U.S. Department of Labor

Office of Inspector General
Washington, D.C. 20210

APR 7 2004

Mr. Edward Rolle, Director
Arkansas Employment Security Department
#1 Pershing Circle
North Little Rock, Arkansas 72114

Dear Mr. Rolle:

This is our final report resulting from the quality control review of the single audit report of the Arkansas Employment Security Department for the fiscal year ended June 30, 2001. Baird, Kurtz & Dobson, LLP (BKD) prepared the single audit report. The objectives of the quality control review were to (1) ensure that the audit was conducted in accordance with applicable standards and meets the single audit requirements, (2) identify any follow-up audit work needed, and (3) identify issues that may require management attention. The review was conducted using the Uniform Quality Control Review Guide for A-133 Audits issued by the President's Council on Integrity & Efficiency, 1999 Edition.

The major programs included in our review were:

CFDA Number	Program Name
17.225	Unemployment Insurance
17.255	Workforce Investment Act

Based on our review of the programs above, we believe the audit work performed is acceptable and meets the requirements of the Single Audit Act Amendments of 1996 and OMB Circular A-133.

This report was not provided in draft to BKD because there were no issues noted in our review. Therefore, we are issuing this report directly to you as Final Report No. 22-04-540-50-598. If you have any questions concerning the results of the review, please contact me at (202) 693-5164.

Sincerely,

Michael T. McFadden, Director
Office of Accountability Audits

cc: Mike King, CPA