



### Why This Matters

The Federal Government has a fundamental responsibility to be an effective steward of taxpayers' dollars. Sound financial practices and related management operations are critical to achieving the U.S. Customs and Border Protection's (CBP) mission and to providing reliable, timely, financial information to support management decision-making.

### DHS Response

CBP agreed with the Independent Public Accountant's unqualified opinion on its FY 2012 consolidated financial statements. CBP concurs with the one material weakness and the three significant deficiencies. Mission Action Plans outlining CBP's strategy to correct these conditions have been prepared, and CBP will work to resolve all auditor-identified weaknesses.

## Independent Auditors' Report on U.S. Customs and Border Protection's FY 2012 Financial Statements

### What We Determined

The independent public accounting firm KPMG LLP (KPMG), CBP's financial statement auditor, has issued a "unqualified" opinion regarding CBP's consolidated financial statements as of and for the years ended September 30, 2012 and September 30, 2011.

The report discusses four significant deficiencies in internal control, one of which is considered a material weakness. KPMG's review did not disclose any instances of noncompliance with laws and regulations.

### What We Recommend

KPMG made 18 recommendations to help improve significant deficiencies in internal control, one of which is considered a material weakness. The recommendations address issues related to:

Significant Deficiency that is considered to be a material weakness:

A. Drawback of Duties, Taxes, and Fees

Other Significant Deficiencies:

B. Property, Plant, and Equipment

C. Entry Process

D. Information Technology

### For Further Information:

Contact our Office of Public Affairs at (202)254-4100, or email us at [DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov)