

**STATEMENT BY
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UNITED STATES ARMY**

**BEFORE THE
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM**

FIRST SESSION, 114TH CONGRESS

**U.S. General Services Administration Management of the Army Fee Assistance
Program**

10 SEPTEMBER 2015

**NOT FOR PUBLICATION UNTIL RELEASED BY THE
HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM**

Chairman Chaffetz, Ranking Member Cummings, and other distinguished members of the committee—thank you for the opportunity to discuss the General Services Administration's (GSA) management of the Army Fee Assistance (AFA) program.

My name is Karmon Dyches and while I am a Captain in the United States Army stationed at the Walter Reed Army Institute of Research in Silver Spring, Maryland, I am here today in my personal capacity, and, as such, these views are my own and do not represent the position of the Walter Reed Army Institute of Research, the U.S. Army, or the Department of Defense.

My husband is also a member of the U.S. Army. We live in Laurel, Maryland with our 2-year-old child who attends a privately owned daycare in the town in which we reside.

HISTORY AND TIMELINE OF EVENTS.

January-1 October 2014: National Association of Child Care Resource and Referral Agencies (NACCRRRA) hands off Army Fee Assistance (AFA) program to General Services Administration (GSA).

18 August 2014: I received email stating that my family did not need to submit any paperwork to GSA for recertification as the current packet was valid till after the official handoff (our packet was expected to expire on 16 Oct 2014).

Dear Army Family,

This email is being sent to you as a follow up to the email you received on Friday August 15, 2014 about the GSA transition.

If you are receiving this email it means your family has a current approval that goes past 10/1/14. Your account will be automatically transferred to GSA on 10/1/2014. You do not need to contact NACCRRRA unless you need to report changes to your current approval.

Please note you can find the end date of your approval by looking at the approval eligibility dates listed on your child's certificate.

For information regarding the transition of the Army Fee Assistance Program to the GSA please visit <http://www.armyfeeassistancenaccrra.org/>.

Thank you for participating in the Army Child Care Fee Assistance Program,

-NACCRRRA

September 2014: No payment issued to our childcare provider.

October 2014: No payment issued to our childcare provider.

27 October 2014: Our childcare provider sent GSA October 2014 attendance sheet and let GSA know she had not received September payment.

Greetings,

I am xxxx provider #xxxx submitting attendace [sic] sheet for October 2014 for the Dyches family #xxxxx

Also please be inform [sic] I have not receive [sic] September 2014 payment.

-xxxx xxxx

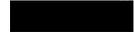
31 October 2014: GSA responded to childcare provider and stated that they didn't know how long payments would take. They added to please excuse their tardiness due to the fact that that it was the first round of payments they had to deal with alone (without the assistance of NACCRAA).

Good Day,

The GSA was awaiting the information transfer from NACCRAA, which occurred Oct 17. Then we had to wait for the Army to release the funding for the September payments, which occurred Oct 22. We began making payments the next day. I cannot estimate how long it will take to process all of the payments as this is the first time we have done so.

Attendance sheets for October have been received.

Best Regards,



GSA Subsidy Administration Section

November 2014: I paid our childcare provider \$950 to cover September & October 2014 non-payment plus regular \$610 payment for November (total = \$1560)

5 November 2014: I received the first of many "canned-response" emails stating that they were experiencing a significant volume of email messages and would respond as quickly as possible. None of my emails were ever answered, so calling was my only option. Calling was only affected approximately 10% of the time if you called before or after normal business hours.

Thank you for your email message. We are experiencing a significant volume of email messages at the GSA Childcare Subsidy Administration Processing Center. We will process and respond to your email as quick as possible. Thank you for your patience.

-GSA/Army Child Care Fee Assistance Team

29 January 2015: I called GSA and got an answer for the first time. I was in such shock, I forgot my own name and had to correct myself to [REDACTED] [GSA staff]. To my knowledge, this was the first time that our recertification process actually started despite the fact that it had expired on 16 Oct 2014 (nearly 4 months prior). Also, I believe that the only reason our packet was ever recertified was because of my persistence (recertification didn't actually happen till 7 July 2015, 10 months after it had expired). I was never contacted asking for any of the supporting documentation [REDACTED] [GSA Staff] had requested, and I honestly do not think GSA knew our packet had expired until I brought it to their attention.

Karmon,

Thank you for being patient with me today on the phone regarding the spelling of your last name....headphones sometimes play havoc with our hearing.

I've attached the Recertification Checklist for you to complete. The good news is---we already have both L.E.S and copies of both orders. The only items we are in need of will be the application itself(pages 1, 2, &3)page four does not apply to either or you), and your previous year's 1040 Tax Forms.

