

# Government Accounting Office in United States of America: A Critical and Legal Study

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## Article Info

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## Abstract:

This study examines the critical role being played by the Government Accountability Office which functions as the national public auditor in ensuring the congressional control on public purse in USA. The author traces its origin, legal history, evolution and growth in the public finance management. The article describes the various models of audit that are accomplished by the Government Accountability Office which appraises the Congressmen and public concerning acts of commission and omission of the executive branch of the government pertaining to utilisation of public fund. The article analytically scrutinises the working and performance of the Government Accountability Office having mandate to evaluate government programmes and policies independently and without fear and favour from executive wing that makes it financial watchdog on financial affairs of the government and safeguards public interest.

**Keywords:** Public audit, Government Accountability, Public Finance, Public purse.

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## I. Introduction

In United States of America, Government Accounting Office (GAO) functions as national public auditor and is responsible to the Congress to ensure congressional control on public purse. Parliament known as Congress is bicameral having 'House of Representatives'/lower house and 'Senate'/upper house. GAO's present *avatar* originated as a consequence of first world war when national debt increased tremendously in USA and public finance management was in miserable state. In view of increasing debt, necessity for tight monitoring of public expenditure was felt by the Congress; and to overcome that challenge and to systemize national budget system [1], it was envisaged to shift the duties and responsibilities of comptroller legislative and auditors in the treasury department to an independent entity which should

be free from executive wing and be located in legislative branch. Congress passed the Budgeting and Accounting Act, 1921 to establish the Government Accounting Office (GAO) which started functioning on 1<sup>st</sup> July, 1921. The act, now known as Budget Act, was passed by the Congress on 10 June, 1921 and approved by then President, Warren G. Harding to provide national budget system and to accomplish an independent audit of government accounts. The work and responsibility of treasury department was shifted to GAO with the mandate under fresh legislation to examine how the federal funds are spent. The act provided institutional framework to manage public finance that created many entities to prepare the budgets and regulating the funds by the Congress.

## II. Establishment of Government Accountability Office (GAO)

There was no uniform system of budgeting before passage of the legislation. Various departments used to submit their estimate proposal independently to Congressional committees having no coordination amongst them in projecting the centralised federal budget. With the passing of 'The Budget and Accounting Act', 1921 (BAA, 1921) the President was required to coordinate the budget proposals for all government agencies and to submit a comprehensive budget to the Congress. The act created many institutional units- Budget of the Bureau, now known as the Office of Management and Budget (OMB), Government Accounting Office and Bureau of Accounts, postal office department- to restructure the public finance management and to determine accountability towards Congress. Section 301 provided establishment of Government Accounting Office under the control and direction of Comptroller General (CG) of USA as an independent body, free from executive arm. Actually, offices of the Comptroller of the Treasury and Assistant Comptroller of the Treasury were abolished and their manpower and assets were transferred to new GAO. Powers and responsibility of Comptroller of Treasury and auditors were also vested in the office of Government Accounting Office which was re-designated [2] later on, as 'Government Accountability Office' in 2004 and is functioning in the present *avatar* that reflects the transitional role this office has played over the years from maintaining government accounts and examination of expenditure vouchers to ensure executive's accountability, covering investigation, review and evaluation of all executive programmes. Enactment of BAA, 1921 was a turning point in the history of public finance management in USA and it was "probably the greatest landmark in administrative history except for the Constitution itself." [3] The 1921 law remains the primary source of GAO's legislative authority. Thus, GAO since its inception, was established as an independent organisation, part of legislative branch, free from

executive and judicial control and answerable to the Congress only.

### III. Post of Comptroller General

Section 302 stipulated a post of Comptroller General of the United States as head of the GAO and an Assistant Comptroller General of the United States (subsequently redesignated as Deputy Comptroller General w.e.f 9 July, 1971) in the office of GAO and they were appointed by the President with the advice and consent of Senate. Comptroller General was empowered to assign duties to Deputy Comptroller General, who would function as Comptroller General during the absence or incapacity of the Comptroller General or during vacancy in that office. Their appointment was for a period of 15 years that provided continuity in the office for a long period. However, Comptroller General was ineligible for reappointment [4]. But what transpires is that debarment from reappointment as Comptroller General does not exclude him for any other employment in the government.

