

AMERICAN BATTLE MONUMENTS COMMISSION



FISCAL YEAR 2004 ANNUAL REPORT

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Cover: The World War II Memorial on a stormy night in Washington, D.C. ABMC opened the memorial to the public in April 2004 and hosted the dedication ceremony on May 29, 2004. Photo © Richard Latoff

Facing page: Floral decoration at North Africa Cemetery

AMERICAN BATTLE MONUMENTS COMMISSION



FISCAL YEAR 2004 ANNUAL REPORT

CHAIRMAN'S MESSAGE



As I stood on a stage on the National Mall in Washington, D.C. on a beautiful spring day, looking out over a portion of the 150,000 World War II veterans and their families gathered for the long-awaited dedication of the National World War II Memorial, I thought how blessed our great nation was to have had the “Greatest Generation” at the helm during those critical years of the 20th century. For the American Battle Monuments Commission, the May 29th ceremony concluded an 11-year effort to design, fund and build the memorial. For the World War II generation, it ended a 60-year wait for a national memorial honoring their service and sacrifice.

Throughout the four-days of dedication events, the thoughts of those attending never strayed far from their 12 million comrades who had not lived to see this day. More than 400,000 Americans lost their lives during the war, 93,000 of whom are buried overseas in our 14 World War II cemeteries; another 85,000 are listed on Tablets of the Missing at those cemeteries and on our East Coast, Honolulu and West Coast Memorials. The memorial was dedicated in their memory, and in the knowledge that future generations must never forget the price of freedom.

Many contributed to that success during the 11-year journey: Presidents Bill Clinton and George W. Bush; Members of Congress; the General Services Administration, National Park Service, Commission of Fine Arts, and National Capital Planning Commission; the primary design team of Friedrich St. Florian, Ray Kaskey, Leo A. Daly, James van Sweden, and Nick Benson; the construction team of the Tompkins/Grunley-Walsh Joint Venture and Gilbane Building Company; our dedication partners, the Smithsonian Institution, the Washington National Cathedral, and the Military District of Washington; and the corporations, foundations, veterans groups, professional and fraternal organizations, the 50 states and Puerto Rico, schools, and individual Americans who contributed to the fund-raising campaign chaired by former Senator Bob Dole and FedEx chairman and CEO Frederick W. Smith. By all measures, and through the efforts of many, the project was a remarkable success and one of which this Commission always will be proud.

Other milestones accomplished during the year included the July 8th unveiling of a Vietnam Veterans Commemorative Plaque honoring Vietnam veterans who died after their service in the Vietnam War but

as a direct result of that service, and whose names are not eligible for inscription on the memorial wall; and the June 6th commemoration of the 60th Anniversary of the Normandy D-Day landings. As the fiscal year ended, other 60th Anniversary events in 2004 and 2005 were being planned.

The next major construction project on the horizon is an interpretive center at Normandy cemetery. Design development made great progress during the year, on both facility and exhibits. We expect to begin construction in the fall of 2005, which should allow us to open to the public in 2007. The center will be an important addition to the visitor experience at Normandy, providing a better understanding of the historical and military significance of the D-Day landings and ensuing operations.

Our thanks are extended once again to The American Veterans of WWII, Korea, and Vietnam (AMVETS) and the Robert R. McCormick Tribune Foundation for their generous donation of a carillon that was delivered to Luxembourg cemetery in April 2004. This was the 15th carillon donated to the Commission since 1985. The chromatically tuned bells in the carillons are a beautiful addition to our cemeteries. We are very grateful for the ongoing generosity of the AMVETS and Foundation.



ABMC Chairman General P. X. Kelley, USMC (Ret), inspects Sicily-Rome Cemetery with Superintendent Joe Bevilacqua



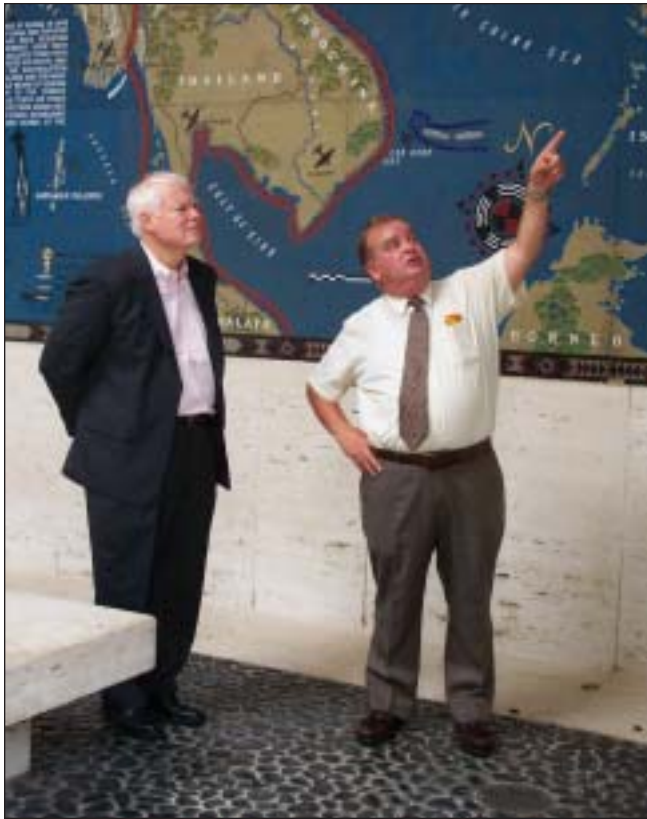
President George W. Bush at the May 29, 2004, dedication of the World War II Memorial on the National Mall in Washington, D.C. Photo © Richard Latoff

Finally, as always, the Commission acknowledges the important support we receive from our Congressional oversight committees. We could not maintain and operate our facilities to the level of excellence we demand and the public has come to expect without sufficient resources. The Commission is always proud to host Congressional delegations that visit to inspect our cemeteries or participate in commemorative ceremonies. Their support enables us to honor the trust between the American government and its people that proper respect and gratitude will be accorded those who lost their lives in the air and on the fields and seas of battle. It is to them that the Commission's overseas cemeteries and worldwide memorials will forever pay tribute.

P. X. Kelley
General, USMC (Ret)



Veterans of the 100th Bn/442 RCT salute a comrade interred at Florence Cemetery



Superintendent Dan Neese (right) explains one of the WWII Pacific campaign maps to U.S. Representative James Leach at Manila Cemetery



A WWII veteran at Normandy Cemetery commemorates the 60th Anniversary of the D-Day invasion. Photo courtesy of Gary Lehman



ABMC Commissioner Senator Alan Simpson (left), accompanied by his wife and Mediterranean Region Director Ron Grosso, studies a campaign map at Florence Cemetery

MANAGEMENT DISCUSSION AND ANALYSIS

MISSION AND ORGANIZATION

Since 1923, the American Battle Monuments Commission, an independent agency of the executive branch of the federal government, has commemorated the achievements and sacrifices of U.S. armed forces. The Commission's mission is to:

- Design, construct, operate and maintain permanent American military burial grounds in foreign countries.
- Establish memorials outside the U.S. where American armed forces have served since April 6, 1917, the date of U.S. entry into World War I, and within the U.S. when directed by public law.
- Control the design and construction on foreign soil of U.S. military monuments and markers by other U.S. citizens and organizations, both public and private.

- Encourage U.S. government agencies and private individuals and organizations to adequately maintain monuments and markers erected by them on foreign soils.

Our fiscal year 2004 appropriation supported our continued commitment to the worldwide responsibilities that flow from this mission. The Commission administers, operates and maintains 24 permanent American military cemeteries; 25 federal monuments, memorials, and markers; and four nonfederal memorials. Three memorials are located in the United States; the remaining memorials and all of our cemeteries are located in 14 foreign countries, the U.S. Commonwealth of the Northern Mariana Islands, and the British dependency of Gibraltar. These cemeteries and memorials are among the most beautiful and meticulously maintained shrines of their nature in the world.



Memorial Day ceremony at Epinal Cemetery

Interred in the cemeteries are 124,917 U.S. War Dead: 30,922 of World War I, 93,245 of World War II, and 750 of the Mexican American War. Additionally, 6,114 American veterans and others are interred in the Mexico City and Corozal, Panama cemeteries. The World War and Mexico City cemeteries are closed to future burials except for the remains of U.S. War Dead found from time to time in the World War I and World War 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 Walls of the Missing the 94,132 U.S. servicemen and women who were Missing in Action or lost or buried at sea in their general region during the World Wars and the Korean and Vietnam Wars.

The Commission also administers trust funds to:

- Build memorials authorized by Congress, but financed primarily from private contributions, commemorative coin proceeds, and investment earnings.
- Decorate grave sites with flowers from private contributions.
- Maintain and repair nonfederal war memorials with private contributions.

