



March 27, 2017

**MEMORANDUM FOR:** Anthony P. Scardino  
Chief Financial Officer  
U.S. Patent and Trademark Office

**FROM:** Richard Bachman  
Assistant Inspector General for Financial  
and Intellectual Property Audits

**SUBJECT:** FY 2017 Financial Statement Audit

KPMG LLP has initiated its audit of USPTO's FY 2017 financial statements. The audit will be conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Office of Management and Budget (OMB) requirements.

The objective of the audit is to determine whether the financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles. KPMG will also consider USPTO's internal control over financial reporting and test compliance with certain provisions of laws, regulations, and contracts that could have a direct and material effect on the financial statements.

My office will oversee the progress of the audit in accordance with U.S. Government Accountability Office guidelines, and ensure that KPMG performs the audit in accordance with professional standards, OMB requirements, and the terms of the contract.

An entrance conference was held on March 14, 2017, at which time this audit and its objective was discussed in further detail. If you have any questions, please call me at (202) 482-2877.

cc: Steve Kunze, Deputy Chief Financial Officer and Director for Financial Management,  
Office of the Secretary  
Welton Lloyd, Audit Liaison, USPTO  
MaryAnn Mausser, Audit Liaison, Office of the Secretary, Office of the Secretary