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[Results of Meeting With Holocaust Memorial Council]

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THE HONORABLE SIDNEY R. YATES: CHAIRMAN, SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES

THIS LETTER RESULTS FROM OUR MEETING WITH YOU AND MEMBERS AND STAFF OF THE HOLOCAUST MEMORIAL COUNCIL ON DECEMBER 3, 1985. AT THAT MEETING WE GENERALLY DISCUSSED QUESTIONS REGARDING THE COUNCIL'S STATUS, THE APPLICABILITY OF FEDERAL STATUTES AND REGULATIONS TO ITS ACTIVITIES AND THE RULES GOVERNING THE COMPENSATION AND HIRING OF ITS EMPLOYEES OR CONSULTANTS. WE AGREED TO PROVIDE ANSWERS TO THE SPECIFIC QUESTIONS YOU AND COUNCIL MEMBERS RAISED DURING OUR MEETING. WE ALSO AGREED TO ADVISE YOU IF WE THOUGHT ADDITIONAL LEGISLATION WAS NECESSARY OR DESIRABLE WITH RESPECT TO THE COUNCIL AND ITS ACTIVITIES, AND IF WE DID, TO SUGGEST APPROPRIATE STATUTORY LANGUAGE.

STATED BELOW ARE THE QUESTIONS DERIVED FROM OUR REVIEW OF THE TRANSCRIPT OF THE MEETING AND OUR ANSWERS TO THEM. WE HAVE ALSO INCLUDED SEVERAL LEGISLATIVE RECOMMENDATIONS AND SOME SUGGESTED REPORT LANGUAGE TO EXPLAIN THEM.

QUESTION 1. WHAT IS THE STATUS OF THE COUNCIL?

ANSWER:

THE HOLOCAUST MEMORIAL COUNCIL IS AN INDEPENDENT FEDERAL ESTABLISHMENT. ITS STATUS HAS BEEN SUBJECT TO CONSIDERABLE DEBATE BECAUSE PUB.L. NO. 96-388 (CODIFIED AT 36 U.S.C. SEC. 1401-1408) WHICH ESTABLISHED THE COUNCIL DOES NOT SPECIFY WHAT TYPE OF ENTITY IT IS. THERE ARE IMPORTANT CONSEQUENCES WHICH FLOW FROM A DETERMINATION THAT THE COUNCIL IS OR IS NOT A FEDERAL ORGANIZATION.

FROM OUR READING OF THE SCANT LEGISLATIVE HISTORY, WE THINK THAT THE CONGRESS INTENDED THE COUNCIL TO OPERATE AS A FEDERAL AGENCY IN CARRYING OUT ALL THREE OF ITS STATED PURPOSES. ITS REASON FOR BEING, AS SET FORTH AT 36 U.S.C. SEC. 1401, IS (1) THE FULFILLMENT OF RECOMMENDATIONS MADE BY THE PRESIDENT'S COMMISSION ON THE HOLOCAUST; (2) THE SPONSORING OF ANNUAL DAYS OF REMEMBRANCE OF THE HOLOCAUST; AND (3) THE DUTY TO "PLAN, CONSTRUCT, AND OVERSEE THE OPERATION OF A PERMANENT LIVING MEMORIAL TO THE VICTIMS OF THE HOLOCAUST ***."

ALL THREE FUNCTIONS ARE CLEARLY FEDERAL IN NATURE. THE FIRST TWO MAY BE FUNDED THROUGH DIRECT APPROPRIATIONS OF THE CONGRESS. ADMINISTRATIVE EXPENSES FOR ALL THREE FUNCTIONS, INCLUDING SALARIES FOR THE EXECUTIVE DIRECTOR AND ALL COUNCIL STAFF AS WELL AS PER DIEM AND OTHER DESIGNATED EXPENSES FOR THE 65 COUNCIL MEMBERS MAY ALSO BE PAID FROM APPROPRIATED FUNDS. HOWEVER, ALL EXPENSES DIRECTLY

RELATED TO THE CONSTRUCTION OF THE HOLOCAUST MUSEUM MUST BE PAID FOR WITH DONATED FUNDS. 36 U.S.C. SEC. 1408.

