



**OFFICE of the  
INSPECTOR GENERAL**  
U.S. GOVERNMENT PUBLISHING OFFICE

MEMORANDUM  
OIG-26-006

**Date:**

January 20, 2026

**To:**

Director, U.S. Government Publishing Office

**From:**

Inspector General

**Subject:**

Management Letter – Fiscal Year 2025 Consolidated Financial Statements Audit,  
Report Number 26-02

In connection with the audit of the U.S. Government Publishing Office Fiscal Year 2025 Consolidated Financial Statements, we are providing the attached management letter issued by the independent public accounting firm of KPMG LLP (KPMG). The management letter identifies five deficiencies in internal controls discovered during the audit and provides five recommendations to enhance internal controls related to financial reporting. KPMG is responsible for the attached management letters dated January 20, 2026, and the status of prior year recommendations, including closures.

We appreciate the courtesies extended to KPMG and our staff. If you have any questions or comments about this report, please do not hesitate to contact Lori Lau Dillard, Assistant Inspector General for Audit, at [llaillard@gpo.gov](mailto:llaillard@gpo.gov), or me at [ndeahl@gpo.gov](mailto:ndeahl@gpo.gov).

A handwritten signature in blue ink, reading "Nathan J. Deahl".

NATHAN J. DEAHL  
Inspector General



**UNITED STATES GOVERNMENT PUBLISHING OFFICE**

**MANAGEMENT LETTER**

**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

**United States Government Publishing Office  
Management Letter  
For the Year Ended September 30, 2025  
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KPMG LLP  
Suite 12000  
1801 K Street, NW  
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January 20, 2026

Director  
United States Government Publishing Office

Inspector General  
United States Government Publishing Office

To the Director and Inspector General of the United States Government Publishing Office:

In planning and performing our audit of the consolidated financial statements of the United States Government Publishing Office (GPO) as of and for the year ended September 30, 2025, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, we considered GPO's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of GPO's internal control. Accordingly, we do not express an opinion on the effectiveness of GPO's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses and/or significant deficiencies and therefore, material weaknesses and/or significant deficiencies may exist that were not identified. In accordance with *Government Auditing Standards*, we issued our report dated January 20, 2026 on our consideration of GPO's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. During our audit we identified deficiencies in internal control which are described in Appendix A of this letter. Appendix B presents the status of prior year comments.

This purpose of this letter is solely to describe the deficiencies in internal control identified during our audit. Accordingly, this letter is not suitable for any other purpose.

Very truly yours,

**KPMG LLP**

## Appendix A

### Comments and Recommendations

#### **A. Deficiency in Personnel Action Request Review (25-NFR-01)**

The Government Publishing Office's (GPO's) employee separation review and approval control was not implemented in fiscal year (FY) 2025. During our internal control testing, we found that the final review and approval of the personnel action request (PAR) for one separated employee was not performed by an Agency Human Capital (AHC) Supervisor. The review was completed after we informed management of the lack of review, occurring more than 171 days after the employee's effective separation date and 110 days after all other required reviews were completed.

The Government Accountability Office (GAO) *Standards for Internal Control in the Federal Government* (September 2014), states:

Principle No. 4, *Demonstrate Commitment to Competence*: Management defines contingency plans for assigning responsibilities if a key role in the entity is vacated without advance notice. The importance of the key role in the internal control system and the impact to the entity of its vacancy dictates the formality and depth of the contingency plan.

Principle No. 10, *Design Control Activities*: Management designs appropriate types of control activities for the entity's internal control system. Control activities help management fulfill responsibilities and address identified risk responses in the internal control system...

*Accurate and Timely Recording of Transactions*: Transactions are promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life cycle of a transaction or event from its initiation and authorization through its final classification in summary records. In addition, management designs control activities so that all transactions are completely and accurately recorded.

Principle No. 12, *Implement Control Activities*: Management periodically reviews policies, procedures, and related control activities for continued relevance and effectiveness in achieving the entity's objectives or addressing related risks. If there is a significant change in an entity's process, management reviews this process in a timely manner after the change to determine that the control activities are designed and implemented appropriately. Changes may occur in personnel, operational processes, or information technology...Management considers these changes in its periodic review.