I know this has not been an easy process for families during the transfer to GSA however, we are trying to make this as painless as possible.

I personally want to thank you for being so kind on the phone and if I can be of assistance in any way, please do not hesitate to contact me either email or my direct line [REDACTED].

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Sincerely,

[REDACTED]

29 January 2015: The same day I spoke with [REDACTED] [GSA staff] I submitted all but one required document as requested (Recertification Package). [REDACTED] [GSA staff] also sent me a breakdown of payments submitted since November. Unfortunately, this did not include Sept or Oct. I do not know why this information was missing. But as my childcare provider didn't receive payments those months, it is not surprising. However, it did reveal odd and unexplainable payment amounts for the month of November. Normally, the GSA had been paying her \$475, but in November they paid her \$702. This is only \$227 extra and does not even come close to covering the \$950 that was still owed to her at that time for September & October 2014.

Invoice PegDocNum	Pay Amount	Interest (Discount)	Trace/IA Number	Estimated Date	Actual Date	Pymt. Type	Fund	Vendor Name	Credits Holdbacks	ACT/Title
DYCHES	\$475.00	\$0.00	01161467	01/09/2015	01/14/2015	EFT	759	xxxxxx	\$0.00 \$0.00	ARMY0115
DYCHES	\$475.00	\$0.00	00662793	12/02/2014	12/05/2014	EFT	759	xxxxxx	\$0.00 \$0.00	ARMY1214

DYCHES	\$583.00	\$0.00	00894567	11/04/2014	11/06/2014	EFT	759	xxxxxx	\$0.00 \$0.00	ARMY1114
DYCHES	\$119.00	\$0.00	00749604	11/03/2014	11/05/2014	EFT	759	xxxxxx	\$0.00 \$0.00	ARMY1114

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██████████ [Name]
██████████ [Phone number]

6 February 2015: I sent in remaining tax document to ██████████ [GSA staff].

March 2015: No payment issued to our childcare provider. The attendance paperwork sent in via my childcare provider was lost 5 times by GSA for the month of March.

2 March 2015: I visited GSA website to see if any information regarding the recertification process could be found there. I discovered a provider cost worksheet which included provider name, address, phone number, and email address. I filled out and emailed it in just in case we needed it for our recertification. No confirmation of receipt was received.

24 March 2015: I received a random email stating that GSA needed “Power of Attorney Documents” with no further clarification. The email stated that “Upon receipt of the required documents, the GSA Subsidy Administration Section will process your application in the order that it was received complete at which time you and your provider will be notified of AFA that you may qualify for.” I had no idea why this was being requested or for whom the power of attorney was supposed to provide coverage. I called GSA for further clarification, left many voicemails, and received 0 calls back.

Dear CPT. Dyches,

Thank you for your application for the Army Fee Assistance (AFA) Program. Upon review of the information submitted to this office, the General Services Administration (GSA) Subsidy Administration Section has determined your application is not complete.

In order to complete the application processing, please complete and submit the following documents/information to this office for processing:

Power Of Attorney Documents

Upon receipt of the required documents, the GSA Subsidy Administration Section will process your application in the order that it was received complete at which time you and your provider will be notified of AFA that you may qualify for.

If you have any questions or need any further assistance, please feel free to contact this office at ██████████ [phone number].

-GSA/Army Child Care Fee Assistance Team

27 April 2015: The IG report was published (I didn't know it existed at this time).

May 2015: No payment issued to our childcare provider.

1 May 2015: I received another email requesting the following provider information: Contact name, Site address, phone number, and email address. The email also contained the same statement as the Power of Attorney email—that upon the receipt of this information my application would be processed. Provider information is the EXACT information I had proactively sent to the GSA on 2 March 2015. Provider information is ALSO a part of the recertification packet I sent in on 29 January 2015—which was also a self-initiated phone call and email communication with [REDACTED] [GSA staff]. Furthermore, if they did not have this information, who had they been sending payments to for the past 9 months?

Thank you for your application for the Army Fee Assistance (AFA) Program. Upon review of the information submitted to this office, the General Services Administration (GSA) Subsidy Administration Section has determined your application is not complete.

In order to complete the application processing, please complete and submit the following documents/information to this office for processing:

Provider Information:

• Please provide the following information for your child care provider:

- 1) Contact name
- 2) Site Address
- 3) Phone number
- 4) Email address

Upon receipt of the required documents and information, the GSA Subsidy Administration Section will process your application in the order that it was received complete at which time you and your provider will be notified of AFA that you may qualify for.

