

OMB A123

The DOE Implementation Program

Quick Start Guides & Tools Overview

Dean Childs

Germantown
December 19th, 2005

Practical Guidance, Tools and Templates



Agenda



Financial Management
Improvement Project



- Introduction & Background
- Overview
 - A123 DOE QuickStart Guides
 - A123 DOE Tools
- Demonstration and Walkthrough of the DOE A-123 Process
 - Planning
 - Documenting
 - Evaluating
 - Testing
- Wrap up
- Questions & Answers
- Late Session: Questions, Discussion, Demos, One on One Sessions

The Attestation



Fiscal Year 2006 - Annual Assurance Statement on Internal Control over Financial Reporting

The DOE management is responsible for establishing and maintaining effective internal control over financial reporting, which includes safeguarding of assets and compliance with applicable laws and regulations. The DOE conducted its assessment of the effectiveness of the DOE's internal control over financial reporting in accordance with OMB Circular A-123, Management's Responsibility for Internal Control. **Based on the results of this evaluation, the DOE can provide reasonable assurance that internal control over financial reporting as of June 30, 2006 was operating effectively and no material weaknesses were found in the design or operation of the internal controls over financial reporting.**

Secretary of DOE: Samuel W. Bodman



Financial Reports

Balance Sheet	
Assets	MM\$
- Accounts Receivable	1,326,769
Liabilities	
- Accounts Payable	2,546,769

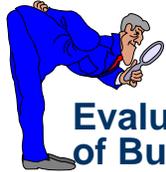
Financial reports include: *annual financial statements* (*), *quarterly financial statements* (*); financial statements at the operating division or program level; budget execution reports; reports used to monitor specific activities such as specific revenues, receivables, or liabilities; reports used to monitor compliance with laws and regulations such as the Anti-Deficiency Act, etc.

(*) required for FY 2006

OMB A123 Process



- Understand Key Processes and Workflow
- Document Controls
- Assess Controls
- Test Controls



Evaluate Major Classes of Business Transactions

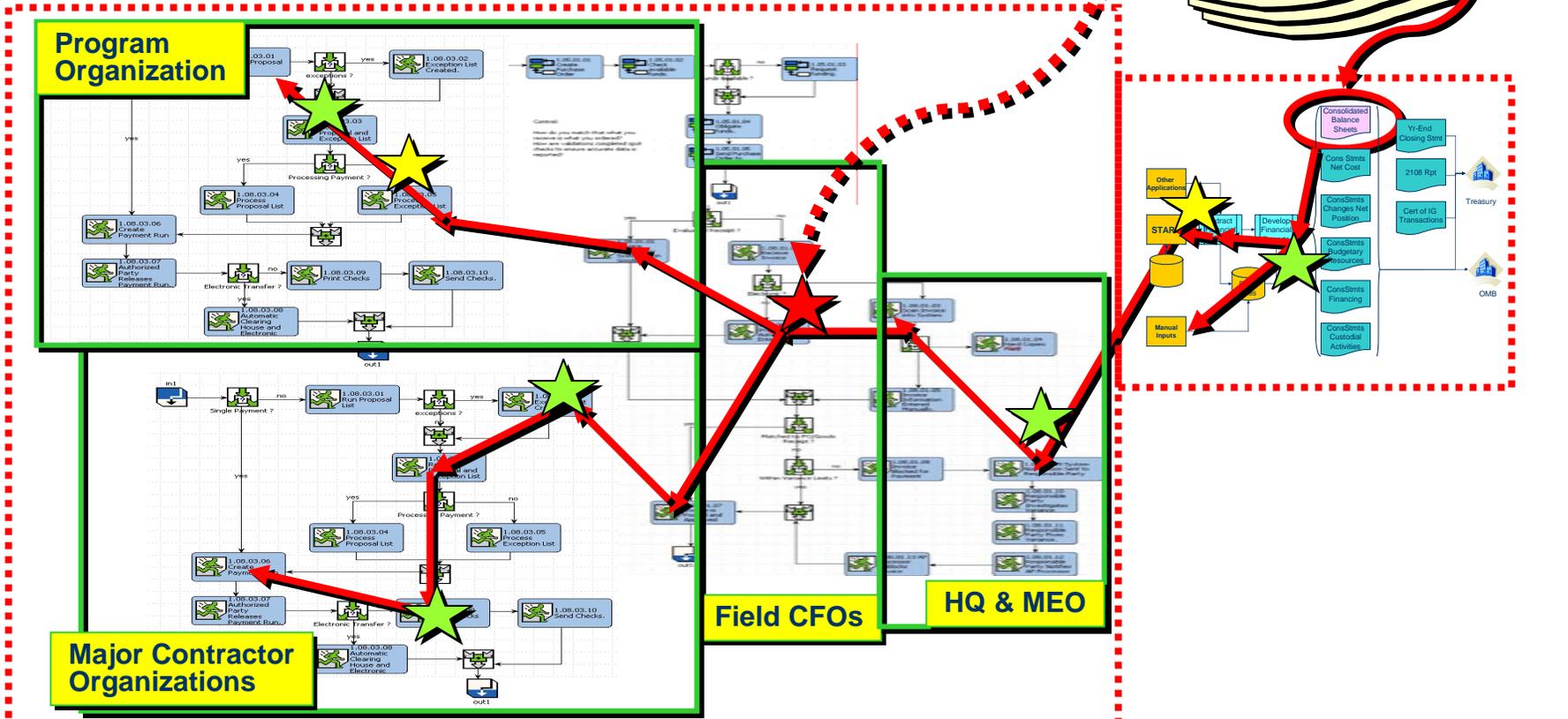
Effectiveness of Controls

- ★ Effective
- ★ Control Deficiency
- ★ Material Weakness Reportable Condition

Rating

Balance Sheet

Assets	MM\$
- Accounts Receivable	1,326,769
Liabilities	
- Accounts Payable	2,546,769



A123 Process



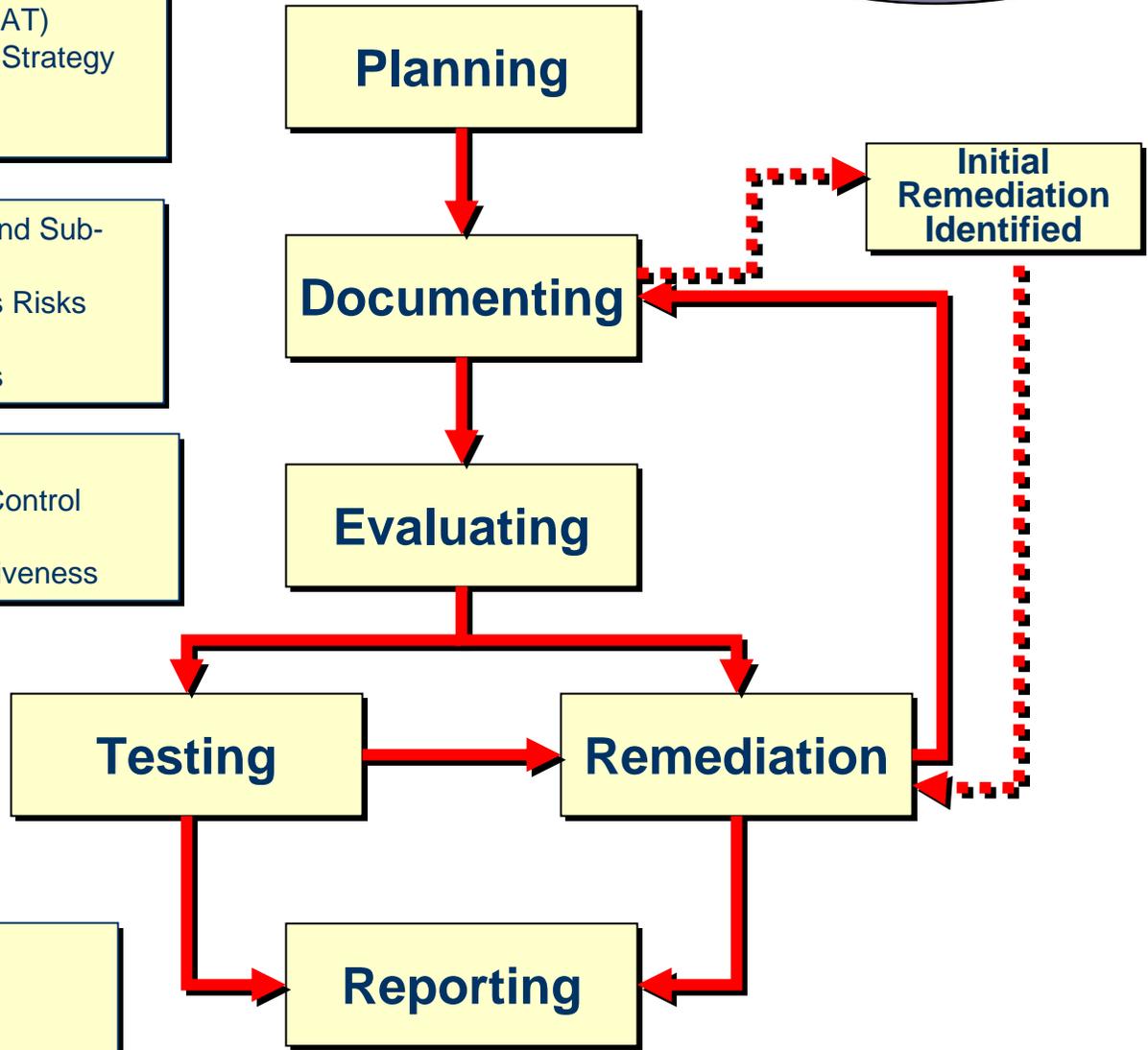
- Establish Site Assessment Team (SAT)
- Determine Contractor Management Strategy
- Select Relevant Material Accounts
- Complete Site Implementation Plan

- Identify and Document Processes and Sub-Processes
- Identify and Document Sub-Process Risks and Controls
- Document Entity Risks and Controls

