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UNITED STATES GENERAL ACCOUNTING OFFICE
REGIONAL OFFICE
ROOM 1800 FEDERAL OFFICE BUILDING
911 WALNUT STREET
KANSAS CITY, MISSOURI 64106

June 21, 1971

Mr. J. B. Kemp
Regional Highway Administrator
Federal Highway Administration
Department of Transportation
P.O. Box 7186, Country Club Station
Kansas City, Missouri 64113



Dear Mr. Kemp:

We have examined selected administrative operations and related financial transactions of the Regional Office, Federal Highway Administration, Kansas City, Missouri. Our review was made pursuant to authority contained in 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 was made to provide a basis for clearing the certifying officers of the Regional Office through June 30, 1970. We examined selected administrative cash receipts and disbursement transactions and tested budgetary controls. The review did not include examination of payments to States and local governments under highway programs for which division offices of the Region have direct responsibility.

The transactions and records which we reviewed were generally satisfactory.

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

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

A copy of this report is being sent to the Assistant Secretary for Administration, Department of Transportation, and the Administrator, Federal Highway Administration.

Sincerely yours,

K. L. Weary
K. L. Weary
Regional Manager

9/4/90

089435



UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

CIVIL DIVISION

JUN 29 1971

Dear Mr. Heffelfinger:

We are enclosing a copy of the report on our review of selected administrative operations of the Regional Office, Federal Highway Administration (FHWA), Kansas City, Missouri. The transactions and records which we reviewed were generally satisfactory.

We did note, however, that the regional administrative operations and related financial transactions have not been reviewed internally since 1961. The most recent such review of these activities was made by the Bureau of Public Roads, Finance Division, in April 1961.

Section 113 of the Accounting and Auditing Act of 1950 (31 U.S.C. 66a) requires the head of each executive agency to establish and maintain systems of accounting and internal controls, including appropriate internal audit, to provide, among other things, effective control over and accountability for all funds, property, and other assets for which the agency is responsible.

The independent internal review of operations and procedures is an important mechanism for providing information as a basis for management action and should be an integral part of the internal management control. Also, we rely heavily on the work done by the internal audit staffs in our selection of areas for review and in determining the manner in which the executive agencies carry out their responsibilities.

We discussed the need for internal review of the regional administrative operations with regional officials. These officials informed us that a comprehensive internal audit would be beneficial but that their administrative budget does not justify the development of a local internal audit function.

The Deputy Regional Audit Manager, Office of Audit, Department of Transportation, advised us that no internal audits of the regional FHWA administrative operations or related financial transactions had recently been made nor were any planned for fiscal year 1972.

We recognize that priorities exist in the application of audit resources but we believe that consideration should be given to more frequent reviews of administrative operations. We would appreciate having your comments on this matter.

Sincerely yours,

Richard W. Kelley

Richard W. Kelley
Assistant Director

Enclosure

Mr. William S. Heffelfinger
Assistant Secretary for
Administration
Department of Transportation

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June 21, 1971

Mr. J. B. Kemp
Regional Highway Administrator
Federal Highway Administration
Department of Transportation
P.O. Box 7186, Country Club Station
Kansas City, Missouri 64113

Rel. 7/25/83
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Dear Mr. Kemp:

We have examined selected administrative operations and related financial transactions of the Regional Office, Federal Highway Administration, Kansas City, Missouri. Our review was made pursuant to authority contained in the Budget and Accounting Act, 1921 (31 U.S.C. 53) and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

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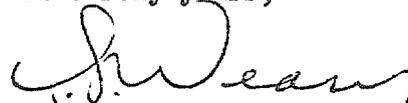
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Sincerely yours,


K. L. Weary
Regional Manager

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