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### Upcoming Events

- ✧ September 5 – FIAR ODO Committee Meets
- ✧ September 12 – FIAR Governance Board Meets
- ✧ September 27 – Deputy’s Management Action Group Meets

### Connect

- ✧ Join the FIAR Group on milBook at the CAC-enabled site <https://www.milSuite.mil/book/groups/fiar>
- ✧ Visit the FIAR Directorate’s website at <http://comptroller.defense.gov/FIAR> for links to FIAR Guidance and other tools, including past issues of Defense Audit Readiness News
- ✧ Become a FIAR Planning Tool user by emailing the [FIAR Support Team](#)

*The first week of August brought the welcome news from Secretary Hagel that the furloughs would end early. These past several weeks have been hard on everyone, both in terms of the workload that may have backed-up and, more so, the personal financial impact. I wish I could say with certainty that the worst of it is over, but until the budget environment stabilizes, we have to remain flexible in our work, continue to look for efficiencies, and streamline processes where possible.*

*One thing is for sure, our audit readiness priorities and goals have not changed. In fact, audit readiness takes on even more importance as the Department looks for ways to meet budget challenges. And as you will see in the new video message from Secretary Hagel, described in the first news story, leadership commitment is stronger than ever.*

*This issue of Defense Audit Readiness News covers both August and September, but we will be back in October with our Year in Review issue. I hope everyone has a safe and happy end of unofficial summer. Thank you for all you do!*

*Mark Easton,  
Deputy Chief Financial Officer*

### ✧ **Secretary Hagel Delivers Call to Action Message**

Secretary Hagel put an exclamation point at the end of “audit readiness by 2014” by recording a video message reaffirming his strong commitment. “Being able to audit this Department’s finances is a high priority for me and for the Department’s senior leadership. It should also be a high priority for each of us,” the Secretary said.

The video message gives financial managers a new tool for reigniting the urgency of audit readiness within their commands and offices. The Secretary emphasizes the need to do things “more efficiently and effectively” in this “era of reduced resources.” He stresses the approaching audit dates and adds, “To

deal with the financial challenges that lie ahead, we must get our books and records prepared for audit ready financial statements. Audits must be a high priority for DoD.”

Here are 5 ways you can use the Secretary’s message to raise awareness and drive home the fact that audit readiness is a Department-wide priority:

1. Embed the Secretary’s message on your office’s homepage
2. Add to the bottom of your DoD email signature block this link to the video [http://comptroller.defense.gov/fiar/images/SECDEF\\_Audit\\_Readiness.wmv](http://comptroller.defense.gov/fiar/images/SECDEF_Audit_Readiness.wmv)
3. Begin your next staff meeting by showing the video
4. Forward this newsletter to non-financial managers adding a personal note to check out the new SECDEF video
5. Post the video to your DoD-sanctioned Facebook page



Secretary of Defense Chuck Hagel delivers audit readiness message.

The full video is available through the FIAR Directorate website at <http://comptroller.defense.gov/fiar/index.html> and through the Comptroller public website at <http://comptroller.defense.gov/>. To share a link, right click on the video and select “Copy Shortcut.” A transcript is also available on the FIAR Group’s blog on milBook.

### ❖ **Work Begins on Next FIAR Plan Status Report**

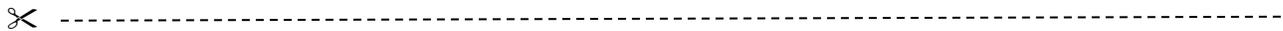
November 15 will be here before you know it—that’s the date the Department’s semi-annual FIAR Plan Status Report is next due to Congress. Unlike past reports, which have shown how the audit readiness effort has evolved, the November FIAR Report will emphasize what remains to be done to achieve an audit ready Schedule of Budgetary Activity by September 30, 2014, and how the Department is preparing for FY 2015 audits. Accomplishments and lessons learned will also be highlighted to demonstrate the Department’s sustainment efforts.

Alaleh Jenkins, Acting Director of the FIAR Directorate, issued the data call to the Military Departments, Service Providers, and other Defense organizations that contribute to the FIAR Report. Due to furloughs, the Components were all given an additional week to compile and submit information. A separate data call to update ERP information is being issued. Due dates for submissions to the report are staggered with input from the Military Departments being due September 10. Formal coordination runs from October 9 through October 23.

The Accomplishments and Progress section will include audit readiness success stories that have a Department-wide impact, such as the Financial Management Certification Program. If you have an idea for this section or a success story you would like to submit for consideration, please contact your Component’s financial management office or the FIAR Directorate.

