

Library Routing Slip
2005 BRAC Commission Materials

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Title of Item: Base Visit Report DPAS Columbus, OH
Installation or Community: Columbus, OH
Source: (Commission Generated; Department of Defense; Base (visited); Congress: Community; Other)
Certified Material? yes no
Analyst / Provider Wasleski, M Date Received: 8/2/05
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BASE VISIT REPORT

DEFENSE FINANCE AND ACCOUNTING CENTER (DFAS) Columbus, OH

August 2, 2005

LEAD COMMISSIONER: General Newton

ACCOMPANYING COMMISSIONER: Mr. Skinner

COMMISSION STAFF: Marilyn Wasleski

LIST OF ATTENDEES:

See attached list.

PRESENT MISSION:

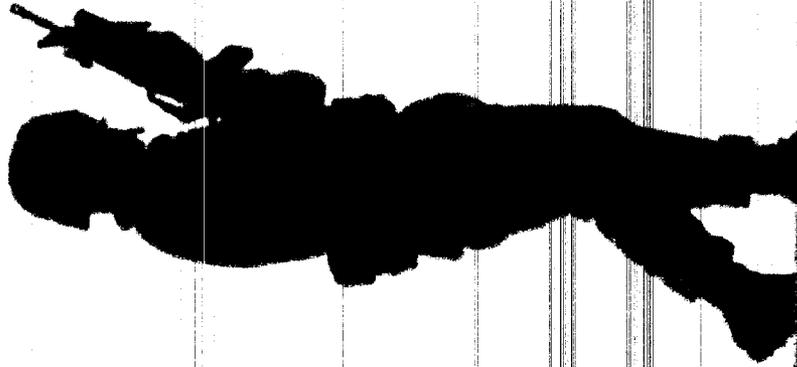
Please see attached mission and community briefings.

REQUESTS FOR STAFF AS A RESULT OF VISIT: None at this time.

Prepared by: Marilyn Wasleski, Interagency Team

Name	Affiliation
Skinner, Samuel	BRAC Commissioner
Newton, Lloyd	BRAC Commissioner
Wasleski, Marilyn	BRAC Staff
Skinner, McCreary	BRAC staff
Gaddy, Zack	Director, DFAS
Zmyslinski, Nancy	Site Director, DFAS Columbus
Stearns, Martha	Deputy Director, Commercial Pay
RADM Bird, Linda	Director, DSCC
McClagherty, Jim	Deputy Director DSCC
Greer, Hanna	Commissioner Brook's Aide
Rollins, Derek	Security Officer for Gov Taft
Scott Corbitt	Sen. DeWine's Security Officer
Russell, John	Aide to Gov Taft
Siskovic, Jean	Office of Senator Voinovich
Vicenty, Nester	Security Officer for Gov Taft
Rouda, Hartley	Managing Partner, HER Realty
Winsor, Beth	DFAS Columbus, Accounting Services
Grady, Tom	DFAS Columbus , Admin. Services Manager
Icenogle, Larry	DFAS Columbus, Corporate Communications
Mitchell, Joan	DFAS Columbus, Accounting Services
Youn, Kenny	DSCC
Cea, Anthony	DSCC
Young, Sherri	DSCC
Ault, Karen	DFAS Columbus, Admin. Services
Maynard, John	DFAS Columbus, Corporate Communications
Philippa Houston	DFAS Columbus, Admin Services
Bell, Mark	Office of Congressman Patrick Tiberi
Bogan, Susan	American Strategies, LLC
Brooks, Paula	Franklin County Commissioner
Brown, Don	Franklin County Administrator
Clark, Bob	Office of Congressman David Hobson

Coleman, Michael	Mayor, City of Columbus
DeWine, Mike	United States Senator
Fallon, Khisha	Office of Senator George Voinovich
Fiorile, Michael	President, The Dispatch Printing Company
Hobson, David	United States Congressman
Howard, Brent	President, Whitehall City Council
Marsh, Ty	President and CEO, Columbus Chamber
Matthews, Harry	Coldwell Banker / King Thompson
McCloud, Jason	Office of Congresswomen Deborah Pryce
Merryman, Susan	Vice President, Marketing and Communication, Columbus Chamber
Ochsendorf, Lynn	Mayor, City of Whitehall
O'Grady, Pam	Office of Mayor Michael Coleman
Oliver, Stacie	Office of Senator Mike DeWine
Pryce, Deborah	United States Congresswoman
Renaud, Joe	Aerospace and Defense Advisor, Ohio Department of Development
Sciotto, Brett	President and CEO, American Strategies
Sheeley, Larry	Columbus Metropolitan Library
Stephens, Jerome	Office of Mayor Michael Coleman
Stewart, Todd	Major General, United States Air Force (Retired) Director, Program for International and Homeland Security, The Ohio State University Executive Director, National Academic Consortium for Homeland Security
Taft, Bob	Governor, State of Ohio
Tiberi, Patrick	United States Congressman
Tugend, Steve	Vice President, Government Relations, Columbus Chamber
Voinovich, George	United States Senator
Walsh, Marty	AEP Ohio
Yorston, Ruth	Columbus Chamber



