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General Fund
Problem Disbursement
Reduction Effort

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Overview

Problem Disbursement Snapshot - December 01

- PD Reduction Effort including progress to date and six-month projection.
- Recent and Upcoming Activities

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Total December 01 Problem Disbursements

The pie chart below shows the breakdown of total problem disbursements for December 2001.

Total problem disbursements equaled \$854 million (absolute).

Problem disbursements for the Marine Corp equate to \$129 million, for the NWCF \$373 million, for STARS GF (closed) \$6 million, for STARS GF (active/expired) \$341 million, which includes Foreign Military Sales (FMS), and Other \$5 million, which includes DWAS and FIS.

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General Fund 01 Problem Disbursements

The pie chart below shows the breakdown of total general fund problem disbursements for December 2001. The following summarize the primary points in the chart:

- Total problem disbursements equaled \$341 million (absolute), which excludes \$6 million against closed appropriation.
- Problem disbursements after October 1, 2000 equaled \$277 million. Problem disbursements prior to October 1, 2000 equaled \$64 million.
- \$255 million in problem disbursements were between zero to 180 days, \$21.6 million were over 180 days.
- \$22 million were greater than or equal to \$100,000. \$15.1 million were less than \$100,000. Other, NoDoc, RCP (expired) equaled \$3.1 million. Other, NoDoc, RCP (Active) equaled \$3.8 million.
- FMS equaled \$7.4 million. Contracts (active, expired) equaled \$11.2 million. Active (six doc-types) equaled \$1.7 million.

STARS HCM UMDs and NULOs; STARS FL UMDs

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“Old” Problem Disbursements (Pre October 1, 2000)

Sixty percent reduction from June 2001 to November 2001. As of November 2001 data: \$68M absolute, 8,331 transactions. Ten percent average monthly reduction of PD transactions and \$ absolute.

Plan of Action: From December 2001 to May 2002 eliminate remaining 40 percent:

- Use November 2001 data as a baseline.
- Continue program management in PD categories being monitored.
- Use February 2002 data to evaluate progress.
- Take corrective action to ensure clearing 100 percent of over-aged problem disbursements by the end of FY 2002.

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“Old” Problem Disbursements (Pre October 1, 2000)

The bar chart below shows the 12-month General Fund Problem Disbursement Reduction, by Problem Disbursement Initiative. Dollars are shown in absolute millions. The graph shows a steady decline in problem disbursements. The table below provides the supporting data. Data from January 2002 through May 2002 are not shown. For screen reader use: the following table has 4 columns and 8 rows.

Problem disbursement initiative	October 1, 2001	November 2002	December 2002
Greater than or equal to \$100K (all doc types; act & exp)	63.7	17.7	22.4
Less than \$100K (six doc types, expired)	36.8	15.8	15.1
Contracts (active, expired)	34.3	15	11.2
Foreign Military Sales	14.4	10.3	7.4
Other-NoDoc-RCP (active)	7.2	4.1	3.8
Other-NoDoc-RCP (expired)	9.3	3.1	3.1
Active (six doc types)	9.2	1.8	1.7

Speaker Notes:

Actions to clear “old” problem disbursements:

Problem disbursements greater than or equal to \$100,000: Redistribute transaction detail to Major Commands using November data.

Problem disbursements less than \$100,000: Use December data to determine progress made by Commands in reducing \$24.8M in problem disbursements.

Commands granted authority to approve own discontinued research requests.

Given until 31 December 2001 to clear problem disbursements or submit discontinued research request.

Other, NoDoc, RCP (expired): Redistribute transaction detail to Major Commands using November data.

Other, NoDoc, RCP (active): Drafted DR request, letter awaiting signature.

FMS: Drafted letter reminding FMS community that they are expected to comply with FMR guidelines on clearing over aged problem disbursements.

Contracts (active, expired, closing): Meeting with select Commands to determine best course of action on removing problem disbursements against open contracts.

Problem disbursements against active appropriations (travel, training, printing, MILSTRIP, reimbursable, miscellaneous doc-types): Propose drafting memo instructing Commands to post obligations for these transactions.

Problem disbursements against closed appropriations: Working with DFAS-CL to determine amount of summary obligations available to cover these problem disbursements and to prepare a journal voucher for any shortfall

3885: Approximately 36,000 (\$83M absolute) of the original 125,000 transactions remain in database as of November. The remaining transactions are active or expired and are being worked manually by NAVSEA and NAVAIR.

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Six-Month Reduction Scenario by Problem Disbursement Reduction Initiative

For screen reader use: the following table has 9 columns and 10 rows.

Problem Disbursement Reduction Initiative	No. Trans for Total June 2001	Absolute dollars for Total June 2001	No. Trans for Total November 2001	Absolute dollars for Total November 2001	No. Trans/Net change	Absolute dollars/Net change	No. Trans/Percent change	Absolute dollars/Percent change
PDs greater than or equal to \$100,000	209	63,693,583	72	17,726,993	137	45,966,589	66%	72%
PDs less than \$100,000	10,904	36,848,800	4,553	15,837,453	6,351	21,011,347	58%	57%
Other, NoDoc, RCP (Exp)	3,433	9,298,603	1,284	3,116,433	2,149	6,182,171	63%	66%
Other, NoDoc, RCP (Active)	988	7,243,810	669	4,103,309	319	3,140,502	32%	43%
FMS	800	14,439,084	548	10,345,304	252	4,093,781	32%	28%
Contracts (Act, Exp, Closing)	3,375	34,259,933	715	15,063,526	2,660	19,196,407	79%	56%
Active (6 Doc types)	1,011	9,164,736	490	1,807,292	521	7,357,443	52%	80%
TOTAL PDs pre October 1, 2000	20,720	174,948,550	8,331	\$68,000,310	12,389	\$106,948,240	60%	61%

For screen reader use: the following table is a continuation of the previous table. It has 7 columns and 9 rows.

Average Monthly Results:	No. Trans/Percent Change	Absolute dollars/percent change	No. Trans/Net change	Absolute dollars/Net change	No. Trans/Est. monthly reduction	Absolute dollars/Est. monthly reduction
PDs greater or equal to \$100,000	11%	12%	12	2,954,499	23	7,661,098
PDs less than \$100,000	10%	10%	759	2,639,575	1,059	3,501,891
Other, NoDoc, RCP (Exp)	10%	11%	214	519,405	358	1,030,362
Other, NoDoc, RCP (Active)	5%	7%	112	683,885	53	523,417
FMS	5%	5%	91	1,724,217	42	682,297
Contracts (Act, Exp, Closing)	13%	9%	119	2,510,588	443	3,199,401
Active (6 Doc types)	9%	13%	82	301,215	87	1,226,241
Total	10%	10%	1,389	11,333,385	2,065	17,824,707

Last 6 Months: 60% Reduction, 10% Monthly Average.

Next 6 Months: Project 17% Monthly Reduction to Zero

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Recent/Upcoming Activities

- Briefed PDASN (FM&C) on PD Reduction effort (1/23/02).
- Distributed transaction detail for problem disbursements against the FMS appropriation (1/24/02).
- Discontinued research request letter for problem disbursements against active appropriations for Other-NoDoc-RCP signed by PDASN (FM&C) on 1/28/02.
- STARS HCM Major Command Conference (1/28/02-1/29/02)
- Re-issued transaction detail for problem disbursements greater than \$100,000 and Other-NoDoc-RCP problem disbursements against expired appropriations.