

NAFSGL Working Group Meeting Minutes

Thursday, December 18, 2014

9:00 AM – 12:00 PM

Attendees: Justin Hall, Mike Curtis (MC&FP), Zel Leach (DFAS-IN), Anthony Wisdom (OUSD), Daryl Davis, Nancy Stephens, Dan Kondziela, Jason Philips (Navy CNIC), Mitch Covington (Army DFAS), Bryan Hartsell, Sonia Daugherty (Army IMCOM), Cheryl Basil (Air Force MWR AF SVA/SVF), Pat Craddock and Courtney Pulis (USMC), Jeremy Blain, Mark Douek, Tina Cooper (Grant Thornton)

Action Items Summary:

Grant Thornton

- Grant Thornton to work out last remaining issues and push out the final account code elements in late December or early January.
- Grant Thornton to meet with IT leads for all Services to ensure Services can implement the account code elements.
- Grant Thornton to research appropriate name for the board based on commercial practice.
- GT to reach out to Services in early 2015 to learn what each Service has to do to meet their reporting requirements.
- GT to reach out to Service IT leads to discuss how they plan on implementing the changes and to identify areas where change management will help Services more effectively roll out the new system.
- GT to reach out to leadership in February to give an update on the NAFSGL progress.
- GT to add breaks between the numbering of funds separated by program group.
- GT to determine how to accurately report the Child Care activity.

Justin Hall

- Justin and others will look at the board mission statement and decide what areas to include. Treasury might be outside the scope of the board.
- Justin to find out if it is ok to report the joint bases as separate installations

Services

- Services to look at cost centers for each activity and let GT know if any are missing or should be deleted.
- Services to provide names and information of members who participated in this project. The information is needed to nominate the group for the award.

Welcome and Introductions – Mr. Justin Hall, MWR & Resale Policy

- Introduced Tony Wisdom from OUSD. He is taking on Claire's portfolio of work and will be working on NAF financial management policy.
- Introduced Mike Curtis. He has extensive experience at all levels from the base level to the Department of Army level. He has many qualifications including a CPA and is knowledgeable of NAF issues and challenges.
- Mike Kelly is on leave. He appreciates all the hard work that the group has put in to make all these changes.

Initiative Status Update – Mr. Jeremy Blain, Grant Thornton

- Grant Thornton conducted individual phone calls with all the Services to work out final account code element issues. Most issues have been addressed.
- The goal is to have all parties concur when the deliverables are formally packaged. The important part is to make sure everyone can agree on the overall framework and numbering system. Details like the need for an additional cost center can always be added later using the Account Standards Board. Smaller issues like adding cost centers should not stop the package from being approved.
- Grant Thornton made some revisions to the account code elements since the last working group. This includes the numbering system for the activities and cost centers.
- **Action Item:** Grant Thornton to work out last remaining issues and push out the final account code elements in late December or early January.
- **Action Item:** Grant Thornton to meet with IT leads for all Services to ensure Services can implement the account code elements.

NAF Accounting Standards Board – Mr. Justin Hall, MWR & Resale Policy

- The charter document is a draft. Goal is to get input from WG on how the board should be organized and what it will be responsible for.
- We want a formal process to effect change and to review input. This is not limited only to the documents we are formulating now. It also can extend to other financial management policies that effect operations.
- The board will agree on formal recommendations that will then be approved and published in the normal coordination process.
- The board includes representatives from the working group members as well as representatives from the Secretariat level and from AAFES and NEXCOM.
- Board meeting will be designed to follow both the MWR and Resale fiscal years.
- Daryl Davis from Navy suggested that we rename the board as the “NAF Financial Management Standards Board” since the members will discuss more than just accounting. Also suggested to include topics like budgeting and treasury.
- Zel – Asked if meeting 3 or 4 times a year is sufficient.
 - Justin – This working group will continue to meet as necessary to make more urgent decisions.
- All Services agreed that the board is a good idea to implement and that it will help increase cross-Service communication and cohesiveness.
- Justin concluded by saying that he wants to create a package with signatures to formally coordinate the creation of the board.
- **Action Item:** Grant Thornton to research appropriate name for the board based on commercial practice.
- **Action Item:** Justin and others will look at the board mission statement and decide what areas to include. Treasury might be outside the scope of the board.

