

**16C.89AA1 Target #1 Obtain an unmodified audit opinion on the FAA`s FY16 financial statements. This goal requires both an unmodified audit opinion and no material weaknesses identified by external independent auditors. Due September 30, 2016.**

Special Designations: OSI, STI

**Commentary (March 2016)**

KPMG has been on site at FAA HQ since March 21 and the audit is quickly picking up pace. They are planning visits to MMAC and several other locations to conduct their testing. They have provided us with their initial list of requested work products--262 items.

We are currently preparing Q2 financial statements, which are due to DOT on April 18 and to the auditors (for formal review) on April 20.

The new AFR-300 financial reporting manager started on April 4, 2016.

**Commentary (February 2016)**

KPMG held the financial statements audit entrance meeting on March 2, and has already begun work remotely. KPMG plans to be on site at FAA HQ beginning March 21.

We are currently preparing February financial data reports, and are also planning for Q2 financial statements reporting. Q2 marks the first set of financial statements that KPMG formally reviews. All financial reporting work is progressing on schedule at this time.

Challenge/Risk: The Logistics Center briefed KPMG on the status of the LCSS implementation. KPMG is aware that the timeline is aggressive and may be subject to change.

**Status Table (Qualitative Metric)**

Period	Actual
10/2015	Yellow
11/2015	Yellow
12/2015	Yellow
01/2016	Yellow
02/2016	Yellow
03/2016	Yellow

✓ Indicates that the item is complete.