BECAUSE THERE ARE DIRECT CONSEQUENCES WHICH FLOW FROM THE DESIGNATION OF AN AGENCY OR ESTABLISHMENT AS "FEDERAL" RATHER THAN AS "PRIVATE," WE THINK IT IS IMPORTANT TO REMOVE ANY DOUBT ABOUT THE COUNCIL'S STATUS. SUGGEST THAT THE FIRST SENTENCE OF SECTION 1 OF PUBLIC LAW 96-388, 36 U.S.C. SEC. 1401, BE AMENDED TO READ AS FOLLOWS:

"THERE IS HEREBY ESTABLISHED AS AN INDEPENDENT FEDERAL ESTABLISHMENT THE UNITED STATES HOLOCAUST MEMORIAL COUNCIL (HEREINAFTER IN THIS CHAPTER REFERRED TO AS THE 'COUNCIL')."

(THE UNDERLINED PHRASE IS THE LANGUAGE TO BE ADDED TO THE CURRENT PROVISION.)

QUESTION 2. IS THE COUNCIL SUBJECT TO THE STATUTES AND REGULATIONS WHICH ARE GENERALLY APPLICABLE TO THE EXPENDITURE OF APPROPRIATED FUNDS BY FEDERAL AGENCIES?

ANSWER:

THE COUNCIL IS GOVERNED BY THE STATUTES AND REGULATIONS USUALLY APPLICABLE TO GOVERNMENT AGENCIES WHEN IT IS EXPENDING FUNDS APPROPRIATED TO IT ANNUALLY FROM THE GENERAL FUND OF THE TREASURY. BECAUSE OF ITS UNIQUE NATURE AND PURPOSE, WE THINK THAT THE COUNCIL IS NOT SUBJECT TO SUCH RULES WHEN EXPENDING DONATED FUNDS.

LIKE A NUMBER OF OTHER FEDERAL ENTITIES, THE COUNCIL EXPENDS BOTH APPROPRIATED FUNDS AND DONATED FUNDS TO ACCOMPLISH ITS PURPOSES. AS A GENERAL RULE, EXPENDITURES FROM BOTH SOURCES WOULD BE REGARDED AS APPROPRIATED FUND EXPENDITURES AND WOULD BE SUBJECT TO ALL STATUTES GOVERNING SUCH EXPENDITURES. SEE, E.G., 31 U.S.C. SEC. 3302(B) AND 31 U.S.C. SEC. 1321(A). WE PREVIOUSLY APPLIED THOSE STATUTES TO THE COUNCIL'S MUSEUM FUNCTIONS IN AN OPINION LETTER DATED JUNE 22, 1983, (B 211149) TO CHAIRMAN JAMES A. MCCLURE, SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES, SENATE COMMITTEE ON APPROPRIATIONS. ARE NOW MODIFYING THAT POSITION, FOR THE FOLLOWING REASONS.

A. THE ABOVE-MENTIONED TITLE 31 STATUTES ARE INTENDED TO PREVENT THE AUGMENTATION OF DIRECT APPROPRIATIONS WITH FUNDS FROM OTHER SOURCES, PERMITTING A LEVEL OF OPERATIONS BEYOND THAT AUTHORIZED BY THE CONGRESS. HOWEVER, THE COUNCIL IS ONE OF THE FEW, IF NOT THE ONLY FEDERAL ENTITY WHICH CARRIES OUT A MAJOR FUNCTION USING ONLY DONATED FUNDS. THERE IS THUS NO PROBLEM WITH AUGMENTATION.

B. THE HOLOCAUST ACT IS SILENT ABOUT THE SOURCE OF FUNDING FOR OPERATION AND MAINTENANCE OF THE MUSEUM, ONCE IT HAS BEEN CONSTRUCTED. UNLESS THE CONGRESS IS WILLING TO AUTHORIZE AND ENACT ANNUAL APPROPRIATIONS FOR THIS PURPOSE, IT APPEARS THAT THE COUNCIL MUST EITHER DERIVE THE NECESSARY FUNDS FROM CONTINUOUS FUND-RAISING DRIVES OR BY BUILDING AN ENDOWMENT FOR THIS PURPOSE BY INVESTING THE DONATED FUNDS JUDICIOUSLY UNTIL ACTUALLY NEEDED TO PAY FOR THE CONSTRUCTION. WE ARE RELUCTANT TO ATTRIBUTE TO THE CONGRESS ANY INTENT TO PRECLUDE THE LATTER ALTERNATIVE BY TREATING THE COUNCIL'S DONATED FUNDS AS "APPROPRIATED" MONEYS WHICH MUST BE DEPOSITED IN A NON-INTEREST-BEARING ACCOUNT IN THE TREASURY.

C. WE THINK THAT THE LEGISLATIVE HISTORY OF THE HOLOCAUST ACT, ALTHOUGH SPARSE,

SUPPORTS OUR CONCLUSION THAT THE CONGRESS INTENDED A "NO-STRINGS" TREATMENT OF THE DONATED FUNDS. AS NOTED, THE ACT ESTABLISHES THE COUNCIL IN PART TO CARRY OUT THE RECOMMENDATIONS MADE BY THE PRESIDENT'S COMMISSION ON THE HOLOCAUST. 36 U.S.C. SEC. 1401(3). THE COMMISSION RECOMMENDED IN ITS REPORT THAT THE COUNCIL BE ESTABLISHED AS AN INDEPENDENT INSTITUTION OR AS AN AUTONOMOUS BUREAU OF THE SMITHSONIAN INSTITUTION. ALTHOUGH THE ACT WHICH THE CONGRESS ENACTED IN RESPONSE TO THE COMMISSION'S RECOMMENDATIONS DID NOT EXPRESSLY DESIGNATE THE COUNCIL AS PART OF THE SMITHSONIAN, IT DID CREATE A COUNCIL WHICH IS SIGNIFICANTLY ANALOGOUS TO IT. WE THINK IT IS REASONABLE TO CONCLUDE AS IN THE CASE OF THE SMITHSONIAN, THAT THE CONGRESS INTENDED TO ALLOW THE COUNCIL TO EXPEND ITS DONATED FUNDS IN ACCORDANCE WITH THE DIRECTIVES OF ITS GOVERNING BOARD, FREE OF THE STRICTURES GENERALLY APPLICABLE TO GOVERNMENT FUNDS.

CONSISTENT WITH THIS INTENT, WE CONCLUDE THAT:

(1) THE COUNCIL IS FREE TO INVEST THE DONATED FUNDS IN INTEREST BEARING SECURITIES TO THE EXTENT NOT NEEDED FOR IMMEDIATE PAYMENTS FOR CONSTRUCTION OF THE MUSEUM AND RELATED COSTS.

(2) FEDERAL PROCUREMENT REQUIREMENTS SUCH AS THOSE FOUND IN THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AND ITS IMPLEMENTING REGULATIONS, THE FEDERAL ACQUISITION REGULATION, AS WELL AS OTHER PROCUREMENT-RELATED STATUTES DO NOT APPLY TO ANY COUNCIL PROCUREMENTS INVOLVING THE EXPENDITURE OF ITS DONATED FUNDS. WE DO, HOWEVER, BELIEVE THAT THE COUNCIL SHOULD USE THE BODY OF FEDERAL PROCUREMENT LAW AND REGULATIONS AS MODELS IN DEVELOPING AND FOLLOWING ITS OWN INTERNAL PROCUREMENT POLICIES. THE COUNCIL HAS PREVIOUSLY INDICATED TO US THAT IT INTENDS TO DO SO.

(3) THE COUNCIL MAY HIRE OR OTHERWISE ACQUIRE THE SERVICES OF FUND RAISERS OR OTHER SPECIALISTS WITHOUT REGARD TO FEDERAL CIVIL SERVICE RULES AND REGULATIONS AS LONG AS COMPENSATION AND OTHER BENEFITS ARE PAID ENTIRELY FROM THE DONATED FUNDS.

WE TAKE NO POSITION ON WHETHER, AS A MATTER OF POLICY, DONATED FUNDS SHOULD BE USED TO PAY A FUND-RAISER. WE DO, HOWEVER, INTERPRET SECTION 7 OF THE ACT (36 U.S.C. SEC. 1407) AS TECHNICALLY AUTHORIZING THE COUNCIL TO USE DONATED FUNDS TO PAY A FUND-RAISER. SECTION 7 PROVIDES THAT "THE COUNCIL MAY SOLICIT, ACCEPT, HOLD, ADMINISTER, AND USE GIFTS, BEQUESTS, AND DEVISES OF PROPERTY *** TO AID OR FACILITATE THE CONSTRUCTION, MAINTENANCE, AND OPERATION OF THE MEMORIAL." IN OUR VIEW, FUND-RAISING AIDS AND FACILITATES THE MUSEUM'S CONSTRUCTION AND THEREFORE IS AUTHORIZED UNDER THE EMPHASIZED PHRASE. BY THE SAME REASONING, OTHER SPECIALIZED SERVICES MAY ALSO BE OBTAINED WITH DONATED FUNDS AS LONG AS THEY MAY BE FAIRLY SAID TO "AID OR FACILITATE" THE MUSEUM CONSTRUCTION.

