

# Independent Auditor's Report on the U.S. Department of State FY 2021 and FY 2020 Financial Statements AUD-FM-22-10, November 2021

## Summary of Audit

An independent external auditor, working on behalf of and under the direction of the Office of Inspector General, audited the U.S. Department of State's (Department) annual financial statements as of, and for the years ended, September 30, 2021 and 2020. The external auditor found that the financial statements present fairly, in all material respects, the financial position of the Department as of September 30, 2021 and 2020, and its net cost of operations, changes in net position, and budgetary resources for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The external auditor found certain reportable deficiencies in internal control. Specifically, the external auditor found significant deficiencies in the internal control over property and equipment, budgetary accounting, validity and accuracy of unliquidated obligations, financial reporting, and information technology. The external auditor also found instances of reportable noncompliance with laws, regulations, contracts, and grant agreements tested—specifically, the Antideficiency Act, the Prompt Payment Act, and the Federal Financial Management Improvement Act of 1996.