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United States General Accounting Office
Washington, DC 20548

December 14, 2001

The Honorable Patrick J. Toomey
House of Representatives

Subject: Survey Results of Selected Non-CFO Act Agencies' Views on Having Audited Financial Statements

Dear Mr. Toomey:

This letter summarizes the information we provided during a November 30, 2001, briefing to your office. Based on your April 30, 2001, letter to the Comptroller General and subsequent discussions with your office, we conducted a survey of 26 agencies that are not subject to the Chief Financial Officers Act of 1990 (CFO Act). The CFO Act, as expanded by the Government Management Reform Act of 1994, requires 24 major executive branch departments/agencies to prepare annual financial statements and have them audited. Of the 26 non-CFO Act agencies that we surveyed, 12 agencies have prepared and had their financial statements audited within the past 5 years.

The objectives of the survey were to determine the

- benefits achieved or anticipated by the surveyed agencies from preparing financial statements and having them audited;
- degree of effort or anticipated effort for the surveyed agencies to prepare financial statements and have them audited;
- factors, including budget authority, that should be considered in determining whether agencies should prepare financial statements and have them audited; and
- surveyed agencies' views about whether, in general, agencies should have their financial statements audited.

The enclosed briefing slides summarize the survey responses as provided to you in the November 30, 2001, briefing. The attachment to the briefing slides lists, by surveyed agency, the amounts of assets, liabilities, revenue, and expenses that the agencies reported to the Department of the Treasury for fiscal year 2000, as well as certain agency baseline information, such as budget authority, the number of offices, and agency functions. Pages 13 and 14 of the enclosure discuss the scope and methodology of our work. Where appropriate, we discussed certain responses to the questionnaire with agency officials, but we did not independently verify the information provided by the respondents. In addition, we sent agency-specific data presented in the slides to the respective agencies for their review. We performed our

work from June 2001 through November 2001 in accordance with U.S. generally accepted government auditing standards.

Results in Brief

All 26 of the surveyed agencies responded to our survey. Overall, the surveyed agencies reported that they either achieved significant benefits or would anticipate achieving such benefits from having audited financial statements. The level of effort to prepare financial statements and prepare for an audit of such statements varied significantly with the size and other characteristics of the agencies. In determining whether agencies should prepare financial statements and have them audited, respondents identified a combination of factors that should be considered, including budget authority, key financial statement amounts, and the type of agency operations. For example, the surveyed agencies reported that an agency's fiduciary responsibilities and risks associated with the agency's operations were the most important factors to consider. Irrespective of the importance of such factors, 21 of the 26 agencies reported that federal agencies, in general, should have their financial statements audited.

Benefits Achieved or Anticipated by the Surveyed Agencies From Preparing Financial Statements and Having Them Audited

The 12 surveyed agencies that have had their financial statements audited generally reported significant benefits from those audits. The most significant benefits cited are enhancing accountability and identifying inefficiencies and weaknesses. Other significant benefits included improving internal control, enhancing the public's perception of the agency, meeting statutory requirements, and monitoring assets and liabilities. The 14 surveyed agencies that have not had audited financial statements reported that they would anticipate benefits from such audits, but to a much less extent than the achieved benefits reported by the 12 surveyed agencies that have had their financial statements audited.

We asked these 12 audited agencies whether the benefits of their first audit and subsequent audits outweighed the costs and whether their audits were more or less beneficial than expected. Half of the 12 agencies responded that the benefits achieved outweighed the costs for the first audit, and about three-fourths of the agencies responded that the benefits achieved outweighed the costs for subsequent audits. Ten of the 12 agencies (83 percent) responded that their audits were more beneficial than or about as beneficial as expected.

Degree of Effort or Anticipated Effort for the Surveyed Agencies to Prepare Financial Statements and Have Them Audited

For the 12 surveyed agencies that have had their financial statements audited, the reported level of effort to prepare financial statements and to prepare for an audit varied significantly with the size and other characteristics of the agencies. For example, the reported number of staff days to prepare for the first audit ranged from 50 to 750 days, and the estimated fiscal year 2000 audit costs ranged from \$11,000 to \$350,000. Frequently reported steps that these agencies had taken to prepare for their

first and subsequent audits are (1) improving or replacing financial management systems, (2) hiring additional financial management personnel, (3) training financial management personnel, and (4) performing significant manual procedures (for first audits).

For the 14 surveyed agencies that have not had their financial statements audited, the most frequently cited anticipated steps needed to prepare for a first audit are (1) hiring consultants, (2) training financial management personnel, and (3) requesting additional funding.

Factors That Should Be Considered in Determining Whether Agencies Should Prepare Financial Statements and Have Them Audited

According to the 26 surveyed agencies, the most important factors that should be considered in determining whether agencies should have audited financial statements are (1) whether the agency has fiduciary responsibilities and (2) risks associated with the agency's operations. The surveyed agencies believe that of equal importance to the amount of budget authority an agency receives are the amounts of an agency's assets and liabilities. Other important factors include whether the agency receives nongovernmental funding and the amounts of an agency's revenue and expenses.

Of the 14 surveyed agencies that have not had their financial statements audited, 13 reported that the absence of a statutory requirement to do so was a reason that they have not had such audits. Other reasons cited by 6 of the 14 agencies include an insufficient number of financial management personnel and insufficient funding.

General Views About Whether Agencies Should Have Their Financial Statements Audited

Twenty-one of the 26 surveyed agencies, including all 12 agencies that have had their financial statements audited, reported that, in general, agencies should have their financial statements audited. The remaining 5 surveyed agencies, which had budget authority ranging from about a quarter of a million dollars to a third of a billion dollars, expressed the opposite point of view.

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The factors that the surveyed agencies considered to be important in determining the need for having audited financial statements, such as fiduciary responsibilities, risks associated with the agency's operations, and the magnitude of budget authority and key financial statement amounts, are generally consistent with our views. Our long-standing position has been that the preparation and audit of financial statements contribute to reliable, timely, and useful financial information. Such information is important in helping management ensure accountability, measure and control costs, and make timely and fully informed decisions. Preparing audited financial statements also leads to improvements in internal control and financial management systems. Hence, we view much of the effort to prepare financial statements and have them audited as an integral part of effective financial management.

We are sending copies of this letter to the surveyed agencies, the Chief Financial Officer, Executive Office of the President, the Director of the Office of Management and Budget, and interested congressional committees. Copies will also be made available to others upon request. This letter will also be available on GAO's home page at <http://www.gao.gov>.

If you or your staff have any questions regarding this letter, please contact me at (202) 512-3406 or Kent Bowden, Assistant Director, at (202) 512-5270. Other key contributors to this assignment were Kimberly Graham, Casey Keplinger, Stanley Kostyla, and LaShawnda Wilson.

Sincerely yours,

A handwritten signature in cursive script that reads "Gary T. Engel".

Gary T. Engel
Director
Financial Management and Assurance

Enclosure

Briefing to the Honorable Patrick J. Toomey



**Survey Results of Selected Non-CFO Act
Agencies' Views on Having
Audited Financial Statements**

Briefing to the Honorable Patrick J. Toomey
House of Representatives

November 30, 2001



- Introduction
- Objectives
- Results in Brief
- Scope and Methodology
- Background
- Agency Responses to Our Survey
 - Benefits of Financial Statements (FS) Audits
 - Effort to Have FS Audits
 - Factors to Consider in Determining Need for FS Audits
 - General Views Regarding Whether Agencies Should Have FS Audits



Introduction

- The Chief Financial Officers Act of 1990 (CFO Act), as amended, requires 24 major executive departments/agencies to prepare financial statements annually and have them audited.

