Military Pay: Army National Guard Personnel Mobilized to Active Duty Experienced Significant Pay Problems:

Highlights of GAO-04-89 (issued November 17, 2003), a report to the Chairman, Subcommittee on National Security, Emerging Threats, and International Relations, Committee on Government Reform, House of Representatives

Why GAO Did This Study:

In light of the recent mobilizations associated with the war on terrorism and homeland security, GAO was asked to determine if controls used to pay mobilized Army Guard personnel provided assurance that such pays were accurate and timely. GAO’s audit used a case study approach to focus on controls over three key areas: processes, people (human capital), and systems.

What GAO Found

The existing processes and controls used to provide pay and allowances to mobilized Army Guard personnel are so cumbersome and complex that neither DOD nor, more importantly, the mobilized Army Guard soldiers could be reasonably assured of timely and accurate payroll payments. Weaknesses in these processes and controls resulted in over- and underpayments and late active duty payments and, in some cases, largely erroneous debt assessments to mobilized Army Guard personnel.

The end result of these pay problems is to severely constrain DOD’s ability to provide active duty pay to these personnel, many of whom were risking their lives in combat in Iraq and Afghanistan. In addition, these pay problems have had a profound financial impact on individual soldiers and their families. For example, many soldiers and their families were required to spend considerable time, sometimes while the soldiers were deployed in remote, combat environments overseas, seeking corrections to active duty pays and allowances.

The pay process, involving potentially hundreds of DOD, Army, and Army Guard organizations and thousands of personnel, was not well understood or consistently applied with respect to determining (1) the actions required to make timely, accurate pays to mobilized soldiers, and (2) the organization responsible for taking the required actions. With respect to human capital, we found weaknesses including (1) insufficient resources allocated to pay processing, (2) inadequate training related to existing policies and procedures, and (3) poor customer service. Several systems issues were also a significant factor impeding accurate and timely payroll payments to mobilized Army Guard soldiers, including (1) non-integrated...
systems, (2) limitations in system processing capabilities, and (3) ineffective system edits.

**What GAO Recommends**

GAO makes a series of recommendations directed at immediate actions needed to address weaknesses in the processes, human capital, and systems currently relied on to provide active duty pay and allowances to mobilized Army Guard soldiers. In addition, GAO recommends action, as part of the Department of Defense’s (DOD) longer-term system improvement initiatives, to ensure that reengineering efforts include the process, human capital, and systems issues identified in this report.

DOD concurred with GAO’s recommendations and described actions recently completed, underway, and planned to correct the noted deficiencies.

(This is a summary of the report. To view the full product, including the scope and methodology, go to


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