



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
FINANCIAL MANAGEMENT AND COMPTROLLER
105 ARMY PENTAGON
WASHINGTON DC 20310-0109

November 9, 2001



MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: FY 02 Joint Reconciliation Program (JRP) Goals

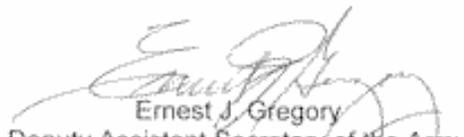
I would like to extend a special "Thank You" to all who met or exceeded the FY 01 goals. An effective Joint Reconciliation Program improves budget execution through deobligation and reuse of funds supporting invalid obligations; eliminates use of current funds to pay liabilities arising from appropriations that are cancelled; and reconciles and liquidates delinquent travel advances. The program also minimizes unmatched disbursements and negative unliquidated obligations.

During FY 02, we need to maintain our momentum and improve in areas where performance did not meet expectations. An area of improvement is the elimination of problem disbursements and intransits over 180 days old. The DODFMR requires the obligation of these transactions. On September 30, 2001 we had \$74 million in problem disbursements and intransits over 180 days old. Our first FY 02 goal is to reduce this balance to zero by March 31, 2002.

Additional FY 02 goals are enclosed. These goals leverage past accomplishments and reflect goals outlined in the Defense Management Contract. The goals are effective on October 1, 2001 and except for problem disbursements and intransits over 180 days old, the target date to meet the goal is June 30, 2002.

FY 02 will be a year of change and process improvement as we add special interest items, provide more detailed information, and generally re-engineer how we monitor and report our progress. Accounts receivable is a special interest item because OSD Comptroller changed the DODFMR and added accounts receivables to the list of transactions reviewed during joint reviews. After we've had a chance to analyze accounts receivable data, we'll establish a goal. Another special interest item is deobligations following the year of expiration, known as fifth quarter deobligations.

Questions concerning this memo may be directed to Mr. Richard Wong at DSN 327-0147/commercial (703) 607-0147 or DSN 327-5714/ commercial (703) 607-5714.


Ernest J. Gregory
Deputy Assistant Secretary of the Army
(Financial Operations)

Enclosure

FY 02 Joint Reconciliation Program (JRP) Goals

Using September 30, 2001 balances as the baseline, by June 30, 2002:

- Reduce to zero unliquidated obligations in the cancelling accounts.
- Reduce unliquidated obligations in the fourth expired year by 50 percent.
- Reduce to zero travel advances in the expired years.

Using September 30, 1998 balances as the baseline:

- By June 30, 2002, reduce total Unmatched Disbursements (UMDs) and Negative Unliquidated Obligations (NULOs) by 80 percent.
- By March 30, 2002, reduce to zero all problem disbursements (UMDs and NULOs) and intransits over 180 days.

Special Interest Items:

- Deobligations following year of expiration.
- Accounts receivable.
- Digital dashboard JRP.

Enclosure