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SUMMARY OF FINDINGS

"3. Our audit revealed that documentation or other data of the type normally required to support obligations was not available to substantiate the validity of the total recorded obligations. Further, many transactions occurring subsequent to Fiscal Year 1958 and processed as expenditures in liquidation of Fiscal Year 1958 obligations were of the type which would normally be considered applicable to a fiscal year subsequent to Fiscal Year 1958. Adequate detail was not available to support a substantial amount of expenditures, and such documentation as was available was not maintained within a single substantive file. Although documentation made available to us indicated appropriate project approvals were obtained, we were unable to determine whether total project costs were within the limits of such approvals because property issued by field stations was not shown on Headquarters records.

SUMMARY OF RECOMMENDATIONS

"4. We recommend that FE Division take action as deemed appropriate to assure documentation and recording of future expenditures and obligations according to such determinations as may arise out of the matters presented in this report. Additional specific recommendations are presented for consideration as follows:

"a. In conjunction with the Comptroller, review unliquidated obligations and adjust accounts to reflect only those obligations determined to be proper under established criteria. (Paragraphs 9 through 11)

"b. With concurrence of the Comptroller, determine whether review of all recorded expenditures should be undertaken for the purpose of adjusting as necessary to reflect charges to proper fiscal year. (Paragraph 13)

"c. Undertake action necessary to create a single substantive file to support and reflect the detail of expenditures. (Paragraph 14)"

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