

---

May 1998

# FINANCIAL MANAGEMENT

## Profile of Defense Finance and Accounting Service Financial Managers



---

---



**United States  
General Accounting Office  
Washington, D.C. 20548**

---

**Accounting and Information  
Management Division**

B-279330

May 28, 1998

Mr. Gary W. Amlin  
Director, Defense Finance  
and Accounting Service

Dear Mr. Amlin:

As highlighted in our February 1997 high-risk series report,<sup>1</sup> one of the greatest challenges to improving financial management throughout the Department of Defense (DOD) is establishing a well-qualified, professional financial management workforce. Our objective in this series of assignments is to provide information on qualifications, such as formal education, professional work experience, training, and professional certifications of personnel serving in key financial management positions in DOD. Due to concerns on the part of DOD officials regarding the completeness of personnel databases and personnel files, we are obtaining this information from biographies and/or profile instruments provided by each manager.

This is the fifth of our planned reports on the qualifications and experience of DOD's financial management workforce. It contains information we obtained on key financial managers in the Defense Finance and Accounting Service (DFAS). We have already issued our reports on key financial managers within the Office of the Under Secretary of Defense (Comptroller),<sup>2</sup> the Air Force,<sup>3</sup> the Army,<sup>4</sup> and the Navy/Marine Corps.<sup>5</sup> As agreed with DOD officials, our reviews are confined to key financial management positions. These positions most often include comptrollers, deputy comptrollers, and budget officers at major commands and installations in the military services. At DFAS, including its headquarters, centers, and operating locations, these positions include directors, deputy directors, accounting and finance directorate/division directors and branch chiefs, and personnel working directly on Chief Financial Officers (CFO) Act statements and notes. (Hereafter, the latter

---

<sup>1</sup>High-Risk Series: Defense Financial Management ([GAO/HR-97-3](#), February 1997).

<sup>2</sup>Financial Management: Profile of DOD Comptroller/CFO Financial Managers ([GAO/AIMD-97-97](#), June 27, 1997).

<sup>3</sup>Financial Management: Profile of Air Force Financial Managers ([GAO/AIMD-98-4](#), November 28, 1997).

<sup>4</sup>Financial Management: Profile of Army Financial Managers ([GAO/AIMD-98-58](#), February 25, 1998).

<sup>5</sup>Financial Management: Profile of Navy and Marine Corps Financial Managers ([GAO/AIMD-98-86](#), April 15, 1998).

---

are referred to as CFO statement staff.) These reports can help Defense agencies in shaping their plans to enhance the qualifications, such as formal education and training, of their financial management workforce, as necessary. In addition, the reports provide baseline information that can be helpful in monitoring progress. Our final report in this series will discuss the qualifications and professional work experience of personnel serving in key financial management positions across DOD relative to those in private sector companies and large state governments. We will also identify steps DOD has taken and others it should consider implementing to enhance its financial management workforce to fully meet the objectives of the CFO Act.

This report provides qualification and professional work experience information on 3 DFAS financial management executives and 265 of 577 key financial managers representing 22 of the 23 DFAS organizations included in our review.

---

## Results in Brief

The three DFAS financial management executives included in our review are the Director, the Deputy Director for Accounting, and the Deputy Director for Finance. Each of the executives had attained master's degrees. The Director had spent 30 years at DOD. The Deputy Directors had DOD careers ranging from 26 to 33 years. One of the executives held several professional certifications.

Of the 265 key DFAS financial managers responding to our review:

- About 6 percent (15) were military officials, serving mainly as directors, deputy directors, and division directors at operating locations (OPLOCs); 94 percent (250) were civilians serving mainly as division directors, branch chiefs, and CFO statement staffs at centers, and deputy directors and division directors at OPLOCs.
- Thirteen of 15 military officials and 201 of the 250 civilians reported holding bachelor's degrees, with 10 of these respondents reporting more than one major. About 71 percent of these 214 managers majored in accounting, while approximately 23 percent reported degrees in business-related majors other than accounting.
- Ninety-nine respondents (11 military and 88 civilian respondents) also reported holding master's degrees, with 3 of these respondents reporting more than one major. Twelve of these 99 managers held master's degrees in accounting, while about 71 percent reported degrees in business-related majors other than accounting.

- The military officials' careers ranged from 11 to 33 years, averaging 23 years, while the civilians' careers ranged from 1 to 53 years, averaging 23 years. About 69 percent of all respondents reported performing several financial management-related functions included in our review during their careers.
- Two hundred twenty-four (12 military and 212 civilian respondents) reported completing training in one or more of the categories included in our review during 1995 and 1996. Of these 224 managers, (1) about 88 percent listed general topics, such as computers, supervision, strategic planning, and communication skills, as examples of the training completed, (2) about 39 percent reported completing financial-related training, and (3) about 50 percent reported completing accounting-related training, such as accounting standards and financial reporting.
- About 31 percent of the 265 respondents reported holding one or more professional certifications. Of the 83 managers in this group, 80 reported holding accounting and other financial management certifications, as follows: 32 were Certified Public Accountants (CPA),<sup>6</sup> 64 were Certified Government Financial Managers (CGFM),<sup>7</sup> and 8 held other certifications, including the Certified Management Accountant and Certified Internal Auditor.

---

## Requirements for Financial Managers

The CFO Act of 1990 was enacted to address longstanding problems in financial management in the federal government. The act established CFO positions throughout the federal government and mandated that, within each of the largest federal departments and agencies, the CFO oversee all financial management activities relating to the programs and operations of the agency. Among the key responsibilities of CFOs are overseeing the recruitment, selection, and training of personnel to carry out agency financial management functions.

Recognizing that a qualified workforce was fundamental to achieving the objectives of the CFO Act and other related management reform legislation aimed at improving federal financial management, the Human Resources

---

<sup>6</sup>The CPA certification program has existed since 1917. State organizations administer this program, awarding the certificate based on the applicant's formal education, professional work experience, and successful completion of a comprehensive examination developed by the American Institute of Certified Public Accountants.

<sup>7</sup>The CGFM program was initiated by the Association of Government Accountants in July 1994. Until June 30, 1996, the certificate was awarded based on an evaluation of an applicant's formal education and professional work experience in government financial management. Since then, certifications have also required the successful completion of three comprehensive examinations covering (1) the governmental environment, (2) governmental accounting, financial reporting, and budgeting, and (3) governmental financial management and control.

---

Committee of the Chief Financial Officers Council and the Joint Financial Management Improvement Program (JFMIP)<sup>8</sup> have made proposals addressing the recruitment, training, retention, and performance of federal financial management personnel. In November 1995, JFMIP published the Framework for Core Competencies for Financial Management Personnel in the Federal Government,<sup>9</sup> designed to highlight the knowledge, skills, and abilities that accountants, budget analysts, and other financial managers in the federal government should possess or develop to perform their functions effectively in accordance with the CFO Act. JFMIP stressed the need for federal government financial managers to be well-equipped to contribute to financial management activities, such as the execution of budgets, under increasingly constrained resource caps, and the preparation, analysis, and interpretation of consolidated financial statements.

A primary goal in this body of work is to obtain and share with DOD information on the formal education, professional work experience, training, and professional certifications of key financial managers in the department, including the Office of the Under Secretary of Defense (Comptroller), each of the military services, and the Defense Finance and Accounting Service.

---

## Objective, Scope, and Methodology

The objective of this assignment is to provide information on the formal education, professional work experience, training, and professional certifications of personnel serving in key financial management positions in DFAS. We obtained this information from biographies and profile instruments due to the concerns of DFAS officials regarding the completeness of personnel databases and personnel files. We worked with DFAS officials to determine the key financial management positions to be included in this review. These positions typically included directors, deputy directors, directorate/division directors, branch chiefs, and CFO statement staff serving at DFAS headquarters, 5 centers, and 17 operating locations. As agreed with DFAS, we did not verify the information contained in the profiles provided by the respondents. A more detailed discussion of our scope and methodology, including a description of how we obtained qualifications and work experience data, is in appendix I.

---

<sup>8</sup>JFMIP is a joint and cooperative undertaking of the Office of Management and Budget, General Accounting Office, Department of the Treasury, and Office of Personnel Management to improve and coordinate financial management policies and practices throughout the government.

<sup>9</sup>Framework for Core Competencies for Financial Management Personnel in the Federal Government, a joint project of the Human Resources Committee of the Chief Financial Officers Council and the Joint Financial Management Improvement Program, November 1995.

We performed our audit work from March 1997 through March 1998 in accordance with generally accepted government auditing standards. The Director, DFAS provided comments on a draft of this report. These comments are discussed in the “Agency Comments” section of this report and are reprinted in appendix VII.

## Profile of DFAS Financial Management Executives

Table 1 provides information on the formal education, careers, and professional certifications of the three DFAS executives included in our review. All three held both bachelor’s and master’s degrees. The three executives held bachelor’s degrees in accounting; majors associated with their master’s degrees included business administration and business management. The Director had spent 30 years at DOD. The two Deputy Directors’ DOD careers ranged from 26 to 33 years. A review of biographical information provided to us showed that the three executives had served in financial management-related positions during most of their DOD careers. One of the executives also held several financial management certifications. The Director was a Certified Public Accountant, a Certified Government Financial Manager, and a Certified Cost Analyst.

**Table 1: Profile of DFAS Financial Management Executives**

<b>Director</b>	
Formal education	Bachelor’s Degree in Accounting Master’s Degree in Business Administration
Career	DOD - 30 years
Certifications	Certified Public Accountant (CPA) Certified Government Financial Manager (CGFM) Certified Cost Analyst (CCA)
<b>Deputy Director for Accounting</b>	
Formal education	Bachelor’s Degree in Accounting Master’s Degree in Business Management
Career	DOD - 33 years; other government sector - 2 years
Certifications	None
<b>Deputy Director for Finance</b>	
Formal education	Bachelor’s Degree in Accounting Master’s Degree in Business Administration
Career	DOD - 26 years
Certifications	None

## Profile of DFAS Financial Managers

In collaboration with DFAS officials, we identified 577 financial managers across the agency for this review, of which 265 (or 46 percent) responded by providing information on their qualifications and experience. Respondents included

- 17 of 28 managers from DFAS headquarters;
- 163 of 403 managers from the 5 centers; and
- 85 of 146 managers from 16 of 17 OPLOCS.

As shown in table 2, the response rate ranged from 25 percent from the 5 centers' finance managers to 66 percent from the OPLOCS' accounting managers.

**Table 2: Response Rates From DFAS Organizations**

DFAS organization	Population size	Number of respondents	Percent responding
Headquarters:			
• Accounting	20	12	60
• Finance	8	5	63
5 Centers:			
• Directorate	11	7	64
• Accounting	172	101	59
• Finance	220	55	25
17 Operating Locations:			
• Directorate	34	22	65
• Accounting	59	39	66
• Finance	53	24	45
<b>Total</b>	<b>577</b>	<b>265</b>	<b>46</b>

Seventeen respondents from DFAS Headquarters included one assistant deputy director, nine directorate/division directors, and seven CFO statement staff. The 248 respondents from DFAS centers and OPLOCS included 29 senior-level directors and principal deputy directors, 26 finance and accounting operations deputy directors and assistant deputy directors, 89 directorate/division directors, 40 branch chiefs, and 64 CFO statement staff.

Of the 265 respondents, 6 percent were military officials. The 15 military officials, including 13 commissioned officers, 1 chief warrant officer, and 1 master sergeant, served mainly as directors, deputy directors, and division directors at OPLOCS. The 250 civilians most often served as division



directors, branch chiefs, and CFO statement staff at centers, and deputy directors and division directors at OPLOCS. Table 3 provides a breakout of the military and civilian respondents by rank and grade, respectively.

**Table 3: Number of Military and Civilian Respondents**

Military officials		Civilians	
Rank	Number	Grade	Number
Brigadier General (O-7)	0	Senior Executive	7
Colonel (O-6)	8	15	40
Lieutenant Colonel (O-5)	1	14	34
Major (O-4)	2	13	65
Captain (O-3)	2	12	65
First Lieutenant (O-2)	0	11	14
Second Lieutenant (O-1)	0	9	10
Chief Warrant Officer (CWO-4)			
Master Sergeant (E-7)	2	6,7,8	15
<b>Total</b>	<b>15</b>	<b>Total</b>	<b>250</b>

**Formal Education Attained**

Of the 265 respondents, over 80 percent (including 13 of the 15 military officials and 201 of 250 civilians) reported holding bachelor’s degrees, and about 37 percent (11 military and 88 civilian respondents) reported holding master’s degrees.

Of the 214 respondents holding bachelor’s degrees, 10 reported more than one major. A review of the profiles showed that 151 managers, or about 71 percent of these 214 respondents, reported accounting majors, 49 managers reported one or more other business-related majors, and 23 managers reported majors that were not business related. Table 4 shows the bachelor’s degree majors reported by the 214 DFAS financial managers.

**Table 4: Bachelor’s Degree Majors Reported by DFAS Financial Managers**

Majors	Number of bachelor’s degree majors		Total degrees by major
	Military officials	Civilians	
Accounting	4	147	151
Other business	6	44	50
Nonbusiness	4	19	23
<b>Total degrees</b>	<b>14</b>	<b>210</b>	<b>224</b>

Of the 99 respondents holding master’s degrees, 3 reported more than one major. A review of the profiles showed that, of these 99 managers, 12 reported one or more accounting majors, 70 reported one or more other business-related majors, and 17 reported nonbusiness-related majors. Table 5 shows the master’s degree majors reported by the 11 military officials and 88 civilians.

**Table 5: Master’s Degree Majors Reported by DFAS Financial Managers**

Majors	Number of master’s degree majors		
	Military officials	Civilians	Total degrees by major
Accounting	0	13	13
Other business	12	60	72
Nonbusiness	1	16	17
<b>Total degrees</b>	<b>13</b>	<b>89</b>	<b>102</b>

The key financial managers were also requested to provide information on the number of accounting-related subjects completed as part of their formal education. Of the 265 respondents, 252 reported completing one or more of these subjects, as follows:

- 1-2 subjects: 11 (2 military and 9 civilian respondents),
- 3-5 subjects: 21 (3 military and 18 civilian respondents), and
- 6 or more subjects: 220 (9 military and 211 civilian respondents).

Included in this latter group were 214 managers (or 81 percent of the respondents) who reported completing both principles of accounting and intermediate accounting along with at least four other subjects. Based solely on a review of their formal education, these 214 managers appear to have met the requirements to serve in federal GS-510 accountant<sup>10</sup> positions.

**Professional Work Experience Acquired**

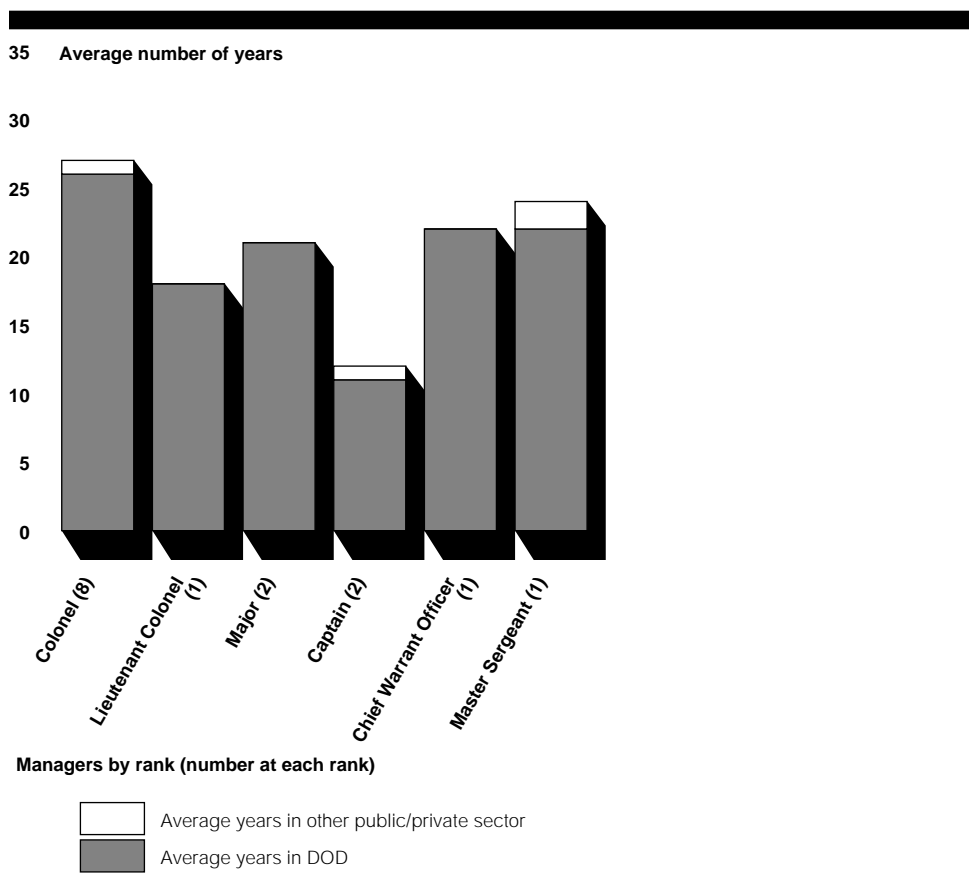
A review of the profiles showed that the 15 military officials’ careers ranged from 11 to 33 years, averaging 23 years, while the 250 civilians’ careers ranged from 1 to 53 years, averaging 23 years. About 85 percent of the military and civilian respondents had spent most of their careers in DOD. Also, about 69 percent of all respondents reported that they had

<sup>10</sup>The typical educational requirement for GS-510 accountants is 24 credit hours in accounting-related subjects. A person completing principles of accounting and intermediate accounting subjects (typically two courses of each) and four other subjects would generally meet this hour requirement. A civilian employee could also be classified as a GS-510 with fewer than 24 hours of accounting-related courses if a review of his or her formal education, training, and experience so warrants.

