

How This Report is Organized

The State Department's Fiscal Year 2017 Agency Financial Report (AFR) provides financial and performance information for the fiscal year beginning October 1, 2016, and ending on September 30, 2017, with comparative prior year data, where appropriate. The AFR demonstrates the agency's commitment to its mission and accountability to Congress and the American people. This report presents the Department's operations, accomplishments, and challenges. The AFR begins with a message from the Secretary of State, Rex W. Tillerson. This introduction is followed by three main sections and appendices. In addition, a series of "In Focus" sidebars are interspersed to present useful information on the Department.

SECTION I: MANAGEMENT'S DISCUSSION AND ANALYSIS

Section I provides an overview of the Department's performance and financial information. It includes a brief history of the Department and describes the agency's organizational structure. This section briefly highlights the Department's goal areas, its focus on developing priorities, and provides an overview of major program areas. The section also highlights the agency's financial results, and provides management's assurances on the Department's internal controls.

SECTION II: FINANCIAL SECTION

Section II begins with a message from the Comptroller. This section details the Department's financial status and includes the audit transmittal letter from the Inspector General, the independent auditor's reports, and the audited financial statements and notes. The Required Supplementary Information included in this section provides a combining statement of budgetary resources, the condition of heritage asset collections, and a report on the Department's year-end deferred maintenance and repairs.

SECTION III: OTHER INFORMATION

Section III begins with the Inspector General's statement on the agency's management and performance challenges followed by management's responses. The section also includes a summary of the results of the Department's financial statement audit and management assurances and describes



Secretary Tillerson delivers opening remarks at the Meeting of the Ministers of the Global Coalition on the Defeat of ISIS in Washington, D.C., March 22, 2017. *Department of State*

the Department's financial legal requirements, as well as payment integrity efforts, resource management systems, a summary of the Department's heritage assets, and the status of OMB's Reduce the Footprint policy.

APPENDICES

The appendices include data that supports the main sections of the AFR. This includes a glossary of abbreviations and acronyms used in the report and a map of the Department of State's locations across the globe.