

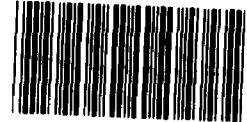
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UNITED STATES GENERAL ACCOUNTING OFFICE  
REGIONAL OFFICE  
SUITE 300-D, 2420 W. 26TH AVENUE  
DENVER, COLORADO 80211

FEB 9 1988

Major General T. G. Genes, Jr.  
Commander, U. S. Army  
Headquarters Fort Carson and 4th Infantry Division  
Fort Carson, Colorado 80913



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Dear General Genes:

Subject: Fort Carson's Year-End Obligations and  
Closeout Procedures (DRO-83-01)

We have completed a review of Defense compliance with Section 1311 of the 1955 Supplemental Appropriations Act (31 U.S.C. 1501). During our work at Fort Carson we evaluated compliance with Section 1311 and reviewed year-end obligations and closeout procedures. We have given the results of our review to our Washington office staff for their use in writing a report.

We wish to bring to your attention two problem areas which require local corrective action. First, our audit team and the Director of Engineering and Housing identified nearly \$1 million in "Blocking, Bracing, Packing, Crating, and Tie-down" materials overages. These occurred because Engineering and Housing staff

--disregarded 1981 undelivered orders when ordering the same items on 1982 bypass of the Army stock fund and

--did not include, in their requirements calculations, some items stored at the Pueblo Army Depot.

As a result, the Army Forces Command has appointed Fort Carson as the future distribution point for the excess items, and Engineering and Housing officials said they are reevaluating requirements and conducting a new inventory of Blocking, Bracing, Packing, Crating, and Tie-down materials stock.

Other Army installations' timely receipt of these excess items could reduce their future inventory orders. Therefore, we recommend that you assure that the excess inventory items are timely distributed to other installations, in accordance with the Army Forces Command's instructions.

Second, Installation Supply personnel held most September 1982 turn-ins and did not process them until October. Thus, September credits to consumer funds totaled \$4,470, while October credits (which increased fiscal year 1983 funds) were \$704,900. Average monthly credits during fiscal year 1982 were \$300,000. Although Fort Carson officials have no written instructions or procedures for holding turn-ins, they said the hold is necessary at year-end to maintain control over funds available for obligation.

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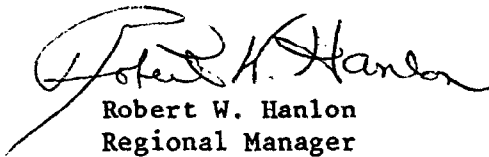
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We believe that a control procedure is needed to minimize the potential risk of an activity delaying a turn-in to extend fiscal year funds. Accordingly, we recommend that you implement a written procedure establishing a firm cut-off date during the last half of September, after which no turn-ins for credit would be processed.

We would appreciate your comments on any actions taken or planned on these matters. Also, we wish to acknowledge the courtesies and cooperation extended to our staff during the review.

Sincerely yours,



Robert W. Hanlon  
Regional Manager