



REPLY TO
ATTENTION OF

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

MAR 28 2011

MEMORANDUM FOR Director for Program and Financial Control, Office of the Deputy Comptroller (Program/Budget), Office of the Under Secretary of Defense (Comptroller)

SUBJECT: Tri-Annual Review Confirmation Statement

1. I have reasonable assurance that the tri-annual reviews for the period ending January 31, 2011, were completed and accomplished in accordance with the Department of Defense (DoD) Financial Management Regulation, Volume 3, Chapter 8.
2. My certification is based on confirmation statements received from all Army Commands (ACOM), Army Service Component Commands (ASCC), and Direct Reporting Units (DRU) asserting that the required commitment and obligation reviews have been conducted, and all known obligations have been recorded. Review of all interagency agreements to ensure they are consistent with DoD policy were included in the tri-annual reviews.
3. We continue to use the Army Joint Reconciliation Program (JRP) to ensure tri-annual reviews achieve desired results. Our January 31, 2011, scorecard is attached. Additionally, we conducted video teleconference sessions to enforce JRP procedures and internal controls to ensure Fiscal Year 2011 goals were met. These evaluations determined that controls are in place and operating effectively.
4. My point of contact for this action is Mr. Nathan Kessler who can be reached at (703) 693-3467 or by e-mail at Nathan.kessler@us.army.mil.

Attachment

Mary Sally Matiella, CPA

Assistant Secretary of the Army
Financial Management and Comptroller

FY11 JRP Scorecard

As of January 31, 2011



Description	1 Oct 10	FY11 Goal	Actual as of Jan 31	Explanation
Total UL0 in Canceling Accounts -- 100% reduction by 31 August 2011 (straight line monthly reduction)	● \$1,283M	\$0	\$966M	On track to meet FY11 goal based on straight line reduction of balance. Commands are in contact with subordinate locations to ensure they achieve "quick win" UL0s and shifting focus on harder UL0s
Reduce UL0 in the 4th Expired Year by 50% (straight line monthly reduction of 4.17%)	● \$2,704M	\$1,352M	\$2,361M	On track to meet FY11 goal based on straight line reduction of balance by 4.17%. Commands are in contact with subordinate locations to ensure FY11 goal is met
Reduce UL0 in the 3rd Expired Year by 25% (straight line monthly reduction of 2.08%)	● \$5,239M	\$3,928M	\$4,468	
Reduce Total Negative Unliquidated Obligations (NULO) by 20% of calendar year average (straight line monthly reduction of 1.66%)	● \$148M	\$118M	\$265M	RSW (\$50M)-second destination shipping issues. These changes hit monthly in bulk. ASC (\$24M)-attributed to double entry postings in LMP. Expect completion by March. ARGENT (\$20M) erroneous billings from SDDC. ARGENT February NULO reports show decrease of \$20M.
Reduce NULOs > 120 days (\$ in Millions)	● \$1.4M	\$0	\$9.7M	ASC (\$7M) double entry posting into LMP. RDECOM & TACOM had missing obligations totaling \$1M that will be resolved by March 5th. AMCOM had two overpayments in the amount of \$600K. AMCHQ had a \$200K NULO that was resolved on Feb 2.
Reduce Total Unmatched Disbursements (UMD) by 20% of calendar year average (straight line monthly reduction of 1.66%)	● \$230M	\$184M	\$260M	RSW (\$4M)-related to MIPR that was not obligated. This UMD has been cleared. AMC-SDDC (\$43M) balance discrepancy. DFAS currently examining. February reports show AMC balance reduced by \$20M. USARSO \$6M UMD result of ice storm in INDY preventing timely file maintenance. UMD has been resolved.
Reduce UMD > 120 days to zero (\$ in Millions)	● \$9.7M	\$0	\$10.4M	AMC- \$2.3M is tied to the transition to APVM/LMP preal process and issues with proper postings of progress payments. An additional \$2.5M tied to Navy, State Department, and NSA balances and the difficulty in retrieving backup documentation. Issues such as MAC flights transactions autoposting with incorrect DSSN. The systemic problem with MAC flights has been corrected and continue to work aged transactions with highest of priorities.
Total Intransits > 60 days to 5% or less of total prior month balance (Dec Total)	● \$9,597M	\$500M 5%	\$2,062M 21%	GFEBSS-Root Cause 1: Indianapolis Operations Army balance is \$1,662,06M, an increase of \$103,22M. \$1,547,77M of the overall balance is due to disconnects between GFEBSS and DCAS. The disconnects represent missing and duplicate clearances. Expect large balance decreases based on reporting changes.