- We selected 26 agencies that are not subject to the CFO Act, as amended. We obtained relevant data from these agencies and surveyed them regarding their views on having audited financial statements. Of the 26 agencies that we surveyed:
 - 12 agencies have prepared and had their financial statements audited within the past 5 years, and
 - 14 agencies have not done so.



Objectives

Based on your letter and subsequent discussions with your staff, we surveyed selected non-CFO Act agencies to determine the

- benefits achieved or anticipated by the surveyed agencies from preparing financial statements and having them audited;
- degree of effort or anticipated effort for the surveyed agencies to prepare financial statements and have them audited;
- factors, including budget authority, that the surveyed agencies believe should be considered in determining whether agencies should prepare financial statements and have them audited; and
- surveyed agencies' views about whether, in general, agencies should have their financial statements audited.



- The 12 surveyed agencies that have had their financial statements audited generally reported significant benefits from those audits. The most significant benefits are enhancing accountability and identifying inefficiencies and weaknesses. Other significant benefits include improving internal control; enhancing the public's perception of the agency; meeting statutory requirements; and monitoring assets, liabilities, and net position.
- The 14 surveyed agencies that have not had audits of their financial statements reported anticipated benefits for such audits, but to a much less extent than the achieved benefits reported by the 12 agencies that have had their financial statements audited.



- The level of effort required by the 12 surveyed agencies that have had their financial statements audited to prepare financial statements and to prepare for an audit varied significantly with the size and other characteristics of the agencies.
 - The number of staff days to prepare for the first audit ranged from 50 to 750 days, and the estimated FY 2000 audit costs ranged from \$11,000 to \$350,000.
 - Steps taken to prepare for the first and subsequent audits varied significantly. Such steps included performing significant manual procedures, improving or replacing financial management systems, hiring additional financial management personnel, and training financial management personnel.
- The most frequently anticipated steps to be taken to prepare for the first audit, as reported by the 14 surveyed agencies that have not had their financial statements audited, are hiring consultants, training financial management personnel, and requesting additional funding. Other anticipated steps reported include reorganizing business processes and performing significant manual procedures.



- According to the 26 surveyed agencies, the most important factors that should be considered in determining whether agencies should have audited financial statements are (1) whether the agency has fiduciary responsibilities and (2) risks associated with the agency's operations. Of equal importance to the amount of budget authority an agency receives are the amounts of agency assets and liabilities. Other important factors include whether the agency receives nongovernmental funding and the amounts of agency revenue and expenses.
- Of the 14 surveyed agencies that have not had their financial statements audited, 13 reported that the absence of a statutory requirement to do so was a reason that they have not had such audits. Other reasons cited by 6 of the 14 agencies for not having their financial statements audited include an insufficient number of financial management personnel and insufficient funding.



Results in Brief
General Views of Surveyed Agencies
Regarding Whether Agencies Should Have FS Audits

- 21 of the 26 surveyed agencies, including the 12 agencies that have had their financial statements audited, reported that, in general, agencies should have their financial statements audited.



To accomplish our objectives, we:

- Identified 28 executive branch entities that, based on previous work (1) were not subject to the CFO Act, as amended, (2) had budget authority of at least \$10 million,¹ and, (3) with one exception,² were not required by statute to have their financial statements audited. As agreed with your office, we did not include the Central Intelligence Agency Retirement Fund or the Executive Office of the President (EOP)³ in the scope of our survey, leaving 26 agencies for our survey.

¹In August 2000, we provided your staff a list of these 28 agencies as requested. Each of the agencies had budget authority for fiscal year (FY) 1999 of at least \$10 million.

²The legislation establishing one of the agencies, the U.S. Institute of Peace, requires that the Institute's financial statements be annually audited under private sector auditing standards.

³Public Law 106-58, Treasury and General Government Appropriations Act, 2000, established the position of Chief Financial Officer (CFO) for EOP. The CFO, who was appointed in August 2001, and his staff, have informed us that EOP plans to address financial systems needs, have its auditability assessed, and then have financial statements audits.



Scope and Methodology

- Obtained and reviewed certain documents that relate to the 26 selected executive branch agencies, including audited financial statements, where available.
- Developed, pretested, and used a questionnaire to survey the 26 agencies, and summarized their responses. Because many of the survey questions requested the agencies' views, the agencies' responses to those questions represent their perspectives and judgments. We discussed certain responses with agency officials, but did not independently verify the reliability of the information provided.
- Sent agency-specific data presented in the slides to the respective agencies for their review.
- Performed our work from June 2001 through November 2001 in accordance with U.S. generally accepted government auditing standards.



Background
Key Legislation Requiring FS Audits

- Securities Exchange Act of 1934 - Requires publicly held private sector companies to file annual audited financial statements with the Securities and Exchange Commission.
- Chapter 91 of Title 31, United States Code, commonly called the Government Corporation Control Act - Requires government corporations, such as the Export-Import Bank of the United States, to have their annual financial statements audited.
- Single Audit Act of 1984, as amended - Requires each nonfederal entity that expends a total amount of federal awards equal to or in excess of \$300,000 in any fiscal year to have either a single audit or a program-specific audit made for such fiscal year.
- Chief Financial Officers Act of 1990, as expanded by the Government Management Reform Act of 1994 - Requires 24 major executive branch departments/agencies to prepare financial statements annually and have them audited.
- Agency-specific legislation - Requires certain agencies, such as United States Postal Service, to have their annual financial statements audited.



- Full-scope audits of financial statements, performed in accordance with either of two relevant standards:
 - Generally Accepted Government Auditing Standards (GAGAS) - federal standards
 - Generally Accepted Auditing Standards (GAAS) - nonfederal standards (private sector)
- Audit scope that includes only selected financial statements (for example, balance sheet audits)
- Targeted procedures:
 - Audit of certain elements or accounts
 - Agreed-upon procedures applied to certain elements or accounts
 - Internal control testing
 - Compliance testing
 - Test of sensitive payments
 - Review of financial statements (less than an audit)



- The 26 executive branch agencies we surveyed are generally independent agencies that have commissions or boards appointed by the President.
- 2 of the 26 surveyed agencies each received more budget authority than the CFO Act agency with the least budget authority for FY 2000 (Nuclear Regulatory Commission - \$465 million).
- 12 of the 26 agencies have had their financial statements audited within the past 5 years (these agencies are subsequently referred to in this briefing as agencies that have had their financial statements audited). For FY 2000, 7 of these audits were conducted under GAGAS, 3 were conducted in accordance with GAAS, and 2 agencies did not have such audits for FY 2000.
- Only the 10 agencies that had their financial statements audited for FY 2000 prepared financial statements for that year. The remaining 16 agencies did not do so.



Have Had FS Audits

- Defense Nuclear Facilities Safety Board¹
- Farm Credit System Insurance Corporation
- Federal Communications Commission
- Federal Housing Finance Board
- Federal Mediation and Conciliation Service
- Federal Trade Commission
- International Trade Commission²
- Office of Navajo and Hopi Indian Relocation
- Railroad Retirement Board
- U.S. Court of Appeals for Veterans Claims³
- U.S. Holocaust Memorial Museum
- U.S. Institute of Peace

Have Not Had FS Audits

- Commodity Futures Trading Commission
- Consumer Product Safety Commission
- Equal Employment Opportunity Commission⁴
- Federal Election Commission
- Federal Labor Relations Authority
- Institute of Museum and Library Services
- Merit Systems Protection Board
- National Archives and Records Administration⁵
- National Endowment for the Arts
- National Endowment for the Humanities
- National Labor Relations Board
- National Transportation Safety Board⁴
- Securities and Exchange Commission
- Selective Service System

¹Defense Nuclear Facilities Safety Board has balance-sheet-only audits every 3 to 5 years, most recently for FY 1997. It did not prepare FY 2000 FS.