The Act also abolished offices of Comptroller of Treasury, Assistant Comptroller of Treasury and six auditors and transferred its powers and responsibility to the new GAO; and Comptroller General has been made final authority to 'certify the balances' in the executive branch of the government. Another new entity-Bureau of Accounts - post office department, came into being after abolishing the office of Auditor of that department with the purpose of examining accounts and vouchers of the department, hitherto accomplished by the auditor. Bureau of Accounts, to be headed by a Comptroller and appointed by the President on the advice and consent of the Senate [5] was another office. As section 201 made the President responsible to prepare and submit the budget to Congress under section 207 of BAA, 1921; 'Bureau of the Budget' headed by a Director in the treasury department was created in the executive branch with the mandate to assist the

President in preparation of the budget and its various alternative budget versions, as and when needed, and having powers to assemble, correlate, revise the estimates of the several departments. Budget was to be prepared under such rules as the President would prescribe. Bureau of the Budget would also have on Assistant Director, who will function under the control of Director.

#### **IV. Procedure to Appoint Comptroller General and Deputy Comptroller General**

To maintain neutrality and to eliminate executive's gratitude in appointments, Congress developed the procedure and methodology for appointing Comptroller General and Deputy Comptroller General by incorporating amendments in the BAA 1921. Congress created a commission [6]having members from both houses to fill the vacancy, whenever arises, in these two posts and it constitutes the members: Speaker of the House of Representatives, the President pro tempore of the Senate, the majority and minority leaders of the House of Representatives and the Senate, the chairman and ranking minority member of the Committee on Government Operations of the House of Representatives and of the Committee on Governmental Affairs of the Senate, and Comptroller General will be member of this commission, when vacancy to the post of Deputy Comptroller General is filled.

The Commission so appointed submits, not less than three names, to the President for consideration to the post of Comptroller General. If desired by the President, he may seek nomination of more names for consideration. Further amendments of section 303 of such Act (31 U.S.C. 43) redesignated the Assistant Comptroller General to Deputy Comptroller General and changed its service tenure that he can continue in the post till his successor is appointed and he will hold the post until the date vacancy of Comptroller General is filled up. Tenure of the Comptroller General remained unchanged. The commission members

evaluate the suitability of the potential candidates by scrutinising their background, relevant experience, future plans, credentials and previous achievements and then, Senate Committee on Homeland Security and Government Affairs, also assess the nomination before recommendation are passed on to Senate [7]. However, the President is not bound to accept the nominations and is still statutorily empowered to nominate any person who is not recommended by the commission but recommendations of the commission are generally accepted as a congressional practice.

It may be worthwhile to note from above dispensation that this appointing procedure mirrors the active role of members of both parties in both houses generating non-partisan and apolitical nominations that create confidence in the Comptroller General that he is answerable to Congress only and is not at the mercy of the President, albeit formally being appointed by him. Such a structural arrangement makes him a Congressional watchdog on national resources and taxpayers' friend and facilitate him to function and perform in public interest.

#### **V. Removal and Resignation**

Removal provision is also described in the BBA Act that empowers the Congress to remove the Comptroller General by joint resolution after issuing notice and hearing him on the grounds of permanent incapacity, inefficiency, negligence of duty or moral turpitude through impeachment. He cannot be reappointed to the post if impeachment takes place and cannot be removed in any other way or on any other reason. Protection from arbitrary removal from the post by the government strengthen the incumbent holding the posts, to function and perform fearlessly and independently. Retirement age is fixed at the age of 70 years under the legislation, so his terms of employment does not depend on government. No impeachment has taken place till date against any Comptroller General that indicates the strong bond and

confidence between Comptroller General and Congress. Two Comptroller General have resigned from the office since 1921- Fred Herbert Brown served over one year and left on 19 June, 1940, on account of health reasons, and David M. Walker resigned on 12 March, 2008, after serving 9 years 4 months to head public interest foundation ignoring his retirement annuity which he was entitled on completion of 10 years' service.

