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Accountability \* Integrity \* Reliability

United States Government Accountability Office  
Washington, DC 20548

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September 30, 2005

Congressional Requesters

Subject: *Financial Audits: The Vast Majority of Executive Branch Entities Included in the Federal Budget Are Statutorily Required to Have Their Financial Statements Audited*

The Chief Financial Officers Act of 1990 (CFO Act),<sup>1</sup> as expanded by the Government Management Reform Act of 1994,<sup>2</sup> requires 24 major executive branch departments and agencies to prepare annual financial statements and have them audited. The Accountability of Tax Dollars Act of 2002 (ATD Act) extended this requirement to most executive agencies not explicitly subject to the CFO Act, unless they received a waiver or exemption from the Director of the Office of Management and Budget (the Director).<sup>3</sup> Further, chapter 91 of title 31 of the United States Code, commonly referred to as the Government Corporation Control Act, and certain federal agencies' enabling legislation also require annual financial statement audits.

Given the importance of timely, reliable, and useful financial information in assessing the overall financial management of the government, you asked us to identify executive branch entities that are not subject to the requirements of preparing annual financial statements and having them audited. In addition, you were interested in knowing certain budget information related to executive branch entities covered by the ATD Act that had received an exemption or waiver from the Director for fiscal years 2003 and 2004. This report summarizes the information provided during our June 27, 2005, briefing to your staff. The enclosed briefing slides and table highlight the results of our work and the information provided at the briefing.

Based on your request letters and subsequent discussions with your staff, our objectives were to determine (1) which executive branch entities had received an exemption or waiver from the Director for preparing fiscal years 2003 and 2004 financial statements and having them audited in accordance with the ATD Act, (2) the amount of net budget authority and net outlays for these entities, and (3) which executive branch entities other than those subject to the CFO Act, ATD Act, Government Corporation Control Act, and enabling legislation do not annually prepare financial statements and have them audited. Such other entities include

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<sup>1</sup>Pub. L. No. 101-576, 104 Stat. 2838 (Nov. 15, 1990).

<sup>2</sup>Pub. L. No. 103-356, 108 Stat. 3410 (Oct. 13, 1994).

<sup>3</sup>Pub. L. No. 107-289, 116 Stat. 2049 (Nov. 7, 2002); see 31 U.S.C. § 3515.

temporary commissions, task forces, advisory boards, and other special purpose entities.

When performing our work, we (1) made inquiries to personnel from various federal agencies, including the Office of Management and Budget (OMB) and the General Services Administration (GSA),<sup>4</sup> as well as personnel from selected ATD Act agencies and federal commissions not currently required to prepare financial statements and have them audited; (2) reviewed the CFO Act, the ATD Act, the Government Corporation Control Act, and enabling legislation requiring certain federal entities to prepare financial statements annually and have them audited; (3) obtained and analyzed the OMB letters that notified the required congressional committees of the names of the executive branch agencies for which the Director granted waivers or exemptions from having to prepare financial statements and having them audited for fiscal years 2003 and 2004; and (4) obtained and summarized certain net budget authority and net outlays reported in the *Budget of the United States Government, Fiscal Years 2006 and 2005 Appendices* (federal budget). We requested comments on a draft of this report from the Chief of the Financial Standards and Grants Branch at OMB and a Committee Management Specialist at GSA. We performed our work from January 2005 through June 2005 in accordance with U.S. generally accepted government auditing standards.

In summary, we determined that almost 94 percent of the executive branch entities included in the federal budget are statutorily required to have their financial statements audited. Looking at the federal government as a whole, we determined that about 83 percent of federal entities (including the legislative and judicial branches) included in the federal budget are statutorily required to have their financial statements audited.<sup>5</sup> To put this in perspective to federal spending, in fiscal year 2004, federal entities' reported net outlays<sup>6</sup> totaled about \$2.797 trillion, of which approximately \$2.784 trillion, or about 99.5 percent, was related to federal entities whose fiscal year 2004 financial statements were subjected to audit.<sup>7</sup>

The ATD Act provided the Director with the authority to waive entities from having to prepare financial statements and having them audited for fiscal years 2002 and 2003, the initial phase in period of the act.<sup>8</sup> In addition, beginning with fiscal year 2002, the Director could exempt an ATD Act agency if the total budget authority of the agency for the fiscal year does not exceed \$25 million and if the Director determines that requiring annual audited financial statements for the agency with respect to the fiscal year is not warranted due to the absence of risks associated with the agency's operations, the agency's demonstrated performance, or other factors

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<sup>4</sup>GSA is responsible for developing regulations and guidance and maintaining data for advisory committees as defined by and subject to the Federal Advisory Committee Act, as amended. It also provides support services, including accounting services, to various commissions and boards.

