



NATIONAL CAPITAL PLANNING COMMISSION

Performance and Accountability Report ■ *Fiscal Year 2007*



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Message from the Chairman

The National Capital Planning Commission (NCPC) is 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).

In 2007, the men and women of the NCPC continued to forge ahead in accomplishing the agency's mission and objectives. To this end, it is my pleasure to present the 2007 Performance and Accountability Report. This report reflects both financial and program performance results and demonstrates our commitment to fulfill the responsibilities the NCPC has been entrusted. The performance and financial data contained in this report are complete and reliable.

Ten years ago NCPC released *Extending the Legacy: Planning America's Capital City for the 21st Century*. *Legacy* is a plan for the development of the nation's capital in the 21st century that addresses some of the most challenging issues facing the city. The *Legacy* plan re-centers Washington on the U.S. Capitol, reclaims the city's historic waterfront, expands the reach of public transit, and creates economic and cultural opportunities in all quadrants of the city.

As I reflect on 2007, the 10th anniversary of *Extending the Legacy*, I note that this plan has directed much of our work during the past decade. It has provided a unifying and comprehensive approach to a challenging task—planning for Washington's next 50 to 100 years. The plan's strength lies in its big-picture approach, in avoiding the pitfalls of too much detail when addressing a myriad of issues—such as transportation, recreation, waterfront access, commemoration, and the relationship of the monumental core to the rest of the city. The *Legacy* plan serves as NCPC's roadmap to keep us on course as we shape the city's future.

In this report, we provide updates on many initiatives inspired by *Legacy*, including the Circulator, the Rail Realignment Feasibility Study and the RFK Stadium Redevelopment Study. This report also provides an update on two of our most ambitious efforts in recent years, the National Capital Framework Plan and the CapitalSpace initiative.

During the past year, the Commission reviewed the urban design, environmental, transportation, and historic preservation implications for 150 project proposals. The Commission adopted the *Federal Capital Improvements Program* (FCIP) for fiscal years 2008-2013, which contained 224 projects submitted by 13 departments and agencies at an estimated cost of construction approaching \$11.6 billion. The Commission also approved final site development plans for perimeter security at the Smithsonian Institution's National Museum of American History and concept design for perimeter security at the

Patent Office Building, now home to the Smithsonian's American Art and National Portrait Gallery.

We realized these and many other accomplishments through sound financial management and by efficiently managing and effectively utilizing 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 results of the independent financial statement audit, 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.

Our capital city represents our values and defines our national character; it shapes our national psyche. NCPC takes very seriously the responsibility of being entrusted with its care. We are committed to preserving the best of our treasured city while capitalizing on its potential, and we will continue on course toward Legacy's vision of a world-class capital.

Sincerely,

A handwritten signature in black ink, appearing to read "John V. Cogbill, III". The signature is fluid and cursive, with a large loop at the end.

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.

