

TPPS Oversight Council Minutes

Date: July 27, 2011 – 0830 to 1600 ET
Place: Office of the Assistant Deputy Under Secretary of Defense
(Transportation Policy) – Arlington, VA

Opening Remarks – TPPS Co-chairs

- OSD [McNulty] addressed that Randy Kendrick is going to be working with Rich Morrow in the ICWG. There has been a lot of talk about the internal control in TPPS working towards the 2009 ICWG report.
- OSD (McNulty) discussed developing a “road show” to brief senior leaders on the work of the TPPS Council. Issues to be addressed include: lessons learned, TPPS metrics, best practices and opportunities to gain better efficiencies and cost savings.

****TPPS Council chairs and US Bank will develop the presentation.**

Internal Controls Working Group (ICWG) Status

Agenda Topics

- DLA [Morrow] informed that the information in ICWG presentation slides are broken down between ICWG recommendations versus ICWG chair recommendations.

User Profile Standardization

- DLA [Morrow] stated that the user profile standardization can be broken down into three types of user roles. There will be a lot of testing required for this standardization and the test may or may not result into a requirement for a fourth user role. ICWG team is working on standardizing the approval authorization levels.
- OSD [McNulty] clarified that the authorization level will be at administrator or view access. Tim McNulty questioned how many user roles are there.
- DLA [Morrow] replied to Tim McNulty that there are about 30 user roles currently.
- US Bank [Garcia] added that all the user roles are configurable since there is a menu of choices in terms of operations that can be done.
- DLA [Morrow] explained that ICWG was in response to the DoD IG report on freight, so these recommendations do not apply to household goods.
- USAF [Witter] informed that the risk of not controlling these is that you can have an individual doing two roles, obligating for the government and approving, thereby not having separation of duties.
- U.S. Bank [Webb] indicated that these recommendations are for FRT and asked if the ICWG team is contemplating addressing these in HHG. He suggested that the HHG community could benefit from having the same approach.
- SDDC [Lindsey] agreed with Jeff that HHG should have the same changes.
- OSD [McNulty] followed up by stating that he looks at ICWG as the DoD’s support for the TPPS and would like to see these roles apply to both FRT and HHG.
- U.S. Bank [Garcia] recommended that, in the fourth role, the TPPS council may want to consider that there is a separate role for a certifying officer versus a transaction processor. For example, there can be segregation of duties there as

well when it comes down to making changes on the summary invoice. She informed that the ability to change the lines of accounting does impact the operation filters and that it is separate from ability to approve the invoice.

- DLA [Morrow] confirmed that when they go into testing, they will make sure that we cover all the different scenarios for the roles.
- Navy [Jones] asked that in reference to approval authorization levels, what is considered “unlimited”. She asked for a rationale to having unlimited at transactional level.
- DLA [Morrow] replied that his team will look into defining what is “unlimited”. E-bill, OCEAN, and rail have substantial amounts, for example, which would fall under “unlimited” category. He will perform a query and see what the highest cost has been and update the council members on the results.

**** DLA [Morrow] and his team are to look into defining what constitutes the “unlimited” category.**

Separation of Duties / Certifying Official Training – ICWG Recommendation #2

- DLA [Morrow] said that the services would like to retain the ability to determine the separation of duties on a case-by-case basis.
- OSD [McNulty] inquired if there are regulations that contractually bind the DoD to have some sort of standard separation of duties.
- DLA [Morrow] responded to Tim McNulty explaining that DTR says “where possible, maintain separation of duties.”
- OSD [McNulty] advised that once the chair’s recommendations are established, there needs to be a discussion on what the next steps should be.

Separation of Duties / Certifying Official Training – ICWG Recommendation #3

- DLA [Morrow] proposed the idea of having some sort of tracking mechanism for completed training in reference to the annual training requirement in DTR.
- OSD [McNulty] clarified that it is not the bank’s responsibility to provide the list of certifying officers, but the services.
- DLA [Morrow] conveyed that the TPPS PMO provides all of the turning-on of the certifying. In the user management, one can set an expiration date for an account so that an expiration date can be set for an account every time you get a new user account.
- U.S. Bank [Webb] suggested that it maybe beneficial to set the expiration date on the eleventh month, so it gives the user a grace period of one month to complete the annual required training and not damage the account.
- DLA [Morrow] agreed with Jeff Webb and commented that DLA was planning on using that the approach DLA.

User Access Control Policy – ICWG Recommendation #6

- DLA [Morrow] communicated that the information assurance certification for commercial web-based software process requires substantial training and this is a DoD-wide information assurance requirement. DLA is looking for someone from the TPPS PMO or OSD to say that our systems administrators are not required to have this requirement completed because it will require a lot of money to be invested in training for various people. This requirement is only for anyone who issues access to a system. This will be further looked into.

Organizational Account Naming Convention

- U.S. Bank [Webb] announced that if an organization really wants any changes to their naming convention please reach out to US Bank and the bank will take methodical steps towards a resolution across the entire organization that is in agreement at the service agency level.
- USAF [Hosley] brought to attention that on the HHG side, the names really do not have any consistency and expressed his interest in seeing standardization and clean-up of the formatting and spelling for the naming convention for the entire HHG.
- DLA [Morrow] added that the number of characters in the name of the organization is one of the limitations (the 13 characters limitation, for example).

**** SDDC to coordinate a review with the services for the current list of naming conventions, make some recommendations for a convention, and move forward with it. For this round, the focus will be on HHG.**

- U.S. Bank [Cheryl] indicated that the bank can provide everyone what the limitations are for each of the various aspects and what the character limitations are for each of the 3 areas.
- DLA [Morrow] informed that all of these accounts do not have a GBLOC.
- U.S. Bank [Cheryl] recommended keeping the GBLOC.

Trading Partner Relationship (TPR) Policy

**** U.S. Bank to pull up the information for carrier invoicing with automatic approval so the council members can put together a cover letter for the services identifying where they are not compliant.**

- U.S. Bank [Webb] emphasized that carrier invoicing is needed at some sites initially and then there needs to be some review point.
- USMC [Sullivan] explained that if the services want to look at the data analysis, they can go to the auto approval indicator which provides the model and approval information on who is automated under what model.
- Navy [Jones] inquired if DLA or GSA was finding that the things that went through the matching model, in relation to the TPR policy thresholds and tolerances, are okay when the audits are being done.
- GSA [Jack] stated that GSA does post-pay audits, not prepay audits. GSA has been finding over-charges being issued on a lot of DoD FRT and HHG organizations. The Army, for example, had a higher percentage of over-charges than Air Force. GSA works with contractors who identify the over-charges by invoice. She also pointed out that GSA still does not have access to DTCl, which is needed for more thorough audit.
- DLA [Morrow] stressed that the issue on tolerances only applies to matching model and self-invoicing. He stated that it would be helpful if the future invoices can be classified between a matching model, carrier invoicing, and self invoicing.
- GSA [Jack] conveyed that a pre-payment audit is being conducted in HHG based on matching model and random sampling.
- U.S. Bank [Webb] Suggested DoD take an analytical approach to thresholds.
- DLA [Morrow] declared that DTCl is based on service, not how you get there.
- OSD [McNulty] announced that there needs to be further discussion on this topic and that no recommendations can be made yet.

**** GSA to provide a list of over charges and Notices of overcharges (NOCs).**

- DLA [Morrow] commented in reference to unlinked e-bills that DCMA, for example, unaware of what unlinked e-bills were and that unlinked e-bills, in

- general, seems to be more of a training issue.
- U.S. Bank [Webb] added that the key here is monitoring unlinked e-bills and taking actions on it. It requires the Army to take some positive steps, in this example.
- OSD [McNulty] would like to obtain a break-down of unlinked e-bills to the individual activity from DLA and provide it to the Army to move forward with the issue.

**** DLA to provide a break-down of unlinked e-bills to the individual activity.**

Mode Standardization

- DLA [Morrow]: requested the US Bank clean up TPRs and provide DoD a comprehensive list of carrier. You cannot do query by mode if you want to do lane analysis for OCEAN, for example. Also, UPS and FedEx use different types of modes.
- U.S. Bank [Webb] advised that DoD would need to put together a policy on single stack modes.
- Army [Patterson] inquired how multi-global would work with a single stack of modes.
- OSD [McNulty]: asked for clarification on if it was a mistake on the TO's part when he/she is making the request for shipment. Is the TO requesting air movement for something that is six miles, for example?
- OSD [Kendrick] responded that this, again, goes back to the matching model.
- OSD [Beecroft] questioned why everyone is not on matching model.
- DLA [Morrow] clarified that there are certain industries that are on self-invoicing model as a whole, such as ocean and rail which pay on their own. It could also be due to operational reasons.

TAC Assignment Process

- OSD [McNulty] requested for a copy of the June 2009 DFAS/IBM TPPS Process and Policy Assessment Report to be sent to the council members for review and to determine the next steps on how to move forward with Tracker Lite and identify any hidden costs, pros, and cons.