Your Financial
Partner @ Work

DFAS BRAC Commission Update

Nancy Zmyslinski
Site Director, Columbus

Agenda



- DFAS at a glance
- DFAS customer service matrix and organization
- DFAS success stories
- DFAS Columbus information
- The road ahead

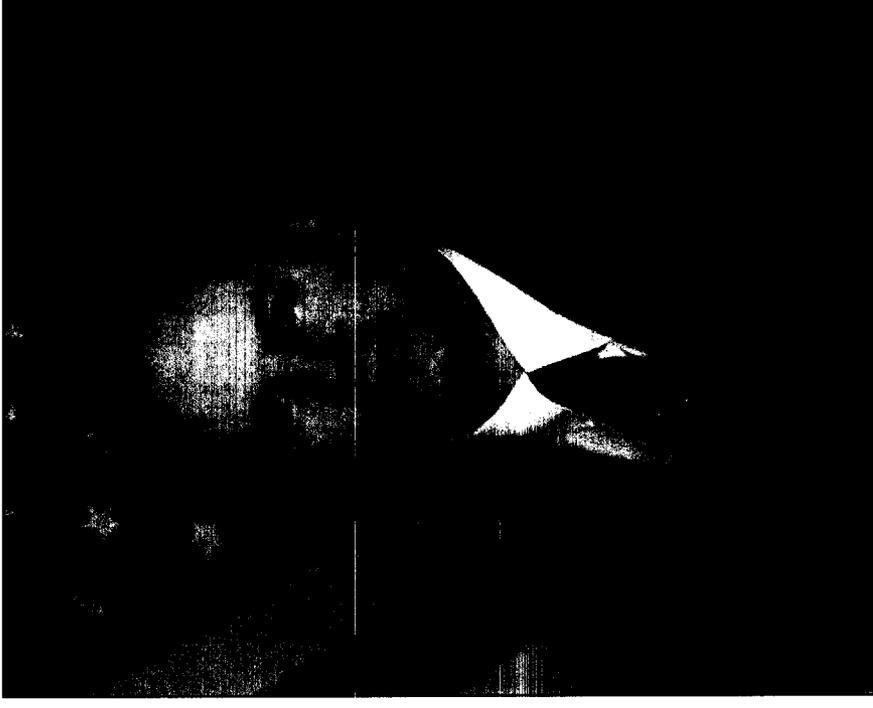


DFAS at a Glance -- The Big Picture



- Mr. Zack E. Gaddy's priorities:
 - ✓ Take care of our customers
 - ✓ Improve our operations to become world-class in all we do
 - ✓ Deliver the best value that excites our customers & motivates our employees

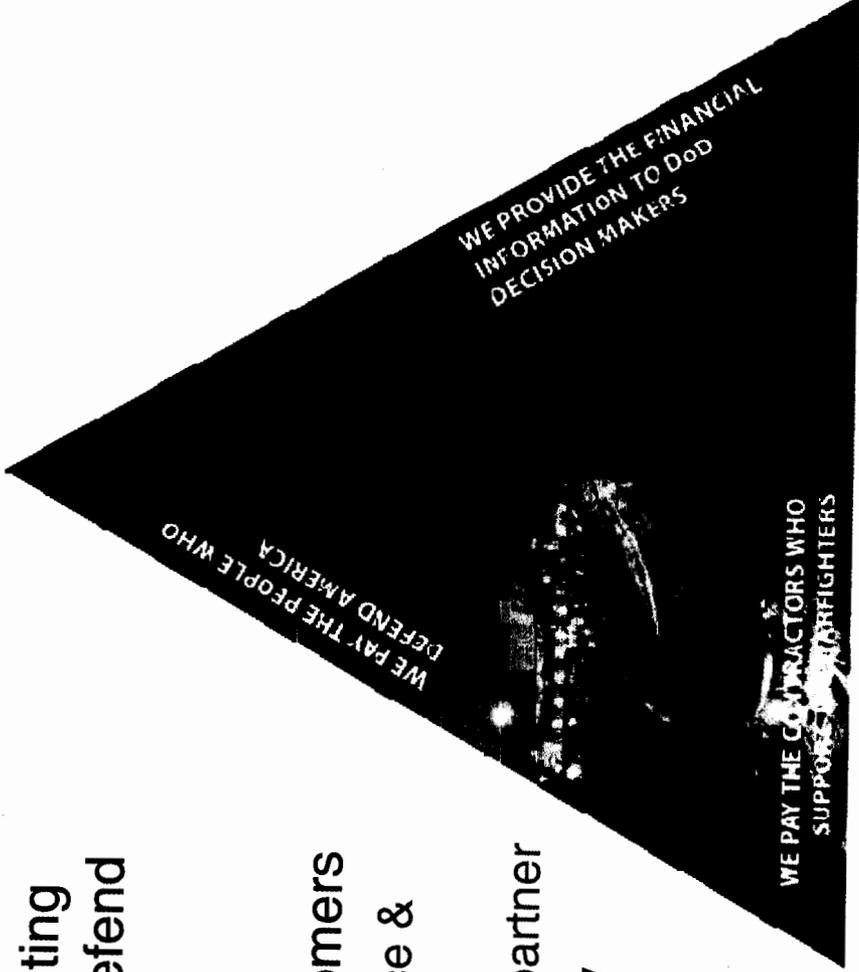
"These are exciting times for DFAS as we continue to transform & assert our role as the finance & accounting leader in the Department of Defense & ultimately in the federal government. NOW is the time for us to make a difference. I know I can count on you."



