



G A O

Accountability \* Integrity \* Reliability

United States Government Accountability Office  
Washington, DC 20548

---

June 6, 2008

Congressional Committees

Subject: *Department of Energy: Implementation and Use of Other Transactions Authority Provided in the Energy Policy Act of 2005*

Since the Department of Energy (DOE) was established in 1977, one of its missions has been to promote the nation's energy security through research, development, and demonstration of advanced technologies for meeting future energy demands and diversifying the nation's energy portfolio. As part of this mission, DOE's Office of Energy Efficiency and Renewable Energy conducts research, development, and demonstration activities in partnership with industry to advance a diverse supply of clean power technologies. The fiscal year 2008 budget for these activities was \$1.7 billion.

The Energy Policy Act of 2005, the first comprehensive energy legislation in more than a decade, includes provisions to address the nation's long-term energy challenges. Key goals of the act include diversifying the nation's energy supply by promoting alternative and renewable sources of energy and by investing in science and technology. Provisions in the act promote the use of solar and wind power, establish a loan-guarantee program to encourage private investment in new energy technologies, and authorize demonstration projects for producing ethanol from cellulosic sources such as forest residues, agricultural residues, and scrap wood.

To provide DOE with more flexibility to enter into agreements with private-sector entities, section 1007 of the Energy Policy Act of 2005 gave the Secretary of Energy the ability to use "other transactions authority." This authority, similar to that previously authorized for the Departments of Defense and Homeland Security, allows an agency to enter into agreements "other than" standard contracts, grants, and cooperative agreements. Agreements under this authority would not be subject to the Federal Acquisition Regulation or certain other federal laws governing contracts.<sup>1</sup> Therefore, the other transactions authority could provide for more flexible terms and conditions, thereby enhancing the federal government's ability to acquire cutting-

---

<sup>1</sup>For a discussion of the laws that do not generally apply to agreements under other transactions authority, see GAO, *Homeland Security: Further Action Needed to Promote Successful Use of Special DHS Acquisition Authority*, [GAO-05-136](#) (Washington, D.C.: Dec. 15, 2004), 4-6.

edge science and technology by attracting contractors that had not typically pursued government contracts. DOE may use this authority to help bring new ideas and innovations to fruition, to attract nontraditional government contractors, and to advance the department's energy security mission.

The Energy Policy Act of 2005 required DOE to issue proposed guidelines for the use of this authority by November 8, 2005 (no later than 90 days after enactment), and specified that the department could not use the authority until the final guidelines were published.<sup>2</sup> DOE's authority to enter into these transactions terminates on September 30, 2010.

The act further required that GAO report on the department's use of other transactions authority, including DOE's ability to attract nontraditional government contractors (defined as those who have not had a contract or other agreement with the federal government for at least 1 year before the proposed contract). This report and our previous discussions and communications with your staff fulfill that directive, addressing (1) the steps DOE has taken to implement other transactions authority, including the safeguards established, and (2) the extent to which using this authority has enabled DOE to attract nontraditional government contractors.

To determine the steps DOE has taken to implement other transactions authority, we reviewed the Energy Policy Act of 2005, the draft and final regulations issued by the department, and related guidance and training materials. We also interviewed officials with DOE's Office of Procurement and Assistance Management and Office of General Counsel. We obtained documentation of training sessions held in May 2006 at DOE headquarters and two sites where the other transactions authority could potentially be used. To determine the extent to which the authority has enabled DOE to attract nontraditional government contractors, we reviewed DOE's annual reports on its use of the authority, which were submitted to Congress for fiscal years 2006 and 2007. In addition, we reviewed funding announcements and award files at DOE's field office in Golden, Colorado. DOE's Golden Field Office is the only location where the department has negotiated an agreement using its other transactions authority. We also interviewed DOE procurement, legal, and program officials in DOE headquarters and at the Golden Field Office, as well as officials with Range Fuels, the recipient of the agreement negotiated under DOE's other transactions authority. We conducted this performance audit from January 2008 to June 2008, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

---

<sup>2</sup>DOE issued its proposed regulations in the *Federal Register* on November 15, 2005, and the final regulations on May 9, 2006, with an effective date of July 10, 2006.

