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REPORT BY THE U.S.

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Naval Reserve Drill And Personnel Field Reporting System Needs Improvement

The Naval Reserve Drill and Personnel Field Reporting System is not fulfilling its primary objectives of minimizing erroneous payments to reserve personnel and providing management with timely and accurate fiscal and personnel information. Human errors and system shortcomings are resulting in reservists being overpaid, underpaid, paid late, or not receiving pay at all, and Navy management is receiving inaccurate pay and personnel information on which to base efficient and responsive decisions.

Improved reporting system training programs, simplified operating and reporting procedures, and upgraded system edits and tests are needed to guarantee that reservists are paid correctly and on time and to insure that management has current, accurate information on which to formulate decisions.



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report

FPCD-79-12

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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

FEDERAL PERSONNEL AND
COMPENSATION DIVISION

B-125037

The Honorable W. Graham Claytor, Jr.
The Secretary of the Navy

Dear Mr. Secretary:

This report summarizes our review of the Naval Reserve Drill and Personnel Field Reporting System. We have informally discussed our findings and recommendations with Navy officials at the Bureau of Naval Personnel, Naval Reserve Personnel Center, Naval Finance Center, and two Reserve centers visited.

As you know, Section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House Committee on Government Operations and the Senate Committee on Governmental Affairs not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Director, Office of Management and Budget. Copies are also being sent to the Chairmen, House and Senate Committees on Appropriations and Armed Services, and the Chairmen, House Committee on Government Operations and the Senate Committee on Governmental Affairs.

We wish to acknowledge the courtesy and cooperation extended to us by your staff during our review.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "H. L. Krieger".

H. L. Krieger
Director

D I G E S T

The Naval Reserve Drill and Personnel Field Reporting System has not yet overcome many of the inadequacies of the previous system. Human errors and system defects are extensive and result in many reservists' receiving erroneous payments and incorrect retirement credits. Management also receives inaccurate, untimely, and insufficient pay and personnel information which adversely affects efficient and responsive decisionmaking.

MODIFICATION OF PERSONNEL
AND DRILL REPORTING
PROCEDURES NEEDED

The Reporting System, implemented in February 1978, uses a credit card system (similar to the system used by the major oil companies to register gasoline sales) to record Naval reservists' drill performance information at the unit level. That information is forwarded for editing to the Naval Reserve Personnel Center in New Orleans and then to the Naval Finance Center in Cleveland to be used in calculating pay.

The Reporting System was designed to correct problems with and modernize the Navy's manually operated system, the Reserve Unit Personnel Report, which had been in operation since 1959. The primary objectives of the Reporting System were to minimize erroneous payments to reservists, provide better drill and personnel reporting controls at the unit levels, provide timely pay and personnel information to management, and provide more accurate and useful fiscal information. (See p. 1.)

FPCD-79-12

Also, insufficient training of unit personnel responsible for recording and reporting drill and personnel information caused a considerable amount of incorrect data to be transmitted to the Reserve Personnel Center and the Finance Center. At the Reserve centers we visited, personnel responsible for executing the complex program had only minimal or no formal training. (See pp. 20 to 25.)

Many of the error detection procedures at the Reserve Personnel Center are inadequate or not working properly. When errors are detected, the feedback system is such that an additional 30 days are required to correct the error and pay the reservist.

Because of recurring errors, GAO believes that significant modifications must be made to the Reporting System if it is to be a viable and practical way of reporting drill performance and personnel data.

GAO recommends that

- data entry forms and methods be modified to record drill and personnel information at the unit level (see p. 18);
- system edits performed by the Reserve Personnel Center on the drill and personnel data be improved (see p. 18);
- Reserve Personnel Center and Finance Center personnel and payroll files be reconciled (see p. 18);
- additional testing be done to detect and correct system deficiencies and that test standards be developed for future systems (see p. 24);
- training programs be improved (see p. 24);
- management and payroll reports generated by the Reserve Personnel Center and the Finance Center be revised to provide more accurate and useful information (see p. 30);

