



UNITED STATES GENERAL ACCOUNTING OFFICE  
REGIONAL OFFICE

7014 FEDERAL BUILDING, 1981 STOUT STREET  
DENVER, COLORADO 80202

Major General R. L. Shoemaker  
Commanding General  
Headquarters U.S. Army Air Defense  
Center and Fort Bliss  
Fort Bliss, Texas 79916

Dear General Shoemaker:

We have completed a review of the Fort Bliss Civilian Payroll System. The major emphasis in our review was placed on evaluating the adequacy and effectiveness of the civilian pay system, internal review, and administration of leave. In our opinion, the internal controls to assure the accuracy and propriety of pay and leave de-terminations are generally adequate.

The following corrective actions have been taken or promised by your staff during our review.

1. The Civilian Personnel Division (CPD) is now using transmittal slips to maintain control over documents forwarded to the Civilian Pay Section for processing. This procedure helps insure that documents affecting pay entitlements are received by the Civilian Pay Section.
2. The Civilian Pay Section has designed a transmittal form which is used to maintain control over payroll data transmitted to the Data Conversion Branch.
3. The Management Information Systems Office (MISO) has agreed to store the three latest generations of key data files in a building other than the MISO building. This will facilitate reconstruction of data files in the event MISO's current files are destroyed.
4. MISO has agreed to coordinate with Fort Sam Houston in correcting the formula used to compute overtime and Sunday pay for second and third shift employees. This correction is necessary to bring the computation of these types of pay into accordance with the Federal Personnel Manual Supplement 552-1 Subchapter S8-4c.(2). The Civilian Pay Section has agreed to



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identify the employees whose pay has been affected by this formula and to make the necessary adjustments.

5. The Civilian Pay Section is making adjustments to 15 employee leave records to correct 23 errors detected in our review of fifty 1972 employee leave records. Nineteen of the 23 errors detected were incorrect leave balances being forwarded to the 1975 leave year. We were informed that this type of error affected approximately 25 percent of the civilian employees at Fort Bliss and was the result of improper processing procedures. The Chief of Civilian Pay informed us that manual leave records are being maintained until each employee leave record in the automated system has been corrected.

The following are areas which we feel require your attention.

1. The Internal Review Office has not performed an evaluation of the internal controls in the recently implemented civilian pay system. We believe that independent reviews and appraisals of automated systems affecting management and control operations are important. Such reviews help insure that adequate controls are established and adequate audit trails are provided in the system.

2. CPD has not established a procedure for determining that all documents initiated by CPD which affect the employee master file in the civilian pay system have been properly processed. Therefore, CPD has no assurance that the employee master pay file agrees with their records. We believe that CPD should receive feedback from the system in order to verify that the actions they initiate are made to the master pay file.

3. Computer edits to assure the propriety of many pay and leave entitlements did not exist or did not work properly. Also, the user documentation does not clearly show the programmed edits included in the system. We believe that controls over the propriety of pay and leave entitlements should be automated where possible and that all programmed edits should be identified in the user documentation. These matters were discussed with representatives from Finance and Accounting and HISO and they agree with our conclusion. However, we believe that any changes to the basic programs by Fort Bliss should be closely coordinated with Fort Sam Houston, which

has recently been assigned the responsibility for development and maintenance of a standard COMARC civilian pay system.

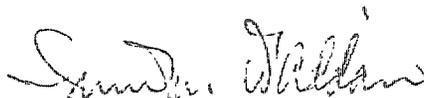
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We thank you for the excellent cooperation and courtesies extended our staff during the review.

Your comments on the matters discussed above will be appreciated.

This letter serves as a basis for clearing your accounts through calendar year 1972.

Sincerely yours,



Irwin M. D'Addario  
Regional Manager

cc: Mr. Maurice Rowe  
U.S. Army Audit Agency

*Distribution Section  
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