



DEPARTMENT OF THE NAVY
HEADQUARTERS UNITED STATES MARINE CORPS
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WASHINGTON, DC 20380-1775

IN REPLY REFER TO:

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From: Head, Finance Liaison & Technical Services Branch, Programs and Resources Department, Headquarters, U.S. Marine Corps, Washington, D.C. 20380-1775

To: Marine Corps Disbursing/Finance Officers and Officers-In-Charge, Marine Corps Administrative Analysis Teams (MCAAT)

Subj: **ADMINISTRATIVE PROCEDURES FOR AUDITING PAY AND TRAVEL RECORDS OF DISBURSING AND FINANCE PERSONNEL**

Ref: (a) DoDFMR Volume 5, Chapter 2.

1. Recently, there has been a disturbing increase in the incidence of fraud being perpetrated by disbursing and finance personnel. Fraud has been detected in several offices using IATS and a recent case involved the reporting of miscellaneous credits into a Marine's pay account through the On-Line Diary process. A monthly review of each disburser's Leave and Earnings Statement (LES)/travel claims would have uncovered this type of fraud in a more timely manner and more importantly served as a possible deterrent.

2. Disbursing and Finance Officers are directed to create a hard copy personal financial record on all disbursing and finance personnel assigned to their offices. This record will contain the last 12 months' LES's and must be thoroughly audited by 19 May 2000. These records will be maintained in accordance with paragraph 3b, below. Additionally, Disbursing and Finance Officers are directed to review all access to the On-Line Diary System and require all personnel to change their passwords by 19 May 2000. DO/FO's will notify the CMC (RFL-F) when these actions have been completed.

3. Effective immediately, all Marine Corps Disbursing and Finance Officers are directed to implement the following policy.

a. The Disbursing or Finance Officer (DO/FO), or a designated representative, will create a record, similar to that of the discontinued Personal Financial Record (PFR), for all Marines who are newly assigned to their office. A join audit will be completed for these Marines during the check in process and will consist of a review of the past 6 LES's. These PFR's will be secured by the DO/FO.

Subj: **ADMINISTRATIVE PROCEDURES FOR AUDITING PAY AND TRAVEL
RECORDS OF DISBURSING AND FINANCE PERSONNEL (Cont'd)**

b. In conjunction with the monthly production of the LES, all LES's on disbursing and finance personnel will be audited, annotated to that effect, and placed in the PFR. Upon completion of the annual LES audit, all previous LES's may be discarded with the annual LES being retained.

c. All disbursing and finance personnel travel claims will be audited by the DO/FO, or a designated representative, for accuracy and proper payment. These claims will be maintained in the PFR until the individual transfers. Travel claims should be verified against the IATS on-line view to ensure that all claims are audited. This procedure also applies to civilian personnel working within the disbursing or finance office.

d. Local finance and disbursing PFR's will be reviewed and destroyed when the Marine is transferred or discharged. A new PFR will be opened upon reporting to the gaining office as described in paragraph 1a.

e. Disbursing and finance personnel PFR's will be available for audit by the Marine Corps Administrative Analysis Team (MCAAT), as well as other internal and external auditing agencies.

4. The MCAAT will perform an examination of disbursing and finance personnel records during all formal and unannounced examinations.

5. My points of contact on this issue are LtCol Mizerak and GySgt Haddix. They can be reached at DSN 224-4981/4982 or commercial (703) 614-4981/4982.


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By direction

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