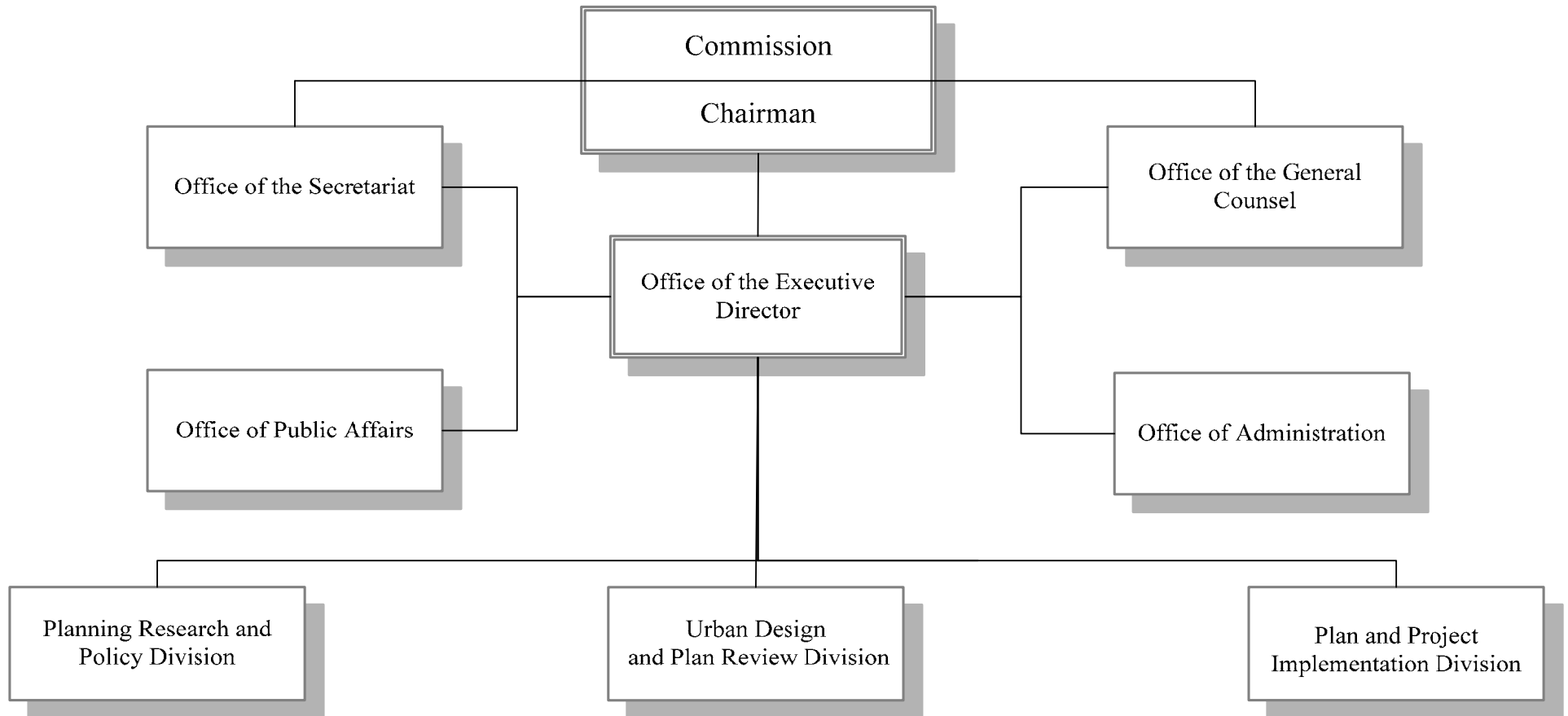
Vision

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 FY 2007, the Commission approved the updated *District Elements of the Comprehensive Plan for the Nation's Capital*. The Commission participated extensively with the District of Columbia over a three-year period to identify issues and ensure that District and federal comprehensive planning policies were consistent. As a result of NCPC's coordination efforts, this expansive document required minimal changes prior to approval by the Commission.

NCPC, together with the National Park Service, the District of Columbia Department of Parks and Recreation, and the District Office of Planning completed a city-wide parks assessment. The assessment provides a comprehensive database of federal and District parks and identifies historic, cultural, ecological, and site features of these parks. The assessment also provides a District-wide average of recreational components and identified areas with high and limited access to certain components (fields, courts, etc.).

In response to the severe flooding that occurred within the Monumental Core in June 2006, NCPC conducted a study to examine the types of flooding; current measures to mitigate flooding; and the process used to review flood impact. Subsequently, NCPC conducted a forum, co-sponsored by the Department of Homeland Security (DHS), the General Services Administration (GSA), and the District of Columbia, to look specifically at storm water inundation flooding. Local and federal agencies developed work programs to address emergency response, site-specific responses to flooding, and measures to address storm water systemically.

The Commission approved the FY 2008-2013 Federal Capital Improvements Program (FCIP) containing 224 proposed projects estimated at \$11.6 billion. Of the 224 projects, 34 were recommended for future programming to support Commission objectives. In preparing the FCIP, NCPC recommended projects that best serve the long-term federal interest. NCPC reviewed these projects for conformity with Commission-approved site and building plans, installation master plans, and the Commission's specific planning policies and programs.

As required by the Planning Act, NCPC reviewed the District of Columbia's Capital Improvement Program to determine what impacts the programs would have on the federal establishment in the NCR. NCPC also reviewed and commented on the capital improvement programs for state and local jurisdictions.

In the wake of the Base Realignment and Closure (BRAC) decisions that recommended significant defense agency relocations throughout the National Capital Region, NCPC participated in several activities to appropriately review environmental documents, master plans, and development proposals.

NCPC initiated a research study to examine the two- to ten-year demand for land and space by the federal government in the District of Columbia, as well as the available supply. The impetus for this study included recent redevelopment proposals on large

federal properties, 2006 federal legislation transferring significant federal properties to the District government, a request from then-Mayor Williams to better articulate federal space needs, and the continuing strength of the real estate market in the area.

