



US Department
of Transportation
Maritime
Administration

MANUAL OF ORDERS

MARITIME ADMINISTRATIVE ORDER

REVOKES

MAO 210-1,
dtd. 3-11-85

NO.

210-1

EFFECTIVE DATE

October 25, 1988

SUBJECT

GENERAL ACCOUNTING OFFICE AUDIT REPORTS

Section 1. Purpose:

This order prescribes policies, responsibilities, and procedures for action on reports of General Accounting Office (GAO) audits in accordance with the requirements of Office of Management and Budget (OMB) Circular A-50 and Department of Transportation (DOT) Order 2960.1A.

Section 2. Policy:

It is Maritime Administration policy that findings and recommendations contained in draft and final audit reports be given prompt and careful consideration by the offices concerned. While Maritime Administration officials are not obligated to accept all recommendations, in accordance with DOT policy, they are required to resolve all audits within six months of the issuance of the final report. Any audits involving questioned expenditures are required by law to be resolved within six months of the final report.

Section 3. Responsibilities:

3.01 The Associate Administrator for Administration is designated as the Maritime Administration contact point and audit followup official on GAO audit matters.

3.02 The Director, Office of Management Services, has overall responsibility for coordinating the Maritime Administration's action on GAO audit recommendations.

3.03 Associate Administrators, Independent Office Directors, Region Directors, and the Superintendent, U.S. Merchant Marine Academy, with respect to audits of their respective offices or areas of responsibility shall:

- 1 Prepare responses to audit reports within established time limits.
- 2 Resolve recommendations within six months of the issuance of the final report.
- 3 Assure that resolution actions are consistent with law, regulation, and Administration policy.

- 4 Assure that corrective actions agreed to are taken as quickly as possible. Report progress in completing corrective actions to the Associate Administrator for Administration 15 days after the end of each quarter until all actions are completed.
- 5 Notify the Division of Accounting Operations of amounts due to the Government as a result of resolved audit findings and recommendations.
- 6 Assure that performance appraisals of appropriate officials reflect effectiveness in resolving and implementing audit recommendations.

3.04 The Division of Accounting Operations shall establish accounting and collection controls for amounts due the Government as a result of audit findings and recommendations.

3.05 In accordance with DOT Order 2960.1A, as requested, responsible officials shall prepare reports on the status of open commitments to the GAO.

Section 4. Providing Information to GAO Representatives:

4.01 In accordance with the provisions of the Budget and Accounting Act of 1921, authorized representatives of the GAO shall be given access to and allowed to examine such records as are necessary to permit them to carry out their duties and responsibilities. Maritime Administration officials shall cooperate to the fullest extent practical with the GAO in making available records, reports, and other data required in fulfilling the statutory functions of the GAO. Specific guidance as to access to, and release of, information is provided in DOT Order 2960.1A.

4.02 When Maritime Administration officials believe information should not be furnished to the GAO, the GAO request for information and a proposed Maritime Administration reply, stating the reasons for not furnishing the information, shall be forwarded promptly to the Associate Administrator for Administration for action.

Section 5. Procedures:

5.01 All incoming GAO draft and final audit reports shall be submitted to the Office of Management Services for processing.

5.02 Responses to draft and final GAO audit reports shall be prepared in accordance with the formats shown in DOT Order 2960.1A and shall meet the specific requirements of OMB Circular A-50. Responses to GAO reports should reflect the Maritime Administration views on the findings and recommendations in the report; identify action taken or planned in response to each finding and recommendation; and state whether action has been completed or when it is expected to be completed. In reviewing draft reports and preparing responses to the reports, it may be appropriate to meet with the auditors and others to foster a better understanding of the findings and recommendations in the report.

5.03 Internal Clearances.

- 1 All responses to draft and final GAO reports shall be routed for concurrence through the Office of the Chief Counsel and the Office of Management Services.
- 2 In addition, responses to draft and final GAO reports prepared for transmittal to the House and Senate committees on appropriations and authorizations shall be routed for concurrence through the Office of Budget.
- 3 In addition, responses to draft and final GAO reports pertaining to audits of agency programs or policies, as opposed to audits of administrative management activities, shall be routed for concurrence through the Associate Administrator for Policy and International Affairs.


JOHN GAUGHAN
Maritime Administrator