



AMERICAN BATTLE  
MONUMENTS COMMISSION

FISCAL YEAR 2016

ANNUAL REPORT





*Four generations of the Kuppers family traveled to Lorraine American Cemetery to honor 1st Lt. John H. Kuppers.*

*Cover: North Africa American Cemetery*

*Photo Credit: Warrick Page/American Battle Monuments Commission*

# SECRETARY'S MESSAGE

With this annual report, we present the Commission's financial statements and performance results for the year ending September 30, 2016. It was a busy and productive year for ABMC. Throughout the year, as always, our highest priority was ensuring that our commemorative cemeteries and memorials remain among the most beautiful shrines of their nature in the world—the service and sacrifice they honor deserve nothing less. But we continue to seek new opportunities to advance that mission.



*Max Cleland*

ABMC's education initiative continues to make great strides. On Veterans Day 2015, ABMC premiered 18 lesson ideas and materials as part of the "Understanding Sacrifice" program. These were prepared as part of a contract with National History Day and the Roy Rosenzweig Center for History and New Media at George Mason University. As part of the program, 18 teachers were recruited from across the country. Last year's effort was focused on World War II in Northern Europe and this year we repeated the process with the war in the Mediterranean. These materials will be complete and released on Veterans Day 2016. The War in the Pacific program started in the summer of 2016, with expected completion by Veterans Day 2017. While similar to the Northern Europe and Mediterranean programs, the Pacific effort is unique in that ABMC will be partnering with our sister agency, the National Cemetery Administration. More information about "Understanding Sacrifice" is available at [www.abmceducation.org](http://www.abmceducation.org).

As part of the education program, ABMC published its first book for young readers, "When the Akimoto's Went to War," a story of three brothers who volunteered to serve in World War II. Japanese-Americans faced discrimination and hatred at home, having property and assets seized and being forcibly relocated to internment camps. Despite those hardships, the Akimoto brothers volunteered to serve in the U.S. Army. Two were killed while serving with the famous 442<sup>nd</sup> Regimental Combat Team, the most highly decorated unit of the war. Victor and Johnny Akimoto rest side by side in the Lorraine American Cemetery. "When the Akimoto's Went to War" is a beautifully told story for

young readers, documenting the unselfish service and sacrifice of these Japanese-American men.

These education products did not go unnoticed. The materials are being actively used by teachers and the program is being presented at teacher professional development programs across the country, including the National Council for the Social Studies annual conference. "Understanding Sacrifice" was recognized by the National Association for Interpretation (NAI) in 2016, placing first in Digital Media as part of NAI's annual awards program. The NAI also recognized "When the Akimoto's Went to War" with a first place award in Books, and the ABMC-produced video "The Journey Back" with a first place award in Short Videos. "The Journey Back," produced in 2015 and released in Fiscal Year 2016, tells the story of Arthur Chotin, who traveled over Memorial Day Weekend in 2015 to visit his father's grave at the Netherlands American Cemetery. Arthur also had a chance to meet the Dutch family that





*April 20, 2016 marked the 100th anniversary of the creation of the Lafayette Escadrille aeronautical unit in World War I. The anniversary was marked by a rededication ceremony following a \$1.7M restoration.*



*Michael D. Marcos visited his uncle's final resting place at Manila American Cemetery and played Taps while there.*



*U.S. Secretary of State John Kerry, U.S. Navy Vice Admiral Frank Pandolfe, Luxembourg Prime Minister Xavier Bettel, and U.S. Ambassador to Luxembourg David McKean received a tour of Luxembourg American Cemetery from Superintendent Scott Desjardins.*

*Photo Credit: State Department*

“adopted” the grave of Max Chotin and continually places flowers, flags and other decorations at the grave, out of respect for his sacrifice.

These education programs are a new face and focus of the Commission, as we strive to ensure that young Americans never forget the service, sacrifice and values represented by ABMC’s overseas cemeteries and memorials. We will continue to enhance this important agency initiative over the coming years.

While we commit agency resources to education we continue to pursue new opportunities to execute our primary mission of commemoration through the placement of monuments where American service men and women have served overseas. In September, the Commission of Fine Arts approved a revised concept design for a U.S. memorial at the National War Memorial Park in Wellington, New Zealand, which we are placing at the invitation of the New Zealand government. The project has moved into design development for a planned dedication in 2017. Plans also moved forward to place a monument in Dartmouth, England, commemorating the build-up, training and launch of American forces for the D-Day invasion that landed on the beaches of Normandy on June 6, 1944; the monument will be dedicated on June 6, 2017, the 73<sup>rd</sup> anniversary of the landings. Plans to place a World War II monument in Iceland stalled temporarily at the end of FY 16, as negotiations for a suitable site raised issues that must be discussed further before moving forward.

The Commission partnered with the Lafayette Escadrille Memorial Foundation and the French Ministry of Defense to restore the Lafayette Escadrille Memorial located outside Paris. The memorial was rededicated on April 20, 2016—the 100<sup>th</sup> anniversary of the formation of the squadron. The memorial honors the service of the Lafayette Flying Corps, a group of American aviators who served in the Lafayette Escadrille and other units of the French armed forces during World War I prior to the entry of the United States into the war. Many members of the Lafayette Flying Corps who are honored at the memorial subsequently served in the U.S. Army Air Service after the U.S. entered the war on April 6, 1917. Forty-nine members of the Flying Corps who lost their

lives in the war, including some who died while serving in the U.S. Army Air Service, are interred in crypts below the memorial.

