



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

February 10, 2016

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)/
CHIEF FINANCIAL OFFICER, DOD
COMMANDING GENERAL, U.S. ARMY CORPS OF
ENGINEERS
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: Review of the U.S. Army Corps of Engineers–Civil Works Basic Financial
Statements for Fiscal Years Ended September 30, 2016 and 2015 Audit
(Project No. D2016-D000FE-0100.000)

The subject review will begin immediately. We contracted with the independent public accounting firm of Klynveld Peat Marwick Goerdeler (KPMG) to audit U.S. Army Corps of Engineers–Civil Works Basic Financial Statements for Fiscal Years Ended September 30, 2016 and 2015. This audit is required by the Chief Financial Officers Act of 1990, as amended, which requires that financial statements of a Government agency be audited by the Inspector General or by an independent external auditor, as determined by the Inspector General. The objective of the audit is to determine whether the financial statements as of September 30, 2016 and 2015, are presented fairly and in conformity with accounting principles generally accepted in the United States of America.

We will rely on the Government Accountability Office/President's Council on Integrity and Efficiency, Financial Auditing Manual, section 650, "Using the Work of Others," to design and perform oversight procedures to review KPMG audit work and, if applicable, disclose instances where KPMG does not comply, in all material respects, with U.S. generally accepted government auditing standards. Our review will not enable us to express opinions on U.S. Army Corps of Engineers–Civil Works financial statements, on internal control, on whether the financial management systems substantially complied with the Federal Financial Management Improvement Act of 1996, or on conclusions on compliance with laws and regulations.

Please provide us with a point of contact for this review 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 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; DoD Instruction 7600.02, "Audit Policies," October 16, 2014; 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]
[REDACTED]

A handwritten signature in dark ink that reads "Lorin T. Venable". The signature is written in a cursive style with a light blue rectangular background.

Lorin T. Venable, CPA
Assistant Inspector General
Financial Management and Reporting