

# DEPARTMENT OF DEFENSE OFFICE OF THE INSPECTOR GENERAL

## *AUDITING CAREER OPPORTUNITIES*



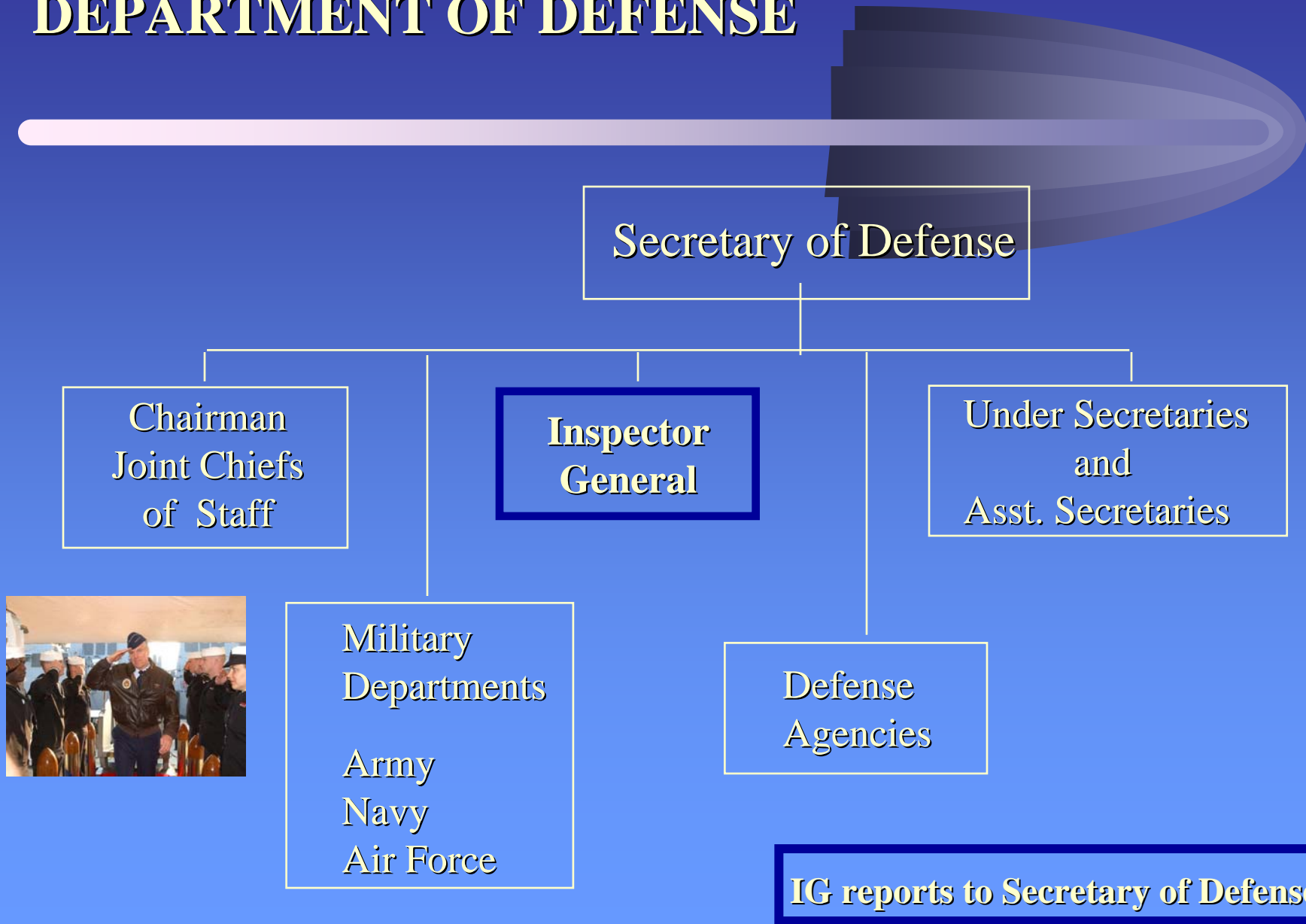
Office of the Deputy  
Inspector General  
for Auditing

