Your Financial Partner @ Work

DFAS St. Louis

Command Briefing

DFAS ST. LOUIS

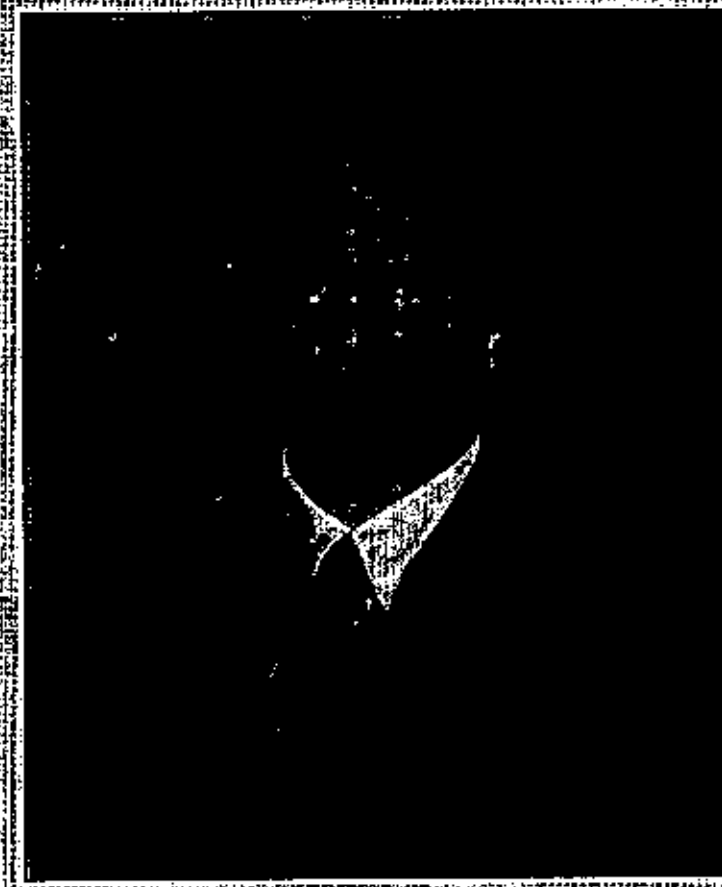
Agenda

- DFAS at a glance
- DFAS customer service matrix and organization
- DFAS success stories
- DFAS St. Louis information
  - ✓ Mission
  - ✓ Organization and Assets
  - ✓ Customers
  - ✓ Functions Performed
  - ✓ Accounting Business Line
  - ✓ Vendor Pay and Travel Pay Product Lines
  - ✓ Centralized Directorate of Information Management

DFAS at a glance -- The big picture

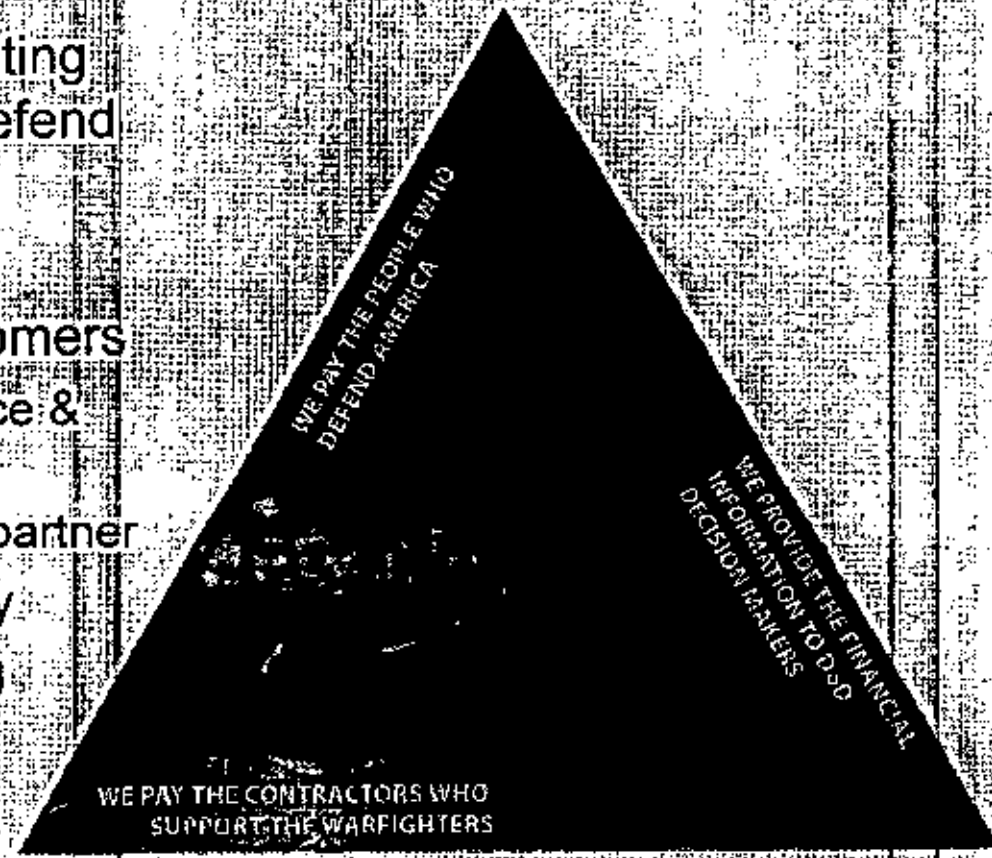
- Mr. Zack E. Gaddy's priorities:
  - ✓ Take care of our customers
  - ✓ Improve our operations to become world-class in all we do
  - ✓ Deliver the best value that excites our customers & motivates our employees

"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."