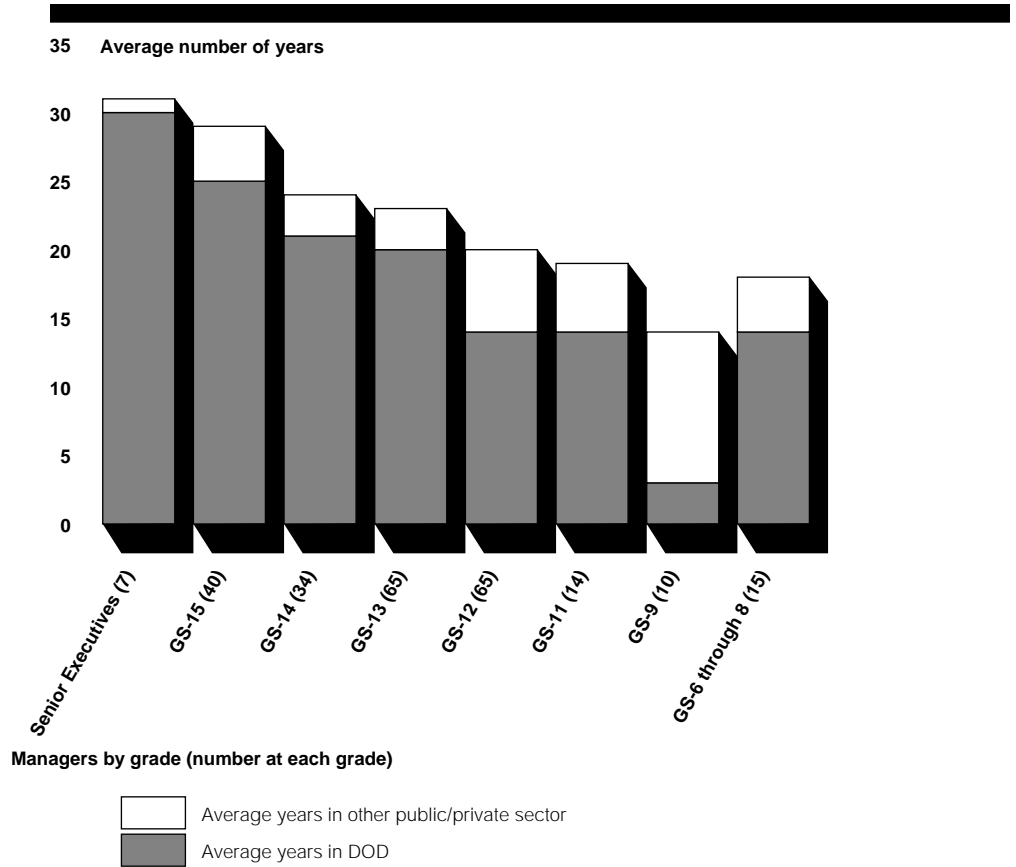
performed several of the financial management-related functions included in our review.

Figures 1 and 2 show the average number of years of work experience by rank for the military officials and by grade for the civilians, respectively.

**Figure 1: Professional Work Experience Reported by DFAS Financial Managers—Military Officials**



**Figure 2: Professional Work Experience Reported by DFAS Financial Managers—Civilians**



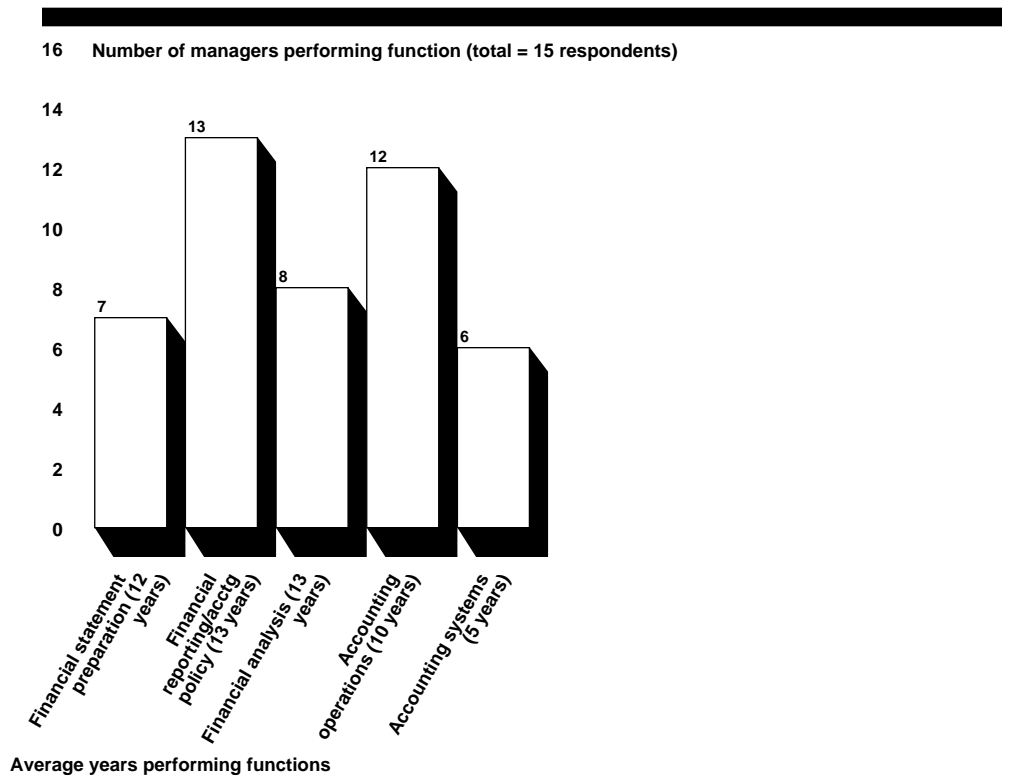
In collaboration with DFAS officials, we identified five functions which are often performed by personnel serving in key financial management positions, including:

- financial statement preparation—preparing annual financial statements and footnotes;
- financial reporting/accounting policy—preparing financial reports and consulting on the application of accounting policy;
- financial analysis—performing tasks associated with cost accounting, business process improvements, budgeting, cash flow analysis, cost analysis, revenue and expenditure forecasting, and other analysis of financial position and operations;

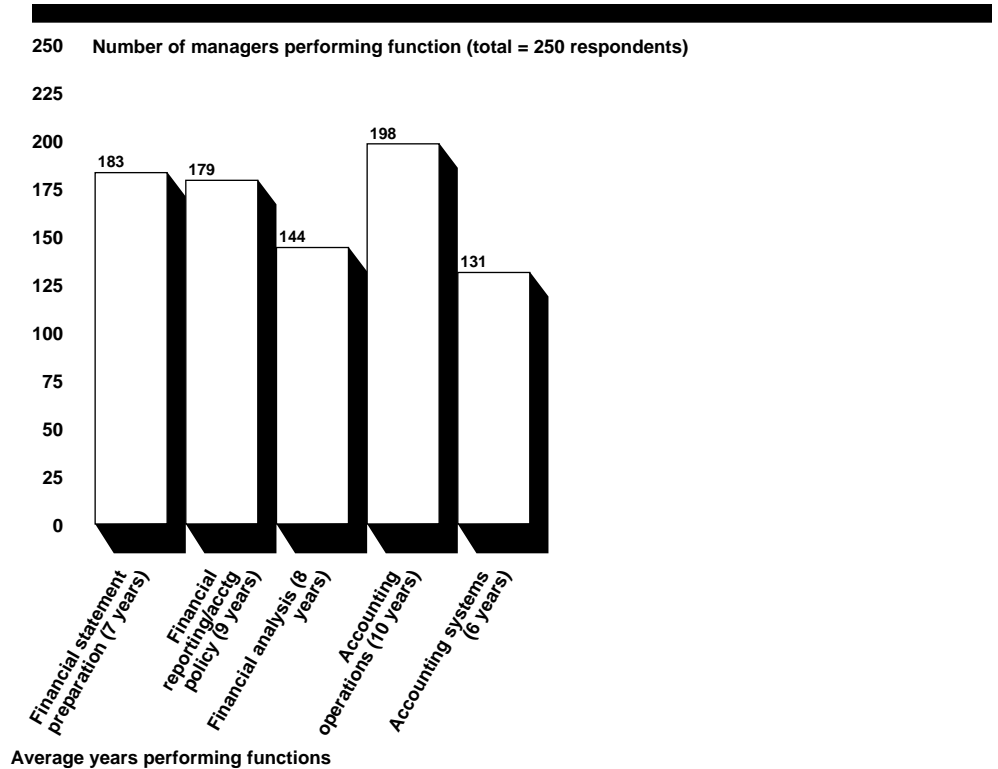
- accounting operations—recording and reporting accounting transactions; and
- accounting systems development and maintenance—performing tasks associated with the functional design and maintenance of accounting and finance systems.

Eight military and 174 civilian respondents (or about 69 percent of the 265 respondents) reported that they had performed three or more of these functions during their careers. Figures 3 and 4 show the number of military officials and civilians who had performed each function at sometime during their careers, and the average number of years of experience in each function. For example, figure 3 shows that 13 of the 15 military officials had performed financial reporting tasks for an average of 13 years.

**Figure 3: Experience in Financial Management Functions Reported by DFAS Financial Managers—Military Officials**



**Figure 4: Experience in Financial Management Functions Reported by DFAS Financial Managers—Civilians**

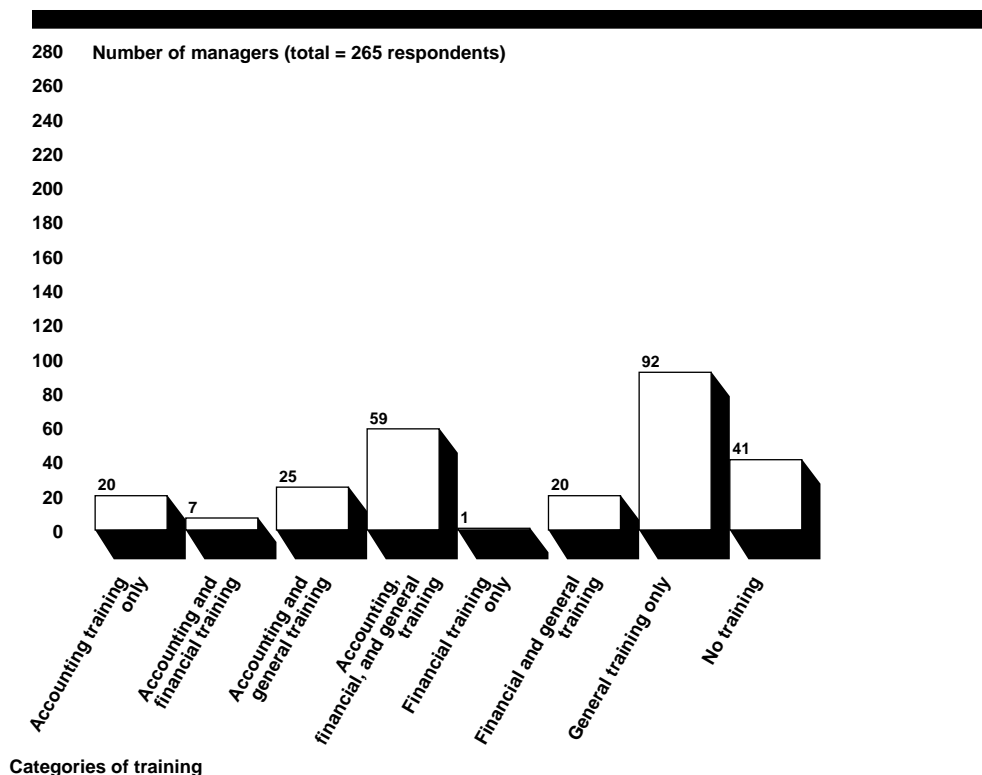


**Training Completed During 1995 and 1996**

During 1995 and 1996, about 80 percent of the military and 85 percent of the civilian respondents reported completing some training in one or more of the categories included in our review. Of the 224 respondents (12 military and 212 civilian respondents) receiving training, (1) about 88 percent listed general topics, such as computers and supervision, as examples of the training they had completed, (2) about 39 percent reported completing training in financial-related topics, and (3) about 50 percent reported completing training in accounting-related topics, such as accounting standards and financial reporting. Also, a review of the profiles showed that 92 managers completed only general training and 41 other managers had not completed any training. Therefore, over 50 percent of the 265 respondents had not received any accounting or financial training for those 2 years.

Figure 5 shows the training reported as being completed by the 265 respondents during the 2-year period.

**Figure 5: Training Reported by DFAS Financial Managers as Being Completed During 1995 and 1996**



A review of the profiles showed

- total receiving accounting-related training: 111 (5 military and 106 civilian respondents),
- total receiving financial-related training: 87 (6 military and 81 civilian respondents),
- total receiving training in general topics: 196 (12 military and 184 civilian respondents), and
- total not receiving training: 41 (3 military and 38 civilian respondents).

**Professional Certifications Held**

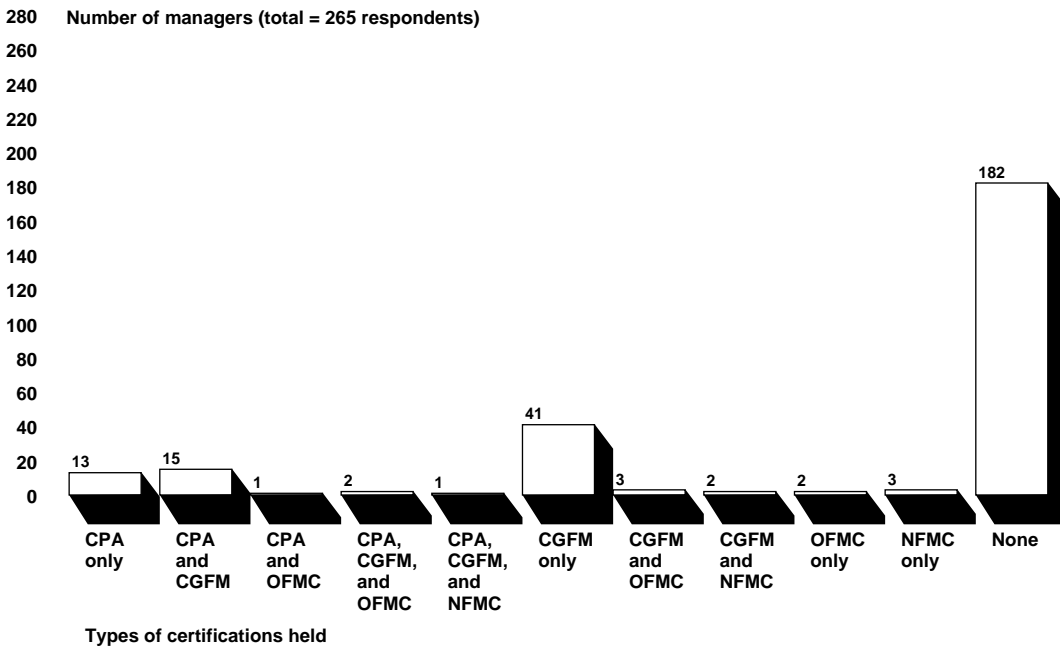
About 31 percent of the 265 respondents reported holding one or more professional certifications. A review of the profiles showed that, of these 83 managers,

- 32 were CPAS (1 military and 31 civilian respondents),

- 64 were CGFMs (3 military and 61 civilian respondents),
- 8 civilians held other financial management certifications, including the Certified Management Accountant and Certified Internal Auditor, and
- 6 civilians reported nonfinancial management certifications.

Of the 182 managers that did not hold any professional certifications, 11 were military officials and 171 were civilians. Figure 6 shows the types of certifications reported by the 265 DFAS financial managers.

**Figure 6: Professional Certifications Reported by DFAS Financial Managers**



Legend:

- CPA: Certified Public Accountant
- CGFM: Certified Government Financial Manager
- OFMC: Other financial management certifications
- NFMC: Nonfinancial management certifications



---

Appendixes II through VI provide the formal education, professional work experience, training, and professional certification data for the 15 military officials and 250 civilians by their respective organizations, including:

- DFAS headquarters in appendix II;
- 5 centers in appendix III;
- 16 of the 17 OPLOCs in appendix IV;
- accounting operations at DFAS headquarters, centers, and OPLOCs in appendix V; and,
- finance operations at DFAS headquarters, centers, and OPLOCs in appendix VI.

---

## Agency Comments

In commenting on a draft of this report, DFAS generally agreed with the contents and stated that the information will provide a useful benchmark in setting goals for the agency's career development programs. The DFAS comments are reprinted in appendix VII.

---

We are sending copies of this report to the Chairmen and Ranking Minority Members of the Senate Committee on Governmental Affairs; the House Committee on Government Reform and Oversight; and the Subcommittee on Government Management, Information and Technology of the House Committee on Government Reform and Oversight; the Secretary of Defense; and the Director of the Office of Management and Budget. Copies will also be made available to others upon request.

If you have any questions about this report, please contact me at (202) 512-9095. Major contributors to this report are listed in appendix VIII.

Sincerely yours,



Lisa G. Jacobson  
Director, Defense Audits

---

# Contents

---

Letter	1
Appendix I Scope and Methodology	22
Appendix II Profiles of Respondents From DFAS Headquarters	31
Appendix III Profiles of Respondents From DFAS Centers	36
Appendix IV Profiles of Respondents From DFAS Operating Locations (OPLOCs)	45
Appendix V Profiles of Respondents Involved in DFAS Accounting Operations	54

<p><b>Appendix VI</b>  <b>Profiles of</b>  <b>Respondents Involved</b>  <b>in DFAS Finance</b>  <b>Operations</b></p>	<p>62</p>																												
<p><b>Appendix VII</b>  <b>Comments From the</b>  <b>Defense Finance and</b>  <b>Accounting Service</b></p>	<p>70</p>																												
<p><b>Appendix VIII</b>  <b>Major Contributors to</b>  <b>This Report</b></p>	<p>71</p>																												
<p><b>Tables</b></p>	<table border="0"> <tr> <td style="padding-left: 20px;">Table 1: Profile of DFAS Financial Management Executives</td> <td style="text-align: right;">5</td> </tr> <tr> <td style="padding-left: 20px;">Table 2: Response Rates From DFAS Organizations</td> <td style="text-align: right;">6</td> </tr> <tr> <td style="padding-left: 20px;">Table 3: Number of Military and Civilian Respondents</td> <td style="text-align: right;">7</td> </tr> <tr> <td style="padding-left: 20px;">Table 4: Bachelor’s Degree Majors Reported by DFAS Financial Managers</td> <td style="text-align: right;">7</td> </tr> <tr> <td style="padding-left: 20px;">Table 5: Master’s Degree Majors Reported by DFAS Financial Managers</td> <td style="text-align: right;">8</td> </tr> <tr> <td style="padding-left: 20px;">Table I.1: DFAS Organizations and Key Financial Managers Included in This Review</td> <td style="text-align: right;">22</td> </tr> <tr> <td style="padding-left: 20px;">Table II.1: Number of Civilian Respondents</td> <td style="text-align: right;">31</td> </tr> <tr> <td style="padding-left: 20px;">Table II.2: Bachelor’s Degree Majors Reported by DFAS Headquarters Financial Managers—Civilians</td> <td style="text-align: right;">31</td> </tr> <tr> <td style="padding-left: 20px;">Table II.3: Master’s Degree Majors Reported by DFAS Headquarters Financial Managers—Civilians</td> <td style="text-align: right;">31</td> </tr> <tr> <td style="padding-left: 20px;">Table III.1: Population and Respondents From DFAS Centers</td> <td style="text-align: right;">36</td> </tr> <tr> <td style="padding-left: 20px;">Table III.2: Number of Military and Civilian Respondents</td> <td style="text-align: right;">37</td> </tr> <tr> <td style="padding-left: 20px;">Table III.3: Bachelor’s Degree Majors Reported by DFAS Center Financial Managers</td> <td style="text-align: right;">37</td> </tr> <tr> <td style="padding-left: 20px;">Table III.4: Master’s Degree Majors Reported by DFAS Center Financial Managers</td> <td style="text-align: right;">37</td> </tr> <tr> <td style="padding-left: 20px;">Table IV.1: Population and Respondents From DFAS Operating Locations</td> <td style="text-align: right;">45</td> </tr> </table>	Table 1: Profile of DFAS Financial Management Executives	5	Table 2: Response Rates From DFAS Organizations	6	Table 3: Number of Military and Civilian Respondents	7	Table 4: Bachelor’s Degree Majors Reported by DFAS Financial Managers	7	Table 5: Master’s Degree Majors Reported by DFAS Financial Managers	8	Table I.1: DFAS Organizations and Key Financial Managers Included in This Review	22	Table II.1: Number of Civilian Respondents	31	Table II.2: Bachelor’s Degree Majors Reported by DFAS Headquarters Financial Managers—Civilians	31	Table II.3: Master’s Degree Majors Reported by DFAS Headquarters Financial Managers—Civilians	31	Table III.1: Population and Respondents From DFAS Centers	36	Table III.2: Number of Military and Civilian Respondents	37	Table III.3: Bachelor’s Degree Majors Reported by DFAS Center Financial Managers	37	Table III.4: Master’s Degree Majors Reported by DFAS Center Financial Managers	37	Table IV.1: Population and Respondents From DFAS Operating Locations	45
Table 1: Profile of DFAS Financial Management Executives	5																												
Table 2: Response Rates From DFAS Organizations	6																												
Table 3: Number of Military and Civilian Respondents	7																												
Table 4: Bachelor’s Degree Majors Reported by DFAS Financial Managers	7																												
Table 5: Master’s Degree Majors Reported by DFAS Financial Managers	8																												
Table I.1: DFAS Organizations and Key Financial Managers Included in This Review	22																												
Table II.1: Number of Civilian Respondents	31																												
Table II.2: Bachelor’s Degree Majors Reported by DFAS Headquarters Financial Managers—Civilians	31																												
Table II.3: Master’s Degree Majors Reported by DFAS Headquarters Financial Managers—Civilians	31																												
Table III.1: Population and Respondents From DFAS Centers	36																												
Table III.2: Number of Military and Civilian Respondents	37																												
Table III.3: Bachelor’s Degree Majors Reported by DFAS Center Financial Managers	37																												
Table III.4: Master’s Degree Majors Reported by DFAS Center Financial Managers	37																												
Table IV.1: Population and Respondents From DFAS Operating Locations	45																												

Table IV.2: Number of Military and Civilian Respondents	46
Table IV.3: Bachelor’s Degree Majors Reported by DFAS Operating Location Financial Managers	46
Table IV.4: Master’s Degree Majors Reported by DFAS Operating Location Financial Managers	46
Table V.1: Number of Military and Civilian Respondents	54
Table V.2: Bachelor’s Degree Majors Reported by Managers of DFAS Accounting Operations	54
Table V.3: Master’s Degree Majors Reported by Managers of DFAS Accounting Operations	55
Table VI.1: Number of Military and Civilian Respondents	62
Table VI.2: Bachelor’s Degree Majors Reported by Managers of DFAS Finance Operations	62
Table VI.3: Master’s Degree Majors Reported by Managers of DFAS Finance Operations	63

**Figures**

Figure 1: Professional Work Experience Reported by DFAS Financial Managers—Military Officials	9
Figure 2: Professional Work Experience Reported by DFAS Financial Managers—Civilians	10
Figure 3: Experience in Financial Management Functions Reported by DFAS Financial Managers—Military Officials	11
Figure 4: Experience in Financial Management Functions Reported by DFAS Financial Managers—Civilians	12
Figure 5: Training Reported by DFAS Financial Managers as Being Completed During 1995 and 1996	13
Figure 6: Professional Certifications Reported by DFAS Financial Managers	14
Figure I.1: Profile Instrument Used to Collect Qualification and Experience Information on DFAS Financial Managers	25
Figure II.1: Professional Work Experience Reported by DFAS Headquarters Financial Managers—Civilians	32
Figure II.2: Experience in Financial Management Functions Reported by DFAS Headquarters Financial Managers—Civilians	33
Figure II.3: Training Reported by DFAS Headquarters Financial Managers as Being Completed During 1995 and 1996	34
Figure II.4: Professional Certifications Reported by DFAS Headquarters Financial Managers	35
Figure III.1: Professional Work Experience Reported by DFAS Center Financial Managers—Military Officials	39

---

Figure III.2: Professional Work Experience Reported by DFAS Center Financial Managers—Civilians	40
Figure III.3: Experience in Financial Management Functions Reported by DFAS Center Financial Managers—Military Officials	41
Figure III.4: Experience in Financial Management Functions Reported by DFAS Center Financial Managers—Civilians	42
Figure III.5: Training Reported by DFAS Center Financial Managers as Being Completed During 1995 and 1996	43
Figure III.6: Professional Certifications Reported by DFAS Center Financial Managers	44
Figure IV.1: Professional Work Experience Reported by DFAS Operating Location Financial Managers—Military Officials	48
Figure IV.2: Professional Work Experience Reported by DFAS Operating Location Financial Managers—Civilians	49
Figure IV.3: Experience in Financial Management Functions Reported by DFAS Operating Location Financial Managers—Military Officials	50
Figure IV.4: Experience in Financial Management Functions Reported by DFAS Operating Location Financial Managers—Civilians	51
Figure IV.5: Training Reported by DFAS Operating Location Financial Managers as Being Completed During 1995 and 1996	52
Figure IV.6: Professional Certifications Reported by DFAS Operating Location Financial Managers	53
Figure V.1: Professional Work Experience Reported by Managers of DFAS Accounting Operations—Military Officials	56
Figure V.2: Professional Work Experience Reported by Managers of DFAS Accounting Operations—Civilians	57
Figure V.3: Experience in Financial Management Functions Reported by Managers of DFAS Accounting Operations—Military Officials	58
Figure V.4: Experience in Financial Management Functions Reported by Managers of DFAS Accounting Operations—Civilians	59
Figure V.5: Training Reported by Managers of DFAS Accounting Operations as Being Completed During 1995 and 1996	60
Figure V.6: Professional Certifications Reported by Managers of DFAS Accounting Operations	61
Figure VI.1: Professional Work Experience Reported by Managers of DFAS Finance Operations—Military Officials	64

---

Figure VI.2: Professional Work Experience Reported by Managers of DFAS Finance Operations—Civilians	65
Figure VI.3: Experience in Financial Management Functions Reported by Managers of DFAS Finance Operations—Military Officials	66
Figure VI.4: Experience in Financial Management Functions Reported by Managers of DFAS Finance Operations—Civilians	67
Figure VI.5: Training Reported by Managers of DFAS Finance Operations as Being Completed During 1995 and 1996	68
Figure VI.6: Professional Certifications Reported by Managers of DFAS Finance Operations	69

---

**Abbreviations**

CFO	Chief Financial Officer
CGFM	Certified Government Financial Manager
CPA	Certified Public Accountant
CWO	Chief Warrant Officer
DAO	Defense Accounting Office
DFAS	Defense Finance and Accounting Service
DOD	Department of Defense
FMFIA	Federal Managers' Financial Integrity Act
GAO	General Accounting Office
GMRA	Government Management Reform Act
GPRA	Government Performance and Results Act
GS	General Schedule
JFMIP	Joint Financial Management Improvement Program
NFMC	Nonfinancial Management Certifications
OFMC	Other Financial Management Certifications
OPLOC	Operating Location

---

---

# Scope and Methodology

In collaboration with DFAS officials, we identified senior executives and financial managers to be included in this review as those serving in key positions throughout DFAS. The three senior executives included the Director, the Deputy Director for Accounting, and the Deputy Director for Finance. The 577 key financial management positions selected for this review included:

- 28 from DFAS headquarters involved in accounting/CFO statement operations and finance operations;
- 403 from the 5 centers, including center directors and deputy directors, and managers involved in accounting/CFO statement operations and finance operations; and
- 146 from the 17 operating locations (OPLOCS), including OPLOC directors and deputy directors, and managers involved in accounting operations and finance operations.

In addition to the 3 senior executives, 265 financial managers located at 22 of the 23 organizations responded to this review. The 265 respondents included 17 DFAS headquarters managers, 163 center managers, and 85 managers from OPLOCS.

Table I.1 identifies the DFAS organizations and information on the key financial managers included in this review.

**Table I.1: DFAS Organizations and Key Financial Managers Included in This Review**

<b>DFAS Headquarters</b>
17 of the 28 managers responding included 1 assistant deputy director, 9 directorate/division directors, and 7 CFO statement staff.
<b>5 DFAS Centers</b>
163 of the 403 managers responding included 7 directors/principal deputy directors, 8 deputy directors/assistant deputy directors, 44 directorate/division directors, 40 branch chiefs, and 64 CFO statement staff.
<b>17 DFAS Operating Locations</b>
85 of the 146 managers from 16 of the 17 OPLOCS responding included 14 directors, 8 principal deputy directors, 18 deputy directors, and 45 division directors.

In an August 1988 report,<sup>1</sup> GAO proposed a framework for evaluating the quality of the federal workforce over time. Quantifiable measures identified in that report include specific knowledge, skills, and abilities. Using this report and the JFMIP study on core competencies, and in collaboration with DOD representatives, we identified four indicators to

<sup>1</sup>Federal Workforce: A Framework for Studying Its Quality Over Time (GAO/PEMD-88-27, August 4, 1988).



measure the attributes that key financial managers can bring to their positions. These indicators include formal education, professional work experience, training, and professional certifications. These attributes are being used to measure the qualifications and experience of key financial managers in the five DOD organizations included in our reviews.

We then worked with DFAS officials in developing a data collection instrument to gather the following types of information under each indicator:

- Formal education: degrees attained, academic majors, and specific accounting and financial-related courses completed.
- Professional work experience: (1) number of years worked in current position, years at DOD, years in other government agencies, and years in the private sector and (2) experience in five specific financial management-related functions.
- Training (referred to as continuing professional education in the profile instrument): for the period of 1995-1996,<sup>2</sup> specific subjects completed related to accounting, other financial-related topics, and general topics.
- Professional certifications: CPA, CGFM, other financial certifications, and nonfinancial management certifications held.

For the three DFAS executives, we obtained information on their formal education, careers, and professional certifications from biographies and profile instruments provided by these officials. For all other individuals, we collected information on the four indicators using profile instruments. Due to DFAS officials' concerns over their completeness, we did not use personnel files and databases. This procedure is being used for collecting qualification and experience information from all DOD organizations included in this series of assignments.

Since DFAS chose to maintain the anonymity of its respondents, our DFAS liaisons sent profile instruments to the three DFAS executives and other key financial managers at DFAS Headquarters, the 5 centers, and the 17 OPLOCS. The liaisons conducted additional follow-up efforts to contact those financial managers who did not initially respond as well as those respondents whose profile instruments were returned with incomplete information. Through these efforts, we received complete profile information from the three DFAS executives and 46 percent of the key financial managers identified for this review. Figure I.1 contains the profile

---

<sup>2</sup>For DFAS's own analysis, the instrument requested training for an additional year—1997.

---

**Appendix I**  
**Scope and Methodology**

---

instrument we used to obtain personnel qualification and experience information from the key financial managers.

As agreed with DFAS, we did not attempt to verify the information contained in the profiles we received. However, as noted above, for incomplete instruments, the DFAS liaisons conducted follow-up efforts and obtained the missing information.

We conducted our work from March 1997 through March 1998 in accordance with generally accepted government auditing standards.

Figure I.1: Profile Instrument Used to Collect Qualification and Experience Information on DFAS Financial Managers

**PROFILE OF DFAS  
ACCOUNTING AND FINANCIAL MANAGEMENT PERSONNEL**

Name: \_\_\_\_\_ Grade/Series or Rank: \_\_\_\_\_  
Position Title: \_\_\_\_\_  
Headquarters: \_\_\_\_\_ Center: \_\_\_\_\_ OPLOC: \_\_\_\_\_  
Location: \_\_\_\_\_ Phone: ( \_\_\_\_\_ ) \_\_\_\_\_  
Current Position Involves CFO Financial Statement Preparation: \_\_\_\_\_ Yes  
\_\_\_\_\_ No

**PROFESSIONAL CERTIFICATIONS**

Please complete the information requested for any of the following professional certifications that you hold. Also, identify any other certifications you hold and the date attained.

Certified Public Accountant: Year \_\_\_\_\_ State \_\_\_\_\_  
Certified Management Accountant: Year \_\_\_\_\_  
Certified Internal Auditor: Year \_\_\_\_\_  
Certified Financial Planner: Year \_\_\_\_\_  
Certified Government Financial Manager: Year \_\_\_\_\_  
Others:  
\_\_\_\_\_  
Year \_\_\_\_\_  
\_\_\_\_\_  
Year \_\_\_\_\_  
\_\_\_\_\_  
Year \_\_\_\_\_  
\_\_\_\_\_  
Year \_\_\_\_\_

**Appendix I  
Scope and Methodology**

**EDUCATION**

Please provide information regarding your formal education, including degree(s) attained, major(s), and accounting-related and other financial management-related courses completed. Place an "X" by the courses you have completed below as part of your undergraduate (U) or graduate (G) studies. Also, include other related courses not listed below. You may copy and add pages if more space is needed.

A.	Degree	Major Field of Study	Year
	Associate	_____	_____
	Bachelors	_____	_____
	Masters	_____	_____
	Other(Specify)	_____	_____

B. Accounting-related courses (place an "X" by those courses you have completed and add any related courses):

Principles of Accounting	_____	U	_____	G
Intermediate Accounting	_____	U	_____	G
Advanced Accounting	_____	U	_____	G
Cost Accounting	_____	U	_____	G
Managerial Accounting	_____	U	_____	G
Governmental Accounting	_____	U	_____	G
Auditing	_____	U	_____	G
Taxes	_____	U	_____	G
Business Law	_____	U	_____	G
_____	_____	U	_____	G
_____	_____	U	_____	G
_____	_____	U	_____	G
_____	_____	U	_____	G

C. Other financial management-related courses (place an "X" by those courses you have completed and add any related courses):

Finance	_____	U	_____	G
Economics	_____	U	_____	G
Statistics	_____	U	_____	G
_____	_____	U	_____	G
_____	_____	U	_____	G
_____	_____	U	_____	G
_____	_____	U	_____	G

**Appendix I**  
**Scope and Methodology**

**CONTINUING PROFESSIONAL EDUCATION**

This section requests information concerning the continuing professional education you have received from January 1, 1995 and scheduled through December 31, 1996.\* It asks several questions regarding your current organizations' education program, followed by a table of course offerings on page 4 which should be marked with an "X" to indicate completion. Please add other pertinent courses you have completed during the aforementioned time period. If needed, you may attach another page.

\* DFAS added 1997 to the profile schedule for additional information.

Current Organization's Education Program

1. Does your organization, be it Headquarters, Center, or OPLOC, have an established continuing professional education program for personnel in the accounting, finance, budget, and financial management job series?

\_\_\_\_\_ Yes    \_\_\_\_\_ No

2. If so, how many hours are required annually?

\_\_\_\_\_ Number of Hours    \_\_\_\_\_ None specified (Place an "X" if applicable)

3. If hours are prescribed, how many must be completed in technical subjects related to these job series?

\_\_\_\_\_ Number of Hours    \_\_\_\_\_ None specified (Place an "X" if applicable)

4. Does your organization prescribe specific training courses to be completed by personnel in these job series based on grade or rank, job description, etc?

\_\_\_\_\_ Yes    \_\_\_\_\_ No

**Appendix I  
Scope and Methodology**

Courses Completed in:	97	96	95
<b>General:</b>			
Supervision			
Computer-Related			
Diversity-Related			
Personnel/Team Management			
Communication Skills			
Strategic Planning/Project Management			
<b>Accounting Focus:</b>			
CFO Act/Government Management Reform Act (GMRA)			
Accounting Standards and Procedures			
Accounting Policy			
Standard General Ledger			
Federal Financial Reports/Statements			
Plant, Property, and Equipment			
Liabilities			
<b>Budget/Financial Management Focus:</b>			
Government Performance and Results Act (GPRA)			
Budget Policy/Formulation			
Budget Execution			
Appropriations Law			
Federal Managers Financial Integrity Act (FMFIA)			
Civilian/Military Pay			
Travel Pay			
Vendor Pay			
Cost Estimate Analysis			
<b>Others (Please list):</b>			

**Appendix I  
Scope and Methodology**

**PROFESSIONAL WORK EXPERIENCE**

1. Please indicate the number of years that you have worked in the following sectors since beginning your professional career, either after high school or college.  
  
DOD: \_\_\_ years    Other Government: \_\_\_ years    Private Sector: \_\_\_ years
2. Provide the number of years you have been working in your current position:  
  
\_\_\_\_\_ years
3. In DFAS, provide the number of years you have worked at:  
  
Headquarters: \_\_\_ years    Centers: \_\_\_ years  
OPLOCs:            \_\_\_ years    DAOs:        \_\_\_ years
4. In other DOD agencies, provide the number of years you have worked at:  
  
Accounting and Finance Organizations:    \_\_\_ years  
Command/installations/activities:        \_\_\_ years
5. Please provide the number of years during your career that you have worked in the following functions:
  - a. Financial Statement Preparation: \_\_\_ years  
  
(Included are those personnel who work primarily in preparing annual financial statements and footnotes (including adjusting entries, closing entries, and trial balances.)
  - b. Financial Reporting/Accounting Policy: \_\_\_\_\_ years  
  
(Included are those personnel who work primarily in budget execution and preparation of financial reports, as well as those advising the preparers in their application of accounting policies.)
  - c. Financial Analysis: \_\_\_ years  
  
(Included are those personnel who work primarily in cost accounting, business process improvements, budgeting, cash flow analysis, cost analysis, revenue and expenditure forecasting, and other analysis of the financial position and operations.)

---

**Appendix I**  
**Scope and Methodology**

d. Accounting Operations: \_\_\_\_ years

(Included are those personnel who work primarily in recording and reporting receivables, receipts, disbursements, payroll, payables (civilian and military/vendor/travel pay), inventory, liabilities, and property, plant, and equipment.)

e. Accounting Systems Development and Maintenance: \_\_\_\_ years

(Included are those personnel who work primarily in the functional design and maintenance of accounting and finance systems.)



# Profiles of Respondents From DFAS Headquarters

We included 28 key financial managers from DFAS Headquarters, 17 of whom provided information on their qualifications and experience. This population included one assistant deputy director, nine directorate/division directors, and seven CFO statement staff. Table II.1 shows the civilian composition of these managers, by grade.

**Table II.1: Number of Civilian Respondents**

Civilians	
Grade	Number
Senior Executive	1
15	9
14	5
13	2
<b>Total</b>	<b>17</b>

## Formal Education Attained

As shown in table II.2, all 17 respondents held bachelor's degrees, with 1 reporting more than one major. Thirteen of the 17 managers majored in accounting, while 5 managers reported other business-related majors.

