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UNITED STATES GENERAL ACCOUNTING OFFICE
REGIONAL OFFICE

FEDERAL BUILDING, 16TH FLOOR WEST
230 SOUTH DEARBORN STREET
CHICAGO, ILLINOIS 60604

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7 APR 1976

Mr. Richard C. Gilliland
Regional Administrator
Employment and Training Administration
230 South Dearborn Street, Sixth Floor
Chicago, Illinois 60604

Dear Mr. Gilliland:

We recently surveyed cash management practices at several Federal agencies one of which was the Chicago Regional Office of the Employment and Training Administration (ETA). We wanted to determine whether collections are deposited promptly as required by Title 7 of the GAO manual, a practice which would decrease the need for borrowing by the U. S. Treasury and reduce interest costs to the Government.

The Chicago Regional Office of ETA collects refunds averaging over \$900,000 monthly. Collections however, are accumulated and held before making a deposit, only a few deposits are made each month. We could not determine the length of delays because the Regional Office did not record when collections were received as required.

We discussed this with your Assistant for Administration and Management systems. He said that procedures would be changed to assure that collections are deposited daily. He also said that date of receipt would be recorded for each collection item and unidentified remittances would also be promptly deposited.

A concerted practice of daily deposit by ETA regions and other Federal agencies could help immensely to reduce the borrowing burden on the U. S. Treasury. We would appreciate being advised of the corrective actions you carried out.

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A copy of this report is being sent to the Director, Audit and Investigations, of the Department of Labor. A copy is also being sent to the Assistant Secretary for Administration and Management, Department of Labor, to consider what actions may be needed to promote prompt deposit of collections by all regional offices.

Thank you for the cooperation extended to our representatives during the survey.

Sincerely yours,

W. J. Schad

W. J. Schad
Acting Regional Manager