The Commission's policymaking body consists of an 11-member Board of Commissioners appointed by the President of the United States for an indefinite term and whose members serve without pay. The commissioners establish policy and ensure proper staff functioning in carrying out the mission of the Commission. During inspections, they observe, inquire, comment upon, and make recommendations on any and all aspects of Commission operations. Daily operations of the Commission are directed by an Executive Level Secretary, who is appointed by the President and assisted by an Executive Director, a member of the Senior Executive Service.

The Commission is headquartered in Arlington, Virginia. The headquarters staff provides oversight of two regional offices, three cemeteries and eight memorials, monuments and markers. Our European Region in Garches, France, just outside Paris, is responsible for 17 cemeteries and 15 memorials, monuments and markers. And located in Rome, Italy, is our Mediterranean Region office, which operates and maintains four cemeteries, one memorial and one monument. For fiscal year 2004, the Commission maintained its authorization for 390 full-time equivalent positions. U.S. citizens constituted 66 members of the staff, while the remaining 324 were Foreign Service Nationals employed at our regional offices and at the cemeteries in the countries where the Commission operates.



Vice President Richard B. Cheney and his wife, Lynne, pay their respects to the War Dead at Sicily-Rome Cemetery



U.S. Ambassador to Tunisia William J. Hudson and his wife at the North Africa Cemetery Wall of the Missing with Superintendent Mike Green



ABMC Executive Director Ken Pond (right) greets the Grand Duke of Luxembourg during a visit to Washington's newest national memorial. Photo © Richard Latoff



A battle map at Luxembourg Cemetery is repainted

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONS

The Commission's fiscal year 2004 funding focused on personnel costs, service fees, scheduled maintenance and repairs, supplies, materials, spare parts, replacement of uneconomically repairable equipment, and capital improvements, as well as funding toward completion of the Normandy Cemetery Interpretive Center.

The fiscal year 2004 appropriation of \$41.3 million was available for salaries and expenses (\$32.3 million) and costs associated with design and construction of the Normandy Interpretive Center (\$9.0 million). A government-wide rescission of .0059 reduced the Commission's appropriation by \$243,670, causing it to reduce spending in much needed engineering projects to accommodate this loss.

Within its fiscal year 2004 appropriation, the Commission also targeted \$2.0 million to continue an Infrastructure Modernization Program. ABMC cemeteries and their infrastructure are aging. With the help of Congress and the Office of Management and Budget over the last eight years, we eliminated our backlog of deferred maintenance and engineering projects, but must now continue our efforts to replace or upgrade outdated and deteriorating systems.

The Infrastructure Modernization Program enables us to take a systemic look at our infrastructure and address areas that will: (1) reduce the growth of operational and routine maintenance costs; and (2) promote more effective long-term planning and budgeting. The first phase of this program, conducted during fiscal years 2000 and 2001, established a baseline assessment of our installations by utilizing in-depth technical surveys. These surveys, conducted by professional engineering firms applying current industry standards, regulations, and technological advances, assessed our electrical and structural systems and identified what needed to be accomplished to our

facilities. A subsequent study, conducted in fiscal year 2002, examined our diverse water systems at each facility. The second phase, which began in fiscal year 2002, addresses corrective actions in electrical and structural systems. This phase will continue through fiscal year 2006.

The shrines to America's War Dead entrusted to the Commission's care require a formidable annual program of maintenance and repair of facilities, equipments, and grounds. This care includes upkeep of over 131,000 graves and headstones and 73 memorial structures, within and external to the cemeteries, on 1,641.2 acres of land. Additionally, the Commission maintains 41 residential quarters for assigned personnel; 24 maintenance facilities; 67 miles of roads and walkways; 911 acres of flowering



Workers install new sprinklers at Mexico City Cemetery

plants, fine lawns, and meadows; nearly 3 million square feet of shrubs and hedges; and over 11,000 ornamental trees.

Most of our facilities range in age from 44 to 90 years old with our Mexico City Cemetery being over 150 years old. The permanent structures and plantings, which make our facilities among the most beautiful memorials in the world, are aging and require increased funding to maintain them at the current standards. We prioritize the use of our maintenance and engineering funds very carefully to ensure the most effective utilization of our available resources. All of the plantings, including the lawns and to some extent the meadows, must be cut, shaped, fed and treated with insecticides and fungicides at regular intervals during the growing season. The plantings also must be replaced when their useful lives are exhausted or they receive major storm damage.

Care and maintenance of our resources is exceptionally labor intensive; personnel costs accounted for 61 percent of the Commission's fiscal year 2004 appropriation. The remaining 39 percent funded other operating costs.



Participants in a ceremonial groundbreaking for the Normandy Interpretive Center included (l-r): Deputy Chief of Mission, U.S. Embassy France, Alejandro D. Wolff; U.S. Congressmen David L. Hobson and David R. Obey; ABMC Secretary MG John P. Herrling, USA (Ret); and U.S. Representative John P. Murtha



Improving drainage at Manila Cemetery

PERFORMANCE GOALS AND RESULTS

The ABMC mission has four primary components: (1) Commemorating the services and achievements of U.S. armed forces where they have served since April 6, 1917, through the erection of memorial shrines in foreign countries, and within the U.S. when directed by public law; (2) Designing, constructing, operating and maintaining permanent U.S. military cemeteries in foreign countries; (3) Controlling the design and construction of U.S. military memorials, monuments and markers in foreign countries by U.S. citizens and organizations, both public and private; and (4) Encouraging the maintenance of such monuments and markers by their sponsors.



A soldier looks on at Normandy Cemetery as a WWII veteran of the D-Day landing pays his respects to a fallen comrade. Photo courtesy of Gary Lehman

To support this mission, the Commission focused on five goals:

Goal 1 – Provide the most extensive and best possible support to next of kin and our many customers who use the services of the Commission.

Goal 2 – Conduct an effective Infrastructure Modernization Program at all Commission cemeteries, memorials and monuments to modernize our facilities and maintain desired standards.

Goal 3 – Determine if technology, outsourcing, and automation can improve efficiency and/or reduce the costs of foreign manpower.

Goal 4 – Modernize the Commission’s accounting systems and funding processes to ensure that funding obtained is used and accounted for in the most effective manner.

Goal 5 – Establish a World War II Memorial in the Washington, D.C. area to honor those who served in the armed forces of the U.S. during World War II and to commemorate the participation of the nation in that war.

Our performance against these goals was measured within the framework established by the President’s Management Agenda and the Commission’s strategic plan.

President’s Management Agenda Initiatives

The Commission made significant progress in the implementation of each item within the President’s Management Agenda.

Strategic Management of Human Capital

We are managing our human capital demands so that we have the right person with the right skills in every position. In fiscal year 2002, we began a worldwide manpower study that would outline our manpower requirements, position descriptions, workloads, and manpower distribution to ensure that we deploy our workforce properly. We expect to receive the final report in the second quarter of fiscal year 2005 and will review and implement the study recommendations through the remainder of that year and into fiscal year 2006.

Competitive Sourcing

We used competitive sourcing initiatives in a number of ways to improve performance and save costs. Our fiscal year 2004 budget contained funding for upgrades, hosting, and 24-hour support of our financial management system. These funds allowed us to outsource support to contractors experienced in providing such services and enabled us to support our worldwide operations without doubling the size of our financial management staff.



Paths are repaved at Oise-Aisne Cemetery

The resources devoted to our Infrastructure Modernization Program and engineering programs largely supported competitive sourcing of our infrastructure improvement efforts, allowing our government employees to focus on the daily mission of maintaining our cemeteries while implementing complex systems and upgrading our physical plant. Most of our construction and engineering projects were contracted out, since these projects are usually unique and beyond the capability of our limited staff.

Improved Financial Performance

Since fiscal year 1997, the Commission has been required to produce financial statements and the Comptroller General of the U.S. has been required to independently audit these statements. Each year, the Commission has earned an unqualified opinion on its financial statements from the Government Accountability Office. However, we recognize that improved financial performance is more than achieving an unqualified audit opinion; it is about putting useful and timely information in the hands of Commission management with which they can



Drainage pipe is installed at Florence Cemetery



A headstone is replaced at Sicily-Rome Cemetery

make informed decisions. The fiscal year 2004 budget not only supported our daily accounting operations and proper internal controls, but allowed us to identify additional management needs and reports to provide the best financial information available.

Expanded E-Government

Over the last several years, the Commission expanded access to valuable information through the use of online tools. We maintain a Web site that allows visitors to gather information on our organization and our cemeteries and memorials. We will continue our efforts to enable citizens to make contributions to our flower funds electronically through the use of credit cards, which will increase the ability for citizens to arrange for flowers to memorialize the memory of loved ones who made the ultimate sacrifice for our nation.

We also support the Administration's efforts to reduce the number of payroll providers within the federal government. During fiscal year 2004, the General Services Administration began providing payroll service to the Commission for General Service employees. This service includes online leave and earnings statements and other key pay and benefits information.

Budget and Performance Integration

A key element in linking budget and performance is having timely and reliable financial data, which we achieved with our integrated financial system. Another key element is the process by which the Commission ties performance within the organization to the budget formulation process. In late fiscal year 2004, we began implementing a Cemetery Evaluation Review System that uses existing policies and standards to assess and prioritize requirements and resources. Evaluations and reviews form the basis for future budget requirements.

Selected Performance Goals and Results

During fiscal year 2004, the Commission demonstrated an ability to achieve performance results for its goals through a number of specific projects that tie directly to our strategic goals.

In support of next of kin and other customers who use our services, the Commission provides burial and memorialization site information; letters authorizing no-fee passports for members of the immediate family traveling overseas primarily to visit the cemetery; in-country travel and accommodation information; and upon arrival at the cemetery, escort to the appropriate grave or memorialization site. Next-of-kin requesters also are provided a photograph taken of the appropriate headstone or section on the Wall of the Missing, which is mounted on a color lithograph of the cemetery or memorial where a serviceman or woman is buried or commemorated by

name. The Commission also purchases floral decorations with donor funds, and the donor is provided a photograph of the headstone or Wall of the Missing with the decoration in place.

In addition to responding to inquiries by friends and relatives of the War Dead interred or memorialized at its sites, the Commission also provides information to the Executive Branch, Members of Congress, other government agencies, historians, and other interested individuals. During fiscal year 2004, the Commission responded to approximately 2,600 telephone calls, 3,400 letters, and 4,200 e-mail inquiries. In addition, the Commission mailed out almost 3,000 cemetery lithographs and photos during the year.

The Commission Web site at www.abmc.gov provides visitors a convenient, user friendly, method to access information on the Commission, as well as its cemeteries, memorials, monuments, markers, and headquarters operations. In addition, information on the U.S. War Dead from the Korean War and those interred or commemorated at our overseas World War I and World War II cemeteries are

accessible through the site. The Commission made its Web site fully compliant with Section 508 of the Rehabilitation Act (29 U.S.C. 794d), as amended by the Workforce Investment Act of 1998 (P.L. 105-220, Aug. 7, 1998). In this effort, the Commission focused on making electronic and information technology accessible to people with disabilities.

For fiscal year 2004, more than three million American and foreign citizens visited Commission cemeteries. Most visitors paid homage collectively to the interred Honored War Dead. Many had more personal reasons for visiting a friend or relative who never returned home from war. Regardless of the visitors' motivations, Commission employees dedicated themselves to making each visit gratifying and memorable.

Throughout the year, at sites around the world, the Commission hosted a variety of special events and commemorations including celebrations for Memorial Day, Independence Day, and Veterans Day. In addition, military units held ceremonies to honor their fallen comrades, and local organizations



Superintendent Mike Yasenchak briefs a group visiting Rhone Cemetery



Memorial Day ceremony at Corozal Cemetery

paid tribute to those who died while liberating their regions. While some ceremonies received national attention, such as the dedication of the World War II Memorial in Washington, D.C. and the 60th anniversary of D-Day at Normandy, many drew local attention only. All ceremonies reflected a solemn respect for America's Honored War Dead and appreciation for the sacrifices of all veterans. The Commission also completed the major elements of the design of the Normandy Cemetery Interpretive Center building during fiscal year 2004 and hosted a ceremonial groundbreaking on August 28, 2004.

With the dedication of the World War II Memorial on May 29, 2004, the Commission successfully completed its largest construction project of the past 50 years. The dedication ceremony concluded an 11-year effort to design, fund, and build the memorial, which now stands on the National Mall

as a lasting tribute to the service and sacrifice of America's World War II generation. The memorial is one of only four major structures on the Mall's central axis, a reflection of the significance of the event it commemorates. The Commission's fundraising success and project stewardship resulted in an \$18.3 million balance in the World War II Memorial Trust Fund as of September 30, 2004. The Fund will be administered by the Commission solely to benefit the World War II Memorial and related programs.

The Commission completed the installation and dedication of the Vietnam Veterans Memorial Plaque this fiscal year. In June 2000, the Commission acquired the mission under P.L. 106-214 to install a plaque that commemorates all those who died after the end of the Vietnam conflict but as a direct result of their service in that war. The Commission hosted an unveiling ceremony for the new plaque on the renovated plaza at the Vietnam Veterans Memorial in Washington, D.C. in July 2004.

The American Veterans of WWII, Korea, and Vietnam (AMVETS) and the Robert R. McCormick Tribune Foundation have generously donated chromatically tuned bells in carillons to enhance our overseas cemeteries. AMVETS installed the first carillon in our Manila cemetery in 1985 and subsequently formed a partnership with the foundation. In April 2004 a carillon was delivered to the Luxembourg American Cemetery, the 15th donated over the years.

The Commission initiated a replacement and renovation program for old headstones at the Oise-Aisne American Cemetery in Fere-en-Tardenois, France, in fiscal year 2004. This program uses a computer-controlled engraving machine to renovate and refinish severely degraded headstones. It took several years of planning to acquire the custom machine and special tooling, as well as to establish the required training and procedures for the program to work effectively

and efficiently. Fiscal year 2004 marks the start of a program that will continue for many years and will result in a marked improvement in the overall quality of our cemetery headstones at a reduced cost.

The Commission will review and revise its mission, goals, and performance criteria during fiscal year 2005.

Management Integrity: Controls, Systems, Compliance, and Challenges

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, increased productivity, cost effectiveness, and compliance with applicable laws. It has taken measures to ensure that the annual evaluation of these controls is performed in a conscientious and thorough manner according to OMB regulations and guidelines and in compliance with 31 U.S.C. 3512(c)(d), commonly known as the Federal Managers' Financial Integrity Act (FMFIA). The Commission's evaluation of its system of internal management practices and con-

trols during fiscal year 2004 revealed no material weaknesses. 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.
- 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 on the whole it complies with the provisions of 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 Risks and Reactions

Current foreign currency losses threaten our ability to sustain our day-to-day operations. In order to insulate the Commission's annual appropriation against major changes in its purchasing power, Congress enacted legislation in 1988 (codified in 36 U.S.C. 2109) to establish a foreign currency fluctuation account in the U.S. Treasury. Cumulative gains and losses brought the balance for this account to \$5.5 million as of September 30, 2003, after a \$3.7 million net loss for fiscal year 2003. Due primarily to unfavorable exchange rates between the U.S. dollar and the European euro in fiscal year 2004, our foreign currency fluctuation



A ramp is installed to provide handicapped access to the Meuse-Argonne Cemetery chapel

account experienced significant losses that reduced its balance to \$0.8 million as of September 30, 2004. As a result, the Commission was forced to curtail some engineering projects.

Current foreign currency losses also threaten special projects such as the Normandy Interpretive Center. Beginning in fiscal year 2002, Congress directed and provided appropriated funds to the Commission for the design and construction of an interpretive center at the Normandy American Cemetery near St. Laurent-sur-Mer, France.



Congress appropriated \$5.0 million in fiscal year 2002, \$4.0 million in fiscal year 2003, and \$9.0 million in fiscal year 2004, for a total of \$18.0 million. For fiscal year 2005, the Commission requested and received \$9.1 million to bring the total project funding to \$27.1 million.¹ However, we estimate that \$5.7 million to \$7.2 million of additional funds from the foreign currency fluctuation account will be required to maintain the equivalent buying power during construction. We appealed to the Office of Management and Budget and Congress to support additional foreign currency appropriations in fiscal year 2005 to support both our day-to-day operations and the Normandy Interpretive Center and received \$12.0 million of appropriations for the foreign currency fluctuation account.

The Commission also faces additional risk in losing funds via government-wide rescissions to support ongoing operations in Afghanistan and Iraq, or to support Homeland Security issues. In fiscal year 2004, the Commission experienced a .0059 rescission totaling \$243,670 and reduced its spending in much-needed engineering projects to accommodate this loss in funding. For fiscal year 2005 and beyond, the Commission expects further government-wide rescissions that will require a reexamination of priorities and a shift in funding to maintain essential operations.

Planting flower beds at Suresnes Cemetery

¹ Less .0065 rescission of \$26,000 in fiscal year 2003, .0059 rescission of \$53,100 in fiscal year 2004, and .0080 rescission of \$72,800 in fiscal year 2005.



