



NATIONAL CAPITAL PLANNING COMMISSION

Performance and Accountability Report ▪ *Fiscal Year 2008*



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A Message from the Chairman



I am proud to present the National Capital Planning Commission's (NCPC) Performance and Accountability Report for FY 2008. This report highlights NCPC's contributions as the central planning agency for the federal government. This report reflects both financial and program performance results and demonstrates our enduring commitment to fulfill the responsibilities the NCPC has been entrusted. The performance and financial data contained in this report are complete and reliable.

As the central planning agency for the federal government, the Commission is charged with developing plans and reviewing development proposals that enhance the National Capital's extraordinary historical, cultural, and natural resources. The Commission is also responsible for conducting research to provide information to federal and local decision-makers needed to formulate development policy in the National Capital Region (NCR); and for developing the annual Federal Capital Improvement Program for the National Capital Region.

In this report, we provide updates on many initiatives inspired by *Extending the Legacy: Planning America's Capital for the 21st Century*. Updates on two of our most ambitious efforts in recent years, the National Capital Framework Plan and the CapitalSpace Initiative are included in this report. In addition, we reflect on the more than 150 project proposals related to urban design, environmental, transportation, and historic preservation the Commission reviewed during FY 2008; and the adoption of the *Federal Capital Improvements Program* (FCIP) for Fiscal Years 2009-2014.

These and many other accomplishments were achieved as a result of sound financial management and the effective management of our resources. This report reflects the Commission's judicious management of funds and identifies our achievements in relation to the agency's strategic goals. Based on the Independent Auditor's unqualified opinion on NCPC's consolidated financial statements, and the lack of any material internal control weaknesses, the agency can provide reasonable assurance that the objectives of the Federal Manager's Financial Integrity Act (FMFIA) have been achieved. The Agency can also provide reasonable assurance that its financial systems conform to government-wide standards.

NCPC is proud to serve as an advocate for the protection and enhancement of the extraordinary historical, cultural, and natural resources of the National Capital Region. We take very seriously the responsibility of being entrusted with its care. We pledge to

continue our work to achieve a vibrant world capital that accommodates the needs of our federal government; enriches the lives of the region's residents, workers and visitors; and embodies an urban form and character that reflect the enduring values of the American people.

Sincerely,

John V. Cogbill, III
Chairman
National Capital Planning Commission

**PART I: MANAGEMENT'S DISCUSSION
AND ANALYSIS**

NCPC at a Glance

The National Capital Planning Commission (NCPC) was established in 1924 as a park-planning agency. Two years later its role was expanded to include comprehensive planning. In 1952, under the National Capital Planning Act, we were designated the central planning agency for the federal government responsible for all property in the District of Columbia, and all federal property in the National Capital Region (NCR).

In 1973, the National Capital Planning Act was amended by the D.C. Home Rule Act, which made the Mayor the chief planner for private development in the District of Columbia, and maintained NCPC as the central planning agency for all federal lands and facilities in the District of Columbia and the NCR.

The agency is governed by a 12-member Commission that includes three presidential appointees, one of whom is designated by the President to serve as Chairman; two mayoral appointees; a representative of the three major federal landholding agencies (the Department of Defense, the Department of the Interior, and the General Services Administration); one member of the U.S. Senate; one member of the U.S. House of Representatives; the Mayor of the District of Columbia; and the Chairman of the City Council of the District of Columbia.

Mission

As the central planning agency for the federal government in Washington, D.C., and the National Capital Region, NCPC develops plans and reviews development proposals that enhance the national capital's extraordinary historical, cultural, and natural resources. The long-range plans anticipate the needs of the federal establishment well into the 21st century, while our shorter-term initiatives proactively address its more immediate requirements. The agency conducts research to provide practical information to federal and local decision makers needed to formulate development policy in the National Capital Region. Also, NCPC partners with other federal agencies, local governments, private organizations and citizens to create a more beautiful and livable capital.

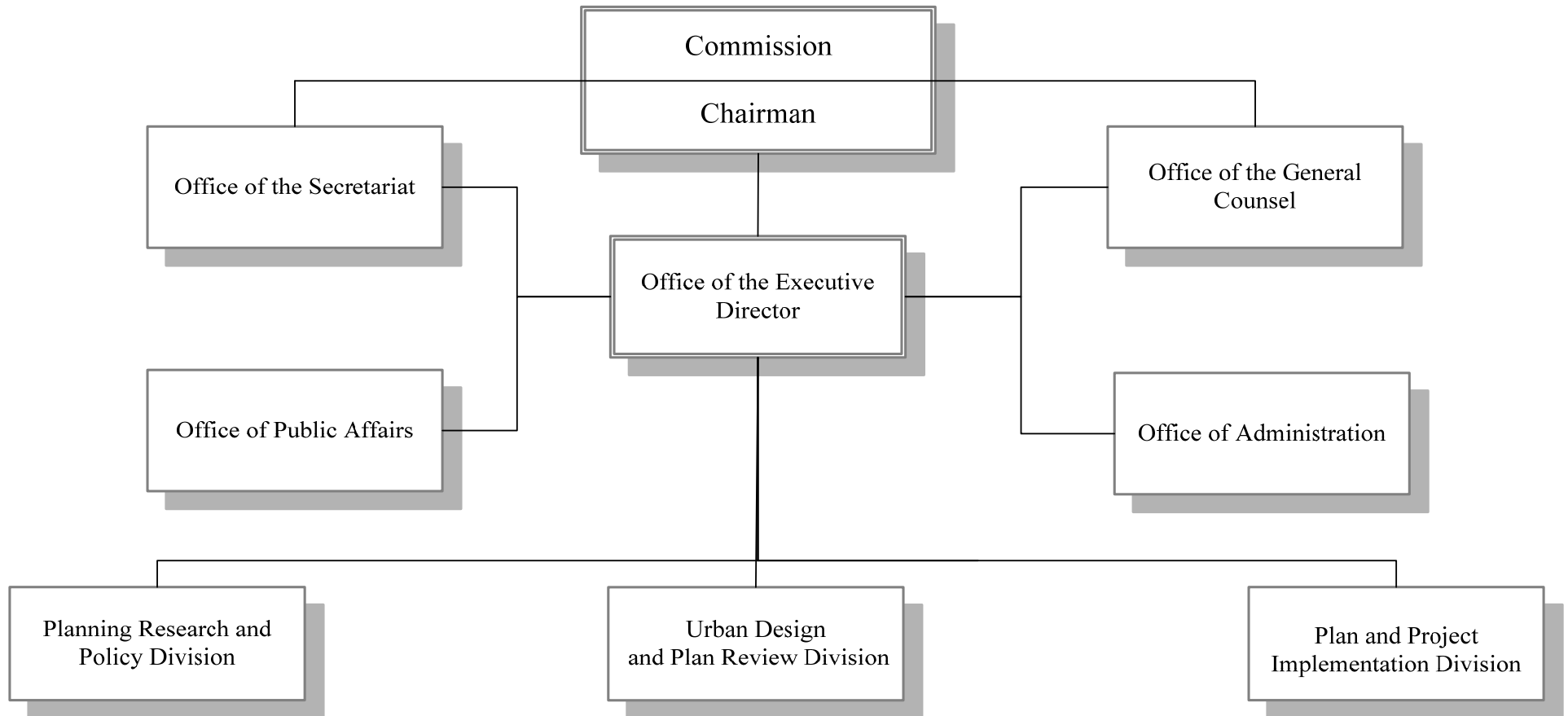
Vision

We aspire to creative and visionary planning, building on the nation's rich cultural heritage and carrying forward the legacy of historic plans to inspire generations, now and in the future, to achieve the world's most magnificent capital. We are committed to ensuring that development in the Nation's Capital meets the highest standards of design and planning excellence. We endeavor to serve as a resource for the latest planning information and state-of-the-art technology applications and generate useful data and analysis on land use, demographic, and related economic issues in the region. Our goal is to provide critical information and guidance to decision-makers and citizens as they consider the design and funding of development plans and policies for the Nation's Capital.

Strategic Goals

1. Preserve and enhance the unique beauty and image of the National Capital and ensure its planned development.
2. Ensure that the location and design of all federal buildings in the National Capital Region promote the effective functioning of the Federal Establishment, establish an efficient and pleasant work environment for federal employees, and adhere to the highest architectural, planning, and urban design standards.
3. Anticipate emerging development, transportation, environmental, and historic preservation needs that affect the quality of life and the economic vitality of the National Capital Region and pro-actively develop plans, establish partnerships, and execute projects to meet those needs.
4. Protect and enhance historic and natural resources while accommodating change in the Nation's Capital.
5. Promote state-of-the-art information technologies to support integrated planning in the National Capital Region.
6. Educate and increase the involvement of local, national, and international audiences in planning and development in the National Capital.

National Capital Planning Commission Organizational Chart



NCPC Organizational Overviews

Office of the Executive Director

The Office of the Executive Director provides the 12-member Commission with planning expertise and policy recommendations, guides the agency in fulfilling its mission and principal objectives, sets agency priorities, oversees the day-to-day operation, represents the agency before Congress and the Office of Management and Budget and serves as the liaison with federal, state and regional agencies as well as professional organizations and planning boards.

Office of the Secretariat

The Office of the Secretariat acts as a primary liaison with the Chairman and members of the Commission. It prepares notices, agendas, memoranda of action, and other materials related to Commission meetings; assists in responding to federal and local agencies and the public regarding agenda items and subsequent actions of the Commission; and advises the presiding officer at Commission meetings on Commission by-laws and standing rules of procedures.

Office of the General Counsel

The Office of the General Counsel advises the Commission, Executive Director, and staff on the statutory powers, duties, and functions of the Commission and on legal questions in the fields of planning, plan review, environment, transportation, zoning, open space, and landmarks preservation. It also reviews and prepares litigation reports, serves as the Ethics and Privacy Officer, responds to FOIA requests and ensures compliance with federal laws.

Office of Public Affairs

The Office of Public Affairs prepares and disseminates materials and information to educate the general public and specialized audiences about planning and development in the national capital. The Office seeks to involve local, national, and international audiences in the planning process; responds to the media and general public regarding specific plans and projects pending before the Commission and executes public outreach programs that advance Commission goals and the public with information electronically through the agency's website.

Office of Administration

The Office of Administration provides day-to-day operations and support to the Commission and staff in the areas of human capital management; financial management and accounting; budget formulation, execution, and control; procurement and contracting; space and facilities management; property and inventory; and other general administrative functions. The division is also responsible for the Commission's technical support systems, information security, communication systems, software application training and information technology (IT) policy and planning.

Planning Research and Policy Division

The Planning Research and Policy Division conducts long-range planning and research to support policy formulation that will guide the physical development of the federal establishment in the NCR. Program activities are focused on: (1) identifying major trends and emerging issues that affect the preservation and future growth of the federal government in the NCR; (2) evaluating federal and non-federal plans and development proposals within the region in accordance with the *Comprehensive Plan for the National Capital* and other long-range local, regional, and state plans; and (3) providing policymakers with clear and practical responses to current and future planning challenges through specialized planning and research work. The division also prepares a six-year Federal Capital Improvements Program (FCIP), which outlines proposed federal capital projects, coordinates federal planning efforts, and fosters inter-jurisdictional cooperation in planning and development matters.

Urban Design and Plan Review Division

The Urban Design and Plan Review Division coordinates and reviews development plans and projects of federal agencies, District of Columbia agencies, and other local jurisdictions in the NCR. It also provides professional and technical planning expertise in urban design, historic preservation, environment/energy, transportation, zoning, and land use to Commission staff and federal, state, and local agencies.

Plan and Project Implementation Division

The Plan and Project Implementation Division manages and prepares special planning studies and coordinates the implementation of planning initiatives in the NCR. This division works closely with federal agencies and the District of Columbia organizations responsible for project implementation to ensure the successful implementation of priority planning projects that enhance the federal presence.

Program Performance Overview

In fiscal year 2008, NCPC continued to build on the many partnerships involving federal, District and local agencies that have a stake in planning for the National Capital Region. In partnership with the U.S. Commission of Fine Arts (CFA) prepared and released the National Capital Framework Plan for public comment. This plan (1) outlines opportunities to address the future needs of the federal government, including new memorials, museums, public gathering spaces, and federal offices in a way that contributes to sustainable city life; (2) preserves the historic open space of the National Mall and protects it from overbuilding; and (3) extends the civic qualities of the National Mall and the vitality of the city into the adjacent federal precincts.

As part of the planning process, NCPC hosted Steering Committee meetings with key federal and local officials to review preliminary and final plan recommendations; met with multiple stakeholder agencies to provide briefings; hosted several public meetings to disseminate findings and to solicit public input; and collaborated with the Architect of the Capitol (AOC), DC Office of Planning (DCOP), and National Park Service (NPS) to coordinate our respective planning efforts. This mutual collaboration resulted in the production of a multi-agency brochure entitled, *Planning Together for Central Washington*, which highlights five common themes between the various agency plans – *National Capital Framework Plan* (NCPC/CFA), *Center City Action Agenda* (DCOP), *National Mall Plan* (NPS), and *Capitol Complex Master Plan* (AOC).

Working jointly with the National Park Service and the District, NCPC completed major components of the CapitalSpace Initiative, a plan for the District's parks and open spaces. Together, the partner agencies identified six focus areas for the plan. These areas concentrated on: 1) linking the Fort Circle Parks; 2) identifying opportunities for 500 plus small parks in Washington; 3) developing a strategy for center city parks, considering historic L'Enfant parks and park projects in the North of Massachusetts Avenue and Southwest areas; 4) examining how currently under-utilized park sites could meet sustainability, community-gathering, commemorative and recreation goals; 5) developing sustainability guidelines for actively-used parks; and 6) developing a schools strategy for parks.

NCPC continued to play a critical role in coordinating a federal and District response to overbank and storm water flooding. NCPC assumed a leadership role in coordinating with District and federal agencies to develop responses to revised flood maps and levee assessments that showed new flooding risks in the monumental core. Working closely with representatives from the District, NPS, Federal Emergency Management Agency (FEMA) and the US Army Corps of Engineers (USACE), NCPC helped facilitate a rapid response to designing a new levee structure at 17th Street on the National Mall. This included a charette design process to ensure that environmental, historic preservation, and design review requirements could be completed to meet deadlines.

NCPC partnered with the District of Columbia Office of Planning to initiate a study of potential improvements to the gateway character of North Capitol Street in the vicinity of the Armed Forces Retirement Home. The project includes: a transportation study to improve vehicular and pedestrian movement within the corridor; an urban design scheme;

a development strategy for the future North Capitol Street gateway area; and a transportation improvement plan for the Michigan Avenue/North Capitol Street intersection that would help support and enhance the location for a future memorial.

Additionally, NCPC participated with the District in the comprehensive review of zoning codes. Served as a member of the Zoning Review task force in reviewing proposals for federal interest issues, and provided technical planning expertise. Reviewed proposals related to flood plains, parking, and building height limitations.

The Commission reviewed and approved the Federal Capital Improvements Program (FCIP) for the National Capital Region for fiscal years 2009-2014. This year's FCIP contains 190 capital projects submitted by 13 federal agencies and departments, at an estimated cost of \$11.6 billion. Thirty-two projects were submitted by NCPC for future programming. NCPC reviews and provides recommendations on all projects in the FCIP based on conformance with NCPC and other local and federal plans and policies. Project and cost distribution for this year's FCIP has been shaped by BRAC requirements, building modernizations, new construction proposals for agency consolidation, and research and development.

Our plan and project review functions continued to place extraordinary demands on agencies resources. In FY 2008 the Commission reviewed the urban design, environmental, transportation, and historic preservation implications for approximately 155 project proposals. These projects included 2 master plans, 35 zoning proposals, 13 proposed street and alley closings, and 103 planning and revitalization programs as well as capital budgets submitted by other agencies. Two commemorative works, the Martin Luther King, Jr. Memorial and the Vietnam Veterans Memorial Visitor Center were reviewed by the Commission.

The Commission reviewed and approved preliminary and final site and building plans for the Martin Luther King, Jr. Memorial. The memorial will be located in West Potomac Park on the northwestern side of the Tidal Basin on the National Mall. The submission for the memorial included a visitor support building, public restrooms, a bookstore, and a ranger contact station.

The Commission commented on the concept design for the Vietnam Veterans Memorial Visitor Center. The 5.2 acre site is on the grounds of the Lincoln Memorial at the west end of the National Mall. It is situated north of the Lincoln Memorial and west of the Vietnam Veterans Memorial. The central portion of the site will be used to construct the Center, which will be approximately 34,100 gross square feet with a footprint of 26,642 square feet.

Since the Commission's adoption of the *National Capital Urban Design and Security Plan* in 2002, a growing number of security proposals have been guided by the Plan to incorporate thoughtful urban design practices. In FY 2008, the Commission approved preliminary and final site development plans for a temporary vehicle barrier on the east side of the Lincoln Memorial. The Commission also approved final site and building plans for the Patent Office Building's security elements and stair reconstruction.

In addition, the Commission reviewed master plans and other development proposals involving significant federal facilities and parcels of land in the District. The Commission reviewed and commented on the draft master plan for converting the West Campus of St. Elizabeths Hospital into the headquarters for the Department of Homeland Security. The St. Elizabeths West Campus, a National Historic Landmark, includes more than 70 historic buildings with 750,000 square feet of usable space.

The Commission approved the final master plan and transportation management plan for Zone A of the Armed Forces Retirement Home. The final master plan calls for new development to serve the Home and also provides for private development on Zone A that will accommodate a mix of uses, including residential, office, research and development, institutional, medical, retail, and hotel through private leases for portions of the federally owned site.

The Commission reviewed and approved preliminary and final site and building plans for the new medical facility additions to the Walter Reed National Military Medical Center in Bethesda. The submission from the U.S. Department of the Navy involves renovating 261,000 square feet of the existing facility and constructing two new buildings to accommodate the medical expansion required by the 2005 Base Realignment and Closure recommendations.

The Commission approved preliminary and final site and building plans for the National Intrepid Center of Excellence. The new facility, located on the Walter Reed National Military Medical Center campus, will incorporate sustainable design features, including storm water runoff, energy efficient glazing and roofing systems, use of day lighting techniques, façade design responsive to sun angles, and renewable finish materials. The building is expected to receive LEED silver rating for green building design.

The Commission approved final site and building plans for the Wisconsin Avenue Terminus portion of the Georgetown Waterfront Park, an approximately 2.3 acre portion of the park serving as the park's main entrance from the surrounding city. The project features a riverfront promenade that passes along the park's southern section and incorporates the Capital Crescent Bicycle Trail passing through its northern section.

The Commission approved the final site and building plans for the National Law Enforcement Museum at Judiciary Square. The largely underground museum will be constructed on federal land within the District of Columbia Courts complex. The museum's design includes two above-ground entrance pavilions clad in transparent low iron glass and a surrounding plaza to be used by the museum and the District of Columbia Courts.

NCPC continued to serve as an active member of the Board of Zoning Adjustment (BZA) and the Foreign Missions Board of Zoning Adjustment (FMBZA). BZA is responsible for granting relief from strict application zoning regulations, approving certain uses of land and hearing appeals of actions taken by the Zoning Administrator. FMBZA also reviews the location, expansion, or replacement of chanceries in certain mixed-use areas in the District of Columbia.