Because the Foundation is no longer capable of maintaining the memorial to a standard commensurate to the American sacrifice it honors, the Commission, with the concurrence of the Office of Management and Budget, asked Congress for authority to assume responsibility for preserving in perpetuity this memorial tribute and final resting place for pioneering combat Airmen who gave their lives in one of the most pivotal wars of the twentieth century. The Chairmen of the Senate and House Committees on Veterans Affairs, Senator Johnny Isakson and Representative Jeff Miller, facilitated quick passage of the legislation. President Obama signed the bill into law on September 9, 2016, and we expect formal transfer of the memorial to ABMC in November 2016.

We continue to benefit from consistent support from the Administration and the Congress, which provide the resourcing we need to maintain our commemorative sites to a high standard. The Senate and House Appropriations Committees, led by Chairmen Senator Thad Cochran and Representative Harold Rogers, added \$30.0M to our FY 16 appropriation, providing funding for significant repairs to facilities at the Normandy American Cemetery and Pointe du Hoc Ranger Monument; security enhancements at our sites; World War I Centennial interpretive initiatives; and large planned projects.

All of these efforts have one overriding purpose—to honor those who answered their nation’s call to preserve our own freedoms and the freedoms of others throughout the world. Our nation’s overseas cemeteries and memorials stand as symbols of the United States Government’s commitment to the promise that “Time will not dim the glory of their deeds.” We are humbled by the privilege to serve as stewards of these inspirational heritage sites.

Godspeed.  
Max Cleland



## MISSION AND ORGANIZATION

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 2016 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 25 permanent American military cemeteries; 27 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, 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 2016, 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 memorial, 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.*

