

Testimony of George W. Riggins
Before the United States House of Representatives
Subcommittee on Government Efficiency and Financial Management
July 20, 2004

Mr. Chairman, Members of the Subcommittee, thank you for inviting me to testify at this hearing today. My name is George Riggins. I enlisted in the United States Army in 1984 and gained a broad perspective of the military having served on active duty for 13 years as an enlisted soldier; a Warrant Officer Candidate; a West Point Cadet; and a commissioned officer. I subsequently served for six years as a member of the Individual Ready Reserve and as an Individual Mobilization Augmentee. On August 29, 2003, at the rank of Major, I received an honorable discharge from the United States Army Reserve. Currently, I reside with my eight year old son in Maryland while my wife is deployed with the Army National Guard in Iraq.

I was motivated to testify here today by a desire to provide one officer's perspective on how to improve the military pay system.

In January of 2003, as America was gearing up for the brewing conflict in Iraq, I volunteered to be moved from the Individual Ready Reserve into any needed capacity. Activated on March 6th, 2003, I mobilized at Fort McPherson, Georgia and was subsequently assigned as a Ground Liaison Officer to the 379th Air Expeditionary Force in Doha, Qatar. I arrived in theater on March 25th and returned to the United States on May first.

My pay issues began during my time in theater. I realized that I was not receiving Hostile Fire Pay and that excessive taxes were being withheld due to the pay system not recognizing my Combat Zone Tax Exclusion. Upon bringing this matter to the attention of the Air Force pay office at my location, I was told that since I was in the Army, they could not help me. I then attempted to contact the Defense Finance and Accounting Service (or DFAS) via e-mail and was informed that I needed to contact the pay office at Fort McPherson. Due to the time difference, my duty schedule, and communications restrictions during combat operations, I was unable to contact anyone at Fort McPherson.

Since I was receiving the bulk of my pay, and my civilian employer was also generously making up the difference between my military pay and civilian salary, my family was not in jeopardy of falling delinquent on any bills. Because of this, I chose to focus on my mission at hand and resolve the pay issues upon my return to the United States.

When I returned to Fort McPherson in May, I detailed the difficulty I had to the official at the pay office. I was informed that the problem would be corrected and that I would receive the monies owed me. I completed my demobilization on May 15th and returned home. The following month, I recognized that I was still being paid and immediately contacted DFAS. They directed me back to my demobilization station – Fort McPherson.

The official at Fort McPherson informed me that in an effort to ensure that my underpayment had been corrected, I had been left in the pay system. Unfortunately, once the problem had been cleared, they failed to remove me from that system. They informed me that this mistake resulted in my receiving \$6,150.75 in overpayment. They provided me with the address to return this money to the government and I submitted a check on July 25, 2003 returning the full amount.

Subsequent to this, I continued to receive Leave and Earnings Statements indicating that I still owed an additional \$1,140.54. This led to a series of phone calls spanning 10 months where I was passed off from one organization to another. The Fort McPherson office told me to contact DFAS Cleveland. DFAS Cleveland initially told me to contact Debt Collections who informed me that I was not in their system so I did not need to worry. Upon receiving additional statements of obligation, I began to become concerned for my personal credit rating and phoned DFAS Cleveland again. This time I was told that only DFAS Indianapolis could help me, but I was not allowed to have their phone number. I was instead directed back to the Fort McPherson pay office who continued to tell me that there was nothing they could do for me. Repeated calls to both the individual handling my file and her supervisor went unresolved.

In March of 2004, I came across a small article in the Army Times requesting that reservists with pay difficulties contact the General Accounting Office (GAO) as they were performing a study. At that point it had been one year since I mobilized and seven months since being discharged from the Army entirely. I provided the GAO with all the information pertaining to my case in hopes that their investigation would accelerate the resolution of my own issue.

In April of 2004, I again contacted the Fort McPherson pay office informing them that the GAO had expressed interest in my situation. I was passed to a soldier who informed me that he could not review my records as they had been purged from their system. On Thursday, April 15, I provided him with a faxed copy of all of my Leave and Earnings Statements from the past year from which he was able to re-construct my pay history. The Sergeant quickly identified the problem and communicated it back to me the following Tuesday.

The entire situation stemmed from the fact that the original calculation for what I owed did not take into account income taxes. I was required to reimburse the government an additional \$1,140.54 for money that was withheld from the money I received in overpayment. In essence, I was being asked to pay back money that I had never received. The Sergeant informed me that once that check was received, a recalculation would be performed and I would be reimbursed for anything due back to me. I sent the full amount to DFAS. The check cleared on May 13, 2004. As of today, two months later, I have not received any indication reflecting the final recalculation.

This entire event, originating primarily from simple human error, spanned over a year and consumed countless hours by myself, the various individuals at Fort McPherson, DFAS, GAO, and now Congress. It is a case that illuminates inadequacies that require

addressing in order to adequately provide pay and benefits to the thousands of soldiers, sailors and airmen deployed in the service of our nation.

I respectfully submit the following recommendations for your consideration:

First, local finance offices, regardless of branch of service, need to be able to address a deployed service member's needs. In this day and age, we are moving more toward Joint Operations than ever before in our military's history. A service member should not have to contact a pay office on the other side of the Earth in order to resolve a problem when a pay office from another branch of the service is located one hundred yards away. The key to resolving this is through automation and standardization. Web based secure interfaces into a joint pay system would allow authorized pay officials to make necessary changes from any location. By standardizing the system across all service branches, training requirements are minimized.

Second, create a second tier organization able to handle unique and complicated pay problems. In the current system, regardless of what organization I spoke with, I was sent back to the same spot where the problem originated. While human error is excusable, as leaders we need to develop methods and procedures for organizations to overcome these errors. The creation of an organization within DFAS that individual service members can turn to in order to escalate persistent problems would provide the means necessary to rectify problems caused by human error. This is especially important to Individual Augmentees who do not have a habitual relationship with any one pay office.

Finally, expand the training of the existing workforce to minimize the occurrences of human errors. We are currently facing a time where the active components are relying heavily on augmentation from the Reserve and National Guard in order to meet the ever increasing demands for forces deployed. It is imperative that the individuals charged with handling pay and benefits be well versed in what is required to effectively care for these units and individual augmentees.

While this experience has been personally frustrating, I count myself as extremely lucky. My family and I were never at risk of meeting any of our financial obligations due to these problems. However, it is easy to see that issues such as these could be financially devastating to young soldiers whose sole income supporting their family is derived from their military paycheck. These soldiers are already deployed to the far reaches of the world, facing life and death decisions on a daily basis. They should not also be burdened with wondering if their spouse at home will be able to make a car payment or feed a child.

Mr. Chairman, subject to your questions, this concludes my testimony.