**✧ New Email Addresses for OSD**

All OSD email accounts recently migrated from osd.mil to DISA and now have a mail.mil domain name. The standard format of the addressee’s name also changed, with many now requiring a middle initial. As a result, all email assigned to OSD personnel as well as general inquiry email boxes have a new address. Be sure to search the Global Directory and update your contacts list accordingly. We’ll continue to provide links in this newsletter for general audit readiness questions. Please also take note of the following:



Old Email Address	New Email Address
<b>Audit Readiness</b>	
AuditReadiness@osd.mil	<a href="mailto:osd.pentagon.ousd-c.mbx.audit-readiness@mail.mil">osd.pentagon.ousd-c.mbx.audit-readiness@mail.mil</a>
OfficeoftheDCFO@osd.mil	<a href="mailto:osd.pentagon.ousd-c.mbx.odcfo@mail.mil">osd.pentagon.ousd-c.mbx.odcfo@mail.mil</a>
<b>FIAR Planning Tool</b>	
FIARSupport@osd.mil	<a href="mailto:osd.pentagon.ousd-c.mbx.fiar-support-team@mail.mil">osd.pentagon.ousd-c.mbx.fiar-support-team@mail.mil</a>
FIARUsers@osd.mil	<a href="mailto:osd.pentagon.ousd-c.mbx.fiar-users@mail.mil">osd.pentagon.ousd-c.mbx.fiar-users@mail.mil</a>
<b>FIAR Training</b>	
FIAR-Training-Requests@osd.mil	<a href="mailto:osd.pentagon.ousd-c.mbx.fiar-training-requests@mail.mil">osd.pentagon.ousd-c.mbx.fiar-training-requests@mail.mil</a>
<b>FM Workforce</b>	
OUSDC.DODFMCertificationProgram@osd.mil	<a href="mailto:osd.pentagon.ousd-c.mbx.dod-fm-certification-program@mail.mil">osd.pentagon.ousd-c.mbx.dod-fm-certification-program@mail.mil</a>
OUSDC.FMmyLearn@osd.mil	<a href="mailto:osd.pentagon.ousd-c.mbx.fm-mylearn@mail.mil">osd.pentagon.ousd-c.mbx.fm-mylearn@mail.mil</a>
OUSDC.FMOnline@osd.mil	<a href="mailto:osd.pentagon.ousd-c.mbx.fm-online@mail.mil">osd.pentagon.ousd-c.mbx.fm-online@mail.mil</a>
OUSDC.FWMD@osd.mil	<a href="mailto:osd.pentagon.ousd-c.mbx.fwmd@mail.mil">osd.pentagon.ousd-c.mbx.fwmd@mail.mil</a>
<b>Manager’s Internal Control Program</b>	
OUSDC.MICPSupport@osd.mil	<a href="mailto:osd.pentagon.ousd-c.mbx.micp@mail.mil">osd.pentagon.ousd-c.mbx.micp@mail.mil</a>

❖ **Simply Put: Receipt and Acceptance**

A July 8 memorandum from Deputy Chief Financial Officer Mark Easton directed all reporting entities to have internal controls for evidencing proper receipt and acceptance of goods and services. To put that in plain English:

Receipt and Acceptance (R&A) means you have documentation that what you ordered matches what was received and was in acceptable condition.

R&A is one of those decentralized processes that occurs in hundreds of thousands of places. It must be done consistently and consistently well.

❖ **Snapshot**

Each Military Department has committed to interim milestones for achieving audit readiness for each major element or business process for the Statement of Budgetary Resources, such as civilian pay or contracts, and for addressing the existence and completeness of each major category of assets, such as general equipment or real property. The chart below gives a snapshot of the interim milestones on which the Services have successfully asserted audit readiness and how many remain.

Military Department	Completed As Of 1/31/2012	Completed As Of 6/30/2013	Completed As Of 7/31/2013	Future	Total
<b>Statement of Budgetary Resources</b>					
Army	2	3	3	1	4
Navy	2	7	7	5	12
Air Force	4	7	7	8	15
<b>Mission Critical Asset Existence and Completeness</b>					
Army	0	3	3	6	9
Navy	1	4	4	11	15
Air Force	3	5	5	8	13

Completed: cumulative milestones completed and approved by OUSD(C) (i.e., not returned for additional work).

Future: milestones to be completed in the future.

Total: total milestones to achieve auditability.

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