

Congress of the United States
Washington, DC 20515

April 20, 2015

The Honorable Ashton B. Carter
Secretary
U.S. Department of Defense
1000 Defense Pentagon
Washington, D.C. 20301-1300

Dear Secretary Carter,

The Department of Defense is currently the only federal agency that fails to comply with the Chief Financial Officers Act of 1990 which requires Federal agencies to pass an annual audit. The importance and necessity of auditable financial statements within the Department of Defense is an issue that draws broad bipartisan support, and frustration has understandably mounted at the Department's failure to achieve this statute.

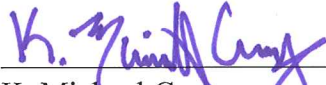
However, while much of the Department's audit history is one riddled with half measures and unattained deadlines, in recent years the DoD has made considerable strides toward achieving auditability. Amongst several factors, we have found that these advancements were due to the leadership from the Secretary of Defense. Strong departmental leadership will be essential to capitalizing on the gains made in order to meet the remaining two statutory audit deadlines.

The DoD's Financial Improvement and Audit Readiness (FIAR) Plan states that the DoD shall validate the audit readiness of all financial statements by September 30, 2017, in compliance with law. Upon completion of audit readiness, the Department must audit their FY18 financial books and submit the results to Congress no later than March 31, 2019. The FIAR Plan builds upon years of gradual advances towards full DoD audit, and after several years this plan is now producing positive results. As noted, the auditability progress made thus far is due, in large part, to the priority both Secretary Panetta and Secretary Hagel placed on achieving financial transparency within the DoD. Secretary Panetta first set a 2014 end date for the Statement of Budgetary Resources to be audit ready, which aggressively accelerated the DoD's financial improvement plans, sending a clear signal to the Department that audit is a priority and here to stay. Secretary Hagel recognized audit achievements by the USMC and implemented the Department's Financial Management Certification Program to build institutional knowledge on auditability. With these 2017 and 2019 statutory deadlines fast approaching, momentum must be maintained through continued leadership at the highest levels.

As the new Secretary of the Department of Defense, we respectfully request an outline of how you intend to support the objectives of the FIAR plan and move the Department towards full financial auditability. The Department of Defense has made it too far to lose ground during

transition, and we ask you for reaffirmed leadership and commitment to the Department's financial management and auditability.