# FY 2008 DEFENSE BUDGET



- Largest enterprise in the world
- Budget authority
  - \$481.4 billion (base budget)
  - \$141.7 billion (global war on terror funding)
- Force structure
  - 1.4 million active military
  - 709,000 DoD civilians

# DEPARTMENT OF DEFENSE



# SELECTION OF INSPECTORS GENERAL



- Nominated by the President
- Confirmed by the Senate

# MISSION



- Promote effective, efficient, and economical operations
- Prevent and detect fraud, waste, and abuse
- Provide policy for, and conduct, audits and investigations
- Receive and investigate complaints
- Keep the Secretary of Defense and Congress fully informed

# DEPARTMENT OF DEFENSE OFFICE OF THE INSPECTOR GENERAL

**Inspector General**

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graph TD; IG[Inspector General] --- DGA[Deputy Inspector General for Auditing]; IG --- DGP[Deputy Inspector General for Policy & Oversight]; IG --- DIG[Deputy Inspector General for Investigations]; IG --- DGI[Deputy Inspector General for Intelligence];
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Deputy  
Inspector General  
for Auditing

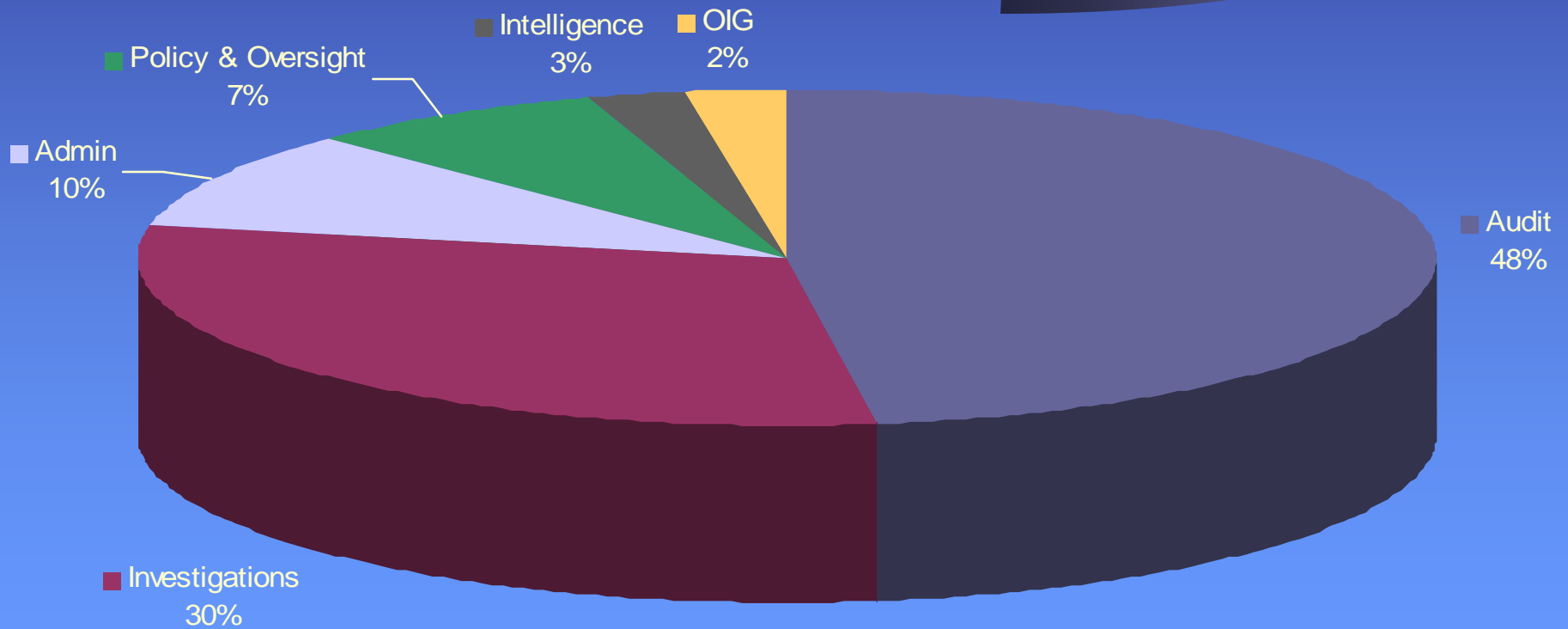
Deputy  
Inspector General for  
Policy & Oversight