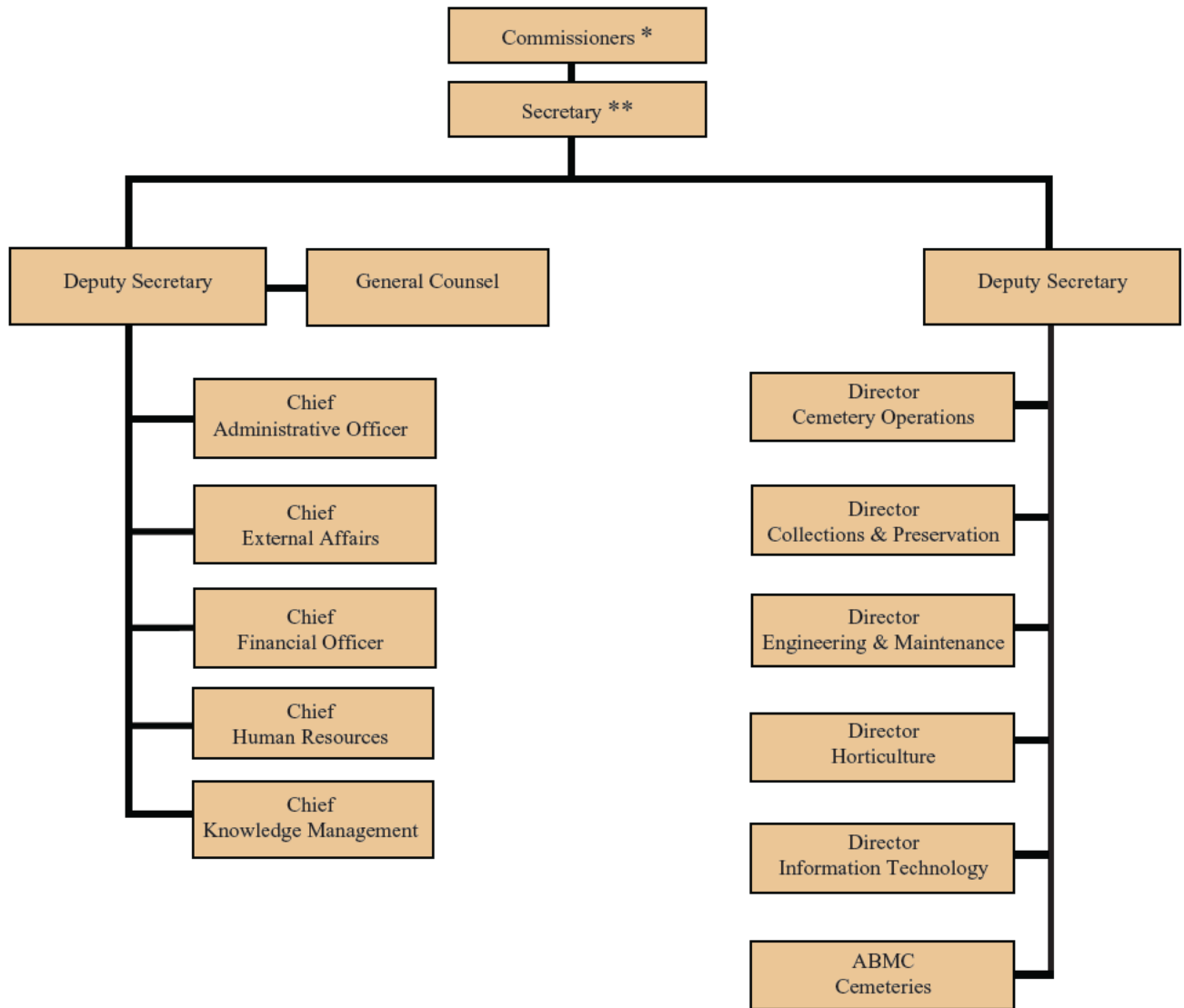
### **Organizational Structure**

The Commission's organizational structure for fiscal year 2016 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 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, who is appointed by the President and assisted by two Deputy Secretaries.

The Commission’s headquarters is in Arlington, Virginia and an Overseas Operations Office is located in Garches, France, just outside Paris. For fiscal year 2016, the Commission had a total of 418 full-time equivalent (FTE) positions.



\* Chairman and up to 10 Commissioners appointed by the President

\*\* Appointed by the President

Figure 1. The Commission’s Organizational Structure

# OPERATIONS MANAGEMENT

Operations management activities in fiscal year 2016 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 2016, the Commission received \$105,100,000 from appropriations in its Salaries and Expenses account. The Commission's Foreign Currency Fluctuations Account appropriation for fiscal year 2016 contained "such sums as may be necessary" language. For fiscal year 2016, the Commission estimated \$2,000,000 to be used to offset currency exchange losses. 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 73 memorial structures (within and external to the cemeteries) on nearly 1,700 acres of land. Additionally, the Commission maintains 65 visitor facilities and quarters for assigned personnel; 67 miles of roads and paths; and 911 acres of ornamental trees, flowering plants, shrubs and hedges, fine lawns, and meadows.

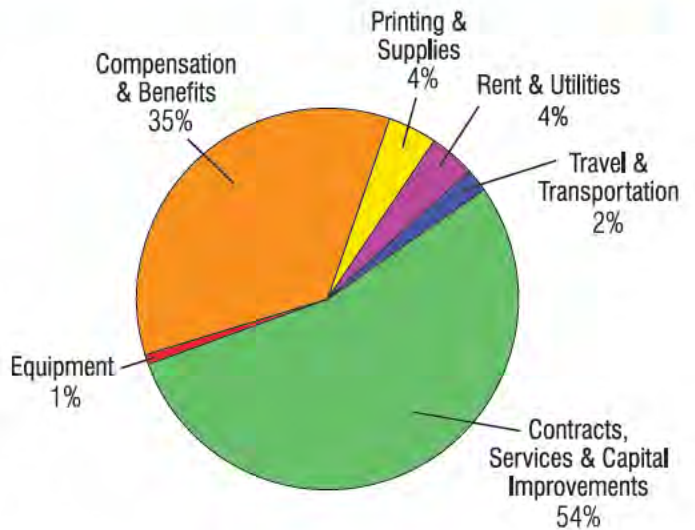


Figure 2: Fiscal Year 2016 Obligations by Object Class

Care and maintenance of these resources requires exceptionally intensive labor at the Commission's cemeteries and memorials. Compensation and benefits consumed approximately 35% of the Commission's fiscal year 2016 spending, while the remaining 65% supported engineering, maintenance, horticulture, logistics, interpretation, services, supplies and other administrative costs critical to its operations.



# FINANCIAL ANALYSIS

## Assets

The Consolidated Balance Sheet reflects total assets of \$127.0 million at the end of fiscal year 2016, an increase of \$30.1 million from the \$96.9 million at the end of fiscal year 2015. The Fund Balance with Treasury line item increased by \$30.3 million which is attributable to a \$30.0 million increase in the Commission's budget by Congress which will be used for security, WWI Centennial, and other large planned projects at cemeteries and monuments. The Commission's assets reflected in the Consolidated Balance Sheet were as follows:

### ASSETS BY TYPE

	2016	%	2015	%
Fund Balance with Treasury	125,736,241	99%	95,388,645	98%
Cash and Foreign Accounts	82,580	0%	2,978	0%
Accounts Receivable and Employee Advances	7,418	0%	2,078	0%
General Property and Equipment, Net	1,146,530	1%	1,485,151	2%
<b>Total Assets</b>	<b>126,972,769</b>	<b>100%</b>	<b>96,878,852</b>	<b>100%</b>

## Liabilities

The Commission's Consolidated Balance Sheet reflects total liabilities of \$11.1 million at the end of fiscal year 2016, a decrease from the previous year's total liabilities of \$11.6 million. Liabilities are categorized as intragovernmental liabilities or liabilities held with the public. Intragovernmental liabilities totaled \$0.5 million in fiscal year 2016 compared to \$0.4 million in fiscal year 2015. Liabilities held with the public totaled \$10.6 million in fiscal year 2016 compared to \$11.2 million in fiscal year 2015. The composition of the Commission's liabilities was as follows:

### LIABILITIES BY TYPE

	2016	%	2015	%
Accounts Payable	7,759,605	70%	8,440,653	73%
Other Liabilities	3,314,485	30%	3,119,205	27%
<b>Total Liabilities</b>	<b>11,074,090</b>	<b>100%</b>	<b>11,559,858</b>	<b>100%</b>

