

A photograph of a large, classical-style stone building, likely a monument or government building, illuminated at dusk. The building features a prominent arched entrance and a large inscription on its facade. To the left, a smaller, light-colored building with dark shutters is visible. The sky is a deep blue, and the overall scene is lit with warm, golden light from the setting sun.

AMERICAN
BATTLE
MONUMENTS
COMMISSION

ERECTED BY
THE UNITED STATES
OF AMERICA
TO COMMEMORATE
THE ACHIEVEMENTS
AND COMRADESHIP
OF THE AMERICAN
AND BRITISH NAVIES
IN THIS VICINITY
DURING
THE WORLD WAR

FISCAL YEAR 2017

ANNUAL REPORT

Sgt. John Chiodo, who served with the 39th Engineer Combat Regiment, died July 31, 1944 while clearing an enemy mine field. More than seven decades after his death, Sergeant 1st Class Rocco Danna traveled to Florence American Cemetery to honor his great uncle.

Cover: Naval Monument at Gibraltar

SECRETARY'S MESSAGE

With this annual report, we present the Commission's financial statements and performance results for the year ending September 30, 2017. Several milestone events highlighted the Commission's activities in FY17.

In January, ABMC assumed ownership and responsibility for the Lafayette Escadrille Memorial Cemetery, which became the 9th World War I cemetery administered by the agency. The memorial cemetery commemorates the birth of American combat aviation, honoring the American volunteer pilots who flew with French squadrons during the Great War.

It is the final resting place for some of America's first combat aviators. In the memorial crypt are 68 sarcophagi, one for each of the aviators of the Lafayette Flying Corps who lost their lives during World War I. Forty-nine of these aviators are entombed in the crypt, along with two of their French commanding officers. Decades of delayed maintenance had led to structural damage, water intrusion and corrosion that required large-scale repair. ABMC, through an agreement with the Lafayette Escadrille Memorial Foundation and the French government, that included financial support, led a restoration effort in 2015 and 2016, in time for the 100th anniversary of the formation of the squadron, and in 2017 ABMC assumed ownership of the memorial cemetery from the Foundation.

In June, ABMC dedicated its newest monument and marker in Dartmouth, England. Located in the Royal Avenue Garden Park, the monument sits near the ramps from which Allied forces embarked for the



Robert J. Dalessandro

D-Day landings on Utah Beach. During World War II, Dartmouth was transformed into a major logistical center and training base as well as a port of embarkation. Nearly 800 Americans lost their lives during an enemy attack on a training exercise at nearby Slapton Sands. Dedicated on June 6, 2017, the monument became the 28th administered by ABMC. On the same day, a marker was dedicated at the Britannia Royal Naval College, which sits on a hill overlooking Dartmouth. The bronze plaque commemorates the U.S. XI Amphibious Force headquartered in that building during World War II.

Two other monument projects advanced during the fiscal year. Contracts were awarded for stone fabrication and site construction of the New Zealand Memorial at the National War Memorial Park in Wellington, New Zealand, which we are placing at the invitation of the New Zealand government; we anticipate dedicating the memorial in the summer of 2018. And site selection consultations continued with local government officials in Iceland for placement of a World War II monument in that country, recognizing the strategic importance of U.S. operations based in the Hvalfjordur near Reykjavik.

We also made significant advancements in our ability to provide visitors with the historical context for military operations that were conducted on or near ABMC commemorative sites. New visitor centers were dedicated at two of the Commission's World War I cemeteries, Flanders Field and Meuse-Argonne, and

Epinal American Cemetery, France



Citizens from the village of Quenoche, France attended the adoption ceremony for three soldiers buried at Epinal American Cemetery.



World War II veteran William Dawson participated in an on-camera interview at ABMC HQ. The communications' team conducts these interviews for use in videos that share the ABMC mission with the public.

construction was well underway at another World War I site, the Chateau-Thierry Monument near Aisne-Marne American Cemetery. Architectural and exhibit designs for a World War II visitor center at the Manila American Cemetery were approved and construction contracts were nearing award. We expect to dedicate the Chateau-Thierry visitor center in FY18 and the Manila center in FY19. All of these facilities dramatically improve our ability to “tell the story” of those honored at our cemeteries and memorials worldwide to generations far removed from the events that led to their creation.

Another important project in the Philippines is the restoration of Clark Veterans Cemetery. In December 2013 the U.S. Government reached agreement with the Government of the Philippines to allow ABMC to restore and maintain the cemetery, which is located on the former site of Clark Air Base. A \$5 million restoration project is nearing completion. Work has included constructing a new perimeter fence and parking and service areas; improving drainage and landscape; as well as plot area leveling and headstone alignment. Most of the headstones had been partially buried in volcanic ash since the 1991 eruption of Mt. Pinatubo. Raising and cleaning the nearly 8,000 headstones and installing alignment beams to keep them securely in place has been a significant undertaking. ABMC continues to work with the Department of Veterans Affairs to replace approximately 3,000 flat or damaged headstones.

In Hawaii, work continued on replacing stained Trani stone in the World War II and Korean War Courts of the Missing at the Honolulu Memorial. After several attempts to remove the staining failed, the Commission opted to replace the stone to restore the Courts to a standard appropriate to the sacrifice they honor. The memorial sits within the National Memorial Cemetery of the Pacific, a National Cemetery Administration site located in the Punchbowl Crater in Honolulu.

In addition to the annual Memorial Day ceremonies held at each of our cemeteries, the Commission hosted or participated in several important commemorative events. In June, we observed the centennial of the arrival of the lead elements of the American Expeditionary Forces at our memorial at Brest and at ceremonies at St. Nazaire, the two principal ports where American troops landed in France. We hosted the Centennial Commemoration of Pershing’s arrival in Paris at our embassy and took part in the Bastille Day Parade, which was attended by the President and led by elements of the U.S. armed services. Each of these events served to educate and enlighten Americans and our Allies on the role of the United States during the First World War.

Finally, much effort went into planning and preparing for the move of the Commission’s Overseas Operations Office from the suburbs of Paris to downtown Paris. The building in Garches, France that has served as the overseas office for decades had too many design and security shortfalls to justify remaining in that location. Working closely with the U.S. Embassy in Paris, we were able to lease new space in Paris that will serve the agency well. The move will occur in the first quarter of FY18.

We cannot perform our mission without the ongoing support of the Administration and the Congress, which consistently provide the critical resources needed to honor America’s war dead overseas. Our nation’s cemeteries and memorials in foreign lands are symbols of our national commitment to preserve the memory of those that have served and sacrificed in defense of our principles and ideals. So long as we all remain focused on that noble mission, “Time will not dim the glory of their deeds.”

Robert J. Dalessandro
Acting Secretary

MISSION AND ORGANIZATION

Mission

The American Battle Monuments Commission (the Commission) — guardian of America's overseas commemorative cemeteries and memorials — honors the service, achievements and sacrifice of the United States armed forces. Since 1923, the Commission has executed this mission by (1) commemorating the achievements and sacrifices of America's armed forces through the erection and maintenance of suitable memorial shrines in the U.S. when authorized by Congress and where they have served overseas since April 6, 1917; (2) designing, constructing, operating, and maintaining permanent American military burial grounds in foreign countries; and (3) controlling the design and construction on foreign soil of U.S. military memorials, monuments, and markers by other U.S. citizens and organizations, both public and private, and encouraging their maintenance. The Commission's fiscal year 2017 appropriation supported its continued commitment to the worldwide responsibilities that flow from this mission.

In performance of its mission, the Commission administers, operates, and maintains 26 permanent American military cemeteries; 29 federal memorials, monuments, and markers; and eight nonfederal memorials. Three memorials are located in the United States; the remaining memorials and all of the Commission's cemeteries are located in 15 foreign countries, the U.S. Commonwealth of the Northern Mariana Islands, the Midway Atoll, and the British dependency of Gibraltar. The Commission's World War I, World War II, and Mexico City cemeteries are closed to future burials except for the remains of U.S. war dead discovered in World War I and II battle areas.

In addition to grave sites, the World War I and II cemeteries, together with three memorials on U.S. soil, commemorate by name on Tablets of the Missing those U.S. service members who were missing in action or

lost or buried at sea during the First and Second World Wars and the Korean and Vietnam Wars.

The Commission also administers trust funds to (1) build memorials authorized by Congress, but financed primarily from private contributions, commemorative coin proceeds, and investment earnings; (2) decorate grave sites with flowers from private contributions; and (3) maintain and repair nonfederal war memorials with private contributions.

During fiscal year 2017, the Commission continued to ensure that its commemorative cemeteries and memorials remain fitting shrines to those who have served our nation in uniform since America's entry into World War I.

