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**United States Government Accountability Office
Washington, DC 20548**

July 19, 2007

Julia Akin Clark
General Counsel
IFPTE AFL-CIO & CLC
8630 Fenton Street
Suite 400
Silver Spring, MD 20910

Dear Ms. Clark:

Enclosed is the Summary of the Government Accountability Office Act of 2007 which Gary Kepplinger, GAO's General Counsel, stated today in a voice-mail message that he would fax to you. Daniel Gordon, GAO's Deputy General Counsel, and I will call you tomorrow to answer any questions you may have about this matter.

Sincerely yours,

Joan M. Hollenbach

Joan M. Hollenbach
Managing Associate General Counsel

Enclosure

SUMMARY OF THE GOVERNMENT ACCOUNTABILITY OFFICE ACT OF 2007

- Section 1 provides that the Act will be referred to as the Government Accountability Office Act of 2007.
- Section 2 amends the manner in which the Comptroller General and Deputy Comptroller General are appointed. Concerning the Comptroller General, the amendment provides that the congressional commission providing names of nominees to the President will meet 12 months in advance of an upcoming vacancy. The proposed legislation would convert the position of Deputy Comptroller General, from a Presidential appointment to an appointment by the Comptroller General after consultation with selected congressional leaders.
- Section 3 creates an independent statutory Inspector General (IG) who will be charged with auditing and investigating programs and activities relating to the GAO. Consistent with other statutory IGs, the IG will be provided with the necessary authority to accomplish these functions, including subpoena power, access to document authority, and a staff devoted entirely to the work of the IG.
- Section 4 modernizes the Comptroller General's authority to administer oaths by deleting the existing anachronistic limitation on administering oaths only "when auditing and settling accounts." The use of this authority would be conditioned on the non-delegatable approval of the Comptroller General or Deputy Comptroller General.
- Section 5 provides two new reporting requirements. The first requires that for specified agencies the Comptroller General will report to Congress annually on the degree of cooperation by these agencies in making personnel available for interview, providing written answers to questions, submitting to testimony under oath authorized by the Comptroller General, granting access to records, providing timely comments to draft reports, adopting report recommendations, and responding to such other matters as the Comptroller General deems appropriate. Section 5 also requires that the Comptroller General report to Congress as soon as practicable when an agency or other entity does not make personnel available for interview, provide written answers to questions, or submit to testimony under oath authorized by the Comptroller General.
- Section 6 would authorize the Comptroller General to recover the costs of audits of executive branch financial statements for the agencies required to obtain audits of their financial statements under section 3521 of title 31.
- Section 7 repeals an existing law requiring the Securities and Exchange Commission to pay for GAO financial audits to conform to section 6 of this Act.
- Section 8 amends existing law to remedy an anomaly that resulted from GAO's revised market based pay system. Because GAO's pay system does not have a separate component for locality pay, the number of GAO employees who must file the Senate Financial Disclosure Form (rather than the less onerous GAO form) almost doubled. This amendment would reduce the number required to file to the status quo ante.

- Section 9 amends section 731 of title 31 by deleting five presently unused positions and adding five additional experts and consultants positions who can be hired for up to 3 years. Section 9 also would (1) allow the Comptroller General to accept gifts and (2) make reasonable expenditures for food and other expenses in connection with recruiting activities.
- Section 10 raises the statutorily imposed pay cap of GS-15, step 10, on all GAO employees other than those in the Senior Executive Service (SES) or Senior Level (SL) consistent with authorities granted to other agencies, including the Department of Defense (DOD). The new cap would be level III of the Executive Schedule.
- Section 11 allows the Comptroller General to delay or withhold annual increases for GAO employees who are paid by reference to the Executive Schedule, except for employees of the Personnel Appeals Board. Presently, the Comptroller General is the only employee paid by reference to the Executive Schedule.
- Section 12 amends the provision that a retired Comptroller General's annuity may not exceed the basic pay of the current Comptroller General. It now sets the maximum annuity at Executive Level II, the statutory pay of the Comptroller General. This amendment is necessary to maintain the annuity of a retired Comptroller General if the authority under section 11 of this Act is utilized.
- Section 13 allows the Deputy Comptroller General to be placed in the SES. Presently, the basic pay of the Deputy is set at level III of the Executive Schedule. In the absence of this provision, the Deputy would be paid less than his or her subordinate in the SES and SL, who can be paid at level II of the Executive Schedule and receive bonuses.
- Section 14 eliminates the provision that requires GAO to make a payment to the retirement fund whenever it provides an employee with a voluntary separation incentive payment consistent with authorities applicable to other agencies, including DOD. The amount of these payments has and will continue to deter use of this flexibility.
- Section 15 allows any nonpermanent pay provided to non-SES/SL GAO employees under the performance-based compensation system to be included in the calculation of the employee's high three for retirement purposes.
- Section 16 makes the Act effective upon passage except for sections 6 and 7, regarding reimbursement for executive branch audits, which will be effective October 1, 2009.