

MONTHLY MEPRS FINANCIAL RECONCILIATION

PURPOSE: Ensure the financial expense and obligation data reported in the MTF's Medical Expense and Performance Reporting System (MEPRS) is consistent with that reported in the MTF's Standard Army Financial System (STANFINS).

Establish the AMEDD MEPRS financial reconciliation procedures. Reconciliation is defined as the ability to identify and document differences between data values input into MEPRS and those in source documents or finance system. The reconciliation will verify, explain, and validate the difference.

DEFINITION OF TERMS:

Direct Obligations / Direct Expenses: As in all cost accounting systems, use of the term "Direct" in MEPRS has a vastly different meaning than in Resources Management Budgeting and STANFINS accounting activities.

For MTF budget and STANFINS accounting purposes, "**Direct**" expenses or obligations are limited to Congressionally appropriated dollars, specifically allocated to the MTF, with which it is to perform its missions.

In MEPRS, the term "**Direct**" means that the Obligation or Expense amounts are attributed to a single MTF cost center (MEPRS/Functional Cost Code). Thus, MEPRS Direct Expenses/Obligations include Congressionally allocated funds, funds from Reimbursable Orders, funds from Third Party Collections, and funds from any other source which for accounting purposes, relates to a specific cost center.

Accrued Expenses: MEPRS Expenses are "Accrued Expenses". MEPRS costs are expensed at the time the goods or services are received by the MTF, regardless of the fiscal year in which the obligation occurred. For example, items purchased with FY 97 obligations but not received until FY 99 is accrued to FY 99 for MEPRS costing purposes. Adjustments to expenses during the current fiscal year, even though they pertain to a prior year obligation, are included for MEPRS purposes. Conversely, STANFINS reflects all expense transactions to the actual fiscal year of the obligation (e.g., FY 97).

MEPRS Obligations: Only "Current Year Obligations" and their adjustments are reported in MEPRS. Adjustments to or de-obligation of an obligation made in a prior fiscal year are not included in MEPRS even though the adjustment or de-obligation occurs in the current fiscal year.

Responsible personnel: MTF Resource Manager, Budget, Military/Civilian Personnel Office and MEPRS personnel.

Process: The MEPRS Expense Assignment System is an automated system which assigns direct costs and allocates and distributes all overhead, base operations support, ancillary support, and other costs incurred by the MTF, according to a standard MHS costing methodology. This includes both patient care and non-patient care MTF/DTF and veterinary activities.

Each Service uses different finance and accounting systems to obtain and process MTF financial and labor data. The Army uses a financial data file from STANFINS (i.e., the TQFAVK File). It incorporates supply, equipment, travel, transportation, contract dollars, and other costs. STANFINS **is not** the financial source system for Army civilian or military pay data used in MEPRS. The Army uses data files from the Uniform Chart of Accounts Personnel Utilization System (UCAPERS) for salaries and man-hours of civilian and military personnel. Civilian pay data is automatically merged into UCAPERS from a data file provided from the Defense Civilian Pay System (DCPS).

The data from both UCAPERS and the STANFINS TQFAVK are imported and accepted into the Expense Assignment System (EAS) through the EAS IV System Interface function. During validation, EAS IV Tri-service business rules are applied to incoming data. Inconsistencies generate exceptions which are classified as errors or warnings and must be addressed. Once exceptions/warnings are corrected, the data is migrated into the EAS IV Direct Expense Accepted Report. The EAS IV Direct Expense Accepted Report contains three schedule types of data: financial, personnel, and manual. When the data are prepared for transmission to the EAS IV Repository, the Army Service-unique data elements are mapped to DoD data elements. For example, Element of Resource (EOR), Army Management Structure Codes (AMSCOs), and Basic Symbol/Limit codes are mapped to standard MEPRS Standard Element of Expense codes (SEECs), standard MEPRS Program Element Codes (PECs), and standard MEPRS Basic Symbol/Limit codes, respectively.

NOTE: Financial data to be reported in MEPRS are not limited to Defense Health Program resources or Army Operations and Maintenance Appropriation resources. MEPRS identifies and tracks ALL expenses from ALL sources passing through the MTF by AMSCO, EOR, Basic Symbol, Limitation, and FCC/MEPRS Codes.

Business Rules:

Any financial data changes/adjustments made in your monthly MEPRS reporting that differs from the STANFINS TQFAVK file data must be documented in your monthly reconciliation. This report must be signed by the Resource Manager or budget officer and maintained on file for 5 years with the MEPRS reports. This data must be available for audit/review anytime during the five-year time frame.

MTF Budget and MEPRS personnel must jointly verify the accuracy of the MTF's STANFINS Account Processing Code (APC) Master File. All Army MTF APCs must be mapped to a corresponding Functional Cost Code (FCC)/MEPRS Code to ensure that all expense and obligation data identified in STANFINS is also in MEPRS. The file must be

kept current throughout the year. This coordination process must be documented and auditable.

MTF MEPRS and Budget Office personnel must coordinate before assigning any EOR, AMSCO, Source of Fund (SOF), Basic Symbol/Limit (BSL), Appropriation, or FCC/MEPRS code to any financial record manually entered into MEPRS. These include “free receipts” such as non-reimbursed BASEOPS, Depreciation, Resource Sharing costs, etc.

Note: MEPRS SUEE/Object Class 41FR is used to identify free receipts. The manually entered MEPRS expense record is assigned to the Basic Symbol/Limitation code of 0130.FREE.

Reconciliation Frequency: Each month MTF MEPRS personnel, in conjunction with the budget officer, will perform the monthly reconciliation procedures.

Reconciliation official: The Resource Manager is responsible for ensuring that the reconciliation procedures are conducted and documented at the MTF. Documentation including dates of reconciliation, noted deficiencies/corrective actions must be retained for audit for five years.

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Reconciliation Procedure: The MEPRS financial data source system is STANFINS. Monthly, each site receives an electronic data file (the STANFINS TQFAVK) from finance. This file contains all (5) years of expense and obligation data. The RCS-218 Budget Report is also known as AVK-329 Status of AOB. For these reconciliation instructions, it is referred to as the RCS-218 Budget Report.

1. Verify the EAS IV Financial Pure Data Report to the RCS-218 Budget Report. This step is to ensure that the data file received in the STANFINS Financial Data File (TQFAVK) contains the same numeric data values as those reflected on the RCS-218 Budget Report. **NOTE: If all accounting classifications used at your MTF are not on the EAS IV Pure Data Report, then contact your finance office to have them added.**
 - a. Download STANFINS file from the DFAS Corporate Server, copy and import the STANFINS Financial Data File (TQFAVK) file into EAS IV. During the import process, DMIS IDs, Source of Funds, and SUEEs/EORs are mapped according to the business rules and master code tables (ASD, DMIS ID, PEC, SUEE). Deletions and mapping of the deleted EOR's in the AR 37-100 will cause EAS IV to map a STANFINS EOR to a new SUEE (EOR), if one is available on the SUEE Table. These SUEE mappings can be viewed in the EAS IV Import Results tab.
 - b. The **EAS IV Pure File Financial Data** is data that has been converted to an EAS IV format but not altered by a user.

- 1) Go to System Interface:
 - a) Select the tab “Pure File Data”
 - b) Select Source Data System Name “STANFINS”, “Calendar Month, and Calendar Year.
 - c) Select the Print Function at the bottom of the screen. This will create a Business Objects report. Filter data by obligation fiscal year and, using the slice and dice panel, add calculators to the total expenses and obligations columns within accounting classification (this will format the report to show Totals Obligations and Expenses by years.) This report contains the STANFINS Financial Data File received in EAS IV and is used to reconcile to the RCS-218 Budget Report. The Totals of these two reports must match.
 - d) The EAS IV Pure File Financial Data contains data by the following schedule types: P – personnel, F- financial, E – empty (records that either have been mapped to another SUEE or do not have mappings that will result in EAS IV exceptions.
 - e) STANFINS Personnel expense data is provided in the Pure File Financial Data for reconciliation only. Personnel expense data used by MEPRS are provided from UCAPERS.
- 2) Record information on the RCS-218 Reconciliation spreadsheet (sample provided in attachment 1).

c. From the 218 Report extract by fiscal year:

Section 1: Sources of Funding - Direct (D) Schedule 1: Primary Data (DEOBL)
 Section 2: Sources of Funding - Automatic (A) Schedule 2: Expenses
 Section 2: Sources of Funding - Funded (F) Schedule 1: Primary Data
 Section 2: Sources of Funding - Funded (F) Schedule 2: Expenses
 Section 3: Sources of Funding - Direct (A) Schedule 1: Expenses

Total all expenses and obligations by accounting classification, accounting year and limitation. Record information on the RCS-218 Reconciliation spreadsheet.

d. If the RCS-218 Budget Report and EAS IV Pure File Financial Data match, then proceed to the next step. If the reports do not match, identify where the problem is and then contact your budget officer or finance for resolution.

2. Enter manual expense data (NAF, free receipt, base operations, depreciation, and resource sharing) that are not received from STANFINS.

3. Validate the imported financial file. EAS IV performs validation on the imported financial data to ensure that all code combinations are allowed by the business rules and master code tables. When validation finds an exception, EAS IV generates validation warnings or errors. All warnings and errors must be addressed prior to data migrating into EAS IV for allocation. All corrections are reflected in the EAS IV Audit Reports, EAS IV Audit Report by Date, and EAS IV Financial Audit Report by Fiscal Year/Month.

4. Data is migrated into EAS IV after all exceptions have been addressed. Any other manual financial adjustments or corrections to data received from STANFINS can be performed at this time.