If you have any questions or need any further assistance, please feel free to contact this office at [REDACTED] [phone number].

- GSA/Army Child Care Fee Assistance Team

11 & 13 May 2015: I received a blanket email stating that Personally Identifiable Information (PII) had been compromised and offers were extended for free credit monitoring. Promises were made to follow-up with families of those directly affected. My family was never contacted directly and we do not know if we were among those affected. Given the dearth of communication from the GSA, I cannot trust that they actually followed-up with the affected families.

In late March, the U.S. General Services Administration (GSA), the federal agency responsible for processing Army child care subsidy applications, discovered that some applicants' private information had been compromised. While this matter is under review, GSA is offering free credit monitoring services available to all Army families who have applied to receive child care subsidy assistance.

GSA takes your privacy very seriously and understands the importance and urgency in ensuring that all of your personal and sensitive information is properly protected. Credit monitoring will be available Wednesday, through ID Experts. Please call 877-803-7758 to enroll or get further information. They are available Monday - Friday from 9:00 a.m - 9:00 p.m. Eastern Time.

GSA is proud to serve those who make daily sacrifices for our nation. We look forward to continuing to support you with the highest quality of service.

As we announced Monday, GSA is currently in the process of reviewing an incident that compromised information of some applicants within the Army child care subsidy program. GSA is offering free credit monitoring services to all Army families who have applied to receive child care subsidy assistance. This service, available through ID Experts, includes one year of credit monitoring and identity theft protection. This service utilizes Tri-Bureau monitoring for alerts if there are any changes on your credit report, access to fraud resolution representatives to assist in resolving issues, and educational materials on identity protection.

Although GSA is contacting the individuals affected, we are offering credit monitoring to all Army families who applied to receive child care subsidies. Please call [redacted] [phone number] to sign up for the service or to receive your individualized Membership code to enroll online. The call center is open 9:00am - 9:00pm Eastern time, Monday-Friday. You will have 90 days to enroll.

For more information from the credit monitoring services vendor, ID Experts, go to their informational website: <http://www.myidcare.com/governmentprotect> <<http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ21kPTIwMTUwNTEzLjQ0OTQzODExJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE1MDUxMy40NDk0MzgxMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MzI5ODk0JmVtYWlsaWQ9a2FybW9uLmR5Y2hlc0BnbWFpbC5jb20mdXNlcm1kPWthcm1vbi5keWNoZXNAZ21haWwuY29tJmZsPSZleHRyYT1NdWx0aXZhcm1hdGVJZD0mJiY=&&&101&&&>http://www.myidcare.com/governmentprotect>.

20 May 2015: My childcare provider received an email about a policy change that took place on 1 January 2015. This policy change stated that they were no longer accepting .jpg files for attendance paperwork. This was the first time she had been notified of this "policy change." Furthermore, they had no idea who she was.

As of 1 Jan 15, the Army Fee Assistance Program no longer accepts JPGS. They need to be in a PDF format. Please scan the pictures and send them in an email as PDF attachments. If you have any questions, please call or email us. Thanks again

Can you provide with the name of the sponsor that has not been paid for the month of March?

Thank you

██████████ [name]

June 2015: We paid our childcare provider the \$950 she was owed by GSA (for March and May) and our additional \$610 amount for a total of \$1560.

3 June 2015: I received an email from GSA on behalf of the Army Child, Youth and School Services (CYS) asking for feedback from parents regarding the AFA program. I gave them my feedback.

Greetings Parents!

The Army Child, Youth and School (CYS) Services is asking for feedback from parents who participate in the Army's Fee Assistance Program. This evaluative survey will provide valuable information on the program. Your input is extremely valuable to us.

The online survey will be open for two weeks allowing you to complete the brief survey at your convenience. It is easy, fast and simple. Please click the link below and take the short five-minute survey. All responses to the survey will be held as strictly confidential.

Thank you for your time and feedback.

Early June 2015: I called GSA late in the evening and was sent to the escalation department. I spoke for about an hour with a gentleman in that department who conveyed the following: As my husband and I were dual military, we did not need any power of attorney documents. He didn't understand why GSA was running things the way they were and the he liked it better when every representative had a specific set of family members to monitor and keep in contact with. He said wished he could do his job and help military families find good, reliable, and affordable daycare but instead he was sent to the escalation department to answer phone calls from irate parents whose children, in some cases, were being kicked out of daycare due to GSA non-payment.

