

Financial Reporting Risks	Outcomes Demonstrating Audit Readiness	Key Supporting Documents	Suggested Test Procedures
<b>Unobligated Balance, Brought Forward</b>			
UB.5	IT General and Application Controls may not be appropriately designed or operating effectively (FISCAM)	All material systems achieve the relevant FISCAM IT general- and application-level general control objectives.	See FIAR Guidance Section 3.D.2, "Systems (IT) Controls," for additional details related to IT General and Application Controls audit readiness activities

**Balance by Reporting Entity – Unpaid Obligations**

The following reporting entities comprise the balance brought forward in the Unpaid Obligations line item (line item 3000) on the Statement of Budgetary Resources.

Reporting Entities	FY 2015 Balance	% of Total
<b>OMB Designated Audit</b>		
Army GF	\$ 111,937,127,892	26.0%
Air Force GF	78,988,540,289	18.3%
Navy GF	101,021,507,728	23.4%
Marine Corp GF	9,644,423,172	2.2%
Navy WCF	12,305,935,185	2.9%
Air Force WCF	6,605,017,342	1.5%
Army WCF	7,143,398,060	1.7%
Marine Corp WCF	268,897,848	0.1%
Military Retirement Fund	4,540,647,484	1.1%
USACE – Civil Works Program	8,041,864,339	1.9%
<b>Subtotal - OMB Design. Audit</b>	<b>\$ 340,497,359,340</b>	<b>79.0%</b>
<b>DoD Designated Audit</b>		
DHA - Contract Resource Mgmt	\$ 1,376,397,615	0.3%
DHA – Comptroller FOD	1,215,895,456	0.3%
DHA - USUHS	381,946,043	0.1%
DHA - SMA/Army	6,628,488,998	1.5%
DHA - SMA/Navy	2,223,083,342	0.5%
DHA - SMA/Air Force	1,828,444,419	0.4%
DHA - SMA/NCR	672,870,431	0.2%
MERHCF	941,208,085	0.2%
DLA WCF	22,552,926,861	5.2%
DLA GF	909,812,056	0.2%
DLA Strategic Materials	27,564,926	0.0%
DoD Component Level Accounts	11,385,073,518	2.6%
U.S. Special Operations Command	6,372,938,178	1.5%
DISA WCF	3,422,382,069	0.8%
DISA GF	1,243,246,264	0.3%
TRANSCOM - Air Mobility Command	1,113,469,269	0.3%
TRANSCOM - Military SDDC	444,201,161	0.1%
TRANSCOM - Military Sealift Command	296,756,284	0.1%
TRANSCOM - Command Staff	78,692,143	0.0%
TRANSCOM - Defense Courier Division	2,446,276	0.0%
DeCA WCF	620,199,126	0.1%
DeCA GF	304,984,722	0.1%
DFAS WCF	213,594,237	0.0%
Defense Contract Audit Agency	81,154,689	0.0%
<b>Subtotal - DoD Design. Audit</b>	<b>\$ 64,337,776,167</b>	<b>14.9%</b>
<b>DoD Designated Examination</b>		
Washington Headquarters Services (WHS)	\$ 539,583,269	0.1%
WHS - Office of the SecDef	4,820,758,967	1.1%
WHS - Pnt Res Mtn Rev Fund & PFFA	352,038,496	0.1%
WHS - Building Maintenance Fund	120,140,384	0.0%

Reporting Entities	FY 2015 Balance	% of Total
WHS - DoD Test Resource Mgmt Ctr	217,436,957	0.1%
WHS - Civilian Military Program	133,914,140	0.0%
WHS - U.S. Court of Appeals, A.F.	3,373,926	0.0%
WHS - Defense Legal Services Agency	100,112,743	0.0%
Missile Defense Agency	5,395,948,766	1.3%
Defense Security Cooperation Agency	336,354,741	0.1%
DoD Education Activity	2,194,228,874	0.5%
DARPA	2,237,637,327	0.5%
Other TI-97 Funds - Army	2,168,380,278	0.5%
Chemical Biological Defense Program	1,185,469,230	0.3%
Defense Contract Mgmt Agency	217,642,147	0.1%
Defense Threat Reduction Agency	1,140,150,264	0.3%
Joint Staff (includes NDU)	449,400,271	0.1%
<b>Subtotal - DoD Design. Exam</b>	<b>\$ 21,612,570,780</b>	<b>5.0%</b>
<b>DoD Non-material Reporting Entities</b>		
Other Reporting Entities	4,543,680,142	1.1%
<b>Total</b>	<b>\$ 430,991,386,429</b>	<b>100.0%</b>

