



Audit of the International Cooperative Administrative Services' 2005 and 2004 Financial Statements

Under OIG's direction, an independent external auditor audited the International Cooperative Administrative Support Services (ICASS) financial statements as of September 30, 2005 and 2004, in order to report on whether the financial statements presented fairly ICASS' financial position and results of financial operations in accordance with generally accepted accounting principles, to determine whether ICASS had an internal control structure that provided reasonable assurance of achieving internal control objectives, and to determine whether ICASS complied with applicable laws and regulations.

The independent external auditor issued an unqualified opinion on ICASS' financial statements as of September 30, 2005. Although LGB issued an unqualified opinion, the report brought to management's attention concerns about the recording of personal property, related depreciation expense, and accumulated depreciation. In addition, the Department's information system security was weak and its financial and accounting system was inadequate, which is both an internal control weakness and an issue of noncompliance with several laws and regulations.

The fieldwork for OIG Report AUD/FM-07-18 (February 2007) was conducted by an independent external contractor, Leonard G. Birnbaum and Company, LLP. This is an unclassified summary of a full report, which may receive limited official distribution.

Office of Inspector General

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