



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 San Francisco Municipal
Transportation Agency, California
Report No. QC-2014-106

Date: September 12, 2014

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

Reply to
Attn. of: JA-20

To: Regional Administrator, FTA, Region IX

The U. S. Department of Transportation (DOT) is the cognizant Federal single audit agency for the San Francisco Municipal Transportation Agency, California (SFMTA). This report presents the results of our Quality Control Review (QCR) on the DOT's major grant program included in the single audit of SFMTA performed by KPMG LLP (KPMG) for SFMTA's fiscal year ended June 30, 2013. During this period, SFMTA expended approximately \$107 million from DOT grant programs. KPMG determined that DOT's major program was the Federal Transit Cluster.

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.

KPMG rendered an unmodified opinion on SFMTA's financial statements and compliance with DOT's major program requirements for the Federal Transit Cluster and did not question any costs.¹

¹ The single audit report issued by KPMG LLP 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 Federal Transit Cluster.

RESULTS

We determined that KPMG's audit work was *Acceptable*, and therefore, met the requirements of the Single Audit Act, OMB Circular A-133, and DOT's major program. We found nothing to indicate that KPMG'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 National Single Audit Coordinator, at (410) 962-2630.

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cc: Audit Liaison, FTA, TPM-2
Audit Liaison, OST, M-1
Capital projects & Grants Accounting Manager, SFMTA
Partner, KPMG