²International Trade Commission discontinued audits of its financial statements, effective for FY 1999. It did not prepare FY 2000 FS.

³U.S. Court of Appeals for Veterans Claims' first audit was of its FY 2000 FS.

⁴Equal Employment Opportunity Commission and National Transportation Safety Board have indicated that they plan to have FS audits within the next 5 years.

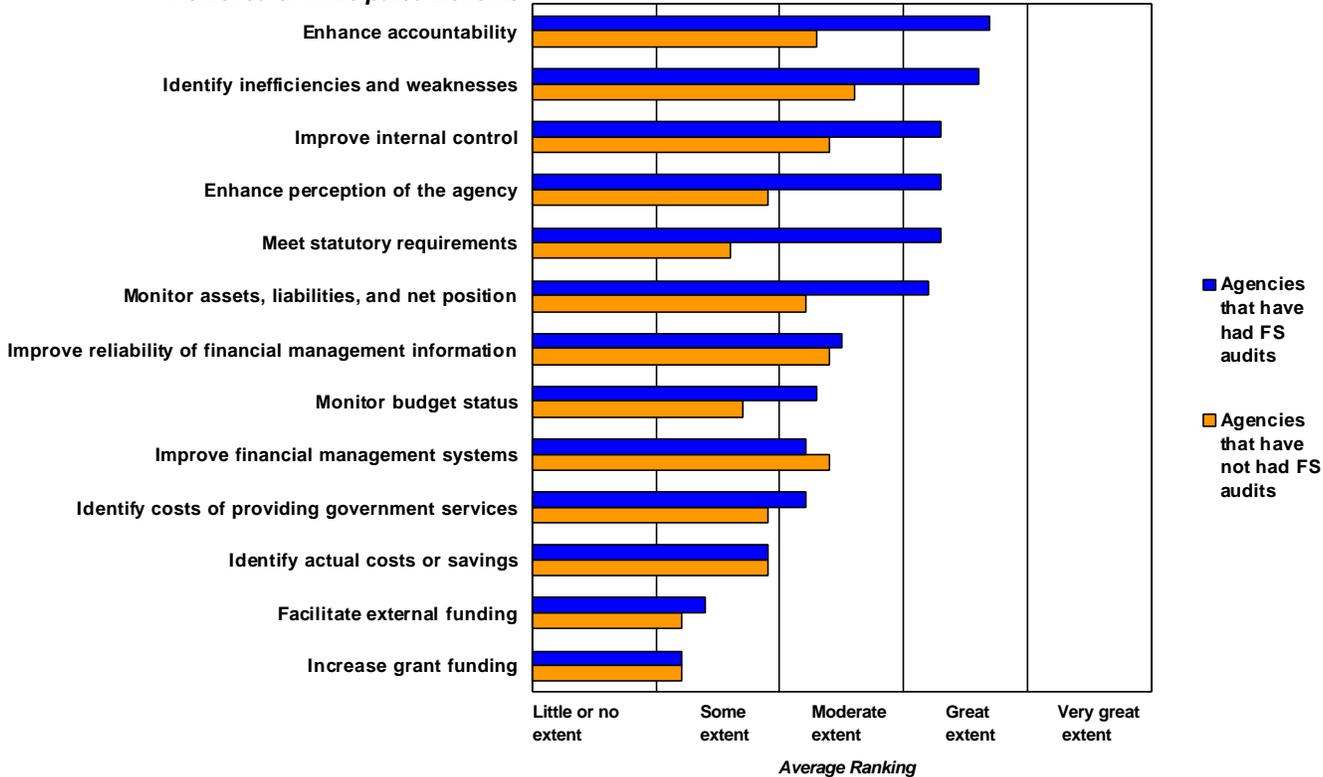
⁵National Archives and Records Administration has annual FS audits of three trust and revolving funds.



Survey Responses - Benefits

Average Ranking by Surveyed Agencies of Extent of Benefits Achieved or Anticipated from FS Audits

