



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
4800 MARK CENTER DRIVE
ALEXANDRIA, VIRGINIA 22350-1500

September 28, 2016

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)/CHIEF
FINANCIAL OFFICER, DOD
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
COMMANDANT OF THE MARINE CORPS
DIRECTOR, DEFENSE FINANCE ACCOUNTING SERVICE
NAVAL INSPECTOR GENERAL

SUBJECT: Contract Oversight for the Audit of the FY 2017 United States Marine Corps
General Fund Financials Statements and Related Footnotes
(Project No. D2016-D000FS-0218.000)

We plan to begin the subject oversight immediately. The Department of the Navy requested this audit. We contracted with the independent public accounting firm of Kearney & Company to audit the FY 2017 United States Marine Corps (USMC) financial statements and related footnotes. The objective of the firm's audit is to determine whether the financial statements and related footnotes were fairly presented in all material respects and in accordance with accounting principles generally accepted in the United States of America. We will review the documentation for any classified samples and provide the results of our review to Kearney & Company to use in developing its overall audit conclusions.

We will rely on the Government Accountability Office/President's Council on Integrity and Efficiency, "Financial Audit Manual," Section 650, "Using the Work of Others," to design and perform oversight procedures to review Kearney & Company's audit work and, if applicable, disclose instances in which Kearney & Company did not comply, in all material respects, with generally accepted government auditing standards. Our oversight will not enable us to express an opinion on the USMC financial statements and related footnotes; internal controls; whether the financial management systems substantially complied with the Federal Financial Management Improvement Act of 1996; or conclusions of compliance with laws and regulations. Kearney & Company will express an opinion on the financial statements and related footnotes.

We will perform our oversight responsibilities at Headquarters, USMC, other USMC locations, and the Defense Finance and Accounting Service. We may identify additional locations during our oversight.

Please provide us with a point of contact for the audit within **10 days** of the date of this memorandum. The point of contact should be a Government employee—a GS-15, pay band equivalent, or the military equivalent. Send the contact's name, title, grade/pay band, phone number, and e-mail address to audfmr@dodig.mil.

You can obtain information about the Department of Defense Office of Inspector General from DoD Directive 5106.01, "Inspector General of the Department of Defense (IG DoD)," April 20, 2012, as amended; DoD Instruction 7600.02, "Audit Policies," October 16, 2014, as amended; and DoD Instruction 7050.03, "Office of the Inspector General of the Department of Defense Access to Records and Information," March 22, 2013. Our website is www.dodig.mil.

If you have any questions, please contact [REDACTED]



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