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Accounting and Information
Management Division

B-280247

June 3, 1998

The Honorable Jim Kolbe
Chairman, Subcommittee on Treasury,
Postal Service and General Government
Committee on Appropriations
House of Representatives

Subject: White House: Status of Audit Work as of May 1998

Dear Mr. Chairman:

This letter is in response to a request from your office that we provide an update on the status of our audit work as of May 1998 at the Executive Residence at the White House, and that we identify the additional work needed to finish our audit.

You requested that we audit (1) certain fiscal year 1996 expenditures, including those to operate the Executive Residence, that are accounted for solely on the certificate of the President or the Vice President and referred to as unvouchered expenditures, (2) certain processes and procedures relating to reimbursable expenditures of the Executive Residence, such as those for political events, and (3) the number and cost of overnight stays in the Executive Residence since January 1993.

In our November 1997 testimony on the status of our audit work,¹ we stated that we were proceeding on schedule on the first two phases of our work, but that we had made no progress on the third phase. In our March 6, 1998, report on the status of our audit work,² we stated that the first two phases of our work were still on schedule, and that we expected to complete our fieldwork that month. We also stated that we had not obtained any additional records on the third phase of our work related to overnight stays, although we had met

¹The White House: Status of Review of the Executive Residence
(GAO/T-OGC/AIMD-98-12, November 6, 1997).

²White House: Status of Audit Work (GAO/AIMD-98-98R, March 6, 1998).

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with certain Executive Residence staff and were continuing to work with White House staff to obtain records.

Our fieldwork on the first two phases of our work is essentially complete. We are working with the White House to resolve our remaining audit points.

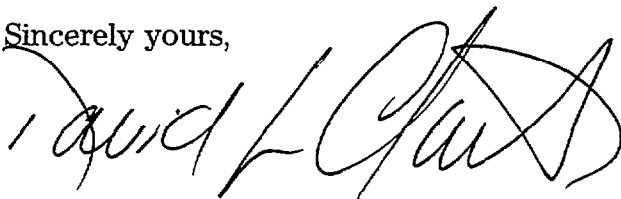
On March 18, 1998, the White House began providing us with access to material related to the number of overnight stays in the Executive Residence. On April 10, 1998, we informed White House staff that, based on our partial review of the material, as well as our review of other information available to us, we could not calculate the cost of the overnight stays. White House staff then expressed reservations about our continuing to review the material, and requested that we discuss their reservations with your staff.

We met with your staff on April 15, 1998, to discuss the status of our work and the reservations of White House staff regarding our review of material related to overnight stays. Your staff informed us that you wanted us to resume our review of the material. On April 22, 1998, we informed White House staff of your request. Since then, we have had several conversations with White House staff but have not obtained further access to the material.

In order to finish our audit, we need to resolve the outstanding audit points on the first two phases of our work and complete our review of overnight stays. At that point, we will be able to report on the results of our work.

We are sending a copy of this letter to the Ranking Minority Member of your Subcommittee. If you have any questions, please call me at (202) 512-9489.

Sincerely yours,

A handwritten signature in black ink, appearing to read "David L. Clark". The signature is fluid and cursive, with a large, stylized initial "D".

David L. Clark
Director, Audit Oversight and Liaison

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