

75<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 8276

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IN THE HOUSE OF REPRESENTATIVES

AUGUST 18, 1937

Mr. FRED M. VINSON introduced the following bill; which was referred to the Select Committee on Government Organization and ordered to be printed

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## A BILL

To amend the Budget and Accounting Act, 1921, to establish the office of Auditor General of the United States, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the first sentence of section 301 of the Budget and  
4       Accounting Act, 1921, hereinafter referred to as the "Act"  
5       (U. S. C., 1934 edition, title 31, sec. 41), is amended to  
6       read as follows:

7       "“There is created an establishment of the Government  
8       to be known as the General Accounting Office, at the head  
9       of which shall be a Comptroller General of the United  
10      States.”

1       SEC. 2. Section 302 of the Act (U. S. C., 1934 edition,  
2 31, sec. 42), is amended to read as follows:

3       “SEC. 302. There shall be in the General Accounting  
4 Office a Comptroller General of the United States, who  
5 shall be appointed by the President, by and with the advice  
6 and consent of the Senate, and shall receive a salary of  
7 \$10,000 a year. The Comptroller General shall designate  
8 one of his assistants to act as Comptroller General during  
9 the absence or incapacity of the Comptroller General.

10       SEC. 3. Section 303 of the Act (U. S. C., 1934 edition,  
11 title 31, sec. 43) is repealed.

12       SEC. 4. Section 304 of the Act (U. S. C., 1934 edition,  
13 title 31, secs. 44, 45) is amended by designating the present  
14 two paragraphs thereof as subsections (a) and (b), respec-  
15 tively, and by adding after such subsections the following new  
16 subsections:

17       “(c) The functions of settling and adjusting accounts  
18 and claims vested in and imposed upon the General Account-  
19 ing Office by this Act shall include the power to determine  
20 the availability of appropriations, but such functions of the  
21 General Accounting Office shall not include the power to  
22 revise the action of other officers of the Government under  
23 statutes vesting in and imposing upon them power to make  
24 findings of fact or decisions in matters arising in their de-  
25 partments or establishments.

1       “(d) In addition to all other functions vested in and  
2 imposed upon him by law, the Attorney General of the  
3 United States shall render opinions as to the jurisdiction and  
4 authority of the General Accounting Office in connection  
5 with the settlement and adjustment of any account or claim,  
6 upon request of the Comptroller General or the head of the  
7 executive department or independent establishment con-  
8 cerned not later than sixty days after receipt of notice of  
9 the settlement and adjustment of any such account or claim,  
10 and such opinions of the Attorney General shall be final  
11 and conclusive as to the question of such jurisdiction and  
12 authority upon the Comptroller General and all departments  
13 and establishments of the Government.”

14       SEC. 5. Section 309 of the Act (U. S. C., 1934 edition,  
15 title 31, sec. 49) is amended to read as follows:

16       “SEC. 309. (a) The Secretary of the Treasury shall  
17 supervise, and prescribe the forms, systems, and procedures  
18 for, administrative appropriation and fund accounting in the  
19 several departments and establishments, and the administra-  
20 tive examination of fiscal officers' accounts and claims against  
21 the United States in the District of Columbia and elsewhere;  
22 and shall prescribe the titles and symbols by which appropria-  
23 tions shall be designated on vouchers and other papers per-  
24 taining to accounts and claims.



1 General may be removed at any time by joint resolution of  
2 Congress after notice and hearing when, in the judgment  
3 of Congress, he has become permanently incapacitated or  
4 has been inefficient, or guilty of neglect of duty, or of mal-  
5 feasance in office, or of any felony or conduct involving moral  
6 turpitude, and for no other cause and in no other manner  
7 except by impeachment. Any Auditor General removed in  
8 the manner herein provided shall be ineligible for reappoint-  
9 ment to that office. When an Auditor General attains the  
10 age of seventy years, he shall be retired from his office.

11 “SEC. 403. (a) The accountable officers of the Govern-  
12 ment shall daily transmit their accounts of disbursements,  
13 together with all supporting documents, to the Auditor  
14 General.

15 “(b) The Auditor General shall promptly make an  
16 audit of all expenditures of the Government after payment  
17 and prior to settlement and adjustment by the General  
18 Accounting Office of the accountable officers’ accounts con-  
19 taining such expenditures, which audit shall be conducted  
20 as nearly as practicable in the vicinity of disbursing offices  
21 of the United States located in the District of Columbia and  
22 elsewhere. The Auditor General shall promptly transmit  
23 to the accountable officer and the head of the executive  
24 department or independent establishment concerned and the  
25 Comptroller General the findings made by him in such audit.

