

Temporary duty points not shown on travel vouchers

Adequate administrative review of travel vouchers is not being performed.

Points at which temporary duty is performed, or other points visited should be shown on the voucher. SGTR 6.9.

A number of travel vouchers were processed which did not show the points at which temporary duty was performed. In some instances the Accounting Technician had to contact the traveler to obtain this information and insert it on the voucher.

The Executive Officer stated instructions would be issued to travelers in order to preclude recurrence.

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In accordance with 8 GAO 13.2, the records of financial transactions through June 30, 1969, which are no longer needed, may be transmitted to the Federal Records Center for storage.

A copy of this report is being sent to the Federal Highway Administrator.

We wish to acknowledge the cooperation given our representatives during this review. We will appreciate your comments as to the action taken on the matters reported herein.

Very truly yours,


Regional Manager

Agencies are responsible for placing collections under appropriate accounting control upon receipt (7 GAO 11.1)

We were told that in the future more care would be exercised in maintaining the register, but no explanation was offered as to why collections were not recorded in the general ledger for the proper month.

NEED TO DOCUMENT FOLLOWUP ON EXCESS PERSONAL PROPERTY TRANSFERS AND BILLINGS

Follow-up action on transfers of excess personal property from Federal agencies to State highway departments and on related billings was not always documented.

Region 3 operating procedures implementing FHA Manual 35-VII-6.a(1) require follow-up action on transfer of excess personal property if a receiving report is not received within 60 days. FHA Manual 23-VI B-39 provides that appropriate collection action shall be taken when an account has been open for 30 days.

At May 7, 1970, no receiving report had been received for a transfer dated December 22, 1969. Also, at May 7, 1970, six billings totaling \$4,679 had been outstanding from 2 to 5 months. No documentation was found to show follow-up action on either the transfer or the billings.

The Supervisory Accounting Technician stated that transfers and billings are followed up but the action is not always recorded. The Executive Officer stated that, in the future, follow-up action taken would be documented.

A similar situation was previously reported to you in our letter of March 14, 1966. Your reply dated March 23, 1966, stated that follow-up action taken was being documented.

GSA-APPROVED SF 122's, TRANSFER ORDERS, EXCESS PERSONAL PROPERTY, NOT ON FILE

Copies of Transfer Orders, Excess Personal Property, SF 122's, bearing General Services Administration (GSA) approval for the sale of excess equipment to States were not on file in all instances.

FHA Manual 35-VII-6.a(1) and Region 3 operating procedures require that a GSA-approved copy of SF 122 be received in the regional office for billing purposes.

The Supervisory Accounting Technician stated that in the future GSA-approved copies of SF 122 would be obtained and retained.

NEED TO ESTABLISH UNBILLED RECEIVABLE
GENERAL LEDGER ACCOUNT

A general ledger account has not been established to provide for the recording of unbilled receivables awaiting receiving reports for the sale of excess personal property.

FHA Manual 23-111 requires that regional offices establish account number 126 for unbilled receivables. Region 3 operating procedures also provide that a monthly entry to the general ledger by journal voucher for unbilled accounts receivable be made.

At April 30, 1970, unbilled SF 122's on hand had a book value of \$2,685.

The Supervisory Accounting Technician stated that the reason the account had not been established was the uncertainty as to whether States would accept the equipment requested.

We believe a general ledger account should be established to provide control over unbilled receivables. In instances where States reject the equipment, adjusting entries could be made to the account.

TIME AND ATTENDANCE REPORTS IMPROPERLY
CERTIFIED IN ADVANCE

Control over timekeeping functions was weakened by timekeepers certifying time and attendance reports at the beginning of the pay period at four timekeeping locations.

Regional officials stated that instructions would be issued to correct this practice.

NEED FOR IMPROVEMENT IN TRAVEL ADMINISTRATION

Unnecessary delay in liquidating travel advances

Region 3 procedures for the liquidation of unneeded travel advances have recently been strengthened but we believe there are areas that need improvement.

FHA Manual 38-VII-6 requires the fiscal office to promptly take action to liquidate advances which are in excess of an employee's continuing needs.

