

## Goal: Getting Payments Right

Program or Activity  
Military Retirement

Reporting Period  
Q1 2020

Change from Previous FY (\$M)

\$66M

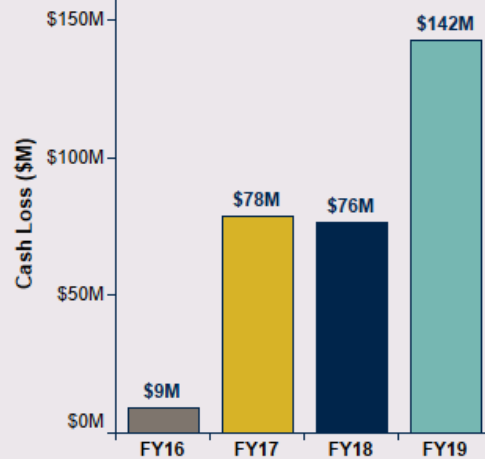


**DOD**  
Military Retirement

**Brief Program Description:**

Retired and Annuitant Pay is responsible for payments of retired and annuity accounts, including account establishment, maintenance and termination.

### Cash Loss by FY (\$M)



Key Milestones		Status	ECD
1	Develop mitigation strategies to get the payment right the first time	On-Track	Nov-20
2	Evaluate the ROI of the mitigation strategy	On-Track	Nov-20
3	Determine which strategies have the best ROI to prevent cash loss	On-Track	Oct-21
4	Implement new mitigation strategies to prevent cash loss	On-Track	Nov-20
5	Analyze results of implementing new strategies	On-Track	Oct-21

Quarterly Progress Goals			Status	Notes	ECD
1	Q1 2020	Automation efforts: Rolling out of system changes to increase case processing numbers and reduce improper payments.	On-Track		Nov-20
2	Q1 2020	Implementing the use of new workbooks to increase case processing and reduce improper payments.	On-Track		Nov-20

Recent Accomplishments		Date
1	Audit steadiness: Received unmodified audit opinions	Nov-19
2	Internal Controls: Closed two internal control deficiencies regarding Congressional case processing timeliness.	Dec-19

Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$142M	Administrative or process errors made by: federal agency	DFAS processes a cost refund after DIC establishment on the annuity account which is a labor-intensive process for Annuity Pay. In addition, SBP portion of accounts established incorrectly due to failure to update account based on DD265 data.	Automation of cost refund processing to eliminate manual processing of many standard cost refund accounts and updating of current cost refund workbook to include placing data directly from the server on the workbook.	The automation efforts will reduce the number of technician input errors and allow more focus on the research of the annuity account. In addition, increase timeliness of processing to ensure SBP elections are correct at the start of retire pay.

**Cash Loss** - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.