Working on the sod at Cambridge Cemetery



A new walkway from the memorial to the flagpole is installed at St. Mihiel Cemetery



The flagpole being repainted at Brittany Cemetery

CEMETERIES

★ WWI cemetery ★★ WWII cemetery



Aisne-Marne



Lying south of the village of Belleau, France, this 42.5-acre cemetery contains the graves of 2,290 Americans, most of whom fought in the vicinity and in the Marne valley in the summer of 1918. On the interior walls of the memorial chapel are the names of 1,060 who were missing in the region.



Aisne-Marne



Brookwood



Located southwest of Brookwood, Surrey, England, this small cemetery of 4.5 acres is set within a large civilian cemetery. It contains 468 graves arranged in four plots grouped about a flagpole. On the walls within the Brookwood chapel are inscribed the names of 563 missing servicemen.



Brookwood



Flanders Field



Lying on the edge of the town of Waregem, Belgium, the cemetery occupies a 6.2-acre site, and contains the remains of 368 Americans who died liberating the soil of Belgium in World War I. The chapel walls contain the names of 43 missing.



Flanders Field



Meuse-Argonne



Located east of the village of Romagne-sous-Montfaucon (Meuse), France, the cemetery is 26 miles northwest of Verdun. At this 130.5-acre



Meuse-Argonne



Oise-Aisne



Somme





St. Mihiel





Suresnes

site are buried the remains of 14,246 Americans, the largest number of U.S. War Dead in Europe. Most died during the Meuse-Argonne Offensive. On memorial loggias on either side of the chapel are inscribed the names of 954 missing.


 **Oise-Aisne** ★
Lying 1.5 miles east of Fere en Tardenois (Aisne), France, and 14 miles northeast of Chateau-Thierry, this 36.5-acre cemetery contains 6,012 American graves, most of whom died in the area in 1918. The chapel walls contain the names of 241 missing.


 **Somme** ★
Situated .5 miles southwest of Bony (Aisne), France, the Somme cemetery is a 14.3-acre site that contains 1,844 American graves. The chapel walls bear the names of 333 missing.


 **St. Mihiel** ★
Located at the west edge of Thiaucourt, France, the 40.5-acre cemetery contains the graves of 4,153 American War Dead, most of whom died in the great offensive that resulted in the reduction of the St. Mihiel salient. On the end walls of the museum are recorded the names of 284 missing.


 **Suresnes** ★
Located in the Paris suburb of Suresnes, the 7.5-acre cemetery contains the graves of 1,541 Americans who died in World War I, and 24 unknown American War Dead of World War II.

Bronze tablets on the walls of the chapel record the names of 974 missing, or buried or lost at sea.

 **Ardennes** ★★
Located near Neupre, 12 miles southwest of Liege, Belgium, the 90.5-acre cemetery contains the graves of 5,328 War Dead, many of whom died in the Battle of the Bulge. Head-stones aligned in straight rows form a huge Greek cross on the lawns. Along the outside of the memorial are the names of 462 missing.

 **Brittany** ★★
Buried on 7.5 acres of rolling farm country 1.5 miles southeast of the village of St. James, France, are 4,410 War Dead. Most gave their lives in the Normandy and Brittany campaigns in 1944. Along the retaining wall of the memorial terrace, 498 names of missing are inscribed.

 **Cambridge** ★★
Sitting three miles west of Cambridge, England, this 30.5-acre cemetery was donated by the University of Cambridge. Buried here are 3,812 Americans, most of whom died in the Battle of the Atlantic or the strategic air bombardment of Europe. On the Tablets of the Missing are 5,126 names.

 **Epinal** ★★
Four miles southeast of Epinal (Vosges), France, the cemetery contains the graves of 5,255 War Dead on 48.6 acres. Most gave their lives in the campaigns across northeastern France to the Rhine

Ardennes

Brittany

Cambridge

Epinal





Florence



Henri-Chapelle





Lorraine





Luxembourg

and into Germany. On the walls of the Court of Honor are inscribed the names of 424 missing.

 **Florence** ★★★
Located about 7.5 miles south of Florence, Italy, this is a 70-acre site that contains 4,402 American graves. The memorial has two open courts joined by the Tablets of the Missing upon which are inscribed another 1,409 names.

 **Henri-Chapelle** ★★★
Two miles northwest of the village of Henri-Chapelle, Belgium, the cemetery covers 57 acres and contains 7,992 graves of Americans who died during the U.S. advance into Germany. The rectangular piers of a long colonnade have inscribed upon them the names of 450 missing.

 **Lorraine** ★★★
Situating about one mile north of the town of St. Avold, France, the 113.5-acre cemetery contains the largest number of graves of World War II War Dead in Europe, a total of 10,489. Most died while fighting in this region. Inscribed on the Tablets of the Missing are 444 names.

 **Luxembourg** ★★★
Lying just within the limits of Luxembourg City, Luxembourg, this 48.7-acre cemetery contains the remains of 5,076 Americans who died during the Battle of the Bulge and in the advance to the Rhine. The names of 371 missing are inscribed on pylons flanking the chapel.


Manila


Netherlands


Normandy


North Africa



 **Manila** ★★★
Located six miles southeast of the Philippine capital on Fort Bonifacio, this 152-acre cemetery contains 17,206 War Dead, the largest number of American World War II War Dead in one cemetery. Most died during operations in New Guinea and the Philippines. Two hemicycles adjoining the chapel contain the names of 36,282 missing.

 **Netherlands** ★★★
The only American cemetery in the Netherlands, it lies in the village of Margraten. Covering 65.5 acres, the cemetery contains 8,301 graves. Two Tablets of the Missing are inscribed with 1,723 names.

 **Normandy** ★★★
Situating on a cliff overlooking Omaha Beach, the cemetery is just east of St. Laurent-sur-Mer. The site covers 172.5 acres and contains the graves of 9,387 American War Dead, most of whom died during the landings and ensuing operations. The walls of a semi-circular garden on the east side of the memorial contain the names of 1,557 missing.

 **North Africa** ★★★
Located close to the site of the ancient city of Carthage, Tunisia, the cemetery is 10 miles from Tunis. The 27-acre cemetery contains 2,841 American graves. Engraved on a Wall of the Missing are 3,724 names. Most died in military activities from North Africa to the Persian Gulf.



Rhone



Set in the city of Draguignan, France, 28 miles west of Cannes, the 12.5-acre Rhone Cemetery is the site of 861 graves of American War Dead, most of whom gave their lives in the liberation of southern France in 1944. The retaining wall of the chapel terrace contains the names of 294 missing.



Sicily-Rome



Lying at the north edge of Nettuno, Italy, immediately east of Anzio and 38 miles south of Rome, the 77-acre cemetery site contains 7,861 graves. The majority of these Americans died in the operations preceding the liberation of Rome. On the white marble walls of the chapel are engraved the names of 3,095 missing.



Corozal

This cemetery is located about three miles north of Panama City, Panama. Within these 16 acres are interred 5,301 American veterans and others who contributed to the construction, operation and security of the Panama Canal.



Mexico City

Situated about one mile north of the U.S. Embassy in Mexico City, the cemetery contains a small monument over the grave of 750 Americans who died in the War of 1847. The one-acre area also contains the remains of 813 other Americans and foreign nationals in wall crypts.



Rhone



Corozal



Sicily-Rome



Mexico City

FISCAL YEAR 2004
FINANCIAL STATEMENTS AND NOTES



United States Government Accountability Office
Washington, DC 20548

To the Chairman of the American Battle Monuments Commission

In accordance with 36 U.S.C. 2103, we are responsible for conducting audits of the agencywide financial statements of the American Battle Monuments Commission (the Commission). In our audits of the Commission's financial statements for fiscal years 2004 and 2003, we found

- the consolidating financial statements as of and for the fiscal year ended September 30, 2004, and comparative consolidated totals as of and for the fiscal year ended September 30, 2003, are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles;
- although internal controls should be improved, the Commission maintained effective internal control over financial reporting (including safeguarding assets) and compliance with laws and regulations as of September 30, 2004; and
- no reportable noncompliance with laws and regulations we tested.

The following sections discuss in more detail (1) these conclusions and our conclusions on Management's Discussion and Analysis and other supplementary information and (2) the objectives, scope, and methodology of our audit.

Opinion on Financial Statements

The American Battle Monuments Commission's consolidating balance sheet as of September 30, 2004, and its related consolidating statements of net cost and changes in net position; budgetary resources; and financing, with accompanying notes for the fiscal year then ended, and comparative consolidated totals as of and for the fiscal year ended September 30, 2003, are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles.