DFAS at a Glance -- Our Mission, Vision & Values



- **Mission:** Provide responsive, professional finance & accounting services for the people who defend America
- **Vision:** Best value to our customers
 - ✓ World-class provider of finance & accounting services
 - ✓ Trusted, innovative financial partner
 - ✓ One organization, one identity
 - ✓ Employer of choice, providing a progressive & professional work environment

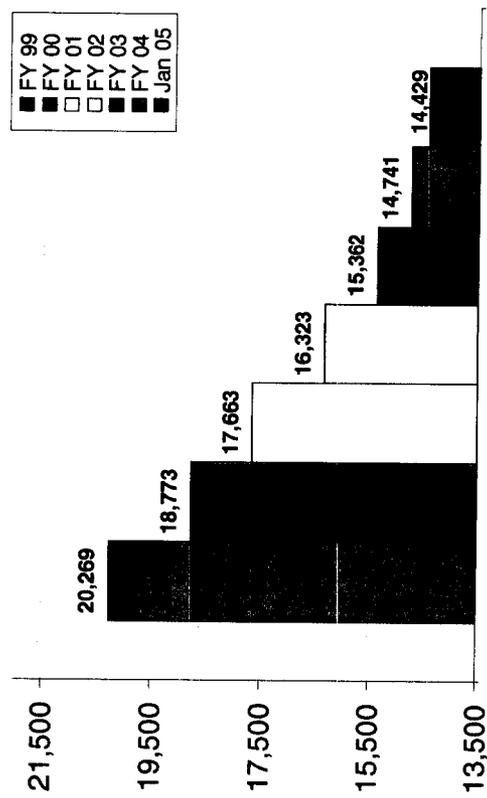


- **Values:** Integrity, Service, Innovation

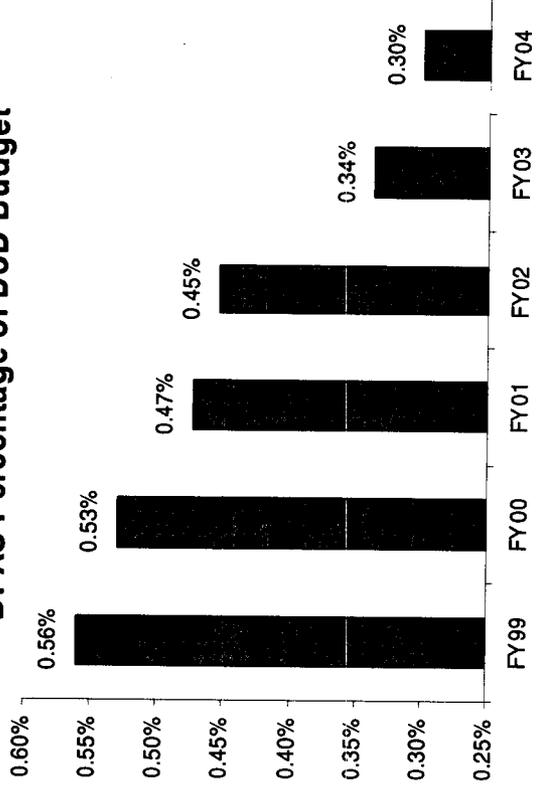
DFAS at a Glance -- The State of DFAS Today