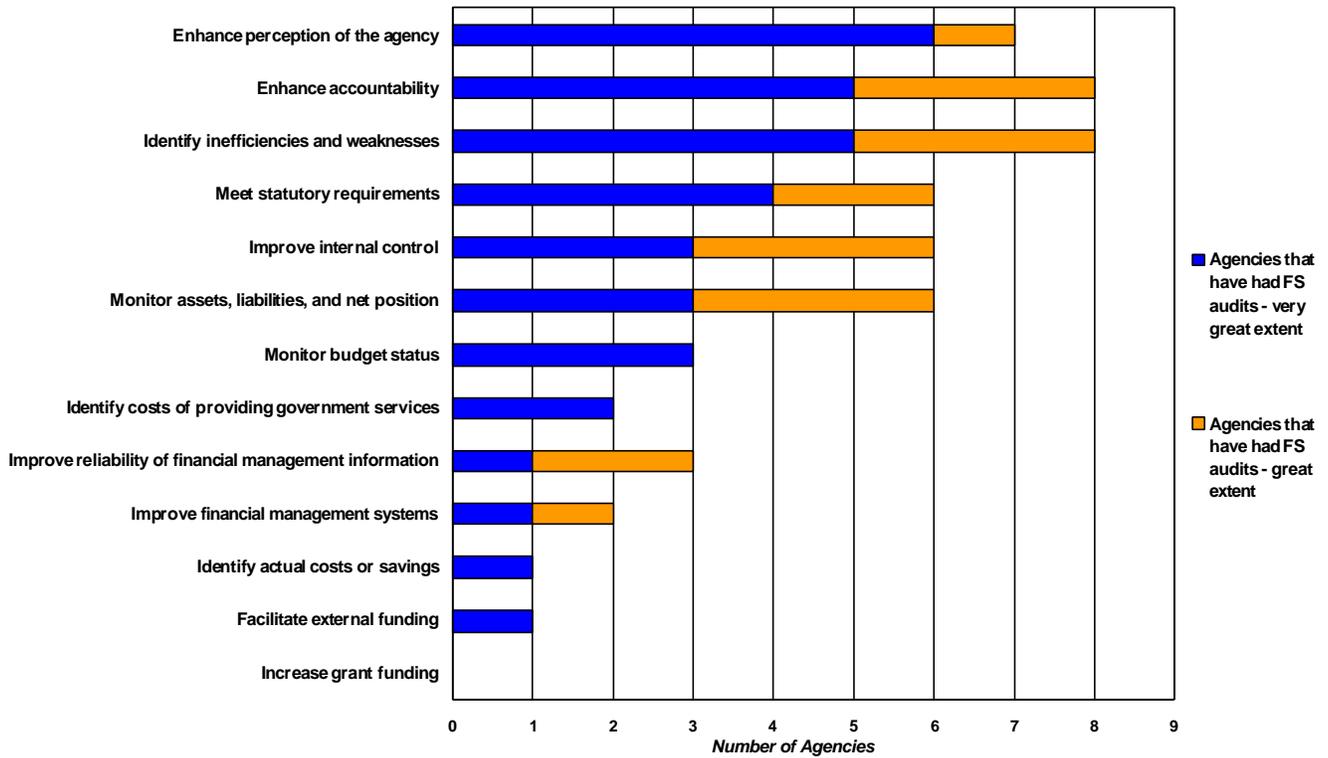
Achieved or Anticipated Benefits





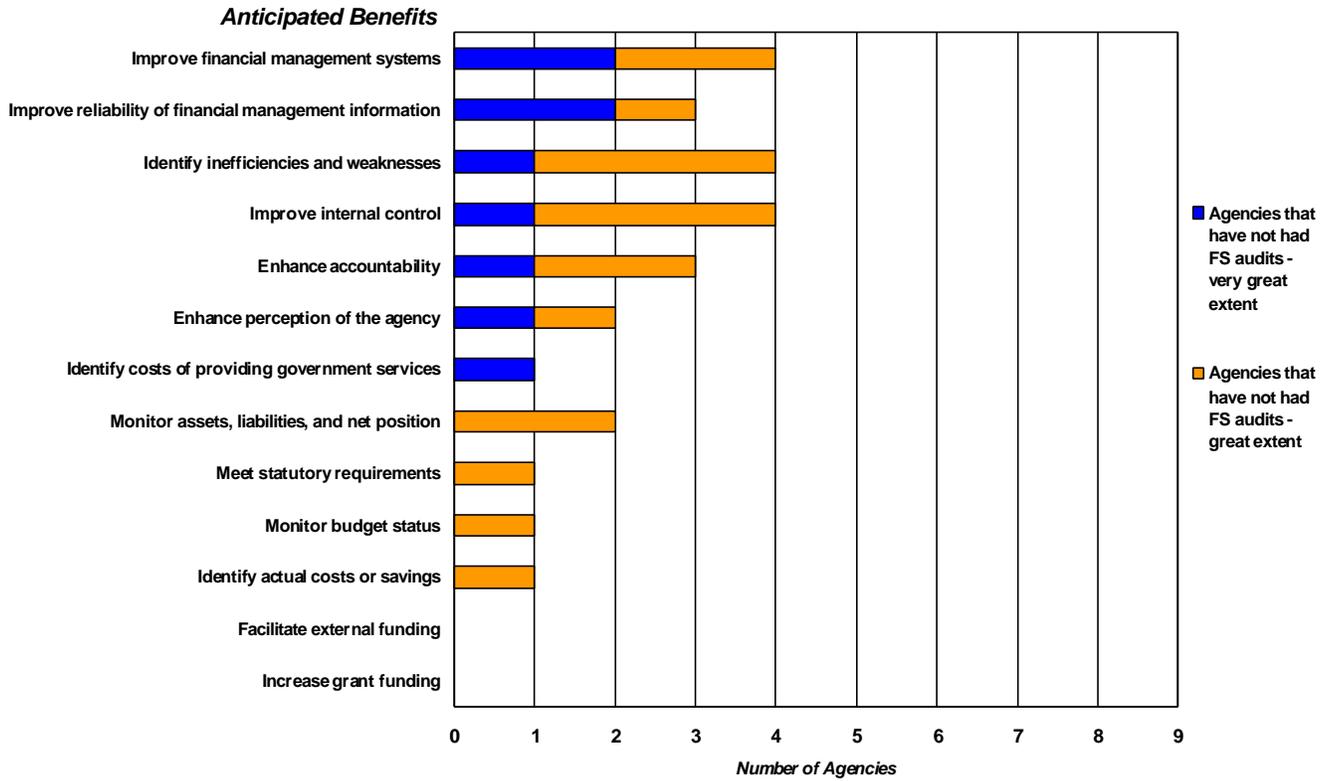
Survey Responses - Benefits
 Number of Agencies That Reported Having Achieved
 FS Audit Benefits to Very Great or Great Extent

Achieved Benefits



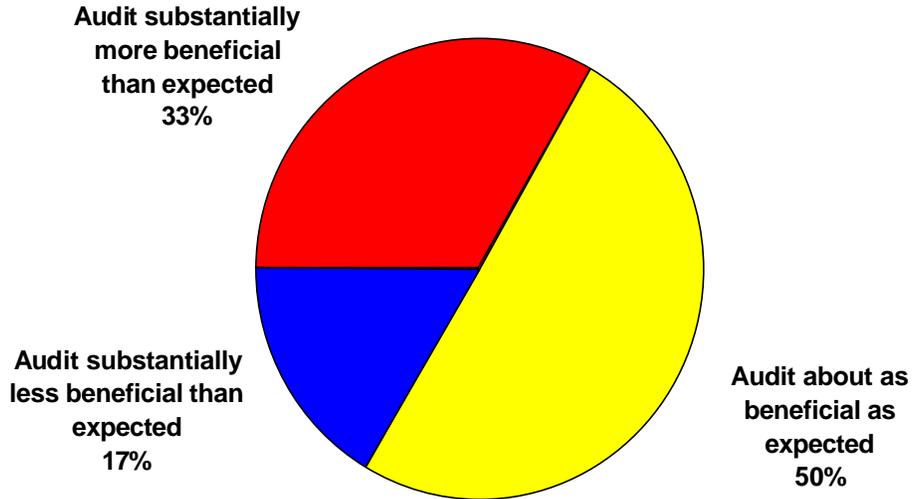


Survey Responses - Benefits
 Number of Agencies That Reported Anticipated FS Audit Benefits to Very Great or Great Extent





Survey Responses - Benefits
Benefits Achieved Versus Expectations
for Surveyed Agencies That Have Had FS Audits

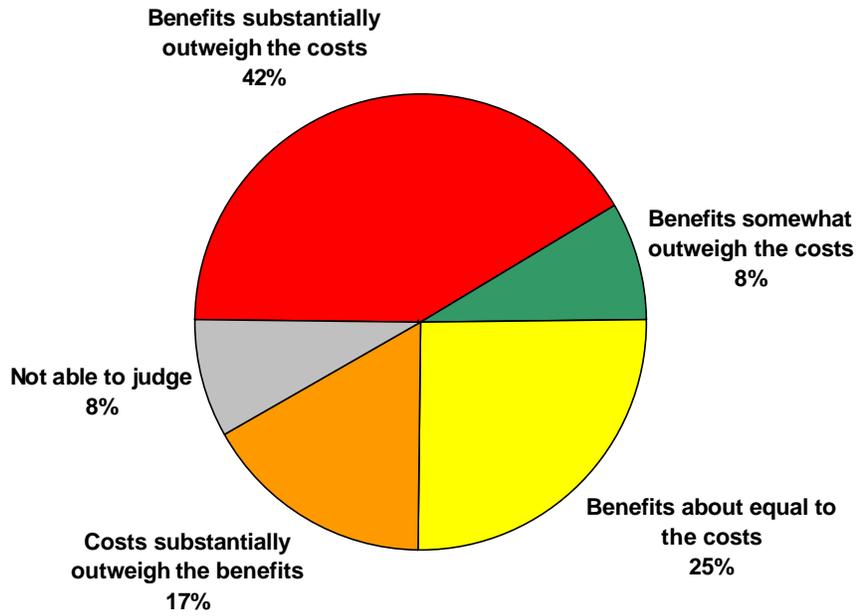


Note: None of the surveyed agencies that have had FS audits responded that the audit was somewhat more beneficial than expected, that it was somewhat less beneficial than expected, or that they were not able to judge.



