

**QUALITY CONTROL REVIEW OF  
AUDITED FINANCIAL STATEMENTS FOR  
FISCAL YEARS 2007 AND 2006**

*National Transportation Safety Board*

*Report Number: QC-2008-009*

*Date Issued: November 9, 2007*



U.S. Department of  
Transportation  
Office of the Secretary  
of Transportation

Office of Inspector General  
Washington, DC 20590

November 9, 2007

The Honorable Mark V. Rosenker  
Chairman  
National Transportation Safety Board  
490 L'Enfant Plaza SW  
Washington, DC 20594

Dear Chairman Rosenker:

The audit of the National Transportation Safety Board's (NTSB) Financial Statements, as of and for the years ended September 30, 2007, and September 30, 2006, was completed by Leon Snead & Company, P.C., of Rockville, Maryland (see Enclosure). We performed a quality control review of the audit work to ensure that it complied with applicable standards. These standards include the Chief Financial Officers Act; the Accountability of Tax Dollars Act of 2002; Generally Accepted Government Auditing Standards; and Office of Management and Budget Bulletin 07-04, "Audit Requirements for Federal Financial Statements."

Snead & Company concluded that the financial statements presented fairly, in all material respects, the financial position, net cost, changes in net position, and budgetary resources of the NTSB as of and for the years ended September 30, 2007, and September 30, 2006, in conformity with accounting principles generally accepted in the United States.

The Snead & Company report presented two material internal control weaknesses, one significant deficiency, and one instance of noncompliance with laws and regulations.

***Material Weaknesses***

1. NTSB IT Security Program Not in Compliance with FISMA
2. Accounting Operations - Selected Controls and Processes Need Strengthening

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***Significant Deficiency***

1. Cost Accounting

***Noncompliance with Laws and Regulations***

1. Antideficiency Act Violation

Snead & Company made four recommendations for corrective action; we agree with them and, therefore, are making no additional recommendations. NTSB concurred with the material weaknesses, significant deficiency, and noncompliance; agreed with the recommendations; and committed to implementing corrective actions by June 30, 2008.

In our opinion, the audit work performed by Snead & Company complied with applicable standards.

We appreciate the cooperation and assistance of NTSB and Snead & Company representatives. If we can answer questions or be of any further assistance, please call me at (202) 366-1496 or Earl C. Hedges, Program Director, at (410) 962-1729.

Sincerely,



Rebecca C. Leng  
Assistant Inspector General for Financial and  
Information Technology Audits

Enclosure