C o n t e n t s

		<u>Page</u>
DIGEST		i
CHAPTER		
1	INTRODUCTION	1
	Naval Reserve pay system	1
	RESFIRST program	2
	Other GAO reviews of the Naval Reserve pay system	4
	Scope of review	4
2	IMPROVEMENTS NEEDED IN RECORDING, REPORTING, AND PROCESSING PERSONNEL AND DRILL PERFORMANCE DATA	6
	Inaccurate drill payments	6
	Standard attendance record	10
	Diary reporting document	11
	Drill recording control form	12
	Drill recording form (chit)	14
	System edits	15
	Reconciliation of NFC and NRPC master files	16
	Conclusions	17
	Recommendations	18
3	RESFIRST TESTING AND TRAINING INADEQUATE	20
	Testing the system	20
	Personnel training and staffing	21
	Conclusions	23
	Recommendations	24
4	IMPROVEMENTS NEEDED TO CORRECT DEFICIENCIES IN MANAGEMENT INFORMATION REPORTS	25
	NFC and NRPC reports do not satisfy Naval Reserve needs	25
	Conclusions	29
	Recommendations	30
5	IMPROVEMENTS NEEDED IN PAY PROCESSING	31
	Pay computation cycle	31
	Changes needed to shorten pay computation cycle	32
	Conclusions	32
	Recommendations	32

CHAPTER 1

INTRODUCTION

On February 1, 1978, the Navy implemented a Naval Reserve Drill and Personnel Field Reporting System (RESFIRST). It replaced a manual reporting system known as the Reserve Unit Personnel Report (RUPPERT) that had operated since 1959.

According to the Navy, RUPPERT had several shortcomings, including (1) the need for repeated manual preparation of data, (2) inaccuracies caused by human error, (3) lack of current performance and financial management data, (4) erroneous payment for drill attendance, and (5) lengthy time cycle of 45 to 70 days between performance of and payment for drills.

RESFIRST was designed to correct these problems and provide more timely management information. The specific objectives of the system were defined as follows:

- To automate the field source data to the maximum extent possible.
- To minimize the possibility of human and system errors which would result in erroneous payments.
- To provide controls at the unit and command level to preclude the erroneous recording of drill and personnel data.
- To speed the flow of data through the system so that timely information can be reported to the managers responsible for the operation of the reserve system.
- To provide timely performance data on drills and personnel changes which affect the individual reservist's pay and retirement credits.
- To provide better and responsive fiscal reporting.

NAVAL RESERVE PAY SYSTEM

Drilling naval reservists may be authorized drill pay and/or nonpay drill status. Normally reservists drill one weekend each month and perform between one and four drills during that weekend period. In fiscal year 1978, the Navy had approximately 85,000 drilling reservists and spent about \$114.5 million on drills and active duty training. Naval

each Reserve center or activity 1/ with metal embossed plates which are attached to a credit card data recorder. These plates contain the center or activity identification code, name, and location. Furthermore, NRPC provides each training unit attached to the Reserve center or activity with a removable plastic embossed unit card containing the unit training identification code, name, and location.

When drills are performed, reservists responsible for RESFIRST at the unit level collect the credit cards from the drilling reservists at the initial drill muster and record their attendance on a unit muster sheet (a nonstandard form which the units have designed for their own needs). RESFIRST personnel then prepare a drill recording form (commonly called a drill chit) by entering the reservist's credit card and the unit identification card into the data recorder which records the date, type of drill (regular, makeup, etc.), description (pay or nonpay), and number of drills. The credit cards and drill chits are then returned to the reservists for signature at the last muster of the day. A copy of the drill chit is given to each reservist for his record. For those reservists without credit cards, the drill recording form provides a designated space for inserting the reservist's name and social security number, though once recorded, excused and unknown absences are no longer reported to NRPC by the Reserve units.

Each week a Reserve center or activity forwards the drill chits to NRPC where they are batched in groups of 10,000 to be read and edited by an OCR scanner. When read, the data is recorded on a magnetic disk and later transferred to magnetic tape for submission to the Naval Finance Center (NFC), Cleveland, Ohio, for additional processing and pay computation.

