

## UNITED STATES GENERAL ACCOUNTING OFFICE REGIONAL OFFICE

2006 WASHINGTON BOULEVARD BUILDING 234 STATE STREET DETROIT, MICHIGAN 48226

APR 3 1972

Commanding Officer
U.S.S. NEWMAN K. PERRY (DD-883)
FPO New York

Dear Sir:

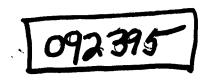
We have examined selected financial transactions in the accounts of the U.S.S. NEWMAN K. PERRY for the 6 months ended June 30, 1971. This work, a part of our continuing review of the Navy's financial management system, was done by our staff at the Navy Finance Center, Cleveland.

We examined 145 of 284 military pay records, 17 military travel vouchers and 25 miscellaneous pay and allowance vouchers. We found 29 monetary errors, seven leave accounting errors, and two errors in reporting taxable income. Eleven percent of the pay records, 71 percent of the travel vouchers, and 28 percent of the miscellaneous vouchers had one or more errors. Our findings are summarized in the appendix.

Payroll posting and verification procedures and leave accounting appear to be the significant problem areas. In our statistics you will note a \$353 payment was not posted to a member's pay record. This was made on a regular payroll and is considered a serious deficiency. In addition, none of the special payrolls contained signatures evidencing verification as required by paragraph 40162f, MPP.

Reports issued by the Brooklyn onsite examiners show that leave accounting has been a continuing problem on the PERRY--attributed primarily to failure of the personnel office to send the disbursing office the required leave documents. Only one of the leave accounting errors we found could have been caused by the personnel office. The remaining six were disbursing office errors--four leave record balances and two leave accruals were incorrectly computed. We recommend you inquire into these matters.

715386



We would appreciate your comments on the causes of these errors and advice of action taken. To assist you, we are enclosing information copies of our notices of exception and informal inquiries. If you need additional information, please let us know.

We are sending copies of this letter to the Comptroller of the Navy; Commander, Cruiser Destroyer Force, Atlantic Fleet; Director, Navy Military Pay System; Officer in Charge, Navy Finance Office, Brooklyn; and the Director, Boston Naval Area Audit Service.

Sincerely yours,

C. H. Moore

C. H. Moore Regional Manager

Enclosures--2
Appendix
Copies of Notices of exception (3)
and informal inquiries (10)

## U. S. GENERAL ACCOUNTING OFFICE DETROIT REGIONAL OFFICE

## U.S.S. NEWMAN K. PERRY (DD-883) JANUARY 1 THROUGH JUNE 30, 1971

Type of Error	Number	Overpayment	Underpayment
Military travel vouchers			•
Mileage - highway distance instead of common carrier (and vice versa) Mileage - wrong port of debarkation Mileage - incorrect distance Per diem - prior to assignment to first permanent duty station Per diem incorrectly computed - constructive travel Per diem - deduction for meals at wrong rate Dependents travel - monetary allowance	6 1 1 1 1	\$ 3.36 2.88 14.00 2.95 1.50	\$ 25.80 1.92
for children not paid	_1		13.80
Subtotal	12	\$ 24.69	\$ 41.52
Miscellaneous vouchers			
Wrong rate for meals - shore patrol Rations commuted to private mess - on leave Rations commuted to private mess - wrong number of days	3 3 <u>1</u>	\$ 40.48	\$ <u>1.39</u>
Subtotal		\$ 60.24	\$ 1.39
Military pay records			· .
Quarters allowance not paid members without dependents on change of station Payroll payment not posted Reenlistment bonus - wrong rate Commuted rations - on leave Pay and allowances - unauthorized absence Miscellaneous	4 1 1 1 1 	\$ 353.00 100.80 16.72 21.55	\$ 152.56 
Subtotal	<u>10</u>	\$ <u>492.07</u>	\$ <u>168.36</u>
Total monetary errors	29	\$ <u>577.00</u>	\$ <u>211.27</u>

<sup>&</sup>lt;sup>a</sup>PAA for \$14.84 issued by NFC, Cleveland, for credit of FICA overcheckage.

Type of Error	Number	Overstated	Understated
Military pay records (continued)		•	
Leave accounting:	. •		
Balance computed incorrectly Credited incorrectly Not charged	2 _1	14 days 4.5 days 1 day	17 days
Total leave errors		19.5 days	17 days
Tax reporting:			
Taxable income computed incorrectly FICA - forfeiture of pay not deducted	1 1 <u>1</u>		٠
Total tax errors	_2		
Total all errors	<u>38</u>		