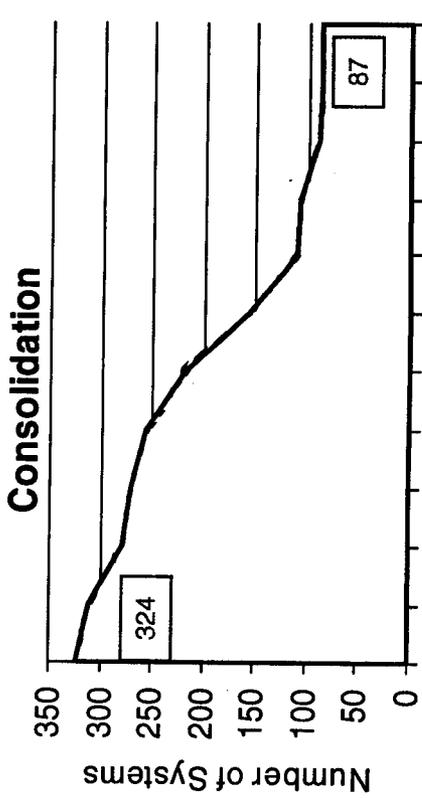
Total Work Force



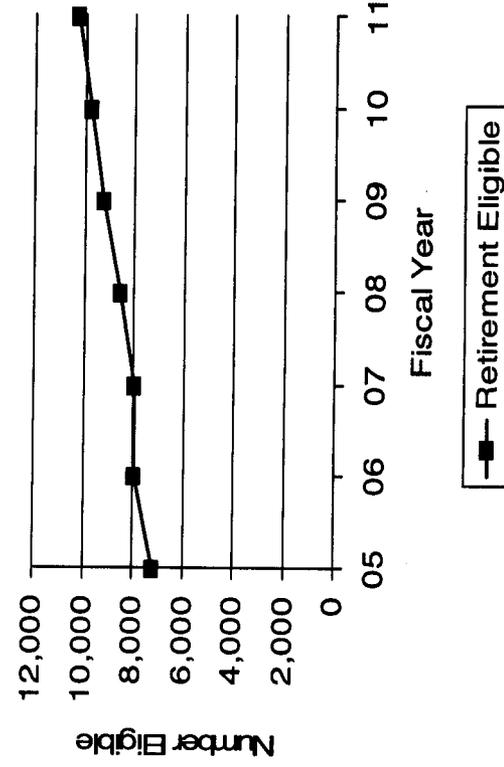
DFAS Percentage of DoD Budget



Financial Management System Consolidation



Demographics



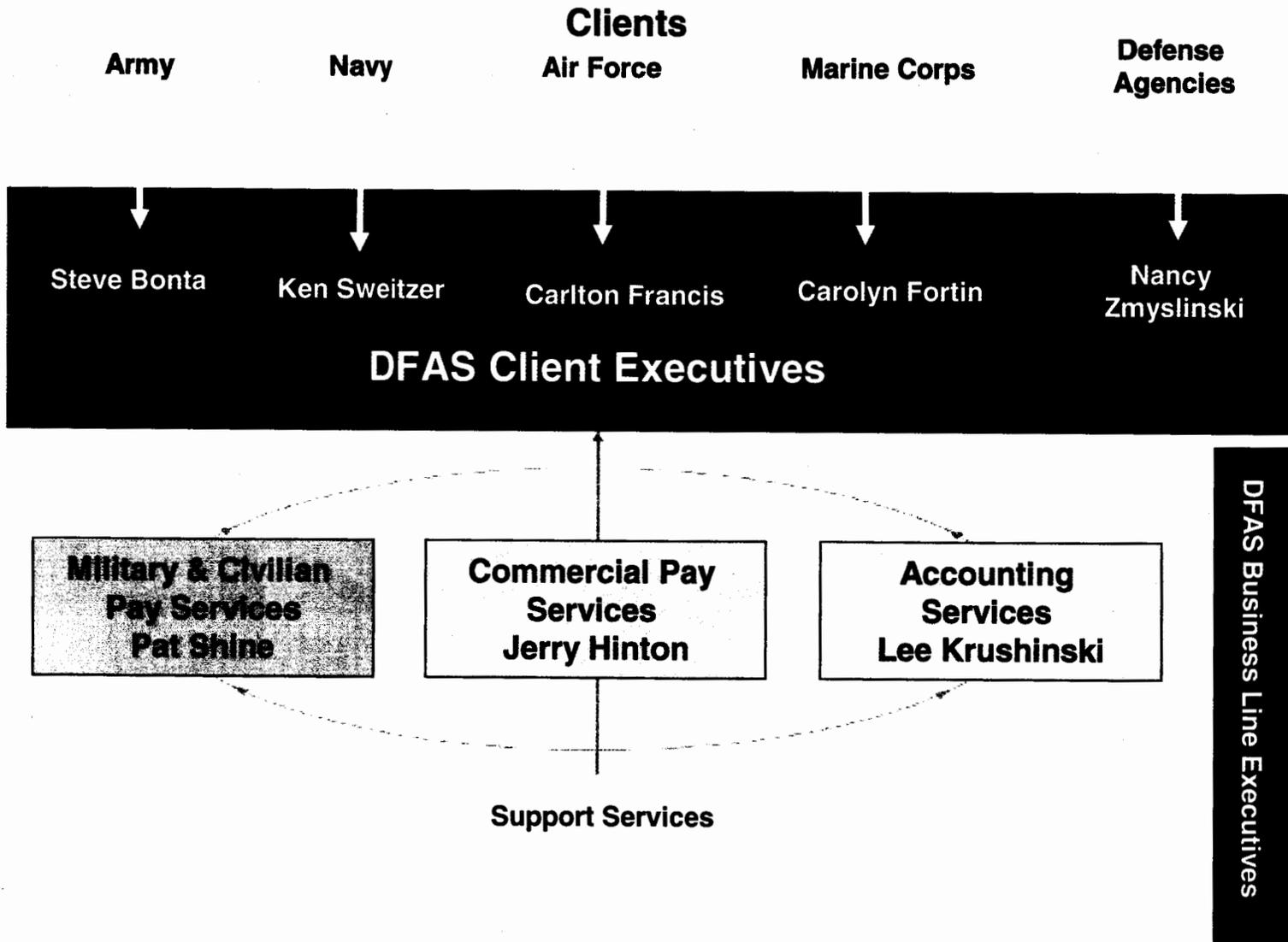
DFAS at a Glance - Magnitude of Annual Operations



