UNITED STATES CAPITOL POLICE
OFFICE OF INSPECTOR GENERAL

MANAGEMENT LETTER
RELATED TO THE AUDIT OF THE UNITED STATES CAPITOL POLICE'S FISCAL YEAR 2025 FINANCIAL STATEMENTS

Report Number: OIG-2026-08

Date: February 2026

KPMG LLP
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February 6, 2026

Michael G. Sullivan
Chief of Police
United States Capitol Police
Washington, DC

To the Management of the United States Capitol Police:

In planning and performing our audit of the financial statements of the United States Capitol Police (USCP or Department) 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 USCP'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 USCP's internal control. Accordingly, we do not express an opinion on the effectiveness of USCP'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 February 6, 2026 on our consideration of USCP's internal control over financial reporting in which we communicated certain deficiencies in internal control that we consider to be a significant deficiency.

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 the following deficiencies in internal control:

Control Deficiency 1: Accuracy and Validity of Open Obligations

USCP's review controls over the accuracy and validity of unliquidated obligations did not operate effectively, resulting in delays in timely identification of invalid obligations and timely recording of related contract close-out actions and de-obligations. USCP's review of potentially invalid obligations was not performed at a sufficient level of detail and did not include quality information, to include specific attributes such as period of performance and period of inactivity. As a result, USCP did not identify unliquidated obligations timely for which the period of performance had ended, and final invoice was received, to timely de-obligate or temporarily de-obligate funds through the year-end entry.

We recommend that USCP management:

1. Enhance existing review controls to include the requirement for a comprehensive analysis of open obligations, to include additional criteria, attributes, or other information such as the period of performance and period of inactivity. Policies and procedures should be updated accordingly to reflect this requirement.

2. More frequently monitor the operating effectiveness of review controls throughout the year to promote more timely de-obligations and to ensure temporary de-obligation entry analyses are complete and accurate.

Management Response:

Management concurs with the finding and will address this through a corrective action plan.

Control Deficiency 2: Lack of Accountability for Property, Plant, and Equipment (PP&E)

USCP did not maintain a readily available listing of component assets that make up the digital radio system—the Department's highest dollar value asset. Additionally, certain assets selected for PP&E completeness testing were identified as component items of other system assets and traced to component listings provided by the Securities Services Bureau (SSB). However, there was no corresponding asset record in [redacted] to account for the acquisition of each asset. Finally, USCP management is in process of barcoding component items of system assets and establishing parent-child relationships between system assets and component items in [redacted] per management's prior year corrective action plan.

USCP management did not consistently hold entity personnel accountable for performing reconciliations and inventory counts to maintain accountability over property in accordance with established policies and procedures. Additionally, USCP management has indicated that they are in process of identifying, barcoding, and establishing the requisite parent-child relationships within the property system [redacted] to verify that end-item components comprising each asset system are properly accounted for, with an expected completion date of September 30, 2026. As such, management did not fully implement planned corrective actions for maintaining accountability over system assets and component items.

We recommend that USCP management:

3. Continue to a) identify and barcode component items of all USCP system assets and b) establish requisite parent-child relationships within [redacted].

4. Enforce existing USCP policies and directives to ensure that reconciliations and inventories of system assets and components are performed to maintain accountability of PP&E.

Management Response:

Property and Asset Management Division (PAMD) will continue to execute our corrective action plan in order to address and correct this condition.

Control Deficiency 3: Review of Travel Voucher Documentation

USCP's review controls over travel vouchers were not designed effectively, resulting in certain travel-related expenses being recorded in [redacted] without the required receipt as supporting documentation. We identified certain travel vouchers that contained multiple travel expenses incurred by an employee and recorded in [redacted] without complete documentation of the required supporting receipts.

USCP's review of travel vouchers was not designed at a sufficient level of detail to identify portions of the expense that did not have required supporting receipts. Accounts Payable personnel enter travel voucher supporting documents into [redacted] at a summary level to include the expenses for multiple employees, which requires the compilation and review of a significant amount of supporting documentation before approval.

We recommend that USCP management:

5. Enhance existing review controls to validate that all travel related expenses are supported by the required supporting documentation in accordance with established policies and procedures.

6. Update policies and procedures to include requirements to submit travel vouchers at a more granular level to allow the Office of Financial Management (OFM) to more easily identify instances when required supporting documentation has not been included.

Management Response:

OFM concurs and will work to address this through a Corrective Action Plan.

