

Goal: Getting Payments Right

Program or Activity
Military Pay

Reporting Period
Q4 2020

Change from Previous FY (\$M)

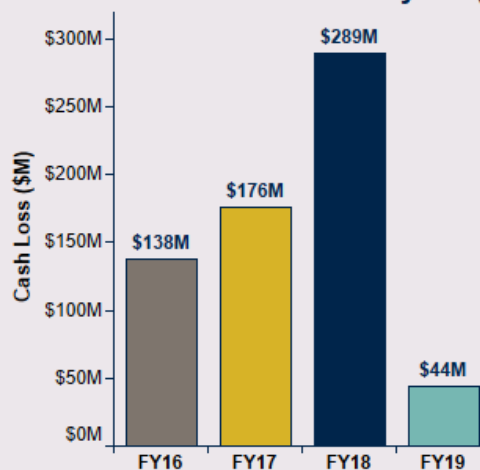
-\$245M



Brief Program Description:

Payments made by the Defense Finance and Accounting Service (DFAS) to Active, Reserve, and National Guard Military Service members for salary, benefits, and other compensation entitlements.

Cash Loss by FY (\$M)



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

Quarterly Progress Goals	Status	Notes	ECD
1 Q4 2020 Develop procedures to utilize a centralized collaboration software tool to request KSDs. In addition, host an entrance conference to discuss program objectives, timelines and KSD requirements for the post payment review process.	On-Track	N/A	Dec-20
2 Q4 2020 Reassess newly implemented standard operating procedures to identify any gaps in business processes to disseminate sample listing, communication between the Services and the submission of supporting documentation response process.	On-Track	N/A	Dec-20

Recent Accomplishments	Date
1 The Department divided the Military Pay program into four separate programs (i.e., Army, Navy, Air Force, and Marine Corps) to perform in-depth reviews of procedures and/or activities that have a significant impact on KSD submission shortfalls.	Jun-20
2 The Services made significant progress in providing supporting documentation for its payments tested in FY 2020. The combined Military Pay estimated IP rate decreased by 2.45% and improper payment amount decreased by \$2,273.57.	Sep-20

Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
N/A	Insufficient documentation to determine NOTE: The root cause changed from last quarter due to DoD's focus on unknown payments in Quarter 4	The DoD implemented a revised sampling plan and testing methodology for the Military Pay program. As a result, there were gaps in the post payment review process due to lack of understanding the key supporting documentation required for submission.	Internal Process or Policy Change	Accurately classify improper payments based on appropriate supporting documentation submitted for review and accurately identify improper payments that result in a monetary loss to the Department.

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