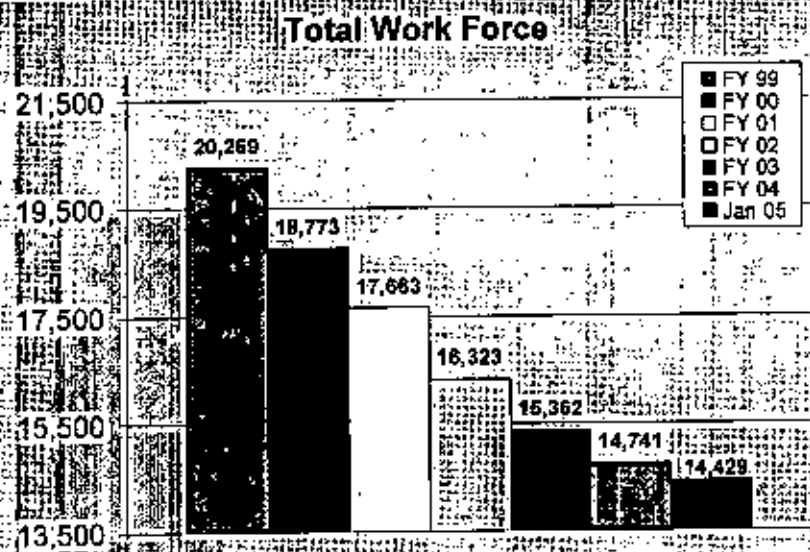


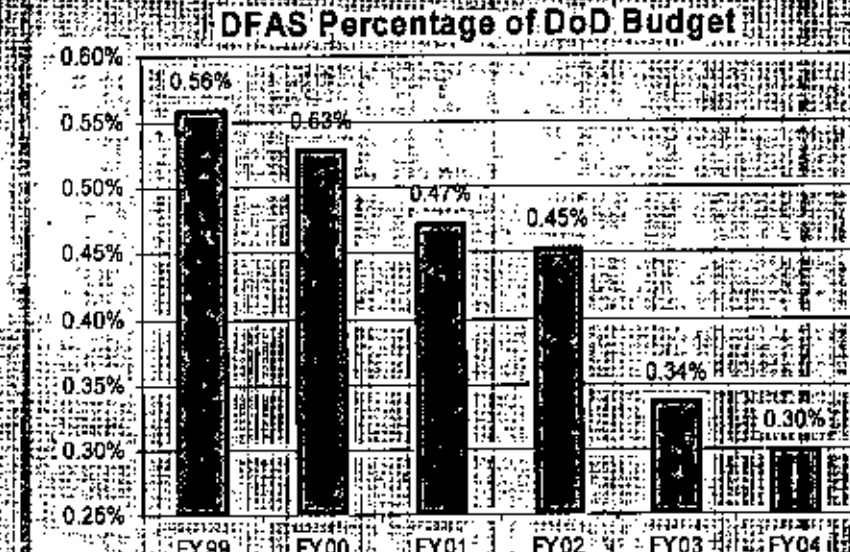
DFAS at a glance -- Our mission, vision & values

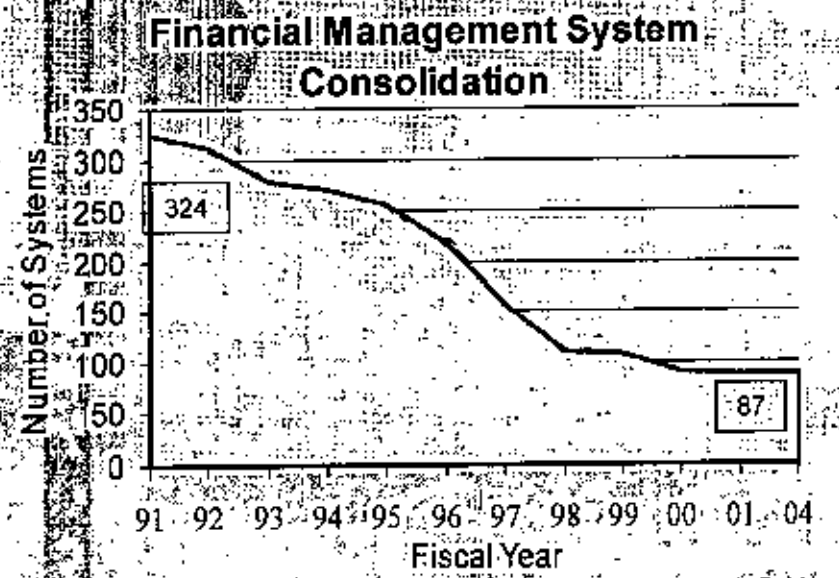
- *Mission:* Provide responsive, professional finance & accounting services for the people who defend America
- *Vision:* Best value to our customers
  - ✓ World-class provider of finance & accounting services
  - ✓ Trusted, innovative financial partner
  - ✓ One organization, one identity
  - ✓ Employer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

