

441 G St. N.W.
Washington, DC 20548Comptroller General
of the United StatesMarch 25, 2021The President
The President of the Senate
The Speaker of the House of Representatives

To operate as effectively and efficiently as possible, Congress, the administration, and federal managers must have ready access to reliable and complete financial and performance information—both for individual federal entities and for the federal government as a whole. Our report on the U.S. government's consolidated financial statements for fiscal years 2020 and 2019 discusses progress that has been made but also underscores that much work remains to improve federal financial management and that the federal government continues to face an unsustainable long-term fiscal path.

Our audit report on the U.S. government's consolidated financial statements is enclosed. In summary, we found the following:

↓ CFSs

* Certain material weaknesses³ in internal control over financial reporting and other limitations resulted in conditions that prevented us from expressing an opinion on the accrual-based consolidated financial statements as of and for the fiscal years ended September 30, 2020.

* In early 1987, an accountant whistleblower (Larry Fisher) lobbied Congress and the Central Agencies (Treasury, OMB, GAO) over the need to replace its AICPA politically driven process with a formula driven process that was based on generally accepted accounting principles (GAAP) to compute each federal budget. His concerns were very real because, in his position as the Veterans Administration (VA) Accounting Section Chief (1980 – 1986), he raised these same AICPA political concerns, all ignored, that did result in the VA overspending its budget, his refusal to make the adjustments to hide that deficiency, and his resignation. The major problem was that if the VA's budget totals were inaccurate, so too were all the other department, bureau, and agency budget totals, also the source data for computing Congress' and the President's annual federal budgets, now also inaccurate, and an internal threat to the U.S. financial and economic security!

Based upon that accountant whistleblower's lobbying efforts, and a GAAP-based book that he had written during his 6 years at the VA, Treasury created its Financial Management Services branch of 8 college degreed civil servant accountants who were supposed to critique his book and fix any GAAP-based errors that he may have made in creating his GAAP-based accounting model. However, this very public effort was just another political game to continue hiding how each President spends each federal budget, now recorded with Congress' 1990 Chief Financial Officers Act's creation of its AICPA politically controlled FASAB (Federal Accounting Standards Advisory Board) that legally required (wink/nod) accurate federal budget totals, starting in 1997, now labeled as the U.S. government's consolidated financial statements (CFSs).

However, per the Government Accountability Office's (GAO's) above 2021 testimony, GAO failed to certify the accuracy of all 24 (1997 – 2021) federal budget totals (CFSs). That's because, also starting in 1990, both parties used Congress' 1978 Civil Service Reform Act's deregulation, privatizing, outsourcing policies to unconstitutionally replace its college degreed accountants and auditors with partisan/unqualified civil servants and 4 Fiscal Sector Contractor (FSC) types, and a \$10 billion annual tax payer rip off. Those 4 FSC types include AICPA accounting, AICPA auditing, IT, and management firms to still hide unknown trillions of political and corporate waste within today's \$6+ trillion federal budget totals. In September 2010, President Barack Obama declared that accountant whistleblower's records against the U.S. government secret/confidential business information, and still never to see the light of day.

Today, President Joe Biden, the still living former culpable Presidents (Clinton – Trump), and Congress must explain to the American people why they (alone) are responsible for today's internal threats to their U.S. government's financial and economic security!