



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

January 8, 2025

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

SUBJECT: Oversight of the Audit of the FY 2025 U.S. Army Corps of Engineers–Civil Works  
Financial Statements (Project No. D2025-D000FI-0062.000)

The purpose of this memorandum is to inform you of our planned oversight that will begin immediately. The Chief Financial Officers Act of 1990, as amended, requires this audit. In accordance with the Act, the DoD Office of Inspector General is the principal auditor for the U.S. Army Corps of Engineers–Civil Works Financial Statements. We contracted with the independent public accounting firm of Kearney & Company, P.C (Kearney) to audit the U.S. Army Corps of Engineers–Civil Works Financial Statements as of and for the fiscal years ending September 30, 2025, and September 30, 2024. The objective of Kearney’s audit is to determine whether the FY 2025 U.S. Army Corps of Engineers–Civil Works 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 Kearney’s audit and determine whether Kearney 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 2024, Section 670, “IG Oversight of Audits Performed by Contracted Independent Public Accounting (IPA) Firms,” to design and perform oversight procedures to review Kearney’s audit work and, if applicable, disclose instances in which Kearney 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. Army Corps of Engineers–Civil Works 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. Army Corps of Engineers compliance with laws and regulations. We will provide oversight and review Kearney’s audit work, but Kearney will be responsible for expressing the opinion on the financial statements and related notes.

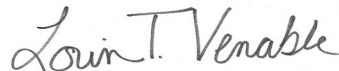
We request that you designate two points of contact for this oversight project within **5 days** of this memorandum. One point of contact should be a Government employee—a GS-15, pay band equivalent, or military equivalent—who is knowledgeable of the financial statements related to the objective. The second point of contact should be a member of the Senior Executive Service or a General/Flag Officer who is familiar with the financial statements related to the

objective and could serve as a point of engagement with DoD Office of Inspector General senior leaders, if necessary. Send each contact's name, title, grade/pay band, phone number, and email address to [USACEAudit@dodig.mil](mailto:USACEAudit@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," November 13, 2024. Our website is [www.dodig.mil](http://www.dodig.mil).

If you have any questions, please contact [REDACTED]  
[REDACTED]

FOR THE INSPECTOR GENERAL:



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Assistant Inspector General for Audit  
Financial Management and Reporting