**** OSD [McNulty] requested for a copy of the June 2009 DFAS/IBM TPPS Process and Policy Assessment Report to be sent to the council members for review.**

- DLA [Morrow] declared that any of the government agencies using any of the four systems (DSS, VSM, CMOS, and GFM) would be impacted by this move to Tracker Lite as the single DoD value-added intermediary.
- OSD [McNulty] indicated that if DoD wants to move towards Tracker Lite as the single DoD value-added intermediary, the respective finance systems would need to be taken into consideration as well when it comes to logistics.
- DLA [Morrow] stated that one of the things they noticed from the electronic percentage of LOAs is that, with the exception of Navy, the organizations using GFM are consistently having more LOA processing problems, DCMA and Army in particular.

Post-payment Audit Feedback to / from GSA

- GSA [Jack] informed that GSA is open to providing any help possible to identify gaps in the system, including making assistance visits.
- USAF [Witter] suggested that incorporating contractor's tender numbers in the actual transactions themselves would help them in their pre-payment audit

reviews. There might be an adjustment required by US Bank on this. Right now Syncada has the tenders being fed into the contract numbers. If an N9CT contract segment was to be brought in then that needs to go in the contract field and the tenders need to go in the subcontract field.

- U.S. Bank [Garcia] said that US Bank recently made that adjustment.
- U.S. Bank [Webb] stated that the shortcomings in this are not in the US Bank system, but rather in the feeder system that provide the bank those contract numbers and tender numbers. A requirement needs to be set for the CMOS/GFM folks stating if they want to remain viable, they must provide this data. If it is relevant in US Bank, it can be displayed or reported in Syncada however it needs to be fed into the system first.

**** OSD [McNulty] and his team to inquire from CMOS/GFM folks about possibility of tenders being sent through transaction rather than through the actual contracts.**

Pen and Ink Changes

- Navy [Jones] stated that Navy has a requirement that pen and ink changes (PPCD changes) have to be submitted to DFAS and they can be viewed in EDA.
- DLA [Morrow] proposed that perhaps such a requirement can be standardized across the board where organizations submit their pen and ink changes to DFAS and asked if there can be a way one can query it.

**** OSD [McNulty] and his team will look at the possibility of standardizing pen and ink changes across all services as currently employed by Navy.**

- USAF [Witter] emphasized that ninety percent of the problems with pen and ink changes can be fixed if the manual lines are physically adjusted in Syncada.
- Navy [Jones] indicated that in most instances, for pen and ink changes, the changes that need to be made are not an option in Syncada.
- DFAS [Soderlund] stated that part two of chapter 212 on the FRT in the DTR talks about the use of the PPCD and that if anyone wanted further information on it, they can contact him. He thinks that there is some sort of automation that DFAS can initiate and that this issue needs to be further discussed offline. Their goal is to reduce the DFAS bill to the services.
- Navy [Jones] stated that using a default LOA takes manual effort because her team has to track those default LOA payments.
- DLA [Beiswenger] notified that if the LOA is known, the DFAS IBM team can add the manual line to the COA to be assigned for you rather than doing the pen and ink change.

Statistical Sampling

- DLA [Morrow] informed that there is more research needed on statistical sampling at the moment before any recommendations can be made.

Duplication Standards and Controls

- DLA [Morrow] stated that duplication standards and controls is something that can be looked into for standardization, but again it needs further research.

TPPS Leadership

- DLA [Morrow] shared that the bi-weekly TPPS PMO automated processing conference calls have stagnated and are no longer as beneficial as they once were. He asked if they be reformatted to perhaps be more performance based,

take a more metrics centered approach or change the frequency of them. OSD [McNulty] stated to Richard Morrow that the PMOs will take a look into this.

USCG - Third Party Payment System Full Automation

Invoices Impacted

- USCG [Huffman] identified some of the types of invoices that would be impacted by the TPPS automation.

Benefits

- USCG [Huffman] informed that, in reference to the invoices impacted, the Coast Guard is looking for a reduction in the DFAS's manual workload. Some of the details that need to be further looked into are how the manual portion of these statements will get to the Coast Guard so DFAS would not have to pay them at all. Coast Guard's document types do not correlate with other systems, in reference to obligations.

Challenges

- USCG [Huffman] acknowledged that one of the challenges with the automation process is shift of workloads from AR to AP because all the contacts will have to change and be distributed right away. Another challenge is misdirected invoices, which will be a huge challenge when DLA sends an invoice to USCG instead of Navy, for example. The number of individuals on the team that handle TAC management would need to increase; currently there is one person who does the TAC management. He added that they cannot put in any changes in our system until the fiscal year is over.

Navy BUPERS Transactional Initiative

Current Processes and Problems

- Navy [Jones] talked about the current Navy HHG's problems listed on the slides and informed that Navy is looking to change business practices that impact BUPERS. She proposed to have a logic developed in all related interfacing systems to meet the transactional accounting requirement. She is looking to incorporate SDNs that identify the individual and the fiscal year in order to ensure that her organization can be auditable.

Recommended Solution and Benefits

- Navy [Jones] suggested that all the listed benefits on her slide would benefit all the services. She provided a flow chart for the US Bank revised and FACTS revised. The proposed changes would give better tracking of where the money is being spent. This will also improve the ability to do entitlement audits.
- USAF [Witter] informed that this does not stop ADA because ADA is at the obligation point.
- Navy [Jones] stated that the money will be obligated when the orders are cut.
- U.S. Bank [Garcia] advised that the goal needs to be identified clearly so a plan can be put together on how to meet that goal.

TGET and US Bank COA

Navy TGET and COA Update

- Navy [Jones] stated that this brief is on the TGET interface to Syncada COA. Navy would like to see improvements in the 814 process used to upload

TAC/LOA data. Each fiscal year the services upload the new fiscal year TACs into TGET and TGET loads any TACs that are coded as valid into the Syncada COA. There are always rejects but they should be limited. Sometimes there are manual data entry errors. As we go through the fiscal year, corrections are made to the data in TGET. This data is pushed over to the Syncada COA; however, data is not updating the COA.

- U.S. Bank [Garcia] stated we need examples to review.
- Navy [Jones] stated Rich Gottlick manages our COA and has to do manual loading of data because the system does not update it.
- U.S. Bank [Webb] asked if this 814 file is different.
- U.S. Bank [Garcia] stated that we get an update but we never get an expiration of the prior TAC association so there is a conflict of data. So the bank needs more examples so we can tell if this is a coding issue or maybe the bank needs more information in the 814 file.
- DLA [Morrow] stated that this goes back to his earlier comment about the Global COA and how it might not be the best way to manage the issue.
- U.S. Bank [Garcia] stated the nice thing is the reduction in complexity by having one global COA; however, we have to make sure we are getting the updates properly.
- DLA [Morrow] stated that if you really manage the upfront process then everything will be easier to manage on the back-end.
- IBM [Akinmade] stated that the TGET process has its own logic that Syncada for some reason is not accepting. If a line was modified in TGET as long as there is an active effective date in Syncada that overlaps, that TAC it will error out.
- DLA [Morrow] stated that TGET sends out a lot of “garbage” that doesn’t need to be in there and the scrubbing that Tracker-lite does shouldn’t be necessary.
- U.S. Bank [Garcia] stated that the hope is that lines will get expired in Syncada automatically when the new update comes in. We need to find a root cause and make sure we get this automated.
- DLA [Morrow] stated that maybe we need to relook at what is in the 814 file.
- U.S. Bank [Garcia] stated it is possible that the information is out of order.

**** US Bank [Garcia] to review what is coming in on the 814 file and how it can be automated. U.S. Bank will report back if the information in TGET is the problem.**

- Navy [Jones] summarized that since TGET is the sole source we need to make sure whatever the latest in TGET is also the latest and greatest in Syncada.
- DLA [Morrow] clarified that the issue with “garbage” is in the 814 file not what is in TGET.
- Army [Peterson] stated that the issue is with the effective dates. Currently we have to cut off the LOA in TGET and the new LOA is then associated with TAC and there is an overlap of effective dates which is causing the problems in the COA. We need DFAS TGET to participate and verify what Rich brought up about extraneous information in the 814 file.
- USCG [Huffman] wanted to discuss the financial billing mode codes and EOR, and stated there are different rules for HHG storage.
- Army [Peterson] doesn’t believe Army can get rid of the EOR or financial billing mode codes.
- DLA [Morrow] stated that LMI discussed in ICWG meetings.
- Army [Peterson] stated that we need an Army financial POC to speak to this issue.
- DLA [Morrow] discussed that Army had required this for Congress but that is not

the case.

