

**QUALITY CONTROL REVIEW OF
AUDITED FINANCIAL STATEMENTS FOR
FY 2005 AND FY 2004**

National Transportation Safety Board

Report Number: QC-2006-008

Date Issued: November 7, 2005



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

The Inspector General

Office of Inspector General
Washington, DC 20590

November 7, 2005

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

Dear Acting Chairman Rosenker:

The audit of the National Transportation Safety Board's (NTSB) Financial Statements, as of and for the years ended September 30, 2005, and September 30, 2004, 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 Accountability of Tax Dollars Act of 2002; Generally Accepted Government Auditing Standards; and Office of Management and Budget Bulletin 01-02, "Audit Requirements for Federal Financial Statements."

The Snead & Company audit report concluded that the financial statements presented fairly, in all material respects, the financial position, net cost, changes in net position, budgetary resources, and financing of the NTSB as of and for the years ended September 30, 2005 and September 30, 2004, in conformity with generally accepted accounting principles. We concur with this unqualified or "clean" opinion. The report presented one material internal control weakness related to implementation of an agency-wide information security program. More specifically, NTSB did not make a strong commitment to implement an agency-wide information system security program that would ensure its management information systems were adequately protected against unauthorized use. NTSB had already reported this weakness to the President in its September 30, 2005 Federal Managers' Financial Integrity Act report. The Snead & Company report also included one instance of noncompliance with the Anti-Deficiency Act, which was also previously reported to the President and the Office of Management and Budget on December 19, 2003.

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Snead & Company made no recommendations regarding the information security program weakness because the Office of Inspector General already issued recommendations to address the problems in a recent report (OIG Report FI-2006-001, "Information Security Program," October 7, 2005).

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) 366-1992 or Rebecca Leng, the Assistant Inspector General for Information Technology and Computer Security, at (202) 366-1496.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ted Alves', with a stylized flourish at the end.

Theodore P. Alves
Principal Assistant Inspector General
for Auditing and Evaluation

Enclosure