

Association of Military  
Comptrollers – PDI

Session #34 Reducing  
Undelivered Orders

May 29, 2014

# Today's Panel

## ULO Reduction and Funds Recovery

- **Patricia Bourbeau**

*Principal Deputy Comptroller/Chief Financial Officer for the Missile Defense Agency*

- Ms. Bourbeau has 26 years of Government civilian service and is a Certified Defense Financial Manager with DAWIA Level III Certification in both Program Management & Business Cost.

- **Doug Bennett**

*Assistant Secretary for Financial Operations, Office of the Assistant Secretary for Financial Management and Comptroller*

- Mr. Bennet is the principal advisor to the Assistant Secretary and Air Force senior staff for all issues involving the amended Chief Financial Officers Act of 1990, and the related financial management reforms.

- **Jason Collins**

*Deloitte & Touche LLP, Federal Financial Manager*

- Mr. Collins served in the United States Coast Guard for 20 years and is an experienced federal financial manager, a Certified Public Accountant and a Certified Governmental Financial Manager.

- **Moderator: Robert Gramss**

*Deloitte & Touche LLP, Federal Risk Analytics Leader*

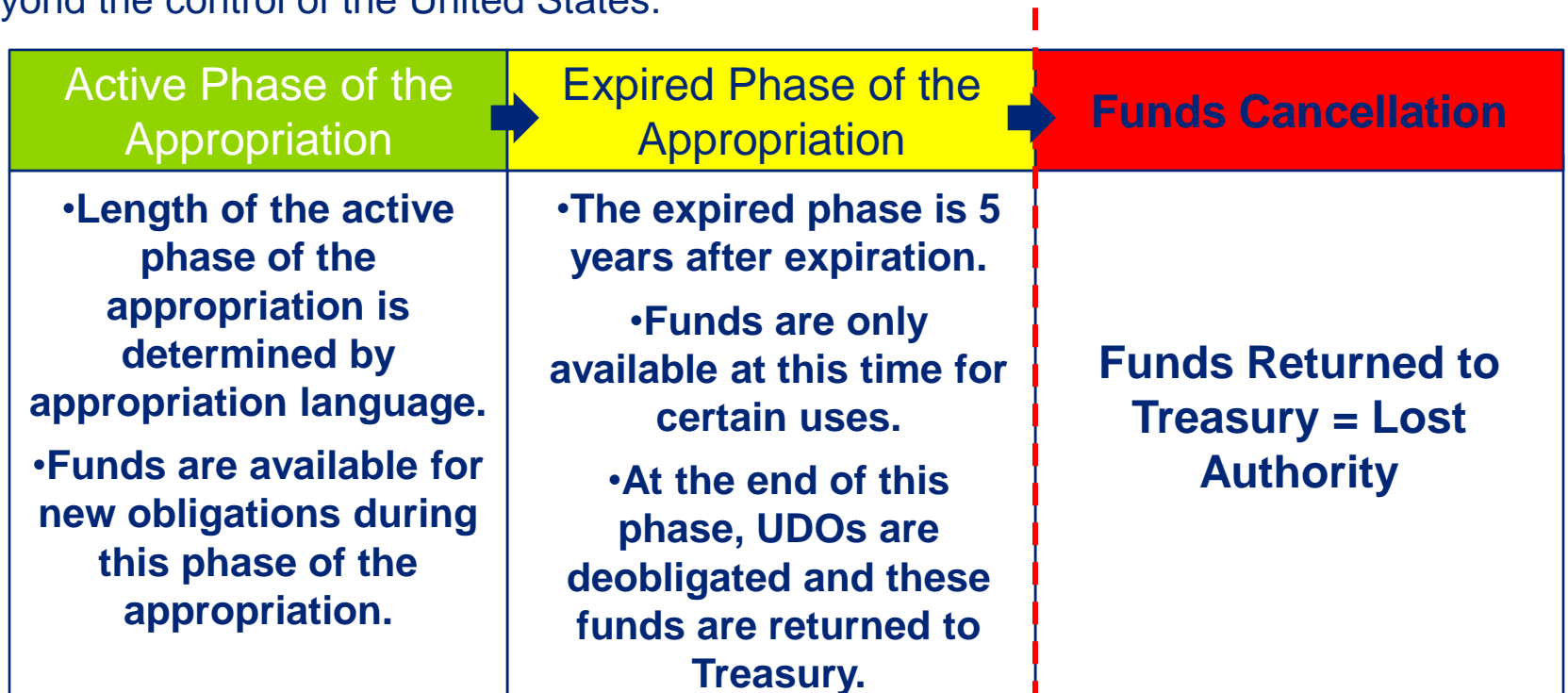
- Mr. Gramss is a principal with Deloitte & Touche, specializing in Federal Risk Analytics, and primarily serves clients in the Defense and Homeland Security arena.