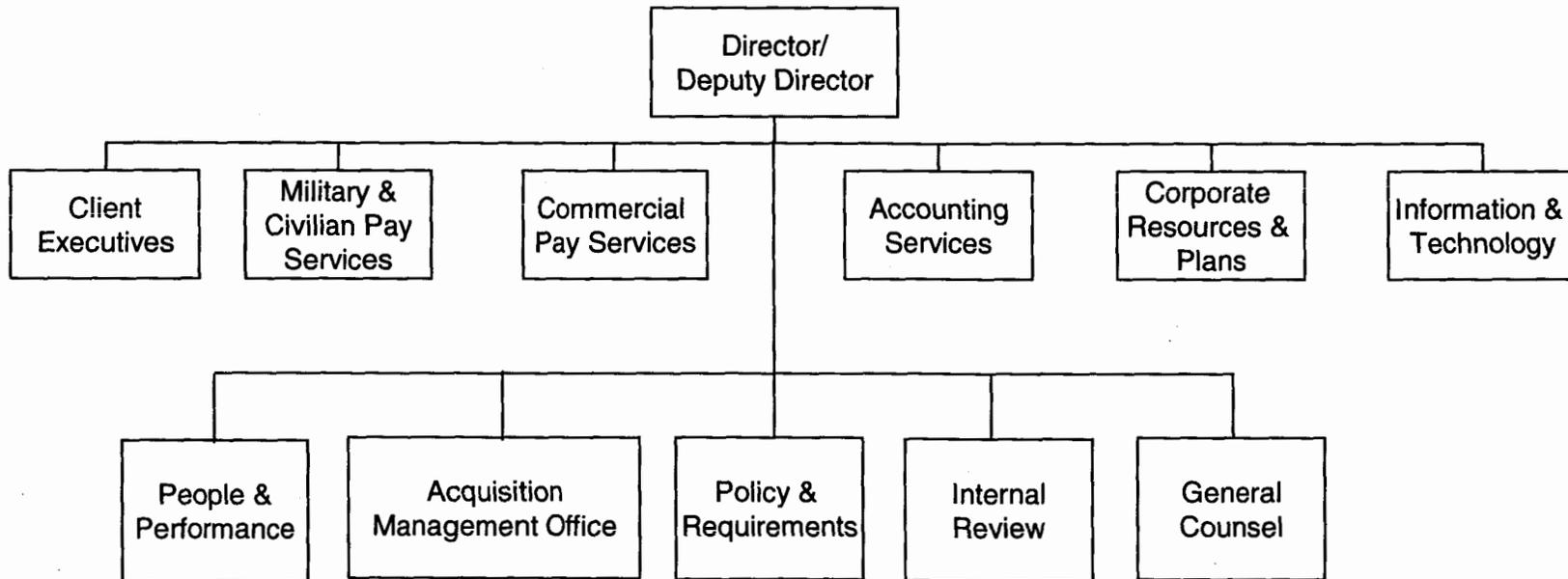
- Process 104 million pay transactions to 5.9 million military, civilians, retirees and annuitants
- Make 6.9 million travel payments
- Pay 12.6 million commercial invoices
- Process 127.3 million general ledger postings
- Manage military and health benefits funds (\$234 billion)
- Make an average of \$455 billion in disbursements to pay recipients
- Manage \$13.5 billion in foreign military sales (reimbursed by foreign governments)
- Account for 282 active DoD appropriations

It's about the customer!

