

NCD – 2023 Financial Statement Audit
Contract: NCD23255

National Council on Disability (NCD)
Fiscal Year 2023 Financial Statement Audit

Final Independent Auditor’s Report

Submitted for review and acceptance to:

Keith Woods
Contracting Officer’s Representative (COR)
National Council on Disability
1331 F Street NW
Washington, DC 20004

Submitted by:

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Final Independent Auditor’s Report

Prepared under contract to the National Council on Disability (NCD) to provide financial auditing services

**NATIONAL COUNCIL ON DISABILITY
AUDIT REPORT
SEPTEMBER 30, 2023**



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Independent Auditor's Report

Council Members and Executive Director
National Council on Disability:

Report on the Financial Statements

Opinion

Pursuant to the Accountability of Tax Dollars Act of 2002, we have audited the accompanying financial statements of the National Council on Disability (NCD), which comprise the balance sheets as of September 30, 2023 and 2022; the related statements of net costs, changes in net position, and budgetary resources for the fiscal years then ended; and the related notes to the financial statements (hereinafter referred to as the financial statements).

In our opinion, the financial statements present fairly, in all material respects, the financial position of the National Council on Disability as of September 30, 2023 and 2022, and its net costs, changes in net position, and budgetary resources for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with U.S. generally accepted auditing standards (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 24-01, *Audit Requirements for Federal Financial Statements*. Our responsibilities under those standards and OMB Bulletin No. 24-01 are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the NCD and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for (1) the preparation and fair presentation of the financial statements in accordance U.S. generally accepted accounting principles; (2) preparing, measuring, and presenting Required Supplementary Information (RSI) in accordance with U.S. generally accepted accounting principles; (3) preparing and presenting other information for which NCD includes the financial statements and ensuring the consistency of that information with the audited financial statements and the RSI; and (4) designing, implementing, and maintaining effective internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to (1) obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and (2) to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit of the financial statements conducted in accordance with GAAS, generally accepted government auditing standards (GAGAS), and OMB Bulletin No. 24-01 will always detect a material misstatement or material weakness when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered to be material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, GAGAS, and OMB Bulletin No. 24-01, we exercise professional judgment and maintain professional skepticism throughout the audit, identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures that are responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. In addition, in making those risk assessments, we obtain an understanding of internal control relevant to an audit of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NCD's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements, and performing other procedures we consider necessary in the circumstances. We are required to communicate with those charged with governance regarding, among other matters, the planned scope of and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the financial statement audit.

Required Supplementary Information (RSI)

U.S. generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) require that the information in the RSI be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by FASAB, which considers it to be an essential part of financial reporting for placing the financial statements in appropriate operational, economic, or historical context.

We have applied certain limited procedures to the RSI in accordance with U.S. generally accepted government auditing standards. These procedures consisted of (1) inquiring of management about the methods used to prepare the RSI and (2) comparing the RSI for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during the audit of the NCD's financial statements, in order to report omissions or material departures from FASAB guidelines, if any, identified by these limited procedures. We did not audit and we do not express an opinion or provide any assurance on the RSI because the limited procedures we applied do not provide sufficient evidence to express an opinion or provide any assurance.

Other Information

NCD's other information contains a wide range of information, some of which is not directly related to the financial statements. This information is presented for purposes of additional analysis and is not a required part of the financial statements or the RSI. Management is responsible for the other information included in NCD's *Chairman's Statement of Assurance*. The other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exist between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Internal Control over Financial Reporting

In connection with our audits of NCD's financial statements, we considered NCD's internal control over financial reporting, consistent with the auditor's responsibilities discussed below.

Results of Our Consideration of Internal Control over Financial Reporting

Our consideration of internal control was for the limited purpose described below, and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies¹ or to express an opinion on the effectiveness of NCD's internal control over financial reporting. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses; however, material weaknesses or significant deficiencies may exist that have not been identified.

Basis for Results of Our Consideration of Internal Control over Financial Reporting

We performed our procedures related to NCD's internal control over financial reporting in accordance with U.S. generally accepted government auditing standards and OMB audit guidance.

Responsibilities of Management for Internal Control over Financial Reporting

NCD management is responsible for designing, implementing, and maintaining effective internal control over financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

¹ A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit the attention by those charged with governance.

Auditor's Responsibilities for Internal Control over Financial Reporting

In planning and performing our audit of NCD's financial statements as of and for the fiscal years ended September 30, 2023 and 2022, in accordance with U.S. generally accepted government auditing standards, we considered NCD's internal control relevant to the financial statement audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NCD's internal control over financial reporting. Accordingly, we do not express an opinion on NCD's internal control over financial reporting. We are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses. We did not consider all internal controls relevant to operating objectives, such as those controls relevant to preparing performance information and ensuring efficient operations. Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct, misstatements due to fraud or error.

Definition and Inherent Limitations of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, the objectives of which are to provide reasonable assurance that (1) transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition, and (2) transactions are executed in accordance with provisions of applicable laws, including those governing the use of budget authority, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements.

Intended Purpose of Report on Internal Control over Financial Reporting

The purpose of this report is solely to describe the scope of our consideration of NCD's internal control over financial reporting and the results of our procedures, and not to provide an opinion on the effectiveness of NCD's internal control over financial reporting. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal control over financial reporting. Accordingly, this report on internal control over financial reporting is not suitable for any other purpose.

Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

In connection with our audits of NCD's financial statements, we tested compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements consistent with our auditor's responsibilities discussed below.

Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our tests for compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements disclosed two instances of noncompliance for fiscal years 2023 and 2022 that would be reportable under U.S. generally accepted government auditing standards. This matter is further discussed in *Exhibit I, Findings and Recommendations*, of this report. However, the objective of our tests was not to provide an opinion on compliance with laws, regulations, contracts, and grant agreements applicable to NCD. Accordingly, we do not express such an opinion.

