



John Keel, CPA
State Auditor

A Report on
**The Audits of the Fiscal Year 2013 Financial Statements of
the Central Texas Turnpike System and the Texas Mobility Fund
at the Department of Transportation**

January 14, 2014

Members of the Legislative Audit Committee:

In our audit reports dated December 16, 2013, we concluded that the following financial statements were materially correct and presented in accordance with accounting principles generally accepted in the United States of America:

- The Department of Transportation's (Department) Central Texas Turnpike System's (System) basic financial statements for fiscal year 2013.
- The Department's Texas Mobility Fund's (Fund) basic financial statements for fiscal year 2013.

The Department published our audit reports in each set of its basic financial statements, which it posted on its Web site at:

- The System's basic financial statements:
<http://www.txdot.gov/inside-txdot/office/innovative-finance/investors/ctts-reports.html>.
- The Fund's basic financial statements:
<http://www.txdot.gov/inside-txdot/forms-publications/publications/finance/mobility-fund-reports.html>.

For the System, we also issued a report on internal control over financial reporting and on compliance and other matters as required by auditing standards (that report, including responses from management, is presented in the attachment to this letter). In that report, auditors identified deficiencies related to the preparation of the Notes to the financial statements and the controls over toll revenue transactions that were reported as significant deficiencies in the System's internal control.

For the Fund, we also issued a report on internal control over financial reporting and on compliance and other matters as required by auditing standards. Our procedures did not identify any material weaknesses in internal control over financial reporting or any noncompliance with laws or regulations that materially affected the financial statements. In addition, the major internal controls that we tested for the purpose of forming our opinions on the Fund's financial statements were operating effectively.

Our procedures were not intended to provide an opinion on internal control over financial reporting or to provide an opinion on compliance with laws and regulations. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over financial reporting or on compliance with laws and regulations.

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Auditors communicated certain issues that were not material or significant to the audit objectives in writing to the Department's management.

As required by auditing standards, we will also communicate to the Texas Transportation Commission certain matters related to the conduct of a financial statement audit.

We appreciate the Department's cooperation during this audit. If you have any questions, please contact Angelica Ramirez, Audit Manager, or me at (512) 936-9500.

Sincerely,

John Keel, CPA
State Auditor

Attachment

cc: Members of the Texas Transportation Commission
Mr. Ted Houghton, Chair
Mr. Jeff Austin III
Mr. Jeff Moseley
Mr. Fred Underwood
Mr. Victor Vandergriff
Mr. Phil Wilson, Executive Director



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