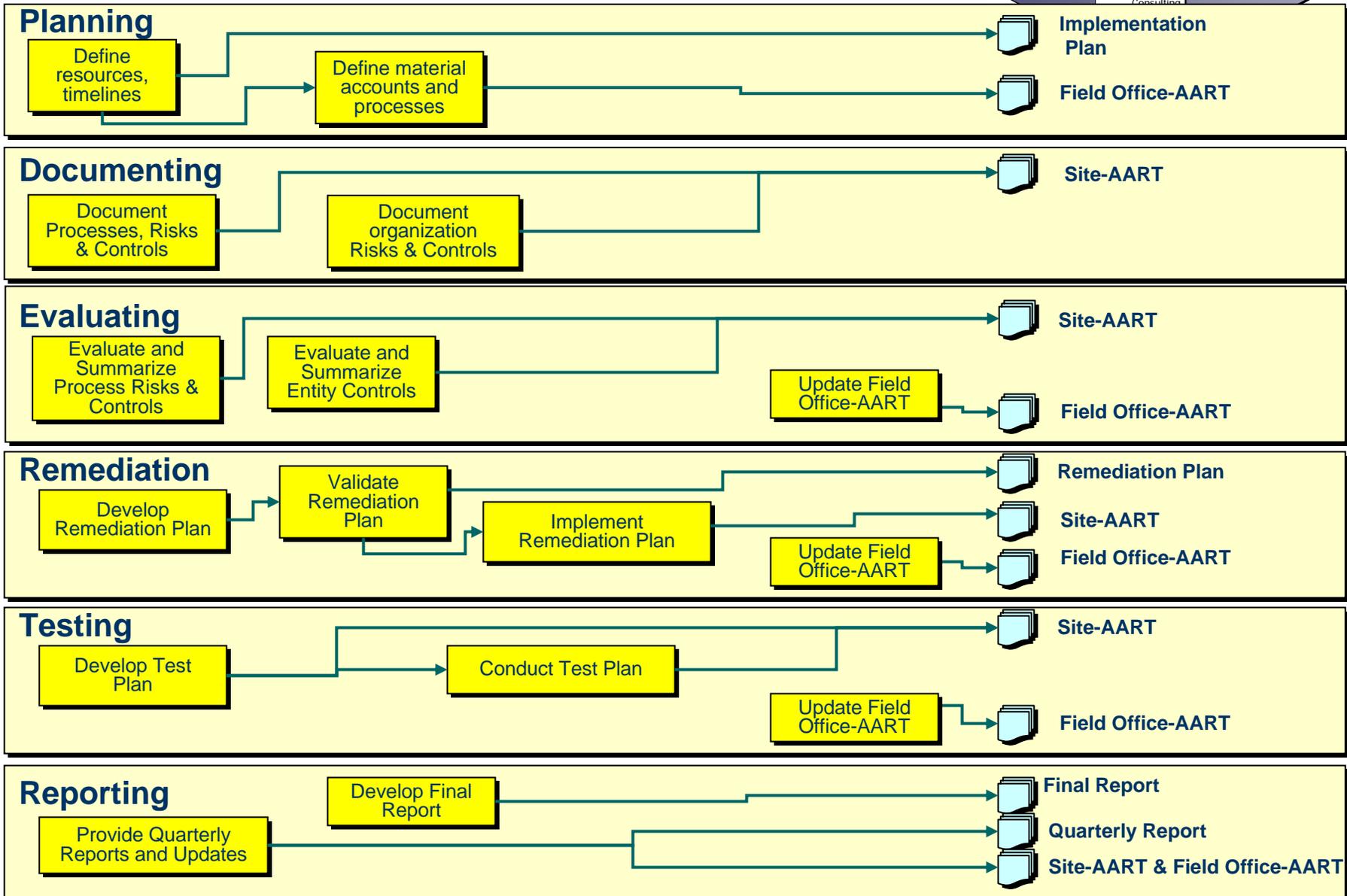
- Perform Risk Assessment
- Assess Process and Sub-Process Control Design Effectiveness
- Assess Entity Control Design Effectiveness

- Develop Test Plan
- Execute Test Plan
- Assess Test Results

- Develop Quarterly Reports
- Develop Final Report
- Deliver Assurance Statement



A123 QuickStart Overview



DOE A123 Web Site & Hotline



Financial Management
Improvement Project



DOE OMB A-123 Implementation Homepage - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <http://www.cfo.doe.gov/proglaisson/doeA123/index.htm>

Help Desk: 301 903 3937

Office of the Chief Financial Officer
OMB A-123 Implementation Website

[Home](#) | [Guides](#) | [Templates](#) | [Optional Tools](#) | [References](#) | [DOE Documents](#) | [Links](#)

Quick Links

- [DOE Material Accounts](#)
- [Planning Guide](#)
- [Documenting Guide](#)
- [Evaluating Guide](#)
- [All Guides](#)
- [Site Implementation Plan Form and Content](#)
- [ECS](#)
- [PCS](#)
- [Example AART](#)

Program News

Nov. 18, 2005: A-123 Project Team releases Planning, Documenting, and Evaluating Quick Start Guides.

Nov. 18, 2005: A-123 Project Team releases Site Implementation Plan form and content, A-123 Assessment and Reporting Tool (AART), Entity Control Summary (ECS) tool, and Process Control Summary (PCS) tool.

Nov. 18, 2005: A-123 Implementation website redesign goes live.

Document Updates

- [Planning Quick Start Guide v1.0](#) released (11/18) as new document.
- [Documenting Quick Start Guide v1.0](#) released (11/18) as new document.
- [Evaluating Quick Start Guide v1.0](#) released (11/18) as new document.
- [Site Implementation Plan \(F&C\) v1.0](#) released (11/18) as new document.
- [A-123 Assessment and Reporting Tool \(AART\) v1.0](#) released (11/18) as new tool. An [example AART](#) with some example (test) data is available for training/learning, but should not be used for the capturing of actual Field Office data. Please use the AART emailed to you by the A-123 Project Team for the capture of Field Office data.

QuickStart Guides
Tools
Templates
Tutorials

7

<http://www.cfo.doe.gov/proglaisson/doeA123/index.htm>

Internet

A-123 Key Milestones



Financial Management
Improvement Project



1/15/2006

- Complete Planning Phase
- First Quarterly Report

2/15/2006

- Identify initial remediation activities
- Complete Documentation Phase

3/15/2006

- Complete Evaluation Phase
- Testing Plans 3/30

4/15/2006

- 2nd Quarterly Report

7/15/2006

- 3rd Quarterly Report

9/1/2006

- Complete Testing Phase
- Final Quarterly Report



Questions ?

Discussion



OMB A123

The DOE Implementation Program

Quick Start Guides & Tools Overview

Ard Geller

Germantown
December 19th, 2005

Practical Guidance, Tools and Templates

A123

DOE Tools Overview



DOE A123 Web Site



Financial Management Improvement Project



DOE OMB A-123 Implementation Homepage - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <http://www.cfo.doe.gov/progliaison/doeA123/index.htm>

Help Desk: 301 903 3937

Google Search Web My Web Mail My Yahoo!

Office of the Chief Financial Officer OMB A-123 Implementation Website

- Planning
- Documenting
- Evaluating
- Remediating (TBD)
- Testing (TBD)
- Reporting (TBD)

[Home](#) | [Guides](#) | [Templates](#) | [Optional Tools](#) | [References](#) | [DOE Documents](#) | [Links](#)

Quick Links

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- [PCS](#)
- [Example AART](#)

Program News

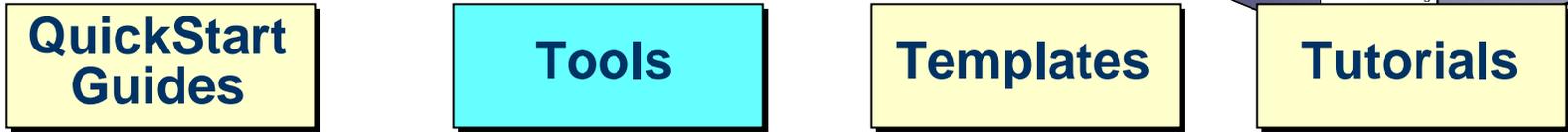
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**QuickStart Guides
Tools
Templates
Tutorials**

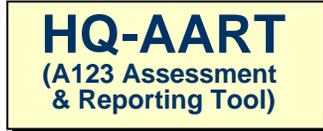
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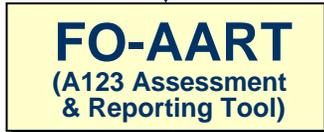
A123 DOE Support Tools



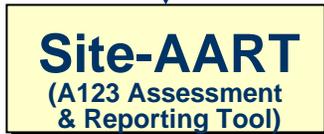
Headquarters



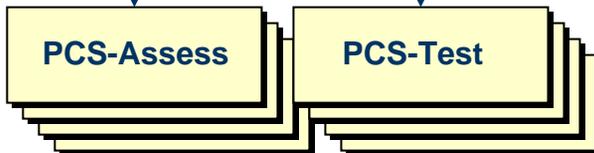
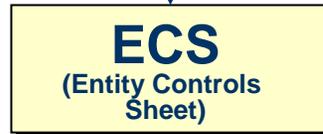
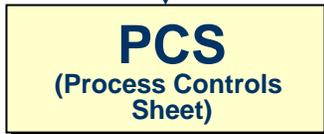
Field Office



Site



Progress & Assurance Monitoring



- Process / Sub-Process detail
- Risk & Controls identification
- Process Controls effectiveness assessment

- Entity Risk & Controls identification
- Entity Controls effectiveness assessment

Role of Tools



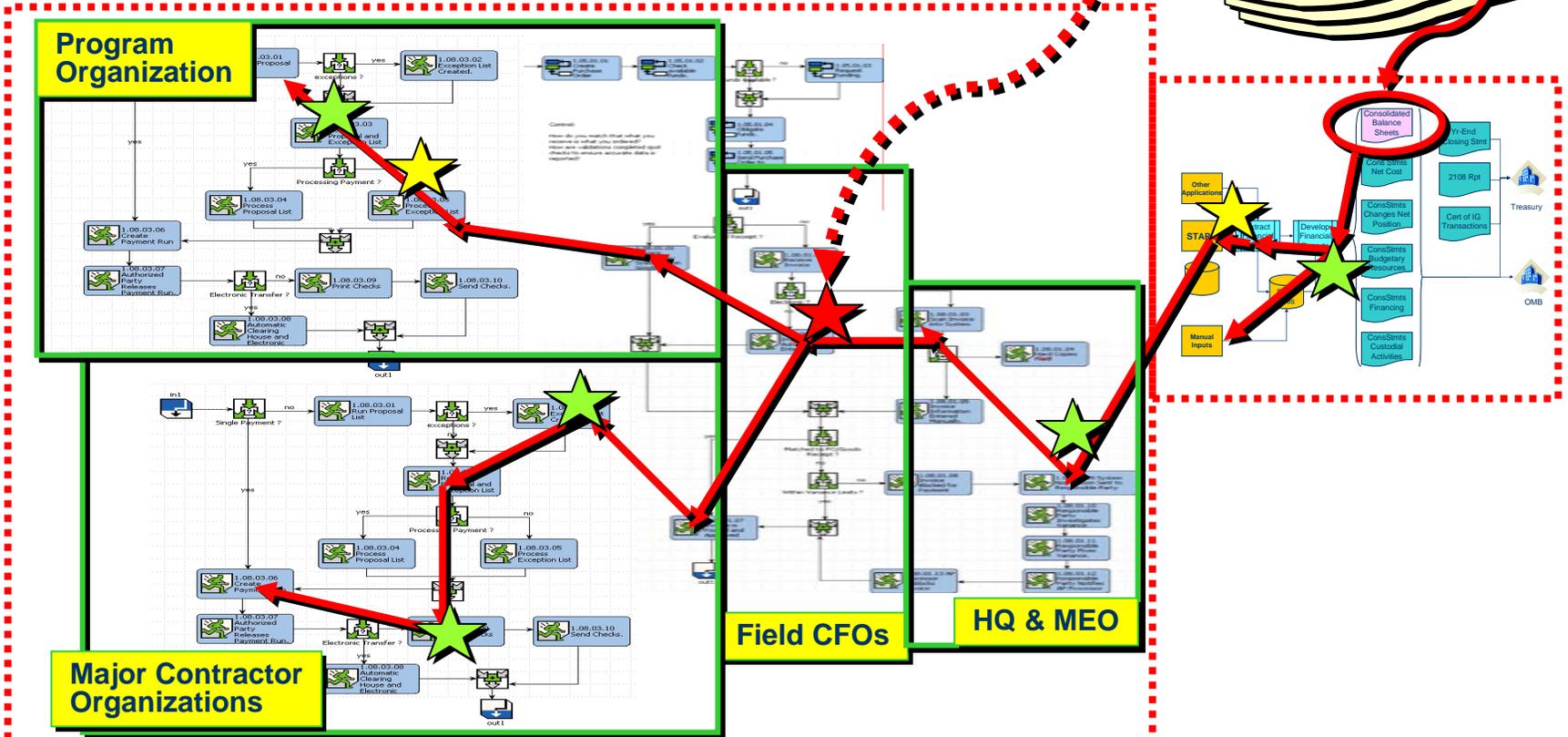
Financial Management
Improvement Project



Balance Sheet

Assets	MM\$
• A/R	895,454
Liabilities	
- A/P	2,546,769

Rating

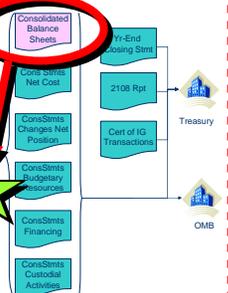


Program Organization

Major Contractor Organizations

Field CFOs

HQ & MEO



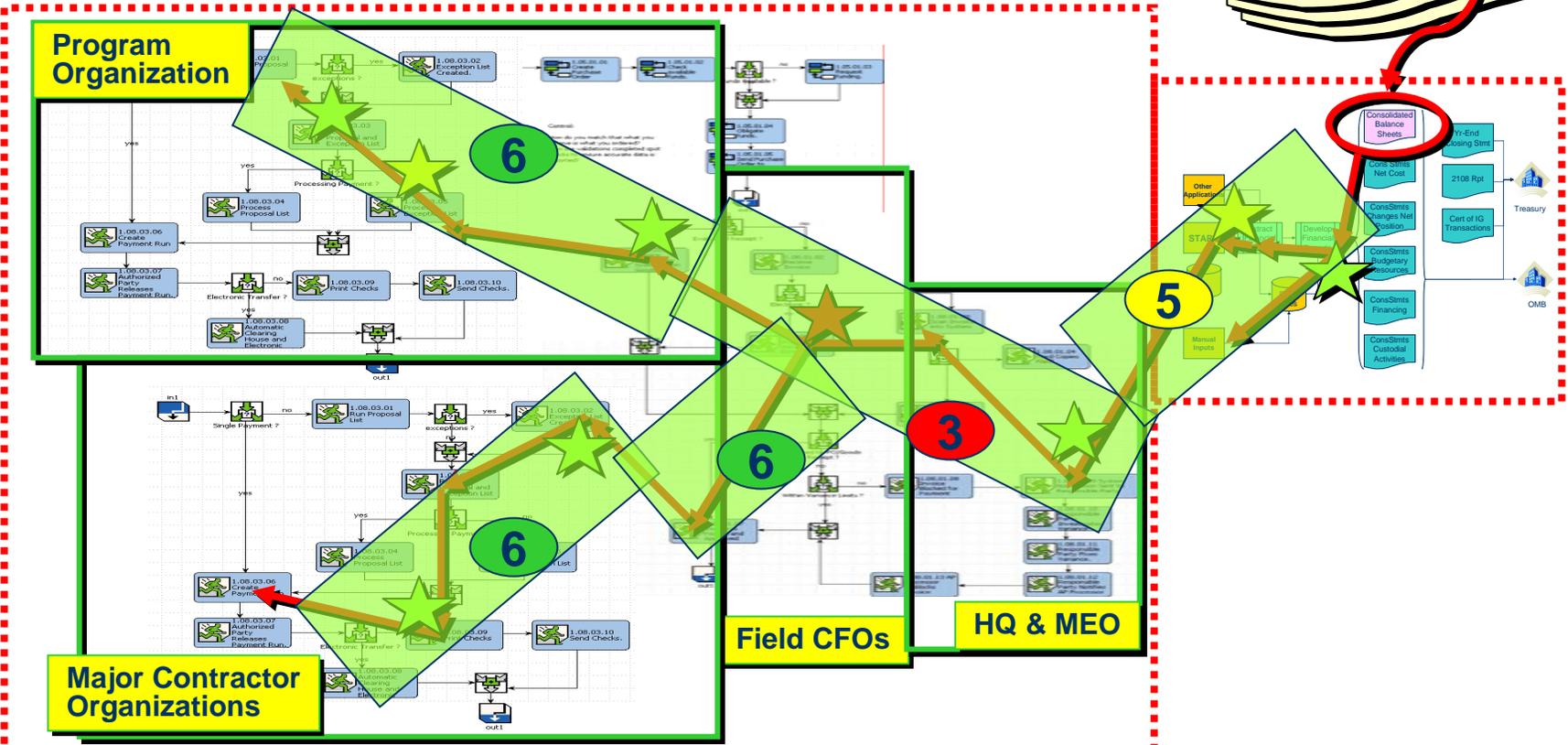
Role of Tools

**PCS:
Controls Assessment at the
Process / Sub-Process Level**

- Ratings**
- 3 – NotEff: Material Weakness
 - 4 – NotEff: Reportable Condition
 - 5 – NotEff: Control Deficiency
 - 6 – Eff: Design Control Effective
 - 7 – Eff: Tested Control Effective