Sincerely,



K. Michael Conaway
Member of Congress



Timothy Walz
Member of Congress



Ralph Abraham, M.D.
Member of Congress



Brad Ashford
Member of Congress



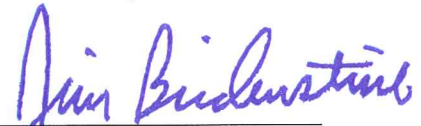
Joe Barton
Member of Congress



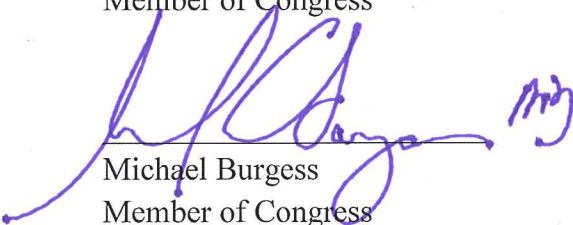
Kevin Brady
Member of Congress



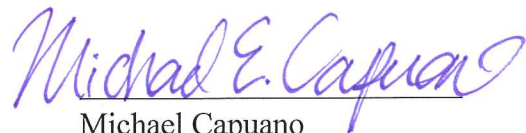
Earl Blumenauer
Member of Congress



Jim Bridenstine
Member of Congress



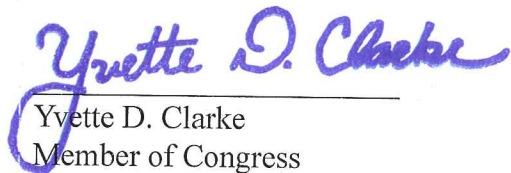
Michael Burgess
Member of Congress



Michael Capuano
Member of Congress



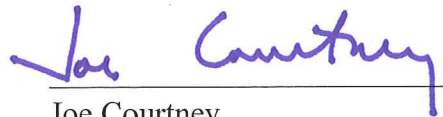
John R. Carter
Member of Congress



Yvette D. Clarke
Member of Congress



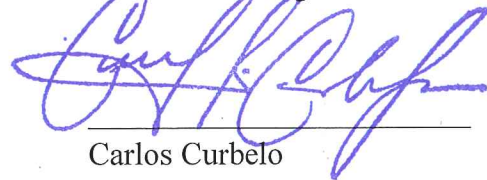
Mike Coffman
Member of Congress



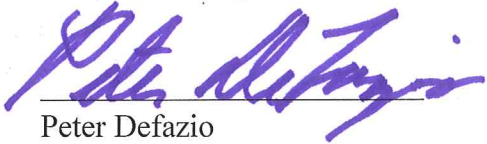
Joe Courtney
Member of Congress



John Culberson
Member of Congress



Carlos Curbelo
Member of Congress



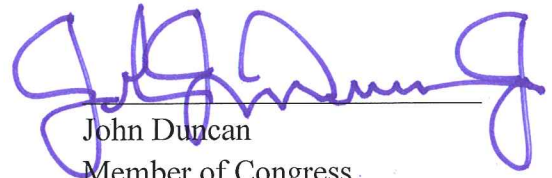
Peter Defazio
Member of Congress



Ron DeSantis
Member of Congress



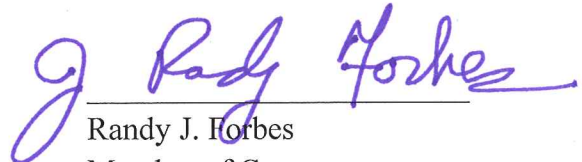
Tammy Duckworth
Member of Congress



John Duncan
Member of Congress



Bill Flores
Member of Congress



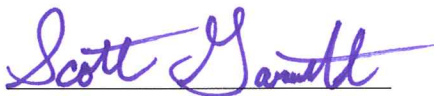
Randy J. Forbes
Member of Congress



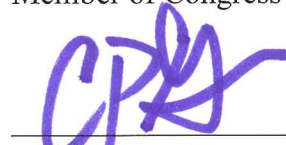
Virginia Foxx
Member of Congress



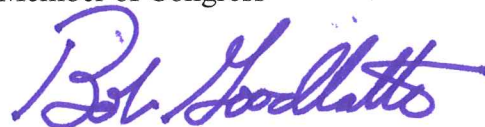
Tulsi Gabbard
Member of Congress



Scott Garrett
Member of Congress



Christopher Gibson
Member of Congress



Bob Goodlatte
Member of Congress



Paul A. Gosar
Member of Congress

Vicky Hartzler

Vicky Hartzler
Member of Congress

Jeb Hensarling

Jeb Hensarling
Member of Congress

Michael Honda

Mike Honda
Member of Congress

Richard Hudson

Richard Hudson
Member of Congress

Duncan Hunter

Duncan Hunter
Member of Congress

Will Hurd

Will Hurd
Member of Congress

Darrell Issa

Darrell Issa
Member of Congress

Sam Johnson

Sam Johnson
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Walter B. Jones

Walter B. Jones
Member of Congress

Steve Knight

Steve Knight
Member of Congress

Ann Kuster

Ann Kuster
Member of Congress

Michael McCaul

Michael McCaul
Member of Congress

Grace Meng

Grace Meng
Member of Congress

Jeff Miller

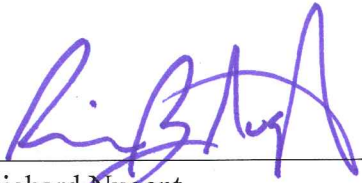
Jeff Miller
Member of Congress

Patrick Murphy

Patrick Murphy
Member of Congress

Richard Nolan

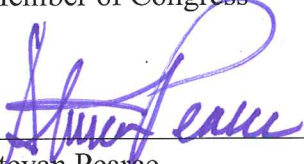
Richard Nolan
Member of Congress



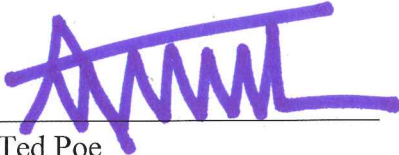
Richard Nugent
Member of Congress

Beto O'Rourke.

