



BUREAU OF THE
Fiscal Service
U.S. DEPARTMENT OF THE TREASURY

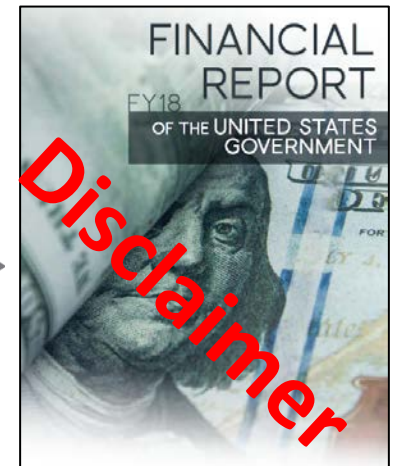
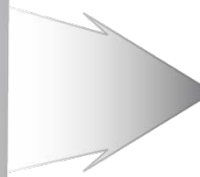
Closing Package Update

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The Issue: A Disclaimer of Opinion

Since 1997, the Bureau of the Fiscal Service has compiled agency financial data to prepare the consolidated Financial Report of the U.S. Government, and has consecutively received a disclaimer from GAO.

Three Primary Impediments



11 Remain...

We need your help!



Progress: Compilation Impediment

- Preparation of the Financial Report
 - Internal Control Review



- Successful Implementation of SFFAS No. 47
Reporting Entity



Plans: Compilation Impediment

- Preparation of the Financial Report
 - Legal Representation Letters - Aggregate
 - Process Established for FY 2017 and 2018
 - Need a Signed Governmentwide Legal Representation Letter

- Legal Cases



Management
Schedules



Agency Financial
Reports



Closing
Packages

Plans: Compilation Impediment

- Preparation of the Financial Report
 - Treaties
 - TFM 2-4700 Section 4705.65
 - Current guidance is more budgetary and need to focus on GAAP
 - Entities maintain an inventory and compare to Treaties in Force
 - Process for handling treaties and other international agreements outside of the C-175
 - Clarify reporting of commitments and contingencies
 - Discrepancies between entity survey sent to Treasury and auditor survey sent to GAO
 - Communication letter from GAO
 - Perform specific test procedures
 - Develop additional guidance

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Progress: Compilation Impediment

- Budget Statements
 - Performed five new reconciliations to tie the Budget Statements to other published and/or audited reports
 - Identified all the unreconciled differences (Other lines)
 - Finalized the “why” documentation for each reconciling item
 - Moved from annual basis to monthly

Plans: Compilation Impediment

- Budget Statements
 - Properly support amounts used in calculating the budget deficit
 - Audit assurance over the Budget Deficit with the audit of the General Fund of the U.S. Government
 - Net Outlays on entities' Statements of Budgetary Resources

Intragovernmental Impediment

IGT Data Quality



Completing the IGT Model

IGT Accomplishments – Trend Analysis

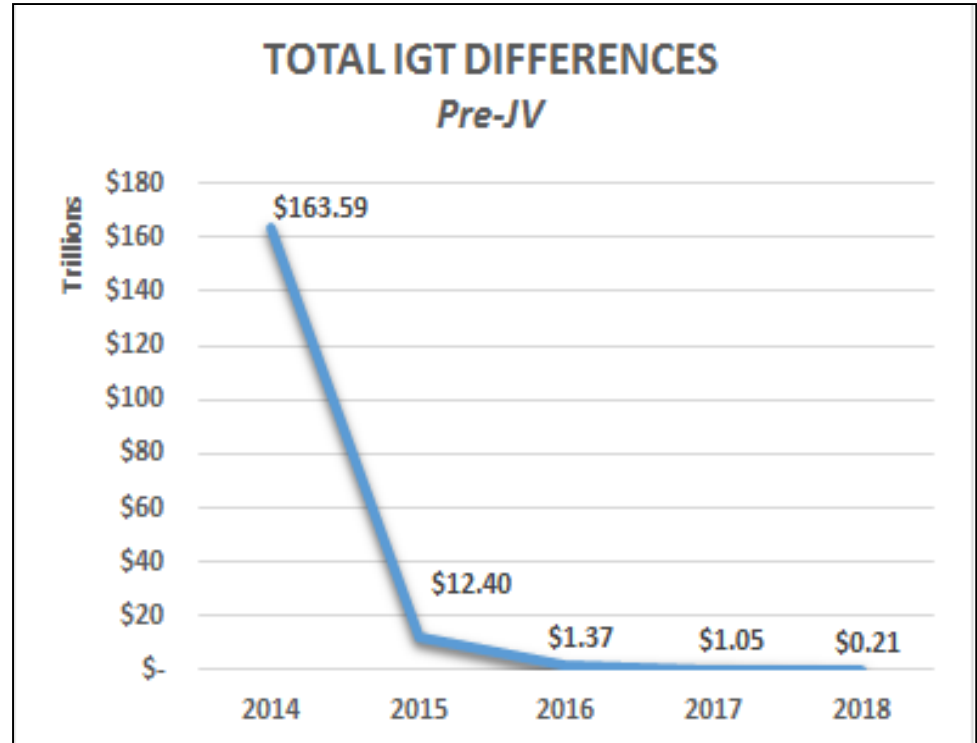
Pre-JV Differences between FY17 and FY18 reduced by 80% or \$835 Billion.