# What is a UDO/ULO?

## ULO Reduction and Funds Recovery

Funds are provided to agencies via **Appropriation Legislation**. Appropriations provide **budget authority** which **allows organizations to enter into obligations** to purchase items such as goods or services (within the constraints of the appropriation language).

**Obligation** – a definite commitment that creates a legal liability of the government for the payment of goods and services ordered or received, or a legal duty on the part of the United States that could mature into a legal liability by virtue of actions on the part of the other party beyond the control of the United States.

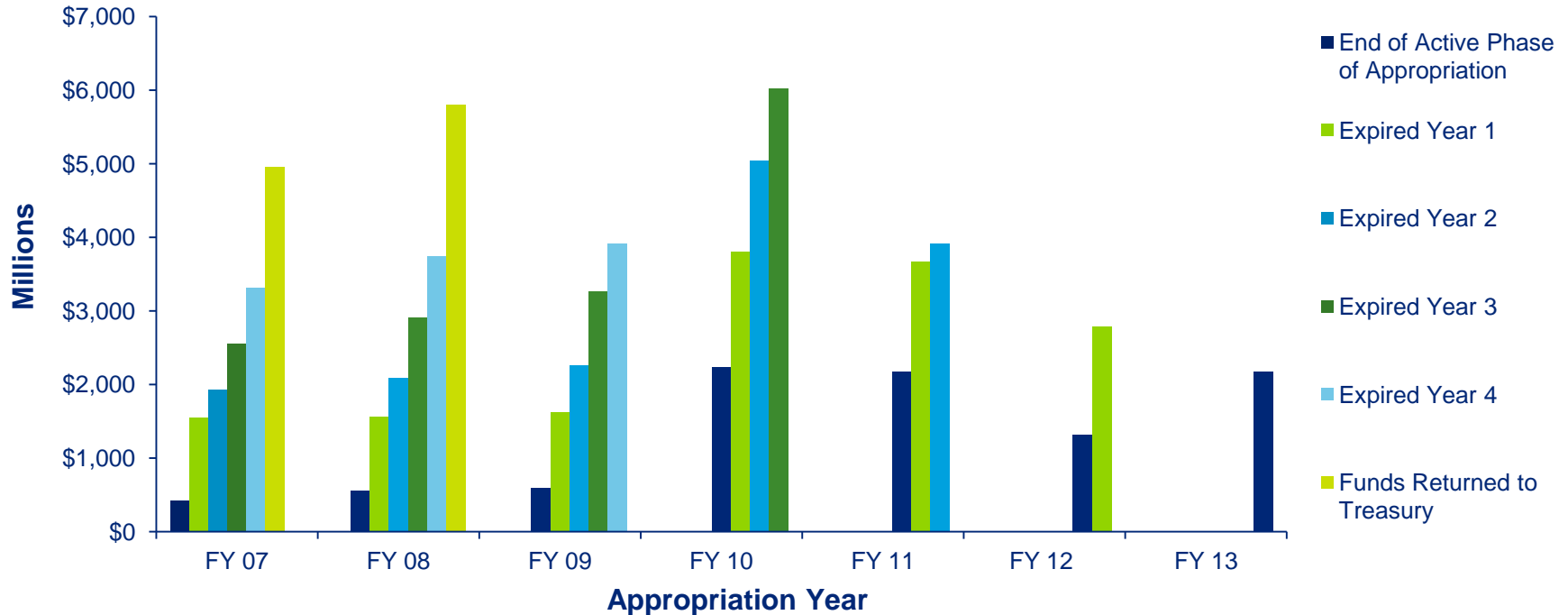


# ULO Issues in the Department of Defense

## ULO Reduction and Funds Recovery

FY 07 - FY 13 Appropriations O&M - All Accounts: 007-10-XXXX

Year-End Unobligated Balances



**Notes:**

+) SF 133s contain two useful levels of data granularity: **budget account** and **appropriation**. In a given fiscal year, a typical budget account may have **unexpired** and **expired** appropriations.

+) The data displayed in the above chart is represented in SF133 lines 1029, 2201 and 2403 (Source: <https://max.omb.gov/>), and includes only one year appropriations.