<sup>5</sup>Federal entities include executive, legislative, and judicial branch entities. Seven government-sponsored enterprises and an additional entity funded from Federal Home Loan banks' contributions, although statutorily required to be audited, are not included in the federal budget and therefore are not included in this report.

<sup>6</sup>Net outlays represent gross outlays net of offsetting collections.

<sup>7</sup>Certain federal entities, although subject to audit, received disclaimers of opinion on their fiscal year 2004 financial statements.

<sup>8</sup>Sections 2(a)(1)(c) and (b)(1) of the ATD Act.

that the Director considers relevant.<sup>9</sup> As a result, we found that primarily due to the expiration of the Director's authority to waive the requirements of the ATD Act, for fiscal year 2004, the Director granted exemptions to 12 ATD Act agencies with net outlays totaling approximately \$30 million. By comparison, 21 ATD Act agencies were granted exemptions or waivers for fiscal year 2003 with net outlays totaling about \$1.669 billion. Enclosure II documents which federal executive branch entities were granted waivers or exemptions from the Director and the amount of net budget authority and net outlays for these entities.

Aside from these 12, another 9 agencies with net outlays totaling about \$521 million did not prepare and have audited financial statements for fiscal year 2004. Their reasons varied. However, officials for 5 of the 9 agencies stated that they will prepare and have audited financial statements for fiscal year 2005. Of the remaining 4, one official expressed the view that his agency is exempt from the ATD Act, one stated that it is not cost effective for it to prepare financial statements and have them audited, one has already requested an exemption from the Director for fiscal year 2005, and one stated that it plans to request an exemption for fiscal year 2005.

In addition, we found that the timing of when the Director notifies certain congressional committees of the ATD Act agencies exempted from preparing financial statements and having them audited may not be optimal for congressional consideration in its decision making and oversight. The ATD Act is silent on when, other than annually, OMB should provide Congress with a list of executive branch agencies exempted from preparing financial statements and having them audited. For fiscal years 2003 and 2004, OMB's letters related to waivers or exemptions were provided to Congress after the end of each fiscal year subject to audit.

Based on inquiries to OMB and others, we are not aware of any comprehensive list or database of other executive branch entities that receive federal funding. Such other entities include temporary commissions, task forces, and advisory boards. However, based on the limited information available, we were able to determine that the costs related to these types of entities are primarily administrative, such as travel, payroll, rent, and procurements, and may or may not be covered by separate appropriations. For example, we noted that entities subject to the Federal Advisory Committee Act included committees, boards, and councils that generally do not receive separately allocated budgets; therefore, the costs reported would likely be included in the costs of the departments, agencies, or bureaus involved.<sup>10</sup> As a result, such costs could be subjected to audit as part of the annual audits of those entities' financial statements.

Finally, the Federal Accounting Standards Advisory Board (FASAB)<sup>11</sup> is currently considering undertaking a project that would, among other things, reconsider the definition of a federal entity and address criteria and possible disclosures relative to

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<sup>9</sup>Sections 2(a)(4) of the ATD Act.

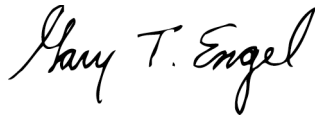
<sup>10</sup>GSA's fiscal year 2004 Federal Advisory Committee Act database, as of May 2005, reported 944 advisory committees with total costs of about \$300 million.

<sup>11</sup>The Federal Accounting Standards Advisory Board was established by the Secretary of the Treasury, the Director of OMB, and the Comptroller General in October 1990. It is responsible for promulgating accounting standards for the United States government. These standards are recognized as generally accepted accounting principles (GAAP) for the federal government.

entities not considered federal entities under Statement of Federal Financial Accounting Concepts No. 2, *Entity and Display*,<sup>12</sup> but which present significant financial or other accountability issues for the federal government. Such a project could identify special purpose and other entities funded by the federal government.<sup>13</sup>

OMB and GSA officials orally agreed with the matters discussed in this report. In response to an OMB suggestion, we modified the report to include the percentage of executive branch agencies statutorily required to have their financial statements audited.

