



Accounting and Information  
Management Division

B-256311

February 15, 1994

Mr. Michael S. McKay  
Chief, Management and Security  
Systems Division  
Bureau of the Census  
Department of Commerce

Dear Mr. McKay:

This letter responds to your August 11, 1993, request in which you asked whether Census's travel order system, which uses electronic techniques to identify the individuals processing a travel order (Commerce Form 29), is required to meet GAO's requirements for electronic signatures. Based on the material provided with your letter and conversations with your staff, we do not believe that the criteria contained in 71 Comp. Gen. 109 (1991) for electronic signatures that create obligations binding on the federal government apply to your system because Census still requires a handwritten signature on the travel order.

As noted in your letter and conversations with your staff, your travel order system uses user identification codes. We generally do not consider user identification codes as an acceptable electronic signature technique. However, we note that in this case they are not used as signatures but instead to identify the individuals who processed the travel order. The travel order system uses these identification codes to determine, among other things, when the order should be submitted to the proper office for signature. Once the system has decided that the order is ready for signature, the order is routed electronically to a special printer. Then, an authorized individual takes the printed travel order, reviews it, and denotes approval by signing the paper copy. Once the travel order is signed by an authorized individual, it becomes a binding obligation of the federal government. Further, we note that any actions resulting in an expenditure of funds also require a handwritten signature. For example, your procedures require the traveler to sign for any travel advance received.

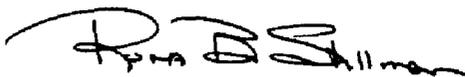
Although the criteria for electronic signatures do not appear to apply to your travel order system, Census is required by 31 USC 3512(c)(1) to establish and maintain a system of adequate internal controls to safeguard government resources. Appendix II in GAO's Title 2,<sup>1</sup> also directs agencies to have in place an effective system to monitor the implementation of its internal control structure to ensure that it is adequate. This includes a requirement that agencies test their controls in sufficient scope, depth, and frequency to provide reasonable assurance that key processing procedures are working and reliable. Since the official signing the travel order appears to place significant reliance on the automated system to ensure that the data presented is reliable, we believe that you should periodically test this system to ensure that it provides the authorizing official reasonable assurance that its controls are functioning as designed.

This letter provides our views on whether your travel order system is required to meet our criteria for electronic signatures and does not express an opinion on the adequacy of your system. Accordingly, it does not constitute GAO approval of your financial management system, as defined by 31 U.S.C. 3512(f)(2).

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We recognize the challenges that your agency faces in automating its administrative systems and appreciate the opportunity to comment on your travel order system. We hope that our comments will assist your efforts. Should you have any questions, please contact Chris Martin, Assistant Director, at (202) 512-9481.

Sincerely yours,



Dr. Rona B. Stillman  
Chief Scientist  
for Computers and Communications

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<sup>1</sup>"Accounting," GAO's Policy and Procedures Manual for Guidance to Federal Agencies.