Mr. KIEFER. We have the form 41, which contains the basic statistics and data on the performance of the airline industry; and then we have the data banks, both in this area and in the area of passenger origin and destination, and these are in the data banks of the computer in the Board.

These are coordinated. They are Board-wide in their use and application. As a byproduct of this capability with the computer we have our manpower and our financial management and our payroll system working on the computer at the same time.

In the sense of a fully blown sophisticated larger scale management information system as might be found in some other large private and public agencies, we neither have the need nor, may I say, sir, the resources to mount such an effort.

Mr. BROOKS. Do you feel that yours is coordinated as well as could be done from the standpoint of an efficient operation?

Mr. KIEFER. Yes, sir. We operate the computer today more than one shift, very often two shifts. The work on the computer is principally program work of the Board.

As I said earlier, the time and manpower required to do the internal financial-managerial aspect of the Board at this time is much less consequential but no less important.

E. INTERNAL AUDIT SYSTEM

Mr. BROOKS. Mr. Chairman, would you describe briefly your internal auditing system?

Mr. CROOKER. An internal audit function was established at CAB during this fiscal year. Only part of a man-year was allocated to this function in fiscal 1968 because of the relatively small size of the Board.

The capability was allocated from the Field Audits Division which is in our Bureau of Accounts and Statistics. We do have an internal audit staff made up of persons with experience in accounting and auditing because the entire technical staff of the Field Audits Division is comprised of qualified accountants, qualified academically and by experience, fully meeting the requirements of the Civil Service Commission relating to professional accountants.

In connection with the scope of review by the internal audit staff being limited, it has been limited not by management direction but merely because of limited manpower resources.

As a first step in the institution of this internal audit program, the audit work has been limited to a review of the agency's payroll system and procedures, including the application of automatic data processing to payroll preparation and related output.

I think as far as the question of all reports and recommendations of the internal audit staff being handled properly within the Board, the initial report is nearing completion, and it will be submitted to the Chairman. The audit staff is responsible only to the Chairman and not to any person who might also be primarily responsible for an activity which might be audited. So we believe the auditor is adequately protected from any possible arbitrary personnel actions that might be taken by any particular superior or other official or employee of the Board.

I think, in general, Mr. Chairman, that discusses the internal auditing procedure so far as the CAB is concerned.