

PUBLIC LAW 97-255 [H.R. 1526]; September 8, 1982

Federal Managers Financial Integrity Act (FMFIA) of  
1982

Be it enacted by the Senate and House of Representatives of the United States of America  
in Congress Assembled,

Section 1. This Act may be cited as the "Federal Managers' Financial Integrity Act of 1982".

Sec. 2. Section 113 of the Accounting and Auditing Act of 1950 (31 U.S.C. 66a) is amended  
by adding at the end thereof the following new subsection:

"(d)(1)(A) To ensure compliance with the requirements of subsection (a)(3) of this section,  
internal accounting and administrative controls of each executive agency shall be established in  
accordance with standards prescribed by the Comptroller General, and shall provide reasonable  
assurances that --

"(i) obligations and costs are in compliance with applicable law;

"(ii) funds, property, and other assets are safeguarded against waste, loss, unauthorized  
use, or misappropriation; and

"(iii) revenues and expenditures applicable to agency operations are properly recorded  
and accounted for to permit the preparation of accounts and reliable financial and statistical  
reports and to maintain accountability over the assets.

"(B) The standards prescribed by the Comptroller General under this paragraph shall include  
standards to ensure the prompt resolution of all audit findings.

"(2) By December 31, 1982, the Director of the Office of Management and Budget, in  
consultation with the Comptroller General, shall establish guidelines for the evaluation by agencies  
of their systems of internal accounting and administrative control to determine such systems'  
compliance with the requirements of paragraph (1) of this subsection. The Director, in consultation  
with the Comptroller General, may modify such guidelines from time to time as deemed necessary.

"(3) By December 31, 1983, and by December 31 of each succeeding year, the head of each  
executive agency shall, on basis of an evaluation conducted in accordance with guidelines  
prescribed under paragraph (2) of this subsection, prepare a statement --

"(A) that the agency's systems of internal accounting and administrative control fully  
comply with the requirements of paragraph (1); or

"(B) that the systems do not fully comply with such requirements.

"(4) In the event that the head of an agency prepares a statement described in paragraph (3)(B),  
the head of such agency shall include with such statement a report in which any material  
weaknesses in the agency's systems of internal accounting and administrative control are identified  
and the plans and schedule for correcting any such weakness are described.

"(5) The statements and reports required by this subsection shall be signed by the head of each  
executive agency and transmitted to the President and the Congress. Such statements and reports  
shall also be made available to the public, except that, in the case of any such statement or report  
containing information which is --

"(A) specifically prohibited from disclosure by any provision of law; or

"(B) specifically required by Executive order to be kept secret in the interest of national  
defense or the conduct of foreign affairs,

such information shall be deleted prior to the report or statement being made available to the  
public.

Sec. 3. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended by adding at the end thereof the following new subsection:

"(k)(1) The President shall include in the supporting detail accompanying each Budget submitted on or after January 1, 1983, a separate statement, with respect to each department and establishment, of the amounts of appropriations requested by the President for the Office of Inspector General, if any, of each such establishment or department.

"(2) At the request of a committee of the Congress, additional information concerning the amount of appropriations originally requested by any office of the Inspector General, shall be submitted to such committee."

Sec. 4. Section 113(b) of the Accounting and Auditing Act of 1950 (31 U.S.C. 66a(b)), is amended by adding at the end thereof the following new sentence: "Each annual statement prepared pursuant to subsection (d) of this section shall include a separate report on whether the agency's accounting system conforms to the principles, standards, and related requirements prescribed by the Comptroller General under section 112 of this Act."

Approved September 8, 1982.

#### LEGISLATIVE HISTORY - H.R. 1526 (S. 864)

HOUSE REPORT No. 97-38 (Comm. on Government Operations).

#### CONGRESSIONAL RECORD:

Vol. 127 (1981): May 18, considered and passed House.

Vol. 128 (1982): Aug 4, considered and passed Senate, amended.

Aug. 19, House concurred in Senate amendment.