25 June 2015: I discovered the IG report regarding the GSA's handling of the AFA program and sent it to the investigations team at our local NBC station.

1 July 2015: My childcare provider sent yet another email to GSA letting them know that she still hadn't received payment and reattached the attendance logs. She also

sent in the March attendance sheet through certified mail with a signature requested to the GSA, as March was now 4 months late and the attendance sheet had been resent 5 times prior by my provider and subsequently lost by the GSA.

Greetings,

Thank You for remitting March payment! Please remember that April, May and June is attached has not been paid. I have sent April & May by certified mail with signature requested (6/25/2015) I hope I will not have to do the same again. Thankk You for your assistance in advance.

-xxxx xxxx

7 & 8 July 2015: I received an email stating that our packet for recertification was "reviewed" and our AFA was recalculated. They stated that our benefits would continue till we were notified of a mandatory recertification within the 2015 calendar year. Thus, we were approved in July (which took 10 months to make happen) and now we were being informed of a mandatory recertification within the remaining 5 months of the 2015 calendar year. Okay sure. The email did not actually say that our packet had been approved/recertified. It simply said it had been "reviewed," and I can only assume this means it was approved. Also, the email did not explain how payments should be calculated on a weekly basis. For instance, how many weeks are in a month if the month starts on a Wednesday?

Dear Karmon Dyches,

The GSA Subsidy Administration Section on behalf of the Army has reviewed Recertification information and your Army Fee Assistance has been recalculated based upon the Army's Annual Recertification guidelines.

This benefit will continue on your behalf as long as you remain an employee of the Army and until you have been informed that you must complete the mandatory Recertification process within the 2015 calendar year. Any change in your status with the Army must be reported to the GSA Child Care Subsidy Section immediately for further review.

You must notify the GSA Subsidy Administration Section if and when your child is no longer enrolled with the qualified child care provider identified on your application. The Fee Assistance is not transferable to another child care provider. You must reapply for the Fee Assistance should you change child care arrangements.

You are responsible for reporting any changes in your personal and/or financial situation, or that of your spouse/partner, that may affect your status as an Army Fee Assistance recipient; such as, but not limited to, any change in employment, school enrollment, marriage, divorce, a spouse/partner who has entered or left the home, etc. Failure to promptly report any change to the GSA Subsidy Administration Section that causes an erroneous payment on your behalf may result

in your Fee Assistance being terminated and subsequent collection action of the erroneous payment from you.

By accepting this Fee Assistance, you confirm that all information presented in your application is accurate and will remain current. Fraudulent statements will result in the loss of the Fee Assistance and repayment of the amount of the benefit paid.

As an Army Sponsor receiving Fee Assistance, I understand and agree to the terms and conditions mandated by the Army Fee Assistance Program and further understand that the Fee Assistance was awarded to me based upon the total cost listed above. If my child care cost changes for any reason, I understand that I must inform the GSA Subsidy Administration Section to ensure that the Fee Assistance paid upon my behalf is accurate.

Parents who misrepresent information used to calculate their Fee Assistance may have their Fee Assistance terminated and be subject to the Uniform Code of Military Justice (UCMJ) and/or other legal consequences.

If you have any questions about the Army Fee Assistance Program, please feel free to contact this office.

Effective: 08/01/2015

Child: xxxx

Provider: xxxx

Total 4 Week Month Cost: \$1000.00

Sponsor Portion: \$570.46

Army Fee Assistance: \$429.54

Total 5 Week Month Cost: \$1250.00

Sponsor Portion: \$713.08

Army Fee Assistance: \$536.92

-GSA/Army Child Care Fee Assistance Team

Dear Karmon Dyches,

Your provider recently informed the GSA Subsidy Administration Section that your child care cost has changed; therefore your Army Fee Assistance has been recalculated.

This benefit will continue on your behalf as long as you remain an employee of the Army. Any change in your status with the Army must be reported to the GSA Child Care Subsidy Section immediately for further review.

You must notify the GSA Subsidy Administration Section if and when your child is no longer enrolled with the qualified child care provider identified on your application. The Fee Assistance is not transferable to another child care provider. You must reapply for the Fee Assistance should you change child care arrangements.

You are responsible for reporting any changes in your personal and/or financial situation, or that of your spouse/partner, that may affect your status as an Army Fee Assistance recipient; such as, but not limited to, any change in employment, school enrollment, marriage, divorce, a spouse/partner who has entered or left the home, etc. Failure to promptly report any change to the GSA Subsidy Administration Section that causes an erroneous payment on your behalf may result in your Fee Assistance being terminated and subsequent collection action of the erroneous payment from you.

