

NAFSGL Working Group Meeting Minutes

Thursday, June 16, 2016

9:00 AM – 10:30 AM EST

Attendees

- MC&FP
 - Mike Kelly, Mike Curtis, Paulette Freese
- Army IMCOM G-9
 - Paul Burk, Bryan Hartsell, Tina Hudson, Sonia Daugherty
- Air Force Services Activity
 - Jane Belinfante, Katie Brindle, Tom Marsh
- USMC MCCA
 - Courtney Pulis
- DFAS – Indianapolis
 - La Zaleus Leach
- Navy Secretariat
 - Pam Beward
- Navy CNIC
 - Daryl Davis, Nancy Stephens, Jennifer Wilkinson
- Navy OPNAV N46
 - Carol Casto
- Grant Thornton (GT)
 - Ariane Whittemore, Jeremy Blain, Dave Arnold, Sara Carver, Ashley Beveridge, Mike Casias

Action Items from Previous Meeting

- MC&FP will reach to Washington HQ Services' Joint Service and OSD CAPE point of contacts for information regarding Tableau Server options. **COMPLETE**
- MC&FP will prepare draft OSD policy guidance to Services on how to request a waiver of the October 1, 2016 deadline for NAFSGL implementation. The goal is to have this guidance ready in the June timeframe. Mr. Mike Curtis also noted that the guidance will provide a recommended, but not necessarily mandatory, format for Services' waiver request submissions. He also acknowledged the Services will all likely need to implement a crosswalk approach for some period of time in FY17 in order to meet MWR data reporting in the new SGL format. **COMPLETE**

Action Items Still Open

- MC&FP will follow up with USMC offline regarding outstanding questions about potentially breaking the NAFSGL cost centers structure down into additional category details and address to the group in the future.
- MC&FP will discuss questions around gifts and donations accounting policy (i.e. if you receive money for gift funds, does it go to NAF or back to the Services' gift fund) offline in the coming weeks with the Services. Ms. Zel Leach offered to help identify OSD (Comptroller) contacts for gifts/donations policy interpretation.

Welcome and Introductions – Mr. Mike Kelly, Director, MWR & Resale Policy

- Mr. Mike Kelly opened up the working group meeting and thanked everyone for attending and appreciates the efforts that everyone has put into this group. This will be the last meeting he kicks off as he is detailed as Chief of Staff for Assistant Secretary of Defense for Manpower and Reserve Affairs. Mr. Curtis thanked Mr. Kelly for his tremendous leadership and support during the life of the NAF Accounting Working Group.

General OSD Update – Mr. Mike Curtis, MWR & Resale Policy

- Mr. Curtis walked through the meeting minutes and outstanding items from April. He informed the group that the FY 2015 Program and Metric report data has been input into the repository. MC&FP is going through the one-on-one sessions to go through trends, anomalies, and missing data. MC&FP and Grant Thornton met with the USMC in May and the Air Force and Army in June. They plan to meet with the Navy later this summer/early fall.
- Mr. Curtis informed the Services that MC&FP is looking into Tableau Server as a solution so everyone can access it through a website. They are talking to the Office of Cost Assessment and Program Evaluation (CAPE) within DoD. CAPE is currently using Tableau Server. Mr. Curtis informed the Services that they can download Tableau Desktop (Developer) or Tableau Reader and use the repository and view visualizations if they are able to (i.e. if their local IT folks allow it). Training will also be available in the future for anyone who needs it. The best option for now will be the Tableau Server solution.
 - Army had successfully installed Tableau Reader.
 - USMC has Tableau Reader installed.
 - Air Force has not been able to install.
- Mr. Curtis surveyed the group to see what type of web conferencing capabilities each Service has for future Tableau demos and training. MC&FP and Grant Thornton were successful using Microsoft Lync.
 - Army – use Defense Collaboration Service (DCS) and GoToMeeting
 - Navy – use DCS and Adobe Connect for training session worldwide; allows for hundreds of users
 - USMC – use Lync and WebEx
 - Air Force – use DCS; have Lync but the shared screen feature is disabled at JBSA
 - DFAS (Zel) – use instant messaging to share screens but unsure of product; have DCS
- Regarding the recent one-on-one sessions at San Antonio, Paulette Freese informed the group that they will be putting a note in the repository for some of anomalies and outliers that will stand forever to describe the reason so it will always be noted. These were mostly changes in accounting methods throughout the year. Grant Thornton brought up 3 other points discussed at the one on one session:
 1. Accounting policy treatment for severance pay for overseas base closures
 2. Creating a DoD NAF IT policy - possibly look at AAFES and DECA as examples
 3. Help to create a NAF contracting course and issue with NAF HR policies and portability among Services
 - Mr. Paul Burk from Army agrees that we need to do something in Tableau that documents the anomalies each year. This will help maintain the knowledge when people retire or leave the Service. The Army (and perhaps other Services) need domain knowledge – trying to fit their NAF IT systems into the appropriated fund domain and not all of that fits in neatly. It would also be wise to have a service-wide discussion on NAF construction to share best practices.