**Table II.2: Bachelor's Degree Majors Reported by DFAS Headquarters Financial Managers—Civilians**

Majors	Number of bachelor's degree majors
Accounting	13
Other business	5
Nonbusiness	0
<b>Total degrees</b>	<b>18</b>

As shown in table II.3, 6 respondents also held master's degrees. One manager held a master's degree in accounting and 5 managers listed other business-related majors.

**Table II.3: Master's Degree Majors Reported by DFAS Headquarters Financial Managers—Civilians**

Majors	Number of master's degree majors
Accounting	1
Other business	5
Nonbusiness	0
<b>Total degrees</b>	<b>6</b>

All 17 managers reported completing 7 or more courses in accounting-related subjects. Based solely on a review of their formal

education, the 17 respondents appear to have met the requirements to serve in GS-510 accountant positions.

## Professional Work Experience Acquired

A review of the profiles showed that the average number of years of professional work experience was 28 years for the 17 civilians, with a range of 15 to 37 years. With one exception, the respondents had spent most of their careers in DOD. Figure II.1 shows the work experience by grade for the civilians.

**Figure II.1: Professional Work Experience Reported by DFAS Headquarters Financial Managers—Civilians**

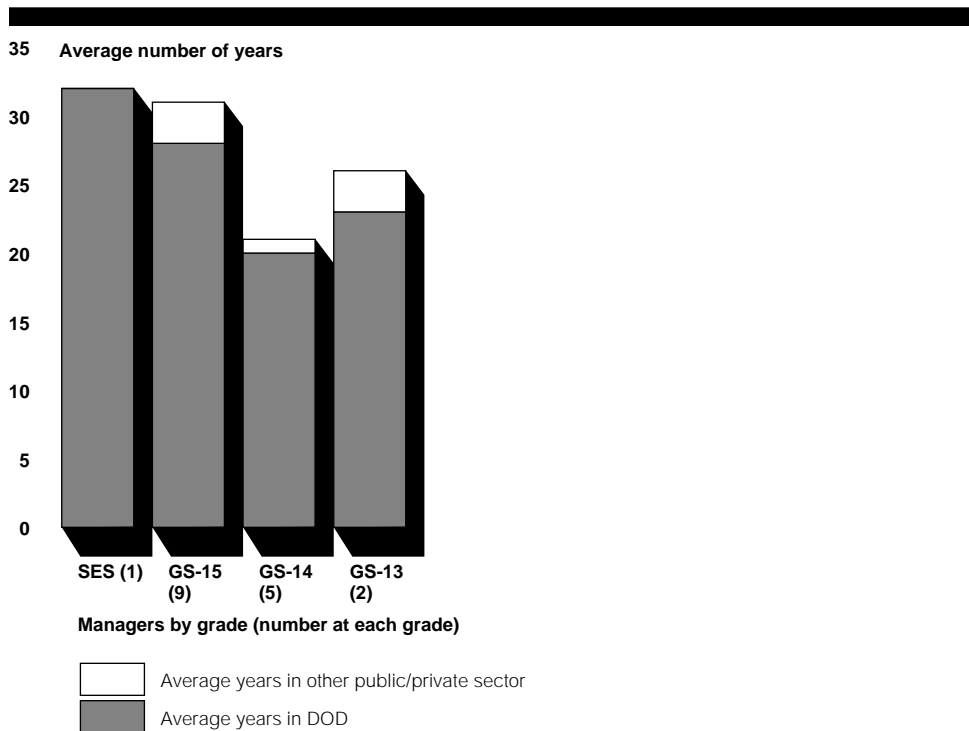
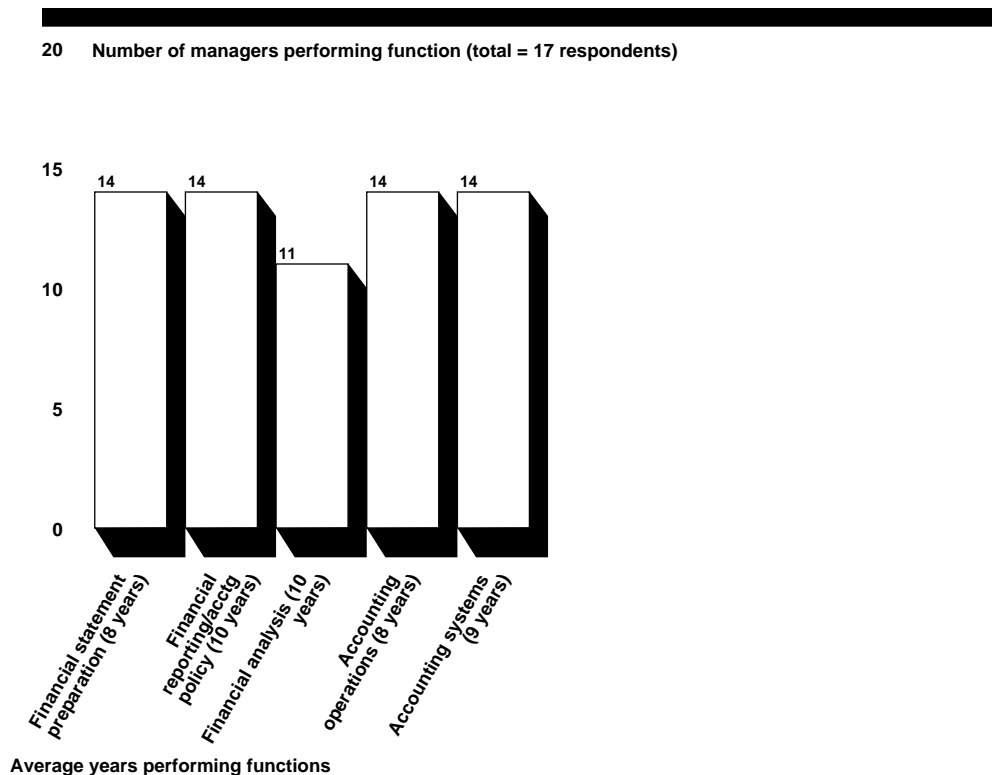


Figure II.2 shows the number of respondents who indicated that they had performed each financial management function previously outlined at sometime during their careers, and the average number of years of experience in each function. A review of the profiles also showed that 15 of the 17 civilians had performed three or more of these functions.

**Appendix II  
Profiles of Respondents From DFAS  
Headquarters**

**Figure II.2: Experience in Financial Management Functions Reported by DFAS Headquarters Financial Managers—Civilians**

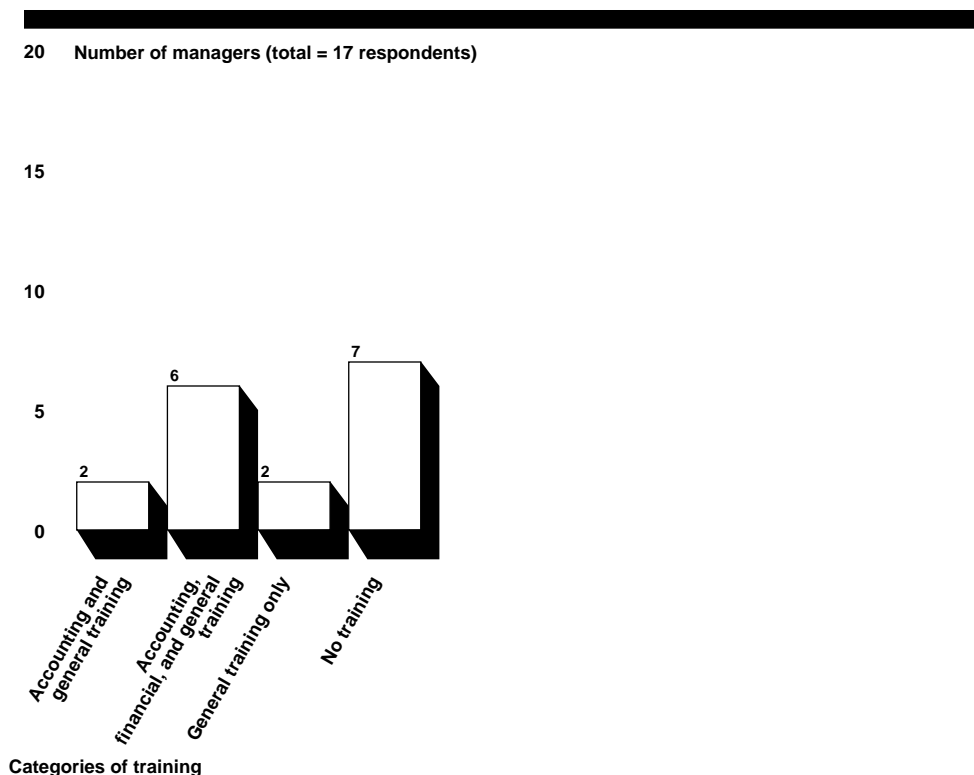


**Training Completed During 1995 and 1996**

Figure II.3 shows the training reported by the 17 respondents as being completed during 1995 and 1996.

**Appendix II  
Profiles of Respondents From DFAS  
Headquarters**

**Figure II.3: Training Reported by DFAS  
Headquarters Financial Managers as  
Being Completed During 1995 and  
1996**



A review of the profiles showed

- 8 respondents receiving accounting-related training,
- 6 respondents receiving financial-related training,
- 10 respondents receiving training in general topics, and
- 7 respondents receiving no training.

**Professional  
Certifications Held**

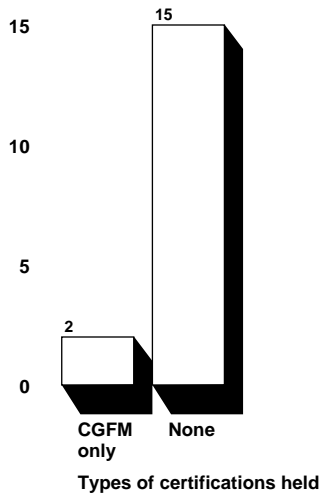
A review of the profiles showed that 2 respondents were CGFMS; the remaining 15 managers did not hold professional certifications.

Figure II.4 shows the types of professional certifications reported by the DFAS Headquarters financial managers.

**Appendix II  
Profiles of Respondents From DFAS  
Headquarters**

**Figure II.4: Professional Certifications  
Reported by DFAS Headquarters  
Financial Managers**

20 Number of managers (total = 17 respondents)



CGFM: Certified Financial Manager

# Profiles of Respondents From DFAS Centers

The five DFAS centers included in this review are shown below:

- Cleveland,
- Columbus,
- Denver,
- Indianapolis, and
- Kansas City.

Surveys were distributed to 403 financial managers; 163 responded, representing all five centers. From the five centers' directorate level, 7 of the 11 key managers responded. Table III.1 shows the population and respondents from each center's accounting and finance operations unit.

**Table III.1: Population and Respondents From DFAS Centers**

Center and operation	Population	Respondents
Cleveland		
• Accounting	57	38
• Finance	18	1
Columbus		
• Accounting	27	15
• Finance	25	4
Denver		
• Accounting	39	17
• Finance	28	3
Indianapolis		
• Accounting	30	18
• Finance	104	41
Kansas City		
• Accounting	19	13
• Finance	45	6
<b>Five center totals</b>		
• Accounting	<b>172</b>	<b>101</b>
• Finance	<b>220</b>	<b>55</b>

The 163 respondents included 7 center directors/principal deputy directors, 8 deputy directors/assistant deputy directors, 44 directorate/division directors, 40 branch chiefs, and 64 CFO statement staff. Table III.2 shows the military and civilian composition of the respondents, by rank and grade, respectively.

**Appendix III  
Profiles of Respondents From DFAS Centers**

**Table III.2: Number of Military and Civilian Respondents**

Military officials		Civilians	
Rank	Number	Grade	Number
Brigadier General (O-7)	0	Senior Executive	6
Colonel (O-6)	2	15	15
Lieutenant Colonel (O-5)	0	14	14
Major (O-4)	0	13	34
Captain (O-3)	1	12	54
First Lieutenant (O-2)	0	11	14
Second Lieutenant (O-1)	0	9	10
Chief Warrant Officer (CWO-4)	1	6,7,8	12
<b>Total</b>	<b>4</b>	<b>Total</b>	<b>159</b>

## Formal Education Attained

As shown in table III.3, 125 of the 163 respondents held bachelor's degrees, with 7 reporting more than one major. The major for 91 of these managers was accounting, while 22 managers reported one or more other business-related majors.

**Table III.3: Bachelor's Degree Majors Reported by DFAS Center Financial Managers**

Majors	Number of bachelor's degree majors		
	Military officials	Civilians	Total degrees by major
Accounting	0	91	91
Other business	2	21	23
Nonbusiness	1	17	18
<b>Total degrees</b>	<b>3</b>	<b>129</b>	<b>132</b>

As shown in table III.4, 50 respondents also held master's degrees, with 1 reporting more than one major. Nine managers held one or more master's degrees in accounting or accounting-related majors, while 29 managers reported other business-related majors.

**Table III.4: Master's Degree Majors Reported by DFAS Center Financial Managers**

Majors	Number of master's degree majors		
	Military officials	Civilians	Total degrees by major
Accounting	0	10	10
Other business	2	27	29
Nonbusiness	0	12	12
<b>Total degrees</b>	<b>2</b>	<b>49</b>	<b>51</b>

---

One hundred fifty-one of the 163 respondents reported completing one or more courses in accounting-related subjects, as follows:

- 1-2 subjects: 5 civilians,
- 3-5 subjects: 14 (2 military and 12 civilian respondents), and
- 6 or more subjects: 132 (1 military and 131 civilian respondents).

Based solely on a review of their formal education, 1 military official and 126 civilians in the latter group appear to have met the requirements to serve in GS-510 accountant positions.

---

## **Professional Work Experience Acquired**

A review of the profiles showed that the average number of years of professional work experience was 21 years for the 4 military officials, with a range of 11 to 27 years, and 21 years for the 159 civilians, with a range of 1 to 53 years. Approximately 80 percent of the respondents had spent most of their careers in DOD. Figures III.1 and III.2 show the work experience by rank for the military officials and by grade for the civilians, respectively.



**Appendix III  
Profiles of Respondents From DFAS Centers**

**Figure III.1: Professional Work  
Experience Reported by DFAS Center  
Financial Managers—Military Officials**

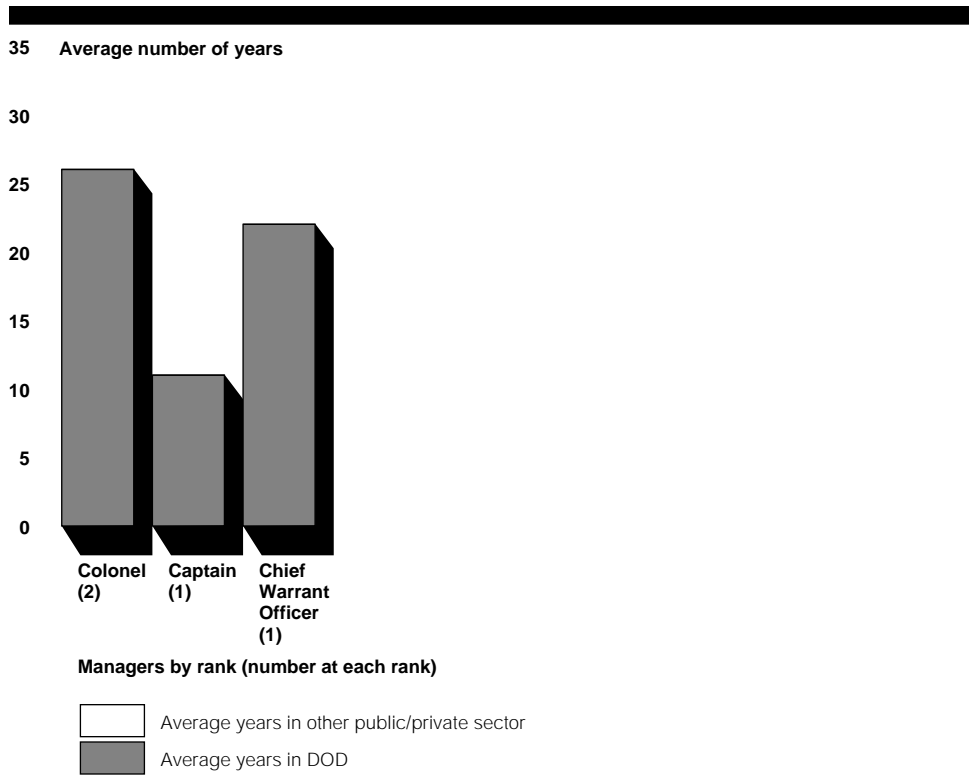
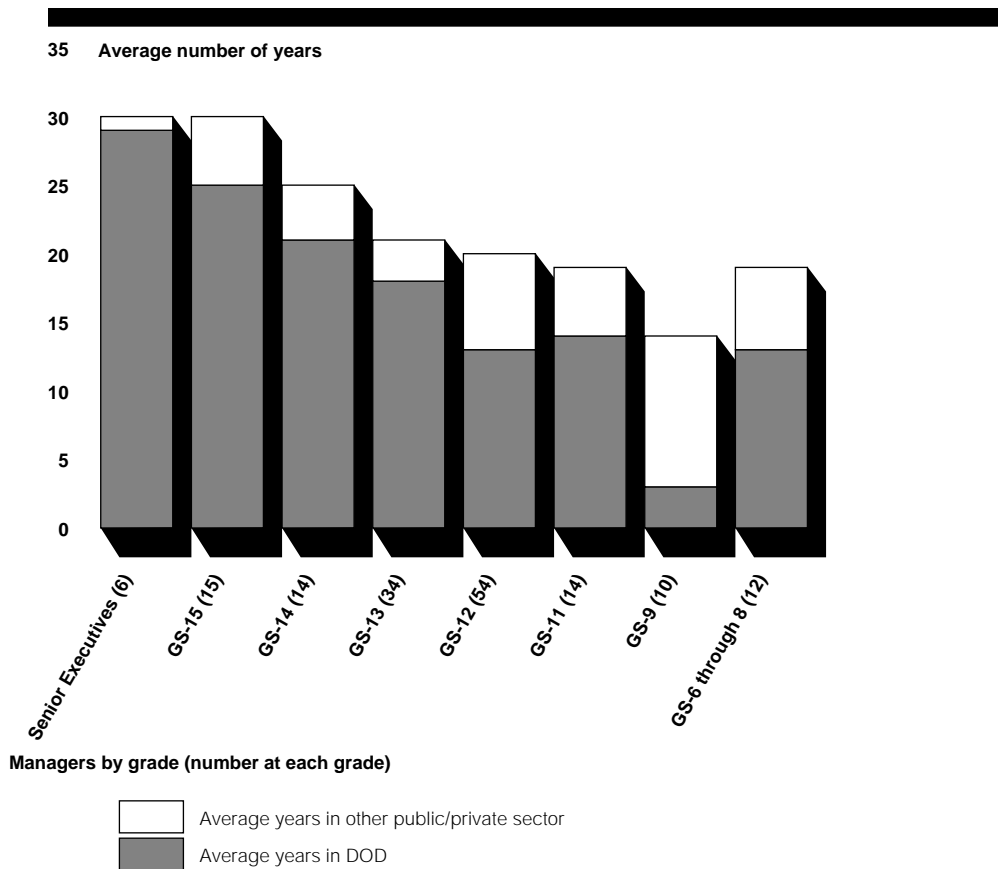


Figure III.2: Professional Work Experience Reported by DFAS Center Financial Managers—Civilians



Figures III.3 and III.4 show the number of military and civilian respondents who indicated that they had performed each financial management function previously outlined at sometime during their careers, and the average number of years of experience in each function. A review of the profiles also showed that 2 military officials and 105 civilians had performed three or more of these functions.

