

United States Government Accountability Office Washington, DC 20548

July 28, 2008

Congressional Committees

Subject: DOD Financial Management: Adjudication of Butterbaugh Claims for the Restoration of Annual Leave or Pay

This report formally transmits the attached briefing in response to section 1045 of the National Defense Authorization Act for Fiscal Year 2008. The Act required GAO to review and report on the adjudication of claims filed as a result of the 2003 decision by the U.S. Court of Appeals for the Federal Circuit in the case of *Butterbaugh v. Department of Justice.*¹ In that case, the Court decided that federal employees who are members of the military reserves should not have been charged military leave for reserve duty days that occurred outside their civilian work schedule. Under existing federal law, employees are entitled to seek restoration of leave or monetary compensation. On July 8, 16, and 22, 2008, we provided briefings on the status of the adjudication of such claims by the Defense Finance and Accounting Service and selected other agencies to cognizant committee staff to satisfy the mandate. Based on the results of our review, we are not making any recommendations for agency action.

We are sending copies of this report to the appropriate congressional committees. We are also sending copies to the Secretary of Defense, the Under Secretary of Defense (Comptroller), the Director, Defense Finance and Accounting Service, and the heads of the other seven agencies selected for review. This report will also be available at no charge on GAO's Website at <u>http://www.gao.gov</u>. Should you or your staff have any questions concerning this report, please contact me at (202) 512-9095 or <u>rasconap@gao.gov</u>. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report were J. Christopher Martin, Senior-Level Technologist; Evelyn Logue, Assistant Director; Darby Smith, Assistant Director; F. Abe Dymond, Assistant General Counsel; Kristi Karls; Jason Kirwan; Nkosi Nantambu; John Vicari; and Tory Wudtke.

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Paula Rascona Director, Financial Management and Assurance

¹ 336 F.3d 1332 (Fed. Cir. 2003).

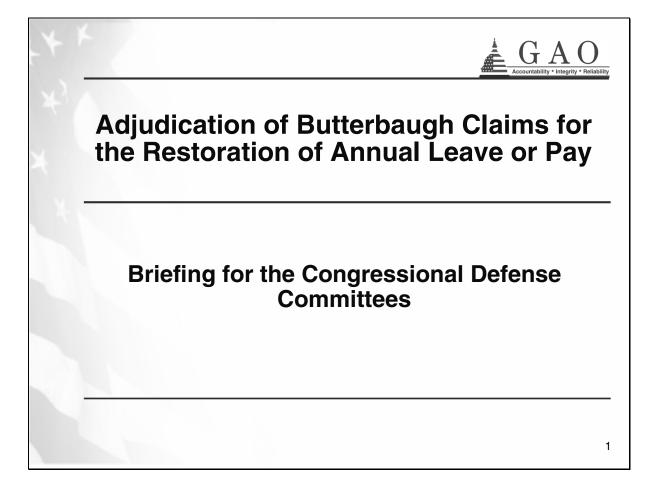
List of Congressional Committees

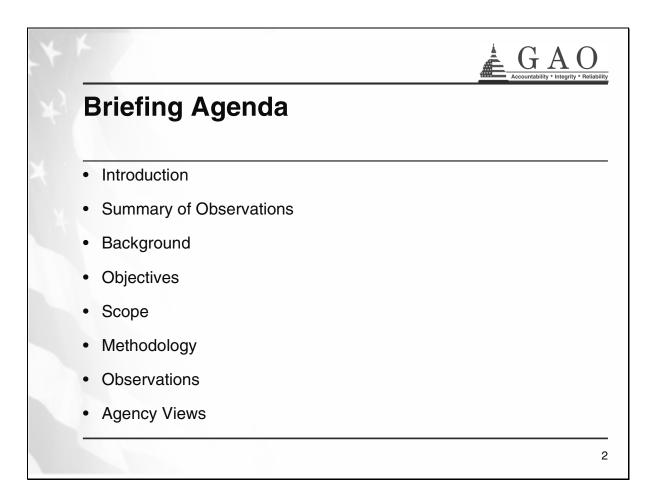
The Honorable Carl Levin Chairman The Honorable John McCain Ranking Member Committee on Armed Services United States Senate

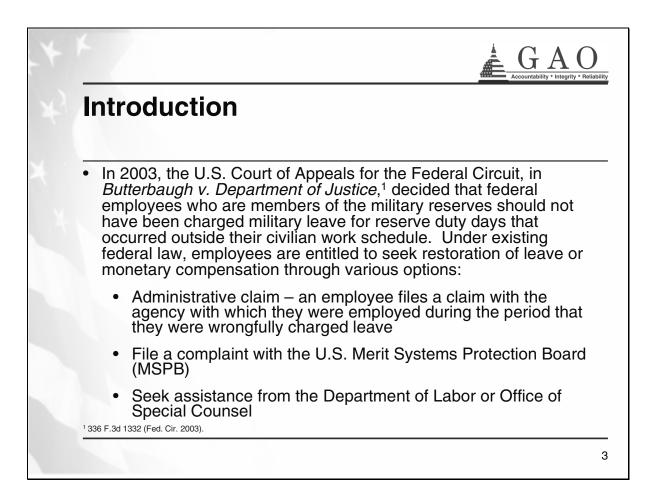
The Honorable Daniel K. Inouye Chairman The Honorable Ted Stevens Ranking Member Subcommittee on Defense Committee on Appropriations United States Senate