1       “(c) The findings of the Auditor General in the audit  
2 required by subsection (b) of this section shall be final and  
3 conclusive upon the General Accounting Office in the settle-  
4 ment and adjustment of accounts and claims, except that  
5 such findings shall not be final and conclusive (1) in the  
6 case of a review of such findings by the General Accounting  
7 Office under subsection (d) of this section, or (2) to the  
8 extent that any such findings are not in accord with an  
9 advance decision rendered by the Comptroller General under  
10 section 8 of the Act of July 31, 1894, as amended (U. S. C.,  
11 1934 edition, title 31, sec. 74).

12       “(d) The accountable officer or the head of the execu-  
13 tive department or independent establishment concerned  
14 may within sixty days after the receipt of the findings of the  
15 Auditor General under subsection (b) of this section, request  
16 the General Accounting Office to review such findings.  
17 When such a request is made or, in the absence of such a  
18 request, whenever the Comptroller General in his discretion  
19 deems it necessary in the public interest, the General Ac-  
20 counting Office shall review such findings of the Auditor  
21 General in the settlement and adjustment of the accounts  
22 containing the expenditures involved in such findings.

23       “SEC. 404. (a) The Comptroller General shall promptly  
24 furnish to the Auditor General copies of all certificates issued  
25 by the General Accounting Office in the settlement and

1 adjustment of accounts and claims, and copies of all advance  
2 decisions rendered by the Comptroller General under section  
3 8 of the Act of July 31, 1894, as amended (U. S. C., 1934  
4 edition, title 31, sec. 74).

5 “(b) The Auditor General shall examine all copies of  
6 the certificates of settlement furnished to him by the Comp-  
7 troller General under subsection (a) of this section, and the  
8 Auditor General shall promptly notify the Comptroller Gen-  
9 eral of, and report to Congress, all accounts and claims  
10 deemed by the Auditor General to have been improperly  
11 settled and adjusted by the General Accounting Office:  
12 *Provided*, That no report shall be made to Congress with  
13 respect to any such disagreement between the Auditor Gen-  
14 eral and the General Accounting Office until thirty days  
15 after the Comptroller General has been notified of such dis-  
16 agreement: *Provided further*, That no report of any such  
17 disagreement shall be made to Congress if the General Ac-  
18 counting Office revises its settlement and adjustment to ac-  
19 cord with the views of the Auditor General: *Provided fur-*  
20 *ther*, That no report of any such disagreement need be made  
21 if the Auditor General deems that the question involved  
22 therein has previously been reported by him to Congress.

23 “(c) The Auditor General shall examine all copies of  
24 the advance decisions furnished to him by the Comptroller  
25 General under subsection (a) of this section, and the Audi-

1 tor General shall notify the Comptroller General of, and  
2 report to Congress, all advance decisions authorizing the  
3 expenditure of public funds deemed by the Auditor General  
4 to be not in accordance with law. Expenditures made in  
5 conformity with advance decisions reported to Congress  
6 under this subsection need not be reported to Congress under  
7 subsection (b) of this section if otherwise correct.

8       “SEC. 405. (a) The Auditor General shall investigate  
9 in the District of Columbia and elsewhere matters relating  
10 to the receipt, disbursement, and application of public funds  
11 and the acquisition, transfer, sale, disposition, or use of  
12 property of the United States. The Auditor General shall  
13 promptly report to Congress all cases in which he deems  
14 there has been failure to collect, deposit, or account for, or  
15 there has been misapplication or improvident use of, public  
16 funds, or there has been unauthorized or improvident acqui-  
17 sition, transfer, sale, disposition, or use of property of the  
18 United States. In such reports the Auditor General shall  
19 make recommendations looking to greater efficiency or  
20 economy in the administration of the Government.

21       “(b) The Auditor General shall render to Congress  
22 from time to time such reports as he may deem advisable,  
23 and an annual report not later than March 1 of each year  
24 in which he shall report fully with respect to his audit of  
25 the receipts and expenditures of the Government. Such

1 annual report shall be made as nearly as practicable in  
2 accordance with the accepted principles of auditing followed  
3 in auditing the fiscal transactions of large private corpora-  
4 tions, and shall contain all necessary memoranda and tables,  
5 together with an appropriate certificate of audit and such  
6 comments as may be pertinent to the subject matter of the  
7 audit.

8 “(c) The Auditor General shall make such investiga-  
9 tions and reports as shall be requested by either House of  
10 Congress, or by any committee of either House having juris-  
11 diction over expenditures, appropriations, or revenue; and  
12 the Auditor General shall, at the request of any such com-  
13 mittee, direct any of his assistants to furnish the committee  
14 such aid and information as it may request.