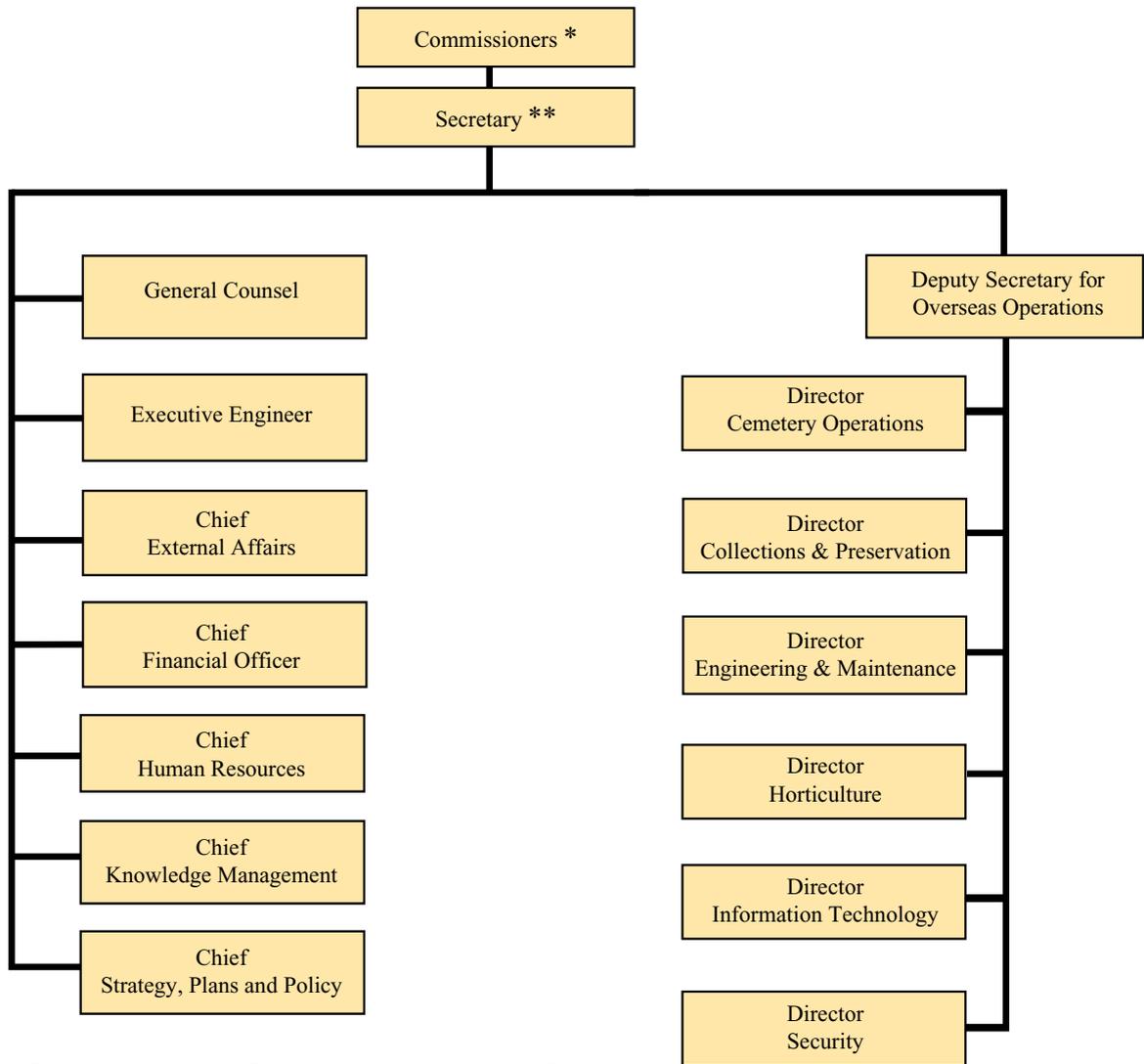
The Commission's mission statement:

As the preeminent guardian of America's overseas commemorative cemeteries and memorials, the American Battle Monuments Commission honors the service of the armed forces by designing, constructing, maintaining and operating permanent American cemeteries, and establishing, maintaining, and approving designs of memorials, markers, and monuments where America's armed forces have served beyond our borders.

Organizational Structure

The Commission's organizational structure for fiscal year 2017 is shown in Figure 1.

The Commission's policy-making body consists of a Board of Commissioners comprised of up to 11 members appointed by the President of the United States for an indefinite term and who serve without pay. However, the members of the Commission may receive reimbursement for actual expenses related to



* Chairman and up to 10 Commissioners appointed by the President

** Appointed by the President

Figure 1: The Commission's Organizational Structure

the work and travel of the Commission. The commissioners establish policy and ensure proper staff functioning in carrying out the mission of the Commission. During inspection visits to Commission cemeteries, they observe, inquire about, comment upon, and make recommendations on any and all aspects of Commission operations. The Commission's daily operations are directed by an Executive Level Secretary (Acting) and assisted by a Deputy Secretary for Overseas Operations.

The Commission's headquarters is in Arlington, Virginia and an Overseas Operations Office is located in Garches, France, just outside Paris. For fiscal year 2017, the Commission had a total of 418 full-time equivalent (FTE) positions.

OPERATIONS MANAGEMENT

Operations management activities in fiscal year 2017 focused on funding salaries and benefits, service fees, scheduled maintenance and repairs, supplies, materials, spare parts, replacement of uneconomically repairable equipment, and capital improvements.

For fiscal year 2017, the Commission received \$75,100,000 from appropriations in its Salaries and Expenses account. The Commission's Foreign Currency Fluctuations Account appropriation for fiscal year 2017 contained "such sums as may be necessary" language. Figure 2 shows how the Commission obligated funding from its Salaries and Expenses account, by object class.

The Commission has received funding for engineering, maintenance and horticulture programs that make the Commission's facilities among the most beautiful memorials in the world. These shrines to America's war dead require a formidable annual program of maintenance and repair of facilities, equipment, and grounds.

The Commission prioritizes the use of its engineering, maintenance and horticulture funds carefully to ensure the most effective and efficient utilization of its available resources. This care includes upkeep of more than 140,000 graves and headstones and 74 memorial structures (within and external to the cemeteries) on nearly 1,650 acres of land. Additionally, the Commission maintains 65 visitor facilities and quarters for assigned personnel; 67 miles of roads and paths; and more than 900 acres of ornamental trees, flowering plants, shrubs and hedges, fine lawns, and meadows.

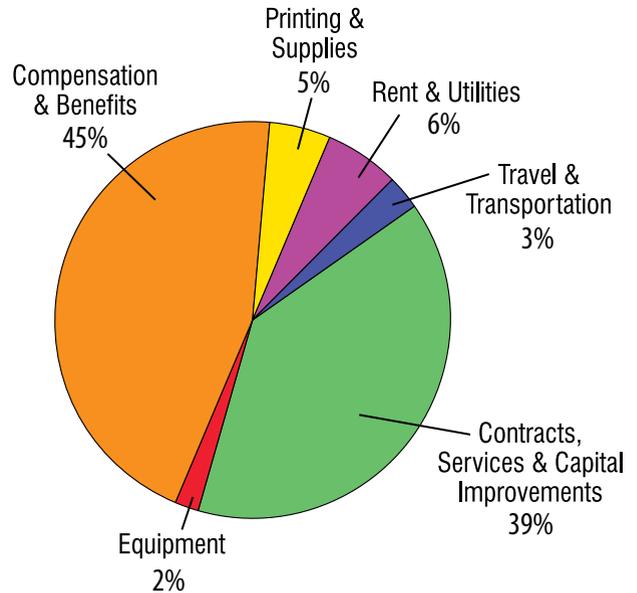


Figure 2: Fiscal Year 2017 Obligations by Object Class

Care and maintenance of these resources requires exceptionally intensive labor at the Commission's cemeteries and memorials. Compensation and benefits consumed approximately 45% of the Commission's fiscal year 2017 spending, while the remaining 55% supported engineering, maintenance, horticulture, logistics, interpretation, services, supplies and other administrative costs critical to its operations.

Management's Discussion and Analysis

FINANCIAL ANALYSIS

Assets

The Consolidated Balance Sheet reflects total assets of \$120.8 million at the end of fiscal year 2017, a decrease of \$6.2 million from the \$127.0 million at the end of fiscal year 2016. The Fund Balance with Treasury line item decreased by \$7.7 million, which is attributable to executing projects related to a \$30.0 million increase in the Commission's budget by Congress in fiscal year 2015 that is to be used for security, WWI Centennial, and other large planned projects at cemeteries and monuments. General Property and Equipment increased by \$1.6 million due to construction in progress related to leasehold improvements at the Commission's new office space in downtown Paris, France. The Commission's assets reflected in the Consolidated Balance Sheet were as follows:

ASSETS BY TYPE

	2017	%	2016	%
Fund Balance with Treasury	118,034,461	98%	125,736,241	99%
Cash and Foreign Accounts	29,531	0%	82,580	0%
Accounts Receivable and Employee Advances	-	0%	7,418	0%
General Property and Equipment, Net	<u>2,752,736</u>	<u>2%</u>	<u>1,146,530</u>	<u>1%</u>
Total Assets	<u><u>120,816,728</u></u>	<u><u>100%</u></u>	<u><u>126,972,769</u></u>	<u><u>100%</u></u>

Liabilities

The Commission's Consolidated Balance Sheet reflects total liabilities of \$13.5 million at the end of fiscal year 2017, a \$2.4 million increase from the previous year's total liabilities of \$11.1 million. The increase is mainly attributable to deferred rent associated with new office space obtained in Paris, France. Liabilities are categorized as intragovernmental liabilities or liabilities held with the public. Intragovernmental liabilities totaled \$0.3 million in fiscal year 2017 compared to \$0.6 million in fiscal year 2016. Liabilities held with the public totaled \$13.1 million in fiscal year 2017 compared to \$10.6 million in fiscal year 2016. The composition of the Commission's liabilities was as follows:

LIABILITIES BY TYPE

	2017	%	2016	%
Accounts Payable	8,234,585	61%	7,759,605	70%
Other Liabilities	<u>5,240,010</u>	<u>39%</u>	<u>3,314,485</u>	<u>30%</u>
Total Liabilities	<u><u>13,474,595</u></u>	<u><u>100%</u></u>	<u><u>11,074,090</u></u>	<u><u>100%</u></u>

Net Position

The Commission's Consolidated Balance Sheet and Consolidated Statement of Changes in Net Position reflect a Net Position of \$107.3 million at the end of fiscal year 2017, a 7% decrease from the \$115.9 million net position in fiscal year 2016. The decrease is mainly attributable to the decrease in Fund Balance with Treasury and an increase in deferred rent liability. Net Position is the sum of Unexpended Appropriations and Cumulative Results of Operations.

Net Costs

The Commission's total net cost of operations for fiscal year 2017 was \$84.9 million. This represents an increase of \$6.8 million from the Commission's net cost of operations of \$78.1 million in fiscal year 2016. The increase is mainly attributable to the increased security requirements the Commission has faced both in preparing its new office space in downtown Paris and increased guard forces in the cemeteries.