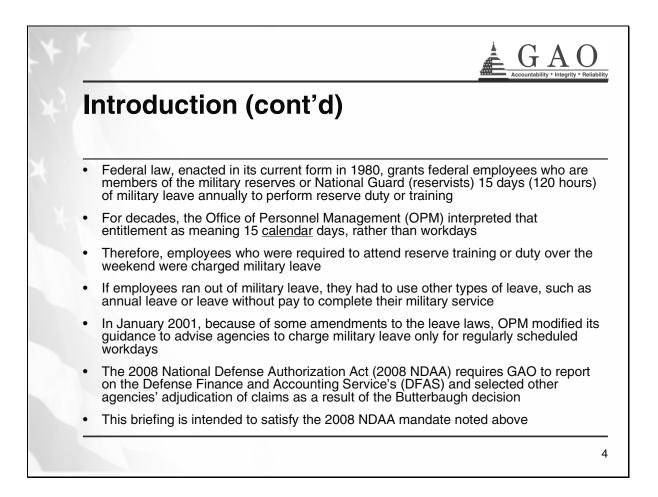
The Honorable Ike Skelton Chairman The Honorable Duncan Hunter Ranking Member Committee on Armed Services House of Representatives

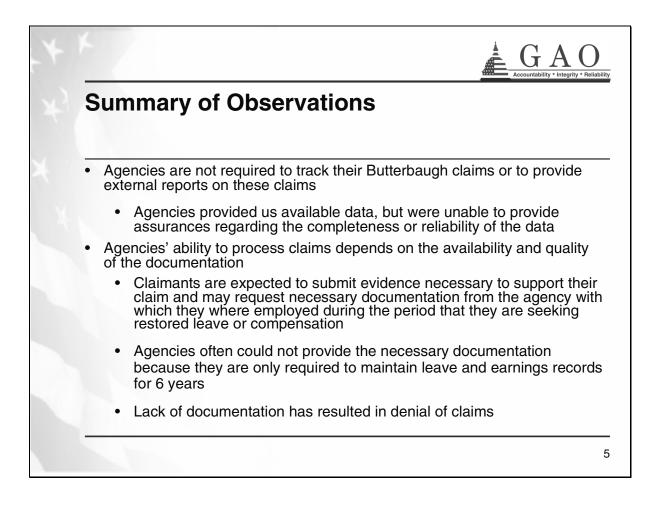
The Honorable John P. Murtha Chairman The Honorable C.W. Bill Young Ranking Member Subcommittee on Defense Committee on Appropriations House of Representatives











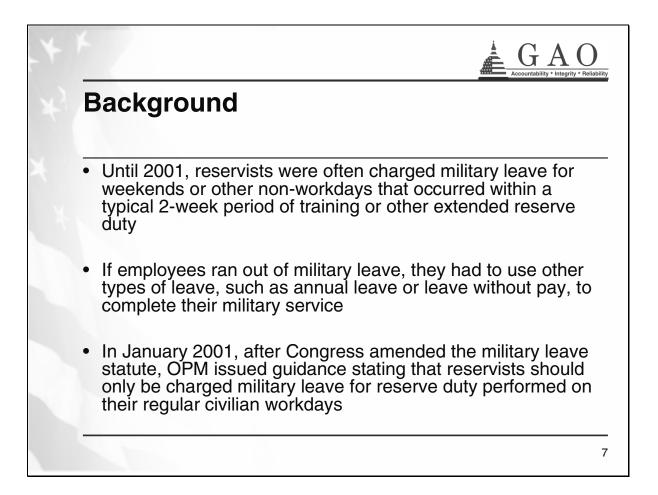
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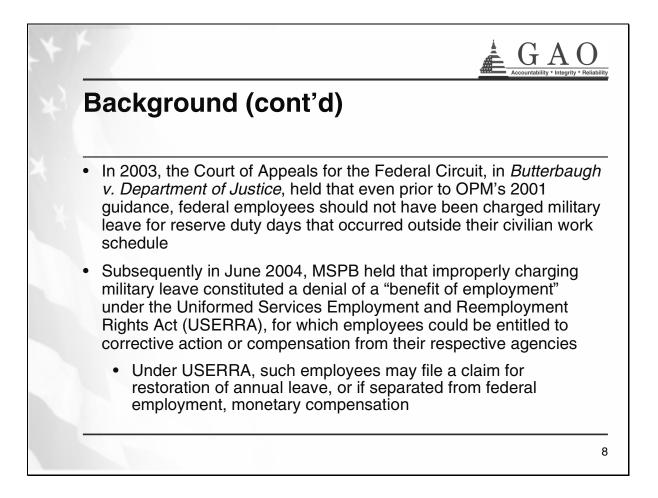
Summary of Observations