Survey Responses - Benefits

Benefits Achieved Versus Costs for First Audit
for Surveyed Agencies That Have Had FS Audits

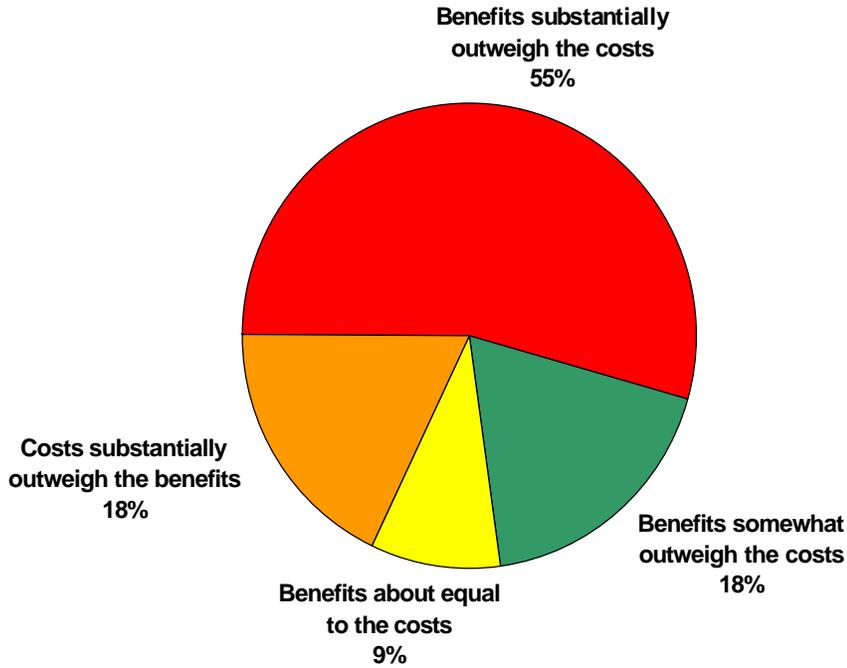


Note: None of the surveyed agencies that have had FS audits responded that the costs somewhat outweigh the benefits.



Survey Responses - Benefits

Benefits Achieved Versus Costs for Subsequent Audits
for Surveyed Agencies That Have Had FS Audits



Note: None of the surveyed agencies that have had FS audits responded that the costs somewhat outweigh the benefits or that they were not able to judge. One of these 12 surveyed agencies is not included in this chart because FY 2000 was the agency's first FS audit.



Survey Responses - Effort
 Reported Level of Effort for Surveyed Agencies That
 Had Their First FS Audit Within the Past 5 Years

Agencies that had their first FS audit within the past 5 years			
Range of budget authority ¹	Number of agencies	Calendar weeks to prepare for first audit	Staff days to prepare for first audit
Less than \$25 million	1	4	50
\$25 million to \$150 million	2	(agency 1) 24	(agency 1) 120
		(agency 2) 52	(agency 2) 180
Greater than \$6 billion	1	26	750

¹Budget authority data was obtained from the FY 2002 President's Budget. None of the surveyed agencies that have had FS audits had FY 2000 budget authority between \$150 million and \$6 billion.



Survey Responses - Effort
 Reported Level of Effort for Surveyed
 Agencies That Have Had FS Audits

Agencies that have had FS audits ¹		Typical number of calendar weeks to prepare financial statements			Typical number of staff days to prepare financial statements		
Range of budget authority ²	Number of agencies	Low	High	Average	Low	High	Average
Less than \$25 million	3	1	4	2.7	5	80	33.3
\$25 million to \$150 million	4	3	6	4.1	17.5	40	29.4
Greater than \$6 billion	2	8	10	9	50	120	85

¹3 of the agencies that have had FS audits did not provide a response.

²Budget authority data was obtained from the FY 2002 President's Budget. None of the surveyed agencies that have had FS audits had FY 2000 budget authority between \$150 million and \$6 billion.



Survey Responses - Effort
 Reported Audit and Related Costs for
 Surveyed Agencies That Had FY 2000 FS Audits

Range of budget authority ¹	Number of agencies that had FY 2000 FS audits ²	Estimated costs of FS audits performed by contractor or Office of Inspector General			Other estimated costs related to FS audits		
		Low	High	Average	Low	High	Average
Less than \$25 million	4	\$11,000	\$54,512	\$29,525	\$0	\$9,300	\$2,325
\$25 million to \$150 million	4	\$26,000	\$100,000	\$54,000	\$0	\$15,000	\$5,750
Greater than \$6 billion	2	\$220,000	\$350,000 ³	\$285,000	\$2,000	\$1,218,000 ³	\$610,000

¹Budget authority data was obtained from the FY 2002 President's Budget. None of the surveyed agencies that have had FS audits had FY 2000 budget authority between \$150 million and \$6 billion.

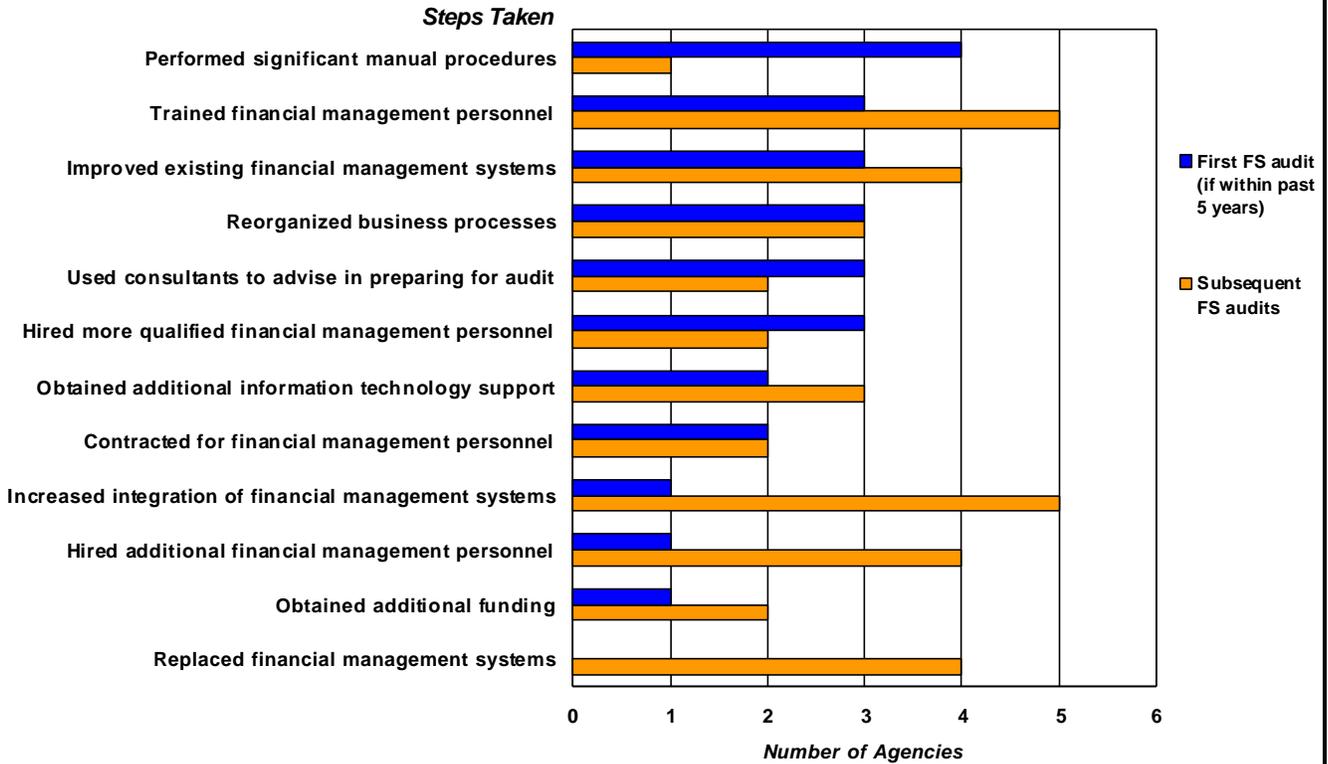
²2 of the 12 surveyed agencies that have had FS audits, International Trade Commission and Defense Nuclear Facilities Safety Board, did not have FS audits for FY 2000.

