

Subject: RELATIONS AND COMMUNICATIONS WITH THE U.S. GOVERNMENT  
ACCOUNTABILITY OFFICE

1. PURPOSE. This Order establishes U.S. Department of Transportation (DOT or Department) responsibilities and policy for coordinating and communicating with the U.S. Government Accountability Office (GAO).
2. CANCELLATION.
  - a. DOT 2960.1C, Relations with the General Accounting Office and Follow-up on General Accounting Office Reports, dated 8-3-99;
  - b. DOT 1320.17A, Coordination of U.S. General Accounting Office Communications, dated 6-11-74.
3. REFERENCES.
  - a. 31 U.S.C. § 712(1) authorizes the Comptroller General of the United States (Comptroller General) of GAO to investigate all matters relating to the receipt, disbursement, and use of public money, and Section 712(3) authorizes GAO to analyze expenditures of each executive agency the Comptroller General believes will help Congress decide whether public money has been used and expended economically and efficiently. GAO typically conducts such reviews as audits.
  - b. 31 U.S.C. § 717(b) states the Comptroller General shall evaluate the results of a program or activity the Government carries out under existing law.
  - c. 31 U.S.C. § 718 outlines the availability of draft reports and discusses when an agency may comment on a part of a draft report for more than 30 days, only if GAO decides that it has been shown by the agency to be necessary and likely to result in a more accurate report. The report may not be delayed because the agency does not comment within the comment period.
  - d. 31 U.S.C. § 720(b) requires the head of an agency to submit a written statement on actions taken in response to recommendations contained in a GAO report. This statement shall be submitted to the Senate Committee on Homeland Security and Governmental Affairs, the House Committee on Oversight and Reform, the congressional committees with jurisdiction over the agency program or activity that is the subject of the recommendation, House and Senate Committees on Appropriations, and GAO before 180 calendar days after the date of the GAO final report.

- e. Office of Management and Budget (OMB) Circular A-50, Audit Follow-up, conveys policies and procedures for use by executive agencies when considering reports issued by GAO.
4. POLICY. It is the Department's policy to cooperate fully with GAO, while preserving, as appropriate, the Executive Branch's legitimate interests in confidentiality and integrity of the Department's decision-making process. The Department cooperates with GAO by: providing requested data and information, subject to the limitations identified in this Order; providing technical comments on and written management responses to draft GAO reports; timely addressing agreed upon recommendations in final GAO reports; and deriving full advantage from GAO findings and recommendations in the interest of improving the effectiveness, efficiency, and economy of the Department's programs and operations.
5. AUDIT LIAISONS.
- a. Primary Liaison. The Assistant Secretary for Administration (OST-M-1) has been delegated the authority for follow-up and resolution of GAO audit reviews. The Department's Director of the Office of Audit Relations and Program Improvement (OST ARPI or Departmental Audit Liaison) reports directly to the Assistant Secretary for Administration, and works with the OST ARPI staff, to serve as the primary liaison between the Department and GAO for all audits. OST ARPI coordinates and facilitates all GAO new audit announcements, audit entrance conferences, preliminary draft reports (*i.e.*, Statements of Facts), exit conferences, draft reports, and final reports for the Department. OST ARPI helps to ensure that the Department's position and actions are accurately and fully addressed during the audit process, and recommendations to improve programs and processes are expeditiously implemented. Consequently, all responses to GAO draft reports and final reports are coordinated through OST ARPI and signed by the Assistant Secretary for Administration or his/her designee.
  - b. Operating Administration (OA) Liaisons. Each operating administration (OA) designates a liaison who is knowledgeable of the audit process and the OA's relevant programs. OA Liaisons are the primary liaison between their OA, OST ARPI, and GAO for audits. OA Liaisons coordinate GAO new audit announcements, audit entrance conferences, preliminary draft reports (*i.e.*, Statements of Facts), exit conferences, draft reports, and final reports within their OA and with OST ARPI. OA Liaisons help to ensure that their OA's statements and actions are accurately and fully addressed during the audit process, and recommendations that the OA concurs with are expeditiously implemented. All responses to GAO draft reports and final reports are coordinated through the OA Liaisons and submitted to the OST ARPI for review and OST clearance.
6. AUDIT NOTIFICATION AND INITIATION.
- a. Notifying the Department. All GAO initial contacts with the Department are through OST ARPI. Any OA or office contacted directly by GAO should refer GAO to OST ARPI.

GAO initiates an audit by emailing a notification letter to the Director of OST ARPI. The GAO notification letter generally identifies the following:

- subject of the audit;
  - audit unique identification number (*i.e.*, audit 6-digit code);
  - source of the audit;
  - objectives or key questions of the audit;
  - OA(s) involved;
  - estimated start date for the audit;
  - time frame for holding an entrance conference between GAO and the Department; and
  - GAO team performing the audit and points of contact.
- b. Notifying Appropriate Management Officials. Once OST ARPI receives the GAO notification letter, it promptly sends a copy of the letter to OST offices and the applicable OA Liaisons. OA Liaisons are to disseminate the audit information to appropriate officials in their organization and identify the appropriate personnel to meet with GAO officials, as necessary.
- c. Entrance Conferences. An entrance conference is a meeting that GAO often holds with agency officials at the start of an audit. OST ARPI works directly with GAO and the OA Liaisons to schedule the entrance conference. The attendance of key agency officials—those responsible for programs and activities related to the objectives of the audit—is critical at the entrance conference, because it enhances the opportunity for a substantive exchange of information between GAO and the Department.

OST ARPI facilitates the entrance conference with GAO. At the entrance conference, GAO will discuss (1) the source of the work; (2) the roles and responsibilities of the GAO staff; (3) information needs (*e.g.*, data and access to agency officials); (4) key audit objectives (*i.e.*, research questions); (5) audit scope and methodology; and (6) an estimate of how long the audit will take. In addition, GAO will ask DOT officials general questions regarding the program being audited. GAO generally provides these discussion questions in advance of the entrance conference to ensure the appropriate agency officials are present to address them.

7. DATA COLLECTION AND ANALYSIS. After the entrance conference, Departmental and OA Audit Liaisons will facilitate GAO's data gathering activities within the Department or OA. These GAO activities may include conducting interviews of DOT officials, requesting documents and data, administering surveys or questionnaires, etc.
8. PROCEDURES FOR GAO RECORD REQUESTS.
- a. Record Requests. During the course of its work, GAO may provide written requests to obtain official Government records, documents, and data for review to discharge its duties. Where an OA or OST Office receives an oral request for information from GAO,

the OA or OST Office should work with the relevant Audit Liaison to arrange for GAO to submit the request in writing. The Department works with GAO to accommodate such requests.

- b. Document Markings. OAs and OST offices, in consultation with their Chief Counsels' Office or the Office of the General Counsel, should place appropriate markings on documents provided to GAO, as necessary. For example, DOT-originated material that contains information requiring protection against uncontrolled release that would be withheld from public disclosure pursuant to the Freedom of Information Act (FOIA) shall be marked with the following language, (or similar language with counsel's approval): *For Official Use Only by GAO. This material contains information that may be exempt from mandatory disclosure under FOIA. Dissemination to be determined by the U.S. Department of Transportation under 5 U.S.C. § 552. Contact [insert counsel's phone number] before distribution.*
  - c. Questions About GAO Record Requests. If the head of the OA or OST Office has questions about providing certain information to GAO, the Audit Liaison or other official from the OA or OST Office should contact OST ARPI and describe the information requested by GAO. As examples, such information may include budget information not yet submitted to Congress, deliberative and attorney-client communications, draft documents, personal notes, or other information. OST ARPI will request that GAO clarify the specific information requested and the need for the information. OST ARPI will work with the Assistant Secretary for Administration and the General Counsel, or their designees, to determine an appropriate arrangement, and elevate the decision if necessary. That discussion will also involve OA counsel and others, as appropriate. OST ARPI will communicate the Department's position to GAO.
9. PRELIMINARY AUDIT REPORTS AND EXIT CONFERENCES. After completing its data collection and analysis, GAO provides OST ARPI a Statement of Facts, a preliminary report consisting of the critical facts and key information GAO used to formulate its analyses and holds an exit conference with the Department and OA to discuss the document. GAO generally provides the Statement of Facts to OST ARPI, five to seven business days prior to the exit conference.

The Statement of Facts typically does not contain observations, preliminary conclusions, or potential recommendations. OST ARPI provides the Statement of Facts to relevant OST officials and the OA Liaison to review and comment to ensure the information is current, correct, and complete. OST ARPI provides GAO with the Department's written technical comments in advance of the exit conference.

GAO coordinates directly with OST ARPI to schedule and facilitate the exit conference. The exit conference is held with GAO and the Departmental and OA officials responsible for the issues related to the audit objectives. The attendance of key agency officials—those responsible for programs and activities related to the objectives of the audit—is critical at the exit conference. The conference may be held in person, by telephone, or by video.



The purpose of the exit conference is for the Department and OAs to confirm that the critical facts and key information that GAO used to formulate its analyses and findings are current, correct, and complete. GAO and Departmental and OA officials discuss the technical comments to the Statement of Facts with the goal of resolving any discrepancies. While GAO does not provide the Department with written recommendations in the Statement of Facts, GAO generally discusses its proposed recommendations at the exit conference. The Department and OAs have an opportunity to discuss with GAO whether they concur or non-concur with the recommendation(s), and provide alternate recommendation language or actions to address each recommendation.