## **Results in Brief**

As required by the Energy Policy Act of 2005, DOE developed and issued final regulations to implement other transactions authority before using the authority. Furthermore, DOE issued supplemental guidance and developed and presented training on how to use the other transactions authority to DOE legal, procurement, and program office officials. DOE decided to implement other transactions authority by using a special type of financial assistance instrument, called technology investment agreements. Technology investment agreements can be negotiated to include provisions that would encourage companies with promising new ideas to do business with the federal government. In both its regulations and supplemental guidance, DOE stressed that other transactions authority was to be used only if existing mechanisms, such as contracts or financial assistance, were not feasible or appropriate. Finally, DOE developed a training course on how to use this new type of agreement and presented the course at headquarters and field locations where technology investment agreements were most likely to be used. Overall, we believe that the controls DOE put into place over the use of its other transactions authority appear to be adequate, assuming that DOE continues to effectively implement the safeguards and to incorporate lessons learned as the department negotiates future agreements.

DOE's use of other transactions authority to date has been limited: the department has negotiated one technology investment agreement to construct and operate a facility (an integrated biorefinery) that will convert wood wastes to ethanol. This project is part of DOE's efforts to demonstrate the commercial viability of producing ethanol from sources other than corn or similar food crops. The company that will be constructing this facility, Range Fuels, has not previously done work for the federal government and therefore meets the definition of a nontraditional government contractor. DOE's limited use of other transactions authority is consistent with the language in the Energy Policy Act of 2005 specifying that the authority is to be used only if contracts or other financial assistance mechanisms are not feasible or appropriate.

## **Background**

To support its energy security mission, DOE generally conducts basic energy research at its national laboratories using contracts with educational institutions, nonprofit organizations, and other private entities. Research and development of new technologies, on the other hand, is carried out either by the national laboratories under contract or by universities, nonprofit organizations, and private companies using financial assistance mechanisms such as grants or cooperative agreements.

Consistent with the Federal Grant and Cooperative Agreement Act of 1977,<sup>3</sup> DOE guidance states that the decision on whether to use contracts or financial assistance should be based on the principal purpose of the award, including its intended primary beneficiary.

- *Contracts.* The primary beneficiary of contracts is the federal government. Contracts are used for the purchase of goods and services for the direct benefit of the government, and establish arrangements that are clear and certain regarding the relationship and performance requirements. Contracts are governed by the Federal Acquisition Regulation, and recipients of contracts generally must have financial and accounting systems that comply with government cost accounting standards.
- *Financial assistance.* The primary beneficiary of financial assistance is the general public, and the principal purpose of this assistance is to transfer money or property to accomplish support of a program or effort authorized by federal law. Financial assistance mechanisms include grants and cooperative agreements, which differ in the amount of federal involvement in the project. For grants, the agency's involvement is essentially administrative, which includes normal federal stewardship responsibilities, such as reviewing performance to ensure that the objectives, terms, and conditions of the grant are accomplished. Under cooperative agreements, the agency expects to be substantially involved in the project, such as reviewing and approving one stage of a project before work can begin on a subsequent stage. Under financial assistance mechanisms, payments may be made in advance or to reimburse allowed costs. Under DOE regulations, however, these mechanisms generally do not allow for reimbursement of costs on the basis of demonstrating progress or completing milestones in a project, such as construction of a facility.

To address situations where neither contracts nor financial assistance would be appropriate, Congress established “other transactions authority” (for transactions other than contracts or financial assistance). Federal agencies could use other transactions authority to reduce barriers—such as having to comply with federal cost accounting standards—that discourage some for-profit firms from doing business with the federal government and to enhance the federal government’s ability to acquire cutting-edge science and technology. This authority originated in 1958 when Congress gave the National Aeronautics and Space Administration the authority to enter into contracts, leases, cooperative agreements, or “other transactions as may be necessary in the conduct of its work and on such terms as it may deem appropriate.”<sup>4</sup> Congress granted the Department of Defense’s Defense Advanced Research Projects Agency this authority for research projects in 1989, extended the authority to include prototype development projects in 1993, and has since extended the ability to use this

---

<sup>3</sup>The Federal Grant and Cooperative Agreement Act of 1977 established criteria for determining whether a transaction is financial assistance. DOE’s Financial Assistance Rules (10 C.F.R. pt. 600) establish uniform policies and procedures for the award and administration of financial assistance.