A Reserve center or activity prepares an OCR diary of personnel actions and submits it to NRPC on a weekly basis. The diary is read and edited by the scanner and is recorded on magnetic tape which is fed into NRPC's Manpower and Personnel Management Information System. Selected data is extracted and sent to NFC to update an extract of

1/There are 286 Naval Reserve centers that provide administrative support to assigned training units. Reserve activities not supported by Reserve centers included 7 Reserve Naval Air Stations, 8 Naval Air Reserve Units, 44 Reserve Force Squadrons, and 57 Naval Reserve Force ships.

At the facilities visited, we reviewed the procedures and practices for administering RESFIRST, compared and analyzed drill attendance data recorded on attendance records and monthly reports, interviewed officials responsible for administering the RESFIRST program, evaluated edit control checks described in the RESFIRST System Project Manual, examined files containing correspondence and minutes of RESFIRST meetings, and traced a number of transactions through the system.

difficult, if not impossible, to specifically quantify how many reservists were not paid properly." (Underscoring supplied.)

At the Reserve centers we visited, we compared unit muster cards (the official attendance record) and NFC pay reports to identify discrepancies in the number of drills performed by reservists. About 22 percent of the attendance records disagreed with the NFC pay report on total drills performed from October 1977 through April 1978, indicating possible incorrect payments and credits for retirement benefits. About 13 percent of the attendance records indicated possible overpayments for drills, and about 9 percent of the attendance records indicated possible underpayments.

The discrepancies we found were caused by:

- Reserve units' not keeping unit muster cards current, although this is required by the RESFIRST field manual.
- Reserve centers' not submitting drill chits in time for processing by NRPC and NFC in the pay computation cycle for the months the drills were performed.
- NRPC's or NFC's rejecting drill chits for payment because of incorrect coding by units. Examples include more than two drills recorded per drill chit, post dated drills, paid drills recorded as nonpay drills, etc.
- NRPC's or NFC's not receiving the necessary personnel forms to process payment. For example, change-of-pay status (nonpay to pay), contract renewal on an expired enlistment, etc.
- NRPC's and NFC's accepting incorrectly coded drill chits for payment that system edits did not detect.

We examined in detail 50 reservists' pay records at the Reserve centers, NRPC, and NFC, to determine whether erroneous payments had actually occurred. We found that erroneous payments had been made to 22 reservists (44 percent), as follows:

- Sixteen overpayments totaling about \$3,400 for 82 drills.
- Six underpayments totaling about \$4,200 for 96 drills.

and that NFC would consequently disqualify the six unscheduled drills performed before the February 13 transfer date (as noted earlier, the February drill submitted after the transfer date was disqualified).

This example illustrates only one of several instances in which pay drills have been submitted for reservists who are in a nonpay status. This practice is an abuse of the system and results in erroneous claims against the Government for pay.

Although in this particular case the Reserve center took corrective action, we believe additional efforts should be aimed at determining why such things occur and developing the controls needed to prevent abuses of the system.

Example of underpayment

A reservist, while assigned from his parent unit to work at the Reserve center as a recruiter's assistant, drilled a total of 12 times from February through April 1978. During this time the reservist had not received a credit card. Chits were submitted for these drills by the Reserve center, but, because of omitted or incorrectly typed social security numbers, payment was never made. Complicating the situation, the reservist's parent unit submitted "absence unknown" chits for the month of April. According to Reserve center representatives, the reservist complained several times about not getting paid.

The following shows those drill recording errors that resulted in the reservist not receiving payment.

--February through March. Chits for eight drills were submitted by the Reserve center. These chits lacked the required social security number entry, and the pay description entry was incorrect.

--April. Chits for four drills were submitted by the Reserve center, but the wrong social security number was recorded. The reservist's parent unit also submitted drill chits, reporting the reservist in an "unknown absence" status.

This example illustrates the problems surrounding drill recording procedures. We found many instances of improperly recorded social security numbers and drill status information.

DIARY REPORTING DOCUMENT

The diary reporting document, used by the units to report personnel information to NRPC, should be modified to improve accuracy. The information on the diary is used to update automated master files containing a record on each individual in the Naval Reserve. The master files are used to prepare the official Naval Reserve statistical reports for management planning, training, budgeting, performance, and evaluation purposes. According to the RESFIRST manual:

"These reports are further used to justify requests for appropriations from Congress to administer the Naval Reserve, and are the source of many official reports required by management at all levels."