- USCG [Huffman] stated that this code drives internal business processes.
- DLA [Morrow] stated that the EOR is not defined anywhere but it is a data element in one system that was forced on other systems.
- Army [Peterson] interjected that the SDDC storage contractor for the POV storage requires the use of a TAC when the TAC is really used to move stuff not store stuff. We should separate the movement of a POV over ocean as compared to storage costs.
- Navy [Jones] stated that this has always been a TAC based process for Navy
- Army [Peterson] recommended we come up with a new EOR and Financial Billing Mode Code for storage.
- DLA [Morrow] stated that if we are supposed to include contract numbers you don't need a billing mode code, you can just use a contract number.
- USCG [Huffman] stated that the LOA rules are different for storage vs. transportation.
- Army [Peterson] stated that new obligations should not be created but the TAC must be bumped up into the next year to cover costs of storage.
- Navy [Jones] stated that we believe that TGET has to be considered the latest and greatest and we need the ability to overwrite data based on what is in TGET. Problem is we continue to reject data from the incremental loads and we have no process for managing these defects. We believe DFAS had the responsibility to manage these. Understanding we need an automated fix so we aren't expecting DFAS to fix the issue but we need something DFAS will support.
- IBM [Akinmade] stated that we have this process in place right now to handle rejects but as far as how they go reroute through the process is probably the part that still needs work
- Navy [Jones] said we need a procedure to take corrective action not just identify issues. We need an automated process to have the automated nodes work better.
- Navy [Jones] stated that the percentage of manual transactions that cannot be pushed to electronic in the COA is too high. So we need to look at the COA in both HHG and FRT and find out why we can't push these transactions to electronic.
- U.S. Bank [Garcia] stated that until we get into root causes we cannot figure out what is causing this. It might be partially the 814 process but it might be something else too.
- Navy [Jones] provided some history on the subject, you can go back to issue paper #73 or #75, which are where we expressed concerns. We do generate a new baseline file monthly, but we aren't sure what is happening with that because we don't see any improvement. Not sure if a new baseline file is necessary if the incremental loads are working properly.
- IBM [Akinmade] stated that the incremental loads are working properly and the baseline is an insurance that everything went smoothly.
- Navy [Jones] provided an example where everything that came in was hitting the FY10 document for some reason. This LOA was entered into TGET originally incorrectly. TGET was updated but even recently the COA is still incorrect.
- U.S. Bank [Garcia] stated that updates to the charts are not going to effect on previous transactions.
- U.S. Bank [Garcia] continued that this digs into the heart of the matter regarding dates expiration.

- Navy [Jones] wants U.S. Bank to accept resends and assume an old line is expired if a new line comes in.
- Navy [Jones] summarized that what we want is to develop additional logic so the process works better and moving toward TGET as the sole source of TAC data. We have to clean up TGET and make it better and improve error handling procedures.
- DLA [Morrow] asked if the COA's mission is to give a transaction an LOA, is it possible to wipe the COA and replace it weekly.
- U.S. Bank [Garcia] stated that we can't because of audit purposes and it is too much data to do on a weekly basis.
- Navy [Jones] provided some benefits and it is on Navy's report card that they will be completely electronic. We are also working to pay the bank at a 98% timely rate. Navy wants to eliminate manual intervention and become compliant.
- DLA [Morrow] noted that 2/3s of Navy transactions on the FRT side are carrier invoicing and that is why this is a problem.
- Navy [Jones] followed up that it is a DoD directive for the entire system to be auditable and Navy is on track, all of our processes need clear defined audit lines.

IBM Chart of Accounts Update

- IBM [Akinmade] provided some DFAS insights into the 814 process and improvements that we need. Some of shortfalls were highlighted by the GFEBs implementation. In this we encountered lines that were changed mid-year and IBM was not provided insight. If we receive the information we would have expired the old association and allowed the 814 process to work.
- IBM [Akinmade] also displayed an issue with these lines forcing their way into the COA but they are not associated to a TAC. When we train users, we train them to search for the TAC, however, some users are more advanced and are able to search in different ways so they find these lines and become confused on which line to select.
- IBM [Akinmade] stated that whatever logic is stated in the 814 process, if you have a true incremental file that is the latest and greatest it should force its way into the charts by expiring old lines. You never want to get rid of a line in the charts because of old obligations that transactions are still hitting against and for audit reasons.
- IBM [Akinmade] requested that if there are midyear changes to LOA's in TGET please let the IBM team know.
- IBM [Akinmade] discussed the issue of shipper systems updating the Syncada COAs. DPS sends LOA's in as undefined. More often than not, we feel there are not enough edits to control these LOA's. At the end of the day, allowing TGET to be the authoritative source.
- U.S. Bank [Garcia] stated that this relates to the issue of shipper self invoicing and the only way to get the data is from the transaction itself. If Syncada receive a LOA on a transaction and it meets some sort of edits, we allow it to come in. I am not sure if we can allow certain systems to update the COA vs. others.
- Navy [Jones] recommended that with shipper self invoicing they could just give a TAC.
- DLA [Morrow] mentioned that DLA uses only TACs on our shipments with the exception of DLA Energy. Tracker Lite bounces the TACs off TGET and then feeds Syncada. Our load goes into the global COA; however, we don't use the

- global COA.
- U.S. Bank [Garcia] stated that the challenge is, today, Syncada doesn't have the means to say we only take data from a certain system and I'm not sure if we can get there and there are situations that we have to take data from the shipper system.
 - USAF [Irwin] stated that for those shipments that are using SDN's you would have to have all those SDN's loaded into the TGET table.
 - U.S. Bank [Garcia] summarized that we have to look into the 814 process, the second take away is that we need to explore how the charts are set-up and is there a process where somebody works those transactions on a periodical basis.
 - IBM [Akinmade] stated that this is not happening and even though these transactions are undefined they are still selectable.
 - U.S. Bank [Garcia] reiterated that we need to look at how the charts are set-up and come up with a process to manage these transactions.
 - DLA [Morrow] stated that on the FRT side of the business only 11% of the transactions are prone to this error and we can use our process to fix this.
 - IBM [Akinmade] stated that the undefined is a good process but the program is not mature enough to deal with these because of edits, multiple points of entry, and the user community. If a user creates an LOA the user needs to take it upon them self to ensure all segments are filled out properly. The creator must ensure that all entries are entered properly. These transactions come in manually and DFAS has to process these transactions.
 - IBM [Akinmade] provided possible solutions, our recommendation is to look at TGET as the sole source, but even then there will be variances.
 - Army [Peterson] provided a strong endorsement to use TGET and it is ok if the shipper system gets it from TGET but they must get it from there.

Bank Presentation

Bank Update

- U.S. Bank [Webb] introduced the European help desk rep, Grainne Fennell, and the Pacific help desk rep, Sikhath Puh. Puh has begun reaching out to sites to provide his contact information. Stated he is not a former DoD asset, nor does he have extensive DoD language skills with acronyms.
- U.S. Bank [Webb] updated the new President of Corporate Payment Systems at U.S. Bank is now Kurt Adams. Previous president retired.
- U.S. Bank [Webb] brought up the issue of process improvement. US Bank stated we didn't have a closed door meeting of "super-users" at the last FSC. Part of the continuous effort is to conduct a survey aimed at transactional accounting. What this survey is really going to look at is how do "you" use it and what is wrong with it based on how you use it. Webb would like to have the IBM folks involved in this as well. It will be a conversation but he is still deciding how many people to have on the line and the logistics. 10 slots are currently available.
- U.S. Bank [Webb] discussed the Payment Manager roll-out. The Bank started with the Marine Corps; they have the system turned on.
- USMC [Sullivan] stated that the training is pretty simple and most focused on differences. It is pretty straight forward; but he urged that the sites be allowed some time to play with it.
- DLA [Morrow] asked the bank to turn theirs on a week after statements generated to separate certification from "playing" in the new system.

- U.S. Bank [Webb] stated that it is important to turn users on as soon as possible after training to ensure it is fresh in their minds. Services would have responsibility to provide names of those who have gone through the training. For HHG, Payment Manager will be scheduled after peak season.
- U.S. Bank [Webb] informed there is training available, not just live, but also online training, also, the Bank intends to provide training at the SDDC conference.

Ocean Update

- U.S. Bank [Webb] informed they have an effort underway between U.S. Bank, SDDC, G-8, G-9, G-6 and other folks across the spectrum to look at how the ocean process is used today in the system. Discovered indicates that there are some improvements that could be made within the process of the documentation. Starting with the item codes, they are being updated today. The contract number is now being passed and mapped correctly through the flat file. The efforts of CMOS and GFM are critical in getting the contract number mapped across the board.
- U.S. Bank [Webb] stated that it is an antiquated process and not allowing us to update the system in an electronic fashion. By moving to an 858 process, they are going to be able to do a lot more, as such, the product will be more viable. There are weekly meetings. Originally we were hoping to have the 858 tested by mid- year, but it looks like now the IBS folks are telling us they can't run a test until December at the earliest.
- OSD [McNulty] updated that he had a good conversation with Mike Williams from SDDC who is very interested. He wasn't aware of the slippage, the December time period is not the answer and they are going to work to move that up.
- U.S. Bank [Webb] stated that Eric Schoo has done a lot of developmental work on the 858, we have taken their files and looked at the desired "print out" to make sure every data element they need, can be processed. Should be a tremendous solution.
- OSD [McNulty] asked about the mass prototype concerning if potentially it could be the next effort after the 858 process?
- U.S. Bank [Webb] responded they would like to get the 858 process in.
- U.S. Bank [Garcia] stated that they want to eliminate double work so they don't have to code for the flat file and the 858 process. So the preference is to get the 858 process so they don't have to get 2 different files.
- U.S. Bank [Webb] stated that he really would like to get MAERSK out of this situation because their stats are terrible, part of it is the model, part is the processes they are using and part is in the SDDC world.
- U.S. Bank [Webb] continued part of this is how we are administering this across the process. How IBS and SDDC are managing the booking. They drafted some business rules and Mr. Henry Brooks provided those to the bank. Will have a meeting next week to sit down and talk about the business rule piece. After the business rules are vetted, they intend to send them out to the carrier community. Then they will have a white board process to show the way it is done today and where SDDC and the bank would like to see the process go. With the end result being the FRT automated process.
- U.S. Bank [Webb] stated the goal is to remove paper and get everything electronic. The next step is the business rule review.