³The surveyed agency that reported FS audit costs of \$350,000 also reported related costs of \$1,218,000 for consultants to assist the agency in preparing for the FS audit. This agency reported that it took each of the steps described on the following slide during its first or subsequent year audits.



Survey Responses - Effort

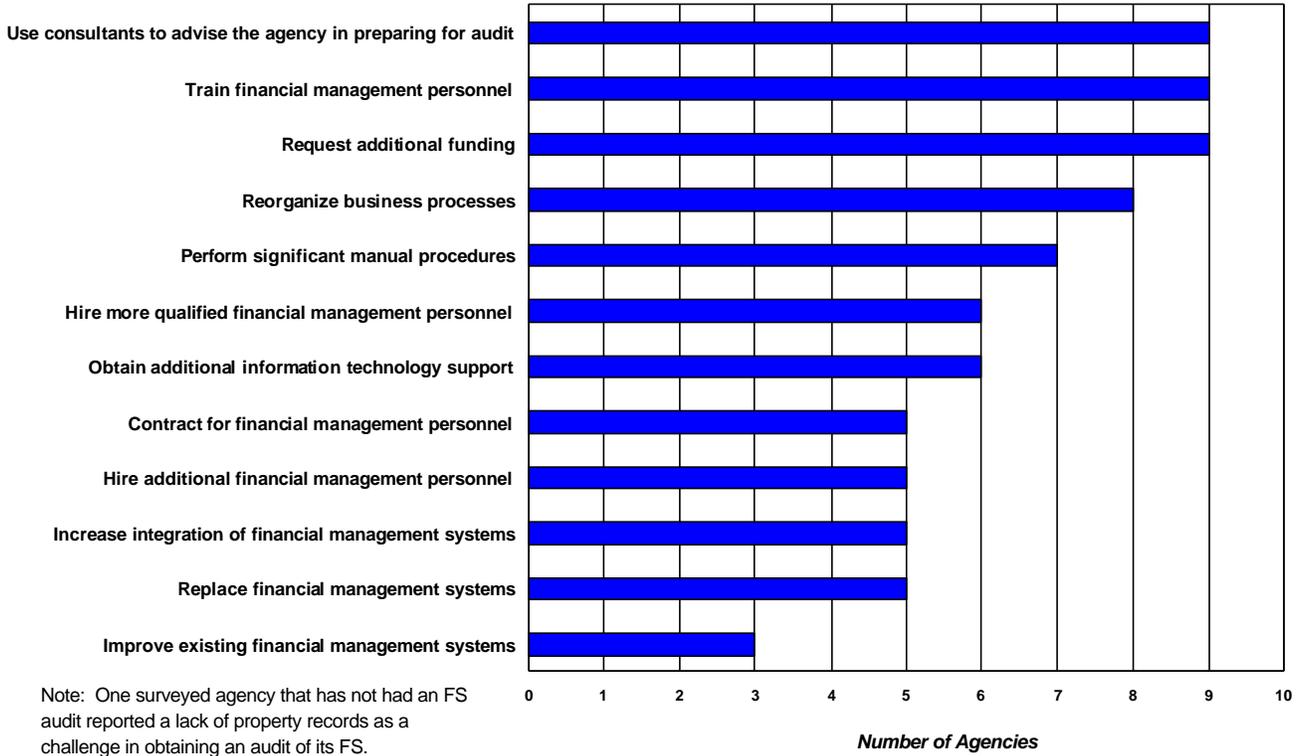
Steps Taken to Prepare for First and Subsequent Audits
by Surveyed Agencies That Have Had FS Audits





Survey Responses - Effort
 Anticipated Steps to Be Taken to Prepare for First Audit
 by Surveyed Agencies That Have Not Had FS Audits

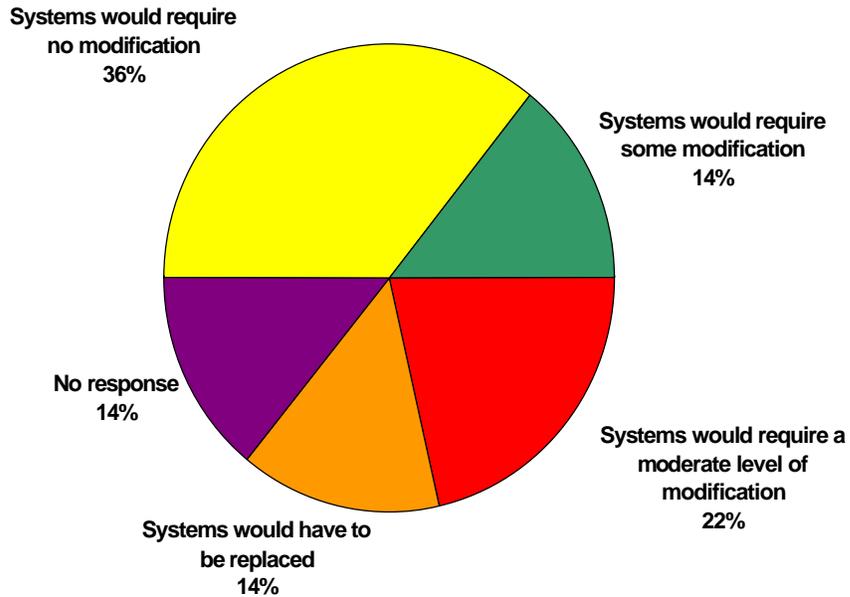
Anticipated Steps





Survey Responses - Effort

Anticipated Systems Modifications to Prepare for First Audit by Surveyed Agencies That Have Not Had FS Audits



