

E-159797

SEP 30 1980



The Honorable Harold Brown
The Secretary of Defense

Attention: Assistant Secretary of Defense
(Comptroller)

Dear Mr. Secretary:

Subject: [Approval of the Design of the Defense Mapping
Agency Accounting System] (FGMSD-80-90)

It is my pleasure to approve the design of the Defense Mapping Agency Accounting System submitted with your letter of September 16, 1980, as being in conformity in all material respects with the approved accounting principles and standards of the Department of Defense. This approval of the accrual and cost accounting segments of the system supplements my approval of the fund control aspects on September 28, 1979.

In evaluating this segment of the system design, we looked at the automatic data processing aspects of cost accounting primarily to determine their adequacy as to internal controls, audit trails, data integrity, and consistency with the accounting specifications. The Defense Mapping Agency uses the automated Air Force General Accounting and Finance System for the appropriated fund accounting function. The ADP aspects for that segment of the system will be looked at as we finalize our review of the Air Force system. Any changes required in that automated system will apply equally to the Defense Mapping Agency system.

To maintain an approved status of the design, planned changes should be discussed with our representatives and, if deemed significant, submitted formally for approval.

We are pleased to note that the "fund control" aspects of this system are in operation. The "cost accounting" aspects are in the design stage and will be implemented at a later date. We suggest that your internal auditors periodically review the system to assure that it is operating and being implemented as described in the approved system design. At some future date we will examine selected aspects of the system and advise you as to whether it is functioning effectively and in accordance with our approval.

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LETTER

We commend you and the Defense Mapping Agency for your continued efforts in improving the Department of Defense financial management system.

Sincerely yours,

Signed: W. P. Stoltz

Comptroller General
of the United States

cc: Mr. James McGuire
Defense Audit Service

bc: Mr. Scantlebury (FGMSD)
Mr. Campbell (FGMSD)
Mr. Donlon (FGMSD)
Mr. Alamilla (FGMSD)
Mr. Simonette (FGMSD)
Mr. Kearns (FGMSD)
Index and Files