We are sending copies of this report to other congressional committees, the Director of OMB, the Administrator of GSA, and other interested parties. Copies will be made available to others upon request. This report is also available at no charge on GAO's Web site at [www.gao.gov](http://www.gao.gov). We look forward to continuing to work with your staff to help improve financial management in the federal government. If you have any questions about the contents of this report, please contact me at (202) 512-3406.



Gary T. Engel  
Director  
Financial Management and Assurance

Enclosure – 2

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<sup>12</sup>In FASAB's current exposure draft, *Technical Agenda Options*, it is noted that in SFFAC 2, FASAB established concepts for identifying what components to include in reporting entities.

<sup>13</sup>Such as federally funded research and development centers and public private partnerships.

*List of Congressional Requesters*

The Honorable Tom Coburn, Chairman  
The Honorable Thomas R. Carper, Ranking Minority Member  
Subcommittee on Federal Financial Management, Government Information, and  
International Security  
Committee on Homeland Security and Governmental Affairs  
United States Senate

The Honorable Daniel K. Akaka, Ranking Minority Member  
Subcommittee on Oversight of Government Management, the Federal Workforce, and  
the District of Columbia  
Committee on Homeland Security and Governmental Affairs  
United States Senate

The Honorable Tom Davis, Chairman  
The Honorable Henry A. Waxman, Ranking Minority Member  
Committee on Government Reform  
House of Representatives

The Honorable Todd Platts, Chairman  
Subcommittee on Government Management, Finance and Accountability  
Committee on Government Reform  
House of Representatives



**Financial Audits: The Vast Majority of Executive Branch Entities Included  
in the Federal Budget Are Statutorily Required to  
Have Their Financial Statements Audited**

Briefing to the Staff of the  
Subcommittee on Federal Financial Management, Government  
Information, and International Security, Senate Homeland Security  
and Governmental Affairs Committee  
Subcommittee on Oversight of Government Management, the Federal  
Workforce, and the District of Columbia (Ranking Minority Member),  
Senate Homeland Security and Governmental Affairs Committee  
House Government Reform Committee  
Subcommittee on Government Management, Finance and Accountability,  
House Government Reform Committee

June 27, 2005



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## Introduction

- The Chief Financial Officers Act of 1990 (CFO Act), as expanded by the Government Management Reform Act of 1994, requires 24 major executive departments and agencies to prepare financial statements annually and have them audited.
- The Accountability of Tax Dollars Act of 2002 (ATD Act) extended the requirement to prepare financial statements annually and have them audited to most executive agencies not subject to the CFO Act, unless waived or exempted by the Director of the Office of Management and Budget (OMB).
- Chapter 91 of title 31 of the United States Code, commonly referred to as the Government Corporation Control Act, requires government corporations to prepare and submit audited financial statements in accordance with U.S. generally accepted government auditing standards.
- Some federal agencies' enabling legislation requires annual audits (e.g., the American Battle Monuments Commission).
- You requested that we perform a study of executive branch entities that currently are not required to prepare financial statements annually and have them audited. This study was also to provide certain budget information on federal entities covered by the ATD Act that had received an exemption or waiver from the Director of OMB for fiscal years 2003 and 2004.





## Objectives

- Based on the request letters received and subsequent discussions with the related committee and subcommittee staff, we made inquiries to personnel from various federal agencies, including OMB, the General Services Administration (GSA),<sup>1</sup> and ATD Act agencies, as well as personnel from selected commissions not currently required to prepare financial statements and have them audited, to determine
  - which executive branch entities had received an exemption or waiver from the Director of OMB for preparing fiscal years 2003 and 2004 financial statements and having them audited in accordance with the ATD Act,
  - the amount of net budget authority and net outlays for these entities, and
  - which executive branch entities other than those subject to the CFO Act, ATD Act, Government Corporation Control Act, and enabling legislation do not annually prepare financial statements and have them audited. (Such other entities include temporary commissions, task forces, advisory boards, and other special purpose entities.)

