



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

October 30, 2018

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)/  
CHIEF FINANCIAL OFFICER, DOD  
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: Contract Oversight of the Statement on Standards for Attestation Engagements No. 18 (SSAE 18) Examination of the System Supporting the Delivery of Munitions Inventory Management Services for the Period of October 1, 2018, Through June 30, 2019 (Project No. D2019-D000FI-0028.000)

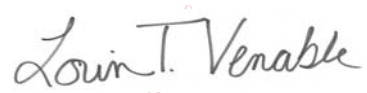
Our planned oversight will begin immediately. The Assistant Secretary of the Army (Financial Management and Comptroller) requested an SSAE 18 examination of the system supporting the delivery of munitions inventory management services for the period of October 1, 2018, through June 30, 2019, and we contracted with the independent public accounting firm of KPMG, LLP, to complete that examination. The objective of the examination is to issue an opinion on the Army's description of the system supporting the delivery of munitions inventory management services and the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description.

We will rely on the Government Accountability Office/Council of the Inspectors General on Integrity and Efficiency, "Financial Audit Manual," Section 670, "IG Oversight of Audits Performed by Contracted Independent Public Accounting (IPA) Firms," to design and perform oversight procedures to review KPMG's work and, if applicable, disclose instances in which KPMG did not comply, in all material respects, with attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. Our review will not enable us to express an opinion on the description of the system supporting the delivery of munitions inventory management services or the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description. We will provide oversight and review KPMG's work, but KPMG will be responsible for expressing those opinions.

Please provide us with a point of contact within **5 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](mailto: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](http://www.dodig.mil).

If you have any questions, please contact [REDACTED]

A handwritten signature in cursive script that reads "Lorin T. Venable". The signature is written in black ink on a white background.

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