Non-Temp Storage

- U.S. Bank [Webb] began with discussing a development of 858 process for this by John Hosley and Eric Schoo. Group meets every week and they expect a test file by Mid-August. Testing is approximated to take about 30 days.
- U.S. Bank [Webb] continued that Betty Soto and Eric are making sure the process being developed should be easily transferable to the DPS module that is being planned for roll out. While this is being as an interim process, they are trying to develop it so that it is fully automated and can easily melt into the DPS of the future.
- USTRANSCOM [Soto] stated that there is a small issue in that they are going to have the SDDC GFEBs package, the EDI, send it on to Syncada. The problem with that is they are going off Gen3 (sp?), they didn't renew the contract in January. Also, they are migrating their systems from Gen3 to Axlay (sp?) and they lost 2 out of the 3 member EDI team which is pushing things back. They do have a back-up plan, and in the mean time they have provided the 858 to U.S. Bank and they will drop it in the cert system.
- U.S. Bank [Webb] stated that he was hoping the cert system would have run but it did not, but they will get it through and make sure it meets Syntax and they can move onto the next step. So far, they are looking good at holding the timeline at this point and they are hoping to process come 1 October.
- OSD [McNulty] stated that for the services this is a \$13-\$15 million saving annually, unfortunately it won't come out of the transportation budgets. You will see the savings come out of your DFAS charges.
- U.S. Bank [Webb] continued with the training. The training will be the same as other training methods, online and via web-conference. The bank will have to focus on the TSP training as this is a new way of doing business. This will be an entire new experience for many of the TSP's and we will work very hard to bring them up to speed.
- OSD [McNulty] stated that when this capability is turned on, we can assume that it will be mandated for use. Also there has to be a period of time for training for TSP's. McNulty queried if this is part of the CONOP that you are developing John?
- USAF [Hosley] replied yes.
- U.S. Bank [Webb] stated that this will be phased in, and there are many moving parts, especially on the DoD side, especially on DFAS because they payment office at DFAS is completely different. He states that we have to make sure they are trained and they can rely on Ken's team. They are going to do the same for the TSP's, a lot are mom and pop organizations. SDDC is doing a good job of getting the RSMOs out and informing the TSPs. They are all excited. They are going to start with the USCG and JPPSO COS. At least, we know that using these groups will allow us to get a good cross section of the non-temp storage community. We are going to then validate how fast we can roll out the rest.
- U.S. Bank [Webb] continued that 75% of the TSPs for phase 1 are contracted today and they are working on the rest. They have a team reaching out to them. They are also working on the self identifiers; they decided it would be a good idea for non-temp storage TSPs to have their own TACs.
- U.S. Bank [Webb] continued with next steps; the SDDC needs to complete their piece of the 858 development so testing can begin, the bank has to complete their training materials (waiting on 858), then publish a training plan roll-out similar to payment manager.

- US TRANSCOM [Leon] asked John Hosley if he is working on the business rules for the PPSOs and JPPSOs.
- USAF [Hosley] responded he is working with the Federal Registry; he is bouncing them off the interim business rules, the phase 3 business rules, and the current business rules.
- U.S. Bank [Webb] continued with, just like they have done in other areas, they will provide a quick reference guide for this that will be put on the home page. The ultimate goal is to roll this into DPS.

Offsets

- U.S. Bank [Webb] started with HHG offsets. He recalled from last TPPS meeting's brief on offset: states they are working the process for HHG offsets. Since that meeting, Army claims have been processing HHG offsets, as well as, Navy. GSA just recently processed their first 4 but hasn't fully processed through yet because the IPAC process needs to be set up. U.S. Bank has processed the first summary invoices. GSA is now loading additional offsets into the system. There are probably about \$5 million or so worth of offsets in the HHG arena that will need to be processed based on what GSA has provided. Webb warns of the volume issues once GSA ramps up effort. There have been discussions about not hitting one particular carrier to the extent where it could bankrupt them but he did say that some issues within the overall offset process is to be expected.
- OSD [McNulty] asked if there has been anything coming back from TSPs yet?
- SDDC [Lindsay] responded the only thing they were concerned with at first was with Army claims e-bills. They didn't understand the eBills, so they requested Army claims put some notes in so the TSPs know what the offset is for.
- U.S. Bank [Webb] added that the new offset eBills will start with EILO. Also, they've stood up in front of the carrier community several times and informed them that offsets are coming. Bottom line is these things are starting to roll out. EILO is how they are identified. They are trying hard to get their hands around sites that are or will be closing and might have eBills against them. Those will have to be dealt with in some organized fashion.
- USAF [Hosley] noted that this needs to be brought to the forefront. Cites an example with Guam, where their Air Force account was transferred to the Navy and it often gets lost out there.
- U.S. Bank [Webb] stated that the bank is looking to the TPPS PMO to inform how they would like to handle these situations.
- USAF [Hosley] continued that they are about to engage a pretty aggressive regionalization next year and they are going to have quite a few of those accounts.
- U.S. Bank [Webb] responded that he understands and that is why he is putting this on the table now so a decision concerning which direction to go would be made.
- DFAS [Soderlund] stated that we need a call set-up to walk through this issue.
- ** U.S. Bank [Webb] to organize a call to discuss issues surrounding HHG offsets and BRAC or closed accounts. Please include Tim Vandagriff.
- U.S. Bank [Webb] added that we need to work with Air Force legal claims, they've had some initial training sessions, and they are now in touch with DFAS to establish an LOA for HHG Offsets.

Bank Questions

- OSD [McNulty] stated that it is not too soon to start thinking about classes or instruction you would like to see at next year's FSC.

- U.S. Bank [Garcia] informed, she thinks the date of next year's FSC is the week of March 12th. Will get confirmation. We will be heading to the west coast. What was really successful about this year was the ownership that everyone took. You all drive the material and we want to ensure we are providing the information.
- OSD [McNulty] questioned about automatic payments related the government being out of money.
- DLA [Morrow] added the possibility of reprioritizing of payments including payments to defense vendors which would require large scale turn off of automatic payment approval.
- U.S. Bank [Garcia] reminded that really the government is paying U.S. Bank so they will be the ones on the hook and they are ok with that. U.S. Bank will continue to make payments to carriers but will be on the hook for that money and the hope is that the government will pay them one day.
- U.S. Bank [Webb] added that the prompt payment interest legal document protects U.S. Bank and the DoD will still be moving cargo, possibly at a reduced rate. The war effort will continue and the bank will continue to pay.
- U.S. Bank [Garcia] stated that it will be the same as a possible government shutdown in the past. The bank will continue to make payments and if something catastrophic happens, we will sit down and discuss that then. In the short-term it will be business as usual.
- U.S. Bank [Webb] added that if the DoD was serious about cutting funding they would need to stop ordering service for new shipments.
- U.S. Bank [Webb] discussed the FSC, especially with HHG folks, that they will have rooms available for discussion. If there are items that needs more focus, then they just need to let US bank know.
- OSD [McNulty] added that between now and then the bank will be talking with SDDC and the TSPs. Now is the time to start talking up what you want on the agenda for the FSC.
- U.S. Bank [Webb] stated that it is in the contract that the bank will provide this training. There are requests all over the world for on-site training from U.S. Bank and this is the forum for that training. Webb noted that US Bank will attend the NDTA's and SDDC's sessions and provide training but specific site visits are not possible.
- OSD [McNulty] asked, if the Air Force set up a seminar where it was appropriate for US Bank would provide training?
- U.S. Bank [Webb] responded they will look at those individually but they are targeting large groups where they can justify the expenditure of funds.
- USAF [Tirey] added that the Air Force is planning a seminar again at Southbridge, date TBD.
- U.S. Bank [Webb] responded that would be worth the bank's time and effort to support that.
- U.S. Bank [Garcia] added she believes the regional conferences, there is one coming up in October that they will support.
- DLA [Morrow] stated that one of the observations he's made over the past couple of years with DLA employees is that they see the conference and take it to their bosses for approval but they say they are not aware of the tac-on sessions.
- U.S. Bank [Webb] responded that he will reach out to all the POCs if they are requesting a TAC-on session, how many people, and logistics. This will happen up-front well in advance and I will provide it back to the POC.
- U.S. Bank [Garcia] stated the bank will make certain the notification gets done