Customer Service Matrix

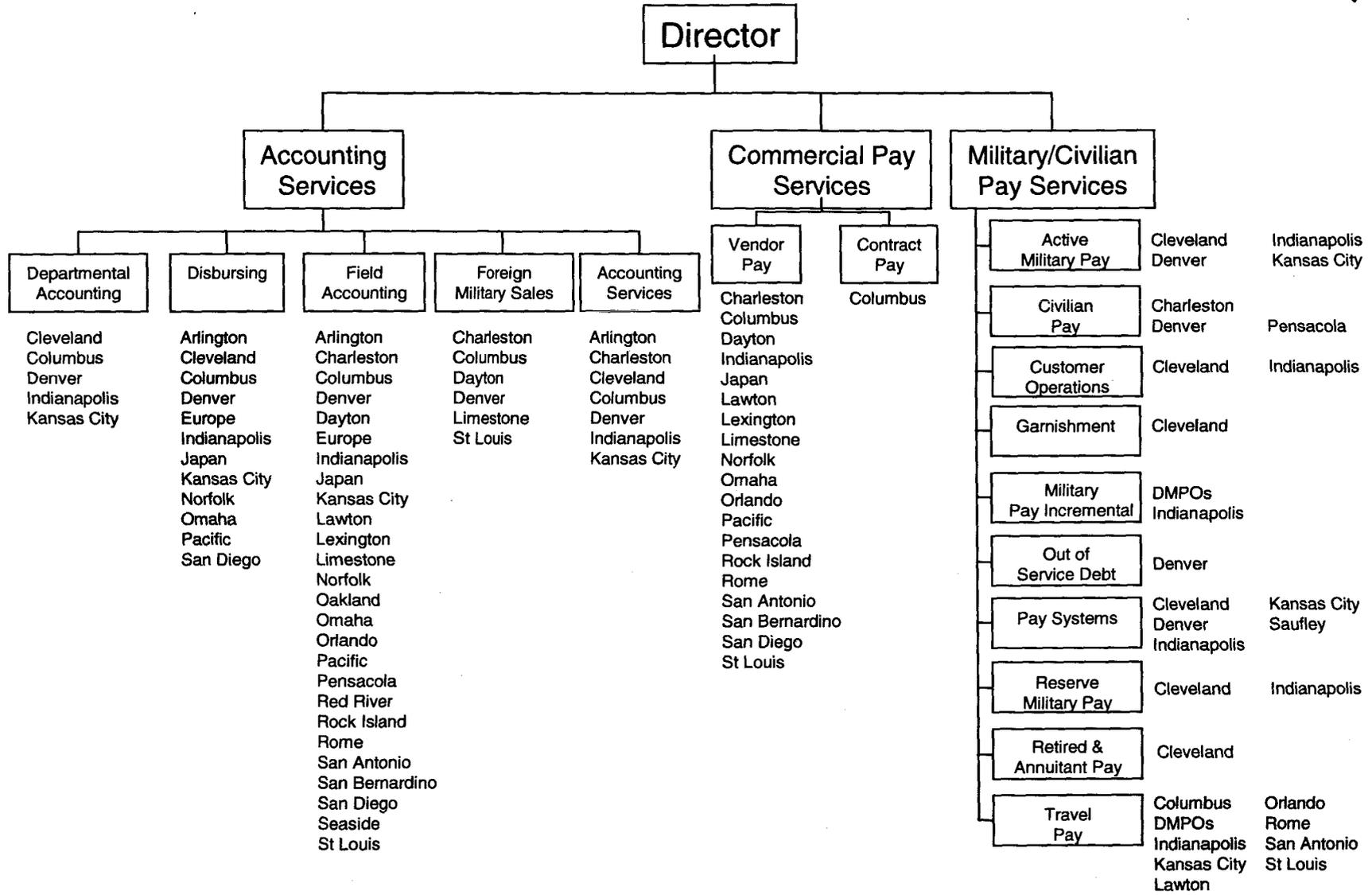


DFAS Organization



As of Feb. 28, 2005

DFAS Product Line/Locations



DFAS Success Stories



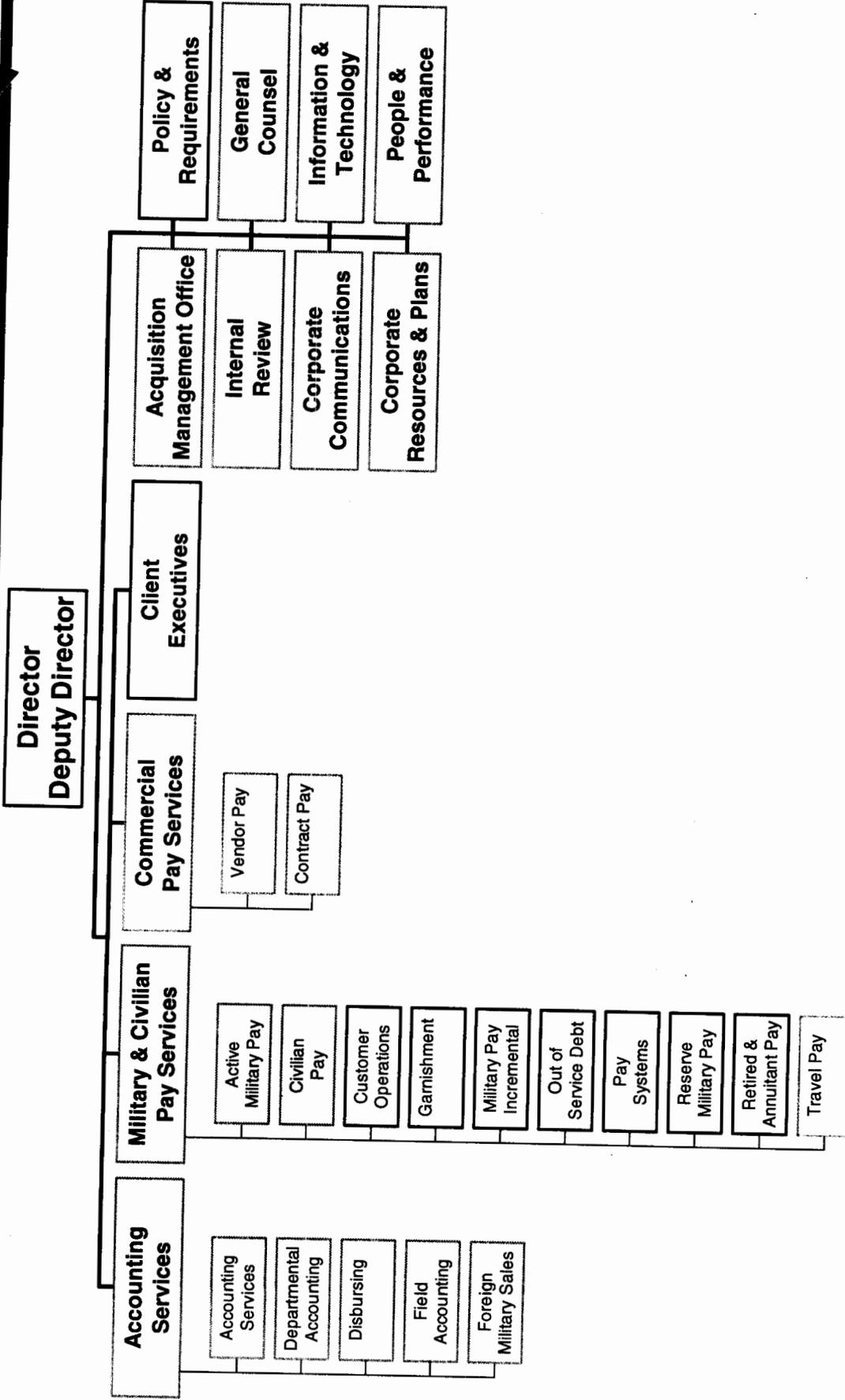
- Earned a 5th consecutive “unqualified opinion” and assisted five clients to achieve clean opinions of their own
- Reduced time to publish year-end financial statements from 80 to 45 days and reduced quarterly reports to 21 days from 45
- Reduced interest per million disbursed by 20% since July 2003
- Returned 5.19% on the \$195B Military Retirement Fund & 2.43% on \$39 billion Medicare-Eligible Retiree Health Care Fund
- Exceeded our FY 04 goal for NULOs by finishing \$76 million below our \$171 million goal
- Reduced total Unmatched Disbursements over 120 days from \$134 million in FY 03 to \$23 million in FY 04
- Fielded the Deployable Disbursing System to 39 deployed Army sites to automate transactions, improve internal controls & accelerate posting of financial transactions

