



Report on Audit of Budget System Review

September 2005

Reference Number: 2005-1C-173

This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.




TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 29, 2005

MEMORANDUM FOR DAVID A. GRANT
DIRECTOR OF PROCUREMENT
INTERNAL REVENUE SERVICE

FROM: 
Daniel R. Devlin
Assistant Inspector General for Audit (Headquarters Operations
and Exempt Organizations Programs)

SUBJECT: Report on Audit of Budget System Review (Audit # 20051C0239)

The Defense Contract Audit Agency (DCAA) examined the contractor's budget and planning system as of March 21, 2005, to assure that the contractor's budget and planning system and related internal controls comply with applicable laws and regulations and are operating effectively. Test procedures were applied from October 1, 2004, through March 21, 2005.

According to the DCAA, the contractor's budget and planning system and related internal control policies and procedures are adequate. However, during the course of its examination, the DCAA noted other matters involving the budget and planning system and related internal controls which, although not considered to be significant deficiencies at this time, the DCAA believes should be communicated to management. These matters are detailed in the "Suggestions to Improve the System."

The DCAA examined only the budget and planning system. Accordingly, the DCAA expresses no opinion on the contractor's system of internal controls taken as a whole.

The information in this report should not be used for purposes other than those intended without prior consultation with the Treasury Inspector General for Tax Administration regarding their applicability.

If you have any questions, please contact me at (202) 622-8500 or John R. Wright, Director, at (202) 927-7077.

Attachment

NOTICE:

The Office of Inspector General for Tax Administration has no objection to the release of this report, at the discretion of the contracting officer, to duly authorized representatives of the contractor.

The contractor information contained in this report is proprietary information. The restrictions of 18 U.S.C. § 1905 must be followed in releasing any information to the public.

This report may not be released without the approval of this office, except to an agency requesting the report for use in negotiating or administering a contract with the contractor.