Opinion on Internal Control

The Commission maintained, in all material respects, effective internal control over financial reporting (including safeguarding assets) and compliance as of September 30, 2004, that provided reasonable assurance that misstatements, losses, or noncompliance material in relation to the consolidating financial statements or to stewardship information would be prevented or detected on a timely basis. Our opinion is based upon criteria established under 31 U.S.C. 3512 (c), (d) [Federal Managers' Financial Integrity Act

(FMFIA)], and Office of Management and Budget (OMB) Circular No. A-123, *Management Accountability and Control*, (June 21, 1995).

However, our work identified the need to improve certain internal controls, as described below, that we consider reportable conditions. Reportable conditions are significant deficiencies in the design or operation of internal control that, in our judgment, could adversely affect the Commission's ability to meet internal control objectives or meet OMB criteria for reporting matters under FMFIA. In addition, misstatements may occur in other Commission financial information not included in this report as a result of these reportable conditions.

Reportable Conditions

During our audit we noted deficiencies in controls over information technology systems and improper recognition of property additions and accrued liabilities as of September 30, 2004. Commission management disclosed the information technology and accrued liability conditions in its fiscal year 2004 FMFIA report and is working to implement corrections for all internal control deficiencies. The issue of improper recognition of property additions for fiscal year 2004 was identified by us after the Commission had filed its 2004 FMFIA report.

Deficient Controls over Information Technology Systems

Inadequate controls over information technology systems were identified in the two following areas.

- **User documentation:** While the Commission's existing accounting system, implemented on October 1, 2001, has adequate user documentation, there continued to be a lack of user documentation to support its older legacy subsystems that were still used during fiscal year 2004, primarily for payroll. This condition has existed since our first audit of the Commission's financial statements in fiscal year 1997 and includes the Clipper system used by the European Regional Office and the dBase IV system used by the Mediterranean Regional Office. Commission personnel have learned how to use these legacy subsystems over the years primarily through on-the-job training and have limited support to explain how subsystems functions should be performed and to answer questions. In January 2004, payroll processing for the Commission's General Schedule employees was converted to the General Services Administration. Payroll processing for all of the Commission's Foreign Service National employees was in negotiation for conversion later in fiscal year 2005. Thus, while the Commission has made some progress, further efforts to improve user documentation are needed.
- **Security program and access controls:** During our fiscal year 2004 audit, we continued to identify some security controls over the Commission's computer system, such as administrative controls over network configuration, passwords, and access to files, that were not effective at all Commission locations as of September 30, 2004. Since the installation of the Commission's automated accounting system in fiscal year 2002, we have conducted annual security and general controls reviews. In separate Limited Official Use reports issued after our fiscal years 2002 and 2003 audits, we communicated detailed information and made 49 and 105 specific recommendations, respectively, to strengthen Commission internal controls in information technology, accounting procedures, financial reporting, and cash management.

While the Commission has implemented a number of these recommendations, further efforts will be needed to correct the remaining weaknesses during fiscal year 2005.

Improper Recognition of Property Additions and Accrued Liabilities

As of September 30, 2004, the Commission's European Regional Office had not properly recognized almost \$1 million of property additions and omitted \$0.3 million of accrued liabilities for accounts payable and accrued salaries and benefits from the Commission's accounting records. This condition also resulted in misstating General Fund fiscal year 2004 expenses by a corresponding amount. While the cutoff of accrued liabilities at the Commission's European Regional Office has improved in fiscal year 2004 compared to the \$1.1 million of unrecorded accrued liabilities we identified in fiscal year 2003, it continues to be a reportable condition. We believe that the fiscal year 2004 condition was caused by early year-end closing of the accounting records and a lack of understanding at the Commission's European Regional Office of capitalization concepts and proper year-end cutoff as required by accrual accounting. Proper expensing of heritage asset additions, while capitalizing and depreciating general property additions over \$25,000, is necessary for proper presentation. Proper cutoff of accrued liabilities for goods, services, and benefits received in fiscal year 2004, but invoiced and paid in fiscal year 2005, is also necessary for proper presentation. The Commission subsequently recognized these property additions and accrued liabilities through accounting adjustments in order to fairly present its financial statements for fiscal year 2004 in conformity with U.S. generally accepted accounting principles.

Compliance with Laws and Regulations

Our tests of the Commission's compliance with selected provisions of laws and regulations for fiscal year 2004 disclosed no instances of noncompliance reportable under U.S. generally accepted government auditing standards or OMB audit guidance. However, the objective of our audit was not to provide an opinion on overall compliance with laws and regulations. Accordingly, we do not express such an opinion.

Consistency of Other Information

The Commission's Management Discussion and Analysis and stewardship statements of heritage assets and an accompanying note contain a wide range of data, some of which are not directly related to the financial statements. We do not express an opinion on this information. However, we compared this information for consistency with the financial statements and discussed the methods of measurement and presentation with officials of the Commission. Based upon this limited work, we found no material inconsistencies with the financial statements or nonconformance with OMB guidance.

Objectives, Scope, and Methodology

Commission management is responsible for (1) preparing the financial statements in conformity with U.S. generally accepted accounting principles; (2) establishing, maintaining, and assessing internal control to provide reasonable assurance that the broad internal control objectives of FMFIA are met; and (3) complying with applicable laws and regulations.

We are responsible for obtaining reasonable assurance about whether (1) the Commission's financial statements are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles and (2) Commission management maintained effective internal control that provides reasonable, but not absolute, assurance that the following objectives were met.

- **Financial reporting:** Transactions are properly recorded, processed, and summarized to permit the preparation of financial statements and stewardship information in conformity with U.S. generally accepted accounting principles, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition.
- **Compliance with applicable laws and regulations:** Transactions are executed in accordance with (1) laws governing the use of budgetary authority; (2) other laws and regulations that could have a direct and material effect on the financial statements; and (3) any other laws, regulations, or governmentwide policies identified by OMB guidance.

We are also responsible for (1) testing compliance with selected provisions of laws and regulations that have a direct and material effect on the financial statements and for which OMB guidance requires testing and (2) performing limited procedures with respect to certain other information appearing in the Commission's annual financial report. In order to fulfill these responsibilities, we

- examined, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessed the accounting principles used and significant estimates made by Commission management;
- evaluated the overall presentation of the financial statements;
- obtained an understanding of internal control related to financial reporting (including safeguarding assets) and compliance with laws and regulations (including execution of transactions in accordance with budget authority);
- obtained an understanding of the recording, processing, and summarizing of performance measures as reported in Management's Discussion and Analysis;
- tested relevant internal controls over financial reporting and compliance, and evaluated the design and operating effectiveness of internal control;
- considered the process for evaluating and reporting on internal control and financial management systems under FMFIA; and
- tested compliance with selected provisions of the following laws:

The Commission's enabling legislation codified in 36 U.S.C. Chapter 21, Public laws applicable to the World War II Memorial Fund, Departments of VA and HUD, and Independent Agencies Appropriations Act 2004, Antideficiency Act, Pay and Allowance System for Civilian Employees, and Prompt Payment Act.

We did not evaluate all internal controls relevant to operating objectives as broadly defined by FMFIA, such as those controls relevant to preparing statistical reports and ensuring efficient operations. We limited our internal control testing to those controls over financial reporting and compliance. Because of inherent limitations in internal control, misstatements due to error or fraud, losses, or noncompliance may nevertheless occur and not be detected. We also caution that projecting our evaluation to future periods is subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with controls may deteriorate.

We did not test compliance with all laws and regulations applicable to the Commission. We limited our tests of compliance to those required by OMB audit guidance that we deemed applicable to the Commission's financial statements for the fiscal year ended September 30, 2004. We caution that noncompliance may occur and not be detected by these tests and that such testing may not be sufficient for other purposes.

We performed our work in accordance with U.S. generally accepted government auditing standards and OMB audit guidance.

Commission Comments

Commission management was provided with a draft of this report and concurred with its facts and conclusions.



