Assistant Secretary of the Army
Financial Management and
Comptroller

Joint Reconciliation Program
Video Tele-conference

Phase II Triannual Review Ending May 31, 2005
July 12, 2005
1400-1530
Agenda

- Roll Call
  Mr. Argodale
- Opening Remarks
- Summary Program Update
- Closing Remarks:
  Mr. Argodale
Opening Remarks

Mr. John J. Argodale
Deputy Assistant Secretary of the Army
(Financial Operations)
Program Update
FY 05 Canceling Appropriations

Actual vs. Straight Line Liquidation

By Sep 30, 2005:

- Reduce unliquidated obligations to zero

DATA SOURCE: DFAS REPORT

1 Oct 04 = $ 409 M
31 May 05 = $ 165 M
Canceling Appropriations
FY03 - FY05

DATA SOURCE: DFAS REPORT
Army Payoff - Canceling Appropriations

Total Potential Liability FY99-FY04
$139.1
Total Paid FY99 - FY05
85.1

Funded as of 31 May 05
AFH $ -0- MCA 3,000.00
PROC 2,511,284.41
RDTE 239,241.98
MPA $ -0-MOA 729,491.81

Total $ 3,483,018.20

DATA SOURCE: DFAS, ARMY BUDGET
Backlog of Cancelled Account Invoices

<table>
<thead>
<tr>
<th></th>
<th>FY 03</th>
<th></th>
<th></th>
<th>FY 04</th>
<th></th>
<th></th>
<th>FY 05</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jan</td>
<td>May</td>
<td>Sep</td>
<td>Jan</td>
<td>May</td>
<td>Sep</td>
<td>Jan</td>
</tr>
<tr>
<td>$M</td>
<td>0.2</td>
<td>0.3</td>
<td>0.11</td>
<td>0.9</td>
<td>2.5</td>
<td>0.5</td>
<td>0.47</td>
</tr>
<tr>
<td>#PNDG</td>
<td>32</td>
<td>18</td>
<td>8</td>
<td>44</td>
<td>43</td>
<td>30</td>
<td>60</td>
</tr>
<tr>
<td>AGE</td>
<td>62</td>
<td>52</td>
<td>32</td>
<td>54</td>
<td>72</td>
<td>39</td>
<td>81</td>
</tr>
</tbody>
</table>
# Backlog of Cancelled Account Invoices

31 Jan 05

<table>
<thead>
<tr>
<th># of Lines</th>
<th>$ Amount</th>
<th>Age</th>
<th># of Lines</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMC</td>
<td>35</td>
<td>298.9</td>
<td>&gt;180</td>
<td>0</td>
</tr>
<tr>
<td>OSA</td>
<td>6</td>
<td>25.4</td>
<td>&gt;120</td>
<td>11</td>
</tr>
<tr>
<td>PEOs</td>
<td>15</td>
<td>139.2</td>
<td>NEW</td>
<td>49</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
<td>1.5</td>
<td>TOTAL</td>
<td>60</td>
</tr>
<tr>
<td>TOTAL</td>
<td>60</td>
<td>465.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th># of Lines</th>
<th>$ Amount</th>
<th>Age</th>
<th># of Lines</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>OMA</td>
<td>33</td>
<td>53.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PROC</td>
<td>11</td>
<td>240.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RDTE</td>
<td>13</td>
<td>75.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>95.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>60</td>
<td>465.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Fourth Expired Year
(millions)

By Sep 30, 2005

- Reduce 4th expired year by 50%
  = $390M

DATA SOURCE: DFAS REPORT
Travel Advances
Expired Years

By 30 Sep 2005:
➢ Reduce travel advance in expired years to zero

<table>
<thead>
<tr>
<th>%Decrease</th>
<th>1 Oct 04</th>
<th>31 May 05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expired Travel Adv</td>
<td>$ 52.3M</td>
<td>$ 23.3M</td>
</tr>
<tr>
<td>55.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expired Adv less OA-01</td>
<td>$ 16.1M</td>
<td>$ 2.9M</td>
</tr>
<tr>
<td>82.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expired Adv OA-01</td>
<td>$ 36.2M</td>
<td>$ 20.4M</td>
</tr>
<tr>
<td>43.6%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