10. **DRAFT AUDIT REPORTS.** At the end of an audit, GAO provides OST ARPI a draft report for review and comment prior to issuing a final report. The draft report generally consists of facts and observations, findings, conclusions, and recommendations. GAO generally provides the Department 30 calendar days to review the product, but can range from 7 to 30 days for review.

The draft report is the final opportunity the Department has to (1) review the GAO document to ensure it is current, correct, and complete, and (2) provide a written management response which will be included in GAO's final report. OST ARPI provides the draft report to the appropriate Departmental officials and OA Liaisons to provide technical comments and a management response. OST ARPI also provides those officials and OA Liaisons with deadlines for the technical comments and management response.

OST ARPI determines the appropriate Departmental office or OA to draft the management response. The response is generally a 1-page letter representing the Department's position regarding GAO's findings and conclusions. The response also addresses whether the Department concurs, partially concurs or non-concurs with each recommendation, and includes a rationale for any disagreement.

The assigned office prepares the draft management response, which OST ARPI coordinates with the following OST offices for review and clearance: Budget, Policy, Governmental Affairs, Public Affairs, General Counsel, and Senior Procurement Executive. The Assistant Secretary for Administration generally is the signatory of the management response. OST ARPI transmits the signed written management response and the technical comments to GAO.

11. **FINAL AUDIT REPORT and 180-DAY LETTER.** GAO transmits the final report, which includes the Department's management response, to OST ARPI for distribution to the relevant Departmental officials and OA Liaisons. In accordance with the OMB Circular No. A-50 and 31 U.S.C. § 720, the Department provides Congress, OMB, and GAO, a response including corrective actions to implement the recommendation(s) within 180 days after GAO issues the final report.

OST ARPI provides the applicable OST office or OA Liaison with instructions and deadlines for drafting the corrective action plan for the 180-Day Letter. The corrective action plan includes a target action date for implementing the recommendation. OST ARPI coordinates

the corrective action 180-Day Letter with the following OST offices for review and clearance: Budget, Policy, Governmental Affairs, Public Affairs, General Counsel, and the Senior Procurement Executive. The Assistant Secretary for Administration generally is the signatory of the corrective action 180-Day Letter. The Office of the Assistant Secretary for Administration transmits the signed written corrective action 180-Day Letter to the Chairmen and Ranking Members of the Senate and House Committees on Appropriations and its Transportation subcommittees, Senate and House oversight committees, and the Director of OMB while OST ARPI transmits the corrective action 180-Day Letter to GAO.

12. AUDIT RECOMMENDATION FOLLOWUP. The applicable Departmental and OA Liaisons monitor and track progress on completing the corrective actions to implement the GAO recommendation(s). The applicable OST office or OA shall develop a corrective action plan including the recommendation, specific actions to implement the recommendation, the action office and responsible official, status of actions taken, and date for fully implementing the recommendation. It is the Department's policy to complete the actions to address the GAO finding(s) and implement the recommendation(s) in the final report with which the Department concurred expeditiously and in compliance with the milestones identified in the 180-Day Letter. In accordance with the Good Accounting Obligation in Government Act, P.L. 115-414, each year OST ARPI submits a report listing all open public GAO recommendations and their status for inclusion in DOT's annual budget justification to the Congress.
13. NON-AUDIT CORRESPONDENCE WITH GAO. All correspondence concerning Departmental policy shall be coordinated with the OST Executive Secretariat prior to signature or transmission outside the Department. The OST Executive Secretariat will forward all GAO correspondence in this category to the Office of the Assistant Secretary for Administration or to the Office of the General Counsel, for coordination. Correspondence requesting legal analyses or opinions will be forwarded to the Office of the General Counsel and all other correspondence will be forwarded to the Assistant Secretary for Administration.

The following types of correspondence with GAO are presumed to have Departmental policy implications and will be coordinated with the OST Executive Secretariat.

- Responses to GAO requests for legal opinions
- Correspondence that is, or could be, of concern to more than one OA or OST office; *e.g.*, correspondence which relates to a specific function, procedure, or practice which exists in another OA or OST Office

The OST Executive Secretariat will designate the Office of the General Counsel as the action office for all GAO correspondence addressed to the Secretary requesting legal analyses or opinions. For all other GAO correspondence addressed to the Secretary, the OST Executive Secretariat will designate the Office of Assistant Secretary for Administration as the action office.