Budgetary Resources

The Consolidated Statement of Budgetary Resources provides information on how budgetary resources were made available to the Commission for the year and the status of these resources at fiscal year-end. For the 2017 fiscal year, the Commission had total budgetary resources of \$157.3 million, which represents a 4% decrease from fiscal year 2016 levels of \$163.8 million. The decrease is primarily attributable to executing projects related to the \$30.0 million in additional funds received from Congress in fiscal year 2015. Gross Budget Authority of \$75.5 million consisted of appropriations received. The Commission incurred obligations totaling \$79.6 million in fiscal year 2017 compared with fiscal year 2016 obligations incurred of \$84.1 million.

Net Outlays reflect the actual cash disbursed against previously established obligations. For fiscal year 2017, the Commission had net outlays of \$83.3 million, compared to \$77.3 million in net outlays in fiscal year 2016, an increase of 8%.

Heritage Assets

Heritage assets are property, plant and equipment that are unique for one or more of the following reasons: historical or natural significance; cultural, educational, or artistic importance; or significant architectural characteristics.

Heritage assets are significant to the mission of the Commission, which is to design, construct, and maintain historical cemeteries and memorials. The Commission presents its heritage assets in three categories: cemeteries, federal memorials, and nonfederal memorials. Through September 30, 2017, the Commission had 26 cemeteries, 29 federal memorials and 8 nonfederal memorials. Presently, nearly 140,000 U.S. war dead and others are interred in these cemeteries. Commemorated individually by name on stone tablets at the cemeteries and federal memorials are over 94,000 war dead, whose remains were not recovered. The cemeteries and federal memorials encompass nearly 1,650 acres. This land is provided to the Commission through host nation agreements for permanent use as cemeteries and memorials.

HIGH PRIORITY PERFORMANCE GOALS AND RESULTS

An overview of ABMC's strategic goals and a brief discussion of ABMC's results by strategic goal follows.

Focus Area 1: Operational Enhancement

The American Battle Monuments Commission (ABMC) is the guardian of America's overseas commemorative cemeteries and memorials. In this role, we carry out a noble mission to honor the service of United States armed forces. We do this by maintaining our commemorative sites to an exceptional standard and by telling the story of those we honor. As an independent federal agency, ABMC has a global presence with a culturally diverse workforce. As such, there are inherent challenges associated with operational aspects, including internal communications amplified by dissimilar languages, work processes, cultural multiplicity, leadership and management effectiveness, common standards, and training requirements. It is imperative that these challenges are transformed into opportunities and strengths in order for us to not only continue to fulfill our mission, but to enhance our operational efficiency and effectiveness as guardians of America's overseas commemorative cemeteries and memorials.

A strategic priority of ABMC is to achieve operational enhancements through several key objectives, as follows:

- Improve internal communications agency-wide;
- Tell the story;
- Clarify and formalize the roles and responsibilities of headquarters and overseas counterparts;
- Institute an internal control program;
- Improve, streamline, standardize and clarify administrative, financial, and procurement procedures;
- Sustain equal employment opportunity mandates; and,
- Establish an innovation review board.

The collective result of these objectives offers a number of benefits: They generate common expectations, standards, and lexicon; encourage innovations; create a culture of transparency, ownership, shared knowledge, collaboration, and sense of team; re-affirm shared values; improve stewardship of resources; and enhance the visitor experience. The agency has met or potentially met 22 of 25 operational enhancement goals set for FY 2017.

Focus Area 2: Security, Safety, and Welfare

As a globally dispersed organization featuring a culturally diverse staff, the challenges of the twenty-first century command our attention to a rapidly evolving and unpredictable security environment. Threats to our personnel, visitors, cemeteries, memorials and facilities range from those with a low probability but high severity (ex: acts of terrorism that could shut down facilities and result in loss of life), to those with high probability but low severity (ex: a network virus that temporarily interrupts communications and services). These threats can manifest themselves from both external and internal sources. The most important priority is the security, safety and welfare of our employees and our visitors. Conditions and maintenance of our offices, grounds, equipment, and facilities, with an emphasis on safe working procedures, all influence the welfare of our workforce, which in turn impacts our effectiveness.

The agency's strategic goal is to create a secure and safe environment that promotes the welfare of our people, thereby generating a workforce unencumbered with associated concerns, and focused on efficient and effective mission execution and service through the following objectives:

- Conduct an agency-wide threat assessment;
- Prepare an emergency management and disaster preparedness plan; and
- Complete the planning and execution for relocation of the Overseas Operations Office.

While security, safety, and welfare are leadership responsibilities, they demand the full engagement by the entire ABMC workforce. This Focus Area places these entities in the forefront of concerns as a strategic imperative. As a result, a mixture of specific technical and administrative measures, combined with common sense and awareness, will ensure that security, safety and welfare are paramount considerations woven into every aspect, effort, plan, and activity undertaken by our staff. This will result in a work environment of confidence, mutual support, and effectiveness. Preliminary results show that ABMC is on track to meet targets within the next fiscal year.

Focus Area 3: Knowledge Management

Knowledge Management is a concept that facilitates an integrated approach to identifying, retrieving, evaluating, and sharing an enterprise's tacit (what people know) and explicit (documentary) information. First, the Knowledge Management process focuses on the people and the institutional culture by creating and fostering an environment of sharing and collaboration throughout the entire ABMC workforce. Second, it encourages the transformation of processes into systems that will better support the ABMC mission. Third, it promotes the use of smart technologies to empower ABMC personnel to produce more effective results.

ABMC's strategy is to align the Commission with state-of-the-art knowledge management initiatives by leveraging twenty-first century best practices and technologies to transform our culture, products, services and information into an asset of more value and relevance to the global community. The route to a successful implementation of a Knowledge Management environment requires significant changes in the overall processes and culture of an organization. The Knowledge Management Maturity Model (KMMM) shall analyze the complete scope of key areas of knowledge man-

agement, such as organizational environment, culture, technology and strategy. ABMC will develop a KMMM report to define the agency's current position and future direction. We will work towards conducting knowledge audits to identify, quantify and measure knowledge assets within the agency to determine effective processes and systems. The agency continues to work towards achieving its goals for Knowledge Management.

Focus Area 4: Collections and Preservation

ABMC is the guardian of America's overseas commemorative cemeteries and memorials. Inherent in this mission is the care and accountability of not only the cemeteries, memorial structures, and landscapes themselves, but also the Commission's collection – the full spectrum of material culture associated with ABMC and its operations over the past 93 years. In the course of meeting agency duties, ABMC is adding to the historic record by maintaining its cemeteries and monuments, constructing new visitor center facilities, keeping an administrative record, actively collecting specific objects and artifacts in support of visitor education and enhanced scholarship, and maintaining cultural resources, including historic structures, cultural landscapes, and archeological features. The Collections & Preservation Directorate was established to preserve ABMC's tangible history so that we can better tell the stories of those we honor.

ABMC is well known for its impeccable maintenance of cemeteries, memorials, architectural elements, and their associated designed landscapes. This new directorate will extend that same standard of excellence to the long-term protection and preservation of agency cultural resources, including: material culture, document and photographic collections, cultural landscapes, archeological features, and historic structures throughout ABMC-managed cemeteries and memorials, the Arlington Headquarters, and the Overseas Operations Office. The strategic direction for ABMC Collections & Preservation is informed by legal mandates, field-oriented operational needs, input from the Superintendents Leadership Council, and agency priorities as defined by the Commissioners, Secretary, and Deputy Secretaries.

The agency's strategic goal is to identify, evaluate, document, and preserve ABMC collections, cultural landscapes, archeological features, and historic structures so that the Commission can have better access to its past, inform present and future decisions, and provide physical and intellectual access to its collections to facilitate telling the compelling stories of those who are commemorated at ABMC sites. ABMC will establish an interim collections storage solution, develop a comprehensive strategy for long-term storage, and increase collaboration with professionals of various disciplines. The Commission met all FY 2017 goals for collections and preservation.

Focus Area 5: Training and Development

ABMC is staffed with a professional and dedicated workforce characterized by an array of disciplines, skills, and experiences. The depth and variety of expertise and knowledge is an invaluable resource which must be leveraged to meet the global demands of the twenty-first century, while continuing to render the highest honor in the execution of our mission. Long-term sustainability and continuing relevance of the American Battle Monuments Commission rests ultimately on our people. This mandates the continued professional development of a diverse and talented workforce encompassing a broad range of skills, knowledge, and abilities.

The agency will establish civilian training and development as an enduring priority within ABMC that encompasses all training areas: mandatory annual training, supervisory development, functional training, career program training, leader development programs and self-development opportunities. Leaders and employees alike must make civilian training and professional development a top priority. Every leader must take a personal role in their professional development and the professional development of those they supervise. The benefits that ABMC will work to achieve include:

- Develop and implement a training and professional development program management system;
- Establish and conduct leader and manager developmental training;

- Develop and implement structured training programs for locally engaged staff in the cemeteries;
- Develop and implement cultural awareness training/education; and
- Develop an agency-wide human capital plan.

A professional and skilled workforce is achieved and sustained by an organizational commitment to training and professional development. Such a program must position for success an intellectually agile, flexible, and innovative culture that adheres to the highest standards of professionalism and the values of the American Battle Monuments Commission. The agency is on track to meet its goals for training and development.



Our sites receive constant care and attention to ensure they remain beautiful and pristine. Roger Demez, who works at Henri-Chapelle American Cemetery, reapplies gold leaf to the headstone of a Medal of Honor recipient.

Lafayette Escadrille Memorial Cemetery, Marnes-la-Coquette, France



1st Lt. Langdon E. Johnson, who served with the 100th Fighter Squadron, 332nd Fighter Group, died August 12, 1944. Nearly 73 years after his death, his nephew, George N’Namdi, came to honor his uncle at Rhone American Cemetery.



ABMC Chairman Merrill A. McPeak (right) and Lafayette Escadrille Memorial Foundation President Alex Blumrosen sign documents transferring ownership of the Lafayette Escadrille Memorial Cemetery from the Foundation to the Commission.

STATEMENTS AND CONTROLS

Financial Statements and Limitations

The Commission is required to obtain an independent audit of its financial statements under the Accountability of Tax Dollars Act of 2002. The Commission has selected Harper, Rains, Knight and Company to conduct its fiscal year 2017 financial audit.

