



# Memorandum

U.S. Department of  
Transportation  
Office of Inspector General

Subject: **ACTION**: Report on Single Audit of the  
State of Tennessee  
Nashville, TN  
Report No. SA2017073

Date: August 9, 2017

From: George E. Banks, IV  
Program Director for Single Audit

Reply to  
Attn. of: JA-20

To: Divisional Administrator, FHWA, Tennessee Division Office

As part of our single audit program oversight responsibilities, we have downloaded the single audit report<sup>1</sup> of the State of Tennessee for the fiscal year ended June 30, 2016. An independent auditor performed the audit pursuant to the provisions of the Office of Management and Budget's Uniform Guidance and identified findings shown in the attachment to this memorandum.

Within 30 days of this report, your Agency should identify specific actions planned or taken to resolve the findings and provide a target action date for implementation of the recommendations. We will track the recommendations until your Agency provides documentation of final action. The recommendations will be considered closed upon our review and concurrence. All actions should be coordinated through your Agency's Single Audit Liaison. If you have any questions, please email [singleauditrequest@oig.dot.gov](mailto:singleauditrequest@oig.dot.gov).

cc: The Secretary  
DOT Appointee for Single Audits  
DOT Single Audit Liaison  
Audit Liaison, FHWA, HCFB-32

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<sup>1</sup> Copies of single audit reports prepared pursuant to the Uniform Guidance are available for download at <https://harvester.census.gov/facweb/>.

**SCHEDULE OF COMPLIANCE AND INTERNAL CONTROL FINDINGS**

<b>Finding #</b>	<b>Findings</b>	<b>Recommendation Code</b>	<b>Findings and Recommendations</b>
2016-066	<b>1. Non-Compliance with Procurement and Suspension and Debarment Requirements, Resulting in Questioned Costs of \$466,262</b>	A1	We recommend FHWA ensures that the State complies with procurement and suspension and debarment requirements.
		A2	We recommend that FHWA recovers \$466,262 from the State, if applicable.
2016-067	<b>2. Non-Compliance with Special Tests and Provisions Requirements, Resulting in Questioned Costs of \$78,578</b>	B3	We recommend FHWA ensures that the State complies with special tests and provisions requirements.
		B4	We recommend that FHWA recovers \$78,578 from the State, if applicable.