Deputy  
Inspector General  
for Investigations

Deputy  
Inspector  
General for  
Intelligence

# OFFICE OF INSPECTOR GENERAL

## Allocation of Personnel



Total strength as of September 2007: 1,415 personnel.

# AUDIT ORGANIZATIONAL CHART

**Deputy IG for Auditing**

**Principal Assistant  
Inspector General**

**Joint & Overseas  
Operations**

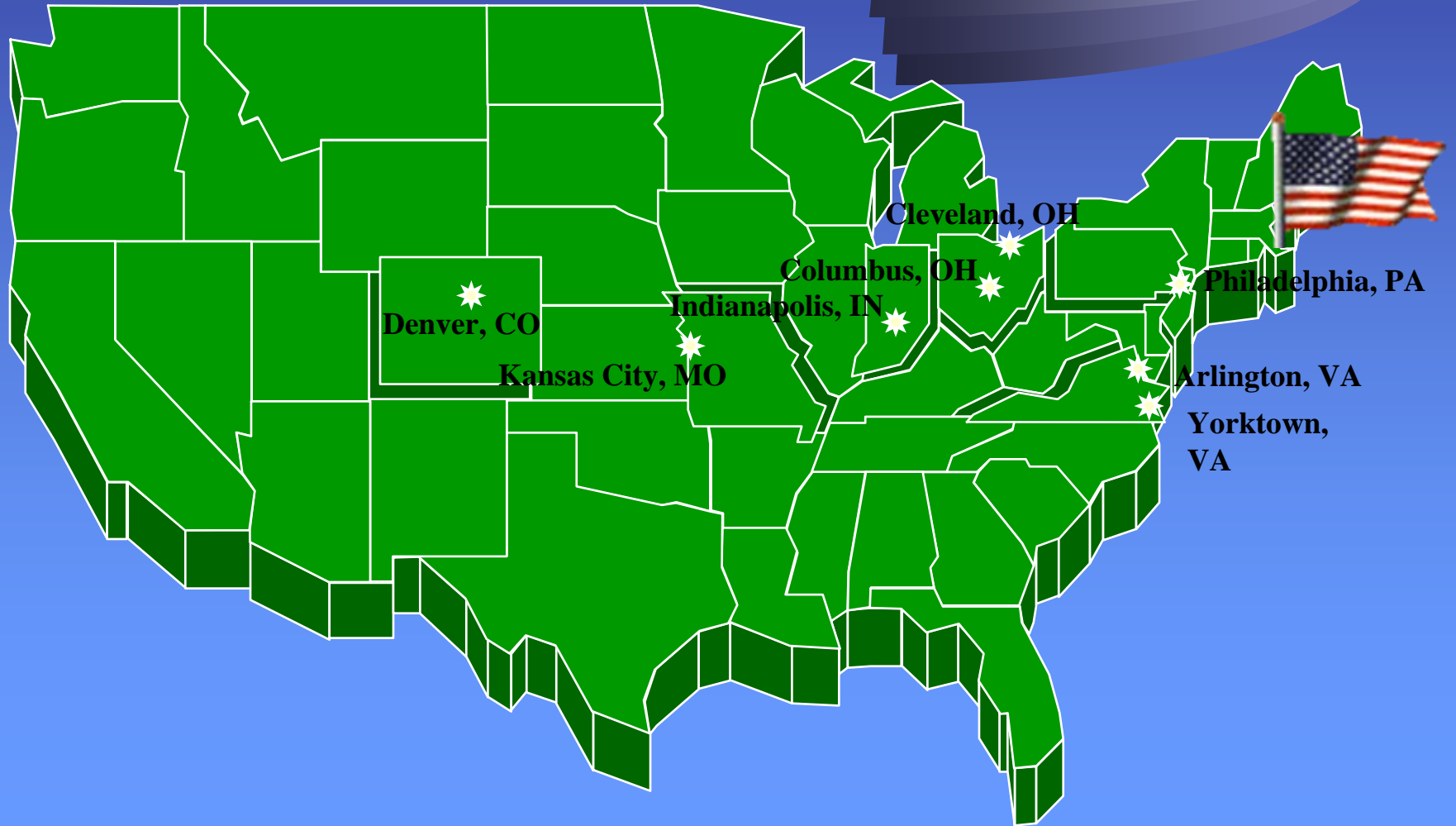
**Defense Financial  
Auditing Service**