Balance Sheet

	MM\$
Assets	
• A/R	895,454
Liabilities	
- A/P	2,546,769

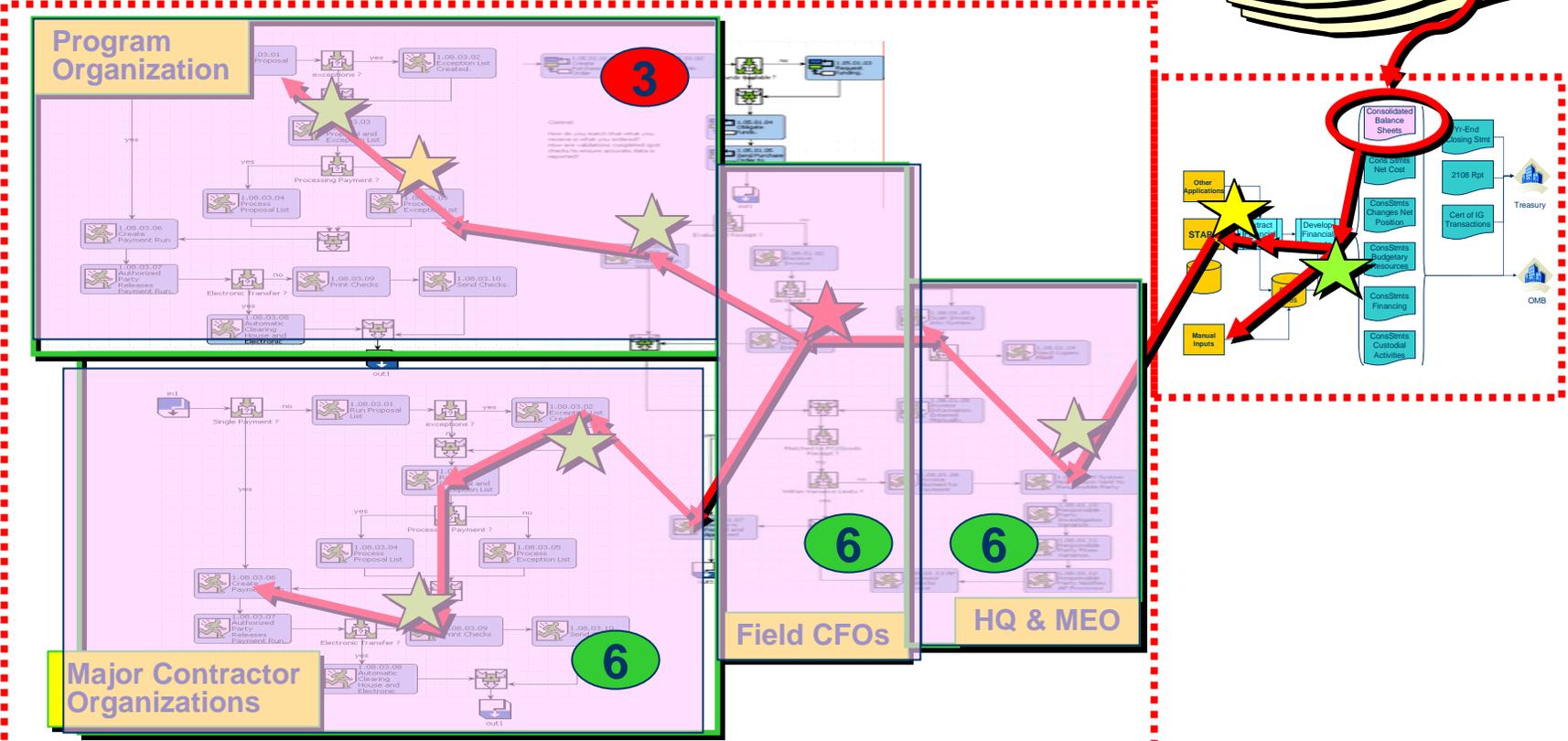


Role of Tools



**ECS:
Controls Assessment at the
Organizational Entity / Site Level**

Balance Sheet	
Assets	MM\$
• A/R	895,454
Liabilities	
- A/P	2,546,769



Role of Tools

Site-AART: Controls Assessment Summary at the Material Account Level

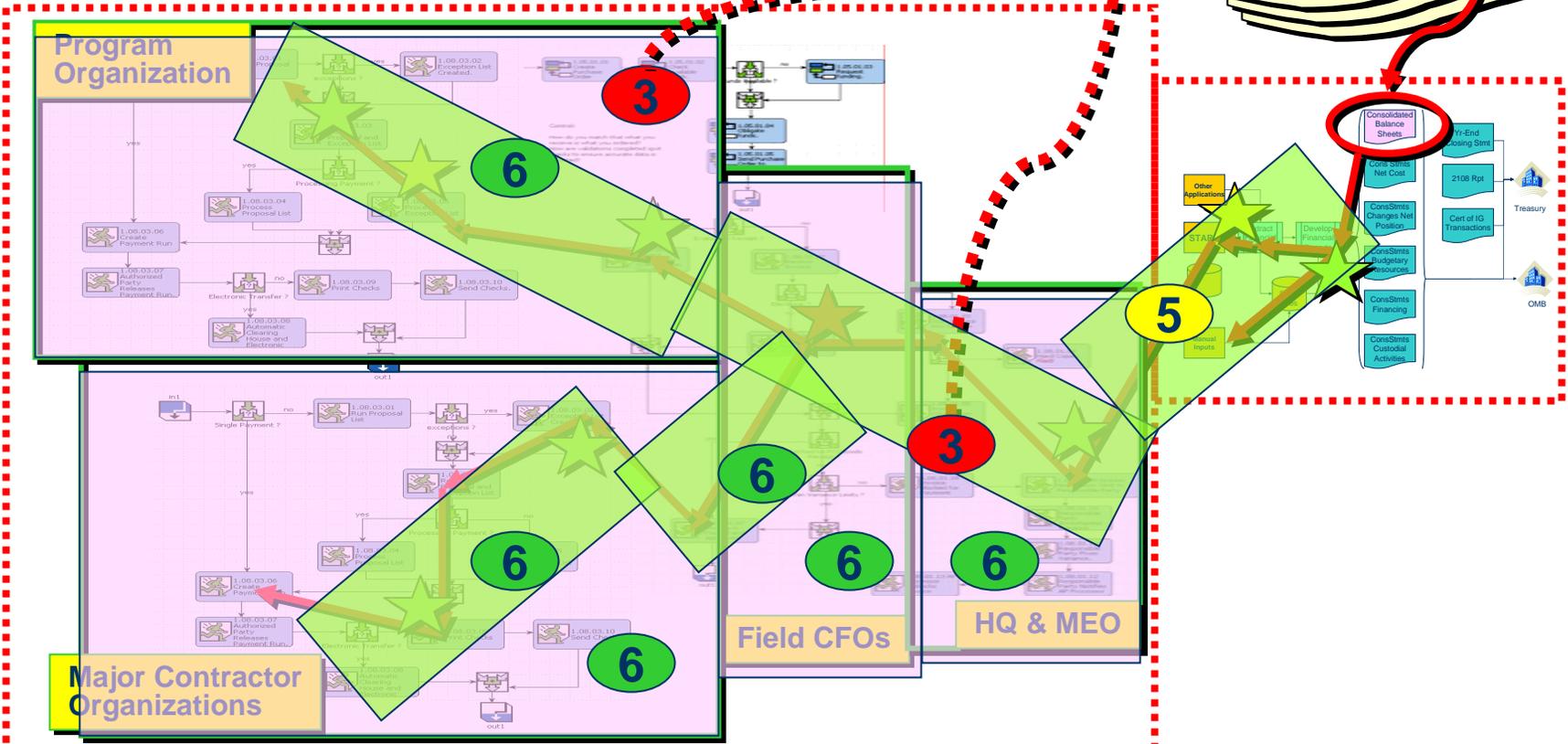
ECS + **PCS**

Ratings

- 3 – NotEff: Material Weakness
- 4 – NotEff: Reportable Condition
- 5 – NotEff: Control Deficiency
- 6 – Eff: Design Control
- 7 – Eff: Tested Control Effective

Balance Sheet

	MM\$
Assets	
• A/R	895,454
Liabilities	
- A/P	2,546,769



Site-AART A123 Assessment & Reporting Tool Overview



Financial Management
Improvement Project



Site A123 Assessment and Reporting Tool		Processes																												
Field Office	NSNSA Service Center																													
Attester	Dean Childs																													
	Date Submitted: 10-Dec-05																													
	CP	CC	EA	CC	RM	Integrity Controls (IC)	Procure to Pay (2P)	Acquisition	Inventory Management	Payable Management	Travel	Budget to Close (245)	General Ledger Management	Funds Management	FBWT	Cost Management	Insurance	Grants	Loans	Projects (P2A)	Project Cost Management	Property Management	Seized Property Management	Quote to (Q2C)	Revenue	Receivable Management				
Assessment Rating										5		5		6		5				5	6		5	0						
Material Accounts		Status	MA	DO NOT ERASE FORMULAS B...																										
Balance Sheet																														
Intragovernmental Fund Balance with Treasury	6	y		6																										
Intragovernmental Investment																														
Intragovernmental Regulatory Assets																														
Accounts Receivable, Net																														
Nuclear Materials	6	y		6		y																								
Strategic Petroleum and Non-Home Heating Oil Reserve																														
General Property, Plant and Equipment	3	y		0		y														0		y								
Regulatory Assets																														
Other non-intragovernmental assets	5	y		5																5		y	y							
Intragovernmental debt																														
Intragovernmental appropriated capital owned																														
Accounts Payable	5	y				5				y																				
Debt																														
Deferred Revenue and other credits	0	y																						0		y	y			
Environmental Liabilities	5	y		5		5				y																				
Pension and other actuarial liabilities	6	y																						6						
Other liabilities	0																													
Contingencies and commitments												6		y																
Unexpended appropriations																														

Material Accounts

Site Assessment

Processes

Process Ratings

All data is test data and used for demonstration purposes only

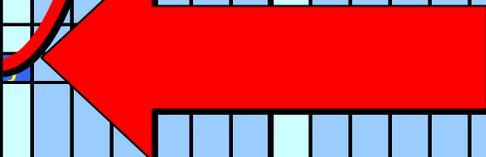
Field Office-AART: Roll-up and Field Office Assurance



AART v2.0		Field Office Assurance Rating										Lawrence Livermore National Laboratory					Los Alamos National Laboratory												
Field Office: NNSA		NNSA										NNSA					NNSA												
Field Office Assurance		3										Dean Childs					Dean Childs												
Implementer		Brian Boos										Ard Geller					Ard Geller												
December 10, 2005		Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM
MA	Material Account																												
	Balance Sheet	Status																											
y	Intragovernmental Fund Balance with Treasury																												
	Intragovernmental Investment																												
	Intragovernmental Regulatory Assets																												
y	Accounts Receivable, Net																												
y	Nuclear Materials																												
	Strategic Petroleum and Northeast Home Heating Oil Reserve																												
y	General Property, Plant and Equipment																												
	Regulatory Assets																												
y	Other non-intragovernmental assets																												
	Intragovernmental debt																												

Field Office Account Ratings

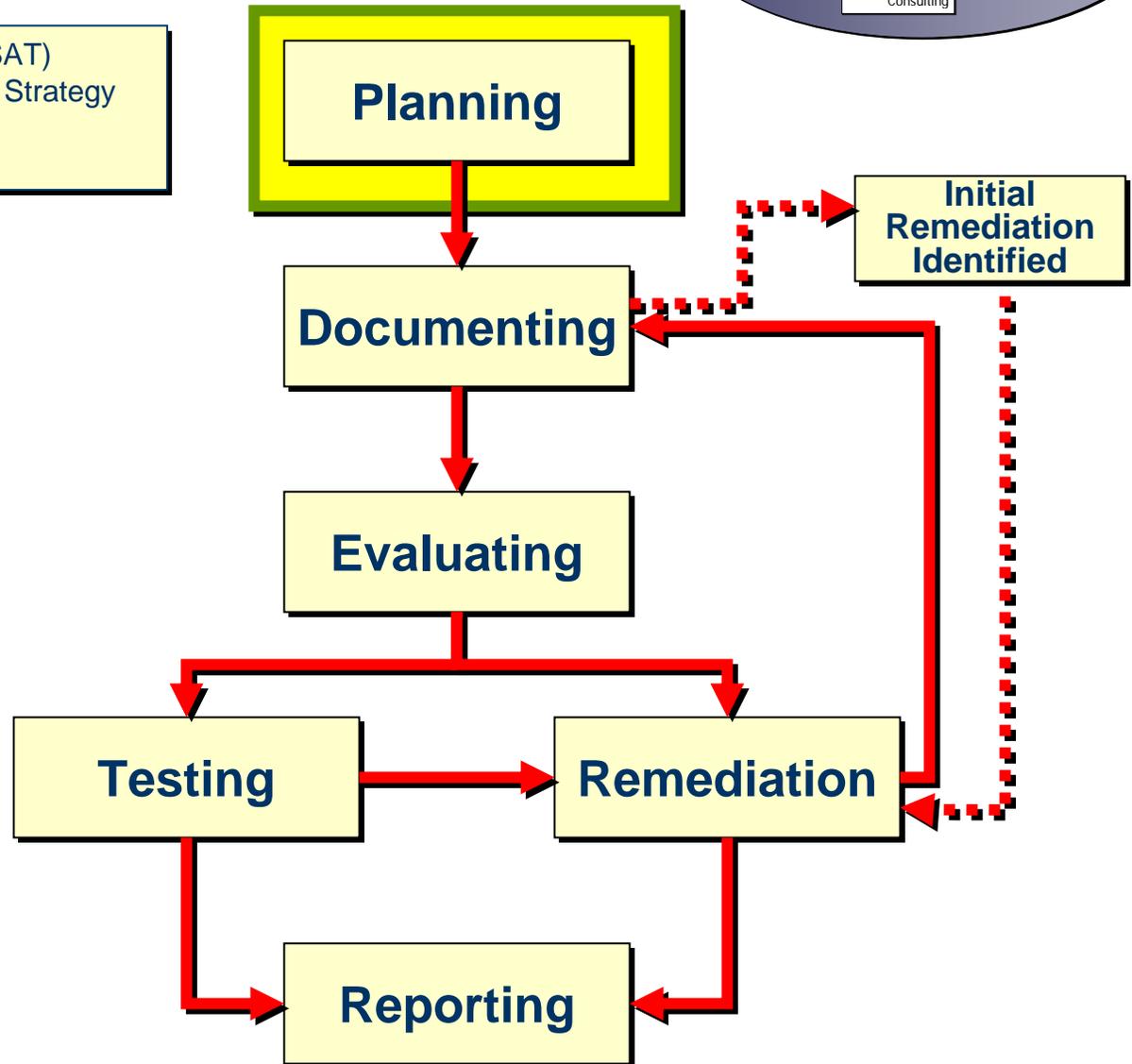
Site Ratings



Planning



- Establish Site Assessment Team (SAT)
- Determine Contractor Management Strategy
- Select Relevant Material Accounts
- Complete Site Implementation Plan