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Keith Washington  
Deputy Assistant Secretary for Administration



**U.S. Department of  
Transportation**

Office of the Secretary  
of Transportation

# ORDER

2960.1C

8-03-99

**Subject: RELATIONS WITH THE GENERAL ACCOUNTING OFFICE AND  
FOLLOWUP ON GENERAL ACCOUNTING OFFICE REPORTS**

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1. PURPOSE. This Order provides guidance for Department of Transportation (DOT) personnel regarding their interactions with General Accounting Office (GAO) representatives conducting the United States Comptroller General's (CG) statutory responsibilities. Further, it establishes DOT policies and procedures for action on GAO draft and final reports.
2. CANCELLATION. DOT 2960.1B, Relations with the General Accounting Office and Followup on General Accounting Office Reports, dated 5-11-88.
3. REFERENCES.
  - a. Title 31 U.S.C., Section 712(1) authorizes the CG to investigate all matters relating to the receipt, disbursement, and use of public money.
  - b. Title 31 U.S.C., Section 712(3) authorizes the CG to analyze each executive agency's expenditures to help the Congress decide whether public money has been used and expended economically and efficiently.
  - c. Title 31 U.S.C., Section 716(a) requires agencies to provide information the CG requires about the duties, powers, activities, organization, and financial transactions of the agency. Section 716(b) provides the CG authority to initiate a civil action in the United States district court for the District of Columbia to compel access to records.
  - d. Title 31 U.S.C., Section 717(b) authorizes the CG to evaluate the results of Federal programs or activities.
  - e. Title 31 U.S.C., Section 718(b) requires agencies to respond to GAO requests for written comments concerning a draft GAO report within 30 calendar days.
  - f. Title 31 U.S.C., Section 720(b) requires the head of an agency to submit a written statement on actions taken in response to recommendations contained in a GAO report. This statement shall be submitted to the Senate Committee on Governmental Affairs, the House Committee on Government Reform and Oversight, and House and Senate Committees on Appropriations within 60 calendar days after receiving a GAO final report.

- g. Office of Management and Budget (OMB) Circular A-50, Audit Followup, conveys policies and procedures regarding audit followup.
- 4. BACKGROUND. The CG, who heads GAO and serves as an agent of the Congress, is authorized and directed by law to audit and review the activities of Federal agencies. GAO conducts independent examinations for the Congress to determine how effectively the subject agency discharges its responsibilities. This may include examination of fund administration, property utilization, and the conduct of programs to determine if they are run effectively, efficiently, and economically.
- 5. POLICY. It is the Department's policy to cooperate fully with GAO. The Department cooperates with GAO by: providing requested data and information, subject to the limitations identified in paragraph 9 of this Order; commenting on draft reports; responding to recommendations included in final reports; and deriving full advantage from GAO findings and recommendations in the interest of improving operations.
- 6. LIAISON WITH GAO.
  - a. Primary Liaison. The Assistant Secretary for Administration (M-1) has been delegated the authority and responsibility for maintaining a central control and liaison point for interactions with GAO. The DOT audit liaison reports directly to the Assistant Secretary. All initial interactions about new GAO assignments are coordinated with or through the DOT liaison. Similarly, arrangements for exit and comment meetings are coordinated with or through the DOT liaison. All departmental comments to GAO draft reports and departmental replies to final GAO reports are produced in concert with the DOT audit liaison and are signed by the Assistant Secretary for Administration.
  - b. Contact Points. Each operating administration (OA) designates a GAO liaison at a sufficiently high organizational level to ensure that responsibilities prescribed in this Order are effectively implemented.
- 7. AUDIT NOTIFICATION AND INITIATION.
  - a. Departmental Notification. GAO notifies the DOT liaison in writing via e-mail prior to initiating any new assignment activity in the Department. This formal notification, signed by GAO's Transportation Issue Area Director or Associate Director, is to occur before GAO conducts any interviews or meetings with departmental or OA officials. The DOT liaison will ensure that heads of cognizant OAs, departmental offices, and appropriate liaisons are promptly informed of new GAO assignments. The GAO notification identifies the subject, assignment code, scope, objectives, congressional requester, offices to be



contacted, estimated starting date, and GAO contacts. GAO may also provide the DOT liaison a list of specific interests, questions, or document requests. These lists will be disseminated as appropriate to facilitate the progress of GAO's efforts.

- b. Notifying Cognizant Management Officials. All liaisons receiving copies of GAO notifications from the DOT liaison are expected to disseminate the information to appropriate officials in their organization to ensure that those officials are informed about GAO's work, and that those officials may initiate actions to expedite and facilitate GAO's work. Facilitating actions include but are not limited to: identifying appropriate personnel to meet with GAO representatives, assembling background information for briefings, and arranging for access to records within the guidelines of Paragraph 9.
- c. Initial Contact. The GAO will make all initial contacts in the Department through the DOT liaison. Any OA or office contacted directly by GAO should determine whether a notification letter has been received. Any contact occurring prior to official notification should be referred to the DOT liaison.
- d. Entrance Conferences. After official notification, GAO may contact either the DOT liaison or the OA liaison to initiate arrangements for an entrance conference. If an OA liaison is contacted directly by GAO, the OA liaison should ensure that the DOT liaison is notified in advance of the date, time, and location of the meeting. In some cases, the OA liaison acting in concert with the DOT liaison, may determine that an entrance conference is not necessary. This is most likely to occur in instances where GAO conducts similar or recurring work and points of contact, issues, and methodology are well known.
  - (1) Representation. The level of management representation at the entrance conference depends on the preferences of the cognizant office or OA, the nature of the audit, and its sensitivity. The audit liaison should ensure that appropriate management levels are notified of the meeting.
  - (2) Attendance Sheet. The DOT or OA liaison prepares a sign-in sheet for the meeting. The sheet identifies the meeting's purpose, date, and subject, and includes columns for the attendee's name, organization, title, and phone number. Copies should be provided to the GAO representatives and other interested attendees. The original is kept on file.
  - (3) Meeting Content. The audit liaison is responsible for facilitating the meeting. During the entrance conference GAO provides information regarding the nature of its work. The meeting also provides an opportunity for management officials to ask GAO questions regarding the work. GAO may

also request initial background information for the meeting; however, entrance conferences are not the appropriate forum for the audit staff to begin detailed questioning of the Department's staff unless arrangements have been made in advance.

8. GAO WORK IN PROGRESS. Subsequent to the entrance conference, GAO may work directly with cognizant departmental officials to conduct its data gathering activities. This may include requests for documentation and departmental records, personal interviews, and administering questionnaires. The DOT and OA liaisons are available to facilitate GAO's activities and assist program officials upon request. GAO advises the Department of any significant changes in the scope of ongoing audit work.
  - a. In-process Briefings - During the course of an assignment, DOT may request that GAO provide in-process briefings to obtain information about the status of GAO efforts and its findings to date. These meetings can be mutually beneficial in helping the Department gain maximum benefit from GAO's efforts while also providing GAO with an opportunity to verify its work.
9. GAO ACCESS TO RECORDS. During the course of its work, GAO may request and will be provided access to official Government records and documents associated with its audit work. GAO will under most circumstances be afforded access to, and copies of, the records requested without requiring a written request for the information. As specified below, GAO may under certain limited circumstances be asked to provide a written request for certain information, or as provided by statute, be precluded from access to particular documents.
  - a. Written Requests for Information. Except as described below, GAO's oral requests for access to information will be accommodated and written requests for information will only occur for special cases. If the request for information is particularly voluminous, requires substantial or extraordinary efforts on the part of departmental personnel, or the documents contain proprietary or confidential information submitted to an office or OA, or classified information, the office or OA may contact its audit liaison, who in concert with OA management and the DOT liaison, may ask GAO to provide a written request for the information. The written request will state the statutory provision providing GAO access to the data, specify GAO's requirement for the information, and in the case of proprietary or confidential information submitted to an office or OA, or classified information, will explain the safeguards to be applied to protect the information from disclosure. Under 31 USC 716(e), GAO is obligated to respect any restrictions on disclosure of the information imposed by DOT, and must be advised of those restrictions in writing.



- b. Documents Not Routinely Available to GAO. The GAO is not afforded access to a limited number of documents, including:
- (1) budget information that has not been submitted to the Congress;
  - (2) restricted or draft reports prepared by other Federal entities;
  - (3) draft management studies, surveys, or reports, unless approved by applicable OA or departmental management;
  - (4) draft audit reports prepared by the Office of Inspector General unless approved by the Inspector General;
  - (5) personal notes relating to projects, meetings, or conferences, unless the notes are considered official documentation;
  - (6) materials, which if disclosed to the CG, could reasonably be expected to substantially impair the Federal Government's operations; and
  - (7) 5 U.S.C. 552(b)(7) exempts investigatory records compiled for law enforcement purposes only to the extent that providing such records to GAO:
    - (a) could reasonably be expected to interfere with enforcement proceedings;
    - (b) would deprive a person of a right to a fair trial or an impartial adjudication;
    - (c) could reasonably be expected to constitute an unwarranted invasion of personal privacy;
    - (d) would disclose the identity of a confidential source;
    - (e) could reasonably be expected to disclose investigative techniques and procedures; or
    - (f) could reasonably be expected to endanger the life or physical safety of law enforcement personnel.
- c. Exemptions from GAO Access to Records. If the head of an organization in the Department is concerned about disclosing certain information to GAO, the audit liaison or other official from the organization should contact the DOT liaison and describe the information in question and the reasons for concern. At that time, the cognizant organization together with the Assistant Secretary for Administration may make a determination to ask GAO to provide a written request for the information that describes the specific information being



requested, the GAO's need for the information, and the provisions that provide GAO access to the information.