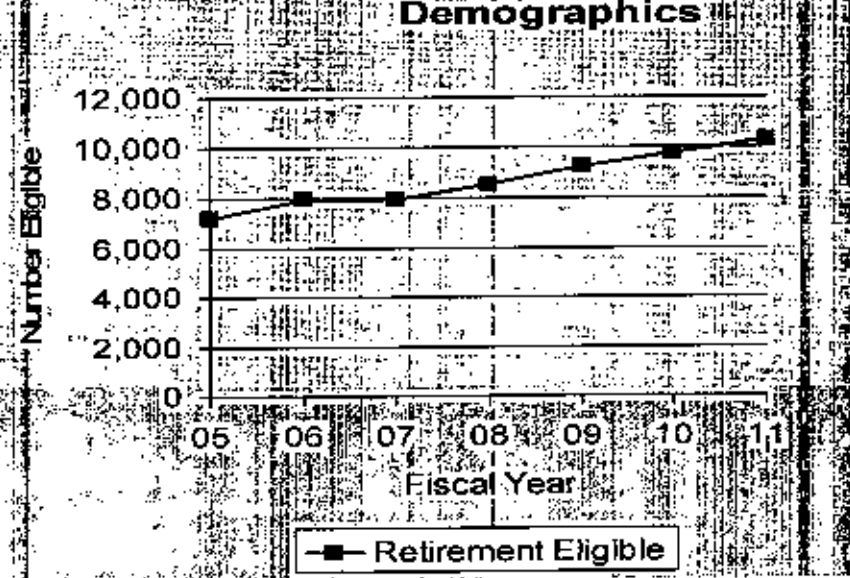


DFAS at a glance -- The state of DFAS today







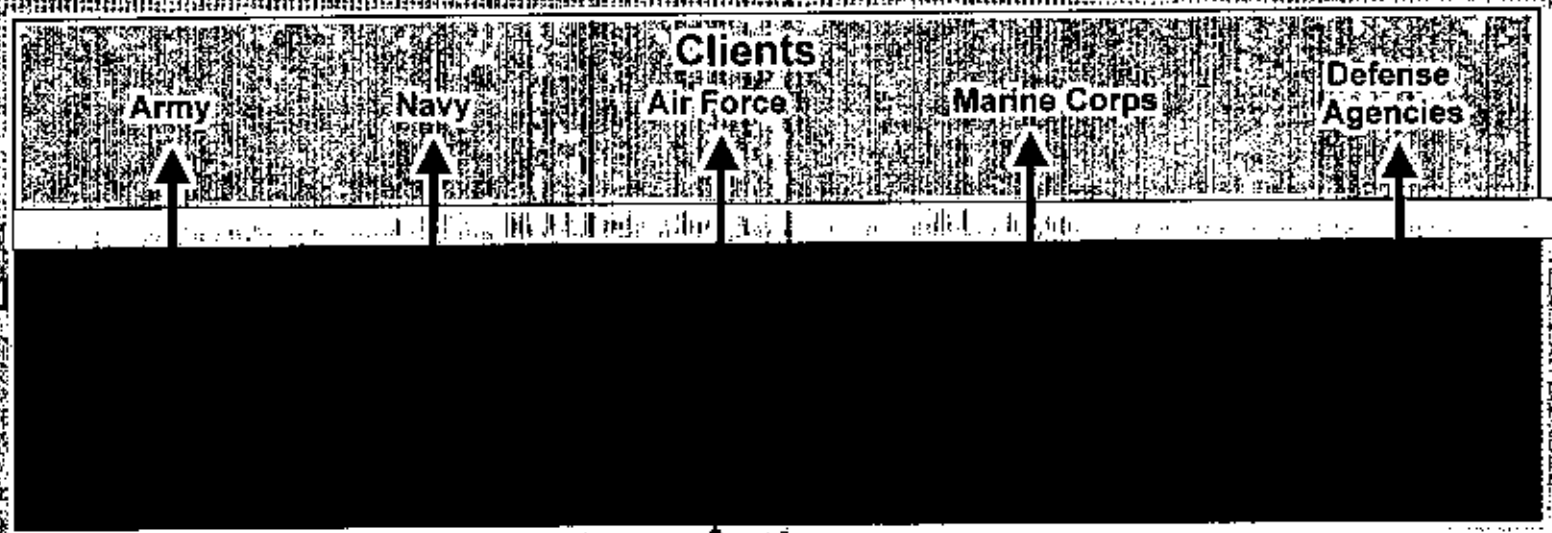


DFAS at a glance - Magnitude of annual operations

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

[redacted]

Customer Service Matrix

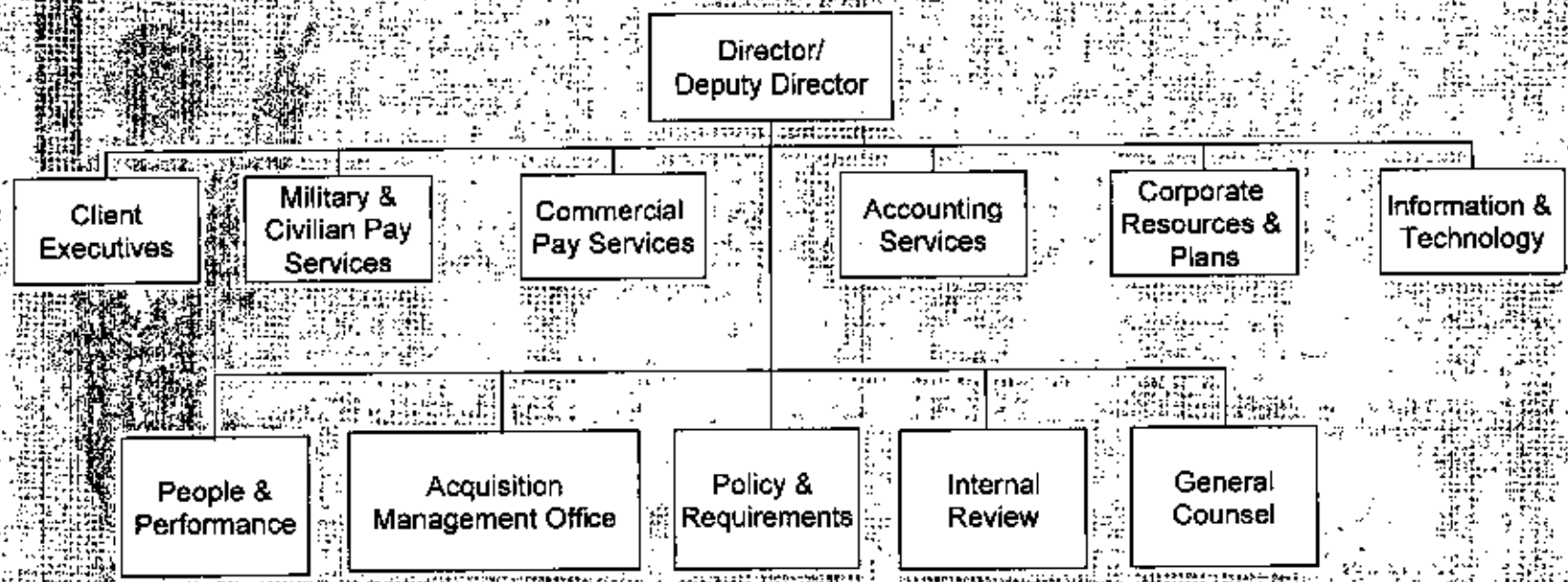


[redacted]