Basis for Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

We performed our tests of compliance in accordance with U.S. generally accepted government auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for Tests of Compliance section below.

Responsibilities of Management for Compliance with Laws, Regulations, Contracts, and Grant Agreements

NCD management is responsible for complying with laws, regulations, contracts, and grant agreements applicable to NCD.

Auditor's Responsibilities for Tests of Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our responsibility is to test compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements applicable to NCD that have a direct effect on the determination of material amounts and disclosures in NCD's financial statements, and to perform certain other limited procedures. Accordingly, we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to NCD. We caution that noncompliance may occur and not be detected by these tests.

Intended Purpose of Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

The purpose of this report is solely to describe the scope of our testing of compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering compliance. Accordingly, this report on compliance with laws, regulations, contracts, and grant agreements is not suitable for any other purpose.

NCD's Response to Findings

NCD's responses to the findings identified during our audit are described immediately following the auditors' recommendations in Exhibit I. NCD's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Allmond & Company, LLC

Lanham, MD
November 14, 2023

Improvements Needed Over Prompt Payments (2023-01)

CONDITION:

The Prompt Payment Act requires federal agencies to make payments for property or services by the due date specified in the related contract or, if a payment date is not specified in the contract, generally 30 days after the invoice for the amount due are received. If payments are not made within the appropriate timeframe, the agency must pay an interest penalty to the vendor. National Council on Disability's (NCD) financial services service provider, the General Services Administration (GSA), Office of the Chief Financial Officer (OCFO), failed to process vendor payments for NCD on a timely basis, nor calculate and pay any interest that accrued on the late payments. We noted out of 42 samples tested, there were 4 instances of noncompliance with this provision of the Prompt Payment Act, during fiscal year 2022, where the National Council on Disability (NCD) either did not make payments within the specified days or did not pay the correct interest payment. We noted out of 29 samples tested, there was one instance of noncompliance with this provision of the Prompt Payment Act, during fiscal year 2023, where the National Council on Disability (NCD) either did not make payments within the specified days or did not pay the correct interest payment.

CRITERIA:

U.S. Code Title 31, Subtitle III, Chapter 39 states that under regulations prescribed under section 3903 of this title, the head of an agency acquiring property or service from a business concern, who does not pay the concern for each complete delivered item of property or service by the required payment date, shall pay an interest penalty to the concern on the amount of payment due.

Prompt Payment Act enacted by Congress August 25, 1982:§ 1315.10 Late payment interest penalties, states, "(a) Application and calculation. Agencies will use the following procedures in calculating interest due on late payments: (1) Interest will be calculated from the day after the payment due date through the payment date at the interest rate in effect on the day after the payment due date; (2) Adjustments will be made for errors in calculating interest; (3) For up to one year, interest penalties remaining unpaid at the end of any 30 day period will be added to the principal and subsequent interest penalties will accrue on that amount until paid; (4) When an interest penalty is owed and not paid, interest will accrue on the unpaid amount until paid, except as described in paragraph (a)(5) of this section"

CAUSE:

The NCD relies on a service provider to make its vendor payments timely, however, the NCD maintains responsibility for its financial reporting and compliance with laws and regulations.

EFFECT:

Inadequate monitoring of payments made by its service provider could result in continued noncompliance with the Prompt Payment Act.

Independent Auditors' Report
Exhibit I Material Noncompliance with Laws and Regulations
Findings and Recommendations

RECOMMENDATION:

We recommend that the NCD management review the payments subjected to the Prompt Payment Act made by its service provider to monitor the timeliness and accuracy of the interest amounts paid to vendors.

MANAGEMENT RESPONSE

The NCD concurs with the finding and recommendation and corrective action will be taken and completed during the current fiscal year.

NCD's practice was to reconcile the transmittals sent for processing as part of the monthly close out procedure. NCD utilizes the PEGASYS payment system to ensure all transmittals are paid as submitted.

In May 2022, NCD's Finance Team identified two (2) of the four (4) discrepancies during the monthly close out and reconciliation process. NCD's Financial Management Analyst (FMA) immediately brought the discrepancies to the attention of USDA's payment technician. A meeting was held between NCD's Finance Team and USDA's payment technician on June 22, 2022. During the meeting, NCD and USDA's payment technician implemented an additional control in which USDA's payment tech would send a weekly email reflecting all transactions from each transmittal no later than Friday of each week.

NCD's Financial Team added an additional step to the reconciliation process by implementing a weekly procedure. NCD's Financial Team now checks the PEGASYS system on Monday of the following week to verify all transmittals are processed and posted accurately.

Additionally, in seeking to improve NCD's control over its financial policies and procedures given that our financial services are administered by an outside entity, NCD made the decision to change financial services providers, and is in the process of transitioning to the Federal Aviation Administration (FAA), which we have been informed has a strong reputation for internal controls.

We will continue to use the aforementioned process until we fully transition to the new financial services provider.

During the discovery process with the new financial services provider, NCD reviewed FAA's payment process. Once NCD fully transitions to FAA, NCD's vendor will upload invoices directly to the financial service provider's payment system. At that time, the Contracting Officer Representative (COR) will receive an email stating that an invoice was submitted and will have 5 days to review, approve, and / or respond if discrepancies are identified. If no action is completed by the COR, it will be elevated to NCD's Financial Team. NCD's Financial Team will contact the COR to expedite the process. In the absence of the COR, his or her supervisor will be notified of the outstanding action. Once invoices are approved, payment will process to the vendor's bank account within 3 days.

Previously, NCD's Financial Team had identified interest payments on invoices and unfortunately erroneously believed that the PEGASYS payment system automatically calculated interest for late

Independent Auditors' Report
Exhibit I Material Noncompliance with Laws and Regulations
Findings and Recommendations

payments and any interest due was included when the payment was processed. In response to receiving information contrary to NCD's understanding, NCD improved our monthly close out reconciliation process to include manually calculating interest on delayed invoices. Additionally, we added a procedure to conduct an internal quarterly audit to confirm interest is calculated in accordance with the Prompt Payment Act.

