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Federal Agencies Meet Administration's Goal for Timely Financial Information

Every major Federal agency completed its Performance and Accountability Report just 45 days after the end of the 2005 fiscal year, the first time every audit was completed by the deadline set by the Office of Management and Budget in 2001.

Before the Bush Administration came to office, the agencies took as long as five months to complete their financial reports. Last year, 22 of 24 Federal agencies met the 45-day deadline. By comparison, the comparable requirement for private-sector financial reports is 75 days after the year's end. The timely reporting by Federal agencies reflects the Administration's commitments to strengthening government transparency and accountability.

This year, 18 Federal agencies received "clean" audit opinions. Three agencies improved their audit results over last year (the Justice Department, the Department of Housing and Urban Development, and the Small Business Administration) after successfully implementing corrective actions to resolve previous year's issues. The three agencies that declined relative to last year (the Departments of Energy and State and General Services Administration) have active efforts underway to address the reason for the decline.

"Timely audits are vital for ensuring taxpayer money is spent honestly and wisely. For the first time ever, members of Congress and taxpayers now have timely access to every Federal agency's Performance and Accountability Reports. We are holding agencies accountable with high standards and greater transparency. We are especially proud of the 18 agencies who received clean audits," said Linda Combs, OMB Controller and head of the Office of Federal Financial Management.

The successful FY 2005 audits come as the Administration is strengthening financial controls to continue to improve agency audit results. Beginning in FY 2006:

- Agencies must follow a more rigorous process to determine the effectiveness of their financial controls.
- To improve accountability, Federal agency heads must follow requirements similar to the new Sarbanes-Oxley Act requirements for corporate executives. For the first time, agency heads must separately verify the effectiveness of internal control over financial reporting as of June 30, 2006.
- Agency plans, progress and corrective actions will be monitored under the President's Management Agenda Improved Financial Performance scorecard.

The release of the reports is required under the Chief Financial Officers Act of 1990. The Department of the Treasury will issue the consolidated *Financial Report of the United States Government* on December 15, one month after the report submissions.

For more information please contact OMB Communications at 202-395-7254, or visit www.omb.gov.

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[Summary of FY 2005 Financial Statement Audit Results by Agency](#)