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United States General Accounting Office  
Washington, DC 20548

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November 21, 2003

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 Civil Air Patrol for Fiscal Year 2001*

Dear Mr. Chairman:

As requested, we reviewed the audit report covering the financial statements of the Civil Air Patrol, a federally chartered corporation, for the fiscal year ended September 30, 2001. The purpose of the corporation is to encourage and foster civil aviation in local communities and to provide adequate facilities to assist in meeting local and national emergencies.

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, and
- obtain an annual financial audit by an independent public accountant.

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. However, we did not review the auditors' working papers, and we are not rendering an audit opinion.

The audit report for fiscal year 2001 included the auditors' opinion that with one exception, the financial statements of the corporation were presented fairly in accordance with U.S. generally accepted accounting principles. The exception related to units below wing level not being audited and not being included in these financial statements. The exception is discussed in the notes to the financial statements and in the auditors' report.

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 initial 'J' and 'F'.

Jeanette M. Franzel  
Director  
Financial Management and Assurance

w/o Enclosure

(194360)

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