The Commission commented on several planned unit developments proposed for approval by the District of Columbia Zoning Commission. This includes a planned unit development located at 2201 M Street in the West End of Northwest Washington, DC. The plans include an 11-story hotel with 182 rooms, a spa, a restaurant, retail and underground parking. The building features a contemporary design, incorporates several environmentally progressive systems, and is expected to achieve LEED silver certification.

NCPC continued to serve as a member of the National Capital Memorial Advisory Commission advising the Secretary of the Interior and the Administrator of General Services on policy and procedures for the establishment of commemorative works in the District of Columbia and its environs. Over the last year, review of commemorative works for the following has occurred: the Ukrainian Famine – Genocide of 1932-33; the creation of the Peace Corps; Brigadier General Francis Marion; military spouses and victims of terrorism.

NCPC participated in a national online charrette to help rebuild New Orleans as part of an annual technology conference and showcase using *BIMStorm*. The charrette was a collaborative effort to help local officials, workers, and residents visualize potential urban design, planning, and development opportunities through the city's reconstruction. NCPC also showcased *BIMStorm* during the Capital Cities Alliance Conference in which NCPC, Build Smart Alliance, the local chapter of AIA, and several other partner organizations developed a new conceptual master plan for one of the conference attendee cities using a "green" development theme.

NCPC hosted a five-day Capitals Alliance Conference focused on the theme, *Greening the World's Capitals Cities*. The conference attracted capital city planners and policy officials from fifteen nations, officials from various federal, District and local agencies and universities and a host of public participants. Conference sessions featured some of the world's most respected leaders in the field of sustainability who shared their knowledge and discussed strategies behind successful green practices.

NCPC continued to keep the public and stakeholders aware of its activities through publications including the *Quarterly* newsletter, the 2007 Annual Report—*A Course for Change*—and a variety of informational publications, including the National Capital Framework Plan, CapitalSpace, and Planning Together for Central Washington. The *Quarterly* newsletter serves as an excellent source for ongoing agency activities as well as the monthly review of plans and projects by the Commission. The 2007 Annual Report featured NCPC's major initiatives and accomplishments, including the National Capital Framework Plan, development of reuse scenarios for the RFK Memorial Stadium Site, and the Railroad Realignment Feasibility Study.

During the 2008 fiscal year, NCPC planned and designed a comprehensive national exhibit at the Smithsonian to mark the release of the agency's second edition of the planning manuscript, *Worthy of the Nation*. The exhibit was open for four months and it attracted more than 92,000 visitors.

Financial Performance Overview

As of September 30, 2008, the financial condition of the National Capital Planning Commission was sound. The agency had sufficient funds to meet program needs and adequate financial controls in place to ensure obligations did not exceed available budget authority. The accompanying financial statements have been prepared in conformity with the hierarchy of accounting principles approved by the Federal Accounting Standards Advisory Board (FASAB) and the Office of Management and Budget (OMB) Circular A-136, Financial Reporting Requirements.

Sources of Funds

The NCPC receives the majority of the funding to support its programs through appropriations and other collections. NCPC receives annual and no-year appropriations that may be used, within statutory limits, for operating and capital expenditures. The NCPC's appropriated budget authority for FY 2008 was \$8,136,066. Additional amounts were obtained from service fees through reimbursable agreements for services performed for intra-governmental and public entities.

Audit Results

The NCPC received an unqualified audit opinion on FY 2008 financial operations. There were no material internal control weaknesses or instances of substantial noncompliance with governing laws, regulations, policies and procedures.

Financial Statements

The NCPC's financial statements summarize the financial activity and financial position of the agency in FY 2008. The financial statements and notes appear in Part III, Financial section.

Management Controls, Systems, and Compliance

Federal Managers' Financial Integrity Act (FMFIA)

The FMFIA requires federal agencies to provide an annual statement of assurance regarding management controls and financial systems. The statement of assurance is provided in the Chairman's message at the beginning of the Performance and Accountability Report. This statement was based on the review and consideration of internal analyses, reconciliations and the independent auditor's opinion on the NCPC's financial statements.

Prompt Payment Act

The Prompt Payment Act requires federal agencies to make timely payments to vendors, including any interest penalties for late invoice payments. In FY 2008, the NCPC did not pay any interest penalties on invoices processed.

Federal Financial Management Improvement Act (FFMIA)

The National Capital Planning Commission is a federal agency subject to the Accountability of Tax Dollars Act, 2002. Agencies subject to the ATDA are not subject to the requirements of FFMIA.

Improper Payments Information Act

The Improper Payments Information Act (Public Law (P.L. No. 107-300) defined requirements to reduce improper/erroneous payments made by the federal government. OMB also has established specific reporting requirements for agencies with programs that possess a significant risk of erroneous payments and for reporting on the results of recovery auditing activities. A significant erroneous payment as defined by OMB guidance is an annual payment in a program that exceeds both 2.5 percent of the program payments and \$10 million.

NCPC has not identified any programs where significant erroneous payments have occurred within the agency. The agency will continue to review programs on an annual basis to determine if any significant erroneous payments exist.

PART II: PERFORMANCE SECTION

Performance by Strategic Goals

The Commission's Fiscal Year 2008 Performance Report links the agency's funding to its goals and accomplishments and demonstrates its continued commitment to shaping and preserving a capital worthy of the nation. This year the agency expanded partnerships with federal and local agencies on major initiatives that support its long-range plans, continued integrating urban design and security objectives into projects in the monumental core and throughout the District, and completed the Federal Capital Improvements Program.

This performance report reflects the FY 2008 accomplishments related to the NCPC 2004-2009 Strategic Plan goals and objectives.

Strategic Goal #1:

Preserve and enhance the unique beauty and image of the national capital and ensure its planned development. In FY 2008, NCPC:

- Served on the National Capital Memorial Advisory Commission and provided advice to Congress and OMB on pending legislation for commemorative works.
- Approved the final site and building plans for the National Law Enforcement Museum at Judiciary Square.
- Approved preliminary and final site and building plans for the Martin Luther King, Jr. National Memorial.
- Provided comments on the concept design for the Vietnam Veterans Memorial Visitor Center.
- Commented on the proposed action of the D.C. Zoning Commission to approve a Consolidated Planned Unit Development at the corner of 10th and F Streets, NW.
- Approved preliminary plans for a new waterfront park at The Yards that promises to become a signature attraction of the former Southeast Federal Center.
- Approved preliminary and final site and building plans for construction of the Walker Jones School at 100 L Street, NW.
- Commented on the proposed action of the District of Columbia Zoning Commission to approve a Planned Unit Development and related zoning map amendment for 625 I Street, SW.
- Commented favorably on concept design plans for the Watha T. Daniels and Anacostia Public Libraries.
- Approved preliminary and final site and building plans for a consolidated forensic laboratory at 401 E Street in Southwest.

- Commented on a proposed zoning text amendment, submitted by the Zoning Commission of the District of Columbia, to allow temporary surface parking lots to serve the Washington Nationals Ballpark.

Strategic Goal #2:

Ensure that the location and design of all federal buildings in the National Capital Region promote the effective functioning of the federal establishment; establish an efficient and pleasant work environment for federal employees; and adhere to high architectural, planning, and urban design standards. In FY 2008, NCPC:

- Commented favorably on the concept design for glass and steel staircases and glass elevators connecting the Kennedy Center River Terrace and the Rock Creek and Potomac Parkway Trail.
- Commented on the draft master plan for converting the West Campus of St. Elizabeths Hospital into the headquarters for the Department of Homeland Security.
- Approved preliminary and final site and building plans for the new medical facility additions to the Walter Reed National Military Medical Center in Bethesda.
- Approved preliminary and final site and building plans for the National Intrepid Center of Excellence. The new facility is located on the Walter Reed National Military Medical Center campus.
- Prepared and adopted the *Federal Capital Improvements Program for the National Capital Region*, Fiscal Years 2009-2014.
- Commented on revised concept designs for Federal Office Building 8, located at 200 C Street, SW.
- Approved the preliminary and final site and building plans for the New Fort Belvoir Community Hospital.

Strategic Goal #3:

Anticipate emerging development, transportation, environmental and historic preservation needs that affect the quality of life and the economic vitality of the National Capital Region and proactively develop plans, establish partnerships, and execute projects to meet those needs. In FY 2008, NCPC:

- Released NCPC's final flooding report which outlined the flood risks to Washington, DC's monumental core.
- Served as member of an interagency levee working group formed to ensure that upgrades to the National Mall Levee are in place by November 2009.

- Released the Draft National Capital Framework Plan for public review and comment. The Framework Plan, a joint initiative of NCPC and the U.S. Commission of Fine Arts, identifies opportunities to create new and exciting cultural destinations beyond the National Mall for memorials, museums and public gatherings.
- NCPC completed major components of the CapitalSpace Plan, an initiative involving the National Park Service and the District to develop a plan for the District's parks and open spaces. The partner agencies identified key themes and six focus areas for the plan, as well as model projects to demonstrate on-the-ground applications.
- Launched a Sustainability Initiative that focuses on several areas including land use, transportation, green infrastructure and storm water management.
- As a steering committee and working group member of the White House Area Transportation Study (WHATS), continued to evaluate means of alleviating traffic problems caused by the closure of Pennsylvania Avenue in front of the White House and a segment of E Street, NW.
- Continued to coordinate with affected military facilities, local jurisdictions, and the Department of Defense Office of Economic Adjustment regarding specific Base Realignment and Closure (BRAC) proposals. Additionally, continued to participate on the Fort Belvoir Board of Advisors.