## VI. Inspector General as Internal Watchdog

In September 2008, the Government Accountability Office Act of 2008 [8] created another significant post 'Inspector General' in the GAO to bring certain reforms in the internal system and enhance internal efficiency of the organisation. Legal provisions provide such independence and uniqueness to the office of Inspector General that it can be safely called 'GAO Accountability Office' which ensures GAO's accountability and functions as "Internal Watchdog" in the organisation. His task is to examine consistency in audit with government auditing standards and investigation work in GAO and to promote efficiency, economy and effectiveness in GAO's policies. He is required to function as an internal watchdog in GAO and inform the Comptroller General and Congress regarding any frauds, abuses, deficiencies in the programmes/ operation of GAO. Comptroller General has the power to appoint and to remove the Inspector General, who is required to possess impeccable integrity and professional capability to perform the responsibility of the assignment and to function under the control of Comptroller General. If Inspector General is removed, reasons of such removal are to be informed to Senate and House. Inspector General is entitled to have access to any document or information in GAO, can investigate such matters in GAO as he considers necessary and can also solicit any documents/information from other federal agencies which are needed to accomplish his assigned responsibilities. Like Comptroller General, he has powers to seek any

document/information from a person outside the USA Government or federal agency. He is also made responsible to inform to the Attorney General when there have been, in his opinion, violations of federal criminal laws.

Another important task pertaining to complaints by GAO employees regarding 'mismanagement of gross wastage of fund, violation of any rules/regulations' has been assigned to Inspector General, who reviews and investigate such complaints. Employee's identity making complaints is not disclosed without the consent of the employee. It is also provided that employees making willfully false complaints could be penalised. Complaints regarding violations of personnel laws and rules are not handled by him but forwarded to the concerned entities in GAO. Inspector General does have unhindered access to Comptroller General in performance of his assigned tasks.

He submits six-monthly reports to Comptroller General that includes summary of investigation reports covering significant problems, misuses and deficiencies revealed by the such reports; suggestions for corrective actions thereon and also improvement made in implementing the corrective actions. This facilitates the Comptroller General to have independent view and evaluation of internal operations of the GAO. Disagreements with the Comptroller General, if any, on the recommendations of Inspector General are also included in the report. Comptroller General is to submit such reports of Inspector General with his remarks to the Congress within 30 days from its receipt that aids the Congress to comprehend the weakness and strength of the GAO and strengthen the congressional control mechanism.

Inspector General is independent for accomplishing his duties and responsibilities and Comptroller General is not to intervene in execution of his task and is also authorised to appoint certain staff, as considered necessary, in the GAO to execute the assigned tasks. Inspector

General and any of his staff is prohibited to carry out any programme responsibility with the purpose of maintaining its core value of investigation and to eliminate 'conflict of interest'. Inspector General is to primarily to maintain checks and balance in the functioning of GAO and function as a torch-bearer in establishing integrity and veracity in the GAO activities.

## VII. Power and Duties of Comptroller General

He is responsible to prescribe accounting procedures and forms for government departments and with certain conditionalities, is empowered to appoint, remove and fix remuneration of employees and attorneys in the GAO office and is authorised to make rules and regulations, as deemed fit and necessary to manage the GAO work [9]. Section 312 of the BAA 1921 is the most vital and decisive provision that describes the true role of GAO that empowers the Comptroller General to investigate all matters of public fund and to submit reports to Congress and to the President also when he desired; and thus GAO becomes the investigative arm of the Congress to find out as to how the public money is spend. He can give recommendation to the Congress relating to receipt, disbursement, and application of public fund and to enhance economy and efficiency in public affairs. On the direction of any house of Congress or any Congressional Committee dealing with public fund matters, Comptroller General will investigate such matters as directed and submit reports to them, and will also provide such support and assistance as desired by these committees. Any expenditure or contract made by government in violation of law will be specially reported to the Congress every year. Report on adequacy and effectiveness of administrative examination of accounts, and of claims government departments and of departmental inspection of accounts of fiscal officers will also be submitted to the Congress. Requisite information pertaining to expenditure and accounting will be provided to bureau of

budget to facilitate then to prepare the budget statements. All departments and establishments are required to furnish the Comptroller General with requested information concerning their operations and he is empowered to 'access and examine any documents/records of any department or establishment.

Over the period of time, powers and duties of GAO have been enhanced. GAO has been authorised to play significant role in the procurement system of federal agencies where GAO has to adjudicate the objections of bidders who think that their economic interest has been affected badly and contracts have been awarded or not awarded unfairly by the federal agency without following prescribed rules, regulations and procedures. Direct intervention through the 'bid protest' system compel the federal agencies to adhere to the laid down procedure in procurement of goods and services that aid in the good governance and transparency in executive decisions.

