



089346

UNITED STATES GENERAL ACCOUNTING OFFICE
DALLAS REGIONAL OFFICE
ROOM 500, 1512 COMMERCE STREET
DALLAS, TEXAS 75201

Mr. E. P. Whitaker
Director, Veterans Administration Hospital
Shreveport, Louisiana 71101

Dear Mr. Whitaker:

We have made a review for the settlement of accounts of accountable officers of the Veterans Administration Hospital, Shreveport, Louisiana, through June 30, 1970. Our review 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, completed in December 1970, was directed primarily toward evaluating current administrative procedures and controls related to receipts and disbursements (including payrolls) and included such tests of financial transactions as we considered appropriate. In making our review, we considered the report and working papers prepared by representatives of the Office of the Controller, Veterans Administration, during their latest audit concluded in June 1970 and the audits performed in fiscal year 1970 by the Fiscal Division personnel of the Shreveport Hospital. Program operations were not included in our review.

We are pleased to report that administrative procedures and internal controls in the areas reviewed were generally adequate. However, we noted (1) a need for more detailed information on the nature of real estate fees that were reimbursed to employees after they had changed permanent duty stations, (2) undelivered orders were not reviewed each month to determine their status as required by Veterans Administration Manual MP IV Part V and (3) estimated real estate expense on permanent change of station travel was being obligated at the time travel was authorized rather than in the month that final settlement is made by the employee on the sale and purchase of home. (Veterans Administration Manual MP IV Part V). These matters were discussed with you and members of your staff and appropriate corrective action was promised.

~~914117~~

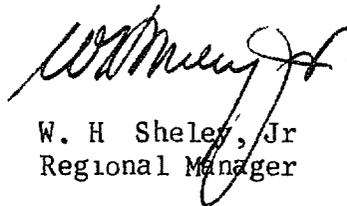
089346

In accordance with the General Accounting Office Policy and Procedures Manual for Guidance of Federal Agencies (8 GAO 13), the records of financial transactions through June 30, 1970, may be transferred to the Federal Records Center for storage in accordance with your agency's records management program

We wish to acknowledge the courtesies and cooperation extended to our representatives during the review

Copies of this report are being sent to the Chief Medical Director, Department of Medicine and Surgery, the Director, Internal Audit Service, Office of Management and Evaluation; and the Controller, Veterans Administration.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "W. H. Sheley, Jr.", is written over the typed name and title.

W. H. Sheley, Jr
Regional Manager