- (1) The Assistant Secretary for Administration in consultation with the General Counsel will make the final decision to deny GAO requests for access to information.
- (2) Once GAO's written request for the information is received, it will be evaluated by the cognizant organization, the Assistant Secretary for Administration, and the General Counsel. The DOT liaison will work with these offices to determine if arrangements can be negotiated that meet both the Department's and GAO's needs. If a negotiated settlement cannot be reached, and GAO continues to assert its need for and right to the information, the cognizant organization working with the DOT liaison and the Department's attorneys will, within 20 calendar days from the date of the request, prepare a response to GAO describing any materials withheld and the reasons they are being withheld.

d. Judicial Enforcement of Access. If the Department denies GAO access to information under 31 U.S.C. 716 (b), the CG is authorized to initiate a civil action in the U.S. District Court for the District of Columbia to compel the Department to produce required documents.

10. EXIT AND COMMENT CONFERENCES. At the conclusion of its audit work, GAO meets with departmental management officials to discuss and obtain comments on its results. GAO will first provide an opportunity for an exit conference with a preliminary draft report called a statement of facts. This will be followed by an opportunity to provide oral or written comments on a full draft report. If oral comments are provided at a meeting, the Department may, under some circumstances request the opportunity to provide written comments for inclusion in the GAO final report. See paragraph 11 for further discussion.

a. Arrangements. GAO contacts either the DOT or OA liaison to arrange comment meetings. These meetings are not to be arranged by program officials. When OA liaisons arrange meetings, the DOT liaison is to be informed as soon as possible. Management should be provided with at least 5 working days to review draft materials before an exit meeting, and usually somewhat longer before a comment meeting. To ensure that management has adequate time to review written materials before a meeting, meeting arrangements will not be finalized until the Department has received copies of the draft materials from GAO.

- b. Determining the Type of Meeting. To ensure an adequate response to the meeting by OA and departmental officials, it is important to determine whether the meeting GAO is requesting is
  - (1) an exit meeting on a statement of facts to be followed by an opportunity to comment on a full draft of the report, or
  - (2) a comment session on a full draft of the report. (See Paragraph 11 for details.)
- c. Premeetings. For GAO draft reports dealing with multiple organizations or particularly sensitive or complex topics, and for reports on which the audit liaison anticipates extensive comments, a premeeting may be called. This meeting may include participants from the cognizant offices or OAs and OST. The purpose of the premeeting is to:
  - (1) identify relevant issues;
  - (2) resolve or identify the means to work around any internal disagreements;
  - (3) identify and organize the comments;
  - (4) determine a strategy for providing the comments; and
  - (5) identify a principal spokesperson for the meeting, if desired.
- d. Representation. The level of management representation depends on the type of meeting. To ensure appropriate program level representation, it may be useful to ask the GAO point of contact whether there are any specific agency representatives with whom GAO worked during its study, that ought to be present at the meeting.
  - (1) Exit Meetings - When an exit conference is followed by either a comment meeting or an opportunity to provide written comments, it is usually sufficient to have program officials and any other management officials present at the meeting that the OA deems appropriate. However, executive officials should be present if the topic is particularly sensitive, or if there is substantial and significant difference with GAO's findings.
  - (2) Comment Meetings - When the Department is being asked to provide comments for the record on a full draft of the report, it is essential that the meeting be attended by program and management officials thoroughly familiar with the issues, as well as executive level officials who can speak for the Department on the topic.
- e. Attendance Sheet. The DOT or OA liaison prepares an attendance sheet for the meeting. The sheet identifies the meeting's purpose, date, and subject, and



includes columns for the attendee's name, organization, title and phone number. Copies are provided to the GAO representatives, and other interested attendees, and the liaison keeps the original on file.

- f. Conducting the Meeting. The DOT and OA audit liaisons are responsible for facilitating the meeting. As facilitator, the liaison initiates and closely monitors the proceedings and ensures that the meeting flows freely, decorum is maintained, and key points are clearly and effectively communicated. The audit liaison should review the GAO report prior to the meeting and may participate in the meeting by providing comments regarding the draft report's facts, logic, analysis, or presentation.

11. COMMENTING ON DRAFT REPORTS. At the conclusion of its audit work, GAO usually requests that the Department provide written or oral comments on its draft report. Oral comments are most often provided for GAO draft reports that elicit only minor substantive comments, technical, or editorial comments. In cases where the Department has significant and substantial differences with the findings and conclusions in the draft report, it is advisable to begin preparation of written comments upon receipt of the draft report, although discussions with GAO can be convened in an attempt to resolve those differences. To the extent those discussions are successful at resolving any significant and substantial differences, the Department may opt to provide oral as opposed to written comments. Alternatively, if the Department convenes an oral comment session with GAO, and during the course of the comment session it becomes clear that we will be unable to rectify any significant and substantial concerns with the draft, the Department may at the meeting indicate its intent to provide written comments to the report. GAO's general policy is to accept written comments for inclusion in the final report, as long as they are provided within specified acceptable timeframes not to exceed 30 calendar days from the date DOT receives the draft report. The Department's comments will be included in GAO's final report. Oral comments are included in summary form, while written comments are reproduced, in their entirety, as an appendix to the report.

