



Department of Defense **INSTRUCTION**

NUMBER 7650.02
November 20, 2006

IG DoD

SUBJECT: Government Accountability Office (GAO) Reviews and Reports

- References:**
- (a) DoD Directive 7650.2, "General Accounting Office Reviews and Reports," July 13, 2000 (hereby canceled)
 - (b) Acting Deputy Secretary of Defense Memorandum, "DoD Directives Review – Phase II," July 13, 2005
 - (c) DoD Directive 5106.01, "Inspector General of the Department of Defense," April 13, 2006
 - (d) DoD Directive 7650.1, "General Accounting Office (GAO) and Comptroller General Access to Records," September 11, 1997
 - (e) through (k), see Enclosure 1

1. REISSUANCE AND PURPOSE

This Instruction:

- 1.1. Reissues Reference (a) as a DoD Instruction, according to the guidance in Reference (b) and the authority in Reference (c).
- 1.2. Updates policies and responsibilities for working with the GAO when the GAO conducts surveys, reviews, and other audit activities within the Department of Defense (DoD).
- 1.3. Updates policies and responsibilities for providing DoD responses to GAO draft and final reports and other GAO documents of interest to the Department of Defense.

2. APPLICABILITY AND SCOPE

This Directive applies to:

- 2.1. The Office of the Secretary of Defense (OSD), the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense (OIG DoD), the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (hereafter referred to collectively as the "DoD Components").

2.2. The GAO audit surveys, reviews, reports, and GAO requests for security or mandatory declassification reviews, as well as other GAO documents, such as testimony the GAO issues instead of audit reports.

3. POLICY

It is DoD policy that:

3.1. The Department of Defense cooperate fully with the GAO and respond constructively to, and take appropriate corrective actions on the basis of, GAO reports.

3.2. The Department of Defense shall have a single position on GAO findings, conclusions, and recommendations where multiple DoD Components are involved. In those cases where a consensus position is not otherwise established, the matter will be presented to the Secretary or Deputy Secretary of Defense for decision in accordance with Reference (c).

3.3. The Department of Defense shall submit a response to GAO reports under any of the following conditions:

3.3.1. To identify errors of fact or erroneous interpretations in GAO reports and to state the DoD position on issues raised in such reports.

3.3.2. The report contains recommendations to the Secretary of Defense, the Secretary of a Military Department, or the Director of a Defense Agency.

3.3.3. The GAO requests DoD comments or information on issues discussed in the report.

3.3.4. The primary action office (PAO) determines a response is appropriate and in the best interest of the Department of Defense.

3.4. The DoD responses to GAO reports shall be responsive, timely, and submitted in accordance with DoD Directive 7650.1; DoD Instruction 7650.4; section 720 of 31 United States Code (U.S.C); and Subchapter 2 of Chapter 7 of 31 U.S.C. (References (d) through (g)).

3.5. Consistent with DoD Directive 7650.3 (Reference (h)), fully responsive corrective actions shall be taken on agreed upon deficiencies identified in GAO reports.

4. RESPONSIBILITIES

4.1. The Inspector General of the DoD (IG DoD) shall:

4.1.1. Serve as the DoD central liaison with the Comptroller General on all matters concerning GAO surveys, reviews, reports, and activities, consistent with the responsibilities and authorities established under Reference (c). This includes tasking, monitoring, and facilitating

the preparation of responses to GAO reports and GAO requests for security reviews, and reviewing, coordinating, and authorizing the release of DoD responses to GAO reports. This also includes monitoring and facilitating ongoing GAO surveys and reviews within the Department of Defense.

4.1.2. Designate appropriate DoD Components as the PAO and collateral action offices (CAOs) to work with the GAO during the conduct of reviews within the Department of Defense and to prepare responses to GAO reports when required under paragraph 3.3. A DoD Component within OSD normally will be designated as the PAO to ensure appropriate representation of the views and interests of the Secretary of Defense.

4.1.3. Develop and provide guidance, as needed, to facilitate the handling of GAO surveys and reviews and to review and respond to GAO reports and requests for security reviews on GAO reports. The GAO provides a limited time period for responses to draft reports. Additionally, to satisfy the requirements of Reference (f), copies of DoD responses to certain final reports must be provided to the Congress within 60 days. Accordingly, OIG DoD guidance to PAOs and CAOs will include establishment of processing steps and suspense dates to help ensure accomplishment of necessary actions by the DoD Components.

