March 21, 2012

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

FROM: 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
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    Tania White, MBDA Audit Liaison
    Rachel Kinney, NIST Audit Liaison
    Mack Cato, NOAA Audit Liaison
    Milton Brown, NTIA Audit Liaison
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