NOTE: Obligation data received from STANFINS should not be adjusted.

UCAPERS

The civilian labor expense data source is the Defense Civilian Pay System (DCPS). However, DCPS does not support labor expense allocation as required by MEPRS. Therefore, labor expense data from DCPS is fed into UCAPERS for allocation of labor expense based upon where the actual labor is performed. The civilian labor expense reflected in STANFINS normally reflects the work center the employee was hired against.

MTF Budget, Civilian Personnel and MEPRS Offices must verify MTF civilian pay data elements are reflected between Budget Labor Cost Reports and MEPRS. The DCPS tape is accepted on a bi-weekly basis into UCAPERS. Once the DCPS file is copied and processing is requested, two discrepancy reports are generated. The name of the report is UCA Personnel Utilization System Civilian on the Master Personnel with Incomplete Pay Data and the other report is UCA Personnel Utilization System Civilian Pay Data not on the Master Personnel File. The types of discrepancies are: personnel not added on the MPF, pay grade, incorrect SSN, or personnel that have PCS'd still receiving some type of leave or benefit pay. The discrepancy must be corrected. The UCAPERS Master Personnel file needs correction if there are incorrect SSNs, a name change, change of grade, adding a PCS date or adding someone to the Master Personnel File.

The source system for Military labor expense data is UCAPERS. Using a composite military pay table, UCAPERS assigns a labor expense based on military pay grade by MEPRS/FCC code. MTF Military Personnel and MEPRS Offices must validate the UCAPERS Master Personnel file to ensure that the grades of all assigned/borrowed and reserve military are accurately reflected.

During monthly UCAPERS processing, UCAPERS will generate the UCAPERS EAS IV Data Audit Report. This report contains labor expense data for all personnel supporting the MTF except volunteers, patient/prisoner, OGP, and contract personnel. This report must be retained for audit.

1. **Verify** personnel data received in EAS IV. This step is to ensure that the data file received in the UCAPERS data file contains the same numeric data values as those reflected on the UCAPERS EAS IV Data Audit Report.
 - a. Copy and import the UCAPERS personnel source data file. During the import process, SUEEs/EORs and Source of Funds are mapped according to the business rules and master code tables. This process also converts the UCAPERS data to EAS IV data.
 - b. The EAS IV Pure File Personnel Data are imported personnel data that have been converted to an EAS IV format but not adjusted by a user.
 - 1) Select the print function at the bottom of the screen. This creates a Business Objects report. Print the last page of the EAS IV Pure Personnel Data File and compare the grand totals of this report to the total from the UCAPERS EAS IV Data Audit Report. The totals must match. These two pages must be retained for audit purposes.
 - 2) If totals match, then proceed to the next step. If totals disagree, contact Army MEPRS Functional Support for assistance.
 - c. Record the amounts on the EAS IV Reconciliation spreadsheet.
2. Enter any labor expense data not received from UCAPERS (i.e., the report generated by DCPS name Civilian Pay data not on the Master Personnel Files at this time. Those salaries need to be manually added to the FCC work center where they were assigned, resource sharing etc.).
3. Validate the imported UCAPERS personnel file. During validation, EAS IV checks the imported personnel file to ensure that all codes and combinations are allowed by the business rules and master code tables (Occupation Code Table, DMIS ID, ASD, and Personnel Category). When exceptions to the business rules or master tables are found, EAS IV generates errors or warnings. All errors or warnings must be addressed before migration of personnel data can occur. Verify any discrepancy with the UCAPERS EAS IV Data Audit Report, EAS IV Personnel Audit Report by Date, and the EAS IV Personnel Audit Report by Fiscal Year/Month.
4. Data will migrate into EAS IV for allocation after all errors and warnings are addressed. Any other labor hour or cost adjustments to EAS IV data can be performed at this time.

FINAL RECONCILIATION:

1. Reconcile the EAS IV Direct Expense Accepted Report to the EAS IV Financial Pure Data Report, and the Manual Adjustments.

- a. Filter the Direct Expense Accepted Report by schedule type (personnel, financial, manual). The grand total year-to-date expense of the financial schedule should equal the total of the EAS IV Financial Pure Data Report +/- any adjustments that will be reflected on the EAS IV Financial Audit Report by Fiscal Year/Month.
 - b. The personnel schedule of the EAS IV Direct Expense Accepted report reflects year-to-date and net month labor expense data received from UCAPERS. The grand totals of this schedule should equal the grand total from the EAS IV Personnel Pure Data Report and the EAS IV Personnel Accepted Report +/- any adjustments, which will be reflected on the EAS IV Personnel Audit Report by Fiscal Year/Month.
 - c. Record these amounts in the appropriate cell on the EAS IV Reconciliation spreadsheet. Save reconciliation worksheet by DMIS ID/Fiscal Year & Month.
2. This data along with documentation for any adjustments or inconsistencies in expense data reported must be retained for audit purposes for five years.