

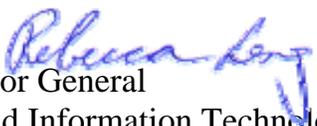


U.S. Department of
Transportation
Office of the Secretary
of Transportation
Office of Inspector General

Memorandum

Subject: INFORMATION: Notification of Audit —
Contracted SAS 70 Review of the Delphi Financial
Management System
Project Number: 06F3001F000

Date: April 11, 2006

From: Rebecca Leng 
Assistant Inspector General
for Financial and Information Technology Audits

Reply to
Attn. of: JA-20

To: Larry Neff
Deputy Chief Financial Officer, DOT

The Department of Transportation (DOT) has been designated by the Office of Management and Budget (OMB) as a Center of Excellence to provide cross-agency accounting system services with its Delphi financial management system. OMB requires service organizations to provide client agencies with an independent audit report describing system controls. Therefore, the Office of Inspector General (OIG) initiated a contract audit of the Delphi financial management system based on management's assertions of the controls placed into operation. The objective of the audit is to examine the computer controls over the information technology and data processing environment, as well as the input, processing, and output controls built into the Delphi system.

Our independent contractor will render an opinion on the effectiveness of those controls for the 8 month period from October 1, 2005 through May 31, 2006. The final audit report will be issued by June 30, 2006. The independent contractor will also perform additional testing and prepare a follow-up audit letter covering the remainder of the fiscal year describing whether the control environment has significantly changed. The letter will be issued by September 30, 2006. This will enable all financial statement auditors for DOT and its client agencies to use the Delphi audit results for their FY 2006 Financial Statement audits.

The audit will be conducted at DOT Headquarters in Washington DC, and the Mike Monroney Aeronautical Center in Oklahoma City, Oklahoma, by Clifton Gunderson, LLP, an independent external auditor subject to OIG oversight. The

audit will be conducted in accordance with Standards established by the American Institute of Certified Public Accountants and applicable Generally Accepted Government Auditing Standards.

If you have questions, please call me at (202) 366-1496 or Ed Densmore, Program Director, at (202) 366-4350.

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cc: Assistant Secretary for Budget and Programs/Chief Financial Officer, OST
Acting Chief Information Officer, DOT
Chief Information Officer, FAA
Chief Financial Officer, FAA
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