Because of the importance of this information, it is essential that the data be as timely and accurate as possible. Although the diary reporting document is machine-readable, many of the entries are inaccurate and result in reservists' experiencing pay problems. For example, in September 1978 NFC reported 2,197 incorrect or missing mailing addresses, 1,169 no gains (members not being administratively received and reported at their new units), 466 erroneous social security numbers, and 167 missing pay entry base dates. Minor adjustments to the diary reporting document should not only increase the accuracy of the data but also reduce the administrative burden placed on unit and Reserve center personnel preparing the document.

We believe the diary reporting document should be provided to the unit in a preprinted OCR machine-readable form listing the name and social security number of each unit member. Personnel actions could then be recorded in the appropriate section using codes consistent with NRPC's processing software as opposed to the current method of recording alphabetic abbreviations which must be converted to the NRPC codes during processing. By eliminating the requirement to type in the individual's name and social security number, the number of manual entries required would be reduced and the chance for human error would diminish.

In the case of a new accession to a Reserve unit through first-term enlistment or from the active service, the initial master file entries could be made by NRPC personnel who would acquire the essential data from enlistment contracts.

When the control form is received at NRPC, it is separated from the drill chits. The control form is scanned and stored on magnetic tape from which a "totals" report is produced. The totals report is provided to the Chief of Naval Reserve to assist in determining budget obligations. The control form is also microfilmed and then physically stored at NRPC.

The control form and control form processing should be changed to

- provide meaningful drill participation data to the Chief of Naval Reserve to assist in determining budget obligations;
- assure the receipt of all drill chits; and
- account for all drill chits issued to a unit, including void drill chits.

As previously stated, drill statistic information necessary to properly manage Reserve funds is not being generated by the RESFIRST program. For effective fund control, obligation information must be reported promptly and accurately. However, the Navy has had problems in accurately estimating obligations for drill pay. For example, in January 1977 the Naval Audit Service reported that fiscal year 1975 drill pay obligations were overstated by \$3.5 million. As of December 31, 1978, \$2 million of fiscal year 1978's total drill pay obligations had not been disbursed. Chief of Naval Reserve officials told us that \$116.5 million was obligated for fiscal year 1978, of which \$114.5 million had been disbursed as of December 31, 1978.

NRPC is working with the Chief of Naval Reserve to develop better drill participation data to manage Reserve drill funds. As part of this work we suggest that the "drills completed and scheduled" sections of the control form be modified to show the total number of drills performed by members of the unit, rather than considering the unit as a drilling entity. For example, if the unit had two drills scheduled for a given month, rather than indicating "2" in the "scheduled" field, the unit would indicate the total number of member drills for the unit (2 x number of members in the unit). Likewise, the "drill performed" section would show the total number of member drills performed (1 x number of members performing one drill + 2 x number of members performing two drills). By knowing the total number of drills performed, the Chief of Naval Reserve will be better equipped to project monthly drill

accuracy and to verify attendance. Furthermore, an authorizing signature should be used on drill chits which record unexcused absences, and, when changes to previous drill information are submitted, both the drilling reservist's signature and an authorizing signature should be required. Reservists should sign for normal drill attendance at the evening muster. At that time they would be presented with a copy of the drill chit for their records. When drilling reservists are unable to sign their chits, an authorizing signature will be needed.

As discussed in chapter 3, the unit personnel assigned to work with RESFIRST are spending a considerable amount of time processing drill chits during the weekend drill. This workload and the associated paper volume could be greatly reduced if NRPC would establish a drill reporting code to allow up to four drills to be recorded on one chit. This would eliminate the need to submit two chits each weekend for most reservists.

SYSTEM EDITS

There are many shortcomings in the NRPC edits. Several of the edits are not working properly, and others are not stringent enough to detect basic input errors. Improved edit routines should result in earlier error detection and more timely feedback to the field units for correction.

Appendix I lists the drill reporting form data elements, the edits presently performed, and our suggested changes to current edit procedures.