ALTHOUGH WE THINK THAT THE CONGRESS INTENDED THAT THE COUNCIL'S DONATED FUNDS BE FREE FROM THE CONSTRAINTS APPLICABLE TO APPROPRIATED FUNDS, THIS INTENT IS NOT SPELLED OUT IN THE COUNCIL'S ORGANIC ACT. TO REMOVE ANY DOUBTS ON THIS QUESTION, WE SUGGEST THE FOLLOWING STATUTORY AMENDMENTS:

"SECTION 7 OF PUBLIC LAW 96-388 IS AMENDED BY

(1) ADDING THE WORD 'INVEST,' FOLLOWING THE WORD 'ADMINISTER,' IN THE FIRST SENTENCE THEREOF;

"(2) ADDING A NEW PENULTIMATE SENTENCE TO READ AS FOLLOWS:

'NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FUNDS DONATED TO AND ACCEPTED BY THE COUNCIL PURSUANT TO THIS SECTION ARE NOT TO BE REGARDED AS APPROPRIATED FUNDS AND ARE NOT SUBJECT TO ANY REQUIREMENTS OR RESTRICTIONS APPLICABLE TO APPROPRIATED FUNDS.'"

QUESTION 3. MAY APPROPRIATED FUNDS BE USED TO PAY A FUND-RAISER OR OTHER SPECIALISTS?

ANSWER:

YES. SEE OUR JUNE 22, 1983 OPINION TO CHAIRMAN MCCLURE (CITED EARLIER) ON THIS POINT.

QUESTION 4. IF THE COUNCIL PAYS A FUND-RAISER WITH APPROPRIATED FUNDS IS THERE A LIMIT UPON WHAT HE OR SHE MAY BE PAID? IF SO, WHAT IS THAT LIMIT?

ANSWER:

THE COMPENSATION OF A FUND-RAISER HIRED AS AN EMPLOYEE OF THE COUNCIL AND PAID WITH APPROPRIATED FUNDS IS SUBJECT TO THE PROVISIONS OF TITLE 5 OF THE U.S.C. PERTAINING TO CLASSIFICATION AND GENERAL SCHEDULE PAYMENTS EXCEPT THAT THE COUNCIL'S ORGANIC STATUTE ALLOWS THE EXECUTIVE DIRECTOR TO APPOINT AND PAY UP TO THREE EMPLOYEES AT THE RATE ESTABLISHED IN THE GENERAL SCHEDULE FOR A GS-18. 36 U.S.C. SEC. 1405(B).

FURTHER, 16 U.S.C. SEC. 1404(B) AUTHORIZES THE COUNCIL TO OBTAIN THE SERVICES OF EXPERTS AND CONSULTANTS UNDER THE PROVISIONS OF 5 U.S.C. SEC. 3109, AND TO PAY THEM AT A RATE EQUIVALENT TO THE MAXIMUM ANNUAL RATE OF PAY FOR A GRADE GS-18. THIS AUTHORITY MIGHT ALSO BE USED TO HIRE A HIGHLY EXPERIENCED OR SPECIALIZED FUND-RAISER.

THERE IS ONE ADDITIONAL WAY TO OBTAIN THE SERVICES OF A SPECIALIST (WHETHER FOR FUND-RAISING OR ANY OTHER DUTIES) USING APPROPRIATED FUNDS. THE COUNCIL COULD PROCURE SUCH SERVICES FROM AN INDEPENDENT CONTRACTOR, FOLLOWING ALL THE REQUIREMENTS GENERALLY APPLICABLE TO FEDERAL AGENCIES WHO PROCURE GOODS OR SERVICES WITH APPROPRIATED FUNDS. THE STATUTORY COMPENSATION LIMITS APPLICABLE TO EMPLOYEES OR SECTION 3109 EXPERTS OR CONSULTANTS WOULD NOT APPLY TO SUCH INDEPENDENT CONTRACTORS.