Strategic Goal #4:

Protect and enhance historic and natural resources while accommodating change in the nation's capital. In FY 2008, NCPC:

- Approved final site and building plans for the Patent Office Building's reservation landscape, F Street stair construction, and security elements.
- Approved final site and building plans for the Wisconsin Avenue Terminus portion of the Georgetown Waterfront Park.
- Met regularly with the General Services Administration and other federal and District of Columbia agencies to determine options for the preservation and appropriate adaptive use of the historic St. Elizabeths campus.
- Approved preliminary and final site development plans for a temporary vehicle barrier on the east side of the Lincoln Memorial.
- Approved the final master plan and transportation management plan for Zone A of the Armed Forces Retirement Home.

Strategic Goal #5:

Promote state of the art information technologies to support integrated planning in the National Capital Region. In FY 2008, NCPC:

- Implemented Federal Desktop Client Configuration Standards for all NCPC desktop and mobile computer systems.
- Provided design support and coordinated domain and web hosting services for launch of a new web site in support of NCPC's CapitalSpace Initiative.
- Established an in-kind agreement to host all Small Agency Council computer software training.
- Completed upgrade of the agency electronic messaging system (Exchange) to improve email performance, security and storage capacities.
- Upgraded agency Intranet software platform (SharePoint) to improve integration with agency desktop applications, email and web applications.

Strategic Goal #6:

Educate and increase the involvement of local, national, and international audiences in planning development in the national capital. In FY 2008, NCPC:

- Published the second edition of *Worthy of the Nation: Washington, DC from L'Enfant to the National Capital Planning Commission*. Organized a symposium featuring national experts discussing the future of Washington in 2030 and assembled an exhibit on the history of planning in the nation's capital featuring dozens of images, maps, and a model of the city.
- Partnered with the Washington Regional Network to host a series of public forums on a range of topics such as improving Washington's neighborhoods, affordable housing, reclaiming/renovating old/abandoned properties, and transit-oriented development.
- Hosted public meetings to engage constituents in NCPC's new planning initiatives.
 - A CapitalSpace public preview meeting where attendees provided numerous comments and suggestions.
 - A public meeting on the land use study for the 190-acre Robert F. Kennedy Memorial Stadium site.
 - Several public meetings related to the National Capital Framework Plan that generated volumes of responses and comments.
- Hosted numerous foreign delegations, providing an overview of NCPC's work in the nation's capital and exchanging ideas with international planning professionals.

- Developed and distributed several publications, i.e. *Quarterly* newsletter, the 2007 Annual Report, the National Capital Framework Plan, and other informational publications.
- Briefed the Office of Management and Budget, congressional representatives, and federal, state, and local officials on major planning initiatives including the National Capital Framework Plan, the National Mall Levee and Storm Water Flooding.
- Responded to numerous public requests for information and conducted interviews with national and local media and professional publications. Educated key national and local audiences on the agency's newest initiatives and sought feedback to help shape these projects.

PART III: FINANCIAL SECTION

A Message from the Chief Operating Officer

In Fiscal Year 2008, the National Capital Planning Commission continued to make strides towards financial management excellence. The Commission's progress is measured by the results and outcomes captured in this annual Performance and Accountability Report. I am pleased to report that for the fourth consecutive year the Commission earned an unqualified "clean" audit opinion on its consolidated financial statements. Further, the audit did not identify any material weakness or significant deficiencies.

The internal control matters involving operations determined by the audit to carry more risk, but not considered to be material weaknesses or significant deficiencies, will be continually monitored. Particular attention will be given to the application of year-end procedures for recording accounts payable and other accruals. We will also continue to review, assess the validity of, and when appropriate, de-obligate outstanding obligations.

The Commission has made significant progress in fiscal year 2008 toward full integration of performance management into our budget process. Such integration provides the Commission's senior leadership with the robust financial analysis required to support timely and effective strategic planning and decision-making. NCPC also improved its financial reporting capabilities to facilitate efficient and effective program management.

During FY 2008, the NCPC continued to engage an outside firm to administer various aspects of financial management and accounting functions. Through this partnership, the NCPC developed new policies and procedures to enhance internal controls in the financial management operations. Financial management and internal control matters have been enhanced further through the active participation of the agency's Financial Audit Committee/Senior Management Council who met quarterly to review operations.

We take financial accountability, a commitment to sound agency performance, and providing taxpayers with the service they deserve very seriously. NCPC is committed to ensuring it has the organization, systems, and resources to sustain a clean opinion in future years and to continue to improve its financial management performance.

Sincerely,

Barry S. Socks
Chief Operating Officer



Independent Auditors' Report

Chairman, Commissioners and Executive Director
National Capital Planning Commission
Washington, DC

We have audited the balance sheets of the National Capital Planning Commission ("NCPC") as of September 30, 2007 and September 30, 2006, and the related statements of net cost, changes in net position, and budgetary resources, for the years then ended (herein referred to as "financial statements"). The objective of our audits was to express an opinion on the fair presentation of these financial statements.

In connection with our audits, we also considered NCPC's internal control over financial reporting and tested NCPC's compliance with certain provisions of applicable laws, regulations, contracts, and grant agreements that could have a direct and material effect on its financial statements.

Management's Responsibilities. The *Accountability of Tax Dollars Act (ATDA)* requires the agency to report annually on its financial status and any other information needed to fairly present its financial position and results of operations. Management is responsible for the financial statements, including:

- Preparing the financial statements in conformity with accounting principles generally accepted in the United States of America.
- Establishing and maintaining effective internal controls over financial reporting, compliance with applicable laws and regulations, and performance reporting.
- Complying with laws, regulations, contracts, grant agreements, and memorandums of understanding, including Federal Financial Management Improvement Act (FFMIA) and legislation that established the National Capital Planning Commission and defined its public purpose, governing structure, and reporting requirements (the National Capital Planning Act of 1952, as amended and Public Law 108-447).

In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies. Because of inherent limitations in internal control, misstatements, due to error or fraud, may nevertheless occur and not be detected.

This independent audit report is a consolidated report on the following:

- Opinion on financial statements
- Report on internal control over financial reporting
- Report on compliance with laws and regulations and other matters
- Distribution

OPINION ON FINANCIAL STATEMENTS

We have audited the balance sheet of the National Capital Planning Commission as of September 30, 2007 and September 30, 2006, and the related statements of net cost, changes in net position, and budgetary resources for the year then ended.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-136 “Financial Reporting Requirements,” Bulletin No. 07-04 “Audit Requirements for Federal Financial Statements.” *Government Auditing Standards*, OMB Circular A-136 and OMB Bulletin No. 07-04 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes: (i) examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; (ii) assessing the accounting principles used and the significant estimates made by management; and (iii) evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the National Capital Planning Commission as of September 30, 2007 and September 30, 2006, and its net costs, changes in net position, budgetary resources, and reconciliation of net costs to budgetary obligations, for the years then ended, in conformity with accounting principles generally accepted in the United States of America (GAAP), and the form and content for entity financial statements specified by the Office of Management and Budget (OMB) in OMB Circular A-136. GAAP for Federal entities are standards prescribed by the Federal Accounting Standards Advisory Board (FASAB), which has been designated the official accounting standards-setting body for the Federal Government by the American Institute of Certified Public Accountants

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the National Capital Planning Commission's internal control over financial reporting by obtaining an understanding of the agency's internal control, determined whether internal controls had been placed in operation, assessed control risk, and performed tests of controls in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. We limited our internal control testing to those controls necessary to achieve the objectives described in OMB Bulletin No. 07-04, "Audit Requirements for Federal Financial Statements," as amended. We did not test all internal controls relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982, such as those controls relevant to ensuring efficient operations. The objective of our audit was not to provide assurance on internal control. Consequently, we do not provide an opinion on internal control.

Our consideration of internal control over financial reporting would not necessarily disclose all matters on the internal control over financial reporting that might be reportable conditions. Under standards issued by the American Institute of Certified Public Accountants (AICPA), reportable conditions are matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the agency's ability to record, process, summarize, and report financial data consistent with the assertions by management in the financial statements. Material weaknesses are reportable conditions in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements, in amounts that would be material in relation to the financial statements being audited, may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of inherent limitations in any internal control structure, misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of internal control over financial reporting to future periods are subject to the risk that the internal control may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

The results of our tests disclosed no instances of reportable conditions or material weaknesses.

REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS AND OTHER MATTERS

The management of the National Capital Planning Commission is responsible for complying with laws and regulations applicable to the agency. As part of obtaining reasonable assurance about whether the agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts, and certain other laws and regulations specified in OMB Bulletin No. 07-04, including the requirements referred to in the Federal Financial Management Improvement Act (FFMIA) of 1996 and legislation that established the National Capital Planning Commission and defined its public purpose, governing structure, and reporting requirements (the National Capital Planning Act of 1952, as amended and Public Law 108-447). We limited our tests of compliance to these provisions, and we did not test compliance with all laws and regulations applicable to NCPC.

Providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

Our tests of compliance with certain provisions of laws, regulations, contracts, grant agreements, and memorandums of understanding as described above, exclusive of those referred to in FFMIA, disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and OMB Bulletin No. 07-04.

Under FFMIA, we are required to report whether: (i) the agency's financial management systems substantially comply with Federal financial management systems requirements, (ii) federal accounting standards are properly applied, and (iii) the United States Government Standard General Ledger is properly used at the transaction level. Our tests included:

1. Evaluating the financial system based on the FFMIA compliance criteria set forth in OMB Memorandum "Revised Implementation Guidance for the Federal Financial Management Improvement Act" dated January 4, 2001.
2. Evaluating internal control and systems evaluation reports on the payroll service provider (the USDA's National Finance Center).
3. Evaluating the effectiveness of incorporating National Finance Center payroll data into the NCPC financial system.
4. Designing and performing tests of controls and transactions to evaluate the effectiveness of internal controls over financial reporting and compliance with FFMIA compliance criteria.

The results of our tests disclosed no instances in which the agency's financial management systems did not substantially comply with Federal financial management

systems requirements, application of appropriate federal accounting standards, and use of the United States Government Standard General Ledger at the transaction level.