Support Services

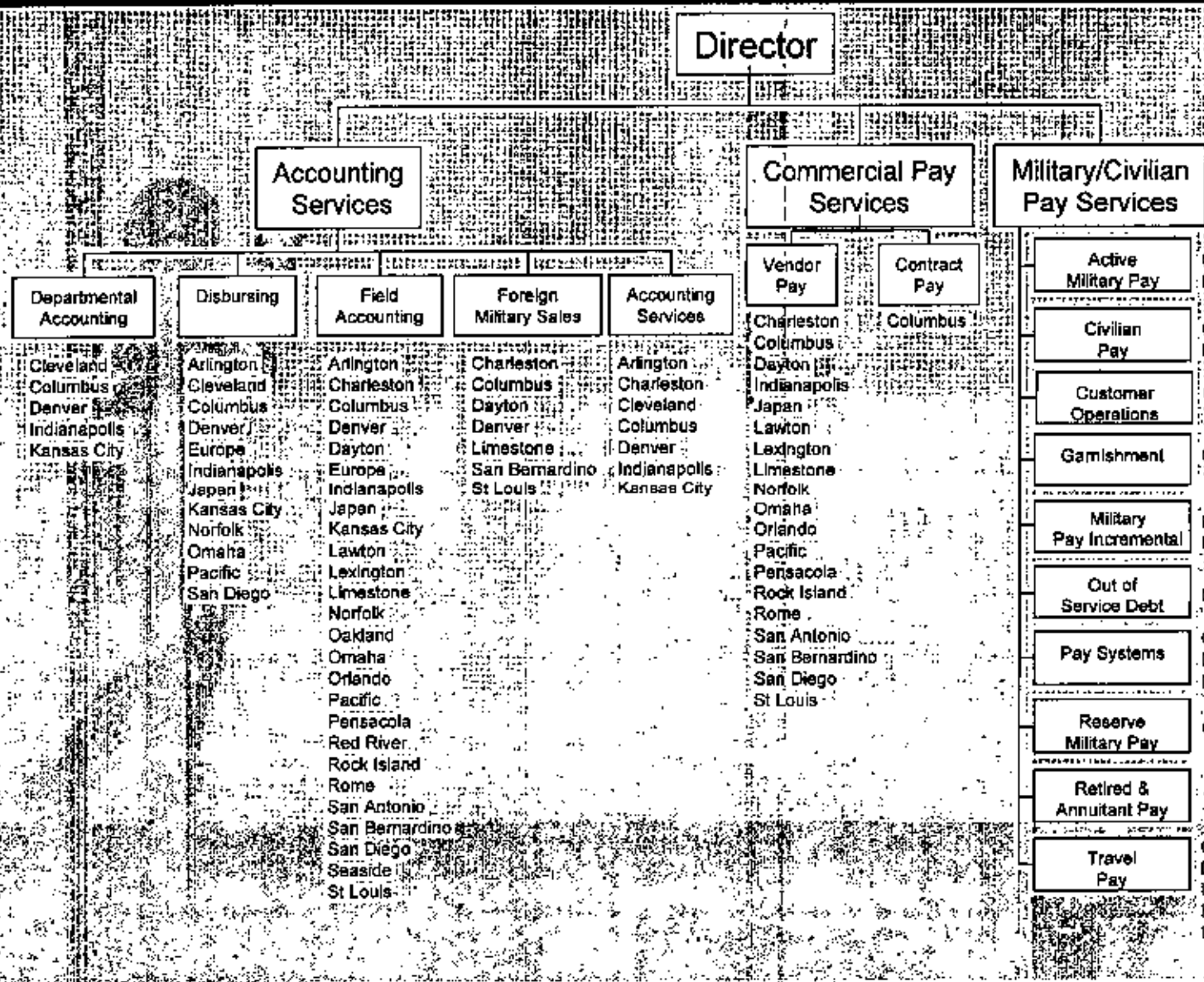
[redacted]

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 $39B Medicare-Eligible Retiree Health Care Fund
- Exceeded our FY 04 goal for NULOs by finishing $76M below our $171M goal
- Reduced total Unmatched Disbursements over 120 days from $134M in FY 03 to $23M in FY 04
- Fielded the Deployable Disbursing System to 39 deployed Army sites to automate transactions, improve internal controls & accelerate posting of financial transactions

