

103^D CONGRESS
1ST SESSION

S. 661

To provide for the establishment of an Independent General Accounting Office Peer Review Committee, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 25 (legislative day, MARCH 3), 1993

Mr. DOMENICI (for himself, Mr. DOLE, Mr. BOND, Mr. COVERDELL, Mr. BROWN, Mr. NICKLES, Mr. SIMPSON, Mr. COATS, Mr. WALLOP, and Mr. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

A BILL

To provide for the establishment of an Independent General Accounting Office Peer Review Committee, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “General Accounting
5 Office Reform Act of 1993”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

8 (1) an objective General Accounting Office, pri-
9 marily limited to auditing and accounting functions

1 that are carried out in a professionally responsible
2 manner, provides an essential service to the Con-
3 gress and the United States;

4 (2) the General Accounting Office maintains
5 substantial staff with expertise in a wide variety of
6 fields to provide comprehensive technical evaluations
7 to the Congress;

8 (3) the General Accounting Office is required to
9 coordinate its audits with offices of inspector gen-
10 erals to provide Congress with factual analysis of
11 waste, fraud and abuse;

12 (4) the General Accounting Office may have ex-
13 ceeded its accounting and auditing mission and in-
14 creasingly makes policymaking reports on subjects
15 not directly related to accounting and auditing;

16 (5) there have been serious allegations question-
17 ing the General Accounting Office's nonpartisanship,
18 objectivity, integrity and qualifications in carrying
19 out its functions and responsibilities under the law;

20 (6) a review of the General Accounting Office's
21 services conducted by a newly established Independ-
22 ent Peer Review Committee, including an examina-
23 tion of its organizational structure, management
24 policies and operations, should be initiated to ensure

1 that financial and accounting functions remain the
2 focus of the agency; and

3 (7) immediate reforms should be enacted to ad-
4 dress deficiencies pending the completion of this out-
5 side review and report.

6 **TITLE I—INDEPENDENT GEN-**
7 **ERAL ACCOUNTING OFFICE**
8 **PEER REVIEW COMMITTEE**

9 **SEC. 101. INDEPENDENT GENERAL ACCOUNTING OFFICE**
10 **PEER REVIEW COMMITTEE.**

11 (a) ESTABLISHMENT.—There is established the Inde-
12 pendent General Accounting Office Peer Review Commit-
13 tee (hereafter in this section referred to as the “Commit-
14 tee”). The Committee shall consist of 11 members as fol-
15 lows—

16 (1) the Comptroller General of the United
17 States; and

18 (2) 10 members who—

19 (A) are not officers or regular employees of
20 the General Accounting Office;

21 (B) have expertise in government program
22 analysis, public policy analysis, financial and
23 auditing review; and

24 (C) are appointed by the Majority and Mi-
25 nority Leaders of the House of Representatives

1 and of the Senate in consultation with the
2 chairman and ranking members of the Senate
3 Committee on Governmental Affairs, the House
4 of Representatives Committee on Government
5 Operations, and the chairman and ranking mi-
6 nority member of the Subcommittee on Legisla-
7 tive Branch of the Committee on Appropria-
8 tions of the Senate, and the chairman and
9 ranking minority member of the Subcommittee
10 on Legislative of the Committee on Appropria-
11 tions of the House of Representatives.

12 One of the members appointed pursuant to paragraph (2)
13 shall be appointed chair of the Committee.

14 (b) FUNCTIONS.—The Committee shall conduct a re-
15 view of the organization, administration, management,
16 and operations of the General Accounting Office, including
17 the way the General Accounting Office conducts its re-
18 ports, studies, and reviews. To conduct the review, the
19 Committee shall engage the services of accountants or ac-
20 counting firms and persons or entities with expertise in
21 the fields of auditing, and public program and policy anal-
22 ysis pursuant to the appropriation under the heading
23 “CONTRACT STUDY OF GAO”. In planning the review the
24 Committee shall take into account generally accepted
25 standards for an external quality review of an auditing or-