Control Deficiency 4: Ineffective Review of Segregation of Duties Conflict Report

USCP management did not design the review control over the [redacted] report to require documentation of certain key attributes supporting the existence and effectiveness of the review performed, such as the criteria for evaluation, documentation reviewed as part of the evaluation, required follow-up actions and resolution, and results of the review performed. Specifically, we reviewed three instances of the control operation in FY2025 which included the automatic email from [redacted] containing the [redacted] report but did not include documentation supporting the existence and effectiveness of the review.

USCP first implemented the weekly review control in FY2025, however, USCP did not document requirements for USCP's review of the [redacted] report to include documentation supporting the existence and effectiveness of the review such as the criteria for evaluation, documentation reviewed as part of the evaluation, required follow-up action or resolution, and results of the review and sign-off.

We recommend that USCP management:

7. Update policies and procedures and enhance documentation of the weekly review performed over the [redacted] report, to include documentation supporting the existence and effectiveness of the review such as evidence of the criteria required for evaluation, documentation of the evaluation performed, required follow-up action or resolution, and results of the review.

Management Response:

OFM concurs and will work to address this through a Corrective Action Plan.

Control Deficiency 5: Implementation of Corrective Actions relating to Prior Year Findings

Based on inspection of corrective action plans as of September 30, 2025, we noted that certain recommendations and related corrective actions remained open from the prior-year audits as management is still in the process of completing certain corrective actions. Specifically, we noted corrective actions relating to certain recommendations included in four Notification of Finding and Recommendations (NFRs) identified by the predecessor auditors were not fully implemented by September 30, 2025.

USCP management has not fully completed the corrective actions necessary to address recommendations included in the prior year findings, as noted below.

8. NFR 2024-001 FIN – Noncompliance with Employee Clock Usage Policy

    a. *Recommendation #3 (Office of Human Resources[OHR])*: USCP provides training to educate employees regarding OHR policies and procedures including:

        i. The importance of clock swiping and identifying it as part of their performance metrics in terms of being compliant with USCP policies; and

ii. How to properly use the clock swipes to reduce human errors when swiping, such as "misdirection" swipes, or incorrectly identifying a reason for offsite no swipes.

b. *Recommendation #4 (OHR)*: USCP continues to monitor and enforce compliance with time and attendance policy over employee attestation and supervisor certification of timesheets.

9. NFR 2024-003 FIN - Purchase Cards – Certification Report Forms Not Properly Prepared

c. *Recommendation #12 (Office of Acquisition Management [OAM]):* USCP management enforces the requirements of the Standard Operating Procedure [redacted], dated September 21, 2020.

10. NFR 2024-005 FIN - USCP Does Not Always Retain Required Employee Personnel Documentation in Central Personnel Files

d. *Recommendation #5 (OHR)* - Ensure compliance with the Procedures for Accessing Unit and Central Personnel Information Standard Operating Procedure and Directive [redacted].

e. *Recommendation #6 (OHR)* - Consider implementing an electronic record keeping system.

11. NFR 2024-006 FIN - Lack of Approved Purchase Requests Prior to Placing Orders

f. *Recommendation #9 (OAM)* - Enforce its existing requirements detailed in SOP [redacted] and SOP [redacted] to prevent purchase card holders from making purchases without a corresponding approved purchase request and/or without the proper appropriation year funds.

g. *Recommendation #10 (OAM)* - Perform an analysis to assess the frequency and magnitude of expenses processed without an existing obligation to assess the risk of potential violations of the Antideficiency Act.

12. 2024-007-IT - Third Party Service Provider Oversight Needs Improvement

h. *Recommendation #13, #14, and #15 (Office of Information Services, OFM, OHR respectively)* – Develop and implement policies and procedures to obtain, analyze, and document the review of **System and Organization Controls (**SOC) 1 reports, including consideration of Complementary User Entity Control from the SOC 1 reports.

Management Response:

Management concurs with the findings.

Regarding **NFR 2024-001 FIN** *Recommendation #3*: On February 12, 2025, a Time and Attendance (T&A) reminder was issued, outlining the responsibilities of both supervisors and employees. Quarterly Timekeeper Meetings have been held to reinforce the importance of accurate clock swiping and proper system usage, and T&A guidelines were communicated and briefed multiple times to both the Executive Team (ET) and EMT during their meetings. It is essential for the Executive Team to ensure that supervisors are held accountable for adhering to these Time and Attendance responsibilities.

