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

DEC 18 1972



LM093945

Commanding Officer
U.S.S. HENDERSON (DD-785)
APO San Francisco

DLG 05478

Dear Sir:

In our continuing review of the Navy's financial management system, we test transactions in the accounts of disbursing officers. In sampling the U.S.S. HENDERSON accounts for the 6 months ended June 30, 1972, we found crew members were over or underpaid and leave balances were inaccurate because of several errors in travel vouchers and military pay records. The errors are summarized in the appendix.

Travel voucher errors were predominant and indicate a need for attention. Group travel errors were common -- resulting from misapplication of regulations by both the order-issuing authority and the disbursing officer. Contrary to regulations, orders authorized per diem and transportation allowances although they were designated as group travel. Also, travel allowances under group travel orders were paid as if individual orders had been issued.

We could not pinpoint responsibility or determine causes of the errors since our review was limited to examining records at the Navy Finance Center, Cleveland. However, we believe travel payments could be significantly improved if disbursing personnel became more familiar with travel regulations and used more care in processing and paying travel claims. Pay errors can be reduced by better supervisory reviews.

We are bringing this information to your attention so you can take action to preclude future errors. To assist you, we are enclos-

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ing information copies of our informal inquiries. We would appreciate your comments on the causes and actions taken. Please let us know if you need additional information.

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 Finance Center, Cleveland
Commanding Officer, Navy Regional Finance Center, San Diego
Director, Naval Area Audit Service, San Diego

U. S. GENERAL ACCOUNTING OFFICE
DETROIT REGIONAL OFFICE

U.S.S. HENDERSON (DD-785)
JANUARY 1 THROUGH JUNE 30, 1972

EXTENT OF ERRORS

<u>TYPE OF RECORD</u>	<u>TOTAL</u>	<u>REVIEWED</u>	<u>ERRORS</u>	<u>RECORDS WITH ERRORS</u> <u>Number</u>	<u>Percent</u>
Military travel vouchers	214	197	27	23	21
Military pay records	280	140	15	14	10
Miscellaneous vouchers	16	16	0	0	-
Totals	<u>510</u>	<u>263</u>	<u>42</u>	<u>37</u>	<u>14</u>

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	5		\$ 20.30
Meals and quarters - deductions	5	\$ 10.08	16.30
Exceeded constructive travel	5	25.20	
Wrong rate	2	3.31	3.65
<u>Mileage</u>			
Incorrect distance	2		9.24
<u>Dependent's Travel Allowance</u>			
Duplicate payment	1	96.79	
<u>Other</u>			
Not entitled to per diem or transportation allowance - group travel	7	99.00	
Subtotal	<u>27</u>	<u>\$224.38</u>	<u>\$ 49.49</u>

<u>TYPE OF ERROR</u>	<u>NUMBER</u>	<u>OVERPAYMENT</u>	<u>UNDERPAYMENT</u>
<u>MILITARY PAY RECORDS</u>			
<u>Pay and Allowances</u>			
Quarters allowance not paid on change of station	2		\$ 27.57
Excess leave - wrong number of days	1		21.59
Commuted rations not deducted - on leave	1	\$ 12.16	
Sea duty pay - erroneous deduction	1		5.20
Inadequate quarters - erroneous adjustment	1	12.24	
Computation error	1	16.00	
Subtotal	7	\$ 40.40	\$ 54.36
Total monetary errors	<u>34</u>	<u>\$264.78</u>	<u>\$103.85</u>

OVERSTATED UNDERSTATED

Leave Accounting

Balance computed incorrectly	<u>8</u>	<u>38 1/2 days</u>	<u>1 day</u>
Total leave errors	<u>8</u>	<u>38 1/2 days</u>	<u>1 day</u>
Total all errors	<u>42</u>		