NAF Reporting Process and Data Repository Overview/Next Steps – Ms. Tina Cooper, GT

- Goal is to create a data repository that will tie into our new account code elements and will make it easy to pull all sorts of financial data for the OSD reports.
- Justin – The 1015.15 report was cancelled but Carol Potter needed all of the information in that report so she modified her other reports to get that information. Even though OSD is not asking for the 1015.15 report right now, the Services should still create the report.

- **Action Item:** GT to reach out to Services in early 2015 to learn what each Service has to do to meet their reporting requirements.

Change Management Update – Ms. Tracy McLoughlin, GT

- Once the account code element package is approved we will go ahead and initiate the awareness campaign for stakeholders who are not currently aware of the project or of the progress made.
- GT will work with the Services to identify what is needed in their “toolkits” to effect the change.
- **Action Item:** GT to reach out to Service IT leads to discuss how they plan on implementing the changes and to identify areas where change management will help Services more effectively roll out the new system.
- **Action Item:** GT to reach out to leadership in February to give an update on the NAFSGL progress.

Review Common Account Code Elements – Mr. Jeremy Blain, GT

- The activities and cost centers are now housed on one tab. The order has also changed. The order now reflects a combination of activities managed together (ex. Bowling centers of 16 lanes or less and more than 16 lanes grouped together), ordering by size of operations, and some alphabetical ordering.
- We no longer have a list of common cost centers that can be applied to multiple activities since that led to confusion. We placed all the relevant common cost centers with their appropriate activities. A cost center that is repeated under multiple activities will always have the same cost center code.
- There are new special activities and cost centers for supplemental activities and special purpose funds. These are to be used when there is no appropriate activity to denote the use of these funds.
- There was discussion over whether or not individual bases on a Joint Base should be listed on the installation tab as separate bases or as only the Joint Base. Services argued that it is helpful for them to list the bases separately since they receive data calls pertaining to individual bases on a joint base.
 - Justin noted that the MWR activity on a joint base typically has one manager for all related operations on all the bases and therefore should fall under only one installation. OSD needs the Joint Base information. Services can use the two digit site code to identify which base the activity took place on.
- Resolved that the Financial Management Fund is an Air Force only fund.
- Air Force needs a marathon fund as well.
- Resolved to merge the military academy funds and delete the school lunch fund.
- Jeremy walked the WG through the account code examples on the PowerPoint slide.
- There was some discussion about whether “00” should denote “no site” under the site code digits. Army raised a concern that there can be multiple “no site” cost centers. However, when combined with the activity code, the “00” designation is sufficient.
- Resolved that a themed restaurant is one where the theme is MWR created like Strike Zone. A named brand restaurant is a private label like Chili’s.
- OSD needs separate reporting for TDY and PCS lodging so those two activities should not be combined.
- Resolved to keep the special interest activities as separate activities.

- Daryl pointed out that Fisher House should belong under program group 4 according to DoDI 1015.15.
- The account code elements will soon be packaged with a memo for concurrence.
 - Navy does not think it is ready to concur. Wants to try out scenarios to make sure it works for them. Navy is ready to concur on the COA only.
- **Action Item:** Services to look at cost centers for each activity and let GT know if any are missing or should be deleted.
- **Action Item:** Justin to find out if it is ok to report the joint bases as separate installations
- **Action Item:** GT to add breaks between the numbering of funds separated by program group.
- **Action Item:** GT to determine how to accurately report the Child Care activity.

Wrap-up – Mr. Justin Hall, MWR & Resale Policy

- The next working group meeting will take place on 1/22/2015.
- If there are items anyone in the working group wants to discuss that are not on the agenda please let us know and we will add the issue to the agenda.
- We want to nominate this group for an official award to recognize all that has been accomplished.
- **Action Item:** Services to provide names and information of members who participated in this project. The information is needed to nominate the group for the award.