WE MENTION THE INDEPENDENT CONTRACTOR ALTERNATIVE WITH A CAVEAT. ORDER TO AVOID THE STATUTORY COMPENSATION LIMITS DISCUSSED ABOVE, THE CONTRACTOR MUST NOT BE SUBJECT TO THE DAY-TO-DAY SUPERVISION OF THE COUNCIL OR ITS EXECUTIVE DIRECTOR. HIS CONTRACT MUST REQUIRE HIM TO PRODUCE A "CONCRETE RESULT," WHICH HE IS TO DELIVER AS SPECIFIED ENTIRELY THROUGH HIS INDEPENDENT EFFORTS. IF THE RELATIONSHIP CREATED UNDER THE CONTRACT IS IN FACT TANTAMOUNT TO THAT OF EMPLOYER AND EMPLOYEE, THEN THE AMOUNT OF COMPENSATION WHICH HE MAY BE PAID WILL BE SUBJECT TO THE LIMITS FOR EXPERTS AND CONSULTANTS UNDER 5 U.S.C. SEC. 3109. THUS, IN ORDER TO AVOID THE STATUTORY COMPENSATION LIMITS, THE COUNCIL MUST BE WILLING TO FOREGO DIRECT SUPERVISORY AUTHORITY OVER ITS FUND-RAISER.

AS EXPLAINED EARLIER, NONE OF THE ABOVE RESTRICTIONS ARE APPLICABLE IF FUND-RAISING OR OTHER SERVICES ARE OBTAINED WITH THE COUNCIL'S DONATED FUNDS.

QUESTION 5. MAY THE SALARY OF A FUND-RAISER WHO IS PAID WITH APPROPRIATED FUNDS BE AUGMENTED WITH DONATED FUNDS IN APPROPRIATE CIRCUMSTANCES WHEN THE FEDERAL

COMPENSATION LIMITS ARE TOO LOW TO ATTRACT THE BEST PERSON FOR THE JOB?

ANSWER:

NO. IT IS A FEDERAL CRIME (MISDEMEANOR) FOR ANY OFFICER OR EMPLOYEE OF THE GOVERNMENT TO ACCEPT ANY ADDITIONAL COMPENSATION FOR HIS SERVICES AS A FEDERAL EMPLOYEE FROM ANY SOURCE OTHER THAN THE FEDERAL TREASURY (WITH CERTAIN EXCEPTIONS NOT HERE APPLICABLE). SEE 18 U.S.C. SEC. 209, AND OTHER "DUAL COMPENSATION" PROVISIONS LISTED IN TITLE 5 OF THE UNITED STATES CODE.

QUESTION 6. IF THE COUNCIL'S DONATED FUNDS ARE EXEMPT FROM THE LAWS AND REGULATIONS GOVERNING FEDERAL ACTIVITIES FUNDED WITH FEDERAL APPROPRIATIONS, HOW CAN THE CONGRESS ENSURE THAT THE CONSTRUCTION OF THE MUSEUM IS CARRIED OUT IN ACCORDANCE WITH CONGRESSIONAL INTENT?

ANSWER:

WE AGREE THAT IT IS VERY IMPORTANT TO ENSURE ACCOUNTABILITY FOR ALL ACTIVITIES OF THE COUNCIL. WHILE THE CONGRESS CAN EXERCISE ITS OVERSIGHT THROUGH THE APPROPRIATIONS PROCESS FOR THOSE COUNCIL ACTIVITIES AUTHORIZED TO BE CARRIED OUT WITH APPROPRIATED FUNDS, THE ACT MAKES NO PROVISION FOR COMPARABLE OVERSIGHT WITH RESPECT TO ACTIVITIES FUNDED WITH ITS DONATED FUNDS.

THE FOLLOWING SUGGESTED AMENDMENTS TO THE ACT MIGHT OVERCOME THAT PROBLEM:

"SECTION 4 OF PUBLIC LAW 96-388, 36 U.S.C. SEC. 1404, IS AMENDED BY ADDING AT THE END THEREOF A NEW SUBSECTION TO READ AS FOLLOWS: '(F) REPORT TO THE CONGRESS.

THE EXECUTIVE DIRECTOR SHALL MAKE A FULL REPORT ANNUALLY TO THE CONGRESS OF HIS STEWARDSHIP OF THE AUTHORITY TO CONSTRUCT, OPERATE, AND MAINTAIN THE HOLOCAUST MUSEUM, INCLUDING AN ACCOUNTING OF ALL FINANCIAL TRANSACTIONS INVOLVING DONATED FUNDS.