AUDITORS' RESPONSE

We will conduct follow-up procedures in FY 2024 to determine whether corrective actions have been developed and implemented.

Potential ADA Violations Relating to the Expenditures Exceeding Budget Authority (2023-02)

CONDITION:

During the FY 2020/FY 2021 audit, we noted the National Council on Disability (NCD) potentially violated the Anti-Deficiency Act (ADA) by expending funds that exceeded either the appropriated and/or apportioned funding level amount. Specifically, during FY 2020, NCD's expenses exceeded its budget authority by \$17,763.41 in the agency's fiscal year (FY) 2020 Treasury Account Symbol (TAS). During FY 2022, NCD performed an investigation into the potential violation. In May 2022, NCD provided a Report on the Investigation of a Potential Antideficiency Act Violation to the Office of Management and Budget (OMB) but the report has yet to be confirmed by OMB.

CRITERIA:

31 United States Code (USC) §1341. Limitations on Expending and Obligor Amounts, states:

“(a) (1) An officer or employee of the United States Government or of the District of Columbia government may not –

- (A) Make or authorize an expenditure or obligation exceeding an amount available in an appropriation or fund for the expenditure or obligation; or
- (B) Involve either government in a contract or obligation for the payment of money before an appropriation is made unless authorized by law.

31 U.S. Code §1517. Prohibited Obligations and Expenditures, states:

“(a) An officer or employee of the United States Government or of the District of Columbia government may not make or authorize an expenditure or obligation exceeding—

- (1) An apportionment; or
- (2) The amount permitted by regulations prescribed under section 1514(a) of this title.

(b) If an officer or employee of an executive agency or of the District of Columbia government violates subsection (a) of this section, the head of the executive agency or the Mayor of the District of Columbia, as the case may be, shall report immediately to the President and Congress all relevant facts and a statement of actions taken. A copy of each report shall also be transmitted to the Comptroller General on the same date the report is transmitted to the President and Congress.”

The Government Accountability Office (GAO), Standards for Internal Controls in the Federal Government, (issued September 2014), Principle 10 – Design Control Activities, 10.03, Accurate and Timely Recording of Transactions, states,

Independent Auditors' Report
Exhibit I Material Noncompliance with Laws and Regulations
Findings and Recommendations

“Transactions are promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life cycle of a transaction or event from its initiation and authorization through its final classification in summary records. In addition, management designs control activities so that all transactions are completely and accurately recorded.”

CAUSE:

Existing controls are not sufficient to prevent or detect entries to the general ledger that exceed the agency's appropriation or apportionment.

EFFECT:

The NCD is in potential violation of 31 USC §1341 and §1517.

RECOMMENDATION:

We recommend that NCD management complete its investigation into the potential ADA violation noted and report to the appropriate parties, as necessary.

MANAGEMENT RESPONSE

NCD completed its internal investigation, led by members of its legal team. As suggested, briefed its Chair and Financial Representative on the findings of the report and submitted the draft findings to OMB for review in May 2022. OMB notified us of the significant backlog in reviewing and responding to the draft ADA violation memos from agencies. As of November 2023, OMB had still not responded to our ADA draft memo. In the meantime, NCD sent all appropriate staff, its Chairman, and its Financial Representative to ADA training.

AUDITORS' RESPONSE

We will perform follow up procedures during FY 2024 to determine if corrective actions have been fully implemented.

Status of Prior Year Findings and Recommendations

The following table provides the fiscal year (FY) 2023 status of all recommendations included in the Audit Report on the National Council on Disability FY 2021 Financial Statements (December 17, 2021).

FY 2021 Finding	Prior Year Recommendation	FY 2023 Status
<p>Potential ADA Violations Related to the Expenditures Exceeding Budget Authority (2021-01)</p>	<p>Recommendation:</p> <p>We recommend that NCD management open and complete a management review or investigation into the potential ADA violation noted and report to the appropriate parties, as necessary, so that the NCD can determine if an actual violation occurred. Specifically, consult with Legal Counsel and the service provider, USDA OCFO, to make the determination.</p>	<p>Open</p>
<p>Lack of Sufficient Controls over Financial Statements and Footnote Preparation Process (2021-02)</p>	<p>Recommendation:</p> <p>Ensure the updated OMB Circular A-136 is utilized when preparing and reviewing the financial statements and footnote disclosures. In addition, design and implement policies and procedures to have the reviewer of the financial statements and note disclosures review for completeness, accuracy, and compliance with financial reporting requirements. The review process should also utilize a checklist that describes key items and expectations regarding the presentation of the financial statements and footnote disclosures. Furthermore, design and implement policies and procedures to ensure the account balances, line items, and all corresponding balances agree to the agency's financial system</p>	<p>Closed</p>



**NATIONAL COUNCIL ON DISABILITY
GENERAL FUND
FINANCIAL STATEMENTS**

As Of And For The Fiscal Years Ended September 30, 2023 and 2022

National Council on Disability

BALANCE SHEETS

As Of September 30, 2023 and 2022

(in dollars)

