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**THE LEGAL STATUS AND FUNCTIONS
OF
THE GENERAL ACCOUNTING OFFICE
OF THE
NATIONAL GOVERNMENT**

THE INSTITUTE FOR GOVERNMENT RESEARCH

Washington, D. C.

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THE LEGAL STATUS AND FUNCTIONS
OF
THE GENERAL ACCOUNTING OFFICE
OF THE
NATIONAL GOVERNMENT

BY
W. F. WILLOUGHBY
DIRECTOR, INSTITUTE FOR GOVERNMENT RESEARCH

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The General Accounting Office. (In Press.)

PREFACE

The Budget and Accounting Act, 1921, contained two distinct parts, the one providing for the establishment of a budget system for the national government and the other for an independent General Accounting Office, presided over by a Comptroller General, which, in addition to taking over the duties then being performed by the Comptroller of the Treasury and the six Auditors for the Departments, had imposed upon it other exceedingly important functions. Though these two parts are so distinct that they could have been made the subject matter of separate bills without making a change in their wording, they had the common purpose of strengthening and making more effective general, or overhead control of the administration of the financial affairs of the national government. Part I, having to do with the establishment of a budget system, sought to achieve this end by centralizing in the hands of the President responsibility for the determination of the requests that should be made upon Congress for the grant of funds and by giving him the special agency, in the Bureau of the Budget, through which he might meet this responsibility. Part II, having to do with the establishment of the General Accounting Office, sought to strengthen the hands of Congress in performing its duties as a board of directors by giving to it an agency which should be independent of the executive departments and directly responsible to it, through which it could assure itself that its orders as contained in general statutes and appropriation acts were being rigidly complied with. The two

agencies, the Bureau of the Budget and the General Accounting Office, thus constitute two great organs for financial control, the one serving as an agency for executive control and the other as an agency for legislative control.

In his volume on "The National Budget System: With Suggestions for Its Improvement," recently published, the author has described the action that has been taken in putting into effect the first part of the Budget and Accounting Act, the manner in which the system thus established has worked in practice, and what steps in his opinion still remain to be taken to perfect the system. In the present volume he is attempting to do the same thing for the second part of the act. The two volumes are thus intended to supplement each other, and together show how this great problem of financial control is being met by the national government and the further action required in order that the methods of its solution may be perfected.

To one who has not studied the subject, the organization and work of such an agency as the General Accounting Office might seem to involve little more than a study in the technique of accounting and thus to be of value only to those interested in the details of administrative procedure. In point of fact the establishment of this agency has given rise to questions of the most profound political moment. It has brought into the domain of the practical administration of public affairs such fundamental problems as the separation of powers, the distinction between executive and administrative functions, the extent to which final powers of control over administrative action should, or constitutionally can, be vested in a legislative agency, the authority whose rulings in

respect to the construction of important features of public law should be followed by the administrative services, whether that authority should be the Attorney General of the United States or the Comptroller General of the United States, and the power of the courts to review administrative determinations. On these fundamental issues it is hardly an exaggeration to say that the government at the present time is split in two, both as regards the situation from the legal standpoint and from what is desirable in the interest of the efficient conduct of public affairs. It is doubtful whether as grave issues of public policy in respect to the operation of the government have arisen in many years. Certainly the author knows of none which have arisen within his experience, which has extended back over a period of more than thirty years.

It is to these issues that the present volume is almost exclusively devoted, since the details of the history, organization, and procedure of the General Accounting Office are given in another volume published by the Institute for Government Research in its series of Service Monographs of the United States Government. It is hoped that this study will assist in the solution of these problems even if the action recommended by the author does not in all cases commend itself to those having responsibility for action.