The editing of the diary reporting document also needs to be upgraded. The editing of this information is, in some ways, more critical than the drill reporting form edits because pay computation, manning, and mobilization are dependent on accurate personnel data. Because it is not responsible for personnel data, NFC does not edit many of the data elements contained on the diary reporting document; therefore, NRPC must take the necessary actions to assure the processing of reliable personnel data. Our review of personnel files indicated a substantial number of inaccurate or missing data elements, such as name, social security number, pay entry base date, address, etc., which need the immediate attention of NRPC.

Appendix II lists the diary reporting document data elements, the edits performed, and our suggested edit changes.

CONCLUSIONS

Under RESFIRST, reservists are being overpaid, underpaid, and not paid at all because present methods of recording and reporting drill performance are inadequate. The frequency of errors detected by the NFC drill pay system (17 percent in August 1978) are unacceptable for a payroll system.

To simplify procedures and improve the accuracy of data recorded and reported to NRPC on drill performance and personnel actions, we believe

- a preprinted standard muster sheet should be developed listing the name and social security number of each member of the Reserve unit;
- a preprinted OCR machine-readable diary form should be used containing the name and social security number of each member of the unit, and a better method for numbering the document should be developed; and
- the Drill Recording Control Form should be modified to provide total-drills-performed data to the Chief of Naval Reserve for budget obligation controls and to provide sufficient controls over drill recording forms.

Furthermore, we believe that a drill reporting code should be established to allow up to four drills to be recorded on one chit. This would allow a Reserve unit to submit one drill chit rather than two for most members during a normal weekend drill period. This would help to reduce the workload volume, which is discussed in the next chapter.

Because there are a number of discrepancies between drill reports and attendance records that can seriously affect the accuracy of payments, we believe it is necessary, as reported in our 1971 report, that reservists' signatures be obtained to certify correctness and to verify attendance. Each unit commander or his designee should review all drill recording forms to check the accuracy of the recorded drill performance data and to verify that the required signatures have been obtained.

We believe that NRPC system edits need to be upgraded to validate the data on both the drill chit and the diary reporting document. Until improvements are made, erroneous data will continue to flow to NFC and result in untimely payments to reservists.

mail-dependent system requiring increased computer time, research staff, and microfilming capabilities. NRPC believes preprinted forms are beyond the capability of RESFIRST but said such forms could be prepared under the Pay and Personnel Administration Support System 1/ because of the projected telecommunication facilities.

We agree that preprinted forms will require additional computer time and will increase costs at NRPC; however, we feel that the benefits the Reserve units will derive will justify the additional burdens placed on NRPC. At the present time, Naval reservists estimate that they spend about 17 percent of available drill time on administrative duties; therefore, any actions which can reduce administrative burdens on reservists should be considered. Preprinted forms will help bridge the gap between RESFIRST and the Pay and Personnel Administration Support System, will reduce paperwork at the unit level, and will fulfill the RESFIRST manual requirement that standardized muster sheets be used.

Regarding the upgrading of NRPC system edits, NRPC officials have said that edits are continuously reviewed and are designed to ensure sufficient accuracy to preclude payroll delays. We believe that NRPC edits must be improved to prevent erroneous pay and personnel data from passing to NFC and resulting in untimely payments to reservists. NFC does not reedit personnel data since it is NRPC's responsibility.

1/An automated payroll and management information system being designed to handle information from both the Active and Reserve Naval Forces.

In January 1977 NFC and NRPC completed a detailed test plan for the 6 months before the scheduled implementation on July 1, 1977. Drill data being submitted by 3 of the 14 test sites was to be run through the NRPC RESFIRST program and the NFC drill pay system and was to be compared with the drill data being captured for these same test units by the RUPPERT system. A "go" or "no go" decision for RESFIRST was to be based, in part, on whether the drill data received under RESFIRST was at least equal in quality to that received under the RUPPERT system. The plan did not provide for simulation testing (such as use of test decks) of field data submissions to help identify design and system deficiencies.