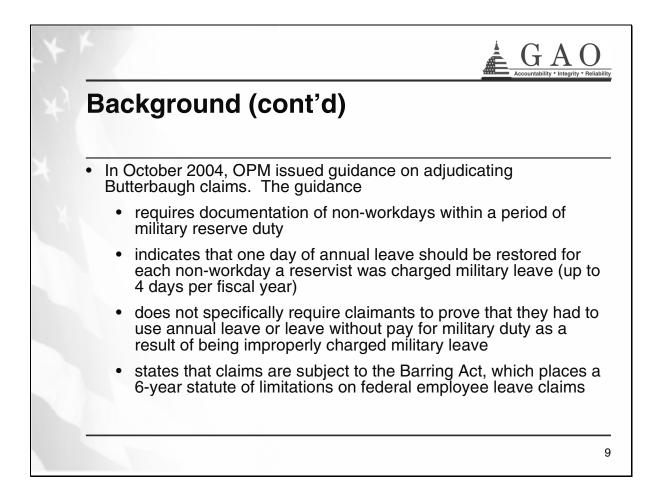
 Table 1: Summary of Available Data on Claims Filed and Provided by

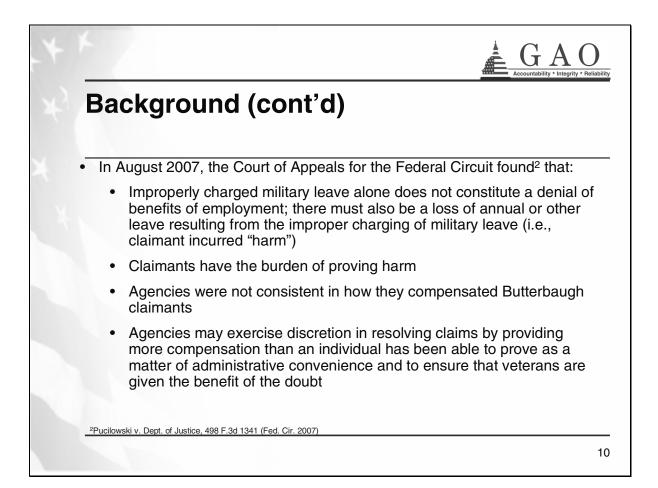
 Departments/Agencies

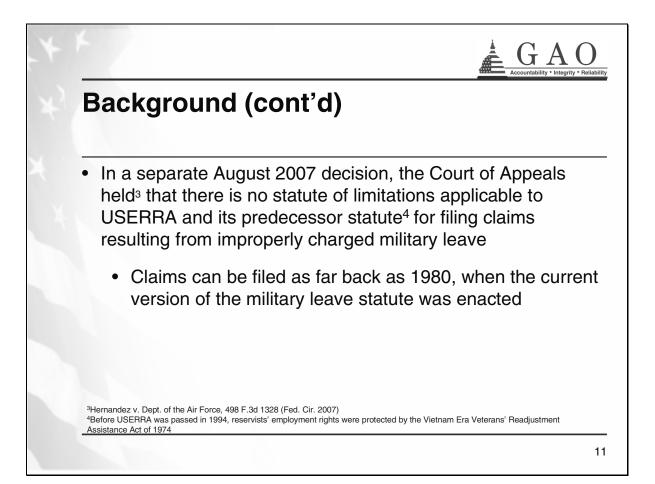
Claims	DFAS	USDA	DHS	DOI	DOJ	VA	GSA	IRS	Total
Total	11,305	66	75	30	82	203	7	64	11,832
Denied	3,410	9	8	0	11	19	Not provided	Not provided	3,457
Leave restored (hrs)	81,397	2,565	7,684	2,252	5,093	11,896	Not provided	3,496	114,383
Amount Paid (in thousands)	\$1,919	\$100	\$23	\$0	\$41	\$62	Not provided	Not provided	\$2,145
Outstanding Claims	12	16	3	5	1	10	0	2	49
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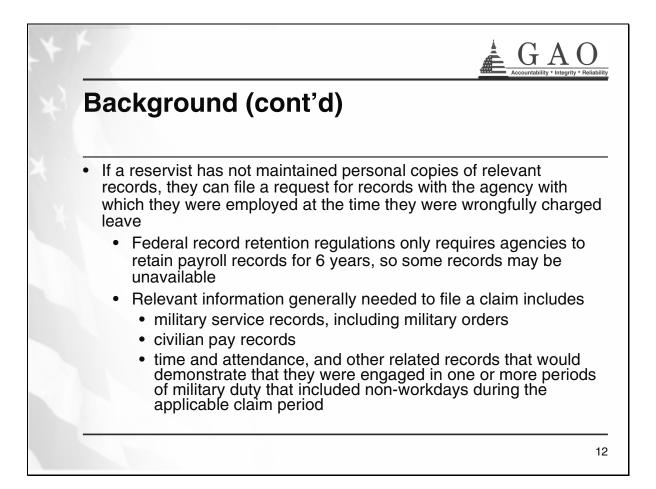