1 ganization. In conducting the review the Committee
2 shall—

3 (1) select a sample of General Accounting Of-
4 fice reports, studies, and reviews conducted over the
5 past 24-month period preceding the date of the en-
6 actment of this section, which shall encompass a va-
7 riety of topics, sectors, and subjects that adequately
8 reflect the endeavors of the General Accounting Of-
9 fice;

10 (2) submit the sample reports, studies, and re-
11 views to independent analysis by organizations, se-
12 lected by the Committee, with recognized expertise
13 in the relevant field of the selected reports, studies,
14 and reviews to assess the accuracy, fairness, and
15 professionalism of the reports, studies, and reviews;
16 and

17 (3) ensure that the Committee or the organiza-
18 tion responsible for conducting the analysis includes
19 in each report of the independent analysis—

20 (A) a thorough examination to determine
21 the objectivity, integrity, validity, and timeliness
22 of each General Accounting Office product;

23 (B) the requesting and clearance proce-
24 dures to maintain objectivity in analysis;

1 (C) the number of and reasons for the use
2 of outside consultants and contract services re-
3 quired to complete the final General Accounting
4 Office report;

5 (D) the contents and findings of any other
6 support agencies' reports for duplication of
7 scopes of work, and related efforts designed to
8 solicit different findings and recommendations;

9 (E) the costs associated with preparing the
10 final reports by the General Accounting Office,
11 and the costs incurred by other support agen-
12 cies in preparing similar or identical scopes of
13 work; and

14 (F) a review of the final submission proc-
15 ess to determine how the information was re-
16 leased to the appropriate congressional Mem-
17 bers or committees, to the public, and to any
18 relevant Federal departments or agencies.

19 (c) CONSULTATION.—In conducting the review and
20 analysis under subsection (b), the Committee shall ensure
21 that Federal departments and agencies, Members of Con-
22 gress, appropriate congressional staff, and any other rel-
23 evant organizations or individuals are consulted concern-
24 ing their input, participation in, and responses to General
25 Accounting Office studies, reports, and reviews with the

1 intention of determining the objectivity and integrity of
2 the final analysis.

3 (d) REPORTS.—No later than 12 months after the
4 date of the enactment of this Act, the Committee shall
5 consolidate all analyses and submit a report of the review
6 conducted under this section to the Comptroller General
7 of the United States, the chairman and ranking minority
8 member of the Subcommittee on Legislative Branch of the
9 Committee on Appropriations of the Senate, and the chair-
10 man and ranking minority member of the Subcommittee
11 on Legislative of the Committee on Appropriations of the
12 House of Representatives, and to the chairman and rank-
13 ing minority member of the Senate Committee on Govern-
14 mental Affairs, and the chairman and ranking minority
15 member of the House of Representatives Committee on
16 Government Operations. Such report shall include an over-
17 all summary with recommendations for ways in which the
18 General Accounting Office can accomplish its mandates in
19 the most efficient and professional manner, at the most
20 reasonable cost, with minimal duplication of other support
21 agencies and Office of Inspector General undertakings,
22 and with maximum objectivity and integrity.

23 (e) ADMINISTRATIVE PROVISION.—The provisions of
24 the Federal Advisory Committee Act shall not apply to

1 the Committee, except the Committee shall consult the
2 guidelines established under section 7(d) of such Act.

3 (f) TERMINATION.—The Committee shall terminate
4 30 days after the date of submitting the report under sub-
5 section (d).

6 (g) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated such sums as may be
8 necessary to carry out the provisions of this section.

9 **TITLE II—GENERAL**
10 **ACCOUNTING OFFICE REFORM**

11 **SEC. 201. LIMITATION ON FUNDS FOR CONSULTING SERV-**
12 **ICES.**

13 (a) IN GENERAL.—Notwithstanding any other provi-
14 sion of law, the General Accounting Office during fiscal
15 year 1993 may not obligate and expend funds for consult-
16 ing services involving management and professional serv-
17 ices, special studies and analyses, technical assistance, and
18 management review program funded organizations, in ex-
19 cess of an amount equal to 75 percent of the amount obli-
20 gated and expended by the General Accounting Office dur-
21 ing fiscal year 1992 for such purposes.

22 (b) DEFINITION.—For purposes of this section, the
23 term “consulting services” shall be defined consistent with
24 the provision of the Office of Management and Budget
25 Circular A-120 dated January 4, 1988.