		2023	2022
Assets:			
Intragovernmental Assets:			
Fund Balance With Treasury	(Note 2)	\$ 611,338.63	\$ 800,703.14
Total Intragovernmental Assets		611,338.63	800,703.14
Other than Intragovernmental Assets:			
Accounts Receivable, net	(Note 3)	-	1,696.45
Total Other than Intragovernmental Assets		-	1,696.45
Total Assets		\$ 611,338.63	\$ 802,399.59
Liabilities:			
Intragovernmental Liabilities:			
Accounts Payable	(Note 4)	\$ 1,644.00	\$ 1,644.00
Other Liabilities	(Note 5)	9,261.37	8,825.43
Total Intragovernmental Liabilities		10,905.37	10,469.43
Other than Intragovernmental Liabilities:			
Accounts Payable		61,546.10	33,911.40
Federal Employees and Veterans Benefit Payable		180,764.57	177,194.36
Other Liabilities	(Note 5)	30,710.86	29,354.66
Total Other than Intragovernmental Liabilities		273,021.53	240,460.42
Total Liabilities		\$ 283,926.90	\$ 250,929.85
Net Position:			
Unexpended Appropriations - All Other Funds (Consolidated Totals)		502,831.91	712,425.09
Cumulative Results of Operations - All Other Funds (Consolidated Totals)		\$ (175,420.18)	\$ (160,955.35)
Total Net Position - All Other Funds (Consolidated Totals)		327,411.73	551,469.74
Total Net Position		\$ 327,411.73	\$ 551,469.74
Total Liabilities and Net Position		\$ 611,338.63	\$ 802,399.59

The accompanying notes are an integral part of these statements.

National Council on Disability
STATEMENTS OF NET COST

For The Fiscal Years Ended September 30, 2023 and 2022
(in dollars)

	2023	2022
Program Costs:		
Gross Costs	\$ 4,190,362.93	\$ 3,582,250.29
Net Program Costs	4,190,362.93	3,582,250.29
Net Cost of Operations	\$ 4,190,362.93	\$ 3,582,250.29

The accompanying notes are an integral part of these statements.

National Council on Disability
STATEMENT OF CHANGES IN NET POSITION
For The Fiscal Year Ended September 30, 2023
(in dollars)

FY 2023 (CY)

	Funds from Other than Dedicated Collections (Consolidated Totals)	Consolidated Total
Unexpended Appropriations:		
Beginning Balance	\$ 712,425.09	\$ 712,425.09
Corrections of errors (+/-)	13,218.55	13,218.55
Beginning balance, as adjusted	725,643.64	725,643.64
Appropriations received	3,850,000.00	3,850,000.00
Other Adjustments (+/-)	(16,944.69)	(16,944.69)
Appropriations used	(4,055,867.04)	(4,055,867.04)
Net Change in Unexpended Appropriations	(222,811.73)	(222,811.73)
Total Unexpended Appropriations	\$ 502,831.91	\$ 502,831.91
Cumulative Results from Operations		
Beginning Balances	\$ (160,955.35)	\$ (160,955.35)
Corrections of errors (+/-)	(13,218.55)	(13,218.55)
Beginning balances, as adjusted	(174,173.90)	(174,173.90)
Appropriations used	4,055,867.04	4,055,867.04
Donations and forfeitures of cash and cash equivalents	4,000.00	4,000.00
Imputed Financing	129,249.61	129,249.61
Net Cost of Operations	(4,190,362.93)	(4,190,362.93)
Net Change in Cumulative Results of Operations	(1,246.28)	(1,246.28)
Cumulative Results of Operations	(175,420.18)	(175,420.18)
Net Position	\$ 327,411.73	\$ 327,411.73

The accompanying notes are an integral part of these statements.

National Council on Disability
STATEMENT OF CHANGES IN NET POSITION
For The Fiscal Year Ended September 30, 2022
(in dollars)

FY 2022 (PY)

	Funds from Other than Dedicated Collections (Consolidated Totals)	Consolidated Total
Unexpended Appropriations:		
Beginning Balance	\$ 804,273.48	\$ 804,273.48
Appropriations received	3,500,000.00	3,500,000.00
Other Adjustments (+/-)	(93,397.23)	(93,397.23)
Appropriations used	(3,498,451.16)	(3,498,451.16)
Net Change in Unexpended Appropriations	(91,848.39)	(91,848.39)
Total Unexpended Appropriations	\$ 712,425.09	\$ 712,425.09
Cumulative Results from Operations		
Beginning Balances	\$ (161,686.67)	\$ (161,686.67)
Appropriations used	3,498,451.16	3,498,451.16
Imputed Financing	84,530.45	84,530.45
Net Cost of Operations	(3,582,250.29)	(3,582,250.29)
Net Change in Cumulative Results of Operations	731.32	731.32
Cumulative Results of Operations	(160,955.35)	(160,955.35)
Net Position	\$ 551,469.74	\$ 551,469.74

The accompanying notes are an integral part of these statements.

National Council on Disability
STATEMENTS OF BUDGETARY RESOURCES

For The Fiscal Years Ended September 30, 2023 and 2022
(in dollars)

	2023 Budgetary	2022 Budgetary
Budgetary Resources:		
Unobligated balance from prior year budget authority, net (discretionary and mandatory) (Note 8)	\$ 301,125.76	\$ 143,894.64
Appropriations (discretionary and mandatory)	3,854,000.00	3,500,000.00
Total budgetary resources	\$ 4,155,125.76	\$ 3,643,894.64
Status of Budgetary Resources:		
New obligations and upward adjustments (total) (Note 9)	\$ 3,812,161.59	\$ 3,513,785.82
Unobligated balance, end of year:		
Apportioned, unexpired account	42,438.62	9,761.51
Exempt from apportionment, unexpired accounts	4,000.00	
Unapportioned, unexpired accounts	135.53	135.53
Unexpired unobligated balance, end of year	46,574.15	9,897.04
Expired unobligated balance, end of year	296,390.02	120,211.78
Unobligated balance, end of year (total)	342,964.17	130,108.82
Total budgetary resources	\$ 4,155,125.76	\$ 3,643,894.64
Outlays, net:		
Outlays, net (total) (discretionary and mandatory)	\$ 4,026,419.82	\$ 3,593,764.53
Agency outlays, net (discretionary and mandatory)	\$ 4,026,419.82	\$ 3,593,764.53

The accompanying notes are an integral part of these statements.

NATIONAL COUNCIL ON DISABILITY

GENERAL FUND

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The National Council on Disability (NCD) is an independent agency of the Executive Branch of the United States Government that makes recommendations to the President and Congress on issues affecting Americans with disabilities.

