

For: FSA Employees

**Soliciting Recommendations to Improve the Managerial Cost Accounting (MCA) System**

Approved by: Associate Administrator for Operations and Management



**1 Overview**

**A Background**

The MCA Governance Board met for its organizational meeting on March 28, 2012. The mission of the MCA Governance Board is to provide a:

- vehicle for employees to contribute ideas for improvements, additions, and exclusion of existing procedure to the MCA system and its components
- process for adopting modifications to the MCA system and its components.

The purpose of the MCA Governance Board is to:

- provide an avenue for employee participation and oversight of MCA
- give ownership of the purpose and message of MCA to the board members and enable the board members to also take information from the deliberative process back to their colleagues to provide for better informed employees with regard to the MCA data
- foster collaboration across organizational boundaries to ensure a corporate approach to achieving and implementing the MCA strategies, plans, policy, and practice.

**Note:** For more information about the MCA Governance Board and representation for each area of FSA, see Notice AO-1537.

**B Purpose**

This notice provides:

- procedure for recommending improvements to the MCA system
- submission process and deadline of **June 1, 2012**
- MCA Governance Board review and implementation of changes process.

Disposal Date	Distribution
April 1, 2013	All FSA employees; State Offices relay to County Offices

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### 1 Overview (Continued)

#### C Contact Information

If there are any questions about this notice, contact either of the following by e-mail:

- Vicki Larson at [vicki.larson@wdc.usda.gov](mailto:vicki.larson@wdc.usda.gov)
- Mitzi Lankford at [mitzi.lankford@wdc.usda.gov](mailto:mitzi.lankford@wdc.usda.gov).

### 2 Improving the MCA System

#### A Components of MCA System

One of the main responsibilities of the MCA Governance Board is to ensure that any components of MCA that are subject to revision, addition, or exclusion are subject to review and proposal for improvement on an annual basis. The components of MCA are:

- Activity Reporting System data
- Operating Costs
- Program Data
- Salary and Benefit Costs
- Unit Counts or Program Performance Metrics.

Salary, benefit, and operating cost data and program data is predetermined data that is **not** open to change or improvement. The components that have the most effect on employees and also have flexibility for change or improvement are the Activity Reporting System using WebTA and the Unit Counts or Program Performance Metrics.

#### B General Information About Recommendations

Recommendations for MCA may be in the form of additions, revision, or exclusion of elements within the Activity Reporting System in WebTA or Unit Counts or Program Performance Metrics. Recommendations may include, but are **not** limited to:

- adding new programs/services provided and/or activities
- revising current programs/services provided and/or activities
- revising 21-AO
- improving activity reporting in the WebTA software
- data report proposals and enhancements.

#### C Recommendation Categories and Submission

Recommendations will be presented to the MCA Governance Board under the following categories:

- program and/or activity
- reports
- software
- general.

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**2 Improving the MCA System (Continued)**

**D Recommendation Justification**

Recommendations submitted for review by the MCA Governance Board **must** be specific, include a justifiable reason of how the change will have a positive result, and if applicable, how the change would out-weigh any known negative consequences.

**Examples:** A general, nonspecific, unjustifiable statement would be, “We need fewer activities. It takes too much time to find the correct activity”.

A specific, justifiable recommendation would be, “Employees should be able use accounting code from another office when they are on a detail. This would ensure that the dollars and hours associated with the work completed would be captured in the correct office. It would also guarantee that the employee’s payroll office would not reflect more hours worked on their own office’s programs and give the appearance of inefficiency in the office. However, the average salary cost used by many State Offices to calculate individual County Office budget needs would not calculate correctly for the office where the detailed employees are located”.

**3 Submission Action**

**A Employee Action**

Employees may make recommendations for changes, as follows, at anytime during the year; however, the annual submission request is the most opportune time for inclusion of accepted changes in approaching fiscal year. This is especially true for recommendations that require software changes that, because of cost, will normally be funded and submitted for change once each year.

<b>Step</b>	<b>Action</b>
1	Write recommendations for improvements according to information provided in this notice.
2	Use the fillable electronic form that is available for all employees on the BPMS web site at <a href="http://fsaintranet.sc.egov.usda.gov/bpms/default.htm">http://fsaintranet.sc.egov.usda.gov/bpms/default.htm</a> (Exhibit 1).
3	Submit for review no later than the deadline established by each office’s POC.

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**3 Submission Action (Continued)**

**B POC's**

Each State Office and National Office Deputy area shall be responsible for appointing POC for their organization. The current Activity Reporting System POC may also be used in this capacity, if feasible. Appointed POC shall do the following.

<b>Step</b>	<b>Action</b>
1	Establish and publicize internal office deadline for submissions by employees to allow time for actions outlined in this table to be completed by <b>June 1, 2012</b> .
2	Provide POC name and contact information to employees.
3	Distribute the electronic Exhibit 1 format to the areas that they represent. The electronic Exhibit 1 format shall be distributed to administrative officers in State Offices and to the Deputies at the National Office. Do <b>not</b> use stationary with office letterhead, headers or footers, columns, page numbering, or any other format other than Exhibit 1.
4	Each recommendation received and submitted shall be reviewed to ensure that it follows the format provided in Exhibit 1 and includes the following: <ul style="list-style-type: none"> <li>• office submitting recommendation</li> <li>• category</li> <li>• specific 21-AO paragraph or exhibit, if applicable</li> <li>• narrative explanation and justification of suggested change.</li> </ul>
5	Collect, organize, compile, and submit recommendations to the MCA Governance Board POC's in subparagraph 1 C. Merge similar suggestions into 1 suggestion for submission. Combine all employee recommendations into a single consecutive Word document <b>by category</b> listed in subparagraph 2 C.  Submitted documents shall be named in the following formats: <ul style="list-style-type: none"> <li>• "NY_MCA.doc" for State Offices</li> <li>• "DAFLP_MCA.doc" for National Offices.</li> </ul>

**C Deputy or State Office Submission**

National and State Office POC's shall do the following.

<b>Step</b>	<b>Action</b>
1	Verify that the format in Exhibit 1 was followed, that all applicable information was included, and the information is ready for submission by <b>June 1, 2012</b> .
2	E-mail the consolidated document to <b>mitzi.lankford@wdc.usda.gov</b> with cc to <b>vicki.larson@wdc.usda.gov</b> by submission deadline.

**3 Submission Action (Continued)**

**D Submission Deadlines**

POC's shall establish an internal deadline for the areas they represent to allow time for preparing the package for submission to the MCA Governance Board. All recommendations must be submitted to the MCA Governance Board, through the appointed POC, in the correct format according to Exhibit 1, no later **than COB June 1, 2012**.

**4 MCA Governance Board Review and Implementing Changes**

**A MCA Review Process**

The MCA Governance Board will be provided a compiled document with all suggestions submitted by FSA employees for changes to the MCA system and its components. The board members will review and contact fellow employees for feedback. The MCA Governance Board Annual Change Control Meeting will be held in mid-June for full board discussion, deliberation, and consensus. The MCA Governance Board will identify priorities for the additions, changes, and revisions, and ensure funding availability to cover costs for software changes, etc. Finally, the MCA Governance Board will prepare a statement of recommendations to present to the chief financial officer for approval.

**B Implementing Approved Recommendations**

After final approval has been made, determinations will be made on which changes will require software updates to the Activity Reporting System in WebTA or other systems. OBF will work with involved parties to write requirements for submission to NFC. In addition, most changes will require preparing an amendment to 21-AO to reflect changes. The changes made through the MCA Governance Board Annual Change Control Meeting will be implemented effective in Fiscal Year 2013 or as soon as possible after fiscal year rollover.

**Submitting Recommendations for Consideration for FY 2013 by the MCA Governance Board**

The following is an example of the fillable electronic form that is available for all employees on the BPMS web site at <http://fsaintranet.sc.egov.usda.gov/bpms/default.htm>.

<b>Managerial Cost Accounting Governance Board Change Request</b>		
Request Date <input type="text"/>	Category <input type="text"/>	
State and County Name or Division Name: <input type="text"/>	Employee Name (Optional) <input type="text"/>	
21-AO Paragraph or Exhibit, if applicable: <input type="text"/>		
Suggested Change and Justifiable Narrative: <input type="text"/>		
<b>For National Office Use Only</b>		
Date Received <input type="text"/>	<input type="radio"/> Approved <input type="radio"/> Disapproved	Decision Date <input type="text"/>
Reason	<input type="text"/>	
<input type="button" value="Print Form"/>		<input type="button" value="Reset Form"/>

**Submitting Recommendations for Consideration for FY 2013 by the MCA Governance Board  
(Continued)**

<b>Instructions</b>	
Item	Step
1	Click in the "Request Date" field, enter a date or select the date from the calendar by clicking on the down arrow.
2	From the Drop Down Box, Select the Category.
3	Enter your State and County Office or Enter your National Office and Division submitting the recommendation.
4	Enter the requestor's name, this is an optional field.
5	Enter the paragraph number or Exhibit number from 21-AO, if applicable.
6	Enter the requested change and a justifiable narrative of the suggested change or enhancement.
7	The remaining grayed out fields are for the National Office Use Only, DO NOT enter any information in those fields.