- earlier, perhaps by getting it done in the next month.
- DLA [Morrow] added that one of the other things that he has noticed is you get questions asked of people who did not attend the TAC-on sessions and missed the answer. Perhaps it is a good idea to have a DoD TAC-on during the middle of the conference.
 - U.S. Bank [Webb] stated that in the past they have done it before or after. The problem with having it in the middle is that they have a large contingent of commercial folks that are there and you really want to focus on government folks.
 - DLA [Morrow] added other feedback is that it is way too generic and not specific to DoD needs. Another idea would be a DoD dedicated room or lab with one for FRT and HHG.
 - DFAS [Soderlund] added that they are looking into putting DFAS folks in the lab.
 - U.S. Bank [Garcia] stated that if they can fit one into one of the blocks, for instance 2 of the 9 sessions are TAC-on like.
 - U.S. Bank [Webb] requested ideas and what people would like to discuss.
 - DLA [Morrow] stated that he spends a lot of time looking at the sessions and recommending to his people which ones to go to.
 - U.S. Bank [Garcia] responded that they have been working on certain tracks to help people, and they will continue to work on it.
 - OSD [McNulty] stated that if they put the DoD wide session on the agenda on Wednesday, more people will show and they will come up with more topics at the TPPS council.
 - DLA [Morrow] added that he doesn't find the senior executive review panel has not been beneficial.
 - USMC [Ruble] stated that last time he had to fly in for 2 days and then leave because his leadership didn't see the value in it.
 - U.S. Bank [Garcia] responded they need help on the part of services to provide write-ups that would help you get authorization.
 - U.S. Bank [Webb] asked that when he calls for topics to be sure that a few good bullet points is added that will help you get authorization and outcomes.
 - OSD [Stanton] entered the room and thanked everyone for the program.
 - OSD [Stanton] asked how the FSC on the west coast will affect attendance.
 - OSD [McNulty] added that they will make sure to impress the importance of the conference and highlight DoD issues.
 - DLA [Morrow] stated that one thing that would be helpful would be more OSD support.
 - OSD [Stanton] responded that they will try to elevate this ahead of time so the principals know how important this training is.
 - OSD [McNulty] added that perhaps they should send 2 letters to ensure everyone knows the importance.
 - OSD [Stanton] stated that they want to do this sooner than later so they can ensure folks budget for it.
 - U.S. Bank [Garcia] asked if there is anything Mr. Stanton can provide concerning the current situation.
 - OSD [Stanton] responded OSD has a lot of budget cuts going on and they are looking for more cuts. They are looking at everything from manpower to healthcare changes. As they pull people out of Afghanistan they are pulling logistics people out first.

SDDC Briefing

Ocean Business Rules update for SDDC Booked and Direct Bookings

- SDDC [Patterson] stated that Ocean Business Rules had not been updated, but were now being revised between the different parties including direct bookings, U.S. Bank, and Susan's group. Discussions will be scheduled.
- OSD [McNulty] commented that they are back in track. He also referred to the e-mail and stated that there are four additional data elements that are necessary: Pair Rate ID, Voyage Document Year, Forcall File, and Line Item Description. It was also confirmed that it is TRANSCOM that has ownership of the 858 process.

**** OSD [McNulty] will contact TRANSCOM to verify the status of the independent 858 process.**

- U.S. Bank [Webb] clarified saying that if they plan to move to other realms of the system, they will remain ANSCII compliant, but with others they will not. The challenge is that there are a lot of SDDC unique terms that are not industry wide terms. However, a lot of issues arose, causing TRANSCOM to look for another route. As long as it is reportable, then it is okay.
- SDDC [Lindsey] commented that these fields and the 858 process will inevitably change.
- U.S. Bank [Garcia] commented that the 858 process is sufficient, but just needs to be positioned properly with the correct data and format.

Multi Modal

- Army [Patterson] stated that TRANSCOM and SDDC are moving towards Multi-Modal moves in and out of Afghanistan. They are currently working with vendors to have an Air-Lay into Afghanistan. This will grow larger than the Northern Distribution Network. It is the alternate means to moving items into and outside the country. Currently near/air carriers are primary and surface carriers are the sub. Patterson's office will pay for the system. Changes will have to be made to IBIS for the feed to occur. No feeder system is setup to do it through the U.S. Bank Syncada system.
- U.S. Bank [Webb] stated that it would be possible to do it through Syncada if given the rating table.
- OSD [McNulty] suggested discussing this during the call.

**** U.S. Bank [Webb] will setup a call with Bill Patterson regarding this issue, to see whether this can be processed through U.S. Bank and not an expanded version of IBIS.**

E2A Initiative

- SDDC [Patterson] stated that there is a Europe to Afghanistan initiative, which includes a FAR based contract including 32 countries as the new contract mechanism. It will be a USC6 that will be similar to an Ocean contract. Lot of details are still being worked out. They are currently working with EUCOM.
- OSD [McNulty] commented that this will be a much cheaper process, which involves driving from Europe to Turkey to Afghanistan. This will be an alternate to many of the routes. He stated that this should be a pay-on-delivery contract. However, it still needs to be worked out, and carriers may resist.
- U.S. Bank [Webb] gave his input on many of the best practices and has seen all the different types (payment on delivery, payment on contract, and partial.) Different programs had different structures.
- Army [Patterson] stated that they have 9 months to a year to effectively

implement this entire process.

Aged Approval Final and Payment Initiated Invoices

- DLA [Beiswenger] went through several aged transactions that have been in Syncada for extended period of time, where the carrier had not been paid, and DFAS had not reimbursed U.S. Bank, where it had a negative amount. Essentially this amount should have come back to DLA. It was in a “payment initiated” status. U.S. Bank confirmed that the vendor owed money to DOD. As more business was done, this went to the payment settled area. This occurred after a month after it was identified.
- U.S. Bank [Garcia] stated that the bank cannot request money from DLA. This is was part of CON-OPS process by design that has been approved by several different parties including DFAS Legal.
- USAF [Witter] - noted that this has to cross the 88,000 threshold for this to occur.
- U.S. Bank [Garcia] confirmed that no money will be paid until that threshold amount is reached. This amount is withheld as an accrual. This threshold was incidentally reached in the month that the above was examined.
- U.S. Bank [Webb] stated that when an offset it put into the system, and a carrier does business that’s less than that offset, the amount is accrued until the threshold is hit. Then it is disbursed back to agencies that setup the offset.
- SDDC [Lindsey] asked if interest was paid on this amount.
- U.S. Bank [Garcia] stated that no interest was being accrued, because this was not in the CON-OPS document. However, the service can request interest through a separate E-Bill.
- USMC [Sullivan] noted that it doesn’t behoove individuals on the freight side to pay interest. He mentioned there was an 8.7 million amount from 2007 that still required interest that would have to be paid in that case. If interest is received, it must also be paid.
- SDDC [Lindsey] stated that if this occurred in the HHG realm, then interest would have been sought after, and a penalty would have been placed.
- Navy [Jones] also stated that there isn’t a provision that requires interest to be paid.
- U.S. Bank [Garcia] stressed the importance of having training so personnel are aware of items such as this and no where funds should be allotted to.
- DLA [Beiswenger] begins to go through the causes of these such as net negative carriers, invoices not being approved for payment to the carrier. Another issue is if the carrier has not input a service complete date or checked the “service complete” status.
- U.S. Bank [Garcia] states that this is the status that triggers payment.
- SDDC [Lindsey] asks why an edit cannot be put into place to force individuals to have “service complete” checked.
- U.S. Bank [Garcia] stated that this was more of training issue and it will not proceed to payment until notice of completion is complete, and trigger event such as the provided lift date, delivery date, storage in transit date is provided.
- USAF [Witter] stated that the purpose was to build awareness.
- U.S. Bank [Webb] attributed the problem to training and new personnel not being familiar with this process. They also don’t sign up e-mail notifications.
- DFAS [Soderlund] added that they cannot sit out there forever. The cut-off is 3 years according to U.S. code 3127.
- SDDC [Lindsey] noted that carrier could potentially drag out an item for 7 to 10

years.

- DLA [Beiswenger] noted that this was only in Freight and was unaware of how things were on the Household Goods side. He continued on with the presentation and also mentioned the instances when a carrier account is closed before invoices are paid.
- U.S. Bank [Garcia] stated that they can re-authorize an account if necessary, but will only do so with the approval of the PMO office.
- DLA [Beiswenger] continued stating there were many 0 dollar invoices that were duplicate checks and other validation rules.
- USCG [Barry] asked if expedited service is performed, and the delivery date is not met, if a charge is made.
- USAF [Witter] stated that they should cancel the invoice.
- U.S. Bank [Garcia] stated that the best course of action is to contact the TSP to cancel the transaction, or deny the invoice.
- USCG [Barry] stated that if the bill of lading, still exists then it still be in the system. Ultimately all parties should be informed that all the documents need to be cancelled.
- DLA [Morrow] noted that under the DTIC bill payment audit plan, the service is not allowed to deny unless a program office has denied it.
- DLA [Beiswenger] continued stating that 8.7 million were outstanding from the inception of Syncada, with most of them because the service complete date not being present.
- DLA [Irwin] went through all transactions and was able to reduce amount to 3.7 million, which was around 60%. DLA reduced their amount significantly by interacting with the carrier.
- USAF [Witter] stated anything from 1999 to 2005 was expired dollars which will show on the summary invoice or they should challenge the carrier to get them off.
- U.S. Bank [Garcia] stated that the certifying officer should be cognizant of older money if it has been expired.
- U.S. Bank [Webb] stated that this is something that should be included in biweekly call as this is the money the community should be concerned about
- USCG [Barry] stated that she runs through this process every single day to avoid this problem, which includes looking at unmatched sellers. Sometimes the SCAC codes do not align causing problems.
- U.S. Bank [Webb] underlined the importance of the system being a collaborative environment, and felt this was largely due to lack of training.
- OSD [McNulty] questioned why these problems were occurring since 1999.
- USAF [Witter] agreed, but said that DOD wasn't looking into these issues either. He also noted that when Syncada was first implemented, a site would receive a paper bill in situation when an electronic bill was not completed.
- U.S. Bank [Webb] stated that this is not going on any longer. In the past this resulted in double payments, and got only left the system after a year.
- DLA [Beiswenger] also noted that there might have been certain instances when a bill had already been paid, and a site attempted to pay again.
- USCG [Barry] stated that she always sends an email to Syncada before a secondary payment to prevent double payment.
- U.S. Bank [Webb] disagreed with the bullet point on the presentation that states to "deny transactions without service completion after 60 days." He said this

would not work for certain ocean shipments or others that functioned off an extended amount of time.