In FY 2007 the Commission reviewed the urban design, environmental, transportation, and historic preservation implications for approximately 150 project proposals. These projects included 3 master plans, 45 zoning proposals, 5 proposed street and alley closings, and 99 planning and revitalization programs as well as capital budgets submitted by other agencies.

The Commission commented favorably on a revised design concept for the Martin Luther King, Jr. Memorial. It will be located in West Potomac Park on the northwestern side of the Tidal Basin on the National Mall.

The Commission approved preliminary and final site development plans for the Pentagon Memorial commemorating the victims of September 11, 2001. The memorial site encompasses 2.91 acres and includes a memorial park and gateway.

The Commission commented favorably on a revised design concept for the American Veterans Disabled for Life Memorial. The two-acre site at Washington Avenue and Second Street, SW will feature a star-shaped reflecting pool with a single eternal flame.

The Commission commented favorably on a revised concept design for a plaza and two entrance pavilions for the National Law Enforcement Museum. The majority of the museum will be constructed underground in front of the District of Columbia Courts complex across E Street, NW. The new design resolved several functional issues and responded to the objectives of the Judiciary Square Master Plan and to the security needs of the D.C. Courts.

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 Commission to incorporate thoughtful urban design practices. In FY 2007, the Commission approved final site development plans for perimeter security at the Smithsonian Institution's National Museum of American History, located on the National Mall on Constitution Avenue between 12th and 14th Streets, NW. The Commission also commented favorably on a revised concept design for perimeter security at the Patent Office Building, now home to the Smithsonian's American Art Museum and National Portrait Gallery.

The Commission approved preliminary and final site and building plans for the National Capital Region Rail Pilot Project, which will use monitoring technology to establish a security perimeter for approximately eight miles of CSX rail line that runs through Washington's monumental core.

In addition to the above, the Commission reviewed master plans and other development proposals involving significant federal facilities and parcels of land in the District.

The Commission approved a master plan modification and preliminary and final site and building plans for the Washington Aqueduct Water Treatment Residuals Management Building. The Washington Aqueduct, a division of the U.S. Army Corps of Engineers, operates the Dalecarlia and McMillan Water Treatment Plants in the District of Columbia.

The Commission approved final site and building plans for the U.S. Institute of Peace Headquarters (USIP) and Public Education Center on 23rd Street and Constitution Avenue, NW, adjacent to the old Naval Observatory. The building design is intended to establish the headquarters as a symbolic structure that forms a gateway to the city along Constitution Avenue.

The Commission commented favorably on the design concept for Washington Canal Park, which will be the city's first new park in 20 years. The park will occupy a three-block site in Southeast Washington and will be bordered by Canal, 2nd, I, and M Streets. The park will be the first built under the Anacostia Waterfront Initiative.

The Commission commented favorably on concept designs for a new downtown park planned for Reservation 174 at the Old Convention Center site. The triangular reservation is located on the property's northwest corner, bordering New York Avenue and 11th Streets, NW.

The Commission approved final site and building plans for the initial segment of a streetcar line in the Anacostia neighborhood of Washington, DC and is continuing to work with the District of Columbia on plans to expand the streetcar network to other areas of the city.

The Commission approved preliminary and final site and building plans for street and sidewalk reconstruction along H Street, NE, between 3rd and 14th Streets. The work is part of the District Department of Transportation's (DDOT) "Great Streets" program, which the Commission commended for improving public spaces and creating a more pedestrian-friendly urban environment.

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 22 planned unit developments proposed for approval by the District of Columbia Zoning Commission. This included a planned unit development and related zoning map amendment for Square 54, the site of the old George Washington University Hospital. The site, located between 22nd and 23rd Streets, NW, has been vacant since 2004. New development will include affordable housing, a grocery store, and office space.

NCPC completed a study of redevelopment options for the 190-acre federal site that currently accommodates the Robert F. Kennedy (RFK) Stadium. This study coordinated interests from federal agencies, local agencies, as well as the general public. The recommendations developed will help guide future land use decisions if and when the property is no longer needed for stadium purposes.

NCPC completed a Freight Railroad Realignment Feasibility Study that explored the feasibility of relocating the freight rail service that currently travels through the monumental core of the nation's capital, carrying hazardous material only blocks from the U.S. Capitol. The study identified viable options that require more detailed study and coordination with local communities before reaching a final recommendation.