**Acquisition and  
Contract Management**

**Readiness &  
Operations  
Support**



# LOCATION OF AUDIT OFFICES



# AUDITING STANDARDS



- Apply Government Auditing Standards (commonly called the Yellow Book) developed by U.S. Government Accountability Office
- Government Auditing Standards incorporate applicable standards of the American Institute of Certified Public Accountants
- Key standards require independence, competent staff, adequate documentation of conclusions, and appropriate staffing and reporting of audit results

# TYPES OF AUDITS

- FINANCIAL



- PERFORMANCE



# FINANCIAL AUDITS



- Financial Statement Audits provide reasonable assurance about whether the financial statements present fairly:
  - The financial position,
  - Results of operations, and
  - Cash flows in conformity with generally accepted accounting principles

# FINANCIAL AUDITS



- Financial related audits address:
  - Problem disbursements
  - Contractor payments
  - General and application controls over financial systems

# *AUTOMATED FINANCIAL SYSTEMS GROUP*



- Systems audits address:
  - Development and acquisition of finance/accounting systems
  - General and application controls systems
  - System's ability to produce auditable financial statements


# PERFORMANCE AUDITS



- Independent assessment of the performance of a government organization, program, activity/or function
  - Economy and efficiency
  - Program audits
- Audit provides information to improve public accountability and facilitate DoD management decision making and corrective actions

# PERFORMANCE AUDITS


## DoD Audit Issue Areas

- 
- Acquisition Program
  - Base Realignment and Closure
  - Charge Card
  - Construction and Sustainment
  - Competitive Sourcing
  - Contracting Oversight & Quality Assurance
  - Data Mining
  - Financial



# PERFORMANCE AUDITS

## DoD Audit Issue Areas

- 
- Global War on Terror
  - Health Care and Morale
  - Homeland Defense
  - Human Capital
  - Information Technology
  - Intelligence
  - Logistics
  - Readiness and Force Management

# AUDITORS ADD VALUE BY HELPING TO CONTROL RISK



- Test controls in existing processes & systems
- Recommend corrections for control weaknesses
- Provide up-front advice on controls for new processes and systems in development
- Test validity of management risk assessments and accuracy of data/reports used by managers

# AUDITORS ADD VALUE BY PROMOTING CHANGE AND REFORM



- Identify opportunities for improvement
- Verify status and results of reforms
- Identify barriers to reform
- Help fine tune reforms to maximize benefits and control risks

# AUDIT RELATED ACTIVITIES



- Auditors may perform services other than audits:
  - Management consulting
  - Participate in problem solving DoD management advisory teams
  - Assist investigators and federal prosecutors

# HOW WE WORK

- Project Team
  - Project Manager
  - Team Leaders: 2 to 3
  - Staff Auditors: 2 to 9



# HOW WE WORK



- Supervision
  - Junior staff auditors work under day-to-day supervision of, and normally travel with, a team leader or senior auditor.
  - Project Managers are official supervisors, who work closely with all members of the team, prepare performance evaluations, and are responsible for career development of team members.

