

By Administrator
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RALEIGH, (SGRToday.com) - The U.S. Government Accountability Office (GAO) has released a financial audit of the 2013 and 2014 fiscal years for the federal government.

From the GAO website is an excerpt of what the GAO found. The full analysis and report can be accessed at gao.gov.

"Certain material weaknesses in internal control over financial reporting and other limitations on the scope of its work resulted in conditions that prevented GAO from expressing an opinion on the accrual-based consolidated financial statements as of and for the fiscal years ended September 30, 2014, and 2013.

About 32 percent of the federal government's reported total assets as of September 30, 2014, and approximately 19 percent of the federal government's reported net cost for fiscal year 2014 relate to three Chief Financial Officers Act agencies that as of the date of GAO's audit report, either received disclaimers of opinion on their fiscal year 2014 financial statements or had not issued their audited fiscal year 2014 financial statements.

Significant uncertainties, primarily related to the achievement of projected reductions in Medicare cost growth reflected in the 2014, 2013, 2012, 2011, and 2010 Statements of Social Insurance, prevented GAO from expressing an opinion on those statements as well as on the 2014 and 2013 Statements of Changes in Social Insurance Amounts. About \$28.5 trillion, or 68.0 percent, of the reported total present value of future expenditures in excess of future revenue presented in the 2014 Statement of Social Insurance relates to Medicare programs reported in the Department of Health and Human Services' 2014 Statement of Social Insurance, which received a disclaimer of opinion.

Material weaknesses resulted in ineffective internal control over financial reporting for fiscal year 2014.

Material weaknesses and other scope limitations discussed in the audit report limited GAO's tests of compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements for fiscal year 2014."