The United States Office of Personnel Management (OPM) *Guide to Processing Personnel Actions*, Chapter 1.1.3.A (July 2022), states:

Request for Personnel Action. For most of the personnel actions you process, there will be a Request for Personnel Action, Standard Form 52, or a similar agency form approved by the Office of Personnel Management as an exception to the Standard Form 52. The Standard Form 52 is usually initiated by the office or supervisor who wants to take a personnel action, such as the appointment of an employee; occasionally the personnel office initiates the form. The requester completes one part of the Standard Form 52 and forwards it to others (such as the budget office) whose approval is required by the agency. The form is then sent to the personnel office for review and clearance by classification, staffing, and other personnel specialists, and for signature by the individual(s) to whom authority to approve personnel actions (appointing authority) has been delegated.

The deficiency occurred because the AHC did not appropriately assign a Supervisor to review and approve the retirement PARs at the time that all other reviews were completed for the separation. Further the initial supervisor had separated from GPO, and AHC did not reassign the action to another supervisor for final review. Additionally, after the assigned supervisor was rehired, the AHC did not reassign the PAR for final review and approval.

Ineffective controls over the review and approval of employee separations increases the risk that an employee separation is inaccurate or unauthorized, which may result in a misstatement in personnel compensation and benefits expense.

We recommend that GPO strengthen the controls related to the review and approval of employee separation personnel actions and reinforce the requirements in OPM's *Guide to Processing Personnel Actions*, specifically as it relates to the timeliness of review and approval.

#### **B. Deficiency in Commercial Printing Invoice Review (25-NFR-02)**

GPO's control for reviewing commercial printing vendor invoices was not appropriately implemented to ensure that the supporting documentation for all costs billed on the vendor invoice was correctly reviewed prior to certification. During our control testing, we found that the invoice examiner certified the invoice without reviewing the supporting documentation for an economic price adjustment for one certified vendor invoice.

GAO's *Standards for Internal Control in the Federal Government* (September 2014), states:

Principle No. 10, *Design Control Activities*: Management designs appropriate types of control activities for the entity's internal control system. Control activities help management fulfill responsibilities and address identified risk responses in the internal control system...

*Accurate and Timely Recording of Transactions*: Transactions are promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life cycle of a transaction or event from its initiation and authorization through its final classification in summary records. In addition, management designs control activities so that all transactions are completely and accurately recorded.

Principle No. 12, *Implement Control Activities*: Those in key roles for the unit may further define policies through day-to-day procedures, depending on the rate of change in the operating environment and complexity of the operational process. Procedures may include the timing of when a control activity occurs and any follow-up corrective actions to be performed by competent personnel if deficiencies are identified. Management communicates to personnel the policies and procedures so that personnel can implement the control activities for their assigned responsibilities.

Principle No. 15, *Communicate Externally*: Management communicates with, and obtains quality information from, external parties using established reporting lines. Open two-way external reporting lines allow for this communication. External parties include suppliers, contractors, service organizations, regulators, external auditors, government entities, and the general public.

GPO's Standard Operating Procedure (SOP) 12-0023, *Examination of Printing Invoices* (August 2023), Section 4.1, states:

Higher-level staff contact commercial contractors by use of telephone and e-mail methods when incomplete invoices are received and request additional documentation that is required according to GPO Billing Instructions.

The deficiency occurred because the invoice examiner did not identify that a contract modification supporting the economic price adjustment on the invoice was missing from the vendor's invoice submission and did not research or follow up with the vendor to receive the supporting documentation.

Ineffective controls over the review and approval of commercial printing vendor invoices increase the risk that an invoice is inaccurate or unauthorized, which may result in a misstatement in printing and reproduction expense.

We recommend that GPO strengthen the controls related to the review and certification of printing vendor invoices and reinforce the requirements in SOP 12-0023, *Examination of Printing Invoices*, specifically as it relates to supporting documentation requirements for vendor invoices.

### **C. Deficiencies in New Hire Personnel Action Review (25-NFR-03)**

GPO's review and approval control for the processing of new hire employee actions was not operating effectively. During our internal control testing, we found that for four out of the five sample items, approval from an AHC manager confirming the PAR's accuracy and compliance with statutory and regulatory requirements was obtained only after the PAR was processed. These approvals were received between 88 and 326 days following the PAR effective date, with all approvals occurring in FY 2026.

