The U. S. Department of Transportation (DOT) is the cognizant Federal single audit agency for the Metropolitan Atlanta Rapid Transit Authority (Authority) of Atlanta, GA. This report presents the results of our Quality Control Review (QCR) on DOT’s major grant programs included in the single audit of the Authority that Cherry Bekaert LLP performed for the Authority’s fiscal year ended June 30, 2016. During this period, the Authority expended approximately $108 million from DOT grant programs. Cherry Bekaert determined that DOT’s major programs were the Federal Transit Cluster and Transit Services Programs Cluster.

Title 2 of the Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), 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.

Cherry Bekaert rendered an unmodified opinion on the Authority’s financial statements and compliance with each of DOT’s major programs’ requirements and did not question any costs.1

SCOPE

The purpose of our QCR was to determine: (1) whether the audit work and reporting package complied with the Single Audit Act of 1984, as amended, and

1 A copy of Cherry Bekaert’s single audit report is available by request to singleauditrequest@oig.dot.gov.
the Uniform Guidance; and (2) the extent to which we could rely on the auditors’ work on DOT’s major programs, the Federal Transit Cluster and Transit Services Programs Cluster.

RESULTS

Audit Work

Firms can receive a rating of pass, pass with deficiency(ies), or fail. Based on our QCR, we assigned an overall rating of pass with a deficiency to Cherry Bekaert’s work. Therefore, Cherry Bekaert generally met the requirements of the Single Audit Act, the Uniform Guidance, and DOT’s major programs. While we found nothing to indicate that Cherry Bekaert’s opinion on each of DOT’s major programs was inappropriate or unreliable, we found the following deficiency in Cherry Bekaert’s work that should be corrected in future audits.

Internal Controls Related to Special Tests and Provisions. Cherry Bekaert did not document that it (1) obtained an understanding of the internal controls, (2) planned its testing of the internal controls, or (3) tested the internal controls in order to support a low assessed level of control risk.

Reporting Package

We did not identify any deficiencies in the Authority’s reporting package submitted to the Federal Audit Clearinghouse.

If you have any questions concerning this report, please call me at (202) 420-1116, or John R. Sysak, DOT’s National Single Audit Coordinator, at (410) 962-2630.

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cc: The Secretary
    Audit Liaison, OST, M-1
    Audit Liaison, FTA, TSO-30
    Partner, Cherry Bekaert LLP
    Controller, Metropolitan Atlanta Rapid Transit Authority