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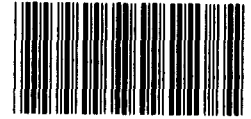
United States  
General Accounting Office  
Washington, D.C. 20548

Accounting and Financial  
Management Division

B-248717

August 14, 1992

Major General Jerry A. White, USA  
Commanding General, ATZB-CG  
Fort Benning, GA 31905-5000



147403

Dear General White:

We recently completed an audit of the Department of the Army's fiscal year 1991 consolidated financial statements pursuant to the Chief Financial Officers Act of 1990 (Public Law 101-576). One purpose of these statements and our audit is to provide agency managers and the Congress with complete and reliable information to use in financing, managing, and evaluating Army programs. In order to do this effectively, the accounting records throughout the Army need to be as accurate as possible. During our audit, we identified adjustments necessary to correct the accounting records at 23 Army locations.

We presented adjustments to correct the Army's consolidated financial statements in a May 19, 1992, management letter (GAO/AFMD-92-68ML) to the Assistant Secretary of the Army for Financial Management and the Director, Defense Finance and Accounting Service. However, many of these adjustments were projections based upon statistical samples performed as part of our audit and were made only to the consolidated financial statements, not to the underlying records.

Enclosure I shows about \$63.6 million of adjustments made to the financial statements that also need to be recorded to correct the accounting records at Fort Benning. We have discussed most of these adjustments with your staff and provided them with supporting documentation. They may have already recorded some of the adjustments. However, all of the adjustments should be made by the end of fiscal year 1992. If you have any questions or require our assistance in resolving these matters, please contact Terry Carnahan, Acting Associate Director, on (202) 275-7095.

Please provide us your comments on these matters and a description of the actions taken within 30 days of the date of this letter. We are sending copies of this letter to the

GAO/AFMD-92-94ML

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Assistant Secretary of the Army for Financial Management;  
the Director, Defense Finance and Accounting Service; and  
the Comptroller of the Army.

Sincerely yours,



David M. Connor  
Director, Defense Financial Audits

Enclosure

FORT BENNING, GEORGIA  
LIST OF PROPOSED GENERAL LEDGER  
ADJUSTMENTS RESULTING FROM 1991  
FINANCIAL STATEMENT AUDIT

NO.	ACCOUNT TO BE ADJUSTED	GLAC	AMOUNTS		EXPLANATION
			DEBIT	CREDIT	
1	Buildings Transfers in	1730 3220	8,015.00	8,015.00	To add a project accepted on 12/11/90, which did not have a DD Form 1354 prepared, to the inventory.
2	Buildings Transfers in	1730 3220	6,687.00	6,687.00	To add a project accepted on 2/27/91, which did not have a DD Form 1354 prepared, to the inventory.
3	Other struct/fac Transfers in	1740 3220	6,681.00	6,681.00	To add a project accepted on 1/7/91, which did not have a DD Form 1354 prepared, to the inventory.
4	Other struct/fac Transfers in	1740 3220	21,599.00	21,599.00	To add a project accepted on 8/1/90, which did not have a DD Form 1354 prepared, to the inventory.
5	Buildings Transfers in	1730 3220	20,000.00	20,000.00	To add a project accepted on 2/20/90, which did not have a DD Form 1354 prepared, to the inventory.
6	Other struct/fac Transfers in	1740 3220	15,300.00	15,300.00	To correct a mathematical error recording an addition to a storm sewer.
7	Buildings Transfers in	1730 3220	29,089.00	29,089.00	To include the costs of site clearing and landscaping.
8	Transfers in Land	3220 1710	1,350,000.00	1,350,000.00	To correct a duplicate entry for construction of a tank trail.
9	Other struct/fac Transfers in	1740 3220	66,288.00	66,288.00	To include additional modifications previously omitted.
10	Buildings Transfers in	1730 3220	8,489.00	8,489.00	To adjust to total cost of contract.
11	Transfers in Buildings	3220 1730	7,360.00	7,360.00	To correct for duplicate entry of component costs which were already included in the total cost on the DD Form 1354.
12	Transfers in Buildings	3220 1730	18,434.00	18,434.00	To correct for duplicate entry of component costs which were already included in the total cost on the DD Form 1354.
13	Other struct/fac Transfers in	1740 3220	11,744.00	11,744.00	To adjust to total cost of contract.
14	Buildings Transfers in	1730 3220	601.00	601.00	To adjust for cost of modification previously not included.
15	Buildings Transfers in	1730 3220	50,250.00	50,250.00	To adjust for construction funds used in contract.
16	Buildings Transfers in	1730 3220	52,160.00	52,160.00	To include costs previously excluded.

FORT BENNING, GEORGIA  
 LIST OF PROPOSED GENERAL LEDGER  
 ADJUSTMENTS RESULTING FROM 1991  
 FINANCIAL STATEMENT AUDIT

NO.	ACCOUNT TO BE ADJUSTED	GLAC	AMOUNTS		EXPLANATION
			DEBIT	CREDIT	
17	Transfers in Buildings	3220 1730	10,381.00	10,381.00	To correct for duplicate entry of component costs which were already included in the total cost on the DD Form 1354 and to include the cost of modifications not reflected in the total costs.
18	Land (improvements) Transfers in	1710 3220	16,542.00	16,542.00	To adjust for cost of modification previously not included.
19	Transfers in Buildings	3220 1730	15,000.00	15,000.00	To correct for duplicate entry of component costs which were already included in the total cost on the DD Form 1354.
20	Transfers in Buildings	3220 1730	1,307,796.00	1,307,796.00	To correct for maintenance and repair costs which were incorrectly capitalized.
21	Equipment in use Transfers in	1762 3220	269,408.24	269,408.24	To adjust Table of Distribution and Allowances equipment for property books not recorded at 9/30/91.
22	Transfers in Equipment in use	3220 1762	57,671,360.26	57,671,360.26	To adjust Table of Distribution and Allowances equipment for property books incorrectly reported.
23	Transfers in Equipment	3220 1762	2,598,307.00	2,598,307.00	To reduce Table of Distribution and Allowances equipment account for Army Master Data File pricing errors.
TOTAL ADJUSTMENTS			63,561,491.50	63,561,491.50	

Note: General ledger account 3220 (transfers in) is an equity account.