NCD was initially established in 1978 as an advisory board within the Department of Education (Public Law 95-602). The Rehabilitation Act Amendments of 1984 (Public Law 98-221) transformed NCD into an independent agency and required NCD to provide expert advice to Congress and the Administration. The Rehabilitation Act Amendments of 1992 and 1998 and the Education of the Deaf Act Technical Amendments of 1993 updated NCD's statutory mandate.

NCD is composed of fifteen members appointed by the President and confirmed by the U.S. Senate. The Council members set the agency budget and establish the parameters for what it will support. The NCD executive director has full responsibility for carrying out the agency's operations as necessary to accomplish the goals and mission of the agency as established by the Council members.

NCD's overall purpose is to promote policies, programs, practices, and procedures that guarantee equal opportunity for all individuals with disabilities, regardless of the nature or severity of the disability; and to empower individuals with disabilities to achieve economic self-sufficiency, independent living, and inclusion and integration into all aspects of society. This mission is accomplished by serving as a policy agency that publishes reports and works with other federal agencies on policy development and implementing best practices.

Basis of Presentation

These financial statements have been prepared from the accounting records of NCD in accordance with generally accepted accounting principles (GAAP) as promulgated by the Federal Accounting Standards Advisory Board (FASAB), and the form and content for entity financial statements specified by the Office of Management and Budget (OMB) in OMB Circular No. A-136, "Financial Reporting Requirements." GAAP for Federal entities is the hierarchy of accounting principles prescribed in Statement of Federal Financial Accounting Standards (SFFAS) 34, "The Hierarchy of Generally Accepted Accounting Principles, Including the Application of Standards issued by the Financial Accounting Standards Board."

OMB Circular No. A-136 requires agencies to prepare principal statements, which include a Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, Statement of Budgetary Resources. The balance sheet presents, as of September 30, 2023, amounts of future economic benefits owned or managed by NCD (assets), amounts owed by NCD (liabilities), and amounts which comprise the difference (net position). The Statement of Net Cost reports the full cost of the program, both direct and indirect costs of the output, and the costs of identifiable supporting services provided by other segments within NCD and other reporting entities. The Statement of Budgetary Resources reports an agency's budgetary activity.

Basis of Accounting

Transactions are recorded on the accrual accounting basis in accordance with U.S. GAAP. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Budgets and Budgetary Accounting

NCD follows standard federal budgetary accounting policies and practices in accordance with OMB Circular A-11, "Preparation, Submission, and Execution of the Budget". Budgetary accounting facilitates compliance with legal constraints and controls over the use of federal funds. Each year, Congress provides NCD appropriations to incur obligations in support of agency programs. For Fiscal Years (FY) 2023 and 2022, NCD is accountable for general fund appropriations and no-year fund carryover. NCD recognizes budgetary resources as assets when cash (funds held by Treasury) is made available through warrants and when spending authority from the offsetting collections is incurred.

Revenues and Other Financing Sources

NCD receives substantially all the funding needed to support its programs through appropriations. NCD receives annual appropriations that may be used, within statutory limits, for operating and capital expenditures. Appropriations are recognized as financing sources as the related programs or administrative expenses are incurred.

Other financing sources for NCD consist of imputed financing sources which are costs financed by other federal entities on behalf of NCD, as required by SFFAS No. 5, "Accounting for Liabilities of the Federal Government." In certain instances, operating costs of NCD are paid out of funds appropriated to other federal agencies. In accordance with SFFAS 5, all expenses of a federal entity should be reported by that agency regardless of whether the agency will ultimately pay those expenses. Amounts for certain expenses of NCD, which will be paid by other federal agencies, are recorded in the Statement of Net Cost. A related amount is recognized in the Statement of Changes in Net Position as an imputed financing source. NCD records imputed expenses and financing sources for employee retirement plan contributions, group term life insurance, and health benefit costs, which are paid by the Office of Personnel Management (OPM).

Personnel Compensation and Benefits

Salaries and wages of employees are recognized as accrued payroll expenses and related liabilities as earned. These expenses are recognized as a funded liability when accrued. Annual leave is accrued as it is earned by employees and is included in personnel compensation and benefit costs. An unfunded liability is recognized for earned but unused annual leave, since from a budgetary standpoint, this annual leave will be paid from future appropriations when employees use the leave. The amount accrued is based upon current pay rates for employees. Sick leave and other types of leave that are not vested are expensed when used and no future liability is recognized for these amounts.

NCD's employees participate in one of two retirement programs, either the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS), which became effective on January 1, 1987. NCD and its employees both contribute to these systems. Although NCD funds a portion of the benefits under CSRS and FERS and makes the necessary payroll withholdings, it does not report assets associated with these benefit plans in accordance with SFFAS 5.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Personnel Compensation and Benefits (Continued)

For CSRS employees, NCD contributes an amount equal to 7% of the employees' basic pay to the plan. For FERS employees, NCD contributes an amount equal to 17.3% of the employees' basic pay to the plan. For FERS-RAE and FRAE employees, NCD contributes an amount equal to 15.5% of the employees' basic pay to the plan.

Both CSRS employees and FERS employees are eligible to participate in the Thrift Savings Plan (TSP). The TSP is a defined contribution retirement plan intended to supplement the benefits provided under CSRS and FERS. For FERS employees, NCD contributes an amount equal to 1% of the employee's basic pay to the TSP and matches employee contributions up to an additional 4%. CSRS employees receive no matching contribution from NCD.

OPM is responsible for reporting assets, accumulated plan benefits, and unfunded liabilities, if any, applicable to CSRS participants and FERS employees government-wide, including NCD's employees. NCD has recognized an Imputed Cost and Imputed Financing Source for the difference between the estimated service cost and the contributions made by NCD and its covered employees. The estimated cost of pension benefits is based on rates issued by OPM.