Steven J. Sebastian
Director
Financial Management and Assurance

January 31, 2005

AMERICAN BATTLE MONUMENTS COMMISSION
CONSOLIDATING BALANCE SHEET
As of September 30, 2004
(With Comparative Consolidated Total as of September 30, 2003)

	General Fund	Trust Funds		Total Funds 2004	Total Funds 2003
	Cemeteries and Memorials	World War II Memorial	Other Trust Funds	Total Funds	Total
Assets					
Intragovernmental:					
Fund balances with Treasury (note 2)	\$26,920,505	\$13,773,377	\$310,940	\$41,004,822	\$32,275,498
Treasury investments, net (note 3)		5,102,869	8,280	5,111,149	58,188,624
Total intragovernmental	26,920,505	18,876,246	319,220	46,115,971	90,464,122
Cash and foreign accounts (note 4)	111,442		576	112,018	69,884
Property sale receivable					352,671
Contributions receivable, net (note 5)		733,769		733,769	1,380,777
General property, plant, & equipment, net (note 6)	2,481,017			2,481,017	1,514,384
Total Assets	\$29,512,964	\$19,610,015	\$319,796	\$49,442,775	\$93,781,838
Liabilities					
Intragovernmental:					
Accounts payable	\$279,438	\$787,015		\$1,066,453	\$3,733,912
Accrued salaries and benefits	389,963			389,963	139,435
Total intragovernmental	669,401	787,015		1,456,416	3,873,347
Accounts payable	1,855,067	506,676	\$4,117	2,365,860	2,051,847
Other liabilities (note 7)	3,014,942	12,754		3,027,696	2,696,182
Total Liabilities	5,539,410	1,306,445	4,117	6,849,972	8,621,376
Commitments and contingencies (note 8)					
Net Position (notes 9, 10)					
Unexpended appropriations	23,981,588			23,981,588	22,804,842
Cumulative results of operations (deficit)	(8,034)	18,303,570	315,679	18,611,215	62,355,620
Total Net Position	23,973,554	18,303,570	315,679	42,592,803	85,160,462
Total Liabilities and Net Position	\$29,512,964	\$19,610,015	\$319,796	\$49,442,775	\$93,781,838

The accompanying notes are an integral part of these statements.

AMERICAN BATTLE MONUMENTS COMMISSION
CONSOLIDATING STATEMENT OF NET COST AND CHANGES IN NET POSITION
For the Year Ended September 30, 2004
(With Comparative Consolidated Total for the Year Ended September 30, 2003)

	General Fund	Trust Funds		Total Funds 2004	Total Funds 2003
	Cemeteries and Memorials	World War II Memorial	Other Trust Funds	Total	Total
PROGRAM COSTS		(note 10)			
Intragovernmental program costs:					
Operations and maintenance	\$2,610,749			\$2,610,749	\$2,385,701
Design and construction		\$25,695,105		25,695,105	36,687,726
Program costs with the public:					
Operations and maintenance	26,052,849		\$156,154	26,209,003	28,881,843
Fund raising		2,370,080		2,370,080	1,884,054
Administrative		1,712,123		1,712,123	1,080,009
Design and construction		17,614,518	79,009	17,693,527	2,063,817
Memorial costs		111,708		111,708	158,887
Property, plant and equipment (note 6)	3,592,586	2,404		3,594,990	2,882,529
Foreign currency losses, net	8,123,747			8,123,747	3,721,818
Net Cost of Operations	\$40,379,931	\$47,505,938	\$235,163	\$88,121,032	\$79,746,384
CHANGES IN NET POSITION					
Net Position - Start of the Year	\$22,819,563	\$62,060,540	\$280,359	\$85,160,462	\$121,918,088
Budgetary Financing Sources					
Appropriations used	39,719,420			39,719,420	36,487,234
Increase (decrease) in unexpended appropriations	1,176,746			1,176,746	(1,470,149)
Total Budgetary Financing Sources	40,896,166			40,896,166	35,017,085
Other Financing Sources					
Contributions	29,340	3,113,731	269,576	3,412,647	5,130,525
Treasury investment earnings		635,237	907	636,144	1,837,284
Gain on property sales					420,181
Imputed financing (note 7)	608,416			608,416	583,683
Total Other Financing Sources	637,756	3,748,968	270,483	4,657,207	7,971,673
Total Financing Sources	41,533,922	3,748,968	270,483	45,553,373	42,988,758
Net Cost of Operations	40,379,931	47,505,938	235,163	88,121,032	79,746,384
Net Position - End of the Year	\$23,973,554	\$18,303,570	\$315,679	\$42,592,803	\$85,160,462

The accompanying notes are an integral part of these statements.

AMERICAN BATTLE MONUMENTS COMMISSION
CONSOLIDATING STATEMENT OF BUDGETARY RESOURCES
For the Year Ended September 30, 2004
(With Comparative Consolidated Total for the Year Ended September 30, 2003)

	General Fund	Trust Funds		Total Funds 2004	Total Funds 2003
	Cemeteries and Memorials	World War II Memorial	Other Trust Funds	Total	Total
Budgetary Resources					
Budgetary Authority:					
Appropriations	\$41,300,000			\$41,300,000	\$35,246,000
Net transfer in (out) for net foreign exchange loss (gain)	4,746,681			4,746,681	3,721,818
Other (contributions collected)	408,031	\$5,223,561	\$310,429	5,942,021	11,754,933
Less: Rescinded	(243,670)			(243,670)	(229,099)
Unobligated Balances:					
Start of year	10,048,160	49,738,426	215,143	60,001,729	91,995,796
Net transfer (out) in for net foreign exchange (loss) gain	(4,746,681)			(4,746,681)	(3,721,818)
Recoveries of prior year obligations					20,614
Total Budgetary Resources	\$51,512,521	\$54,961,987	\$525,572	\$107,000,080	\$138,788,244
Status of Budgetary Resources					
Obligations incurred - direct	\$34,576,844	\$39,059,050	\$215,833	\$73,851,727	\$78,786,515
Unobligated balances available	16,935,677	15,902,937	309,739	33,148,353	60,001,729
Total Status of Budgetary Resources	\$51,512,521	\$54,961,987	\$525,572	\$107,000,080	\$138,788,244
Outlays					
Obligations incurred	\$34,576,844	\$39,059,050	\$215,833	\$73,851,727	\$78,786,515
Plus: Obligated balances, start of year:					
Undelivered orders	12,756,682	9,922,037	69,338	22,748,057	22,471,299
Delivered orders - unpaid	2,250,071	4,437,984	5,440	6,693,495	8,015,635
Less: Obligated balances, end of year:					
Undelivered orders	(7,045,911)	(1,519,594)	(50,008)	(8,615,513)	(22,748,057)
Delivered orders - unpaid	(3,370,582)	(1,293,690)	(4,117)	(4,668,389)	(6,693,495)
Total Outlays	\$39,167,104	\$50,605,787	\$236,486	\$90,009,377	\$79,831,897

The accompanying notes are an integral part of these statements.

AMERICAN BATTLE MONUMENTS COMMISSION
CONSOLIDATING STATEMENT OF FINANCING
For the Year Ended September 30, 2004
(With Comparative Consolidated Total for the Year Ended September 30, 2003)

	General Fund	Trust Funds		Total Funds 2004	Total Funds 2003
	Cemeteries and Memorials	World War II Memorial	Other Trust Funds	Total	Total
Resources Used To Finance Activities					
Obligations incurred - direct	\$34,576,844	\$39,059,050	\$215,833	\$73,851,727	\$78,786,515
Imputed retirement and audit services	608,416			608,416	583,683
Other transfers and adjustments				0	26,893
Total Resources Used to Finance Activities	35,185,260	39,059,050	215,833	74,460,143	79,397,091
Resources That Do Not Fund Net Cost of Operations					
General property capitalized on the balance sheet	(1,370,130)			(1,370,130)	(211,544)
Decrease in unfunded annual leave		(2,046)		(2,046)	(4,237)
Undelivered orders - start of year	12,756,682	9,922,037	69,338	22,748,057	22,471,299
Less: Undelivered orders - end of year	(7,045,911)	(1,519,594)	(50,008)	(8,615,513)	(22,748,057)
Total Resources That Do Not Fund Net Cost of Operations	4,340,641	8,400,397	19,330	12,760,368	(492,539)
Components of Net Cost of Operations Not Requiring Resources in the Current Period					
Components Requiring Resources in Future Periods:					
Increase in Unfunded Annual Leave	83,574			83,574	98,536
Increase in Unfunded Separation Pay	172,174			172,174	196,550
Components Not Requiring Resources:					
Depreciation	568,942	3,570		572,512	501,956
In-kind expenses	29,340	42,921		72,261	44,790
Total Costs Not Requiring Resources in the Current Period	854,030	46,491	0	900,521	841,832
Net Cost of Operations	\$40,379,931	\$47,505,938	\$235,163	\$88,121,032	\$79,746,384

The accompanying notes are an integral part of these statements.

AMERICAN BATTLE MONUMENTS COMMISSION
NOTES TO THE CONSOLIDATING AND CONSOLIDATED
FINANCIAL STATEMENTS

For the Fiscal Years Ended September 30, 2004 and 2003

Note 1. Significant Accounting Policies

A. Basis of Presentation

The accompanying consolidating and consolidated financial statements present the financial position, net cost of operations, changes in net position, budgetary resources, and financing 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.