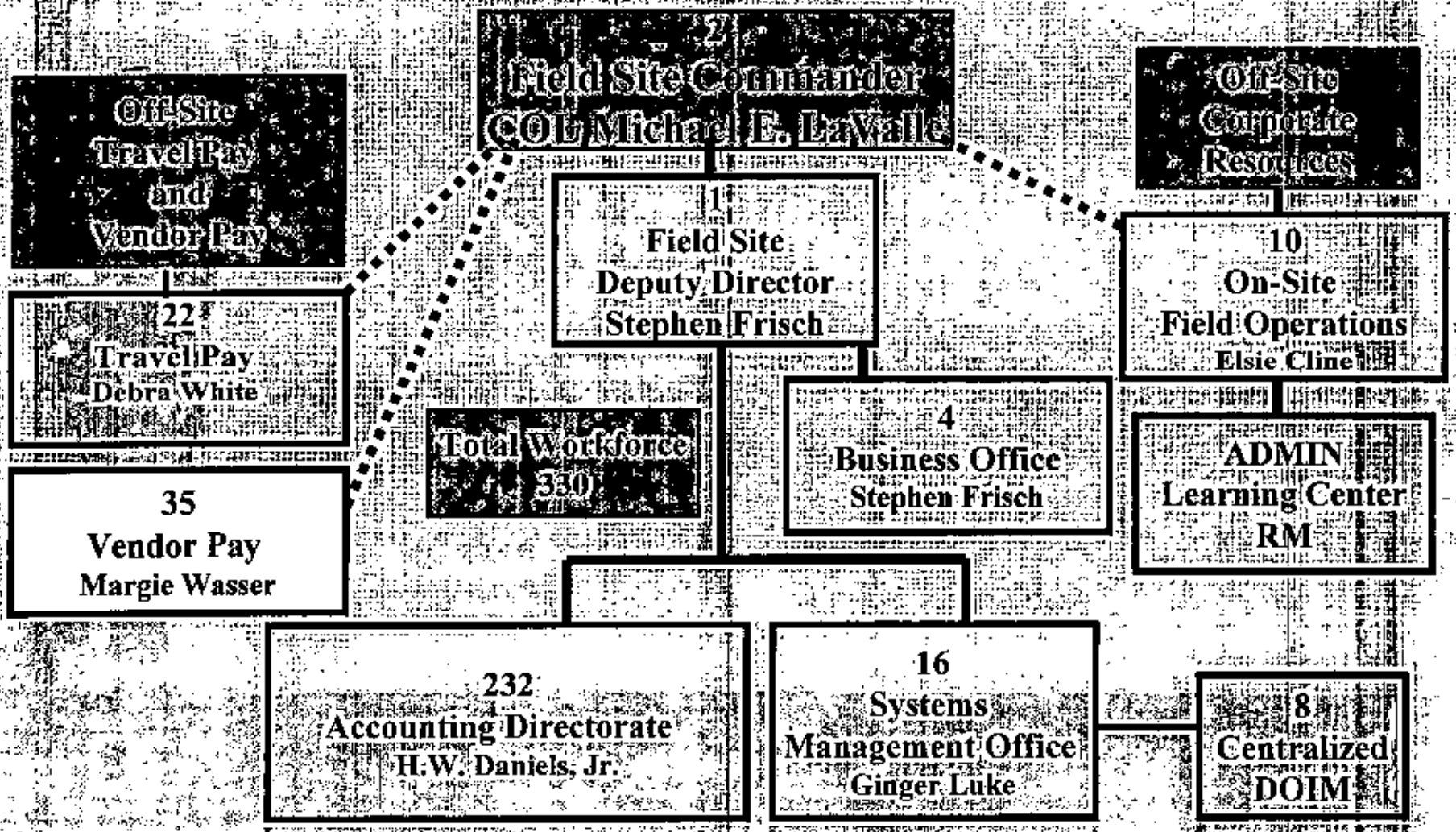
DFAS success stories

- Launched Reserve Center of Excellence
- Won national honors for innovation and excellence for myPay while expanding its customer base to 3.1M
- 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 St. Louis Mission

To provide responsive, professional finance and accounting service to the people who defend America, at 4 major subordinate commands of the Army Materiel Command, 9 Program Executive Offices and the Space & Missile Defense Command

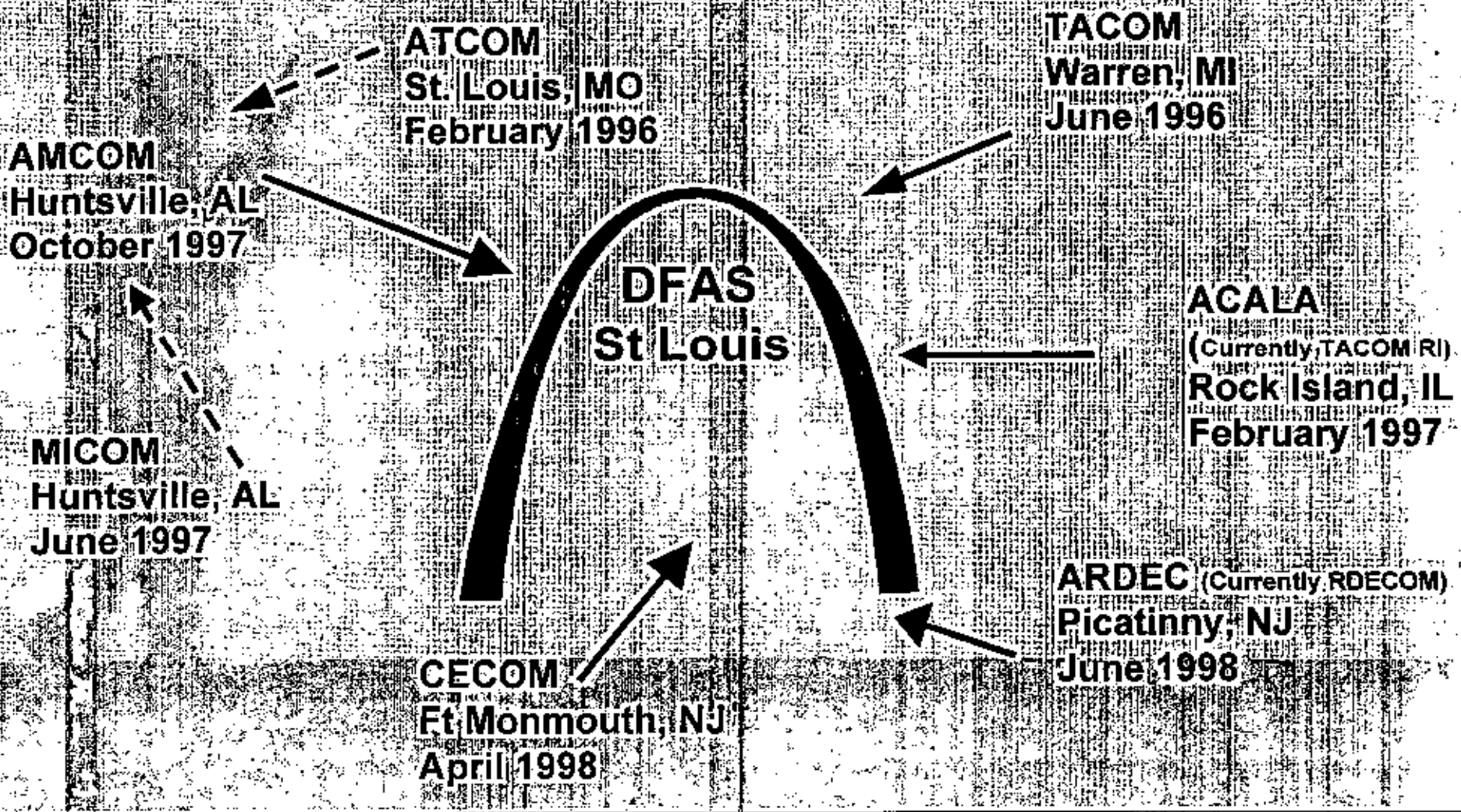
DFAS St. Louis Organization



Assets

- Facilities
  - ✓ Located equi-distance between downtown St. Louis and Lambert St. Louis International Airport
  - ✓ Co-located with other Defense and Federal agencies
  - ✓ Former Army Ammo Plant and AMC Subordinate Headquarters
  - ✓ 107,865 square feet occupied

DFAS-SL Evolution



DFAS-SL Evolution

- Where Our People Came From
  - ATCOM (St. Louis)
  - TACOM (Warren MI, Rock Island IL, and Picatinny NJ)
  - Secretary of the Army-Finance Office (St. Louis)
  - Scott Air Force Base (Belleville IL)
  - National Imagery & Mapping Agency (St. Louis)