**Appendix III  
Profiles of Respondents From DFAS Centers**

**Figure III.3: Experience in Financial Management Functions Reported by DFAS Center Financial Managers—Military Officials**

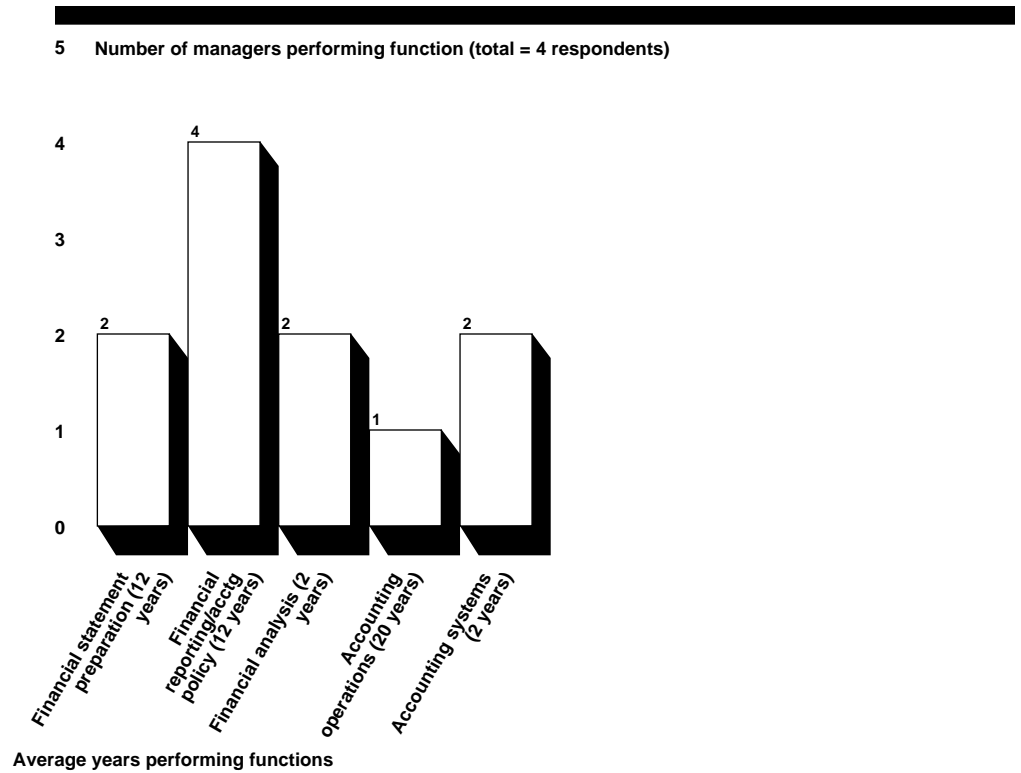
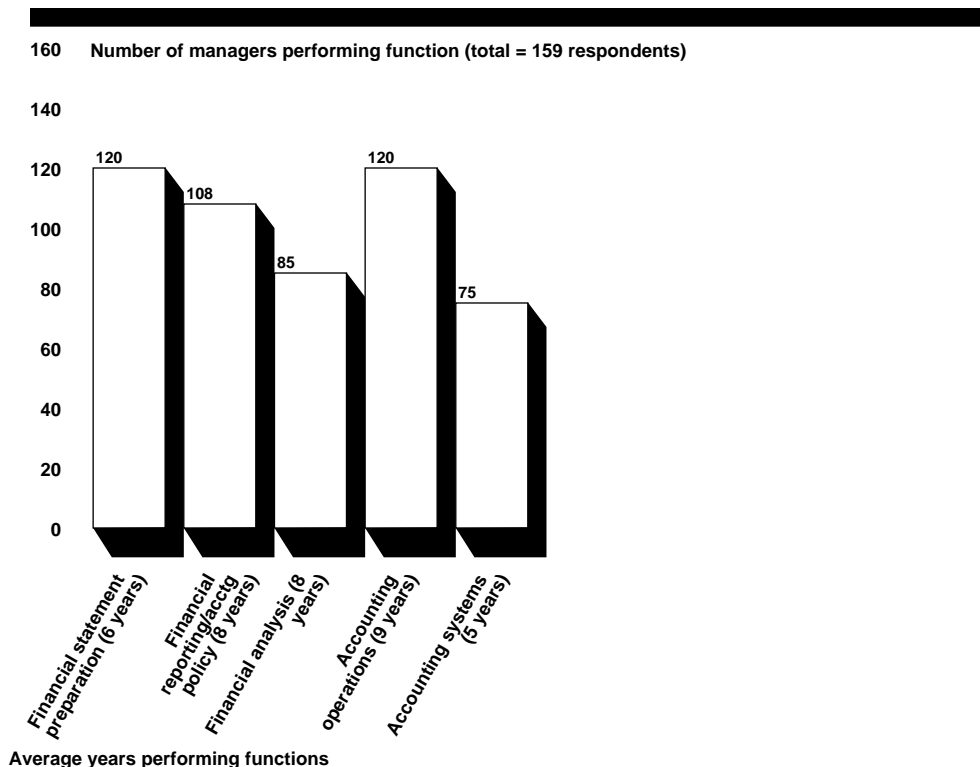


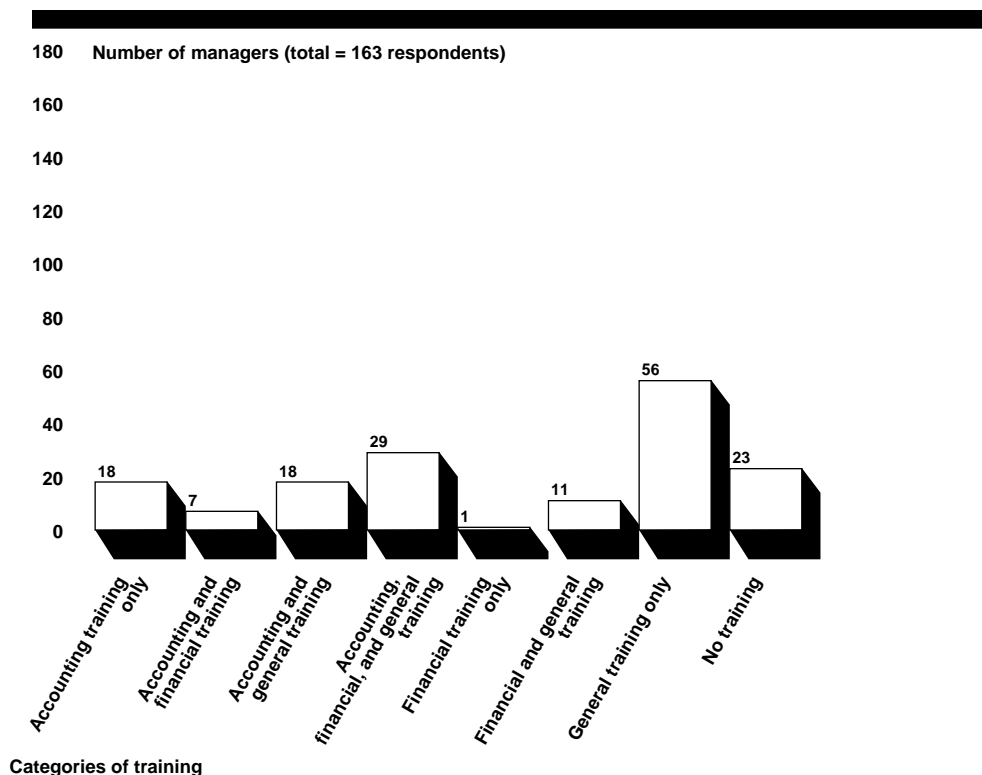
Figure III.4: Experience in Financial Management Functions Reported by DFAS Center Financial Managers—Civilians



### Training Completed During 1995 and 1996

Figure III.5 shows the training reported by the 163 respondents as being completed during 1995 and 1996.

Figure III.5: Training Reported by DFAS Center Financial Managers as Being Completed During 1995 and 1996



A review of the profiles showed

- total receiving accounting-related training: 72 civilians,
- total receiving financial-related training: 48 civilians,
- total receiving training in general topics: 114 (2 military and 112 civilian respondents), and
- total not receiving training: 23 (2 military and 21 civilian respondents).

## Professional Certifications Held

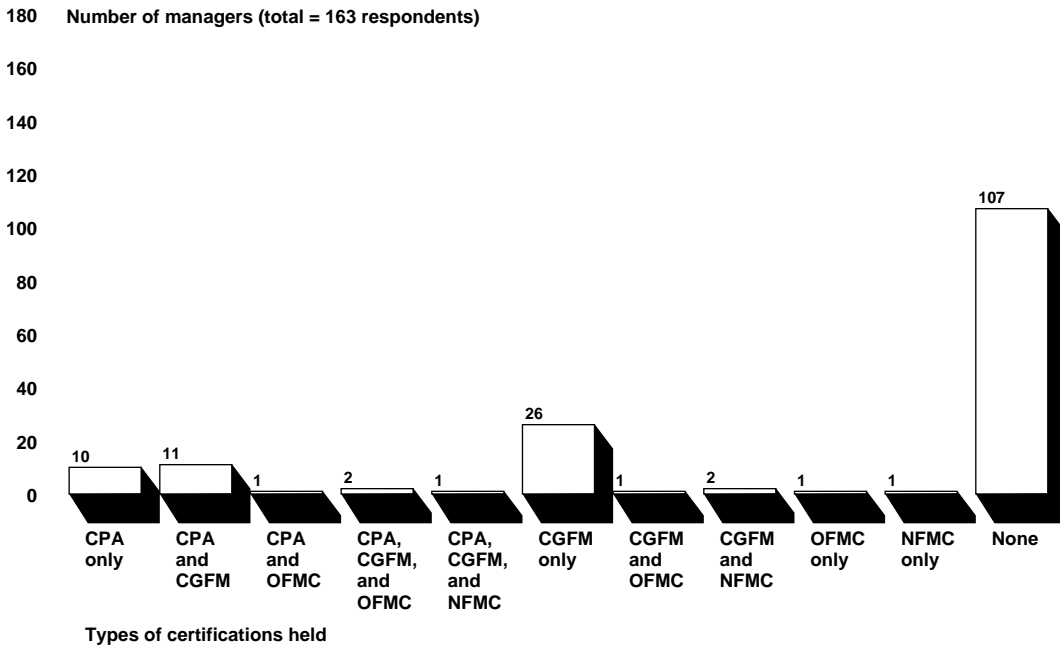
A review of the profiles showed that, of the 56 managers reporting one or more professional certifications,

- 25 civilians were CPAS,
- 43 civilians were CGFMS,
- 5 civilians held other financial management certifications, and
- 4 civilians held nonfinancial management certifications.

**Appendix III  
Profiles of Respondents From DFAS Centers**

Of the 107 managers that did not hold any professional certifications, 4 were military officials and 103 were civilians. Figure III.6 shows the types of professional certifications reported by the DFAS center financial managers.

**Figure III.6: Professional Certifications Reported by DFAS Center Financial Managers**



Legend:

- CPA: Certified Public Accountant
- CGFM: Certified Government Financial Manager
- OFMC: Other financial management certifications
- NFMC: Nonfinancial management certifications

# Profiles of Respondents From DFAS Operating Locations (OPLOCs)

Eighty-five of 146 managers (representing 16 of the 17 OPLOCs) provided information on their qualifications and experience, including 14 directors, 8 principal deputy directors, 18 deputy directors, and 45 division directors. Table IV.1 shows the population and respondents from the accounting and finance organizations at each OPLOC.

**Table IV.1: Population and Respondents From DFAS Operating Locations**

OPLOCs (State)	Accounting operations		Finance operations	
	Population	Respondents	Population	Respondents
Charleston (SC)	4	3	4	3
Dayton (OH)	3	0	3	0
Honolulu (HI)	3	0	3	0
Lawton (OK)	4	4	3	2
Limestone (ME)	3	2	3	2
Norfolk (VA)	4	2	4	2
Oakland (CA)	3	3	3	3
Omaha (NE)	3	2	3	1
Orlando (FL)	3	2	3	2
Pensacola (FL)	4	1	3	1
Rock Island (IL)	3	3	3	0
Rome (NY)	4	4	4	2
San Antonio (TX)	3	2	3	0
San Bernardino (CA)	3	3	3	3
San Diego (CA)	4	1	3	1
Seaside (CA)	3	3	2	2
St. Louis (MO)	5	4	3	0
<b>Total</b>	<b>59</b>	<b>39</b>	<b>53</b>	<b>24</b>

Table IV.2 shows the military and civilian composition of the respondents by rank and grade, respectively.

**Appendix IV  
Profiles of Respondents From DFAS  
Operating Locations (OPLOCs)**

**Table IV.2: Number of Military and Civilian Respondents**

Rank	Military officials		Civilians	
	Number	Grade	Number	Grade
Brigadier General (O-7)	0	Senior Executive	0	
Colonel (O-6)	6	15	16	
Lieutenant Colonel (O-5)	1	14	15	
Major (O-4)	2	13	29	
Captain (O-3)	1	12	11	
First Lieutenant (O-2)	0	11	0	
Second Lieutenant (O-1)	0	9	0	
Master Sergeant (E-7)	1	8	3	
<b>Total</b>	<b>11</b>	<b>Total</b>	<b>74</b>	

## Formal Education Attained

As shown in table IV.3, 72 respondents held bachelor's degrees, with 2 reporting more than one major. The major for 47 of these managers was accounting, while 22 managers reported other business-related majors.

**Table IV.3: Bachelor's Degree Majors Reported by DFAS Operating Location Financial Managers**

Majors	Number of bachelor's degree majors		
	Military officials	Civilians	Total degrees by major
Accounting	4	43	47
Other business	4	18	22
Nonbusiness	3	2	5
<b>Total degrees</b>	<b>11</b>	<b>63</b>	<b>74</b>

As shown in table IV.4, 43 respondents also held master's degrees, with 2 reporting more than one major. The major for 2 of these managers was accounting, while 36 managers reported one or more other business-related majors.

**Table IV.4: Master's Degree Majors Reported by DFAS Operating Location Financial Managers**

Majors	Number of master's degree majors		
	Military officials	Civilians	Total degrees by major
Accounting	0	2	2
Other business	10	28	38
Nonbusiness	1	4	5
<b>Total degrees</b>	<b>11</b>	<b>34</b>	<b>45</b>



---

**Appendix IV**  
**Profiles of Respondents From DFAS**  
**Operating Locations (OPLOCs)**

---

Eighty-four of the 85 respondents reported completing one or more courses in accounting-related subjects, as follows:

- 1-2 subjects: 6 (2 military and 4 civilian respondents),
- 3-5 subjects: 7 (1 military and 6 civilian respondents), and
- 6 or more subjects: 71 (8 military and 63 civilian respondents).

Based solely on a review of their formal education, the 8 military officials and 62 civilians in the latter group appear to have met the requirements to serve in GS-510 accountant positions.

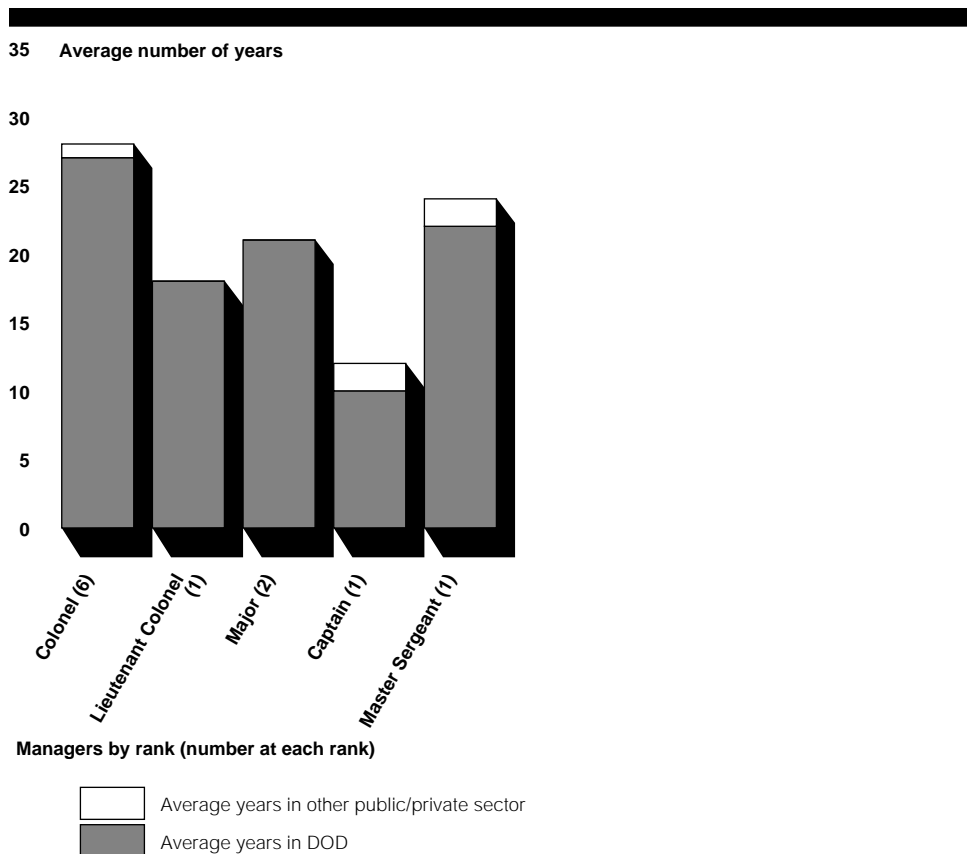
---

## **Professional Work Experience Acquired**

A review of the profiles showed that the average number of years of professional work experience was 24 years for the 11 military officials, with a range of 12 to 33 years, and 25 years for the 74 civilians, with a range of 9 to 38 years. With few exceptions, the respondents had spent most of their careers in DOD. Figures IV.1 and IV.2 show the average number of years of work experience by rank for the military officials and by grade for the civilians, respectively.

