

Memorandum

May 1, 2007

JA-20

Date:

Reply to

Attn. of:

Office of the Secretary of Transportation

Office of Inspector General

Subject: INFORMATION: Notification of Audit –

SAS 70 Review of the Delphi Financial

Management System Controls Project Number: 07F3009F000

From: Rebecca Leng

Rebecca Leng
Assistant Inspector General

for Financial and Information Technology Audits

To: Larry Neff

Deputy Chief Financial Officer, DOT

The Department of Transportation (DOT) has been designated by the Office of Management and Budget (OMB) as a Shared Service Provider to provide crossagency accounting system services with its Delphi financial management system. OMB requires service organizations to provide client agencies with an independent audit report describing associated internal controls in accordance with Statement of Auditing Standard (SAS) 70.

The Office of Inspector General (OIG) has contracted with Clifton Gunderson, LLP, of Calverton, Maryland to examine the computer controls as well as the input, processing, and output controls built into the Delphi system. This will enable all financial statement auditors for DOT and its client agencies to use the Delphi audit results in planning for their FY 2007 Financial Statement audits.

The objectives of the audit are to determine whether (1) management's description presents fairly the Delphi Financial Management System controls actually placed in operation and (2) controls are suitably designed and operating effectively.

The audit will be conducted at DOT Headquarters in Washington DC, and the Mike Monroney Aeronautical Center in Oklahoma City, Oklahoma, by Clifton Gunderson, LLP, subject to OIG oversight.

We will contact your audit liaison to schedule an entrance conference. The Project Manager for this audit is Joann Adam. If you have questions, please call me at (202) 366-1496 or Ed Densmore, Program Director, at (202) 366-4350.

#

cc: Assistant Secretary for Budget and Programs/Chief Financial Officer, DOT Chief Information Officer, DOT Chief Information Officer, FAA Chief Financial Officer, FAA Director, MMAC Martin Gertel, M-1 Anthony Williams, ABU-100 J B Morgan, AMK-10