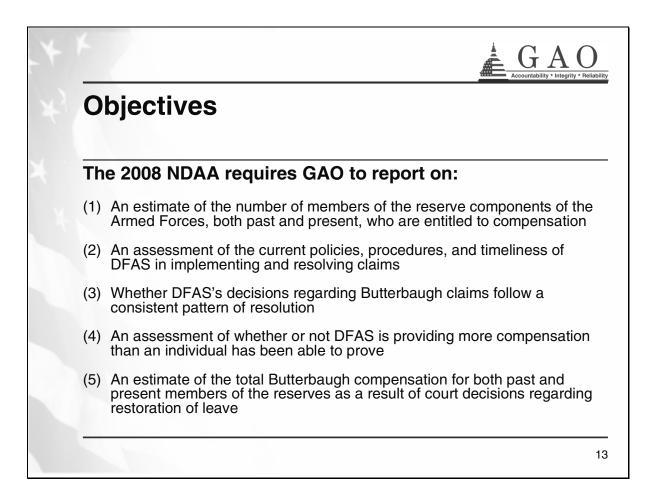


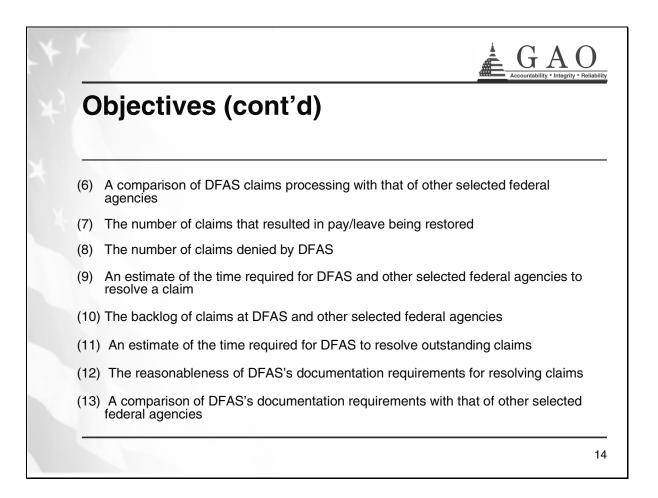


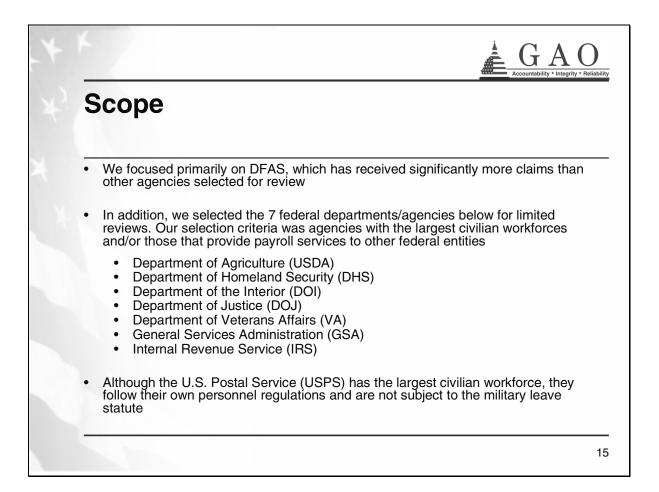


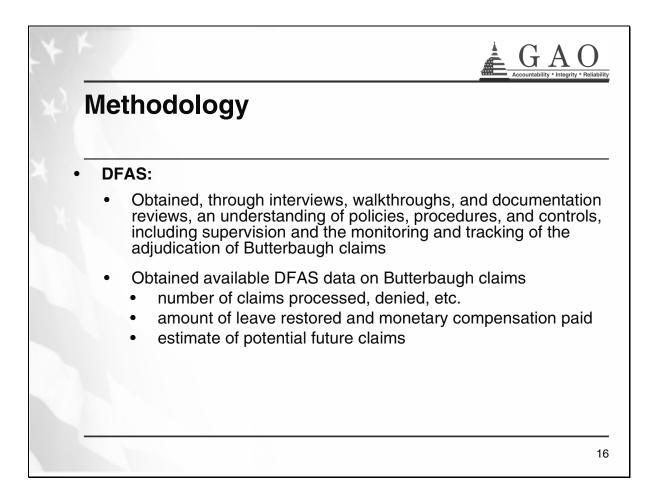


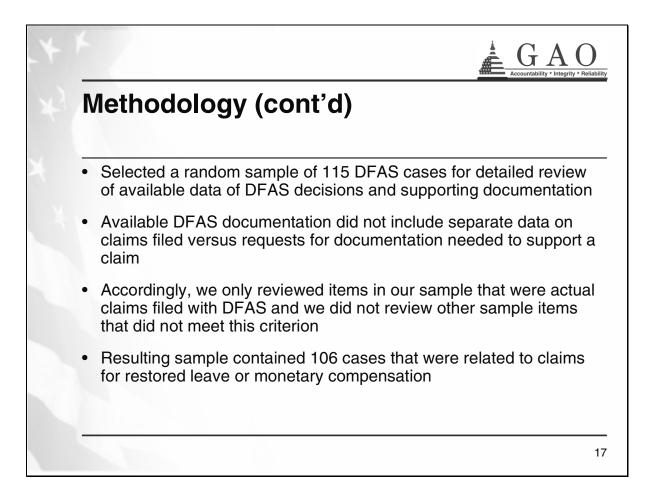