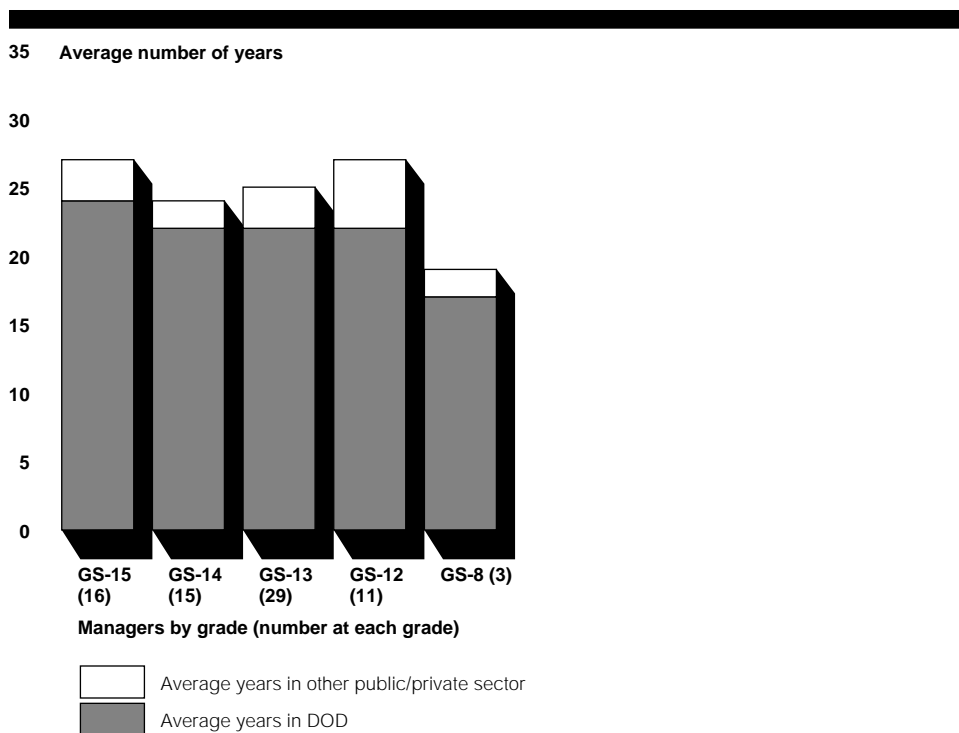
**Appendix IV  
Profiles of Respondents From DFAS  
Operating Locations (OPLOCs)**

**Figure IV.1: Professional Work Experience Reported by DFAS Operating Location Financial Managers—Military Officials**



**Appendix IV  
Profiles of Respondents From DFAS  
Operating Locations (OPLOCs)**

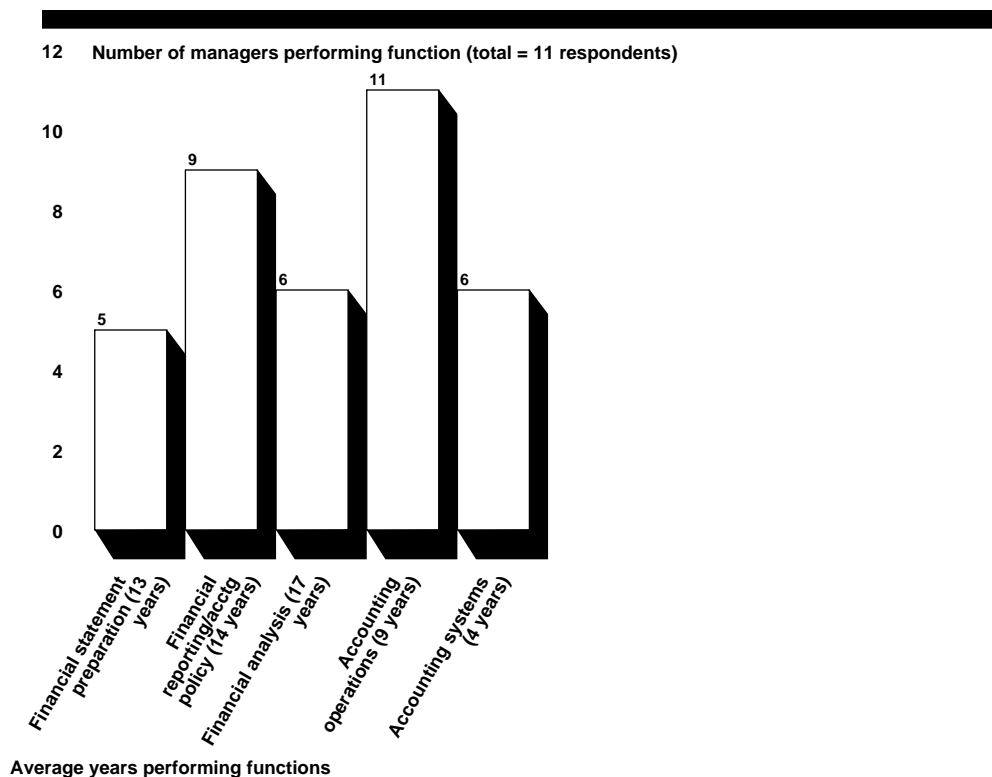
**Figure IV.2: Professional Work Experience Reported by DFAS Operating Location Financial Managers—Civilians**



Figures IV.3 and IV.4 show the number of military and civilian respondents who indicated that they had performed each financial management function previously outlined at sometime during their careers, and the average number of years of experience in each function. A review of the profiles also showed that 6 military officials and 54 civilians had performed three or more of these functions.

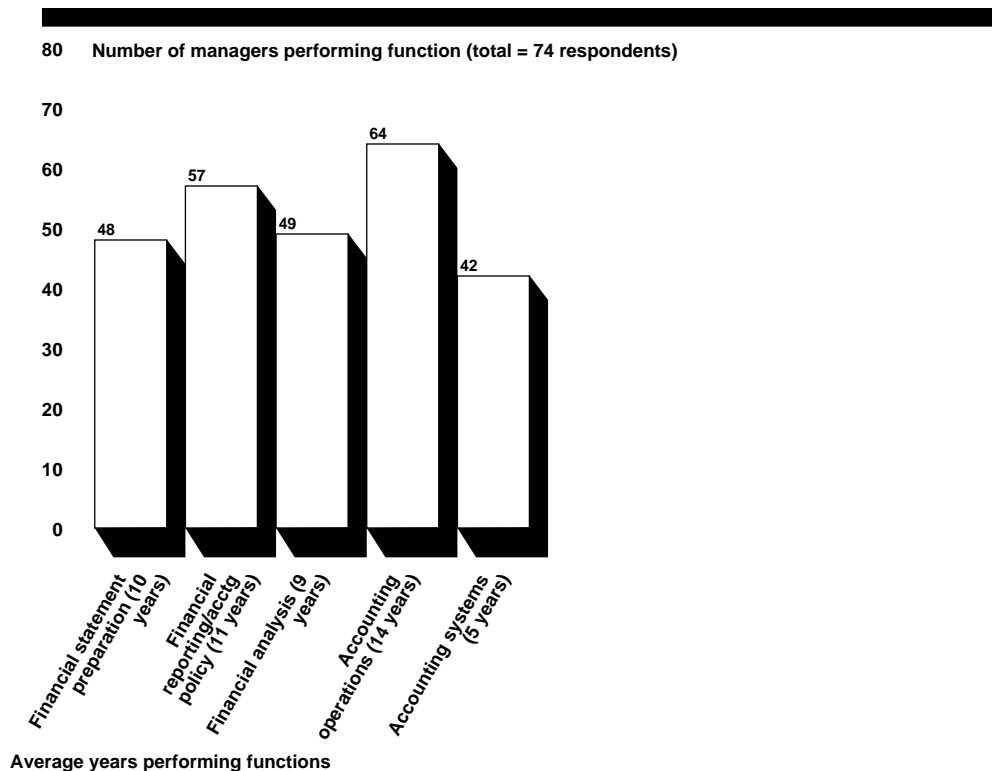
**Appendix IV  
Profiles of Respondents From DFAS  
Operating Locations (OPLOCs)**

**Figure IV.3: Experience in Financial Management Functions Reported by DFAS Operating Location Financial Managers—Military Officials**



**Appendix IV  
Profiles of Respondents From DFAS  
Operating Locations (OPLOCs)**

**Figure IV.4: Experience in Financial Management Functions Reported by DFAS Operating Location Financial Managers—Civilians**

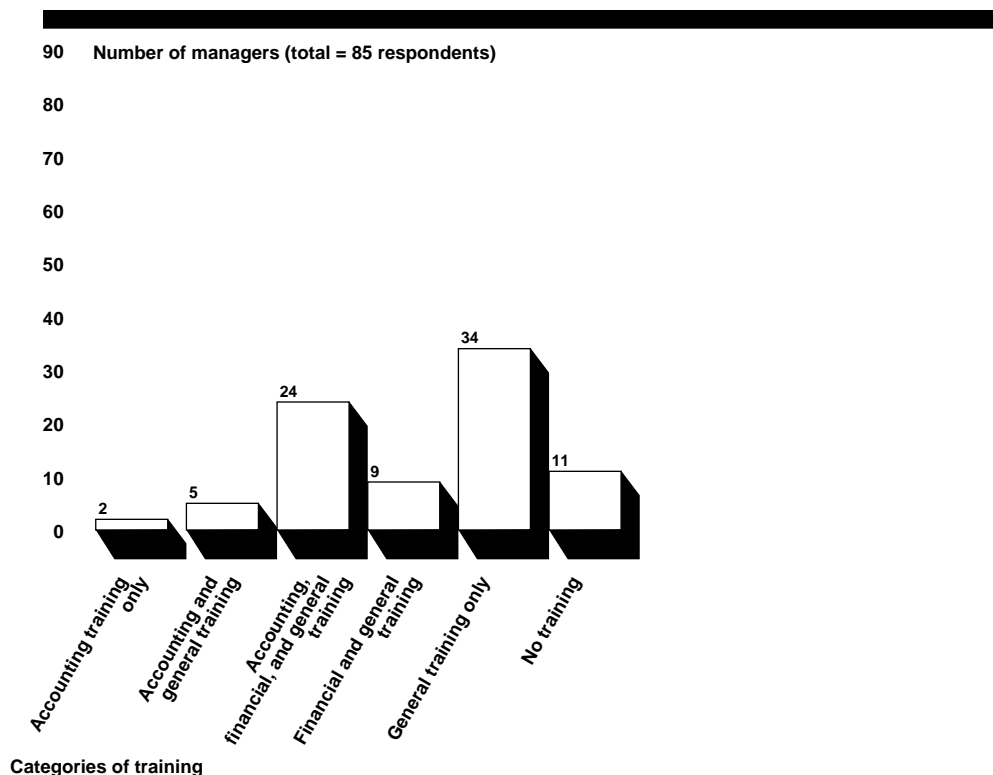


**Training Completed During 1995 and 1996**

Figure IV.5 shows the training reported by the 85 respondents as being completed during 1995 and 1996.

**Appendix IV  
Profiles of Respondents From DFAS  
Operating Locations (OPLOCs)**

**Figure IV.5: Training Reported by DFAS Operating Location Financial Managers as Being Completed During 1995 and 1996**



A review of the profiles showed

- total receiving accounting-related training: 31 (5 military and 26 civilian respondents),
- total receiving financial-related training: 33 (6 military and 27 civilian respondents),
- total receiving training in general topics: 72 (10 military and 62 civilian respondents), and
- total not receiving training: 11 (1 military and 10 civilian respondents).

**Professional  
Certifications Held**

A review of the profiles showed that, of the 25 managers reporting one or more professional certifications,

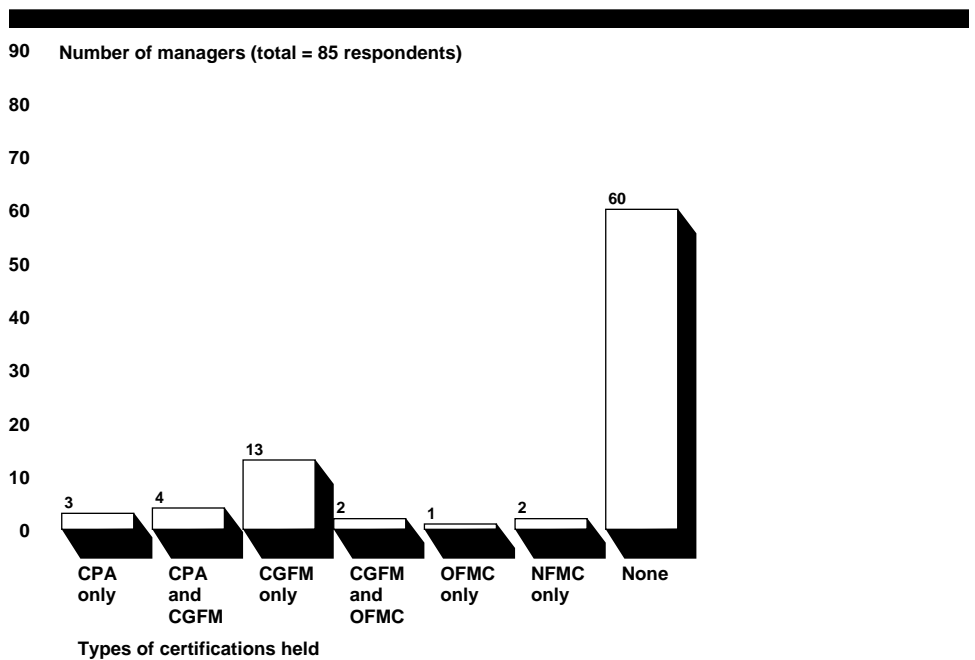
- 7 were CPAS (1 military and 6 civilian respondents),
- 19 were CGFMS (3 military and 16 civilian respondents),

**Appendix IV  
Profiles of Respondents From DFAS  
Operating Locations (OPLOCs)**

- 3 civilians held other financial management certifications, and
- 2 civilians held nonfinancial management certifications.

Of the 60 managers that did not hold professional certifications, 7 were military officials and 53 were civilians. Figure IV.6 shows the types of professional certifications reported by the DFAS OPLOC financial managers.

**Figure IV.6: Professional Certifications Reported by DFAS Operating Location Financial Managers**



Legend:

CPA: Certified Public Accountant  
 CGFM: Certified Government Financial Manager  
 OFMC: Other financial management certifications  
 NFMC: Nonfinancial management certifications

# Profiles of Respondents Involved in DFAS Accounting Operations

Included in our review were 251 managers involved in accounting operations at DFAS headquarters, centers, and OPLOCS. Of these 251 managers, 152 provided information on their qualifications and experience. These 152 respondents included 14 deputy/assistant deputy directors, 53 directorate/division directors, 14 branch chiefs, and 71 CFO statement staff. Table V.1 provides the rank of the 1 military official and grades of the 151 civilians.

**Table V.1: Number of Military and Civilian Respondents**

Rank	Military officials		Civilians	
	Number	Grade	Number	Number
Brigadier General (O-7)	0	Senior Executive		0
Colonel (O-6)	0	15		15
Lieutenant Colonel (O-5)	0	14		22
Major (O-4)	1	13		45
Captain (O-3)	0	12		48
First Lieutenant (O-2)	0	11		10
Second Lieutenant (O-1)	0	9		9
Other	0	7		2
<b>Total</b>	<b>1</b>	<b>Total</b>		<b>151</b>

## Formal Education Attained

As shown in table V.2, 137 of the 152 respondents held bachelor's degrees, with 9 reporting more than one major. One hundred eight managers majored in accounting, while 23 managers reported one or more other business-related majors.

**Table V.2: Bachelor's Degree Majors Reported by Managers of DFAS Accounting Operations**

Majors	Number of bachelor's degree majors		
	Military officials	Civilians	Total degrees by major
Accounting	0	108	108
Other business	1	23	24
Nonbusiness	0	14	14
<b>Total degrees</b>	<b>1</b>	<b>145</b>	<b>146</b>

As shown in table V.3, 51 respondents also held master's degrees, with 1 reporting more than one major. Ten of these managers reported one or more accounting or accounting-related majors and 31 managers reported other business-related majors.



**Appendix V  
Profiles of Respondents Involved in DFAS  
Accounting Operations**

**Table V.3: Master's Degree Majors  
Reported by Managers of DFAS  
Accounting Operations**

Majors	Number of master's degree majors		Total degrees by major
	Military officials	Civilians	
Accounting	0	11	11
Other business	1	30	31
Nonbusiness	0	10	10
<b>Total degrees</b>	<b>1</b>	<b>51</b>	<b>52</b>

One hundred fifty of the 152 respondents reported completing three or more courses in accounting-related subjects, as follows:

- 3-5 subjects: 6 civilians and
- 6 or more subjects: 144 (1 military and 143 civilian respondents).

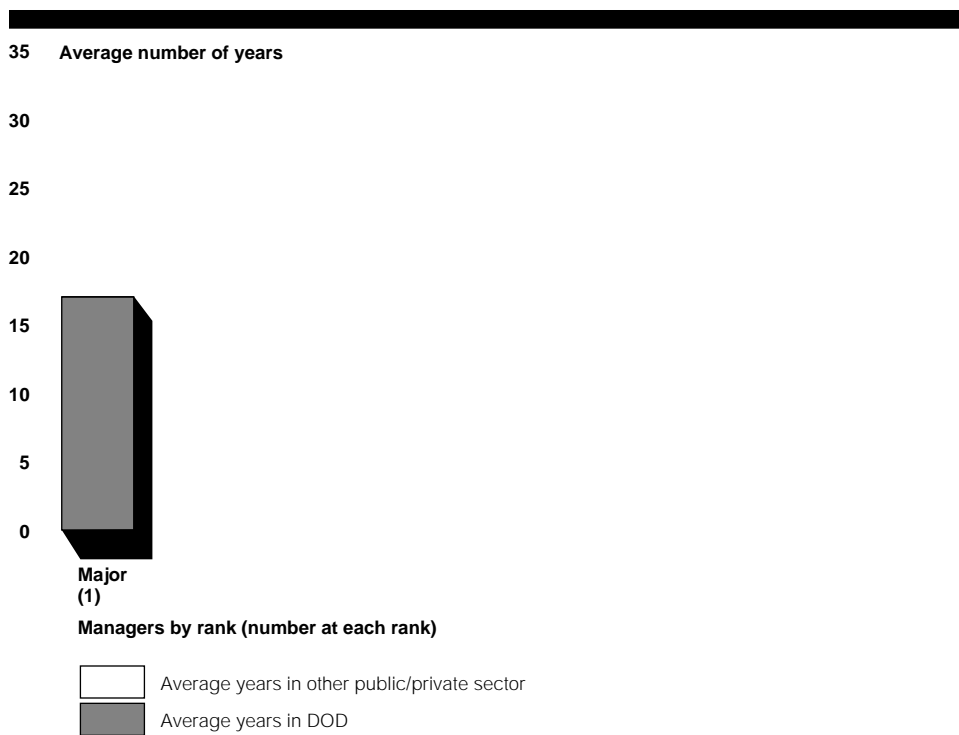
Based solely on a review of their formal education, the military official and 142 civilians in the latter group appear to have met the requirements to serve in GS-510 accountant positions.