# DOD/IG Quotes

## ULO Reduction and Funds Recovery

- **\$23.4 Billion** recovered from prior year unpaid obligations for the Department of Defense (DoD), Operation and Maintenance (O&M) Account in FY 2012 (FY12 SF-133, Account 007-10-).
- **\$5.66 Billion** returned to Treasury from the DoD, O&M Account in FY 2012 (FY12 SF-133, Account 007-10).
- **\$20 Billion** of Sequestration cuts to Operation and Maintenance Accounts for the DoD in 2013 (14 May 2013 Secretary of Defense Memorandum).
- **97.87%** of sampled ULOs without adequate documentation or reviews. Obligations should be reviewed for accuracy three times each year as described in DoD FMR 7000.14-R (DoD IG Report No. D-2010-073).

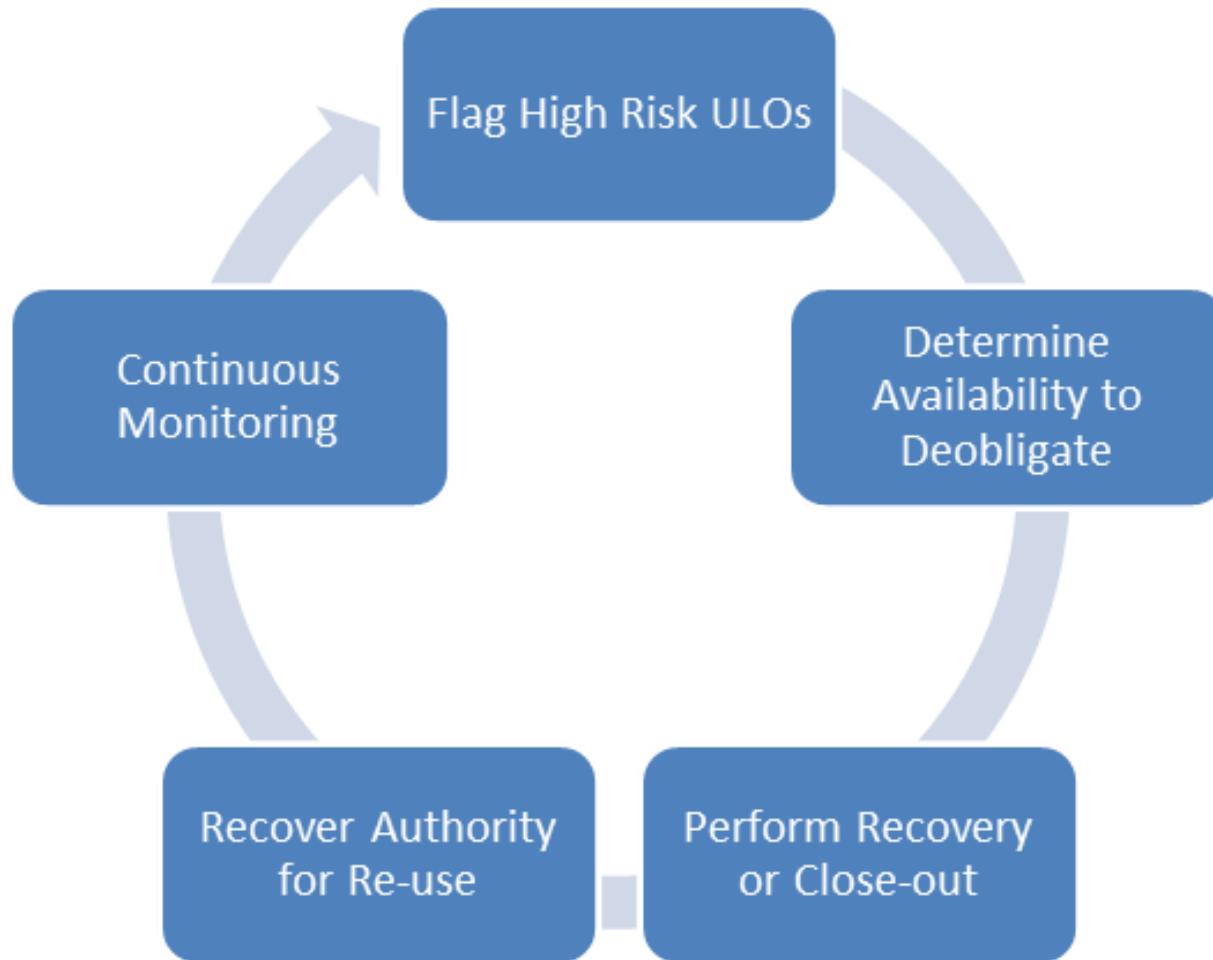
# Questions and Answers

## ULO Reduction and Funds Recovery



# ULO Reduction and Funds Recovery Maturity Model

## ULO Reduction and Funds Recovery





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