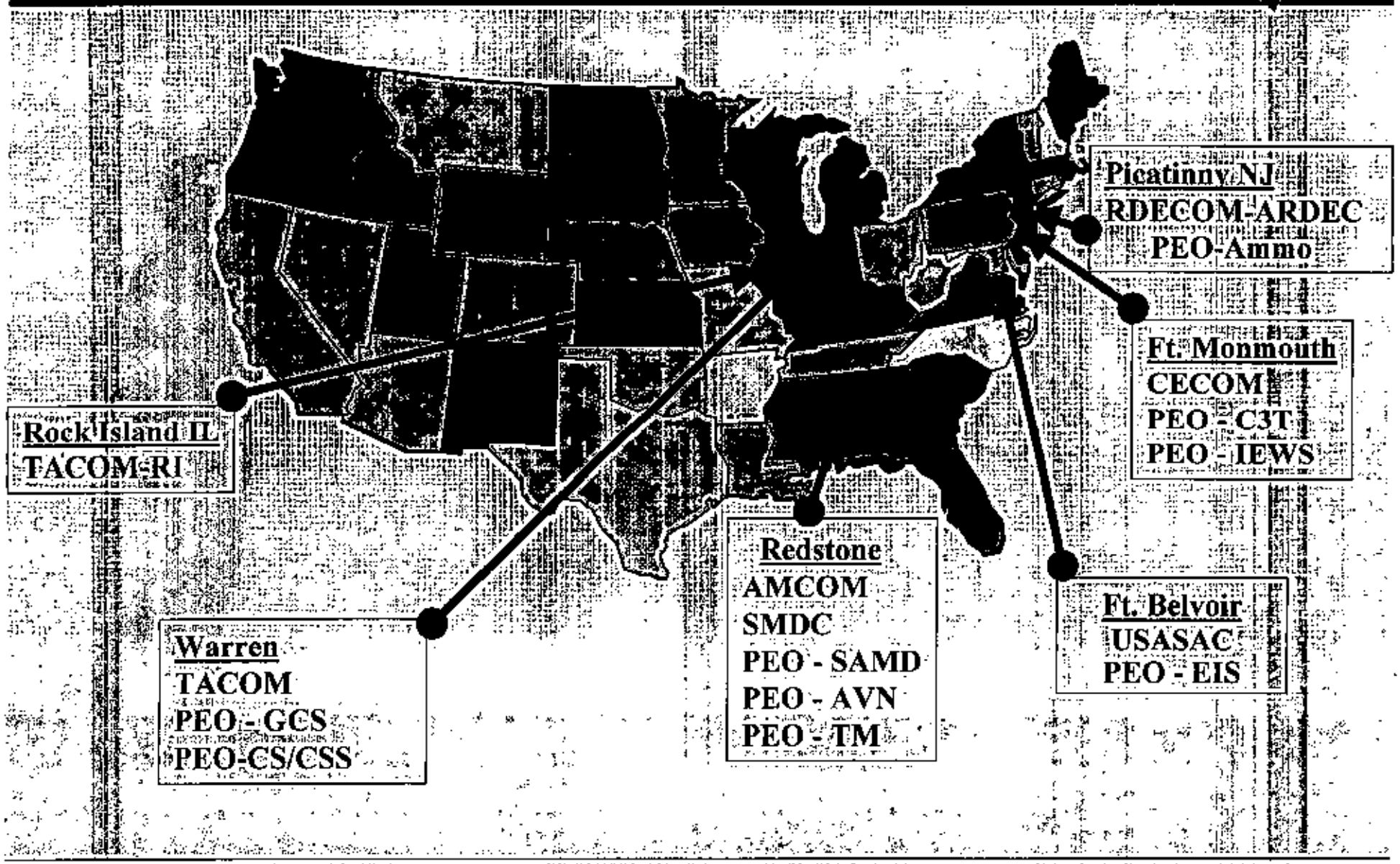
Work Force Demographics

DFAS - Agency Wide	St. Louis
95% over age 30	98% (318)
83% over age 40	88% (285)
49% over age 50	54% (175)
27% age 55 and over	28% (91)
48 Average age	50
26% reg. retire. elig.	37% (119)
17% early retire. elig.	14% (46)

Assets

- People
  - ✓ 330 employees
  - ✓ Career Development Program
    - 9 Developmental Level Accountants
    - 2 Entry Level Accountants (ELPAs)
    - 2 Developmental Entry Financial Managers (DELFMs)
  - ✓ 57employees with degrees
    - 7 Masters (business related)
    - 50 Bachelors of Science

Our Customers



Primary Functions Performed for our Customer

- Accounting - To provide responsive, professional finance and accounting services and be a best value to our customers by providing Prevalidation of requests for payment, analysis and correction of abnormal conditions and reporting on results of operations and status of appropriated and revolving funds for customers serviced

- Vendor Pay - The St. Louis Vendor Pay processes payments for goods, supplies and services for the Army Material Command customers. Included are Foreign Military Sales (FMS), Miscellaneous Payments (Training, Utilities etc.), Transportation (GTS), Credit Card (CARE) and contractual payments.

- Travel Pay - The St. Louis Travel Office processes Temporary Duty (TDY) Travel Vouchers and Local Travel Vouchers for military and civilian travelers. The St. Louis Travel Office also processes all Army Military Permanent Change of Station(PCS) advances for Dislocation Allowances, enroute travel and Do It Yourself (DITY) moves

Accounting Business Line

Mr. Henry Daniels

Accounting Business Line

- Field-Level Accounting
  - ✓ Operations Division
  - ✓ Army Working Capital Fund (AWCF) Division
  - ✓ Reconciliation Division
  - ✓ Reports & Analysis Division
  - ✓ FMS MEO Security Assistance Branch
- Systems - SOMARDS, CCSS-F (being replaced by LMP) and LMP

Account for $ 36.1 Billion in Annual Funding

Accounting Business Line

- Accounting Reports were on time 100% - this fiscal year
- Report data accuracy exceeds 99% for the year
- Met Aged Intransit Disbursements Goals for FY 2004, on track to meet FY 2005 goals
- Exceeded FY 2004 NULO Goals/will exceed FY 2005 Goals as well
- FMS ULO Review Team - performance ahead of schedule by 1 year
- Transitioned FMS workload from DFAS Denver and established FMS MEO at St. Louis
- Implemented paperless reimbusable bill processing
- Customer Index goals for credit accounts receivables and credit unfilled orders were consistently met during the period

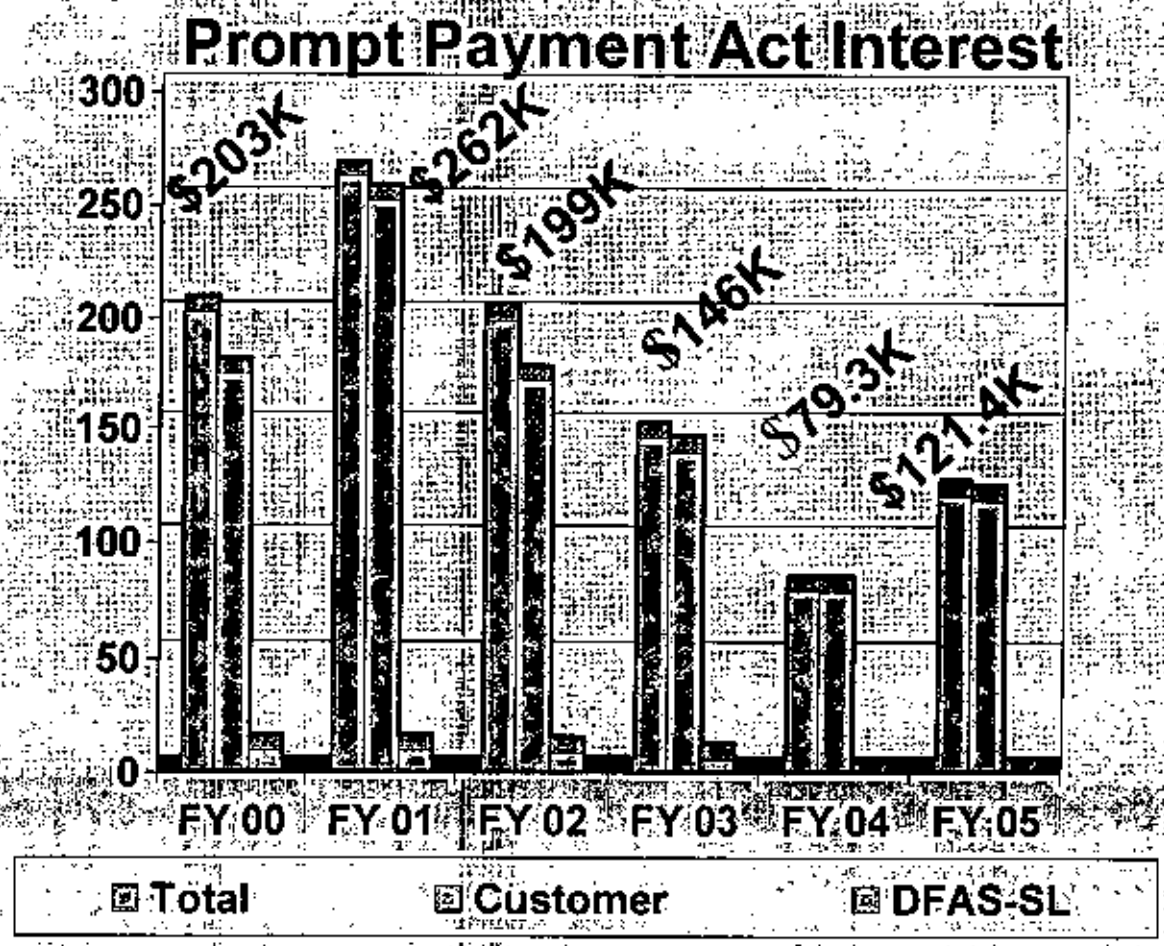
Accounting Business Line

- Credit accounts receivable balances were reduced significantly
- Transactions By Us (TBU) disbursements were recorded in the accounting systems in the month the disbursements were made without exception
- Exceeded the established goal in the reduction of AWCF aged accounts payable and intransits greater than 90 days
- Initiated numerous automation improvements to increase accuracy/timeliness of posting of transactions
- Established internal process to scan and place JVs (created in day to day work) out in EDA along with regular disbursement vouchers

Vendor Pay Product Line

Ms. Margie Wasser

Vendor Pay Product Line



Travel Pay Product Line

Ms. Debra White

Travel Pay Product Line

	DFAS Goal	DFAS-SL
Travel Accuracy	97%	98%*
Travel Turn Around Time	7 Days	5 Days*

PCS Advances & TDY Travel Production

- $100M disbursements per year
- 109,259 vouchers per year

*As of Jan 30, 2005.

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SOMARDS
Centralized Directorate of Information Management (CDOIM)

Ms. Elaine Hillberg

SOMARDS CDOIM

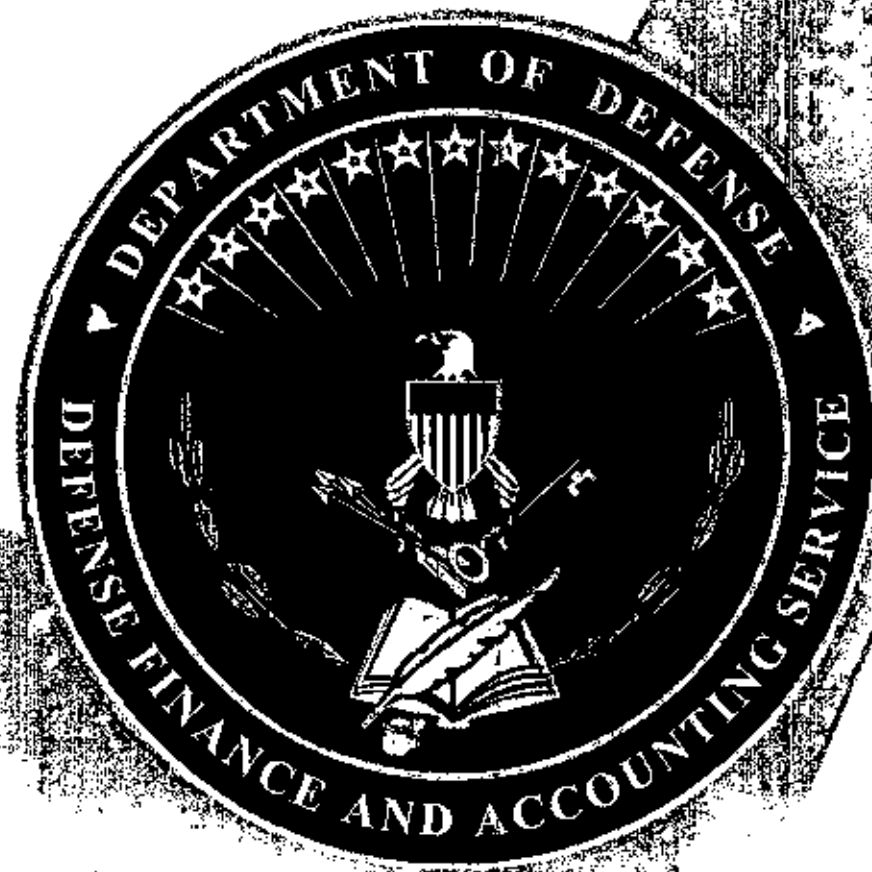
- **Technical Operations Organization**
  - Stood up in June 2004 by DFAS to prevent loss of "one-of-a-kind" technical support for SOMARDS
  - Staffed with legacy resources from Defense Information Systems Agency and SOMARDS developer
  - Team of 15 Information Technology Specialists
    - Eight team members located at DFAS St. Louis
    - Seven team members located at DFAS Rock Island
    - Unusually highly specialized with unique legacy talents
    - "Endangered Species"

