

STATEMENT BY
LIEUTENANT GENERAL ROGER C. SCHULTZ
DIRECTOR, ARMY NATIONAL GUARD

Chairman Davis, distinguished Members of the Committee, my name is LTG Roger Schultz. I am the Director of the Army National Guard. I appreciate the opportunity to appear before you today to discuss the efforts we have undertaken to improve pay processes and procedures for our soldiers currently mobilized for the war fight.

Within the Army National Guard, we have been actively working to ensure that our soldiers' pay is correct and timely. We established Standing Operating Procedures (SOP) that explicitly explains each step that our finance personnel must accomplish during all phases of mobilization. Along with the SOP, we have increased our finance training opportunities by converting our existing resident training to distance learning. Instead of conducting two ARNG resident finance mobilization courses each year reaching 75 finance technicians - in 2004, we will offer over 20 training opportunities reaching over 250 finance technicians. In addition to this training, we are developing new distance learning courses designed specifically for commanders and soldiers that have been alerted for mobilization. This training focuses on soldier readiness, finance documentation required upon mobilization, explanation of entitlements, leadership and soldier responsibilities.

We have also made improvements to our own finance systems. We have modified edits to reduce the risk of erroneous transactions and we have made it

mandatory that finance clerks enter descriptive remarks that will appear on soldiers' leave and earning statements explaining miscellaneous payments and collections. We are also in the process of developing an automated procedure that will automatically pay the incentive and special pays that must be manually entered into the pay system each month.

We are also focusing on improving customer service. To resolve pay issues expeditiously, we have a liaison located in Kuwait with whom we work closely to resolve issues as they occur. Additionally, we have established an e-mail address that allows finance technicians worldwide to contact us for processing assistance. Soldiers can also contact us via this e-mail. We are working closely with the Defense Finance and Accounting Service and the U.S. Army Finance Command by providing training or individual site attention to ensure pay problems are not only resolved quickly, but that they do not occur in the future.

In closing, Mr. Chairman, the development of a military pay system that jointly handles both active and reserve accounts will greatly increase the timeliness and accuracy of reserve component soldiers' pay. We are working closely with the Defense Finance and Accounting Service in the development of a new pay and personnel system that will eliminate the problems identified by the GAO report. In the interim, I want to assure you that the ARNG will continue to work closely with members of DFAS and the USAFINCOM team to refine our business processes to overcome the challenges of DJMS-RC. Preventing pay

problems for our soldiers is a top priority, and I remain committed to doing whatever is necessary to support this very important effort.

Mr. Chairman and distinguished panel members, this concludes my formal remarks. Thank you for the opportunity to address this committee.