- USAF [Witter] suggested changing it to an “on hold” status.
- U.S. Bank [Garcia] instead suggested creating a policy statement and performing training before actually making a System Change.
- DLA [Beiswenger] continued and stated why these items were given their own presentation, saying that they sometimes fall under the radar including unmatched sellers, approval required, and exception transactions that are sitting out there for too long. Sometimes these are not found even when a full sweep is performed. He stressed the importance of building awareness across the services about these issues.
- USAF [Witter] stated that these have not come to the summary invoice, and U.S. bank has not paid.
- DLA [Morrow] questioned whether a transaction would be processed if it was assigned to an expired LOA and would that trigger an ADA violation.
- DFAS [Soderlund] stated that they would work with the certifying officer and the service to ensure they had current funds. They would not just disburse from the old funds.
- DLA [Beiswenger] continued with Net Negative Carriers and stated that not much can be done with this and hinted at the possibility of solving it outside the business
- USCG [Huffman] agreed that it was possible.
- U.S. Bank [Garcia] clarified and stated that they can probably do this with other governmental agencies, but not most commercial vendors.
- DLA [Beiswenger] also mentioned using metrics developed from Syncada itself to help with the entire awareness initiative.
- PMO will look into any policy updates for awareness of eBills getting stuck in Approval Final or Payment Initiated status. OSD [McNulty] requested this metric appear in next briefing as well. He also stated that other TPPS parties such as DECA and AAFES, who are not part of the TPPS council, should be informed about these issues. He also suggested adding the graph to Road Show.

**** PMO will look into any policy updates for awareness of eBills getting stuck in Approval Final or Payment Initiated status.**

- SDDC [Lindsey] asked whether carrier was contacted, to see how much money was withheld and how much interest was entitled.
- USAF [Witter] stated that they could do that if they fixed their own issues of paying interest.
- DLA [Beiswenger] stated that retrieving the Net Negative Number is hard to acquire, but is nominal in amount.

Changing the Shorthand Alias on the Summary Invoice

- DLA [Beiswenger] stated that there was an issue that has been going on for a while, without any real solution. A lot of groups have developed work-around for this. He stated that in one interface a TAC can be manipulated, while in another, it cannot be changed. He discussed the background showing the LOA in one line, and the TAC short Hand Alias. This is on the transaction level.
- USCG [Huffman] asked why the LOA was described as being “undefined.”
- DLA [Beiswenger] answered that it most probably came from FACTS from an 858 process. He continued and stated there are multiple lines, each with different fiscal years that can be chosen by the user.

- DLA [Beiswenger] stated that the problem with this transactional module is that if an error is found for 50 transactions, each one has to be changed one by one. This takes a long time.
- U.S. Bank [Garcia] stated that this is in initiative that the Bank is trying to remedy.
- DLA [Beiswenger] continued and stated that a mass change can be performed in the summary invoice view. This is done by clicking the “edit” menu, looking up the TAC in the LOA name. This is a work-around that was developed. The only problem is that the TAC does not appear at the end of the LOA when it is selected and the system uses the last four characters. In many cases, there will be several 100 LOAs that need to be changed, which can only be done one at a time. This will also eventually fail in the Entitlement system, require a manual intervention, and result in a rolling balance.
- DLA [Morrow] stated they created a work around by putting the TAC code in the D7 segment.
- U.S. Bank [Garcia] asks whether this fixes the problem.
- DLA [Morrow] said it doesn’t completely resolve the problem but helps with the fix.
- Army [Peterson] stated that from the army’s perspective the TAC is in the standard document number. However in GFEBs LOA, there is no room to place in the TAC.
- DLA [Beiswenger] stated that ideally that they do not want to see this is an issue for the TO, to assign the TAC. He continued, saying that they have different, correct work around to fix the TAC, takes much longer.
- DLA [Beiswenger] also noted that certain Navy LOAs have many TACs associated with them, and the field does not contain enough length to hold all this data. Often times they have to contact Syncada Help Desk or the DFAS IBM team, who look up the LOA based on the LOA IT retrieved from TGET.
- DLA [Beiswenger] also mentioned that DLA has its own chart of accounts with the TAC embedded into the accounting code. DLA cannot do carrier invoicing with TAC mapping, which causes carriers to use the global chart of accounts. He also noted that you cannot input all the FA2 elements in the chart of accounts. As a workaround, the country code is used as the short hand alias.
- DLA [Morrow] stated that essentially they do not use Short Hand Alias.
- U.S. Bank [Garcia] stated that these fields could potentially be concatenated for this to occur.
- DLA [Morrow] suggested getting off the global chart of accounts.
- DLA [Beiswenger] also noted that another disadvantage of a non-global chart of accounts was that DLA had to maintain this separate chart of accounts.
- DLA [Morrow] stated that they had stabilized the chart of accounts and have not changed anything, with the working capital fund.
- DLA [Beiswenger] noted the other limitation is that if 50 TACs are associated with one single LOA, the line appears 50 different times. He continued and noted instances when an LOA was selected with the wrong service TAC that could not be changed in the summary invoice.
- USAF [Witter] noted that this was a result of batch processing.
- DFAS [Soderlund] said that to rectify this they would have to perform research on the document and see whether the LOA or the TAC was correct. This review was only performed on mismatches.
- U.S. Bank [Garcia] asked whether the change was performed on the transaction.
- DLA [Beiswenger] stated that this can be fixed one at a time to reflect on the

- summary invoice. He continued and stated that the TAC probably is not even valid for that shipment in the first place, once research is performed.
- USAF [Witter] clarified that this results because the line often has characters that have the TAC in them coincidentally, but is not the TAC itself. He cited the example of “NP01”
 - Army [Patterson] noted that “NBEP” is not a valid Navy TAC. He is saying that the “NBEP” from a different part of the LOA. These are all army lines.
 - U.S. Bank [Garcia] noted that a crosswalk existed to associate the TACs with MDC codes.
 - DLA [Morrow] also added that this was exclusively a carrier invoicing problem.
 - DLA [Beiswenger] added that this was a bigger problem on the Household Good side.
 - U.S. Bank [Garcia] stated that the root cause is that they are getting the MDC code instead of the TAC code.
 - SDDC [Lindsey] stated that the on the back of the order, the “MDC” code is placed. That is all the PPSO can pull from.
 - Army [Patterson] clarified stating that the MDC code is only placed on TSC active orders for active component army only, not for the National Guard or Army reserve, or Department of Army Civilian.
 - SDDC [Lindsey] agreed but added that active duty is the biggest part of Household Goods
 - DLA [Beiswenger] stated that MDCs, invalid TACs, incorrect LOAs are a result of the workarounds that are in place. He also added that this is not difficult to find.
 - USAF [Witter] added that the only way to solve this was to go through each line of accounting and change them manually.
 - Navy [Jones] stated that this particular transaction was fine and will be processed through DFAS exactly the way it should. They are slowly moving toward transactional process and getting BUPERS electronic.
 - OSD [McNulty] noted that although electronic transactions cost only a few dollars, manual transactions were much more expensive.
 - Navy [Jones] stated that they have received complaints about the number of manual transactions.
 - DLA [Morrow] stated that Navy has implemented a lot of measures to ensure electronic processing.
 - DLA [Beiswenger] stated that the recommendation to have the same functionality from transaction manager to the summary invoice. Also he noted that having fiscal year information would make searching easier.
 - U.S. Bank [Garcia] wanted there to be consistency that and requested it be brought on during the 90 minute interviews that will be performed by U.S. Bank.
 - USAF [Witter] also said this would be valuable on the manual lines. It would help to have this level of detail and make changes in the summary invoice.
 - U.S. Bank [Garcia] agreed with all the sentiments but stated that it had to be clear how priority was given to all the different change requests. She noted a document developed by IBM years ago that developed a framework for which items required more importance than others. She asked if it had been vetted by other parties.
 - IBM [Akinmade] stated that they need to review the document, but the write-up would probably remain the same. He also did not anticipate any larger changes.
 - U.S. Bank [Garcia] also wanted to make sure that all changes were approved by

- everyone and have everything written down.
 - DLA [Morrow] questioned whether TPPS members have voting rights to make decisions.
 - OSD [McNulty] asked other parties in the group if they agreed to the change, and everyone agreed
 - U.S. Bank [Garcia] wanted a change request to be documented and agreed upon by everyone.
- ** IBM support and DLA team will meet to update Change Request Prioritization document, and document formal change request involving change to transaction manager and adding date to specific fields.**

