

December 21, 2001

MEMORANDUM FOR CHIEF FINANCIAL OFFICERS AND INSPECTOR GENERALS

FROM: Mark W. Everson /s/  
Controller

SUBJECT: Future External Reporting Changes

A basic tenet of the *President's Management Agenda* calls for improving financial performance by providing timely, reliable, and useful information. As we have already discussed in CFO Council and individual agency meetings with OMB, towards this end OMB will significantly accelerate financial reporting due dates in the future as well as require additional disclosures to facilitate the preparation and audit of the *Financial Report of the United States Government*. We recognize that accelerating due dates in the future will require reengineered processes. That is why OMB is providing three years advance notice of these due dates.

OMB will amend OMB Bulletin No. 01-09, *Form and Content of Agency Financial Statements*, to accelerate year-end and quarterly reporting for CFO Act agencies and the Federal Government as well as to require additional disclosures in agency financial statements to support the Financial Report of the United States Government. As the Department of the Treasury moves closer to using agency audited financial statements to prepare the *Financial Report of the United States Government*, these disclosures will serve as building blocks for compiling future reports.

Beginning with the fiscal year ending September 30, 2004, performance and accountability reports will be due to the President, OMB, and the Congress by November 15, 2004. The U.S. Treasury will be required to issue the *Financial Report of the United States Government* to the President and the Congress by December 15. In addition, beginning with the quarter ending March 31, 2004, agencies should prepare and submit to OMB its quarterly unaudited financial statements 21 days after the end of each quarter.

We will provide further guidance in a future amendment to OMB's Form and Content Bulletin to assist in implementing these changes. We appreciate your efforts to meet the new due dates and reporting requirements.

In addition, I have attached a summary schedule of the 2001 reporting dates. Your timely actions are essential to ensure that your agency's 2001 financial statements are issued by **February 27, 2002**, and the *Financial Report of the United States Government* is issued by the statutory due date of March 29, 2002.

Attachment

**Key Due Dates for FY 2001 Reporting and Audit Cycle**  
**Agency Financial Statements and *Financial Report of the U.S. Government***

<b>Key Due Date</b>	<b>Requirement</b>	<b>Recipients<sup>1</sup></b>	<b>Source of Requirement<sup>2</sup></b>
12/31/01	General Counsel's interim legal representation letters to IG and CFO's Management Schedule of disposition of legal responses for financial reporting purposes	GAO <sup>3</sup> , Treasury, and DOJ <sup>4</sup>	Audit Bulletin <sup>5</sup>
12/31/01	Agency heads FMFIA reports for agencies not issuing accountability reports	President and OMB <sup>6</sup>	FMFIA
02/01/02	CFOs preliminary FACTS I data (ATB and NOTES)	Treasury	TFM, Vol. 1, Part 2, Ch. 4000
02/01/02	CFOs preliminary Representations for Intragovernmental Activity and Balances	Agency IG, Treasury, and GAO	TFM, Vol. 1, Part 2, Ch. 4000
02/13/02	CFOs <b>draft</b> financial reports	OMB RMO	Form and Content
02/22/02	CFOs final FACTS I adjustment data (ATB and Notes)	Treasury	TFM, Vol.1, Part 2, Ch. 4000
02/27/02	Agency head's final financial reports	President, OMB, and the Congress	Form and Content
03/01/02	CFOs final FACTS I Account Groupings Worksheet	Agency IG, Treasury, and GAO	TFM, Vol. 1, Part 2, Ch. 4000
03/01/02	CFOs final Representations for Intragovernmental Activity and Balances	Agency IG, Treasury, and GAO	TFM, Vol.1, Part 2, Ch. 4000
03/04/02	IGs FACTS I Agreed-upon Procedures Report	Treasury, GAO and Agency CFO	TFM, Vol.1, Part 2, Ch. 4000
03/04/02	IGs final Reports on CFO Representations for Intragovernmental Activity and Balances	Treasury and GAO	TFM, Vol. 1, Part 2, Ch. 4000
03/04/02	IGs Representation Letter on independence and related matters	GAO	GAGAS
03/06/02	General Counsel's final legal representation letter <sup>7</sup> and CFO's Management Schedule of disposition of legal responses for financial reporting purposes	DOJ, Treasury, and GAO	Audit Bulletin
03/06/02	CFOs copy of their management representation letter <sup>8</sup>	OMB, Treasury, and GAO	Form and Content
03/20/02	Justice Consolidated final legal representation letter	Treasury and GAO	GAGAS
03/29/02	Secretary of the Treasury's <i>Financial Report of the United States Government</i>	President and the Congress	GMRA

## ENDNOTES:

1. The requested information may be delivered to the mailing addresses listed below. The required documents must be received by the recipients no later than the due dates indicated, or the following business day if the due date falls on a weekend or Federal holiday. Agencies should hand-carry, fax, or e-mail the information if it would not be in-hand on the due dates through normal mailing routes.

Department of Justice  
Attn: Michele Miller  
950 Pennsylvania Avenue, NW  
Civil Division, Room 3140  
Washington, DC 20503  
E-mail: [michele.miller@usdoj.gov](mailto:michele.miller@usdoj.gov)

Department of the Treasury  
Attn: Director, Financial Reports Division  
Financial Management Service, Room 509B  
3700 East-West Highway  
Hyattsville, MD 20782  
Telephone: (202) 874-9910  
Fax: (202) 874-9907  
E-mail: [financial.reports@fms.treas.gov](mailto:financial.reports@fms.treas.gov)

Office of Management and Budget  
Office of Federal Financial Management  
Attn: Kim Geier/Ginger Moench  
New Executive Office Building, Room 6025  
725 17th Street, NW  
Washington, DC 20503  
Telephone: (202) 395-3993  
Fax: (202) 395-3952  
E-mail: [kgeier@omb.eop.gov](mailto:kgeier@omb.eop.gov)  
[gmoench@omb.eop.gov](mailto:gmoench@omb.eop.gov)

U.S. General Accounting Office  
Attn: Cherry Clipper  
441 G Street, NW, Room 5970  
Washington, DC 20548  
Telephone: (202) 512-8232  
Fax: (202) 512-9193 or 512-5337  
E-mail: [engelg@gao.gov](mailto:engelg@gao.gov)  
E-mail: [clipperc@gao.gov](mailto:clipperc@gao.gov)

## 2. Source Documents:

Audit Bulletin: OMB Bulletin No. 01-02, *Audit Requirements for Federal Financial Statements* at <http://www.whitehouse.gov/omb/bulletins/b01-02.pdf>

Form and Content: OMB Bulletin No. 01-09, *Form and Content of Agency Financial Statements* at <http://www.whitehouse.gov/omb/bulletins/b01-09.html>

TFM: Treasury Financial Manual, Volume I, Part 2-- Chapter 4000 at <http://www.fms.treas.gov/tfm/vol1/v1p2c400.html>

FMFIA: Federal Manager's Financial Integrity Act of 1982 (P.L. 97-255)

GMRA: Government Management Reform Act of 1994 (P.L. 103-356)

GAGAS: Generally Accepted Government Auditing Standards

3. Since GAO mail is detained due to recent events, please fax a copy of all documents to be received by GAO to 202/512-9193 or 202/512-5337 and hand deliver or courier the originals to the above address. Please be sure to call Cherry Clipper at 202/512-8232 to ensure she will be available to personally receive the original documents as they will not be accepted by GAO's front desk.

4. This year, OMB's copies of all interim and final Legal Representation Letters should be sent directly to DOJ.

5. DOJ has also provided additional guidance at <http://www.usdoj.gov/civil/forms/legalrepinstructions.htm>.

6. Because OMB is still not receiving external mail, please call Ginger Moench at 202-395-3995 or Kim Geier at 202-395-6905 to make delivery arrangements.

7. Cases that have not changed from the interim letter do not have to be individually listed again.

8. SAS 89, *Audit Adjustments*, effective for FY 2001 audits, requires a new management representation regarding the materiality of uncorrected financial statement misstatements aggregated by the auditor. A list of any uncorrected misstatements should be attached to the management representation letter.