



G A O

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Comptroller General
of the United States

United States Government Accountability Office
Washington, DC 20548

March 16, 2007

The Honorable John D. Rockefeller IV
Chairman, Select Committee on Intelligence
United States Senate

The Honorable Christopher S. Bond
Vice Chairman, Select Committee on Intelligence
United States Senate

I am writing to you to respond to the March 7, 2007, letter from the Director of National Intelligence (DNI) commenting on S. 82, a bill entitled the "Intelligence Community Audit Act of 2007." I believe it is important to offer additional clarification on some key matters raised by Director McConnell in his letter, and to expand on some points I made in my letter to you dated March 1, 2007.

First, Director McConnell's letter suggests that S. 82 invests the Government Accountability Office (GAO) and its staff with additional authorities. The bill does not grant GAO any new authority; rather, S. 82 reaffirms GAO's existing statutory authority to audit and evaluate the financial transactions, programs, and activities of the Intelligence Community. As stated in my March 1 letter to you, GAO has clear authority to audit and access the records of elements of the Intelligence Community, subject to limited statutory exceptions. Nevertheless, over the years, the Justice Department has questioned our authority in the area. Finally, as a practical matter, we recognize that, to do effective audits and evaluations of the Intelligence Community, we also must have cooperation of and access to records from the intelligence agencies, and the support of the intelligence committees and the Congress in order to exercise our authority.

Second, Director McConnell expressed concerns about the potential drain on Intelligence Community resources and other resource-related issues if GAO performed intelligence-related work, including that done at the requests of non-intelligence oversight committees. In response, I would like to point out that GAO reviews should result in improvements to the efficiency and effectiveness of Intelligence Community operations. In addition, GAO's work outside the Intelligence Community already commands the overwhelming majority of GAO's resources and I expect that, going forward, GAO would be able to allocate a limited number of personnel with appropriate security clearances and accesses to perform work relating to the Intelligence Community, assuming the cooperation from and access to the Intelligence Community and support from the Congress I mentioned earlier. As a result, due to GAO's resource constraints and other work demands, the amount of work GAO could perform relating to the Intelligence Community at a given time

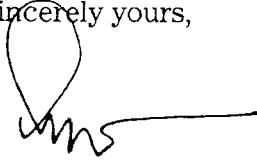
would be inherently limited. Also, Director McConnell seems to question GAO personnel's qualifications and other abilities to perform work in the intelligence area. As discussed in my March 1, 2007 letter to you, GAO personnel who might perform work relating to the Intelligence Community have qualifications, skills, expertise, and experience across the federal government, in the national security arena, and across disciplines. Also, as I mentioned in my letter to you, GAO already has cleared personnel with appropriate clearances and accesses and, depending on the nature of the congressional request, we may need to get clearances and accesses for additional personnel.

Third, Director McConnell's letter indicated that GAO work that is self-initiated or done on behalf of non-intelligence oversight committees could undermine the ability of the intelligence committee leadership to direct or stay abreast of intelligence oversight activities. I would point out that the provisions of S. 82 would limit GAO's audits or evaluations of intelligence sources and methods, or covert actions only to requests by the intelligence committees or the majority or minority leader of the Senate or the House of Representatives. Furthermore, the current language of S. 82 would limit our reporting on these audits or evaluations to the original requester, the DNI, and the head of the relevant element of the Intelligence Community. In our view, the Congress should consider amending the bill language to include the intelligence committees in these reporting provisions when the congressional leadership is the original requester. Also, regarding concerns about non-intelligence oversight committee requests and self-initiated work, I would be pleased to notify the intelligence committees and the Director of National Intelligence of any intelligence-related work GAO undertakes. Thus, the intelligence committees would remain informed of GAO's work.

Finally, the DNI letter also states that intelligence sources and methods are frequently and indistinguishably intertwined with issues such as knowledge management, information sharing, and strategic planning and that the most sensitive operational information is entwined with other administrative data. I am confident that there are very few cases in which GAO's review of systems, processes and their applications would require access to sensitive intelligence sources and methods or names of individuals. For example, GAO could review human capital management including pay and performance systems; information technology architectures and systems; acquisition and contract management; information sharing processes, procedures and results; and Intelligence Community transformation efforts, metrics and progress without gaining access to specific sources and methods. I would add that GAO personnel with appropriate clearances and accesses have responsibly reviewed programs that deal with technical sources and methods of intelligence collection. I continue to believe there are many areas in which GAO can support the intelligence committees in their oversight role and, by extension, the Congress and Intelligence Community.

I look forward to our meeting on March 19 to discuss these matters further. I am also sending this letter to the Senators Akaka and Lautenberg, sponsors of S. 82, and providing a copy to Director McConnell.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'D. Walker', with a long horizontal flourish extending to the right.

David M. Walker
Comptroller General
of the United States

cc: The Honorable Daniel K. Akaka
The Honorable Frank R. Lautenberg
The Honorable J.M. McConnell, Director
Office of the Director of National Intelligence