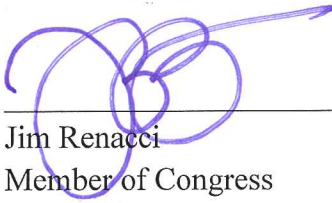
Beto O'Rourke
Member of Congress



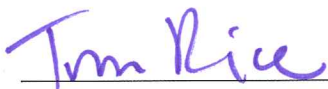
Stevan Pearce
Member of Congress



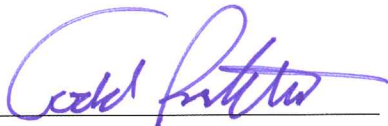
Ted Poe
Member of Congress



Jim Renacci
Member of Congress



Tom Rice
Member of Congress



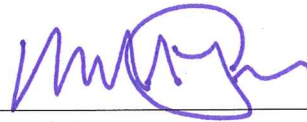
Todd Rokita
Member of Congress



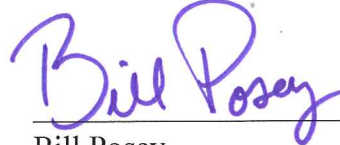
Pete Olson
Member of Congress



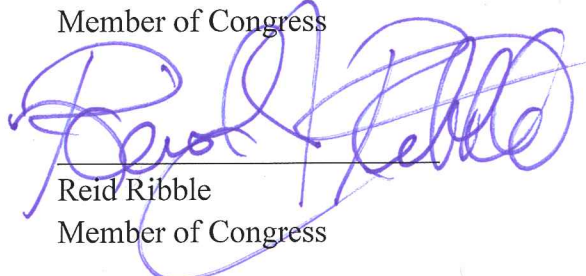
Steven Palazzo
Member of Congress




Mark Pocan
Member of Congress



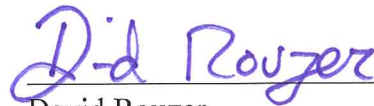
Bill Posey
Member of Congress



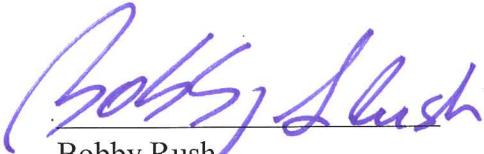
Reid Ribble
Member of Congress



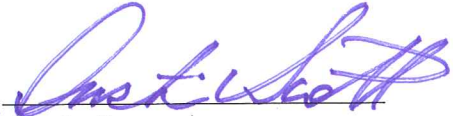
Scott Rigell
Member of Congress



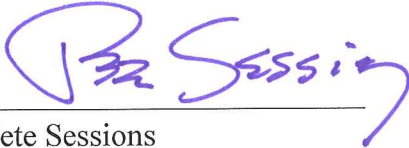
David Rouzer
Member of Congress



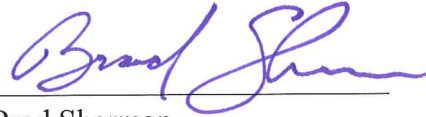
Bobby Rush
Member of Congress



Austin Scott
Member of Congress



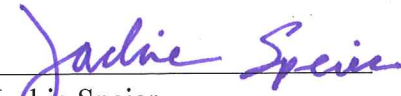
Pete Sessions
Member of Congress



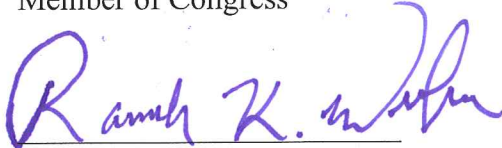
Brad Sherman
Member of Congress



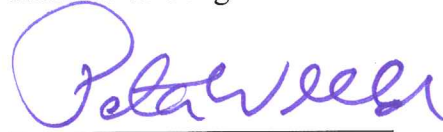
John Shimkus
Member of Congress



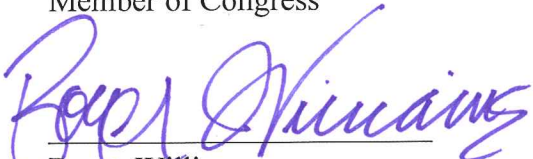
Jackie Speier
Member of Congress



Randy K. Weber
Member of Congress



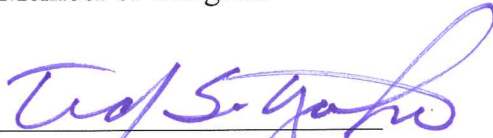
Peter Welch
Member of Congress



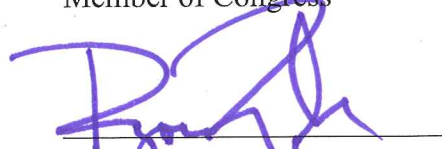
Roger Williams
Member of Congress



Rob Wittman
Member of Congress



Ted Yoho
Member of Congress



Ryan Zinke
Member of Congress


Steve Russell
Member of Congress