



Why This Matters

Each year, issues related to information technology (IT) control deficiencies are identified at the component level during the Department Homeland Security (DHS) annual financial statement audit. Although DHS took corrective action to address its prior year IT control deficiencies, issues continued to be identified that impact DHS' financial data. Collectively these deficiencies negatively impact the internal controls over DHS' financial reporting and its operation, and are considered to contribute to a material weakness at the Department level under American Institute of Certified Public Accountants standards.

DHS Response

DHS concurred with the report's observations and remains fully committed to addressing the outstanding issues identified in the report.

For Further Information:

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

Information Technology Management Letter for the FY 2013 DHS Financial Statement Audit

What We Determined

The Office of Inspector General contracted with the independent public accounting firm KPMG LLP (KPMG) to audit the DHS fiscal year (FY) 2013 consolidated financial statement. During the fiscal year (FY) 2013 assessment of general information technology and application controls, KPMG noted that the DHS made some progress in remediation of IT findings reported in FY 2012. KPMG identified approximately 103 total findings, of which approximately 69 percent are repeated from last year. Approximately 35 percent of the repeat findings were for IT deficiencies that management represented were corrected during FY 2013. The new findings in FY 2013 resulted both from additional IT systems and business processes within the scope of our audit this year and from control deficiencies identified in area which were effective in previous years, and were noted at all DHS components. DHS financial system functionality limitations add substantially to the Department's challenges of addressing systemic internal control weaknesses and limit the Department's ability to leverage IT systems to effectively and efficiently process and report financial data.