



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

March 10, 2017

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)/
CHIEF FINANCIAL OFFICER, DOD
UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND
READINESS
DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
NAVAL INSPECTOR GENERAL

SUBJECT: Review of the FY 2017 Military Retirement Fund Basic Financial Statements Audit
(Project No. D2017-D000FP-0107.000)

We plan to begin the subject review in March 2017. We have contracted with the independent public accounting firm of Kearney and Company to audit the Military Retirement Fund Basic Financial Statements for FY 2017. 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, 2017 and 2016, 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 Audit Manual," Section 650, "Using the Work of Others," to design and perform oversight procedures to review Kearney and Company's audit work and, if applicable, disclose instances where Kearney and Company does not comply, in all material respects, with U.S. generally accepted government auditing standards. Our review will not enable us to express opinions about the Military Retirement Fund financial statements or internal controls or on whether the financial management systems substantially complied with the Federal Financial Management Improvement Act of 1996, or conclusions on compliance with laws and regulations. We will provide oversight and review Kearney and Company's work, but Kearney and Company will be responsible for expressing the opinion on the statements.

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 address is www.dodig.mil.

If you have any questions, please contact [REDACTED]



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