



NEWS RELEASE

DEFENSE FINANCE AND ACCOUNTING SERVICE
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DFAS Japan recovers quickly from fire

ARLINGTON, VA, March 10, 2009 – When a fire destroyed a building containing work spaces and documents of the Defense Finance and Accounting Service at Yokota Air Base in Japan on Jan. 20, the possibility of escalating interest costs due to delayed payments was a very real concern.

DFAS Japan receives, processes and pays vendors supporting U.S. military operations and installations in the Western Pacific. The facility was working 1,112 invoices worth approximately \$63.4 million when the fire occurred.

Officials at DFAS Japan credit the use of the agency's Electronic Document Management system in saving its customers an estimated \$293 thousand in interest payments.

The EDM system allows DFAS employees to input contracts, invoices and disbursements into the electronic filing cabinet for retrieval and updating. Hardcopy documents, once the sole source of information necessary to process payments, are scanned into the system and are processed.

The fire at DFAS Japan proved the value of this system. Most of the invoices being processed at the time most of the facilities records were destroyed were already in the EDM system. Rather than weeks spent contacting each vendor individually to reconstruct the agency's records, DFAS Japan employees required only three days to find new work spaces and configure the computer equipment before renewing payments. This quick recovery minimized interest payments to approximately \$12 thousand.

According to Harold Unger, a DFAS Japan customer working at Marine Corps Base Okinawa, the delays were kept to a minimum despite the loss of the building at Yokota AB. "(We) worked closely on vendor payments that were due to insure the proper documentation was received and processed."

"We feel DFAS did an awesome job under very difficult circumstances," said Lt. Col. Michael Crook, commander of the 374th Comptroller Squadron at Yokota Air Base Japan. "It is our opinion that the Electronic Data Imaging system saved the day and prevented interest payments. We witnessed it first hand when DFAS was able to make payments within a week of this catastrophe. Since substantiating payment documents were available electronically, everyone benefited. Had these not been available, we would still be searching for documents two months later/today. We were highly impressed with their recovery and superior customer service which DFAS continues to provide on a daily basis."

DFAS Japan employees have been relocated to temporary offices at Yokota AB while a permanent location is prepared.

Points of Contact

Defense Finance and Accounting Service
Corporate Communications



About DFAS

The Defense Finance and Accounting Service provides responsive, professional finance and accounting services to the men and women who defend America. DFAS pays about 6 million people and in the FY 2008 made 7.5 million travel payments, paid 14.4 million commercial invoices, made \$591 billion in disbursements to pay recipients, and managed \$394 billion in military retirement and health benefits funds. For more about DFAS visit <http://www.dfas.mil>.