



U.S. DEPARTMENT OF TRANSPORTATION
OFFICE OF INSPECTOR GENERAL

**Report on a Single Audit of the
Confederated Tribes of the Colville
Reservation, Nespelem, WA**

FHWA

Report No. SA2018092

September 11, 2018





Report on a Single Audit of the Confederated Tribes of the Colville Reservation, Nespelem, WA

Self-Initiated

Federal Highway Administration | SA2018092 | September 11, 2018

What We Looked At

We reviewed the Confederated Tribes of the Colville Reservation's single audit report for the fiscal year ending September 30, 2017, in order to identify findings that affect directly awarded Department of Transportation programs. An independent auditor prepared the single audit report, dated June 28, 2018.

What We Found

We found that the report contained a reporting finding that needs prompt action from the Federal Highway Administration's (FHWA) management.

Recommendations

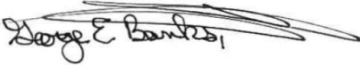
We recommend that FHWA ensures that the Confederated Tribes comply with the reporting requirements.



Memorandum

Date: September 11, 2018

Subject: ACTION: Report on a Single Audit of the Confederated Tribes of the Colville Reservation, Nespelem, WA | Report No. SA2018092



From: George E. Banks, IV
Program Director

To: Division Administrator, Federal Highway Administration (FHWA), Washington
Division Office

The Office of the Inspector General performs oversight of non-Federal auditors' single audit¹ reports and issues memoranda listing significant findings and recommendations requiring action by the Department of Transportation (DOT). When warranted, we also recommend that agencies recover funds that were inappropriately expended by non-Federal entities. Between 300 and 400 single audits reports are issued annually that include findings related to major programs directly funded by DOT.

We obtained the Confederated Tribes of the Colville Reservation's single audit report for the fiscal year ended September 30, 2017, from the Federal Audit Clearinghouse's Image Management System.² An independent auditor performed the audit in accordance with generally accepted Government auditing standards and the Office of Management and Budget's Uniform Guidance,³ and issued a

¹ A single audit, as required by the Single Audit Act of 1984, as amended, helps Government agencies and auditors oversee the expenditure of Federal funds by non-Federal entities.

² The Federal Audit Clearinghouse Image Management System is a public database of completed single audits—<http://harvester.census.gov/facweb/>—maintained by the U.S. Census Bureau on behalf of OMB.

³ Under Title 2 of the Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the auditor is required 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.

report⁴ dated June 28, 2018. See the table for the independent auditor's finding and our recommendation.

Within 30 days of this report, your Agency should identify specific actions planned or taken to resolve⁵ the independent auditor's finding, and provide a target action date for implementation of our recommendation. We will track the recommendation until your Agency provides documentation of final action. We will consider the recommendation 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 them to singleauditrequest@oig.dot.gov.

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

⁴ Copies of single audit reports are available at the Clearinghouse's website, <https://harvester.census.gov/facweb/>.

⁵ Pursuant to DOT Memorandum, *Policy and Procedures for Expediting Action on Single Audit Report Recommendations* (2009).

Table. Independent Auditor’s Findings and OIG Recommendations

Independent Auditor’s Finding Number	Independent Auditor’s Finding	OIG Recommendation Code ^a	OIG Recommendation
2017-002 ^b	Non-compliance with the reporting requirements	A1	We recommend that FHWA ensures that the Confederated Tribes comply with the reporting requirements.

^a We internally assign these codes and use them to track recommendations. We have included them as a convenience to the Department when responding to this report.

^b Caused a qualified opinion on Highway Planning and Construction Cluster.

Source: Independent auditor’s report

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Our Mission

OIG conducts audits and investigations on behalf of the American public to improve the performance and integrity of DOT's programs to ensure a safe, efficient, and effective national transportation system.

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