



UNITED STATES GENERAL ACCOUNTING OFFICE

REGIONAL OFFICE

2006 WASHINGTON BOULEVARD BUILDING

234 STATE STREET

DETROIT, MICHIGAN 48226

Commanding Officer
Naval Air Station
Brunswick, Maine

Dear Sir:

Our staff at the Navy Finance Center, Cleveland, has tested transactions in the accounts of your station for the 6 months ended June 1970 to evaluate the quality of disbursing. Using sampling techniques, we selected for review 330 of 2,027 regularly closed military pay records and 1,115 of 4,334 disbursement vouchers.

We found a large number of errors -- 365 on the 1,453 records examined. These included 326 monetary errors totaling \$4,031, 37 leave accounting errors for 275 days, and two errors in reporting taxable income. We estimate the unexamined records contain an additional 1,120 errors (933 monetary totaling \$13,656, 105 leave accounting for 1,377 days, and 10 tax reporting). Details are in the appendix. The more significant problem areas are highlighted below:

Military pay records

- Several different types of errors occurred in accounting for leave -- computing balances incorrectly, failing to charge leave used, charging leave on delay en route incorrectly, and crediting leave earned improperly. Thirteen of these errors also resulted in incorrect payment of leave ratios.
- In 13 cases, commuted ratios were not adjusted for periods of leave or temporary duty as required by paragraphs 3016 and 30167 of the MFP.
- Under and overpayments totaling \$197 resulted from improper computations or extensions of entries on 10 pay records.

MILITARY TRAVEL VOUCHERS

- In 23 cases involving temporary additional duty travel, per diem for days of departure from or arrival at Government installations was not reduced for meals available as required by paragraph #4205-5, footnote y/ of the JTR. For example, see voucher 24741.
- Eleven members were paid per diem totaling \$671 when they were in a mileage or leave status contrary to paragraphs #4201-1 and 3 of the JTR (see vouchers 24044 and 24623).
- Frequently, incorrect distances were used to compute travel allowances or mileage entitlements. In 64 cases, distances were based on the wrong mode of transportation or were computed incorrectly. Paragraph #4155 of the JTR explains how to determine distances and conditions which govern the use of common carrier or highway distances (see vouchers 24359 and 25074).
- Sixteen members were not paid per diem while awaiting separation as authorized by paragraphs #4157-1c and #4205-5d of the JTR (see vouchers 25054 and 25109).

Civilian Travel Vouchers

- Seven travelers were paid per diem for a quarter of a day when departure or return was within 30 minutes of the end or beginning of the quarter. Such payments are unauthorized unless supported by a statement justifying the time of departure or return as stated in paragraph C10104-2a of the JTR (see voucher 24900).

We could not substantiate entitlements in several cases because of poor documentation. Payments to five members, apparently returning from overseas to a separation center of choice (Brunswick) were not supported by complete itineraries and travel orders as required by NFI paragraph 4002-1b(7). Also, in at least 11 other cases, orders were not endorsed to show the availability of Government areas and quarters in accordance with NFI paragraphs 3151-21 and 4001-9 (see vouchers 24285, 24291 and 25146).

In the last 3 years, onsite examiners performed limited reviews at your station and identified 265 erroneous payments totaling \$8,500.

In each of their reports, the examiners emphasized that disbursing office personnel were not making a thorough review of pay record entries. We agree with this observation.

Because our review was limited to records available at the Finance Center, we could not pinpoint the causes of many errors or give recognition to improvements since June 1970. However, our findings indicate that disbursing personnel need to become more familiar with regulations -- particularly leave and travel. We suggest a careful review of USCHAV Leave Accounting Instruction 7220.63A of April 2, 1971, and the 1971 reissue of the Navy Travel Instructions.

We are enclosing information copies of our notices of exception and informal inquiries to assist you in identifying causes of errors and in taking corrective actions. We would appreciate your comments on our observations along with advice of any actions taken. If you need additional details, please let us know.

Copies of this letter are being sent to the Comptroller of the Navy; the Director, Navy Military Pay System; the Commanding Officer, Navy Regional Finance Center, Washington; the Officer in Charge, Navy Finance Office, Brooklyn; and the Director, Naval Area Audit Service, Boston.

Sincerely yours,

U. H. Moore
Regional Manager

Enclosures -- 2

Appendix

Copies of notices of exception (12)
and informal inquiries (34)

U. S. GENERAL ACCOUNTING OFFICE
DETROIT REGIONAL OFFICE

SUMMARY OF ERRORS

NAVAL AIR STATION, BRIDGEWICK, MAINE
JANUARY 1 THROUGH JUNE 30, 1970

MILITARY PAY RECORDS

<u>Type of error</u>	<u>Number</u>	<u>Overpayment</u>	<u>Underpayment</u>
Committed rations not stopped during absence or credited incorrectly	13 ^{a/}	\$ 322.89	
Leave rations not credited or credited improperly	13	5.56	\$ 65.24
Computation of amounts or time periods	10 ^{b/}	144.83	52.42
Basic allowance for quarters not paid to single members on permanent change of station	3		183.12
Aviation pay not stopped when flying orders revoked	1	285.00	
Duplicate deduction of committed rations	1		53.35
Lump sum leave settlement for wrong number of days	1		19.88
Erroneous allotment deduction	1 ^{c/}		18.00
Committed rations not credited for proceed time	1		5.56
Subtotal	44	\$ 758.28	\$ 396.57