By mid-February 1977 NRPC was unable to meet critical milestones, and the implementation date was postponed until October 1, 1977. The principal reasons for the slippage were a pending Naval Reserve reorganization scheduled for March and April and the late arrival of scanner and system support equipment at NRPC. From July to September 1977, NRPC was unable to supply NFC with sufficient test data from the three test sites, and what data it did provide was determined by NFC to be of questionable quality. As a result, the October 1977 implementation date was rescheduled for January 1, 1978. NFC told NRPC that, to meet the January date, it must receive a full volume of drill and diary test data for September and October. Because NRPC was late transmitting the requested data, NFC was not able to process and analyze the information in time to implement the system on January 1, 1978.

Before implementation, it was clear to NFC and NRPC that a number of system problems existed without sufficient time to correct them, thereby making the final decision to implement the system on February 1, 1978, questionable. For example, NFC reported to the Chief of Naval Reserve in February 1978 that, if RESFIRST had been operating in December and January, about 14,000 and 19,000 members, respectively, would not have been paid and that expenditures would have been understated by about 35 percent, compared to actual RUPPERT figures.

PERSONNEL TRAINING AND STAFFING

When RESFIRST was initially designed, it provided for an audiovisual training program to be distributed to the Reserve centers. This project, according to an NRPC official, was never fully completed because of the many and continuous system changes being made before RESFIRST implementation. The official said, however, that NRPC still

NRPC recognized in July 1978 that sufficient training had not been provided before implementing RESFIRST. As a result NRPC established two field training teams to revisit field commands and placed the hotline operation on a 24-hour, 7-day week basis to assist field units in solving RESFIRST problems.

According to the active duty support personnel at the centers we visited and the comments submitted to the Chief of Naval Reserve on the Inspector General's questionnaire (see p. 6), the hotline usually is slow and ineffective in providing guidance and in resolving pay problems. In addition, Reserve center personnel told us that hotline answers sometimes conflicted with RESFIRST manual instructions. NRPC officials confirmed this, noting that the hotline operators lacked adequate RESFIRST training.

Another problem with RESFIRST has been the increased workload on the active duty support personnel and unit RESFIRST personnel. According to the active duty support personnel at the two centers we visited, about half of their time is spent preparing RESFIRST documents and the remaining time is spent on pay problems. Usually one or two individuals in the unit, depending on the size of the unit, are assigned to work with the RESFIRST program on weekends. RESFIRST duties are time consuming and include such things as taking muster and collecting drill credit cards at both morning formations, processing drill chits, examining completed drill chits to verify that the information is printed clearly and is in the proper location, typing names and social security numbers on drill chits for reservists without credit cards and recording drill data, and verifying that the unit muster worksheet and drill chits agree.

According to the active duty support personnel at the two centers we visited and comments on the Inspector General survey questionnaire, it takes 3 to 10 times longer to operate the RESFIRST system than it did to operate the RUPPERT system. This situation is aggravated further by a morale problem which stems from the fact that many unit RESFIRST members are working outside of their skill area and are not receiving training or work in their regularly assigned jobs. High personnel turnover often results, and active duty support personnel are continuously training unit members to use RESFIRST.

CONCLUSIONS

The RESFIRST testing program was not adequate to ensure accurate and efficient implementation because (1) there was

CHAPTER 4

IMPROVEMENTS NEEDED TO CORRECT DEFICIENCIES

IN MANAGEMENT INFORMATION REPORTS

The Naval Reserve Personnel Center and the Navy Finance Center generate a number of reports designed to provide the Reserve centers and Naval commands with pertinent drill and personnel information. However, individuals receiving the reports are often unable to use them because they contain data that is 2 to 3 months old, lack sufficient explanatory information, are inaccurate, and often conflict with other reports. Modifications in the reporting system are needed to provide management and the Reserve centers with an accurate base on which to make changes and decisions.

NFC AND NRPC REPORTS DO NOT SATISFY NAVAL RESERVE NEEDS

NFC and NRPC reports sent to the Reserve units, field commands, and Navy and DOD headquarters' offices have not significantly changed from those produced by the RUPPERT system. The reports provide information on drill performance, personnel data, and detected errors.

NRPC sends three major RESFIRST reports to the Reserve centers and activities: (1) the "Naval Reserve Unit Profile Report," (2) the "RESFIRST 1149 Exception Report," and (3) the "RESFIRST System Drills Posted Report."