**Professional Work  
Experience Acquired**

A review of the profiles showed that the military official had 17 years with DOD; the average number of years of professional work experience was 21 for the 151 civilians, with a range of 1 to 41 years. Approximately 80 percent of the respondents had spent most of their careers in DOD. Figures V.1 and V.2 show the average number of years of work experience by rank for the military official and by grade for the civilians, respectively.

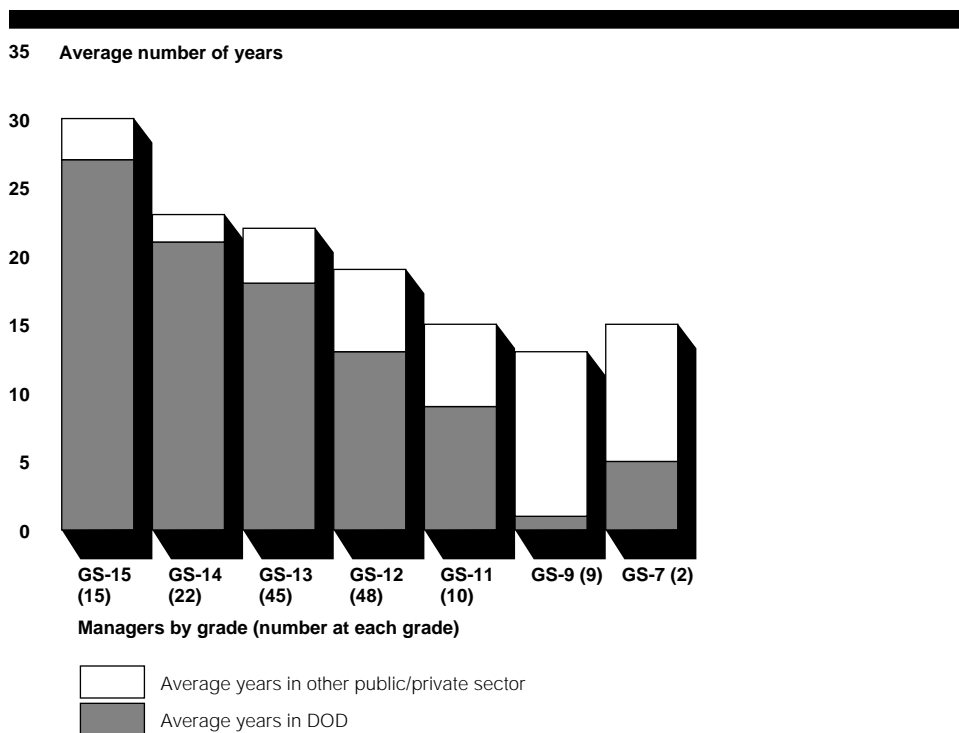
**Appendix V  
Profiles of Respondents Involved in DFAS  
Accounting Operations**

**Figure V.1: Professional Work  
Experience Reported by Managers of  
DFAS Accounting Operations—Military  
Officials**



**Appendix V  
Profiles of Respondents Involved in DFAS  
Accounting Operations**

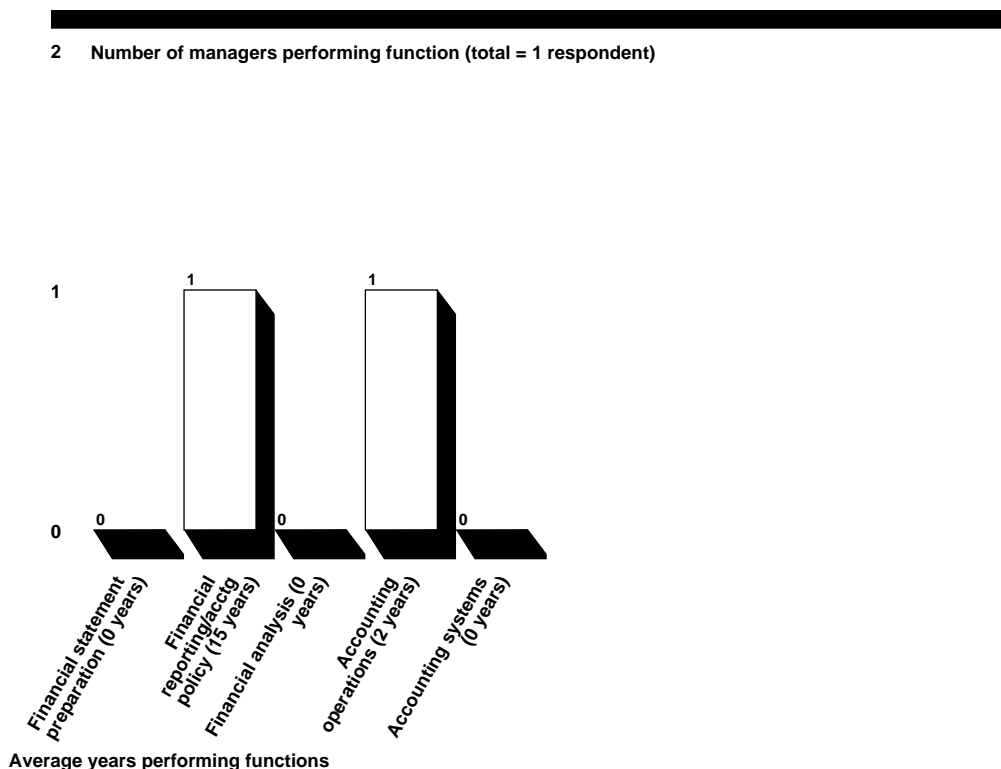
**Figure V.2: Professional Work Experience Reported by Managers of DFAS Accounting Operations—Civilians**



Figures V.3 and V.4 show the number of military and civilian respondents who indicated that they had performed each financial management function previously outlined at sometime during their careers, and the average number of years of experience in each function. A review of the profiles also showed that 111 civilians had performed three or more of these functions.

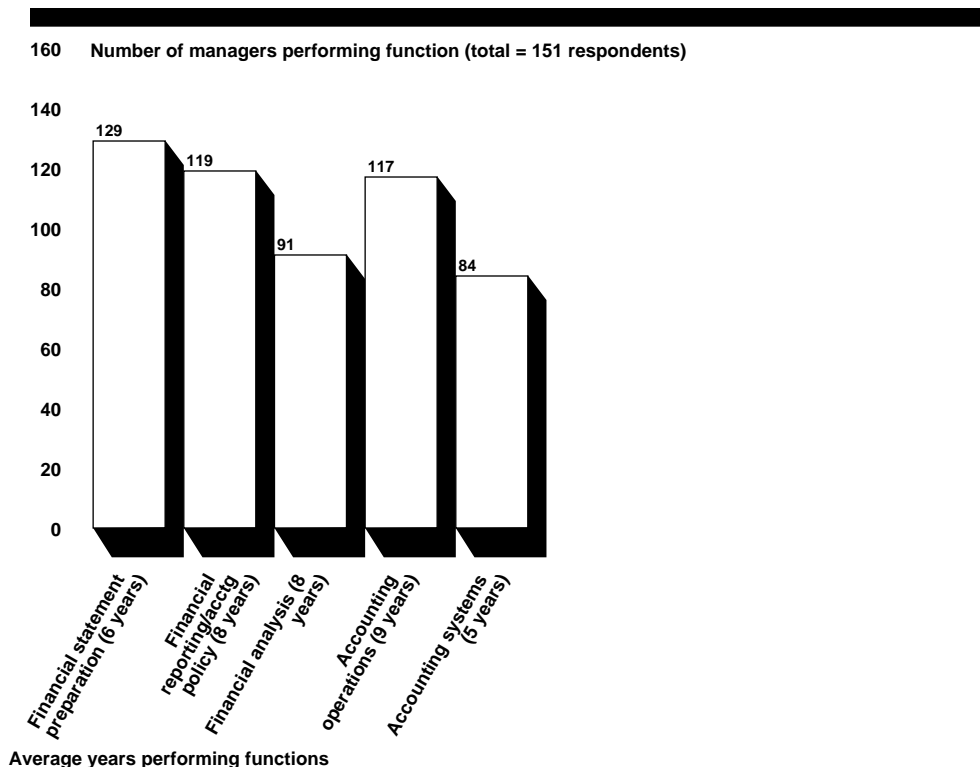
**Appendix V  
Profiles of Respondents Involved in DFAS  
Accounting Operations**

**Figure V.3: Experience in Financial Management Functions Reported by Managers of DFAS Accounting Operations—Military Officials**



**Appendix V  
Profiles of Respondents Involved in DFAS  
Accounting Operations**

**Figure V.4: Experience in Financial Management Functions Reported by Managers of DFAS Accounting Operations—Civilians**

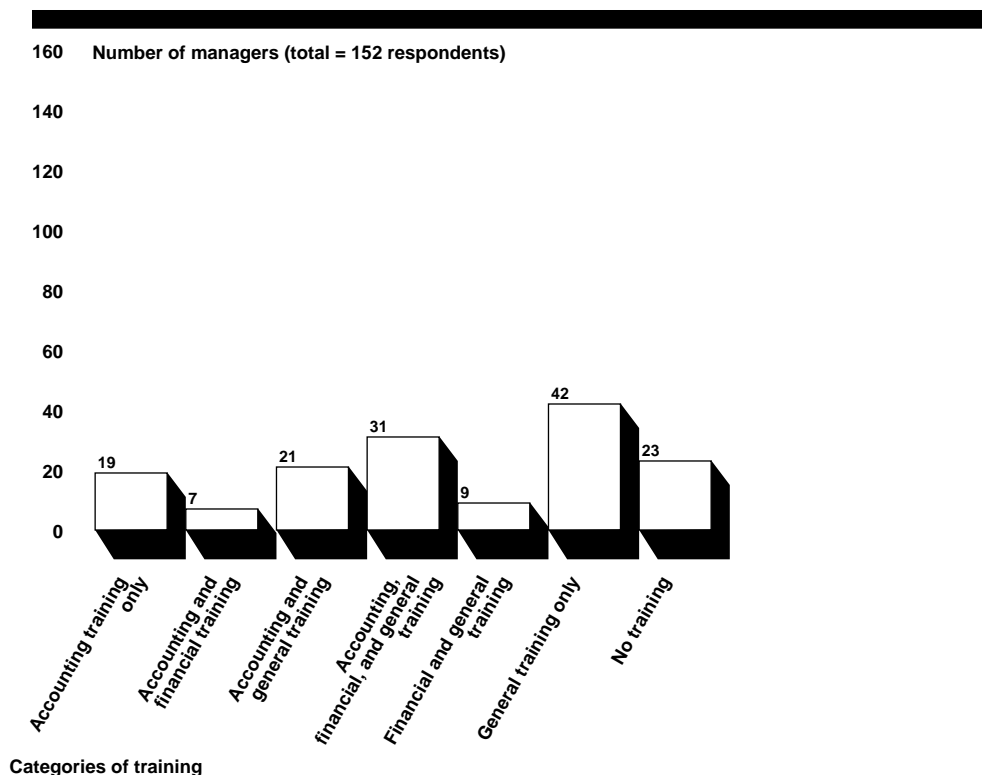


**Training Completed During 1995 and 1996**

Figure V.5 shows the training reported by the 152 respondents as being completed during 1995 and 1996.

**Appendix V  
Profiles of Respondents Involved in DFAS  
Accounting Operations**

**Figure V.5: Training Reported by Managers of DFAS Accounting Operations as Being Completed During 1995 and 1996**



A review of the profiles showed

- total receiving accounting-related training: 78 civilians,
- total receiving financial-related training: 47 civilians,
- total receiving training in general topics: 103 (1 military and 102 civilian respondents), and
- total not receiving training: 23 civilians.

**Professional Certifications Held**

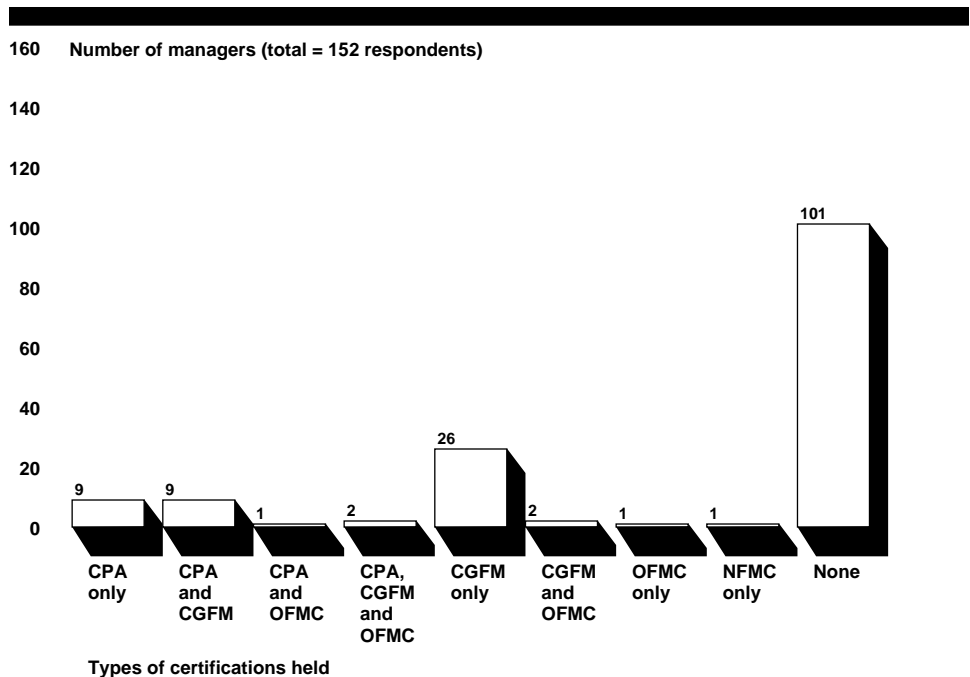
A review of the profiles showed that, of the 51 managers holding one or more professional certifications,

- 21 civilians were CPAs,
- 39 were CGFMS (1 military and 38 civilian respondents),
- 6 civilians held other financial management certifications, and
- 1 civilian held a nonfinancial management certification.

**Appendix V  
Profiles of Respondents Involved in DFAS  
Accounting Operations**

The 101 managers that did not hold any professional certifications were civilians. Figure V.6 shows the types of professional certifications reported by managers of DFAS accounting operations.

**Figure V.6: Professional Certifications Reported by Managers of DFAS Accounting Operations**



Legend:

- CPA: Certified Public Accountant
- CGFM: Certified Government Financial Manager
- OFMC: Other financial management certifications
- NFMC: Nonfinancial management certifications

# Profiles of Respondents Involved in DFAS Finance Operations

Included in our review were 281 managers involved in finance operations at DFAS headquarters, 5 centers, and 17 OPLOCS. Of these 281 managers, 84 provided information on their qualifications and experience. These 84 respondents included 13 deputy and assistant deputy directors, 45 directorate/division directors, and 26 branch chiefs. Table VI.1 provides the ranks of the 8 military officials and grades of the 76 civilians.

**Table VI.1: Number of Military and Civilian Respondents**

Rank	Military officials		Civilians	
	Number	Grade	Number	Number
Brigadier General (O-7)	0	Senior Executive	1	
Colonel (O-6)	2	15	8	
Lieutenant Colonel (O-5)	1	14	12	
Major (O-4)	1	13	20	
Captain (O-3)	2	12	17	
First Lieutenant (O-2)	0	11	4	
Second Lieutenant (O-1)	0	9	1	
Chief Warrant Officer (CWO-4), Master Sergeant (E-7)	2	6,7,8	13	
<b>Total</b>	<b>8</b>	<b>Total</b>	<b>76</b>	

## Formal Education Attained

As shown in table VI.2, 49 of the 84 respondents held bachelor's degrees, with 1 reporting more than one major. Twenty-eight managers majored in accounting, while 17 managers reported other business-related majors.

**Table VI.2: Bachelor's Degree Majors Reported by Managers of DFAS Finance Operations**

Majors	Number of bachelor's degree majors		
	Military officials	Civilians	Total degrees by major
Accounting	2	26	28
Other business	4	13	17
Nonbusiness	1	4	5
<b>Total degrees</b>	<b>7</b>	<b>43</b>	<b>50</b>

As shown in table VI.3, 27 respondents also held master's degrees, with 1 reporting more than one major. The major for 2 of these managers was accounting, while 23 reported one or more other business-related majors.



**Appendix VI  
Profiles of Respondents Involved in DFAS  
Finance Operations**

**Table VI.3: Master’s Degree Majors  
Reported by Managers of DFAS  
Finance Operations**

Majors	Number of master’s degree majors		Total degrees by major
	Military officials	Civilians	
Accounting	0	2	2
Other business	5	19	24
Nonbusiness	0	2	2
<b>Total degrees</b>	<b>5</b>	<b>23</b>	<b>28</b>

Seventy-three respondents reported completing one or more courses in accounting-related subjects, as follows:

- 1-2 subjects: 9 (1 military and 8 civilian respondents),
- 3-5 subjects: 13 (3 military and 10 civilian respondents), and
- 6 or more subjects: 51 (3 military and 48 civilian respondents).

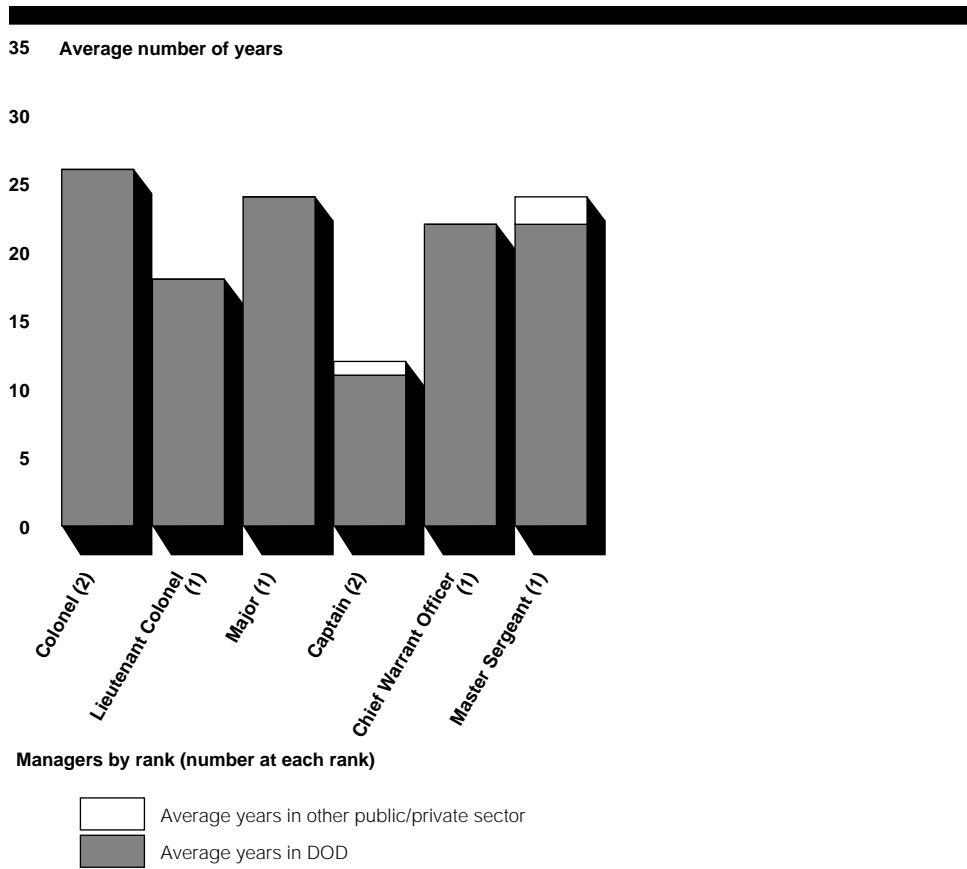
Based solely on a review of their formal education, the 3 military officials and 43 civilians in the latter group appear to have met the requirements to serve in GS-510 accountant positions.

