B-285742

July 28, 2000

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

Subject: <u>Federally Chartered Corporation: Review of the Financial Statement Audit
            Report for the American Gold Star Mothers, Incorporated, for Fiscal Years
            1998 and 1999</u>

Dear Mr. Chairman:

As requested, we reviewed the audit report covering the financial statements of the American
Gold Star Mothers, Incorporated, a federally chartered corporation, for the fiscal years ended
June 30, 1998 and 1999. The corporation was established in 1928 for the purpose of
perpetuating the ideals of Americanism for which members' relatives fought and died.

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 auditor's 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
auditor's report, and made inquiries to corporation officials or the auditor as we deemed
necessary. We did not review the auditor's working papers. Our review disclosed no
reportable instances of noncompliance.

The audit report included the auditor's opinion that the financial statements of the corporation were presented fairly on a modified cash basis of accounting. We are returning the audit report you sent with your letter.

Sincerely yours,

David L. Clark
Director, Audit Oversight and Liaison

Enclosure

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