"SECTION 4 IS FURTHER AMENDED BY ADDING A NEW SUBSECTION (G) TO READ AS FOLLOWS:

'(G) AUDIT BY THE COMPTROLLER GENERAL; ACCESS TO RECORDS.

FINANCIAL TRANSACTIONS OF THE COUNCIL, INCLUDING THOSE INVOLVING DONATED FUNDS, SHALL BE AUDITED BY THE COMPTROLLER GENERAL AS REQUESTED BY THE CONGRESS, IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS. CONDUCTING ANY AUDIT PURSUANT TO THIS SECTION, APPROPRIATE REPRESENTATIVES OF THE COMPTROLLER GENERAL SHALL HAVE ACCESS TO ALL BOOKS, ACCOUNTS, FINANCIAL RECORDS, REPORTS, FILES AND OTHER PAPERS, ITEMS OR PROPERTY IN USE BY THE COUNCIL, AS NECESSARY TO FACILITATE SUCH AUDIT, AND SUCH REPRESENTATIVES SHALL BE AFFORDED FULL FACILITIES FOR VERIFYING TRANSACTIONS WITH THE BALANCES.'"

AS PROMISED, WE HAVE PROVIDED BELOW SOME REPORT LANGUAGE TO EXPLAIN THE PURPOSE OF THE VARIOUS LEGISLATIVE AMENDMENTS WE HAVE SUGGESTED. WHILE THE REPORT LANGUAGE ASSUMES THAT THE AMENDMENTS WILL BE ACCEPTED, IT COULD EASILY BE ADOPTED AS A REVISED STATEMENT OF CONGRESSIONAL INTENT WITH RESPECT TO THE EXISTING LANGUAGE.

"THE AMENDMENTS TO SECTION 7 OF PUB.L. NO. 96-388 MAKE IT CLEAR THAT THE CONGRESS REGARDS THE FUNDS DONATED TO THE COUNCIL FOR THE CONSTRUCTION OF THE

HOLOCAUST MEMORIAL MUSEUM AS NONAPPROPRIATED FUNDS NOTWITHSTANDING OTHER PROVISIONS OF LAW WHICH TREAT SUCH FUNDS AS TRUST FUNDS PERMANENTLY APPROPRIATED FOR GOVERNMENT PURPOSES. WE THINK IT IS IMPORTANT THAT THE COUNCIL BE FREE TO INVEST THE DONATIONS IN INTEREST BEARING SECURITIES SO AS TO BUILD UP AN ADEQUATE ENDOWMENT FOR OPERATION AND MAINTENANCE NEEDS ONCE THE MUSEUM IS CONSTRUCTED. MOREOVER, IN OUR VIEW, THE COUNCIL IS FREE TO EXPEND ITS DONATIONS FOR CONSTRUCTION OF THE MUSEUM IN ACCORDANCE WITH ITS STATUTORY PURPOSE BUT WITHOUT REGARD TO PROCUREMENT-RELATED STATUTES AND REGULATIONS OR OTHER RESTRICTIONS OR REQUIREMENTS APPLICABLE TO THE EXPENDITURE OF APPROPRIATED FUNDS.

"SO AS TO ENSURE SUFFICIENT CONGRESSIONAL OVERSIGHT OVER THE COUNCIL'S NONAPPROPRIATED FUND ACTIVITIES AND EXPENDITURES, TWO NEW SUBSECTIONS ARE ADDED TO SECTION 4 OF THE ACT, 36 U.S.C. SEC. 1404. IN NEW SUBSECTION (F), THE EXECUTIVE DIRECTOR IS REQUIRED TO MAKE AN ANNUAL REPORT TO THE CONGRESS ON ITS STEWARDSHIP OF THE FUNDS DONATED FOR MUSEUM CONSTRUCTION. NEW SUBSECTION (G) AUTHORIZES THE COMPTROLLER GENERAL OF THE UNITED STATES TO AUDIT THE COUNCIL'S FINANCIAL TRANSACTIONS USING DONATED FUNDS, AND HE IS GIVEN ACCESS TO ALL COUNCIL RECORDS REQUIRED TO FACILITATE HIS AUDIT."

PLEASE LET US KNOW IF WE CAN BE OF ANY FURTHER ASSISTANCE.