Employees are entitled to participate in the Federal Employees Group Life Insurance (FEGLI) Program. Participating employees can obtain "basic life" term life insurance, with the employee paying two-thirds of the cost and NCD paying one-third. Additional coverage is optional, to be paid fully by the employee. The basic life coverage may be continued into retirement if certain requirements are met. OPM administers the FEGLI program and is responsible for the reporting of related liabilities. Each fiscal year, OPM calculates the U.S. Government's service cost for the post-retirement portion of basic life coverage. Because NCD's contributions to the basic life coverage are fully allocated by OPM to the pre-retirement portion of coverage, the Board has recognized the entire service cost of the post-retirement portion of basic life coverage as an Imputed Cost and Imputed Financing Source.

Assets and Liabilities

Intra-governmental assets and liabilities arise from transactions between NCD and other Federal entities.

Funds with the U.S. Treasury comprise the majority of assets on NCD's balance sheet. All other assets result from activity with non-federal sources.

Liabilities represent amounts that are likely to be paid by NCD as a result of transactions that have already occurred. The accounts payable portion of liabilities consists of amounts owed to federal agencies and commercial vendors for goods, services, and other expenses received but not yet paid.

Liabilities covered by budgetary or other resources are those liabilities of NCD for which Congress has appropriated funds, or funding is otherwise available to pay amounts due.

Fund Balance with Treasury

The U.S. Department of the Treasury (Treasury) processes NCD's receipts and disbursements. Fund Balance with Treasury is the aggregate amount of the agency's accounts with Treasury for which the agency is authorized to liquidate obligations, pay funded liabilities, and make expenditures. The fund balance is increased through the receipt of non-expenditure Treasury warrants for appropriations, positive non-expenditure transfers, and other expenditure inflows of funds. The Fund Balance with Treasury is reduced through non-expenditure Treasury Warrants for recissions, negative non-expenditure transfers, disbursements, and other expenditure cash outflows of funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance with Treasury (Continued)

NCD's funds with the U.S. Treasury are cash balances from appropriations as of the fiscal year-end from which NCD is authorized to make expenditures and pay liabilities resulting from operational activity.

General Property, Plant, and Equipment, Net

Property, plant, and equipment (PP&E) have been defined in the Federal Government as tangible items owned by the Federal Government and having an expected useful life of greater than two years. NCD has established the following policies for PP&E:

PP&E is reported at acquisition cost.

The capitalization threshold is \$5,000 for assets with a useful life of two or more years.

For bulk purchases, items will be capitalized when the individual useful lives are at least two years and the property has an aggregate value of \$100,000 or more.

Acquisitions of PP&E that do not meet the capitalization criteria outlined above are recorded as operating expenses. General PP&E consists of items that are used by NCD to support its mission.

Depreciation on assets is calculated using the straight-line method. Depreciation begins the month after the asset is placed in service.

Useful lives are as follows:

Equipment -	4 years
Furniture -	4 years

Maintenance, repairs and minor renovations are expensed as incurred. Expenditures that materially increase values, change capacities, or extend useful lives are capitalized.

The costs of any leasehold improvements financed with NCD appropriated funds is capitalized if the total cost exceeds \$25,000. Construction costs are accumulated as "construction in-progress" until completion, at which time they are transferred to "leasehold improvements" and depreciated over 7 years or the remainder of the lease, whichever is less.

Internal use software development and acquisition costs of \$25,000 are capitalized as "software development-in-progress" until the development stage is completed and the software is successfully tested. At acceptance, "software development-in-progress" costs are reclassified as "internal use software" and amortized using the straight-line method over an estimated useful life of 4 years. Purchased commercial software that does not meet the capitalization criteria is expensed. Enhancements that do not add significant new capability or functionality are expensed.

Prepaid and Deferred Charges

Payments in advance of the receipt of goods and services are recorded as prepaid charges at the time of prepayment and recognized as expenses when the related goods and services are received.

Liabilities

Liabilities represent amounts expected to be paid as the result of a transaction or event that has already occurred. Liabilities covered by budgetary resources are liabilities incurred which are covered by realized budgetary resources as of the balance sheet date. Available budgetary resources include new budget authority, spending authority from the offsetting collections, recoveries of unexpired budget authority

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Liabilities (Continued)

through downward adjustments of prior year obligations, and unobligated balances of budgetary resources at the beginning of the year. Unfunded liabilities are not considered to be covered by such budgetary resources. Examples of unfunded liabilities are actuarial liabilities for future Federal Employees' Compensation Act (FECA) payments and annual leave. The Government, acting in its sovereign capacity, can abrogate liabilities arising from other than contracts.

Contingencies

The criteria for recognizing contingencies for claims are (1) a past event or exchange transaction has occurred as of the date of the statements; (2) a future outflow or other sacrifice of resources is probable; and (3) the future outflow or sacrifice of resources is measurable (reasonably estimated). NCD recognizes material contingent liabilities in the form of claims, legal action, administrative proceedings and environmental suits that have been brought to the attention of legal counsel.

Net Position

Net position consists of unexpended appropriations and cumulative results of operations. Unexpended appropriations represent amounts of budgetary authority to include unobligated or obligated balances not rescinded or withdrawn. Cumulative results of operations are comprised of the following: (1) the difference between revenues and expenses, (2) the net amount of transfers of assets in and out without reimbursement, and (3) donations, all since inception of the fund(s).

Classified Activities

Accounting standards require all reporting entities to disclose that accounting standards allow certain presentations and disclosures to be modified, if needed, to prevent the disclosure of classified information.

NOTE 2 – FUND BALANCE WITH TREASURY

All of NCD's fund balance with treasury is coming from appropriations. No trust, revolving or other fund type are used to fund NCD's activities. NCD operates as an annual fund, where each year is a new appropriation. This fund balance with treasury is a consolidated balance of one no-year fund and five annual funds (FY 2019, FY 2020, FY 2021, FY 2022 and FY 2023). The annual fund for FY 2018 is cancelled and the remaining fund balance of \$16,944.69 was given back to US Treasury during fiscal year 2023.