W. F. WILLOUGHBY.

CONTENTS

CHAPTER	PAGE
Preface	vii
I. Legal Status of the General Accounting Office	1
II. General Function of the General Accounting Office as an Organ of Legislative Control of the Adminis- tration	17
III. Control of Treasury Receipts and Issues	22
IV. Settlement and Adjustment of Claims Against the Government	25
V. Scope of Authority of the Comptroller General in the Settlement and Adjustment of Claims Against the Government	39
VI. Direct Settlement and Adjustment of Claims in the General Accounting Office as a General Practice.	62
VII. Settlement and Adjustment of Claims Due the Govern- ment	70
VIII. Enforcement of Collection of Claims Due the Govern- ment	101
IX. Accounting and Reporting	109
X. Control of Contracting	136
XI. Need for a Congressional Committee on Public Accounts	139
XII. Status and Functions of Disbursing Officers	147
XIII. The Comptroller General and the Courts	159
XIV. Conclusion	171
Appendix: Important Provisions of Law Affecting the General Accounting Office.	179
Index	191

INDEX

- Accountable warrants, definition of, 23, 25; issue of, 26.
- Accounts, prescription of system of, for operating services, 109-19; need for one central system of, 119-35, 174; accrual basis of, proposed, 112, 122; classification of, by object of expenditure, 115; standardization of forms of, 116-17; need for congressional committee on, 139-46, 177-78; needed changes in system of, indicated, 117-35; central, kept by Division of Bookkeeping and Warrants, 126-27, 132-33, by Treasurer, 126, 128-29.
- Administrative audit, definition of, 63-64.
- Allotment accounts, provision for, 113.
- Appraisers of Customs. See *Customs Court*.
- Appropriation accounts, central, description of, 126-27.
- Appropriation heads in accounting system, 113, 175.
- Appropriation ledger, description of, in General Accounting Office, 126-27; in Division of Bookkeeping and Warrants, 127, 130-131.
- Attorney general, binding character of opinions of, 4, 40-61; on transportation accounts, 53-60; on powers and duties of Comptroller General and Secretary of Treasury, 79-80; power of, as against Comptroller General, 176.
- Audit, administrative. See *Administrative Audit*.
- Audit of receipts. See *Claims Due Government*.
- Audit of disbursements. See *Claims Against Government*.
- Auditing officers, duties of, before passage of Budget and Accounting Act, 17-18.
- Auditor of Philippine Islands, decision of Supreme Court concerning, 81-82.
- Auditors of Treasury department, General Accounting Office assumes duties of, 1; legal status of, 2-3.
- Balance Sheet, need for, 121.
- Beck, James M., on power of removal by President, 4, 15-16.
- Bids. See *Contracts*.
- Board of General Appraisers. See *Customs Court*.
- Board of Tax Appeals, duties of, 74, 90.
- Bookkeeping and Warrants Division, accounts kept by, 127, 131-132; reports by, 128-29.
- Budget and Accounting Act, 1921, provisions of, 1, 5, 13, 19-20; text of, 185-89.
- Budget Bureau, contracting law prepared by, 138; relation of, to President, 18; reports of, 129.
- Bureau of Internal Revenue, settlement of claims by, 93-97; reorganization of, 97-98.
- Bureau of Standards, work of, in drafting contracting law, 138.
- Capital outlay, as distinguished from expense, 114.
- Chindblom, Representative, bill of, for Treasury settlement of customs claims, 83n, 84n.
- Claims Against Government, adjustment and settlement of, 25-32, 36-38, 39-69, 176.
- Claims Due Government, settlement and adjustment of, 70-100, 176-77.

