



John Keel, CPA
State Auditor

A Report on
**The Audit of the Texas Mobility Fund's
Fiscal Year 2011 Financial Statements**

December 20, 2011

Members of the Legislative Audit Committee:

In our audit report dated December 12, 2011, we concluded that the Department of Transportation's (Department) Texas Mobility Fund's (Fund) basic financial statements for fiscal year 2011 were materially correct and presented in accordance with accounting principles generally accepted in the United States of America. The Department published our audit report as part of its basic financial statements, which it intends to post on its Web site at

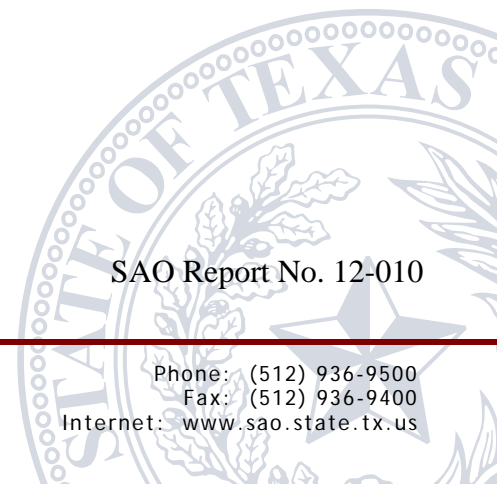
http://www.txdot.gov/txdot_library/publications/finance/mobility_fund.htm.

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 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.

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 Lisa Collier, Assistant State Auditor, or me at (512) 936-9500.

Sincerely,

John Keel, CPA
State Auditor

cc: Members of the Texas Transportation Commission
Mr. Ted Houghton, Chair
Mr. Jeff Austin, III
Mr. Ned S. Holmes
Mr. William Meadows
Mr. Fred Underwood
Mr. Phil Wilson, Executive Director



This document is not copyrighted. Readers may make additional copies of this report as needed. In addition, most State Auditor's Office reports may be downloaded from our Web site: www.sao.state.tx.us.

In compliance with the Americans with Disabilities Act, this document may also be requested in alternative formats. To do so, contact our report request line at (512) 936-9500 (Voice), (512) 936-9400 (FAX), 1-800-RELAY-TX (TDD), or visit the Robert E. Johnson Building, 1501 North Congress Avenue, Suite 4.224, Austin, Texas 78701.

The State Auditor's Office is an equal opportunity employer and does not discriminate on the basis of race, color, religion, sex, national origin, age, or disability in employment or in the provision of services, programs, or activities.

To report waste, fraud, or abuse in state government call the SAO Hotline: 1-800-TX-AUDIT.