



COMPTROLLER

OFFICE OF THE UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

September 30, 2009

MEMORANDUM FOR ASSISTANT SECRETARIES OF THE MILITARY
DEPARTMENTS (FINANCIAL MANAGEMENT AND
COMPTROLLER)
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES
COMPTROLLER, JOINT STAFF
COMPTROLLER, U.S. SPECIAL OPERATIONS
COMMAND
COMPTROLLER, U.S. ARMY CORPS OF ENGINEERS
COMPTROLLER, OFFICE OF THE INSPECTOR GENERAL
CO-CHAIRMEN, OSD PERSONNEL/PAY COUNCIL

SUBJECT: DoD FY 2010 Financial Operations Metrics Goals

Attached are the goals for DoD FY 2010 financial operations metrics, set based on past outcomes and the potential for improved performance. You have my sincere appreciation for your hard work and thoughtfulness in finalizing these goals and setting our pace for the future.

I look forward to continued and active Service and agency support of our monthly metrics program, especially given that elements of it directly feed into DoD's FY 2010 Performance Budget and Strategic Management Plan. Both are high interest programs that give Congress and the public a better understanding of the Department's strong financial stewardship and robust efforts to improve business processes.

Should you have any questions on metric goals, my POC is Pat Dees (703-695-0364, patricia.dees@osd.mil).

A handwritten signature in black ink, appearing to read "Mark E. Easton".

Mark E. Easton
Deputy Chief Financial Officer

Attachment:
DoD FY 2010 Goals

cc:
OUSD(C)/AF&P/BIO/FR&A

DoD FY 2010 FINANCIAL OPERATIONS METRICS GOALS (DoD-Level)

The goals listed in this section are FY 2010 Department-level goals. Unless the goal is a flat rate (e.g., 0% overaging), these goals are not necessarily the same as individual Component or DFAS center goals. For individual Component goals, please reference the goal descriptions for each metric, found in the FY 2010 Financial Operations Metrics Dictionary (update forthcoming at https://metrics.ousdc.osd.mil/secure/scoring/FY09_Goals/FY09_Metric_dictionary_Goals_and_Letter.pdf). FY 2011 and 2012 goals are for planning purposes and will be reviewed prior to each fiscal year.

METRIC	Fiscal Year Goal						
	2012	2011	2010	2009	2008	2007	2006
AB (1 of 2) - Abnormal AR(M) 1002 Unobligated Balances	65%	65%	To reduce by 65% or more of the FYE 2009 AB1002 balance all ABs > 2 months old.	65%	65%	60%	0
AB (2 of 2) - Abnormal SF 133 Balances	0	0	To have 0 abnormal SF 133 balances > 2 months old.	0	0	0	0
AD (1 of 3) – Formal Anti-Deficiency Act Investigations ¹	0	0	To have 0 formal ADA investigation cases over 12 months old. ¹	0	0	0	0
AD (2 of 3) - “More Than 30 Days Old” Preliminary Interagency Anti-Deficiency Act Investigations ²	0	0	To have 0 “more than 30 day old” preliminary interagency ADA investigation cases. ²	0	No metric	No metric	No metric
AD (3 of 3) - “More Than 90 Days Old” Preliminary Non-Interagency Anti-Deficiency Act Investigations ²	0	0	To have 0 “more than 90 days old other” preliminary ADA investigation cases. ²	0	No metric	No metric	No metric
AR (1 of 4) - Delinquent Outside DoD Intergovernmental Accounts Receivable	6	6.5%	To have 7% or less in delinquent outside DoD intergovernmental ARs > 30 days delinquent.	9%	10%	10%	10%
AR (2 of 4) - Delinquent Public Accounts Receivable	7.5%	8%	To have 9% or less in delinquent public receivables (available for collection by DoD and > 30 days delinquent).	9%	10%	10%	10%
AR (3 of 4) - Delinquent Within DoD Intragovernmental Accounts Receivable	3.5%	4%	To have 4.5% or less in delinquent within DoD intragovernmental ARs > 30 days delinquent.	5.5%	7%	8%	10%
CL (1 of 4) - Clearing Account Reconciliation	0%	0%	To have 0% discrepancies between DoD and UST clearing accounts balances.	0%	0%	0%	≤5%
CL (2 of 4) - Within Timeframe (31-60 Days) Clearing Account Balances ³	4.5%	4.5%	To have 4.5% or less of within timeframe clearing account balances in the 31-60 day category. ³	40%	40%	≤ \$512.8M (20% of the FY06 balance)	\$78M (10% reduction of Jan-Sep 05 baseline)