**Professional Work  
Experience Acquired**

A review of the profiles showed that the average number of years of professional work experience was 20 years for the 8 military officials, with a range of 11 to 27 years, and 25 years for the 76 civilians, with a range of 7 to 43 years. With few exceptions, the respondents had spent most of their careers in DOD. Figures VI.1 and VI.2 show the average number of years of work experience by rank for the military officials and by grade for the civilians, respectively.

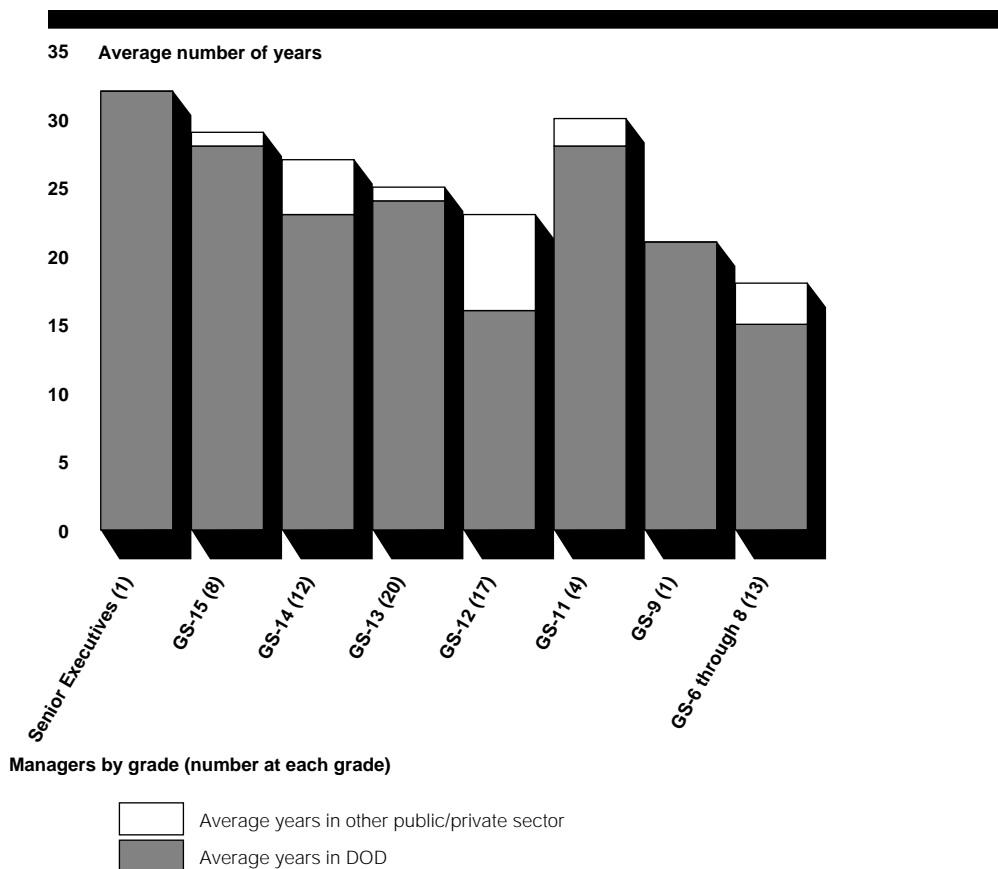
**Appendix VI  
Profiles of Respondents Involved in DFAS  
Finance Operations**

**Figure VI.1: Professional Work Experience Reported by Managers of DFAS Finance Operations—Military Officials**



**Appendix VI  
Profiles of Respondents Involved in DFAS  
Finance Operations**

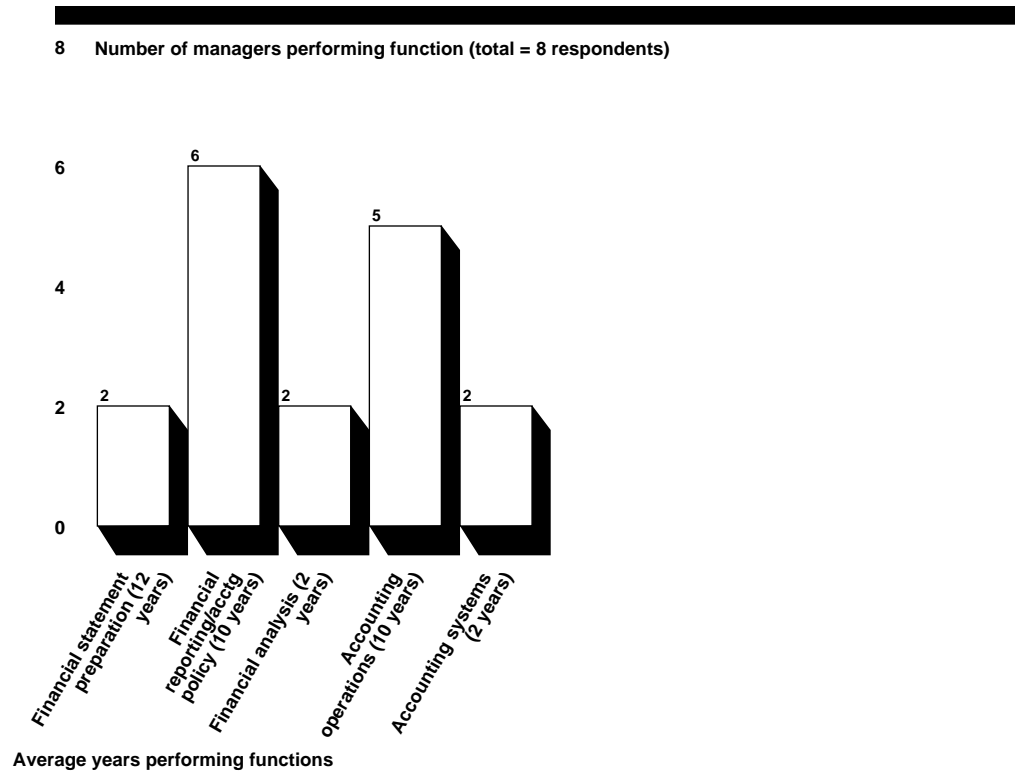
**Figure VI.2: Professional Work Experience Reported by Managers of DFAS Finance Operations—Civilians**



Figures VI.3 and VI.4 show the number of military and civilian respondents who indicated that they had performed each financial management function previously outlined at sometime during their careers, and the average number of years of experience in each function. A review of the profiles also showed that 2 military and 44 civilian respondents had performed three or more of these functions.

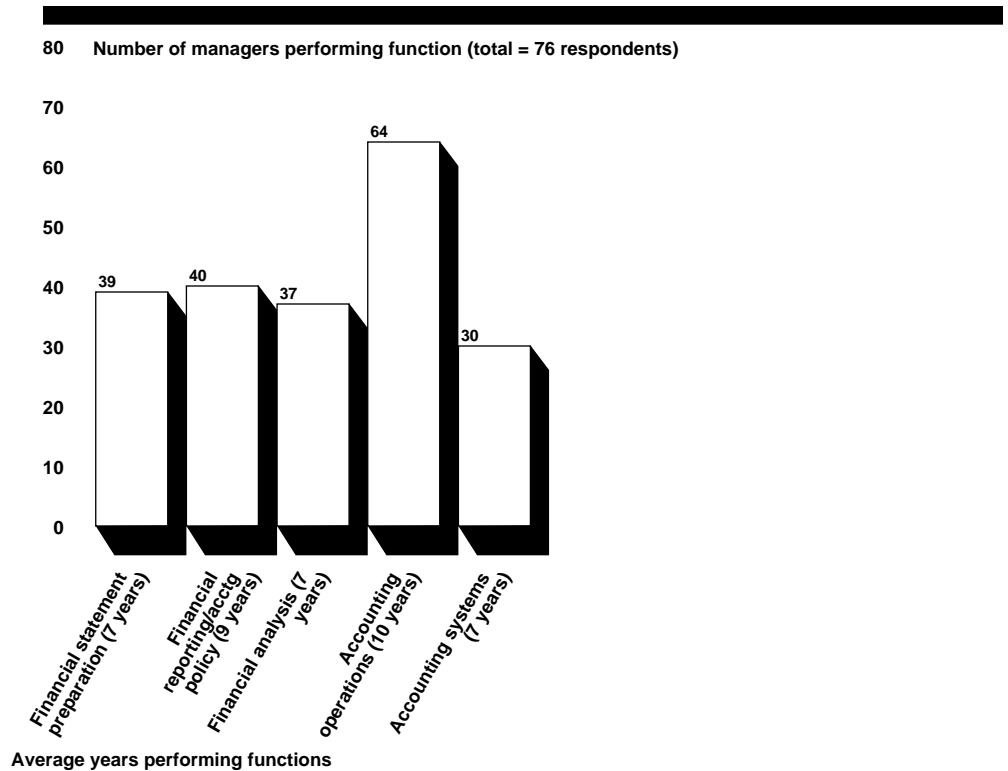
**Appendix VI  
Profiles of Respondents Involved in DFAS  
Finance Operations**

**Figure VI.3: Experience in Financial Management Functions Reported by Managers of DFAS Finance Operations—Military Officials**



**Appendix VI  
Profiles of Respondents Involved in DFAS  
Finance Operations**

**Figure VI.4: Experience in Financial Management Functions Reported by Managers of DFAS Finance Operations—Civilians**

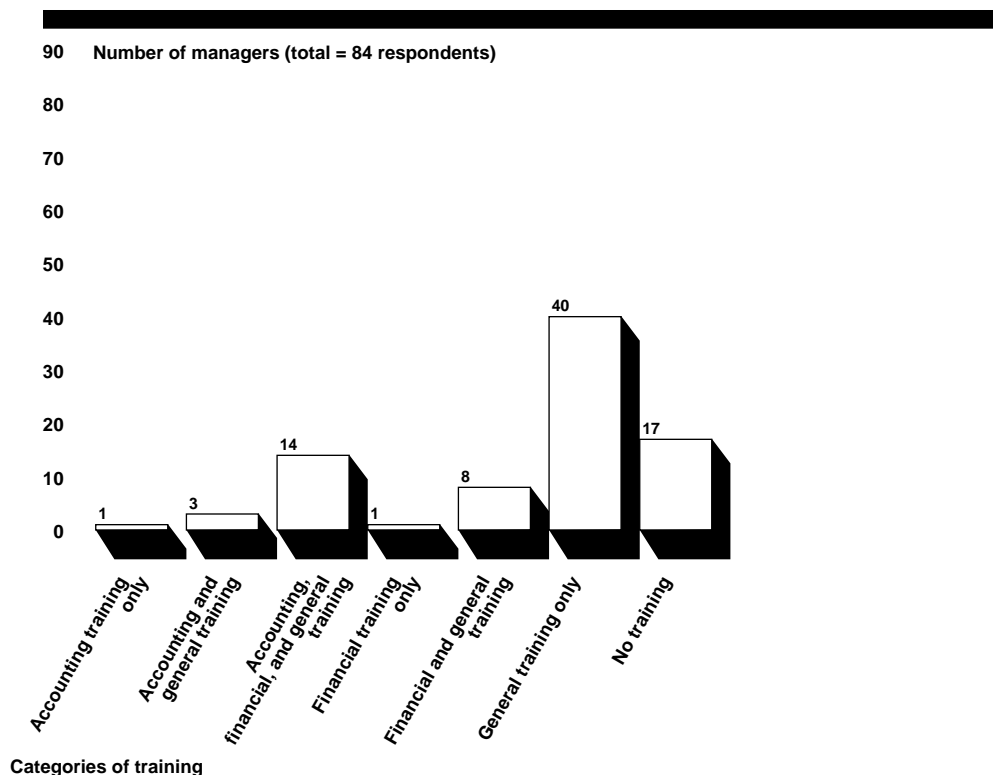


**Training Completed During 1995 and 1996**

Figure VI.5 shows the training reported by the 84 respondents as being completed during 1995 and 1996.

**Appendix VI  
Profiles of Respondents Involved in DFAS  
Finance Operations**

**Figure VI.5: Training Reported by Managers of DFAS Finance Operations as Being Completed During 1995 and 1996**



A review of the profiles showed

- total receiving accounting-related training: 18 (1 military and 17 civilian respondents),
- total receiving financial-related training: 23 (1 military and 22 civilian respondents),
- total receiving training in general topics: 65 (5 military and 60 civilian respondents), and
- total not receiving training: 17 (3 military and 14 civilian respondents).

**Professional  
Certifications Held**

A review of the profiles showed that, of the 16 managers holding one or more professional certifications,

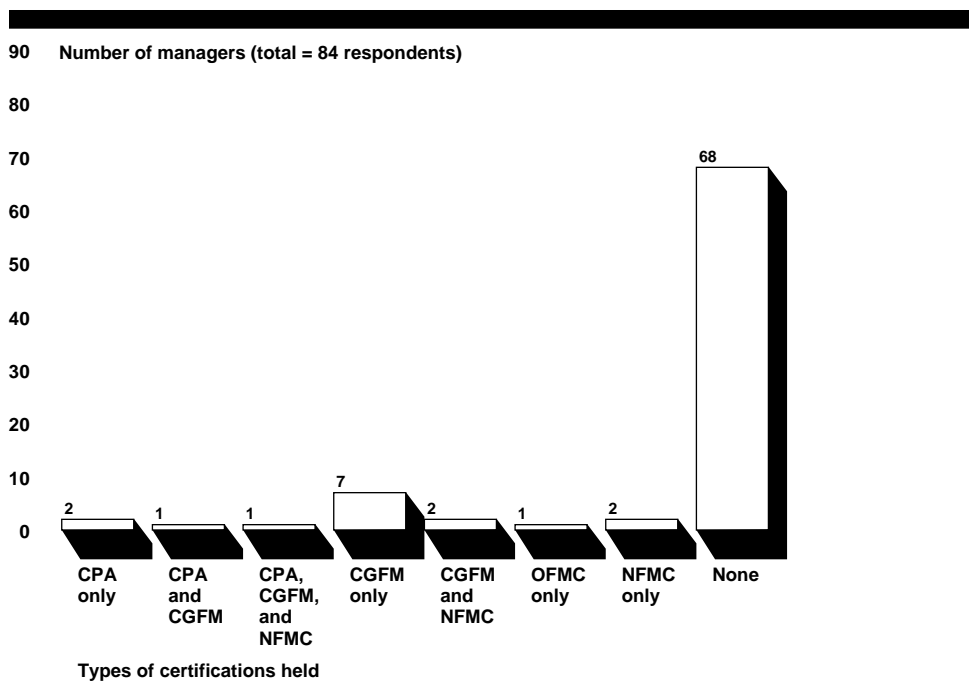
- 4 civilians were CPAs,
- 11 civilians were CGFMS,

**Appendix VI  
Profiles of Respondents Involved in DFAS  
Finance Operations**

- 1 civilian held an other financial management certification, and
- 5 civilians held nonfinancial management certifications.

Of the 68 managers that did not hold any professional certifications, 8 were military officials and 60 were civilians. Figure VI.6 shows the types of professional certifications reported by managers of DFAS finance operations.

**Figure VI.6: Professional Certifications Reported by Managers of DFAS Finance Operations**



Legend:

CPA: Certified Public Accountant  
 CGFM: Certified Government Financial Manager  
 OFMC: Other financial management certifications  
 NFMC: Nonfinancial management certifications

# Comments From the Defense Finance and Accounting Service



## DEFENSE FINANCE AND ACCOUNTING SERVICE

1931 JEFFERSON DAVIS HIGHWAY  
ARLINGTON, VA 22240-5291

MAY 5 1998

Mr. Gene Dodaro  
Assistant Comptroller General  
Accounting and Information Management Division  
U.S. General Accounting Office  
Washington, D.C. 20548

Dear Mr. Dodaro:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) draft report "Financial Management: Profile of Defense Finance and Accounting Service Financial Managers," dated April 27, 1998 (GAO Code 918910/OSD Case 1599).

DoD generally agrees with the content of the draft and appreciates your office sharing the results of your review. The information will be a useful benchmark in setting goals for the Defense Finance and Accounting Service career development programs.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary W. Amlin".

Gary W. Amlin  
Director



# Major Contributors to This Report

---

Accounting and  
Information  
Management Division,  
Washington, D.C.

George H. Stalcup, Associate Director  
Geoffrey B. Frank, Assistant Director  
Robert L. Self, Project Manager  
Dennis B. Fauber, Evaluator-in-Charge  
Linda J. Brigham, Senior Auditor  
Patricia A. Summers, Senior Auditor  
Francine M. DeVecchio, Communications Analyst  
Michelle A. Howard, Intern

---

## Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. VISA and MasterCard credit cards are accepted, also. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

### Orders by mail:

U.S. General Accounting Office  
P.O. Box 37050  
Washington, DC 20013

### or visit:

Room 1100  
700 4th St. NW (corner of 4th and G Sts. NW)  
U.S. General Accounting Office  
Washington, DC

Orders may also be placed by calling (202) 512-6000 or by using fax number (202) 512-6061, or TDD (202) 512-2537.

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (202) 512-6000 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

For information on how to access GAO reports on the INTERNET, send an e-mail message with "info" in the body to:

[info@www.gao.gov](mailto:info@www.gao.gov)

or visit GAO's World Wide Web Home Page at:

<http://www.gao.gov>

---

**United States  
General Accounting Office  
Washington, D.C. 20548-0001**

**Bulk Rate  
Postage & Fees Paid  
GAO  
Permit No. G100**

**Official Business  
Penalty for Private Use \$300**

**Address Correction Requested**

---