New procedure on bid protest came into being with enactment of the 'Competition in Contracting Act of 1984 (CICA)' which authorised the courts to refer the protest to GAO; and the GAO was empowered to stay the award of contract pending decision on the protest and to allow cost and attorneys' fees for pursuing the protest. Confrontation developed between GAO and executive agencies on these new legal provisions. Department of Justice raised the questions on the constitutionality of new provisions on the ground that Comptroller General is a legislative officer and it involved exercise of executive or judicial powers by him which violates the principle of separation of powers. However, clarifying the power of GAO in the case of *Ameron Inc. v. U.S. Army Corps of Engineers*, Court of Appeals took a totally afresh thought terming GAO a part of "fourth branch" of governmental independent agencies empowered to perform in both the legislative and executive

branches [10]. Supreme Court could not decide the constitutionality issue as the justice department withdrew the petition, for CICA Act was amended that C G cannot extend a stay period beyond 90 days.

### **VIII. Audit and Accounting Authority**

GAO role and responsibility further enhanced with passage of time. Audit of financial transactions of government corporations and mixed- owner corporations was entrusted to GAO under the Government Corporation Control Act of 1945 [11] with the power to access all books of accounts and financial documents and Comptroller General has to submit the audit reports for each fiscal year to the Congress and also copy of the report to the President, Secretary of treasury and to the concerned corporation. Having empowered the Comptroller General, this enactment has tightened the congressional supervision on public money invested in government corporations.

Legislative Reorganization Act (LRA) of 1946 authorised Comptroller General to carry out an 'expenditure analysis' of each government agency located in the executive branch and with that Congress would be able to determine whether public funds have been efficiently and economically administered (60 Stat. 837) and later on, GAO's role was expanded in assisting congressional committees and strengthened its program evaluation responsibilities [12].

Under the Budget and Accounting Procedures Act of 1950 (64 Stat. 835), Comptroller General is responsible to prescribe accounting standards and codes for executive agencies, and {each executive agency is statutorily bound to maintain internal accounting control in conformity with prescribed standards and codes [13]. It was made mandatory that executive agencies are to confirm annually to the President and to the Congress that their internal accounting and administrative control meet the GAO's standards and such confirmation report would be to reviewed

and assessed by GAO for compliance. The Comptroller General has got more powers to audit and review financial audits conducted by an inspector general or an external auditor [14].

GAO is entrusted to review the implementation of the Government Performance and Results Act of 1993 (GPRA) (107 Stat. 285) which bound the agencies to establish goals and performance measurement, and GAO is to examine the follow up reports from agencies and also the assessment of strategic and performance plans. Enactment provides certain sort of appraisal system for the government agencies. The Truth in Regulating Act of 2000 also empowers GAO is to evaluate rules and regulations of federal agencies.

Power to access documents and information from government agencies were further augmented and Comptroller General can initiate legal action against disobeying entities, subject to certain restrictions, to force them to provide the requisite information. Denial of records can be informed to President, the Director of the Office of Management and Budget (OMB), the Attorney General, the head of the agency, and Congress which force the entities to submit the records. However, GAO lacks legal authority to access the records concerning foreign intelligence or counter-intelligence activities, the records whose disclosures are exempted by any statute and records which are certified by the President or the Director (OMB) to the Comptroller General and Congress that such disclosure may danger the government operation.

Further, GAO is statutorily empowered to access records related to negotiated contracts, {1951 law (P.L. 82-245)}. In a significant case, right to access such records was deliberated. Hewlett-Packard Company declined documents to GAO pertaining to production cost of supplied items after entering negotiated contract with US Air Force on the plea that such cost was not considered at the time of contract negotiation and challenged the GAO right to accessibility.

Statutory right was upheld by the judiciary clarifying that the law regulating examination of contractor records included production cost records [15]. However, Supreme Court ruled in April 1983, in *Bowsher v. Merck & Company* that the law allowed GAO access to direct cost records only but not those on indirect costs. Further, judicial intervention was envisaged to compel accessibility of records (GAO Act of 1980) from entities getting government funds. President office and OMB office were still given immunity from full access of records to a certain extent.

The General Accounting Office Personnel Act of 1980 (P.L. 96-191, 94 Stat. 27) was another landmark enactment that reduced GAO dependence on executive entities concerning its personnel requirements in view of the fact that GAO has increased its auditing on such agencies and it was necessary to avoid conflict of interest. Comptroller General was empowered to appoint the personnel as per requirement and to determine pay of such personnel. Amendments to the act, in 1988, also altered the retirement age allowing Comptroller General and Deputy CG to remain in the office til the age of 70 years and retirement benefits at par with federal judge.

