

**OFFICE OF THE INSPECTOR GENERAL, AUDIT DIVISION  
ANALYSIS AND SUMMARY OF ACTIONS NECESSARY  
TO CLOSE THE REPORT**

The Department's management was provided a draft of the independent auditors' report on internal control and their comments on the findings and recommendations were considered in preparing this Analysis and Summary of Actions Necessary to Close the Report. Since management concurred with all of the recommendations, this report is being issued as resolved. We will continue to review the actions taken during future financial statement audits in order to assess whether the findings have been adequately addressed and recommendations implemented. Depending on the recommendation, it will be closed either when the action requested is completed or subsequent audit testing verifies the adequacy of corrective actions. In the case of a repeat recommendation, the report recommendation will be immediately closed upon report issuance, but will continue to be followed up in the prior report where the recommendation was initially made.

**Internal Control Recommendation Number:**

1. **Closed.** We will continue to follow up on this recommendation through our monitoring of the status of recommendation number 1 in our prior financial statement audit report for fiscal year 2000, OIG Report Number 01-07.
2. **Resolved.** This recommendation can be closed when the Department has selected a new Unified Financial Management System and awarded the contract.
3. **Closed.** We will continue to follow up on this recommendation through our monitoring of the status of recommendation number 4 in our prior financial statement audit report for fiscal year 2001, OIG Report Number 02-06.
4. **Resolved.** This recommendation can be closed when the Department provides documentation of its efforts to provide detailed training to components' program and finance staffs responsible for financial management.
5. **Closed.** We will continue to follow up on this recommendation through our monitoring of the status of recommendation number 2 in our prior financial statement audit report for fiscal year 2000, OIG Report Number 01-07.

This page is intentionally blank.