Refunds

- DLA [Morrow] felt that several carriers were getting passes from certain carriers. They can take automated payments, but not automated refunds.
- U.S. Bank [Garcia] mentioned that the small parcel tool that needed to be revisited. FedEx should be able to apply refunds using the small parcel tool. A demonstration of that tool was made three and half years ago. There might be issues in the regular process that is inhibiting them from doing this.
- DLA [Morrow] also noted that FedEx refunds are different from UPS refunds.
- U.S. Bank [Garcia] agreed that one is a net settlement and the other is paid on total, with refunds coming weekly.
- DLA [Morrow] agreed and stated that it is essentially a carrier-invoice based process.
- OSD [McNulty] asked what amount of money this involves.
- DLA [Morrow] stated he doesn't have visibility over those amounts.
- U.S. Bank [Garcia] asked what they do with money.
- USMC [Sullivan] answered that they each have different process, but may go back to Treasury. However, it is very hard to route a line back to the specific TAC or LOA.
- DLA [Morrow] stated that in the early days, this money would go back to treasury, but now have built a process to have it return to the organization.
- OSD [McNulty] asked about the pros and cons of the Small Parcel Tool
- U.S. Bank [Garcia] stated that it focused on the current functionality and ability to change the line of accounting. It is carrier invoicing, and it is a bit of a process to have this implemented since the current form is matching model. She suggested a phased approach with the first step to automate the refund buyer e-bill.
- U.S. Bank [Garcia] continued and suggested a pilot program and a demonstration.
- OSD [McNulty] questioned why the small parcel system was not implemented across the board.
- U.S. Bank [Webb] stated that it didn't go forward because the accounting piece for DFAS still needed to be developed further. However, there are cost advantages from this, in a carrier model. If it's not fixed, the workload for DFAS would be massive.
- OSD [McNulty] then asked if this system was implemented, DLA would consider the carrier model.
- DLA [Morrow] stated that he was open, but noted half a dozen issues including people from U.S. bank, and decided to move forward with the matching model.

- U.S. Bank [Webb] also noted there were cost concerns that delayed the implementation of the process.
- DLA [Morrow] called it a pseudo-carrier invoice that relies on a feed from the carrier, but the pre-payment audit is 100% automated.
- U.S. Bank [Garcia] stated that the rates are in the system, but that is in the case that the tool works. The tool will provide the information necessary to carry out the procedure.
- U.S. Bank [Webb] stated that the tool will assist in making address changes across the board and prevent many additional charges.
- DLA [Morrow] added that problems arise due to how DODAACs and addresses are managed. He stated that the amount of money due to address corrections aren't that significant, but should be rectified.
- U.S. Bank [Webb] noted that a lot of refunds for HHS were rectified using the small parcel tool.
- OSD [McNulty] stated immediate task was to work on electronic refunding and to also look for briefing into next TPPS meeting. Any additional data from U.S. Bank will also help.

****U.S. Bank will develop a briefing to portray the total amount of refunds possible for DoD accounts for the next TPPS council. An Adobe-connect session may also occur if possible before the next TPPS briefing.**

- DLA [Morrow] reinforced the importance of the tool stating it could really help with the audits.
- U.S. Bank [Garcia] stated that the issue was changing the line of accounting in the tool. She stated that the chart of accounts in the tool was different from U.S. Bank Freight payment that feeds the summary level information. This item needs to be worked on so that the LOA can be changed in the system. They would need individuals who would help out with the pilot program. There will also be a lot of workload improvements, but the LOAs would have to be maintained in the small parcel system.
- U.S. Bank [Webb] also noted UPS, FEDEX, and DHL as the only carriers. If any others need to be added, then modifications need to be made to the System.
- OSD [McNulty] stated that it would be possible to pursue this if it is at the government's best interest.

TPPS Council Meeting and TPR and Unlinked eBills Summary

- DLA [Morrow] displayed a freight, pie graph showing amounts being processed in invoices and eBills across the different services. He then continued showing the next pie graph with orders. He finally went onto a third slide that displayed it by carrier invoicing, matching model, and self invoicing that does not include unlinked eBills. The graph is present to show the general idea. Matching model was driven high by DLA.
- DLA [Morrow] continued with the unlinked eBill history stating that an agreement was made between Tim's predecessor and UPS so that UPS would logically link the unlinked bills. This was not codified, and gave UPS a pass.
- USAF [Witter] agreed stating that opportunity was given to create logically linked eBills thinking that it would tie back to original transaction, but this was not possible.
- OSD [McNulty] asks whether there was a sunset period
- DLA [Morrow] replied that he was unsure.
- USAF [Witter] stated that this was submitted electronically to create eBills,

preventing the environment to create an eBill. The UPS system is designed to create an eBill and so an exception was created. The bill was also done on completion. It was 2000 Unlinked eBills initially, but was later turned to a few 100 a month for Air Force.

- U.S. Bank [Webb] asked whether this functionality would be fixed.
- U.S. Bank [Webb] stated that DOD had a lot of influence by the carriers and some information should come back to the acquisition committee.
- SDDC [Lindsey] asked about whether business rules exist for invoicing on the freight side.
- U.S. Bank [Webb] stated that DLA is the largest player in the small parcel realm. He also stated that new rules and standards can be enforced.

****OSD [McNulty] and his team will contact UPS regarding unlinked eBills and address charges**

- DLA [Morrow] continued on with presentation showing the various counts and percentages with the June report arriving very clean.
- OSD [McNulty] asked for the value of linked vs. unlinked eBills to support audits.
- U.S. Bank [Webb] noted that the IG, and ICWG findings, and directives that board issued stating that they should be unlinked. There are no dollar value improvements, but is an audit requirement.
- USAF [Witter] mentioned however that if data is needed on a TCN level, this cannot be performed on unlinked eBills.
- USCG [Huffman] noted that the 70% of invoices are at a higher risk of improper payment.
- DLA [Morrow] stressed the importance of education.
- OSD [McNulty] stated that this statistic could be placed on the road show to get attention.
- DLA [Morrow] stated that initially the problem was unlinked eBills that had large amounts of money that could not be tied back to an invoice.
- U.S. Bank [Webb] noted that there was once a million dollar e-bill.
- DLA [Morrow] continued with the slide regarding linked vs. unlinked and whether they were logically linked.
- USAF [Witter] stated that for the manually linked portion there is no electronic tie and only works in electronic area. He continued to say that if these items were unlinked approval should not be performed.
- DLA [Morrow] stated that the data analysis tool must be used.
- USAF [Witter] stated that a paper trail would however exist for manual transactions for the auditor. However this would be a painful process.

**** OSD [McNulty] will reach out to UPS about issue of charging for address changes and FedEx. U.S. Bank will provide supporting documentation.**

Year-End Close Out

- OSD [McNulty] opened the discussion for contract end which ends at September 30th. He stated that data storage item is still out.
- DLA [Morrow] asked about rolling balances
- DFAS [Soderlund] stated that there has been a lot of progress that is being made. He also mentioned that the focus has been on freight because DOD IG focused on this item. Specific number cannot be given.

- DFAS [Milledge] stated that it looked good for both freight and household goods. She mentioned there is still a disconnect for the army. There is still a 1.2 million carrying balance. The current balances are doing better because of different processes being implemented. The turn rate is around 15 to 16 days. Things are looking good. DFAS has helped significantly. They are also working on a project with Mona.
- USMC [Ruble] asked how the other services going to pay for rolling balance. Their service has already paid. They were audited for an ADA violation and was an improper payment and returned back to Marine Corps. He is not sure what will happen next.
- Navy [Jones] stated that they are trying to pay it as much as possible with the existing funds from the parent year.
- DFAS [Milledge] stated that this was not an improper payment according to DFAS legal because this is a revolving account. A violation occurs when payments are made using current funds for outstanding balances for prior and canceled years, and the ADA process is not used.
- USMC [Ruble] said he got permission from the highest authority, but still was considered an ADA violation.

**** DFAS will provide e-mail to TPPS council including Stacey Ruble and Theresa Farler regarding this Improper Payment.**

- DFAS [Farler] – stated that this was not an ADA violation or improper payment but a justification was necessary to be written.
- OSD [McNulty] stated that this needed to be completed by the end of the contract (year end) according to the IG.
- DFAS [Milledge] stated that some of the accounts which in total are 149, are in the pennies. A lot of this depends on how the account is read at the end. She is not able to come up with a way to validate accounts that have amounts that are nominal. However, they are working on solution for the year end.
- Army [Peterson] stated regarding close out, that they needed to involve ASAFMC individuals with issue. They are not properly equipped to handle the year-end close out issue.

Data Storage

- OSD [McNulty] stated that according to last TPPS council, the agreement was that the bank was going to hold off on quarterly bills, and create one bill that would be provided to all the services.
- U.S. Bank [Webb] stated that they were submitting the bills to DFAS and typically for non-DOD, bills were forwarded to other agencies. In the case of the coast guard, they have a running balance refund. Emails have been exchanged with a statement validating payment. They are separate because they are a different finance center.
- USCG [Barry] stated that she did not want to cause any problems since they rolled under a contract. DFAS was sending her the notification, and was not sure if she got billed from DFAS.
- U.S. Bank [Webb] reassured her that this would not cause any problems. It will not be commingled with DOD's money.
- OSD [McNulty] also added that Coast Guard credits actually pay for data storage. Ultimately there will be one more bill that totals for entire contract that will go to Laura, and will be given to the appropriate folks.

- U.S. Bank [Webb] asked when they will need the bill.
- OSD [McNulty] stated that they would like the bill sooner than later. He continued and stated that the RFP required the data storage to be included into the cost. He was concerned that data retention policy which spans 6 ¾ years, was not properly addressed in the proposal.
- U.S. Bank [Garcia] reassured him saying that if U.S. Bank was the successor, then they would have access to that data that this issue was addressed in the response.
- U.S. Bank [Webb] stated that guidance would be needed after September 30 regarding data that is deposited with GSA.
- OSD [McNulty] stated that the DFAS lawyers are looking to the TPPS council for guidance on what to do with files that U.S. Bank is storing. He also gave background stating that U.S. Bank has data from 1999. By federal regulations they believe they should store for 6 years and 3 months. However, there might regulation regarding the dollar amount regarding the transaction.
- U.S. Bank [Webb] agreed but said that data has been submitted to GSA, so they have fulfilled audit requirement.
- USAF [Witter] added that there was no interface requirement. The data just needs to be there for investigation.
- U.S. Bank [Webb] agreed but said there is a chance that data could be abandoned. However, he needed guidance from TPPS council.

**** DFAS will formally inform the Services and supported Agencies of the decision to issue the band instructions to delete all freight data older than 6 years, 3 months. TPPS members to coordinate with their services and come to a decision what to do with data being held by US bank that is older than 6 years and 3 months. Report decision back to TPPS Co-Chair within 30 days.**

- U.S. Bank [Webb] stated that he transmitted most of the data for freight, but have not done it for Household goods because of a number of reasons as. They may still decide to abandon the data on the HHG side, but they have not received it yet.
- GSA [Jack] said she was aware of conferences of this issue, but believes there needs to be a discussion and recommends that data is not removed. She will have to discuss with other members of GSA to see they will pay for charge.
- USAF [Witter] added that the FMS community had a higher requirement in some cases up to 25 to 50 years.
- SDDC [Lindsey] stated that data went back to 2004, but carriers can drag out payments for many years.
- U.S. Bank [Webb] agreed that many of the services should be retaining data for FMS purposes anyway.
- DLA [Morrow] agreed that this is a problem and believes that the financial management community needs to do better in this regard.
- Rita Chico should be made aware of data storage issue. She needs copy of minutes. They oversee FMS at a very high level.
- OSD [McNulty] began discussing the Road Show idea. He feels that a lot of good information is available that is shared between the TPPS community. He stressed the importance of getting the attention of senior leaders and making sure they are aware of the importance of the payment program. In order for this to occur, Mr. McNulty felt that a TPPS metric road show, modeled after the the DTCL road show should be created. The state of the program overall is displayed, and then tailored to the audience. He was thinking of not going to the SES level,

but below this. He also noted that \$20 million a year is lost because DOD is not making payments on a timely manner. He also learned about the pay-and-chase program of Coast Guard and Unlinked EBills. He wanted to put it in the decision makers and make them see the value. He wanted to show that this matters. He also wanted to show the importance of electronic over manual.

- DLA [Morrow] agreed that the most difficult task was to get individuals to care about the program. He also suggested creating a report card or a visual display of the progress.
- USMC [Ruble] also added that something must be done so that the service can do something regarding timely payment funds that can be gathered back. Lot of times the rebate does not go back to the specific service.
- OSD [McNulty] stated that the efficiencies discovered were from Powertrack Numbers. He said with more automation, money can be routed back to line to specific services.
- DFAS [Soderlund] stated that DFAS is trying to reduce their cost to the services, and is working with different individuals to demonstrate program and process efficiencies.
- USCG [Huffman] stated that not everything is about money, and that audit advantages should also be stressed.
- OSD [McNulty] agreed that this point needed to be made.
- DLA [Morrow] agreed that the most difficult task was to get individuals to care about the program. He also suggested creating a report card or a visual display of the progress.
- DLA [Morrow] stated that his program is different in that J3 runs the Accounts Payable program. They rely heavily on the J8. He thinks maybe an integrated approach can be performed.
- OSD [McNulty] stated that he wanted to avoid discussion of FTEs
- U.S. Bank [Garcia] agreed that this would not be key to the business case to show what kind of improvement needs to be made. The FTEs would be unspoken. She said she sees fear across the board with U.S. Bank Freight Payment users, because a lot of time this automation may replace the jobs of certain individuals. However, she feels that those individuals can spend their time in other areas.
- OSD [McNulty] agrees and underlies the importance of creating charts that display that information. He cited an example of displaying the effort placed by Navy over Army and showing how much money is saved. It was ultimately all about putting resources.
- USMC [Ruble] agreed that this was a good idea, and stressed the importance of the SDDC sending the information downward. It would have more of an impact than the other individuals trying to do this.
- OSD [McNulty] stated that in terms of timing, he would like to give a first presentation in January and do the road show in November. At this point he could do a plug for the road show in January.
- Army [Jasmin] asked whether if TPPS council worked on a consensus basis and if there was a forum.
- OSD [McNulty] stated that an 07 level general steering committee will convene as required to resolve outstanding issues and tie-votes when co-chairs cannot agree.
- OSD [McNulty] noted that every instance that “consensus” was mentioned, this should actually be “vote” Help will be needed from all parties including IBM team.

He also added that in the next TPPS meeting, they will have a metrics review to provide for the senior leaders. He said will get input from individuals to create presentation for Road Show.

- Army [Peterson] asked if everyone was aware of changes to the FMR in the commercial transportation payments chapter. The main highlight is paragraph 1311, which added policy and identified responsibilities concerning DOD Third Party Payment system monthly summary invoice by addressing certification, reconciliation, and payment process as recommended by the DOD IG. This was changed in June 2011. This was a result of Audit, to be added to the FMR, and not just the DTR. This was introduced in the initiative of Army to better control funds control with Army TACS by having a verification process of electronic process where MROs drop out. They can do it electronically and they do not have to match it up.
- DLA [Morrow] asked whether there was going to be a move to have all transactions to be automatically transferred for management the way coast guard is done for Army Corps of Engineers, FEMA, and whoever else transportation services are provided for.
- DFAS [Soderlund] stated that they were working with USACE to model it after Coast Guard. The model will be parent-child account. There needs to be another round of testing for Army Corps of Engineers. There is an effort to automate the processes.
- DLA [Morrow] then asked if there was a need to codify TPPS payments, to not use a TAC from a designated list of organizations. He suggested the idea of have a prohibited rule for these TACs.
- U.S. Bank [Webb] stated that this puts the onus off the system and on the individuals, with the focus on the Corps of Engineers piece. He agreed with Richard Morrow that this would not be a bad idea. The other organization might not like this.
- Army [Peterson] disagreed because MIPRs would be involved which would double the work. He suggested to direct the site to use correct TAC they should be using, and get away from using a DLA TAC, and backfill the services of the movement.
- DLA [Morrow] clarified that this would only be an interim process.
- USAF [Witter] suggested doing what was being performed on the Air Force side where civilian movements for the personal property people. There is a separate TAC for that. An Army Corps TAC is created that will work, and that is used on a quarterly basis to recover the money via the MIPR. However there is an agreement and process. This would prevent the errors from occurring by fronting the money.
- SDDC [Lindsey] did not feel this would work for Household Goods. She cited Army Corps of Engineers which formerly had its own PSI statement.
- U.S. Bank [Garcia] clarified and said that in the Household Goods program, for USACE shipments, as long as the transportation office puts in the USACE TACs that are in the correct range. U.S. Bank develops logic that pulls the transaction off the site summary invoice, and presents it directly to the Coast Guard for repayment to U.S. Bank. This is like Coast Guard that runs under z TACs. The challenge is that someone might not be using the proper TAC in order for the shipment to be flagged, stopping DFAS from making the payment because they do not have an MOA. The fund then has to be chased from that organization to repay U.S. Bank. This causes a rolling balance. If good information is provided

that they can create a proper summary invoice and use the proper TAC, then no problems will occur.

- USMC [Sullivan] noted one take away from previous TPPS council in which they discussed how to put prior year HHG TACs into TGET. This process does work. In the FACTS-TGET interface, they need to edit the line of accounting, because it is not used for billing. FACTS has an edit check where the A3 segment has to match up with the TAC fiscal year. They will have to talk to FACTS regarding the issue.

**** USMC [Sullivan] to discuss with FACTS/TGET folks regarding the approach to put prior year HHG TACs into TGET.**

- DLA [Morrow] agreed but stated last time they requested FACTS to make changes to edit checks, and nothing came of it.
- Army [Peterson] stated that they will find which TACS fall out soon. He asked whether TGET-FACTS interface was discussed. He is presuming that this is moving forward as planned
- Navy [Jones] agreed that this was on track. They did send in an SCR for prior year TACs. They were concerned that the numbers were greatly different. To check if interface was okay, correspondence was sent to everyone on the CMV to see what TACS were submit, and what there are currently.