- a. Draft report copies. - GAO will provide the DOT liaison with 10 copies and the OA liaison with at least 5 copies of all draft reports forwarded to the Department for comments. The DOT liaison will work with GAO to ensure that cognizant offices and OA liaisons promptly get a sufficient number of copies to facilitate review. GAO may also provide draft reports electronically via e-mail.
- b. Preparation. The DOT liaison will work directly and cooperatively with the cognizant OA liaison and technical staff to formulate proposed departmental comments. The DOT and OA audit liaison will ensure that the proposed

departmental comments satisfactorily addresses the issues in a manner which accurately and effectively portrays the Department's and the OA's perspective.

- c. Time Requirements. By law, the Department has a maximum of 30 calendar days from the date the draft is received to provide written comments to GAO. As a practical matter, the Department is rarely offered more than 15 calendar days to provide comments. The DOT liaison will work with GAO management to ensure, to the extent possible, that the Department is afforded sufficient time to provide comments.
  - d. Format for Written Comments on GAO Draft Reports. The Department's comments on GAO draft reports will be prepared in the format prescribed by the DOT liaison.
  - e. Review and Clearance. The proposed written comments are coordinated with the cognizant Administrator, the Department's Assistant Secretaries, the General Counsel, and others as appropriate. The Department's Inspector General receives, for information, a copy of all proposed departmental comments at the time it is coordinated at the Assistant Secretary level. Upon approval by these offices, and accommodation of comments as appropriate, the proposed reply is provided to the Assistant Secretary for Administration for final review, signature, and transmittal to GAO.
12. FINAL REPORT RECEIPT AND DISTRIBUTION. GAO provides the DOT liaison with copies of all reports in which audit work was conducted at the Department. The DOT liaison ensures that reports are distributed to the appropriate OAs, their liaisons, and OST offices. Typically, GAO will provide 25 copies of all final reports to the DOT liaison, and 10 copies directly to cognizant OA liaisons.
13. FINAL REPORT RESPONSES. Whenever GAO issues a final report which contains recommendations to the Department or any of its OAs, the Secretary is required by 31 U.S.C. 720 to respond to the recommendations.
- a. Initial Preparation. The proposed departmental reply is prepared in the format prescribed by the DOT liaison. The DOT liaison may work directly with the OA staff and audit liaison to formulate a proposed departmental reply. The DOT liaison and the OA audit liaison will ensure that the proposed departmental reply satisfactorily addresses the issues in a manner which accurately portrays the Department's and the OA's or office's perspective.
  - b. Content. Replies to GAO reports include a departmental position statement and a response to each recommendation in the report. The response to each

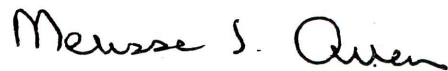


recommendation states the Department's position, i.e., concur, concur in part, or nonconcur, and provides an explanation sufficient to support the position. For those recommendations that receive a concur or concur in part, action taken or planned to implement the recommendation will be identified in the response, along with a milestone for action completion. Recommendations that receive a nonconcur will include an explanation of the basis for the position.

- c. Oversight. The DOT liaison provides oversight for replies to GAO reports. The DOT liaison will review the proposed reply to ensure that it is responsive to the report and recommendations, appropriately formatted, and may modify the proposed reply as necessary. If clarification or other refinements to the technical content of the reply are needed, the DOT liaison will consult with the appropriate offices and the cognizant audit liaison to ensure accuracy.
- d. Review and Clearance. The proposed reply is coordinated with the cognizant Administrator, the Department's Assistant Secretaries, the General Counsel, and others as appropriate. The Department's Inspector General receives, for information, a copy of all proposed departmental comments at the time it is coordinated at the Assistant Secretary level.
- e. Final Processing. After receiving all records of coordination, the DOT liaison evaluates any comments received and incorporates changes as appropriate. Cognizant OAs or departmental offices will be contacted regarding comments that require substantial modification to the proposed reply or additional information. Any nonconcurrence will be resolved prior to transmitting the report for signature. Subsequently, the proposed reply is provided to the Assistant Secretary for Administration for final review, signature, and transmittal to GAO.
- f. Time Limits for Agency Responses. The Department is required to provide a written statement on actions taken in response to recommendations in GAO final reports within 60 calendar days of the report's transmittal to the Secretary.
- g. Departmental Response Recipients. After the departmental reply is signed, the DOT liaison will send copies to the:
  - (1) Chairman, House Committee on Government Reform and Oversight;
  - (2) Chairman, Senate Committee on Governmental Affairs;
  - (3) Chairman, House Committee on Appropriations;
  - (4) Chairman, Senate Committee on Appropriations;
  - (5) Director, Office of Management and Budget;

