

*Management Information System (Internal Data)*

The Board utilizes a variety of methods for informing management and reviewing process and accomplishments. The present system has been developed over the past several years and is compatible with the nature of the Board's work and methods of operation.

Because the Board is small in size and nearly all of the operating bureaus and offices are located in one building a reasonable amount of reporting and review is performed on an oral and informal basis. This is considered to be both effective and efficient in managing the regulatory programs and administrative activities of the Board.

The reporting system is generally comparative in nature. The comparison is actual progress or accomplishment in relation to the operating budget, target dates, time-phased projects or other standards or benchmarks.

The management information system includes these components:

A. *Chairman's weekly staff meetings.*—The Chairman's weekly staff meetings with Bureau and office heads and their deputies serve as a means of communicating both up and down the line of command and across organizational lines on major or important items of work or events affecting the Board's work or work plans.

B. *Monthly management report.*—This report, which is distributed monthly to all persons in managerial positions, is one of the more important vehicles of management information in the Board. It includes, by responsibility center, a narrative report on accomplishments during the past month and plans for the months ahead, quantitative reports on selected workload items, and progress reports on particular bureau or office cases and projects.

The report for the last month of each calendar quarter includes quantitative reports on all significant workload items.

This report serves the purpose of informing management of the accomplishments during the past month, the plans for the month ahead, a coordinating device between responsibility centers, accountability for progress on cases and projects with completion dates, report of work receipts and accomplishments, and work on hand.

C. *Monthly financial statements.*—Each month, financial statements are prepared for each responsibility center showing the operating budget, costs to date, and projections to the end of the period, for controllable costs. Overall financial statements, which include all costs, are also prepared for the Board as an entity.

These statements are used by executive and program management to follow the utilization of funds in relation to the budget so that significant variances from plan may be investigated and corrective action taken as may be found necessary.

Oral discussions and reviews with respect to the financial statements are held with the Executive Director, Comptroller's staff, and responsible officials as the need arises.

D. *Quarterly reviews.*—After the close of each calendar quarter the head of each responsibility center with his top level supervisors review with the Executive Director and the Comptroller's staff operations during the past quarter and the plans and outlook for the ensuing quarter.

As a result of these quarterly reviews, program and budgetary adjustments are made as may be required.

E. *Special reports.*—Special reports both oral and written may result during any reporting period because of unusual or unanticipated problems or events. These vary widely as to nature and frequency and are submitted as required.

*E. Internal Auditing*

32. Do you have a centrally organized internal audit system within your agency which operates independently of department and agency operations?

An internal audit function was established in CAB this fiscal year. However, because of the relatively small size of the Board and the limited resources available, only part of a man-year was allocated to this function in fiscal year 1968. The capability was allocated from our Field Audits Division which is located in the Bureau of Accounts and Statistics and is concerned predominantly with the external audits of airlines.

33. Is your internal audit staff made up of persons with experience in accounting and auditing?

Yes, the entire technical staff of the Field Audits Division is comprised of qualified accountants. These accountants, qualified academically and by experience, fully meet the requirements of the Civil Service Commission relating to the