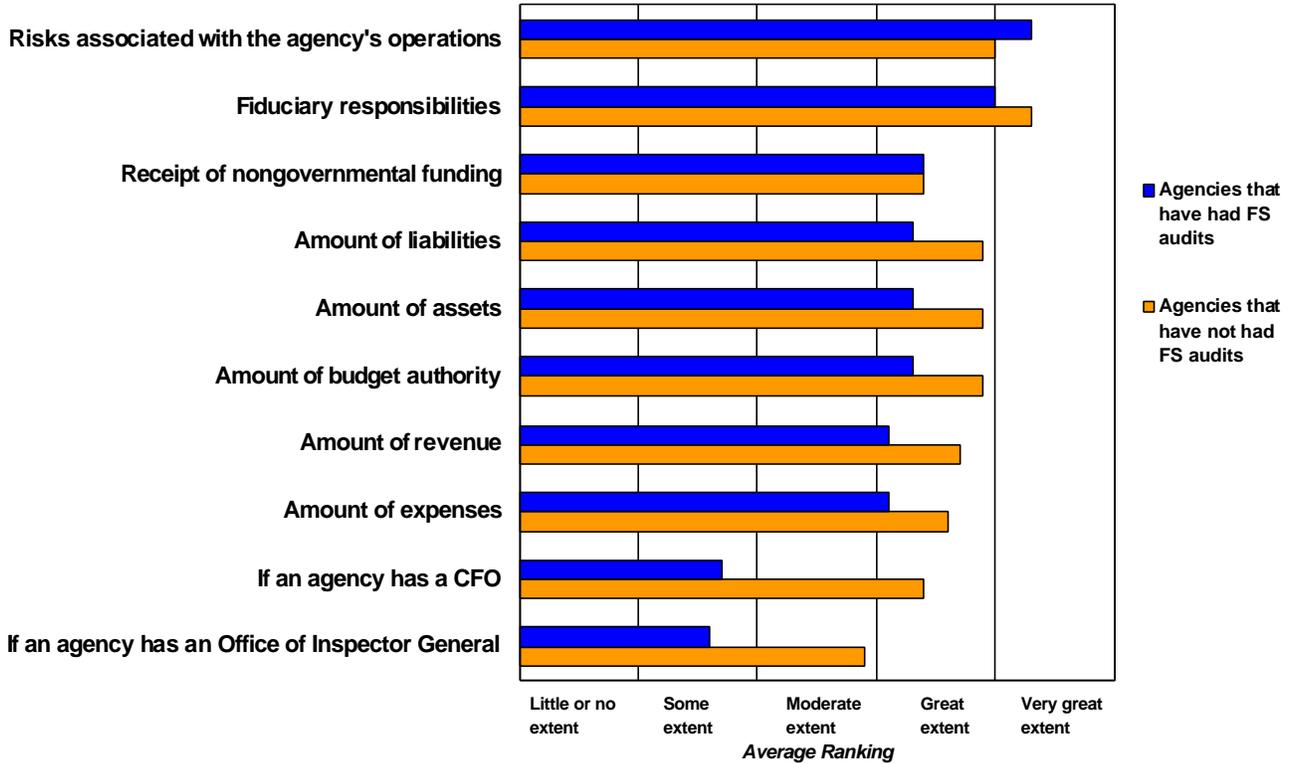
Note: None of the 14 surveyed agencies that have not had FS audits responded that their systems would require significant modifications. All of these agencies responded that they use the services of other agencies or contractors to perform financial management functions.



Survey Responses - Factors

Ranking of Importance by Surveyed Agencies of Factors to Consider in Determining Need for FS Audits

Factors to Consider





Survey Responses - Factors
Examples Provided by Surveyed Agencies of Other
Factors to Consider in Determining Need for FS Audits

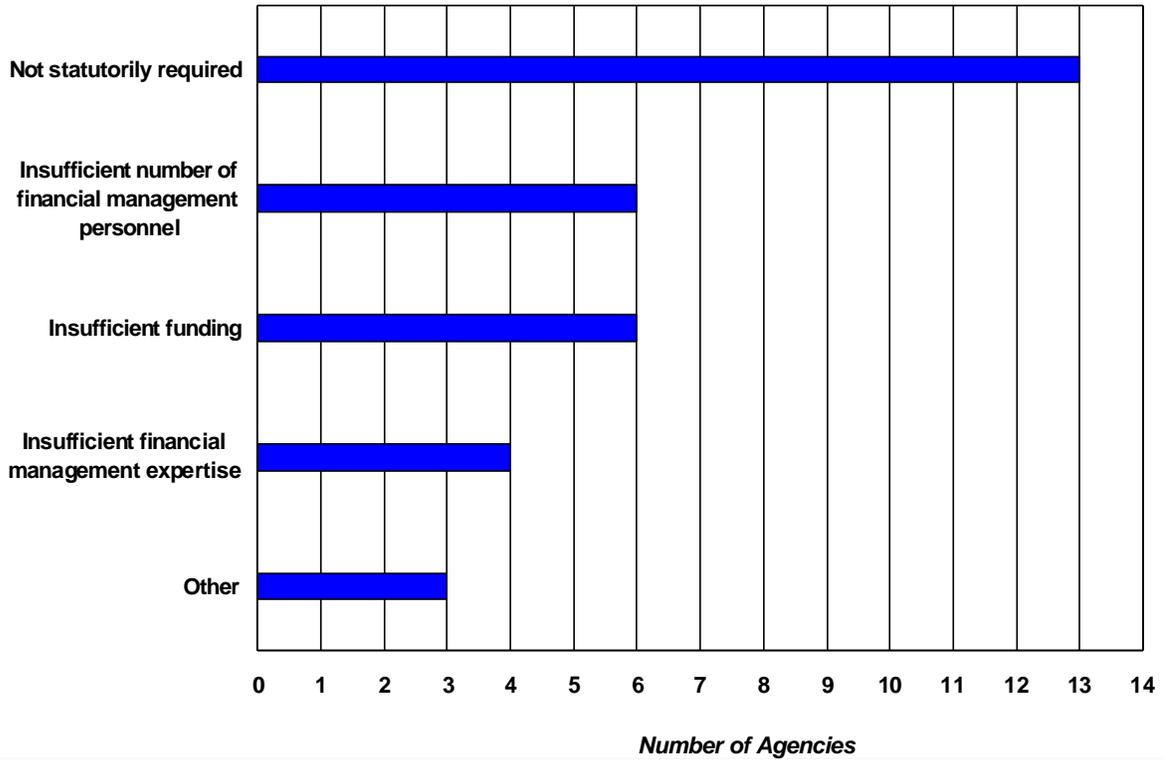
- In addition to the factors listed on slide 27, agencies cited other factors, including the following, that should be considered in determining whether agencies, in general, should prepare and have audited financial statements:
 - Mission of the agency
 - Value that customers would derive from audited financial statements
 - Whether an agency's funding consists primarily of salaries and expense appropriations versus business-type appropriations



Survey Responses - Factors

Reasons for Not Having FS Audits, As Reported by Surveyed Agencies That Have Not Had FS Audits

Reasons Provided





Survey Responses - General Views
General Views of Surveyed Agencies
Regarding Whether Agencies Should Have FS Audits

- 21 of the 26 surveyed agencies responded that agencies, in general, should have their financial statements audited. These agencies consisted of
 - all 12 agencies that have had their financial statements audited and
 - 9 of the 14 agencies that have not had their financial statements audited.

- 5 surveyed agencies responded that agencies, in general, should not have their financial statements audited.
 - These agencies had budget authority ranging from about a quarter of a million dollars to a third of a billion dollars.
 - These agencies reported that the reasons that their particular agencies have not had their financial statements audited were as follows:
 - All 5 agencies reported that such audits were not statutorily required,
 - 4 of the agencies reported that they had insufficient funding, and
 - 3 of the agencies reported that they had an insufficient number of financial management personnel.