METRIC	Fiscal Year Goal						
	2012	2011	2010	2009	2008	2007	2006
CL (3 of 4) - Overaged Clearing Account Balances ³	\$0	\$0	To have \$0 overaged clearing account balances. ³	100%	100%	≤5% of the avg of prior 2 months' total	< 10% of total CL balance is overaged
CP (1 of 4) - Interest Penalties Paid Commercial Payments	\$125/\$M	\$125/\$M	To maintain paid interest penalties at or below \$125/\$M per month subject to the PPA.	\$125/\$M	\$125/\$M	\$125/\$M	\$125/\$M
CP (2 of 4) - Payment Backlog Commercial Payments	2%	2%	To have a 2% or less commercial payment backlog.	2%	2%	2%	2%
DA - Deposit Accounts with Negative Balances	0	0	To have 0 negative deposit accounts balances > 3 months old.	0	0	0	0
EC (1 of 2) - Electronic Invoices	88%	87%	To receive 86% or more of all invoices electronically.	85%	85%	81%	75%
EC (2 of 2) - Electronic Receiving Reports	85%	83%	To receive 81% or more of all receiving reports electronically.	81%	81%	81%	75%
FB (1 of 2) - Fund Balance with Treasury Deficiency Rate	1.2%	1.3%	To have 1.4% or less in total absolute FBWT deficiencies.	1.5%	1.5%	2%	3%
IP (1 of 3) - Improper Military Pay	.39%	.40%	To have no more than .45% of all military pay payments be improper.	.46%	.46%	No metric	No metric
IP (2 of 3) - Improper Civilian Pay	.25%	.26%	To have no more than .27% of all civilian pay payments be improper.	.20%	.25%	No metric	No metric
IP (3 of 3) - Improper Retiree and Annuitant Pay	.095%	.10%	To have no more than .12% of all retiree and annuitant payments be improper.	.13%	.13%	No metric	No metric
IT - Overaged In-transit Disbursements and Collections	5%	5%	To have 5% or less (of the prior month's absolute IT balance) in overaged ITs > 60 days old.	5%	5%	5% DFAS only	\$90M DFAS only
NB - Appropriations with Negative Balances	0	0	To have 0 negative appropriation balances > 3 months old.	0	0	0	0
PC (1 of 2) - Purchase Card Delinquencies	1%	1%	To have 1% or less in purchase card delinquencies.	1%	1%	1% (Mil) 2% (Agcy)	1% (Mil) 2% (Agcy)
PD (1 of 4) - Overaged Unmatched Disbursements	0%	0%	To have \$0 overaged UMDs > 120 days old.	\$0	\$0	\$0	Cap: \$0 Non-cap: ≤2004 balance
PD (2 of 4) - Within Timeframe Unmatched Disbursements	30% ⁴	20% ⁴	To achieve an annual reduction rate of 10% from the CY 2009 average, achieved in monthly cumulative incremental rates of .833%. ⁴	\$1B	\$1B	\$1B	Cap: \$712M Non-cap: ≤ 2004 balance