- Claims, Court of. See *Court of Claims*.
- Claims, Veterans' Bureau. See *Veterans' Bureau Claims*.
- Classification of accounts, 115, 122-23, 127, 174-75.
- Committee on Public Accounts (British), work of, 24, 141-44. See also *Congressional Committee on Accounts*.
- Comptroller General, appointment of, 6-7; as agent of Congress, 12-13, 18-20; authority of, in settlement of claims against the government, 39-69; of claims due the government, 70-108; authority of, to prescribe accounting system, 100-35; control of contracting by, 136-38; control of disbursing officers' accounts by, 147-58; decisions of, 27-29; powers and duties of, 6-7, 18-20, 25-26; relations of with the courts, 159-70; status of, 1, 8-10.
- Comptroller of Customs, duties of, 75-76, 78.
- Comptroller of the Treasury, General Accounting Office takes over duties of, 1; functions of, 3.
- Congress, General Accounting Office as advisor and aid to, 18-21.
- Congressional Committee on Accounts, need for, 139-46, 177-78.
- Contracts, control of, 136-38.
- Court of Claims, decisions of, 164-70; establishment of, 163.
- Court of Customs Appeals, decisions of, 76-77; duties of, 87; function of, 90.
- Couzens Committee on Investigation of Bureau of Internal Revenue, report of, 93-97.
- Courts, decisions of, concerning action of Comptroller General, 159-70.
- Customs, Comptrollers of. See *Comptrollers of Customs*.
- Customs Court, review of action of Collector of Customs, 76, 87.
- Customs Receipts, audit of, 75-93.
- Department of Justice. See *Justice Department*.
- Disbursements, audit of, 29-32.
- Disbursing officers, duties of, 26-29; location of, 62-68; status of, 147-58, 177.
- Dockery Act, provisions of, 28, 153-54; text of, 179-85.
- Durell, Col. A. J. V., quoted on work of Public Accounts Committee, 142, 143.
- Employees' Compensation Commission, creation of, 44; powers of, 44-50.
- Exchequer and Audits Departments Act, Great Britain, provisions of, 17.
- Federal Employees' Compensation Commission, creation of, 44; powers of, 44-50.
- Good, Representative J. W., on the functions of the Comptroller General, 20.
- Great Britain, financial control in, 140-43.
- House Committees on departmental expenditures, work of, 144.
- Internal Revenue Receipts, settlement and adjustment of, 74-75.
- Justice Department, position of, on settlement of claims, 167-69.
- Madden, Martin B., quoted, on function of Comptroller General, 20-21; on Public Accounts Committee, 145-46.
- Moore, Representative R. W., resolution of, on Public Accounts Committee, 145.
- Myers v. United States, effect of, on President's power of removal, 3, 11-12.
- Naval Officer (Customs Service). See *Comptroller of Customs*.
- Philippine Islands, Auditor of. See *Auditor of Philippine Islands*.

- Post-audit system, description of, 29-30.
- Pre-audit system, definition of, 29-30.
- President, authority of, over Comptroller of Treasury, 3-4, 8-11; executive powers of, 31-36; use of Bureau of Budget, by, 18.
- President's Commission on Economy and Efficiency, report of, on customs receipts, 92-93.
- See *Congressional Committee on Accounts*.
- Public Accounts Committee (Great Britain), work of, 141-44.
- Receipts, audit of. See *Claims Due the Government*.
- Receipts, Customs. See *Customs Receipts*.
- Receipts, Internal Revenue. See *Internal Revenue Receipts*.
- Relief acts, passage of, by Congress, 27.
- Removal of Comptroller General, discussion of, 8-12.
- Reports, financial description of, 128-29; laws governing, 134-35, 178.
- Revenue accounts, description of, 126-27.
- Revenue producing enterprises, financing of, through revolving funds proposed 175.
- Secretary of the Treasury, attitude of, toward authority of Comptroller General, 79-93; authority of, over Comptroller of the Treasury, 3-4, 155.
- Settlement warrants, definition of, 23; discontinuance of use of, 175-76.
- Special funds, accounts with, 127.
- Standardization of accounting system, 115-17.
- Standards Bureau, work of, in drafting contracting law, 138.
- Suspended payments, definition of, 27.
- Tax Appeals, Board of. See *Board of Tax Appeals*.
- Test audits, explanation of, 98.
- Transfer warrants, definition of, 23n.
- Transportation accounts, regulation of General Accounting Office concerning, 51-52.
- Treasurer of United States, accounts kept by, 128; duties of, 22-24; report of, 129.
- Treasury warrants, accounts of, 127; definition of, 23.
- Tucker act, provisions of, concerning claims, 163-64.
- Veterans' Bureau Claims, pre-audit of, 65-67.
- Warrants, countersigned by Comptroller General, 23.
- Willoughby, W. W., on authority of the legislation over administration, 32-33.
- Wilson, President, on constitutionality of restricting the President's power of removal, 8-10.
- Ynchausti and Co., case of Auditor of Philippine Islands versus, 81-82.