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UNITED STATES GENERAL ACCOUNTING OFFICE
REGIONAL OFFICE
2006 WASHINGTON BOULEVARD BUILDING
234 STATE STREET
DETROIT, MICHIGAN 48226

OCT 11, 1972



Commanding Officer
U.S.S. PARSONS (DDG-33)
PPO San Francisco

PLC-05946

Dear Sir:

As part of our continuing review of the Navy's financial management system, we have examined, at the Navy Finance Center, Cleveland, selected financial transactions in the accounts of the U.S.S. PARSONS for the 6 months ended December 31, 1971. We found a number of errors in pay records and travel vouchers which resulted in over- or underpayments to crew members or in improper leave balances.

The most serious problem appears to be in payroll posting and verification procedures. The \$333 payment, shown in the appendix, had not been posted to the pay record although the payroll contained signatures evidencing reverification and sight verification.

Most of the errors, including leave accounting errors, are the type which are normally attributed to disbursing offices and which can be kept at a minimum by adequate supervisory review. However, we could not pinpoint responsibility or determine the specific causes since our review was limited to examining the vouchers, pay records, and supporting documents at the finance center. Our findings are summarized in the appendix.

We are bringing these matters to your attention so that you might investigate further the causes of the errors and take action to preclude future errors. To assist you in determining the causes, we are enclosing information copies of our informal inquiries. We would

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appreciate your comments on the causes and actions taken.
If you need additional information, please let us know.

Sincerely yours,

C. H. MOORE

C. H. Moore
Regional Manager

Enclosures -- 2

Appendix

Copies of informal inquiries (14)

cc: Comptroller of the Navy
Commander, Cruiser Destroyer Force, Pacific Fleet
Director, Navy Military Pay System
Commanding Officer, Navy Regional Finance Center,
Pearl Harbor
Director, Naval Area Audit Service, San Diego
Commanding Officer, Navy Finance Center

U. S. GENERAL ACCOUNTING OFFICE
DETROIT REGIONAL OFFICE

U.S.S. PARSONS (DDG-35)
JULY 1 THROUGH DECEMBER 31, 1971

EXTENT OF ERRORS

<u>TYPE OF RECORD</u>	<u>TOTAL</u>	<u>NUMBER REVIEWED</u>	<u>NUMBER OF ERRORS</u>	<u>RECORDS WITH ERRORS</u>	
				<u>Number</u>	<u>Percent</u>
Military pay records	295	148	16	15	10
Military travel vouchers	143	96	23	18	19

SUMMARY OF ERRORS

<u>TYPE OF ERROR</u>	<u>NUMBER</u>	<u>OVERPAYMENT</u>	<u>UNDERPAYMENT</u>
<u>MILITARY TRAVEL VOUCHERS</u>			
<u>Per Diem</u>			
Not paid while en route between stations	6		\$ 55.58
Wrong rate	3	\$ 575.40	61.67
Exceeded constructive travel	1	1.45	
Not entitled - unofficial travel	1	13.26	
<u>Mileage</u>			
Incorrect distance	9	34.38	39.54
<u>Dependent's Travel Allowance</u>			
Unauthorized miscellaneous expenses	1	30.30	
<u>Other</u>			
Unauthorized mileage between lodging and temporary duty station	2	72.00	
Subtotal	<u>23</u>	\$ <u>726.79</u>	<u>\$156.79</u>

<u>TYPE OF ERROR</u>	<u>NUMBER</u>	<u>OVERPAYMENT</u>	<u>UNDERPAYMENT</u>
<u>MILITARY PAY RECORDS</u>			
Computations/extensions	5	\$ 261.59	\$ 4.83
Temporary lodging allowance - wrong rate	2	2.88	13.50
Excess leave - wrong number of days	1		46.22
Leave rations not properly credited	1	1.52	
Payroll - payment not posted	1	333.00	
Subtotal	<u>10</u>	<u>\$ 598.99</u>	<u>\$ 64.55</u>
Total monetary errors	<u>33</u>	<u>\$1,325.78</u>	<u>\$221.34</u>

	<u>NUMBER</u>	<u>OVERSTATED</u>	<u>UNDERSTATED</u>
<u>Leave Accounting</u>			
Credited incorrectly	4	4 days	17 days
Incorrect computation - delay en route	1		1 day
Balance computed incorrectly	<u>1</u>		<u>5 days</u>
Total leave errors	<u>6</u>	<u>4 days</u>	<u>23 days</u>
Total all errors	<u>39</u>		