METRIC	Fiscal Year Goal						
	2012	2011	2010	2009	2008	2007	2006
PD (3 of 4) - Overaged Negative Unliquidated Obligations	\$0	\$0	To have \$0 in overaged NULOs > 120 days old.	\$0	\$0	\$0	\$5M
PD (4 of 4) - Within Timeframe Negative Unliquidated Obligations	30% ⁴	20% ⁴	To achieve an annual reduction rate of 10% from the CY 2009 average, achieved in monthly cumulative incremental rates of .833%. ⁴	\$100M	\$100M	\$90M DFAS only	\$94M Capitalized Def Agencies Only
PS (1 of 5) - Central Site Military Pay Timeliness ⁵	99%	98.5%	To process 98% or more of all central site military pay transactions in a timely manner.	98%	98%	97%	95%
PS (2 of 5) - Civilian Pay Timeliness ⁵	100%	99.5%	To process 99% or more of all civilian pay transactions in a timely manner.	99%	99%	99.6% combined metrics	99.6% combined metrics
PS (3 of 5) - Field Level Military Pay Timeliness ⁵	97%	97%	To process 97% or more of all field level military pay transactions in a timely manner.	97%	97%		
PS (4 of 5) - Military Pay Case Resolution Timeliness ⁵	100%	99.5%	To resolve 99% or more of all pay cases referred to DFAS in 20 days or less.	99%	99%	99%	100%
PS (5 of 5) - myPay Participation Rates ⁵	94%	93%	To achieve a 92% or better myPay participation rate.	92%	92%	92%	No metric
RA - Commercial Pay Recovery Audit	.075%	.08%	To have no more than .085% of all commercial payments be improper.	.16%	.16%	No metric	No metric
TO - Treasury Offset Program	100	99	To collect 98% or more of all Treasury FMS executable referrals.	98%	98%	95%	90%
UA - Unsupported Accounting Entries	8%	8%	To achieve a 10% reduction of the prior fiscal year's same quarter balance.	10%	10%	\$325.2B (20% of FY06 balance)	\$240B (25% of FY05 balance)
The CFO Council sets goals for government-wide (GW) metrics. Metrics below are for information only.							
AR (4 of 4) - GW Delinquent Accounts Receivable from Public Over 180 Days	N/A	N/A	To have no more than 10% of all public receivables over 180 days delinquent.	10%	10%	10%	10%
CL (4 of 4) - GW Amount in Suspense (Absolute) Greater than 60 Days Old	N/A	N/A	To reduce overaged (> 60 days old) suspense clearing accounts (absolute) to 5% or less of the clearing account balance.	5%	5%	5%	10%
CP (4 of 4) - GW Interest Penalties Paid	N/A	N/A	To pay less than \$200 of interest per \$M subject to the PPA.	\$200	\$200	\$200	< .02% paid as interest, of all payments
CP (3 of 4) - GW Percent Invoices Paid on Time	N/A	N/A	To pay 98% or more of invoices on time.	98%	98%	98%	98%

METRIC	Fiscal Year Goal						
	2012	2011	2010	2009	2008	2007	2006
EP - GW Electronic Payments	N/A	N/A	To make 96% of all vendor and credit card payments electronically.	96%	96%	96%	96%
FB (2 of 2) - GW Fund Balance with Treasury (Net)	N/A	N/A	To have 2% or less in net FBWT deficiencies.	2%	2%	2%	2%
PC (2 of 2) - GW Purchase Card Delinquency Rate	N/A	N/A	To have a 0% purchase card delinquency rate.	0%	0%	0%	0%
TC (1 of 2) - GW Travel Card Delinquency Rates Centrally Billed Account (CBA)	N/A	N/A	To have a 0% in CBA travel card delinquencies.	0%	0%	0%	0%
TC (2 of 2) - GW Travel Card Delinquency Rates Individually Billed Account (IBA)	N/A	N/A	To have 2% or less in IBA travel card delinquencies.	2%	2%	2%	2%

1. For clarity, the word "formal" was added to the title and goal of this metric.
2. For correctness, the word "less" was changed to "more" in the title and goal of this metric.
3. This metric and goal were changed to include both exempt and non-exempt balances.
4. Sep through Dec 09 data will be added to the CY 2009 average when available. For future years, the annual reduction rate will be a cumulative additional 10% from the CY 2009 average within timeframe balance. For example, the EFY 2011 goal will be a 20% reduction from the CY 2009 average.
5. Pay services metrics are included for visibility. The OSD Personnel/Pay Council sets goals for pay services metrics.