

**DECISION**

**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D.C. 20548

60709

FILE: B-186111

DATE: April 2, 1976

MATTER OF: D. W. Hunt

99113

**DIGEST:**

GAO does not have authority to render binding decision relative to protest concerning actions of FHA/HUD in disposing of acquired properties since GAO's role is limited to performing audits pursuant to 31 U.S.C. § 850 (1970).

Mr. D. W. Hunt has protested the manner in which the Department of Housing and Urban Development (HUD) has attempted to dispose of property acquired by HUD through default foreclosure proceedings. The property was insured by the Federal Housing Administration (FHA). Mr. Hunt contends that HUD did not follow its own regulations in disposing of the property.

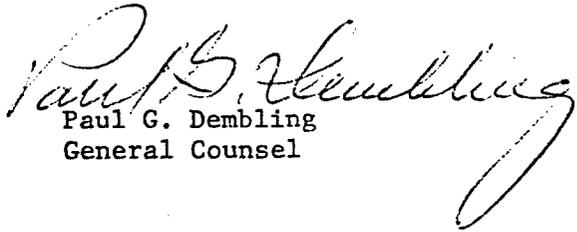
Pursuant to 12 U.S.C. § 1713(1) (1970), the Secretary of HUD may dispose of property notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States. Furthermore, 12 U.S.C. § 1702 (1970) authorizes the Secretary in pertinent part (1) to make such expenditures as are necessary to carry out the disposal of property and other functions without regard to any other provisions of law governing the expenditures of public funds and (2) to sue and be sued in any court of competent jurisdiction. While this authority formerly resided in the Commissioner of the Federal Housing Administration, it was transferred in 1965 to the Secretary of HUD by the Department of Housing and Urban Development Act, Public Law 89-174, § 5(a), 79 Stat. 669, 42 U.S.C. § 3534 (1970). FHA's authority is similar in effect to the extraordinary authority to determine and prescribe obligations found in many Government corporation charters. Although FHA is not specifically chartered as a corporation, for the purpose of the Government Corporation Control Act it is defined in 31 U.S.C. § 846 (1970) as a wholly owned Government corporation. 38 Comp. Gen. 343, 344 (1958).

The responsibility of our Office under the act is limited to performing an audit in accordance with the principles and procedures applicable to commercial transactions (31 U.S.C. § 850 (1970))

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and the act requires that a report of the audit findings be presented to the Congress. 31 U.S.C. § 851 (1970). Consequently HUD is not required as a matter of law to follow our decisions interpreting the legality of its property disposal actions. Mr. Eugene Lefkowitz, B-182885, January 24, 1975, 75-1 CPD 48.

Therefore, our Office is without authority to decide the protest and it will not be considered.

  
Paul G. Dembling  
General Counsel