TOTAL INTRAGOVERNMENTAL DIFFERENCES FY14-FY18

Pre-JV

FISCAL YEAR	TOTAL IGT DIFFERENCES
2014	\$ 163,589,925,945,410.00
2015	\$ 12,399,948,566,047.10
2016	\$ 1,369,805,741,908.21
2017	\$ 1,048,461,073,065.37
2018	\$ 213,777,998,988.95

60% of the \$214 Billion are differences between the General Fund and their Trading Partners.



Future IGT Plans

- Continue the following initiatives:
 - Intragovernmental Scorecard Program
 - Monitor the Root Cause Analysis and Corrective Action Plan documentation provided by the agencies
 - Material Difference Reporting and Certification
- Implement the changes for “non-reciprocating” USSGL accounts
- Implement new USSGL guidance impacting IGT
- Support the G-Invoicing Initiative aimed at improving communication and reducing differences in the Buy/Sell Sub-Category
- Enhance TFM 2-4700 guidance (Appendix 6) on Intragovernmental Business Rules

How you can help...

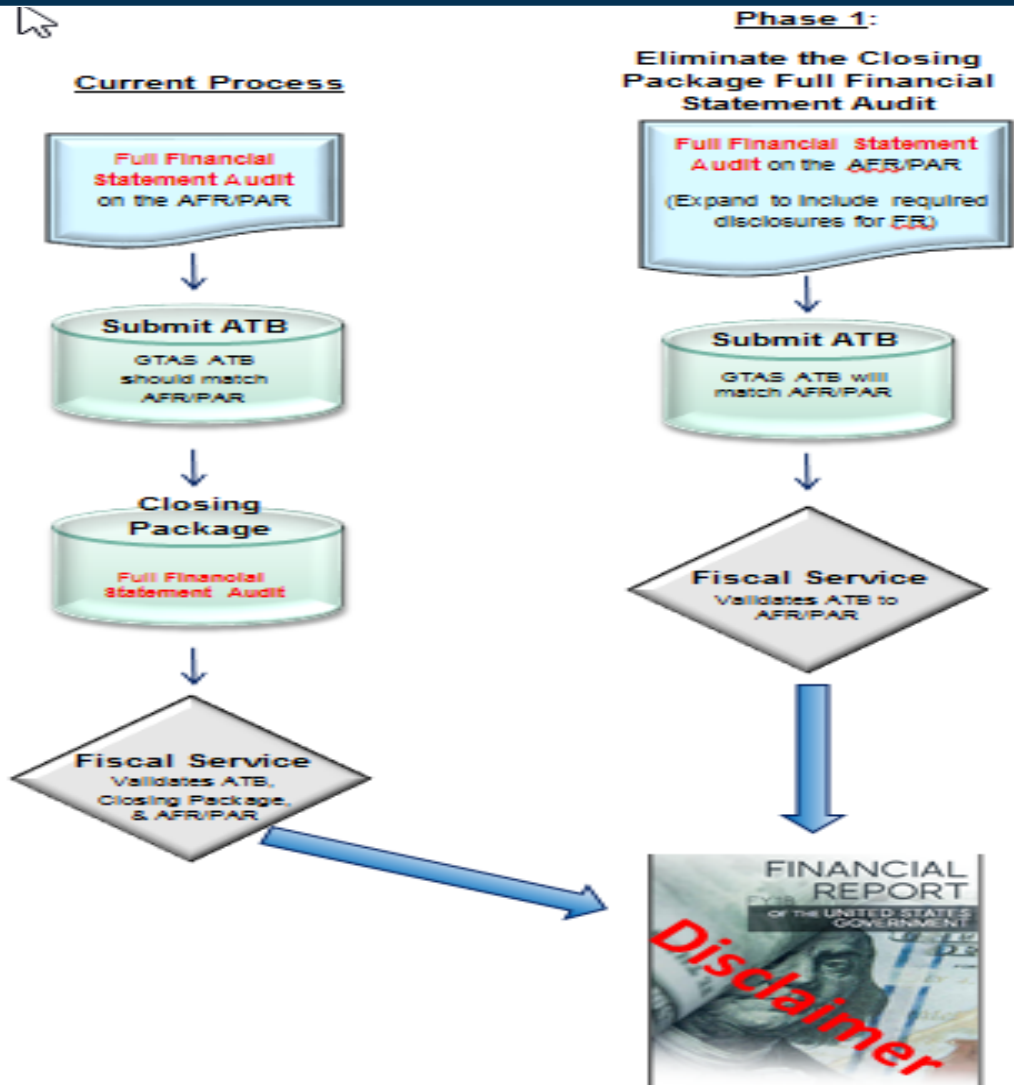
- Understand why there are differences between the Legal Letter Management Schedules and AFR/PARs
- Include Treaties and Other International Agreements as part of audit procedures
- Focus on internal control deficiencies on budgetary transactions to avoid issues with Net Outlays
- Become familiar with the top level journal vouchers that Treasury does on audited data and try to address at the agency level
- Ensure the entity is implementing new USSGL guidance

