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Accountability \* Integrity \* Reliability

United States General Accounting Office  
Washington, DC 20548

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October 27, 2000

The Honorable Henry J. Hyde  
Chairman, Committee on the Judiciary  
House of Representatives

Subject: Federally Chartered Corporation: Review of the Financial Statement  
Audit Report for the Navy Club of the United States of America for  
Fiscal Year 1998

Dear Mr. Chairman:

As requested, we reviewed the audit report covering the financial statements of the Navy Club of the United States of America, a federally chartered corporation, for the fiscal year ended July 31, 1998. The main purpose of the corporation is to further, encourage, promote, and maintain comradeship among those persons who are or have been in active service of the United States Navy, the United States Marine Corps, or the United States Coast Guard.

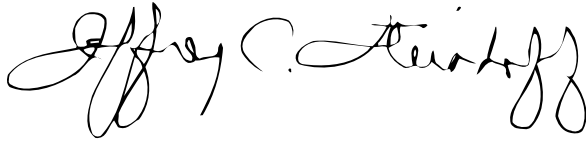
Federally chartered corporations are required under 36 U.S.C. 10101 to

- present the corporation's assets and liabilities and reasonable detail on the corporation's income and expenses in annual financial statements,
- obtain an annual financial audit by an independent public accountant, and
- submit the auditors' report and the corporation's financial statements to the Congress.

The objective of our review was to determine whether the audit report complied with the financial reporting requirements of the law. In carrying out our work, we reviewed the corporation's financial statements and the accompanying notes, performed certain analytical procedures related to information presented in the financial statements, reviewed the auditors' report, and made inquiries to corporation officials or the auditor as we deemed necessary. We did not review the auditors' working papers. Our review disclosed no reportable instances of noncompliance.

The audit report included the auditors' opinion that the financial statements are fairly presented. We are returning the audit report you sent with your letter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Jeffrey C. Steinhoff". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

Jeffrey C. Steinhoff  
Managing Director  
Financial Management and Assurance

w/o Enclosure

(912013)