<sup>1</sup> GSA is responsible for developing regulations and guidance and maintaining data for advisory committees as defined by and subject to the Federal Advisory Committee Act, as amended. It also provides support services, including accounting services, to various commissions and boards.



## Results in Brief

- Almost 94 percent of executive branch entities included in the federal budget are statutorily required to have their financial statements audited.
- About 83 percent of federal entities (including legislative and judicial branches) included in the federal budget are statutorily required to have their financial statements audited.
- Reported net outlays for federal entities in fiscal year 2004 totaled about \$2.797 trillion. Of this amount, approximately \$2.784 trillion or about 99.5 percent was related to federal entities whose fiscal year 2004 financial statements were subjected to audit.
- For fiscal year 2003, the Director of OMB granted waivers or exemptions to 21 ATD Act agencies, with net budget authority totaling about \$1.916 billion and net outlays totaling approximately \$1.669 billion.
- For fiscal year 2004, the Director of OMB granted exemptions to 12 ATD Act agencies, with net budget authority totaling about \$26 million and net outlays totaling approximately \$30 million. In addition, for fiscal year 2004, 9 ATD Act agencies that did not receive an exemption from the Director of OMB did not prepare financial statements and have them audited for various reasons. Reasons provided by agency officials included the inability to prepare the fiscal year 2004 financial statements as well as the view of one agency official that it is not cost effective to prepare financial statements and have them audited.



**Results in Brief  
(continued)**

- Five of the nine agencies stated that for fiscal year 2005 they will prepare financial statements and have them audited. The remaining four agencies do not plan to prepare financial statements and have them audited for fiscal year 2005.
- Based on inquiries to OMB and others, we are not aware of a comprehensive list or database of other executive branch entities, including temporary commissions, task forces, advisory boards, and other special purpose entities, that receive federal funding. The limited information that was readily available shows that costs related to other entities such as commissions, task forces, and advisory boards, are primarily administrative, including travel, payroll, rent, and procurements and may or may not be covered by separate appropriations.
- The Federal Accounting Standards Advisory Board (FASAB) is currently considering undertaking a project which would, among other things, reconsider the definition of a federal entity and address criteria and possible disclosures relative to entities not considered federal entities under Statement of Federal Financial Accounting Concepts (SFFAC) No. 2, *Entity and Display*, but which present significant financial or other accountability issues for the federal government.



## Scope and Methodology

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- To accomplish our objectives, we
  - reviewed the CFO Act, the ATD Act, the Government Corporation Control Act, and enabling legislation requiring certain federal entities to prepare financial statements annually and have them audited;
  - obtained and analyzed the OMB letters which notified the required congressional committees of the names of the executive branch agencies for which the Director of OMB granted waivers or exemptions from having to prepare financial statements and having them audited in accordance with the ATD Act for fiscal years 2003 and 2004;
  - obtained and summarized certain net budget authority and net outlays reported in the *Budget of the United States Government, Fiscal Years 2006 and 2005 Appendices* (federal budget);
  - held discussions with various federal agency officials, including OMB, GSA, and ATD Act agencies, as well as personnel from selected commissions not currently required to prepare financial statements and have them audited; and
  - performed our work from January 2005 through June 2005 in accordance with U.S. generally accepted government auditing standards.



## Results of GAO's Work

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- Almost 94 percent of executive branch entities included in the federal budget are statutorily required to have their financial statements audited.
- About 83 percent of federal entities (including legislative and judicial branches) included in the federal budget are statutorily required to have their financial statements audited.

(See table on page 14.)



**Results of GAO's Work  
(continued)**

**Percentage of Federal Entities Included in the Federal Budget Whose Financial Statements  
Are Statutorily Required to Be Audited**

Category of federal entities	Number of federal entities	Number of federal entities statutorily required to be audited	Percentage of category statutorily required to be audited
Executive branch entities			
CFO Act entities	24	24	100.0
Accountability of Tax Dollars Act entities	76	76	100.0
Government Corporation Control Act entities	16 <sup>a</sup>	16	100.0
Other independent entities and other defense - civil programs	24	15 <sup>b</sup>	62.5
Subtotal: executive branch entities	140	131	93.6
Legislative branch entities <sup>c</sup>	13	3	23.1
Judicial branch entities	8	0	0.0
<b>Total</b>	<b>161</b>	<b>134</b>	<b>83.2</b>

Source: GAO.

