

**DEPARTMENT OF LABOR****Office of the Secretary**

[Secretary's Order 02-2006]

**Management of United States Government Accountability Office Reports**

1. *Purpose.* To delegate authority and assign overall responsibility for coordinating, reviewing, and processing United States Government Accountability Office (GAO) reports.

2. *Authority.* This Order is issued under the authority of 5 U.S.C. 301 (Departmental Regulations); 29 U.S.C. 551 (Establishment of Department: Secretary; Seal); Reorganization Plan No. 6 of 1950 (5 U.S.C. Appendix 1); 31 U.S.C. 720 (Government Accountability Office, Agency Reports); and OMB Circular A-50 (Audit Followup).

3. *Redelegations/Transfers of Authority.* Unless provided otherwise in this or another Secretary's Order, the authority delegated in this Order may be redelegated or transferred, as permitted by law or regulation.

4. *Reservation of Authority.* The submission of reports and recommendations to the President and the Congress concerning the administration of statutory or administrative provisions is reserved to the Secretary.

5. *Directives Affected.* Secretary's Order 04-1992 is canceled. This Secretary's Order does not affect the authorities and responsibilities of the Office of the Inspector General under the Inspector General Act of 1978, as amended, or under Secretary's Order 2-90 (January 31, 1990).

6. *Background.* Title 31, Chapter 7 of the United States Code establishes GAO as an independent instrumentality of the U.S. Government independent of executive departments, and sets forth the duties and powers of its head, the Comptroller General. Among these duties is the responsibility to investigate the use of public money. Federal agencies are charged with giving the Comptroller General specified information and permitting GAO inspection of agency records. In addition, GAO evaluates programs and activities of the U.S. Government. 31 U.S.C. 719 directs the Comptroller General to report to Congress on agency expenditures, contracts, administrative controls, and the status of fiscal accounts. 31 U.S.C. 720 requires that following issuance of a GAO report that contains recommendations to the head of an agency, the agency must submit a written statement to the Senate Committee on Homeland Security and

Governmental Affairs, the House Committee on Government Reform, the Committees on Appropriations of the Senate and the House and GAO indicating the action taken by the agency on the recommendations. Office of Management and Budget (OMB) Circular A-50, Audit Followup, revised September 29, 1982, provides policies and procedures for use by executive agencies when considering reports issued by GAO where follow-up is necessary. OMB Circular A-50 also specifies those GAO reports for which agency heads will submit statements to OMB.

7. *Scope.* These delegations apply to draft and final GAO reports as well as to related correspondence addressed to the Secretary of Labor or other DOL official.

8. *Policy.* Findings, recommendations, or suggestions presented to the Department in a GAO report will be given prompt and careful consideration. DOL agency heads must act promptly on all recommendations that merit action. The action agency will comment on the findings in a GAO report indicating whether the recommendations will be adopted, considered further, or have been found to be unacceptable. Comments indicating agreement must include planned corrective actions and, where appropriate, dates for implementing these actions. If the recommendations are found to be unacceptable, the reasons for disagreement shall be fully explained.

**9. Delegation of Authority and Assignment of Responsibilities.**

A. The Chief Financial Officer (CFO) is delegated overall authority and assigned responsibility for the GAO reports and will:

(1) Act as the DOL control official for all GAO audits, studies, and reports and all correspondence received from the Congress and other governmental agencies relating to such GAO matters.

(2) Serve as the GAO Liaison and point of contact for all GAO audits and studies (hereinafter, "reviews").

(3) Review and approve, or disapprove, all written comments on draft and final GAO reports.

(4) Resolve all disagreements that may arise between DOL agencies regarding responses to GAO reports, both draft and final.

(5) Act as DOL's liaison to other Federal agencies for GAO report matters.

(6) Notify appropriate DOL agencies of planned GAO work.

(7) Designate action agencies to prepare responses to GAO reports and stipulate the deadline required for such responses.

(8) Maintain liaison with GAO concerning all reports and responses.

(9) Provide oversight of DOL's responses to GAO reports, both draft and final, monitor DOL's implementation of accepted recommendations, and provide periodic reports to the Deputy Secretary.

(10) Provide advice and assistance to agency heads with regard to GAO findings, recommendations, or suggestions involving internal control, accounting, and financial policies and procedures.

(11) Establish policies and procedures for DOL's responses to GAO reviews and reports.

(12) Apprise the Deputy Secretary on a quarterly basis, or as designated by the Deputy Secretary, of active GAO reviews and reports relating to the Department.

**B. DOL Agency Heads will:**

(1) Expeditiously review and comment on GAO's findings and recommendations, and submit prepared responses to OCFO for final clearance through the Executive Secretariat.

(2) Establish sufficient controls to ensure the prompt preparation of comments to be furnished to Congressional committees, OMB, GAO, and implementation of recommendations that merit action.

(3) Designate an individual within the agency to serve as the central contact for the CFO regarding GAO review and report activities and related matters.

(4) Direct all communications received from the GAO, Congress, or other government agencies pertaining to GAO reports to the attention of the CFO.

(5) Ensure that appropriate departmental clearances on responses to GAO reports are obtained, including coordinating with SOL to obtain OMB clearances. Items found at issue during the response clearance phase will promptly be brought to the attention of the CFO for resolution.

(6) Ensure that appropriate GAO responses with the agency heads' signature reach Congressional committees, OMB, and GAO within mandated time frames.

C. The Solicitor of Labor is delegated authority and assigned responsibility to:

(1) Provide legal advice and assistance to all officials of the Department relating to the authorities of this Order.

(2) Review proposed agency submissions of records and responses.

10. *Effective Date.* This Order is effective immediately.

Dated: January 17, 2006.

**Elaine L. Chao,**

*Secretary of Labor.*

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