<sup>4</sup>42 U.S.C. 2473(c)(5).

authority to the Department of Defense more generally.<sup>5</sup> The Homeland Security Act of 2002 created the Department of Homeland Security and granted the agency the authority to establish a pilot program using other transactions authority to carry out both research and development and prototype projects.<sup>6</sup> The Services Acquisition Reform Act of 2003 authorized all federal agencies to use other transactions to carry out basic, applied, and advanced research, and development projects that are otherwise authorized and may facilitate defense against or recovery from terrorism or nuclear, biological, chemical, or radiological attack.<sup>7</sup>

### **DOE Developed Regulations as Required, as Well as Guidance and Training, Before Using Other Transactions Authority**

As required by the Energy Policy Act of 2005, DOE developed proposed guidelines or regulations for its use of other transactions authority and issued final regulations before using the authority. The department also issued supplemental guidance and developed and presented training on how to use the new mechanism. Overall, these steps appear to establish adequate safeguards over the use of other transactions authority.

#### Regulations Established Technology Investment Agreements

In its proposed and final regulations, DOE stated that it would implement other transactions authority through the award and administration of technology investment agreements. A technology investment agreement is a special type of financial assistance instrument meant to increase the involvement of commercial firms in the department's research, development, and demonstration programs. According to DOE regulations, the structure of these agreements may vary, depending on such factors as the intellectual property provisions required.<sup>8</sup> The regulations established minimum requirements for proper stewardship of federal funds, including audits, reporting requirements, and systems to control project funds effectively.

Under a technology investment agreement, DOE has greater latitude to negotiate provisions that vary from traditional government contracts or financial assistance

---

<sup>5</sup>GAO has reported on the Department of Defense's use of this authority. For example, see *DOD Research: Acquiring Research by Nontraditional Means*, [GAO/NSIAD-96-11](#) (Washington, D.C.: Mar. 29, 1996); *Acquisition Reform: DOD's Guidance on Using Section 845 Agreements Could Be Improved*, [GAO/NSIAD-00-33](#) (Washington, D.C.: Apr. 7, 2000); and *Defense Acquisitions: DOD Has Implemented Section 845 Recommendations but Reporting Can Be Enhanced*, [GAO-03-150](#) (Washington, D.C.: Oct. 9, 2002).

<sup>6</sup>GAO has reported on the Department of Homeland Security's use of this special acquisition authority. See [GAO-05-136](#) and *Department of Homeland Security: Status and Accountability Challenges Associated with the Use of Special DHS Acquisition Authority*, [GAO-08-471T](#) (Washington, D.C.: Feb. 7, 2008.)

<sup>7</sup>P.L. 108-136, sec. 1441.

<sup>8</sup>Intellectual property includes, among other things, patents, copyrights, and technical data. For example, intellectual property provisions will apply to the development of a new process or technology.

agreements. For example, federal regulations generally require that a government contractor have a financial system in place that complies with federal cost-accounting standards. Companies that do not traditionally contract with the federal government generally would not have a financial system that meets government-unique accounting requirements. Under a technology investment agreement, DOE can accept a company's financial system as long as it complies with generally accepted accounting principles, which reduces the administrative burden on the company.

DOE officials in the Office of Procurement and Assistance Policy and the Office of General Counsel worked together to develop the proposed and final regulations. To meet the deadline specified in the act for issuing proposed regulations by November 8, 2005, DOE used the Department of Defense's regulations for technology investment agreements as a starting point for developing its own regulations. Adapting these existing regulations allowed DOE to develop its proposed regulations in 3 months.

### DOE Issued Supplemental Guidance Concurrent with Final Regulations

At the same time as it issued its final regulations, the department also issued supplemental guidance on how to implement the other transactions authority. For example, DOE issued a new financial assistance letter covering such topics as documenting the justification for using a technology investment agreement, satisfying the requirement for substantial involvement by the department, and outlining the review and approval process.<sup>9</sup>

To demonstrate that a technology investment agreement is warranted, the DOE contracting officer, along with the program office requesting the agreement, must prepare a justification memorandum for review and approval by senior DOE officials. The memorandum must provide information about (1) the nature of the project; (2) the recipient, which may be an individual entity or a group but must include at least one for-profit firm; (3) the recipient's commitment to the project and the ratio of DOE-to-recipient cost sharing for the project; (4) the degree of involvement of the government program official; and (5) the benefits of using a technology investment agreement.

Because using a technology investment agreement provides a contracting officer considerable latitude in negotiating the provisions of the agreement, DOE also took steps to ensure that contracting officers have the necessary level of expertise to make such judgments. Specifically, to award a technology investment agreement, a contracting officer must have (1) obtained DOE's highest level (level III) of contracting certification based on training and experience, (2) obtained separate financial assistance certification, and (3) completed the DOE training on using technology investment agreements. Furthermore, a contracting officer may award a technology investment agreement only if the officer's warrant (or authority) specifically authorizes the award and administration of a technology investment agreement.