Regarding **NFR 2024-001 FIN** *Recommendation #4*: On February 12, 2025, a Time and Attendance (T&A) reminder was issued, outlining the responsibilities of both supervisors and employees. Quarterly Timekeeper

Meetings have been held to reinforce the importance of accurate clock swiping and proper system usage, and T&A guidelines were communicated and briefed multiple times to both the Executive Team (ET) and EMT during their meetings. It is essential for the Executive Team to ensure that supervisors are held accountable for adhering to these Time and Attendance responsibilities.

OAM acknowledges these outstanding findings and is continuing to work through actions on its corrective action plans to close out these items, including **NFR 2024-003 FIN** - *Recommendation #12.*

Regarding **NFR 2024-005 FIN** *Recommendation #5*: OHR is working with OPM to implement use of electronic Official Personnel File (eOPF) to streamline personnel records access and decrease paper files.

OHR will continue to conduct record audits to identify and address compliance gaps.

Regarding **NFR 2024-005 FIN** *Recommendation #6*: OHR is working with OPM to implement use of electronic Official Personnel File (eOPF) to streamline personnel records access and decrease paper files.

OAM acknowledges these outstanding findings and is continuing to work through actions on its corrective action plans to close out these items, including **NFR 2024-006 FIN** - *Recommendations #9 & #10.*

Regarding **NFR 2024-007-IT** *Recommendation #13*, OIS provided this process as support during the audit via the "Third Party Service Provider Review Procedures" file.

OFM concurs and will continue to execute our corrective action plan in order to address *Recommendation #14* for **NFR 2024-007-IT.**

Regarding **NFR 2024-007 IT** *Recommendation #15:* Completed for FY2025. OHR continues to request and review the SOC reports annually as available. OHR continues to review the service provider agreement to identify requirements for USCP to comply. OHR continues to document compliance with identified requirements and identify any instances of noncompliance and remediate instances of non-compliance.

Control Deficiency 6: Improvements Needed to Procurement Accrual Methodology

While USCP management has implemented corrective actions related to the documentation and analysis of the quarterly accounts payable accrual, the procurement accrual methodology was not designed to consider certain relevant factors. Such factors include the period of performance, especially for larger dollar obligations included in the report that is used as the basis for the procurement accrual. Specifically, we identified certain contracts for which the full estimated accrual percentage was applied in circumstances that suggest an overstatement of the accrual amount.

USCP management did not perform a complete risk assessment to consider the impact of the cutoff of contracts' period of performance on the accrual. Additionally, USCP management did not perform a lookback analysis of the Q4 accrual when there was additional time to review actual expenses with the extended reporting period in FY25.

We recommend that USCP management:

13. Update their risk assessment and refine the procurement accounts payable accrual methodology to enhance the level of precision of the control. This can be done by adding considerations such as a cutoff period when identifying the population of unliquidated obligations for which the accrual will be applied to or reviewing certain higher dollar contracts individually to validate the applicability of the methodology.

14. Perform a lookback of each quarterly accrual within an established timeframe to include considerations of the cutoff period and potential modifications on the methodology.

Management Response:

OFM will create and execute a corrective action plan in order to address and correct this condition.

FY 2025 Status of Prior Year (FY 2024) Management Letter Comments

The predecessor auditor reported nine comments in the FY 2024 Management Letter. We closed two of the Management Letter Comments (MLC), modified two of the MLCs, and reissued five comments. Additionally, we reported three new comments.

FY 2024 Comment No.	Comment	FY 2025 Status
1	Lack of Accountability of Property	Repeat Finding – Modified (CY #2)
2	Noncompliance with Employee Clock Usage Policy	Repeat Finding (CY #5)
3	Failure to Retain Required Employee Personnel Documentation in Central Personnel Files	Repeat Finding (CY #5)
4	Accounting for Advances and Prepayments	Closed
5	Procurement, Travel, and Purchase Card Accrual Process Needs Improvement	Repeat Finding – Modified (CY #6)
6	Lack of Approved Purchase Requests Prior to Placing Purchase Card Orders	Repeat Finding (CY #5)
7	Invoices Lack Appropriate Contracting Officer's Representative (COR) Approval	Closed
8	Purchase Cards – Certification Report Forms Not Properly Prepared	Repeat Finding (CY #5)
9	Third Party Service Provider Oversight Needs Improvement	Repeat Finding (CY #5)

USCP's written response to the deficiencies identified in our audit is described above. USCP's written response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

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

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