DFAS Success Stories



- Launched Reserve Center of Excellence
- Won national honors for innovation and excellence for myPay while expanding its customer base to 3.1 million
- Earned worldwide recognition as one of the world's 10 best government intranets according to the Nielsen Norman Group
- Won the Security Assistance Accounting A-76 competition
- Achieved 100% security certification and accreditation of all essential DFAS financial management systems
- Consolidating USAF field accounting databases
- Beginning the roll out of Forward Compatible Pay to replace the existing 30-year-old military pay system

DFAS Organizations at Columbus



Note: Business Lines and Product Lines highlighted in yellow are specific to DFAS Columbus.

Defense Agencies Customers



- **Defense Logistics Agency (DLA)**
- **Defense Finance and Accounting Service (DFAS)**
- **Defense Information Systems Agency (DISA)**
- **Joint Chiefs of Staff (JCS)**
- **Defense Commissary Agency (DeCA)**
- **Missile Defense Agency (MDA)**
- **American Forces Information Service (AFIS)**
- **Center for Countermeasures (White Sands) (CCM)**
- **Defense Advanced Research Projects Agency (DARPA)**

Defense Agencies Customers



- **Defense Intelligence Agency (DIA)**
- **Defense Legal Services Agency (DLSA)**
- **Defense Prisoner of War/Missing Personnel Office (DPMO)**
- **Defense Security Cooperation Agency HQ (DSCA)**
- **Defense Technology Security Administration (DTSA)**
- **Defense Threat Reduction Agency (DTRA)***
- **DoD Education Activity (DODEA)**
- **DoD Inspector General (DoDIG)**
- **National Security Agency (NSA)**

*Capitalization effective October 1, 2005

Defense Agencies Customers



- **Office of Economic Adjustment (OEA)**
- **Washington Headquarters Services (WHS)**
- **TRICARE Management Activity (TMA)**
- **Pentagon Force Protection Agency (PFPA)**
- **Defense Contract Audit Agency (DCAA)**
- **Defense Contract Management Agency (DCMA)**
- **Defense Human Resource Activity (DHRA)**
- **Defense Technical Info Center (DTIC) Compt**
- **Document Automation & Production Service (DAPS)**

Accounting Success Stories – Local Victories



- **Audited Financial Statements**

- ✓ Improved delivery time on financial reports to Defense Agencies customers from 45 days to 21 calendar days.
- ✓ Earned unqualified or “clean” audit opinion, the highest mark available and demonstrates DFAS’ commitment to excellence in financial management.

- **Clean Audit Opinion for Five Customers** -- Defense Finance and Accounting Service, Defense Contract Audit Agency, Defense Commissary Agency, Department of Defense Inspector General, and Defense Threat Reduction Agency have received an unqualified audit opinion. The clean opinion is a direct result of the dedication of DFAS employees and a reflection of high quality products and services provided by DFAS.

- **Entry Level Professional Programs**

- ✓ Comprehensive training program for entry level professionals and summer interns

Disbursing Success Stories – Local Victories



- **Billion Dollar Days** -- Twelve days in FY 2004 and fifteen days in FY 2005 when disbursements exceeded a billion dollars.
- **Defense Commissary Agency Europe Workload Transfer** -- Disbursing increased workload, which drastically increased volume of foreign currency payments.
- **Eagle Printers** -- Increased speed of check printing by 50% to 70%.
- **Print Site** -- Columbus is one of two DFAS check printing sites.
- **Disbursements and Collections** -- Total Fiscal Year 2004 disbursements were \$149 billion and total Fiscal Year 2004 collections were \$21 billion.

Commercial Pay Success Stories – Local Victories



- **Workload Transfer**

- ✓ Transferred Marine Corps Vendor Pay and Defense Commissary Agency Europe workload.
- ✓ Air Force sites (San Bernardino, Omaha, Dayton, and Orlando) customer service workload transferred, which improved support and service to our customers and reduced costs.

- **Contract Pay Overaged Drastically Reduced** -- Record low of 2.15% for paying overaged invoices was achieved in fiscal year 2005.