# HOW WE WORK



- Travel
  - Travel requirements may range from minimal to up to 50%.
  - Usually 2 to 3 auditors travel together. Junior auditors are not expected to travel alone. Travel expenses are paid by the Government.
  - Travel is typically from 1 to 3 weeks at one time. Policy is to return home at least every 3 weeks (except on occasional overseas trips).
  - Amount of travel depends on audit assignment (i.e., number and location of audit activities, time sensitivity of issues being reviewed, etc.).

# AUDITOR TRAVEL



- From Most Offices
  - Frequently throughout the United States
  - Occasionally, audits in Europe (primarily Germany)
  - Occasionally, audits in Pacific (primarily Hawaii, Japan, & Korea)



# FREQUENT TRAVEL LOCATIONS

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- Eglin AFB, FL
- San Diego, CA
- San Antonio, TX
- Tampa, FL



# FREQUENT TRAVEL LOCATIONS

**But not all in the Sun Belt**

- Dayton, OH
- Omaha, NE
- Fort Monmouth, NJ
- Mechanicsburg, PA



# CONTINUING EDUCATION REQUIREMENTS



- Minimum of 80 hours of training every 2 years
- Introductory Auditor Training Course (for all new auditors)
- Intermediate and Advanced Auditor Training Courses

# TRAINING

- Auditing skills such as interviewing and report writing
- CPA/CIA coaching
- Specialized subjects (e.g., systems acquisition, financial statements)



# QUALIFICATIONS FOR ENTRY-LEVEL AUDITORS



- Bachelor's degree in accounting or a related degree that includes 24 credit hours of accounting (6 of those hours can be in business law.)
- Graduating within 9 months at the time of applying.
- Must be able to acquire and maintain a secret security clearance.
- Must be a U.S. citizen at time of applying.

# ENTRY-LEVEL AUDITORS



- Entry level auditors are in Pay Band I, a developmental pay band.
- Eligible for increases in pay up to 20% per year while in Pay Band I based on performance and completion of training requirements.
- May receive annual cash bonus based on performance.
- Generally eligible for noncompetitive promotion to pay Band II within 3 to 5 years based on performance and completion of training requirements. In Pay Band II, current mid-level auditor salary starts at \$74,000.

# STARTING SALARY AND BONUS



## AUDITORS

Washington, D.C. Area (2008)

<u>CRITERIA</u>	<u>SALARY</u>	<u>BONUS</u>
Bachelor's Degree	\$39,330	\$6,700
Master's Degree	\$48,108	\$4,000

(in business or a related field, e.g. public admin, info technology, finance, etc.)

# FEDERAL BENEFITS



- Salary: Commensurate with education and experience
- Advancement: Based on performance
- Training: Heavy emphasis on enhancing employee skills
- Vacation: Earn 13 days per year (Increases to 20 days after 3 years and 26 days after 15 years)



# FEDERAL BENEFITS



- Sick Leave -- earn 13 days per year
- Holidays -- 10 days per year
- Health/Life insurance
- Retirement/Thrift Savings Plan
- Equal Employment Opportunity
- Flexible Work Schedule
- Earn credit hours for overtime worked
- Transit subsidy for employees using mass transit or vanpools

# AUDITOR INTERN PROGRAM



- Major duties:
  - Work as a member of an audit team
  - Research applicable laws, regulations
  - Gather data and prepare analyses
  - Prepare working papers
  - Interact with clients
- Salary: Approximately \$12.00 - \$13.50 per hour
- Travel may be required
- Full-time employment opportunity

# DEPARTMENT OF DEFENSE OFFICE OF THE INSPECTOR GENERAL



*400 Army Navy Drive*

For more information visit us on  
the web at:

<http://www.dodig.mil>

DEPARTMENT OF DEFENSE  
OFFICE OF THE  
INSPECTOR GENERAL



*The End*