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One of the general objectives of the GAO is to find ways to run the U.S. Government as efficiently, effectively, and economically as possible. GAO is an independent, nonpolitical arm of Congress established to provide Congress with the information and advice it needs to carry out its legislative and oversight responsibilities. In addition to assisting the Congress on a request basis, GAO carries out independent responsibilities to review Federal operations on its own initiative and prepare analyses for the Congress; to render legal opinions; and to prescribe accounting principles and standards for Federal departments and agencies. GAO assists Congress by recommending ways of making both proposed and ongoing Federal programs work better, assisting in the process of making program choices, and making the results of its studies known before decisions are reached. Federal agencies take many actions as a result of GAO's recommendations to make their programs and services less expensive and more useful. Certain work of GAO assists the Congress directly, such as conducting specific surveys and studies directed by law, conducting special surveys and audits requested by congressional committees, and assigning staff members temporarily to congressional committees. Nearly all of the over 1,000 audit reports completed each year are made public. (SC)

00447

STATEMENT OF ELMER B. STAATS
COMPTROLLER GENERAL OF THE UNITED STATES
FOR THE
OFFICIAL INAUGURATION OF COURT OF JUSTICE BUILDING
SAO PAULO, BRAZIL
December 10, 1976
(Read by United States Consul General Frederic L. Chapin)

RELATIONS BETWEEN THE
GENERAL ACCOUNTING OFFICE AND THE CONGRESS

It is a great privilege for me to have the opportunity to address this gathering on this most important occasion of the inauguration of the building which is to be the Headquarters of the Court of Justice of Sao Paulo. I regret deeply that I cannot be present in person. However, I am pleased to provide a paper for the occasion to be presented to you.

First, I would like to offer my congratulations on the completion of your fine building. I know it is gratifying to obtain modern facilities to help carry out the important responsibilities assigned to the officials and employees who will occupy it.

Also I am pleased to be represented on the same program with several of my distinguished colleagues in the International Organization of Supreme Audit Institutions who head the national audit offices in their respective countries.

This international organization is dedicated to advancing the practice of governmental auditing in all member countries, and the members who are participating in this series of lectures will, I know, have much to contribute.

The United States General Accounting Office, which I head, is the independent agency in the legislative branch of the Government I serve, which audits the affairs of our Federal agencies. I have been invited to discuss upon this occasion the relations between GAO and the U.S. Congress.

ESTABLISHMENT OF THE GENERAL ACCOUNTING OFFICE

Finding ways to run the U.S. Government--a \$400 billion enterprise--as efficiently, effectively, and economically as possible is one of the general objectives of GAO.

This agency was established by the Budget and Accounting Act in 1921 as an independent, nonpolitical arm of the Congress. It evolved from earlier attempts of the Congress, dating back to 1775, to develop a system of management and control for the then new Federal Government's financial operations.

The purpose was to provide a national budget system and an independent audit of Government accounts. To accomplish these goals, the law also established a new Bureau of the Budget to compile the President's Budget.

The act insulated the Comptroller General as head of GAO against political pressures by providing for a 15-year appointment by the President, subject to confirmation by the Senate. The President cannot remove the Comptroller General from office. Nor can he be removed by the Congress, except for cause. These provisions go far to guarantee the Comptroller General's independence.

The Budget and Accounting Act of 1921 reflected the belief, consistent throughout the history of the United States, that control of the Federal Government's funds should be vested in the legislative branch, the elected representatives of the taxpayers.

Broadly speaking, the objectives of GAO cannot be separated from the needs of the Congress for information and advice as it carries out its legislative and oversight responsibilities. In addition to assisting the

Congress on a request basis, GAO carries out, under its own broad mandate, independent responsibilities to review Federal operations on its own initiative and prepare analyses for the Congress; to render legal opinions; and to prescribe accounting principles and standards for Federal departments and agencies.

A concern frequently expressed in the Congress is that the executive branch has increased its power in relationship to the legislative branch, simply because the executive branch has most of the experts and information on such complex subjects as weapons systems, atomic energy, space exploration, and pollution control.

Many of these experts and much of the information from the executive branch are made available to the Congress through hearings and reports or by less formal means. However, questions remain, such as:

- Were the proper alternatives to proposed programs fully considered and set forth objectively to the Congress?
- Does the executive branch keep the Congress adequately advised on progress and on problems which develop as programs are carried out?
- Does the information provided facilitate, rather than frustrate, legislative oversight?

The Comptroller General's objective is to strengthen, wherever possible, the means by which the Congress can obtain reliable information. The work of GAO, therefore, must always be relevant to the needs of the Congress. To this end, GAO strives to foresee these needs and to make its information, conclusions, and recommendations timely to be relevant and useful to congressional committees.

The General Accounting Office does not attempt to be a "think tank" for Congress on solutions to pressing national problems. Nor does it assess

overall national program priorities or budget-funding requirements. The Legislative Reorganization Act of 1970 and the Congressional Budget and Impoundment Control Act of 1974, however, did emphasize the importance of GAO's responsibilities for preparing analyses and evaluations of Federal programs. While the budget and appropriations processes are critically important to determining national priorities, the Congress' oversight and authorizing responsibilities are also basic. Several titles of the 1974 act require GAO to support all these processes.