- **Department of Defense Value Engineering Awards**

- ✓ Electronic File Room - DoD outside of DFAS has “Read Only” access to EDM.
- ✓ Audit Control Language - Automated method of examining payment vouchers in the Computerized Accounts Payable -Window environment.

Military/Civilian Pay Success Stories – Local Victories



- **Overseas Banking** -- Responsible for ensuring availability of banking and credit union financial services on military installations worldwide to authorized military personnel, their dependents, and DoD civilian employees. Provide oversight and management of the Overseas Military Banking Program and serve 250,000 authorized customers located in ten foreign countries.
 - ✓ New Global Telecommunication network to replace legacy technology.
 - ✓ New Image-Based Teller system which is faster and easier to use to process customer transactions.
 - ✓ Implemented online banking so customers can gain access to their finances 24 hours a day worldwide.
 - ✓ Opened new bank in Kwajalein Atoll, Marshall Islands.
 - ✓ Changed fee structure to offer free regular checking, no check cashing fee for accountholders and no standing payment fees for accountholders.

- **Workload Transfer**
 - ✓ Consolidated the Civilian Army and Army Material Command Permanent Change of Station workload into Travel Operations.
 - ✓ Consolidated the DeCA Europe Civilian Permanent Change of Station and Military/Civilian Temporary Duty workload into Travel Operations.



- **Centralized Fax Receiving Point** -- DFAS Columbus serves as the centralized receiving point for customer faxes, which are processed into Electronic Data Management. On average over 100,000 faxes are processed each month, for a total of over 450,000 fax pages.
- **Enterprise Local Area Network Reengineered** -- The current Enterprise Local Area Network architecture is being reengineered through a new contract to take full advantage of current technology and industry best practices. The goals of this initiative are to provide DFAS with world class service while reducing costs. To date Columbus has received and installed new domain controllers. Full implementation is planned by March 2006.

Corporate Resources Success Stories – Local Victories



- **Improved Visitor Notification System** -- An on-line base wide Visitor's Notification System. This effort improves security screening and tracks the high volume of visitors to DFAS.
- **Security Improvements** -- Completed installation of anti fragmentation film on all windows in building 21. This vastly improved DFAS building safety and security against external events. In addition, barricade project was completed outside building 21, which provides additional required standoff of parked vehicles.
 - ✓ Implementation of Lenel Security System -- Successfully completed conversion of building 21 from the old Pegasys Security System to the new Lenel Security System (prox cards). Administrative Services issued over 2,087 security badges to DFAS Government personnel and 250 badges to contractor personnel. In addition, 950 visitor badges were created to differ between escorted and unescorted guests. A new alarm system was installed, which protects against unauthorized entrance into secured areas.
 - ✓ Installation of the Loading Dock Barrier -- Completed install of loading dock barrier to building 21, which prevents unauthorized vehicles from getting close to the building without proper clearance.

DFAS Columbus Personnel Statistics



- **DFAS Business Lines and Number of On Site Personnel**

(HR Flash Report - EOM May 2005)

- ✓ Total Number of Employees - 2,052
 - ✓ Commercial Pay Services
 - ✓ Accounting Services (Defense Agencies)
 - ✓ Information & Technology
 - ✓ Military/Civilian Pay Services
 - ✓ Corporate Resources
 - ✓ Acquisition Mgmt
 - ✓ Corporate Organizations

- **Status of Retirement Eligible Employees as of May 31, 2005**

- ✓ Eligible For Retirement - 751 - 37%
 - ✓ Optional - 385 -19%
 - ✓ Early - 366 -18%

DFAS Columbus Facilities Statistics



- DFAS is a tenant at the Defense Supply Center Columbus
 - ✓ Property owned by the Army and managed by Defense Logistics Agency
- DFAS assigned space - 681K square feet¹
 - ✓ Includes administrative and warehouse space in 3 buildings
 - ✓ Construction completed on Building 21 in 1999
- Excess space available
 - ✓ Vacant workstations - approx 700
 - ✓ Vacant, excess space in buildings - about 800 seats
 - ✓ Total capacity - 3,700 seats
- Strong host installation Force Protection program

¹ DFAS Facilities Database - Effective 31 May 2005



- Transformation is an integral part of the DFAS strategy
- DFAS has initiated workload realignment, workforce restructure, implementation of best practices, and space reduction over the past several years
- BRAC provides the SecDef the opportunity to reduce infrastructure in an effective and efficient manner
- DFAS will implement the final BRAC decisions using our Workforce Transition Strategy to care for impacted employees.



Our strategic challenge

- Our customers expect:
 - ✓ Accurate and timely payment of personnel
 - ✓ Accurate and timely payment of vendors and contractors
 - ✓ Auditable financial statements
 - ✓ Business intelligence that enables better decision-making
 - ✓ Lower costs of products and services
- Customers deserve a financial service partner who enhances their readiness & mission capability

The road ahead -- Becoming world class



- We will continue our DFAS journey of excellence
- We will be guided by our core values --
integrity, service & innovation
- We will recommit to understanding our customers
- We will practice good two-way communication to
ensure lasting success
- We will make it an inclusive, total team effort from all DFAS
business lines & functions

DFAS

Your Financial Partner @ Work