The financial statements have been prepared to report the financial position and results of operations of the Commission, pursuant to the requirements of 31 U.S.C. 3515 (b). While the statements have been prepared from the books and records of the Commission in accordance with generally accepted accounting principles for federal entities and the formats prescribed by the Office of Management and Budget, the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records. The statements should be read with the understanding that the Commission is a component of the U.S. Government, a sovereign entity.

Management Assurances: Systems, Controls, Legal Compliance

The Commission is cognizant of the importance of, and need for, management accountability and responsibility as the basis for quality and timeliness of program performance, mission accomplishment, productivity, cost-effectiveness, and compliance with applicable laws. It has taken management actions to ensure that the annual evaluation of these controls is performed in a conscientious and thorough manner according to Office of Management and Budget regulations and guidelines and in compliance with 31 U.S.C. 3512 (c), (d), commonly known as the Federal Manager's Financial Integrity Act (FMFIA). The objectives of the Commission's internal management control policies and procedures are to provide reasonable assurance that

- obligations and costs are in compliance with applicable law;
- funds, property, and other assets are safeguarded against waste, loss, unauthorized use, and misappropriation;
- revenue and expenditures applicable to agency operations are promptly recorded and accounted for; and
- programs are efficiently and effectively carried out in accordance with applicable laws and management policy.

Based on its evaluation, the Commission concluded that there is reasonable assurance that its internal control over effectiveness and efficiency of operations as of September 30, 2017 was operating effectively and met the objectives of both Sections 2 and 4 of the FMFIA. The reasonable assurance concept recognizes that the cost of internal controls should not exceed the benefits expected to be derived and that the benefits reduce the risk of failing to achieve stated objectives.

Future Effects, Risks, and Uncertainties

Changes in the rate of exchange for foreign currencies have a significant impact on the Commission's day-to-day operations. In order to insulate the Commission's annual appropriation against major changes in its purchasing power, legislation was enacted in 1988 (codified in 36 U.S.C. 2109) to establish a foreign currency fluctuation account in the U.S. Treasury. The Commission closely monitors fluctuations between the U.S. dollar and various foreign currencies as its budget is disproportionately affected by foreign currency fluctuation. Legislation was enacted which included "such sums as may be necessary" language for the Commission's fiscal year 2017 FCFA appropriation. This allows the Commission to preserve its purchasing power against

a suddenly falling U.S. dollar against the euro. With this language the Commission will continue to estimate and report its FCFA requirements as it has in the past. However, when a need arises where the amount forecast by the Commission for this account is insufficient, the Commission will submit an adjusted estimate to the Office of Management and Budget, and then to the Congress.

Overall, by maintaining close scrutiny of the Commission's obligation status, as well as monitoring and distributing the Foreign Currency Fluctuation Account balance, the Commission reduces its overall future financial risk to continued operations.

ABMC's Pacific Region engineer Jim Botzet (3rd from left) participates in a groundbreaking ceremony for the restoration of the Courts of the Missing at the Honolulu Memorial, located in the National Memorial Cemetery of the Pacific.

FISCAL YEAR 2017

FINANCIAL STATEMENTS AND NOTES



Independent Auditors' Report

Chairman and Acting Secretary
American Battle Monuments Commission

Report on the Financial Statements

We have audited the accompanying consolidated balance sheets of the American Battle Monuments Commission (ABMC) as of September 30, 2017 and 2016, the related consolidated statements of net cost and changes in net position, combined statements of budgetary resources for the fiscal years then ended and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; 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. 17-03, Audit Requirements for Federal Financial Statements. Those standards and OMB Bulletin No. 17-03 require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion on the Financial Statements

In our opinion, the financial statements including the accompanying notes, present fairly, in all material respects, the financial position of ABMC as of September 30, 2017 and 2016, and its net cost of operations, changes in net position, and budgetary resources for the fiscal years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Generally accepted accounting principles in the United States of America require that the information in the Management's Discussion and Analysis and Required Supplementary Information sections be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The information in the Secretary's Message section is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered ABMC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ABMC's internal control. Accordingly, we do not express an opinion on the effectiveness of ABMC's internal control. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement

Internal Control over Financial Reporting-Continued

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 that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, as described in Exhibit I attached, that we consider to be a significant deficiency.

We noted certain additional matters that we will report to management of ABMC in a separate letter.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether ABMC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed one instance of non-compliance that is required to be reported under *Government Auditing Standards*. ABMC has not complied with enterprise risk management (ERM) implementation requirements as identified in OMB Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*. Therefore, ABMC is not in compliance with the Federal Managers' Financial Integrity Act (FMFIA) of 1982 as codified in 31 U.S.C. 3512 and the Government Performance Results Act (GPRA) Modernization Act, Public Law 111-352.

ABMC's Response to Finding

ABMC's response to the finding identified in our audit is described in Exhibit I. ABMC's response was not subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on the response.

Purpose of the Other Reporting Required by Government Auditing Standards

The purpose of the communication described in the Other Reporting Required by *Government Auditing Standards* section is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of ABMC's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Harper, Rainie, Knight & Company, LLP

November 15, 2017

Exhibit I
Significant Deficiency

1. Lack of Enterprise Risk Management Framework

During fiscal year 2017, ABMC did not implement an enterprise risk management (ERM) framework to assess and improve internal controls over operations, reporting, and compliance.

Management's Response: Although ABMC is currently taking steps to develop and document an ERM framework assessment, this project is not yet complete. ABMC will continue working towards ERM implementation in FY 2018.

Auditors' Response: FY 2018 audit procedures will determine whether the corrective actions have been implemented and are operating effectively.

Exhibit II

AMERICAN BATTLE MONUMENTS COMMISSION

Status of Prior Year Findings

September 30, 2017

Title of Finding from FY16 Audit Report	Prior Year Status	Current Year Status
Monitoring process over internal control over financial reporting	Material Weakness	Resolved

This panel is part of a World War I exhibit developed by ABMC in partnership with Arlington National Cemetery. The exhibit is on display in the cemetery's Welcome Center.



Asst. Army Attaché of Belgium and Luxembourg Lt. Col. Edward R. Evans and Chargé d'Affaires Alison Shorter-Lawrence prepare to lay a wreath during the 2017 Memorial Day Ceremony at Luxembourg American Cemetery. Image courtesy of U.S. Embassy Luxembourg.



On the 73rd anniversary of the Allied landings at Anzio and Nettuno, students laid a red rose at the headstone of every member of the 82nd Airborne buried at Sicily-Rome American Cemetery.

AMERICAN BATTLE MONUMENTS COMMISSION CONSOLIDATED BALANCE SHEETS

As of September 30, 2017 and 2016

(in dollars)

	2017	2016
Assets:		
Intragovernmental:		
Fund balance with Treasury (Note 2)	\$ 118,034,461	\$ 125,736,241
Total intragovernmental	118,034,461	125,736,241
Cash and other monetary assets (Note 3)	29,531	82,580
General property and equipment, net (Note 5)	2,752,736	1,146,530
Other	-	7,418
Total assets	\$ 120,816,728	\$ 126,972,769
Stewardship PP&E (Note 1,I, 6)		
Liabilities:		
Intragovernmental:		
Accounts payable	\$ 226,904	\$ 233,968
Other (Note 7)	113,891	270,902
Total intragovernmental	340,795	504,870
Accounts payable	8,007,681	7,525,637
Other (Note 7)	5,126,119	3,043,583
Total liabilities	13,474,595	11,074,090
Net position:		
Unexpended appropriations-All Other Funds	\$ 103,849,753	\$ 111,694,375
Cumulative results of operations-Funds from Dedicated Collections	4,737,974	5,239,351
Cumulative results of operations-All Other Funds	(1,245,594)	(1,035,047)
Total net position	\$ 107,342,133	\$ 115,898,679
Total liabilities and net position	\$ 120,816,728	\$ 126,972,769

The accompanying notes are an integral part of these statements.

**AMERICAN BATTLE MONUMENTS COMMISSION
CONSOLIDATED STATEMENTS OF NET COST**

For the Years Ended September 30, 2017 and 2016

(in dollars)

	<u>2017</u>	<u>2016</u>
Gross Program costs:		
Operations and Maintenance:		
Gross costs	\$ 88,091,253	\$ 84,838,401
Less: earned revenue	3,145,855	6,714,177
Net cost of operations (Note 9, 17)	<u>\$ 84,945,398</u>	<u>\$ 78,124,224</u>

The accompanying notes are an integral part of these statements.

AMERICAN BATTLE MONUMENTS COMMISSION

CONSOLIDATED STATEMENTS OF CHANGES IN NET POSITION

For the Years Ended September 30, 2017 and 2016

(in dollars)

	2017	2016
Cumulative Results of Operations:		
Beginning Balance (includes Funds from Dedicated Collections of \$5,239,351 in FY 2017 and \$7,009,036 in FY 2016 (Combined Totals) - See Note 15)	\$ 4,204,304	\$ 6,924,276
Budgetary Financing Sources:		
Appropriations used	82,944,622	73,800,343
Donations and forfeitures of cash and cash equivalents	399,541	594,854
Other Financing Sources (Non-Exchange):		
Imputed financing (Note 12)	889,311	1,009,055
Total Financing Sources (includes Funds from Dedicated Collections of \$399,541 in FY 2017 and \$594,855 in FY 2016 (Combined Totals) - See Note 15)	84,233,474	75,404,252
Net Cost of Operations (includes Funds from Dedicated Collections of \$900,918 in FY 2017 and \$2,364,540 in FY 2016 (Combined Totals) - See Note 15)	(84,945,398)	(78,124,224)
Net Change Other Financing Sources (Non-Exchange)	(711,924)	(2,719,972)
Cumulative Results of Operations (includes Funds from Dedicated Collections of \$4,737,974 in FY 2017 and \$5,239,351 in FY 2016 (Combined Totals) - See Note 15)	3,492,380	4,204,304
Unexpended Appropriations:		
Beginning Balance (includes Funds from Dedicated Collections of \$0 in FY 2017 and \$0 in FY 2016 (Combined Totals) - See Note 15)	111,694,375	78,394,718
Budgetary Financing Sources:		
Appropriations received	75,100,000	107,100,000
Appropriations Used	(82,944,622)	(73,800,343)
Total Budgetary Financing Resources (includes Funds from Dedicated Collections of \$0 for FY 2017 and \$0 in FY 2016 (Combined Totals) - See Note 15)	(7,844,622)	33,299,657
Total Unexpended Appropriations (includes Funds from Dedicated Collections of \$0 in FY 2017 and \$0 in FY 2016 (Combined Totals) - See Note 15)	103,849,753	111,694,375
Net Position	\$ 107,342,133	\$ 115,898,679

The accompanying notes are an integral part of these statements.

AMERICAN BATTLE MONUMENTS COMMISSION COMBINED STATEMENTS OF BUDGETARY RESOURCES

For the Years Ended September 30, 2017 and 2016

(in dollars)

	2017	2016
Budgetary Resources:		
Unobligated balance brought forward, Oct 1	\$ 79,696,091	\$ 53,178,305
Recoveries of prior year unpaid obligations	2,035,123	2,889,793
Other changes in unobligated balance	19,325	30,737
Unobligated balance from prior year budget authority, net	81,750,539	56,098,835
Appropriations (discretionary and mandatory)	75,499,540	107,694,856
Total budgetary resources	\$ 157,250,079	\$ 163,793,691
Status of Budgetary Resources:		
Obligations Incurred (Note 13)	\$ 79,622,860	\$ 84,097,600
Unobligated balance, end of year:		
Apportioned	74,114,270	75,978,778
Exempt from apportionment	3,512,949	3,717,313
Total unobligated balance, end of year	77,627,219	79,696,091
Total budgetary resources	\$ 157,250,079	\$ 163,793,691
Change in Obligated Balance:		
Unpaid Obligations:		
Unpaid obligations, brought forward, October 1 (gross)	\$ 46,122,730	\$ 42,213,317
Obligations incurred (Note 13)	79,622,860	84,097,600
Outlays (gross)	(83,273,694)	(77,298,394)
Recoveries of prior year unpaid obligations	(2,035,123)	(2,889,793)
Unpaid obligations, end of year (gross)	40,436,773	46,122,730
Memorandum (non-add) entries:		
Obligated balance, start of year	46,122,730	42,213,317
Obligated balance, end of year	\$ 40,436,773	\$ 46,122,730
Budget Authority and Outlays, Net:		
Budget authority, gross (discretionary and mandatory)	\$ 75,499,540	\$ 107,694,856
Actual offsetting collections (discretionary and mandatory)	(19,325)	(30,737)
Recoveries of prior year paid obligations	19,325	-
Budget authority, net (discretionary and mandatory)	\$ 75,499,540	\$ 107,664,119
Outlays, gross (discretionary and mandatory)	\$ 83,273,694	\$ 77,298,394
Actual offsetting collections (discretionary and mandatory)	(19,325)	(30,737)
Agency outlays, net (discretionary and mandatory)	\$ 83,254,369	\$ 77,267,657

The accompanying notes are an integral part of these statements.

AMERICAN BATTLE MONUMENTS COMMISSION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended September 30, 2017 and 2016

(in dollars)

Note 1. Significant Accounting Policies

A. Basis of Presentation

The accompanying consolidated financial statements present the financial position, net cost of operations, changes in net position, and budgetary resources of the American Battle Monuments Commission (the Commission) in conformity with U.S. generally accepted accounting principles as used by the federal government. There are no intra-entity transactions to be eliminated. Certain assets, liabilities, and costs have been classified as intragovernmental throughout the financial statements and notes. Intragovernmental is defined as transactions made between two reporting entities within the federal government.

B. Reporting Entity and Funding Sources

The Commission is an independent agency within the executive branch of the federal government and was created by the Act for creation of the American Battle Monuments Commission, March 4, 1923, 67 P.L. 534; 42 Stat. 1509; 67 Cong. Ch. 283, the current provisions of which are now codified in 36 U.S.C. Chapter 21. The Commission's mission is to commemorate the sacrifices and achievements of U.S. armed forces where they have served overseas since April 6, 1917, the date of the United States entry into World War I, and at locations within the United States and North America when directed by the Congress. The Commission designs, administers, constructs, operates, and maintains 26 American military cemeteries and 29 federal memorials, monuments, and markers (herein collectively referred to as memorials). Three of the memorials are located in the United States while all of the cemeteries and the remaining memorials are located on foreign soil in 15 foreign countries, the Marianas, Midway Atoll and Gibraltar. The Commission is also responsible for maintaining 8 nonfederal memorials with funds received from the memorials' sponsors. The Commission is headquartered in Arlington, Virginia. Field operations are conducted through offices located near Paris, France and Rome, Italy.

The Commission also had responsibility for designing and constructing the National World War II Memorial located on the Mall in Washington, D.C. In accordance with 40 U.S.C. 8906(b), the Commission deposited funds into a separate Treasury account to offset the memorial's costs of perpetual maintenance. On November 1, 2004, the Commission signed an agreement with the National Park Service to formally transfer the National World War II Memorial to the Service for its future care and maintenance. The Commission is responsible for remaining funds residing in a trust fund in the U.S. Treasury to be used solely to benefit the World War II Memorial for other than routine maintenance expense.

Commission programs are funded primarily through appropriations available without fiscal year limitation (no-year). The Commission also administers several trust funds established to: (1) build memorials authorized by the Congress, but which are funded primarily by private contributions, commemorative coin sales proceeds, and investment earnings; (2) decorate gravesites; and (3) maintain and repair certain nonfederal war memorials.

C. Basis of Accounting

The Commission's proprietary accounts (assets, liabilities, equity, revenue, and expenses) are maintained on the accrual basis, where appropriated funds are accounted for by appropriation year; operating expenses are recorded as incurred; and depreciation is taken on property, and equipment not otherwise classified as heritage assets. Commission budgetary accounts are maintained on a budgetary basis, which facilitates compliance with legal constraints and statutory funds control requirements. The functional budget classification is Veterans' Benefits and Services.

D. Fund Balance with Treasury

The Commission's cash receipts and disbursements are processed by the U.S. Treasury. Fund balances with Treasury are composed of appropriated general funds, appropriated foreign currency fluctuation funds, and trust funds. The Fund balance with Treasury is the aggregate amount for which the Commission is authorized to make expenditures and pay liabilities.

E. Foreign Currency

The Commission's overseas offices maintain accounts of foreign currencies to be used in making payments in foreign countries. Amounts are recorded at a standard budget rate in U.S. dollars and a gain or loss recognized when paid in foreign currency. Appropriated monies are transferred to/from the Commission's Foreign Currency Fluctuation Account to fund net currency gains/losses. Cash accounts in foreign currencies are reported at the U.S. dollar equivalent using the Treasury exchange rate in effect on the last day of the fiscal year.

F. Contributions and Revenue Recognition

The Commission recognizes unrestricted contributions or unconditional promises to give as revenue in the period of the initial pledge when sufficient verifiable evidence of the pledge exists. Conditional promises to give are recorded as revenue when the condition has been met. Unconditional promises to give may be temporarily restricted or permanently restricted. Temporarily restricted promises to give are released from restriction when the conditions have been met. Permanently restricted promises to give are recorded as revenue in the period donated; however, donors generally allow only the earned income to be used for general or specific purposes. In-kind contributions of goods and services are recognized at fair value by the Commission at the time the goods are received or the services are performed. Multiyear contributions due over a period of time are discounted to their present value based upon the short-term Treasury interest rate.

G. Operating Materials and Supplies

The Commission has determined that operating materials and supplies located at its cemeteries are not significant amounts and that it is more cost beneficial to record them on the purchase method of accounting whereby items are expensed as purchased rather than when consumed. Consequently, the Commission reports no operating materials or supplies inventories.

H. General Property and Equipment

General property and equipment is composed of real and personal property. Related purchases exceeding \$50,000 are capitalized and depreciated on a straight line basis over the useful life of the item, which for (1) personal property is considered to be 5 years, and (2) real property is considered to be 30 years. Purchases of general property and equipment of \$50,000 or less are expensed in the period of acquisition.

I. Heritage Assets

Heritage assets are assets possessing significant cultural, architectural, or aesthetic characteristics. The Commission considers its cemeteries, and federal memorials, monuments, and markers acquired through purchase or donation to be non-collection heritage assets. Heritage assets acquired through purchase or donation are accounted for in the Commission's property records, and are not presented in the balance sheet. Withdrawals of heritage assets are recorded upon formal agreement with recipients. Additional disclosure on individual heritage asset cemeteries and memorials are found in the Schedules of Heritage Assets presented as unaudited other information. Cemetery land is owned by the foreign countries in which cemeteries are located and is provided to the United States in perpetuity.

J. Employee Benefits

The Commission's civilian U.S. nationals hired after December 31, 1983 are covered by the Federal Employees' Retirement System (FERS), which was implemented on January 1, 1984. The Commission's civilian U.S. nationals hired on or before December 31, 1983, could elect to transfer to FERS or remain with the Civil Service Retirement System (CSRS). For FERS employees, the Commission withholds .80 percent of base pay and as employer contributes 13.7 percent of base pay to this retirement system. For Federal Insurance Contribution Act (FICA) tax and Medicare, the Commission withholds 6.2 percent from FERS employees' earnings. In addition, the Commission contributes 7.65 percent and remits the total amount to the Social Security Administration. The Commission withholds 7.00 percent of base pay plus 1.45 percent for Medicare from CSRS employees' earnings and as employer contributes 7.00 percent of base pay plus 1.45 percent for Medicare. These deductions are then remitted to the Office of Personnel Management (OPM) and the Social Security Administration. OPM is responsible for government wide reporting of FERS and CSRS assets, accumulated plan benefits, and unfunded liabilities.