DISTRIBUTION

This report is intended for the information and use of the National Capital Planning Commission's Commissioners, management, Office of Management and Budget, the Government Accountability Office, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

Martin & Wall, P.C.

November 6, 2007
Washington, DC

NATIONAL CAPITAL PLANNING COMMISSION

CONSOLIDATED BALANCE SHEET

As of September 30, 2007 and 2006

(Dollars in Thousands)

Assets (Note 3)	FY 2007	FY 2006
Intragovernmental Assets:		
Fund Balance with Treasury (Note 4)	\$ 2,162	\$ 2,300
Investments	-	-
Accounts Receivable, Net (Note 5)	-	10
Other Assets	-	-
Total Intragovernmental Assets:	2,162	2,310
Cash and Other Monetary Assets	-	-
Investments	-	-
Accounts Receivable, Net (Note 5)	2	15
Loans Receivable and Related		
Foreclosed Property, Net	-	-
Inventory and Related Property, Net	-	-
General Property, Plant and Equipment, Net (Note 6)	123	166
Other Assets	-	-
Total Assets	\$ 2,287	\$ 2,491
Liabilities (Note 7)		
Intragovernmental Liabilities:		
Accounts Payable	\$ -	\$ -
Debt	-	-
Other Intragovernmental Liabilities (Note 8)	92	156
Total Intragovernmental Liabilities:	92	156
Accounts Payable	226	216
Loan Guarantees	-	-
Federal Employee and Veterans'		
Benefits Payable	-	-
Environmental and Disposal Liabilities	-	-
Grant Accrual	-	-
Other Liabilities (Notes 8)	853	820
Total Liabilities	\$ 1,171	\$ 1,192

The accompanying notes are an integral part of these financial statements

NATIONAL CAPITAL PLANNING COMMISSION

CONSOLIDATED BALANCE SHEET

As of September 30, 2007 and 2006

(Dollars in Thousands)

	<u>FY 2007</u>	<u>FY 2006</u>
Contingencies (Note 9)		
Net Position		
Unexpended Appropriations		
Earmarked Funds	\$ -	\$ -
All Other Funds	1,268	1,281
Cumulative Results of Operations		
Earmarked Funds	\$ -	\$ -
All Other Funds	(152)	18
Total Net Position	<u>1,116</u>	<u>1,299</u>
Total Liabilities and Net Position	<u>\$ 2,287</u>	<u>\$ 2,491</u>

The accompanying notes are an integral part of these financial statements

NATIONAL CAPITAL PLANNING COMMISSION

STATEMENT OF NET COST As of September 30, 2007 and 2006

	(Dollars in Thousands)	
Program Costs (Notes 10 & 11):	<u>FY 2007</u>	<u>FY 2006</u>
Planning:		
Gross Costs	\$ 8,762	\$ 7,896
Less: Earned Revenue	<u>139</u>	<u>126</u>
Net Program Costs	<u>\$ 8,623</u>	<u>\$ 7,770</u>
Costs Not Assigned to Programs	\$ -	\$ -
Less Earned Revenue Not Attributed to Programs	<u>-</u>	<u>-</u>
Net Cost of Operations	<u>\$ 8,623</u>	<u>\$ 7,770</u>

The accompanying notes are an integral part of these financial statements

NATIONAL CAPITAL PLANNING COMMISSION

STATEMENT OF CHANGES IN NET POSITION

As of September 30, 2007 and 2006

(Dollars in Thousands)

Cumulative Results of Operations:	<u>FY 2007</u> <u>Earmarked Funds</u>	<u>FY 2007</u> <u>All Other</u>	<u>FY 2006</u> <u>Earmarked Funds</u>	<u>FY 2006</u> <u>All Other</u>
1. Beginning Balances	\$ -	\$ 18.00	\$ -	\$ (74.00)
2. Prior Period Adjustments (+/-) (Note 12)	<u>-</u>	<u>(121.00)</u>	<u>-</u>	<u>(3.00)</u>
3. Beginning Balances, As Adjusted	<u>-</u>	<u>(103.00)</u>	<u>-</u>	<u>(77.00)</u>
 Budgetary Financing Sources:				
4. Appropriations Received	-	-	-	-
5. Appropriations Transferred-In/Out (+/-)	-	-	-	-
6. Other Adjustments (Rescissions, etc.) (+/-)	-	-	-	-
7. Appropriations Used	-	8,285.00	-	7,592.00
8. Non-Exchange Revenue (Note 12)	-	-	-	-
9. Donations/Forfeitures of Cash/Cash Equivalents	-	-	-	-
10. Transfers-In/Out Without Reimbursement (+/-)	-	-	-	-
11. Other Budgetary Financing Sources	-	-	-	-
 Other Financing Sources:				
12. Donations and Forfeitures of Property	-	-	-	-
13. Transfers-In/Out Without Reimbursement (+/-)	-	-	-	-
14. Imputed Financing From Costs Absorbed by Others	-	289.00	-	273.00
15. Other (+/-)	-	-	-	-
16. Total Financing Sources	-	8,574.00	-	7,865.00
17. Net Cost of Operations (+/-)	-	(8,623.00)	-	(7,770.00)
18. Net Change	-	(49.00)	-	95.00
19. Ending Balances	<u>-</u>	<u>(152.00)</u>	<u>-</u>	<u>18.00</u>

The accompanying notes are an integral part of these financial statements

NATIONAL CAPITAL PLANNING COMMISSION

STATEMENT OF CHANGES IN NET POSITION
As of September 30, 2007 and 2006

(Dollars in Thousands)

	FY 2007	FY 2007	FY 2006	FY 2006
Cumulative Results of Operations:	<u>Earmarked Funds</u>	<u>All Other</u>	<u>Earmarked Funds</u>	<u>All Other</u>
1. Beginning Balances	\$ -	\$ 18	\$ -	\$ (74)
2. Prior Period Adjustments (+/-) (Note 12)	<u>\$ -</u>	<u>\$ (121)</u>	<u>\$ -</u>	<u>\$ (3)</u>
3. Beginning Balances, As Adjusted	<u>\$ -</u>	<u>\$ (103)</u>	<u>\$ -</u>	<u>\$ (77)</u>
 Budgetary Financing Sources:				
4. Appropriations Received	\$ -	\$ -	\$ -	\$ -
5. Appropriations Transferred-In/Out (+/-)	\$ -	\$ -	\$ -	\$ -
6. Other Adjustments (Rescissions, etc.) (+/-)	\$ -	\$ -	\$ -	\$ -
7. Appropriations Used	\$ -	\$ 8,285	\$ -	\$ 7,592
8. Non-Exchange Revenue (Note 12)	\$ -	\$ -	\$ -	\$ -
9. Donations/Forfeitures of Cash/Cash Equivalents	\$ -	\$ -	\$ -	\$ -
10. Transfers-In/Out Without Reimbursement (+/-)	\$ -	\$ -	\$ -	\$ -
11. Other Budgetary Financing Sources	\$ -	\$ -	\$ -	\$ -
 Other Financing Sources:				
12. Donations and Forfeitures of Property	\$ -	\$ -	\$ -	\$ -
13. Transfers-In/Out Without Reimbursement (+/-)	\$ -	\$ -	\$ -	\$ -
14. Imputed Financing From Costs Absorbed by Others	\$ -	\$ 289	\$ -	\$ 273
15. Other (+/-)	\$ -	\$ -	\$ -	\$ -
16. Total Financing Sources	\$ -	\$ 8,574	\$ -	\$ 7,865
17. Net Cost of Operations (+/-)	\$ -	\$ (8,623)	\$ -	\$ (7,770)
18. Net Change	\$ -	\$ (49)	\$ -	\$ 95
19. Ending Balances	<u>\$ -</u>	<u>\$ (152)</u>	<u>\$ -</u>	<u>\$ 18</u>

The accompanying notes are an integral part of these financial statements

NATIONAL CAPITAL PLANNING COMMISSION

STATEMENT OF CHANGES IN NET POSITION

As of September 30, 2007 and 2006

(Dollars in Thousands)

	FY 2007		FY 2006	
	<u>Earmarked Funds</u>	<u>All Other</u>	<u>Earmarked Funds</u>	<u>All Other</u>
Uncexpended Appropriations:				
1. Beginning Balances	\$ -	\$ 1,282	\$ -	\$ 752
2. Prior Period Adjustments (+/-) (Note 12)	\$ -	\$ 121	\$ -	\$ -
3. Beginning Balances, As Adjusted	\$ -	\$ 1,403	\$ -	\$ 752
Budgetary Financing Sources:				
4. Appropriations Received	\$ -	\$ 8,168	\$ -	\$ 8,244
5. Appropriations Transferred-In/Out (+/-)	\$ -	\$ -	\$ -	\$ -
6. Other Adjustments (Rescissions, etc.) (+/-)	\$ -	\$ (18)	\$ -	\$ (123)
7. Appropriations Used	\$ -	\$ (8,285)	\$ -	\$ (7,592)
8. Non-Exchange Revenue (Note 12)				
9. Donations/Forfeitures of Cash/Cash Equivalents				
10. Transfers-In/Out Without Reimbursement (+/-)				
11. Other Budgetary Financing Sources				
Other Financing Sources:				
12. Donations and Forfeitures of Property				
13. Transfers-In/Out Without Reimbursement (+/-)				
14. Imputed Financing From Costs Absorbed by Others				
15. Other (+/-)				
16. Total Financing Sources	\$ -	\$ (135)	\$ -	\$ 529
17. Net Cost of Operations (+/-)				
18. Net Change	\$ -	\$ (135)	\$ -	\$ 529
19. Ending Balances	\$ -	\$ 1,268	\$ -	\$ 1,281