15 “SEC. 406. The reports of the Auditor General shall be  
16 referred by the President of the Senate and the Speaker of  
17 the House of Representatives to the appropriate committees  
18 of the Senate and House having jurisdiction over the subject  
19 matter of such reports. To aid the committees in their exam-  
20 ination and study of the reports of the Auditor General, such  
21 committees are authorized (1) to request the Auditor Gen-  
22 eral or such of his assistants as may be designated by him  
23 to sit with such committees in an advisory capacity at public  
24 hearings or in executive sessions; (2) to request any officer  
25 or employee of any department or establishment of the

1 Government to attend any such hearings or sessions and to  
2 produce any books, documents, papers, or records relative  
3 to the subject matter of any such reports, and to testify with  
4 respect thereto; and (3) to require, by subpoena issued under  
5 the signature of the chairmen of such committees, the at-  
6 tendance of any other witnesses and the production of any  
7 other books, documents, papers, or records.

8       “SEC. 407. The Auditor General, or any of his assistants  
9 or employees when duly authorized by him, shall, to the  
10 extent necessary to perform the functions vested in and im-  
11 posed upon him, have access to and the right to examine  
12 any books, documents, papers, or records of any depart-  
13 ment or establishment of the Government. The authority  
14 contained in this section shall not be applicable to expendi-  
15 tures made under the provisions of section 291 of the Re-  
16 vised Statutes (U. S. C., 1934 edition, title 31, sec. 107).  
17 or any other provisions of law prohibiting or limiting review  
18 by the accounting officers of the Government of expenditures  
19 made by the President, the heads of executive departments  
20 or independent establishments, or other officers of the  
21 Government.

22       “SEC. 408. (a) The Auditor General is authorized,  
23 subject to the civil-service laws and regulations, to appoint  
24 such officers and employees as he deems necessary to enable  
25 him to exercise the functions vested in and imposed upon

1 him by law; and the compensation of all such officers and  
2 employees shall be fixed in accordance with the Classification  
3 Act of 1923, as amended.

4 “(b) The Auditor General is authorized to delegate to  
5 any officer or employee of the Office of the Auditor General  
6 any functions vested in and imposed upon him by law.

7 “(c) The Auditor General is authorized to adopt an  
8 official seal for the Office of the Auditor General and judicial  
9 notice shall be taken of such seal.

10 “(d) The Auditor General is authorized to prescribe  
11 such regulations as may be necessary to enable him to exer-  
12 cise the functions vested in and imposed upon him by this  
13 title.

14 “SEC. 409. The Auditor General and the Office of the  
15 Auditor General shall exercise no functions other than those  
16 vested in and imposed upon the Auditor General by this title  
17 or by any subsequent law, and nothing contained in this  
18 title shall be construed as authorizing the Auditor General  
19 to revise the settlements and adjustments of accounts and  
20 claims made by the General Accounting Office or the ad-  
21 vance decisions rendered by the Comptroller General under  
22 section 8 of the Act of July 31, 1894 (U. S. C., 1934  
23 edition, title 31, sec. 74), or, except as provided in section  
24 403 (c), to direct the manner in which the General Account-

1 ing Office or the Comptroller General shall exercise the  
2 functions vested in and imposed upon them by law.

3       “SEC. 410. Such of the personnel of the General Ac-  
4 counting Office employed in connection with the functions  
5 exercised by the General Accounting Office through the  
6 Audit Division of that Office, and such of the unexpended  
7 balances of appropriations available to the General Account-  
8 ing Office for the exercise of such functions, as the President  
9 shall deem to be necessary to enable the Auditor General  
10 to exercise the functions vested in and imposed upon him  
11 by this title, are transferred to the Office of the Auditor  
12 General, and any unexpended balances of appropriations  
13 so transferred shall hereafter be available to the Auditor  
14 General for the purpose of exercising the functions of his  
15 Office and for otherwise carrying out the provisions of this  
16 title: *Provided*, That the transfer of personnel under this  
17 section shall be without change in classification or compensa-  
18 tion, except that this requirement shall not operate after  
19 the end of the fiscal year during which the transfer becomes  
20 effective to prevent the adjustment of classification or  
21 compensation to conform to the duties to which such trans-  
22 ferred personnel may be assigned: *Provided further*, That  
23 such of the personnel so transferred who do not already  
24 possess a classified civil-service status shall not acquire such  
25 status by reason of such transfer except (a) upon recom-  
26 mendation by the Auditor General to the Civil Service

1 Commission, and certification by him to such Commission,  
2 within one year after such personnel have been so trans-  
3 ferred, that such personnel have served with merit for not  
4 less than six months prior to the transfer of such personnel;  
5 and (b) upon passing such suitable noncompetitive exami-  
6 nations as the Civil Service Commission may prescribe.”

7       SEC. 7. There is authorized to be appropriated, out of  
8 any money in the Treasury not otherwise appropriated, such  
9 sums as may be necessary to carry out the provisions of  
10 this Act.

11       SEC. 8. The provisions of this Act shall become effective  
12 sixty days after its enactment.

75TH CONGRESS }  
1ST SESSION }

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To amend the Budget and Accounting Act, 1921, to establish the office of Auditor General of the United States, and for other purposes.

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By Mr. FRED M. VINSON

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