

STATEMENT BY

**MS STEPHANIE L. HOEHNE
DIRECTOR, FAMILY AND MORALE, WELFARE AND RECREATION
U.S. ARMY INSTALLATION MANAGEMENT COMMAND**

BEFORE THE

**COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
UNITED STATES HOUSE OF REPRESENTATIVES**

**SECOND SESSION, 114TH CONGRESS
ON
ADMINISTRATION OF ARMY FEE ASSISTANCE**

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DIRECTOR, ARMY FAMILY AND MORALE, WELFARE AND RECREATION
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Mr. Chairman and Members of the Committee, thank you for the opportunity to appear before you to provide an update regarding the Army Fee Assistance (AFA) program. I will describe the efforts the Army has made to bring AFA to a sustainable state and share the measures taken to transition the program from the General Services Administration (GSA) to Child Care Aware of America (CCAoA).

ARMY'S COMMITMENT TO FAMILIES

Army Families rely on quality child care as an important part of their support network and a critical enabler for sustained readiness. Army Families have peace of mind both on the battlefield and in garrison knowing their children are in safe, healthy, and secure environments. Army Child and Youth Programs help to minimize the conflict between mission requirements and parental responsibilities. The Army continues to invest in the availability, affordability, quality, and accountability of its child and youth programs to support Army Families who sacrifice every day in defense of our Nation.

BACKGROUND

On September 10, 2015, the House Committee on Oversight and Government Reform (HOCR) held a hearing on the Army Fee Assistance program with witnesses from the Army, GSA, and Family members who participated in the program. The Committee sought to examine the factors leading to a backlog of over 12,000 unpaid fee assistance invoices affecting approximately 9,000 Families. Subsequent to the hearing, and in

an effort to maintain transparency and lines of communication with Congress and key stakeholders, the Army has provided regular updates to the Committee, focused on elimination of the backlog, payment to Army Families, and the transition to CCAoA. Today, I will provide an update on progress in these areas and future plans to ensure this program meets the needs of our Families.

ELIMINATING BACKLOG

Since September, we have eliminated the backlog of unpaid invoices, achieved steady state in processing Family actions, and made significant progress in transitioning AFA to Child Care Aware of America. In addition, the Army also increased the level of communication and support to Army Families. On September 14, 2015, the Army sent out an email notification to all Families reiterating our strong commitment to work with GSA to restore AFA to an effective and efficient program.

The Army and GSA have effectively streamlined the process for provider payments and for approval of Family applications. New business rules temporarily allowed GSA to pay invoices containing error codes to decrease the 8,800 invoice backlog. The application process was revised and a number of application forms were eliminated. The Army suspended the annual recertification requirement, allowing GSA to focus on invoice payments and new Family applications. GSA substantially reduced the backlog of invoice payments by mid-October 2015. After the backlog was eliminated, the business rules were reinstated as GSA was positioned to make timely payments on monthly invoice submissions.

On October 21, 2015, the Army informed Families that GSA had paid the backlogged provider invoices and that Families who had paid the subsidy portion of their child care fees to the provider upfront should

expect providers to credit their accounts. Families were encouraged to contact the Army if reconciliations were not made in a timely manner.

Committed to our oversight role, the Army and GSA review output metric reports daily, and Army conducts weekly on-site visits to GSA to validate the reports and GSA operations. The major focus of this oversight is a combined emphasis on invoice payments and Family action processing. The invoice backlog was eliminated by mid-October. By late November, Family actions reached a sustainable level. In December, Army required GSA to begin recertification, and 1,400 Families were notified to begin this process. Army leadership continues to monitor GSA progress.

TRANSITION FROM GSA TO CCAoA

The Army is taking a deliberate and measured approach in the transition of the AFA program to CCAoA to ensure that service to our Army Families remains the primary focus. The contract transition process included a series of collaborative sessions among Army, GSA, and CCAoA to determine the best approach to transition the program from GSA to CCAoA. The agencies examined expectations, concerns, communications, and priorities that would result in a timely, scalable, efficient, and risk-mitigating solution.

The transition of the Army Fee Assistance program is being executed in three phases: Discovery, Transition, and Full Administration. The Discovery Phase began September 16, 2015, and was completed on November 26, 2015. During this phase, Army and CCAoA determined expectations, concerns, communications, and priorities; identified data to be transferred from GSA to CCAoA and finalized a plan for moving Family accounts to CCAoA. Phase Two, Transition, began on November 27, 2015. In December 2015, CCAoA began reaching out to providers,

via email and phone, to verify if Army Families with active certificates are still in attendance while simultaneously updating the providers' documents. This allows CCAoA to pre-load provider documentation into a database to match provider with Family. CCAoA will test the technology and data transfer, recruit and train staff, and provide on-site validation of their AFA process and systems. Army anticipates the formal transition will begin in late February. This transition will consist of seven geographically defined phases. All Families residing within a geographic region will be transitioned to CCAoA management as a group. With the formal transition, CCAoA will begin management of any Families new to the Fee Assistance program, regardless of their location.