Comptroller General also functions as the principal of the Federal Accounting Standards Advisory Board that is responsible to formulate norms and codes for maintenance of public accounting system in federal agencies which facilitate and enhance reliability and consistency in comprehending the financial statements and reports.

Comptroller General was granted more power under the GAO Human Capital Reform Act of 2004 (P.L. 108-271) over pay and personnel. He could devise annual pay increase based on performance parameters instead of fixed annual pay-increase and can offer early retirement and various flexibilities in the personnel management activities. Performance-based increment affected many employees who did not get annual pay

increase that created a serious controversy as such a system was non-existent in other federal agencies. This resulted into resentment and bitterness amongst GAO employees and consequently unionized them first time in the history of GAO. Ultimately, this policy was amended and financial benefits were restored [16].

## **IX. Audit Evolution: Voucher Audit to Programme Evaluation**

### **9.1 Legality and Expenditure Audit**

As the GAO succeeded the Office of the Comptroller of the Treasury in 1921, its nature and style of work remained unchanged in the initial years and continued to function as a traditional accountant and auditor. Nature of audit executed in the initials years of GAO can be easily understood with the statement of John R. McCarl, the first Comptroller General, who was a lawyer by profession, that “the question whether any particular expenditure or collection is in accordance with law is the principal function of the General Accounting Office” [17] . The audit was meant to examine the legality and adequacy of governmental expenditure. Departments used to submit financial documents to the GAO, whose task was to examine the legality, accuracy and propriety of expenditure. Primarily, vouchers’ checking was done as post audit exercise.

GAO had faced oppositions from executive agencies in initial years when it began objecting inadmissible payments and forced repayment to government. Conflicts were witnessed between Attorney General and Comptroller General in interpretation of laws based on different authority that sometime created confusion in executive agencies. Accounting procedures established for executive branch were objected by treasury department and Bureau of the Budget considering it interference in their affairs. Audit of government corporations was another confronting stuff which raised jurisdictional and constitutional issues that

even it was thought that establishing GAO was probably wrong step. However, legislative proposals to reorganise the GAO curtailing its role in public finance were thwarted by the Congress considering it a part of legislative branch. The apprehension amongst executive agencies that GAO is [18] “a bugaboo that keeps them from doing what they want to do,” while dedicating new building to GAO in 1951, President Harry Truman clarified and emphasised that “the General Accounting Office is neither a bugaboo nor a bore. It is a vital part of our Government. Its work is of great benefit to all of us” [19].

War time expenditure prompted the GAO auditors to proceed for auditing at military plants but still vouchers-checking remained incomplete as the work load increased enormously and it continued post war including the audit of contract settlement and transportation payment. In 1975, audit of transportation voucher was shifted to General Service Administration which was main task of GAO since its inception and government corporations were to be audited every 3 years instead of every year. Subsequently, Congress felt the necessity for comprehensive and incisive reports concerning governmental transactions that GAO could produce that evolved relationship in trust and dependency with Congress. Review of financial statements, internal control, legal compliance and effectiveness of control system were taken up in auditing process which can be considered as the precursor for the inset of compliance audit.

## 9.2 Comprehensive Audit

GAO advanced from expenditure audit towards compliance audit in 1950s with the audit purpose to find out whether - the disbursement is in conformity with the approval, the revenue is appropriately received and accounted for, assets are properly utilised and the agency’s programme are in accordance with the Congress authority. As GAO moved into comprehensive auditing,

comprehensive audit manual was developed that consisted guidelines on audit objectives and policies, auditing standards, audit authority and responsibility, how to perform a comprehensive audit, and descriptions of different activities to be covered under audits.

Audit was meant to find out ‘excess, waste and extravagance’ in the public spending; and in 1951, this approach was adopted in auditing defence procurement contracts which revealed misuses and malpractices in audit reports that recommended recovery from contractors and stoppage of their payment that enraged department of defence and defence contractors. These reports suffered severe criticism during hearing of congressional sub-committee on Military Operations which found that all audit reports are not validated, but some appeared to have merits and appreciated the crucial role of GAO in congressional oversight [20].

GAO’s report on ‘zinc purchase’ by Defence Material Procurement Agency (DMPA) during Korean war created a controversy raising questions on the ‘conflict of interest’ concerning the Deputy Administrator, DMPA, who joined the government from that zinc supply company. In the congressional hearing on the report, GAO admitted certain factual errors that ridiculed the GAO concerning quality of reports and affected its prestige temporarily [21]. Zinc episode and recommendations of another committee compelled GAO to modernise its auditing policies and also develop accounting principles and standards for executive agencies. A large number of fresh accounts graduates and experienced accountants from accounting firms were hired and trained in various audit methods to augment the professional manpower.

