



Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation
Office of Inspector General

Subject: **INFORMATION:** Quality Control Review on
the Single Audit of the City and County of
Denver, CO
Report No. QC-2015-072

Date: August 13, 2015

From: George E. Banks, IV
Program Director for Single Audit

Reply to
Attn. of: JA-20

To: Regional Administrator, FAA, Northwest Mountain Region

The U. S. Department of Transportation (DOT) is the cognizant Federal single audit agency for the City and County of Denver, CO (Denver). This report presents the results of our Quality Control Review (QCR) on the DOT's major grant program included in the single audit of Denver that BKD LLP (BKD) performed for Denver's fiscal year ended December 31, 2013. During this period, Denver expended approximately \$48 million from DOT grant programs. BKD determined that DOT's major program was the Airport Improvement Program.

The Office of Management and Budget's (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," requires the auditor to render an opinion on the entity's financial statements, identify inappropriate use of Federal funds, and report internal control and compliance deficiencies that affect Federal grant programs.

BKD rendered an unmodified opinion on Denver's financial statements and compliance with DOT's major program requirements and did not question any costs.¹

¹ The single audit report that BKD issued is available upon request to singleauditrequest@oig.dot.gov.

SCOPE

The purpose of our QCR was to determine: (1) whether the audit work complied with the Single Audit Act of 1984, as amended, and OMB Circular A-133; and (2) the extent to which we could rely on the auditors' work on DOT's major program, the Airport Improvement Program.

RESULTS

Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*, and based on our QCR, the overall rating assigned to BKD's work is a **Pass**. Therefore, BKD met the requirements of the Single Audit Act, OMB Circular A-133, and DOT's major program. We found nothing to indicate that BKD's opinion on DOT's major program was inappropriate or unreliable.

If you have any questions concerning this report, please call me at (410) 962-1729, or John R. Sysak, DOT's National Single Audit Coordinator, at (410) 962-2630.

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cc: Audit Liaison, FAA, ACO-1
Audit Liaison, FAA Northwest Mountain Region, ANM-620
Audit Liaison, OST, M-1
Controller, City and County of Denver
Managing Partner, BKD, LLP