



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

JUL 18 2013

COMPTROLLER

MEMORANDUM FOR ASSISTANT SECRETARIES OF THE MILITARY DEPARTMENTS  
(FINANCIAL MANAGEMENT & COMPTROLLER)  
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE  
COMPTROLLERS/CHIEF FINANCIAL OFFICERS OF THE  
DEFENSE AGENCIES

SUBJECT: Implementation of the Department of Defense Travel Pay Remediation Plan

This memorandum designates the Assistant Secretaries of the Military Departments (Financial Management & Comptroller) and the Comptrollers/Chief Financial Officers of the Defense Agencies as the Senior Accountable Officials (SAOs) for your respective Military Departments or Defense Agencies in accordance with the Improper Payments Elimination and Recovery Act of 2010. As SAO, you bear the ultimate responsibility for ensuring that travel funded from your appropriations meet or exceed the error rate reduction target established and published in the Agency Financial Report each year. For fiscal year (FY) 2013, the overall Defense reduction target is 3.26 percent; FY 2014's reduction target is 3.25 percent.

The DoD Travel Pay Remediation Plan (attached) was submitted to Congress and the DoD Office of Inspector General on June 10, 2013. I have designated my Deputy Chief Financial Officer (DCFO) as the Defense-wide SAO. Note, however, that you are responsible for submitting a Service- or agency-specific remediation plan to the DCFO for approval not later than September 30, 2013, with implementation to commence October 1, 2013. Minimal plan inclusions and other pertinent information are also contained in the attachment.

Travel Pay improper payment metrics will be re-established under the DCFO's Financial Operations metrics program effective Quarter 1, FY 2014. The Defense Finance and Accounting Service is responsible for calculating and providing the metric data to be discussed each quarter during the Financial Operations metrics meeting/teleconference held through the DCFO's Business Integration Office. You or your designee must be prepared to discuss your Component's travel pay metric status each quarter, as well as your corrective action plan development.

Questions regarding this memorandum may be addressed to Ms. Sally Beecroft. She is available at [sally.beecroft@osd.mil](mailto:sally.beecroft@osd.mil) or 703-602-0391.

A handwritten signature in cursive script that reads "Robert F. Hale".

Robert F. Hale

Attachment:  
As stated

**TRAVEL PAY REMEDIATION PLAN**  
**Response to Findings in Department of Defense Office of Inspector General Report**  
**DODIG-2013-054, “DoD Efforts to Meet the Requirements of the Improper Payments**  
**Elimination and Recovery Act in FY 2012”**

Background

The Department of Defense (DoD) Office of Inspector General (OIG) determined that DoD was non-compliant with the Improper Payments Elimination and Recovery Act of 2010 in Fiscal Year (FY) 2012 because Defense Finance and Accounting Service (DFAS) Travel Pay\* failed to meet its error rate reduction target. The actual rate reported, 5.00 percent, exceeded the target of 3.27 percent.

Plan

1. The Office of the Under Secretary of Defense (Comptroller) will issue a memorandum to all Military Services and Defense agencies naming the Deputy Chief Financial Officer (DCFO) as the Senior Accountable Official (SAO) for the Travel Pay Remediation Plan.
2. DoD will require training and/or re-training of all travelers and travel voucher approving/certifying officials. Training must minimally include review of:
  - a. Receipts that must be attached to travel vouchers;
  - b. Claims for proper lodging expenses on travel vouchers;
  - c. Appropriate justification for rental car usage when traveling;
  - d. Situations wherein travelers and/or Approving Officials may be held financially liable for overpayments.
3. All components must submit training plans to the SAO by September 30, 2013, for approval.
4. Use of the Defense Travel Management Office compliance tool for all Defense Travel System (DTS) customers will be mandatory as soon as components migrate to Internet Explorer 8. The compliance tool implementation pilot phase began December 2012, and full rollout target completion date is September 30, 2014.
5. DoD will re-establish quarterly Travel Pay improper payment metrics effective Quarter 1, Fiscal Year 2014, under the DCFO’s Financial Operations metrics program, to track progress toward reaching the FY 2014 reduction target of 3.25 percent.
  - a. Error rates will be reported by Component;
  - b. If results do not show appropriate reduction toward the out-year goal by the end of each quarter, root causes of errors must be identified and specific corrective action plans must be implemented to address root causes.

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\* Travel Pay, as it is reported in the annual Agency Financial Report, includes DFAS-disbursed DTS and WinIATS travel, and Navy-, Army-, and Air Force-disbursed travel that occurs outside DTS.

- c. Annual review of travel pay error rates will occur as part of the Agency Financial Report development process. This review may result in changes to error rate out-year reduction targets as appropriate.
6. The SAO will hold individual Military Service and Fourth Estate Defense agencies accountable for traveler and approving official compliance with established rules and regulations.
7. Accountability will include holding individuals financially liable for repayment of improper travel reimbursements caused by voucher input errors and/or failure to attach required receipts as proper documentation.

**The estimated cost of report or study for the Department of Defense is approximately \$ 2,800. This includes \$ 100 in expenses and \$ 2,700 in DoD labor.**