



UNITED STATES GENERAL ACCOUNTING OFFICE
REGIONAL OFFICE
ROOM 403, U.S. CUSTOMHOUSE, 610 SOUTH CANAL STREET
CHICAGO, ILLINOIS 60607

MAY 24 1971

Colonel Henry J. Fleischacker
Acting State Director
Iowa State Headquarters
Selective Service System
Bldg. 68, Ft. Des Moines
Des Moines, Iowa 50315



LM089316

Dear Colonel Fleischacker:

We have made a review for the settlement of accounts of the certifying officers of the Iowa State Headquarters, Selective Service System, for the period through December 31, 1970. The review, completed in April 1970, was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53) and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Our review, directed primarily toward the settlement of the certifying officers' accounts, consisted of an examination of the administrative procedures and internal controls relating to the receipt and disbursement of funds and included such tests of financial transactions as we considered appropriate. Program operations were not included in this review. In establishing the scope of our review, we considered the most recent internal audit of the National Headquarters Field Auditors for the period May 1968 through March 1970.

Our review disclosed a need for improvement in a number of administrative procedures and controls. The matters noted during our review were discussed with you and members of your staff. Although corrective action was initiated or being considered with respect to these matters, they are summarized below for your information:

- no administrative certification on vendors' billings to the effect that supplies were received or services were performed.
- no administrative review of subvouchers or other documents prior to payments was indicated.

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- State Procurement Officer is performing functions of purchasing, and certifying vouchers for payment.
- time and attendance reports for the state office and local board employees were not always certified.
- travel vouchers did not show evidence of administrative approval as required by SSA Manual, Section 3.12, paragraph (6)(e)(1).
- no policy for limiting per diem payments for travel adjacent to permanent duty station; per diem paid for travel within 30 miles of the duty station.
- various per diem rates applicable to compensated and uncompensated employees were not established in any memorandum, administrative order, or instruction.
- journal vouchers affecting entries to the general ledger accounts do not show the signature of the originator of the voucher or approval by the fiscal officer.

In accordance with 8 GAO 3, the record of financial transactions through December 31, 1970, may be transmitted to the Federal Records Center for storage in accordance with your records management program.

Copies of this report are being furnished to the Director, Selective Service System.

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We wish to acknowledge the courtesy and cooperation extended to our representatives during the review, and would appreciate being advised of the final action taken on these matters.

Sincerely yours,

M. R. Wolfson
M. R. Wolfson
Regional Manager