GAO's *Standards for Internal Control in the Federal Government* (September 2014), states:

Principle No. 10, *Design Control Activities*: Management designs appropriate types of control activities for the entity's internal control system. Control activities help management fulfill responsibilities and address identified risk responses in the internal control system...

*Accurate and Timely Recording of Transactions*: Transactions are promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life cycle of a transaction or event from its initiation and authorization through its final classification in summary records. In addition, management designs control activities so that all transactions are completely and accurately recorded.

Principle No. 16, *Perform Monitoring Activities*: Management performs ongoing monitoring of the design and operating effectiveness of the internal control system as part of the normal course of operations. Ongoing monitoring includes regular management and supervisory activities, comparisons, reconciliations, and other routine actions. Ongoing monitoring may include automated tools, which can increase objectivity and efficiency by electronically compiling evaluations of controls and transactions.

OPM's *Guide to Processing Personnel Actions*, states:

Chapter 1.1.3.A (July 2022): Request for Personnel Action. For most of the personnel actions you process, there will be a Request for Personnel Action, Standard Form 52, or a similar agency form approved by the Office of Personnel Management as an exception to the Standard Form 52. The Standard Form 52 is usually initiated by the office or supervisor who wants to take a personnel action, such as the appointment of an employee; occasionally the personnel office initiates the form. The requester completes one part of the Standard Form 52 and forwards it to others (such as the budget office) whose approval is required by the agency. The form is then sent to the personnel office for review and clearance by classification, staffing, and other personnel specialists, and for signature by the individual(s) to whom authority to approve personnel actions (appointing authority) has been delegated...After the Standard Form 52 has been completed and the requested action has been approved, the form is sent to the personnel clerk or assistant who uses it to process the action in the agency's automated personnel system.

Chapter 4.4.C.1 (February 2024): Most personnel actions must be approved by the appointing officer on or before their effective dates...Only an appointing office may sign and date the certification in Part C-2 of the SF-52.

The deficiencies occurred because the AHC did not design and implement effective monitoring controls over PAR review and prioritized the review and processing of backlogged records from prior fiscal years in their system.

The untimely approval over the processing of new hire employee actions increases the risk that an employee action is inaccurate or unauthorized, which may result in a misstatement in personnel compensation and benefits expense.

We recommend that GPO design and implement effective monitoring controls related to the review and approval for the processing of new hire employee actions and reinforce the requirements in OPM's *Guide to Processing Personnel Actions*, specifically as it relates to the timeliness of supervisor authorizations.

**D. Improper Timesheet Certification Deficiency (25-NFR-04)**

GPO's segregation of duties control for the review and certification of employee timesheets was not operating effectively. During our internal control testing of 45 employee timesheets, we found that the employee's supervisor performed both the timekeeper role (i.e., validated the timesheet) and the certifying official role (i.e., certified the timesheet) for 1 out of 45 sample items tested.

GAO's *Standards for Internal Control in the Federal Government* (September 2014), states:

Principle No. 10, *Design Control Activities*: Management designs appropriate types of control activities for the entity's internal control system. Control activities help management fulfill responsibilities and address identified risk responses in the internal control system...

*Segregation of Duties*: Management divides or segregates key duties and responsibilities among different people to reduce the risk of error, misuse, or fraud. This includes separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets so that no one individual controls all key aspects of a transaction or event.

Principle No. 16, *Perform Monitoring Activities*: Management performs ongoing monitoring of the design and operating effectiveness of the internal control system as part of the normal course of operations. Ongoing monitoring includes regular management and supervisory activities, comparisons, reconciliations, and other routine actions. Ongoing monitoring may include automated tools, which can increase objectivity and efficiency by electronically compiling evaluations of controls and transactions.

GPO Directive 440.12C, *Web Time and Attendance (WebTA)*, Section 9.c.3, states:

The certifying official must be a supervisor. If a supervisor is entering time in the timekeeper role for an employee, that supervisor may also validate the employee's timesheet, but under no circumstances can the supervisor also certify that employee's timesheet. Certification must be delegated to another supervisor either up or down the chain of command to maintain proper separation of duties. In the rare instance where no timekeeper or supervisor is available, an Administrator in Payroll has the authority to validate and certify. However, if Payroll does the certification, the usual certifying official upon his or her return to work will notify Payroll by e-mail that he or she has reviewed the timesheets for the applicable pay period(s) and they are accurate.

