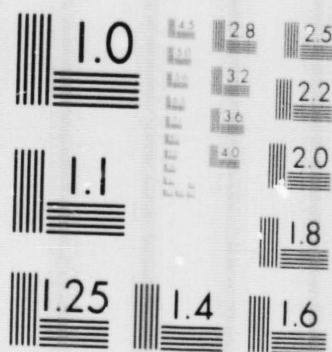
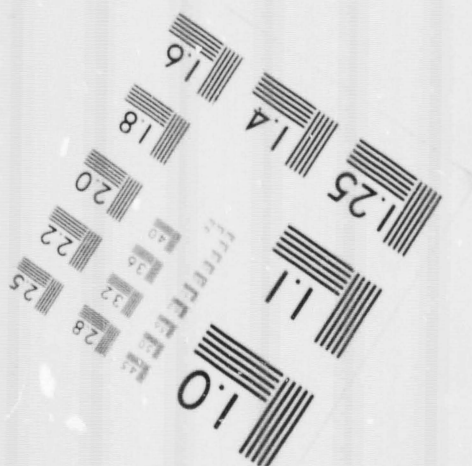


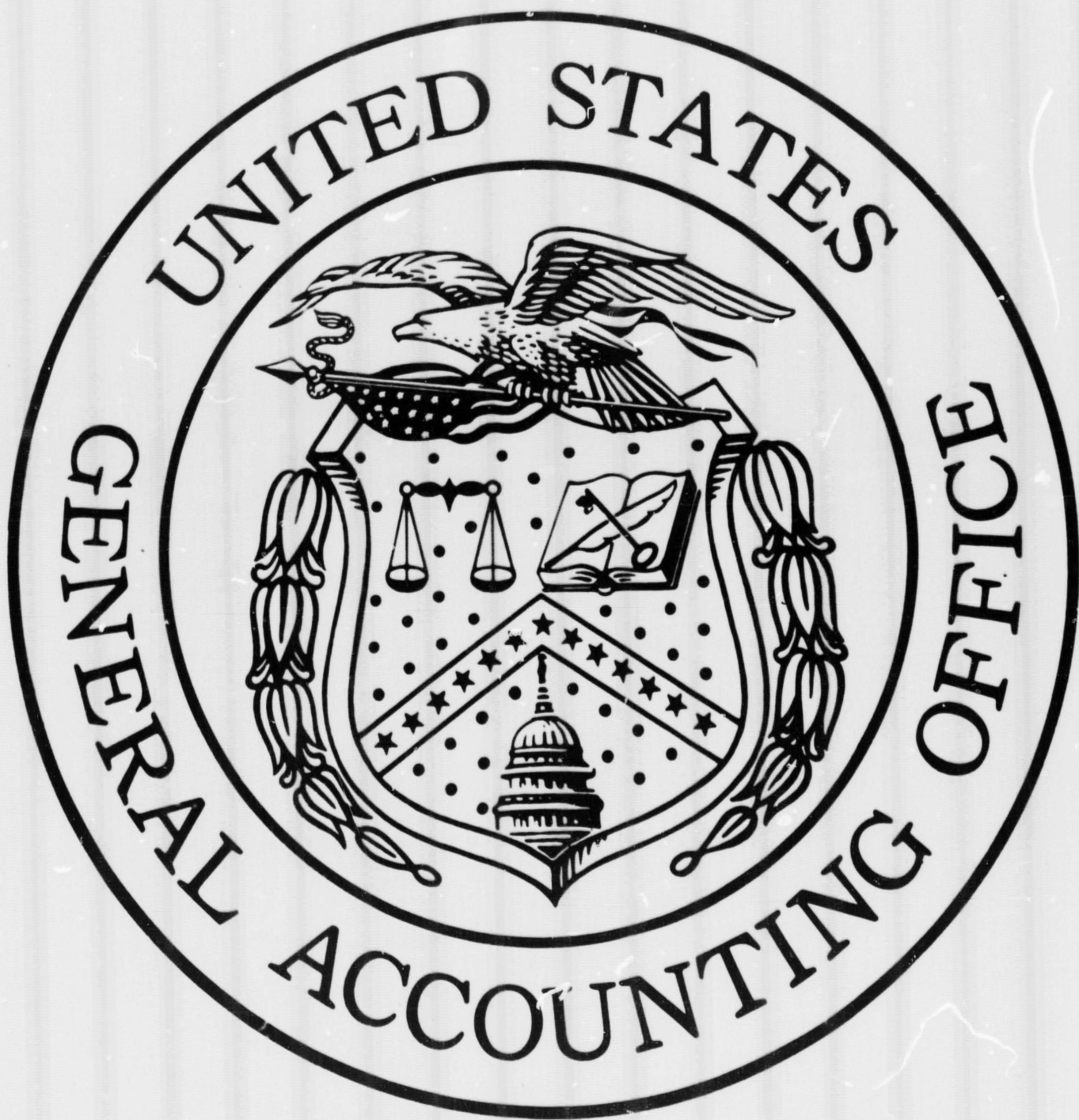
DATE FILMED 08-15-79
BY Connolly



MICROCOPY RESOLUTION TEST CHART
NATIONAL BUREAU OF STANDARDS-1963-A

24X





REVIEWING AUDIT REPORTS

This comment is based upon material in the orientation manual for attorneys in the General Government Matters group of OGC.

Audit reports prepared by GAO's operating divisions are always reviewed by OGC for legal sufficiency prior to their issuance by the Comptroller General. Since they offer relatively little opportunity for legal input, there is a tendency among attorneys to assign them low priority. However, it must be kept in mind that these reports are the lifeblood of GAO and generally bring the Office its greatest exposure and headlines. Hence, it is essential that OGC give them close legal review.

TIME RESTRAINTS

Reports must be handled expeditiously. OGC has only seven work days to complete final review of a report. This period is measured from the date the report is time-stamped by Index-Files (and not when the attorney receives it) until it has gone through all review stages and has been logged out by the General Counsel's office. As a practical matter, this means the attorney will have only a couple of days in which to review the report.

LEGAL REVIEW OF REPORTS

OGC's responsibility in reviewing audit reports is restricted to their legal sufficiency. Our job is to advise the Comptroller General or the head of an operating division if a report contains legal deficiencies that should be revised before the report is issued.

Citations

Audit reports are not legal documents and need not be encumbered by numerous or lengthy citations. The short title of an act, along with a public law, statute at large, or United States Code citation, is generally sufficient. References to specific sections of an act need be given only when particularly relevant.

Statements Of Law

Reports frequently contain general discussions of law which the attorney must check for accuracy. The attorney should identify the specific section of law discussed in the report even though the report

itself need not contain such citations. These notations are for the benefit of OGC reviewers.

The attorney should also check the accuracy of regulations published in the Federal Register or in the Code of Federal Regulations. However, statements concerning informal agency regulations or guidelines need not be checked unless it appears from the report that they are contrary to statutory provisions.