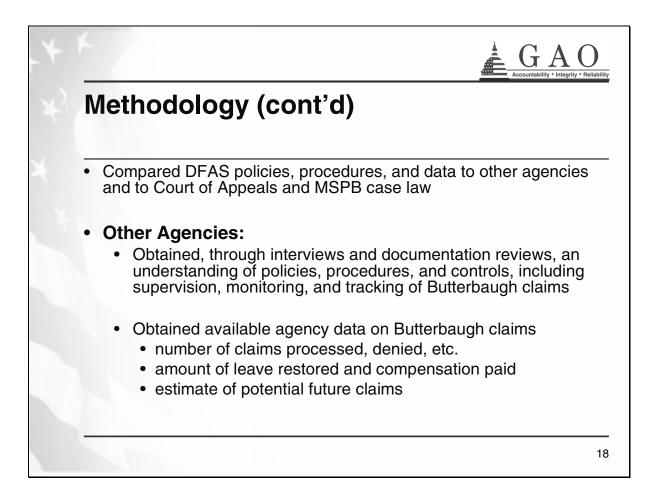


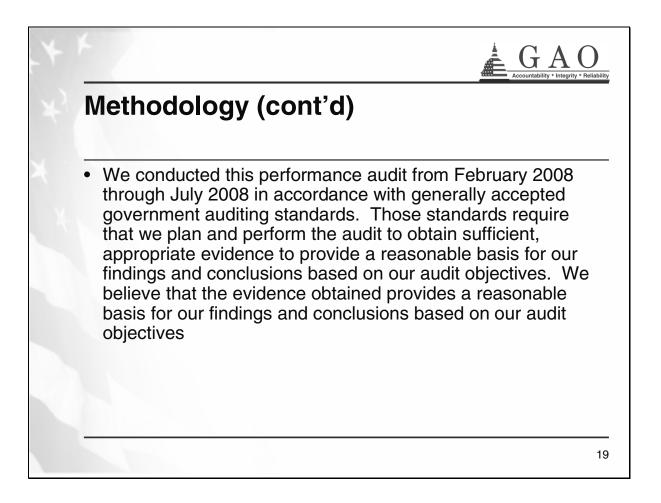


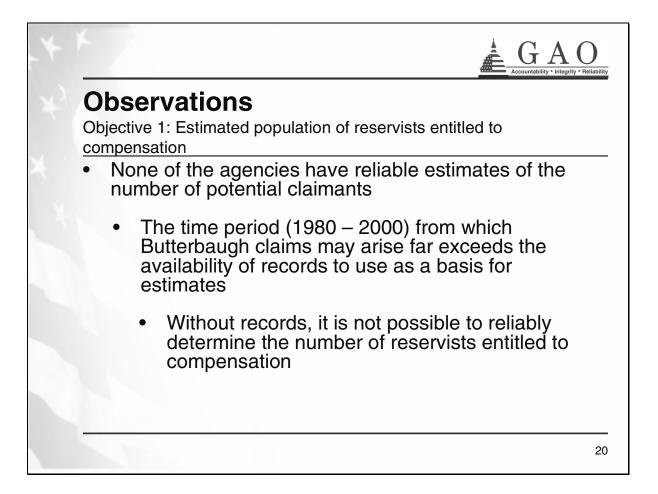


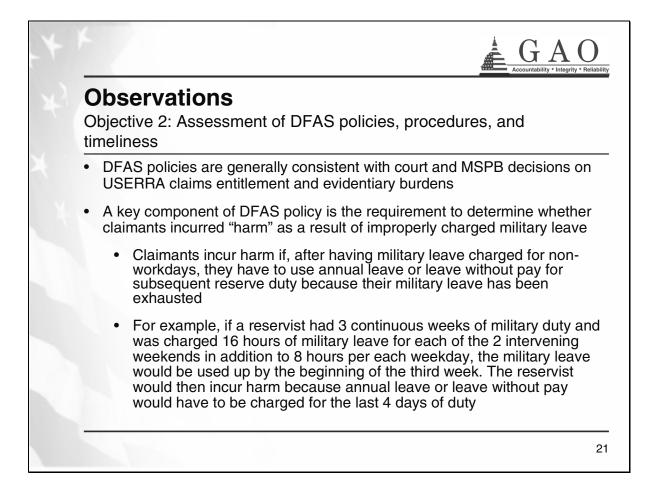


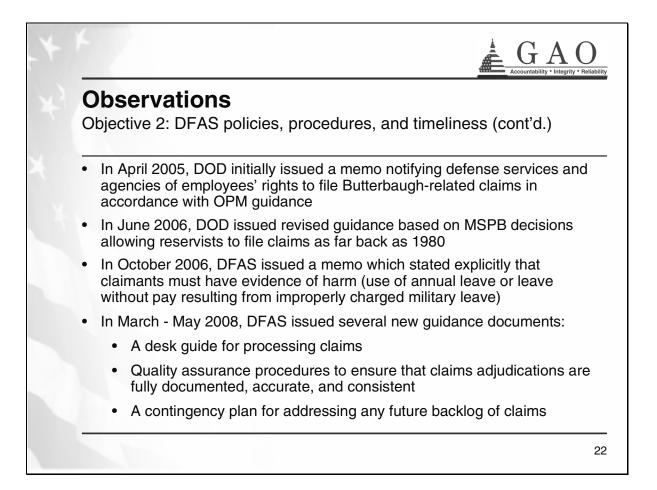