Families will receive email notification with full details seven to fourteen days before their account is processed and moved to CCAoA. As Families transition in groups by state, a recovery period is built in after each group transitions. This will provide time to resolve any issues that may arise during the transition. We expect CCAoA to assume full administration of the Fee Assistance program in October 2016.

As CCAoA takes on phased administration of the Fee Assistance program, GSA can concentrate on reconciling invoice discrepancies and processing annual recertifications.

THE WAY AHEAD

Communication to Families:

To facilitate consistent and effective communication, the Army, CCAoA, and GSA developed a communication plan that includes scheduled communications throughout the transition. These communications will consist of regular emails, website updates, webinars, and a designated Facebook page. There will be an email link embedded

in each communication for Families to contact the Army directly with any questions or concerns.

The initial transition statement was sent to families on December 2, 2015. We informed Families of the transition to CCAoA, the nature of the phased approach, and notification of upcoming webinars that will offer further information and allow them to present their questions and concerns. The initial webinar was held on December 17, 2015 and provided Families with the methodology for transition to include the timelines for each state's transition.

The Facebook page and email notification provide for 2-way communication and are monitored daily. Additionally, the Army is developing customer satisfaction tools to measure the effectiveness of the transitions.

CONCLUSION

As with all Army Soldier and Family Programs, the Fee Assistance program is an investment in our most valuable asset – our people. The Army remains committed to providing Soldiers and Families a quality of life commensurate with their service and sacrifice, while being good stewards of taxpayer dollars. We deeply regret the hardships and inconvenience we caused our Families and are doing everything possible to regain their confidence and ensure mission readiness for our Families. We are confident that the combined efforts of the Army, GSA, and CCAoA will ensure long-term sustainment of the Fee Assistance program and the world-class child care that our Families deserve.

On behalf of the Army, I thank you for your interest in and support of our Soldiers and Families. I look forward to your questions.



Biography

Department of the Army



Stephanie L. Hoehne

**Director, Family and Morale, Welfare & Recreation
G9, Installation Management Command
Joint Base San Antonio
Fort Sam Houston, TX**



Selected to the Senior Executive Service in August 2005, Ms. Stephanie Hoehne serves as the Director, Family and Morale, Welfare & Recreation Directorate, G9, Installation Management Command. In this capacity, Ms. Hoehne directs and oversees the delivery of Army F&MWR Programs, supporting Soldiers and Families in garrisons across the US and overseas. Her span of control includes developing, monitoring, coordinating, and resourcing Army Soldier and Family Programs worldwide. She is responsible for a budget of \$2.4B and oversees over 28,000 Appropriated Fund and Non-Appropriated Fund employees.

CAREER CHRONOLOGY:

- Mar 2014 – Present: Director, Family and Morale, Welfare & Recreation, IMCOM Headquarters, JBSA Ft. Sam Houston, TX
- Jul 2005 – Feb 2014: Deputy Chief of Army Public Affairs and Director of the Soldiers Media Center
- Dec 2002 – Jul 2005: Strategic Planner, L3 Communications, Arlington, VA
- Mar 2001 – Nov 2002: Deputy Chief for Army Public Affairs, Headquarters, Department of the Army, Washington, DC (Retired at rank of Colonel after 26.7 years of active service.)
- May 2000– Mar 2001: Director, Public Affairs, Armed Forces Inaugural Committee, Washington, DC
- Jun 1998–Apr 2000: Special Advisor for Public Information to Supreme Allied Commander Europe (NATO), Belgium
- Jan 1996 – May 1998: Chief of Media for the Supreme Headquarters Allied Powers Europe, NATO Headquarters, Belgium
- Jan 1993– Dec 1995: Media Relations, Office of the Secretary of Defense for Public Affairs, Washington, DC
- Oct 1986 – Jul 1989: Journalism Instructor, Defense Information School, Fort Benjamin Harrison, IN

- Jun 1976 – Jan 1993: Military Police Officer, (platoon leader, company commander, battalion executive officer), various commands and locations

COLLEGE:

- MA, Journalism, University of Texas, Austin, TX, 1986
- MA, Public Administration, Jacksonville State University, Jacksonville, AL, 1984
- B.A. Psychology, University of Virginia, Charlottesville, VA, 1976

SIGNIFICANT TRAINING:

- Joint Professional Military Education II, *Joint certified Additional Skill Identifier
- Command and General Staff College

AWARDS AND HONORS:

- Defense Superior Service Award
- Legion of Merit
- Meritorious Service Medal (3 awards)
- Army Commendation Medal (3 awards)

PROFESSIONAL MEMBERSHIPS AND ASSOCIATIONS:

- Association of the United States Army
- Military Officers Association of America