Description	1 Oct 10	FY11 Goal	Actual as of Jan 31	Explanation
Interest penalty payment reduction paid per million	\$57.02	\$110	\$80	
Reduce Receivables outside of DoD > 30 days to 6.5% or less of total	4.2%	6.5%	3.87%	
Reduce Receivables within DoD > 30 days to 4% or less of total intra-governmental receivables	0.9%	4.0%	6.07%	1. Root Cause: \$2.2M. Bills have not been able to process due to lack of supporting documentation. 2. Root Cause: \$7.8M COE-Customers have not paid bills related to communications, CIP. 3. Root Cause: \$1.0M. Delinquent account receivables are a combination of disputed transactions and rejected bills. Bills are rejected or disputed for: incorrect customer codes being billed, an overcharge dispute by the customer, billing exceeds funding authority, or information necessary to process the bill was missing on the line of accounting (LOA) when provided by the Commands. 4. Root Cause: \$7.1M. AM&C - Delinquent Invoices. Corrective Action 1: Bills are being actively pursued and accountants and accounting technicians are working with commands/customers to verify information and re-bill. Corrective Action 2: Requested DFAS-Indy to process JPAC collection bi-weekly and following up.
Reduce Public Receivables > 30 days to 9% or less of total public debt	5.0%	9.0%	6.5%	
Defense Travel System (DTS) Usage	97%	99%	98%	Overall DTS travel down for month of January. IATS travel maintains usage
No more than 2% delinquent CBAs	0.72%	2%	11.5%	Increase in CBA delinquency was a result of system issue (GFEBG: Obligations not sufficient causing rejects), processing delays (since our accounts cycle every day) there was some "holiday" delays in the organizations and DFAS and a cumbersome recon process exacerbated by invoices with large numbers of transactions
Electronic Commerce (reported quarterly) (as of 31 Jan 2011)	21.3%	26.7%	23.1%	1-Government Travel System (GTS) Central Billed Account (CBA) Airline tickets cannot be electronically processed because the current process of processing the Transportation Commands (TRANSCOM) GTS diskette is manually intensive. This represents the largest volume of transactions that are counted as manual. LOAs are not properly formatted requiring DFAS to manually process transactions. The current process was developed a decade ago utilizing a DOS based system. DFAS and TRANSCOM are evaluating a more suitable electronic solution. 2- TRANSCOM's Power Track system cannot process all Transportation transaction electronically. These include Non-Temp Storage, Hold Baggage, and Local Moves. 3- Select Misc Pay transactions cannot be processed via Wide Area Work Flow (WAWF) due to lack of WAWF Misc Pay Codes in this system.

Description	1 Oct 10	FY11 Goal	Actual as of Jan 31	Explanation
Pay Timeliness - Process 97% of all Central Site Military Pay Transactions in timely manner	95.4%	97%	97%	
Pay Timeliness - Process 99% of all Civilian Pay Transactions in timely manner	98.5%	99%	98.3%	A retroactive post classification/payment table update was created through a system change in DCPS which was implemented for pay period 12/18/2010. January performance returned to normal levels as this was a policy issue rather than operational
ADA - No delinquent Preliminary Investigations	20	0	27	
ADA - No delinquent Formal Investigations	5	0	6	2 cases with OSD for packaging to OMB. 2 Cases with OSD for Advance decision. 1 Case at command administering discipline. 1 case awaiting reprogramming decision