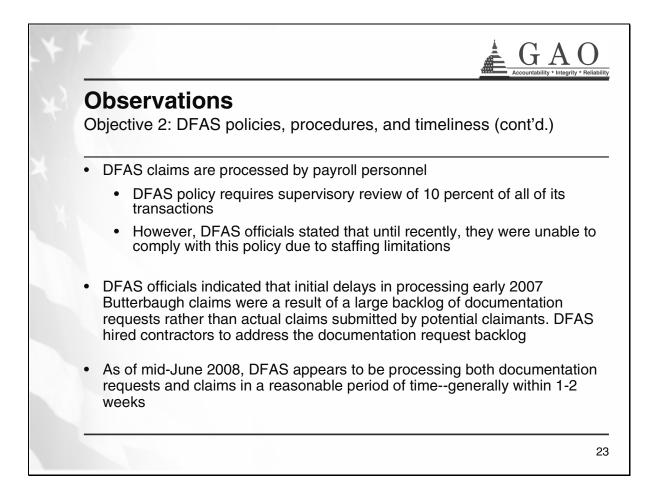


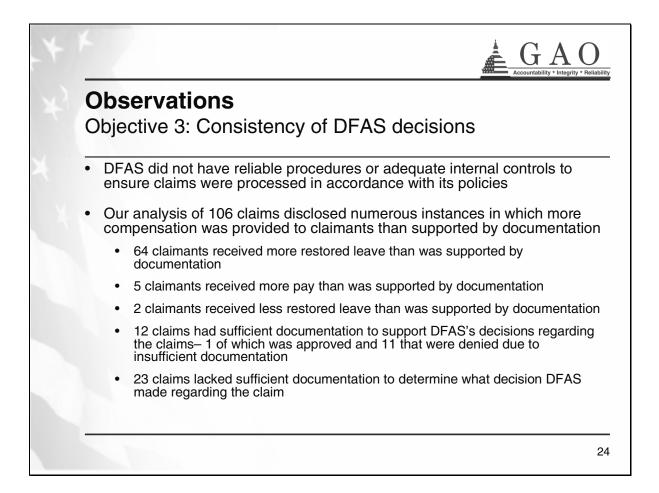


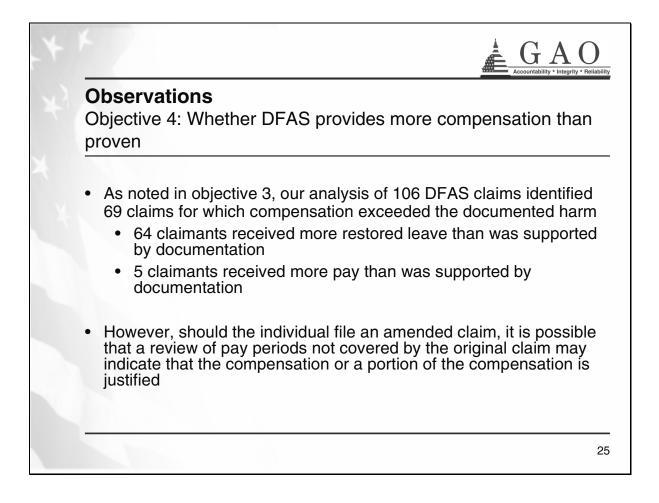


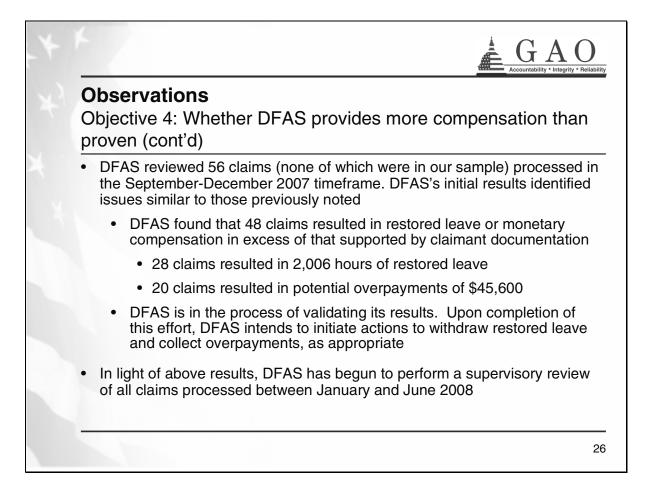


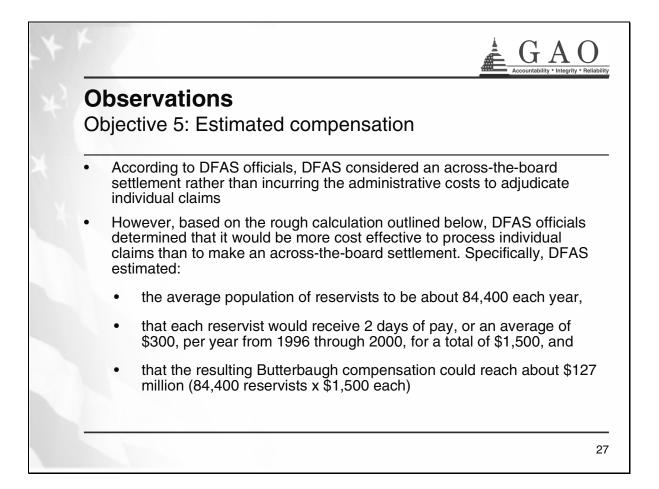