---

<sup>9</sup>Department of Energy, *Implementation Guidance for Awarding Technology Investment Agreements*, Financial Assistance Letter No. 2006-03 (Washington, D.C., May 10, 2006).

## DOE Developed and Delivered Training to Communicate New Authority

In addition to regulations and supplemental guidance, DOE developed a training curriculum for technology investment agreements. This curriculum covers topics such as the definition of other transactions; the review and approval process; and the various phases of an award, from preparing the announcement to negotiating the terms of the agreement. DOE presented this training course in May 2006 at three locations: DOE headquarters, the Golden Field Office in Colorado, and the National Energy Technology Laboratory in Pennsylvania. Program officials, contracting officers, and Office of General Counsel officials attended the training. DOE selected these locations as the ones most likely to use technology investment agreements in the near term.

## Safeguards over Use of Other Transactions Authority Appear Adequate

Taken as a whole, the safeguards or controls that DOE put into place over the use of its other transactions authority appear to be adequate, assuming that DOE continues to effectively implement them. The regulations, supplemental guidance, and training materials all stress that technology investment agreements are to be used only when no other type of contract or financial assistance instrument is feasible or appropriate. Through training and certification, DOE has taken steps to ensure that contracting officers who award and administer technology investment agreements have the requisite skills. In addition, the authority or contracting officer's warrant to award a technology investment agreement is not continuous but valid only for negotiating a specific agreement. Furthermore, both the justification for using a technology investment agreement and the actual agreement require approval by senior DOE headquarters officials.

## **DOE's Use of Other Transactions Authority to Date Has Been Limited**

Since the final regulations on other transactions authority were issued, the only DOE program office that has used the authority is the Office of Energy Efficiency and Renewable Energy. To date, DOE has issued only one technology investment agreement.<sup>10</sup> This limited use of the other transactions authority is consistent with the language in the Energy Policy Act of 2005, and with DOE regulations and guidance, specifying that the authority is to be used only if contracts or other financial assistance mechanisms are not feasible or appropriate.

Two of DOE's largest component organizations—the National Nuclear Security Administration and the Office of Science—rely primarily on their national laboratories for research and development activities. Officials with these two organizations said that, as a result, existing contract and financial assistance

---

<sup>10</sup>The Energy Policy Act of 2005 required DOE to submit an annual report to Congress on the department's use of other transactions authority, including the technical objectives for each agreement, the extent to which the other transaction has contributed to a broadening of the technology and industrial base available for meeting DOE's mission needs, and the extent to which the other transaction has fostered new relationships and practices. In its first two reports submitted to Congress, covering activity in fiscal years 2006 and 2007, DOE reported that it had the framework in place for using other transactions authority, but there had been no agreements to date.

mechanisms generally provide adequate flexibility to meet their research and development needs.<sup>11</sup> According to an official in DOE's Office of Procurement and Assistance Management, two other program offices—the Offices of Nuclear Energy and Fossil Energy—had considered using other transactions authority for a specific project but determined that cooperative agreements would work instead.

Thus, the only DOE program office to use other transactions authority to date is the Office of Energy Efficiency and Renewable Energy, which used the authority in support of its biomass program.<sup>12</sup> The first, and so far only, technology investment agreement was finalized in November 2007 for funding to design, construct, and operate an integrated biorefinery to produce primarily ethanol from trees and forest residues (lignocellulosic feedstock). DOE's cost-share funding of the project was established at \$76 million, or about 21 percent of the total project cost of approximately \$356 million.

The biorefinery project originated in response to a funding opportunity announcement issued in February 2006 by DOE's Golden Field Office to implement section 932 of the Energy Policy Act of 2005. Section 932, which deals with bioenergy programs, requires that DOE solicit proposals for projects to demonstrate the commercial application of integrated biorefineries. According to the act, the department should select only proposals that demonstrate that the project will be able to operate profitably without direct federal subsidy after initial construction costs are paid and that enable the biorefinery to be easily replicated.

In February 2007, DOE announced the selection of six projects in response to the funding opportunity announcement; the planned approach was to make awards for these projects in two phases. The first phase would cover preliminary design, testing, and efforts to comply with environmental regulations for the projects; the second phase would cover final design and actual construction of the facilities. Of the six projects selected, the application by Range Fuels to construct a full-scale biorefinery plant in Georgia to demonstrate its process was closest to actually starting construction. DOE and Range Fuels, a nontraditional government contractor, negotiated a technology investment agreement for the construction of the plant. For the other selected projects, those that have been awarded have involved cooperative agreements for the first phase.

