



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

FOR IMMEDIATE RELEASE
December 2, 2004

2004-17

Majority of Federal Agencies Receive Clean Audits on Accelerated Financial Statements

17 of the record 22 Federal agencies that completed their Performance and Accountability Reports just 45 days after the end of the 2004 fiscal year have received unqualified audit opinions on their FY 2004 financial statements, maintaining the high performance levels of previous years while accelerating their financial reporting dramatically.

“A significant milestone has been achieved in Federal financial management. Major Federal agencies were able to maintain a comparable number of unqualified audit opinions to the prior year while accelerating their reporting (after accounting for prior year revisions). This continues progress made to ensure that the Federal Government is accounting for the taxpayers’ money in a timely and accurate manner,” said Linda Springer, Controller for OMB’s Office of Federal Financial Management.

Of the 24 major Federal agencies, one agency—the Small Business Administration (SBA)—received a qualified opinion, five agencies—the Departments of Defense, Homeland Security, Housing and Urban Development, Justice and the National Aeronautics and Space Administration—received disclaimers and one agency—the Department of Health and Human Services—has not yet issued an audit report. Increased audit work surfaced issues at several agencies not receiving an unqualified opinion that could not be resolved in time to meet the accelerated reporting deadline.

Noteworthy progress was made at SBA whose audit opinion improved from a disclaimer to a qualified opinion in fiscal year 2004. The improvements made by SBA over the past year have positioned it well for receiving an unqualified opinion in the future.

For more information please contact OMB Communications at 202-395-7254 or visit <http://www.whitehouse.gov/omb/financial/2004AuditOpinionsDec1draft.pdf> for a listing of audit opinions for all CFO Act agencies.

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