On April 1, 1987, the federal government instituted the Thrift Saving Plan (TSP), a retirement savings and investment plan for employees covered by FERS and CSRS. The Commission contributes a minimum of 1 percent of FERS employees' base pay to TSP. For 2017, FERS employees could contribute up to \$18,000 (\$24,000 if at least age 50) on a tax-deferred basis to TSP, which the Commission matches up to 4 percent of base pay. For 2017, CSRS employees may also contribute up to \$18,000 (\$24,000 if at least age 50) on a tax-deferred basis; however, they receive no matching contribution from the Commission. Retirement and other benefits for the Commission's foreign national employees are paid by the Commission in accordance with the provisions of 10 host nation agreements negotiated by the U.S. Department of State.

Annual leave is accrued as earned, and the resulting unfunded liability is reduced as leave is taken. Separation pay is provided in certain countries according to host nation agreements. Separation pay is accrued as earned, and the resulting unfunded liability is reduced when paid to the foreign national leaving the employ of the Commission. Each year balances in the accrued separation pay and annual leave accounts are adjusted to reflect current pay rates. To the extent that current or prior year appropriations are not available to fund annual leave and separation pay, funding will be obtained from future financing resources. Sick leave and other types of unvested leave are expensed when incurred.

K. Program Costs

Program costs are broken out into two categories - "Intragovernmental" and "With the Public". Intragovernmental costs are costs the Commission incurs through contracting with other federal agencies for goods and/or services, such as rent paid to U.S. Department of State, payroll processing services received from the U.S. General Services Administration (GSA), and costs for retirement and other benefits paid by OPM. With the Public costs are costs the Commission incurs through contracting with the private sector for goods or services, payments for employee salaries, depreciation, annual leave and other non-Federal entity expenses.

L. Use of Estimates

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

Note 2. Fund Balance with Treasury

All undisbursed accounts balances with the U.S. Treasury, as reflected in the Commission's records, as of September 30, 2017 and 2016 are available and were as follows:

Fund Balance:	2017	2016
General Fund	\$ 89,441,280	\$ 96,930,058
Foreign Currency Fluctuation Fund	23,641,613	23,443,639
Trust Fund (Note 15)	4,951,568	5,362,544
Total Fund Balance with Treasury	\$ 118,034,461	\$ 125,736,241

Status of Fund Balance with Treasury

Unobligated Balance:		
Available	\$ 77,627,219	\$ 79,696,091
Obligated Balance Not Yet Disbursed	40,436,773	46,122,730
Non-Budgetary	(29,531)	(82,580)
Total Status of Fund Balance with Treasury	\$ 118,034,461	\$ 125,736,241

Note 3. Cash and other Monetary Assets

Outside the United States, the Commission makes payments in U.S. and foreign currencies through imprest cash funds and Treasury-designated depository commercial bank accounts, which as of September 30, 2017 and 2016 were as follows:

	2017	2016
Imprest Cash Funds	\$ 928	\$ 928
Foreign Bank Accounts	28,603	81,652
	<u>\$ 29,531</u>	<u>\$ 82,580</u>

Note 4. Contribution Receivable

The Commission has a pledge from a living trust valued at \$122,628 as of September 30, 2017. However, due to the uncertainty of time and amount when the pledge is collected, the contribution will be recognized when received. In comparison, the pledge as of September 30, 2016 was valued at \$125,129.

Note 5. General Property and Equipment

Non-capitalized assets, such as general property and equipment acquisitions with an aggregate cost basis of \$50,000 or less and all acquisitions of heritage assets, totaling \$2,233,919 were expensed by the Commission as of September 30, 2017. In comparison, \$3,364,066 was expensed as of September 30, 2016.

Since the 1960s, the Commission's Office of Overseas Operations near Paris, France, has occupied a residential structure owned by the U.S. Department of State. The Commission is responsible for all utilities, maintenance, and repairs. The Commission is in the process of moving to leased office space in downtown Paris, France. Leasehold improvements are underway on the new office space and are reported as construction in progress.

General property and equipment as of September 30, 2017 and 2016 is as follows:

Category	2017			2016		
	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
Buildings, Improvements, and Renovations	\$ 923,460	\$ 410,198	\$ 513,262	\$ 923,460	\$ 379,417	\$ 544,043
Equipment	4,577,558	4,215,023	362,535	4,610,765	4,008,278	602,487
Info. Tech. Software	384,951	384,951	-	384,951	384,951	-
Construction in Progress	1,876,939	-	1,876,939			
	<u>\$ 7,762,908</u>	<u>\$ 5,010,172</u>	<u>\$ 2,752,736</u>	<u>\$ 5,919,176</u>	<u>\$ 4,772,646</u>	<u>\$ 1,146,530</u>

Note 6. Heritage Assets

Heritage assets are significant to the mission of the Commission to design, construct, and maintain historical cemeteries and memorials. The Commission presents its heritage assets in three categories: cemeteries, federal memorials, and nonfederal memorials. Changes in heritage assets for fiscal year 2017 were as follows:

	Cemeteries	Federal Memorials	Non-Federal Memorials
Beginning of Year 10-1-16	25	27	8
Number Acquired, Fiscal Year 2017	1	2	0
Number Withdrawn, Fiscal Year 2017	0	0	0
End of Year 9-30-17	<u>26</u>	<u>29</u>	<u>8</u>

Note 7. Other Liabilities

Other liabilities as of September 30, 2017 and 2016 were as follows:

Intragovernmental Liabilities:

	<u>2017</u>	<u>2016</u>
Accrued Salaries and Benefits	\$ 113,891	\$ 270,902
	<u>\$ 113,891</u>	<u>\$ 270,902</u>

Public Liabilities:

	<u>2017</u>	<u>2016</u>
Accrued Salaries and Benefits	\$ 975,917	\$ 984,794
Unfunded Separation Pay Liability	684,416	651,287
Unfunded Deferred Rent Liability	1,586,847	-
Unfunded Annual Leave	1,878,939	1,407,502
	<u>\$ 5,126,119</u>	<u>\$ 3,043,583</u>

These liabilities are all classified as current.

Under a host nation agreement, the Commission's Italian employees earn separation pay for each year of service with the Commission. The Commission recognized an unfunded liability for separation pay for these employees of \$684,416 as of September 30, 2017, and \$651,287 as of September 30, 2016.

Note 8. Lease Agreements

The Commission has no capital leases. The Commission's Arlington, Virginia, Headquarters Office is rented under a 10-year operating lease expiring in July 2027. The Commission's Overseas Office is in the process of moving to leased office space in downtown Paris, France under a 9-year operating lease expiring in September 2025. Future minimum payments due on these operating leases as of September 30, 2017, are as follows:

Fiscal Year	
2018	\$ 955,112
2019	2,554,991
2020	2,700,935
2021	2,707,912
2022	2,715,098
After 5 Years	<u>9,718,122</u>
Total	<u>\$ 21,352,170</u>

The Commission's Rome Office moved from commercial leased space to the United States Embassy in Rome. Lease payments for the Rome office space, and for 17 living quarters leases for the benefit of the Commission's Office of Overseas Operations, are made through the International Cooperative Administrative Support Services (ICASS) program with the U.S. State Department. These leases are on a month-to-month basis and the Commission has no obligation for future payments associated with these leases.

Rent expense for all operating leases was \$569,222 as of September 30, 2017. For September 30, 2016, rent expense for all operating leases was \$676,750.

Note 9. Reconciliation of Net Cost of Operations to Budget

Statement of Federal Financial Accounting Standards (SFFAS) No. 7 requires a reconciliation of proprietary and budgetary information in a way that helps users determine how budget resources obligated for programs relate to net costs of operations. Prior to fiscal year 2007, this reconciliation was accomplished by presenting a Statement of Financing as a basic financial statement. Effective for fiscal year 2007, the Office of Management and Budget in its Circular No. A-136, Financial Reporting Requirements, decided that this information for federal entities would be better placed and understood in a note. Consequently, this information is presented as follows:

Reconciliation of Net Cost of Operations (Proprietary) to Budget For the Years Ended September 30, 2017 and 2016

	2017	2016
Resources Used to Finance Activities		
Current Year Gross Obligations Incurred	\$ 79,622,860	\$ 84,097,600
Budgetary Resources from Offsetting Collections		
Spending Authority from Offsetting Collections	(19,325)	(30,737)
Recoveries of Prior Year Unpaid Obligations	(2,035,123)	(2,889,793)
Other Financing Resources		
Imputed Financing Sources	889,311	1,009,055
Total Resources Used to Finance Activity	<u>\$ 78,457,723</u>	<u>\$ 82,186,125</u>
Resources Used to Finance Items Not Part of the Net Cost of Operations		
Budgetary Obligations and Resources not in the Net Cost of Operations		
Change in Undelivered Orders	6,258,476	(4,598,734)
Current Year Capitalized Purchases	15,899	25,279
Components of Net Cost which do not Generate or Use Resources in the Reporting Period		
Revenues without Current Year Budgetary Effect		
Resources/Adjustments that do not Affect Net Cost of Operations	(2,132,947)	243,146
Other Financing Sources Not in the Budget	(889,311)	(1,009,055)
Costs without Current Year Budgetary Effect		
Accrued Annual Leave-Future Funded Expense	504,565	(44,932)
Disposition of Assets	263,727	(33,659)
Depreciation and Amortization	(8,892)	346,999
Deferred Rent	1,586,847	-
Imputed costs	889,311	1,009,055
Net Cost of Operations	<u>\$ 84,945,398</u>	<u>\$ 78,124,224</u>

Note 10. Fiduciary Activities and Net Assets

Fiduciary activities are the collection or receipt, and the management, protection, accounting, investment and disposition by the Federal Government of cash or other assets in which non-Federal individuals or entities have an ownership interest that the Federal Government must uphold.

Fiduciary cash and other assets are not assets of the Federal Government and accordingly are not recognized on the balance sheet.