## Net Position

The Commission's Consolidated Balance Sheet and Consolidated Statement of Changes in Net Position reflect a Net Position of \$115.9 million at the end of fiscal year 2016, a 36% increase from the \$85.3 million net position in fiscal year 2015. The increase is mainly attributable to the increase in Fund Balance with Treasury. 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 2016 was \$78.1 million. This represents an increase of \$9.4 million from the Commission's net cost of operations of \$68.7 million in fiscal year 2015. The increase is mainly attributable to the increased security requirements the Commission has faced after the terrorist attacks in France and Belgium and costs associated with construction of new visitor centers at the Chateau-Thierry Monument and Meuse-Argonne American Cemetery.

## 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 2016 fiscal year, the Commission had total budgetary resources of \$163.8 million, which represents a 19% increase from fiscal year 2015 levels of \$137.3 million. The increase is primarily attributable to the \$30.0 million in additional funds received from Congress. Gross Budget Authority of \$107.7 million consisted of appropriations received. The Commission incurred obligations totaling \$84.1 million in fiscal year 2016 compared with fiscal year 2015 obligations incurred of \$84.2 million.

Net Outlays reflect the actual cash disbursed against previously established obligations. For fiscal year 2016, the Commission had net outlays of \$77.3 million, compared to \$69.6 million in net outlays in fiscal year 2015, an increase of 11%.

## 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, 2016, the Commission had 25 cemeteries, 27 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 1,700 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 21 of 22 operational enhancement goals set for FY 2016.

### **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 management, 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-ori-



ented 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 2016 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.



*Three Wounded Warriors assist with the flag lowering at Luxembourg American Cemetery.*



*Henri-Chapelle American Cemetery*

*Photo Credit: Warrick Page/American Battle Monuments Commission*



*Naval Monument at Brest*

*Photo Credit: Warrick Page/American Battle Monuments Commission*



*Rhone American Cemetery*

*Photo Credit: Warrick Page/American Battle Monuments Commission*



# STATEMENTS AND CONTROLS

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 2016 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, 2016 was operating effectively and met the objectives of both Sections 2 and 4 of the FMFIA except for one material weakness related to the monitoring process for internal control over financial reporting. The material weakness was also reported in fiscal year 2015. Senior management and the Chief Financial Officer have been collaborating and monitoring corrective actions. Although progress was made in fiscal year 2016, the same conditions substantially existed during fiscal year 2016. 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 2016 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.



*St. Mihiel American Cemetery*

*Photo Credit: Warrick Page/American Battle Monuments Commission*



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# FISCAL YEAR 2016

## FINANCIAL STATEMENTS AND NOTES



Harper, Rains, Knight & Company

## **Independent Auditors' Report**

Chairman and 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, 2016 and 2015, and the related consolidated statements of net cost and changes in net position, and combined statements of budgetary resources, for the fiscal years then ended and the related notes to the 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. 15-02, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 15-02 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.

**Certified Public Accountants · Consultants · hrkcpa.com**

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Chairman and Secretary  
American Battle Monuments Commission - Continued

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

***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, 2016 and 2015, 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 as of and for the year ended September 30, 2016, 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*.

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. However, as described in the Exhibit below, we identified a certain deficiency in internal control that we consider to be a material weakness.

*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 of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in Exhibit I to be a material weakness. 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.

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, noncompliance 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 of compliance disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 15-02.

### ***ABMC's Responses to Findings***

ABMC's responses to the findings identified in our audit are described in Exhibit I. ABMC's responses were not subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on the responses.

### ***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, P.A.*

November 14, 2016

## 1. Ineffective Internal Control over Financial Reporting

During fiscal year 2016, ABMC did not have an adequate process for monitoring the design and operating effectiveness of its internal control to identify, evaluate, and correct internal control deficiencies. For example, ABMC did not:

- adequately assess the risk of material misstatement to its financial statements;
- document its OMB A-123 approach for assessing its internal control, or provide sufficient, appropriate evidence to support its conclusions on the effectiveness of its internal control activities; or

In addition to not adequately monitoring its in-house control processes, ABMC did not adequately document and monitor the effectiveness of internal controls at the service organizations that performed significant aspects of its financial transaction processing and reporting. Specifically, ABMC did not evaluate the service organizations' service auditor reports that contained information on the service organizations' controls and the effectiveness of those controls, and did not consider the impact of the findings and conclusions contained in the service auditor reports on the effectiveness of its internal control. Further, ABMC did not design and implement appropriate complementary user entity controls that were identified by the service auditors.

**Management's Response:** ABMC will continue to implement an enterprise-wide system of controls and monitor and report on those controls in compliance with FMFIA. Implementation is expected to be completed in FY 2017.

**Auditors' Response:** FY 2017 audit procedures will determine whether the corrective actions have been implemented and are operating effectively.

