tracking:

- Accounting Tech creates spreadsheet of invoices included in upload & emails to Vendor Pay Dept, NAVPTO's and CNO's office.
  - Spreadsheet contains: Contract #, Invoice # (Bill Account # plus Sequence #), Certifying UIC, Receipt Date, FIPC Received Date, Invoice Amount, SATO/NAVPTO Bill #.
- Systems Administrator appends batch file to DFAS-NF network historical file for research purposes and transfers batch to DAC Mechanicsburg for nightly processing.

#### Slide 14 CBA – Mechanized Process (Continued)

##### File Transfer to One Pay - Initial Validation (1):

- One Pay receives file transfer, validates invoices are in balance, and begins testing:
  - Accounting lines validated to CMET. Detected CMET errors listed on INFOPAC Report (IDA 135)
  - All status codes listed on IDA 135 one day only
  - Vendor Pay works CMET errors, duplicate ticket and FMS errors
  - FMS approval must be received by end of month.
    - Payment must be made in same month expenditure authority received.
    - If not paid by last week of month, must request new authority from FMS.

#### Slide 15 CBA – Mechanized Process (Continued)

##### File Transfer to One Pay - Initial Validation (2):

- SDNs & ACRNs matched to their respective Obligation Tables to determine if funds exist to cover expenditure. (STARS AAA's match to Financial Accounting Data Abstract (FADA), for Non STARS sites LOA, SDN & ACRN go to APV module to be prevalidated by AAA)
- FADA resides in One Pay and is mirror image of STARS-FL
  - FADA/FL reconciliation is run 3rd Friday of each month
  - Document deleted from FADA when accounts payable & funds disbursed equal zero
  - Remainder of documents is overlaid w/amount in FL
- Each STARS AAAs' FADA resides in their One Pay Region- important because if AAA is incorrect, One Pay will look in wrong region. Obligations established in STARS-FL take 24 to 48 working hours to post to the FADA

#### Slide 16 CBA – Mechanized Process (Continued)

##### One Pay - Rework Process (1):

- When obligation is insufficient or missing, obligation error flag is set. Obligation errors listed on INFOPAC Reports (IDA 128/IDA 129)

##### CLIIN Error Codes

- WN: No obligation on FADA. Funds need to be obligated.
- WM: Insufficient funds on FADA. Obligation needs to be increased  
One Pay automatically overrides up to \$2,500 for insufficient funds on FADA. Occurs after all other errors are cleared. Does not apply to DBOF (4930) lines or Reimbursable LOAs.
- G\_\_ : Non-STARS AAA. Prevalidation request through APV
- FA reviews missing obligation reports; establishes obligations as needed. DFAS-NF corrects CMET and SDN errors as requested by FA

### Slide 17 CBA – Mechanized Process (Continued)

#### One pay - Rework Process (2):

- Invoices which have not been cleared for payment recycled and updated nightly with new status codes as appropriate.
- Once all obligation requests satisfied and CMET errors cleared, invoice flagged for payment on Prompt Pay Date.

#### Status Codes from One Pay

A: Additional data needed (Invoices do not recycle)

M: Suspended from Payment - funds insufficient

V: Valid for payment

Q: Cash Management Queue (Processed & waiting selection for payment)

D: Disbursed not reconciled

- By direction of HQ-DFAS, payment date is changed to soonest possible pay date.

### Slide 18 CBA – Mechanized Process (Continued)

#### Paying the invoice...finally!

- Automated EFT – mechanized CBAs and some BOA vendor IDs for manual CBAs paid by EFT payments once invoices cleared of error messages.
- On exception basis only, some offline check payments made where account payments overdue or account in danger of suspension. Done to support operational matters.

### Slide 19 Summary

- Although significant improvement over past 18 months, current CBA payment procedure still lengthy and cumbersome
- Automated feed from SATO to One Pay needed; however automated feed without upfront CMET edits would not be advantageous.
- Current batch processing procedures contain many built in edits and fixes still needed because:
  - #1 – SATO programs do not contain CMET edits
  - #2 – Making LOA corrections in One Pay currently tedious process - system changes to ease situation currently scheduled for 2/2002
- Regardless of transmission vehicles, finding solutions to getting LOA's obligated is still our biggest challenge.

Invoice Data and Payment Flowcharts in subsequent slides provided for reference

### Slide 20 Manual CBA Invoices

This bar graph illustrates the amount (in dollars) the Navy paid monthly on manual CBA invoices in STARS, offline, and in total payments from October 2000 through October 2001. Total payments were highest in October 2000. The three tables below provide supporting data for the bar graph.

NAVY	Oct-00	Nov-00	Dec-00	1-Jan	1-Feb
Paid in STARS	\$770,616.77	\$223,984.62	\$726,752.16	\$663,648.55	\$1,001,163.04
Paid Offline	\$1,558,944.21	\$106,270.64	\$1,035,805.30	\$0	\$671,827.44
Total Payments	\$2,329,560.98	\$330,255.26	\$1,762,557.46	\$663,648.55	\$1,672,990.48

NAVY	1-Mar	1-Apr	1-May	1-Jun
Paid in STARS	\$732,492.45	\$320,589.75	\$519,037.35	\$285,700.80
Paid Offline	\$1,329,856.34	\$564,622.91	\$585,723.64	\$526,393.47
Total Payments	\$2,062,348.79	\$885,212.66	\$1,104,760.99	\$812,094.27

NAVY	1-Jul	1-Aug	1-Sep	1-Oct
Paid in STARS	\$354,097.48	\$584,269.73	\$729,316.41	\$659,808.93
Paid Offline	\$749,003.56	\$743,733.53	\$762,331.91	\$1,021,523.34
Total Payments	\$1,103,101.04	\$1,328,003.26	\$1,491,648.32	\$1,681,332.27

### Slide 21 Mechanized CBA Invoices Navy

This bar graph illustrates the amount (in dollars) the Navy paid monthly on mechanized CBA invoices in STARS, offline, and in total payments from October 2000 through October 2001. Total payments were highest in December 2000. The three tables below provide supporting data for the bar graph.

NAVY	Oct-00	Nov-00	Dec-00	1-Jan	1-Feb
Paid in STARS	\$2,301,353.36	\$6,613,987.65	\$12,828,807.17	\$12,746,384.06	\$10,816,716.68
Paid Offline	\$1,4833,658.04	\$2,074,297.04	\$24,507,197.03	\$11,708,996.52	\$7,134,076.28
Total Payments	\$17,135,011.40	\$8,688,284.69	\$37,336,004.20	\$24,455,380.58	\$17,950,792.96

NAVY	1-Mar	1-Apr	1-May	1-Jun
Paid in STARS	12,370,136.62	18,284,833.58	18,254,554.15	19,624,099.46
Paid Offline	14,891,740.82	4,927,576.58	5,339,910.47	8,461,506.13
Total Payments	27,261,877.44	23,212,410.16	23,594,464.62	28,085,605.59

NAVY	1-Jul	1-Aug	1-Sep	1-Oct
Paid in STARS	\$18,830,579.43	\$17,663,860.00	\$14,070,364.38	\$17,617,526.44
Paid Offline	\$9,534,012.52	\$10,611,398.17	\$6,964,012.36	\$6,922,534.11
Total Payments	\$28,364,591.95	\$28,275,258.17	\$21,034,376.74	\$24,540,060.55

Slide 22 Combined CBA Invoices Navy

This bar graph illustrates the amount (in dollars) the Navy paid monthly on both manual and mechanized CBA invoices in STARS, offline, and in total payments from October 2000 through October 2001. Total payments were highest in December 2000. The three tables below provide supporting data for the bar graph.

NAVY	Oct-00	Nov-00	Dec-00	1-Jan	1-Feb
Paid in STARS	\$3,071,970.13	\$6,837,972.27	\$13,555,559.33	\$13,410,032.61	\$11,817,879.72
Paid Offline	\$16,392,602.25	\$2,180,567.68	\$25,543,002.33	\$11,708,996.52	\$7,805,903.72
Total Payments	\$19,464,572.38	\$9,018,539.95	\$39,098,561.66	\$25,119,029.13	\$19,623,783.44

NAVY	1-Mar	1-Apr	1-May	1-Jun
Paid in STARS	\$13,102,629.07	\$18,605,423.33	\$18,773,591.50	\$19,909,800.26
Paid Offline	\$16,221,597.16	\$5,492,199.49	\$5,925,634.11	\$8,987,899.60
Total Payments	\$29,324,226.23	\$24,097,622.82	\$24,699,225.61	\$28,897,699.86

NAVY	1-Jul	1-Aug	1-Sep	1-Oct
Paid in STARS	\$19,184,676.91	\$18,248,129.73	\$14,799,680.79	\$18,277,335.37
Paid Offline	\$10,283,016.08	\$11,355,131.70	\$7,726,344.27	\$7,944,057.45
Total Payments	\$29,467,692.99	\$29,603,261.43	\$22,526,025.06	\$26,221,392.82

Slide 23 Payment of CBAs in STARS One Bill Pay

The flow chart shows the process for payment of CBAs in STARS One Bill Pay.

The process begins with pasting the email transmission (with an attached copy of the certified voucher from HQ-SATO Arlington) into DFAS Matrix Analysis Division (Systems). From DFAS Matrix Analysis Division (Systems), the file is sent in two directions: one for compression of the previous day's "Diners.txt" files, which are then sent to online storage, and the other for copy to the current day's files to network, which then converts payment data files to the STARS invoice format (this process is automated). Computed totals are then compared against vouchers.

#### Slide 24 Payment of CBAs in STARS One Bill Pay (Continued)

Continuation from previous slide, after the comparison is complete if all is in agreement the file is past to Testing for Missing SDN's and if no SDN's are missing the file is sent in three directions. One to create an Excel Log file for Control (automated process) and then forward Copies of Log files to Systems Vendor Pay Personnel, NAVPTOs and CNO (for research). The second place the file is sent is to Append STARS Invoice Transactions to History File (for research), and finally the third place the file is sent is FTP STARS Invoice File to DAC Mech. which passes the file to STARS One Bill Pay Nightly Batch Run and finally to BOA Transactions Merged with all input Transactions for STARS run. These files are sent to Accounting Lines Validation.

If Voucher Totals do not match the HQ-SATO is notified of the Out-of Balance condition the file is printed out and errors are corrected and sent back through the beginning of the Payment process.

If there is a SDN that is missing, a request is sent to NAVPTOs to fax a copy of orders and then appropriate corrections are made as the file completes processing

#### Slide 25 Payment of CBAs in STARS One Bill Pay (Continued)

Continuation from previous slide, the Accounting Lines Validation are compared to the CMET and if the transactions are valid they are matched to Obligation Tables. If obligation is present the file is checked against CMET for errors. If one exists then Invoice is flagged for Payment on Prompt Pay Date, Payment Date is changed to Pay ASAP and process is complete. However if Accounting lines are not valid then Invalid lines are flagged with error message and listed on INFOPAC report for reconciliation. If obligation is not present an Obligation error Flag is set on Transactions and the Obligation Error is listed on the INFOPAC report for reconciliation. When errors are corrected Original prevail Request are cancelled and New Request is issued and recycled through prevail process again for payment.