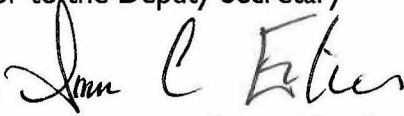




**UNITED STATES DEPARTMENT OF COMMERCE**  
**Office of Inspector General**  
Washington, D.C. 20230

March 25, 2013

**MEMORANDUM FOR:** Ellen Herbst  
Senior Advisor to the Deputy Secretary

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

**SUBJECT:** Fiscal Year 2013 Financial Statement Audit

As part of our FY 2013 audit and evaluation plan, we have contracted the independent certified public accounting firm KPMG LLP to audit the Department's FY 2013 consolidated financial statements in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Office of Management and Budget (OMB) requirements. The audit is required by the Government Management Reform Act of 1994.

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 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 18, 2013. 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  
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