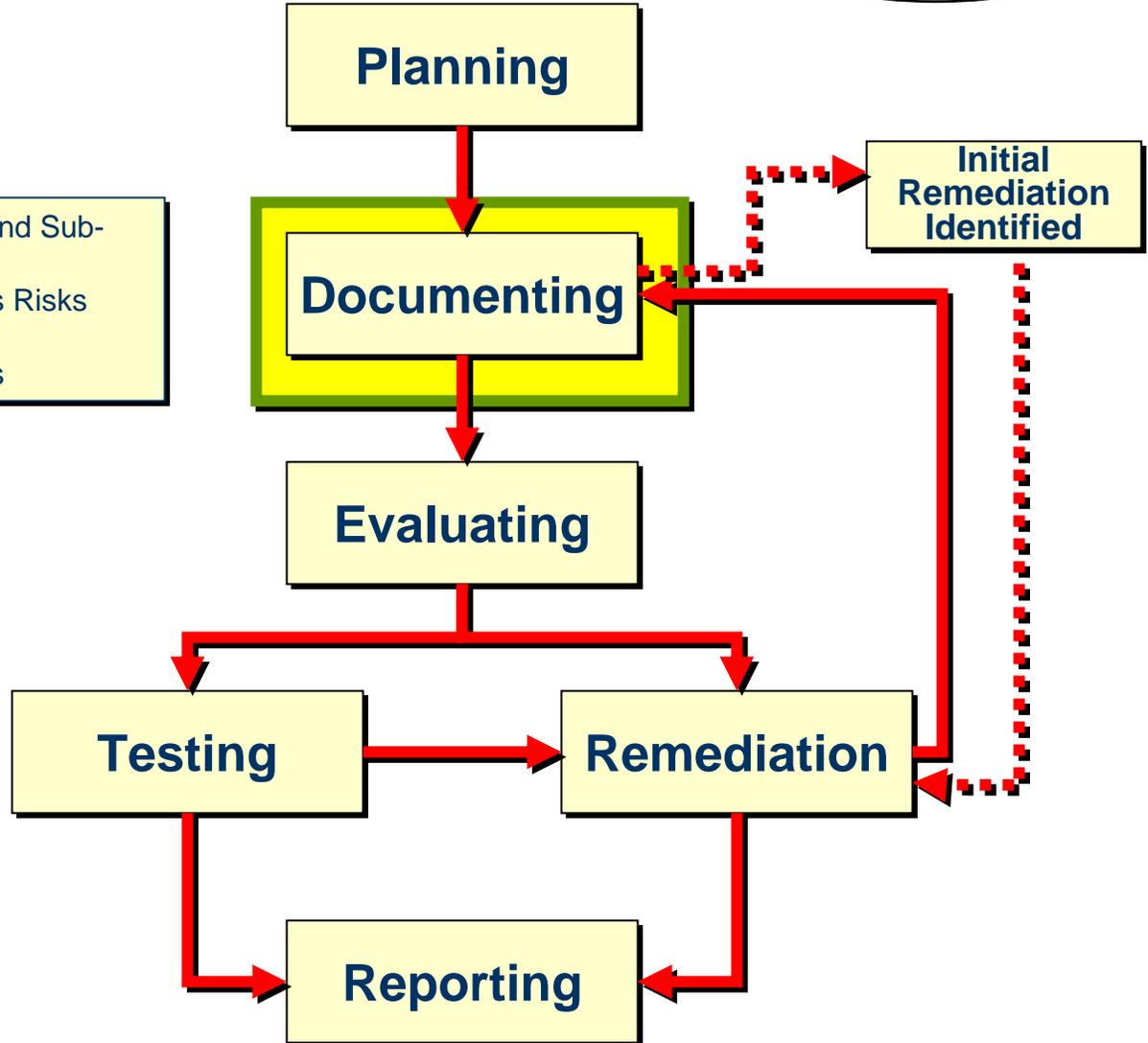
Live Demo



Documenting



- Identify and Document Processes and Sub-Processes
- Identify and Document Sub-Process Risks and Controls
- Document Entity Risks and Controls



Site-AART

A123 Assessment & Reporting Tool Overview



Financial Management
Improvement Project



Site A123 Assessment and Reporting Tool v2.0

Field Office		Site																									
Attester		Date Submitted																									
Assessment Rating	EC	P2P	B2C	P2A	Q2C	ERIM	Entity Controls (EC)	Procure to Pay (P2P)	Acquisition	Inventory Management	Payable Management	Travel	Budget to Close (B2C)	General Ledger Management	Funds Management	FBWT	Cost Management	Insurance	Grants	Loans	Projects to Assets (P2A)	Project Cost Management	Property Management	Seized Property Management	Quote to Cash (Q2C)	Revenue	Receivable Management
Material Accounts	Status	MAD	DO NOT ERASE FORMULAS BELOW																								
Sheet																											
Governmental Fund Balance with Inventory																											
Governmental Investment																											
Governmental Regulatory Assets																											
Accounts Receivable, Net																											
Inventory Materials																											
Strategic Petroleum and Northeast Heating Oil Reserve																											
Real Property, Plant and Equipment																											
Regulatory Assets																											
Governmental debt																											



Process Cycles and Processes



Budget to Close (B2C)

- General Ledger Management
- Funds Management
- Funds Balance with Treasury
- Cost Management
- Insurance
- Grants
- Loans



Procure to Pay (P2P)

- Acquisition
- Inventory Management
- Payable Management
- Travel



Quote to Cash (Q2C)

- Revenue
- Receivable Management



Projects to Assets (P2A)

- Project Cost Management
- Property Management
- Seized Property Management



Enterprise Resource Management (ERM)

- Human Resources
- Payroll
- Benefits

Source:

Processes: JFMIP – Joint Financial Management Improvement Program

Process Cycles: Oracle / ERP Systems

Processes & Sub-Processes Guidance



Financial Management
Improvement Project



Cycle	Process	Sub Processes
B2C	General Ledger Mgmt	Account Definition
		Transaction Definition
		Upward/Downward Spending Adjustments
		Analysis & Reconciliation
		Period Maintenance & Closing
	Funds Mgmt	Budget Planning
		Budget Preparation
		Budget Authority (ex Funds Allocation)
		Funds Distribution
		Funds Control
		Funds Status
		FBWT
		Payment Confirmation
		Reconciliation & Reporting
	Cost Management	Cost Setup & Accumulation
		Cost Distribution
	Insurance	Pre-Event
		Post-Event
		Operations
	Grants	Commitments
		Decommittments
		Obligations
		Payments
		Cost Accruals
		Interest Collections
		Closeout
	Loans	Lender Management
		Portfolio Management
		Guarantee Extension & Maintenance
		Delinquent Debt Collection
Treasury Cross Servicing		
Loan Extension		
Account Servicing		
Treasury Cross Servicing		
Portfolio Management		
Delinquent Debt Collection		

Cycle	Process	Sub Processes	
P2P	Acquisition	Funds certification	
		Obligation	
		De-Obligation	
		Payment	
		Closeout	
		MicroPurchase with Purchase Card	
		Inventory Management	Acquisition Control
		Disposition	
	Payable Management	Payee Information Maintenance	
		Invoicing	
		Accounts Payable	
		Disbursing	
		Payment Follow up	
		Travel	Authorization
			Advances
		Vouchers	
		Local Travel	
		Non-Federal Sponsored Travel	
		Temporary/ Permanent Change of Station	

Processes & Sub-Processes Guidance



Financial Management
Improvement Project

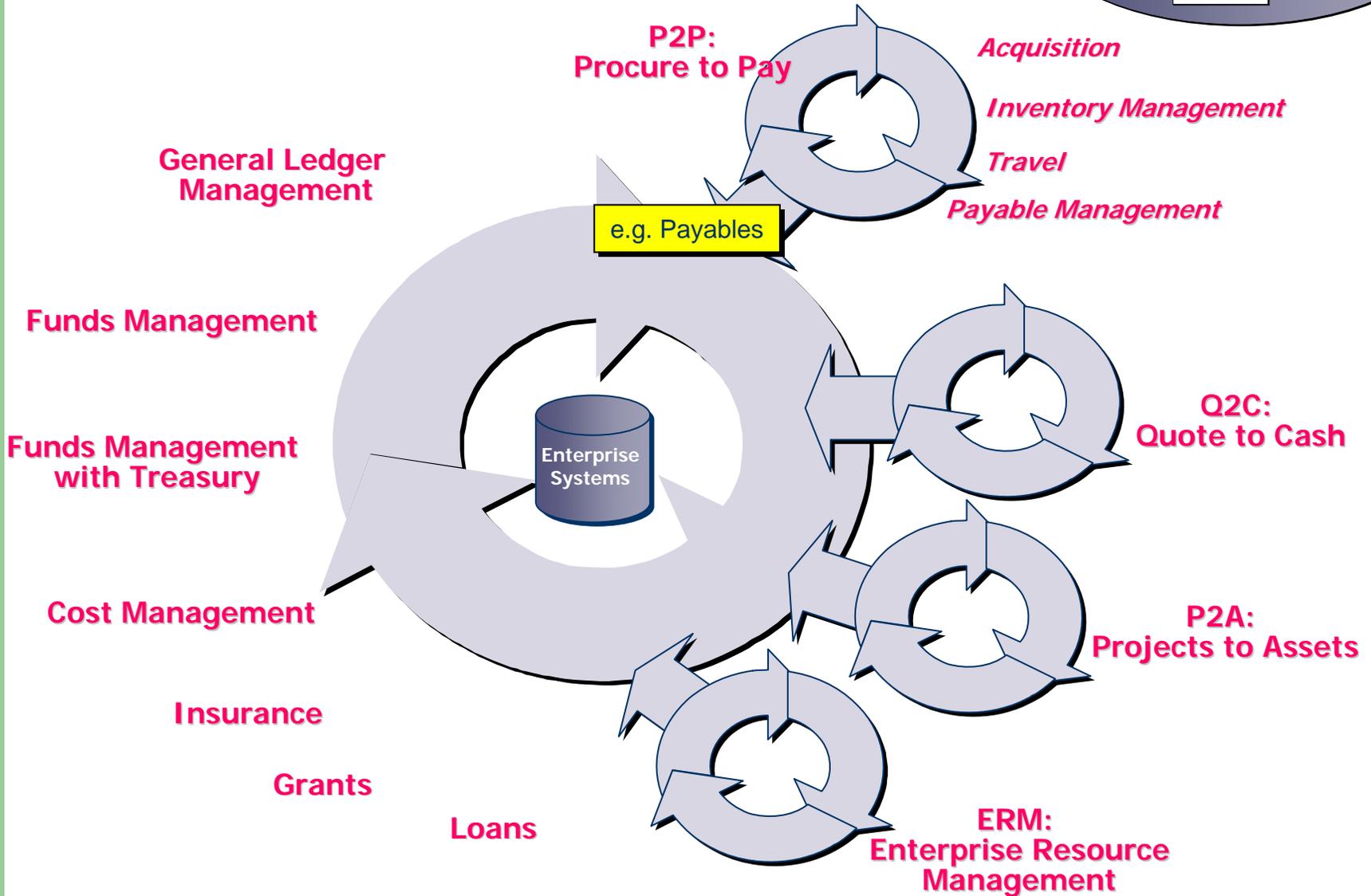


Cycle	Process	Sub Processes
Q2C	Revenue	Bill Generation
		Transaction Validation
		Collection
		Deposit Account
		Revenue Recognition
		Revenue Estimation
	Receivable Management	Customer Information Maintenance
		Receivable Establishment
		Debt Management
		Collections & Offset

Cycle	Process	Sub Processes
P2A	Project Cost Management	Cost Setup & Accumulation
		Cost Distribution
	Property Management	Acquiring & Receiving
		Managing & Accounting
	Seized Property Management	Seizure
		Custody
		Forfeiture
		Disposition

Cycle	Process	Sub Processes
ERM	Human Resources	Position Management & Classification
		Recruitment & Staffing
		Personnel Action Administration
		Labor Management & Employee Relations
		Work Force Development
	Payroll	Time & Attendance Processing
		Leave Processing
		Pay Processing
		Labor Cost & Distribution
	Benefits	Benefits Administration
		Claims Acceptance & Tracking
		Claims Processing
		Benefit Payment Administration
		Recovery Receivable Management

B2C: Budget to Close Cycle



Live Demo



Recap



Field Office - AART: Site Relevant Accounts



Financial Management
Improvement Project



AART v2.0		Sites	NNSA							Kansas City Plan					Lawrence Livermore National Laboratory					Los Alamos National Laboratory									
Field Office: NNSA		LPSO								NNSA					NNSA					NNSA									
Field Office Assurance		Attestor	Dean Childs							Dean Childs																			
		Implementer	Ard Geller							Ard Geller																			
Date Submitted		Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM
MAD	Material Account																												
	Balance Sheet	Status																											
y	Intragovernmental Fund Balance with Treasury	0	y						y							y							y						
	Intragovernmental Investment																												
y	Intragovernmental Regulatory Assets	0	y													y													
y	Accounts Receivable, Net	0	y																										
y	Nuclear Materials	0	y													y													
	Strategic Petroleum and Northeast Home Heating Oil Reserve																												
y	General Property, Plant and Equipment	0	y						y							y							y						
y	Regulatory Assets	0	y						y							y													
	Other non-intragovernmental assets																												
y	Intragovernmental debt	0	y						y							y							y						
	Intragovernmental appropriated capital owned																												
y	Accounts Payable	0	y						y							y													
y	Debt	0	y													y													

Site Relevant Accounts

Site-AART: Site Relevant Accounts



Financial Management
Improvement Project



Site A123 Assessment and Reporting Tool (Site AART) v2.0

Field Office		NNSA Service Center										Site		Lawrence Livermore Laboratory												
Attester		Dean Childs										Date Submitted		December 10, 2005												
		EC	P2P	B2C	P2A	O2C	ERM	Entity Controls (EC)	Procure to Pay (P2P)	Acquisition	Inventory Management	Payable Management	Travel	Budget to Close (B2C)	General Ledger Management	Funds Management	FBWT	Cost Management	Insurance	Grants	Loans	Projects to Assets (P2A)	Project Cost Management	Property Management	Self-Property Management	
Assessment Rating																										
Material Accounts		Status	MAD	DO NOT ERASE FORMULAS BELOW																						
Balance Sheet																										
	Intragovernmental Fund Balance with Treasury		y																							
	Intragovernmental Investment																									
	Intragovernmental Regulatory Assets		y																							
	Accounts Receivable, Net																									
	Nuclear Materials		y																							
	Strategic Petroleum and Northeast Home Heating Oil Reserve																									
	General Property, Plant and Equipment		y																							
	Regulatory Assets		y																							
	Other non-intragovernmental assets																									
	Intragovernmental debt		y																							
	Intragovernmental appropriated capital owned																									
	Accounts Payable		y																							
	Debt		y																							

Accounts to Processes

Site Relevant Accounts

Site-AART: Account to Process Allocation



Financial Management
Improvement Project



Site A123 Assessment and Reporting Tool		NNSA Service Center														Lawrence Livermore National Laboratory													
Field Office		Dean Childs														10-Dec-05													
Attester		Date Submitted														10-Dec-05													
		EC	P2P	B2C	P2A	O2C	ERM	Entity Controls (EC)	Procure to Pay (P2P)	Acquisition	Inventory Management	Payable Management	Travel	Budget to Close (B2C)	General Ledger Management	Funds Management	FBWT	Cost Management	Insurance	Grants	Loans	Projects to Assets (P2A)	Project Cost Management	Property Management	Seized Property Management				
Assessment Rating		0						0						0						0									
Material Accounts		Status	DO NOT ERASE FORMULAS BELOW																										
Balance																													
Intragovernmental Fund Balance with Treasury	0	y		0										0		y													
Intragovernmental Investment																													
Intragovernmental Regulatory Assets																													
Accounts Receivable, Net																													
Nuclear Materials	0	y		0					0		y																		
Strategic Petroleum and Northeast Home Heating Oil Reserve																													
General Property, Plant and Equipment	0	y		0		0			0	y											0		y						
Regulatory Assets																													
Other non-intragovernmental assets	0	y				0															0		y		y				
Intragovernmental debt																													
Intragovernmental appropriated capital owned																													
Accounts Payable	0	y		0					0			y																	

Site-AART: Identification of Sub-Processes

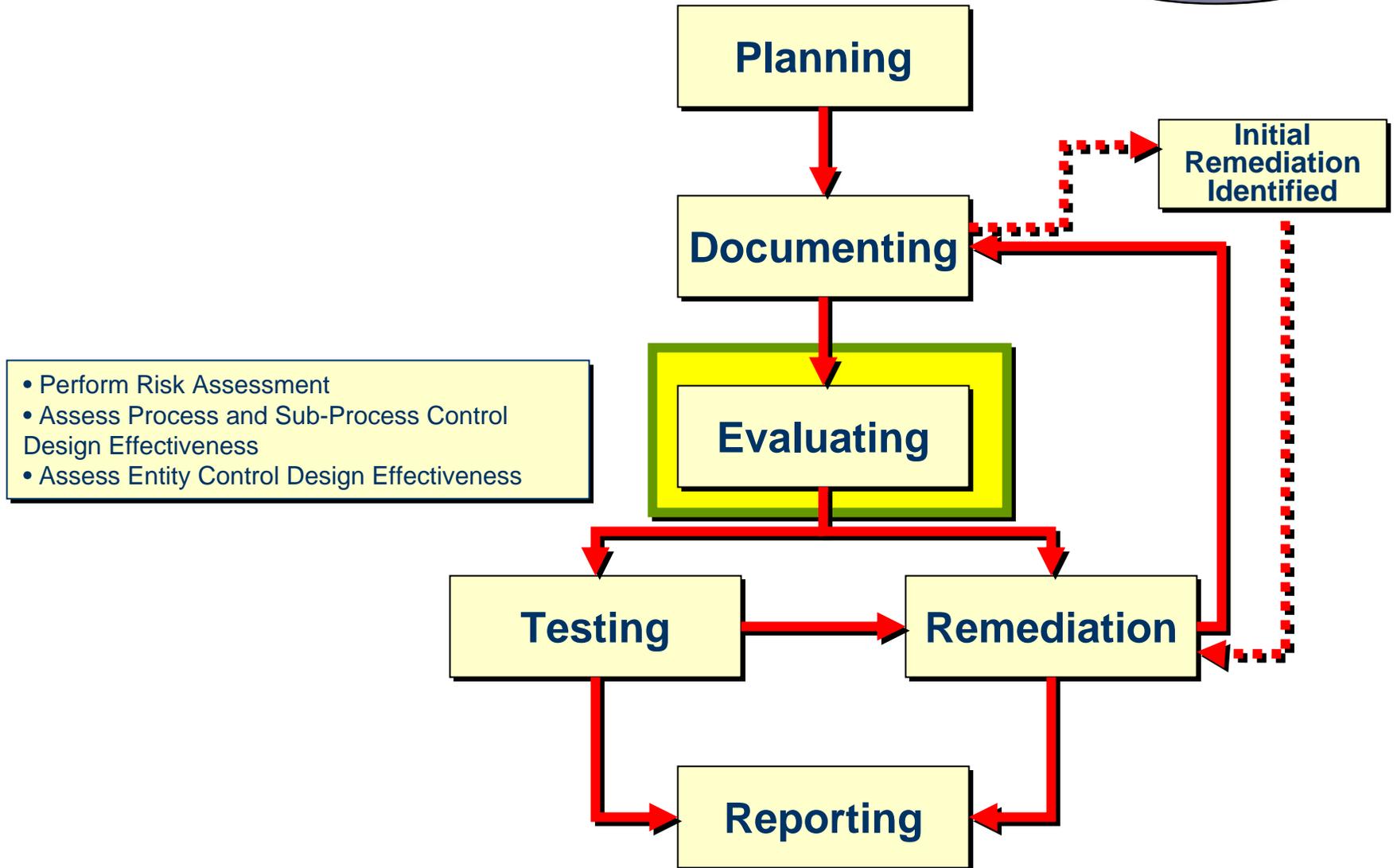


PCS Assessment - Procure to Pay (P2P)		v2.0	
Field Office	NNSA Service Center	Site	Lawrence Livermore Laboratory
Attester	Dean Childs	Implementer	Ard Geller
		Date Updated	17-Dec-05
Acquisition	Y	Acquisition	Assessment
Inventory Management	Y	Inventory Management	Assessment
Payable Management	Y	Payable Management	Assessment
Travel		Travel	Assessment

Processes	Sub Processes	Risks	Likelihood	Impact	Risk Assessment	Controls	Cntl Type	Cntl Freq
Acquisition	External Sourcing							
Acquisition	Select Vendor							
Acquisition	Create PO							
Acquisition	Approve PO							
Inventory Management	Confirm Full Receipt							
Inventory Management	Confirm Full Receipt with Tolerances							
Inventory Management	Confirm Partial Receipt							
Payable Management	Approve for Payment							
Payable Management	Execute Payment							

Define Sub-Processes

Evaluating



Live Demo



Recap



PCS-Assess: Process Controls Summary



PCS Assessment		Procure to Pay (P2P) v2.0			Site Lawrence Livermore National Laboratory		Process Controls rating					
Site Relevant Processes Acquisition <input checked="" type="checkbox"/> Y Inventory Management <input checked="" type="checkbox"/> Y Payable Management <input checked="" type="checkbox"/> Y Travel <input type="checkbox"/>		Implementer Ard Geller										
		Date Updated 10-Dec-05										
Processes	Sub Processes	Risks	Likelihood	Impact	Risk Assessment	Controls	Cntl Type	Cntl Freq	Dsgn Control Effective	Test	Req'd	Compl
Requisition	Create Requisition	Person creates a requisition for an unauthorized amount.	M	M	M	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Repopulated table of authorized amounts is checked.	Aut	R	6		No	
Requisition	Approve Requisition	Item requested is not for government use	M	H	H	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Several levels of approvals are required, therefore the likelihood of this occurrence is low.	Aut	R	6		No	
Requisition	Internal Sourcing	Internal sourced item is obsolete and does not comply with newest regulations	M	M	M	Internal sourcing is approved by supervisor in sourcing and Manager of department requesting goods and / or services.	Man	R	6		No	

Processes and Subprocesses

Acquisition	Assessment	3
Inventory Management	Assessment	6
Payable Management	Assessment	5
Travel	Assessment	

Sub-Process Controls rating

ECS-Assess: Entity Controls Summary



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**Overall Site
Entity Controls rating**

ECS Assessment -		Entity Controls (EC)		v2.0		Overall Control Assessment		6				
Field Office		Site		Lawrence Livermore National Laboratory								
Attester		Implementer		Date Submitted								
Control Environment		Control Environment		Assessment		6						
Control Activities		Control Activities		Assessment		6						
Information and Communications		Information and Communications		Assessment		5						
Area	Sub-Category	Risks	Likelihood	Impact	Risk Assessment	Controls	Ctrl Type	Cn Freq	Dsgn Control Effective	Test	Remediation Plan	Evaluation Rationale / Comments
Environment	Integrity and Ethical Values	Employees and Contractors not understanding importance of ethical conduct and committing fraudulent activities	L	M	L	Required yearly ethical conduct awareness program. Signed certificate of participation by employee	Man	A	6		No	
Environment	Commitment to Competence	Unqualified employee performs tasks incorrectly	H	H	H	Annual validation of skills of employee to the Job Skill requirements. Validation of skills prior to any transfer of an employee to a new position	Man	A	6		No	
Environment	Management Philosophy and Operating Style											

Area rating

Sub-Category rating

Entity Areas/
Sub Category

Site-AART: Automatic Roll-up and Account Ratings

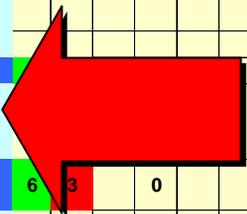


Site A123 Assessment and Reporting Tool v2.0

Field Office: **NNSA Service Center**
 Attester: **Dean Childs**
 Site: **Lawrence Livermore National Laboratory**
 Date Submitted: **10-Dec-05**

Site Account Ratings

Material Accounts	Status
Balance Sheet	
Intragovernmental Fund Balance with Treasury	6
Intragovernmental Investment	
Intragovernmental Regulatory Assets	
Accounts Receivable, Net	
Nuclear Materials	6
Strategic Petroleum and Northeast Home Heating Oil Reserve	
General Property, Plant and Equipment	3
Regulatory Assets	
Other non-intragovernmental assets	5
Intragovernmental debt	
Intragovernmental appropriated capital owned	
Accounts Payable	5
Debt	
Deferred Revenue and other credits	0



DO NOT ERASE FORMULAS BELOW

Entity Controls (EC)	Procure to Pay (P2P)	Acquisition	Inventory Management	Payable Management	Travel	Budget to Close (B2C)	General Ledger Management	Funds Management	FBWT	Cost Management	Insurance	Grants	Loans	Projects to Assets (P2A)	Project Cost Management
6	3	3	6	5		5		6		5				5	6
		y	y	y				y		y					y
6						6									
6	3	y												0	
6														5	
6	5			y											
6															

Process & Entity Ratings Roll-up

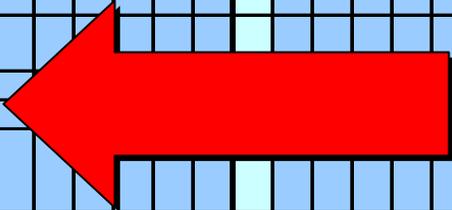
Field Office-AART: Roll-up and Field Office Assurance



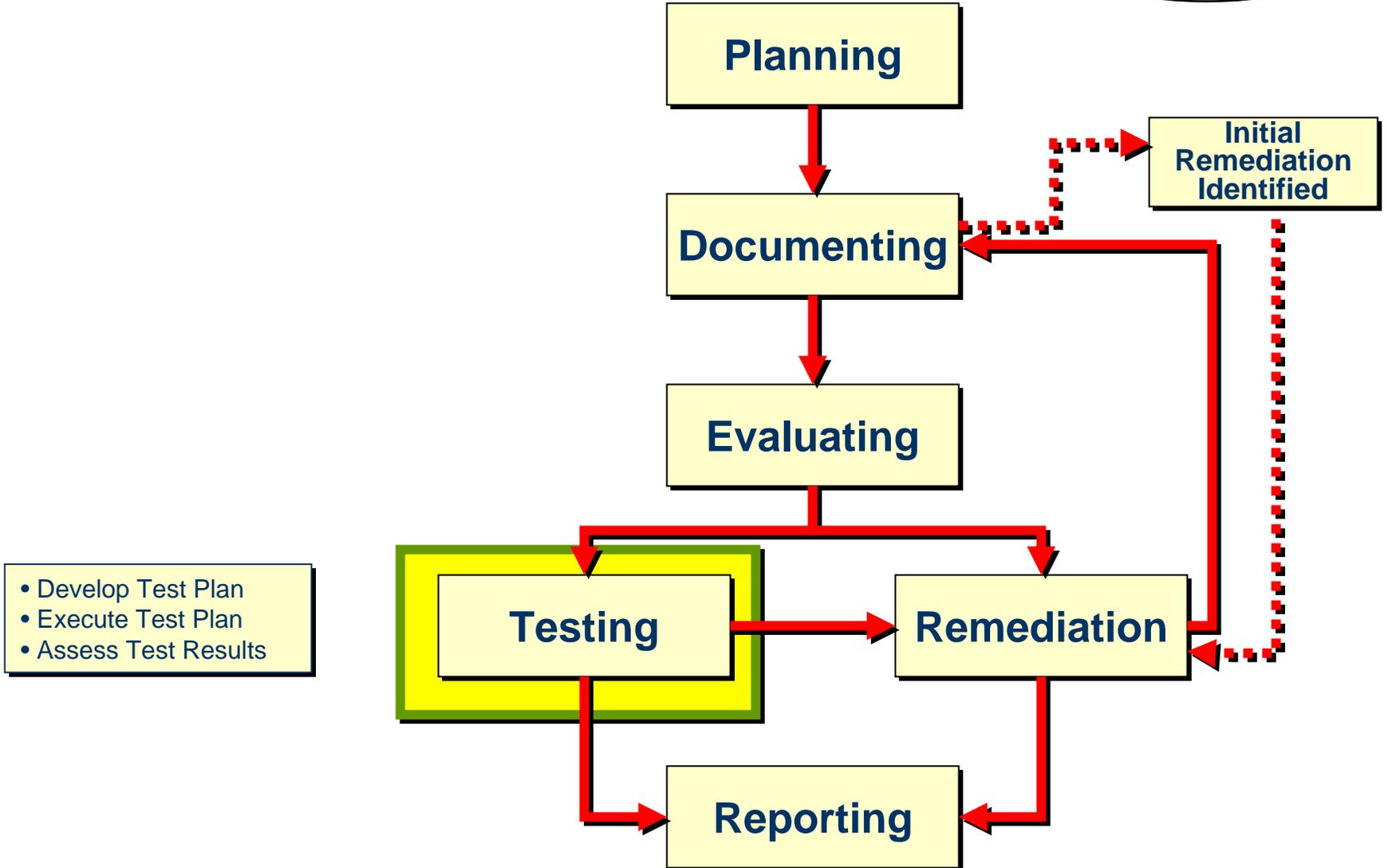
AART v2.0		Sites	NNSA							Kansas City Plan							Lawrence Livermore National Laboratory							Los Alamos National Laboratory						
Field Office: NNSA		LPSO								NNSA														NNSA						
		Attestor	Dean Childs														Dean Childs							Dean Childs						
		Implementer	Brian Boos														Ard Geller							Ard Geller						
Field Office Assurance																														
		December 10, 2005	Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM
Material Account																														
Balance Sheet		Status																												
y	Intragovernmental Fund Balance with Treasury	6	y			6															6							6		
	Intragovernmental Investment																													
	Intragovernmental Regulatory Assets																													
	Accounts Receivable, Net																													
y	Nuclear Materials	6	y														y		6									6		
	Strategic Petroleum and Northeast Home Heating Oil Reserve																													
y	General Property, Plant and Equipment	3	y		6		0										y		3		0			y		3		0		
	Regulatory Assets																													
y	Other non-intragovernmental assets	5	y				6										y				5							5		
	Intragovernmental debt																													

Field Office Account Ratings

Site Ratings



Testing



Live Demo



Recap



PCS-Test: Identification of Testing



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PCS Test - Procure to Pay (P2P)

v2.0

Field Office	Site Lawrence Livermore National Laboratory
Attester Dean Childs	Implementer Ard Geller
	Date Updated 10-Dec-05

Test Results

Processes	Sub Processes	Controls	Test Prty	Type of Test	Test Description	# of Universe	# of Sample	% Tested	# of Failures	% Failure	Test	Criteria for Sample Used for Testing & Results	Supporting Documentation (where documentation is filed)
Acquisition	Create Requisition	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Prepopulated table of authorized amounts is checked.	Lo	Ins	Validate table of amounts being checked with Policies	3500	100	3%	3	3%	Pass		
Acquisition	Approve Requisition	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Several levels of approvals are required, therefore the likelihood of this occurrence is low.	M	Ins	Validate workflow setup and separation of duties	3500	100	3%	2	2%	Pass		
Acquisition	Internal Sourcing	Internal sourcing is approved by supervisor in sourcing and Manager of department requesting goods and / or services.	M	Ins	validate source documents for approvals	3500	100	3%	0	0%	Pass		
Acquisition	External Sourcing	Internal sourcing is approved by supervisor in sourcing and Manager of department requesting goods and / or services.	VL	Inq	validate source documents for approvals	3500	100	3%	1	1%	Pass		
Acquisition	Select Vendor	Assigned Buyer submits rationale for selected Vendor to Supervisor and Manager of department requesting goods and / or service. Buyer is not sole authority on selection. Based on a pre-determined value of contracts, an approval process is generated. Selection criteria is clearly defined and vendor is chosen by committee.	VH	Ins	validate source documents for approvals	3500	100	3%	10	10%	Fail		

Identical approach for Entity Controls Testing (ECS-Test)

Site-AART: Automatic Roll-up of Test Results



PCS Assessment - Procure to Pay (P2P)		v2.0	
Field Office		Site Lawrence Livermore National Laboratory	
Attester Dean Childs		Implementer Ard Geller	
		Date Updated 10 Dec 05	
Acquisition	Y	Acquisition Assessment	3
Inventory Management	Y	Inventory Management Assessment	6
Payable Management	Y	Payable Management Assessment	5
Travel		Travel Assessment	

Processes	Sub Processes	Risks	Likelihood	Impact	Risk Assessment	Controls	Cntl Type	Cntl Freq	Dsgn Control Effective	Test	Remediation Plan	
											Req'd	Compl
Acquisition	Create Requisition	Person creates a requisition for an unauthorized amount.	M	M	M	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Several levels of approvals are required, therefore the likelihood of this occurrence is low.	Aut	R	6	Pass	No	
Acquisition	Approve Requisition	Item requested is not for government use	M	H	H	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Several levels of approvals are required, therefore the likelihood of this occurrence is low.	Aut	R	6	Pass	No	
Acquisition	Internal Sourcing	Internal sourced item is obsolete and does not comply with newest regulations	M	M	M	Internal sourcing is approved by supervisor in sourcing and Manager of department requesting goods and / or services.	Man	R	6	Pass	No	
Acquisition	External Sourcing	Item is externally sourced but could be provided from internal inventoried materials	L	M	L	Internal sourcing is approved by supervisor in sourcing and Manager of department requesting goods and / or services.	Man	R	6	Pass	No	

Acquisition	Assessment	3
Inventory Management	Assessment	6
Payable Management	Assessment	5
Travel	Assessment	

Test Results

Identical approach for Entity Controls Testing (ECS-Test)

Site-AART A123 Assessment & Reporting Tool Overview



Financial Management
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Site A123 Assessment and Reporting Tool		v2.0																											
Field Office	NNSA Service Center										Site	Lawrence Livermore National Laboratory																	
Attester	Dean Childs										Date Submitted	10-Dec-05																	
Assessment Rating	MA	2P	2C	2A	2C	RM	Integrity Controls (IC)	Procure to Pay (2P)	Acquisition	Inventory Management	Payable Management	Travel	Budget to Close (B2C)	General Ledger Management	Funds Management	FBWT	Cost Management	Insurance	Grants	Leases	Projects to Assess (P2A)	Project Cost Management	Property Management	Seized Property Management	Quote to Cash (Q2C)	Revenue	Receivable Management		
Material Accounts	Status	DO NOT ERASE FORMULAS																											
Balance Sheet																													
Intragovernmental Fund Balance with Treasury	6	y																											
Intragovernmental Investment																													
Intragovernmental Regulatory Assets																													
Accounts Receivable, Net																													
Nuclear Materials	6	y						6		y																			
Strategic Petroleum and Non-Home Heating Oil Reserve																													
General Property, Plant and Equipment	3	y																											
Regulatory Assets																													
Other non-intragovernmental assets	5	y																											
Intragovernmental debt																													
Intragovernmental appropriated capital owned																													
Accounts Payable	5	y						5		y																			
Debt																													
Deferred Revenue and other credits	0	y																											
Environmental Liabilities	5	y		5				5		y																			
Pension and other actuarial liabilities	6	y																											
Other liabilities	0																												
Contingencies and commitments													6		y														
Unexpended appropriations																													

Account Ratings

Process Rating Rollup

Site Assessment

All data is test data and used for demonstration purposes only

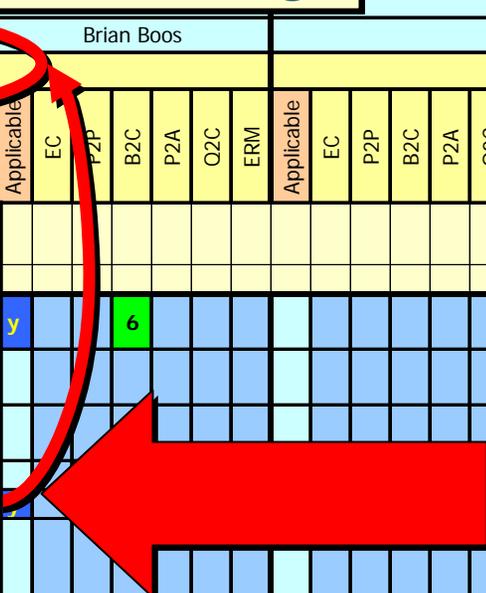
Field Office-AART: Roll-up and Field Office Assurance



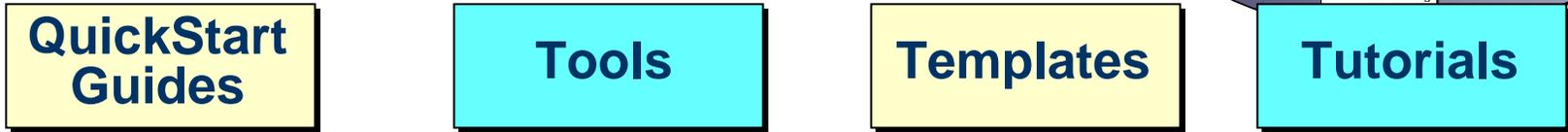
AART v2.0		Field Office Assurance Rating										Lawrence Livermore National Laboratory					Los Alamos National Laboratory												
Field Office: NNSA		NNSA										NNSA					NNSA												
Field Office Assurance		3										Dean Childs					Dean Childs												
Implementer		Brian Boos										Ard Geller					Ard Geller												
December 10, 2005		Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM	Applicable	EC	P2P	B2C	P2A	O2C	ERM
MA	Material Account																												
Balance Sheet		Status																											
y	Intragovernmental Fund Balance with Treasury																												
	Intragovernmental Investment																												
	Intragovernmental Regulatory Assets																												
	Accounts Receivable, Net																												
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	Regulatory Assets																												
y	Other non-intragovernmental assets																												
	Intragovernmental debt																												

Field Office Account Ratings

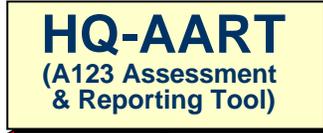
Site Ratings



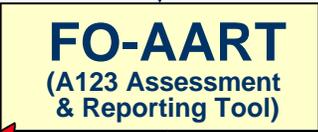
A123 DOE Support Tools



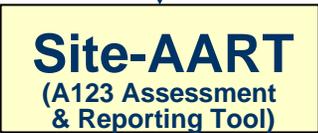
Headquarters



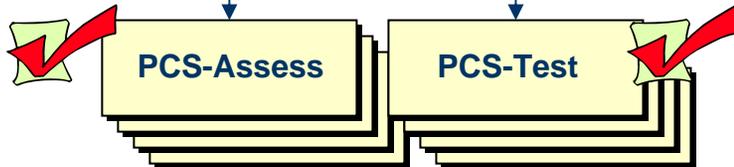
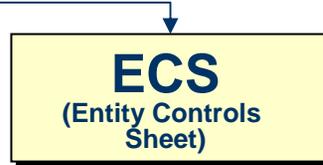
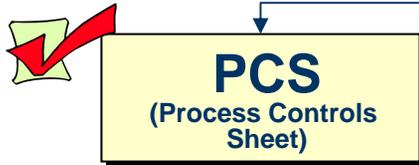
Field Office



Site



Progress & Assurance Monitoring



- Process / Sub-Process detail
- Risk & Controls identification
- Process Controls effectiveness assessment

- Entity Risk & Controls identification
- Entity Controls effectiveness assessment

DOE A123 Web Site & Hotline



Financial Management
Improvement Project



DOE OMB A-123 Implementation Homepage - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <http://www.cfo.doe.gov/progliaison/doeA123/index.htm>

Help Desk: 301 903 3937

Office of the Chief Financial Officer
OMB A-123 Implementation Website

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Quick Links

- [DOE Material Accounts](#)
- [Planning Guide](#)
- [Documenting Guide](#)
- [Evaluating Guide](#)
- [All Guides](#)
- [Site Implementation Plan Form and Content](#)
- [ECS](#)
- [PCS](#)
- [Example AART](#)

Program News

Nov. 18, 2005: A-123 Project Team releases Planning, Documenting, and Evaluating Quick Start Guides.

Nov. 18, 2005: A-123 Project Team releases Site Implementation Plan form and content, A-123 Assessment and Reporting Tool (AART), Entity Control Summary (ECS) tool, and Process Control Summary (PCS) tool.

Nov. 18, 2005: A-123 Implementation website redesign goes live.

Document Updates

- [Planning Quick Start Guide v1.0](#) released (11/18) as new document.
- [Documenting Quick Start Guide v1.0](#) released (11/18) as new document.
- [Evaluating Quick Start Guide v1.0](#) released (11/18) as new document.
- [Site Implementation Plan \(F&C\) v1.0](#) released (11/18) as new document.
- [A-123 Assessment and Reporting Tool \(AART\) v1.0](#) released (11/18) as new tool. An [example AART](#) with some example (test) data is available for training/learning, but should not be used for the capturing of actual Field Office data. Please use the AART emailed to you by the A-123 Project Team for the capture of Field Office data.

QuickStart Guides
Tools
Templates
Tutorials

Planning
Documenting
Evaluating
Remediating (TBD)
Testing (TBD)
Reporting (TBD)

<http://www.cfo.doe.gov/progliaison/doeA123/index.htm>

Internet



Questions ?

Discussion