The Scottish Widows Defined Benefit Scheme was established by a Trust Deed, which authorized the Commission to collect contributions on behalf of beneficiaries, foreign service national employees of the Commission's two cemeteries in England. Fiduciary assets as of September 30, 2017 and 2016 were as follows:

Schedule of Fiduciary Activity

	2017	2016
Investment earnings	\$ 241,303	\$ 270,194
Increases in fiduciary fund balances	241,303	270,194
Fiduciary net assets, beginning of year	2,607,579	2,337,385
Fiduciary net assets, end of year	<u>\$ 2,848,882</u>	<u>\$ 2,607,579</u>

Fiduciary Net Assets

	2017	2016
Fiduciary Assets		
Investments	\$ 2,848,882	\$ 2,607,579
Total Fiduciary Assets	<u>\$ 2,848,882</u>	<u>\$ 2,607,579</u>

Note 11. Commitments and Contingencies

As of September 30, 2017 the Commission had commitments of \$31.1 million from undelivered orders as a result of open contracts and purchase orders. In comparison, the Commission had commitments of \$37.4 million from undelivered orders as a result of open contracts and purchase orders as of September 30, 2016.

Note 12. Imputed Financing

The Commission imputes financing for retirement and other benefits paid by OPM, office space rental costs incurred by the Commission and the U.S. Department of State, and a heritage asset musical carillon generally donated each fiscal year. The Commission recognized these expenses and related imputed financing in its financial statements. The Commission did not receive a donation from AMVETS for a musical carillon in fiscal year 2017 or 2016.

A portion of pension and other retirement benefits (ORB) expense is funded by an imputed financing source to recognize the amount of pension and ORB unfunded liabilities assumed by OPM. These costs are computed in accordance with cost factors provided by OPM. As of September 30, 2017, the Commission incurred \$1,004,491 of pension and ORB costs, \$320,860 of which was imputed. For September 30, 2016, the Commission incurred \$1,135,305 of pension and ORB costs, \$441,492 of which was imputed. Total imputed costs of \$889,311 as of September 30, 2017 included office space rental costs incurred by the U.S. Department of State. For fiscal year 2016, total imputed costs of \$1,009,055 included office rental costs incurred by the U.S. Department of State.

Note 13. Obligations Incurred

All obligations incurred are characterized as category "A" on the Statement of Budgetary Resources. The Commission does not have any direct and reimbursable obligations incurred against amounts apportioned under category "B" or exempt from apportionment.

Note 14. Budgetary Resource Comparisons to the Budget of the United States Government

Statement of Federal Financial Accounting Standards No. 7, "Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting", calls for explanations of material differences between amounts reported in the Statement of Budgetary Resources and the actual balances published in the Budget of the United States Government (President's Budget). Information from the President's Budget and the Combined Statement of Budgetary Resources for the period ended September 30, 2016 is shown in the following tables. A reconciliation is not presented for the period ended September 30, 2017, since the President's Budget for this period has not been issued by Congress.

(Dollars in millions)	President's Budget FY 2016 actual as of 9/30/16	Statement of Budgetary Resources FY 2016 as of 9/30/16
Budgetary resources	\$165	\$164
Total obligations incurred	84	84
Total outlays	78	77

The differences between the President's 2016 budget and the Combined Statement of Budgetary Resources for 2016 are shown below:

(Dollars in millions)		Budgetary Resources	Obligations	Outlays
As reported on the Combined Statement of Budgetary Resources for FY 2016		\$164	\$84	\$77
Audit adjustments not included in the President's Budget	(a)	1	-	-
Audit adjustments not included in the President's Budget	(a)	-	-	1
As reported in the President's Budget for FY 2016		\$165	\$84	\$78

(a) Audit adjustments included in the Statement of Budgetary Resources were not included in the President's Budget.

Note 15. Funds from Dedicated Collections

The Commission had responsibility for designing and constructing the National World War II Memorial located on the Mall in Washington, DC. In accordance with 40 U.S.C 8906(b), the Commission deposited \$6.6 million into a separate Treasury account to offset the memorial's costs of perpetual maintenance. On November 1, 2004, the Commission signed an agreement with the National Park Service to formally transfer the National World War II Memorial to the Service for its future care and maintenance. The Commission is responsible for remaining funds residing in a trust fund in the U.S. Treasury to be used solely to benefit the World War II Memorial for other than routine maintenance expense.

Funds from dedicated collections balances as of September 30, 2017, were as follows:

	<u>WWII Memorial Fund</u>	<u>Other</u>	<u>Total</u>
Assets:			
Fund Balance with Treasury	\$ 3,692,166	\$ 1,259,402	\$ 4,951,568
Total Assets	<u>\$ 3,692,166</u>	<u>\$ 1,259,402</u>	<u>\$ 4,951,568</u>
Liabilities:			
Accounts Payable	\$ 101,750	\$ 111,844	\$ 213,594
Total Liabilities	<u>\$ 101,750</u>	<u>\$ 111,844</u>	<u>\$ 213,594</u>
Net Position:			
Cumulative Results of Operations	\$ 3,590,416	\$ 1,147,558	\$ 4,737,974
Total net position	<u>\$ 3,590,416</u>	<u>\$ 1,147,558</u>	<u>\$ 4,737,974</u>
Total liabilities and net position	<u>\$ 3,692,166</u>	<u>\$ 1,259,402</u>	<u>\$ 4,951,568</u>
Cumulative Results of Operations:			
Beginning balances	\$ 4,171,661	\$ 1,067,690	\$ 5,239,351
Total Financing Sources (Non-Exchange)	28,197	371,344	399,541
Net cost of operations	609,442	291,476	900,918
Cumulative Results of Operations:	<u>\$ 3,590,416</u>	<u>\$ 1,147,558</u>	<u>\$ 4,737,974</u>
Unexpended Appropriations:			
Beginning balance	-	-	-
Total Budgetary Financing Resources	-	-	-
Total Unexpended Appropriations	<u>-</u>	<u>-</u>	<u>-</u>
Net Position	<u>\$ 3,590,416</u>	<u>\$ 1,147,558</u>	<u>\$ 4,737,974</u>

Funds from dedicated collections balances as of September 30, 2016, were as follows:

	<u>WWII Memorial Fund</u>	<u>Other</u>	<u>Total</u>
Assets:			
Fund Balance with Treasury	\$ 4,212,161	\$ 1,150,393	\$ 5,362,554
Total Assets	<u>\$ 4,212,161</u>	<u>\$ 1,150,393</u>	<u>\$ 5,362,554</u>
Liabilities:			
Accounts Payable	\$ 40,500	\$ 82,693	\$ 123,193
Total Liabilities	<u>\$ 40,500</u>	<u>\$ 82,693</u>	<u>\$ 123,193</u>
Net Position:			
Cumulative Results of Operations	\$ 4,171,661	\$ 1,067,690	\$ 5,239,351
Total net position	<u>\$ 4,171,661</u>	<u>\$ 1,067,690</u>	<u>\$ 5,239,351</u>
Total liabilities and net position	<u>\$ 4,212,161</u>	<u>\$ 1,150,383</u>	<u>\$ 5,362,544</u>
Cumulative Results of Operations:			
Beginning balances	\$ 5,158,244	\$ 1,850,792	\$ 7,009,036
Total Financing Sources (Non-Exchange)	168,295	426,560	594,855
Net cost of operations	<u>1,154,878</u>	<u>1,209,662</u>	<u>2,364,540</u>
Cumulative Results of Operations:	<u>\$ 4,171,661</u>	<u>\$ 1,067,690</u>	<u>\$ 5,239,351</u>
Unexpended Appropriations:			
Beginning balance	-	-	-
Total Budgetary Financing Resources	-	-	-
Total Unexpended Appropriations	<u>-</u>	<u>-</u>	<u>-</u>
Net Position	<u>\$ 4,171,661</u>	<u>\$ 1,067,690</u>	<u>\$ 5,239,351</u>

In addition to the World War II Memorial, the Commission maintains other funds which consist of the following:

1-5 Field Artillery	398 th Bomb Group Monument	Generic Private Memorials
147 th Engineer Monument	3 rd Division Association	Korean War Veterans Fund
90 th Infantry Division	4 th Division Association	Lafayette Escadrille Memorial
1 st Division Memorial Association	507 th Parachute Infantry Regiment	National Guard Association of the United States
1 st Engineer Special Brigade	5 th Division Association	Pointe Du Hoc
29 th Infantry Division Association	5 th Engineer Special Brigade	Society of American Military Engineers
2 nd Division Association	6 th Engineer Special Brigade	State of Missouri
30 th Infantry Division Association	American Overseas Memorial Day	State of Tennessee
316 th Infantry Division Association	Commemorative Fund	Subsidies Fund
351 st Bomb Group Monument	Commonwealth of Pennsylvania	Theodore Roosevelt Association
381 st Bomb Group Monument	Flower Fund	Vietnam Veterans Plaque

The federal government does not set aside assets to pay future benefits or other expenditures associated with funds from dedicated collections. The dedicated cash receipts collected from the public into the fund are deposited in the U.S. Treasury, which uses the cash for general government purposes. Treasury securities are issued to the Commission as evidence of its receipts. Treasury securities are an asset to the Commission and a liability to the U.S. Treasury. Because the Commission and the U.S. Treasury are both parts of the government, the assets and liabilities offset each other from the standpoint of the government as a whole. For this reason, they do not represent an asset or a liability in the U.S. government-wide financial statements. Treasury securities provide the Commission with authority to draw upon the U. S. Treasury to make future expenditures. When the Commission requires redemption of these securities to make expenditures, the government finances those expenditures out of accumulated cash balances, by raising tax or other receipts, by borrowing from the public or repaying less debt, or by curtailing other expenditures. This is the same way that the government finances all other expenditures.

Note 16. Liabilities not covered by Budgetary Resources

A. Intragovernmental and Public Liabilities

Liabilities not covered by Budgetary Resources as of September 30, 2017 and 2016:

	2017	2016
Public Liabilities:		
Other Unfunded Employment Related Liability	\$ 684,416	\$ 651,287
Unfunded Deferred Rent	1,586,847	-
Unfunded Leave	1,878,939	1,407,502
Total Liabilities Not Covered by Budgetary Resources	\$ 4,150,202	\$ 2,058,789
Total Liabilities Covered by Budgetary Resources	9,324,393	9,015,301
Total Liabilities	\$ 13,474,595	\$ 11,074,090

B. Other Information

Liabilities not covered by Budgetary Resources:

Actuarial FECA Liability - The amount recorded by employer agencies for the actuarial present value of future Federal Employees' Compensation Act benefits provided to Federal employees or their beneficiaries as a result of work-related deaths, disability, or occupational disease.

