



Six Challenges

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(Financial Management & Comptroller)



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Office of the Assistant Secretary of the Army
(Financial Management & Comptroller) (OASA(FM&C))

*Accountability & Audit Readiness:
Sustaining Army's Strength*



GAO's Six Challenges to Army Auditability

- Sustaining continuous leadership
- Competent FM workforce
- Accountability and oversight
- Well-defined business architecture
- Sound & compliant Systems
- Internal Controls



Sustaining Continuous Leadership

Secretary of Defense Directive in October 2011

- Accelerated the SBR deadline to 2014.
- Increased emphasis on E&C of assets.
- Ensured mandatory training for audit efforts.
- Established a certification program for financial managers.



Active Engagement and Directive Memoranda from SA, CSA, ASA(FM&C)



SA

“Army leaders shall be held accountable in their performance plans for transacting the Army’s business in an audit compliant manner.”



CSA

“Responsible stewardship of taxpayer resources and operating business processes within an effective control environment are consistent with high standards of military readiness ...”

Army Audit Readiness Strategy



Building a Competent Workforce

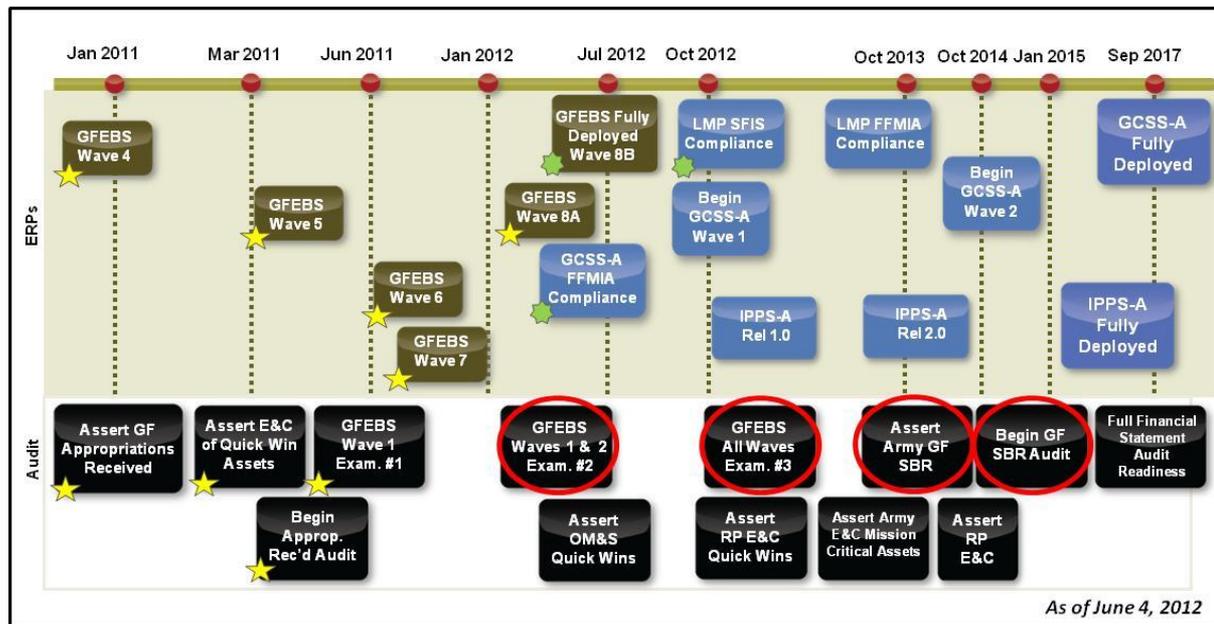
- Secretary of Defense Directive in October 2011 (Certification Program)
- Command And Installation Audit Readiness Guide
- Audit Readiness Business Process Training
- Annual FIP Workshop
- FIP Report Newsletter
- AKO Audit Readiness Site





Well-Defined Architecture / ERP Systems

- OBT and PEO-EIS actively engaged
- ERP auditability assessments:
 - The Federal Financial Management Improvement Act
 - Federal Information System Controls Audit Manual



Complete
 In Process
 Affected by SECDEF 2014 directive



- **Participation in OSD Governance**
- **Army Governance**
- **SES Performance Plan Requirement**
26 May 2011 ASA(FM&C) memo.
- **In-Process Reviews (GS-14/15)**
- **Audit Committee (SES/GO)**
Membership expanded to ACOMs and IMCOM this year.
- **Internal Review Workgroup**
IR representatives brought together quarterly to discuss and address audit readiness challenges.
- **Commander's Checklist** – Your Commander's Report Card to SA and CSA.





Internal Controls

What The Boss Checks Gets Done

Entity		Internal Auditor
Federal Government	➔	Government Accountability Office
Department of Defense	➔	Inspector General
Army	➔	Army Audit Agency
Commands	➔	Internal Review

- Installation-level assessments
- Corrective action implementation
- Business process and controls training
- Leveraging IR to assess controls and corrective actions

- Instilling discipline and compliance with current policies
- Automation through ERPs
- Commander's Audit Readiness Checklist/Commander's Assessment