

# Spotlight

Department of Homeland Security



## Office of Inspector General

February 2013 OIG-13-38

### Why This Matters

Internal control when designed and operating effectively allows management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. If implemented, the observations and recommendations contained in our report could improve internal control or result in other operating efficiencies in financial management.

## Management Letter for the FY 2012 DHS Financial Statements and Internal Control over Financial Reporting Audit

### What We Determined

KPMG LLP (KPMG), under contract with Department of Homeland Security (DHS), Office of Inspector General, conducted an audit of the Department's fiscal year (FY) 2012 consolidated financial statements and an examination of internal control over financial reporting. KPMG expressed a qualified opinion on the financial statements, but was unable to form an opinion on DHS' internal control over financial reporting. KPMG noted certain matters involving internal control and other operational matters that resulted in 114 financial management comments and 215 recommendations. These observations, all of which were discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies. These comments are in addition to the significant deficiencies presented in our Independent Auditors' Report, dated November 14, 2012, included in the FY 2012 DHS Annual Financial Report.

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### For Further Information:

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