Status of Prior Year Findings  
Exhibit II

AMERICAN BATTLE MONUMENTS COMMISSION

Status of Prior Year Findings

September 30, 2016

<b>Title of Finding from FY15 Audit Report</b>	<b>Prior Year Status</b>	<b>Current Year Status</b>
Review of financial transactions	Material Weakness	Resolved
Monitoring process over internal control over financial reporting	Material Weakness	Material Weakness
Federal Information Security Management Act of 2002	Noncompliance with laws and regulations	Resolved





*Members of the U.S. military participate in the 2016 Memorial Day Ceremony at Flanders Field American Cemetery in Belgium.*

**AMERICAN BATTLE MONUMENTS COMMISSION  
CONSOLIDATED BALANCE SHEETS**

As of September 30, 2016 and 2015

(in dollars)

	<b>2016</b>	<b>2015</b>
<b>Assets:</b>		
Intragovernmental:		
Fund balance with Treasury (Note 2)	\$ 125,736,241	\$ 95,388,645
Total intragovernmental	125,736,241	95,388,645
Cash and other monetary assets (Note 3)	82,580	2,978
General property and equipment, net (Note 5)	1,146,530	1,485,151
Other	7,418	2,078
Total assets	\$ 126,972,769	\$ 96,878,852
Stewardship PP&E (Note 1, I, 6)		
<b>Liabilities:</b>		
Intragovernmental:		
Accounts payable	\$ 233,968	\$ 228,343
Other (Note 7)	270,902	204,417
Total intragovernmental	504,870	432,760
Accounts payable	7,525,637	8,212,310
Other (Note 7)	3,043,583	2,914,788
Total liabilities	11,074,090	11,559,858
Commitments and contingencies		
<b>Net position:</b>		
Unexpended appropriations-All Other Funds	111,694,375	78,394,718
Cumulative results of operations-Funds from Dedicated Collections	5,239,351	7,009,036
Cumulative results of operations-All Other Funds	(1,035,047)	(84,760)
Total net position	\$ 115,898,679	\$ 85,318,994
Total liabilities and net position	\$ 126,972,769	\$ 96,878,852

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, 2016 and 2015

(in dollars)

	<u>2016</u>	<u>2015</u>
Gross Program costs:		
Operations and Maintenance:		
Gross costs	\$ 84,838,401	\$ 73,488,955
Less: earned revenue	6,714,177	4,751,730
Net cost of operations (Note 9, 17)	<u>\$ 78,124,224</u>	<u>\$ 68,737,225</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, 2016 and 2015

(in dollars)

	2016	2015
Cumulative Results of Operations:		
Beginning Balance (includes Funds from Dedicated Collections of \$7,009,036 in FY 2016 and \$6,833,002 in FY 2015 (Combined Totals) - See Note 15)	\$ 6,924,276	\$ 6,244,690
Budgetary Financing Sources:		
Appropriations used	73,800,343	66,995,989
Donations and forfeitures of cash and cash equivalents	594,854	1,423,309
Other Financing Sources (Non-Exchange):		
Imputed financing (Note 12)	1,009,055	997,513
Total Financing Sources (includes Funds from Dedicated Collections of \$594,855 in FY 2016 and \$1,423,308 in FY 2015 (Combined Totals) - See Note 15)	75,404,252	69,416,811
Net Cost of Operations (includes Funds from Dedicated Collections of \$2,364,540 in FY 2016 and \$1,247,274 in FY 2015 (Combined Totals) - See Note 15)	(78,124,224)	(68,737,225)
Net Change Other Financing Sources (Non-Exchange)	(2,719,972)	679,586
Cumulative Results of Operations (includes Funds from Dedicated Collections of \$5,239,351 in FY 2016 and \$7,009,036 in FY 2015 (Combined Totals) - See Note 15)	4,204,304	6,924,276
Unexpended Appropriations:		
Beginning Balance (includes Funds from Dedicated Collections of \$0 in FY 2016 and \$0 in FY 2015 (Combined Totals) - See Note 15)	78,394,718	70,901,503
Budgetary Financing Sources:		
Appropriations received	107,100,000	74,500,000
Appropriations transferred in/out	-	(10,796)
Appropriations Used	(73,800,343)	(66,995,989)
Total Budgetary Financing Resources (includes Funds from Dedicated Collections of \$0 for FY 2016 and \$0 in FY 2015 (Combined Totals) - See Note 15)	33,299,657	7,493,215
Total Unexpended Appropriations (includes Funds from Dedicated Collections of \$0 in FY 2016 and \$0 in FY 2015 (Combined Totals) - See Note 15)	111,694,375	78,394,718
Net Position	\$ 115,898,679	\$ 85,318,994

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, 2016 and 2015

(in dollars)

