



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

119/207

B-48120

AUG 16 1982

The Honorable James G. Watt  
The Secretary of the Interior

Dear Mr. Secretary:

Subject: Withdrawal of Approval of the Bureau of Indian Affairs  
Accounting System (GAO/AFMD-82-109)

As a result of our recent review, we are withdrawing our approval of the Bureau of Indian Affairs accounting system. The reason for this withdrawal is that the system in operation today is not the system the Comptroller General approved in 1953. Extensive design changes were made in the 1960's and the system was not submitted for reapproval as required by Section 31 of Title 2 of the General Accounting Office "Policy and Procedures Manual for Guidance of Federal Agencies." Our recent review disclosed this fact as well as serious design and operating problems.

Recently we met with the Deputy Assistant Secretary for Indian Affairs (Operations) and other officials of the Bureau and the Department and explained this action to them. We offered to work with them to correct the problems in the current system and to assist in preparing the redesigned system for submission to the Comptroller General for approval. From their excellent response, we are confident that Interior and Bureau personnel will cooperate to develop and implement a good accounting system.

Sincerely yours,

Signed Charles A. Bowsher  
Comptroller General  
of the United States

cc: Mr. Richard Mulberry  
Inspector General



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