---

<sup>11</sup>During 2007, the Office of Science established three DOE Bioenergy Research Centers to accelerate basic research in the development of cellulosic ethanol and other biofuels. According to an Office of Science official, DOE had at one point considered using technology investment agreements. Two of the research centers were established at existing DOE national laboratories, however, and the third was established under a cooperative agreement.

<sup>12</sup>The biomass program focuses on developing biofuel, bioproduct, and biopower technologies in partnership with other government agencies, industry, and academia. This program supports four key priorities of the Office of Energy Efficiency and Renewable Energy's strategic plan: (1) dramatically reducing dependence on foreign oil; (2) promoting the use of diverse, domestic, and sustainable energy resources; (3) reducing carbon emissions from energy production and consumption; and (4) establishing a domestic bioindustry.



To negotiate the terms of the technology investment agreement, DOE used a team consisting of headquarters and Golden Field Office legal counsel (including intellectual property attorneys), contracting and financial assistance officers, and representatives of the biomass program office. The agreement was structured as a cost-reimbursement rather than a fixed-cost instrument, with payments to be made to Range Fuels on completion of specified milestones or performance measures associated with the construction and operation of its biorefinery. Although DOE obligated \$50 million in funds to this project for fiscal year 2008, provisions negotiated in the technology investment agreement restricted Range Fuels from seeking cost reimbursements until it had raised a specified amount of private financing. In early April 2008, Range Fuels announced that it had raised the required amount of private financing to satisfy this provision. As of the end of April 2008, however, Range Fuels had not requested reimbursement for any expenses under the agreement, and DOE had not paid out any of the obligated funds.

DOE used a technology investment agreement for several reasons:

- The technology investment agreement allowed DOE to include milestones or performance measures for progress payments. Under DOE regulations, progress payments generally cannot be done under cooperative agreements.
- DOE could include a provision that required Range Fuels to raise a specified amount of private funding before DOE would reimburse any costs.
- The agreement allowed DOE to accept Range Fuels' current accounting system and the use of Range Fuels' independent public accountant for audits.
- DOE was also able to tailor the intellectual property provisions to ensure that a successful demonstration project could be replicated, thereby complying with the requirement in section 932 of the Energy Policy Act.

DOE is taking steps to incorporate lessons learned from its first technology investment agreement. Specifically, one of the issues that arose during the negotiations with Range Fuels was the treatment of rights to real property and equipment. Under existing regulations for cost sharing agreements, the recipient obtains title to the property and equipment acquired under the agreement. DOE, conversely, retains an interest in that property based on the proportion of the government's cost share under which it has *pro rata* rights in the property disposition matters upon project completion. According to DOE officials, in many instances, the existence of this government interest makes the project less attractive to the private financing market, whose participation is typically needed for project completion.

For the Range Fuels agreement, DOE contracting, legal, and program officials in the Golden Field Office requested and obtained a permission to deviate from standard property rights provisions. According to DOE, providing unconditional title to Range Fuels for the real property and equipment obtained during the project allowed the company to be in a better position to obtain additional private-sector financing. Nevertheless, the department recognized that this issue could continue to be a

concern. Therefore, DOE formed a working group to study the issue and determine how best to address these concerns, if necessary.

While DOE has made only limited use of the authority to date, officials from several DOE offices, including the Office of General Counsel, the Office of Procurement and Assistance Management Policy, and the Office of Energy Efficiency and Renewable Energy, expressed concerns over the September 30, 2010, termination date for the department's use of other transactions authority. According to these officials, the potential of having the authority expire in about 2 years may inhibit program offices from using this valuable addition to the department's tool kit.

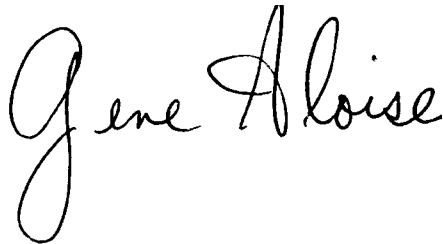
### **Agency Comments**

We provided a draft of this report to the Secretary of Energy for review and comment. The Director of the Office of Procurement and Assistance Management provided written technical comments, which we have incorporated as appropriate. DOE's comments on our draft report are included in enclosure I.