	2023	2022
Status of Fund Balance with Treasury		
(1) Unobligated Balance		
(a) Available	\$ 46,438.62	\$ 9,761.51
(b) Unavailable	296,525.55	120,347.31
(2) Obligated Balance not yet Disbursed	268,374.46	670,594.32
Total	<u>\$ 611,338.63</u>	<u>\$ 800,703.14</u>

NOTE 3 – ACCOUNTS RECEIVABLE, NET

Other than Intragovernmental Accounts Receivable, Net represents Accounts Receivable from current employees. NCD has historically collected any receivables due and thus has not established an allowance for uncollectible accounts. Accounts Receivable consisted of the following as of September 30:

	<u>2023</u>	<u>2022</u>
Accounts Receivable - Other than Intragovernmental	\$ -	\$ 1,696.45

NOTE 4 – LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

Liabilities of the NCD are classified as liabilities covered or not covered by budgetary resources. As of September 30, 2023, the NCD had liabilities covered by budgetary resources of \$104,506.72 and liabilities not covered by budgetary resources of \$179,420.18. As of September 30, 2022, the NCD had liabilities covered by budgetary resources of \$75,059.50 and liabilities not covered by budgetary resources of \$175,870.35. The only liabilities not covered by budgetary resources is the unfunded leave.

	<u>2023</u>	<u>2022</u>
Other than Intragovernmental		
Unfunded Leave	\$ 179,420.18	\$ 175,870.35
Total Liabilities not covered by budgetary resources	<u>179,420.18</u>	<u>175,870.35</u>
Total Liabilities covered by budgetary resources	<u>104,506.72</u>	<u>75,059.50</u>
Total Liabilities	<u>\$ 283,926.90</u>	<u>\$ 250,929.85</u>

NOTE 5 – OTHER LIABILITIES

Other than Intragovernmental liabilities for the fiscal year ended September 30, 2023 and 2022 consist of Accrued Funded Payroll and Leave in the amounts shown below. Other Intragovernmental liabilities consist of Employer Contributions and Payroll Taxes Payable.

	2023		
	Non-Current	Current	Total
Intragovernmental			
Employer Contributions and Payroll Taxes Payable		\$ 9,261.37	\$ 9,261.37
Total Intragovernmental	-	9,261.37	9,261.37
Other than Intragovernmental			
Accrued Funded Payroll & Leave		30,710.86	30,710.86
Total Other than Intragovernmental	-	30,710.86	30,710.86
Total Other Liabilities	\$ -	\$ 39,972.23	\$ 39,972.23

	2022		
	Non-Current	Current	Total
Intragovernmental			
Employer Contributions and Payroll Taxes Payable		\$ 8,825.43	\$ 8,825.43
Total Intragovernmental	-	8,825.43	8,825.43
Other than Intragovernmental			
Accrued Funded Payroll & Leave		29,354.66	29,354.66
Total Other than Intragovernmental	-	29,354.66	29,354.66
Total Other Liabilities	\$ -	\$ 38,180.09	\$ 38,180.09

NOTE 6 - LEASES

NCD leases office space at 1331 F Street, NW, Washington, DC. The lease was entered on August 29, 2012 for a period of 10-years retroactive August 22, 2011 continuing through August 21, 2021. A new lease agreement for the same space was entered on August 27, 2019 for a period of 10-years, beginning on August 22, 2021, continuing through August 21, 2031. The lease and space may be vacated at any time upon four (4) months written notice.

NCDs total operating lease expenses as of September 30, 2023 and 2022 were \$292,852 and \$182,321, respectively.

The following is a schedule of future minimum lease payments required by the lease:

Fiscal Year	Minimum Lease Payments
2024	\$ 296,076.00
2025	299,397.00
2026	302,817.00
2027	306,339.00
2028	309,968.00
2029-2031 (Expires August 21, 2031)	913,332.00
Total Future Lease Payments	\$ 2,427,929.00

NOTE 7 – INTER-ENTITY COSTS

NCD recognizes certain inter-entity costs for goods and services that are received from other federal entities at no cost or at a cost less than the full cost. Certain costs of the providing entity that are not fully reimbursed are recognized as imputed cost and are offset by imputed revenue. Such imputed costs relate to employee benefits. NCD recognizes as inter-entity costs the amount of accrued pension and post-retirement benefit expenses for current employees. The assets and liabilities associated with such benefits are the responsibility of the administering agency, OPM. For the fiscal years ended September 30, 2023 and 2022, respectively, inter-entity costs were as follows:

	2023	2022
Office of Personnel Management	\$ 129,249.61	\$ 84,530.45
Total Imputed Financing Sources	<u>\$ 129,249.61</u>	<u>\$ 84,530.45</u>

NOTE 8 – NET ADJUSTMENTS TO UNOBLIGATED BALANCE, BROUGHT FORWARD, OCTOBER 1

The unobligated balance, brought forward from the prior fiscal year has been adjusted for recoveries of prior year paid and unpaid obligations and other changes such as canceled authority. The adjustments to the unobligated balance brought forward, October 1, as of September 30, 2023, and 2022, consisted of the following:

	2023	2022
Unobligated balance, brought forward from prior year	<u>\$130,108.82</u>	<u>\$221,969.29</u>
Adjustments made during the current year		
Recoveries of prior year unpaid obligations	187,908.50	15,322.58
Recoveries of prior year paid obligations	53.13	
Balance withdrawn to Treasury (cancelling fund)	<u>(16,944.69)</u>	<u>(93,397.23)</u>
Unobligated balance brought from prior year budget authority	<u>\$301,125.76</u>	<u>\$143,894.64</u>

NOTE 9 – APPORTIONMENT CATEGORIES OF NEW OBLIGATIONS AND UPWARD ADJUSTMENTS: DIRECT VS. REIMBURSABLE OBLIGATIONS

Apportionment is a plan, approved by the OMB, to spend resources provided by one of the annual appropriations acts, a supplemental appropriations act, a continuing resolution, or a permanent law (mandatory appropriations). OMB Circular A-11 defines apportionment categories as follows:

- Category A apportionments distribute budgetary resources by fiscal quarters.
- Category B apportionments typically distribute budgetary resources by activities, projects, objects or a combination of these categories.
- Exempt – Exempt from apportionment.

