



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

January 5, 2024

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)/CHIEF
FINANCIAL OFFICER, DOD
COMMANDER, U.S. TRANSPORTATION COMMAND
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE

SUBJECT: Oversight of the Audit of the FY 2024 U.S. Transportation Command
Transportation Working Capital Fund Financial Statements
(Project No. D2024-D000FL-0041.000)

The purpose of this memorandum is to inform you of our planned oversight that will begin immediately. The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, requested the audit of the U.S. Transportation Command Transportation Working Capital Fund Financial Statements. We contracted with the independent public accounting firm of Cotton & Company Assurance and Advisory, LLC (Cotton) to audit the U.S. Transportation Command Transportation Working Capital Fund Financial Statements as of and for the fiscal years ending September 30, 2024, and September 30, 2023. The objective of Cotton's audit is to determine whether the FY 2024 U.S. Transportation Command Transportation Working Capital Fund Financial Statements and related notes are presented fairly and in conformity with accounting principles generally accepted in the United States of America. The objective of our project is to provide contract oversight of Cotton's audit and determine whether Cotton complied with the contract and generally accepted government auditing standards.

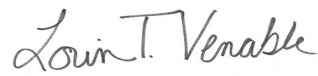
We will rely on the Government Accountability Office/Council of the Inspectors General on Integrity and Efficiency, "Financial Audit Manual," Volume 2, June 2022 (Updated May 2023), Section 670, "IG Oversight of Audits Performed by Contracted Independent Public Accounting (IPA) Firms," to design and perform oversight procedures to review Cotton's audit work and, if applicable, disclose instances in which Cotton did not comply, in all material respects, with generally accepted government auditing standards. Our review will not enable us to express an opinion on the U.S. Transportation Command Transportation Working Capital Fund Financial Statements or draw conclusions about the effectiveness of internal control, whether the financial management systems substantially complied with the Federal Financial Management Improvement Act of 1996, or on the U.S. Transportation Command's compliance with laws and regulations. We will provide oversight and review Cotton's audit work, but Cotton will be responsible for expressing the opinion on the financial statements and related notes.

We request that you designate a staff member to serve as our point of contact for this oversight project 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 financial statements related to the objective. Send the contact's name, title, grade/pay band, phone number, and email address to audfmr@dodig.mil.

The Inspector General Act of 1978, 5 U.S.C. §§ 401-424, 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]

FOR THE INSPECTOR GENERAL:



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