

Agency Accomplishments and Progress

Clearly challenges remain, but I can report to you that much has been accomplished in the area of financial reporting during the past fiscal year. The very fact that we are here on this day in March – a month earlier than last year – indicates that financial reporting deadlines are being accelerated. For fiscal 2003,

- a record 18 of the 24 (75%) major agencies and departments completed their PARs by the end of December, compared to only two agencies in fiscal year 2002;
- of these agencies, eight accelerated the submission of their PARs to mid-November of 2003, a year ahead of the 2004 requirement, all with unqualified audit opinions;
- 20 of the 23 CFO Act agencies received an unqualified opinion on their financial statements;
- agencies completed quarterly financial statements for the first time ever;
- the Department of Homeland Security (DHS), created five months into the fiscal year, elected to forgo its first-year waiver and prepare audited financial statements for the first time;
- DHS received a qualified opinion on its Balance Sheet and Custodial Activity Statement;
- the United States Agency for International Development (USAID) received an unqualified opinion on all of its audited financial statements for the first time in its history and met the mid-November reporting date;
- DoD's Medicare-Eligible Retiree Health Care Fund financial statements received a qualified opinion in its first year and the National Reconnaissance Office received an unqualified opinion on its statements;
- the Small Business Administration (SBA) developed or significantly revised credit models for five of its programs during the course of the year;
- the total number of material weaknesses reported by auditors was reduced by 13% in 2003;
- the total number of FMFIA material weaknesses was reduced by 41% in 2003;
- new financial management systems went live in many agencies, including four between the close of the fiscal year and the end of December.