The accompanying notes are an integral part of these financial statements

NATIONAL CAPITAL PLANNING COMMISSION

STATEMENT OF BUDGETARY RESOURCES
As of September 30, 2007 and 2006

(Dollars in Thousands)

	FY 2007 Total <u>Budgetary</u>	FY 2007 Total Non-Budgetary <u>Financing Accounts</u>	FY 2006 Total <u>Budgetary</u>	FY 2006 Total Non-Budgetary <u>Financing Accounts</u>
CHANGE IN OBLIGATED BALANCES				
12. Obligated balance, net				
12A. Unpaid obligations, brought forward, October 1 (+)	\$ 1,802	\$ -	\$ 1,327	\$ -
12B. Uncollected customer payments from Federal sources, brought forward October 1(-)	<u>(10)</u>	<u>-</u>	<u>-</u>	<u>-</u>
12C. Total unpaid obligated balances brought forward, net	1,792	-	1,327	-
13. Obligations incurred (+)	8,192	-	8,178	-
14. Gross Outlays (-)	(8,378)	-	(7,635)	-
15. Obligated balance transfers, net				
15A. Actual transfers, unpaid obligations (+ or -)	-	-	-	-
15B. Actual transfers, uncollected customer payments from federal sources (+ or -)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
15C. Total unpaid obligated balance transferred, net	-	-	-	-
16. Recoveries of prior-year unpaid obligations, actual(-)	(142)	-	(68)	-
17. Change in uncollected customer payments from Federal sources	10	-	-	-
18. Obligated balance, net, end of period				
18A. Unpaid obligations(+)	1,474	-	1,802	-
18B. Uncollected customer payments from Federal sources (-)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18C. Total, unpaid obligated balance, net, end of period	1,474	-	1,802	-
NET OUTLAYS				
19. Net Outlays				
19A. Gross Outlays (+)	8,378	-	7,635	-
19B. Offsetting collections (-)	(90)	-	(67)	-
19C. Less: Distributed offsetting receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
19D. Net Outlays	<u>\$ 8,288</u>	<u>\$ -</u>	<u>\$ 7,568</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 1 – OVERVIEW OF REPORTING ENTITY

The National Capital Planning Commission (NCPC) is an independent agency of the Executive Branch of the United States Government. The agency was originally established in 1924 as a park-planning agency. Two years later Congress expanded NCPC's role to include comprehensive planning. In 1952, under the National Capital Planning Act, Congress designated NCPC as the central planning agency for the federal government responsible for all property in the District of Columbia, and all federal property in the National Capital Region. In 1973, the D.C. Home Rule Act made the Mayor the chief planner for private development in the District of Columbia. The Act maintained NCPC as the central planning agency for all federal lands and facilities in the District of Columbia and the National Capital Region.

The National Capital Planning Commission is governed by a 12 Commissioners, three of whom are appointed by the President of the United States and two by the Mayor of the District of Columbia. The NCPC is managed by an Executive Director appointed by the Commissioners. The National Capital Planning Commission engages in three major activities:

1. **Comprehensive planning** - The Commission sets long-range policies and goals for future federal development and plays an important role in the historic preservation, environmental protection, and economic development of the national capital.
2. **Oversight of federal capital improvements** - Each year the federal government spends millions to maintain and improve its facilities in the National Capital Region. Construction of new office buildings and rehabilitation of old ones; improvements to roads, bridges, and recreation, military, and cultural facilities; and building and land purchases are all included in the capital improvements programs that federal agencies propose for funding. NCPC tracks and reviews these proposals to ensure that they meet federal planning objectives and that they are coordinated with one another and with the surrounding communities. The Commission's Federal Capital Improvements Program, an annual publication, reports on the public works projects proposed by federal agencies over the coming six years.
3. **Review of Federal development projects** - The Commission reviews every federal development project in the National Capital Region and approves or denies the location and design of all federal buildings, museums, memorials, and monuments proposed in Washington. In addition, the Commission reviews all District of Columbia public projects and proposed policies, plans, and zoning actions. Projects are reviewed for compliance with the Comprehensive Plan, as well as with federal environmental and historic preservation laws.
4. **Project planning and partnerships** – The Commission provides regional leadership to protect the federal interest and advance federal planning initiatives. By forging strong partnerships, and through effective coordination, NCPC advances the critical recommendations of its Legacy and Comprehensive Plans. Some of these projects included the National Capital Framework Plan, Railroad Realignment Feasibility Study, and the RFK Stadium Site Redevelopment Study.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared from the accounting records of NCPC in accordance with generally accepted accounting principles in the United States (GAAP), and the form and content for entity financial statements specified by the Office of Management and Budget (OMB) in OMB Circular A-136, ‘Financial Reporting Requirement’. GAAP for Federal entities are standards prescribed by the Federal Accounting Standards Advisory Board (FASAB), which has been designated the official accounting standards-setting body for the Federal Government by the American Institute of Certified Public Accountants.

OMB Circular A-136 requires agencies to prepare financial statements, which include a Balance Sheet, a Statement of Net Cost, a Statement of Changes in Net Position, a Statement of Budgetary Resources. A Statement of Financing was required prior to Fiscal Year 2007. OMB Circular A-136, revised June 27, 2007 states ‘Effective for fiscal year 2007 the Statement of Financing (SOF) will be presented as a note per OMB’s authority under SFFAS 7 and will no longer be considered a basic statement. The Statement of Financing will now be a display in the notes...and referred to as ‘Reconciliation of Net Cost of Operations to Budget’’. The Balance Sheet presents amounts of future economic benefits owned or managed by NCPC (assets), amounts owed by NCPC (liabilities), and amounts, which comprise the difference (net position) as of September 30, 2007 and 2006. The Statement of Net Cost reports the full cost of the program, both direct and indirect costs of the output, and the costs of identifiable supporting services provided by other segments within NCPC and other reporting entities. The Statement of Budgetary Resources reports an agency’s budgetary activity.

Basis of Accounting & Use of Estimates

Transactions are recorded on the accrual accounting basis in accordance with OMB Circular A-136. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

NCPC follows standard Federal budgetary accounting policies and practices in accordance with OMB Circular No. A-11, "Preparation, Submission, and Execution of the Budget," dated June 2002. Budgetary accounting facilitates compliance with legal constraints and controls over the use of Federal funds. Each year, Congress provides NCPC appropriations to incur obligations in support of agency programs. For FY 2007 and FY 2006, NCPC was accountable for general fund appropriations, no-year fund carryover and Offsetting Collections, and deposit funds, with the addition of an expired multi-year appropriation in FY 2006. NCPC recognizes budgetary resources as assets when cash (funds held by Treasury) is made available through warrants and when spending authority from the offsetting collection is incurred.

Revenues and Other Financing Sources

NCPC receives the majority of the funding needed to support all of its programs through appropriations and other collections. NCPC receives annual, multi-year and no-year appropriations that may be used, within statutory limits, for operating and capital expenditures. Additional amounts are obtained from service fees through reimbursable agreements for services performed for intra-governmental and public entities. Interest income received is recognized as revenue on the accrual basis. Appropriations are recognized as revenues as the related program or administrative expenses are incurred. Other financing sources for NCPC consist of imputed financing sources which are costs financed by other Federal entities on behalf of NCPC, as required by Statement of Federal Financial Accounting Standard (SFFAS) No. 5, Accounting for Liabilities of the Federal Government.

Receivables

Accounts receivable consist of amounts owed to NCPC by other Federal agencies and the public. Federal accounts receivable are generally the result of the provision of goods and services to other Federal agencies and, with the exception of occasional billing disputes, are considered to be fully collectible. Public accounts receivable are generally the result of the provision of goods and services, or erroneous payments. Amounts due from the public are presented net of an allowance for loss on uncollectible accounts, which is based on historical collection experience and/or an analysis of the individual receivables.

Inventory and Operating Materials and Supplies

NCPC's operating materials and supplies are immaterial. Operating materials and supplies are expended as purchases are received.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

NCPC currently has a capitalization threshold of \$200,000 for structures and facilities and \$25,000 for other property, plant and equipment. The subsidiary property management system accumulates costs assigned to the equipment or facility being constructed. The straight line method is generally used to depreciate capitalized assets.

Prepaid and Deferred Charges

Payments in advance of the receipt of goods and services are recorded as prepaid charges at the time of prepayment and recognized as expenses when the related goods and services are received.

Liabilities

Liabilities represent amounts expected to be paid as the result of a transaction or event that has already occurred. Liabilities covered by budgetary resources are liabilities incurred which are covered by realized budgetary resources as of the balance sheet date. Available budgetary resources include new budget authority, spending authority from the offsetting collections, recoveries of unexpired budget authority through downward adjustments of prior year obligations, unobligated balances of budgetary resources at the beginning of the year. Unfunded liabilities are not considered to be covered by such budgetary resources. Examples of unfunded liabilities are actuarial liabilities for future Federal Employees' Compensation Act payments. The Government, acting in its sovereign capacity, can abrogate liabilities arising from other than contracts.

Borrowings Payable to Treasury

NCPC does not engage in Treasury Borrowing activities.