1 **SEC. 202. EXAMINATION OF INTERNAL CONTROLS.**

2 The Comptroller General shall submit annually a re-
3 port to Congress containing—

4 (1) a description and statement of the Comp-
5 troller General's responsibility for establishing and
6 maintaining an adequate internal control structure;
7 and

8 (2) an assessment, as of the most recent fiscal
9 year, of whether such internal control structure rea-
10 sonably assures compliance with the laws and regu-
11 lations governing, and the objectives of, the General
12 Accounting Office.

13 **SEC. 203. PROHIBITION OF INVESTIGATIONS ON THE INI-**
14 **TIATIVE OF THE COMPTROLLER GENERAL.**

15 (a) INVESTIGATIONS AND EVALUATIONS.—Chapter 7
16 of title 31, United States Code, is amended—

17 (1) in section 712 by striking out paragraphs
18 (1) and (3) and redesignating paragraphs (2), (4),
19 and (5) as paragraphs (1), (2), and (3), respectively;
20 and

21 (2) in section 717(b) by striking out paragraph
22 (1) and redesignating paragraphs (2) and (3) as
23 paragraphs (1) and (2), respectively.

24 (b) PROHIBITION ON USE OF FUNDS.—The General
25 Accounting Office may not expend any funds to conduct
26 any study, investigation, or audit, or produce or dissemi-

1 nate any material which has not been requested by the
2 Congress or a Federal agency or is not required by
3 statute.

4 **SEC. 204. ASSIGNMENTS AND DETAILS TO THE CONGRESS.**

5 Section 734 of title 31, United States Code, is
6 amended to read as follows:

7 **“§ 734. Assignment and details to Congress**

8 “(a) The Comptroller General may assign or detail
9 an officer or employee of the General Accounting Office
10 to full-time continuous duty with a committee of Congress
11 for not more than one year.

12 “(b) A committee or office of the Congress (including
13 a Member’s office) shall reimburse the Comptroller Gen-
14 eral for the pay of each officer or employee or the Office
15 for the time the officer or employee is assigned or detailed
16 to the committee or office of the Congress.”.

17 **SEC. 205. REIMBURSEMENT FOR ASSIGNMENTS AND DE-**
18 **TAILS.**

19 A Federal agency shall reimburse the Comptroller
20 General for the pay of each officer or employee of the Gen-
21 eral Accounting Office for the time the officer or employee
22 is assigned or detailed to the agency.

1 **SEC. 206. CONGRESSIONAL COMMENT AND CERTAIN AGEN-**
2 **CY REVIEW OF DRAFT REPORTS.**

3 Section 718 of title 31, United States Code, is
4 amended by adding at the end thereof the following new
5 subsection:

6 “(d) Any draft report on a study or audit requested
7 by any committee or office of the Congress (including a
8 Member’s office) shall be submitted to the committees of
9 the Congress with jurisdiction of the subject matter of the
10 report, and if appropriate, to the Congressional Budget
11 Office, the Office of Technology Assessment, and the Con-
12 gressional Research Service. Within 30 days of receiving
13 the report, the majority and minority members of such
14 committees, and the offices to which such draft report is
15 submitted may review and submit comments to the Gen-
16 eral Accounting Office. Such comments shall be included
17 in the final report.”.

18 **SEC. 207. PROHIBITION OF GENERAL ACCOUNTING OFFICE**
19 **PERSONNEL IN A COMBAT ZONE.**

20 No officer or employee of the General Accounting Of-
21 fice may perform any function or duty of such Office in
22 any military zone of combat operations as designated by
23 the Secretary of Defense.

1 **SEC. 208. STUDIES AND AUDITS NOT REVIEWED BY SUB-**
2 **JECT AGENCY.**

3 Section 720 of title 31, United States Code, is
4 amended by adding at the end thereof the following new
5 subsection:

6 “(c) If the General Accounting Office submits a re-
7 port to the Congress or the President, and the agency
8 which is the subject of the study or audit of the report
9 did not review or comment on such report, the lack of such
10 review or comment shall be noted on the front of such
11 report.”.

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