



United States
General Accounting Office
Washington, D.C. 20548

Accounting and Information
Management Division

B-281838

February 19, 1999

The Honorable Henry J. Hyde
Chairman, Committee on the Judiciary
House of Representatives

Subject: Federally Chartered Corporation: Review of the Financial Statement
Audit Report for the American Legion for 1997

Dear Mr. Chairman:

As requested, we reviewed the audit report covering the financial statements of the American Legion, a federally chartered corporation, for the year ended December 31, 1997. The corporation's purpose is to preserve the memories and incidents of the two World Wars and the other hostilities fought to preserve democracy, to foster the ties and comradeship of military service, and to devote the efforts of its members to mutual helpfulness and service to the United States.

Federally chartered corporations are required under 36 U.S.C. 1102-1103 to

- present the corporation's assets and liabilities and reasonable detail on the corporation's income and expenses in annual financial statements,
- obtain an annual financial audit by an independent public accountant, and
- submit the auditor's report and the corporation's financial statements to the Congress.

The objective of our review was to determine whether the audit report complied with the financial reporting requirements of the law. In carrying out our work, we reviewed the corporation's financial statements and the accompanying notes, performed certain analytical procedures related to information presented in the financial statements, reviewed the auditor's report, and made inquiries to corporation officials or the auditor as we deemed necessary. We did not review the auditor's working papers. Our review disclosed no reportable instances of noncompliance.

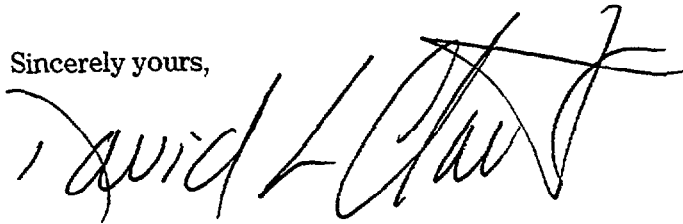
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GAO/AIMD-99-54R American Legion

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The audit report included the auditor's opinion that the financial statements of the corporation were fairly presented in conformity with generally accepted accounting principles. We are returning the audit report you sent with your letter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "David L. Clark". The signature is written in a cursive style with a large, sweeping flourish at the end.

David L. Clark
Director, Audit Oversight and Liaison

Enclosure

(911910)

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