<sup>a</sup> This amount does not include eight of the 24 Government Corporation Control Act entities. Although statutorily required to be audited, these entities are not included in the federal budget. Seven of the 8 are government-sponsored enterprises that are private companies and their securities are not backed by the full faith and credit of the federal government and 1 entity is funded from Federal Home Loan banks' contributions.

<sup>b</sup> Of the remaining 9 federal entities or programs, there is no statutory requirement for 2. For the other 7 entities, our research could not confirm whether or not a statutory requirement exists because of the limited description of the entity or program.

<sup>c</sup> Of the 10 legislative branch entities that are not statutorily required to have their financial statements audited, GAO, the Library of Congress, and the Architect of the Capitol (balance sheet only) voluntarily have their financial statements audited. In addition, the U.S. Senate voluntarily receives audits for parts of its operations such as the Senate restaurants.



**Results of GAO's Work  
(continued)**

- Reported net outlays for federal entities in fiscal year 2004 totaled about \$2.797 trillion. Of this amount, approximately \$2.784 trillion or about 99.5 percent was related to federal entities included in the federal budget whose fiscal year 2004 financial statements were subjected to audit.

(See table on page 16.)



**Results of GAO's Work  
(continued)**

**Percentage of Reported Net Outlays for Federal Entities Included in the Federal Budget Whose Fiscal Year 2004 Financial Statements Were Subjected to Audit<sup>a</sup> (dollars in millions)**

Category of federal entities	FY 2004 net outlays <sup>b</sup>	FY 2004 net outlays for federal entities included in the federal budget whose financial statements were subjected to audit	Percentage of FY 2004 net outlays by category of federal entities included in the federal budget whose financial statements were subjected to audit
Executive branch entities			
CFO Act entities	\$2,630,341	\$2,630,341	100.0
Accountability of Tax Dollars Act entities <sup>c</sup>	58,741	58,190	99.1
Government Corporation Control Act entities <sup>d</sup>	12,398	12,398	100.0
Other independent entities and other defense civil programs	85,761	80,250	93.6
Subtotal: executive branch entities	\$2,787,241	\$2,781,179	99.8
Legislative branch entities <sup>e</sup>	3,910	3,077	78.7
Judicial branch entities	5,694	0	0.0
<b>Total</b>	<b>\$2,796,845</b>	<b>\$2,784,256</b>	<b>99.5</b>

Source: Budget of the United States Government, Fiscal Year 2006, Appendix and GAO.

<sup>a</sup> Certain federal entities, although subject to audit, received disclaimers of opinion on their fiscal year 2004 financial statements.

<sup>b</sup> Net outlays represent gross outlays net of offsetting collections.

<sup>c</sup> The unaudited net outlays totaling about \$551 million (\$58,741 - \$58,190) relate to the 12 federal entities exempted by OMB and 9 additional federal entities that did not prepare fiscal year 2004 financial statements and have them audited.

<sup>d</sup> The Government Corporation Control act lists 24 government corporations. Seven of the listed entities under the act are not included in the federal budget. They are treated as government-sponsored enterprises that are private companies and their securities are not backed by the full faith and credit of the federal government. Another entity is not included in the federal budget because it is solely a financing vehicle and is funded from Federal Home Loan banks' contributions. The reported \$12,398 million of net outlays relate to 16 government corporations that are included in the federal budget.

<sup>e</sup> The \$3,077 million of net outlays subjected to audit does not include net outlays of \$686 million related to the U.S. Senate, parts of which were subjected to audit but are not separately identified in the federal budget.





**Results of GAO's Work  
(continued)**

- In accordance with the ATD Act, the Director of OMB may exempt a covered executive agency from the act's requirements if both of the following criteria are met:
  - The total amount of budget authority available to the agency for the fiscal year does not exceed \$25 million.
  - The Director of OMB determines that requiring an annual audited financial statement for the agency with respect to the fiscal year is not warranted due to the absence of risks associated with the agency's operations, the agency's demonstrated performance, or other factors that the Director considers relevant.
  
