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UNITED STATES GENERAL ACCOUNTING OFFICE

REGIONAL OFFICE

8TH FLOOR

PATRICK V. McNAMARA FEDERAL BUILDING

477 MICHIGAN AVENUE

DETROIT, MICHIGAN 48226

JUL 8 1977

Captain Dene B. Stratton  
Commanding Officer  
Navy Finance Center  
A. J. Celebrezze Federal Building  
Cleveland, Ohio 44199

Dear Captain Stratton:

Enclosed is a copy of the report on our review of the accounts of the Naval Air Facility, Sigonella, Sicily. In the 6-month period covered by our review, the disbursing officer paid 1,331 travel vouchers totaling \$52,465.

We reviewed a statistical sample of 332 vouchers and identified 123 over and underpayments totaling \$1,762. We also verified periods of leave shown on 92 vouchers and found 18 leave accounting errors. Our tests indicate that the unexamined vouchers in the accounts contain 369 additional over and underpayments totaling about \$5,300, and 54 leave accounting errors. The report shows the predominant error types and related disbursing deficiencies.

While we are concerned about the large number of errors, and the causes of these errors, we are equally concerned about the adequacy of the Finance Center's administrative examination program. The examination group in your Fleet Department reviewed 189 vouchers in the Sigonella accounts in the period covered by our review and reported 10 travel overpayments, a substantial understatement of the degree of error.

Administrative examinations complement other elements of management control. Without reliable error data, Navy financial managers cannot effectively evaluate or improve the quality of disbursing. The Navy Comptroller established the administrative examination program to provide assistance to disbursing officers, insure quality of financial transactions, and strengthen the system of internal controls. Our analysis of the Sigonella account indicates that the Finance Center's examination program does not satisfy these requirements.

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We are enclosing listings of the vouchers in our sample. We recommend that your staff examine the remaining vouchers in the accounts to verify the propriety and accuracy of the travel payments, delay en route computations, and leave charges.

If you need additional information concerning our examination please call John R. Dunwiddie in our Cleveland office.

Sincerely yours,

**W. C. Herrmann, Jr.**

Walter C. Herrmann, Jr.  
Regional Manager

Enclosures--2

Copy of letter report to  
NAF, Sigonella  
List of vouchers examined  
by GAO

cc· Comptroller of the  
Navy (NCB-4)  
Comptroller of the  
Navy (NCF-4)  
Commanding Officer, Fleet  
Accounting and Disbursing  
Center, Norfolk

Selected Vouchers in the NAF, Sigonella Accounts  
Examined by the U.S. General Accounting Office

<u>Date</u> <u>Paid</u>	<u>Voucher</u> <u>Number</u>	<u>Voucher</u> <u>Number</u>	<u>Date</u> <u>Paid</u>	<u>Voucher</u> <u>Number</u>	<u>Voucher</u> <u>Number</u>
Apr. 1976	38313	38689	May 1976	38898	CV 609
	38323	38712		38920	39236
	38332	38745		38952	39240
	38347	38758		38956	39244
	38368	38762		38960	39251
	38380	38766		38969	39260
	38384	38778		38974	39264
	38388	38782		38981	39268
	38409	38789		39021	39272
	38413	38793		39028	39276
	38417	38797		39032	39284
	38421	38810		39036	39307
	38431	38833		39040	39314
	38435	38852		39044	39318
	38439			39048	39322
	38447			39052	39336
	38453			39060	39355
	38492			39064	39361
	38506			39097	39379
	38513			39135	
	38525			39139	
	38529			39143	
	38533			39147	
	38545			39151	
	38549			39177	
	38553			39181	
	38557			39185	
	38561			39189	
	38573			39193	
	38589			39198	
	CV525			39204	
	38611			39208	
	38670			39212	
	38674			39216	
	38682			39220	

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June 1976	39386	39662	July 1976	40044	40428
	39390	39666		40099	40432
	39394	39673		40108	40437
	39398	39677		40121	40451
	39402	39681		40127	40455
	39409	39685		40151	40459
	39422	39692		40174	40463
	39426	39749		40182	40467
	39430	39753		40195	40474
	39434	39767		40230	40478
	39438	39771		40235	40482
	39442	39797		40239	40489
	39446	39801		40279	40493
	39475	CV653		40283	40498
	39481	39815		40287	40503
	39485	39819		40291	40507
	39489	39823		40316	40522
	39498	39827		40320	40527
	39502	39831		40324	40538
	39506	39835		40328	40542
	39510	39840		40332	40546
	39514	39845		40336	40551
	39524	39849		40340	CV64
	39528	39857		40344	40563
	39532	39887		40348	40567
	39536	39916		40352	40571
	39540	39950		40356	40575
	39560	39965		40360	40579
	39590	39981		40366	40598
	39594	39994		40372	
	39598			40379	
	39603			40387	
	39616			40410	
	39620			40415	
	39624			40420	

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Aug. 1976	CV78	41167	Sept. 1976	41243	41571
	40766	41177		41247	41584
	40790	41195		41251	41605
	40794	41207		41255	41617
	40798	41212		41259	41633
	40802	41216		41263	41652
	40806	41224		41267	41663
	40818	41228		41271	41687
	40822			41295	41694
	40826			41304	41703
	40866			41355	41707
	40878			41362	41711
	40886			41375	41715
	40894			41381	41719
	40902			41385	41723
	40923			41389	41734
	40932			41393	41741
	40946			41397	41745
	40956			41424	41749
	40962			41430	41760
	40986			41434	41776
	41027			41455	41804
	41032			41465	
	41042			41481	
	41050			41485	
	41062			41489	
	41076			41504	
	41083			41525	
	41087			41543	
	41095			41547	
	41122			41551	
	41127			41555	
	41134			41559	
	41158			41563	
	41162			41567	