

DOCUMENT RESUME

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[Examination of Disbursing Transactions, U.S.S. Bausell (DD-845)]. April 18, 1977. 3 pp.

Report to Commanding Officer, Department of the Navy: U.S.S. Bausell; by Walter C. Herrman, Jr., Regional Manager, Field Operations Div.: Regional Office (Detroit).

Issue Area: Accounting and Financial Reporting (2800).
Contact: Field Operations Div.: Regional Office (Detroit).
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Authority: Navy Pay and Personnel Procedures Manual, para. 10382. Navy Travel Instructions, para. 4009-1.

A statistical sample of travel vouchers in the accounts of the U.S.S. Bausell were examined to test the quality of disbursing and the reliability of the leave accounting system. Findings/Conclusions: Errors were found on about 79% of the travel and leave vouchers reviewed. This indicates that administrative and disbursing personnel aboard the ship were unfamiliar with the current leave and travel regulations, or were careless in preparing and processing travel claims and related leave accounting transactions. Moreover, the disbursing officer was not performing required supervisory reviews and verifying the accuracy of the leave, proceed, and travel time shown on the travel claim. Inquiries are forwarded separately regarding recovery of these claims. Recommendations: The ship's disbursing and administrative officers should review the remaining unsampled vouchers in view of the high error rate, and make appropriate adjustments. (DJM)

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18 APR 1977

Commanding Officer
U.S.S. Bausell (DD-845)
FPO San Francisco 96601

Dear Sir:

As part of our continuing review of the Navy's financial management system, we have reviewed selected travel vouchers in the accounts of the U.S.S. Bausell to test the quality of disbursing and the reliability of the leave accounting system. We examined a statistical sample of 39 of the 79 vouchers paid in the 6 months ended August 31, 1976. We found 58 errors on 31 of the vouchers.

Administrative examiners at the Navy Finance Center also reviewed selected travel vouchers in these accounts. They reported eight travel errors--per diem overpayments totaling \$196. They did not identify any leave accounting errors.

Our findings are summarized below.

Travel Errors

On 28 vouchers, we identified 47 over and underpayments totaling \$853. The predominant errors included:

- incorrect deductions for meals and quarters,
- payment of per diem to recruits prior to completion of training or before reporting to a permanent duty station, and
- failure to pay per diem for periods of travel or delay while awaiting transportation, or when crossing the international date line.

Leave Accounting Errors

Periods of leave were shown on 33 vouchers. On 11 of these vouchers we identified 5 members who used 17 days leave that were not charged to their leave accounts and 6 members who were overcharged 15 days leave. Most of the errors resulted because members who were transferred to the ship were allowed more or less traveltime than required to complete trips from prior duty stations. Differences in the time authorized and the time properly allowable should have been added to or deducted from their leave accounts.

We do not believe Navy administrative examiners verified any of the delay enroute computations.

Our findings indicate that administrative and disbursing personnel aboard the ship either were not familiar with the current travel and leave regulations or were careless in preparing and processing travel claims and related leave accounting transactions.

Moreover, our tests indicate that the disbursing officer was not performing required supervisory reviews and verifying the accuracy of the leave, proceed and travel time shown on the travel claims. Such verifications are required by Navy Travel Instructions, paragraph 4009-1, and Navy Pay and Personnel Procedures Manual, paragraph 10382.

Under separate cover we have forwarded to your disbursing officer 17 informal inquiries which describe the leave accounting and monetary errors over \$25, and have requested that adjustments be made to correct the errors. In addition, we have requested the Navy Finance Center to issue pay adjustment authorizations for 10 travel errors in the \$10 to \$25 range.

Since we found errors on about 79 percent of the vouchers in our sample, we believe your disbursing and administrative officers should review the remaining vouchers and make appropriate adjustments. A listing of the unexamined vouchers is attached.

We are bringing this information to your attention so you can take action to prevent future travel and leave accounting errors. Your comments on the causes of the errors and advice as to any actions taken will be appreciated.

Sincerely yours,



Walter C. Herrmann, Jr.
Regional Manager

Attachment
List of unexamined
vouchers

cc: Comptroller of the Navy (NCB-4)
Comptroller of the Navy (NCP-4)
Commander Naval Surface Force,
Pacific Fleet
Commanding Officer, Navy Finance
Center, Cleveland
Officer-in-Charge, Navy Finance
Office, Pearl Harbor
Director, Naval Audit Service
Western Region, San Diego