Reporting Updates for FY 2019



Eliminating the Closing Package

In the current process, over 130 agencies publish audited financial statements. Each of these entities submit adjusted trial balances (ATB) to GTAS that should match their audited financial statements starting in 2014 per TFM 2-4700 guidance.



What Does this Mean to You?

- New OMB A-136 Note 44: *Reclassification of Balance Sheet, Statement of Net Cost, and Statement of Changes in Net Position to FR Format*

Illustrative Reclassification of Balance Sheet to Government-wide Balance Sheet Format as of September 30, 2019

FY 2019 [Entity] Balance Sheet		Format of Government-wide Balance Sheet	
Financial Statement Line	Amounts	Amounts	Reclassified Financial Statement Line
ASSETS			
FBWT			FBWT
Investments, Net			Federal Investments
			Interest Receivable – Investments
<i>Total Investments, Net</i>			<i>Total Reclassified Investments, Net</i>
Accounts Receivable			Accounts Receivable
			Accounts Receivable, capital transfers
			Interest Receivable – Loans and Not Otherwise Classified
			Transfers Receivable
			Benefit Program Contributions Receivable
			Asset for Agency Custodial and Non-Entity Liabilities – Other than the General Fund
<i>Total Accounts Receivable</i>			<i>Total Reclassified A/R</i>
Loans Receivable, Net			Loans Receivable, Net
Other			Advances to Others and Prepayments
			Other assets
<i>Total Other</i>			<i>Total Reclassified Other</i>
Total Intra-Governmental Assets			
Cash and Other Monetary Assets			Cash and Other Monetary Assets
Investments, Net			Debt and Equity Securities
			Investments in Government-Sponsored Enterprises
<i>Total Investments, Net</i>			<i>Total Reclassified Investments, Net</i>
Accounts, Net			Accounts and Taxes Receivable, Net
Taxes Receivable, Net			
Direct Loan and Loan Guarantees, Net			Loans Receivable, Net
Inventory and Related Property, Net			Inventory and Related Property, Net
General PP&E, Net			PP&E, Net
Other			Other Assets
Total Non-Federal Assets			
Total Assets			Total Assets



What Does this Mean to You?

- Expanded OMB A-136 Notes
 - Federal Employee and Veteran Benefits Payable
 - Fiduciary Activities
- Disclosure Needed No Matter the Materiality
 - Criminal Restitution
 - Federal Employee and Veteran Benefits Payable
- Variance Analysis
 - Interim and Year-end uploaded to OMB Max
 - Explanation for differences greater than 10% and over \$1 billion



What Does this Mean to You?

- Calendar-Year entities
- FASB Reporters
- Social Insurance



Contact Information



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