



UNITED STATES DEPARTMENT OF COMMERCE
Office of Inspector General
Washington, D.C. 20230

March 21, 2012

MEMORANDUM FOR: Scott B. Quehl
Chief Financial Officer and Assistant Secretary for Administration

FROM: Ann C. Eilers *Ann C. Eilers*
Principal Assistant Inspector General for Audit and Evaluation

SUBJECT: Fiscal Year (FY) 2012 Financial Statement Audit

As part of our FY 2012 audit and evaluation plan, we have contracted with KPMG LLP, an independent certified public accounting firm, to audit the Department's FY 2012 consolidated financial statements in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Office of Management and Budget (OMB) requirements.

The objective of the audit is to determine whether the financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles. KPMG will also consider the Department's internal controls over financial reporting and test compliance with certain provisions of laws, regulations, contracts, and grant agreements that could have a direct and material effect on the financial statements.

My office will oversee the progress of the audit in accordance with U.S. Government Accountability Office/President's Council on Integrity and Efficiency guidelines and ensure that KPMG performs the audit in accordance with professional standards, OMB requirements, and the terms of the contract.

An entrance conference was held on March 9, 2012, for the consolidated audit. If you have any questions, please call me at (202) 482-2754, or Andrew Katsaros, Assistant Inspector General for Audit, at (202) 482-7859.

cc: Lisa Casias, Deputy CFO and Director for Financial Management
Peter Petrianni, OS Audit Liaison
Susan Schultz Searcy, OCIO Audit Liaison
Lucas Hitt, BEA Audit Liaison
Mark Crace, BIS Audit Liaison
Adam Miller, Census Audit Liaison
Deborah Neff, EDA Audit Liaison
Justin Guz, ITA Audit Liaison
Tania White, MBDA Audit Liaison
Rachel Kinney, NIST Audit Liaison
Mack Cato, NOAA Audit Liaison
Milton Brown, NTIA Audit Liaison
Andrea Patterson, NTIS Audit Liaison
Welton Lloyd, USPTO Audit Liaison