B. Reporting Entity and Funding Sources

The Commission is an independent agency within the executive branch of the federal government and was created by an Act of March 4, 1923, 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 when directed by the Congress. The Commission designs, administers, constructs, operates, and maintains 24 American military cemeteries and 25 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 14 foreign countries, the Marianas, and Gibraltar. The Commission is also responsible for maintaining 4 nonfederal memorials with funds received from the memorials' sponsors. The Commission is headquartered in Arlington, Virginia. Field operations are conducted through regional offices located near Paris, France; and in Rome, Italy; and cemeteries in Manila, the Philippines; Mexico City, Mexico; and Panama City, Panama.

The Commission also has 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. 8909, the Secretary of the Interior is to assume responsibility for maintenance of the memorial after its completion (see note 11). Also in accordance with 40 U.S.C. 8906 (b), the Commission provided \$6.6 million for deposit in a separate Treasury account to offset the memorial's costs of perpetual maintenance.

Commission programs are funded primarily through appropriations available without fiscal year limitation. 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 grave sites; 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, plant, 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 Balances with Treasury

The Commission's cash receipts and disbursements are processed by the U.S. Treasury. Fund balances with Treasury are comprised of appropriated general funds and trust funds.

E. Investments

In accordance with Public Law 103-32, the Commission is authorized to invest World War II Memorial Trust Fund receipts in U.S. Treasury securities. The Commission is also authorized under a modification to its original legislation to invest receipts from certain nonfederal war memorial organizations in U.S. Treasury securities. Treasury investments are recorded at par value plus unamortized premium or less unamortized discount. Premiums and discounts are amortized using the interest method.

F. Foreign Currency

The Commission's overseas offices maintain accounts of foreign currencies to be used in making payments in foreign countries. These accounts are reported at the U.S. dollar equivalent using the Treasury exchange rate in effect on the last day of the fiscal year.

G. 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.

H. Operating Materials and Supplies Inventories

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.

I. Property, Plant, and Equipment

Purchases of general property, plant, and equipment of \$25,000 or less are expensed in the year of acquisition. Purchases of personal property exceeding \$25,000 are capitalized and depreciated on a straight-line basis over 5 years. Expenditures relating to real property exceeding \$25,000 are capitalized and depreciated on a straight-line basis over 30 years. 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 are 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 unaudited information concerning heritage assets is found in the Statements of Heritage Assets as required supplementary stewardship 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 10.7 percent of base pay to this retirement system. For Federal Insurance Contribution Act (FICA) tax and Medicare, the Commission withholds 7.65 percent from FERS employees' earnings, matches this amount on a dollar-for-dollar basis, 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 governmentwide 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. FERS employees have the option of contributing up to 13 percent of their base pay on a tax-deferred basis to TSP, which the Commission matches up to 4 percent of base pay. CSRS employees may contribute up to 8 percent of their base pay to TSP on a tax-deferred basis and 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. Imputed Financing

The Commission imputed financing for retirement and other benefits paid by OPM and financial audits paid by the Government Accountability Office (GAO) during fiscal year 2004. The Commission recognized these expenses and related imputed financing in its financial statements.

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 Balances with Treasury

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

	2004			2003
	General Fund	Trust Funds	Total	Total
Appropriated Funds	\$26,135,129		\$26,135,129	\$19,522,806
Currency Fluctuation	785,376		785,376	5,532,057
WW II Memorial Fund		\$13,773,377	13,773,377	6,989,421
Other Trust Funds		310,940	310,940	231,214
	\$26,920,505	\$14,084,317	\$41,004,822	\$32,275,498

Note 3. Treasury Investments, Net

As of September 30, the Commission's investments in U.S. Treasury notes, which are marketable securities due within 2 years were as follows:

FY	Cost	Interest Rates	Net Premium	Interest Receivable	Net Investment
04	\$5,008,000	2.00% to 7.50%	\$61,626	\$41,523	\$5,111,149
03	\$57,168,000	2.00% to 7.50%	\$503,949	\$516,675	\$58,188,624

Amortization is on the interest method, and amortized cost approximated market as of September 30.

Note 4. Cash and Foreign Accounts

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 were as follows:

	2004	2003
Imprest Cash Funds	\$39,042	\$37,564
Foreign Bank Accounts	72,400	23,530
Undeposited Cash	576	8,790
	<u>\$112,018</u>	<u>\$69,884</u>

Note 5. Contributions Receivable

The Commission has pledges from the private sector to be used for the World War II Memorial, with substantial pledges by major corporations and foundations. These pledges are recorded as contributions receivable and revenue in the fiscal year pledged, and \$733,769 is temporarily restricted until collected. Amounts due in future years are as follows:

Fiscal Year Due	
2005	\$331,250
2006	160,000
2007	150,000
2008	100,000
After 2008	<u>173,688</u>
Total amount due	914,938
Less: Present value discount at 2% Treasury rate	<u>(181,169)</u>
Net Receivable	<u>\$733,769</u>

The Commission believes that all contributions receivable are fully collectible, and therefore no allowance for uncollectible accounts has been established.

As of September 30, 2004, \$200 of conditional promises to give to the memorial was outstanding.

Note 6. General Property, Plant, and Equipment and Heritage Assets

General property, plant, and equipment with an aggregate cost basis of \$25,000 or less and all heritage assets were expensed by the Commission and totaled \$3,592,586 in fiscal year 2004 and \$2,872,802 in fiscal year 2003. WWII Memorial equipment totaling \$2,404 in fiscal year 2004 and \$9,727 in fiscal year 2003 was also expensed.

Since the 1960s, the Commission's European regional office near Paris, France, has occupied a residential structure owned by the United States government. The Commission is responsible for all utilities, maintenance, and repairs. While the structure has the characteristics of a heritage asset, it has been used as general

property. However, it is now fully depreciated, and no value is contained in the Commission's financial statements.

General property, plant, and equipment as of September 30 was as follows:

Category	2004			2003		
	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
Buildings	\$1,015,247	\$9,142	\$1,006,105			
Accounting System	1,760,065	1,056,039	704,026	\$1,760,065	\$704,026	\$1,056,039
Equipment	1,989,014	1,218,128	770,886	1,525,116	1,066,771	458,345
	<u>\$4,764,326</u>	<u>\$2,283,309</u>	<u>\$2,481,017</u>	<u>\$3,285,181</u>	<u>\$1,770,797</u>	<u>\$1,514,384</u>

There was no change in the number of physical units or acreage of cemeteries and federal memorials and no change in the number of nonfederal memorials in fiscal year 2004.

Note 7. Other Liabilities

Other liabilities as of September 30 were as follows:

	2004	2003
Accrued Salaries and Benefits	\$846,112	\$768,301
Unfunded Separation Pay Liability	1,247,716	1,075,542
Unfunded Annual Leave	933,868	852,339
	<u>\$3,027,696</u>	<u>\$2,696,182</u>

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 \$1,247,716 as of September 30, 2004, and \$1,075,542 as of September 30, 2003.

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. For fiscal year 2004, the Commission incurred \$1,016,195 of pension and ORB costs, \$303,416 of which was imputed. For fiscal year 2003, the Commission incurred \$1,002,933 of pension and ORB costs, \$325,683 of which was imputed. Total imputed costs of \$608,416 for fiscal year 2004 and \$583,683 for fiscal year 2003 included audit services provided by GAO.

Note 8. Lease Agreements

The Commission has no capital leases. The Commission's Arlington, Virginia, headquarters, including office space for the WWII Memorial Project, are rented under a 10-year operating lease expiring in July 2007. The European Director's living quarters are rented under a yearly agreement. The Commission's Mediterranean Office occupies commercial office space under a 6-year operating lease expiring in May 2007. The Mediterranean Director's living quarters are rented under a 6-year operating lease expiring in

December 2007. Rent expense for these fiscal year 2004 operating leases was \$562,181. Future minimum payments due on these operating leases as of September 30, 2004, are as follows:

Fiscal Year	
2005	\$511,432
2006	501,963
2007	411,046
2008	10,456
	<u>\$1,434,897</u>

Note 9. Net Position

Net position balances as of September 30, 2004, were as follows:

	General Fund	Trust Funds		Total
		WWII	Other	
Unexpended Appropriations:				
Unobligated	\$16,935,677 ¹			\$16,935,677
Undelivered Orders	7,045,911			7,045,911
	<u>\$23,981,588</u>			<u>\$23,981,588</u>
Cumulative Results of Operations (deficit):				
Unrestricted	\$(8,034)	\$16,050,207	\$265,671	\$16,307,844
Undelivered Orders		1,519,594	50,008	1,569,602
Temporarily Restricted		733,769		733,769
Permanently Restricted				0
	<u>\$(8,034)</u>	<u>\$18,303,570</u>	<u>\$315,679</u>	<u>\$18,611,215</u>
Total Net Position	<u>\$23,973,554</u>	<u>\$18,303,570</u>	<u>\$315,679</u>	<u>\$42,592,803</u>

