



**Federal Audit Liaison Council
OTS Amphitheater**

**Meeting Summary
March 27, 2001**

Jim Angel opened the meeting and reviewed the agenda. FALC members had no changes to the February meeting summary. The agenda was slightly rearranged and the council considered the draft mission statement as the first order of business.

After some discussion, the council agreed that the mission statement will read:

- ◆ To coordinate and enhance management's efforts to implement audit recommendations in a timely and effective manner.
- ◆ To serve as a catalyst for change and improvement in the relationships between management and auditors.
- ◆ To identify common challenges and solutions across government and work to improve overall performance and results.

One cross-agency issue that emerged is P.L. 106-107 that addresses streamlining the grants process. Joseph E. Cook, Jr. of HHS will make a presentation discussing the legislation and its implications at the May meeting.

Substantial meeting time was spent defining the concerns under each priority issue that the focus groups will explore and allowing FALC members to make their group choice(s) for working on the issues. Following are the results of that discussion:

- **A-50. Members:** NASA-Herb Rollins, Margy Myles; DOJ – Mary Myers; DOEd – Tom Lusk; TRS – Will Hayward; DOE – Merley Lewis

Concerns/Actions:

- CFO endorsement/assistance with promoting agenda to OMB and PCIE
- Discussion with PCIE
- Determine overall OMB/PCIE direction
- Identify relevant laws and regulations

- Monetary benefits
- Definition of access by Inspectors General to agency documents, particularly secure areas/IT programs for testing
- Review/inclusion in circular, bulletin

➤ **Government-wide Financial Statements.** **Members:** TRS-Jim Angel; USDA-Pat Wensel

Concerns/Actions:

- Work closely with GAO and other auditors (internal and external)
- Recruit FMS contact as a group member
- Establish priorities to resolve problems
- Survey agencies to identify issues
- Develop an approach to resolve: 1) fund balance with Treasury; 2) eliminations
- Work closely with CFO Council

➤ **Monetary Benefits.** **Members:** DOJ-Vicki Sloane; HUD-Tom Lear; USDA-Annie Walker-Bradley; TRS-Ellie High; Bob Lee

Concerns/Actions:

- Eliminate/reduce flawed recommendations
- Eliminate/reduce unreasonable savings timeline
- Eliminate/reduce inflated dollar amount of monetary benefits
- Obtain facts and analyze realized vs. potential monetary benefits on government-wide basis
- Focus effort on 'Funds Put to Better Use' category

➤ **GAO.** **Members:** State-Eileen Gower; DOJ-Andrea Nicholson; VA-Jim VanZandt; DOE-Juanita McDuffie; HUD-Larry McGhee; DOL-Lorraine Rohlik; TRS-Brian Lee

Concerns/Actions:

- Access by GAO auditors to agency information and documents; coordinate issue with agencies' legislative affairs offices
- Focus on process that works toward closing GAO recommendations
- Review and understand 31 USC 716 criteria for releasing information and documents
- Work to increase response time to draft reports
- Discuss litigation issues
- Look at budget information
- Look at management decision process
- Look at GAO requirement for agencies to include management challenges in GPRA performance plan
- Answer whether management should determine challenges
- Form 66

- **Best Practices. Members:** FEMA, Justice, Treasury FDIC, Education, FAA, HUD
(We need individual member names. Please e-mail them to Ellie.)

Concerns/Actions:

- Focus on audit recommendations' tracking and closure
- Adverse findings without recommendations
- Lessons learned
- Semi-annual reports – share reports among council members
 - Accountability reports
 - Inspector general
 - Management
 - Identify common problems
 - Integrating reports for clearer picture of management actions – accountability and GPRA

- **Training. Members:** USPS, Education, Pete Aliferis-USDA
(We need individual member names. Please e-mail them to Ellie.)

Concerns/Actions:

- Identify common training needs
- Identify good training sources
- Get training areas from the FALC Best Practices group

Each group should get organized prior to the May FALC meeting and identify a team leader. Meeting dates and team leader names should be e-mailed to either Jim or Ellie. As a result of the council's work on the six priority issues, a consolidated report will be produced and presented to various entities through the GCFO Council and the Federal Financial Management Council. The individual focus groups will scope the work to be accomplished and provide a reasonable target date for the report to be completed. The council agreed that Jim Angel should touch base with the CFO Council to inform them of FALC's existence and goals, and also to discuss whether FALC should be chartered.

FALC's web page is in the works at Treasury with data requirements developed. There is, however, no time frame for when the web page will be operational. The web page will promote communication among members between meetings, provide issues for discussion, and disseminate information and items of interest.