Enclosure

Attachment

**FY 2000 Financial Data as Reported by Agencies to Treasury
Agencies That Have Had FS Audits**

Agency	Budget authority ¹	Percent	Total Assets	Percent	Total Liabilities	Percent	Total Revenue	Percent	Total Expenses	Percent
Railroad Retirement Board	\$9,183	56	\$22,703.1	57	\$3,977.6	29	\$9,330.2	54	\$8,678.5	47
Federal Communications Commission	6,795	42	15,360.8	38	9,306.0	68	7,580.9	44	9,408.3	51
Federal Trade Commission	126	1	227.3	1	218.4	2	126.8	1	143.7	1
Farm Credit System Insurance Corporation	83	1	1,601.7	4	167.9	1	101.4	1	12.7	0
International Trade Commission	44	0	6.7	0	5.4	0	46.0	0	46.3	0
Federal Mediation and Conciliation Service	39	0	10.2	0	6.9	0	41.2	0	40.6	0
U.S. Holocaust Memorial Museum	33	0	0.9	0	0.2	0	2.6	0	2.7	0
Federal Housing Finance Board ²	19	0	6.6	0	3.8	0	19.1	0	18.9	0
Defense Nuclear Facilities Safety Board	17	0	10.2	0	2.8	0	0.0	0	17.4	0
U.S. Institute of Peace	13	0	0.8	0	0.7	0	0.0	0	12.9	0
U.S. Court of Appeals for Veterans Claims	11	0	10.4	0	2.5	0	11.5	0	11.4	0
Office of Navajo and Hopi Indian Relocation	8	0	11.0	0	2.0	0	14.1	0	14.1	0
Total	\$16,371	100	\$39,949.7	100	\$13,694.2	100	\$17,273.8	100	\$18,407.5	100

¹ FY 2000 budget authority data was obtained from the FY 2002 President's Budget.

² The amounts reported for Federal Housing Finance Board are from their audited financial statements and not from data reported to Treasury.

Note: All dollar amounts are in millions. The individual percentages do not total to 100 percent due to rounding. The percentages less than one are portrayed as zero in this chart.

Enclosure

FY 2000 Financial Data as Reported by Agencies to Treasury
Agencies That Have Not Had FS Audits

Agency	Budget authority ¹	Percent	Total Assets	Percent	Total Liabilities	Percent	Total Revenue	Percent	Total Expenses	Percent
Securities and Exchange Commission	\$382	20	\$2,790.0	71	\$123.3	15	\$3,638.7	74	\$363.9	20
National Archives and Records Administration	323	17	252.8	6	345.4	42	280.6	6	311.5	17
Equal Employment Opportunity Commission	282	15	42.1	1	17.7	2	65.9	1	67.6	4
National Labor Relations Board	205	11	47.7	1	49.8	6	8.8	0	213.4	11
Institute of Museum and Library Services	190	10	225.5	6	0.3	0	187.0	4	187.2	10
National Endowment for the Humanities	118	6	99.8	3	1.7	0	116.3	2	116.0	6
National Endowment for the Arts	102	5	106.4	3	2.8	0	111.1	2	108.5	6
National Transportation Safety Board	82	4	34.0	1	4.7	1	____ ²	____ ²	____ ²	____ ²
Commodity Futures Trading Commission	63	3	261.2	7	251.6	30	312.6	6	310.9	17
Consumer Product Safety Commission	52	3	19.1	0	14.9	2	57.0	1	58.1	3
Federal Election Commission	38	2	11.5	0	3.4	0	41.1	1	41.5	2
Merit System Protection Board	29	2	7.3	0	4.2	1	31.1	1	31.1	2
Federal Labor Relations Authority	24	1	4.0	0	4.2	1	23.9	0	24.2	1
Selective Service System	24	1	15.5	0	3.8	0	21.2	0	22.5	1
Total	\$1,914	100	\$3,916.9	100	\$827.8	100	\$4,895.3	100	\$1,856.4	100

¹ FY 2000 budget authority data was obtained from the FY 2002 President's Budget.

² National Transportation Safety Board did not report data for revenue and expenses to Treasury.

Note: All dollar amounts are in millions. The individual percentages do not total to 100 percent due to rounding. The percentages less than one are portrayed as zero in this chart.

Enclosure

Agency Baseline Information as Reported
by Agencies That Have Had FS Audits

Agency	Agency Functions														
	FY 2000 budget authority (in millions)		FY 2000 total full time equivalents		Number of offices	CFO or equivalent?	Statutory Office of Inspector General?	Audit in accordance with GAGAS or GAAS?	Buy/lease real estate	Provide insurance	Make loans or loan guarantees	Assess fines and penalties	Provide services for a fee	Maintain retail operations	Other fiduciary/custodial functions
Railroad Retirement Board	\$9,183	1,154	60	Yes	Yes	GAGAS		X			X	X			X
Federal Communications Commission	6,795	1,950	4	Yes	Yes	GAGAS	X		X		X	X			X
Federal Trade Commission	126	1,007	9	Yes	Yes	GAGAS					X	X			X
Farm Credit System Insurance Corporation	83	10	1	Yes	No	GAGAS		X			X				
International Trade Commission	44	354	1	Yes	Yes	GAGAS ¹	X				X	X			
Federal Mediation and Conciliation Service	39	288	71	Yes	No	GAGAS			X		X				
U.S. Holocaust Memorial Museum	33	458	5	Yes	No	GAAS							X		X
Federal Housing Finance Board	19	107	1	Yes	Yes	GAGAS					X				
Defense Nuclear Facilities Safety Board	17	96	7	Yes	No	GAAS ²									
U.S. Institute of Peace	13	65	1	No	No	GAAS				X					
U.S. Court of Appeals for Veterans Claims	11	88	1	Yes	No	GAGAS				X		X			X
Office of Navajo and Hopi Indian Relocation	8	60	3	Yes	No	GAAS									
Total	\$16,371	5,637	164												
Average	\$1,364	470	14												

¹International Trade Commission discontinued audits of its financial statements, effective for FY 1999. It did not prepare FY 2000 FS.

²Defense Nuclear Facilities Safety Board has balance sheet only audits every 3 to 5 years, most recently for FY 1997. It did not prepare FY 2000 FS.

Note: FY 2000 budget authority data was obtained from the FY 2002 President's Budget.

Enclosure

**Agency Baseline Information as Reported
by Agencies That Have Not Had FS Audits**

Agency	Agency Functions												
	FY 2000 budget authority (in millions)	FY 2000 total full time equivalents	Number of offices	CFO or equivalent?	Statutory Office of Inspector General?	FY 2000 FS prepared?	Buy/lease real estate	Provide insurance	Make loans or loan guarantees	Assess fines and penalties	Provide services for a fee	Maintain retail operations	Other fiduciary/custodial functions
Securities and Exchange Commission	\$382	3,037	14	No	Yes	No	X			X	X		
National Archives and Records Administration	323	2,362	28	Yes	Yes	No	X		X		X	X	
Equal Employment Opportunity Commission	282	2,924	52	Yes	Yes	No					X		X
National Labor Relations Board	205	1,976	52	Yes	Yes	No							X
Institute of Museum and Library Services	190	45	1	Yes	No ¹	No			X				
National Endowment for the Humanities	118	170	1	Yes	Yes	No			X		X		
National Endowment for the Arts	102	155	1	Yes	Yes	No			X				X
National Transportation Safety Board	82	425	11	Yes	No ¹	No					X		
Commodity Futures Trading Commission	63	546	6	Yes	Yes	No	X			X	X		
Consumer Product Safety Commission	52	480	43	Yes	Yes	No				X	X		
Federal Election Commission	38	357	2	Yes	Yes	No				X			
Merit Systems Protection Board	29	234	11	Yes	No ²	No							
Federal Labor Relations Authority	24	198	8	Yes	Yes	No					X		
Selective Service System	24	165	5	Yes	No ¹	No							
Total	\$1,914	13,074	235										
Average	\$137	934	17										

¹ Institute of Museum and Library Services, National Transportation Safety Board, and Selective Service System use the services of another agency's Office of Inspector General.

² Merit Systems Protection Board's General Counsel acts as its Inspector General for investigating fraud, waste, and abuse. The agency also uses the services of another agency's Office of Inspector General.

Note: FY 2000 budget authority data was obtained from the FY 2002 President's Budget.

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