



United States
General Accounting Office
Washington, D.C. 20548

Accounting and Information
Management Division

B-265850

September 20, 1995

Mr. John F. Wallace
Director of Resources Management
U.S. Army Corps of Engineers

Dear Mr. Wallace:

This letter responds to your August 18, 1995, request that we determine whether (1) the electronic signatures generated by the Corps of Engineers Financial Management System (CEFMS) are adequate for travel orders and vouchers and (2) the Corps can allow travelers (rather than the disbursing officer) to retain their travel receipts if travel receipt retention procedures consistent with those approved by GAO for the Department of Defense (DOD) are implemented. For the reasons detailed below, we believe that (1) you can use the CEFMS electronic signature system for travel orders and vouchers and (2) you can allow travelers to retain their travel receipts if you implement procedures consistent with those approved for DOD.

CEFMS Electronic Signatures

In our letters of January 5, 1993, and February 8, 1994,¹ we sanctioned the testing of the CEFMS electronic signature system. We said that the system should generate electronic signatures which provided at least the same quality of evidence as the handwritten signatures they are designed to replace. Since that time, the system has been improved and is currently undergoing an evaluation to determine if (1) the controls have been properly implemented and (2) additional controls are needed.

According to conversations with your staff and the organization performing the evaluation, the evaluation is essentially complete and has not identified anything that would revoke our sanction. We understand that a report will be available shortly. Based upon this information, the electronic signatures produced by your system are acceptable for financial management applications such as travel.

This letter does not constitute GAO approval of your financial management system, as defined by 31 U.S.C. 3512(f)(2). As discussed with your staff, we will be pleased to review your implementation of the production electronic signature system when you are ready to request our sanction.

¹Electronic Signature Prototype System (GAO/AFMD-93-44R) and Electronic Signature Prototype System (GAO/AIMD-94-70R).

Most Receipts May Be Retained by Travelers

We have issued several reports discussing whether agencies can allow employees to retain receipts relating to travel vouchers. For example, in two letters² to the Department of Defense (DOD) we discuss the issue of receipt retention. We have consistently found that this is acceptable when adequate internal controls have been implemented. If you adopt and properly implement procedures similar to those that have been approved for DOD, the government's interests should be adequately protected.

We look forward to working with your agency on this and other efforts in the future. Should you have any questions, please contact Chris Martin, Assistant Director, at (202) 512-9481.

Sincerely yours,



Rona B. Stillman
Chief Scientist for Computers
and Communications

²Air Force Automated Travel System (GAO/AIMD-95-74R, February 14, 1995) and Employees' Travel Claims (DOD) (GAO/AIMD-95-171R, June 26, 1995).

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