NFC also sends two monthly reports to the Reserve centers and activities: the "Money List/Earning Statement" and the "Non-Pay/Discrepancy Statement."

"Naval Reserve Unit Profile Report"

This monthly report provides the reserve units with a record of drill and personnel data processed by NRPC. It lists for each unit member such information as the number of paid drills performed during the last 12 months, pay entry base date, date received at unit, date of birth, and date of last physical examination. The profile report does not list the members alphabetically but, rather, by pay grade. Also it does not record nonpay drills performed for retirement credits. This data, however, is now included in the "RESFIRST System Drills Posted Report" discussed on page 26.

One of the principal concerns of Reserve center personnel is the profile report's lack of current information.

security number, listing all drills received for the month and their category; that is, pay, nonpay, deleted, and rejected.

Because this report was just developed and issued, we did not have an opportunity to evaluate the reliability of the information reported. We believe that the report, if issued shortly after the report month, will provide valuable feedback to the Reserve center on what data was received, processed, and forwarded to NFC for pay computation. It also provides for the first time information on nonpay drills received and processed for retirement credits.

"Money List/Earning Statement" and
"Non-pay Discrepancy Statement"

The NFC earnings statement contains an alphabetical listing of the reservists paid for the month reported. It also shows the number of drills paid that month, the amount paid, payroll deduction information, and total drills paid for the fiscal year. Earnings statements are prepared monthly for each unit and sent to the Reserve centers. When researching a pay problem, the RESFIRST personnel at the centers find it difficult to use the earnings statement since it does not identify the date of the drills being paid. For example, the April earnings statement may show four paid drills, but it does not necessarily mean that these drills were performed in April. They could be prior month drills not previously paid.

The discrepancy report which accompanies each earnings statement lists those reservists not paid for the report month. It also gives a brief explanation for nonpayment--the most common being "NO DRLS" (signifying no drills). In many of the pay problem cases we examined, it was not uncommon to see the remark "no drills" listed for several months, even though drill recording forms had been submitted to NRPC. Like the 1149 exception report, the discrepancy list is also not explicit enough in its message codes. For example, "CHKG" (representing a liquidation of an overpayment) is reported without an explanation or reference for the overpayment.

Reliability and adequacy of feedback

At the Philadelphia and Jones Point Reserve Centers, we compared the information listed on the various reports and found several discrepancies. For example, at the Philadelphia Reserve Center, we found a 16- to 19-percent discrepancy in the number of unit personnel as reported by the NRPC

<u>Comparisons made</u>	<u>Reserve Center</u>	
	<u>Jones Point</u>	<u>Philadelphia</u>
	(percent)	

Total drills performed as shown on NFC earnings statement are greater than the total shown on NRPC profile report (note a)	18.9	2.4
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Total drills performed as shown on NRPC profile report are greater than the total shown on NFC earnings statement	7.3	5.4
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a/We used the April 30, 1978, earnings statement and the May 31, 1978, profile report. Because April drills generally showed up as a zero on the profile report, we adjusted the April drill data based on the drills recorded on the unit muster card. If we had not adjusted the NRPC profile report, it would have disagreed with the NFC report on the cumulative number of drills performed in about 50 percent of the cases.

CONCLUSIONS

Drill and personnel information feedback to the field is inadequate because it is not timely, reliable, and informative. As a result, the Reserve centers have found it difficult to reconcile pay data, strength figures, and other personnel data with the processing center's records.

The NRPC unit profile report is limited as a viable work document because of its untimeliness. To be useful, it should be sent to the field shortly after the end of the report month (within about 10 days).

The 1149 exception report and drills posted report should also be sent to the field shortly after the end of the report month. The exception report should be modified by providing more explicit definitions of the error codes and corrective action to be taken.

The NFC pay listing report should be revised to show payment by month and day drills were performed. Also the NFC pay discrepancy report should be modified to provide more explicit information on why drills are not paid.

Once accurate and timely drill performance reports are sent to Reserve centers, the need for maintaining unit drill muster cards, which are seldom kept current, may be eliminated.