----

We are sending copies of this report to the Secretary of Energy, appropriate congressional committees, and other interested parties. We are also making copies available to others upon request. This report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at 202-512-3841 or [aloisee@gao.gov](mailto:aloisee@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report include Janet E. Frisch, Assistant Director; Carole J. Blackwell; Ellen W. Chu; Karen Keegan; Tim DiNapoli; and Omari Norman.

A handwritten signature in black ink that reads "Gene Aloise". The signature is written in a cursive style with a large, looped initial "G".

Gene Aloise  
Director, Natural Resources  
and Environment

Enclosure

*List of Committees*

The Honorable Jeff Bingaman  
Chairman  
The Honorable Pete V. Domenici  
Ranking Member  
Committee on Energy and Natural Resources  
United States Senate

The Honorable John D. Dingell  
Chairman  
The Honorable Joe L. Barton  
Ranking Member  
Committee on Energy and Commerce  
House of Representatives

The Honorable Henry A. Waxman  
Chairman  
The Honorable Thomas M. Davis  
Ranking Member  
Committee on Oversight and Government Reform  
House of Representatives

## Enclosure I: Comments from the Department of Energy



Department of Energy  
Washington, DC 20585

May 30, 2008

Gene Aloise  
Director  
Natural Resources and Environment  
Government Accountability Office  
441 G Street, N.W.  
Washington, D.C. 20548

Dear Mr. Aloise:

Thank you for the opportunity to comment on the Draft Report entitled *Implementation and Use of Other Transactions Authority Provided in the Energy Policy Act of 2005* (GAO-08-798R).

In addition to the comments previously provided by the Offices of Procurement and Assistance Management, Energy Efficiency and Renewable Energy and General Counsel, the Department of Energy (DOE) has two comments on the Draft Report.

In two places (the carry over sentence at the top of page 4 and the last sentence on page 9), the draft states that DOE guidance and supplemental guidance indicates that DOE will use Other Transactions Authority (OTA) "only if" existing mechanisms (contracts and financial assistance) will not work. In fact, the statute states, ". . . instead this is the case only if the other vehicles are not "feasible or appropriate." As part of justifying why other vehicles are not feasible or appropriate, the regulations (10 CFR 600.110, and 603.225) and Financial Assistance Letter 2006-03 require the documentation to describe the goals and benefits (reducing barriers, promote new relationships among performers in the technology base, benefit RD&D results) of using OTA.

In addition, on page 7, in the third paragraph, third sentence, the word "that" should be inserted between "financial system" and "meets."

Questions on the Department's comments should be directed to Miss Jacqueline Kniskern at 202-287-1342 or [Jacqueline.kniskern@hq.doe.gov](mailto:Jacqueline.kniskern@hq.doe.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "E. Simpson", with a long horizontal flourish extending to the right.

Edward R. Simpson  
Director  
Office of Procurement and  
Assistance Management



Printed with soy ink on recycled paper

(360923)

---

---

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.

---

---

## GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

---

## Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's Web site ([www.gao.gov](http://www.gao.gov)). Each weekday, GAO posts newly released reports, testimony, and correspondence on its Web site. To have GAO e-mail you a list of newly posted products every afternoon, go to [www.gao.gov](http://www.gao.gov) and select "E-mail Updates."

---

## Order by Mail or Phone

The first copy of each printed report is free. Additional copies are \$2 each. A check or money order should be made out to the Superintendent of Documents. GAO also accepts VISA and Mastercard. Orders for 100 or more copies mailed to a single address are discounted 25 percent. Orders should be sent to:

U.S. Government Accountability Office  
441 G Street NW, Room LM  
Washington, DC 20548

To order by Phone: Voice: (202) 512-6000  
TDD: (202) 512-2537  
Fax: (202) 512-6061

---

## To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Web site: [www.gao.gov/fraudnet/fraudnet.htm](http://www.gao.gov/fraudnet/fraudnet.htm)

E-mail: [fraudnet@gao.gov](mailto:fraudnet@gao.gov)

Automated answering system: (800) 424-5454 or (202) 512-7470

---

## Congressional Relations

Ralph Dawn, Managing Director, [dawnr@gao.gov](mailto:dawnr@gao.gov), (202) 512-4400  
U.S. Government Accountability Office, 441 G Street NW, Room 7125  
Washington, DC 20548

---

## Public Affairs

Chuck Young, Managing Director, [youngc1@gao.gov](mailto:youngc1@gao.gov), (202) 512-4800  
U.S. Government Accountability Office, 441 G Street NW, Room 7149  
Washington, DC 20548