MILITARY TRAVEL - PERMANENT CHANGE OF STATION

<u>Type of error</u>	<u>Number</u>	<u>Overpayment</u>	<u>Underpayment</u>
<u>Per diem</u>			
Not paid at separation center	15		\$ 96.00
Not paid on travel days	12		66.91
Paid while in a mileage or leave status	11	\$ 671.35	
Paid for periods prior to required reporting date for training	6	125.80	
Wrong rate	5	14.80	18.00
Meals not deducted or improperly deducted	3	4.48	2.24
Other	3	18.00	19.00
<u>Transportation</u>			
Distance based on wrong mode	8	3.18	29.76
Incorrect distances	5	47.16	4.44
Dependent travel between unauthorized points	4	169.56	1.95
Cost of transportation furnished exceeds cost authorized	1	6.05	
Wrong rate	1		4.43
<u>Reimbursable expenses</u>			
Paid in a mileage status	1	2.00	
Travel to lodging not allowed, quarters available	<u>1</u>	<u>2.00</u>	
Subtotal	<u>76</u>	\$ <u>1,064.38</u>	\$ <u>242.73</u>

MILITARY TRAVEL - TEMPORARY ADDITIONAL DUTY

<u>Per diem</u>			
Meal allowances not deducted or improperly deducted on days of departure or return	23	\$ 77.74	\$ 7.60
Wrong rate	19	95.15	83.64
Incorrectly paid for constructive time	13	52.45	22.90
Not paid while performing temporary duty	4		79.46
Paid while in a group travel status	3	4.90	
Computation	1	1.28	
<u>Transportation</u>			
Monetary allowances - wrong rate or distance	3		9.32

MILITARY TRAVEL - TEMPORARY ADDITIONAL DUTY

<u>Type of error</u>	<u>Number</u>	<u>Overpayment</u>	<u>Underpayment</u>
<u>Transportation (cont'd.)</u>			
Monetary allowance not paid to or from airport	2		\$ 14.08
<u>Reimbursable expenses</u>			
Not paid for lodging on group travel day	1		4.14
Lodging expenses not supported by receipt	1	\$ 5.40	
Computation	<u>1</u>		<u>1.50</u>
Subtotal	<u>71</u>	<u>\$236.92</u>	<u>\$222.64</u>

MILITARY TRAVEL - SEPARATION FROM SERVICE

Incorrect distances	28	\$ 80.40	\$ 75.72
Highway distances used instead of common carrier	22		98.28
Unauthorized terminal points	8	48.48	9.84
Wrong entitlement points	6		29.28
Duplicate payment	1	197.74	
Per diem not paid at separation center	<u>1</u>		<u>10.00</u>
Subtotal	<u>66</u>	<u>\$316.62</u>	<u>\$223.12</u>

CIVILIAN TRAVEL

Per diem

Unauthorized for departure or return within 30 minutes of quarter	7	\$ 59.25	
In excess of constructive travel time	5	49.00	
Wrong rates - travel by aircraft or Government vessel	5	10.50	\$ 21.75
Other	7	8.85	65.75

Transportation

Taxi fares, tips - not authorized	7	48.00	
Paid one way to airport instead of round trip	7		37.70
Paid from duty station instead of home	4		39.40
Constructive cost comparison based on bus instead of air	<u>3</u>		<u>33.30</u>
Subtotal	<u>45</u>	<u>\$155.60</u>	<u>\$198.10</u>

MISCELLANEOUS VOUCHERS

<u>Type of error</u>	<u>Number</u>	<u>Overpayment</u>	<u>Underpayment</u>
<u>Training duty</u>			
Paid 5c a mile and per diem instead of 6c a mile	19	\$ 187.49	
Incorrect distances	2	4.40	
Wrong per diem rate	1		\$ 2.90
Computed rations not paid although mess not used	1		18.73
<u>Rations computed to private mess</u>			
Reimbursed for leave days	<u>1</u>	<u>2.78</u>	
Subtotal	<u>24</u>	\$ <u>194.67</u>	\$ <u>21.63</u>
Total - Monetary errors	<u>326</u>	\$ <u>2,726.47</u>	\$ <u>1,304.79</u>

LEAVE ACCOUNTING

<u>Type of error</u>	<u>Number</u>	<u>Overstated</u>	<u>Understated</u>
Delay en route incorrectly charged	15	31 days	3 days
Not charged	8	89 days	
Balances computed incorrectly	3	112 days	23 days
Credited incorrectly	4	11 days	1 day
Duplicate or incorrect charge	<u>2</u>		<u>5 days</u>
Total - leave errors	<u>37^{d/}</u>	<u>243 days</u>	<u>32 days</u>

TAX REPORTING

Flight deck hazardous duty pay not recorded as taxable income	1
Basic pay for 1 month not recorded as taxable income	<u>1</u>
Total - tax errors	<u>2</u>
Total - all errors	<u>365</u>

- ^{a/} Includes three overpayments for \$69.06 made by other disbursing officers
- ^{b/} Includes \$131.25 pay adjustment authorization issued by NFC, Cleveland, and \$1.39 underpayment made by another disbursing officer
- ^{c/} Pay adjustment authorization issued by NFC, Cleveland
- ^{d/} Includes four errors adjusted on subsequent MPRs, one error made by another disbursing officer, and one error identified by administrative examiners