	2016	2015
<b>Budgetary Resources:</b>		
Unobligated balance brought forward, Oct 1	\$ 53,178,305	\$ 59,981,601
Recoveries of prior year unpaid obligations	2,889,793	1,416,045
Other changes in unobligated balance	30,737	-
Unobligated balance from prior year budget authority, net	56,098,835	61,397,646
Appropriations (discretionary and mandatory)	107,694,856	75,923,308
Spending authority from offsetting collections (discret. and mandat.)	-	7,731
Total budgetary resources	\$ 163,793,691	\$ 137,328,685
<b>Status of Budgetary Resources:</b>		
Obligations Incurred (Note 13)	\$ 84,097,600	\$ 84,150,380
Unobligated balance, end of year:		
Apportioned	75,978,778	48,549,205
Exempt from apportionment	3,717,313	4,629,100
Total unobligated balance, end of year	79,696,091	53,178,305
Total budgetary resources	\$ 163,793,691	\$ 137,328,685
<b>Change in Obligated Balance:</b>		
Unpaid Obligations:		
Unpaid obligations, brought forward, October 1 (gross)	\$ 42,213,317	\$ 29,084,791
Obligations incurred (Note 13)	84,097,600	84,150,380
Outlays (gross)	(77,298,394)	(69,605,809)
Recoveries of prior year unpaid obligations	(2,889,793)	(1,416,045)
Unpaid obligations, end of year (gross)	46,122,730	42,213,317
Memorandum (non-add) entries:		
Obligated balance, start of year	42,213,317	29,084,791
Obligated balance, end of year	\$ 46,122,730	\$ 42,213,317
<b>Budget Authority and Outlays, Net:</b>		
Budget authority, gross (discretionary and mandatory)	\$ 107,694,856	\$ 75,931,039
Actual offsetting collections (discretionary and mandatory)	(30,737)	(7,731)
Budget authority, net (discretionary and mandatory)	\$ 107,664,119	\$ 75,923,308
Outlays, gross (discretionary and mandatory)	\$ 77,298,394	\$ 69,605,809
Actual offsetting collections (discretionary and mandatory)	(30,737)	(7,731)
Agency outlays, net (discretionary and mandatory)	\$ 77,267,657	\$ 69,598,078

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, 2016 and 2015

(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 25 American military cemeteries and 27 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, 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 noncollection 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 13.2 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 2016, 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 2016, 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 account balances with the U.S. Treasury, as reflected in the Commission's records, as of September 30, 2016 and 2015 are available and were as follows:

<b>Fund Balance:</b>	<b>2016</b>	<b>2015</b>
General Fund	\$ 96,930,058	\$ 71,363,050
Foreign Currency Fluctuation Fund	23,443,639	16,837,604
Trust Fund (Note 15)	5,362,544	7,187,991
<b>Total Fund Balance with Treasury</b>	<b>\$ 125,736,241</b>	<b>\$ 95,388,645</b>

### Status of Fund Balance with Treasury

Unobligated Balance:		
Available	\$ 79,696,091	\$ 53,273,848
Obligated Balance Not Yet Disbursed	46,122,730	42,114,797
Non-Budgetary FBWT	(82,580)	–
<b>Total Status of Fund Balance with Treasury</b>	<b>\$ 125,736,241</b>	<b>\$ 95,388,645</b>

## 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, 2016 and 2015 were as follows:

	<b>2016</b>	<b>2015</b>
Imprest Cash Funds	\$ 928	\$ 928
Foreign Bank Accounts	81,652	2,050
	<u>\$ 82,580</u>	<u>\$ 2,978</u>

## Note 4. Contributions Receivable

The Commission has a pledge from a living trust valued at \$125,129 as of September 30, 2016. 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, 2015 was valued at \$125,468.

## 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 \$3,364,066 were expensed by the Commission as of September 30, 2016. In comparison, \$3,061,292 was expensed as of September 30, 2015.

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.

General property and equipment as of September 30, 2016 and 2015 is as follows:

Category	2016			2015		
	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
Buildings, Improvements, and Renovations	\$ 923,460	\$ 379,417	\$ 544,043	\$ 923,460	\$ 348,633	\$ 574,827
Equipment	4,610,765	4,008,278	602,487	4,834,255	3,923,931	910,324
Info. Tech. Software	384,951	384,951	-	384,951	384,951	-
	<u>\$ 5,919,176</u>	<u>\$ 4,772,646</u>	<u>\$ 1,146,530</u>	<u>\$ 6,142,666</u>	<u>\$ 4,657,515</u>	<u>\$ 1,485,151</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 2016 were as follows:

	Cemeteries	Federal Memorials	Non-Federal Memorials
Beginning of Year 10-1-15	25	27	8
Number Acquired, Fiscal Year 2016	0	0	0
Number Withdrawn, Fiscal Year 2016	0	0	0
End of Year 9-30-16	<u>25</u>	<u>27</u>	<u>8</u>



## Note 7. Other Liabilities

Other liabilities as of September 30, 2016 and 2015 were as follows:

Intragovernmental Liabilities:

	<u>2016</u>	<u>2015</u>
Accrued Salaries and Benefits	\$ 270,902	\$ 204,417
	<u>\$ 270,902</u>	<u>\$ 204,417</u>

Public Liabilities:

	<u>2016</u>	<u>2015</u>
Accrued Salaries and Benefits	\$ 984,794	\$ 811,066
Unfunded Separation Pay Liability	651,287	740,476
Unfunded Annual Leave	1,407,502	1,363,246
	<u>\$ 3,043,583</u>	<u>\$ 2,914,788</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 \$651,287 as of September 30, 2016, and \$740,476 as of September 30, 2015.

