

Congress of the United States
Washington, DC 20515

February 4, 2014

The Honorable John M. McHugh
Secretary of the Army
1400 Defense Pentagon
Washington, D.C. 20301-1400

Dear Secretary McHugh,

We write to you to request additional information regarding an Army proposal that we understand could lead to a restructuring of the role and responsibility of the Defense Finance and Accounting Service (DFAS). While we understand that this analysis is in the early stages, let us be clear: we strongly oppose any effort to transfer or reduce DFAS jobs in Rome, New York, where these productive and efficient workers are doing an exemplary job – and are a vital component of the regional economy. Further, we are troubled that our offices were not notified of this process and analysis earlier and more directly, and are eager to receive more thorough and timely explanations of any nascent proposal – and to have ample opportunity to influence this process.

Following the significant economic fallout from the 1995 realignment of the former Air Force base at Griffiss, we have worked long and hard to develop various functions at this facility including the Air Force Research Laboratory Information Directorate (Rome Lab), Eastern Air Defense Sector (EADS) and DFAS. Regarding DFAS and its 957 workers, this facility was under consideration for closure during the last BRAC round, but a coalition of elected officials and community leaders made the well-researched case that the DFAS employees were productive, efficient and essential and were doing work that was not redundant with another Department of Defense facility. That same effort and those same arguments hold today.

Specifically, it is our understanding that the Assistant Secretary of the Army for Financial Management and Comptroller (ASA(FM&C)) is developing a proposal that would establish a “hub” structure of internal accounting practices through an Army Financial Management Optimization (AMFO) transition. It is further our understanding that such an initiative could adversely impact the existing workforce and functionality of DFAS by in-sourcing the accounting and financial service operations currently being conducted by DFAS facilities and employees around the country.

As you are aware, DFAS was established in 1991 by then-Secretary of Defense Richard Cheney in order to standardize, consolidate, and improve accounting and financial functions throughout the Department of Defense. As such, the purpose of DFAS is to reduce the cost of the Department's financial and accounting operations while strengthening its financial management, and we have all seen the tremendous work of DFAS, its leadership, and its workforce firsthand at the DFAS facility in Rome, New York. DFAS Rome's employees are responsible for fulfilling

accounting operations for our government and the men and women of our armed services – including the Army – every day. These dedicated employees play a vital role in our national security structure and are proud to support the men and women who serve us.

More importantly, in these times of fiscal constraint when both Congress and the President and his administration are committed to cost savings, our DFAS facility is able to fulfill all of its functions in a manner that has a proven record of fiscal responsibility and efficiency. As such, we are perplexed to hear that there would be any plans that would disrupt this proficient and well-organized structure and a workforce that is responsible for performing a critical mission in a very cost-effective manner.

Again, we are united in our strong support for the men and women that work on behalf of the Army at DFAS Rome, and will be awaiting further information and full transparency on any plans, task force, or proposals that could lead to the Army moving away from this proven model through in-sourcing or any other directive actions. We would also appreciate an explanation of the rationale behind any such initiatives, a full account of any parties that may be involved in such planning, and additional details on the impacts that any such proposals would have on current DFAS and Army personnel structures.

We look forward to receiving further clarification, and will continue to support the United States Army and DFAS.

Sincerely,



CHARLES E. SCHUMER
United States Senator



KIRSTEN E. GILLIBRAND
United States Senator



RICHARD HANNA
United States Representative