4.1.4. Facilitate resolution of disagreements between the DoD Components concerning the appropriateness of proposed responses to GAO reports. If resolution at this level is not possible, the IG DoD shall present the matter(s) under dispute, along with pertinent documentation, to the Secretary or Deputy Secretary of Defense for decision and final resolution as provided for in paragraph 3.2. and in Reference (c).

4.1.5. Arrange and facilitate meetings, as necessary, with representatives of the DoD Components and/or the GAO on GAO surveys, reviews, reports, or other GAO activities within the Department of Defense.

4.1.6. Provide the Secretary and the Deputy Secretary of Defense with early notice of pertinent GAO surveys, reviews, reports, or activities, and provide information on GAO activities and reports to interested DoD Components. Monitor and distribute information regarding GAO activities with a view toward avoiding unnecessary overlap or duplication.

4.1.7. Provide copies of DoD responses to applicable GAO final reports to the Congress, in accordance with the requirements of Reference (f).

4.1.8. Ensure compliance with disclosure restriction notices on GAO draft reports and not show or release the contents of draft reports except for official review and comment within the Department of Defense.

4.2. The Heads of DoD Components shall:

4.2.1. Facilitate the conduct of GAO surveys and reviews; ensure that responses to the GAO are prepared in the manner prescribed by this Instruction and fully satisfy References (f) and (g).

4.2.2. Establish a liaison office or individual as the focal point to monitor and coordinate GAO matters with the OIG DoD, the GAO, and the DoD Components; distribute information concerning GAO matters; and maintain appropriate records.

4.2.3. Ensure that GAO representatives have appropriate security clearances before disclosing classified information to them.

4.2.4. Ensure that GAO contacts and requests for documents are in connection with, and within the scope of, the survey or review work formally announced by the GAO.

4.2.5. Give priority to identifying points of contact for GAO surveys and reviews, resolving issues with GAO, and meeting the dates established for responding to GAO reports.

4.2.6. Be alert to identify errors of fact or erroneous interpretation in GAO reports, and to articulate the DoD position in such matters, as appropriate.

4.2.7. When designated as PAO, assign an official of appropriate rank to sign written responses to GAO reports on behalf of the Secretary of Defense. Coordination on proposed replies to GAO reports shall be at an appropriate rank to represent the views of the Component head.

4.2.8. Ensure that responses to GAO requests for DoD security review or mandatory declassification review of GAO documents containing DoD information are processed through the Office of Security Review, Washington Headquarters Services, and according to Executive Orders 12958 and 12972, and DoD 5200.1-R (References (i), (j), and (k)).

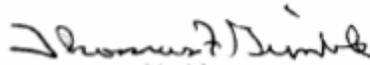
4.2.9. Ensure that the OIG DoD is kept informed of ongoing GAO activities within that DoD Component, as appropriate, to enable effective coordination throughout the Department of Defense.

4.2.10. Make every effort to be responsive to requests for information from the GAO and respond to such requests as promptly as possible in accordance with References (d) and (e).

4.2.11. Ensure compliance with disclosure restriction notices on GAO draft reports and not show or release the contents of draft reports except for official review and comment within the Department of Defense.

5. EFFECTIVE DATE

This Instruction is effective immediately.



Thomas F. Gimble
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(Acting)

Enclosures - 1

E1. References, continued

E1. ENCLOSURE 1

REFERENCES, continued

- (e) DoD Instruction 7650.4, "Procedures for Responding to General Accounting Office (GAO) and Comptroller General Requests for Access to Records," September 9, 1997
- (f) Section 720 of title 31, United States Code, "Agency Reports"
- (g) Subchapter 2 of Chapter 7, title 31, United States Code
- (h) DoD Directive 7650.3, "Follow-up on General Accounting Office (GAO), DoD Inspector General (DoD IG), and Internal Audit Reports," June 3, 2004
- (i) Executive Order 12958, "Classified National Security Information," April 17, 1995
- (j) Executive Order 12972, "Amendment to Executive Order No. 12958," September 19, 1995
- (k) DoD 5200.1-R, "Information Security Program," January 14, 1997