CHAPTER 5

IMPROVEMENTS NEEDED IN PAY PROCESSING

An important objective of the RESFIRST program was to shorten the length of time taken to report drill performance and personnel data. This, in turn, would shorten the time needed to pay reservists from 40 days to 21 days after the end of each drill month. Processing problems encountered at NFC, NRPC, and the Reserve centers have prevented their attaining this goal, and 40 days are still taken to process and mail checks.

To help shorten the pay processing timetable, the Navy should study the feasibility of consolidating NRPC's RESFIRST processing activities at NFC.

PAY COMPUTATION CYCLE

Under RESFIRST, the field submits drill performance and personnel data weekly to NRPC for processing. The planned processing schedule calls for all drill and personnel data to be at NRPC by the 6th of the month following the drill month. By the 11th of the month, NRPC is to complete and forward an end-of-month magnetic tape containing personnel and drill transactions to NFC. NFC is to complete drill pay computations by the 16th of the month and to transmit an expenditure summary message to the Chief of Naval Reserve. Checks are to be mailed on the 20th.

According to NFC officials, the pay processing schedule is not being met because NRPC is not submitting the drill transaction tape by the 11th of the month following the drill month. NRPC officials said that they could not meet their schedule primarily because the Reserve centers and units were not transmitting end-of-month drill and personnel data promptly. As a result, NRPC was reluctant, until November 1978, to enforce the 6th-of-the-month cutoff date because many reservists that drill at the end of the month would not be paid until the following month. Beginning with November 1978, NRPC notified the Reserve centers and activities that drill and personnel information must be received between the first and fourth of the month for processing.

One factor that is not reflected in the above reporting and processing cycle is the recent centralization of the Bureau of Personnel's computer activities in Washington, D.C. The field still sends drill and personnel data to NRPC for processing. However, since NRPC does not have the computer

DRILL REPORTING FORM EDITS

<u>Data element</u>	<u>Edit performed</u>	<u>GAO-suggested changes</u>
1. Drill reporting category	This field is checked for one-character numeric data within the range of zero through nine.	The edit performed does not exclude the invalid drill reporting category codes 4, 5, and 9. The edit should be changed to check for a numeric character within the range zero through three or six through eight.
2. Reporting drill form number	This field is checked for eight-character numeric data.	The edit performed does not check to see if the form number is a valid number issued by NRPC. The edit should be changed to check for eight numeric characters within the range of form numbers issued by NRPC. If the recommendation made on page 14 is implemented, then the edit should determine if the form number is a valid form for the submitting Reserve unit.
3. Correction form number	This field is scanned for eight-character numeric data.	Same comment as number 2.
4. Number of drills performed	This field is checked at scan time for one-character numeric data and a value less than three.	No change at NRPC. NFC should check for more than the total regular authorized drills within a given time period, such as on a quarterly basis. For example, during the first quarter, October to December, a reservist in a 48-drill unit should be credited with no more than 12 drills.

DIARY REPORTING DOCUMENT EDITS

<u>Data element</u>	<u>Edit performed</u>	<u>GAO-suggested changes</u>
1. Diary number	None	During diary processing, a file should be created containing the number of the last diary processed for each Reserve unit. The edit should not allow for diary numbering gaps nor duplicate diary submissions. For example, in October, NRPC might process diaries 0001 through 0013 for unit A. A file would be created containing the unit identification and last diary number (0013) processed. In November, the first diary processed should be 0014. If the diary number is less than 0014, an error would be printed indicating duplicate diary submission and identifying the duplicate diary numbers. If the number is greater than 0014, a message would be printed indicating missing diary entries. (See pages 11 and 12 for suggested change on diary numbering sequence.)
2. Social Security number validation	This field is checked for numerics and the check-digit is validated. The field is also compared to the drill personnel file to ensure that the social security number is valid and applies to a reservist in authorized drill strength.	NRPC should check to see if the social security number is within valid range of Social Security Administration issued numbers, in addition to the check-digit validation. NRPC should also consider using NFC's social security number transposition correction routine.
3. Pay status	Verify that pay status equals "NP", "DP", or "TDP".	NRPC should determine if the pay status code for each billet is consistent with the authorization pay for that billet.
4. Effective date	None	NRPC should check month to see if it is less than or equal to 12, year is current, and day is valid for month range.

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