- Mr. Curtis agreed and while the NAF personnel policy is not in their portfolio, they are trying to work with the NAF benefits office (Defense Civilian Personnel Advisory Service) to discuss the policies that do involve NAF funds (Retirement funds, 401K funds, etc.). Regarding overseas base closures, there is a policy in DoDI 1015.15 saying there should be an accrual made for those costs.
 - Army says they treat overseas local national NAF employee severance like any other severance that they would end up paying. If it's truly a NAF employee, then they use severance funds.
 - Air Force says the overseas environment varies so greatly and they don't own the realignment/closure action. They really don't own the overseas NAF workforce so when higher HQs decides to close a base or make a reduction, APF and NAF personnel are treated as one workforce, therefore Air Force SVA doesn't know how many people, when, or the total amount of bill.
 - Navy sets some money aside at the region level or local level for that liability but it varies country by country and SOFA by SOFA. They have an internal CNIC instruction for the foreign national liability that they will send out.
 - USMC is aware of the Government of Japan (GOJ) actions and movement of Marines to Guam. Ms. Courtney Pulis would get some information from the CFO in Okinawa to see what they are doing and ensure they are following policy.
- Mr. Curtis informed the group that the NAFSGL implementation waivers are being worked but a tasker will go out soon. MC&FP will be asking for some information regarding the implementation delay and the Services should start thinking and planning for this. Mr. Curtis surveyed the group for their status of NAFSGL implementation:
 - Navy has no significant developments. They started working on the crosswalk. They are in process of hiring a project lead for the MIS project roll-out. Their first priority is upgrading their payroll system.
 - USMC has released all codes, not including the GL account codes, to the systems support group who will start aligning the system tables to accommodate the mapping. There are about 5% of the codes they are holding – one set of codes is the Semper Fit program to come to agreements on the mapping. They also have some food and beverage restructuring to align their cost centers by facility.
 - Air Force is complete with the crosswalks.
 - Army has been meeting with the Services and they are looking at partnering or getting their own system. At that time, they plan to move straight to the NAFSGL.
- Deputy Secretary of Defense (Dr. Work) has directed the Deputy Chief Management Office (DCMO) to facilitate the creation of a single standardized general ledger for the Exchanges. The meeting is scheduled for July. There will be a two week rapid improvement event (July 11-22). MC&FP plans to report out the progress at the next Working Group meeting.

Open Discussion – Mr. Mike Curtis, MWR & Resale Policy

- Ms. Paulette Freese brought up the discussion around funding requests from the Services. They will be based on Service priorities, recommendations from Working Group priorities, and then go to MC&FP leadership for final determination.
- Ms. Zel Leach asked a question to the group around approval for retained earning adjustments regarding a prior year adjustment.
 - Air Force - higher headquarters at the Secretariat level approves. At the installation level, they can disapprove but for approval they go outside to their financial oversight

office. For central funds, approval and disapproval is done by the financial oversight office.

- Army – IMCOM G9 approves
- USMC – MCCC HQs approves; the entry is submitted through an official letter that they then research and make recommendations. Once approved, they send a formal letter back to installation that submitted it.
- Navy – They have had no material adjustments in recent memory. CNIC HQs would approval any adjustment. They have adjusted their internal policy to conform to the policy in the FMR.
- Air Force recommended reading the FASB Statement on prior period adjustments to ensure the entry does not mislead the financial statements. DFAS (Ms. Leach) stated this would be considered in the next FMR Vol 13 revision.

Wrap up – Mr. Mike Curtis, MWR & Resale Policy

- Mr. Curtis wrapped up the meeting by stating the next working group session is planned for July 28, 2016.