



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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B-197710

March 28, 1980

REFERENCE COPY

The Honorable William Proxmire, Chairman
Committee on Banking, Housing and
Urban Affairs
United States Senate

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changed, and return promptly.
SEN 00700

Dear Mr. Chairman:

AGC00170

Subject: Claims Procedures of Export-Import Bank of
the United States (ID-80-35)

This is in response to your letter of June 26, 1979,
requesting that we look into certain allegations of poor
management practices at the Export-Import Bank. In subse-
quent discussions with your office, it was agreed that we
would look into the allegation relating to claim payments
as part of our audit of the Bank's financial statements for
fiscal year 1979. In connection with the audit, we reviewed
the Bank's claims-processing practices and procedures.

Since the Bank's inception, claimants have filed
\$185.2 million in claims. As of January 31, 1980, the Bank
approved payment for \$119.6 million in filed claims; of the
remaining \$65.6 million, (1) \$32.1 million was still being
processed or claimants had requested the Bank to discontinue
processing while they attempted other methods of obtaining
payment from the obligators, (2) \$31.1 million was withdrawn
by the claimants, and (3) \$2.4 million was denied by the Bank.

Our review of the Bank's claims procedures consisted of
an analysis of its procedures for reviewing and processing
filed claims and a test of selected claims to assure that
the procedures were followed. Our test disclosed no indica-
tions that irregularities involving claim payments exist

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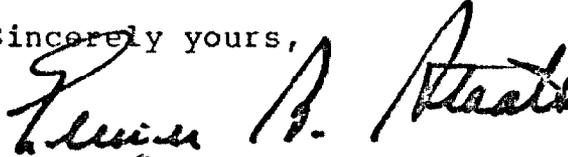


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because of flexible bank policies or that individuals involved in the authorizations of loans, guaranties, or insurance agreements also participate in the claims process, as charged in the letter of allegation you forwarded to our office.

We trust this information satisfies your needs.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Lewis B. Stacks". The signature is written in dark ink and is positioned to the right of the typed name.

Comptroller General
of the United States