- We developed a list of ATD Act agencies for which the Director of OMB granted waivers or exemptions for fiscal years 2003 and 2004 and the reported net budget authority and net outlays of those agencies.
  - For fiscal year 2003, the Director of OMB granted waivers or exemptions to 21 ATD Act agencies, with net budget authority totaling about \$1.916 billion and net outlays totaling approximately \$1.669 billion.
  - For fiscal year 2004, the Director of OMB granted exemptions to 12 ATD Act agencies, with net budget authority totaling about \$26 million and net outlays totaling approximately \$30 million. Three of these 12 agencies were also granted waivers or exemptions in fiscal year 2003.



**Results of GAO's Work  
(continued)**

- In addition, for fiscal year 2004, nine ATD Act agencies that did not receive an exemption from the Director of OMB did not prepare financial statements and have them audited.
  - Five of these nine agencies stated that for fiscal year 2005 they will prepare financial statements and have them audited.
  - The remaining four agencies do not plan to prepare financial statements and have them audited for fiscal year 2005.
    - One entity has requested an exemption from OMB.
    - One entity plans to request an exemption from OMB for fiscal year 2005 and prepare financial statements and have them audited for fiscal year 2006.
    - One entity said it believes it is exempt from the ATD Act.
    - One entity expressed the view that it is not cost effective to prepare financial statements and have them audited.



**Results of GAO's Work  
(continued)**

- The ATD Act is silent on when, other than annually, OMB should provide the Congress with a list of executive branch agencies the Director of OMB has exempted from having to prepare financial statements and having them audited. Letters related to waivers or exemptions for fiscal years 2004 and 2003 were provided to the Congress after the end of each fiscal year.
  - On October 23, 2003, OMB notified the required committees of the Congress of the names of the executive branch agencies for which OMB had provided waivers or exemptions for fiscal year 2003.
  - On November 15, 2004, OMB notified the required committees of the Congress of the names of the executive branch agencies that OMB had provided exemptions for fiscal year 2004.



**Results of GAO's Work  
(continued)**

- Based on inquiries to OMB and others, we are not aware of a comprehensive list or database of other executive branch entities, including temporary commissions, task forces, advisory boards, and other special purpose entities, that receive federal funding.
- The limited information that was readily available shows that costs related to entities such as commissions, task forces, and advisory boards are primarily administrative, including travel, payroll, rent, and procurements, and may or may not be covered by separate appropriations (e.g., earmark or line item).
- The types of entities subjected to the Federal Advisory Committee Act, as amended (FAC Act) included committees, boards, and councils. According to a GSA official responsible for obtaining FAC Act data, these committees generally do not receive separately allocated budgets and the costs reported would likely be included in other reporting done by the agencies involved.
  - Costs related to such entities generally would be rolled up into the costs of the related departments, agencies, or bureaus and would likely be subjected to audit as part of those entities' financial statements.
  - The General Services Administration's fiscal year 2004 FAC Act database as of May 2005 reported that there were 944 advisory committees and that their costs totaled about \$300 million.



## Related Initiative

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- FASAB is currently considering undertaking a project that would, among other things, reconsider the definition of a federal entity, and address criteria and possible disclosures relative to entities not considered federal entities under SFFAC No. 2, *Entity and Display*, but which present significant financial or other accountability issues for the federal government.

**Federal Entities for Which the Director of OMB Granted Waivers or Exemptions from the Accountability of Tax Dollars Act's Audit Requirements for FY 2003 or FY 2004 (dollars in millions)**