NCPC worked closely with local partner agencies to ensure that the DC Circulator service accommodates federal and local needs. This year service was expanded to Upper Georgetown and planning is underway to explore expansion opportunities to serve the Capitol Visitor Center, the future baseball stadium, and the millions of visitors to the National Mall.

In partnership with the U.S. Commission of Fine Arts and other federal and local stakeholders, NCPC prepared a preliminary Framework Plan. The core objectives of this planning initiative include: identifying nationally significant destinations beyond the National Mall; improving access and connectivity through established federal enclaves within the monumental core between these destinations; improving the visitor's experience; and supporting the City's economic development goals. Preparation of the plan included evaluating numerous site-specific strategies and complex land use and transportation alternatives.

NCPC developed initial concept plans for Banneker Overlook, East Potomac Park, and Maryland and Virginia Avenues to showcase the opportunities these sites have as potential sites for new memorials and museums and as new development corridors. By accomplishing the Plan's objectives and ensuring coordination with other key planning initiatives, this work will help preserve the historic beauty and character of the National Mall, stimulate economic development, and provide sites for public events, commemoration, recreation, and tourism.

In collaboration with U.S. Commission of Fine Arts and the National Building Museum, NCPC successfully planned and hosted the "*Framing a Capital City*" symposium. The symposium fostered greater public involvement and a national dialogue to support preparation of the National Capital Framework Plan. More than 300 people attended the keynote address and more than 200 people attended five panel sessions during the daylong symposium.

NCPC also partnered with the National Building Museum for the 2006-2007 CityVision programs. The semester-long programs provided an opportunity for DC youth to learn

about the planning and design of nationally important cultural destinations, specifically the design of museums and monuments in the nation's capital.

NCPC consulted with the Federal Highway Administration in the White House Area Transportation Study. This study looked at alternatives to improve connectivity in the vicinity of the White House after the closures of Pennsylvania Avenue and E Street.

Working with the U.S. Geographical Survey, NCPC staff completed an update of aerial photography for the National Capital Region. This project has been a successful cost-sharing collaboration between the NCPC, GSA, NGA, and the USGS. The data has also been made available to the public via the National Map internet application hosted by the USGS.

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.

NCPC continued to keep the public and stakeholders aware of its activities through publications including the *Quarterly* newsletter, the 2006 Annual Report—*Building a Framework for the Future*—and a variety of informational publications, including the National Capital Framework Plan, CapitalSpace, the Railroad Realignment Feasibility Study, and the Circulator. The *Quarterly* newsletters serve as an excellent source for ongoing agency activities as well as the monthly review of plans and projects by the Commission. The 2006 Annual Report featured NCPC's major initiatives and accomplishments, including the launch of the National Capital Framework Plan, development of reuse scenarios for the RFK Memorial Stadium site, and initiation of the alternative Railroad Realignment Feasibility Study.

During the 2007 fiscal year, NCPC released the agency's second edition of the planning manuscript *Worthy of the Nation*. Nearly 30 years after the book's original release in 1977, NCPC—in partnership with the Johns Hopkins University Press—published *Worthy of the Nation: Washington, DC from L'Enfant to the National Capital Planning Commission*. The book, written by Dr. Antoinette Lee, tells the unique urban design and planning history of the nation's capital.

NCPC unveiled a redesigned website which greatly enhances user experience both through improved site navigation and information retrieval capabilities. The redesigned site features more visuals and improved content, in addition to user-friendly tools such as a search engine and links to public laws and partnering agencies. The new site provides the public with access to hundreds of documents previously unavailable on the web.

During FY 2007, NCPC participated in the Fifth International Capitals Alliance conference to discuss issues that are specific to capital cities. During the conference, NCPC briefed the alliance delegation on the agency's new National Capital Framework

Plan and discussed how NCPC's *Legacy Plan* is shaping the capital city ten years after its debut.

Financial Performance Overview

As of September 30, 2007, 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 2007 was \$8,168,000. This amount represents an overall appropriation increase of \$46,000 over FY 2006. Additional amounts are 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 2007 financial operations. There were no material internal control weaknesses or instances of substantial noncompliance with the Federal Financial Management Improvement Act.

Financial Statements

The NCPC's financial statements summarize the financial activity and financial position of the agency in FY 2007. 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 2007, the NCPC did not pay any interest penalties on invoices processed.

Federal Financial Management Improvement Act (FFMIA)

The FFMIA of 1996 requires federal agencies to report on agency substantial compliance with federal financial management system requirements, federal accounting standard, and the U.S. Government Standard General Ledger. Under this law, the agency head is required to assess and report on whether these systems comply with FFMIA on an annual basis.