The U.S. Government has become much more complex since the Congress established GAO more than 50 years ago. Since that time the needs of the Congress for help have expanded and so will continue.

GAO's greatest contribution is to answer questions such as:

- Can waste and the inefficient use of public money be eliminated?
- Are Federal programs, administered directly by the Federal Government or through other organizations, such as the United Nations or State and local governments, achieving their objectives?
- Are there other ways of accomplishing the purposes of these programs at lower costs?
- Are funds being spent legally? Are the accounting systems for them adequate?

In short, GAO

- Recommends ways of making both proposed and ongoing Federal programs work better.
- Assists in the process of making program choices.
- Makes the results of its studies known before decisions are reached.

Answers to these questions are especially important when there are strong pressures to move to new and untried approaches or to infuse large sums of money into programs before they have demonstrated their worth.

The first and foremost responsibility for providing this type of information to the Congress rests, as it should, with the operating agencies. GAO can advise the Congress on how well it thinks the agencies have evaluated the effectiveness of their programs. It can also go more deeply into problems which may not have been dealt with adequately by the agencies.

Since GAO performs much of its work with the objective of improving Government operations, Federal agencies take many actions as a result of GAO's recommendations to make their programs and services less expensive and more useful.

DIRECT ASSISTANCE TO THE CONGRESS

The General Accounting Office views almost all its work as support to the Congress in carrying out its legislative and oversight functions. However, certain work of GAO assists the Congress directly, including:

- Making specific surveys, reviews, and studies directed by law.
- Conducting special surveys, audits, and reviews requested by congressional committees and individual Members.
- Providing information and legal services relating to Government operations and policies to committees and Members through formal testimony, informal conferences, comments on proposed legislation, and interpretation of statutes.
- Providing advisory services in developing and drafting legislative proposals.
- Assigning staff members temporarily to congressional committees.

In fiscal year 1976 about 34 percent of the work of GAO's professional staff of about 4,100 fell into the category of direct assistance to the Congress.

A basic GAO policy is to be as helpful as possible to all Members within the confines of its staff resources and other work requirements while preserving the independent, nonpolitical status of the Office.

GAO responds to requests for information from individual Members of Congress; a service in keeping with its nonpolitical, bipartisan character since it avoids any implication that it limits its assistance to a particular political party in the Congress by responding only to requests made by committee chairmen.

Sometimes the questions raised by a Member of Congress have broader implications than the concern of a particular State, congressional district, or constituent. GAO judges each request from this standpoint and sometimes more comprehensive GAO studies of management problems or procedures are the results of what began as limited requests.

Questions are sometimes raised as to whether GAO's handling of requests from individual Members of Congress interferes with its other audit work. This may happen since most congressional requests are given priority. But since GAO's objective is to provide service and to help Members of Congress obtain information as promptly as possible, every effort is made to do this without adversely affecting work GAO believes warrants priority attention or expects to produce major economies or improvements.

DECIDING WHAT AUDITS TO MAKE

While the principle reason for auditing a specific Government program is whether GAO findings, conclusions, and recommendations will contribute

to improvements, other factors are considered. Congressional interest is always paramount. But GAO officials pay attention also to public criticism of Government programs.

In recent years GAO has prepared many reports on programs such as Federal health, consumer protection, computers, foreign aid, military weapon systems, and transportation. An area of major current concern is energy. GAO has reported on oil and gas leasing on the Outer Continental Shelf, nuclear reactors, natural gas, and coal and has assessed the operations of the Federal Energy Administration.

Its work frequently takes GAO into sensitive and controversial areas. For example, at the request of a congressional committee, GAO conducted the first comprehensive review of the Federal Bureau of Investigation's domestic intelligence program. Shortly after this work was begun, the Senate and House of Representatives each established a select committee to investigate intelligence activities of the Federal agencies, including the Federal Bureau of Investigation. GAO coordinated its work closely with these committees. In its report issued in February of this year, GAO made several recommendations to the Congress for legislation to clarify the role of the Federal Bureau of Investigation in carrying out domestic intelligence operations.

TESTIMONY AT CONGRESSIONAL HEARINGS

In serving the Congress, the Comptroller General and Members of the General Accounting Office staff frequently testify at congressional hearings on Federal programs activities on which GAO has obtained and evaluated information independently. This assistance has increased rapidly in the past year.

For example, during fiscal year 1976, GAO witnesses testified at 140 hearings by congressional committees. During the previous year, the number was 69.

REPORTS

GAO completes over 1,000 audit reports each year. These are addressed to the Congress, going specifically to the President of the Senate and to the Speaker of the House of Representatives. Copies also are sent to the committees having some responsibility for the subject, to individual Members requesting them, and to officials of the Federal agencies concerned. Copies are also distributed to newspapers, radio and television organizations and others who may be interested.

Nearly all are made public--a demonstration of the openness of U.S. Government processes. Moreover, these reports are as unbiased as humanly possible. GAO does not lobby for a particular legislative cause or program. Rather, it tries to provide objective information together with analyses of alternatives that will help the Congress to make rational decisions.

CONCLUDING REMARKS

As one can see, GAO serves the Congress in numerous ways, and I could give you many specific examples of studies and investigations GAO has made for the Congress, but time does not permit.

Again, let me add my congratulations on this fine occasion here in Sao Paulo and express my appreciation for inviting me to discuss with you how my Office serves the Congress of the United States.

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