



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

October 13, 2009

M-10-04

MEMORANDUM FOR THE HEADS OF DEPARTMENTS AND AGENCIES

FROM: Peter R. Orszag
Director

A handwritten signature in black ink, appearing to be "P. Orszag", written over the printed name and title.

SUBJECT: Fiscal Year 2009 Audited Financial Statement Reporting Deadline

The Federal financial management community plays a central role in providing transparency into the Government's finances and initiating sound processes and controls that limit spending improprieties and other forms of error and waste. With the enactment of both the Emergency Economic Stabilization Act of 2008 (EESA) and the American Recovery and Reinvestment Act of 2009 (ARRA), this role has never been more critical. The success of these programs hinge, in large measure, on the ability to accurately account for economic recovery funds, report timely and reliable information on these funds to the public, and closely scrutinize transactions so that Federal funds are spent appropriately.

In addition to these efforts, Federal financial professionals, including auditors, currently are engaged in year-end activities to finalize and publish the annual financial statements of the Government. Audited financial statements are important for communicating the financial position and fiscal health of Federal agencies. The process of preparing the financial statements and having them audited requires significant planning, technical expertise, and hard work. While the statutory deadline for agency year-end financial statements is five months after the end of the fiscal year, Federal agencies and auditors, to their credit, have completed this process within 45 days after the end of the fiscal year for each of the last four years.

It is my expectation that Federal agencies will continue to meet this accelerated timetable, and I hereby request that Federal agencies treat 45 days after the end of the fiscal year as a deadline for submitting year-end financial statements. However, I also want to urge Federal agencies to evaluate whether resources are appropriately aligned to support diligence and thoroughness in the completion of year-end audited financial statements as well as the ongoing critical financial management and audit activities related to effective implementation of economic recovery programs. In making this determination, Federal agencies should collaborate closely with their Office of Inspector General. If you believe there is a risk that your agency cannot align these resources effectively within the time constraints of this accelerated deadline, I am requesting that you consult with the Office of Management and Budget (OMB) on whether an extension of the reporting deadline for audited financial statements will help to remediate this risk. A request for an extension should be submitted to me in writing from the head of the Department or Agency, with a courtesy copy to the Office of Federal Financial Management

(OFFM) within OMB, no later than November 1, 2009.¹ If deemed appropriate, extensions will be authorized for an additional 20 business days, or to the close of business on December 15, 2009.

If you have any questions regarding this memorandum or would like to request an extension, please contact OFFM at 202-395-3993. Thank you, again, for all of your efforts in the preparation and audit of annual financial statements and the effective implementation and execution of economic recovery programs.

¹ This extension does not apply to the requirement to provide required data under the Improper Payments Information Act, for which the deadline of November 16, 2009, will still apply in all cases. For agencies that had planned to produce a consolidated Performance and Accountability Report by November 16, 2009, a determination on whether to also extend the deadline for performance reporting will be made on a case-by-case basis.