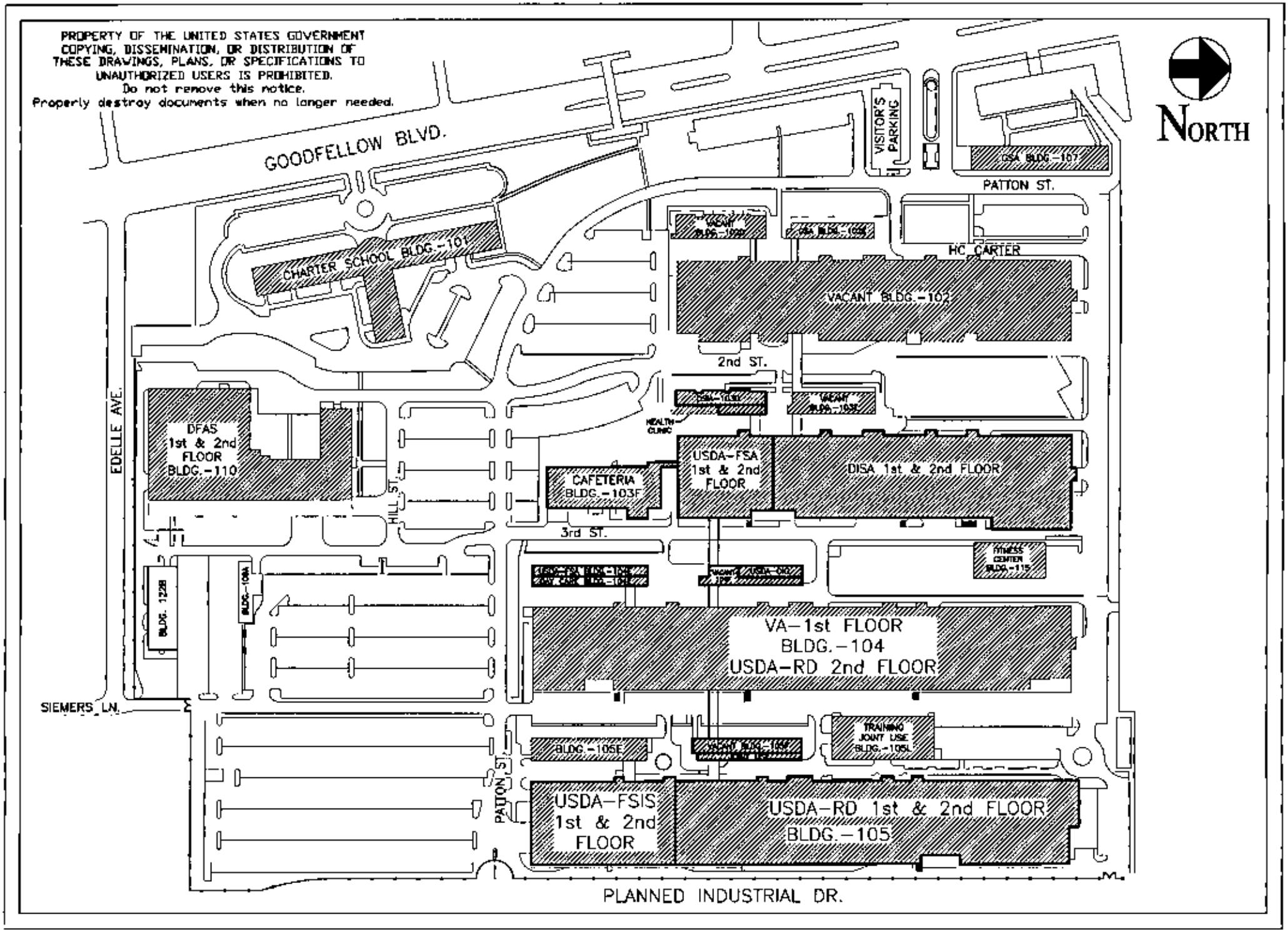
SOMARDS CDOIM

- **Mission**
  - 24x6 technical operations for SOMARDS (schedule, monitor, recover, trouble shoot)
  - Technical and analytical support for customers and developer
  - Installation of SOMARDS software upgrade deliverables
  - Development of software to bridge gap between standard SOMARDS and unique requirements of 15 customers
- **Customers**
  - Army (13)
  - DFAS St. Louis
  - DFAS Rock Island

DFAS

Your Financial Partner @ Work

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GSA BLDG.-105K
HC CARTER
CHARTER SCHOOL BLDG.-101
VACANT BLDG.-102
2nd ST.
EDELLE AVE.
DFAS 1st & 2nd FLOOR BLDG.-110
HILL ST.
HEALTH CLINIC
VACANT BLDG.-103E
USDA-FSA 1st & 2nd FLOOR
DISA 1st & 2nd FLOOR
CAFETERIA BLDG.-103F
3rd ST.
FITNESS CENTER BLDG.-115
BLDG. 122B
BLDG.-108A
VA-1st FLOOR
BLDG.-104
USDA-RD 2nd FLOOR
SIEMERS LN.
TRAINING JOINT USE BLDG.-105L
BLDG.-105E
VACANT BLDG.-105F
PATTON ST.
USDA-FSIS 1st & 2nd FLOOR
USDA-RD 1st & 2nd FLOOR
BLDG.-105
PLANNED INDUSTRIAL DR.