



COMPTROLLER

OFFICE OF THE UNDER SECRETARY OF DEFENSE

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March 27, 2024

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARIES OF THE MILITARY
DEPARTMENTS (FINANCIAL OPERATIONS)
CHIEF FINANCIAL EXECUTIVES OF THE DEFENSE AGENCIES
AND FIELD ACTIVITIES

SUBJECT: Reporting Guidance for Aggregated Cases for Contingent Legal Liabilities

Reference: Government Accountability Office Financial Audit Manual, Volume 2, May 2023

The Department of Defense (DoD) Office of Inspector General identified "Contingent Legal Liabilities" as a material weakness in its November 15, 2023, Independent Auditor's Report on the DoD for Fiscal Year 2023. This memorandum provides guidance on categories to use when aggregating contingent legal liabilities information provided by legal counsel, to establish a consistent methodology for the aggregation of similar cases by DoD Components during Management Schedules of Information (MSIs) preparation. The guidance applies to the aggregation of information about individual matters provided by legal counsel in legal representation letter submissions and any separate, periodic contingent legal liability reporting provided by legal counsel management. Use the categories in the table below to aggregate individual matters not listed individually:

Table with 1 column and 8 rows: Contingent Legal Liabilities Aggregated Case Categories. Rows include Labor and Employment Law Cases, Tort Cases, Contract Litigation, Environmental Cases, Intellectual Property Cases, Real Property Cases, and Other Cases.

My staff point of contact for this this guidance is Ms. Jung Walley at 703-302-9450 or jung.h.walley.civ@mail.mil.

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