The deficiency occurred because the WebTA system is not configured to enforce the separation of duties between the timekeeper and certifying official roles in accordance with GPO policy. Further, the Cash Management Services division did not appropriately design and implement a control to respond to the risk associated with segregation of duties within the WebTA system.

Ineffective segregation of duties controls over the review and certification of employee timesheets increase the risk that an employee's timesheet is inaccurate or not authorized in accordance with GPO policy, which may result in a misstatement in personnel compensation and benefits expense.

We recommend that GPO design and implement monitoring controls related to review and certification of employee timesheets and reinforce the requirements in GPO Directive 440.12C, specifically as it relates to separation of duties between the timekeeper and certifying official roles.



**E. Deficiency in the Office of Workers' Compensation Programs (OWCP) Liability Adjustment Review (25-NFR-05)**

GPO's review and approval control for the OWCP liability adjustment was not appropriately implemented to determine the reliability of the underlying data used in the calculation. Specifically, in our internal control testing of the annual OWCP adjustment, we found that the reviewer did not identify that discounted cash flows were used as the basis to calculate the adjustment.

GAO's *Standards for Internal Control in the Federal Government* (September 2014), states:

Principle No. 5, *Enforce Accountability*: Management is responsible for evaluating pressure on personnel to help personnel fulfill their assigned responsibilities in accordance with the entity's standards of conduct. Management can adjust excessive pressures using many different tools, such as rebalancing workloads or increasing resource levels.

Principle No. 10, *Design Control Activities*: Management designs appropriate types of control activities for the entity's internal control system. Control activities help management fulfill responsibilities and address identified risk responses in the internal control system...

*Appropriate Documentation of Transactions and Internal Control*: Management clearly documents internal control and all transactions and other significant events in a manner that allows the documentation to be readily available for examination. The documentation may appear in management directives, administrative policies, or operating manuals, in either paper or electronic form. Documentation and records are properly managed and maintained.

Principle No. 13, *Use Quality Information*: Management obtains relevant data from reliable internal and external sources in a timely manner based on the identified information requirements. Relevant data have a logical connection with, or bearing upon, the identified information requirements. Reliable internal and external sources provide data that are reasonably free from error and bias and faithfully represent what they purport to represent. Management evaluates both internal and external sources of data for reliability. Sources of data can be operational, financial, or compliance related. Management obtains data on a timely basis so that they can be used for effective monitoring.

The deficiency occurred because Accounting Operations relied on the data provided by the Department of Labor (DOL) and did not independently evaluate the data for reliability. Additionally, the Accounting Operations' timeline to obtain data from DOL and to prepare and review of the OWCP adjustment was compressed due to delays resulting from the Federal government shutdown.

Ineffective controls over the review of the annual OWCP liability adjustment increase the risk that a misstatement in the workers' compensation liability and related financial statement disclosure will not be detected and corrected in a timely manner.

We recommend that GPO establish procedures within its review control for the OWCP liability adjustment to independently assess the reliability of data received from DOL. This may include performing reasonableness checks such as detailed trend/variance analysis, reconciliations or reviewing supporting documentation.

**Appendix B**  
**Status of Prior Year Comments**

| <b>FY 2024<br/>Comment<br/>Number</b> | <b>FY<br/>Comment<br/>Originated</b> | <b>Title</b>                                                    | <b>FY 2025 Status of Comment<br/>Reported in FY 2024</b> |
|---------------------------------------|--------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------|
| 24-NFR-01                             | 2024                                 | Deficiency in Personnel Action Request Review                   | Open; re-issued as 25-NFR-01.                            |
| 24-NFR-02                             | 2024                                 | Deficiency in Work in Process Adjustment Review                 | Closed.                                                  |
| 24-NFR-03                             | 2023                                 | Deficiencies in Contract Review Board Approval of Procurements  | Closed.                                                  |
| 24-NFR-04                             | 2024                                 | Deficiency in Fixed Asset Retirement Authorization              | Closed.                                                  |
| 24-NFR-05                             | 2024                                 | Deficiencies in New Hire Personnel Action Review                | Open; re-issued as 25-NFR-03.                            |
| 24-IT-NFR-01                          | 2024                                 | Lack of Access and Configuration Change Controls and Procedures | Closed.                                                  |