

UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

STATEMENT OF
ELMER B. STAATS, COMPTROLLER GENERAL OF THE UNITED STATES,
BEFORE THE SUBCOMMITTEE ON MANPOWER AND CIVIL SERVICE
COMMITTEE ON POST OFFICE AND CIVIL SERVICE
HOUSE OF REPRESENTATIVES
ON

H.R. 9442 - ADDITIONAL EXECUTIVE LEVEL POSITIONS FOR THE GENERAL ACCOUNTING OFFICE

Mr. Chairman and Members of the Subcommittee:

We are very glad to appear before you in support of H.R. 9442 which would authorize five positions in the General Accounting Office at rates not to exceed Level IV of the Executive Schedule.

The General Accounting Office was established in 1921 - fifty years ago. At that time there were created the positions of Comptroller General of the United States and Assistant Comptroller General of the United States. Only these positions were authorized salaries in excess of the Civil Service rates. No change was made until 1961 when Congress authorized the compensation of the General Counsel of the General Accounting Office to be at Level IV of the Executive Pay Schedule. Consequently, other than these three positions there is no authority at the present time to pay any official of the Office above grade GS-18.

The work of the General Accounting Office has, of course, greatly expanded and changed since 1921. As the Federal Government has become increasingly engaged in new and complex programs, the Office has changed its methods of operation, the scope of its work, and the make up of its staff. We now have a highly qualified professional staff of nearly 3,000 persons

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engaged in accounting and auditing, overall financial management, program evaluation, legal interpretations and analyses, systems analyses, and other areas of specialization.

We have continually increased our assistance to Congress in two ways for the central purpose of improving the management of Federal programs and operations. First, by providing assistance to congressional committees and members to the extent that nearly one-fifth of our professional staff support the needs of Congress in meeting its responsibilities of legislative oversight. Second, by increasing, on our own initiative, the number of reviews designed to evaluate the effectiveness of Federal programs in achieving the objectives intended by Congress.

Congress each year has by legislation given the General Accounting Office additional responsibilities. Of particular significance is the recently enacted Legislative Reorganization Act of 1970. The general purpose of certain sections of this act is to provide for even more use of the General Accounting Office as an arm of Congress in examining and analyzing the management of existing Federal programs and further increasing our staff assistance to the committees during their consideration of proposals for new or revised Federal programs.

Section 204 of the act directs the Comptroller General to review and analyze the results of Government programs and activities carried out under the existing law, including the making of cost benefit studies, when ordered by either House of Congress, or upon his own initiative, or when requested by any committee of the House or Senate, or joint committee of Congress, having jurisdiction over such programs and activities.

This section also directs the Comptroller General to have available in the General Accounting Office employees who are expert in analyzing and conducting cost benefit studies of Government programs. On request, these employees are to assist committees in analyzing cost benefit studies furnished by Federal agencies or conducting cost benefit studies of programs under their jurisdiction.

Section 231 directs the Comptroller General, at the request of any committee or committee staff, to explain and discuss any report made by the General Accounting Office which would assist in consideration of proposed legislation, including requests for appropriations, or in its review of any program or operation of any Federal agency within its jurisdiction.

These provisions of the Legislative Reorganization Act of 1970 will increase the assistance requested by congressional committees for reviews of existing Federal programs and activities and on proposed legislation. Other provisions also will result in increased assistance to the Congress, such as Section 201 which requires the Comptroller General to cooperate with the Secretary of the Treasury and the Director, Office of Management and Budget, in developing, establishing, and maintaining a standardized information and data processing system for budgeting and financial data.

We expect that two other significant legislative actions will continue to impact directly or indirectly on GAO work. These are the establishment of the Cost Accounting Standards Board, chaired by the Comptroller General, and the establishment of the Commission on Government Procurement of which the Comptroller General is a member. Ten GAO staff members are presently

assigned full time to the Procurement Commission which was directed to study the statutes, policies, and practices followed by executive agencies in procuring facilities, material, and services.

A number of recent legislative acts provide for work by the General Accounting Office. For example, Public Law 91-599, which authorizes U. S. participation in increases in the resources of certain international financial institutions, requires an audit of the administrative expenses of the Exchange Stabilization Fund by the General Accounting Office. Other legislation which increases Federal program levels or creates new programs will require expansion of GAO's auditing and review activities. Public Law 91-230, for example, expands programs of assistance for elementary and secondary education and includes GAO access to records provisions as do the Occupational Safety and Health Act of 1970, the Clean Air Amendments of 1970, the Housing and Urban Development Act of 1970, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, the Intergovernmental Personnel Act of 1970, and the Emergency Rail Services Act of 1970, to name just a few.

A provision of the Armed Forces Appropriation Authorization (1970) directed us to make a study of profits made by contractors and subcontractors under defense and certain other Government contracts for which there was no formally advertised competitive bidding. Our report on this extensive study was released on March 17. We expect, however, that follow-up work in this general problem area will be required.

In order to adequately carry out our broad responsibilities and duties we think it is essential that we be given authority to have up to five positions in the General Accounting Office which would carry compensation not to exceed Level IV of the Executive Schedule. These positions would not be statutory in the sense that they would have titles and responsibilities prescribed by law but the Comptroller General would be authorized to have five positions at compensation not to exceed Level IV whenever he found it necessary to do so to meet the needs of the expanding work load and responsibilities of the Office.

There is precedent for this type of authority. The Congress in not disapproving Reorganization Plan No. 2 of 1970 authorized six additional positions for the new Office of Management and Budget, a somewhat comparable but much smaller organization than the General Accounting Office, to be compensated at Level V of the Executive Schedule without specifying the duties to be performed with the result that the Office of Management and Budget now has 13 Executive Schedule positions.

If H.R. 9442 is favorably considered, the General Accounting Office would have authority for eight Executive Schedule positions.

I have made several recent changes in the internal organization of the GAO and have others currently under consideration. Availability of these additional positions would be of very considerable help in carrying out these organizational improvements.

I strongly urge favorable consideration of H.R. 9442.