



# United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, D.C. 20240

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Financial Statement Guidance Memorandum 98-01

To: Bureau Chief Financial Officers

From: R. Schuyler Leshner *R. Schuyler Leshner*  
Deputy Chief Financial Officer

Subject: Annual Reporting Due Dates

The Department has made great progress in improving financial management data. As of fiscal year 1997, the Department and all but one bureau have received unqualified opinions on their financial statements. However, in fiscal year 1997, the Department as a whole and many of the bureaus were not able to meet the statutory due dates for completion of the annual reports.

For fiscal year 1998, the Department has committed to completing all audits by February 1, 1999. In addition, the Department has also made a commitment to Congress that the Consolidated audit will be completed by that date. Completion of all bureau level audit work in December 1998 is critical to the completion of the Department's consolidated financial statements audit in accordance with the February 1 goal. Accordingly, the OIG has established a blanket goal of Friday, December 18 to complete all bureau audit field work. "Completion of Field Work" includes OIG sign off on the entire bureau Annual Report (financial and non-financial portions), as well as sign-off on the trial balances to be used for consolidated Departmental financial reporting and submission of FACTS data to Treasury, and sign off of footnote data for the Department financial statements and for the FACTS submission. The bureau will have a short period of time after this date (approximately 2 to 3 weeks) for completion of the "camera-ready" version of the report, however, the content should not change after audit sign-off. However, all FACTS data, including footnote data, should be

A copy of the major financial statement preparation milestones is attached. John Berry has asked the Office of Financial Management (PFM) to develop a process for tracking the progress and status of each bureau audit to ensure that all financial statement audits are completed in accordance with established time frames. PFM will develop a short E-mail-based format for monthly status reports from the bureau regarding the audit plan. Any matters that may prevent the bureau from completing the audited financial report on a timely basis, or that may cause the bureau to receive a qualified opinion on the report should be communicated to PFM as soon as possible.

Please contact Ms. Carey at 202-208-5542 if you have any questions. Thank you for your assistance.

Attachment

cc: Bureau Deputy Chief Financial Officers  
Bureau Finance Officers  
FSGT

## Summary of Major Due Dates and Milestones

1. **Pre-Close Trial Balance -**
  - a. Objective: Data is Entered into Data Base and Certified by Bureau by 11/13/98
  - b. Interim Dates for Bureaus without Direct Access to Data Base
    - i. Transmit preclose Trial Balance in prescribed format to PFM 10/30/98.
    - ii. PFM will load data into data base. Files with errors will be returned to bureaus for immediate correction.
    - iii. PFM will transmit fund level Trial Balance data to bureaus on 11/10 for confirmation.
    - iv. Bureaus will reconcile and certify Consolidated data base by 11/13/98 (Note Weds. 11/11 is a holiday).
  - c. Definition of Pre-Close Trial Balance
    - i. All identified year-end entries have been posted to the Financial System
    - ii. Entries to zero out revenue, expense and certain budget accounts have not been posted
    - iii. This is the same data communicated to the OIG
2. **Adjustments to the Pre-close Trial Balance - 10/98 thru 12/98**
  - a. Agreed to by bureau and OIG
  - b. Communicated to PFM by input into data base, or weekly E-mail with adjustments or certification that none were identified
3. **Audit Sign Off on Final Trial Balance and End of Field Work- 12/18/98**
  - a. Objective: Bureau and OIG concur that the data in the consolidated data base is:
    - i. Final and complete
    - ii. Includes all necessary adjustments
    - iii. Matches that used for preparation of bureau level financial statements
  - b. Interim Dates for Bureaus without Direct Access to Data Base
    - i. Identify and communicate all adjustments to PFM by 12/9/98. Audit work must be complete at this point
    - ii. PFM will finalize data base and transmit fund level Trial Balance data to bureaus for certification by 12/15/98
    - iii. Bureau and OIG certify that the consolidated Data Base is correct and complete by 12/18/98
  - c. Specific Requirements for 12/18/98
    - i. Trial Balance data in the Consolidated Data Base is complete, and all necessary adjustments have been posted
    - ii. FACTS Footnote data is complete
    - iii. Department Footnote data is complete
    - iv. The Bureau and OIG concur that the data is final and complete
4. **Bureau Audit Opinions Issued by OIG 1/1/99 to 2/1/99**
  - a. Bureau audit opinion cannot be issued until review of bureau data at consolidated level is complete
  - b. Bureau must have completed camera-ready report