DATA SOURCE: DFAS REPORT
Voucher Percentage Summary FY 05
Only Sites Proliferated or Scheduled for Proliferation in FY 05

By Sep 30, 2005: Increase DTS Usage to 50%  

DTS RATES
WinIATS= 67%
DTS= 33%

Note 1: Does not include any claims processed by Contingency Travel Office.
Note 2: Does not include any PCS claims.
Note 3: Only includes WinIATS claims processed by servicing Travel Office.
Problem Disbursements (NULOs & UMDs)
Negative Unliquidated Obligations

By 30 Sep 2005:
- 10% reduction overall
- Baseline of 30 Sep 2004
- Reduce to zero (>120 days)

DATA SOURCE: DFAS
Unmatched Disbursements

By 30 Sep 2005:

- 10% reduction overall
- Baseline of 30 Sep 2004
- Reduce to zero (>120 days)

DATA SOURCE: DFAS
By 30 Sep 2005:
- Baseline of 30 Sep 2004
- Reduce to zero (>30 days)

DATA SOURCE: DFAS
Special Interest Items
DFAS
Prompt Pay Interest Reduction
This Chart Shows Accounting System Numbers

<table>
<thead>
<tr>
<th></th>
<th>Sep FY04</th>
<th>FY 04 Goal</th>
<th>FY 05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Army</td>
<td>90.97</td>
<td>85.00</td>
<td>95.08</td>
</tr>
</tbody>
</table>

**Prompt Pay Interest Reduction - FYTD**

YTD:

Sep FY04: 90.97
FY 04 Goal: 85.00
FY 05: 95.08

Int $ Per Million
Maximum Goal

Dollars per Million

Sep-04 Oct-04 Nov-04 Dec-04 Jan-05 Feb-05 Mar-05 Apr-05 May-05 Jun-05 Jul-05 Aug-05 Sep-05
Accounts Receivable

By 30 Sep 2005:
- Baseline of 30 Sep 2003
- 75% Reduction of Delinquent Accounts Receivable
- 95% Reduction of Delinquent Public Receivable Amounts (>180 days)

DATA SOURCE: DFAS
2nd Expired Year Un-liquidated Obligation

By 30 Sep 2005:
- Reduce Fiscal Year 2003 MILPERS ULO Balance to 0.5 percent or less of TOA
- Data presented as of 31 May 05

<table>
<thead>
<tr>
<th></th>
<th>$ in Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOA</td>
<td>44.4</td>
</tr>
<tr>
<td>ULO</td>
<td>0.18</td>
</tr>
<tr>
<td>ULO %</td>
<td>0.40</td>
</tr>
</tbody>
</table>

MILPERS
2nd Expired Year Un-liquidated Obligation

By 30 Sep 2005:
- Reduce Fiscal Year 2003 O&M ULO Balance to 3.0 percent or less of TOA
- Data presented as of 31 May 05
Goal:
- 100% Reduction of Total Formal ADA Violation Cases as of 31 December 2004
- 80% Reduction of Total Potential ADA Violation Cases as of 30 September 2004

DATA SOURCE: DASA-FOF
# Anti-Deficiency Act Violations

<table>
<thead>
<tr>
<th>MACOMS</th>
<th>FORMAL ADA CASES</th>
<th></th>
<th>POTENTIAL ADA CASES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 Dec 04</td>
<td>31 May 05</td>
<td>30 Sep 04</td>
<td>31 May 05</td>
</tr>
<tr>
<td>NGB</td>
<td>9</td>
<td>6</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>AMC</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>EUSA</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>FORSCOM</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>COE</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>INSCOM</td>
<td>3</td>
<td>0</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>MEDCOM</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>OA 22</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>IMA</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>OCAR</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>OSD</td>
<td>0</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>HQDA</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>23</strong></td>
<td><strong>18</strong></td>
<td><strong>13</strong></td>
<td><strong>2</strong></td>
</tr>
</tbody>
</table>

1/ Status of HQDA Cases:
- HQDA: 3
- OGC - 2
Joint Reconciliation Program

- Website: http://www.asafm.army.mil/fo/fod/jrp/jrp.asp
- Centralized mailbox: JointReconProgram@hqda.army.mil
- Next VTC: Scheduled for November 2005

FY 05 Phase III Reporting, 1500-1630
Closing Remarks