



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

September 5, 2023

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)/CHIEF
FINANCIAL OFFICER OF THE DEPARTMENT OF DEFENSE
DIRECTOR, DEFENSE SECURITY COOPERATION AGENCY
AUDITOR GENERAL, DEPARTMENT OF THE ARMY
AUDITOR GENERAL, DEPARTMENT OF THE NAVY
AUDITOR GENERAL, DEPARTMENT OF THE AIR FORCE

SUBJECT: Audit of the Estimates Used in Valuing Assets Provided Under Presidential
Drawdown Authority to Ukraine (Project No. D2023-D000FI-0156.000)

The purpose of this memorandum is to notify you that we plan to begin the subject audit in September 2023. The objective of this audit is to determine the extent and impact of the March 2023 estimation change for valuing assets provided under Presidential Drawdown Authority (PDA), determine whether DoD Components followed the current policy when updating the value of items provided to Ukraine through PDA, and assess whether the current PDA valuation policy complies with Federal laws and regulations. We may revise the objective as the audit proceeds, and we will also consider suggestions from management for additional or revised objectives. We plan to perform this audit in accordance with the Government Accountability Office's generally accepted government auditing standards.

We will perform the audit at the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD; Defense Security Cooperation Agency; Office of the Assistant Secretary of the Army (Acquisition, Logistics, and Technology); Office of the Assistant Secretary of the Army for Financial Management and Comptroller; Assistant Secretary of the Air Force, Financial Management and Comptroller; Office of the Assistant Secretary of the Navy, Financial Management and Comptroller; and the U.S. Marine Corps Financial Operations. We may identify additional locations during the audit.

We request that you designate a staff member to serve as our point of contact for this audit within **5 days** of this memorandum. The point of contact should be a Government employee—a GS-15, pay band equivalent, or military equivalent—and knowledgeable of the efforts for valuing equipment provided to Ukraine. Send the contact's name, title, grade/pay band, phone number, and email address to audfmr@dodig.mil.

The Inspector General Act of 1978, as amended, authorizes us to have access to personnel and materials as we determine necessary to perform our oversight in a timely manner. You can obtain information about the DoD Office of Inspector General from DoD Directive 5106.01, "Inspector General of the Department of Defense (IG DoD)," April 20, 2012, 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, as amended. Our website is www.dodig.mil.

If you have any questions, please contact [REDACTED]

[REDACTED] or [REDACTED]

FOR THE INSPECTOR GENERAL:

A handwritten signature in cursive script that reads "Lorin T. Venable".

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