Contingencies

The criteria for recognizing contingencies for claims are (1) a past event or exchange transaction has occurred as of the date of the statements; (2) a future outflow or other sacrifice of resources is probable; and (3) the future outflow or sacrifice of resources is measurable (reasonably estimated). NCPC recognizes material contingent liabilities in the form of claims, legal action, administrative proceedings and environmental suits that have been brought to the attention of legal counsel, some of which will be paid by the Treasury Judgment Fund. It is the opinion of management and legal counsel that the ultimate resolution of these proceedings, actions and claims, will not materially affect the financial position or results of operations.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 3 - NON-ENTITY ASSETS

(Dollars in Thousands)

Intragovernmental:	September 30, 2007	September 30, 2006
Fund Balance with Treasury	\$ -	\$ -
Investments	-	-
Accounts Receivable	-	-
Other Assets	-	-
	<hr/>	<hr/>
Total Intragovernmental	\$ -	\$ -
Cash and Other Monetary Assets	\$ -	\$ -
Accounts Receivable	-	-
Loans Receivable and Related Foreclosed Property	-	-
Inventory and Related Property	-	-
General Property, Plant and Equipment	-	-
Other Assets	-	-
	<hr/>	<hr/>
Total Non-Entity Assets	\$ -	\$ -
Total Entity Assets	<u>2,287</u>	<u>2,491</u>
 Total Assets	 <u>\$ 2,287</u>	 <u>\$ 2,491</u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 4 - FUND BALANCES WITH TREASURY

(Dollars in Thousands)

Fund Balances:	Entity Assets	Non-Entity Assets	September 30, 2007 Total	September 30, 2006 Total
Trust Funds	\$ -	\$ -	\$ -	\$ -
Revolving Funds	-	-	-	-
Appropriated Funds	1,871	-	1,871	2,018
Other Fund Types	<u>291</u>	<u>-</u>	<u>291</u>	<u>282</u>
Total	<u>\$ 2,162</u>	<u>\$ -</u>	<u>\$ 2,162</u>	<u>\$ 2,300</u>

Status of Fund Balance with Treasury:

Unobligated Balance			
Available		\$ -	\$ -
Unavailable		688	510
Obligated Balance Not Yet Disbursed		1,474	1,790
Non-Budgetary FBWT		-	-
Total		<u>\$ 2,162</u>	<u>\$ 2,300</u>

Other Information:

The U.S. Treasury performs cash management activities for all Federal agencies. Fund Balance With Treasury is the aggregate amount of the agencies accounts with Treasury for which the agency is authorized to liquidate obligations, pay funded liabilities, and make expenditures. The fund balance is increased through the receipt of non-expenditure Treasury Warrants for appropriations, positive non-expenditure transfers, and other expenditure inflows of funds. The Fund Balance With Treasury is reduced through non-expenditure Treasury Warrants for recissions, negative non-expenditure transfers, disbursements, and other expenditure cash outflows of funds.

The Unobligated Balance, Unavailable Fund Balance With Treasury (FBWT) corresponds to "Line 10. Unobligated balance not available" in the Statement of Budgetary Resources. Unobligated Balance, Unavailable consists of FBWT related to the unavailable unobligated balance of expiring and expired appropriations and the unapportioned unobligated balance of unexpired multi-year and no-year funds unavailable until reapportioned.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 5 - ACCOUNTS RECEIVABLE

(Dollars in Thousands)

As of September 30, 2007

	<u>Gross Amount Due</u>	<u>Allowance for Uncollectible Amounts</u>	<u>Net Amount Due</u>
Intragovernmental:			
Entity			
Accounts Receivable	\$ -	\$ -	\$ -
Loans Receivable	<u>-</u>	<u>-</u>	<u>-</u>
Total Entity Intragovernmental	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Non-Entity:			
Accounts Receivable	\$ -	\$ -	\$ -
Accrued Interest	<u>-</u>	<u>-</u>	<u>-</u>
Total Non-Entity Intragovernmental	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Intragovernmental Receivables	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Public:			
Entity			
Accounts Receivable	\$ 2	\$ -	\$ 2
Accrued Interest	<u>-</u>	<u>-</u>	<u>-</u>
Total Entity Public	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 2</u>
Non-Entity:			
Accounts Receivable	\$ -	\$ -	\$ -
Accrued Interest	<u>-</u>	<u>-</u>	<u>-</u>
Total Non-Entity Public	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Public Receivables	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 2</u>
Total Receivables	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 2</u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 5 - ACCOUNTS RECEIVABLE (CONTINUED)

(Dollars in Thousands)

As of September 30, 2006

	<u>Gross Amount Due</u>	<u>Allowance for Uncollectible Amounts</u>	<u>Net Amount Due</u>
Intragovernmental:			
Entity			
Accounts Receivable	\$ 10	\$ -	\$ 10
Accrued Interest	<u>-</u>	<u>-</u>	<u>-</u>
Total Entity Intragovernmental	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 10</u>
Non-Entity:			
Accounts Receivable	\$ -	\$ -	\$ -
Accrued Interest	<u>-</u>	<u>-</u>	<u>-</u>
Total Non-Entity Intragovernmental	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Intragovernmental Receivables	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 10</u>
Public:			
Entity			
Accounts Receivable	\$ 15	\$ -	\$ 15
Accrued Interest	<u>-</u>	<u>-</u>	<u>-</u>
Total Entity Public	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 15</u>
Non-Entity:			
Accounts Receivable	\$ -	\$ -	\$ -
Accrued Interest	<u>-</u>	<u>-</u>	<u>-</u>
Total Non-Entity Public	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Public Receivables	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 15</u>
Total Receivables	<u>\$ 25</u>	<u>\$ -</u>	<u>\$ 25</u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 6 - GENERAL PROPERTY, PLANT AND EQUIPMENT

(Dollars in Thousands)

Major Classes	Service <u>Life</u>	Acquisition <u>Value</u>	Accumulated <u>Depreciation</u>	September 30, 2007 <u>Net Book Value</u>	September 30, 2006 <u>Net Book Value</u>
Land		\$ -	\$ -	\$ -	\$ -
Buildings and Structures	20 SL	-	-	-	-
Furniture and Fixtures		-	-	-	-
Equipment	5 SL	-	-	-	-
ADP Software		-	-	-	-
Electronics	5 SL	-	-	-	-
Assets Under Capital Lease	10 SL	-	-	-	-
Leasehold Improvements	10 SL	419	296	123	166
Other Vehicles		-	-	-	-
Construction in Progress		-	-	-	-
Property Not in Use		-	-	-	-
Other Miscellaneous Property		-	-	-	-
Total		<u>\$ 419</u>	<u>\$ 296</u>	<u>\$ 123</u>	<u>\$ 166</u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 7 - LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

(Dollars in Thousands)

Intragovernmental:	<u>September 30, 2007</u>	<u>September 30, 2006</u>
Accounts Payable	\$ -	\$ -
Debt	-	-
Other Liabilities	<u>-</u>	<u>-</u>
Total Intragovernmental	\$ -	\$ -
Accounts Payable	\$ -	\$ -
Federal Employee and Veterans' Benefits Payable	-	-
Environmental and Disposal Liabilities	-	-
Other Liabilities	<u>286</u>	<u>281</u>
Total Liabilities Not Covered by Budgetary Resources	\$ 286	\$ 281
Total Liabilities Covered by Budgetary Resources	<u>885</u>	<u>911</u>
Total Liabilities	<u><u>\$ 1,171</u></u>	<u><u>\$ 1,192</u></u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 8 - OTHER LIABILITIES

(Dollars in Thousands)

As of September 30, 2007

Intragovernmental:	Non-Current Liabilities	Current Liabilities	FY 2007 Total
Covered by Budgetary Resources:			
Advances and Prepayments	\$ -	\$ 92	\$ 92
Accrued Pay and Benefits	-	-	-
Undisbursed Loans	-	-	-
Federal Employees Compensation Act	-	-	-
Uncleared Disbursements and Collections	-	-	-
Deferred Credits	-	-	-
Deposit Funds	-	-	-
	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Intragovernmental Covered by Budgetary Resources	<u>\$ -</u>	<u>\$ 92</u>	<u>\$ 92</u>
Not Covered by Budgetary Resources:			
Federal Employees Compensation Act (FECA)			
2006 Bill (Current)	\$ -	\$ -	\$ -
2007 Bill (Non-Current)	-	-	-
4th Quarter of FY 2007 (Non-Current)	-	-	-
Unbilled Accrued Benefits (Non-Current)	-	-	-
	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total FECA Liabilities	\$ -	\$ -	\$ -
Unfunded Employment Liability	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Intragovernmental Not Covered by Budgetary Resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Intragovernmental Other Liabilities	<u><u>\$ -</u></u>	<u><u>\$ 92</u></u>	<u><u>\$ 92</u></u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 8 - OTHER LIABILITIES (CONTINUED)

(Dollars in Thousands)

As of September 30, 2007

Public:	Non-Current Liabilities	Current Liabilities	FY 2007 Total
Covered by Budgetary Resources:			
Accrued Unbilled State Payments	\$ -	\$ -	\$ -
Other Accrued Unbilled Payments	-	-	-
Accrued Pay and Benefits	-	314	314
Uncleared Disbursements and Collections	-	-	-
Advances and Prepayments	-	253	253
Deposit Funds	-	-	-
Deferred Credits	-	-	-
Capital Leases	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Public Covered by Budgetary Resources	<u>\$ -</u>	<u>\$ 567</u>	<u>\$ 567</u>
Not Covered by Budgetary Resources:			
Accrued Pay and Benefits	\$ -	\$ -	\$ -
Deposit Funds	-	-	-
Legal Claims	-	-	-
Capital Leases	-	-	-
Other-Unfunded Leave	286	-	286
	<u>-</u>	<u>-</u>	<u>-</u>
Total Public Not Covered by Budgetary Resources	<u>\$ 286</u>	<u>\$ -</u>	<u>\$ 286</u>
Total Public Other Liabilities	<u>\$ 286</u>	<u>\$ 567</u>	<u>\$ 853</u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 8 - OTHER LIABILITIES (CONTINUED)

(Dollars in Thousands)

