



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

March 23, 2015

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: Withdrawal of DoD Inspector General Report No. DODIG-2014-028, "Independent Auditor's Report on the United States Marine Corps Schedule of Current Year Budgetary Activity for FY 2012," December 20, 2013.

We are withdrawing the subject audit report because subsequently discovered facts identified during the FY 2014 audit cause us to question the completeness of the information on which we based our opinion. As such, our opinion on the FY 2012 United States Marine Corps (USMC) Schedule of Current Year Budgetary Activity (SBA) is not to be relied upon.

The U.S. Treasury maintains suspense accounts to temporarily hold transactions that cannot be posted against a valid appropriation. Since these transactions are not attributed to a specific agency, we previously had no reason to believe they would have a material impact on the USMC SBA. However, we recently obtained evidence definitively showing that the U.S. Treasury suspense accounts contain USMC transactions. This discovery leads us to believe that this condition existed in FY 2012. Because these suspense accounts contain transactions from all DoD components and neither the Defense Finance and Accounting Service nor the U.S. Treasury have the necessary information to accurately assign ownership of the commingled transactions, we are unable to quantify the number of USMC transactions that resided in the accounts and whether those transactions were material to the FY 2012 USMC SBA. Therefore, our original unmodified opinion is not reliable. Once additional information has been gathered and analyzed, the FY 2012 audit opinion will be revised accordingly and reissued.

If you have any questions, please contact me at (703) 604-8901.

A handwritten signature in blue ink that reads "Daniel R. Blair".

Daniel R. Blair
Deputy Inspector General
for Auditing