Locating the proper citations can often be quite time-consuming.¹ The attorney can usually save time by working with the auditors who prepared the report to verify the accuracy of statements of law. If the auditors have relied on an agency's publication, a previous audit report, or other secondary material for their source of legal information, the statements of law must still be checked against the statutory provisions.

Special Emphasis

While the whole report must be reviewed carefully, attorneys should give special emphasis to the following areas.

(1) Digest. The digest section of the report is located at the beginning of the report and summarizes its contents. It is of great importance because it is usually the first, and often the only, section that is widely read. Thus, legal statements in the digest should be especially clear and accurate.

(2) Recommendations, Conclusions, and Matters for Consideration by the Congress. In reviewing these sections the attorney should determine whether

- they are consistent with the rest of the report,

¹Auditors can assist attorneys in their timely review of reports by noting appropriate citations in the margin of the draft submitted for review, as requested in the General Counsel's memorandum to Heads of Divisions and Offices, dated March 6, 1975. Auditors can usually find these citations in the referenced copy of the report draft.

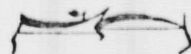
- any recommended legislative changes are really necessary,
- the recommended changes are consistent with other legislation and case law, and
- suggested amendatory language meets the purposes of the proposal and only those purposes.

(3) Agency comments. Formal written comments received from interested agencies are usually included as an appendix to the report. If these comments raise legal issues, the attorney should be

sure they are accurately reflected (and, if necessary, rebutted) in the report.

REACHING AGREEMENT ON LEGAL POINTS

If the attorney wants to add, delete, or modify matters in the report, he should contact the appropriate member of the audit staff. The attorney and the auditor should try to agree on changes to eliminate legal objections to the report, so that the report as issued will be legally correct.



The three great American vices seem to be efficiency, punctuality and the desire for achievement and success. They are the things that make the Americans so unhappy and so nervous.

YUTANG, Lin, *The Importance of Living* (New York: Reynal & Hitchcock, 1937)