Net position balances as of September 30, 2003, were as follows:

	General Fund	Trust Funds		Total
		WWII	Other	
Unexpended Appropriations:				
Unobligated	\$10,048,160 ²			\$10,048,160
Undelivered Orders	12,756,682			12,756,682
	<u>\$22,804,842</u>			<u>\$22,804,842</u>
Cumulative Results of Operations:				
Unrestricted	\$14,721	\$50,757,726	\$211,021	\$50,983,468
Undelivered Orders		9,922,037	69,338	9,991,375
Temporarily Restricted		1,380,777		1,380,777
Permanently Restricted				0
	<u>\$14,721</u>	<u>\$62,060,540</u>	<u>\$280,359</u>	<u>\$62,355,620</u>
Total Net Position	<u>\$22,819,563</u>	<u>\$62,060,540</u>	<u>\$280,359</u>	<u>\$85,160,462</u>

¹ Includes \$13,433,494 for design and construction of the Normandy Interpretive Center, consisting of \$512,594 unobligated from a \$5,000,000 no-year appropriation earmark for FY 2002, \$3,974,000 unobligated (after a \$26,000 rescission) from a \$4,000,000 no-year appropriation for FY 2003, and \$8,946,900 unobligated (after a \$53,100 rescission) from a \$9,000,000 no-year appropriation for FY 2004.

² Includes \$4,246,028 added for design and construction of the Normandy Interpretive Center, consisting of \$272,028 unobligated from a \$5,000,000 no-year appropriation earmark for FY 2002 and \$3,974,000 unobligated (after a \$26,000 rescission) from a \$4,000,000 no-year appropriation for FY 2003.

Note 10. Trust Fund – World War II Memorial Fund Program

Financial progress since the inception of the fund in fiscal year 1993 through fiscal year 2004 is as follows:

Costs	2004	Total 1993-2004*
Fundraising	\$2,370,080	\$36,567,258
Administration	1,712,123	9,558,713
Memorial project costs	111,708	1,919,617
Property, plant and equipment	2,404	264,686
Education		426,834
Subtotal	4,196,315	48,737,108
Design and Construction	43,309,623	130,029,989
Net Cost of Operations	47,505,938	178,767,097
Financing Sources		
Coin surcharge proceeds		4,797,329
Department of Defense		5,000,000
Sale of titanium		6,000,000
General support	3,113,731	165,836,556
Contributions	3,113,731	181,633,885
Investment earnings	635,237	15,436,782
Total Financing Sources	3,748,968	197,070,667
Net Results of Operations	\$(43,756,970)	\$18,303,570

*The amounts for prior fiscal years 1993 through 2003 were audited by GAO and presented in its reports GAO/AIMD-95-9 for fiscal year 1993; GAO/AIMD-96-24 for fiscal year 1994; GAO/AIMD-97-68R for fiscal years 1995 and 1996; GAO/AIMD-98-129R for fiscal year 1997; GAO/AIMD-99-74 for fiscal year 1998; GAO/AIMD-00-85 for fiscal year 1999; GAO-01-375 for fiscal year 2000; GAO-02-390 for fiscal year 2001, GAO-03-444 for fiscal year 2002, and GAO-04-404 for fiscal year 2003.

Note 11. Subsequent Events

On December 8, 2004, Public Law 108-447 appropriated \$41.1 million of no-year funds for the Commission's salaries and expenses for fiscal year 2005. The Commission plans to use \$9.1 million of this

appropriation toward the construction of a new interpretive and visitors' center at the American Cemetery in Normandy, France, according to H.R. Conf. Rep. No. 108-792 (Nov. 19, 2004). This brings appropriated funding for the center for fiscal years 2002 through 2005 to a total of \$27.1 million for design and construction. Public Law 108-447 also provided \$12.0 million of no-year appropriations for the Foreign Currency Fluctuation Account.

On November 1, 2004, the Commission signed an agreement with the National Park Service to formally transfer the National WWII Memorial to the Service for its future care and maintenance.



*World War II
Memorial Atlantic
pavilion. Photo ©
Richard Latoff*

REQUIRED SUPPLEMENTARY STEWARDSHIP INFORMATION

American Battle Monuments Commission
Statement of Heritage Assets
September 30, 2004
(Unaudited)

24 CEMETERIES

Name	Location	Interred	Memorialized	Acres	War
<i>European Region</i>					
Aisne Marne American Cemetery	Belleau (Aisne), France	2,290	1,060	42.5	WW I
Ardennes American Cemetery	Neupre, Belgium	5,328	462	90.5	WW II
Brittany American Cemetery	St. James (Manche), France	4,410	498	7.5	WW II
Brookwood American Cemetery	Brookwood, England	468	563	4.5	WW I
Cambridge American Cemetery	Cambridge, England	3,812	5,126	30.5	WW II
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
Henri-Chapelle American Cemetery	Henri-Chapelle, Belgium	7,992	450	57.0	WW II
Lorraine American Cemetery	St. Avold (Moselle), France	10,489	444	113.5	WW II
Luxembourg American Cemetery	Luxembourg	5,076	371	48.7	WW II
Meuse-Argonne American Cemetery	Romagne (Meuse), France	14,246	954	130.5	WW I
Netherlands American Cemetery	Margraten, Netherlands	8,301	1,723	65.5	WW II
Normandy American Cemetery	Colleville-Sur-Mer, France	9,387	1,557	172.5	WW II
Oise-Aisne American Cemetery	Fere-en-Tardenois, France	6,012	241	36.5	WW I
Somme American Cemetery	Bony (Aisne), France	1,844	333	14.3	WW I
St. Mihiel American Cemetery	Thiaucourt, Meurthe, France	4,153	284	40.5	WW I
Suresnes American Cemetery	Seine, France	1,565	974	7.5	WW I/II
<i>Mediterranean Region</i>					
Florence American Cemetery	Florence, Italy	4,402	1,409	70.0	WW II
North Africa American Cemetery	Carthage, Tunisia	2,841	3,724	27.0	WW II
Rhone American Cemetery	Draguignan, Var, France	861	294	12.5	WW II
Sicily-Rome American Cemetery	Nettuno, Italy	7,861	3,095	77.0	WW II
<i>Other</i>					
Corozal American Cemetery	Panama City, Panama	5,301		16.0	*
Mexico City American Cemetery	Mexico City, Mexico	1,563		1.0	Mex Am
Manila American Cemetery	Luzon, Philippines	17,206	36,282	152.0	WW II
Subtotal for Cemeteries		131,031	60,311	1,272.3	

*Acquired by Executive Order from the former Panama Canal Zone.

American Battle Monuments Commission
Statement of Heritage Assets
September 30, 2004
(Unaudited)

25 FEDERAL MEMORIALS, MONUMENTS & MARKERS

Name	Location	Interred	Memorialized	Acres	War*
East Coast Memorial	New York City, NY		4,609	0.8	WW II
Honolulu Memorial	Honolulu, HI		28,800	1.0	WW II/K/V
West Coast Memorial	San Francisco, CA		412	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
Marine Monument Belleau Wood	Aisne, France			199.6	WW I
Montfaucon Monument	Montfaucon, France			9.6	WW I
Montsec Monument	Thiaucourt, France			47.5	WW I
Papua Marker	Port Moresby, New Guinea				WW II
Point 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				SAW
Sommepey Monument	Sommepey, 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 Memorial	Casablanca, Morocco				WW II
Subtotal for Memorials		0	33,821	368.9	
Grand Total		131,031	94,132	1,641.2	

*K = Korea, SAW = Spanish American War, V = Vietnam

American Battle Monuments Commission
Statement of Heritage Assets
September 30, 2004
(Unaudited)

4 NON-FEDERAL MEMORIALS

Name	Location	War
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

American Battle Monuments Commission
Note to Statement of Heritage Assets
September 30, 2004
(Unaudited)

Maintenance, Repairs, and Improvements

Maintenance and repairs performed on real property consisting of land improvements, buildings, and memorials totaled \$4.7 million in fiscal year 2004 and \$4.0 million in fiscal year 2003. 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 backlogs existed as of September 30, 2003, and 2004.

Condition assessment surveys, using a five-point scale of one (excellent) to five (very poor), identify needed future maintenance and repair projects at cemeteries and memorials in order to maintain real property in an acceptable condition of three (fair) or better. 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, 2004, the Commission has identified a total of 360 maintenance, repair, and improvement projects, with an estimated cost of \$11.1 million, to be performed in future years, subject to available funding.



A winter scene at Rhone Cemetery



Corozal American Cemetery, Panama



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