Source: FY 2015 Reporting Entity DDRS-AFS Statements of Budgetary Resources

**Line Item Audit Readiness Considerations – Unpaid Obligations**

The following table presents financial reporting risks, Outcomes Demonstrating Audit Readiness and KSDs specific to SBR Balances Brought Forward for Unpaid Obligations (SBR line item 3000). In order to assert audit readiness for this line item, reporting entities must demonstrate that effective controls are in place to achieve the Outcomes Demonstrating Audit Readiness relative to the risk associated with the assertion (as noted in the table). The suggested test procedures can be used to test key controls operating within the business processes affecting the SBR Balances Brought Forward for Unpaid Obligations and to assess the availability of KSDs that support the controls and amounts recorded.

Financial Reporting Risks	Outcomes Demonstrating Audit Readiness	Key Supporting Documents	Suggested Test Procedures
<b>Unpaid Obligations, Brought Forward</b>			
UO.1 Recorded Unpaid Obligations, Brought Forward may not exist at a given date, do not pertain to the reporting entity, or may be improperly classified and summarized (Wave 2 – SBR, ROMM #7) (E)	Recorded Unpaid Obligations, Brought Forward from prior periods represent events that actually occurred and are properly summarized and classified in the financial statements (Wave 2 – SBR, FRO #53)	Comparative financial statements SF 133 Invoices Contracts MIPRs Supporting documentation evidencing the beginning balances of FBWT and Delivered Orders-Unpaid	Trace the current year Unpaid Obligations, Brought Forward to the prior year Unpaid Obligations, End of Year and determine if amounts agree  Determine whether amounts contained in prior year Unpaid Obligations, End of Year were paid in the prior year or require an adjustment pertaining to a prior period  Compare Unpaid Obligations, Brought Forward to the final SF 133 from the prior year

Financial Reporting Risks	Outcomes Demonstrating Audit Readiness	Key Supporting Documents	Suggested Test Procedures
<b>Unpaid Obligations, Brought Forward</b>			
UO.2	Valid Unpaid Obligations, Brought Forward are not recorded or are improperly summarized (Wave 2 – SBR, ROMM #22) (C)	All valid Unpaid Obligations, Brought Forward are recorded and are properly summarized (Wave 2 – SBR, FRO #48)	Unpaid invoices/billing documents Contracts MIPRs Supporting documentation evidencing the beginning balances of FBWT and Delivered Orders-Unpaid
UO.3	Unpaid Obligations, Brought Forward are recorded at incorrect amounts, or valued on an inappropriate basis, or measured improperly (Wave 2 – SBR, ROMM #35) (V)	Unpaid Obligations, Brought Forward are valued on an appropriate basis and are properly classified and described in the financial statements (Wave 2 – SBR, FRO #54)	Comparative financial statements SF 133 Invoices Contracts MIPRs Supporting documentation evidencing the beginning balances of FBWT and Delivered Orders-Unpaid Account Reconciliations
UO.4	The reporting entity does not have an obligation for recorded Unpaid Obligations, Brought Forward (Wave 2 – SBR, ROMM #45) (R)	The reporting entity has an obligation for recorded Unpaid Obligations, Brought Forward (Wave 2 – SBR, FRO #53)	Invoices Contracts MIPRs
UO.5	IT General and Application Controls may not be appropriately designed or operating effectively (FISCAM)	All material systems achieve the relevant FISCAM IT general- and application-level general control objectives	See FIAR Guidance Section 3.D.2, "Systems (IT) Controls," for additional details related to IT General and Application Controls audit readiness activities

**Balance by Reporting Entity – Uncollected Payments, Federal Sources**

The following reporting entities comprise the balance brought forward in the Uncollected Payments, Federal Sources line item (line item 3060) on the Statement of Budgetary Resources.

Reporting Entities	FY 2015 Balance	% of Total
<b>OMB Designated Audit</b>		
Army GF	\$ (26,393,857,938)	34.1%
Air Force GF	(2,348,722,765)	3.0%
Navy GF	(3,165,958,158)	4.1%
Marine Corp GF	(108,298,297)	0.1%
Navy WCF	(12,323,509,628)	15.9%
Air Force WCF	(4,148,694,015)	5.4%