	Year waived <sup>a</sup> or exempted <sup>b</sup>		Net budget authority <sup>c</sup>				Net outlays <sup>c</sup>			
	FY 2003	FY 2004	FY 2003	FY 2004	FY 2005	FY 2006	FY 2003	FY 2004	FY 2005	FY 2006
Broadcasting Board of Governors	X		\$541	\$581	\$591	\$652	\$517	\$653	\$608	\$643
Central Intelligence Agency	X		223	226	239	245	222	226	239	245
Commodity Futures Trading Commission	X		85	89	94	99	83	92	94	98
Court Services and Offender Supervision Agency for the District of Columbia	X		154	167	179	203	140	167	192	198
Defense Nuclear Facilities Safety Board	X		19	20	20	22	20	21	20	22
Federal Election Commission	X		50	50	52	55	46	50	56	61
Federal Labor Relations Authority	X		29	29	25	25	27	26	25	25
Federal Maritime Commission	X		17	18	19	20	17	18	19	20
Japan-U.S. Friendship Commission	X	X	3	2	3	3	2	3	3	3
National Archives and Records Administration	X		251	307	320	315	301	307	324	314
National Endowment for the Humanities	X		126	135	138	138	119	127	133	142
National Labor Relations Board	X		237	243	250	252	231	242	250	251
Peace Corps	X		298	310	319	347	310	306	328	342
Securities and Exchange Commission <sup>d</sup>	X		(283)	(700)	(950)	(1,278)	(532)	(685)	(942)	(1,256)
Selective Service System	X		26	26	26	26	26	23	26	27
U.S. Commission for the Preservation of America's Heritage Abroad	X	X	L	L	L	L	L	L	L	L
U.S. Commission of Fine Arts	X	X	8	8	9	9	8	8	9	9
U.S. Commission on Civil Rights	X		9	9	9	9	9	9	9	9
U.S. Consumer Product Safety Commission	X		57	60	62	62	59	60	62	62
U.S. International Trade Commission	X		54	57	61	65	52	54	60	65
U.S. Office of Special Counsel	X		12	14	15	15	12	13	15	15
Barry M. Goldwater Scholarship and Excellence in Education Foundation		X	4	4	4	4	3	3	5	4
Christopher Columbus Fellowship Foundation		X	0	0	1	1	1	1	1	1
Harry S. Truman Memorial Scholarship Trust Fund		X	3	3	3	3	3	4	3	3
Marine Mammal Commission		X	3	3	2	2	2	3	2	2
U.S. Commission on Ocean Policy <sup>e</sup>		X	2	0	0	0	3	3	1	0
U.S. Interagency Council on Homelessness		X	2	2	2	2	1	1	2	2
U.S. National Commission on Libraries and Information Science		X	1	1	1	1	1	1	1	1
U.S. Nuclear Waste Technical Review Board		X	3	3	3	4	3	3	3	4
White House Commission on the National Moment of Remembrance		X	L	L	L	L	L	L	L	L
<b>Total of waived/exempted in FY 2003</b>	<b>21</b>		<b>\$1,916</b>		<b>\$1,481</b>	<b>\$1,284</b>	<b>\$1,669</b>		<b>\$1,530</b>	<b>\$1,295</b>
<b>Total of exempted in FY 2004</b>		<b>12</b>		<b>\$26</b>	<b>\$28</b>	<b>\$29</b>		<b>\$30</b>	<b>\$30</b>	<b>\$29</b>

Source: Office of Management and Budget and the *Budget of the United States Government, Fiscal Year 2006, appendix and Fiscal Year 2005, appendix*. As reported in the *Budget of the United States Government*, fiscal years 2003 and 2004 amounts are actuals; fiscal year 2005 amounts are estimates; and fiscal year 2006 amounts are the President's request.

Legend: L = Amounts in individual accounts for these other independent agencies are below the million-dollar reporting threshold and they are consolidated into a single set of schedules under Other Commissions and Boards in the *Budget of the United States Government*. The Other Commissions and Boards account presents data on several small independent commissions and other entities on a consolidated basis.

<sup>a</sup> Waiver - Under sections 2 (a)(1)(c) and (b)(1) of the Accountability of Tax Dollars Act of 2002 (ATD Act), the Director of the Office of Management and Budget (OMB) could waive entities from having to prepare financial statements and having them audited for fiscal years 2002 and 2003.

<sup>b</sup> Exemption - Under section 2(a)(4) of the ATD Act, the Director of OMB may exempt a covered executive agency from the requirements of the ATD Act in any fiscal year if (1) the total amount of budget authority available to the agency for the fiscal year does not exceed \$25 million, and (2) the Director determines that requiring an annual audited financial statement for the agency with respect to the fiscal year is not warranted due to the absence of risks associated with the agency's operations, the agency's demonstrated performance, or other factors that the Director considers relevant.

<sup>c</sup> Budgetary totals represent gross budget authority and gross outlays net of offsetting collections.

<sup>d</sup> Negative balances represent the amount of offsetting collections (cash) in excess of gross budget authority and gross outlays.

<sup>e</sup> On September 20, 2004, the U.S. Commission on Ocean Policy fulfilled its mandate to submit recommendations for a coordinated and comprehensive national ocean policy to the President and the Congress.