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UNITED STATES GENERAL ACCOUNTING OFFICE
REGIONAL OFFICE
FEDERAL BUILDING, 16TH FLOOR WEST
230 SOUTH DEARBORN STREET
CHICAGO, ILLINOIS 60604

7 APR 1976

Mr. Claud Gillam, Director
Veterans Administration Regional Office
2030 West Taylor Street, Room 6E
Chicago, Illinois 60680

Dear Mr. Gillam:

We recently surveyed cash management practices at several Federal agencies one of which was the Veterans Administration (VA) Regional Office, Chicago, Illinois. 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 VA Regional Office processes and deposits its collections of accounts receivable in a timely manner. However, loan guarantee collections, averaging about \$103,000 monthly, are delayed between 4 and 7 days because they are sent to the VA Center at Austin, Texas, for deposit. We were told that these collections were not deposited locally, the optional procedure, because it required more staff time.

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

A copy of this report is being sent to the Controller, Veterans Administration, Washington, D.C., 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

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