In assessing compliance with FFMIA, NCPC adheres to the FFMIA implementation guidance provided by OMB and considers the results of annual financial statement audits and any other information available. Based on all of the information considered, the Chairman has determined that NCPC is compliant with FFMIA requirements.

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 2007 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 2007 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 2007, NCPC:

- Approved the *District Elements of the Comprehensive Plan for the National Capital*.
- Prepared in partnership with the U.S. Commission of Fine Arts, the preliminary framework plan to guide the development of a premier capital city and help relieve pressure from the National Mall.
- Served on the National Capital Memorial Advisory Commission and provided advice to Congress and OMB on pending legislation for commemorative works.
- Approved preliminary and final site development plans for the Pentagon Memorial commemorating the victims of September 11, 2001.
- Commented favorably on a revised design concept for the American Veterans Disabled for Life Memorial.
- Commented favorably on the design concept for the John Marshall Memorial Park.
- Approved final site and building plans for the Anacostia Streetcar Initial Line Segment.
- Commented favorably on the overall design concept for the Washington Gateway Regional Retail Center in the Fort Lincoln Urban Renewal Area, a 42-acre site owned by the U.S. Department of Housing and Urban Development.
- Approved final site development plans for perimeter security at the Smithsonian Institution's National Museum of American History.
- Reviewed and commented favorably on a revised concept design for a plaza and two entrance pavilions for the National Law Enforcement Museum.
- Approved preliminary and final site and building plans for the National Capital Region Rail Pilot Project.
- Commented favorably on the design concept for Washington Canal Park.

- Commented favorably on concept designs for Reservation 174, the Old Convention Center site.
- Commented favorably on the revised design concept for the Martin Luther King, Jr. National Memorial.
- Approved preliminary and final site and building plans for street and sidewalk reconstruction along H Street, NE, between 3rd and 14th Streets.
- Recommended that the District of Columbia Zoning Commission approve the first stage Planned Unit Development (PUD) and zoning amendment in conjunction with the George Washington University 2006-2007 Campus Plan.
- Recommended the D.C. Zoning Commission approve a consolidated Planned Unit Development for Square 54.
- Commented on the District of Columbia Zoning Commission's proposal regarding a planned unit development and related zoning map amendment for 1000 Connecticut Avenue, NW.

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 2007, NCPC:

- Approved preliminary site and building plans for the U.S. Institute of Peace Headquarters.
- Provided guidance for an environmental assessment for the Lafayette Building, home to the Export-Import Bank.
- Prepared and adopted the *Federal Capital Improvements Program for the National Capital Region*, Fiscal Years 2008-2013.
- In cooperation with local and federal agencies, held a forum and developed work programs to address emergency response and storm water flooding within the Monumental Core.
- Reviewed District and other regional Capital Improvement Programs.

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 2007, NCPC:

- Completed a Freight Railroad Realignment Feasibility Study that explored the feasibility of relocating the freight rail service that currently travels through the monumental core.

- Completed a study of redevelopment options for the 190-acre federal site that currently accommodates the RFK Stadium.
- Initiated, managed, and hosted a design charrette for the National Capital Framework Plan.
- As a steering committee and working group member of the White House Area Transportation Study (WHATS), NCPC 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.

Strategic Goal #4:

Protect and enhance historic and natural resources while accommodating change in the nation's capital. In FY 2007, NCPC:

- Through the CapitalSpace Initiative, NCPC developed a shared planning framework for all federal and local parks and open spaces within the District of Columbia. NCPC, NPS, District Department of Parks and Recreation, and the District Office of Planning worked together to improve park management, eliminate duplicated efforts, and maximize resources to improve all parks in the nation's capital.
- Approved revised preliminary site and building plans for the Georgetown Waterfront Parks Wisconsin Avenue Terminus.
- Commented favorably on a revised concept design for perimeter security at the Patent Office Building.
- 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. Elizabeth's campus.

Strategic Goal 5:

Promote state of the art information technologies to support integrated planning in the National Capital Region. In FY 2007, NCPC:

- Redesigned NCPC's Electronic Submission Portal to improve security, usability, and tighten integration with the agency's Central File Information System.
- Replaced all agency copier and document printing systems. In addition to lower annual infrastructure costs, this upgrade promotes in-house printing, provides NCPC staff greater control over printed materials and publications, and results in quicker turnaround.
- Established an in-kind agreement to host all Small Agency Council computer software training in return for recurring computer software training for NCPC staff.

