



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON D.C. 20548

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Room 6104*

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The Honorable Caspar W. Weinberger  
The Secretary of Defense

Attention: Assistant Secretary of Defense (Comptroller)

Dear Mr. Secretary:

Subject: Approval of the Design for the Joint Uniform Military  
Pay System, Army Retired Pay (AFMD-81-114)

It is my pleasure to approve the design for the Joint Uniform Military Pay System, Army Retired Pay, submitted to us for approval on September 29, 1981, as being in conformity in all material respects with the approved accounting principles and standards of the Department of the Army.

In evaluating the system design we looked at the automatic data processing aspects primarily to determine their adequacy as to internal controls, audit trails, data integrity, and consistency with the accounting specifications.

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

The system has been in operation at the United States Army Finance and Accounting Center since 1973, but several essential features described in the improved design are not scheduled for implementation until fiscal years 1982 and 1983. The implementation of all design features is essential to ensure that appropriate controls and records are maintained for all payments authorized by the system and to maintain the approved status of the system.

As soon as the Army completes its implementation of the approved system design, we suggest that the Army Audit Agency periodically review the system to assure that it is operating in accordance with the design. We may also review the system, or selected aspects thereof, and advise you whether it is functioning effectively and in accordance with our approval.

We are presently auditing the Retired Pay System in operation to determine how the Army can better interface with the Veterans Administration to prevent those individuals who are in a dual entitlement status from being overpaid. We are also reviewing selected established internal controls which were designed to assure correct, proper, and timely payments.

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At the conclusion of the audit, we will discuss with you and the Army any changes we believe necessary to improve the system.

We commend you and the Army staff for your continued efforts in improving the Army's financial management system.

Sincerely yours,

Acting **JOHN I. SOCOLAR**  
Comptroller General  
of the United States

cc: Defense Audit Service

bc: Index and Files  
Mr. Campbell (AFMD)  
Mrs. Robinson (AFMD)  
Mr. Simonette (AFMD)  
Mr. Reifsnyder (AFMD)  
Mr. Donlon (AFMD)  
Mr. Kearns (AFMD)