New obligations and upward adjustments for NCD in FY 23 were Category A and in FY 22 they were Category B on the SF 132, *Apportionment and Reapportion Schedule*. All new obligations and upward adjustments for both fiscal years were direct.

	<u>2023</u>	<u>2022</u>
Direct - Category A	\$ 3,812,161.59	\$ -
Direct - Category B	-	3,513,785.82
Reimbursable	-	-
Total	<u>\$ 3,812,161.59</u>	<u>\$ 3,513,785.82</u>

NOTE 10 – UNDELIVERED ORDERS AT THE END OF THE PERIOD

The amount of NCD's undelivered orders as of September 30, 2023 was \$163,867.74 and as of September 30, 2022 was \$595,534.82.

	<u>2023</u>	<u>2022</u>
Federal Undelivered Orders	\$ -	\$ 107,338.08
Non-Federal Undelivered Orders	163,867.74	488,196.74
Total Federal/Non-Federal Undelivered Orders	<u>\$ 163,867.74</u>	<u>\$ 595,534.82</u>
Paid Undelivered Orders - Federal		
Paid Undelivered Orders - Non-Federal		
Unpaid Undelivered Orders - Federal	-	107,338.08
Unpaid Undelivered Orders - Non-Federal	163,867.74	488,196.74
Total Paid/Unpaid Undelivered Orders	<u>\$ 163,867.74</u>	<u>\$ 595,534.82</u>
Total Undelivered Orders	<u>\$ 163,867.74</u>	<u>\$ 595,534.82</u>

NOTE 11 – EXPLANATION OF DIFFERENCES BETWEEN THE SBR AND THE BUDGET OF THE US GOVERNMENT

SFFAS No. 7, *Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting*, requires an explanation of material differences between budgetary resources available, the status of those resources and outlays as presented in the Statement of Budgetary Resources to the related actual balances published in the *Budget of the United States Government* (Budget). The Budget that will include FY 2023 actual budgetary execution information is scheduled for publication in February 2024, which will be available through OMB’s website at <http://www.whitehouse.gov/omb>. Accordingly, information required for such disclosure is not available at the time of publication of these financial statements.

Balances reported in the FY 2022 SBR and the related President’s Budget reflected the following (in millions):

FY 2022	Budgetary Resources	New Obligations & Upward Adjustments (Total)	Net Outlays
Statement of Budgetary Resources	\$ 4	\$ 4	\$ 4
Difference - Rounding (+/-)	-	(1)	-
Budget of the US Government	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 4</u>

The difference between the Statement of Budgetary Resources and the Budget of the United States Government is primarily due to rounding.

NOTE 12 – RECONCILIATION OF NET COST TO OUTLAYS

The Council has reconciled its budgetary obligations and non-budgetary resources available to its net cost of operations.

2023 Reconciliation

	Intragovernmental	Other than Intragovernmental	Total
Net Operating Cost (SNC)	\$ 1,385,411.76	\$ 2,804,951.17	\$ 4,190,362.93
Components of Net Operating Cost Not Part of the Budgetary Outlays			
Increase/(Decrease) in Assets not affecting Budget Outlays:			
Accounts receivable	-	(1,696.45)	(1,696.45)
(Increase)/Decrease in Liabilities not affecting Budget Outlays:			
Accounts payable	-	(27,634.70)	(27,634.70)
Other liabilities (accrued funded payroll and leave and employer contributions and payroll taxes payable)	(435.94)	(1,356.20)	(1,792.14)
Federal employee and veteran benefits payable	-	(3,570.21)	(3,570.21)
Other financing sources			
Imputed Cost	(129,249.61)		(129,249.61)
Donations		(4,000.00)	(4,000.00)
Total Components of Net Operating Cost Not Part of the Budget Outlays	(129,685.55)	(38,257.56)	(167,943.11)
Miscellaneous Items			
Appropriated Receipts for Trust/Special Funds	-	4,000.00	4,000.00
Total Miscellaneous Items	-	4,000.00	4,000.00
Net Outlays (Calculated Total)	\$ 1,255,726.21	\$ 2,770,693.61	\$ 4,026,419.82
Budgetary Agency Outlays, net (SBR Line 4210)			\$ 4,026,419.82

NOTE 12 – RECONCILIATION OF NET COST TO OUTLAYS – (CONTINUED)

2022 Reconciliation

	Intragovernmental	Other than Intragovernmental	Total
Net Operating Cost (SNC)	\$ 962,473.12	\$ 2,619,777.17	\$ 3,582,250.29
Components of Net Operating Cost Not Part of the Budgetary Outlays			
Increase/(Decrease) in Assets not affecting Budget Outlays:			
Accounts receivable	-	117.33	117.33
(Increase)/Decrease in Liabilities not affecting Budget Outlays:			
Accounts payable	2,000.00	4,904.68	6,904.68
Other liabilities (accrued funded payroll and leave and employer contributions and payroll taxes payable)	13,847.93	72,292.62	86,140.55
Federal employee and veteran benefits payable	-	2,882.13	2,882.13
Other financing sources			
Imputed Cost	(84,530.45)		(84,530.45)
Total Components of Net Operating Cost Not Part of the Budget Outlays	(68,682.52)	80,196.76	11,514.24
Net Outlays (Calculated Total)	\$ 893,790.60	\$ 2,699,973.93	\$ 3,593,764.53
Budgetary Agency Outlays, net (SBR Line 4210)			\$ 3,593,764.53