## Note 8. Lease Agreements

The Commission has no capital leases. The Commission's Arlington, Virginia, Headquarters Office is rented under a 5-year operating lease expiring in July 2017. Commission management intends to renegotiate the terms of the office lease for the Headquarters office. A new lease is expected to be signed prior to July 2017. Future minimum payments due on this operating lease as of September 30, 2016, are as follows:

Fiscal Year	
2017	\$ 566,781
2018	-
2019	-
2020	-
2021	-
After 5 Years	-
Total	<u>\$ 566,781</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 \$676,750 as of September 30, 2016. For September 30, 2015, rent expense for all operating leases was \$799,485.

## 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, 2016 and 2015

	2016	2015
<b>Resources Used to Finance Activities</b>		
Current Year Gross Obligations Incurred	\$ 84,097,600	\$ 84,150,380
<b>Budgetary Resources from Offsetting Collections</b>		
Spending Authority from Offsetting Collections	(30,737)	(7,731)
Recoveries of Prior Year Unpaid Obligations	(2,889,793)	(1,416,045)
<b>Other Financing Resources</b>		
Imputed Financing Sources	1,009,055	997,513
<b>Total Resources Used to Finance Activity</b>	<b>\$ 82,186,125</b>	<b>\$ 83,724,117</b>
<b>Resources Used to Finance Items Not Part of the Net Cost of Operations</b>		
Budgetary Obligations and Resources not in the Net Cost of Operations		
Change in Undelivered Orders	(4,598,734)	(14,852,090)
Current Year Capitalized Purchases	25,279	(89,314)
<b>Components of Net Cost which do not Generate or Use Resources in the Reporting Period</b>		
Revenues without Current Year Budgetary Effect		
Resources/Adjustments that do not Affect Net Cost of Operations	243,146	3,611
Other Financing Sources Not in the Budget	(1,009,055)	(997,513)
Costs without Current Year Budgetary Effect		
Accrued Annual Leave-Future Funded Expense	(44,932)	(516,461)
Disposition of Assets	(33,659)	(17,671)
Depreciation and Amortization	346,999	485,033
Imputed costs	1,009,055	997,513
<b>Net Cost of Operations</b>	<b>\$ 78,124,224</b>	<b>\$ 68,737,225</b>

## 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, 2016 and 2015 were as follows:

### Schedule of Fiduciary Activity

	2016	2015
Investment earnings	\$ 270,194	\$ 52,571
Increases in fiduciary fund balances	270,194	52,571
Fiduciary net assets, beginning of year	2,337,385	2,284,814
Fiduciary net assets, end of year	<u>\$ 2,607,579</u>	<u>\$ 2,337,385</u>

### Fiduciary Net Assets

	2016	2015
Fiduciary Assets		
Investments	\$ 2,607,579	\$ 2,337,385
Total Fiduciary Assets	<u>\$ 2,607,579</u>	<u>\$ 2,337,385</u>

## Note 11. Commitments and Contingencies

As of September 30, 2016 the Commission had commitments of \$37.4 million from undelivered orders as a result of open contracts and purchase orders. In comparison, the Commission had commitments of \$32.8 million from undelivered orders as a result of open contracts and purchase orders as of September 30, 2015. Also as of September 30, 2016, the Commission had contingencies related to pending administrative proceedings and personnel actions that will be resolved by future events. The Commission has determined the likelihood of an unfavorable outcome is remote and is not expected to have a material effect on the financial statements.

## Note 12. Imputed Financing

The Commission imputes financing for retirement and other benefits paid by OPM, office space rental costs incurred by 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 2016 or 2015.

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, 2016, the Commission incurred \$1,135,305 of pension and ORB costs, \$441,492 of which was imputed. For September 30, 2015, the Commission incurred \$1,756,868 of pension and ORB costs, \$426,779 of which was imputed. Total imputed costs of \$1,009,055 as of September 30, 2016 included office space rental costs incurred by the U.S. Department of State. For fiscal year 2015, total imputed costs of \$997,513 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, 2015 is shown in the following tables. A reconciliation is not presented for the period ended September 30, 2016, since the President's Budget for this period has not been issued by Congress.

<b>(Dollars in millions)</b>	<b>President's Budget FY 2015 actual as of 9/30/15</b>	<b>Statement of Budgetary Resources FY 2015 as of 9/30/15</b>
Budgetary resources	\$136	\$137
Total obligations incurred	85	84
Total outlays	70	70

The differences between the President's 2015 budget and the Combined Statement of Budgetary Resources for 2015 are shown below:

<b>(Dollars in millions)</b>		<b>Budgetary Resources</b>	<b>Obligations</b>	<b>Outlays</b>
As reported on the Combined Statement of Budgetary Resources for FY 2015		\$137	\$84	\$70
Audit adjustments not included in the President's Budget	(a)	(1)	-	-
Audit adjustments not included in the President's Budget	(a)	-	1	-
<b>As reported in the President's Budget for FY 2015</b>		<b>\$136</b>	<b>\$85</b>	<b>\$70</b>

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, 2016, were as follows:

	<u>WWII Memorial Fund</u>	<u>Other</u>	<u>Total</u>
<b>Assets:</b>			
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>
<b>Liabilities:</b>			
Accounts Payable	\$ 40,500	\$ 82,693	\$ 123,193
Total Liabilities	<u>\$ 40,500</u>	<u>\$ 82,693</u>	<u>\$ 123,193</u>
<b>Net Position:</b>			
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>
<b>Cumulative Results of Operations:</b>			
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:	\$ 4,171,661	\$ 1,067,690	\$ 5,239,351
<b>Unexpended Appropriations:</b>			
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>

