



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

Accounting and Information  
Management Division

B-281850

March 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 National Academy of Sciences of the United States  
of America for Fiscal Year 1997

Dear Mr. Chairman:

As requested, we reviewed the audit report covering the financial statements of the National Academy of Sciences of the United States of America, a federally chartered corporation, for the fiscal year ended June 30, 1997. The corporation operates as a private cooperative society of distinguished scholars engaged in scientific or engineering research, dedicated to the furtherance of science and its use for the general welfare.

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.

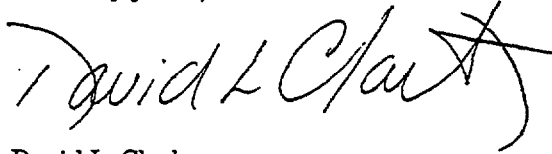
The objective of our review was to determine whether the audit report complied with the financial reporting requirements of the law. In carrying out our work, we reviewed the corporation's financial statements and the accompanying notes, performed certain analytical procedures related to information 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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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 that reads "David L. Clark". The signature is written in a cursive style with a large, sweeping initial "D" and a stylized "C" at the end.

David L. Clark  
Director, Audit Oversight and Liaison

Enclosure

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