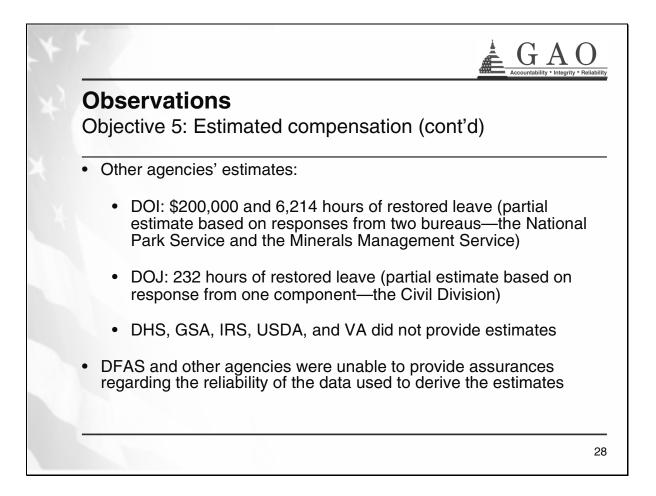


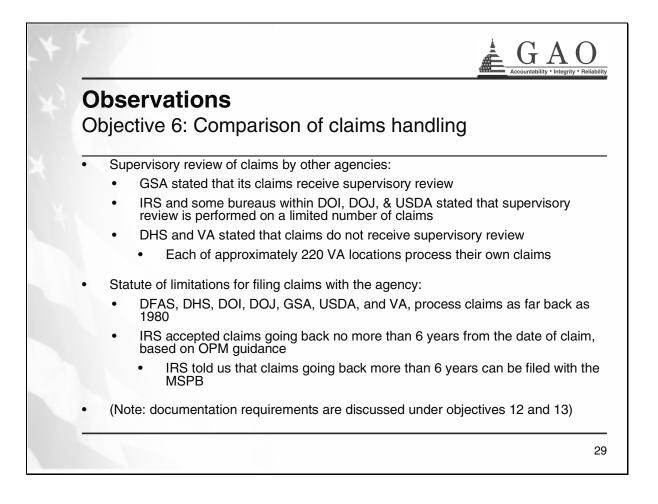


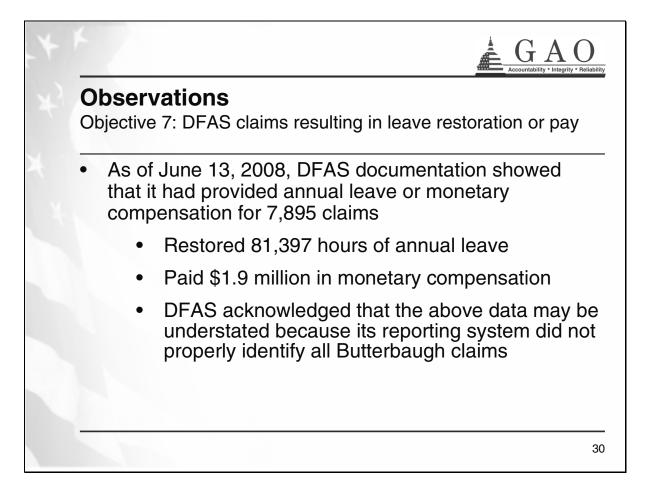


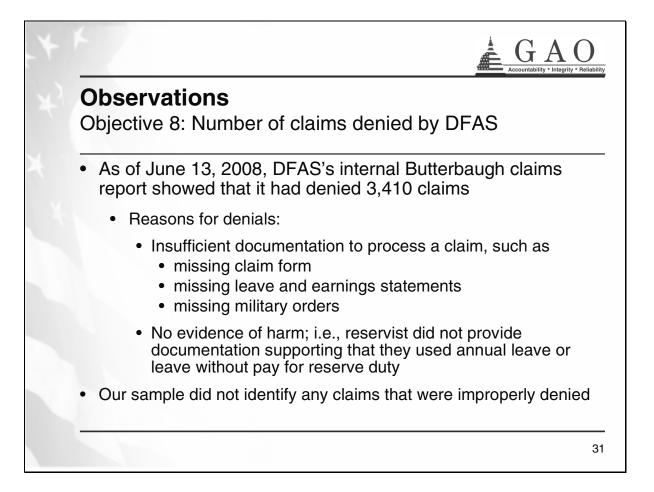


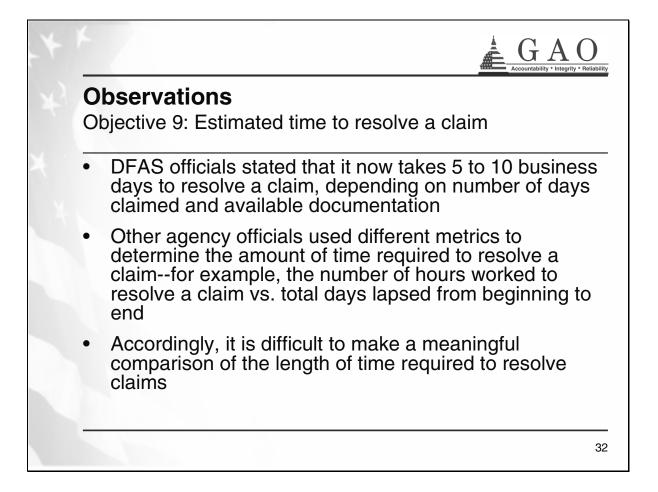