- (7) GAO's Issue Area Planner for Transportation; and
  - (8) the cognizant OA liaison.
14. RECOMMENDATION FOLLOWUP. After a final reply is transmitted to the Congress and GAO, the cognizant OA will track progress on completing action identified in the reply. In addition, the DOT liaison may periodically track progress on recommendation implementation. It is the Department's policy to complete action on GAO recommendations expeditiously in compliance with the milestones identified in the departmental reply.

FOR THE SECRETARY OF TRANSPORTATION



Melissa J. Allen  
Assistant Secretary for Administration

**Department of Transportation**  
**Office of the Secretary**  
**Washington, D.C.**

10  
**ORDER**

DOT 1320.17A

6-11-74

**SUBJECT: COORDINATION OF U.S. GENERAL ACCOUNTING OFFICE COMMUNICATIONS**

1. PURPOSE. This order establishes criteria for determining whether official communications between the Department of Transportation (DOT) and the U.S. General Accounting Office (GAO) should be coordinated with the Office of the Secretary (OST). Further, it establishes the action office for all U.S. General Accounting Office correspondence addressed to the Secretary.
2. CANCELLATION. DOT 1320.17, COORDINATION OF U.S. GENERAL ACCOUNTING OFFICE COMMUNICATIONS, of 2-5-71.
3. SCOPE. This order is applicable to all communications with GAO except those relating to GAO review and report activities.
4. REFERENCES.
  - a. DOT 1320.15, Coordination of Interdepartmental Correspondence, of 11-5-69, prescribes policies and assigns responsibilities governing the coordination of interdepartmental correspondence.
  - b. DOT 2960.1, Relations with the General Accounting Office, of 6-12-72, establishes policies, procedures, and responsibilities for handling communications relating to GAO review and report activities.
5. BACKGROUND. Due to the broad scope of GAO's statutory authority, there are many occasions when GAO and Federal agencies communicate on diverse matters. These communications frequently involve agencies' financial, legal, procurement, and personnel matters.
6. POLICY. The Department's policy is to foster the exchange of information with GAO, assist in the performance of its statutory functions, and benefit from GAO services.
7. COORDINATION OF GAO COMMUNICATIONS ADDRESSED TO THE OPERATING ELEMENTS.
  - a. Responsibilities and procedures for coordination of GAO correspondence are the same as those established in DOT 1320.15 for all interdepartmental correspondence. As stated in DOT 1320.15, all correspondence concerning Departmental policy shall be coordinated with the OST Executive Secretary prior to signature or transmission

**DISTRIBUTION:** All Secretarial Officers  
All Operating Administrations  
National Transportation Safety Board (info)

**OPI:** Office of  
Management Systems

outside the Department. The OST Executive Secretary will forward all GAO correspondence in this category to the Assistant Secretary for Administration or to the General Counsel, OST, for coordination. Correspondence requesting legal analyses or opinions will be forwarded to the General Counsel, OST, and all other will be forwarded to the Assistant Secretary for Administration. Routine operating correspondence may be transmitted directly by the cognizant action office.

- b. The following types of correspondence with GAO will be presumed to have Departmental policy implications and will be coordinated with the OST Executive Secretary in accordance with DOT 1320.15:
    - (1) Responses to GAO requests for legal opinions;
    - (2) Responses to GAO requests for information in connection with contract award protests; and
    - (3) Correspondence that is, or could be, of concern to more than one operating element; e.g., correspondence which relates to a specific function, procedure or practice which exists in another element.
  - c. The following types of correspondence generally do not involve Departmental policy and may be transmitted directly to GAO by the cognizant action office:
    - (1) Certifying Officers' requests for advance decisions from GAO on individual vouchers; and
    - (2) Responses to GAO requests for routine information regarding employees' travel and transportation claims.
  - d. All other correspondence with GAO, to which this order is applicable, should be reviewed to determine whether it involves matters of Departmental policy.
8. GAO COMMUNICATIONS ADDRESSED TO THE SECRETARY. The OST Executive Secretary will designate the General Counsel, OST, as action officer for all GAO correspondence addressed to the Secretary requesting legal analyses or opinions. For all other GAO correspondence addressed to the Secretary the OST Executive Secretary will designate the Assistant Secretary for Administration as action officer. The General Counsel and the Assistant Secretary for Administration will take whatever action is required.

FOR THE SECRETARY OF TRANSPORTATION:



William S. Heffelfinger  
Assistant Secretary  
Administration