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General Accounting Office  
Washington, D.C. 20548

Accounting and Information  
Management Division

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160020

March 6, 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

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 at the Executive Residence at the White House. Our work is in response to your request 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 November 1997, we testified on the status of our audit work.<sup>1</sup> In our testimony, 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.

The first two phases of our work are still on schedule. As we have done periodically since 1979, we are auditing the unvouchered expenditures as provided in sections 105(d) and 106(b) of title 3, United States Code. Under these sections, we verify that the unvouchered expenditures were for authorized purposes and report any unauthorized expenditures to the Congress. Our audit of reimbursable expenditures of the Executive Residence involves official and nonofficial events, as well as personal expenses of the First Family. Because they are initially treated as unvouchered expenditures financed from the Executive Residence at the White House, Operating Expenses appropriation, we

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

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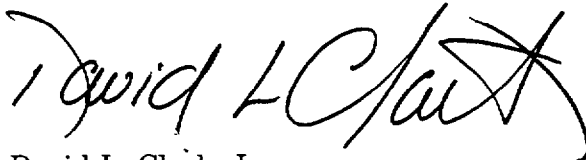
review the reimbursement processes and procedures as part of our audit of unvouchered expenditures. We expect to complete our fieldwork on the first two phases this month.

In our November testimony, we stated that we had made no progress in confirming the aggregate number of overnight guests and determining the number of stays within the Executive Residence because we had not obtained any records from the White House. We stated that to respond to the Subcommittee's request, we required access to documents or systems that would establish the aggregate number of guests and stays. Prior to our testimony, White House officials expressed concerns about us inspecting "private and personal papers of the First Family" that had been used to compile a previously published list of overnight guests. We stated in our testimony that we had presented a letter to the White House proposing that we discuss the possibility of alternative sources of information with the Executive Residence's Chief Usher, Administrative Officer, Head Housekeeper, and others. The day of our testimony, we received a letter from the Associate Counsel to the President, stating that she would contact us as soon as possible to arrange for meetings with various staff members.

Since our testimony, we still have not obtained any additional records on overnight guests and stays. However, we have met with Executive Residence personnel, including the Chief Usher, Administrative Officer, and Head Housekeeper, and are continuing to work with Counsel to the President staff to arrange meetings with the President's Director of Personal Correspondence, Secret Service representatives, and others. We are also continuing to work with Counsel to the President staff to obtain records that would enable us to confirm the aggregate number of overnight guests and stays at the Executive Residence. Enclosed is a chronology of key contacts with the White House.

We are also sending this letter today 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, Jr.", with a stylized flourish at the end.