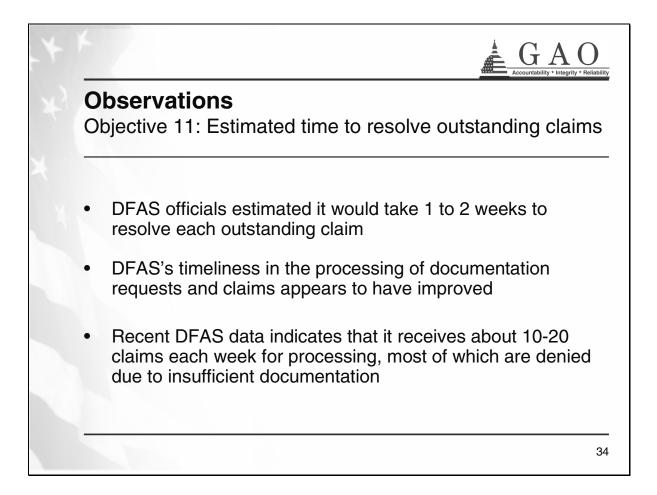


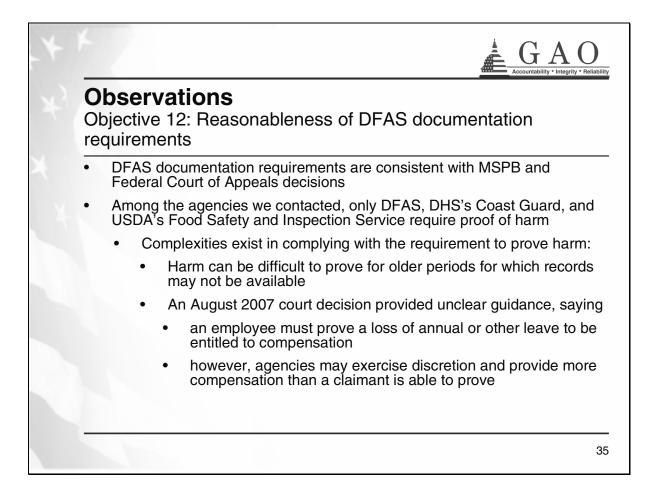


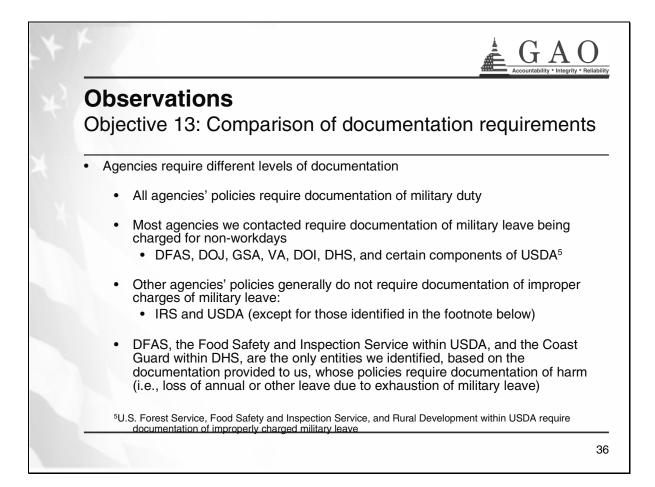


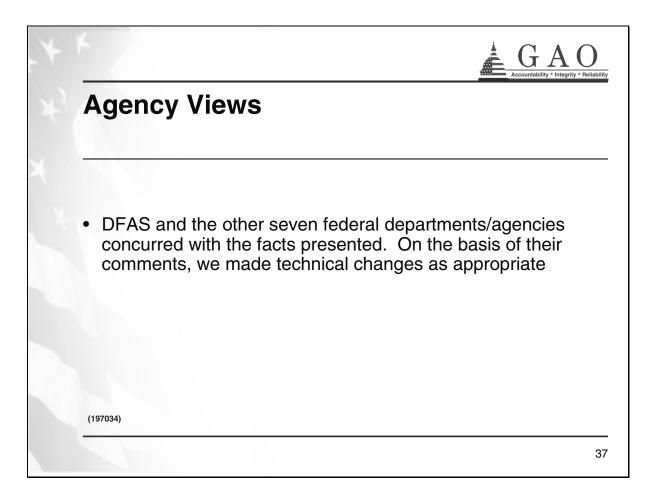


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