At May 20, 1970, five employees held advances in excess of their needs for periods up to 4 or more years, for which no evidence

was produced to show that an aggressive effort was made to reduce or completely liquidate the advance, as cited below:

1. The National Office in July 1965 advanced \$300 to an employee, but did not notify Region 3 until October 17, 1969, when accountability was transferred. Region 3, meanwhile, on August 12, 1968, had advanced an additional \$200. On October 21, 1969, Region 3 requested that the employee refund the \$300 advanced by the National Office. Followup was made on March 24, 1970, requesting a refund of \$400. This employee erroneously showed an outstanding advance of \$200 on all his previously submitted travel vouchers.

2. One employee received a continuing advance of \$100 in January 1966. In connection with his transfer of official station, he applied for and received an additional advance of \$1,000, in April 1966, which was reduced by partial liquidations to \$50 at June 1968. No apparent effort was made to collect the balance until over 2 years later when \$10 a month was liquidated for April and May 1970 which reduced this advance to \$30.

3. Another employee was given a continuing advance of \$200 in April 1960. This employee reduced his advance to \$154.50 in April 1970 after being requested in March 1970 to reduce the advance to \$100.

4. Two employees who were advanced funds for specific trips failed to liquidate the advances at the completion of their specific assignments, and there was no evidence that collection efforts had been made. One employee's advance of \$460 made in January 1970 was partially liquidated in the amount of \$385.85 upon submission of his travel voucher. The other employee's advance of \$75 was not deducted from his claim of \$97.55 at the completion of the trip, nor did he show on his voucher that an advance was outstanding.

A letter dated January 15, 1970, addressed to all travelers, requested that refund be made of any sums that were not being used for allowable travel expenses. A followup was made to specific individuals holding continuing advances on March 24, 1970, requesting that a definite amount be liquidated within 60 days. However, we found no evidence that any action was taken to recover advances outstanding which had been made to cover completed specific trips.

Need to fix realistic per diem rates for travel
not requiring overnight absences

Travel vouchers are being approved for payment allowing per diem for travel not requiring overnight absences, whereas it appears that authorized subsistence expenses may not have been incurred or were much less than the per diem allowed.

FHWA Order 2-2, paragraph 3.b.(2) provides that the approving official will perform such administrative review as will permit him to determine that the itinerary for which reimbursement is requested does not involve unnecessary expenditures of travel funds. In 31 Comp. Gen. 264 it was stated in pertinent part that:

"If absence from headquarters are (sic) under such circumstances as not to require any increase in the actual expenses of subsistence over those which would have been incurred at headquarters, the basis for subsistence allowance fails and it is the administrative responsibility to prevent the fixing of per diem in lieu of subsistence at a rate in excess of that required to meet the necessary authorized expenses."

Our review disclosed numerous instances where payment was made at the reduced allowable per diem rate stipulated in the FHWA Order 2-2 for travel of less than 24 hours, without apparent regard to the amount of authorized expenses incurred or whether any authorized expenses were in fact incurred. In this connection, see second paragraph, sec. 6.2, and second paragraph, sec. 6.11, Standardized Government Travel Regulations (SGTR).

It is suggested that approving officials be instructed to exercise care in the fixing of per diem rates and in the review of travel claims so that reimbursement shall reasonably approximate expenses expected to be incurred.

Erroneous computation of per diem

Per diem was erroneously computed in two instances.

One traveler was allowed 1-1/4 days' per diem whereas only 1 day's per diem is allowable where an employee was in a continuous travel status for an elapsed period of 23 hours and 17 minutes. For continuous travel of 24 hours or less, SGTR 6.11 provides that the travel period will be regarded as commencing with the beginning of the travel and ending with its completion, and for each 6-hour portion of the period, or fraction of such portion, one-fourth of the per diem rate for a calendar day will be allowed.

Another employee, traveling by privately owned automobile, was allowed three-quarters of a day's per diem for performing duties away from his headquarters for an elapsed period of 12 hours and 15 minutes (7 a.m. to 7:15 p.m.). Where a traveler uses an automobile and his return to his official station is within 30 minutes after the beginning of a quarter day, SGTR 6.9c(2) provides that per diem for such quarter day will not be allowed.