

NORTHEAST REGIONAL OFFICE

Limited Audit of Financial and Administrative Controls

INTRODUCTION

The Office of Inspector General conducted a limited audit of the financial and administrative internal controls of the Northeast Regional Office (NERO). The audit procedures were limited to analyzing representations made by NERO staff, reviewing supporting documentation, and conducting some tests of transactions. The purpose of the audit was to provide the Commission with negative assurance that the internal controls were adequate, being implemented economically and efficiently, and in compliance with Commission policies and procedures¹.

BACKGROUND

The Northeast Regional Office is located in New York City. Assisted by the Boston and Philadelphia District Offices, it is responsible for administering Commission programs, subject to Commission oversight, in the states of Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia and West Virginia. In carrying out its responsibilities, NERO exercises a broad range of financial and administrative functions, including maintaining time and attendance records; procuring supplies and services; arranging for staff travel; maintaining an inventory of property; and recording budgeted and actual expenditures of the office.

AUDIT RESULTS

During the limited audit described above, no material weaknesses in the internal control structure involving NERO's financial and administrative functions came to our attention. We did not review the internal controls surrounding information technology because they will be reviewed as part of an upcoming audit of information technology management controls at NERO. Some minor internal control weaknesses were discussed with NERO management. NERO concurred with these findings and is implementing our recommendations.

The audit was performed in accordance with generally accepted government auditing standards from April 2004 to June 2004.

¹ Negative assurance means that no material internal control weaknesses came to our attention during our limited audit.