As of September 30, 2006

Intragovernmental:	<u>Non-Current Liabilities</u>	<u>Current Liabilities</u>	<u>FY 2006 Total</u>
Covered by Budgetary Resources:			
Advances and Prepayments	\$ -	\$ 146	\$ 146
Accrued Pay and Benefits	-	-	-
Undisbursed Loans	-	-	-
Federal Employees Compensation Act	-	-	-
Uncleared Disbursements and Collections	-	-	-
Deferred Credits	-	10	10
Deposit Funds	-	-	-
Employment Related Payroll Tax	-	-	-
Other Liability	-	-	-
Total Intragovernmental Covered by Budgetary Resources	<u>\$ -</u>	<u>\$ 156</u>	<u>\$ 156</u>
Not Covered by Budgetary Resources:			
Federal Employees Compensation Act (FECA)			
2005 Bill (Current)	\$ -	\$ -	\$ -
2006 Bill (Non-Current)	-	-	-
4th Quarter of FY 2006 (Non-Current)	-	-	-
Unbilled Accrued Benefits (Non-Current)	-	-	-
Total FECA Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Unfunded Employment Liability	-	-	-
Total Intragovernmental Not Covered by Budgetary Resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Intragovernmental Other Liabilities	<u><u>\$ -</u></u>	<u><u>\$ 156</u></u>	<u><u>\$ 156</u></u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 8 - OTHER LIABILITIES (CONTINUED)

(Dollars in Thousands)

As of September 30, 2006

Public:	Non-Current Liabilities	Current Liabilities	FY 2006 Total
Covered by Budgetary Resources:			
Accrued Unbilled State Payments	\$ -	\$ -	\$ -
Other Accrued Unbilled Payments	-	-	-
Accrued Pay and Benefits	-	276	276
Uncleared Disbursements and Collections	-	-	-
Advances and Prepayments	-	258	258
Deposit Funds	-	-	-
Deferred Credits	-	5	5
Capital Leases	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Public Covered by Budgetary Resources	<u>\$ -</u>	<u>\$ 539</u>	<u>\$ 539</u>
Not Covered by Budgetary Resources:			
Accrued Pay and Benefits	\$ -	\$ -	\$ -
Deposit Funds	-	-	-
Legal Claims	-	-	-
Capital Leases	-	-	-
Other - Deferred Credit	-	-	-
Other - Unfunded Leave	<u>281</u>	<u>-</u>	<u>281</u>
Total Public Not Covered by Budgetary Resources	<u>\$ 281</u>	<u>\$ -</u>	<u>\$ 281</u>
Total Public Other Liabilities	<u>\$ 281</u>	<u>\$ 539</u>	<u>\$ 820</u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 9 - CONTINGENCIES AND COMMITMENTS

NPCPC leases office space at 401 9th Street, N.W., North Lobby, Suite 500, Washington, DC 20004. The operating lease was entered into in December 2000 and expires in November 2010. The lease contains an option to renew.

The following is a schedule of the minimum lease payments (in whole dollars) required by the lease:

Year Ending September 30	2007	<u>\$ 1,540,932</u>	
		<u>\$ 1,540,932</u>	Current FY Obligation
	2008	1,570,675	
	2009	1,608,083	
	2010	1,646,470	
	2011	<u>276,329</u>	
		<u>\$ 5,101,557</u>	Future FY Minimum Lease Payments
		<u>\$ 6,642,489</u>	Total Lease Payments

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 11 - INTRAGOVERNMENTAL COSTS AND EXCHANGE REVENUE

(Dollars in Thousands)

Program Costs:	September 30, 2007	September 30, 2006
Planning:		
Intragovernmental Gross Costs	2,818	2,749
Less: Intragovernmental Earned Revenue	130	126
Intragovernmental Net Costs	<u>2,688</u>	<u>2,623</u>
Gross Costs with the Public	5,944	5,147
Less: Earned Revenues from the Public	9	-
Net Costs with the Public	<u>5,935</u>	<u>5,147</u>
		7,770
Total Net Cost	<u>\$ 8,623</u>	<u>\$ 7,770</u>
Cross-Cutting Programs:		
Intragovernmental Gross Costs	-	-
Less: Intragovernmental Earned Revenue	-	-
Intragovernmental Net Costs	<u>-</u>	<u>-</u>
Gross Costs with the Public	-	-
Less: Earned Revenues from the Public	-	-
Net Costs with the Public	<u>-</u>	<u>-</u>
Total Net Cost	<u>\$ -</u>	<u>\$ -</u>
Costs Not Assigned to Programs	-	-
Less Earned Revenues Not Attributed to Programs	-	-
Net Cost of Operations	<u>\$ 8,623</u>	<u>\$ 7,770</u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 12 - CHANGE IN NET POSITION

(Dollars in Thousands)

Prior Period Adjustments:	<u>September 30, 2007</u>	<u>September 30, 2006</u>
(1) Unexpended Appropriation	\$ 121	\$ -
(2) Cumulative Result of Operations	(121)	(3)
	-	-
	-	-
Total Prior Period Adjustments	<u>\$ -</u>	<u>\$ (3)</u>

Breakdown of Cumulative Result of Operations Prior Period Adjustments:

Correct FY06 Unexpended Approp	121	
Correct FY06 Approp Used	(121)	-
Reconcile Advances Beginning Balance		(3)

Non-Exchange Revenue:

Taxes and Non-Exchange Revenue:

	\$ -	\$ -
	-	-
	-	-
	-	-
Total Taxes and Non-Exchange Revenue	<u>\$ -</u>	<u>\$ -</u>
Less: Transfers	-	-
Gross Taxes	<u>\$ -</u>	<u>\$ -</u>
Less: Refunds and Other Credits	-	-
Net Non-Exchange Revenue	<u>\$ -</u>	<u>\$ -</u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 13 - STATEMENT OF BUDGETARY RESOURCES

(Dollars in Thousands)

	<u>September 30, 2007</u>	<u>September 30, 2006</u>
The amount of direct and reimbursable obligations incurred against amounts apportioned under Category A, B and exempt from apportionment as of the end of the period	\$ 8,192	\$ 8,178
Available Contract Authority as of the end of the period	\$ -	\$ -
Available Borrowing Authority as of the end of the period	\$ -	\$ -
Undelivered orders at the end of the period	\$ 934	\$ 1,080
Adjustments during the fiscal year to the beginning balance of Budgetary Resources:		
Cumulative Authorizations in Excess of Obligation Limitation	\$ -	\$ -
Rescissions	-	(121)
Prior Year Recoveries	142	68
Temporarily Not Available	-	-
Cancelled Authority	(18)	(2)
Permanently Not Available	-	-
	<u>-</u>	<u>-</u>
Total Adjustments to the beginning balance of Budgetary Resources	<u>\$ 124</u>	<u>\$ (55)</u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

NOTE 14 - RECONCILIATION OF NET COST OF OPERATIONS TO BUDGET

(Dollars in Thousands)

	September 30, 2007	September 30, 2006
Resources Used to Finance Activities:		
Budgetary Resources Obligated		
1. Obligations Incurred	\$ 8,192	\$ 8,178
2. Less: Spending Authority From Offsetting Collections & Recoveries	<u>222</u>	<u>145</u>
3. Obligations Net of Offsetting Collections and Recoveries	\$ 7,970	\$ 8,033
4. Less: Offsetting Receipts	<u>-</u>	<u>-</u>
5. Net Obligations	\$ 7,970	\$ 8,033
Other Resources		
6. Donations and Forfeitures of Property	\$ -	\$ -
7. Transfers In/Out Without Reimbursement (+/-)	-	-
8. Imputed Financing from Costs Absorbed by Others	289	273
9. Other		
9a. Other	-	-
10. Net Other Resources Used to Finance Activities	<u>\$ 289</u>	<u>\$ 273</u>
11. Total Resources Used to Finance Activities	\$ 8,259	\$ 8,306

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

**NOTE 14 - RECONCILIATION OF NET COST OF OPERATIONS
TO BUDGET (CONTINUED)**

(Dollars in Thousands)

	<u>September 30, 2007</u>		<u>September 30, 2006</u>
Resources Used to Finance Items Not Part of the Net Cost of Operations:			
12. Change in Budgetary Resources			
Obligated But Not Provided (+/-)	\$ (308)	\$	559
13. Resources that Fund Expenses Recognized in Prior Periods	(6)		17
14. Offsetting Collections That Do Not Affect Net Cost of Operations			
14a. Other	-		-
15. Resources That Finance the Acquisition of Assets or Liquidation of Liabilities (+/-)	-		-
16. Other Resources or Adjustments to Obligated Resources That Do Not Affect Net Cost of Operations (+/-)	-		3
17. Total Resources Used to Finance Items Not Part of the Net Cost of Operations	<u>\$ (314)</u>	<u>\$</u>	<u>579</u>
18. Total Resources Used to Finance the Net Cost of Operations	\$ 8,573	\$	7,727

National Capital Planning Commission
Notes to Financial Statements
September 30, 2007

**NOTE 14 - RECONCILIATION OF NET COST OF OPERATIONS
TO BUDGET (CONTINUED)**

(Dollars in Thousands)

	<u>September 30, 2007</u>	<u>September 30, 2006</u>
Components of Net Cost of Operations That Will Not Require or Generate Resources in the Current Period:		
Components Requiring/Generating Resources in Future Periods:		
19. Increase in Annual Leave Liability	\$ -	\$ -
20. Increase in Public Exchange Revenue Receivables	7	-
21. Other		
21a. Other	-	-
22. Total Components Requiring or Generating Resources in Future Periods	\$ 7	\$ -
Components Not Requiring or Generating Resources:		
23. Depreciation and Amortization	\$ 43	\$ 43
24. Revaluation of Assets/Liabilities (+/-)	-	-
25. Other		
25a. Other	-	-
26. Total Components Not Requiring or Generating Resources	<u>\$ 43</u>	<u>\$ 43</u>
27. Total Components of Net Cost of Operations That Will Not Require or Generate Resources in the Current Period	<u>\$ 50</u>	<u>\$ 43</u>
28. Net Cost of Operations	<u><u>\$ 8,623</u></u>	<u><u>\$ 7,770</u></u>

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