- Through the Aerial Photography, Planimetrics and Attribute Initiative partnership, acquired high-resolution aerial photography for the District of Columbia and surrounding counties of Arlington, Alexandria, Fairfax, Loudoun, Stafford, Prince George's, Prince William, Montgomery, Fauquier, and Howard.
- Redesigned the agency's website to improve electronic access to agency information including brochures, documents, and Commission actions. The new site offers search engine function, access to agency visuals, and a more user friendly interface.

Strategic Goal #6:

Educate and increase the involvement of local, national, and international audiences in planning development in the national capital. In FY 2007, 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.
 - *A Framing a Capital City* symposium related to the National Capital Framework Plan held at the National Building Museum in addition to public meetings held at NCPC.
- Hosted numerous foreign delegations, providing an overview of NCPC's work in the nation's capital and exchanging ideas with international planning professionals. NCPC welcomed visitors from Australia, Korea, Israel, and Mexico.
- Partnered with Canberra, Australia and Ottawa, Canada to develop an international website on the planning activities of Brasilia, Canberra, Ottawa, and Washington, DC—the four founding partners of Capitals Alliance.
- Developed and distributed several publications, i.e. *Quarterly* newsletter, the 2006 Annual Report, the National Capital Framework Plan, the Rail Realignment Feasibility Study, 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 Federal Land Study, Flooding study, and the Railroad Realignment Feasibility study.

- 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

Message from the Chief Operating Officer

The NCPC is committed to management excellence and recognizes the importance of strong financial systems and internal controls to ensure accountability, integrity, and reliability. I am pleased to present the National Capital Planning Commission's financial statements for FY 2007. The financial statements were 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 Circular A-136, Financial Reporting Requirements.

These statements fully account for funds received through one- year and no-year appropriations and interagency agreements and they were subject to an independent audit to ensure their integrity and reliability in assessing performance. For this reporting year, the public accounting firm issued a clean audit opinion on the financial statements. There were no reportable conditions or material weaknesses in internal control, or instances of non-compliance with significant laws and regulations.

During FY 2007, 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. NCPC also improved its financial reporting capabilities to facilitate efficient and effective program management and established a high-level oversight committee to monitor financial operations agency-wide.

For FY 2008, the NCPC is committed to building upon this record of accountability and responsibility that resulted in an unqualified opinion on the FY 2007 financial statements and ensuring the efficiency, economy, and effectiveness of its programs and activities.

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
	<u>Earmarked Funds</u>	<u>All Other</u>	<u>Earmarked Funds</u>	<u>All Other</u>
Cumulative Results of Operations:				
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 2007	FY 2006	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)	<u>\$ -</u>	<u>\$ 121</u>	<u>\$ -</u>	<u>\$ -</u>
3. Beginning Balances, As Adjusted	<u>\$ -</u>	<u>\$ 1,403</u>	<u>\$ -</u>	<u>\$ 752</u>
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	<u>\$ -</u>	<u>\$ 1,268</u>	<u>\$ -</u>	<u>\$ 1,281</u>

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 (-)	<u>(8,378)</u>	<u>-</u>	<u>(7,635)</u>	<u>-</u>
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(-)	<u>(142)</u>	<u>-</u>	<u>(68)</u>	<u>-</u>
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 (-)	<u>(90)</u>	<u>-</u>	<u>(67)</u>	<u>-</u>
19C. Less: Distributed offsetting receipts	-	-	-	-
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	-	-	-
Total Entity Intragovernmental	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Non-Entity:			
Accounts Receivable	\$ -	\$ -	\$ -
Accrued Interest	-	-	-
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	-	-	-
Total Entity Public	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 2</u>
Non-Entity:			
Accounts Receivable	\$ -	\$ -	\$ -
Accrued Interest	-	-	-
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>\$ 92</u>	<u>\$ 92</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>\$ 156</u>	<u>\$ 156</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 10 - NET PROGRAM COSTS

(Dollars in Thousands)

Program Costs:	September 30, 2007	September 30, 2006
 Planning		
	\$ 8,623	\$ 7,770
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
 Total Planning Program Costs	 <u>\$ 8,623</u>	 <u>\$ 7,770</u>
 Cross-Cutting		
	\$ -	\$ -
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
 Total Cross-Cutting Program Costs	 <u>\$ -</u>	 <u>\$ -</u>

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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