



United States General Accounting Office  
Washington, DC 20548

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May 17, 2002

The Honorable F. James Sensenbrenner, Jr.  
Chairman, Committee on the Judiciary  
House of Representatives

Subject: Federally Chartered Corporation: Review of the Financial Statement Audit Report for the Non Commissioned Officers Association of the United States of America, Incorporated, for 2000 and 1999

Dear Mr. Chairman:

As requested, we reviewed the audit report covering the financial statements of the Non Commissioned Officers Association of the United States of America, Incorporated, a federally chartered corporation, for the years ended December 31, 2000 and 1999. The corporation is an association of active, reserve, national guard, and retired non commissioned and petty officers of the Armed Forces of the United States of America.

Federally chartered corporations are required under 36 U.S.C. 10101 to

- present the corporation's assets and liabilities and reasonable detail on the corporation's income and expenses in annual financial statements,
- obtain an annual financial audit by an independent public accountant, and
- submit the auditors' report and the corporation's financial statements to the Congress.

The objective of our review was to determine whether the audit report complied with the financial reporting requirements of the law. In carrying out our work, we reviewed the corporation's financial statements and the accompanying notes, performed certain analytical procedures related to information presented in the financial statements, and reviewed the auditors' report. We also held limited discussions with the corporation's auditors regarding potential enhancements that could be made to the corporation's financial reporting. However, we did not review the auditors' working papers, and we are not rendering an audit opinion. Our review disclosed no reportable instances of noncompliance with the financial reporting requirements of the law.

The corporation reported that its liabilities exceeded its assets by approximately \$338,000 and \$598,000 at the end of 2000 and 1999, respectively. The audit report included the auditors' opinion that the financial statements of the corporation were presented fairly in accordance with generally accepted accounting principles. We are returning the audit report you sent with your letter.

Sincerely yours,

A handwritten signature in black ink that reads "Jeanette M. Franzel". The signature is written in a cursive style with a large, looping initial 'J'.

Jeanette M. Franzel  
Acting Director  
Financial Management and Assurance

w/o Enclosure

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