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*[Handwritten signature]*

Acting Comptroller

29 December 1954

Chief, Technical Accounting Staff

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[Redacted block]

REFERENCE:

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Memorandum to Deputy Comptroller from Chief, Industrial Contract Audit Branch, dated 3 November 1954, Subject: Payment Through Covert Funds the Travel Claims of [Redacted]

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1. In accordance with your request a review has been made of the procedure relating to the above subject to ascertain whether adequate controls are in effect to preclude duplicate payments or questions by the GAO auditors where an overt employee who normally travels with confidential funds is transferred PCS and reimbursed from confidential funds for the transfer expenses. This review disclosed:

- a. The office approving a travel order assigns the travel order number. Separate series of numbers are used for confidential and vouchered travel orders. The vouchered travel order numbers also carry a suffix of "XII."
- b. Two copies of each travel order are provided the Travel Branch that will be responsible for approving travel vouchers submitted in connection with such authorized travel.
- c. Travel vouchers are approved for payment after the completion of a detailed audit. This audit includes verifying the travel voucher with the travel order, in order to determine that the travel was properly authorized.
- d. In no instance is a travel voucher approved for payment by the respective Travel Branch if copies of the travel order authorizing such travel are not on file in the Branch. Also, the Travel Branches will not approve payment of a voucher that is to be paid from funds not available for disbursement by the particular Travel Branch.
- e. The auditor for the General Accounting Office located within this Agency stated that in the GAO audit of the payrolls no attempt is made to check the "Notification of Personnel Action"

*F.D. Cotton Jr. A.B. return to Compt. 1/3/55*

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(SF-50), transferring an employee to a new official station, against the related travel order authorizing the travel of such employee to his new official station.

2. The procedure outlined above would preclude duplicate payments of travel expenses except for the very unlikely possibility that travel orders for the same travel might be issued on both confidential and vouchered funds.

3. As regards subparagraph 2 of the reference memorandum, the following comments are made:

a. A review of the records of the Payroll Branch, Fiscal Division, disclosed that a copy of SF-50 transferring Mr. [REDACTED] to Washington, D. C. is on file in the Branch. Also, the Personnel Office issued an amended SF-50, dated 7 December 1954, which shows the effective date of transfer of this employee to be 4 January 1954. A copy of the amended SF-50 is on file in the Payroll Branch, Fiscal Division.

b. While the General Accounting Office has not performed an audit of the 1954 calendar year payrolls, it is our understanding that an exception will not be taken by the auditors because of the absence of a vouchered travel order in connection with the transfer of Mr. [REDACTED].

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