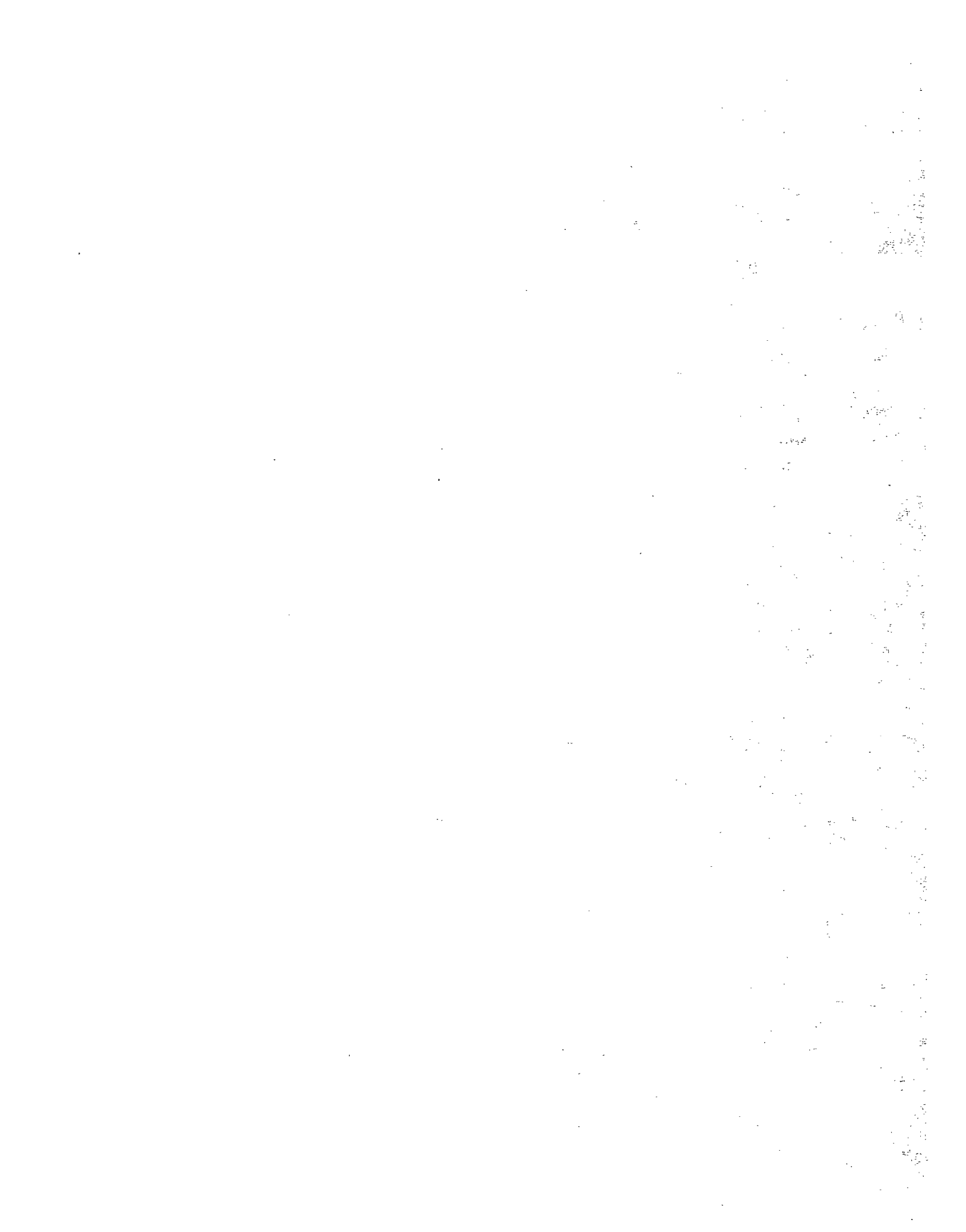
David L. Clark, Jr.  
Director, Audit Oversight and Liaison

Enclosure

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CHRONOLOGY OF KEY CONTACTS WITH THE WHITE HOUSE

April 24, 1997	We met with officials from several White House offices to advise them of the Subcommittee's request.
June 17, 1997	We provided the White House with an informal list of four areas related to overnight stays that we wanted to discuss.
July 11, 1997	We met with White House officials to discuss overnight stays.
September 19, 1997	Following several requests, we met with White House officials to discuss overnight stays.
October 16, 1997	We wrote to the White House to insist on our access to records on overnight stays.
October 23, 1997	We received a letter from the White House expressing concern about us inspecting "personal and private correspondence."
November 5, 1997	We met with White House officials and presented a letter proposing that we meet with certain White House staff and others to discuss the possibility of alternative sources of information.
November 6, 1997	We received a letter from the White House stating that officials would contact us to arrange for meetings with various White House staff.
December 11, 1997	We met with the Executive Residence Chief Usher.
December 18, 1997	We met with four other White House staff.
January 7, 1998	We spoke with a White House official about arrangements for further meetings with White House staff and others and for obtaining records on overnight stays.
January 20, 1998	We had a follow-up discussion with a White House official about arrangements for meetings and obtaining records.
February 11, 1998	We again had a follow-up discussion with a White House official about arrangements for meetings and obtaining records.
February 17, 1998	We had our most recent discussion with a White House official about arrangements for meetings and obtaining records.



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