Congressional hearing on defence contracts reports dented the GAO image that was the main mission to regain the confidence of Congress. Truth in Negotiation Act provided that in certain defence contracts, no question would be raised on the price the contractor quoted if the



contractor certifies that price is truthful, accurate and complete and reliance on internal audit carried out by Defence Contract Audit Agency persuaded GAO to evade detailed audit of such contract.

Afterward, GAO changed its strategies regarding defence reporting to avoid unwanted and unnecessary publicity, and audit approach steadily shifted from determining monetary effects to evaluation of achieving objectives of federal programmes. Congressional requests and statutory necessity prompted GAO to take up audit of federal agencies extensively. Audit reports reviewed 'assistance programmes' for Vietnam, Iran, Philippines, Ecuador and Military assistance programmes for Europe, the Near East, the Far East, and Latin America concentrating on monetary aspects of technical and economic activities and exposed many deficiencies.

### 9.3 Performance Audit

GAO advanced slowly towards programme evaluation in late 1960s. Amendments in 1967 to the Economic Opportunity Act of 1964, mandated that the poverty programmes accomplished by Economic Opportunity Office be audited by GAO to assess the efficacy and success of such activities. GAO extensively evaluated these programmes and revealed deficiencies and lapses and provided recommendations for improvements. New staff were recruited with training in systems analysis, computer technology, actuarial science, business administration, economics, mathematics, engineering, the social sciences, and other specialised fields that enhanced the GAO capability to examine the worth of such programmes. GAO broadened the audit scope covering the environmental and health issues, sanitary conditions at food plants, sale of ineffective vaccine, energy, hazardous medical devices and intelligence operation.

Task of 'review and analysis, including cost benefit studies' [22] on outcomes of government programmes has been entrusted to GAO. The

Congressional Budget and Impoundment Control Act of 1974, enlarged the scope of programme evaluation for GAO with the responsibility to innovate means and methods to evaluate existing government programmes and to ascertain actual results of the programmes thereon; and to achieve this, GAO was authorised to engage external experts and establish evaluation office. After discarding comprehensive manual, project manual and policy manuals were developed in 1980s as guidance tools for programme evaluation that gave new thrust in the performance auditing which provided exhaustive insight in the public finance management to the stakeholders.

The Single Audit Act of 1984 created the audit norms to streamline the auditing in the state and local governments and 'categorised' audit methodology depending on the amount of grants. Governments getting money in the range of \$25000-100,000 were to undergo single audit or as per the necessity of individual grant whereas grants of less than \$25000 would be exempted from audit and Annual or biennial audit would be carried out for governments receiving more than \$100 000 each year.

In 1984, transition series of 26 reports on various issues covering revenue option, programme evaluation, financial services industry, international trade, information technology, financial management and budget deficit were issued to drive attention of The President and Congress. Alleging that these reports have political hues, these were criticised in the press and by some congressmen., GAO denied such insinuation and elucidated that reports serve the purpose of alerting the government and public of major and significant national issue [23].

GAO adopted an innovative method to forewarn executive agencies to strengthen their internal financial systems by identifying and initiating proactive and preemptive actions in critical and the high-risk programmes which could be susceptible to wrongdoings, misuse and irregularities. With the dynamic participation of

GAO, this system finally resulted into an enactment of the Chief Financial Officers Act, 1990 which postulates that government agencies are to prepare financial statements, improve the accounting procedure and develop the measurement of performance parameters.

## X. CONCLUSION

Long back, in 'GAO Journal (Spring 1988)' - an in-house journal of the GAO, Charles A. Bowsher, then Comptroller General, has aptly echoed in a mission statement that the purpose of GAO's existence is to assist the Congress and other decision-makers so that efficacy of federal programmes is enhanced and apprise the public on public issues" [24]. GAO in USA is a nonpartisan, independent investigating agency of Congress that keeps a watch on public purse, evaluates federal programmes and brings to the knowledge of legislature and public the deficiencies and mismanagement of executive's economic activities to ensure accountability and good governance. It brings out that GAO works for the people and on behalf of people which makes it a great institution. Thus, great institution makes great nation.

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