Liability for Non-Entity Assets - The amount of non-entity assets held in a General Fund receipt account or other Treasury Account Symbol for transfer to other entities.

Other Unfunded Employment Related Liability - Amounts of unfunded employment related liabilities not otherwise classified above that will be funded by future years' budgetary resources. Include the unfunded liability for unemployment for Federal employees in this account.

Unfunded Leave - The amount recorded by an employer agency for unpaid leave earned that the employee is entitled to upon separation and that will be funded by future years' budgetary resources.

Liabilities covered by Budgetary Resources: Liabilities are considered covered by budgetary resources if they are to be funded by permanent indefinite appropriations, which have been enacted and signed into law and are available for use as of the balance sheet date, provided that the resources may be apportioned by OMB without further action by the Congress and without a contingency having to be met first. Examples are Accounts Payable, Disbursements in Transit, Accrued Funded Payroll and Leave, Withholdings Payable, and Employer Contributions and Payroll Taxes Payable.

Note 17. Intragovernmental Costs And Exchange Revenue

Intragovernmental costs represent goods and services exchange transactions made between two reporting entities within the Federal government, and are in contrast to those with non-federal entities (the public). Such costs are summarized as follows as of September 30, 2017 and 2016:

	2017	2016
Program Costs		
Intragovernmental Costs	\$ 21,757,052	\$ 15,536,814
Public Costs	66,334,201	69,301,587
Total Program Costs	\$ 88,091,253	\$ 84,838,401
Program Revenues		
Intragovernmental Earned Revenue	\$ 187,891	\$ 323,166
Public Earned Revenue	2,957,964	6,391,011
Total Program Revenues	\$ 3,145,855	\$ 6,714,177

American Battle Monuments Commission Required Supplementary Information

September 30, 2017
(Unaudited)

Required Supplementary Information

Maintenance, Repairs, and Improvements

The following unaudited information is required supplementary information on deferred maintenance and the condition of real property at Commission cemeteries and memorials:

Deferred maintenance is maintenance that was not performed when it should have been or was scheduled to be and that, therefore, is put off or delayed for a future period. Maintenance and repairs performed on real property consisting of land improvements, buildings, and memorials totaled \$3.0 million in fiscal year 2017 and \$5.4 million in fiscal year 2016. For fiscal years 1998 through 2002, the Commission received \$11.3 million of additional appropriations from the Congress that enabled it to entirely eliminate its deferred maintenance backlog as of September 30, 2002. No deferred maintenance backlog existed as of September 30, 2017, and 2016.

In addition to condition assessment surveys, the Commission uses a Project Prioritization Methodology with a “plot area out” focus to identify current and future maintenance and repair projects at cemeteries and memorials in order to maintain real property in an acceptable condition. These surveys are reviewed and updated at least annually by the Commission’s engineering staff. In addition, engineering projects identified improvements in cemetery irrigation, drainage, roads, parking areas, and buildings. As of September 30, 2017, the Commission has identified 18 maintenance, repair, and improvement projects, with an estimated cost of \$4.0 million, scheduled to be performed in fiscal year 2018, subject to available funding.

American Battle Monuments Commission
Statement of Heritage Assets
September 30, 2017
(Unaudited)

26 CEMETERIES

<u>Name</u>	<u>Location</u>	<u>Interred</u>	<u>Memorialized</u>	<u>Acres</u>	<u>War</u>
Aisne-Marne American Cemetery	Belleau (Aisne), France	2,289	1,060	42.5	WW I
Ardennes American Cemetery	Neupre, Belgium	5,317	463	90.5	WW II
Brittany American Cemetery	St. James (Manche), France	4,409	500	27.9	WW II
Brookwood American Cemetery	Brookwood, England	468	564	4.5	WW I
Cambridge American Cemetery	Cambridge, England	3,812	5,127	30.5	WW II
Clark Veterans Cemetery	Angeles City, Philippines	8,600	0	17.3	***
Corozal American Cemetery	Panama City, Panama	5,510	0	16.0	*
Epinal American Cemetery	Epinal (Vosges), France	5,254	424	48.6	WW II
Flanders Field American Cemetery	Waregem, Belgium	368	43	6.2	WW I
Florence American Cemetery	Florence, Italy	4,399	1,409	70.0	WW II
Henri-Chapelle American Cemetery	Henri-Chapelle, Belgium	7,992	450	57.0	WW II
Lafayette Escadrille Memorial Cemetery	Marnes-la-Coquette, France	51	3	11.1	****WW I
Lorraine American Cemetery	St. Avoild (Moselle), France	10,489	444	113.5	WW II
Luxembourg American Cemetery	Luxembourg City, Luxembourg	5,075	371	50.5	WW II
Manila American Cemetery	Luzon, Philippines	17,184	36,286	152.0	WW II
Meuse-Argonne American Cemetery	Romagne (Meuse), France	14,246	954	130.5	WW I
Mexico City National Cemetery	Mexico City, Mexico	1,563	0	1.0	**
Netherlands American Cemetery	Margraten, Holland	8,301	1,722	65.5	WW II
Normandy American Cemetery	Colleville-sur-Mer, France	9,386	1,557	172.5	WW II
North Africa American Cemetery	Carthage, Tunisia	2,841	3,724	27.0	WW II
Oise-Aisne American Cemetery	Fere-en-Tardenois, France	6,012	241	36.5	WW I
Rhone American Cemetery	Draguignan, Var, France	860	294	12.5	WW II
St. Mihiel American Cemetery	Thiaucourt, Meurthe, France	4,153	284	40.5	WW I
Sicily-Rome American Cemetery	Nettuno, Italy	7,860	3,095	77.0	WW II
Somme American Cemetery	Bony (Aisne), France	1,844	333	14.3	WW I
Suresnes American Cemetery	Suresnes, France	1,565	974	7.5	WW I/II
Subtotal for Cemeteries		139,848	60,322	1,322.9	

* Acquired by Executive Order as a result of the Panama Canal Treaty.

** Acquired by Executive Order from the War Department.

*** Acquired by the Dignified Burial and Other Veterans' Benefits Improvement Act (Public Law 112-260).

**** Acquisition from the Lafayette Escadrille Memorial Foundation authorized by Public Law 114-227.

American Battle Monuments Commission
Schedule of Heritage Assets
September 30, 2017
(Unaudited)

29 FEDERAL MEMORIALS, MONUMENTS, AND MARKERS

<u>Name</u>	<u>Location</u>	<u>Interred</u>	<u>Memorialized</u>	<u>Acres</u>	<u>War</u>
East Coast Memorial	New York City, NY		4,611	0.8	WW II
Honolulu Memorial	Honolulu, HI		28,808	1.0	WW II/Korean/Vietnam
West Coast Memorial	San Francisco, CA		413	1.3	WW II
Audenarde Monument	Audenarde, Belgium			0.4	WW I
Bellicourt Monument	St. Quentin, France			1.8	WW I
Brest Naval Monument	Brest, France			1.0	WW I
Cabanatuan Memorial	Luzon, Philippines				WW II
Cantigny Monument	Cantigny, France			0.4	WW I
Chateau-Thierry Monument	Chateau-Thierry, France			58.9	WW I
Chaumont Marker	Chaumont, France				WW I
Dartmouth Monument	Dartmouth, United Kingdom				WW II
Gibraltar Naval Monument	Gibraltar			0.1	WW I
Guadalcanal Memorial	Guadalcanal			0.5	WW II
Kemmel Monument	Ypres, Belgium			0.2	WW I
Korean War Monument	Busan, Korea				Korean
Marine Monument Belleau Wood	Aisne, France			199.6	WW I
Midway Monument	Midway Island				WW II
Montfaucon Monument	Montfaucon, France			9.6	WW I
Montsec Monument	Thiaucourt, France			47.5	WW I
Papua Marker	Port Moresby, New Guinea				WW II
Pointe du Hoc Ranger Monument	St. Laurent-sur-Mer, France			29.8	WW II
Saipan Monument	Saipan, Northern Mariana Islands				WW II
Santiago Surrender Tree	Santiago, Cuba				Sp American
Sommepy Monument	Sommepy, France			15.0	WW I
Souilly Marker	Souilly, France				WW I
Tours Monument	Tours, France			0.5	WW I
Utah Beach Monument	Sainte Marie-du-Mont, France			0.5	WW II
Western Naval Task Force Marker	Casablanca, Morocco				WW II
XI Amphibious Force Marker	Dartmouth, United Kingdom				WW II
Subtotal for Memorials		0	33,832	368.9	
Subtotal for Cemeteries		139,848	60,322	1,322.9	
Grand Total		139,848	94,154	1,691.8	

American Battle Monuments Commission
Statement of Heritage Assets
September 30, 2017
(Unaudited)

8 NONFEDERAL MEMORIALS

<u>Name</u>	<u>Location</u>	<u>War</u>
29th Infantry Division Memorial	Vierville-sur-Mer, France	WW II
30th Infantry Division Memorial	Mortain, France	WW II
6th Engineering Special Brigade Memorial	Vierville-sur-Mer, France	WW II
351st Bomb Group Memorial	Oundle, England	WW II
147th Engineer Battalion Monument	Englesqueville-la-Percee, France	WW II
507th Parachute Infantry Regiment Memorial	Amfreville, France	WW II
398th Bomb Group Memorial	Herdfordshire, England	WW II
381st Bomb Group Monument	Ridgewell, England	WW II

The Dartmouth Monument was dedicated on June 6, 2017, the 73rd anniversary of D-Day. The monument was placed in Royal Avenue Gardens, along the Dart River near the spot where U.S. troops embarked for the D-Day assault on Utah Beach, Normandy, France.

Back Cover: Netherlands American Cemetery



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