Funds from dedicated collections balances as of September 30, 2015, were as follows:

	<u>WWII Memorial Fund</u>	<u>Other</u>	<u>Total</u>
<b>Assets:</b>			
Fund Balance with Treasury	\$ 5,196,619	\$ 1,991,372	\$ 7,187,991
Total Assets	<u>\$ 5,196,619</u>	<u>\$ 1,991,372</u>	<u>\$ 7,187,991</u>
<b>Liabilities:</b>			
Accounts Payable	\$ 38,375	\$ 140,580	\$ 178,955
Total Liabilities	<u>\$ 38,375</u>	<u>\$ 140,580</u>	<u>\$ 178,955</u>
<b>Net Position:</b>			
Cumulative Results of Operations	\$ 5,158,244	\$ 1,850,792	\$ 7,009,036
Total net position	<u>\$ 5,158,244</u>	<u>\$ 1,850,792</u>	<u>\$ 7,009,036</u>
Total liabilities and net position	<u>\$ 5,196,619</u>	<u>\$ 1,991,372</u>	<u>\$ 7,187,991</u>
<b>Cumulative Results of Operations:</b>			
Beginning balances	\$ 5,772,400	\$ 1,060,602	\$ 6,833,002
Total Financing Sources (Non-Exchange)	95,434	1,327,874	1,423,308
Net cost of operations	709,590	537,684	1,247,274
Cumulative Results of Operations:	<u>\$ 5,158,244</u>	<u>\$ 1,850,792</u>	<u>\$ 7,009,036</u>
<b>Unexpended Appropriations:</b>			
Beginning balance	-	-	-
Total Budgetary Financing Resources	-	-	-
Total Unexpended Appropriations	<u>-</u>	<u>-</u>	<u>-</u>
Net Position	<u>\$ 5,158,244</u>	<u>\$ 1,850,792</u>	<u>\$ 7,009,036</u>

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

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

	2016	2015
Public Liabilities:		
Other Unfunded Employment Related Liability	\$ 651,287	\$ 740,476
Unfunded Leave	1,407,502	1,363,246
Total Liabilities Not Covered by Budgetary Resources	\$ 2,058,789	\$ 2,103,722
Total Liabilities Covered by Budgetary Resources	9,015,301	9,456,136
Total Liabilities	\$ 11,074,090	\$ 11,559,858

### 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, 2016 and 2015:

	2016	2015
<b>Program Costs</b>		
Intragovernmental Costs	\$ 15,536,814	\$ 14,962,537
Public Costs	69,301,587	58,526,418
<b>Total Program Costs</b>	\$ 84,838,401	\$ 73,488,955
<b>Program Revenues</b>		
Intragovernmental Earned Revenue	\$ 323,166	\$ 209,393
Public Earned Revenue	6,391,011	4,542,337
<b>Total Program Revenues</b>	\$ 6,714,177	\$ 4,751,730

# **American Battle Monuments Commission Required Supplementary Information**

**September 30, 2016  
(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 \$5.4 million in fiscal year 2016 and \$7.9 million in fiscal year 2015. 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, 2016, and 2015.

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, 2016, the Commission has identified 34 maintenance, repair, and improvement projects, with an estimated cost of \$5.0 million, scheduled to be performed in fiscal year 2017, subject to available funding.

**American Battle Monuments Commission**  
**Statement of Heritage Assets**  
**September 30, 2016**  
**(Unaudited)**

**25 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	5,321	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	563	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	5,500	0	16.0	*
Epinal American Cemetery	Epinal (Vosges), France	5,255	424	48.6	WW II
Flanders Field American Cemetery	Waregem, Belgium	368	43	6.2	WW I
Florence American Cemetery	Florence, Italy	4,402	1,409	70.0	WW II
Henri-Chapelle American Cemetery	Henri-Chapelle, Belgium	7,992	450	57.0	WW II
Lorraine American Cemetery	St. Avoild (Moselle), France	10,489	444	113.5	WW II
Luxembourg American Cemetery	Luxembourg City, Luxembourg	5,076	371	50.5	WW II
Manila American Cemetery	Luzon, Philippines	17,191	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	7,861	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		139,804	60,318	1,311.8	

\*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).

**American Battle Monuments Commission**  
**Schedule of Heritage Assets**  
**September 30, 2016**  
**(Unaudited)**

**27 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		28,810	1.0	WW II/Korea/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
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				WWII
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 War
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
Subtotal for Memorials		0	33,834	368.9	
Subtotal for Cemeteries		139,804	60,318	1,311.8	
Grand Total		139,804	94,152	1,680.7	



**American Battle Monuments Commission**  
**Statement of Heritage Assets**  
**September 30, 2016**  
**(Unaudited)**

**8 NONFEDERAL MEMORIALS**

<b><u>Name</u></b>	<b><u>Location</u></b>	<b><u>War</u></b>
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



*Ardennes American Cemetery*

*Photo Credit: Warrick Page/American Battle Monuments Commission*



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