By accepting this Fee Assistance, you confirm that all information presented in your application is accurate and will remain current. Fraudulent statements will result in the loss of the Fee Assistance and repayment of the amount of the benefit paid.

As an Army Sponsor receiving Fee Assistance, I understand and agree to the terms and conditions mandated by the Army Fee Assistance Program and further understand that the Fee Assistance was awarded to me based upon the total cost listed above. If my child care cost changes for any reason, I understand that I must inform the GSA Subsidy Administration Section to ensure that the Fee Assistance paid upon my behalf is accurate.

Parents who misrepresent information used to calculate their Fee Assistance may have their Fee Assistance terminated and be subject to the Uniform Code of Military Justice (UCMJ) and/or other legal consequences.

If you have any questions about the Army Fee Assistance Program, please feel free to contact this office.

Child: xxxx

Provider: xxxx

Total 4 Week Month Cost: \$780.00

Sponsor Portion: \$570.46

Army Fee Assistance: \$209.54

Total 5 Week Month Cost: \$975.00

Sponsor Portion: \$713.08

Army Fee Assistance: \$261.92

-GSA/Army Child Care Fee Assistance Team

7 or 8 July 2015: I called to clarify outlined issues above (and about questions I had concerning how our AFA had been calculated) with GSA. A remote answering service took my call and my questions, typed them up into a database and said to expect a phone call back within 3-4 business days.

11-18 July 2015: I was on TDY OCONUS.

13 July 2015: GSA responded to childcare provider's email with the following information: May payment had been issued two months late (on 30 June 2015) and March and June's payment had been processed that day (13 July 2015). They also requested that she "fully complete the attendance sheet, [to] include the Child's name." They stated that this would help with the processing times. Fun fact: the child's name is not requested on the attendance sheets and this was the first time she had been told add this information.

Good Day.

This is a follow up email to let you know that the payment you received on 5/15/15 was for the April service period. The May attendance was paid on 6/30/15.

Today, both the March and June attendance sheets were processed.

Please remember to fully complete the attendance sheet, including the Child's name. This will help with processing times.

I apologize for the delay. If you have additional questions, please let us know.

Thank you,

██████████ [name]

16 July 2015: The local NBC station aired the story about the IG report, along with Mrs. Hensley about our experiences and hardships while navigating the AFA program run by the GSA.

17 July 2015: GSA caught my childcare provider up on all delinquent payments.

20 July 2015: Mr. Scott McFarland facilitated congressional attention to the problematic GSA operations of the AFA program and a second news story aired on the local NBC station.

Late July 2015: I received a phone call back from the GSA regarding my questions on 7 or 8 July 2014. They could not explain their weekly calculation process. This is extremely important because of the large difference an extra week makes in a month. If the GSA is paying our childcare provider based on how many weeks are in a month, we don't know how much to pay her if we calculate a month as only having 4 weeks but GSA says it has 5. Additionally, once our child turns 2, the price of her daycare goes down. They sent me these price changes in the email they sent on the 8th, but could not explain why they reaped the benefits of this price change but our amount stayed exactly the same. The Hensley's received a price cut when their child turned 2. It is my understanding that the payments are based on a percentage of the sponsor's paygrade. If the price goes down, then I don't know why we wouldn't pay a smaller amount based on the overall percentage. The woman who spoke to me also could not explain why this wouldn't be the case. Below is a table with the break-down.

	Before the age of Two	After the Age of Two
4 Week Cost	\$1000.00	\$780.00
Dyches	\$570.46	\$570.46
GSA	\$429.54	\$209.54
5 Week Cost	\$1250.00	\$975.00
Dyches	\$713.08	\$713.08
GSA	\$536.92	\$261.92

14 August 2015: Mr. Scott McFarland emailed to give me the contact information for the US House Oversight Committee.

To date: We are awaiting August 2015 payment, attendance paperwork for August 2015 has been submitted.

Thank you for your time and attention on this matter.

Committee on Oversight and Government Reform
Witness Disclosure Requirement – “Truth in Testimony”
Required by House Rule XI, Clause 2(g)(5)

Name:

1. Please list any federal grants or contracts (including subgrants or subcontracts) you have received since October 1, 2012. Include the source and amount of each grant or contract.

2. Please list any entity you are testifying on behalf of and briefly describe your relationship with these entities.

3. Please list any federal grants or contracts (including subgrants or subcontracts) received since October 1, 2012, by the entity(ies) you listed above. Include the source and amount of each grant or contract.

I certify that the above information is true and correct.
Signature:

Date:
