



AMERICAN BATTLE MONUMENTS COMMISSION

Courthouse Plaza II, Suite 500
2300 Clarendon Boulevard
Arlington, VA 22201-3367

Established by Congress 1923

December 22, 2009

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

Submitted herewith is the Fiscal Year 2009 annual report of the American Battle Monuments Commission (ABMC) as directed by:

Public Law 97-255, The Federal Managers' Financial Integrity Act (FMFIA), and

Public Law 100-504, The 1988 Amendments to the Inspector General Act (IGA) of 1978.

These reports are provided in accordance with the basic legislation and the guidance of the Office of Management and Budget (OMB).

FMFIA

ABMC management is responsible for establishing and maintaining effective internal controls over financial reporting, which includes safeguarding of assets and compliance with applicable laws and regulations. ABMC conducted its assessment of the effectiveness of internal controls over financial reporting in accordance with OMB Circular A-123, Management's Responsibility for Internal Control. ABMC contracted with an independent public accounting firm to review the management control program, evaluate the effectiveness of the program and make recommendations for improvement. The contractor's efforts have indicated that ABMC's management control program appears to be effective in meeting management's expectations for compliance with Federal requirements.

The objectives of ABMC's internal management control policies and procedures are to provide reasonable assurance that:

1. Obligations and costs are in compliance with applicable law;
2. Funds, property, and other assets are safeguarded against waste, loss, unauthorized use, and misappropriation;
3. Revenue and expenditures applicable to agency operations are promptly recorded and accounted for; and
4. Programs are efficiently and effectively carried out in accordance with applicable laws and management policy.

Based on the results of this evaluation, ABMC can provide reasonable assurance that internal control over financial reporting as of September 30, 2009 was operating effectively and no material weaknesses were found in the design or operation of the internal control over financial reporting.

The Government Accountability Office (GAO) completed the twelfth annual audit on the Fiscal Year 2008 ABMC and World War II Memorial accounts during Fiscal Year 2009. This CFO Act audit of ABMC and the World War II Memorial brought with it the opportunities to further strengthen our controls and overall financial integrity. GAO Financial Audit (GAO 09-293 February 2009) results indicated an “unqualified opinion”; and reported that ABMC maintained, in all material respects, effective internal control over financial reporting (including safeguarding of assets) and compliance as of September 30, 2008. ABMC concurred with this assessment.

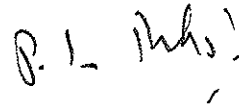
IGA

Due to the size of the Agency, ABMC does not have an Inspector General. ABMC’s Chief of Staff acts as the Agency Inspector General, handling any investigations required at Field Offices and Headquarters.

ABMC supports every effort to maintain efficiency in government and strives to continuously improve the effectiveness with which we contribute to those goals and carry out our mission.

Most respectfully,


Max Cleland
Secretary



CC:

President of the Senate

Speaker of the House of Representatives

Director, Office of Management and Budget

Chairman, Senate Committee on Homeland Security and Governmental Affairs

Chairman, House Committee on Oversight and Governmental Reforms

Chairman, Senate Committee on Veterans’ Affairs

Chairman, House Committee on Veterans’ Affairs

Chairman, Senate Appropriations Subcommittee on Military Construction, Veterans’ Affairs, and Related Agencies

Chairman, House Appropriations Subcommittee on Military Construction, Veterans’ Affairs, and Related Agencies

OMB Office of Federal Financial Management, Financial Integrity and Analysis Branch